

Corporate Governance

Pursuing sound and efficient management and strengthening our governance structure for putting the Fujitsu Way into practice

Our Basic Stance

We have articulated the “Fujitsu Way” in the form of our Corporate Vision, Corporate Values, Principles, and Code of Conduct. By sharing and practicing the Fujitsu Way, we aim to continuously enhance the value of the enterprise through the continuous growth and development of the Fujitsu Group.

In order to continuously raise the Fujitsu Group’s corporate value, along with pursuing management efficiency it is also necessary to control the risks that arise from business activities. Recognizing that strengthening corporate governance is essential to achieving this, the Board of Directors has articulated the Basic Stance on our Internal Control Framework, and these measures are continuously implemented.

Furthermore, by separating management oversight and operational execution functions, we aim to accelerate the decision-making process and clarify management responsibilities. Along with creating constructive tension between oversight and execution functions, we are further enhancing the transparency and effectiveness of management by proactively appointing outside directors.

With respect to group companies, we are pursuing total optimization for the Fujitsu Group by clarifying each group company’s role and position in the process of generating value for the group as a whole and managing the group to continuously enhance its corporate value.

Our Corporate Governance Framework

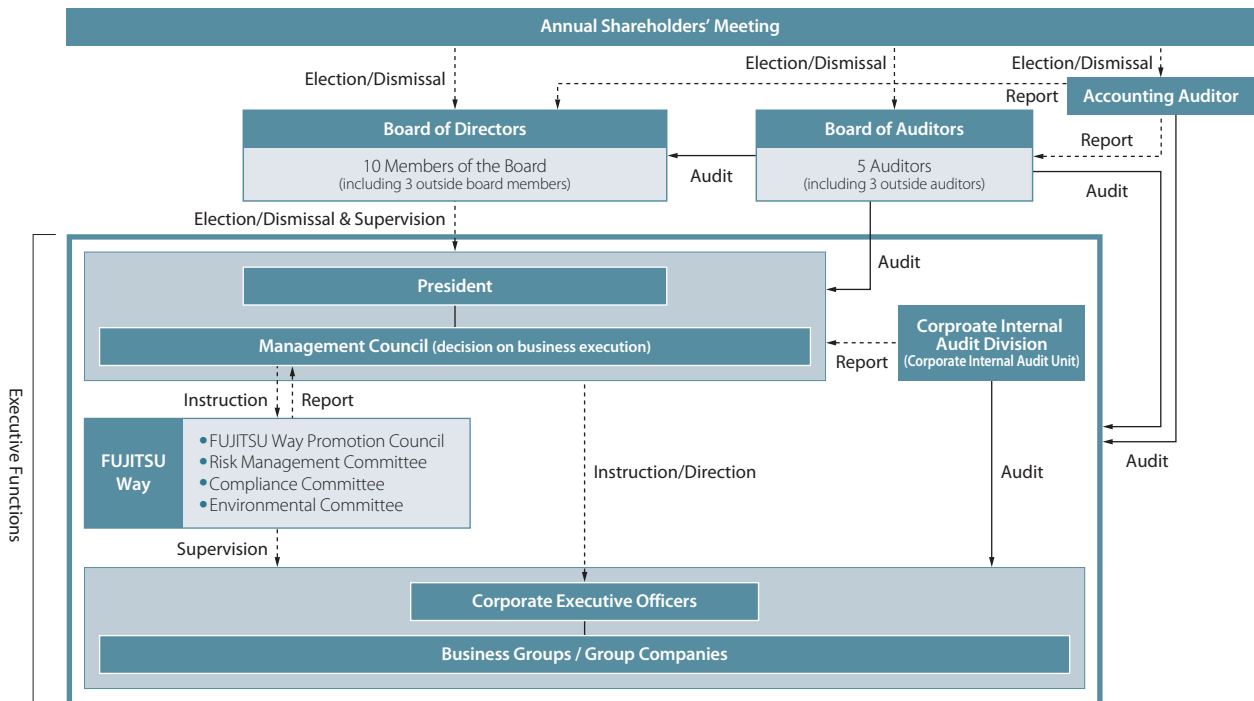
The Board of Directors is responsible for management oversight, supervising the business execution functions of the Management Council, an executive organ under its authority. The Management Council deliberates upon fundamental policies and strategy regarding business management, as well as makes decisions on important matters regarding business execution. Issues discussed by the Management Council and a summary of its discussions are reported to the Board of Directors, which makes decisions on items of particular importance. In principle, the Management Council meets three times a month, but meetings may be convened whenever necessary.

The auditing function is carried out by auditors, who review the Board of Directors as well as business execution functions and attend important meetings, including meetings of the Board of Directors as well as the Management Council. In addition, the Corporate Internal Audit Unit has been established to serve as an internal audit group. This unit audits the internal affairs of the company and its affiliates, proposes improvements in their business practices, and regularly reports its audit findings to the Management Council. Ernst & Young ShiinNihon LLC performs accounting audits for Fujitsu.

There is no nominating committee or compensation committee.

Corporate Governance Framework

(as of 22 June, 2009)



Enhancing Corporate Governance

Basic Stance

We have established the Fujitsu Way, consisting of a Corporate Vision, Corporate Values, Principles, and Code of Conduct, which guides the Group and its employees in their daily activities.

We pursue the sound and efficient execution of our business activities by striving to accelerate the penetration and implementation of the Fujitsu Way and to promote structures and procedures to ensure that business dealings are appropriate throughout the Group.

Status of Implementation

The Company, through a resolution by the Board of Directors, has adopted the following basic stance on the framework for internal control (resolved on May 25, 2006, and revised on April 28, 2008). In terms of putting an internal control system in place, an organization with executive responsibility for internal control has been established. The Company is, moreover, pursuing initiatives to implement an even more robust operational execution structure by reviewing and revising its regulations and business operations.

To accelerate the penetration and implementation of the Fujitsu Way and ensure the appropriateness of business operations, four committees were established directly under the Management Council and tasked with pursuing more robust and efficient business execution: the Fujitsu Way Promotion Council, the Risk Management Committee, the Compliance Committee, and the Environmental Committee.

The functions of each are described below.

●FUJITSU Way Promotion Council

The Fujitsu Way Promotion Council promotes the inculcation and implementation of the Fujitsu Way. In addition, it has also been promoting Project EAGLE, which is a Group-wide activity for building an internal control system for effective and reliable financial reporting in compliance with the Financial Instruments and Exchange Act. By establishing a promotion organization dedicated to this endeavor, the Council has been working to implement this internal control system across the Group. Along with improving controls over financial reporting, the goals of the project also include achieving greater efficiency through the pursuit of business process reforms across the Group.

●Risk Management Committee

This committee promotes risk management in the Fujitsu Group. By instilling awareness of risk and bringing to light risk information, including latent risk information, the committee continuously confirms the execution status of risk mitigation measures. It also implements policies for verifying information regarding specific instances of risk and mitigating their effects on customers and the Group as a whole. Moreover, as a preventative measure to deal with major unforeseen events such as natural disasters, the committee promotes business continuity management (BCM), providing customers with a stable supply of the high performance, high-quality products and services that they need. It reports to the Management Council and the Board of Directors on significant matters and holds discussions with them on countermeasures, seeking thereby to disseminate information throughout the Group and strengthen the Group's overall risk management posture.

●Compliance Committee

This committee promotes adherence to social norms and corporate rules as well as the creation of corporate systems and initiatives for fostering a corporate culture of respect for norms. In conjunction with efforts to maximize compliance, a helpline system was set up as a confidential liaison point to receive reports from employees and provide guidance to them on matters of conduct.

●Environmental Committee

This committee is responsible for promoting the environmental protection activities of the Fujitsu Group, which are based on the Fujitsu Group Environmental Policy and the Fujitsu Group Environmental Protection Program.

For further details, please see the "Fujitsu Limited Corporate Governance Report."

 **Corporate Governance**
<http://www.fujitsu.com/global/about/profile/governance/>

* The Corporate Governance Report is available through a link at the foot of the corporate governance page.