### Priorities 3–4 Embracing Diversity and Developing Human Resources

Fujitsu will promote diversity in its human resources, irrespective of nationality, gender, age, or disability, to enable individuals to grow with the company.

Fujitsu will also lead the way in cultivating employees who, from a global perspective, are pioneers in contributing to the advancement of society.



Employees feeling proud of working for Fujitsu

## Highlights in 2010

## Cultivating Global Leaders Who Ask "What is Good for Society?" and Seek the Common Good

The world faces a daunting mountain of problems, from financial crises, through environmental threats to burgeoning populations and limited supplies of food. Companies that seek continuing growth therefore need not only a strategy for their own business but also a management that addresses the global issues of sustainability for society, humankind and the planet. The Fujitsu Group asks "What is good for society?" where the keyword is the common good achievable by cultivating business leaders who combine the pursuit of corporate strategy with the creation of social values.

### We Founded the Global Knowledge Institute to Develop Human Resources for Knowledge Management, and Promoted the Global Leadership Program.

The decisive factor for corporate competitiveness will dramatically shift away from "efficient manufacturing" towards "creation of new value by marshalling knowledge" as the Internet advances. Fujitsu foresaw this new era, and founded the Global Knowledge Institute (GKI) in 1999. Ever since, its activities have been directed at developing global leaders and promoting knowledge management as the lynchpin of our knowledge strategy.

Promoting knowledge management aims to maximize corporate value and to provide products and services with high knowledge content based on the strategic sharing and active use of accumulated knowledge. In developing global leaders, the main strategic aim is to educate those who will lead in this global knowledge competition. We have been systematically implementing this training program both within Japan and worldwide since 2000.

### We Develop Business Leaders Who Can Create Social Value While Executing Management Strategy.

No business today can consider profits without taking into account the sustainability of society, humankind and the global environment. As long as the pace of technological innovation and globalization continues to accelerate, companies will have to consider issues, make decisions and take actions on a global scale with greater agility. If we are to continue responding to our customers' expectations under such rapidly changing circumstances, every business location must

> have business leaders with the incisive judgment and actions to respond rapidly to all eventualities.

The Fujitsu Group calls the essential quality that these leaders must possess Practical Wisdom, and our priority has been to develop such leaders. "Practical Wisdom is the wisdom that is based on a sense of the Common Good – what will be good for society. It will, in any specific and individual context, make it possible for a person to give insights into the meaning of interrelationships and values and to make the best decision" (Ikujiro Nonaka, Management Guru, 1935–). The Fujitsu Group sees Practical Wisdom as the basic prerequisite for leaders deploying a global business.

Our training program for new leaders presupposes the necessary basic management skills and puts the priority on Practical Wisdom. The program focuses on both subjective and objective view points, the ability to create "Ba,"\* and humanity, seeking to identify essential qualities through dialogue, knowledge and experiences. Through lectures by global authorities and dialogues with active business leaders, the participants study the basic theory of knowledge creation and Practical Wisdom in leadership, and master the ability through practical exercises. In order to secure diversity in our employees and to promote globalization, joint sessions are held with participants in various overseas leadership development programs, such as the Global Organization Leadership Development Program (GOLD), and joint workshops with overseas business schools, among other initiatives to link and advance global business leadership training programs carried out at our locations around the world. By March 2011, a total of 614 employees had participated in this program.



<sup>t</sup> The Japanese concept of Ba (roughly translates into "place" in English) is a shared space for emerging relationships. It can be a physical, virtual, or mental space. Knowledge, in contrast to information, cannot be separated from the context — it is embedded in Ba.

#### System of Leadership Development Programs



### Stakeholder's Voice

# The Fujitsu Group business leaders are required to recognize and be committed to the common good as citizens of the world.

We are well aware of the issues that test individual abilities when dramatic changes are taking place in the social environment. At times like these, true value is only created by leaders who read the context of dynamic interrelationships, think things through without losing momentum, then immediately reach a decision and take action.

The same is true for the business management since the environment is changing day by day. From a global perspective, we face dizzying changes, and business management calls for leaders who can decide and act on the spot. And surely this will only be possible if they have firm convictions of what is the common good. The Group has inherited many valuable things like the expression of the vision "Turning dreams into reality" or the Japan–America Institute of Management Science (JAIMS) – an attempt to bridge East and West through education – and has implemented it in many different ways. In the future, this vision will become even more important and central to the development of business management leadership resources.



#### Ikujiro Nonaka

Professor Emeritus of Hitotsubashi University, Chairman of the Economic Research Center, Fujitsu Research Institute, and concurrently Head of the Research Center for Practical Wisdom

### **Diversity and Inclusion**

Fujitsu is engaged in a range of activities and implementing systems to create workplaces in which employees recognize each other and all employees can exhibit their full abilities and work energetically.

### Diversity: Understanding It and Working Towards It

#### **Embracing Diversity and Inclusion**

Based on the statement "We respect diversity and support individual growth" in the Corporate Values of the Fujitsu Way, in 2008 we set up the Diversity Promotion Office as an organization to promote respect for diversity throughout the company. The Diversity Promotion Office's vision for Fujitsu is:

- Improving individual growth and job satisfaction That all employees will have mutual respect for one another, that each will demonstrate their own personal added value, and that everyone will contribute to the organization.
- Improving corporate competitiveness and growth That we will continue to create new knowledge and technologies through free and active discussions from a variety of viewpoints.

With these two objectives in mind, we are aiming to create workplaces where people can work energetically, create new values, realize coexistence and mutual prosperity with society, and develop Fujitsu into an even better company.

### Efforts at Promoting Diversity

To review the status of its diversity promotion, Fujitsu has been carrying out an annual survey of all corporate officers, employees and temporary staff. Based on the results of this survey we are focusing on the following three measures: (1) a reform of mindset and culture in the organization; (2) support for individual success; and (3) promotion of diverse styles of work and improvements to productivity and individual satisfaction.

From FY 2008 through FY 2010, as our first medium-term plan, Fujitsu worked to create policies that foster awareness and understanding of diversity so as to create a basis for diversity promotion. In addition to publishing the results of questionnaires and interviews with top management in internal publications, we have introduced role models and various efforts on our Diversity Promotion Office website (in both Japanese and English). We

also held a variety of company events, including companywide diversity promotion forums, various networking events, and forums with individual themes, which were well attended by our employees.



We implement diversity-related aning in our training programs at various levels, including our

training in our training programs at various levels, including our new employee training and workplace management training for managers. Additionally, we study policies and resolve related issues in diversity promotion focus groups held by managerial staff volunteers from a variety of workplaces. We also hold seminars on diversity management for managers based on the results of those focus groups. Furthermore, from January to April 2011, we implemented an e-learning program called "Creating a workplace that inspires all employees to work energetically" aimed at handson experience in the workplace related to diversity promotion for all executives, employees, and temporary staff.

In addition to past and ongoing activities, with understanding and achievement of diversity as the goal, we are working on policies aimed at resolution of individual problems that came to light through earlier activities, setting goals, and implementing solutions in the workplace as our second medium-term plan for the period from FY 2011 through FY 2013. In particular, we are looking into workplace deployment of policies by managers representing the diversity promotion headquarters, setting target values for female employee activities and providing support, and deployment of these efforts to Group companies in Japan.

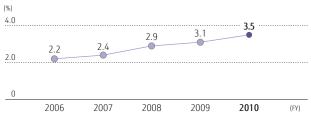
### Support for Individual Activities and Promotion of a Work/Life Balance

### Creating a Workplace Environment Where Female Employees Can Participate Actively

As an immediate high-priority issue, Fujitsu is setting quantitative targets to reliably create significant numbers of female managers while promoting activities to achieve these targets.

We are selecting people from the leadership level of our female employees and, in coordination with the workplace, the management level, personnel, and the Diversity Promotion Office, establishing and implementing training programs appropriate for these individuals as candidates for promotion. For other levels of employees, we also hold workshops and events to review their careers and envisage the formation of their future careers. We are also planning and implementing networking events with other companies and different businesses as opportunities to receive fresh encouragement from others. Furthermore, to help our female employees improve their self esteem and acquire job satisfaction, we are implementing forums for all our female employees and giving publicity to role models. Starting in FY 2011, as a new effort, we are setting up "diversity mentors" who will support personal and career development of our female employees from a different standpoint from that of their supervisors.

Note that we use the same recruitment standards regardless of gender with respect to promotion of managers.



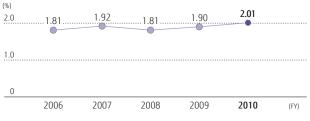
Trends in Women Managers (Fujitsu Limited)

### Employment of People with Disabilities and Creating Workplaces Where They Can Play an Active Role

Fujitsu actively employs people with disabilities based on the concept of "consider carefully, but welcome unreservedly" and many people with disabilities are working in a wide variety of positions, including as researchers, developers, sales staff, and systems engineers.

When hiring new employees, in addition to holding our own seminars, Fujitsu strives to make it possible for many people with disabilities to interview with Fujitsu by participating in employment events held by commercial employment companies. Fujitsu also provides actual cases of people with disabilities working at Fujitsu in pamphlets and on web pages. In determining workplace assignments, we work together with the workplace to bring out the best of the individual's abilities, and after the assignment we hold interviews. Thus, we implement long-term follow up from human resource development until the employee is established. In addition, Fujitsu holds forums on the creation of networks of disabled employees and the creation of workplaces where everyone can produce results regardless of any handicap they may have. Moreover, we publicize on our intranet role models and manuals for workplaces that can accept the disabled.

Trend in Employment Rate of People with Disabilities (Fujitsu Limited)



### Promoting a Work/Life Balance

 Arranging support environments for compatibility between work, pregnancy, child care, and nursing care needs
Fujitsu is committed to providing a work environment that is easy to work in, allows employees not only to work but also to raise

children or care for family members, and supports a diverse range of work styles so that all our employees can fulfill their potential.

In accordance with the Law for Measures to Support the Development of the Next Generation, we have implemented

our action plans\*. In addition, we provide babysitter subsidies, paid leave to honor long-term service as well as volunteer activities, and we have established and are operating in-house childcare facilities at some of our sites. Furthermore, to assist employees who are taking child care leave to return to the workplace and help them build networks, we are implementing training for employees accompanied by their children.



Logo mark stipulated by the Minister of Health, Labour, and Welfare according to Article 14, Item 1 of Japan's Law for Measures to Support the Development of the Next Generation (Next–generation approval mark)

### Number of Employees Using the Care Leave Support System (FY 2010, Fujitsu Limited)

(FY 2010, Fujitsu Limited)			(People)
System	Total	Men	Women
Child care leave*	116	4	112
Family care leave	14	6	8
Reduced working hours (child care)	194	5	189
Reduced working hours (family care)	1	0	1
Paternity leave	527	527	_

<sup>t</sup> The percentage of employees who return to the workplace after taking child care leave is nearly 100%, for both men and women.

Moving forward, in addition to continuing to improve workplace conditions, we will be reviewing the ways we work and proceeding in line with the plan.

\* Action Plan: Based on the Minister of Health, Labour and Welfare's approval of our first action plan (April 1, 2005 to March 31, 2007) and our second (April 1, 2007 to March 31, 2010), we have established and are now implementing our third action plan (April 1, 2010 to March 31, 2013).

### • Forums that aim at reforming the way we work

We are implementing a variety of forums to improve both productivity and individual satisfaction based on the many different ways people work with the theme "Reforming the Way We Work."

Although we focused on understanding differences in ideas through FY 2009, in the FY 2010 forums, we paired managers with employees and implemented training based on concrete, practical measures.

### Introducing a work from home system

So that each and every one of our employees can work efficiently to create even higher added value, in addition to the existing tele-work system (both the satellite office and mobile work types), Fujitsu set up a work from home system as of April 2010.

### **Recruitment of Global Talent**

The Fujitsu Group, including its Group companies within Japan, recognizes the progress of business globalization and promotes global recruiting.

### • Support for foreign employees in Japan

Fujitsu started the "Integr8" support project in 2007 to allow employees from abroad to display their true abilities. As part of our efforts to form a community that can connect foreign and Japanese employees, Fujitsu invited instructors from both within and outside of Fujitsu and we heard lectures on topics of concern to foreign employees, such as the Fujitsu Group's globalization strategies. In this and other ways, Fujitsu supports the formation of interpersonal networks and communication. In FY 2010, we held three such lectures. This community has now exceeded 300 persons, both foreign and Japanese nationals, and is leading to autonomous, proactive activities that support the workplace. In addition to providing a website on our intranet that includes the rules and regulations that must be followed while working at Fujitsu, and other procedures necessary for living in Japan, we are also moving forward with the creation of a system that can respond to questions and needs for counseling from our employees in English.

### Creating a Workplace Environment in which Older Workers Can Thrive

Fujitsu has established a post-retirement rehiring system aimed at providing opportunities to retirees who desire to continue work after the retirement age of 60 and who want to make the best use of their abilities.

# Developing Human Resources for Their Contribution to Society and the Planet

We consider the development of human resources and employee education as key management priorities, and are working to develop employees who can support a truly global ICT company.

### Developing Human Resources with a Global Viewpoint

One point of the Fujitsu Group's growth strategy is to accelerate the process of true globalization and to be a truly global ICT company. In order to develop global human resources who can carry out this strategy, we created a global business leader training program that carries out concentrated intellectual polishing of candidates for the next generation of global business leaders. Furthermore, we have established a wide range of training and human resource development systems.

In particular, in creating these wide-ranging measures, we are studying them from diverse standpoints and methods. The participants are selected from a broad range of occupation types such as junior staff, experienced managers, Japanese employees working abroad, and foreign employees working in Japan. Domestic programs are coordinated with those of various locations across the globe. Classroom lectures are combined with OJT.

### Learning Language and Communication to Improve Literacy and Minds

Within Japan, we continue to work to improve our employees' language abilities, focusing on English. Our initial aim with new employees is for all of them to achieve a 600 TOEIC score. Employees not only study language intensively but also learn methods of language study that will lead to continuing improvement in ability through personal development. In addition, in order to develop global viewpoints, a wide range of subjects, such as acceptance of other cultures, and communication and management skills are incorporated in the programs.

Furthermore, we offer support programs for foreign employees working in Japan, to improve their Japanese language capability and daily living. These programs support not only the employees themselves but also their supervisors and colleagues.

### New Employees Become Global Human Resources through Experience

We operate a foreign rotation system (Global Exchange Program) for younger employees, which started in FY 2008. In this system, younger employees are sent overseas for a period of two to five years. In FY 2010 we implemented our "Global Competency Development Program" targeted at younger employees in their twenties. This consists of three categories: global mindset, communication capability development, and short-term overseas experience. About 100 employees participated in this program.

As a new initiative in FY 2011, we have completed preparations to start a "Global Practical Wisdom Leadership Development Program" for young managers in which participants will learn global leadership from direct experience, interactions with other cultures, and actual models. In this program, we are aiming to actuate the ability to compete on the global stage through experiences that expand the participants' capacity. This program consists of a three months concentrated training and a 1.5-year apprenticeship model.

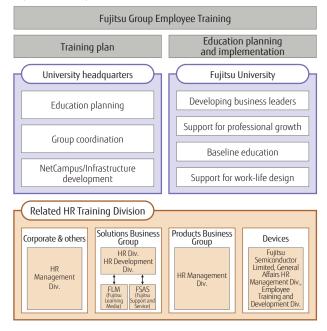
### Fujitsu University for HR Development

Drawing together the collective knowledge and expertise of the Fujitsu Group, Fujitsu University was established in 2002 to carry out world-class human resources development to lead the Fujitsu Group and our industry.

In support of these goals, we have implemented systematic education programs to develop high-level human resources based on the following pillars: (1) developing business leaders who can exhibit global business leadership; (2) strengthening the baseline (the values and skills) of our people so that they can understand our corporate vision and act based on those ideals; (3) training professionals who are able to provide customers with a high degree of added value; and (4) "work and life design support" that supports a wide range of individual needs.

In the future, Fujitsu will coordinate proactively with universities, other external educational organizations, and NPOs that provide high-level ICT human-resource development to raise the Fujitsu Group's presence to even higher levels.

#### Fujitsu University



### Fujitsu NetCampus

This is an online education and training platform open to all of our approximately 170,000 employees in 206 Group companies in 30 countries around the world (as of March 2011). It provides applications/admissions for courses, study materials, testing, questionnaire and other functions. Unified e-learning, which aims at disseminating corporate policies throughout the whole company, is also implemented using this platform.

In FY 2010, we held five of these courses in Japan and one overseas. In FY 2011, we plan to hold a variety of such courses on various themes in cooperation with head offices.

\* Our environmental education program is presented on page 68.

### Approach to Human Rights and Work Practices

In all of our corporate activities, we consider the spirit of respect for human rights to be fundamental. Based on this stance, we promote both human rights enlightenment activities and the creation of a work environment that will satisfy our employees.

### Efforts Promoting Respect for Human Rights

The shared principles articulated in the Code of Conduct of Fujitsu Way are guidelines for each employee to comply with in conducting daily business operations. Prime among them is "We respect human rights," a principle that underpins all our corporate and individual activities and disciplines the actions of every member of the Group.

In 2006, we stipulated policies for human rights in employment and clarified our Group stance of taking a consistent global approach. We continue to work for equal employment opportunities, respect for human rights, elimination of discrimination, and the abolishment of forced labor and child labor. While we publish these policies on our website, we take every chance for education or enlightenment that will promote understanding and penetration of these policies.

We will, in accordance with our commitment to the UN Global Compact in 2009, continue to move forward with management that places a high priority on human rights.

WEB FUJITSU Guiding Principles of Respect for Human Rights in Employment http://www.fujitsu.com/global/about/responsibility/society/

employees/humanrights/

### Promoting Human Rights Enlightenment

In the Fujitsu Group, we implement activities to promote human rights awareness through Human Rights Enlightenment Committees. In FY 2010, to strengthen our efforts based on the actual situations in the workplace, we changed our regional human rights enlightenment committees into a new structure in which they are mainly managed by regional workplace representatives. Through this change, the Human Rights Enlightenment Committee stipulates company-wide critical themes for the fiscal year reflecting the workplace situations summarized by the regional committees. The members of these committees aim to instill their themes throughout all divisions and workplaces.

The main activities of the Human Rights Enlightenment Committee consist of taking up a variety of human rights issues, such as discrimination and harassment in the workplace, and implementing human rights enlightenment training for specific hierarchies or for all employees. Furthermore, every year in conjunction with Human Rights Week (in December), we work towards fostering an environment in which everyone – employees and their families – can discuss human rights in the workplace and at home by, for example, putting up posters on preventing sexual harassment, inviting employees to come up with slogans on human rights promotion and rewarding them, and distributing human rights promotional leaflets.

Human Rights Enlightenment Structure



To carry out these human rights enlightenment activities effectively, we also implement compulsory training every year for line managers in the personnel division, which is the promotional division for this effort, and strive to maintain their knowledge and skills as promoters of human rights enlightenment.

To handle requests for consultations from employees, we have established the internal Human Rights Consultation Service and we hold periodic compulsory training sessions so that the service personnel can respond appropriately.

### Striving to Provide Equal Opportunity in Employment and Advancement

### Equal Opportunity in Employment, Evaluation/Treatment, and Promotion of Managers

Together with our employment policy of not discriminating by education, age, gender or other factors, we offer opportunities for promotion once someone has reached a stage commensurate with general competence and performance. We are also strengthening our multifaceted efforts to increase equality of opportunity, including the introduction of a rehiring system for those who leave Fujitsu to raise children or care for infirm or elderly family members, and the proactive promotion of women employees to management positions.

- The percentage of managers at major overseas sites (with some 37,000 employees) is 14.3% (most of whom are hired locally), and of those managers, 19.6% are women.
- In FY 2010, the average length of employment was 19.0 years for men and 16.7 years for women.

### Communication with Employees

### Labor Relations

Based on labor-management agreements with the Fujitsu Labor Union, Fujitsu holds discussions about various employment conditions and explains management policies and business conditions to its employees through regular and ad hoc meetings such as the Labor Council or Productivity Council. Furthermore, the collective bargaining rights of the union are stipulated in those labor agreements.

Note that since Fujitsu adopts a union shop system, all ordinary employees are members of the Fujitsu Labor Union.

In Europe, starting in 2000, the European management attends the Employee Representatives' meeting every year, and shares the overall financial conditions of the Fujitsu Group and other issues with them.

### **Employee Satisfaction Survey**

To gauge the dynamism of an organization and assess the level of employees' satisfaction therein, we have taken a multi-faceted employee satisfaction survey every year since 2004.

In FY 2010, we surveyed some 65,000 employees including those at Group companies. We maintain a high response rate in this survey and achieved 86% this year, and have confirmed that the degree of overall satisfaction increases every year. (The percentage proud to work at Fujitsu was 79.3% in FY 2010.) However, if we look at responses by

### Approach to Human Rights and Work Practices

organization or by hierarchical level, there are differences in satisfaction trends and the issues to be faced vary. Therefore, we feed back the results to each organization after we categorize them, and encourage individual organizations to improve their employees' satisfaction level.

At the same time, we analyze the relationship between employee satisfaction and Company measures and policies so we can improve employee satisfaction throughout the Company. In FY 2010, we added two survey items; "Brand promise penetration (shaping tomorrow with you)" and "diversity promotion," which are company-wide efforts, and analyzed the results, which we will be using. By adding necessary survey items like this, we plan to review our company policies, such as the personnel system, from the standpoint of improving employee satisfaction.

In April 2011, we held a company-wide event, the ES (Employee Survey) Forum, to share practical examples of the employee satisfaction improvement in individual organizations along with knowledge of how leadership should function. Furthermore, from time to time we publish messages from Fujitsu's president on employee satisfaction. Through these efforts, Fujitsu is striving to increase awareness of improving employee satisfaction at all levels, from management to the individual employee.

Thus, Fujitsu is targeting improved employee satisfaction from the standpoints of both individual divisions and the company as a whole based on this employee satisfaction survey.

#### Group Efforts in Overseas Businesses

In April 2010, we took an employee engagement survey of overseas business group managers (some 1,000 persons, in both Japan and overseas). This survey was intended to create work environments that make it both pleasant and worthwhile for employees to work. It focused on the degree of employee proactive commitment (or engagement) to the organization or management and to identify the elements involved in that commitment.

Employees who are highly engaged are proud to be working and make every possible effort for colleagues and customers. Generally, it is thought that in companies where the employees have a high level of engagement, employees work harder than is required and achieve superior business results, productivity, and customer satisfaction.

In response to questions related to engagement, such as "Do you feel motivated to go beyond your formal job responsibilities?" on average 65% of employees in the overseas group responded positively (whereas 23% responded "cannot say" and 12% said "no"). Since results vary and individual elements directly related to engagement differ between groups, each organization creates and implements its own action plan. We evaluated the progress of these action plans continuously over a one-year period to assist us in improving employee engagement in all organizations within the Group.

Results from the recent survey carried out in April 2011 began to come in from June. This year, the survey was a large-scale effort that extended beyond management to all employees and was intended to clarify even further the state of engagement across the whole overseas business group. Furthermore, we are incorporating the engagement index in the evaluation of top management of the Group and thus managements are now evaluated based on the results of the engagement survey for their own organization. TOPICS

### Workshop Held on Creating an Even Better Labor Environment in China

In China, the labor environment is improving rapidly, first with the enactment of the labor contract act and labor dispute mediation and conciliation act in 2008, then with the publication of the Social Insurance Law in 2010, and now with the moves in 2011 towards making collective bargaining for wages mandatory. At the same time, workers are increasingly aware of their rights.

In this context, the Fujitsu Group in China is striving to create good labor-management relations by making thoroughgoing compliance efforts and providing even better working conditions and environments. As part of this effort, once every six months we hold a workshop at which we assemble personnel managers to share knowledge and create synergy between workplaces. At these workshops, we analyze labor-management relations from a variety of viewpoints through discussions on a various topics with third parties such as specialists from outside Fujitsu or personnel managers from other countries and contribute to implementing concrete measures in each company.

### Health Management and Occupational Safety and Health

#### Support for Health Management and Maintenance

At the Fujitsu Health Promotion Division, we work to protect and maintain the health of Group employees and their families with the goal of creating a culture and environment in which employees can work in safety and with a sense of well-being.

 From treatment to prevention and health promotion
Fujitsu is working to provide its health management activities not only to those who need treatment but also to our healthy employees.
For example, as part of our promotion of preventive care, our health insurance union provides financial assistance for breast cancer screening and brain and lung checkups. Furthermore, we have adopted the latest CT and MRI equipment at the Fujitsu Clinics and are promoting checkups and providing opportunities for medical tests as a company.
Health support activities

At each Fujitsu business location we have established a health promotion center or a health care center, which is responsible for health consultations and providing counseling for those in need of mental health care.

Our health support policies extend to the family members of our employees and our company-sponsored health checkups are made available to retired employees as well. These activities target not only individuals, but also operation at the organizational level to improve productivity.

#### Efforts to Improve Work Health and Safety

We establish at each business site in Japan a joint management and labor committee that works to improve workplace health and safety. We also perform workplace inspection tours to check for dangerous locations, improve safety, and perform risk assessments.

We promote health and safety education and training that matches the characteristics of each workplace to create a workplace environment in which all our employees can work confidently in safety and comfort.