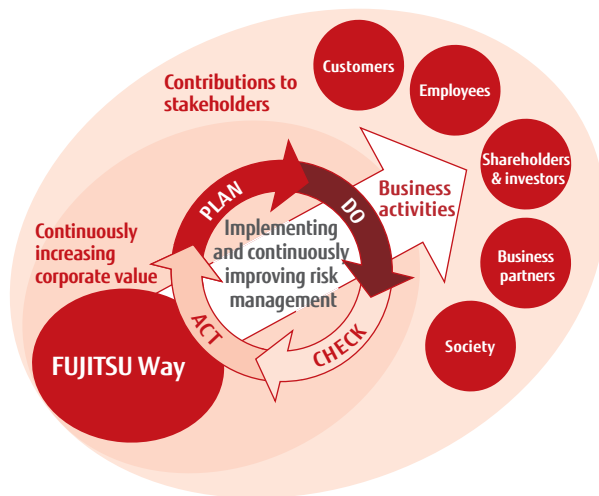


# Risk Management

We are working to strengthen our Group-wide risk management structure, promoting activities aimed at preventing risks from materializing and minimizing the impact should an incident occur.

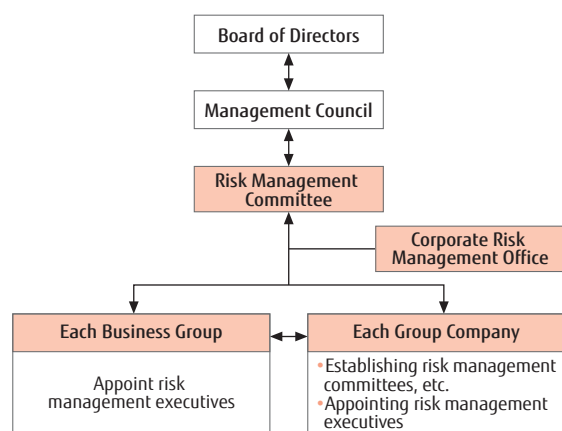
Through its global activities in the ICT industry, the Group continuously seeks to increase its corporate value, and to contribute to its customers, local society and indeed all stakeholders. Properly assessing and dealing with the risks that threaten the achievement of our objectives is assigned a high priority by management. The entire Group has built a risk management system in accordance with the Fujitsu Way, and is committed to its continuous implementation and improvement.



## Risk Management Structure

We have established the Risk Management Committee as a body to perform risk management in accordance with the Fujitsu Way. This committee reports directly to the Management Council.

The Risk Management Committee appoints risk management executives in all business units and companies throughout the Group, and encourages cooperation among them both to guard against potential risks and to mitigate risks that are threatening, forming a risk management structure for the entire Group.



## Business Risks

The Group identifies, analyzes and evaluates the risks that accompany business activities and works on measures to avoid or reduce them, and to deal with them quickly in the unlikely event that they materialize.

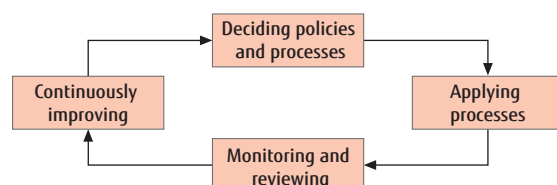
### Examples of Business Risks

- Financial and economic market trends
- Changes in customers' ICT investment trends and being unable to maintain lasting ties with customers
- Competitors' strategies and industry trends
- Procurement, collaborations, alliances and technology licensing
- Public regulations, public policy and tax matters
- Deficiencies or flaws in products and services, information security, project management, investment decisions, intellectual property rights, human resources, environmental pollution, credit ratings, etc.
- Natural disasters and unforeseen incidents

\*These are just some of the risks of doing business. More detailed risk-related information can be found in our financial results and other reports to shareholders.

## The Risk Management Framework

The Risk Management Committee is responsible for grasping the risk management situation in all Fujitsu business groups and Group companies, establishing the appropriate policies and processes, etc., and both implementing and continuously improving them. In practical terms, it decides on risk management regulations and guidelines, applies them and regularly reviews and improves them.



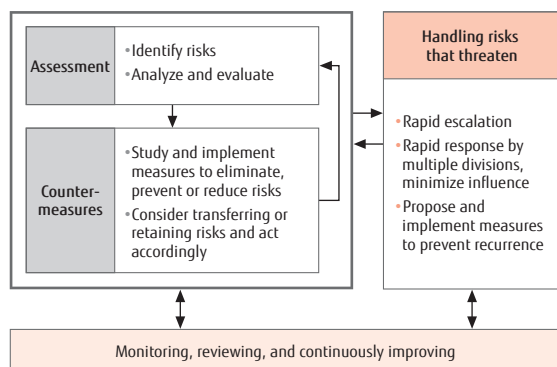
---

## Risk Management Processes

The Risk Management Committee, which maintains regular liaison with risk management executives, identifies, analyzes and evaluates the risks of business activities, confirms the detailed measures intended to deal with major risks by averting, minimizing, transferring or retaining them. It also reports important risks to the Management Council.

Whatever the measures being implemented, when a risk takes the form of deficiencies or flaws in products and services, or incidents in information security, the division concerned reports it to the Risk Management Council, and if the risk is large, it will be reported as and when necessary to the Management Council or the Board of Directors. Then, in collaboration with the workplace and organizations concerned, the Risk Management Committee will set up an ad hoc response headquarters to resolve the problem quickly, identify the causes, and plan and implement proposals to prevent its recurrence.

The Risk Management Committee continuously confirms implementation and works to make improvements.



---

## Business Continuity Management

The risks of unforeseen events that threaten economic and social continuity, such as natural disasters like earthquakes and large scale flooding, disruptive incidents, accidents, and epidemics like the new strain of influenza, have increased greatly in recent years.

We are currently working to assure the stable supply of the high-performance, high-quality products and services that our customers require in the event of such incidents by creating business continuity plans among other measures to firmly establish business continuity management.

With cooperation from our suppliers, we are investigating the extent to which each supplier is planning for business continuity, holding seminars for them to assist them based on our experience in business continuity management, and working to improve the continuity of our supply chain.

---

## Measures Against the New Strain of Influenza

Immediately after the new A (H1N1) strain of influenza was identified in April 2009, a central emergency headquarters was set up with a three-fold influenza policy: to safeguard lives; to stop the spread of infection; and to ensure uninterrupted business. In practical terms, we decided the responses to be made to the threat-levels announced by the World Health Organization and the changing situation with respect to the spread of infection in Japan and other nations. We sought to keep employees and their families fully informed, and drew up a basic action plan that showed the processes to be followed in dealing with cases of the new strain of influenza and prepared preventive measures for daily use. All Fujitsu business groups and Group companies drew up business continuity plans for social infrastructure and customers' businesses in the event that the new strain of influenza should prove highly contagious and toxic.

---

## Group-Wide Disaster Prevention

We have organized a Group-wide disaster prevention network for the event of a major disaster. To minimize harm to persons and property we perform frequent disaster prevention inspections and simulation exercises at all our business locations. Since 1995, we have carried out in Japan annual nation-wide disaster prevention drills in conjunction with Japan's Disaster Prevention Day. In FY 2009, we carried out an initial- response disaster drill on the assumption that a major earthquake scoring an upper six on the seven-point Japanese scale had taken place off the coast of the Kii Peninsula and affecting wide areas of the island of Shikoku and the Kansai and Tokai regions. Each business location was required to report on its damage situation and the safety of its employees. In accordance with business continuity plans, the training covered the restarting of business operations and the restoration of customers' systems affected by the earthquake.

---

## Risk Management Education

To prevent incidents from occurring, and to minimize the extent and spread of damage if incidents do occur, we have put in place a systematic training curriculum to educate employees on the importance of risk management and specific ways of dealing with risk issues. Training programs at various levels include risk management education for the entire management in Fujitsu and Japanese Group companies.

In FY 2009, a booklet was distributed to all Group employees (including temporary staff) giving basic details of what to think about the new strain of influenza and how to cope with it. Training was also given from time to time on information security, environmental issues and natural disasters.