Sustainability Management

Our vision and the policy for achieving a sustainable society.

Sustainability Management in the Fujitsu Group

Policy, Promotion Scheme, and Review

The Fujitsu Group has always been seen by society as a trustworthy and responsible enterprise through its delivery of products and services. However, in the current era of VUCA(*1) we face major changes and the future is difficult to predict. It is therefore important that we, as a member of the global community, conduct business activities under the leadership of senior management that are aimed at resolving environmental, societal and economic problems and that will produce beneficial impacts for society. In April 2020, we established a new Sustainability Management Committee that will drive a sustainability-focused management approach.

The objective of this committee is sustainability management that takes into account environmental, societal and economic impacts as well as stakeholder interests, ensuring that the company prospers in the long term as a responsible global enterprise. Specific initiatives will be in line with our values and our purpose, set out in the revised Fujitsu Way, and will include boosting our efforts in non-financial areas. These include respect for human rights, acceptance of diversity, human resource development, maintenance of the global environment and contributing to the development of regional communities. Our goal is to achieve sustainable, long-term improvement in the value of the Fujitsu Group through corporate activities.

The committee is scheduled to meet every six months to check on the progress of our activities in non-financial areas and to confirm if we are on track to meet our targets. The committee will also discuss new activities and consider non-financial indicators, and then report to management meetings and the Board of Directors with the results. The committee is chaired by the CEO, who will nominate executives with a perspective on sustainability management for appointment as committee members. (As of April 2020, the committee had 13 members, including the chair.) Committee meetings were held in April and October 2020 and were characterized by lively discussions on topics such as the mission of the committee, details of the non-financial indicators, an overview of global responsible business activities and the setting of targets.

System Chart

*1   VUCA: Volatility, Uncertainty, Complexity, Ambiguity
*2   The Fujitsu Group's stakeholders: The Fujitsu Group regards our people, customers, partners, community and shareholders as its stakeholders. Government authorities, NPOs, NGOs, and similar organizations are also particularly important stakeholders within this community.

Non-Financial Indicators

To realize its Purpose, as defined in the Fujitsu Way, the Fujitsu Group must achieve sustainable growth. An essential prerequisite for this is the building and strengthening of trusted relationships with all stakeholders. With this in mind, in addition to the existing financial indicators, from FY 2020 we have added two non-financial indicators. These are the customer Net Promoter Score (NPS), which gauges the level of trust exhibited by customers, and employee engagement, which measures the degree of enthusiasm and commitment that employees have and their support of the organizational culture. The Fujitsu Group has identified Global Responsible Business as an important issue related to sustainability, and we believe that this initiative will engender heightened trust from our customers and our employees, with the outcome visible in these non-financial indicators. We will continue to promote a structure for the ongoing monitoring on a global basis of the data from these two non-financial indicators. The insights gained from this monitoring and analysis will then be reflected in a range of activities.
For details, please refer to pages 22-23 of the Fujitsu Group Integrated Report 2020(*3) – Special Feature: " Progress Toward Becoming a DX Company", Management Indicators and Global Responsible Business (GRB).

*3   Fujitsu Group Integrated Report 2020   *To be published by early December, 2020
https://www.fujitsu.com/global/about/ir/library/integratedrep/ (p.22-23)

Global Responsible Business

Since its CSR Promotion Committee established the Basic Strategy Working Group in 2010, the Fujitsu Group has identified Five Priority Issues in its Basic CSR Policy and has been promoting activities that address those priority issues. The working group conducted interviews with outside experts regarding the expectations and demands on Fujitsu, based on an awareness of global CSR standards and social issues.

However, recent years have seen a further ramping up of demand for initiatives aimed at building sustainable communities on a global scale, including the adoption of the Sustainable Development Goals (SDGs) by the United Nations and the coming into effect of the COP 21 Paris Agreement. The Fujitsu Group has employed a materiality analysis in a Groupwide review of the priority issues to ensure that they reflect changes in its business over the past several years. The result is a unified framework for the priority issues under the banner of Global Responsible Business (GRB).

Global Responsible Business

Human Rights, Diversity & Inclusion	Pursue human rights goals and global diversity in the AI era
Wellbeing	Provide opportunities for employees to grow as individuals and fully develop their capabilities
The Environment	Work to achieve zero emissions from our operations by fiscal 2050, and contribute to climate change adaptation and a decarbonized society
Compliance	Maintain a high level of awareness of corporate ethics and act fairly in all business activities
Supply Chain	Accomplish responsible procurement in the supply chain
Health and Safety	Provide safe and healthy working environments
Communities	Engage in activities that contribute to society and build prosperous, optimistic communities

The GRB framework aims to foster the mindset and corporate culture necessary to realize the Fujitsu Way by engaging in specific activities that address our priority issues and to earn and maintain the social trust that is a prerequisite for global business activities. All Group employees must be constantly aware that their companies are part of society and aim to not only pursue profits but also reduce the negative impact of their business activities on sustainability issues while maximizing the positive.

To this end, we have specified long-term goals for each priority issue, with the end of fiscal 2022 set as the deadline for their achievement, and have been building an effective management system to attain the goals. In order to carry out higher-level activities globally while taking into account the differences between countries and regions in such areas as local laws and labor markets, we have set Groupwide targets for all employees. Employees based at our headquarters who are responsible for each of the priority issues led efforts in formulating these targets, while personnel in overseas regions with similar responsibilities also provided input in this regard. We will continue to work on specific measures toward achieving the goals.

In addition, the status of progress in the execution of the GRB is periodically checked by the Sustainability Management Committee, with announcements made in management direction reviews and through various communications methods. Detailed information on activities for each of the priority issues is included in the Global Responsible Business section of Fujitsu's Sustainability web page.

Goals and Targets of the Global Responsible Business (GRB)

GRB Targets and FY2019 Activities

Pillar	"WHAT FUJITSU ASPIRES TO BE" and "GOALS FOR FY2022"	Major Activities in FY2019

Human Rights, Diversity and Inclusion	● Human Rights
	In both the real-world and digital societies, consideration for "human dignity" is reflected in all our corporate activities and we constantly work to "create human-centric value".
	<Goals>
	  Embedding "respect for human rights" within Fujitsu group
	  • Completion rates for global human rights training : 80%
		● Human Rights
		• Fujitsu Initiatives Addressing Human Rights Issues in Three Areas of Human Rights Due Diligence

	● Diversity and Inclusion
	Be a responsible business that reflects the diversity of our world and build an inclusive culture where everyone can be completely themselves.
	We will celebrate difference and ensure that people can succeed regardless of their personal identity, especially their gender, sexual orientation, gender identity, race, ethnicity, health, disability, and age.
	<Goals>
	  Cultivation of inclusive corporate culture
	  • Fujitsu Group aims to achieve at least Consolidated 69% from 66%(FY2019) / Non-consolidated 63% from 59%(FY2019), in favorable answers to Diversity and Inclusion question of Engagement Survey by FY2022.
	  • Fujitsu Group aims to achieve at least Consolidated 10% from 8%(FY2019) / Non-consolidated 9% from 6%(FY2019) female leadership by FY2022.
		● Diversity and Inclusion
		• Held Companywide Diversity Promotion Forums: 465 participants in FY2019

Wellbeing	The Fujitsu Group aims to enrich and continuously improve our positive health culture where our employees can work to their full potential, both in mind and body.
	We value the importance of our people, and will strive to enable them to succeed in their own personal development and growth.
	<Goals>
	  Providing a positive work environment for our people
	  • Fujitsu Group aims to achieve at least 71%, in favorable answers to "Work Life Balance" and "Care" question of Engagement Survey by FY2022
	  Enabling success in personal development and growth
	  • Fujitsu Group aims to achieve at least 70%, in favorable answers to "Growth" question of Engagement Survey by FY2022
		• Held Telework Days and Telework Month
		• Health Education Accomplishments such as e-learning
		• Average Annual Hours Spent Learning and Annual Cost of Learning Per Employee：45.3 hours

Environment	Fujitsu will fulfill its social responsibilities as a global corporate environmental leader. We aim to contribute to achieving the 1.5℃ climate change goal of the Paris Agreement and also to resolving environmental challenges, through such measures as developing innovative solutions that make effective use of resources. <Goals> Fulfill our social responsibilities and help to resolve environmental challenges • Reduce greenhouse gas emissions from Fujitsu facilities by using science-based targets*1 equivalent to limiting global warming to 1.5℃ *2 • Avoid risks associated with our business activities and minimize our impact on the environment • Help to resolve environmental challenges for customers and society through our business operations	• Greenhouse gas emissions from Fujitsu facilities: Reduced by 24% compared with FY2013
Compliance	The Fujitsu Group, from the perspective of maintaining and improving corporate value, recognizes that the installation and operation of an internal control structure, which includes compliance, is one of the most important aspects of management. The Fujitsu Group will disseminate the Fujitsu Way throughout the entire organization. Furthermore, the Fujitsu Group will be aware of a higher level of corporate ethics, which includes social norms in that scope, and act with integrity in all of its business activities. <Goals> To further disseminate compliance related part of the Fujitsu Way Code of Conduct throughout the entire organization, the Global Compliance program is rolled out for the entire Fujitsu Group, thereby instilling a high level of compliance awareness in the organization, and the management is to take the lead in fostering a corporate culture where each employee does not tolerate any wrongdoing (Zero Tolerance). • Deliver messages from the President or the Heads of each Business Group/Region on the importance of compliance (at least once a year)	• E-Learning courses for all employees at Fujitsu and Group companies in Japan and overseas, with roughly 130,000 eligible employees taking the courses (offered in 20 languages) • Regular internal audits: 30 divisions within Fujitsu
Supply Chain	In its supply chain, the Fujitsu Group will achieve responsible procurement that embraces diversity and gives full consideration to human rights, the environment and health & safety. <Goals> • The Fujitsu Group will achieve responsible procurement in its supply chain. To ensure that its major suppliers comply with the international standards for responsible procurement, the Fujitsu Group will obtain one of the following documents from its major manufacturing subcontractors and parts suppliers for its core products. (Target KPI =100%) • A platinum or gold level of site recognition under the RBA*3 Audit Recognition program • Written consent with the Fujitsu Group CSR Procurement Guideline (equivalent to the RBA Code of Conduct) • Promotion of supply chain diversity We set supply chain diversity as our goal of Responsible Business and promote it globally.	• CSR surveys of major suppliers in Japan and overseas: 107 companies • CSR audits of suppliers: Three companies

Health and Safety	The Fujitsu Group's first priority in all business activities is to protect the health and safety of our employees both in mind and body by providing a safe and healthy work environment tailored to the different cultures in which we operate. • We will foster a culture that does not tolerate accidents, incidents and poor safety performance. • We will ensure safety is a core business value, and make safety important and personal in order to influence people's decisions and behavior • We will completely eliminate the loss of business opportunities due to preventable illnesses, injuries, and unexpected work-related accidents <Goals> The Fujitsu Group will maintain a safe and comfortable working environment, and promote employees' mental and physical health in every workplace. • Zero occurrences of serious accidents • Implementing health and safety-related management reviews at the global level, conducted once a year	• Health and safety training for new employees (approximately 1,600 employees/year) • Health and safety training for business sites (approximately 3,300 employees/year)
Community	Our employees, who possess an awareness that they belong to a global society, will have a positive impact not just on society, but on the economy and on business, by increasing their empathy for social issues and engaging in the co-creation of activities. We will evaluate, analyze and communicate the impact that our employees have made, and offer greater value to society. <Goals> Contributing to the transformation of both our corporate culture and mindset of employees • Rate of increase in the number of employees participating in social contribution activities related to social issues ; 10% increase compared to fiscal 2019 under the new normal.	• Involvement with the World Business Council for Sustainable Development (WBCSD) • Involvement with the WEF

*1   SBT: Science Based Targets
      An international initiative for companies to set greenhouse gas reduction targets with the goal of limiting global warming
      https://sciencebasedtargets.org/
*2   Calculation of numerical targets within FY2020 for greenhouse gas emission reductions equivalent to limiting global warming to 1.5℃
*3   RBA: Responsible Business Alliance
      Fujitsu Joins EICC, a Global Corporate Social Responsibility Coalition (renamed as the Responsible Business Alliance (RBA) in October 2017)
      https://www.fujitsu.com/global/about/resources/news/press-releases/2017/0329-01.html/

United Nations Global Compact

Fujitsu announced its support of the United Nations Global Compact in December 2009. The Fujitsu Group is committed to global sustainability Activities that uphold the 10 principles of the Global Compact. Through this commitment, we will meet the demands of various stakeholders in international society, and uphold responsible management as a true global ICT company contributing to the creation of a sustainable society.

What is the Global Compact?

＜The 10 principles of the UN Global Compact＞

The UN Global Compact consists of 10 principles in the four areas of human rights, labor, the environment, and anti-corruption with which companies should rigorously comply.

Human Rights
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

WE SUPPORT
UN GLOBAL COMPACT

Labor
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labor;
Principle 5: the effective abolition of child labor; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment
Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Please refer to the "GRI Standard/UN Global Compact (GC) Index" for the relationship between our sustainability activities in fiscal 2019 and the United Nations Global Compact, as described in the "Fujitsu Group Sustainability Data Book".
https://www.fujitsu.com/global/about/csr/guideline

* We have been reporting our COP (Communication on Progress) at the Advanced Level since FY 2012.

SDG-related Activities in Fujitsu

SDG-related Activities in Fujitsu

The Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 are a set of common goals to be achieved worldwide, including by developed countries, by 2030. Achieving these goals places considerable demand on private-sector enterprises to play an active and useful role through their technology and capacity for innovation.

The Fujitsu Group has worked for many years to utilize technology and create new innovations with the aim of achieving a "human-centric intelligent society". That is, a society which uses co-creation to generate outcomes that have a lasting impact on the community. These activities are recognized as being aligned with efforts by the international community toward achieving the SDGs.

In this sense, the SDGs are one element in an ecosystem aimed at achieving the Fujitsu growth strategy of "connected services", pointing the way to new business opportunities through ventures that work to resolve societal issues. The Fujitsu Group sees the SDGs as a global common language and undertakes SDG-related activities as an opportunity for wide-ranging collaboration with other organizations, including international agencies and governments, private companies and non-governmental organizations (NGOs). By embracing a multifaceted approach through cooperation with many partners, we can create and maximize social value on an even larger scale.

Adopting an approach that overlays the role that Fujitsu must play onto common international social goals therefore allows us to flexibly transform our management and business in ways that are not bound by existing approaches and methodologies. Through this process, we will re-examine ourselves in light of society's expectations and demands and will actively use the SDGs as a tool in our management strategy for achieving sustainable growth.

Promotion Systems

Because the creation of value on a larger scale by addressing the SDGs is inextricably tied to innovating its own business, Fujitsu is promoting a company-wide project that cuts across all levels. This is focused on staff members and includes executives in the Corporate Divisions and Business Units, but also incorporates related divisions such as Fujitsu Laboratories. The perspectives of the various divisions differ, with the Corporate Divisions focused primarily on sustainability and social responsibility and the Business Units focused on business development and solutions. However, they all collaborate in the verification and promotion of businesses that have a focus on solving societal challenges, while also fostering the growth of Fujitsu itself, thereby forging ties in a new way through the co-creation of both social and economic value.

Overview of promotion systems

Contributing with Digital Technologies and Services

Fujitsu's response to COVID-19

In response to the spread of the new coronavirus, Fujitsu has been pursuing efforts to stop the spread of infection and ensure business continuity, while ensuring the safety of its customers, its partners, its employees, and their families. We will continue to provide services and products to our customers responding to the challenges, proactively utilizing our strengths in technologies such as Cloud, security, IoT and AI to address the variety of societal problems arising from the spread of infection.

- Fujitsu's response to COVID-19
  https://www.fujitsu.com/global/covid19/
- How we can help you (Japanese only)
  https://www.fujitsu.com/jp/dx/newnormal/

AI Chatbot Provides Rapid On-site Support

Recognizing the extreme importance and urgency of the early containment of outbreaks of coronavirus, Fujitsu set up its COVID-19 response team in February. We saw that there was an immediate need for information infrastructure to assist with gathering data to identify infection trends of this unknown virus and to assist support facilities, particularly healthcare centers. Through our AI chatbot CHORDSHIP, we quickly delivered essential services that facilitated local governments and healthcare centers in establishing countermeasures.

In April we launched our Health Monitoring System, which uses data that infected patients and their close contacts have entered into their own

Cruise ship affected by a COVID-19 outbreak

mobile devices. This methodology helps to prevent the infection of workers in local governments and healthcare centers during the collection and management of the information. The Health Monitoring System was introduced in Miyagi Prefecture and rolled out to 20 local governments and 60 healthcare centers over a 10-day period. It was also used on a cruise ship docked in Nagasaki as part of the emergency cluster response to prevent the infection from spreading within the ship.

With enormous growth in the number of inquiries to local governments, healthcare centers and medical institutions, we set up a Coronavirus Chat Line capable of providing around-the-clock automated responses. The Chat Line was implemented by local governments, such as Tokyo's Minato City, where it was found that around 80% of inquiries could be handled via automated responses. This greatly reduced the workload on staff and led to improved services to residents. Fujitsu will continue supporting efforts to prevent the spread of COVID-19 by digitalizing the information needed to maintain targeted measures while the pandemic continues.

(Japanese only)
- Health Monitor Chat Line relieving pressure in the field in Miyagi Prefecture
  https://blog.global.fujitsu.com/jp/2020-05-13/01/
- Health Monitor Chat Line deployed more widely on the front lines at local governments and healthcare centers
  https://blog.global.fujitsu.com/jp/2020-05-13/02/

- Coronavirus Chat Line providing reassuring around-the-clock responses to residents in Tokyo's Minato City
  https://blog.global.fujitsu.com/jp/2020-05-15/01/
- English-language Health Monitor Chat Line providing an emergency response to a cruise liner cluster in Nagasaki Prefecture
  https://blog.global.fujitsu.com/jp/2020-05-20/01/

Accelerated Launch of Supercomputer Fugaku to Allow Early Utilization

RIKEN and Fujitsu are jointly developing the supercomputer Fugaku with the goal of beginning full operation in fiscal year 2021. However, in coordination with Japan's Ministry of Education, Culture, Sports, Science and Technology (MEXT), RIKEN made available a portion of the computationl resources of Fugaku in April 2020, ahead of the schedule, to help deal with the threat to global sustainability posed by the COVID-19 pandemic. This initiative aims to provide as much technical support as possible for the research and development of COVID-19 countermeasures and for the development of effective new drugs. In collaboration with RIKEN, Fujitsu supported this accelerated application of Fugaku by helping to rapidly build the required environment. The anticipated uses of Fugaku

Supercomputer Fugaku (Photo courtesy of RIKEN)

extend well beyond the medical field, encompassing solutions to a wide range of societal problems, innovations in manufacturing, research into AI and robotics, and even solving the mysteries of the universe and life itself. Fujitsu will continue to support this exciting project into the future.

- Supercomputer Fugaku: Pulling the Future Closer
  https://youtu.be/XuenXBHBDmI
- The Fugaku next-generation supercomputer tackles the challenges of COVID-19 (part 1)　(Japanese only)
  https://blog.global.fujitsu.com/jp/2020-05-28/01/
- The Fugaku next-generation supercomputer tackles the challenges of COVID-19 (part 2)　(Japanese only)
  https://blog.global.fujitsu.com/jp/2020-05-28/02/

Blockchain Technology Helping to Transform the Global Rice Trade

Rice has been a staple food for thousands of years and millions of tons of rice are consumed every day. Trading in the global rice market has now risen to around $450 billion annually, but the trading mechanisms involving rice are opaque and complex, making the business of selling rice extremely inefficient. The result is lower revenues for producers, higher costs for consumers and lower profitability for everyone in the supply chain. Ricex, the first digital platform designed for buying and selling rice, decided to resolve these issues by introducing blockchain technology and automating the trading processes. Fujitsu is engaged in this process as a strategic IT partner and has built a trial version of the world's first fully

integrated digital platform for the global rice trade. Quarterly transactions valued at around $25 million are predicted within 2020, and it only takes around six minutes to complete a transaction. This innovation is expected to reduce the cost of trading by 20% and cut processing times by 90%. As well as increasing the efficiency and reliability of all the processes involved in rice trading, this platform will also provide important trade-related information, such as whether the rice is grown sustainably. Fujitsu will provide ongoing support to Ricex, a transformative initiative aimed at building a sustainable rice market. Ricex hopes deliver profits for small farmers, less waste and social good.

- Transforming the $450 billion rice trade
  https://www.fujitsu.com/global/about/resources/case-studies/vision/ricex/index.html

Targeting Quality Education for All through 5G Remote Learning

Providing high-quality education to everyone is one of the most important global challenges. But for children who need special medical care and are unable to leave the school environment to pursue field trip classes outdoors, the main problem is the lack of "experiences" on which to base their learning. The official MEXT guidelines for teaching such special-needs students require schools to contrive ways to design creative teaching methods which include simulated or virtual experiences.

To solve this main problem, Fujitsu and Kansei Gakuin University demonstrated a field test of remote learning and virtual experience-based

A remote-learning class

learning that uses new technologies such as 5G-based high-resolution image transfer, virtual reality (VR) and web conferencing systems. Fujitsu provided the ultra-high speed 5G mobile network as the core technology to connect the Soyokaze Classroom in the Tokyo Metropolitan Koumei School for Children with Disabilities, part of the National Center for Child Health and Development and the Okinawa Churaumi Aquarium in Ocean Expo Park. Through real-time data transfer of "experiences" activities, such as real-time video-showing of under water or listening to staff at the aquarium talking about and feeding whale sharks, students were able to experience remote learning and enjoy the VR aquarium without leaving their special medical classroom. Fujitsu will continue contributing to the provision of high-quality education for everyone using advanced ICT technologies, including 5G, local 5G and high-resolution image transfer.

(Japanese only)
- Kwansei Gakuin University and Fujitsu conduct a proof of concept for 5G remote learning
  https://pr.fujitsu.com/jp/news/2020/02/28.html
- Remote learning for the 5G era: Linking an aquarium with an in-hospital classroom provides hands-on experiences using VR and underwater drones
  https://blog.global.fujitsu.com/jp/2020-03-04/01/

SDG Promotional Activities in Fujitsu

As part of promoting businesses that address societal issues, Fujitsu develops programs that aim to help employees understand the linkages between the SDGs and the services and solutions they are engaged in. This encourages the employees to incorporate an awareness of the SDGs into their work as they devise proposals and undertake activities.

Specifically, this involves attending workshops where logic models are used to represent the economic, environmental and societal impacts of business activities and to rationalize the selling points of services based on the factors required to achieve the SDGs. These activities help participants to fully embrace the ideas that underpin business ventures designed to address societal issues.

Workshop in progress