Governance

Corporate Governance

⇩ Basic Stance on Corporate Governance)   ⇩ Basic Stance on Internal Control System

Basic Stance on Corporate Governance

As a resolution of the Board of Directors meeting held in December 2015, Fujitsu established the " Corporate Governance Policy" to define the company's basic stance on corporate governance. This Policy has been deliberated and established to best fit the present company conditions; however, considering the objective of corporate governance—that is, to conduct a better management—the company strives for a continuous review for the Policy not being too rigid and not losing substance as well as discussions on the Policy in the Board of Directors Meeting from time to time to maintain the best corporate governance structure. The following URL contains the latest version of the December 2018 revision.
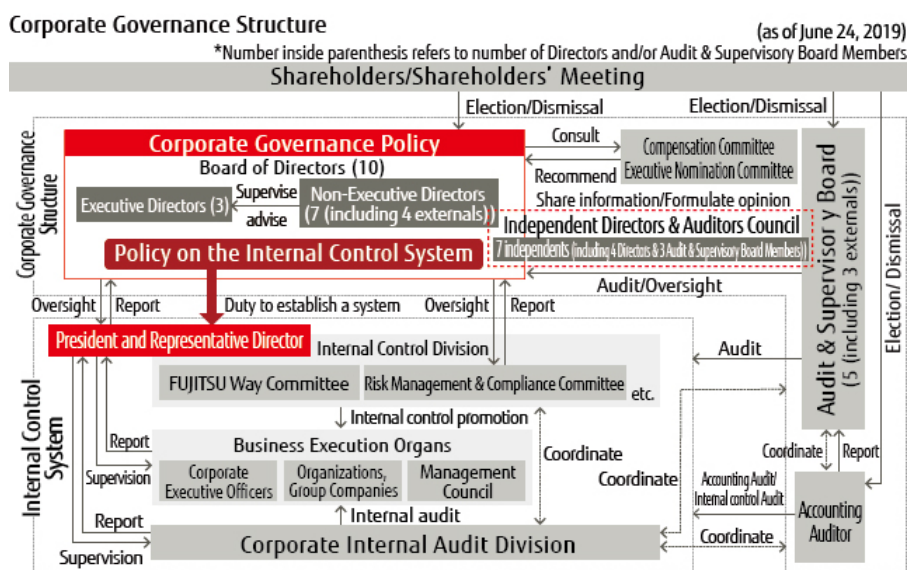
- Corporate Governance Policy
  https://www.fujitsu.com/global/documents/about/ir/library/governance/governancereport-b-en.pdf

Overview of Corporate Governance Structure (as of June 24, 2019)

The Company has established rules for the purpose of effectively supervising and advising the diverse perspectives of outside directors (hereinafter referred to as "outside directors and outside directors"). Conduct business operations as a member of the Board of Directors while utilizing the Company by the Board of Corporate Auditors system.
For more information on" Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions"and "Reasons for adoption of Current Corporate Governance System" , please see the following URL.
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- Corporate Governance Report
  II 2, Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)
  II 3, Reasons for Adoption of Current Corporate Governance System
  https://www.fujitsu.com/global/documents/about/ir/library/governance/governancereport-en.pdf

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Fujitsu Group Sustainability Data Book 2019

Policy on the Determination of Executive Compensation
　Compensation of Directors and Audit & Supervisory Board Members is determined in accordance with the Executive Compensation Policy below, which was determined by the Board of Directors following the recommendation by the Compensation Committee..

- Reports on the 119th Business Period
  Executive Compensation Policy
  https://www.fujitsu.com/global/documents/about/ir/library/reports/Report119.pdf　(p.17)

Basic Stance on Internal Control System

To continuously increase the corporate value of the Fujitsu Group, it is necessary to pursue management efficiency and control risks arising from business activities. Recognizing this, Fujitsu is working toward the practice and penetration of the FUJITSU Way, the basic principles behind the Fujitsu Group's conduct. At the same time, the Board of Directors has articulated the Policy on Internal Control Framework as systems and rules to pursue management efficiency and control the risks arising from the Company's business activities.
For more information on "Full Text of Policy on the Internal Control System" and "Overview of the Operation on the System for Ensuring the Properness of Fujitsu Group Operations," please see the following URL.

- Disclosed Information on the Internet at the Internet at the Time of Notice of the 119th Annual Shareholders' Meeting
  https://www.fujitsu.com/global/Images/notice119b.pdf　(P.3-P.7)

Risk Management

Risk Management Guidelines

Through its global activities in the information technology sector, the Fujitsu Group continually seeks to increase its corporate value and to 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 & compliance structure for the entire group and we are committed to its ongoing implementation and improvement.
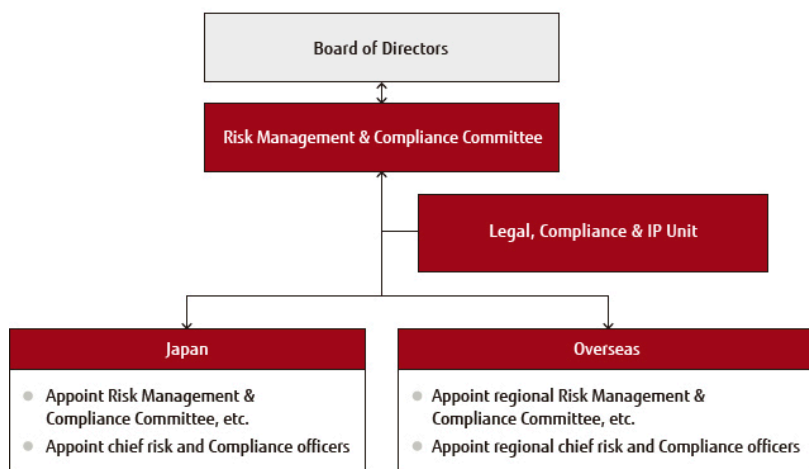
Risk Management & Compliance Structure

To prevent potential risks of business-related loss from transforming into actual risks, and to respond appropriately to and prevent the recurrence of any risks, the Fujitsu Group has established a 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 to group companies in Japan and overseas. In April 2016, we established Regional Risk Management & Compliance Committees. These organizations collaborate to build a risk management & 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 the risk management regulations and guidelines, then applies them and reviews them on an ongoing basis.

**Risk Management & Compliance Structure**

Risk Management Reviews

The Risk Management & Compliance Committee, which maintains regular communications with Risk Management Compliance Officers, identifies, analyzes and assesses the risks associated with business activities. It also checks the progress of measures

designed to avoid, mitigate, transfer and accept major 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.

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 fault or defect, system or service problem, compliance violation, information security breach or environmental problem, the department or group company concerned reports immediately to the Risk Management & Compliance Committee.

This committee then coordinates with the related departments 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.

Risk Management Process
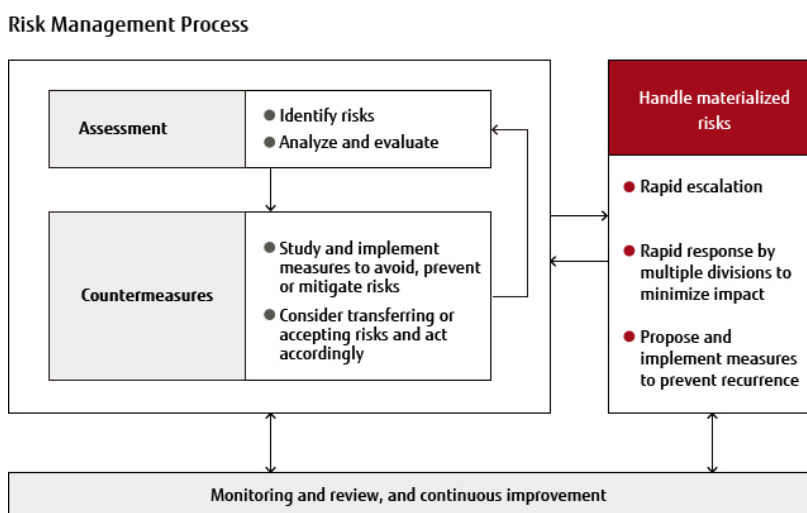
Business Risks

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

Major Business Risks（***1**）	
• 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

*1   These are just some examples of the risks associated with doing business. More detailed risk-related information can be found in our securities and other reports.
https://pr.fujitsu.com/jp/ir/secreports/

Please refer to the web page below for detailed risk information in accordance with our Task Force on Climate-Related Financial Disclosures (TCFD) declaration.

"Response to Environmental Risks"
https://www.fujitsu.com/global/about/environment/management/ems/risk/

Risk Management Education

To enforce risk management across the entire Fujitsu Group, we conduct education and training at every level.
These programs are targeted at newly appointed executives and managers, as well as Risk Management Compliance Officers, and educate them on our basic approach to risk management and our rules for promptly escalating issues to the Risk Management & Compliance Committee. The programs present specific instances of problems with products, services, and information security, with the aim of continually improving participants' awareness of risk management and enhancing their capacity to respond to risks.
Please refer to the "Results for FY2018" section at the end of this document for information on education outcomes for FY2018.

Group-Wide Disaster Management

The basic policy of Fujitsu and its group companies in Japan is to ensure the safety of staff and facilities when disasters occur, to minimize harm and to prevent secondary disasters. We also aim to ensure that business operations resume quickly, and that we can assist in disaster recovery for our customers and suppliers. To this end, we are building robust collaborative structures in our internal organizations and strengthening our capacity for business continuity.
In particular, we are working to build "area-based disaster management systems" that enable the group offices in each region to cooperate effectively and also to encourage responses via the management structures in each business unit and group company. To verify the efficacy of our disaster management systems and enhance our response capabilities, we conduct drills tailored to every level, from the entire company through to task forces, workplaces and even individuals. We also implement voluntary inspections and verification activities to prevent accidents and minimize the level of harm in each of our facilities. These efforts enable us to accurately identify existing issues, review and implement measures to address those issues, and work toward continually improving our capacity to prepare for disasters and sustain our business operations.
For more information on our Group-wide disaster management, joint disaster response drills and verification activities, please refer to the PDF listed below in the activity outcomes for FY2018 in the "Results for FY2018" section at the end of this document.

- Group-wide disaster management, joint disaster response drills, verification activities
  https://www.fujitsu.com/global/documents/about/csr/riskmanagement/Group_Wide_Disaster_Management_20190628v1.pdf

Business Continuity Management

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, disruptive incidents or accidents, and pandemics involving infectious diseases.
To ensure that Fujitsu and its group companies in Japan can continue to provide a stable supply of products and services offering the high levels of performance and quality 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. Through the BCM process, the lessons learned in the course of the Great East Japan Earthquake and the 2016 Kumamoto earthquake are now reflected in our BCP.
For more information on our BCM activities, infectious disease countermeasures and BCM in our supply chain, please refer to the PDF listed below in the activity outcomes for FY2018 in the "Results for FY2018" section at the end of this document.

- BCM activities, infectious disease countermeasures, supply chain BCM
  https://www.fujitsu.com/global/documents/about/csr/riskmanagement/BCM_20190624v1.pdf

Results for FY2018

Risk Management Education

- Fujitsu Group new executive training: Approximately 90 people
  Uses specific examples to illustrate key points that new executives need to take note of, including internal regulatory systems and issues relating to risk management and compliance.
- Fujitsu Group new manager training: Approximately 700 people
  An e-learning course that covers areas such as the basic approach to risk management and the role of managers regarding risk management.
- Training for Japan-based Fujitsu and group company staff prior to assignment outside Japan: 10 sessions
  Provides employees assigned to roles outside Japan with information and training in advance on Fujitsu's risk management systems and the key points of overseas-specific risks and how to deal with those risks.

Disaster Management & BCM Training

- Joint disaster response drills: Theme for FY2018 - "Nankai Trough Megathrust Earthquake"
  During Japan's annual Disaster Preparedness Week, held every September, we conduct nationwide disaster response drills that incorporate mock disaster exercises. These drills are used to ensure and verify that Fujitsu and its group companies in Japan are fully versed in the essentials of dealing collaboratively with major disasters. (Proposed scenarios include "Tokyo Inland Earthquake" and "Nankai Trough Megathrust Earthquake")

Information Security

Policy

The Fujitsu Group places ICT as our core business. Our corporate vision is to contribute to creating a safe, pleasant, networked society, we work to ensure and improve the level of information security throughout the Group.
In April 2016, we established the Fujitsu Group Information Security Policy (*1) in order to share this vision and encourage action by each employee. Based on this policy, we are implementing information security measures, along with establishing internal rules related to information management and ICT security at Group companies in Japan and overseas.

*1   Complete text of the Fujitsu Group Information Security Policy (Global Security Policy)
        https://www.fujitsu.com/global/imagesgig5/InformationSecurityPolicy_en.pdf

KEIDANREN, otherwise known as the Japan Business Federation, announced its Declaration of Cyber Security Management in March 2018. The Fujitsu Group supports KEIDANREN's declaration as being consistent with principles set forth in the Fujitsu Cyber Security Declaration (November 2016).

- KEIDANREN's DECLARATION OF CYBER SECURITY MANAGEMENT
  https://www.keidanren.or.jp/en/policy/2018/018.pdf
- The Fujitsu Declaration on Cybersecurity
  https://www.fujitsu.com/global/documents/about/csr/security/Cybersecurity_declaration.pdf

Promotion Framework and Periodic Reviews

Given the recent increase in cyberattacks, the Fujitsu Group appointed a Chief Information Security Officer (CISO) under the authority of the Risk Management and Compliance Committee (*2) in order to further strengthen security measures in the Group. Moreover, in aiming to strengthen our global information security governance we have appointed Regional CISOs around the world.

Information Security Management Frameworks

*2   Message from the Fujitsu Group Chief Information Security Officer (CISO)
        (page 2)
        https://www.fujitsu.com/global/about/resources/reports/securityreport/
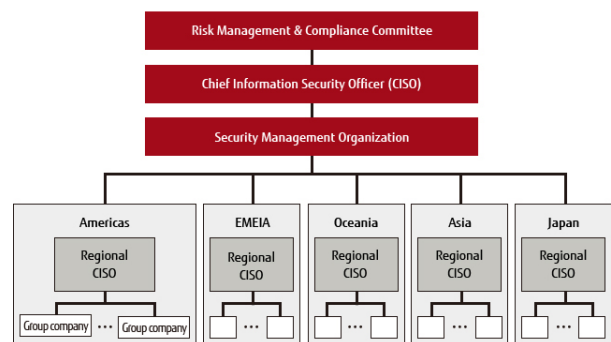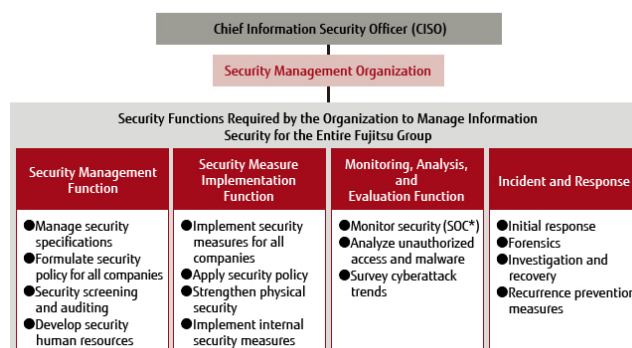
Regional CISOs report to the CISO on information security measures implemented by security teams at each group company. The CISO periodically reports to the Risk Management and Compliance Committee on the status of information security measures, and also makes additional reports whenever necessary.

Security Controls

Functions

In order to strengthen information security measures, the Fujitsu Group has established a Security Management Organization under the direct control of the CISO. The Security Management Organization implements controls by fulfilling the following functions: Security Management, Security Measure Implementation, Monitoring, Analysis, and Evaluation, and Incident and Response.

Security Management Organization Functions

Chief Information Security Officer (CISO)			
Security Management Organization			
Security Functions Required by the Organization to Manage Information Security for the Entire Fujitsu Group			
Security Management Function	Security Measure Implementation Function	Monitoring, Analysis, and Evaluation Function	Incident and Response
●Manage security specifications ●Formulate security policy for all companies ●Security screening and auditing ●Develop security human resources	●Implement security measures for all companies ●Apply security policy ●Strengthen physical security ●Implement internal security measures	●Monitor security (SOC*) ●Analyze unauthorized access and malware ●Survey cyberattack trends	●Initial response ●Forensics ●Investigation and recovery ●Recurrence prevention measures

*SOC: Security Operations Center

Information Management Training

To prevent information leaks, instead of simply informing our employees of the various rules and regulations, it is important to raise the security awareness and skill level of each individual employee. The Fujitsu Group holds information management training for employees. Specifically, we hold e-Learning for all employees (including executives) every year. We also provide information security education during training for new employees and employees being promoted. At overseas Group companies, we hold information security training for employees every year.

We also provide information security managers with special security training for managers.

e-Learning

Security Measures

Three Important Measures Incorporating the Concept of Defense in Depth

The cyberattacks in recent years are prime examples of targeted attacks. These attacks have an unprecedented level of sophistication, diversity, and complexity. It is no longer possible to achieve comprehensive defense by using single types of conventional security measures.

The basic concept of information security measures at the Fujitsu Group incorporates defense in depth. This refers to implementing multilayer protection via multiple measures, instead of seeking protection through a single measure. Defense in depth has three objectives: 1) to prevent attacks by establishing a multilayer defense wall, 2) to discover attacks at an early stage by establishing a multilayer detection function, and 3) to minimize damage in the event of infiltration.

Appropriate implementation of these objectives makes it possible to prevent attacks and minimize damage.

The Fujitsu Group implements the following three priority internal information security measures: 1) information management for protecting information, 2) cybersecurity which focuses on measures for protecting systems against cyberattacks, and 3) physical security which prevents unauthorized access to facilities such as offices and plants.

Conceptual image of "Defense in depth"
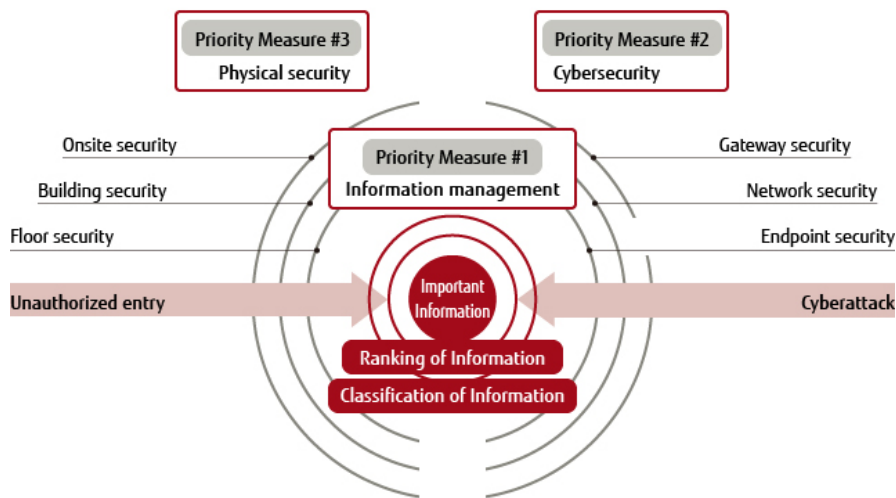
Cybersecurity

The Fujitsu Group implements separate measures at multiple layers based on network characteristics to prepare for cyberattacks. We are working to protect against increasingly sophisticated, diverse, and complex cyberattacks by combining gateway security measures, including firewalls and targeted attack measures; network security measures, such as unauthorized access detection; and endpoint security measures, including malware measures and security patch management.

Information Protection Management Systems

Fujitsu and its domestic Group companies implement autonomous activities at work sites to properly safeguard third-party confidential information and our confidential information. Specifically, these include establishing appropriate management and taking action to protect information. Activities are designed to match circumstances at different customers and clients; for example, we consider rules for different industries and business categories. We also conduct audits by in-house, third-party organizations. In this way, we work to build information protection management systems to confirm the status of initiatives and improve protection of information.

Information Protection Management Systems
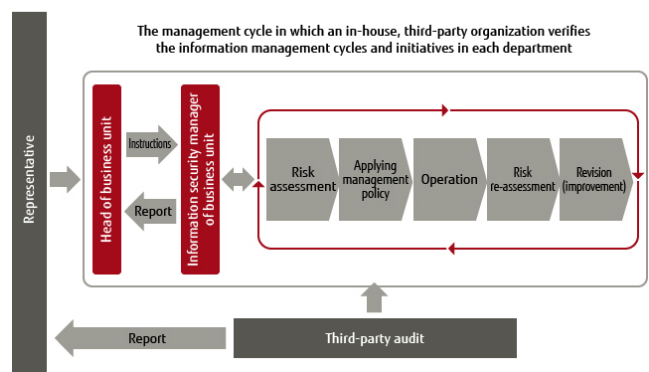
Personal Information Protection

As part of our efforts to protect personal information, Fujitsu acquired the PrivacyMark(*3) from JIPDEC in August 2007. We are also working to continually enhance our personal information protection, including annual training and audits on personal information handling.
Domestic Group companies also acquire the PrivacyMark as needed and implement thorough personal information management. Privacy policies based on the laws and social demands of each country are posted on the websites of overseas Group companies.

*3   The PrivacyMark is granted to business operators that appropriately handle personal information under personal information management systems that conform to JIS Q 15001:2006.

GDPR（*4）Response

Fujitsu has constructed a global personal information protection structure and is working to strengthen protection of personal data. Under the guidance of the CISO organization and legal business units, we have cooperated with entities such as the EMEIA region to develop guidelines and internal rules related to protection of individual rights in response to GDPR. We have also designed check sheets for the formulation, design, and initial setting of rules. Furthermore, we have updated the operation process with the rules and held employee training.

In response to regulations on transfer of personal data outside of the EU, we applied to the Dutch Data Protection Authority (DPA) in December 2017 for our Binding Corporate Rules for Processors (BCR-P), which are common rules established across the Fujitsu Group related to the handling of personal data that customers have entrusted to the Group for processing.

On January 23, 2019, the European Commission and Japan mutually recognized each other's data protection laws as providing an adequate level of protection. Based on this recognition, Fujitsu established internal rules related to the handling of personal information moved between regions, and spread awareness regarding those rules.

*4　General Data Protection Regulation (GDPR): The GDPR (EU regulations requiring companies, organizations, and groups to protect personal information) was enacted on May 25, 2018. It includes regulations on transferring personal data out of the European Economic Area and the obligation to report data leaks within 72 hours.

For details on other security measures, please refer to the Fujitsu Group Information Security Report 2018 (pages 8 to 13).
https://www.fujitsu.com/global/about/resources/reports/securityreport/

Information System Certification

The Fujitsu Group is actively working to acquire third-party evaluations and certifications in its information security initiatives.
- Third-Party Evaluation and Certification
  https://www.fujitsu.com/global/documents/about/csr/security/Third-party_Evaluation_and_Certification_20190628v1.pdf

FY 2018 Performance

Information management education

- Company-wide e-learning education for information management (targeted Fujitsu employees: 35,100): Trained employees: 34,708 (99% attendance ratio)
- E-learning for newly-appointed managers (Fujitsu): 700 managers
- Introductory education and e-learning for new employees (Fujitsu): 930 new employees

Please refer to the following URLs for details on information security in the Fujitsu Group.

- Fujitsu Group Information Security Report 2018
  https://www.fujitsu.com/global/about/resources/reports/securityreport/
- Cyber Security
  https://www.fujitsu.com/global/themes/security/

Quality Initiatives

Quality Policy

In addition to establishing a corporate philosophy and charter that applies to all products/services, we have also established regulations and standards to uphold customer requests and the various features of our products/services. These are all based on the Fujitsu Way.

The Fujitsu Global Quality Policy is a way of thinking, shared across the entire Group, that was established in order to implement the Fujitsu Way philosophy, "Quality: We enhance the reputation of our customers and the reliability of social infrastructure."

This quality policy was established in order to continue providing our customers with products/services that they can feel secure using, but also to define quality as a foundational part of our business, and come to a shared understanding of the policy worldwide.

Fujitsu Global Quality Policy
1. We pursue quality from the customer's perspective.
2. We ensure quality to support safety and security.
3. We engage in quality improvements together with our business partners.
4. We have constructed a quality management and quality assurance system and we continuously engage in quality improvement activities.

Fujitsu has established the Fujitsu Group Quality Charter, as well as five quality-related regulations (Shipment, Registration, and Release Regulations, Safety Promotion Regulations, etc.), in order to implement the Fujitsu Global Quality Policy.

All of our measures, from planning to design to evaluation, production, sales, and even follow-up support, are based on this charter and these regulations. This is necessary in order to continue providing products/services that stay one step ahead of our customers and any changes in their business landscapes.

- Establishment of quality policy, rules, and regulations
  Fujitsu Quality: Your Safety and Security (Page 4)
  https://www.fujitsu.com/global/documents/about/csr/society/quality/Fujitsu_Quality_Your_Safety_and_Security.pdf

System of Policy Rules and Regulations

Implementation Policy for the Safety of Our Products and Services

The Fujitsu Group recognizes its social responsibility to contribute to building 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.
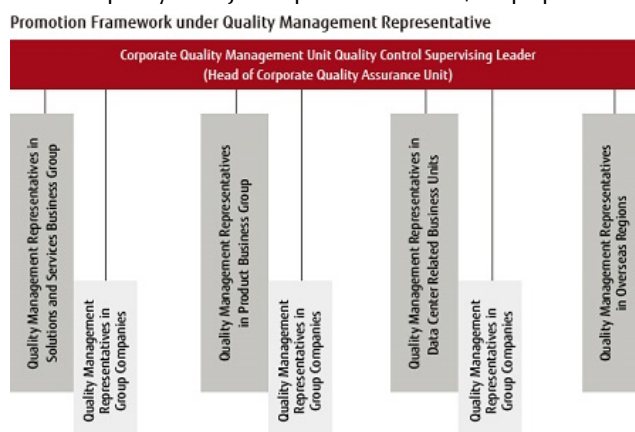
1. Observation of laws and regulations
   We observe laws and regulations concerning product and service safety.
2. Efforts to secure safety
   We try to ensure that products and services are safe in a variety of use situations and take measures as necessary to secure the safety of the products and services. 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.

Our Approach to Promoting Quality Assurance

In addition to working with individual divisions and regions with regards to their quality assurance efforts, we also coordinate across the entire Group to share knowledge and information that transcend organizational boundaries. This helps us make better use of these efforts, and allows us to solve quality assurance issues that are shared across organizations.

This sharing of effective quality assurance efforts increases the overall quality of Fujitsu's products/services, helps prevent the occurrence and reoccurrence of issues, and allows us to work toward consistent, optimal quality for our customers all over the world.

In order to ensure the promotion of these efforts Group-wide, we have selected Quality Management Representatives from relevant divisions both in Japan and overseas, through official HR announcements. These representatives will act as leaders, always participating in and helping implement Group-wide quality assurance efforts. They are led by the Corporate Quality Management Unit, an organization that operates independently of our divisions.

Promotion Framework under Quality Management Representative

Corporate Quality Management Unit Quality Control Supervising Leader (Head of Corporate Quality Assurance Unit)

- Quality Management Representatives in Solutions and Services Business Group
  - Quality Management Representatives in Group Companies
- Quality Management Representatives in Product Business Group
  - Quality Management Representatives in Group Companies
- Quality Management Representatives in Data Center Related Business Units
  - Quality Management Representatives in Group Companies
- Quality Management Representatives in Overseas Regions

- Quality assurance promotion system
  Fujitsu Quality: Your Safety and Security (Page 5)
  https://www.fujitsu.com/global/documents/about/csr/society/quality/Fujitsu_Quality_Your_Safety_and_Security.pdf

System for Addressing Major Quality Issues

In the event of a major quality issue in our products/services, our executives and/or employees report the issue immediately to the Risk Management & Compliance Committee, in accordance with risk management regulations. The committee then reports the

issue to the Division Head, in line with the pre-established reporting structure. The Division Head delivers reports as necessary to the Risk Management & Compliance Committee, keeping them up-to-date on the handling of the issue, and follows the instructions (if any) from the committee. Once a solution has been established, the Division Head files a report to the committee describing the circumstances around this newly-surfaced risk, measures to prevent such an issue from reoccurring, and more. The Risk Management & Compliance Committee can then instruct the Division Head to file this report to them, the Board of Directors, and/or the Management Council.

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.

Improving Quality Assurance: Quality Management System

To consistently provide products and services that meet customer needs and expectations, it is essential to coordinate both internally (among the business units involved in product and service projects, planning, development, production and testing; the field business units involved in operation and maintenance; and the various common business units that support them) and externally (business partners, sales units and sales bases). It is also essential to have a platform to unify these systems and mechanisms.

This is why we built our Quality Management System (QMS): to coordinate among these business units as appropriate for the product or service. QMS periodically verifies the progress of the PDCA cycle in light of international certification standards such as the ISO in the aim of achieving process improvements to realize even higher quality.

- Our quality support framework
  Fujitsu Quality: Your Safety and Security (Page 3)
  https://www.fujitsu.com/global/documents/about/csr/society/quality/Fujitsu_Quality_Your_Safety_and_Security.pdf

Our Quality Support Framework
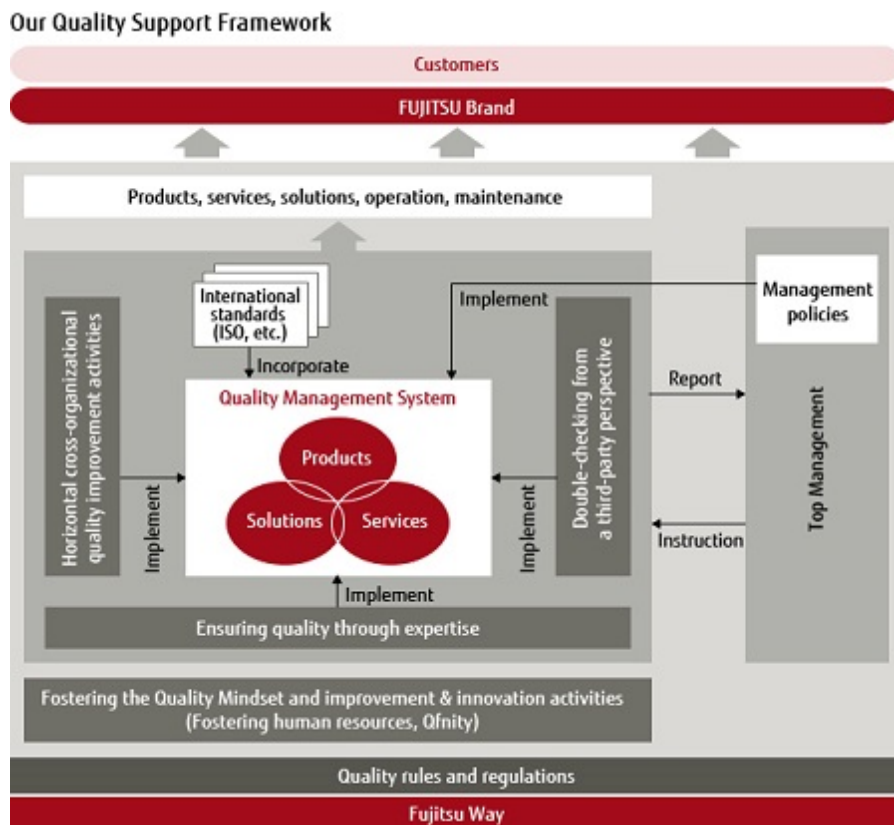
FY 2018 Performance

Disclosure of Information Related to Product Safety

- Number of disclosed issues: 2 major product incidents (laptop battery ignition)*
  *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.
- Prevention Measures for Laptop Battery Ignition Incidents
  On three previous occasions, Fujitsu has asked customers to exchange and return battery packs in order to prevent the spread of ignition incidents due to the possibility that foreign matter had contaminated the interior of the battery during the battery pack manufacturing process.
  At the same time, however, although extremely rare, there have been cases of ignition occurring in battery packs outside those covered by the returns and exchanges.
  It has been found that limiting the phenomena that increase the internal pressure of batteries is an effective measure in preventing these types of ignition incidents.
  Since February 9, 2017, Fujitsu has been offering a "Battery Charging Control Update Tool" through its website for its laptop PCs launched between 2010 and 2016. In addition, since November 2018, Fujitsu has been distributing the Battery Charging Control Update Tool via Microsoft's Windows Update service to the laptop PCs of all those affected in order to ensure all customers using the affected laptop PCs apply the update.

Marking and Labeling of Products and Services Regarding Quality and Safety

We experienced no marking or labeling violations related to products or safety.

ISO9001 / ISO20000 Certification Status

Fujitsu is continuously working to improve processes under the QMS.
- ISO9001: 30 divisions certified
- ISO20000: 8 divisions certified

Working With Our Customers

Improving Customer Satisfaction

Our current era is characterized by dizzying levels of social and economic change, and it seems impossible to predict what will come about in the future. In this kind of landscape, it is vital that we maintain an accurate understanding of our customers' various needs, and adapt quickly to changes as they arise. In order to accomplish this, we must think and behave from the customer perspective, and engage continuously in reform.

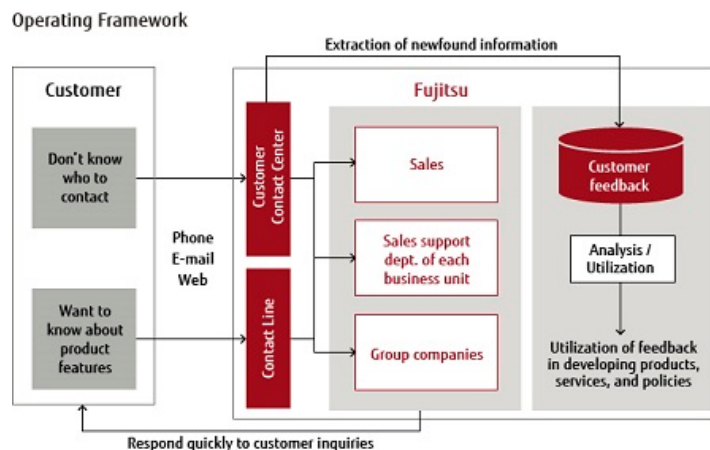### Working with the Customer to Drive Field Innovation

Field Innovation is the process of getting down to the customers' level, observing the behaviors and mentalities that drive people, and recognizing previously unnoticed factors—for instance, an opportunity for reform, or unnecessary parts of certain processes. Through Field Innovation, we work to maximize the value of ICT, and advance/expand our customers' businesses.
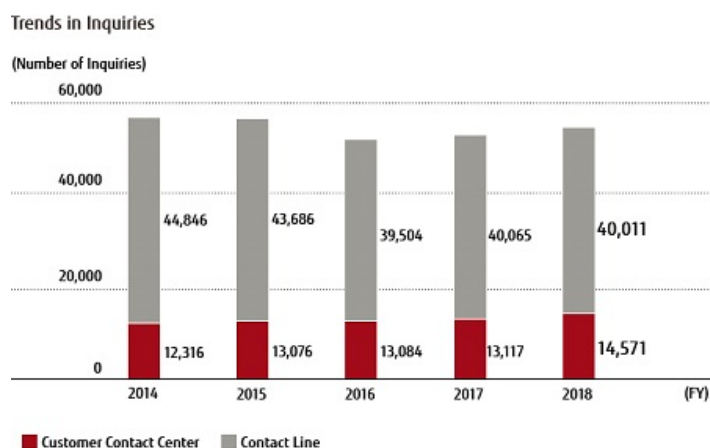
This process happens through our Field Innovators (FIers), and their work with the customers. These are individuals who have built up their careers in various business areas, and who are skilled at advancing reform, utilizing visualization technologies, and consensus building. They work as a team, delving into customer work sites to discern the intentions of those in high-level management, and clarifying workplace issues through on-site interviews and visualization processes. They also help the customer solve their issues through a third-party perspective.

- FY 2018 Field Innovation Performance: 298 cases
- Field Innovation
  https://www.fujitsu.com/jp/about/businesspolicy/fieldinnovation/en/
- Field Innovation Case Studies
  https://www.fujitsu.com/jp/about/businesspolicy/fieldinnovation/en/case-studies/

The Fujitsu Customer Contact Center and Fujitsu Contact Line

Both the Fujitsu Customer Contact Center and the Fujitsu Contact Line allow us to gain an accurate understanding of customer inquiries, and quickly transfer customer inquiries to the relevant division. They also work as a form of surveillance, helping prevent missed and late responses. These improve customer satisfaction by facilitating quick responses, and also allow us to analyze customer inquiries so that we can improve the development and quality of our products and services. We also have an international coordination system in place for these points of contact, in order to facilitate smooth communication both domestically and internationally.

Trends in Inquiries

(Number of Inquiries)

Legend: ■ Customer Contact Center ■ Contact Line

FY	Customer Contact Center	Contact Line
2014	12,316	44,846
2015	13,076	43,686
2016	13,084	39,504
2017	13,117	40,065
2018	14,571	40,011

Qfinity

Qfinity is a Fujitsu Group program that encourages reform in order to improve the quality of products/services and work in general. The program is individually-focused, emphasizing the importance of each and every employee as the Group works to establish greater customer value for its products/services. The name Qfinity is a combination of the words "Quality" and "Infinity," and expresses the Fujitsu Group vision of each and every employee, pursuing infinite quality.

  The various reform efforts made in the Fujitsu Group are implemented and shared under the Qfinity umbrella, and passed on as part of the Group's vision. Qfinity also encourages each and every employee to practice the principles of the Fujitsu Way (Global Citizenship, Customer-Centric Perspective, Firsthand Understanding, Spirit of Challenge, Speed and Agility, and Teamwork), through persistent reform efforts.

  The Fujitsu Group also holds educational programs and awards ceremonies, and encourages the sharing and dissemination of information and case studies, in order to promote Qfinity group-wide.

Qfinity Award Convention

Qfinity leaflet

- Awards Ceremonies and Events
  Domestic participants of Qfinity (FY 2015: 55 => FY 2016: 63 => FY 2017: 72 => FY 2018: 71)
  Overseas participants of Qfinity (FY 2015: 13 => FY 2016: 17 / FY 2017: 24 / FY 2018: 16)
- Fujitsu's Quality Improvement Model: Qfinity (Leaflet)
  https://www.fujitsu.com/global/documents/about/csr/society/customers/Fujitsu_Quality_Improvement_Activities_Qfinity.pdf

The Fujitsu Family Association (ICT User Coalition)

The Fujitsu Family Association aims to encourage discussion of thoughts and values related to ICT, and help member companies solve ICT-related issues within their organizations. The association is run primarily by its members, with Fujitsu providing support

for its various efforts. It is made up of approximately 4,200 companies/organizations, and is Japan's largest ICT user coalition, providing opportunities to socialize and share valuable information for both Fujitsu and the member organizations. Through these efforts, the Fujitsu Family Association has contributed greatly to the building of lasting relationships among its members. The activity of the Fujitsu Family Association is based largely on efforts made by its branches. There are more than 500 of these efforts made annually, and they include such things as ICT-related seminars, personnel training, and locally-oriented social events.

Advertising and Promotion Policy

At Fujitsu, we work to make sure that our advertising makes use of fair and appropriate language and symbols, and are in adherence to laws, regulations, and in-house rules. In FY 2019, we plan to promote the efforts we have made to collaborate with customer businesses using our strength in digital technologies, and make these efforts more widely known to the public. We also set goals (KPIs) and monitor these indices via the PDCA cycle to see if they have been achieved, in order to determine whether our advertising policies have been effective/cost-effective.

Due to changes in the Fujitsu business model, we have also not had products and/or services that would fall under the regulation of the Act Against Unjustifiable Premiums and Misleading Representations.

Fujitsu offer contact lines where the general public can voice their opinions about our advertisements. We take all of these opinions to heart, respond quickly and accurately if necessary, and work to keep communication open at all times.

Universal Design

At the Fujitsu Group, we encourage the use of ICT Universal Design, to help create a more safe, secure, comfortable, and plentiful society.

Fujitsu's Vision of Universal Design

Fujitsu aims to innovate and create a future capable of solving various social issues, by gaining an understanding of a wide variety of people, adapting to changes in the landscape, and utilizing ICT technologies. Our goal is to use the power of ICT to realize a society where everyone—regardless of nationality, age, gender, or impairment—is able to express themselves and their individuality as much as possible.

In order to promote this vision within the Group, we asked a professional organization to create a universal design guideline for system development, and have encouraged complete adherence to this guideline within the Group.

- Fujitsu's Vision of Universal Design
  https://www.fujitsu.com/global/about/businesspolicy/tech/design/policy/ud/
- FY 2018 Efforts Toward Universal Design
  We received six International Design Award 2018 awards (Grand Prize, and five other prizes) from the International Association for Universal Design (IAUD). This award is given to individuals/organizations who have achieved particularly outstanding ideas or results, towards the realization of a UD society that is secure and comfortable for as many people as possible.
- IAUD International Design Award 2018 (Award Details)
  https://www.fujitsu.com/jp/group/fdl/awards/#y2018iaud