

Fujitsu Way

The Core Elements of the Fujitsu Way

The Fujitsu Group established the Fujitsu Way in 2002 as a principle for the conduct of its people. In response to changes in society and the business environment, the company revised the philosophy in 2008 to further instill awareness in its people working around the globe.

With the world becoming more closely interconnected, fast-changing and uncertain, and with various threats to global sustainability emerging, the Fujitsu Group renewed the Fujitsu Way in 2020. The goal was to use technology to deliver value for customers and contribute proactively to the transformation of society. Accordingly, we set out Our Purpose, which is “to make the world more sustainable by building trust in society through innovation”.

The Fujitsu Way comprises three parts:

- Our Purpose : Why Fujitsu exists in society
- Our Values : The important sense of value each person should have
- Code of Conduct : What we should comply

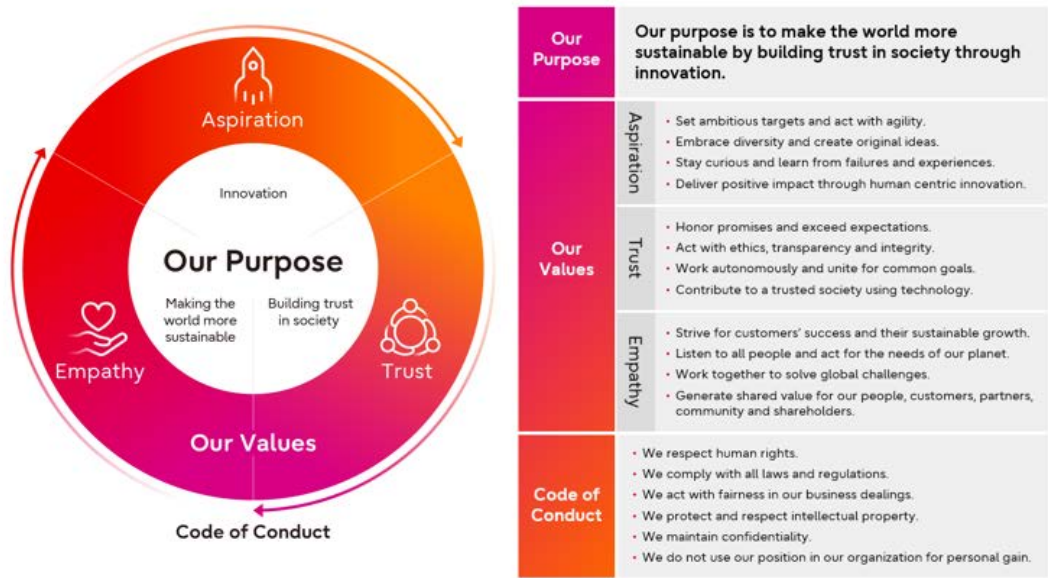
Our Values represent an action cycle consisting of Aspiration, Trust and Empathy, which is necessary to achieve Our Purpose. As members of society, our employees will comply with the Code of Conduct.

We aim to achieve Our Purpose by engaging in corporate activities that are based on the Fujitsu Way and that underpin the actions of each person in the Group.

Click below for further details.

- [Fujitsu Way](#) >
- [Transforming Our Corporate Culture](#) >

The Structure of Fujitsu Way



[Image Large]

Transforming Our Corporate Culture

The Fujitsu Way

We have established the Fujitsu Way, a set of principles for all employees to observe based on Our Purpose, which indicates the reason for Fujitsu's existence in society. All Fujitsu employees work to achieve Our Purpose in their daily activities, while keeping in mind Our Values (Aspiration, Trust, and Empathy) and the Code of Conduct as they deliver value to customers and society.



Our Purpose

- [Fujitsu Way](#) >
- [Our Story](#) >

Activities to Promote the Fujitsu Way

In-house Communication Initiatives

Fujitsu has been deploying in-house communication initiatives to boost the degree of empathy with the Fujitsu Way. To promote the Fujitsu Way globally, we have appointed Fujitsu Way promotion leaders as part of the corporate governance structure. These individuals are responsible for promoting the Fujitsu Way on the front lines, and they participate in regular Fujitsu Way Meetings with the CEO as a way of spurring motivation.



Sample pages from the Fujitsu Way booklet

We have also produced a Fujitsu Way booklet and shared it with employees worldwide to ensure that each and every Fujitsu employee understands the Fujitsu Way and makes it their own. The booklet incorporates management's thinking on ways to implement change in Fujitsu. It also includes the words of former CEOs and other pioneers plus the background to their messages, which today form the company's DNA, embedded in the Fujitsu Way. We will continue to communicate the Fujitsu Way through workshops and videos, to ensure that all employees engage in the Fujitsu Way and work toward achieving Our Purpose.

Broadening the Message through Purpose Carving®

In 2020, with the need to coalesce the ideas of each and every employee to generate greater synergy and achieve Our Purpose, we started rolling out the Purpose Carving® program (^{*1}), an initiative to shape and inform each individual's own purpose (My Purpose).

Purpose Carving® is an interactive program that enables participants to reflect on their personal journeys and values, carving out their own purpose as they contemplate the future. With 82,000 employees worldwide having completed the program as of August 2024, the overlaying of their purposes on Fujitsu's corporate Purpose provides the driving force for transformation.

^{*1} Purpose Carving® was selected as the winner of the Excellence Award in the Corporate HR category of HR Award 2022 (sponsored by the HR Award Steering Committee and supported by the Ministry of Health, Labour and Welfare).

Sustainability Contribution Awards

The Sustainability Contribution Awards program is an in-house program established to help achieve Fujitsu's Purpose. To create the type of sustainable society that Fujitsu envisions, it is important that the entire organization, based on its purpose and business strategy, places emphasis on contributing to a sustainable society through business and synchronizes business with sustainability. Materiality, revised in 2023, incorporates the perspective of delivering value to customers and society through our business activities. General Judges recruited from within the Fujitsu Group, Fujitsu Way promotion leaders, and the CSSO (*2) serve as judges; they base their decisions on the extent to which the entries embody the values and purpose reflected in the Fujitsu Way and the level of contribution to materiality and business.

In FY2024, a total of 182 applications were received from Fujitsu Group companies worldwide, resulting in the presentation of two Grand Prizes and six Excellence Awards. See below for examples of the applications received in each of the materiality contribution areas.

*2 Chief Sustainability & Supply Chain Officer

Examples of Applications Received in FY2024

- Solving global environmental problems: Low power consumption technologies and efficiency improvements to help realize a carbon-free society; Shift to recycling-oriented industries; environmental monitoring; etc.
- Developing a digital society: Solving food loss and logistics problems; building information-sharing infrastructure and enhancing security through public-private partnerships; promoting DX to various industry sectors and business operations; etc.
- Improving people's well-being: Using medical and health data for drug discovery research; contributing to communities; etc.
- Technology: Solving the GPU shortage problem and the AI power problem; high-capacity fiber-optic transmission technologies; development of innovative technologies; etc.
- Management foundation: DX-oriented practices aimed at business transformation; communication transformation to spread messages from management; etc.
- Human capital: Implementing a global donation platform; gender equality and inclusion training; promoting diverse work styles; etc.

Value Creation Model

Fujitsu's Value Creation Model to Achieve its Purpose

Focused on Societal Challenges Fujitsu is Purpose-Driven to Provide Value to Society

Fujitsu aims to realize its Purpose, which is “to make the world more sustainable by building trust in society through innovation”, and thereby create new value while helping to build a better future for customers and for society.

Reflecting the newly established materiality, our vision for 2030 is to be “a technology company that realizes net positive(*1) through digital services”. Our value creation model is based on capital inputs and business activities that aim to create a sustainable society by focusing on key strategies for Fujitsu and to develop the priority issues for sustainability management under the Global Responsible Business (GRB) framework. The outputs derived from these initiatives are positioned as financial and non-financial indicators, and the resulting outcomes provide value to society in the form of impact indicators. We will continue to invest as inputs the various outputs and outcomes generated through these activities, while also working to enhance the value delivered to a range of stakeholders.

(*1) Fujitsu defines net positive as follows: “In addition to maximizing financial returns, we are committed to solving global environmental problems, developing a digital society, and improving people's well-being. Technology and innovation will have a positive impact on society as a whole.”

- [Fujitsu Uvance](#) >
- [Sustainability Management in the Fujitsu Group](#) >

Value Creation Model



Value Creation Model

To achieve outcomes that contribute value to society, Fujitsu is setting targets (impact indicators) for FY2030 for the three materiality themes (Essential Contributions) from the perspective of their impacts on external stakeholders such as customers, society and, in particular, the environment.

To address global environmental issues, it is essential that we work to minimize the environmental impacts among our companies and customers arising from issues such as more frequent natural disasters stricter regulatory regimes and as climate-related problems, particularly global warming, grow worse. By providing solutions and through its various activities, Fujitsu is helping customers and society to reduce their energy consumption, visualize and reduce their greenhouse gas (GHG) emissions, enhance traceability, and bolster their resilience. We have set a specific impact indicator for FY2030 of "aiming for a reduction impact of roughly 0.3% of global total GHG emissions". This is predicated on reducing our contribution to GHG emissions by the ICT industry, Fujitsu's target market share and our in-house activities. To this end, we are undertaking monitoring and management to identify our actual GHG reductions using a range of output indicators. These include sales of Fujitsu Uvance solutions activities in our supply chains and within the company, activities by our investment targets, and, which will help us to achieve those indicators.

Regarding the development of a digital society, the economic growth and technological advances that include digitalization can create a more prosperous society, but can also give rise to negative consequences such as greater inequality. However, digitalization is important for society as it offers both prosperity and stability and allows for the creation of a trusted society. By providing solutions and through its various activities, Fujitsu is contributing its customers and the broader society, to independently, freely and autonomously use digital technology to access accurate information. We have set a specific impact indicator for FY2030 of “helping to provide digital accessibility to more than 150 million people” based on future population trends and Fujitsu’s target market share. We are also undertaking monitoring and management using a range of output indicators to identify the actual number of people affected. These output indicators include a count of community activities, the services and solutions offered by sales of Fujitsu Uvance solutions, and our investment targets.

Finally, regarding the improvement of people’s well-being, it is important to provide social value through education and upskilling in order to build human-centric lifestyle platforms that support everyone’s well-being. As well as working positively to provide high-quality education, we also need to offer appropriate assistance in support of measures such as personalized career plans to ensure that we do not exacerbate educational inequality. By providing solutions and through its various activities, Fujitsu is helping customers and society to appropriately improve their ICT skills and acquire ICT expertise. We have set a specific impact indicator for FY2030 of “contributing to the provision of ICT skills and training for at least 12 million people” as the based on future population trends, Fujitsu’s target market share and our delivery rate for ICT skills and training. We are also undertaking monitoring and management using a range of output indicators to identify the actual number of people affected. These output indicators include sales of Fujitsu Uvance solutions, the services and solutions offered by our investment targets, and community events and seminars.

Materiality

Materiality in the Fujitsu Group

The Fujitsu Group revised its approach to Materiality in 2023. We specified Materiality in 2018 under the Basic CSR Policy but have now updated it to encompass Materiality in Management, which incorporates the perspective of delivering value to customers and society through our business activities.

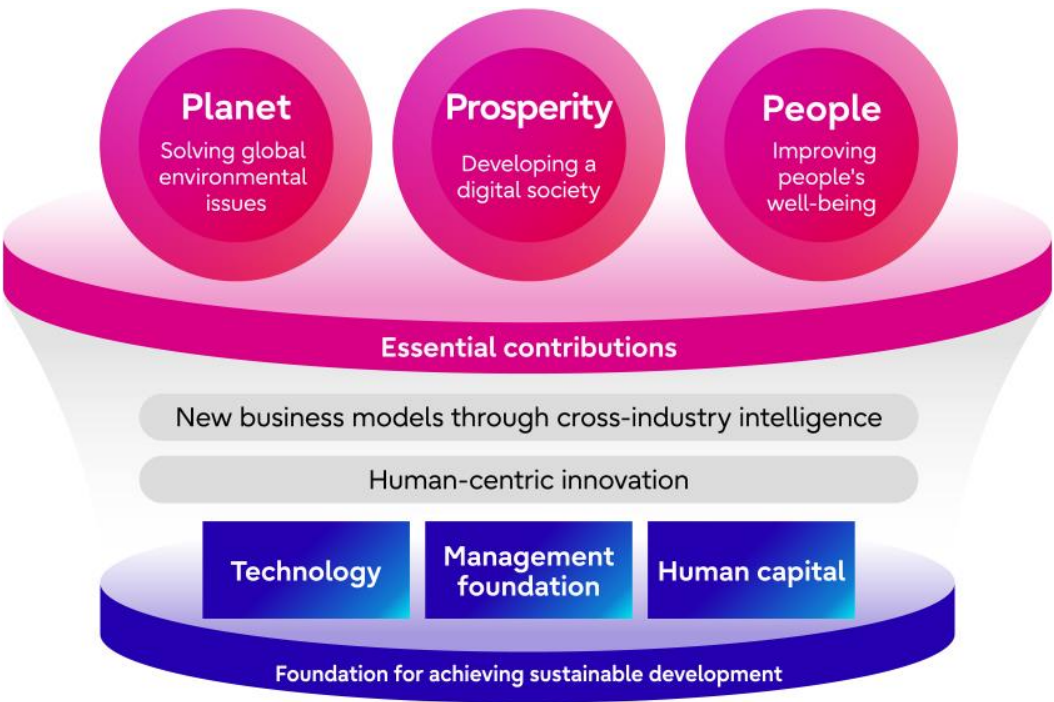
Looking ahead to 2030, we evaluated Materiality in terms of its importance to Fujitsu and its importance to stakeholders in the medium- to long-term, and identified two categories of key issues that must be resolved in order to achieve sustainable growth. The first category is 'Areas of Essential contributions to sustainable growth' and the second is 'Fundamentals for achieving sustainable development.' In the first category of Essential Contributions, we will leverage the development of Fujitsu Uvance and other businesses to provide customers and society with value that contributes to solving global environmental issues, developing a digital society, and improving people's well-being. Furthermore, we will strengthen our technology, management foundation, and human capital to create the Foundation for Achieving Sustainable Development as the source of value creation for the Fujitsu Group, while supporting the creation of new business models and spurring innovation.

The results of the materiality assessment formulated in 2023 are also used for company-wide risk management. Issues such as climate change, human rights, and security identified through materiality analysis are linked as important risk items in potential risk assessments conducted throughout the Fujitsu Group, some of which are disclosed as "Business Risks."

And Materiality-related initiatives are recommended as a goal-setting item in the "Executive Performance Management" evaluation system for executives at FUJITSU VP-level and above. The non-financial indicators based on Materiality are being progressively linked to the evaluation indicators for executive remuneration (Executive Director bonuses).

Going forward, we will continue to promote company-wide initiatives related to Materiality, reduce and avoid critical management risks, and maximize business opportunities. In this way, we aim to enhance the corporate value of the Fujitsu Group and contribute to achieving net positives in the areas of environmental issues, digital society, and people's well-being.

Materiality



Materiality

Essential contributions (3 global imperatives, with 11 issues where we will contribute in)

<div>Planet: Solving global environmental issues Contribute to creating a future earth where both people and nature can thrive</div>	<div>Prosperity: Developing a digital society Contribute to creating a trusted digital society where global prosperity and stability are compatible</div>	<div>People: Improving people's well-being Contribute to improving quality of life and opportunities across society to support the well-being of people</div>
Climate change (Carbon neutral)	Maintaining security of information	Contributing to healthcare for an improved quality of life
Resource circulation (Circular economy)	Eliminating the digital divide	Promoting lifelong education and reskilling
Living in harmony with nature (Protection and restoration of biodiversity)	Leading ethical AI and IT	Improving customer/consumer experience
	Ensuring a positive work environment and addressing labor shortages	
	Assuring responsible supply chains	

Foundation for achieving Sustainable Development (7 issues)

<div>Technology</div> <div>Innovating cutting-edge digital technologies which co-create new opportunities to transform to a sustainable society</div> <div>Creating and developing cutting-edge innovative technologies</div>	<div>Management foundation</div> <div>Data-driven management that pre-emptively and flexibly responds to the business environment with highly efficient, rapid decision-making</div> <div>Governance and compliance</div> <div>Risk management</div> <div>Economic security management</div> <div>Digital transformation</div>	<div>Human capital</div> <div>Creating innovation everywhere in society by bringing together agile and versatile people from inside & outside the company</div> <div>DE&I</div> <div>Well-being and human resource development</div>
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Materiality Assessment Process

The Fujitsu Group identified Materiality based on the principles of double materiality, whereby the mutual impacts of corporations and the environment and society are taken into account (i.e. both the financial impact of environmental and social issues on Fujitsu and the impact of Fujitsu business activities on the environment and society). We will conduct periodic reviews on an annual basis and revise as necessary. This process receives third-party assurance.

Step 1 Organize and Identify Social Issues

- Create a long list of various social issues (163 issues) that will flow from the future megatrends anticipated for 2030 based on the following:
 - SDGs
 - Evaluations of ESG indices (FTSE, MSCI and DJSI)
 - ESG reporting framework (GRI Standards, SASB Standards)
 - World Economic Forum (WEF) Global Risk Reports
 - Responsible Business Alliance (RBA) Code of Conduct
 - World Business Council for Sustainable Development (WBCSD), Global Enabling Sustainability Initiative (GeSI) documentation
- Identify 40 social issues by integrating similar items and deleting items with minimal business relevance

Step 2 Prioritization

- Conduct surveys, interviews and desktop research with a wide range of internal and external stakeholders based on the identified social issues. In anticipation of future circumstances in 2030, create a draft materiality matrix that prioritizes 25 social issues from 40 social issues in terms of the risks and opportunities those issues present. The draft materiality matrix is created by conducting comprehensive assessments and assigning scores to issues from the perspectives of their importance to Fujitsu (financial impact of the environmental and social issues on Fujitsu) and their importance to stakeholders (environmental and social impact of Fujitsu business activities).
- Leverage personal interviews and Sustainability Management Committee meetings to discuss and evaluate (ie, with reviews by executive directors, executive officers, non-executive directors and corporate auditors) the adequacy of the draft Materiality Matrix from the perspective of Fujitsu's uniqueness (ie, affinity with the Fujitsu brand), and arrive at the final Materiality Matrix (condensed from 25 issues down to 18 issues).

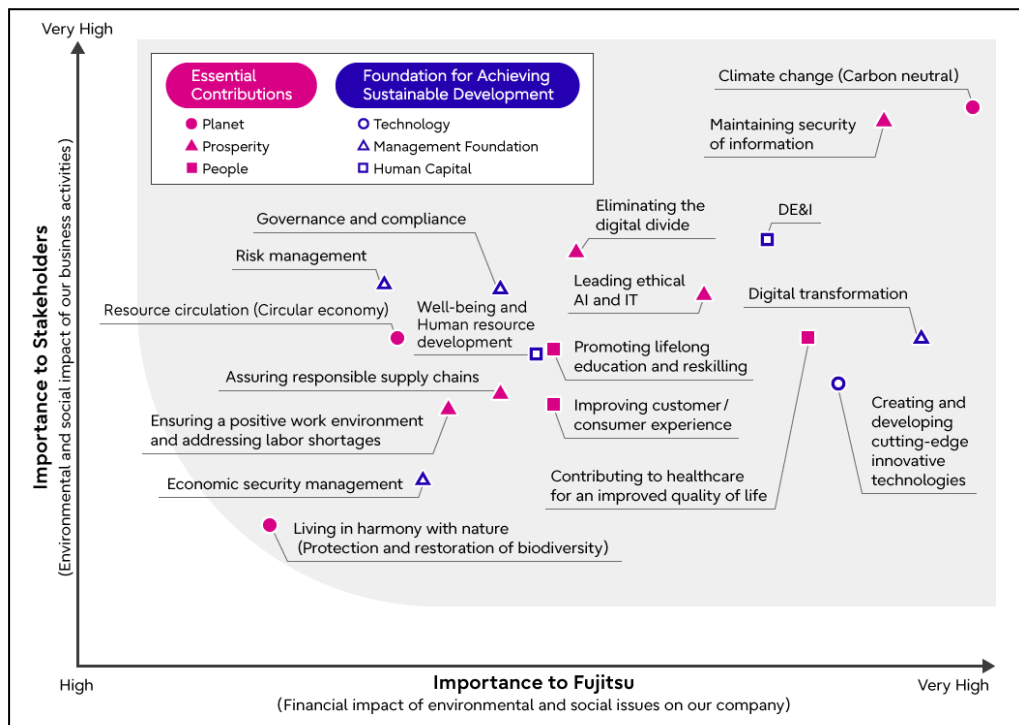
- Organize the materiality concept and then classify and arrange the 18 issues into 2 categories and 6 areas.

Fujitsu and Stakeholder Assessment

	Assessment method		Details
Fujitsu	Surveys, interviews	Executives	● Survey and/or interview a total of 43 executives, including the Sustainability Management Committee, Executive Directors, and other executives.
		Fujitsu Way promotion leaders	● Survey 94 Fujitsu Way promotion leaders.
	Desktop research		● Use internal and external data to quantitatively and qualitatively evaluate the extent of the impact of social issues in terms of sales, costs, reputation, compliance and consistency with business strategy.
Stakeholders	Surveys, interviews	Employees	● Select employees in each of the company-wide (global) divisions at random and survey 1,160 employees in total.
		Market (customers and suppliers) <u>*1</u>	● Survey and/or interview company management and middle management working in Fujitsu customer and supplier industries globally (9 countries, 14 industries)
		Investors	● Survey and/or interview Fujitsu capital markets participants.
	Desktop research		● Quantitatively and qualitatively assess importance from the perspective of stakeholders based on the survey forms used by representative ESG rating agencies and various other external documents and reports.

*1 A commissioned study conducted by Forrester Consulting on behalf of Fujitsu, August 2022

Materiality Matrix



Step 3 Management Approval

- Go through the Sustainability Management Committee to discuss and approve Materiality as assessed, and the direction for promoting company-wide initiatives
- Materiality as included in the Medium-Term Management Plan is then discussed and approved by the Board of Directors.

Step 4 Review

- Annual review
- Discussions to be held at the time of mid-term management plan formulation.

Approach to Materiality

Taking into account the risks and opportunities posed by materiality, we have discussed our approach for FY2025. Fujitsu will implement measures to address risks, focusing on our internal initiatives, while addressing opportunities by expanding Fujitsu Uvance and other businesses to solve social issues and provide value to customers and society. Moving forward with this approach to materiality will hasten reductions in the negative impacts while promoting greater positive impacts, leading to net positive outcomes for Fujitsu businesses and society.

Essential contribution

Common indicators for essential contributions	FY2025 Targets <ul style="list-style-type: none">● Customer NPS: +20 (Against a baseline of FY2022)
Common initiatives for essential contributions: Contribute to global and regional communities	<ul style="list-style-type: none">● Promote ongoing participation in community activities to boost employees' level of engagement and improve their experience and perspective by helping to resolve social problems● Expand partnerships that link us to future businesses and address social issues through community investment (including people, goods, and money) in NPOs, NGOs and regional communities● Promote initiatives involving activities that make appropriate social contributions, through monitoring of impacts and the number of beneficiaries to identify the outcomes of activities

Planet: Solving global environmental issues -- Contribute to creating a future earth where both people and nature can thrive



FY2025 Targets

- GHG emissions Scope 1, 2: 50% reduction (against a baseline of FY2020)
- GHG emissions Scope 3, Category 11: 12.5% reduction (against a baseline of FY2020)

FY2030 Targets

- Contribution to global GHG emissions reduction: 0.3% (Global CO₂ reduction impact of Service Solutions business)

Please also refer to the Environmental Action Plan (See here for [Environmental Action Plan Stage XI \[FY2023-2025\]](#))

Materiality	Recognition of risks & opportunities ^{*2}	Approaches for FY2025 (main initiatives)
Climate change (Carbon neutral)	<p>Risks</p> <ul style="list-style-type: none"> ● Higher costs of coping with more stringent energy savings and GHG emissions regulations ● Higher operating costs due to the increasing severity of natural disasters 	<p>Internal initiatives</p> <ul style="list-style-type: none"> ● Reduce GHG emissions at business sites (promote energy savings and increase renewable energy use) ● Promote energy-saving product design and reduce GHG emissions in the supply chain

Materiality	Recognition of risks & opportunities *2	Approaches for FY2025 (main initiatives)
	<p>Opportunities</p> <ul style="list-style-type: none"> ● Increased demand for the adoption of renewable energy, energy savings and visualization of GHG emissions, including in supply chains ● Increased demand for mitigation measures that offer society-wide energy optimization to reduce GHG emissions and for adaptation measures that build resilient communities and industries 	<p>Business growth for customers and society</p> <ul style="list-style-type: none"> ● Visualize/reduce GHG emissions in the supply chain ● Visualize energy usage at factories and other facilities (automate primary data collection) ● Identify a broad spectrum of supply chain risks, including disasters, pandemics, and international political risks ● Develop and make effective use of new energy sources and materials, such as clean ammonia, and improve traceability ● Optimize and integrate natural energy into social infrastructure systems ● Enhance resilience against emergencies in cities ● More accurate weather forecasts and disaster prevention simulations
Resource circulation (Circular economy)	<p>Risks</p> <ul style="list-style-type: none"> ● Increased costs for operations and for handling the reputational risk arising from resource constraints resulting from resource depletion and escalating conflicts over scarce resources resulting from resource maldistribution 	<p>Internal initiatives</p> <ul style="list-style-type: none"> ● Reduce water usage at business facilities and raise awareness of water source security upstream of the supply chain ● Promote greater resource savings in products and improved resource circulation ● Get involved in activities to standardize business models and circular economy indicators, and measure social impacts
	<p>Opportunities</p> <ul style="list-style-type: none"> ● Increased demand for support to create a circular (recycling-based) society by building economic mechanisms that will sustainably recycle resources and promote zero waste and the effective use of resources 	<p>Business growth for customers and society</p> <ul style="list-style-type: none"> ● Reduce losses and enhance traceability through the use of blockchain ● Promote the effective use of materials through the visualization of product quality, etc. ● Enhance resource traceability with the aim of creating environmental value through recycling ● Establish recycling schemes and assure a stable supply of recycled resources through business-to-business data sharing

Materiality	Recognition of risks & opportunities <u>*2</u>	Approaches for FY2025 (main initiatives)
Living in harmony with nature (Protection and restoration of biodiversity)	Risks <ul style="list-style-type: none"> Amid increasingly strict controls on land use and information disclosure, there is increased reputational risk and the risk of difficulty in raising capital due to delays in addressing biodiversity 	Internal initiatives <ul style="list-style-type: none"> Reduce negative impacts and increase positive impacts on biodiversity in areas of business activities, including the supply chain
	Opportunities <ul style="list-style-type: none"> Increased demand for assessing, visualizing, monitoring, and reducing impact on the environment and biodiversity, and urban development that co-exists with nature 	Business growth for customers and society <ul style="list-style-type: none"> In business activities that take biodiversity into account, use business planning simulations to visualize environment conservation and impact severity Protect water and forestry resources and limit excessive consumption by developing new materials and adopting new production methods

Business Impacts

- Promoting activities that minimize environmental impacts in our areas of business activity, including the supply chain (reducing GHG emissions, saving and recycling resources, protecting biodiversity) can help to reduce or avoid risks such as reputational damage and excessively strict regulatory controls
- With the transition to a more environmentally friendly society, there is increasing demand for minimization of the environmental impacts on each industry's entire value chain. Expanding businesses that are designed to address environmental issues and create value for the environment can lead to increased financial returns

See [TCFD Information Disclosure](#) for more information on the analysis of business impacts from climate change

Societal Impacts

- By developing solutions such as using digital technology to visualize environmental footprints and improve traceability, we can contribute to restoring biodiversity, building a circular economy and a carbon-neutral society, as well as reducing our customers' environmental impacts

Prosperity: Developing a digital society -- Contribute to creating a trusted digital society where global prosperity and stability are compatible



FY2030 Targets

- Digital accessibility: 150 million people
Contributing to the improvement of digital accessibility in society by providing Fujitsu services and developing various activities (Based on the number of Fujitsu Uvance solutions provided, investee services/solutions, and community activities, the actual number of people influenced by digital accessibility improvement is grasped. Monitoring and management are promoted.)

Materiality	Recognition of risks & opportunities <u>*2</u>	Approaches for FY2025 (main initiatives)
Maintaining security of information	<p>Risks</p> <ul style="list-style-type: none"> ● Amid increasingly strict regulatory regimes, risks include loss of credibility, fines and penalties for violations of laws and regulations if the rights and interests of individuals are violated or customer information is leaked due to leakage of information related to business activities 	<p>Internal initiatives</p> <ul style="list-style-type: none"> ● Stronger governance: Implement countermeasures more quickly and effectively by bolstering on-site security systems and active intervention by management ● Stronger responses to cyber threats: Use more rigorous information management and responses, and security risk visualization that includes prediction ● Stronger supply chain security: Consolidate data in secure development environments and data management environments, and develop training to achieve more mature security

Materiality	Recognition of risks & opportunities <u>*2</u>	Approaches for FY2025 (main initiatives)
	<p>Opportunities</p> <ul style="list-style-type: none"> ● Increased demand for more advanced information infrastructure that is trusted and secure with the aim of providing data security at the society, corporate and individual levels 	<p>Business growth for customers and society</p> <ul style="list-style-type: none"> ● Ensure that customer systems and businesses are trusted by providing secure Hybrid IT platforms ● Provide resilient Hybrid IT platforms along with more rigorous IT and security governance for mission- critical areas such as public-sector and financial institutions ● Enable security management that is capable of responding quickly to stricter and more sweeping regulations, such as the Data Protection Directive ● Combine Zero Trust Security technology and other technologies to create a new high-speed, high- capacity network security technology that offers enhanced reliability and convenience
Eliminating the digital divide	<p>Opportunities</p> <ul style="list-style-type: none"> ● Increased adoption of “digital democratization” whereby anyone can independently, freely and autonomously use digital technology, leading to increased demand for digital platforms that do not encourage discrimination, prejudice or hate 	<p>Business growth for customers and society</p> <ul style="list-style-type: none"> ● Optimization tailored to patients and the democratization of advanced healthcare ● Enable more advanced decision- making and problem solving for the traceability and verification of raw materials ● Promote the adoption of integration and corporate IT consulting through co- creation with financial institutions ● Build broadband networks for local governments (US)
Leading ethical AI and IT	<p>Risks</p> <ul style="list-style-type: none"> ● Ethical or other issues that originate from data or other input to an AI pose the risk of problems such as diminished social trust or litigation ● If employees or customers lack understanding or practical experience of AI ethics, this could prevent the growth of trust in AI and risks thwarting the innovation and progress that is possible using AI 	<p>Internal initiatives</p> <ul style="list-style-type: none"> ● Implement initiatives aimed at disseminating AI ethics, such as providing AI ethics training to employees and customers, and formalizing the Fujitsu internal practice of AI ethics ● Provide technology and ecosystems that simplify the identification of AI ethics risk by AI developers and customers themselves, and present solutions

Materiality	Recognition of risks & opportunities <u>*2</u>	Approaches for FY2025 (main initiatives)
	<p>Opportunities</p> <ul style="list-style-type: none"> Given the enormous expectations for the development of a trusted information society, there will be increased demand for AI use that embodies appropriate AI ethics and for appropriate AI ethics practices within companies 	<p>Business growth for customers and society</p> <ul style="list-style-type: none"> Provide AI that complies with AI ethics guidelines and ensures reliability and transparency with respect to AI by providing explainable AI (Improve sustainable reliability in business by using explainable AI to predict the risk of illegality from companies' financial and non-financial data) Provide consulting services for areas such as creating guidelines and ethical rules for the appropriate use of AI
<p>Ensuring a positive work environment and addressing labor shortages</p>	<p>Opportunities</p> <ul style="list-style-type: none"> Increased demand for the creation of pleasant, safe and secure working environments intended to improve employee motivation, and for increased automation and efficiency so as to improve productivity and quality and address labor shortages 	<p>Business growth for customers and society</p> <ul style="list-style-type: none"> Provide ways to make work (production, distribution, shipping, sales, etc.) both safer and more efficient by using automation technology, AR/VR, and remote communication Respond to changes in working environments, formulate and implement strategies by visualizing and analyzing worker feedback and working conditions, thereby improving engagement and innovating workstyles with the focus on the workers themselves Make operations more efficient and advanced using digital technology, and plan the optimal workspace for customers' business transformation Provide high-usability services by using more advanced digital touchpoints with automated technology, multilingual support, and AIOps

Materiality	Recognition of risks & opportunities <u>*2</u>	Approaches for FY2025 (main initiatives)
Assuring responsible supply chains	<p>Risks</p> <ul style="list-style-type: none"> ● If problems arise in the supply chain, such as human rights violations involving conflict minerals or the working environment, or damage due to environmental destruction or climate change, these problems pose risks such as impacts on continued business activity, erosion of social trust in the company following administrative penalties, and lost business opportunities 	<p>Internal initiatives (approach to the supply chain)</p> <ul style="list-style-type: none"> ● Prevent and reduce human rights risks in the supply chain ● Promote reduction of GHG emissions in the supply chain ● Ensure supply chain diversity
	<p>Opportunities</p> <ul style="list-style-type: none"> ● Increased demand for the building of platforms and the enhancement of information disclosure, optimization and visualization of supply chain management in the environmental and social areas, particularly with regard to the environment, human rights and mineral resources (procurement) 	<p>Business growth for customers and society</p> <ul style="list-style-type: none"> ● Provide stronger management through improved supply chain traceability ● Enable detection of a broad spectrum of supply chain risks, including disasters, pandemics, and international political risks ● Enable digitalization and resilience in supply chains that are shared by multiple corporations on a global scale ● Enable sustainable consumption and waste reduction through End-to-end value chain optimization ● Offer logistics optimization and retail (OMO) management ● Enable digital tracking of products along the supply chain ● Enable new value creation/conversion using secure platforms that support expanded ethical purchasing

Business Impacts

- While issues such as insufficient information security measures, ethical problems associated with AI and human rights violations in supply chains can result in outcomes such as loss of trust by customers and society as well as increases in the cost of dealing with such issues, these risks can be minimized by setting up strong governance structures and introducing effective countermeasures
- Our customers and society also face the above issues, as well as problems such as a growing digital divide and worsening labor shortages. With the transition to a digital society, developing businesses aimed at resolving these issues can help to increase our financial returns

Societal Impacts

- By developing solutions such as explainable AI and secure information infrastructure, we can build trusted digital technology into society and help to build a more resilient society where more people can reap the rewards of digital technology

People: Improving people's well-being -- Contribute to improving quality of life and opportunities across society to support the well-being of people



FY2030 Targets

- Provision of ICT skills and education: In excess of 12 million people
Contributing to the improvement of ICT skills and expansion of education in society by providing Fujitsu services and developing various activities
(Based on the number of Fujitsu Uvance solutions provided, services/solutions of the investee, community activities, events and study groups, the actual number of people influenced by ICT skills improvement is grasped. Monitoring and management are promoted.)

Materiality	Recognition of risks & opportunities *2	Approaches for FY2025 (main initiatives)
Contributing to healthcare for an improved quality of life	<p>Opportunities</p> <ul style="list-style-type: none"> ● Increased demand in communities for healthcare that is integrated into daily life, such as the digitalization of medicine and preventive healthcare that uses AI and the IoT 	<p>Business growth for customers and society</p> <ul style="list-style-type: none"> ● Connect medical institutions with external institutions and services to enable the mutual exchange of consumers' and patients' treatment and lifestyle information ● Individualize and optimize a patient's end-to-end healthcare journey, from prevention through to treatment and recuperation (effective personal healthcare)
Promoting lifelong education and reskilling	<p>Opportunities</p> <ul style="list-style-type: none"> ● Increased demand for initiatives that allow people to live rich and fulfilling lives, such as the building of digital education platforms that enable people to learn freely at any time and to have their achievements evaluated appropriately 	<p>Business growth for customers and society</p> <ul style="list-style-type: none"> ● Provide micro-learning environments that use AI to provide personally optimized education, regardless of time or location ● Enable strategic reskilling by defining the type of personnel needed to achieve DX, supporting the formulation of personnel strategy and personnel development plans, and providing education and training programs

Materiality	Recognition of risks & opportunities <u>*2</u>	Approaches for FY2025 (main initiatives)
Improving customer /consumer experience	<p>Opportunities</p> <ul style="list-style-type: none"> Improvements in peoples' attitudes towards new consumption, new relationships and new work styles as their values become more diverse. Greater demand for personalized consumer experiences and the creation of new ways to exchange personal, corporate and social values. 	<p>Business growth for customers and society</p> <ul style="list-style-type: none"> Personalize marketing/promotions and enable new online and offline purchasing Offer consistent, fluid, and personalized shopping experiences wherever there is contact between consumers and any type of brand channel Provide efficient monitoring, operation, and maintenance for retail systems Enable sophisticated promotions that target consumers by predicting their behavior

Business Impacts

- As peoples' values transition from material wealth to spiritual richness, they will demand more advanced medical treatment, healthcare, education and customer/consumer experiences. Developing human-centric business that help people to enjoy quality lives that are safe and secure can help to increase our financial returns

Societal Impacts

- By providing services that cater to people's individual healthcare needs and respond to consumption trends while providing them with the upskilling they need for their career plans, we can not only help people live longer, healthier lives, but we can also help build a society where everyone lives a full and happy life where they can maximize their own potential

Foundation for Achieving Sustainable Development

Common indicators for "Foundation for Achieving Sustainable Development"	<p>FY2025 Targets</p> <ul style="list-style-type: none"> Per capita productivity: +40% (against a baseline of FY2022)
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Technology: Innovating cutting-edge digital technologies which co-create new opportunities to transform to a sustainable society



Materiality	Recognition of risks & opportunities *2	Approaches for FY2025 (main initiatives)
Creating and developing cutting-edge innovative technologies	<p>Risks</p> <ul style="list-style-type: none"> ● R&D into cutting-edge technology is the wellspring of corporate growth. If technology development does not progress, it will lead to the risk of losing competitiveness ● Digital innovation that supports DX/SX is essential for business transformation and a sustainable society 	<p>Internal initiatives</p> <ul style="list-style-type: none"> ● Quantum: Work with customers to develop apps that use quantum-HPC hybrid technology and develop world- leading error-correction technology. Develop 1,000 qubit machines and further scaling technologies ● Computing: Enhance computing workload broker technology, develop frameworks that will accelerate graph AI and expand HPC into new areas such as digital twins ● AI: Provide global customer value through AI platforms that feature AI technology, such as world-leading graph AI and AI trust. Strategically acquire specialists in the AI area. ● Data & Security: Accelerate innovation- creation using ecosystems with world- leading Web3/Trust technology that allows the distribution and use of highly reliable distributed data maintained by companies or individuals ● Converging Technologies: Develop the world's first Social Digital Twin Platform to continually improve society by devising initiatives that leverage environmental, social, and economic synergies, thus enabling Sustainability Transformation (SX) solutions that can be rolled out globally

Business Impacts

- Helping to achieve sustainable business innovation by conducting R&D into the 5 technology areas of Computing, AI, Data & Security, Converging Technologies and Networks and creating digital innovation

Societal Impacts

- Continue to help resolve customer and societal issues and support Sustainability Transformation (SX) by providing all-inclusive value, enabled through a combination of technologies

Management Foundation: Data-driven management that pre-empts and flexibly responds to the business environment with highly efficient, rapid decision-making



Materiality	Recognition of risks & opportunities *2	Approaches for FY2025 (main initiatives)
Governance and compliance	<p>Risks</p> <ul style="list-style-type: none"> ● If a strong governance structure is not maintained, and disclosure and oversight of execution are not enhanced, there is a risk of undermining sound management ● Situations that violate national or international laws or regulations risk exposure to surcharges or financial compensation, and erode public trust 	<p>Internal initiatives</p> <ul style="list-style-type: none"> ● Corporate governance: <ul style="list-style-type: none"> ● Undertake continual reviews of corporate governance ● Fully disclose corporate information that is conducive to cooperative relations with all stakeholders, including shareholders ● Promote constructive interaction with shareholders ● Compliance: <ul style="list-style-type: none"> ● Promote the Global Compliance Program to raise awareness of compliance ● Provide compliance training to suppliers
Risk management	<p>Risks</p> <ul style="list-style-type: none"> ● The absence of a strong risk management can have an impact on the company's business continuity 	<p>Internal initiatives</p> <ul style="list-style-type: none"> ● Conduct internal assessment reviews using tools to measure potential risk, visualize the impacts of those risks using actualized data, and formulate and implement recurrence-prevention measures ● Build data-driven risk management systems ● Build a global solutions network to ensure that overseas risk information is reported to and acted upon by the Head Office promptly

Materiality	Recognition of risks & opportunities <u>*2</u>	Approaches for FY2025 (main initiatives)
Economic security management	<p>Risks</p> <ul style="list-style-type: none"> Given the current global instability and the trend towards stronger regulation of corporate activity in the interests of maintaining economic security, there are risks in the form of impacts on supply chains and markets targeted by companies, together with burdens such as the increased costs of responding to such impacts and financial penalties for companies found to have breached the regulations 	<p>Internal initiatives</p> <ul style="list-style-type: none"> Bolster business resilience by assessing risks to business continuity from the perspective of economic security and geopolitics, and then reflect those risks in the business continuity plan (BCP) Strengthen Companywide management across all departments for technologies that include important cutting-edge fields Respond to the economic security countermeasures in each country and region
Digital transformation	<p>Risks</p> <ul style="list-style-type: none"> Failure to achieve digital transformation risks declines in productivity and delayed responses to the external environment, which can adversely affect our competitiveness 	<p>Internal initiatives</p> <ul style="list-style-type: none"> Expand data-driven management and operational excellence by promoting the One Fujitsu Program: <ul style="list-style-type: none"> Real-time management to support speedy and practical decision-making End-to-end management resource visualization and conversion to digital data Global standardization of business processes

Business Impacts

- Failure to maintain a strong management infrastructure and improved management efficiency poses serious risks such as lower productivity and lower levels of social trust. Establishing robust governance structures and introducing effective countermeasures can help to minimize such risks

Societal Impacts

- Failing to maintain a strong management infrastructure and improved management efficiency could also result in losses for customers and suppliers in the business area. Establishing robust governance structures and introducing effective countermeasures can help to minimize these risks

Human Capital: Creating innovation everywhere in society by bringing together agile and versatile people from inside & outside the Company



FY2025 Targets

- Employee engagement: 75
- Diversity in Leadership (ratio of women in leadership roles): 20%

Materiality	Recognition of risks & opportunities <u>*2</u>	Approaches for FY2025 (main initiatives)
DE&I	<p>Risks</p> <ul style="list-style-type: none"> ● Human rights violations and disrespect for or insufficient consideration of diversity in stakeholders such as employees or people in the supply chain poses a wide range of risks, including loss of business opportunities, erosion of social trust in the company following administrative penalties and loss of personnel 	<p>Internal initiatives</p> <ul style="list-style-type: none"> ● Diversity: <ul style="list-style-type: none"> ● Build an inclusive and egalitarian corporate culture that makes everyone feel included and free to express themselves ● Boost the participation of women in leadership positions ● Develop a comprehensive strategy for cultures and ethnicities that operates globally ● Introduce the FWEI (Fujitsu Workplace Equality Index) ● Promote and advocate for digital accessibility as one corporate strategy, including in-brand communication, customer experience, and the workplace. ● Ensure supply chain diversity through: <ul style="list-style-type: none"> ● Activities to determine diversity indicators based on the societal requirements in each country or region ● Development of mechanisms to determine the support for female participation in key activities in the domestic supply chain and to measure the progress of initiatives by suppliers ● Human rights: Prevent or reduce human rights risks in the value chain (human rights training,

		dialog with experts)
Materiality	Recognition of risks & opportunities ^{*2}	Approaches for FY2025 (main initiatives)
Well-being and Human resource development	<p>Risks</p> <ul style="list-style-type: none"> ● Failure to create an environment that enables employees to be happy and healthy, both physically and mentally, in their work, or failure to provide opportunities for employees to achieve personal growth, risks losing personnel and eroding the brand value 	<p>Internal initiatives</p> <ul style="list-style-type: none"> ● Stronger personnel development platforms: Job-based human resource management, measures to encourage the evolution of employees into DX personnel, etc. ● Improved well-being: <ul style="list-style-type: none"> ● Develop measures to promote understanding and wider acceptance of well-being ● Data-driven visualization and analysis ● Thorough preventive measures for health and safety

Business Impacts

- Boosting investment in human capital, such as through stronger personnel development platforms and personnel portfolios, can assist in extracting the maximum possible value from personnel and increase sustainable value creation and corporate value

Societal Impacts

- Promoting activities to protect diversity and respect for human rights in the supply chain can help to lessen or avoid DE&I-related supply chain risk

^{*2} Recognition of risks & opportunities was organized and analyzed based on various publicly available information in Step 1 (Organize and Identify Social Issues) of the materiality assessment process.

Non-Financial Indicators

Approach

To contribute sustainably to the Fujitsu Purpose in the long term, it is essential to foster trusted relationships with all stakeholders. The Fujitsu Group has integrated non-financial indicators into its core business activities, promoting their achievement alongside financial targets.

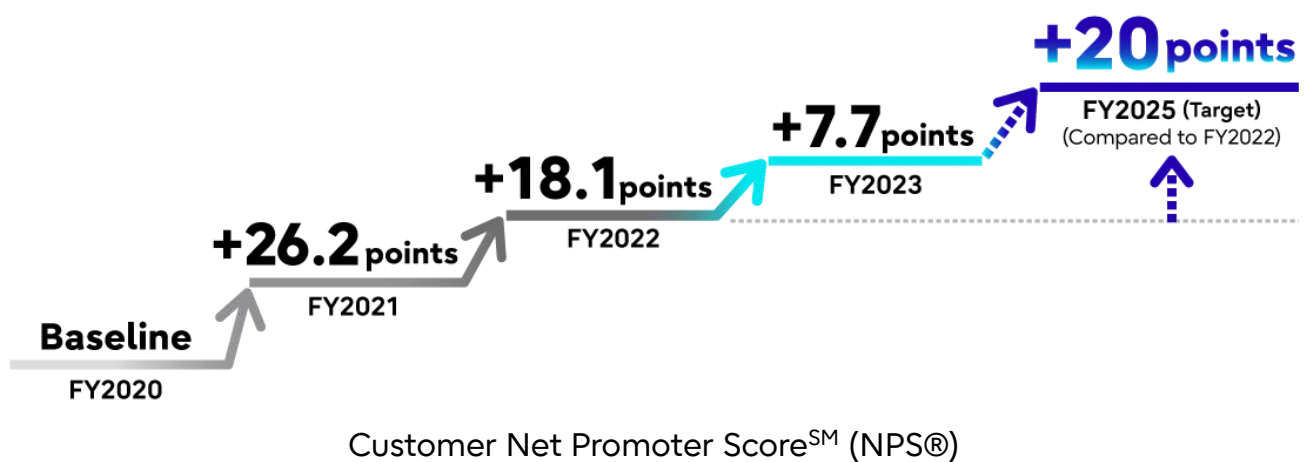
To measure and verify our positive impact on customers and society, and to strengthen the Foundation for Achieving Sustainable Development, we set non-financial targets in the Medium-Term Management Plan announced in FY2023. These targets include key performance indicators (KPIs) such as: Customer Net Promoter Score (NPS®)(^(*)), Employee Engagement (EE), Diversity Leadership (ratio of women in leadership roles), Productivity Index, and Greenhouse Gas (GHG) Emissions Reduction Rate. We are continuously monitoring the progress of these KPIs.

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

Net Promoter ScoreSM (NPS®)

Customer Net Promoter ScoreSM (NPS®) (Customer NPS) is a metric used to objectively gauge the extent to which trusted relationships with customers helps create 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.

As a structure to achieve this objective, at the working level we have appointed customer experience leaders in each region to take the lead in a timely manner in relation to improvement activities. Action plans and awareness of issues developed through discussions between CX leaders and frontline employees are shared with management, ensuring that customer issues are addressed at the frontline level and treated as management issues. This creates a system with a 'feedback loop' to propose continuous improvement, examine areas for investment, and verify the effectiveness of measures already taken.



Note: Given that the survey was conducted twice, FY2021 values were retroactively updated to the weighted average of the findings from the two surveys.

In line with the FY2022 continuous improvement result of +18.1 points and the FY2025 target of +20 points against a baseline of FY2022, we set a target of 6.5 points period-over-period for FY2023. Our activities resulted in an increase of +7.7 points period-over-period, exceeding the target. The Fujitsu Group is recognized, in particular, for providing proposals based on a deep understanding of the customer's business challenges, for experience in implementing DX, and for engaging in its own internal transformation.

However, we recognize that our consulting capabilities to address customer business challenges and our ability to implement innovative, advanced, and swift transformation require further improvement. Through further reskilling and accumulation of DX business model validations, the entire Fujitsu Group will enhance its ability to provide comprehensive business support.

Going forward, our Medium-Term Management Plan aims to boost the score by +20 points in FY2025 against a baseline of FY2022. Based on the results of the customer surveys conducted globally in FY2022 and FY2023, we will therefore focus on areas that require improvement, while continuing to improve the point scores in the areas that were evaluated as strengths.

Employee Engagement

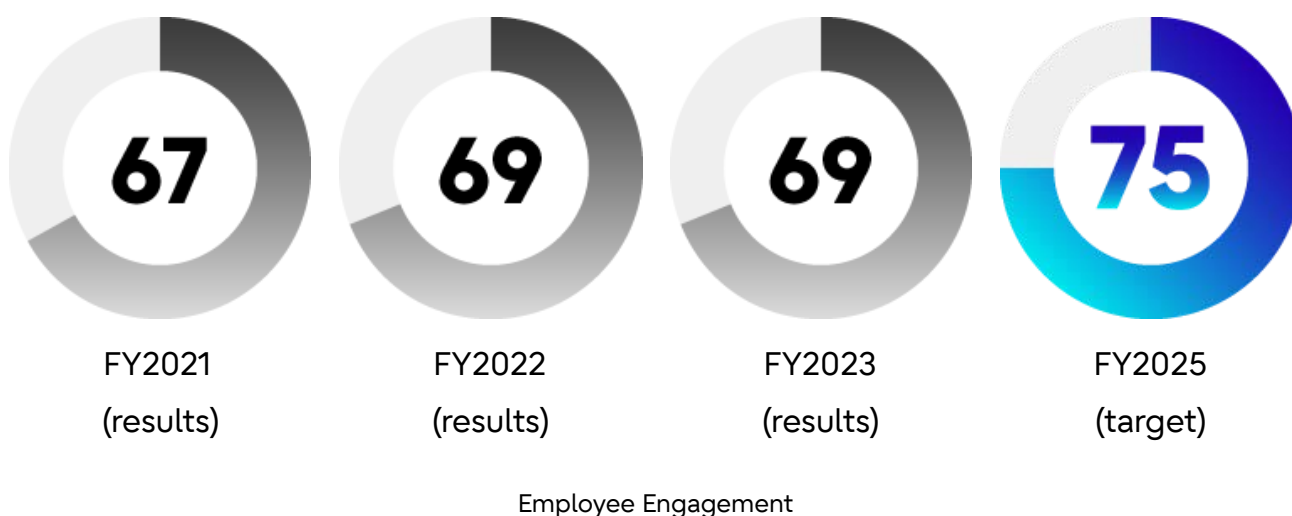
The Fujitsu Group's greatest management resource is its employees, who are the source of the value provided to customers. Our experience suggests that highly engaged employees are better able to provide high-quality services to our customers, and that positive customer feedback correlates to an increase 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. At Fujitsu, Employee Engagement is defined as "an indicator that shows the degree of employees' motivation and attachment to work and their willingness to contribute independently in empathy with the company's direction and purpose." 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" 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 implemented a framework comprising a Center of Expertise (CoE), a specialist team dedicated to creating highly engaged organizations, and Human Resource Business Partners (HRBP), a team of strategic HR partners who work with leaders at the highest level in organizations in Japan and in our overseas regions to boost engagement.

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. Survey items include questions about the employee's sense of fulfillment in working for the Fujitsu Group, the connection between the Fujitsu Purpose and the employee's own work, and the degree to which the employee's individual strengths are demonstrated. Past surveys have clearly shown that senior and middle management in each organization must be the driving force in action-taking together with their team members to boost engagement. Strong relationships built on trust between managers and employees are also important. Survey findings are compiled on a manager-by-manager basis and are used to bolster support for management improvement by presenting each manager with the most appropriate Recommended Actions. Going forward, we plan to establish a data-driven cycle to improve organizational performance and individual wellbeing, leveraging the insights gained from analyzing engagement data to take even more effective action.

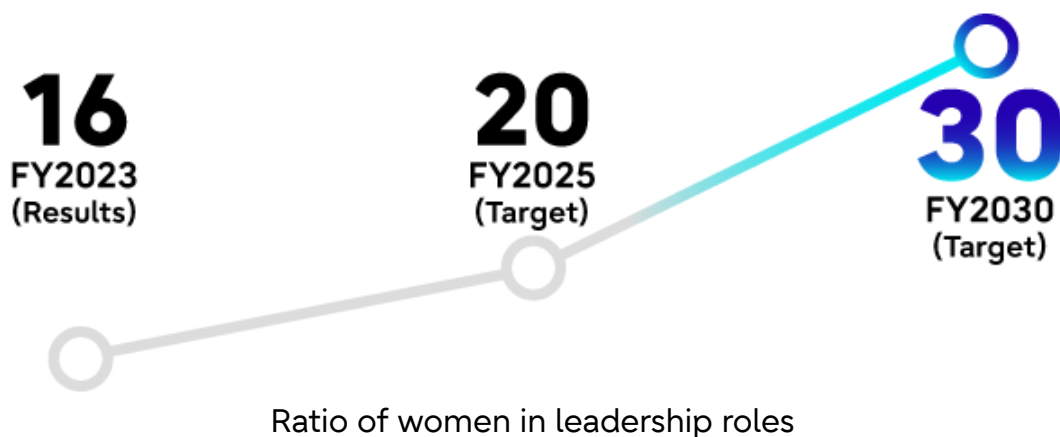


Diverse Leadership (ratio of women in leadership roles)

The DE&I vision for the Fujitsu Group includes “Build an inclusive and equitable culture where everyone belongs and can be completely themselves.” Gender is positioned as one of the five focus areas in the Global DE&I Vision & Inclusion Wheel.

To transition into an enterprise capable of sustainably generating innovations and providing value to customers while meeting the requirements of communities with diversified values, it is essential to create an environment and culture in which a diversity of people can each optimally leverage their different viewpoints and abilities. As a first step toward this objective, we have set the ratio of women in leadership roles as a new non-financial indicator. We based this on the results of research that determined “when the ratio of a minority group in an organization reaches 30% a chain reaction occurs that changes the organizational culture.” The target set for the end of FY2030 is to have a 30% ratio of women in leadership roles throughout the Fujitsu Group, with an interim milestone target of 20% by the end of FY2025.

In addition to the above, we will encourage various initiatives such as mindset transformation, positive action, and the promotion of Work Life Shift to improve the work environment.

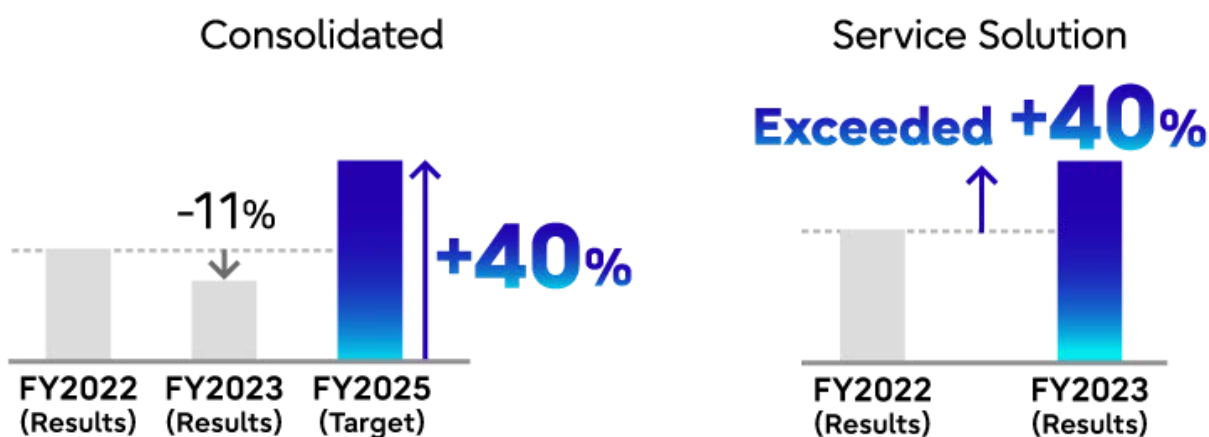


Per capita productivity

Up until FY2022, the Fujitsu Group was using DX Promotion Indices, that is, metrics for measuring the level of DX maturity (*2), for implementing DX policies such as vision sharing, mindset, talent development, IT reform, business process reform, and business model reform. This laid the foundation for transformation, enabling the company to continuously implement transformation based on company-wide strategies.

In order to move into the next stage of transformation, we need to demonstrate that DX is contributing to business transformation and increased competitiveness, and is a driver for generating greater corporate value. From FY2023, we have set a new 'productivity indicator' for operating income per capita, which is an indicator for measuring business efficiency. The target as at the end of FY2025 is set at 40%+ against a baseline of FY2022. As one of the activities to achieve this target, we are pursuing an initiative centered on data visualization and cause-and-effect analysis as productivity indicators. We believe that visualizing our own current position will encourage discussion and decision-making on productivity from the perspective of management and the workplace respectively, leading to actions that will increase individual as well as corporate productivity. In order for the Fujitsu Group to become a true DX company, we will achieve greater efficiency in time usage, communication, and business processes through the use of AI and digital technologies based on more sophisticated IT investments. We will implement productivity improvements in collaboration and interaction with various initiatives, unfettered by preconceived ideas or stereotypes.

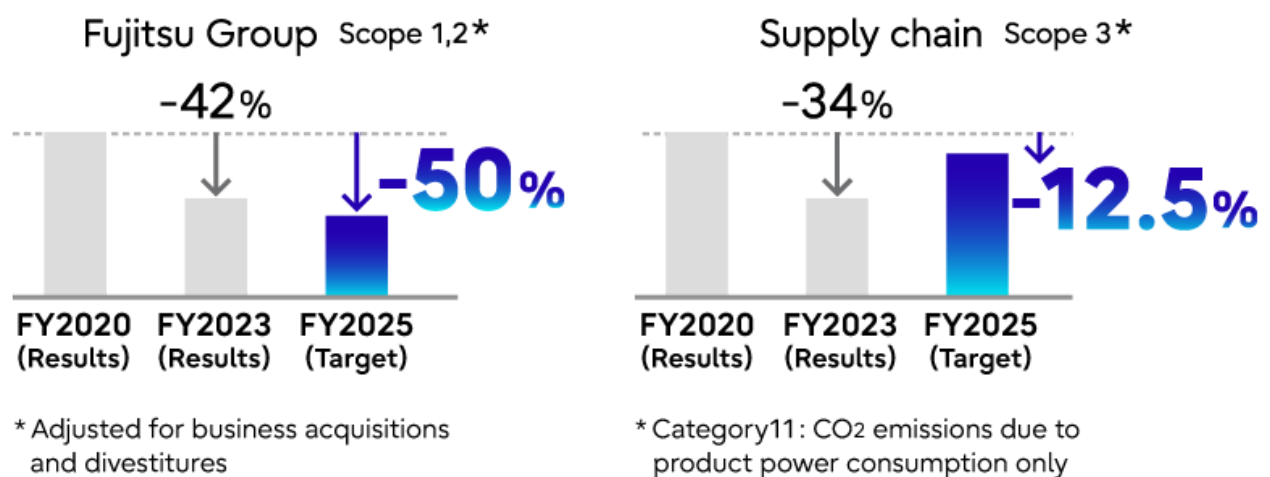
(*2) Note 1: Maturity level metrics tool for assessing digital business transformation on a six-point scale of 0 to 5. Consists of seven "Indicators related to DX promotion by corporate management, and the framework therefor", and two "Indicators related to the development of platform IT systems for enabling DX."



Per capita productivity

Reduction of GHG Emissions

The Paris Agreement (COP21), adopted in December 2015, set out a long-term, shared worldwide goal of limiting the average global temperature increase to considerably less than 2°C and preferably 1.5 °C over pre-Industrial Revolution temperatures, as well as the goal of carbon neutrality (net zero emissions) by the second half of this century. Subsequently, following a review of climate change impacts (loss, damage, etc.) based on the latest scientific knowledge, it was declared at the COP26 Glasgow Agreement that the preferred 1.5 °C target would now become the actual target and that the world must aim to achieve net zero by mid-century (around 2050). These rapid changes led the Fujitsu Group to announce a target of net zero for GHG emissions in its supply chain by FY2040, with an interim target of net zero for GHG emissions in Fujitsu's own business areas by FY2030. To help achieve these objectives, we released the Environmental Action Plan (Stage XI). This plan runs up to FY2025, a milestone on the path to the targets, and will give shape to our specific initiatives as we work toward the realization of carbon neutrality.



GHG emissions reduction rate FY2025 target and FY2023 results (compared to FY2020)

As a leading SX company, Fujitsu has a role to play in applying technology to help solve challenges for customers and society while expanding and enhancing the value provided as we collaborate with customers and partners to achieve a sustainable future. It is therefore essential to confirm the global trends and the actions taken in regard to climate change challenges, because a delayed response could lead to a loss of business opportunities. Against this backdrop, we consider the reduction of GHG emissions to be a critical issue and are working on it as one of our non-financial indicators.

Intellectual Property (IP) Strategy to Support Fujitsu's Purpose

Policy (IP Management and Corporate Value)

Fujitsu's Purpose is to make the world more sustainable by building trust in society through innovation. To achieve this, the aim of our intellectual property management policy is to contribute to innovation and new value creation in the Fujitsu Group by strategically building and utilizing intellectual capital, including our technology, our brand and our designs.

Intellectual property management has two facets. One is the construction of an intellectual property portfolio including prosecution for the intellectual capital already held by the Fujitsu Group and then using that portfolio to create new value. The other facet is risk management, which consists of lowering the incidence of risks likely to diminish our corporate or social value, primarily through measures that promote respect for and prevent violations of our rights and those of third parties.

Contributing to Value Creation

We are progressing and appropriately managing the acquisition of the rights to the technology developed by the Fujitsu Group and to the designs and brands created to deploy that technology in the community. This expands our opportunities for generating licensing income, better differentiates our offerings from the technologies and services provided by competitors and maintains or enhances the competitive advantage of Fujitsu Group technologies and services.

We are also assisting with the search for new growth opportunities by investigating, analyzing and sharing information on a wide range of global technology trends, including the status of patent applications in strategically important areas for the Fujitsu Group. Open Source Software (OSS) is an indispensable resource for digital services, and Fujitsu is an active participant in the OSS community, helping to create environments that promote innovation and build a value co-creation ecosystem by formulating rules for the use of intellectual property.

Reducing the Risk of Value Loss

One important way to reduce the risk of losing corporate value by protecting intellectual property. Third party violations of rights held by the Fujitsu Group not only obstruct the progress of our business strategy, they also have the potential to negatively impact customers' trust in the Fujitsu brand in a competitive environment. For this reason, we constantly monitor for violations of our rights, and where a proposal is discovered that could potentially cause a rights violation, we immediately put in place appropriate countermeasures.

Fujitsu's Code of Conduct which, together with our Purpose and Values makes up the Fujitsu Way, clearly states our commitment to respecting and protecting intellectual property and respecting the intellectual property rights of others, just as they respect our own acquisition of rights to intellectual capital. We are formulating Rules for Handling Intellectual Property Rights that link this Code of Conduct to specific actions, and these rules are being applied to Fujitsu and Group companies in Japan that undertake actions involving intellectual property. We are also working to reduce the risks of violating rights held by third parties through measures such as thoroughly researching patent violation avoidance, careful OSS license management, and responding to in-house consultation requests concerning the terms of intellectual property agreements.

- [Fujitsu's Intellectual Property](#). >



Contributing to Value Creation and Reducing the Risk of Value Damage

Structure of the Intellectual Property Division (Intellectual Property Global Head Office)

The Intellectual Property Division (the Intellectual Property Global Head Office), which belongs to the Legal and Intellectual Property Unit under the General Counsel, consists of the IP Intelligence Service Office, which supports research laboratories and provides IP landscapes to the front office, the Intellectual Property Strategy Office, which formulates and promotes company-wide intellectual property strategies based on communication with management, and the Intellectual Property Center, which implements intellectual property portfolio construction. In addition to collaborating within each division, the Business & Legal Department promotes intellectual property activities for business producers and SEs, and also collaborates with Fujitsu Techno Research Ltd., which provides intellectual property-related services, to execute intellectual property management.

The formulation of IP management strategy and policy for the activities of the Intellectual Property Division is not limited solely to the Division itself, but is undertaken in collaboration with the Technology Units headed by the Chief Technology Officer (CTO) and Chief Portfolio Officer (CPO) and with the responsible IP strategy managers within the Business Units. In this way, IP management is integrated with our broader management strategy, technology strategy, and business portfolio strategy. In addition, at meetings of the Independent Directors & Auditors Council, which includes external directors and auditors, the Head of the Legal and Intellectual Property Unit reports on the strategy and progress of intellectual property management and provides opportunities for discussion with management.

Group-wide Global Collaboration

Fujitsu has developed an intellectual property governance structure to make the best possible use of its intellectual capital throughout the Fujitsu Group. This ensures that IP-related activities undertaken by Group companies in Japan are integrated. Where a company undertakes independent IP activities as a partial exception, a reporting line is set up and the activity is conducted through close collaboration. Globally, including the utilization of the reporting line, periodic meetings are held involving regional IP managers from the 5 regions of Europe, India, China, Australia and the United States. Additionally, through intellectual property support for research facilities established in another 8 countries around the world to ensure that all IP management conforms to the realities of global business.

Linkage with Technology Strategy and Business Portfolio Strategy

Fujitsu's stated purpose is: "To make the world more sustainable by building trust in society through innovation", and our key strategies have sustainability as their starting point. One of the key strategies for the Intellectual Property Division is its Technology strategy, which is to enhance its core technologies with AI as the focus. Taking a structured approach to progressing Fujitsu's IP activities linkage with our technology strategy and business portfolio strategies helps to maintain and strengthen the Fujitsu Group's competitive advantage and acquire new business opportunities. In intellectual property activities, in order to achieve competitive superiority, we are strengthening the collaboration between the intellectual property division and the research division, analyzing the strengths of technologies under development in the market from intellectual property information, and feeding back the results from the intellectual property division to the research division. We are also promoting initiatives by identifying areas where international standardization and Open Source Software (OSS) should be actively utilized. Furthermore, in order to enhance the added value of Fujitsu Uvance's offerings, we will deepen the collaboration between the intellectual property division and the business division to promote the enhancement of our offerings through R & D technology.



Organization of the Intellectual Property Division



Group-wide Global Collaboration

Initiatives

Fujitsu's purpose is: "To make the world more sustainable by building trust in society through innovation", and we pursue our key strategies with sustainability as the starting point, as set out in the Medium-Term Management Plan released in May 2023. In terms of investment in intellectual property, Fujitsu is building an IP portfolio intended to create added value in our services business and is enhancing AI-centered technologies as part of our Technology strategy, one of our key strategies. We are also engaged in leveraging IP for co-creation, including collaboration to help achieve the SDGs under the FUJITSU Technology Licensing Program™ for SDGs. The Company is also engaged in using OSS, international standardization and rulemaking to establish social rules that engender trust and confidence in deploying Fujitsu's advanced technologies, and strategic initiatives to support the Key Focus Areas from a brand and design perspective.

The following section highlights examples of intellectual property activities including construction of patent portfolios based on technology strategy, utilization of intellectual property to solve societal challenges, and international standardization and rulemaking.

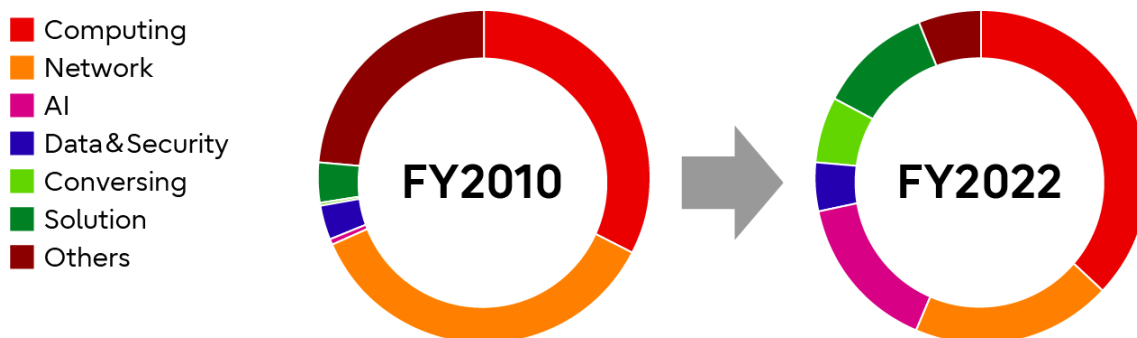
IP Activity Examples

Creation of Intellectual Property

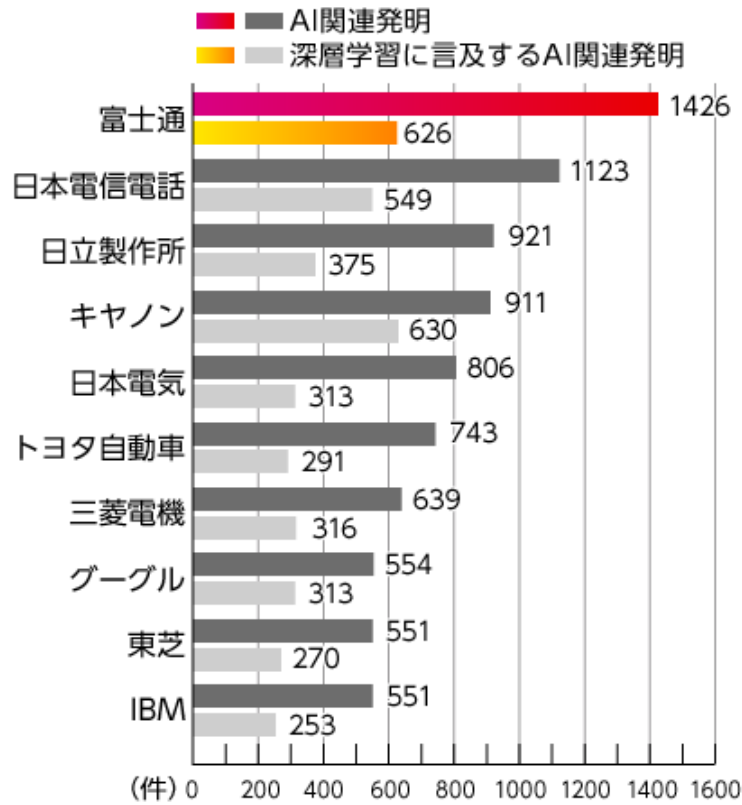
Patent portfolio construction based on Technology Strategy

Under our technology strategy of concentrating R & D resources on Fujitsu Uvance and other five Key Technologies (KT) centered on AI, which is essential for digital services, Fujitsu Group is increasing the share of the five KT's in our patent portfolio. In particular, the number of patent applications for AI-related technology, which has accumulated research and development since the 1980s, ranked first in Japan in fiscal 2023, following fiscal 2022.

In addition to the core technologies that have been Fujitsu's strength to date, Fujitsu is currently focusing on patent prosecution of applied AI technologies. Applied technologies refer to technologies fuse core technologies with knowledge about specific industries and applications, such as those implemented in Fujitsu Uvance's offerings, or technologies fuse AI with other four KT's technologies. Prosecution of applied technologies is linked with our business strategy to accelerate the integration of the five AI-based KT's with Fujitsu Uvance. We are working to build an applied technology patent portfolio in line with our business strategy to offer Fujitsu Kozuchi, the AI platform announced in March 2024, as part of Fujitsu Uvance.



Percentage of annual patent applications at Fujitsu



2014年以降の出願で2023年6月までに
公開された出願件数は、日本で1位※

※ 出所:特許庁「AI関連発明の出願状況調査
報告書」2023年10月

Number of Patent Applications for AI-related inventions by applicant (Japanese text only)

- [Intellectual Property Strategy to Support Fujitsu's Purpose](#) >

Utilization of Intellectual Property to Solve Social Issues

Promotion to Solve Social Issues by licensing Fujitsu technology to other companies

Fujitsu is promoting technology solutions to solve social issues, by offering Fujitsu technology to other companies.

In November 2023, Fujitsu agreed to license its Topological Data Analysis (TDA), a Fujitsu-developed AI technology that automatically creates an AI model for detecting abnormalities in time-series data, to US startup Delight Health, in exchange for rights to newly issued shares in the company. Under the license, Delight Health will use Fujitsu's TDA technology to establish an advanced delirium detection system currently under development that accurately predicts the onset of delirium, with the goal of receiving Food and Drug Administration (FDA) approval by 2024 to help patients suffering from delirium, a serious condition that affects the elderly in particular.

By offering this kind of licensing scheme, the IP Division plans to further explore opportunities to accelerate solutions to social issues.

- [Fujitsu Research's TDA Technologies](#) >
- [Fujitsu to license Topological Data Analysis technology to Delight Health, a Bay Area startup focused on providing innovative mental health solutions](#) >

Standardization and Rule-making

World's First Successful Visualization of CO₂ Emissions across an entire Supply Chain

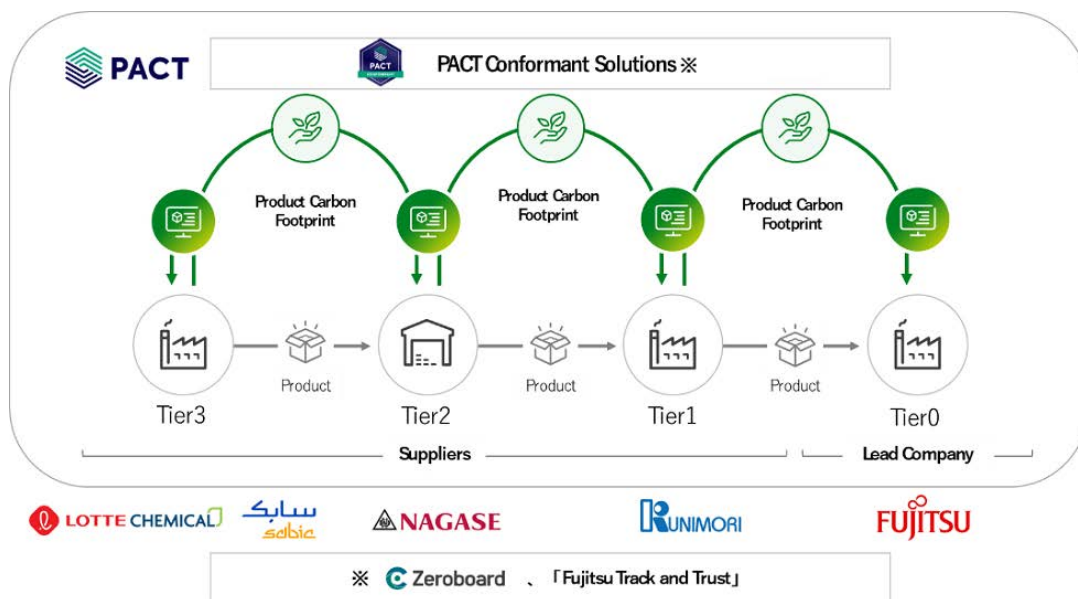
Fujitsu announced in September 2023 that it had succeeded in the world's first visualization of CO₂ emissions throughout its supply chain through participation in the World Business Council for Sustainable Development (WBCSD)'s Partnership for Carbon Transparency (PACT) Implementation program.

To achieve carbon neutrality, CO₂ emissions must be reduced not only in one company but also across the entire supply chain. For this purpose, it is necessary to calculate the product carbon footprint (PCF) of each component in cooperation with component suppliers for the products, and to link data between companies. As a PACT member, Fujitsu participated in rule-making about PCF calculation methods and the technical specifications for data exchange.

Under the demonstration program, Fujitsu collaborated with Nagase & Co., Ltd, Zeroboard Inc. and other companies, to calculate CO₂ emissions for the entire supply chain by linking PCF data among the companies using Fujitsu Track and Trust, a PACT-compliant solution for the supply chain of Fujitsu notebook PC manufacturing.

Fujitsu plans to collaborate with industry organizations and stakeholders including WBCSD to contribute to data exchange between companies and standardization of methodologies in the future. This know-how will be offered as an ESG managed platform service and a digital supply chain service under Fujitsu Uvance.

- Fujitsu succeeds in a world-first supply chain CO₂ visualization through participation in WBCSD PACT program >



Fujitsu PACT program

“Antenna” User Interface – Feeling sound

A mixed-IP strategy to support solutions to societal challenges


Antenna is a radically new user-interface device that can be worn on the hair, earlobe, collar, cuff, etc., enabling the wearer to pick up tonal characteristics through vibration and light. It was developed in collaboration with the Deaf and the hard-of-hearing to enable a future that they can enjoy together with the hearing.



Image of wearing "Antenna"

Antenna is characterized by a gently rounded shape that does not feel unpleasant as it can be worn like a hairpin. Fujitsu has applied for and registered design patents for the main body, the battery charger, and the controller that can control multiple Antenna devices, and has also registered the shape of the main body as a 3D trademark. Fujitsu has also applied for and registered patents for Antenna's charging method and communication system, using a mixed-IP strategy to protect the main body and peripheral devices.

Antenna was awarded the "Imperial Invention Prize" in the 2022 National Commendation for its design patent. It has also won several other awards including the 2019 Good Design Award "Gold Prize," the IAUD International Design Award "Grand Prize," and the Local Invention Award from the Commissioner of the Japan Patent Office, earning high acclaim from both inside and outside of Fujitsu. More than 80% of all Schools for the Deaf in Japan have introduced Antenna, and its use in music and physical education classes is expanding rapidly as a tool for providing a new appreciation experience.

- [Antenna, Which Enables You to Feel Sound with Your Body and Enjoy It with Those around You](#) >
- [Antenna](#) 
- [Imperial Invention Prize Awarded to the Design for a Wearable Device Design That Senses Sound as Vibration or Light \(Japanese text only\)](#) >

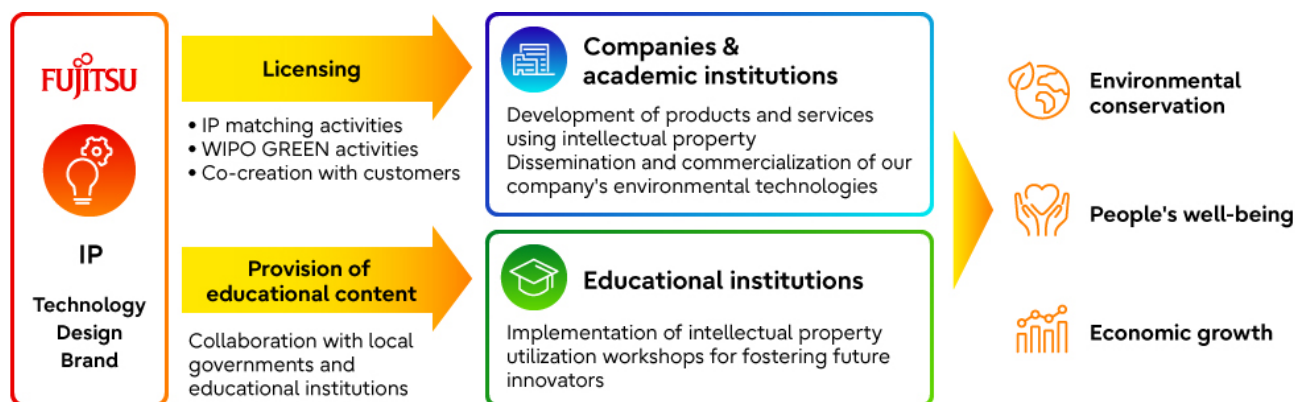
Solving Societal Issues through Co-creation

FUJITSU Technology Licensing Program™ for SDGs

Fujitsu is promoting the FUJITSU Technology Licensing Program™ for SDGs, an initiative that encourages companies and academic institutions to use the Group's intellectual property including patents and expertise as a key means of contributing to SDGs to make the world more sustainable through innovation.

Through collaboration under WIPO GREEN, a framework for technology transfer for environment-related technologies, intellectual property matching activities at national and local governments, financial institutions and universities, intellectual property creation education in collaboration with educational institutions, and brand design for an inclusive society, we are expanding opportunities for Fujitsu Group's technologies to be used in society and contributing to environmental conservation, well-being and economic growth.

We believe that continuing these efforts will contribute to the formation of a variety of intangible assets, including the recognition of the Fujitsu Group in the global society and the incentives for employee innovation.



FUJITSU Technology Licensing Program™ for SDGs

Specifically, by introducing our patented technology at intellectual property matching meetings hosted by local governments and financial institutions, we licensed our technology to many companies and universities to create a variety of new products and services that solve social issues. We also organized intellectual property workshops for students using our technology as theme of our activities to foster future innovators.



IP Workshop in Saitama Prefecture



IP Workshop in Beppu City

Another example of technology licensing outside Fujitsu

- [Haloworld Inc.: Development of the 3D Scanner "BeTHERE"](#) >

Solving Societal Issues through Design

Ekimatopeia: making train use safer

Ekimatopeia was developed in 2021 by Fujitsu in collaboration with East Japan Railway Company (JR East) and Dai Nippon Printing (DNP) in a workshop with Kawasaki Municipal School for the Deaf around the theme of "Future Commute to School." It is a device that tested repeatedly with the aim of creating an experience that is easy for anyone to use and that makes daily train use enjoyable.

Announcements inside the station platform and the environmental sound of the train collected by the microphone are analyzed by AI, converted into letters and sign language in real time, and displayed on the dedicated display. Onomatopoeia animation is used to transcribe environmental sounds, and a video by JR East station staff and DNP's "emotion-expressing font" are used for sign language. These are displayed according to the sound information of each station platform. Fujitsu's FX1000 supercomputer was used in the AI development.

Design Features :

Announcements and sounds around the information display installed in the station can be displayed as text on this display monitor. Unique fonts are used for the characters displayed on the monitor, and the movement and expression of the characters are elaborated.

Design Impact :

Station announcements and audio can be displayed on the screens so that they can be easily understood by deaf people. Emergency announcements in the station and train delay information can also be displayed. Also, when station audio is not being displayed, the screen can display advertising.

Protection by design right :

The design is protected by design right to prevent this idea, conceived by the inventors together with student participants of the school for the deaf, from being replaced by competitors. Design right is also protected because rounded designs have novelty and may increase opportunities for Fujitsu's technical capabilities and media exposure.

- [Fujitsu's Ekimateopia wins the METI Minister Award at the 17th Kids Design Awards in Japan](#) >
- [Ekimateopia](#) □ >



<Design> Design registration no. 1729569