

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.



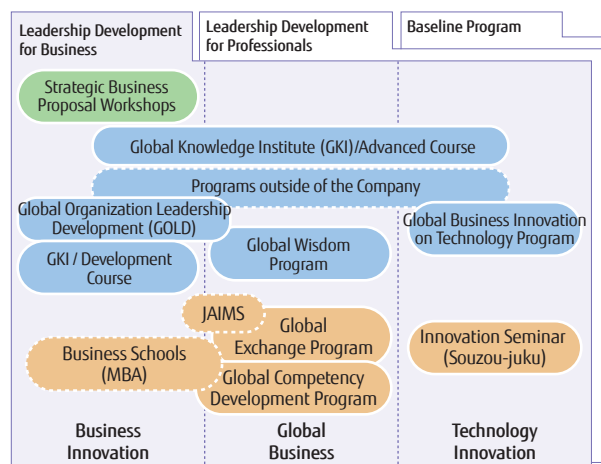
The Fujitsu Group calls the essential quality that these leaders must possess Practical Wisdom, and our priority has been to develop such leaders. "Practical Wisdom is the wisdom that is based on a sense of the Common Good – what will be good for society. It will, in any specific and individual context, 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.

* 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 (JAISMS) – 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