

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 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 (*2) 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 and equity, 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 council 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 2022, the committee had 17 members, including the chair.) The first committee meeting was held in April 2020, followed by four more semiannual meetings – all conducted remotely. The meetings were characterized by lively discussions on topics such as the spread of the COVID-19 pandemic, the accelerating global movement toward carbon neutrality, the ideal future shape of the Fujitsu Group, the mission of the committee, details of the non-financial indicators, an overview of Global Responsible Business activities and progress toward achieving the related 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 – <u>Special Feature:</u> "Progress Toward Becoming a DX Company", Management Indicators and Global Responsible Business (GRB).

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 responding to challenges 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 related to climate change. 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 was the establishment in FY2019 of a unified framework for the priority issues under the new name of Global Responsible Business (GRB).

- Reference
- Materiality

Global Responsible Business

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 March 2023 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.

Raising Awareness and Disseminating Information Internally and Externally

To realize our corporate purpose, we engage in businesses that have a beneficial impact on resolving challenges in society, and to conduct our operations in a responsible manner throughout all business activities, we are implementing a range of measures to raise awareness and enhance our employees' understanding of GRB. In addition, we disseminate information outside the company to convey to stakeholders the Fujitsu Group's position on sustainability management and related initiatives.

- At internal and external events and presentations, we introduce the non-financial framework around Fujitsu's sustainability management and explain how an executive leader has been appointed for each of the priority issues as we implement initiatives on a global basis.
- We have created a video in both Japanese and English (<u>The Seven Priority Issues for Sustainability Management: GRB</u>), which provides fundamental information including an overview and an explanation of the relationship between GRB and management. This video is promoted internally and externally via our official websites and social media channels.
- Employee understanding is further enhanced through our intranet sites in Japanese and English, which are updated as required by GRB operations staff.
- We published a series of 10 articles in Fujitsu's in-house magazine, in both Japanese and English, featuring overviews of each of the priority issues as well as specific initiatives. A survey conducted on this series revealed that approximately 90% of those who read the articles responded that they developed a deeper understanding of GRB, while around 60% stated that they had changed their way of thinking and behavior. This illustrates the link to improved understanding and empathy.
- We conduct employee awareness surveys in relation to sustainability and utilize the responses when planning and implementing internal and external initiatives.
- In terms of business involvement, we incorporate the GRB perspective in our proposal process to help our customers solve their sustainability-related management issues. Contents on GRB initiatives such as environment and wellbeing are included in the proposal materials provided to customers, as we work to promote further usage and deployment in frontline business interactions.





- Reference
- > The Seven Priority Issues for Sustainability Management: GRB
- > GRB (Global Responsible Business) Goals and Achievement

GRB (Global Responsible Business) Goals and Major Achievements in FY2021

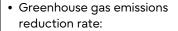
	"WHAT FUJITSU ASPIRES TO BE" and "GOALS FOR FY2022"	Major Achievements in FY2021
	 ◆Human Rights In both the real-world and digital societies, consideration for "human dignity" is reflected in all our corporate activities and we constantly work to "create human-centric value". 〈Goals〉 Embedding "respect for human rights" within the Fujitsu Group Completion rates for global human rights training: 80% 	Conducted e-learning on business and human rights for all Group employees in 16 languages worldwide. Participation rate: 92%
Human Rights, Diversity, Equity, and Inclusion	 ◆ Diversity, Equity and Inclusion Be a responsible business that reflects the diversity of our world. Build an inclusive and equitable culture where everyone belongs and can be completely themselves. We will celebrate difference and ensure that people can succeed regardless of their personal identity. Through inclusive design and innovation, we will endeavor to make a positive impact within society and empower each other to make the world more sustainable. ⟨Goals⟩ Cultivation of inclusive corporate culture. • The Fujitsu Group aims to achieve at least Consolidated 69% from 66%(FY2019) / Non-consolidated 63% from 59%(FY2019), in favorable answers to Diversity, Equity and Inclusion question in the Engagement Survey by FY2022. • The Fujitsu Group aims to achieve at least Consolidated 	 Favorable answers rate of engagement survey related to "Diversity, Equity and Inclusion" question Consolidated 69% Non-consolidated 65% Female leadership rate Consolidated 10.3%* Non-consolidated 8.0%
	10% from 8%(FY2019) / Non-consolidated 9% from 6%(FY2019) female leadership by FY2022.	Clabel average age for IIIMark
Wellbeing	To create an environment where all employees can work positively and healthily in both mind and body. We will also endeavor to provide opportunities for employees to develop personally and display their abilities to the fullest extent. **Goals** Providing a positive work environment • An average score of 71 globally for "Work-life Balance" and "Work Environment" in the Engagement Survey Provide opportunities for employees to develop personally and display their abilities to the fullest extent • An average score of 70 globally for "Growth Opportunities" in the Engagement Survey	Global average score for "Work-life Balance" and "Work Environment" : 64 Global average score for "Growth Opportunities" : 68

Fujitsu will fulfill its social responsibilities as a global corporate environmental leader. We aim to contribute to achieving the 1.5°C 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 at Fujitsu sites by 37.8% or more from the base year level (Reduce by 4.2% each year compared with FY2013)
- 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



- FY2021 Target 33.6% or more Achievement 36.7% (Reduced by 4.2% each year compared with FY2013)
- Renewable energy usage ratio: 20%
- Avoid risks and minimize our impact on the environment:

[Business sites]

- Improve Power Usage Effectiveness (PUE) at Data Centers: Actual 1.56 (Target 1.57)
- Water usage: 57,000 m³reduction from the previous year
- Promote eco design for resource savings and circulation and increase resource efficiency of newly developed products by 10.1 % (compared with FY 2019).

[Supply Chain]

- Reduce CO₂ emissions due to power consumption during product usage by 51% (compared with FY2013).
- Reduce CO₂ emissions and conserve water resources in the upstream supply chain: Request the Fujitsu Group's key partners to undertake reduction activities, 100% completed
- Help to resolve environmental challenges :
 - Transfer of carbon-neutral knowledge to business units
 - Improving the professional skills of employees by conducting in-house education through environmental study sessions and on-the-job training
 - Creation solutions based on inhouse references
 - Support customer proposals to resolve environmental issues



		Redevelop EcoCALC, an evaluation tool for CO ₂ emissions reductions, for global use and launch an intranet site for information sharing to raise self-awareness of environmental issues among employees
Compliance	Ensure that all officers and employees within the Fujitsu Group conduct their business activities with a high level of compliance awareness and through those activities, the Fujitsu Group fulfills our social responsibilities and earns the trust of our stakeholders. <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 wrongdoings (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)</goals>	Delivered messages to all employees from the CEO, the Heads of each business region, and Presidents of group companies in each country on the importance of compliance at Fujitsu Compliance Week to coincide with International Anti- Corruption Day
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 (*1) 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. • Reduction of Greenhouse Gas (GHG) Emissions in Supply Chain We requested our foremost suppliers to set the quantitative targets complying with an International Standard to reduce GHG emissions	Availability of any of the following documents: 100% A platinum or gold level of site recognition under the RBA Audit Recognition program Written consent with the Fujitsu Group CSR Procurement Guideline Achieved procurement KPIs from enterprises with diverse attributes, such as SMEs, women's management, and minority enterprises in the UK, the Americas, and Oceania Completed to request 293 companies to participate in our Explanation Meeting

Occupational 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	Zero occurrences of serious accidents Global OHS management leaders confirmed responses to COVID-19 in the Fujitsu Group
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 with FY 2019 under the "new"</goals>	Data collection started in FY 2021: Down 2.9% compared with FY 2019 (*2)

(*1) RBA: Responsible Business Alliance

<u>Fujitsu Joins EICC, a Global Corporate Social Responsibility Coalition (renamed as the Responsible Business Alliance (RBA) in October 2017)</u>

normal" situation

(*2) Face-to-face activities were limited due to the influence of COVID-19. As a result of various measures such as the holding of online events, the number of employees participating increased from the second half of fiscal 2021, but decreased from fiscal 2019.

Non-Financial Indicators

Approach

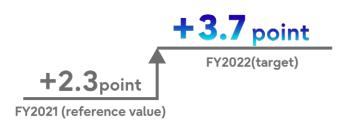
To ensure a stable, long-term contribution to the realization of Our Purpose, it is essential to build trusted relationships with all stakeholders and to pursue sustainable growth. We have therefore incorporated non-financial indicators as part of our core business activities, and we are promoting initiatives to achieve them in tandem with our financial targets. Based on this approach, and to measure the progress of in-house reforms, the Fujitsu Group has established three non-financial indicators: the Net Promoter ScoreSM (NPS®)*1 represents trust from customers; Employee Engagement indicates the relationship between the company and its employees; and the DX Promotion Indices highlight the advances made in the Fujitsu Group's own digital transformation initiatives.

(*1) Net Promoter, Net Promoter Score, and NPS are trademarks of NICE Satmetrix, Inc., Bain & Company, Inc. and Fred Reichheld.

Net Promoter ScoreSM (NPS®)

NPS® is an indicator that enables objective evaluation of the relationship of trust with customers, or customer loyalty. Unlike customer satisfaction, which indicates the degree of satisfaction or dissatisfaction with a purchased product or service, customer loyalty is characterized by the ability to determine the degree of customer attachment and the likelihood of repeat purchases. The Fujitsu Group employs customer NPS® as one of its non-financial indicators with the aim of realizing customer-centric management. By listening to our customers' views via NPS® and offering services that appropriately suit their requirements, or by making proposals that anticipate their future needs, the value of the customer experience will be enhanced and our customer NPS® will rise further. We believe that creating such a positive cycle will result in a boost to the corporate value of the Fujitsu Group.

In setting our new NPS® target, we took the approach of carefully examining each of the approximately 2,000 responses we received from customers in our global survey. We then determined how many points of improvement could be achieved through the various actions we decided to take this fiscal year and collated the results. Guided by the reference value of 2.3 points of improvement achieved in FY2021, calculated



using the same approach, we set a target of 3.7 points of improvement for FY2022 over the previous fiscal year.

As a structure for promoting improved results, at the working level we have appointed customer experience leaders in each region to take the lead in relation to improvement activities. On the management side, meetings of the CX Steering Board are convened every quarter, headed by the CEO and attended by those responsible for Fujitsu's business operations in all regions. This system ensures that customer issues are reliably resolved at the working level while simultaneously addressing them as management issues. The implementation of a "feedback loop" allows those involved to propose improvement actions, examine areas for investment, and verify the effectiveness of measures already taken.

Employee Engagement

The Fujitsu Group's greatest management resource is its employees, who are the source of the value provided to customers. Our experience suggests that highly engaged employees are better able to provide high-quality services to our customers, and that positive customer feedback correlates to an increase in employees' responsiveness to their work. We believe that improving the engagement of each employee leads to the growth of both the individual and the Fujitsu Group.

Based on this concept, to measure the sustainable growth of the Fujitsu Group we established Employee Engagement as a non-financial indicator that shows the mindset of employees and their empathy with the organizational culture. Employee Engagement can also be considered an indicator that illustrates the Fujitsu Group has the necessary human resources and other capabilities, including organizational culture, to gain the trust of customers as a DX partner.



The target Employee Engagement value of 75 for FY2022 is a figure that has been determined by benchmarking against global corporations. The actual scores can vary greatly across the Group , because they are impacted by the relevant company's business area, the business environments in different countries and regions, and the diversity of our employees' countries of origin. While it is true that 75 is an ambitious target for the Fujitsu Group, we are nonetheless striving to achieve this goal with the aim of being on par with other global enterprises.

Fujitsu has put in place a structure for global collaboration across all regions to boost engagement. This includes the Center of Excellence, a specialist team dedicated to creating highly engaged organizations, and Human Resource Business Partners, a team of strategic HR partners who are active in every work location. As a specific initiative, we have introduced measures to broaden employees' workstyle options, after clarifying their individual purpose. This includes a semiannual survey conducted on a global basis to measure employee engagement. The objective is to gauge in a timely manner changes in organizational culture, employee workstyles, opinions, and awareness, and to swiftly reflect the outcomes back to management.

The results of the surveys are disclosed on the intranet, where they can be viewed by all Group employees. The results for individual departments are also shown and are used when making changes to enhance day-to-day management and engagement at each work location. Departmental results are also used as a source of information for employees keen to embrace the challenge of a new environment through the job assignment system. Analysis of the survey information revealed a strong correlation between one-to-one meetings and employee engagement. This highlights the vital importance of managers and staff meeting to discuss and clarify a shared vision, unrelated to routine task reporting and discussions, from both the perspectives of employee engagement and of creating a purpose-driven organization. Non-financial indicators are very effective, and we believe it would be even better if we could incorporate employee engagement data and publish a reference model in the future, based on data analysis, with the aim of improving each of the non-financial indicators.

DX Promotion Indices

To capture the changes that the Fujitsu Group is undergoing on the path to achieving its Purpose, we have specified DX Promotion Indices*2 as one of the non-financial indicators, and we are conducting a maturity diagnosis on our digital transformation (DX) initiatives in a common format across all Group companies globally. By conducting detailed diagnoses for each department, we can gauge the progress of our DX efforts and the outcomes of measures so that they can be linked to future actions. Another objective in specifying these metrics is to accumulate knowledge that can be leveraged when working as a partner on DX projects with customers. By implementing initiatives in line with the DX Promotion Indices and by enhancing the level of DX maturity, we believe the Fujitsu Group can relay to customers through its business activities the insights gained in the process.

(*2) Evaluation indicators for digital management reform on a six-point maturity scale, ranging from 0 to 5. There are seven items relating to "Management approach and structure for DX promotion" and two items relating to "Building IT systems that will serve as the foundation for realizing DX".



Fujitsu has set a numerical target of 3.5 for the DX Promotion Indices in FY2022. According to the Japanese Ministry of Economy, Trade and Industry's DX Promotion Index, companies scoring an average of 3 or more across all qualitative indicators are classified as being a "Noteworthy DX Company". We consider this to be a recognition of Japan's top DX enterprises and the fact that they have also reached a leading position at a global level.

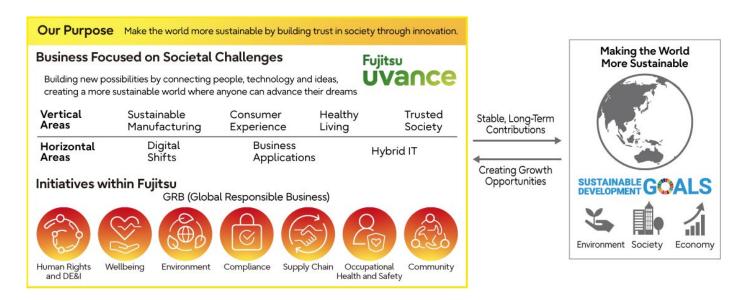
The DX Promotion Indices are specified on the assumption that each company conducts self-diagnosis. To ensure objectivity in the self-diagnoses undertaken at the end of each fiscal year, as a basis for scoring the Fujitsu Group uses input from all employees (gathered in Group-wide semiannual surveys on opinions regarding change) and incorporates a third-party evaluation by Ridgelinez Limited. The feedback is shared with executives, department heads, and DX leaders across all departments as part of the Group-wide DX project "Fujitra" (Fujitsu Transformation). The objective is to gauge the progress of the Group overall, as well as in each department, and to use the information when making decisions on the next measures to be taken and on any necessary adjustments to the trajectory of the project.

In terms of enhancing the results for these indices, we view the following three areas of internal reforms as being key to ensuring continued improvement in the future: mindset and corporate culture; human resource development and retention; and incorporation into the business. For the first area of mindset and corporate culture, the critical point is to ensure the effective functioning of measures such as the job-based personnel system and the Fujitsu Innovation Circuit, a business creation program. Regarding HR development and retention, it is essential to firmly establish and activate HR development measures, such as training programs for reskilling and our exPractice DX talent development program, as well as staff mobility measures, such as the job assignment system. Finally, the area of incorporating into the business primarily involves the acceleration of measures such as Fujitsu Uvance, service delivery reform, and business process transformation. We will utilize the DX Promotion Indices to enable all Group employees and external stakeholders to confirm the progress being made in the Fujitsu Group's transformation, while also ensuring that the initiatives implemented to date can securely take root and permeate throughout the organization.

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 by 2030. Fujitsu's purpose is "to make the world more sustainable by building trust in society through innovation" and our company has made a commitment, both internally and externally, to contribute to achieving the SDGs. As a global enterprise that for decades has leveraged technology to create value for society, Fujitsu has a responsibility to proactively contribute to societal transformation. To help make the world more sustainable, we aim to generate larger and more beneficial impacts for society, which will also help to spur ongoing sustainable corporate growth. In its efforts to contribute to achieving the SDGs, Fujitsu is transforming to a sustainable management model via its Global Responsible Business (GRB) framework and is also working to resolve societal challenges through business by promoting activities under the new Fujitsu Uvance business brand announced in 2021.



Fujitsu believes the SDGs essentially define a system transformation that must be achieved by 2030, and will act as the foundation for a world in which more than 9 billion people are able to live well, within planetary boundaries, by 2050. The issues highlighted in the SDGs involve a complex web of environmental, social, and economic elements. One key to solving these inherent problems is through digital transformation (DX). Fujitsu will harness the power of digital technology to create ecosystems that transcend industry boundaries and assist in the transformation of our customers and our own organizations, while playing a part in delivering fundamental changes to the way society interacts and contributes to the resolution of societal challenges.

The SDGs are an overarching framework of global social and environmental needs and form a common language for all stakeholders. Fujitsu will use its efforts to realize the SDGs as an opportunity for co-creation with a wide range of stakeholders, including international agencies, national and regional governments, private companies, non-governmental organizations (NGOs), and non-profit organizations (NPOs). By embracing a multifaceted approach to societal challenges, we can create and maximize positive impacts on an even larger scale.

SDG Promotion Systems

We have built a framework that prompts all our employees to consider which of the 169 targets defined in the SDGs are relevant to our services and solutions when they are engaged in product planning and business discussions and when they issue press releases.

The objective is to help our employees become more familiar with the SDGs and increase their awareness by having them consider our services and solutions, business discussions, and the content of our press releases in terms of contribution toward achieving the SDGs from the standpoint of societal challenges.

Fujitsu's Commitment to the Sustainable Development Goals (SDGs)



The Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 represent a set of common goals to be achieved worldwide by 2030. Fujitsu's purpose —"to make the world more sustainable by buildingtrust in society through innovation" — is a promise to contribute to thevision of a better future empowered by the SDGs

Contributing to SDGs with Digital Technologies and Services Helping to Reduce Costs and Energy Consumption at Manufacturing Facilities

Al technology is being used at manufacturing sites to improve quality control and make manufacturing processes more efficient. However, the aging of equipment and environmental changes mean that the accuracy of Al models sometimes declines in the processes where it is used. Therefore, repeated retraining of Al models is required when regular checking procedures reveal decreasing levels of accuracy, resulting in problems such as increased operations and maintenance costs.

To solve such problems, Fujitsu has collaborated with the SUBARU Corporation in the development and trialing of the "COLMINA Site Quality Assurance AI", a system that manages AI models used for quality assurance. This collaboration has helped to progress



the application of this system in mass-production processes. The integrated management of AI models incorporated in multiple items of equipment across different locations has made it possible to monitor the operation of AI models in real-time and determine when maintenance is required.

The system has been used for the engine parts machining processes in the Oizumi Plant at SUBARU's Gunma manufacturing division, boosting the quality assurance level and restricting resource use, which has delivered significant reductions in cost and energy consumption.

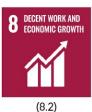
Fujitsu will continue to promote high levels of economic productivity for society through technological improvements and innovation, thereby helping to create new value.

Japanese only:

- > High-precision AI Model Providing Quality Assurance in Engine Part Machining Processes Begins Full-Time Operation on SUBARU Production Lines
- > Release of "COLMINA AI Operation Management Package for On-Site Quality" Enables AI to Reduce Costs and Maintain Quality at Manufacturing Sites

Key SDGs related to this solution









A Plant-Based Pure Water Trading Platform to Help Solve Global Water Scarcity Problems

According to the United Nations report on water scarcity(*1), around two-thirds of the world's population is experiencing serious water shortages, and this needs to be addressed urgently. To help meet this challenge, Britain's Botanical Water Technologies Ltd (BWT) and Fujitsu have created the world's first water trading platform that enables plant-based pure water trading based on the concept of water offsets(*2).

In the past, the excess water produced by food factories during the compression process used to create products like sugar, tomato paste, and concentrated fruit juice has simply been thrown away, often at great expense and to the detriment of the



environment. BWT uses innovative technology to filter and purify this processed water, producing pure (botanical) water which can then be sold or donated free of charge as safe and clean drinking water. This water can also be repurposed and used in industry or as an ingredient, used as an alternative to groundwater in regions where water is scarce, or sold as potable water to conserve water resources.

To address the problem of water scarcity on a global scale, BWT believed that it needed to work with other innovators to create an overarching ecosystem, and selected Fujitsu as its partner to build a plant-based pure water trading platform that uses the FUJITSU Track and Trust blockchain solution.

This solution ensures high levels of traceability throughout the process, from Botanical Water's production through to sales and distribution, and paves the way for water-positive(*3) activities such as donating water credits(*4) to regions that face chronic water shortages.

- (*1) United Nations report on water scarcity
- (*2) Water offsets: A concept in which companies compensate for the water they use in the manufacturing and distribution of products and services.
- (*3) Water positive: Activities in which companies return more water to a region than they use.
- (*4) Water credits: A similar concept to carbon credits. Companies trade in water credits primarily for use in water offsets. By purchasing water credits and donating the same amount of water, that water use is offset, effectively reducing the amount of water used by the company.
 - > Fujitsu's Blockchain Solution Applied to New Water Trading Platform to Tackle Global Water Shortages
 - > Sustainable manufacturing: turning wine into water

Key SDGs related to this solution

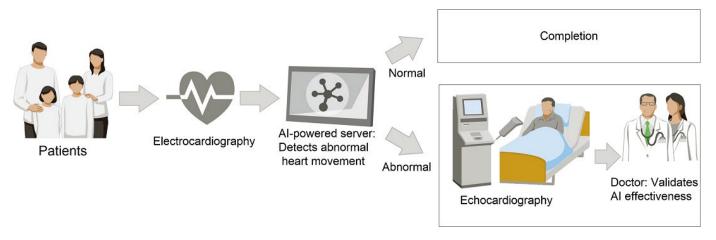


Using AI technology to Build Healthier and Longer-Lived Communities Through Early Detection of Heart Disease (Joint Research)

Heart disease is a leading cause of death globally, and its prevention and early detection are among the most important issues for the healthcare sector. Echocardiography is one of the screening tools used to detect abnormalities in the shape and movements of the heart, but this procedure can only be performed at facilities with specialist physicians and laboratory technicians. This hinders early detection and results in many cases only being discovered once the disease has become severe.

To address this issue, Fujitsu joined with the University of Tokyo Hospital to develop proprietary AI technology capable of estimating abnormal heart movements based on electrocardiogram data. This project focused on electrocardiography because it is simpler than echocardiography and is already in widespread use at many medical facilities. It is expected that the use of this AI will enable the early detection of heart disease in many more patients.

Fujitsu will continue to actively promote research and development of AI to detect various heart diseases and help to solve the problems facing medical facilities. The ultimate goal is to help build safer communities and support people's health and wellbeing.



Flow of clinical research

> Fujitsu and University of Tokyo Hospital Embark on Joint Research into AI to Aid the Fight Against Heart Disease

Key SDGs related to this solution

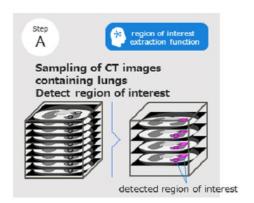


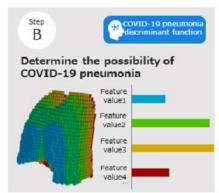
Supporting Medical Facilities in the Fight Against COVID-19 by Using AI to Analyze Chest CT Images

When treating patients who are strongly suspected of having a COVID-19 infection, the diagnosis is typically based on PCR test results as well as other results including blood tests and diagnostic imaging using chest CT (computer tomography) scans. Although chest CT imaging can often assist with early detection, it places a significant burden on doctors because the process normally requires the visual confirmation of hundreds of images per patient. Diagnostic imaging also needs a high degree of specialist knowledge, leading to inconsistencies between medical institutions in terms of their diagnostic capabilities.

In response to this situation, Fujitsu collaborated with Tokyo Shinagawa Hospital, which has a high level of expertise in CT diagnostic imaging, to develop an AI to assist in diagnostic imaging. The new technology supports doctors who are using chest CT imaging to perform diagnostic imaging on patients suspected of having COVID-19 pneumonia by representing the likelihood of infection through a numerical, three-dimensional visualization of the spread of shadows in the lungs. It is anticipated that the system will expand the level of specialist expertise in the diagnostic imaging field at medical facilities and reduce the burden on staff working in those facilities.

Fujitsu intends to continue its joint research projects with medical facilities with the aim of making people's lives safer and more secure as we transition to the era of living with COVID-19.







> Fujitsu and Tokyo Shinagawa Hospital Embark on Joint Research and Development of AI Technology to Support Diagnosis of COVID-19 Pneumonia

Key SDGs related to this solution



Traffic Movement Optimization Services Cut Traffic Jams and CO₂ Emissions (Verification Testing at Hamburg Port)

The area around the port in the German city of Hamburg is experiencing serious traffic congestion due to the increased volume of trucks and prolonged rush hours. This leads to disrupted supply chains and increased greenhouse gas emissions.

To help resolve this problem, Fujitsu embarked on the MOZART (Mobility Optimization and Analysis in Real-Time) project together with the Hamburg Port Authority and the Graz University of Technology.

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This project leverages Fujitsu's quantum-inspired Digital Annealer technology to simulate the movement of individual vehicles, synchronizing the phases of all the signals at traffic intersections in real-time to optimize all traffic movements in the test area.

The project demonstrated that the use of this technology could alleviate traffic jams, improve traffic flows, and reduce CO₂ emissions by up to 9% without requiring any changes to the existing infrastructure. Furthermore, by reducing traffic congestion, the project reduced transit times within the area by 20% and helped to make the local neighborhood more livable.

The aim now is to apply this solution to the entire city of Hamburg. Fujitsu intends to continue working in similar collaborative relationships with trusted partners to develop innovative services and solutions that will help to address the climate crisis and create safer and more livable urban environments.



Optimization of traffic flows using quantum-inspired Digital Annealer technology

- > Fujitsu Quantum-Inspired Optimization Services Cut Traffic Jams and CO₂ Emissions at Hamburg Port
- > Traffic Management with Traffic Signal Control in the Port of HamburgOpen a new window
- > Fujitsu Forum 2019 Keynote From mathematical to industrial optimizationOpen a new window

Key SDGs related to this solution



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.

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 <u>"GRI Standard/UN Global Compact (GC) Index"</u> for the relationship between our sustainability activities and the United Nations Global Compact, as described in the <u>"Sustainability"</u> sites and <u>"Fujitsu Group Sustainability Data Book"</u>.

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



External Recognition and Awards

Fujitsu Group continues to be highly regarded throughout the world for its social and environmental initiatives, which have won awards from external organizations and led to inclusion in the following stock market indexes.

Inclusion status for major stock market indexes related to Socially Responsible Investment (SRI)

Stock market index	Description	Logo
Dow Jones Sustainability Indices (Asia Pacific)	Fujitsu has been chosen for inclusion in the Dow Jones Sustainability Index (DJSI), the world's leading Socially Responsible Investment (SRI) index. DJSI is a stock index offered cooperatively by US-based S&P Dow Jones Indices that selects companies for their excellent sustainability, based on an analysis from the perspective of governance and economics, the environment, and society.	Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA
FTSE4Good Index Series	FTSE is an investment-related organization established by the London Stock Exchange which has created this globally-recognized SRI index that evaluates companies based on their environmental, social and governance practices. Fujitsu has been selected for inclusion in the index for ten consecutive years.	FTSE4Good
CDP	International non-profit organization CDP represents a network of institutional investors that control over \$96 trillion in assets. CDP scores over 5,000 companies throughout the world on their environmental action and identifies those that it rates highest as the "A List." Fujitsu has earned a spot on the A List for action on climate change for three consecutive years and for water security this year. Fujitsu also received the highest rating, A, in the "Supplier Engagement Rating (SER)" and was certified as a "Supplier Engagement Leader Board".	CDP SUPPLIER ENGAGEMENT LEADER 2021 CLIMATE WATER 2021
MSCI ESG Select Leaders Indexes (World)	These world-renowned ESG (Environmental, Social, Governmental) indexes were developed by global stock index provider MSCI. Companies with outstanding ESG performance are selected for the indexes, and Fujitsu has been continuingly included.	2022 MSCI ESG Leaders Indexes Constituent
STOXX® Global ESG Leaders Indices	This index compiled by STOXX, a subsidiary of Deutsche Börse, selects companies that meet criteria based on the results of research by ESG research company Sustainalytics from the Netherlands. Fujitsu has been continuingly included.	STOXX Member 2021/2022 ESG Leaders Indices

ISS ESG Corporate Rating	Germany-based CSR ratings company ISS-oekom produces these corporate responsibility ratings	Corporate ESG	
	which rate companies according to environment,	Performance Performance	
	social, and governance topics. The ratings have conferred Prime Status on Fujitsu since 2011.	RATED BY ISS ESG ►	

Major external recognition and awards received from FY 2020 onward

Recognition, Award and Other Index	Scope	Description	Logo
EcoVadis Platinum rating	Fujitsu Group	EcoVadis is the world's largest provider of business sustainability ratings, with a global network of more than 75,000 rated companies. With a score of 73/100, Fujitsu is placed on of the top 1% of the world's 45,000 best rated companies and a leader in our sector.	PLATINUM Top 1% 2021 ecovadis Sustainability Rating
HRC Equality Index	Fujitsu America	Human Rights Campaign (HRC) Foundation's Corporate Equality Index is the national benchmarking tool on corporate policies, practices and benefits pertinent to lesbian, gay, bisexual, transgender and queer employees. Fujitsu scored 100 on the HRC Index for the second year on a row.	HUMAN RIGHTS CAMPAIGN®
Times top 50 Employer for Women (UK)	Fujitsu	The Times Top 50 Employers for Women are committed to gender equality in the workplace and have each taken action to make this happen. Fujitsu has been listed for outstanding progress and examples of best practice, impact, innovation, and individual achievement.	THE ADDATIMES TOP 50 EMPLOYERS FOR WOMEN 2021 In partnership with In partnership with Dainwas Reference
Stonewall Top 100 LGBT inclusive employer (UK)	Fujitsu	Fujitsu was listed in the Stonewall Top 100 Employers. This list is compiled from the Workplace Equality Index – the UK's leading benchmarking tool for LGBT inclusion in the workplace.	Stonewall TOP 100 EMPLOYER
ABA100	Fujitsu Australia	Fujitsu Australia has been selected as an ABA100 Winner for Sustainability in The Australian Business Awards 2020. The Australian Business Award for Business Sustainability [BSA] recognizes organizations that execute initiatives that demonstrate leadership and commitment to sustainable business practices.	AUSTRALIAN BUSINESS AWARDS

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PEZA Awards for Community Outreach Programs	Fujitsu Philippines GDC	Fujitsu Philippines GDC scooped the Outstanding Community Projects Award from the Philippine Economic Zone Authority (PEZA). The award was conferred at PEZA's 25th Anniversary and Investors' Day, held on December 10, 2020 at the PEZA Auditorium in Pasay City, Metro Manila.	PEZA
Responsible companies, odpowiedzialnych Firm 2020	Fujitsu Poland GDC	Fujitsu Poland GDC was ranked 8th in the "Responsible Companies Ranking" published by Responsible Business Forum. The category was "Services, commerce and transportation".	XIV Ranking odpowiedzialnych firm 2020