

Chapter III

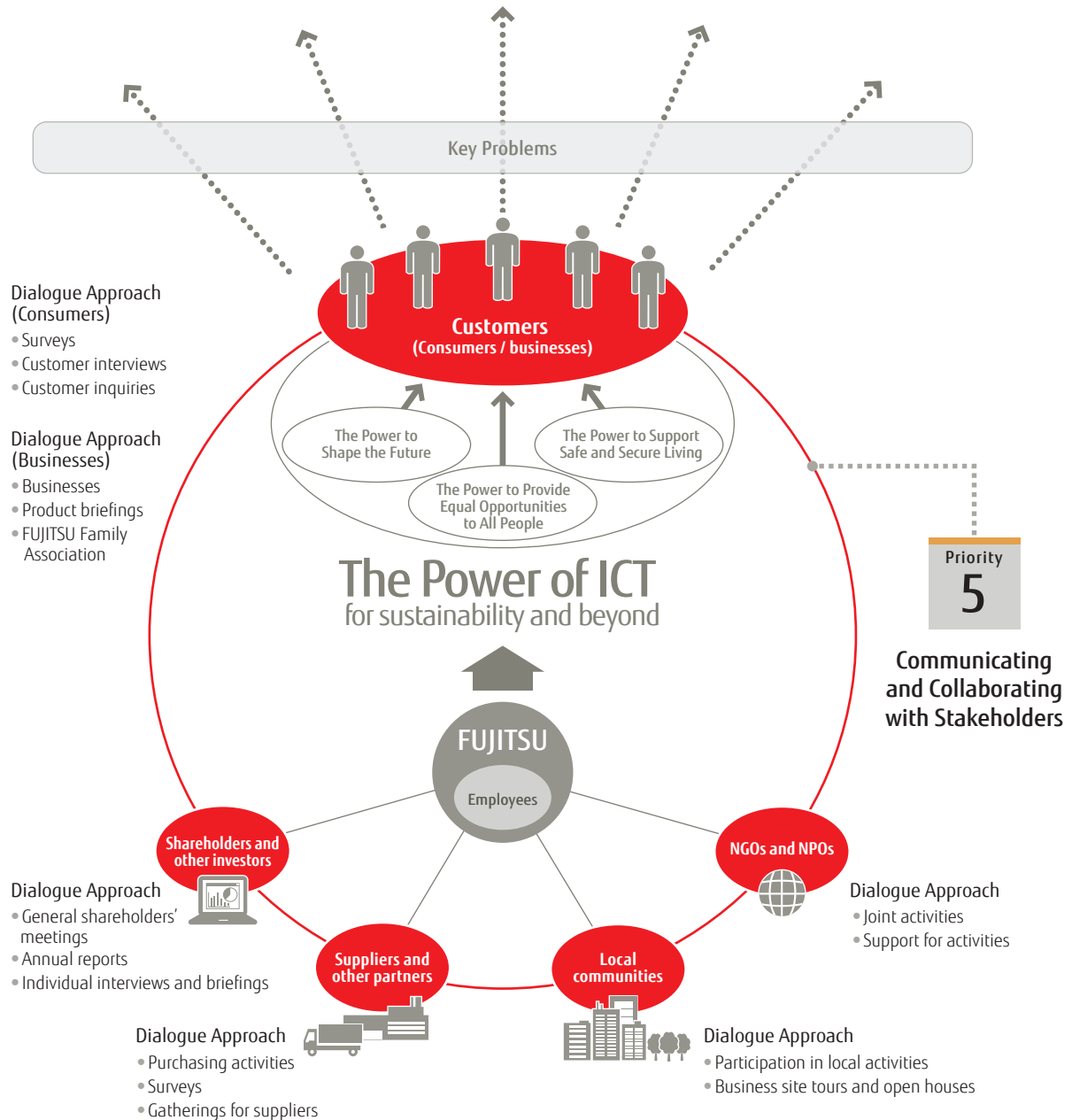
The Power of ICT
for sustainability and beyond

with Our Stakeholders

Communicating and Collaborating with Stakeholders



Contributing to Sustainable Futures for the Earth and Society



To Respond to the Faith and Expectations of Stakeholders

The Fujitsu Group treats dialogue and collaboration with stakeholders as one of its top priorities. In order to practice highly transparent management, the Fujitsu Group endeavors to properly disclose information to stakeholders and, in its efforts to build solid relationships on trust, creates communication tools and opportunities for dialogue. We also periodically conduct dialogues with external experts to

identify and consider the CSR issues the Fujitsu Group should be addressing. We listen to what people from various perspectives have to say about the Fujitsu Group and use what we learn to strengthen our CSR management. The Fujitsu Group, as a good corporate citizen, is committed to practicing CSR activities that respond to the various expectations and demands of our stakeholders.

Stakeholder Dialogue

We place great importance on interaction with diverse stakeholders as we conduct business

The Fujitsu Group always takes into account the bigger picture -the sustainability of society and the planet- when considering customer needs. The Fujitsu Group is committed to listening closely to feedback from various stakeholders, including customers, shareholders and other investors, business partners, and local communities, and to meeting their expectations. Through this process, we seek to continuously improve our corporate value.

Stakeholder Dialogue with Guest CSR Experts

The Fujitsu Group works to promote diversity and inclusion and develop human resources as means to strengthen the foundation for its CSR activities, and strives to be a company where employees can actively manifest their own added value. The essence of CSR is the incorporation of stakeholders' expectations into management and the evolution of the value that we deliver. In particular, as a corporate group that aims to achieve a human centric ICT society, we recognize the importance of fulfilling our CSR through the use of ICT in line with the global age.

In an "age without answers" that calls for adaptability in adapting to ever-quicken business cycles, we must find answers through dialogue. In the promotion of diversity and human resource development in particular, the world calls for a stance that does not merely apply laws and rules uniformly but also responds flexibly to societal conditions.

In fiscal 2012, we invited outside experts to several dialogue sessions that address these areas.



Session 1 Diversity and Human Resource Development

Discussion on diversity management and the inclusion of diversity that contributes to business.

Session 2 Diversity and Understanding of Human Rights

Discussion on the importance of top management and the necessity of reforming work styles.

Session 3 What are "People" in global ICT companies?

Discussion on the fusion of human rights and human resource management in digital society/global society.

Dialogue Participants



Tomoyuki Kaneko
Associate Professor
The University of Tokyo
Graduate School of Arts
and Sciences



Hiroki Sato
Professor
Interfaculty Initiative in
Information Studies
The University of Tokyo
Graduate School



Yayoi Masuda
Former Asia-Pacific
Head of Human
Resources for Nike, Inc.



Osamu Shiraishi
Director
Asia-Pacific Human
Rights Information Center



Sakie Tachibana Fukushima
President and Representative
Director
G&S Global Advisors Inc.



Jun Murai
Dean/Professor
Faculty of Environment
and Information Studies
Keio University

Key Comments from Experts (From Session 3, "What are 'People' in Global ICT Companies?")



Osamu Shiraishi
Director
Asia-Pacific Human Rights
Information Center

In order to carry out corporate social responsibility (CSR) as a global company, it is important to disseminate a philosophy of respect for human rights throughout the entire company. The first necessity is to learn about international human rights standards and, with top-level commitment, establish a corporate policy. At that time it is vital that the company introduce a due diligence process that enables the prevention and correction of human rights abuse. The company's sustainability and future prospects will be enhanced by its meeting these expectations of the international community.



Sakie Tachibana Fukushima
President & Representative
Director
G&S Global Advisors Inc.

When thinking about the diversity of human assets, it is important to view differences in nationality, ethnicity, gender, and other attributes as part of each person's individuality. Doing so enables appropriate placement of personnel without being swayed by nationality or gender. Support for activity by women, too, should be considered on the assumption of joint participation by men and women throughout society, rather than only from the viewpoint of providing support for women. I would like leaders acting on the global stage to act in "Gaijuu-naigou (gentle but firm)" manner, flexible outwardly with strong convictions inwardly.



Jun Murai
Dean/Professor
Faculty of Environment and
Information Studies
Keio University

Cyberspace is the first global space to appear on this earth that is free of national boundaries. The Internet has made it possible for anyone to be respected as an individual with a voice heard worldwide. The role of ICT is to connect individuals and communities online, making possible a range of actions that contribute to society.

I hope that global ICT companies like Fujitsu will advance the creation of a societal foundation for supporting the activities of multiple stakeholders through ICT, keeping contribution to the world foremost in mind.

- [Detailed discussion from Session 1 and Session 2](#)

The Last Word in Today's Dialogue



President and Representative
Director
Masami Yamamoto

Fujitsu aims to help realize a people-centric ICT society, and we listened with great interest to everyone's opinion on that topic from the perspective of "people." Because of ICT, the world is coming together at an accelerating rate and globally shared space is expanding. As for the related social responsibilities, it is not enough to simply think of them as cost/profit, convenience/risk, or any number of other trade-offs.

Today's dialogue strongly suggests that human wisdom will take on even greater importance in building CSR infrastructure, applying ICT on top of that, and balancing social value and economic value.



Corporate Senior Executive Vice
President and Representative
Director
Masami Fujita

The essence of globalization is the disappearance of barriers to peoples' ideas. The world will become increasingly diverse, and change to emphasize respect for individuals. Applying ICT, which has few physical limitations, and empowering people will be indispensable for realizing a sustainable society. For companies, "people" are assets and the foundation of all business activities.

As a global company, we would like to strengthen our CSR activities by continuing to hold dialogues with stakeholders and working together with them to search for solutions.

Other Stakeholder Dialogues held in FY 2012

Seminar on Universal Design and the Application of IT

We invited international experts participating in the DO-IT Program^{*1} to discuss what would be ideal in terms of universal design that applies ICT.

^{*1} DO-IT Program:

DO-IT is an acronym for Diversity, Opportunities, Internetworking and Technology. The DO-IT Program promotes the use of technology for supporting the independence, productivity, and greater social participation of people with disabilities.

- [Detailed content of the universal design dialogue](#)



Dialogue on Universal Design

Dialogue among BOP^{*2} and Inclusive Business Experts

We invited Asian Development Bank representatives and development consultants to discuss approaches for using ICT to solve social problems in developing countries and prospects for the development of BOP markets.

^{*2} BOP:

BOP is an acronym for Base of the Pyramid, which refers to the lowest segment of the world's income-earning population. The BOP population numbers some 4 billion.

- [Detailed content of the dialogue on BOP and inclusive business](#)



Dialogue on BOP and Inclusive Business

FY 2012 Stakeholder Dialogue (Session 1)

Session 1: "Diversity and Human Resource Development"

The Fujitsu Group makes "Contributing to the sustainable development of society and the planet" the basic policy of its CSR, and works to embrace diversity and develop human resources as means to strengthen the foundation for its activities, and strives to be a company where employees can actively manifest their own added value.

The essence of CSR is the incorporation of stakeholders' expectations and demands into management ahead of societal changes, and the evolution of the value we deliver. In an "age without answers" that calls for adaptability in adapting to ever-quicken business cycles, we must find answers through dialogue. In the promotion of diversity and human resource development in particular, the world calls for a stance that does not merely apply laws and rules uniformly but also responds flexibly to societal conditions.

We invited outside experts to several dialogue sessions that address these areas, in the hope of applying these experiences in the future reform of our management. The first session of this fiscal year, "Diversity and Human Resource Development," is summarized below.

Date held: January 10, 2013

Participants:

Experts

Hiroki Sato, Professor, Interfaculty Initiative in Information Studies, The University of Tokyo Graduate School

Tomoyuki Kaneko, Associate Professor, Graduate School of Arts and Sciences, The University of Tokyo (background attached)

Fujitsu

Masami Fujita, Corporate Senior Executive Vice President and Representative Director

Terumi Chikama, Chairman and President, Fujitsu University

Akio Uekuri, Head of Corporate Affairs and Human Resources Unit

Noriko Shiono, Vice President, Diversity Promotion Office

Sogo Fujisaki, Director, CSR Department

* The positions and titles of participants are as of the time of the dialogue.



Sato: In considering diversity management, it's important to distinguish between diversity itself and management by which diverse human resources can take action. A company must provide systems and mechanisms by which diverse human resources can take action. Within that, too, the company must clearly set forth its management philosophy. When diverse employees make judgments on matters, part of the process requires that each and every one determine whether a contribution can be made to achieving the company's management philosophy. When creating new businesses, each employee must consider whether each new business can contribute to society. Mechanisms by which employees with curiosity can come together to discuss solutions to issues are also necessary.



Hiroki Sato, Professor, The University of Tokyo

Fujita: Until now, such determinations had been made in binary fashion under company rules, but the scope expands with respect to vision. The choice becomes one of what is closer to the corporate philosophy, or in other words, what makes a contribution to society, which makes me feel the need for a shared sense of value. Even if people have diverse ways of thinking, their goals must be aligned. At present we have a strong perspective on resolving users' problems, but thinking ahead from the perspective of Fujitsu's CSR, we need to turn our eyes to what's even further ahead, the resolution of societal issues.



Masami Fujita, Corporate Senior Executive Vice President

Kaneko: Speaking from the field of machine learning that I specialize in, computer shogi now requires the ability to learn knowledge, based on tens of thousands of moves by professional shogi players, that can be applied to a vast range of positions said to number 10 to the 70th power. Compared with pattern recognition learning that has clear correct answers, shogi reveals the individuality of the players. With this as the background, rather than having the computer memorize rote data, we will have it learn through minor program modifications while inferring the judgments behind moves.

At the University of Tokyo College of Arts and Sciences where a course on information is compulsory, liberal arts students sometimes ask why this course is required in the arts and sciences. I explain that the purpose is to learn the thinking behind things and to learn the ability to perform trial and error. I think that the thinking behind human resource development in companies is something similar.



Tomoyuki Kaneko, Associate Professor, The University of Tokyo

Chikama: In an age of great change, required skills also change constantly and become more complex, making adaptability a must. As the speed of conventional learning can't keep up with the speed of change, it may be best to acquire the ability to decide what things must be done, or acquire a sort of mold which gives rise to learning and innovation. In that sense, I think it's becoming more and more important to adapt to this age of great change by training basic human abilities such as that of understanding what other people value or that of building human relationships. I want to use ICT from here out to continue empowering people to free themselves from routine tasks and to create work with value.



Terumi Chikama, Chairman and President, Fujitsu University

Sato: Speaking of work styles that make use of ICT, we've arrived at an age in which we can work regardless of location. However, this creates control-related problems such as those involving labor laws or security, and how to balance internal rules and technological possibilities is now an issue. Companies in Japan are strict with regard to management of internal information, and telecommuting is not becoming widespread. I think companies should clearly separate corporate and individual responsibilities, allow a bit more individual responsibility, and prepare environments allowing employees to work freely. As the use of ICT enables a variety of working styles, the dividing line between corporate and individual responsibilities is going to become extremely important.

Uekuri: As workplaces diversify and people holding a variety of ideas increase, it has become difficult to satisfy all employees with a single system. When the opinions or ideas of bosses and subordinates differ, agreeability can be heightened by engaging in sufficient communication in the workplace. I want to explore ways of work that are bound by vision and philosophy, not only by systems and mechanisms.



Akio Uekuri, Head of Corporate Affairs and Human Resources Unit

Shiono: At Fujitsu, we carry out our activities with three objectives: the creation of workplaces where every employee can work with energy, the creation of new values, and harmonious relationship with society. I hope to connect the ideas gained in this dialogue with future actions in carrying out Fujitsu's diversity activities.



Noriko Shiono, Vice President , Diversity Promotion Office

Kaneko: In computer shogi a majority decision is used when opinions diverge, but if we dig deeper into the sharing of value judgments or development, artificial intelligence may further evolve to free us from routine labor. In the way that how you use Google search affects the efficiency of work, lifestyles and work will change through ICT. From the standpoint of providing products and services, we need to clearly convey to society what sort of society we are trying to create.

Fujisaki: Amid an "age without answers," it's important when we need to find an answer that we consider solutions through dialogue. These dialogues call for diverse opinions and a spirit of finding rapport with those, as well as curiosity and enthusiasm. The use of ITC is creating means of supporting communication with people of all sorts, including disabled people and people of foreign nationality.



Sogo Fujisaki, Director, CSR Department

Fujita: Binary judgment calls have been fine for top management until now. However, when applying business judgment from here out amid ambiguity, it seems to me that words and ways of explaining that are backed by basic education and persuasion skills are important in bringing agreeability to the judgments.

This dialogue session touched upon many points that compel us to consider, such as how vision becomes all the more important as diversity increases, and the nature of humane work styles amid the evolution of artificial intelligence. I would like to incorporate these suggestions into our ongoing CSR activities.

Participant profiles



Hiroki Sato, Professor, Interfaculty Initiative in Information Studies, The University of Tokyo Graduate School

1981: Hitotsubashi University Graduate School of Social Sciences; withdrew from Ph.D. program with credits.

1981: Researcher at the National Institute of Employment and Vocational Research (currently the Japan Institute for Labour Policy and Training).

1983: Assistant Professor, The Ohara Institute for Social Research, Hosei University.

1991: Professor, Faculty of Business Administration, Hosei University.

1996: Professor, Institute of Social Sciences, The University of Tokyo.

2011: Current position.

Specialty in human resource management. Member of the Council for Gender Equality, Work Life Balance Promotion Public-Private Top Conference, etc.



Tomoyuki Kaneko, Associate Professor, Graduate School of Arts and Sciences, The University of Tokyo

Associate Professor, Department of General Systems Studies, Graduate School of Arts and Sciences, The University of Tokyo.

March 2002: Completed Ph.D. program at the Graduate School of Arts and Sciences, The University of Tokyo.

April 2012: Current position.

Engaged in search technology research that effectively leverages computational ability enabling artificial intelligence to exceed human ability, centered on game programming and machine learning using shogi, igo, and other cognitive games. Also engaged in research into application of science and means of communication for supporting human decision-making.

FY 2012 Stakeholder Dialogue (Session 2)

Session 2: "Diversity and Human Rights"

With the goal of achieving management that values people, the Fujitsu Group is continuing its stakeholder dialogue. Following on Session 1 of the dialogues (see URL below for an overview), Session 2 focused on "Diversity and Human Rights" as its theme. An overview is presented below.

[CSR Policy](#)

[Stakeholder Dialogue, Session 1 \(January 10\)](#)

Date held: February 27, 2013

Participants:

Experts

Osamu Shiraishi, Director, Asia-Pacific Human Rights Information Center

Yayoi Masuda, Former Asia-Pacific Head of Human Resources for Nike, Inc. (background attached)

Fujitsu

Masami Fujita, Corporate Senior Executive Vice President and Representative Director

Hiroyasu Takeda, Corporate Vice President and Head of Purchasing Unit

Yoshiki Kondo, Corporate Vice President and President, Business Management Operations Group

Akio Uekuri, Head of Corporate Affairs & Human Resources Unit

Makoto Kouno, Vice President, Public Policy and Business Development Office

Noriko Shiono, Vice President, Diversity Promotion Office

Satoshi Ogiso, Manager, HR, Corporate Functions

Sogo Fujisaki, Director, CSR Department

* The positions and titles of participants are as of the time of the dialogue.



Fujita: On the topic of human rights and diversity, it seems to me that we are prepared in terms of systems and operations, but not in terms of firmly establishing these. With respect to human rights, too, the response in Japan is progressing, including in the area of buraku discrimination. Overseas, however, we recognize the ongoing issue of whether we can equip ourselves with the wisdom to act at the global level, such as in our business expansion in emerging countries.



Masami Fujita, Corporate Senior Executive Vice President and Representative Director

Shiraishi: What's important for companies is an understanding of not only discrimination and harassment but also international human rights issues. Human rights tend to be understood in terms of caring about each other, but this is a mistake; the root issues of human rights lie where morals or caring would not work at all, as seen in a dictator's abuse of authority. The three steps in human rights education are 1) understanding human rights at the international level; 2) acquiring the skills to protect human rights; and 3) nurturing an attitude of respect for human rights.



Osamu Shiraishi, Director, Asia-Pacific Human Rights Information Center

Takeda: In 2009, Fujitsu made a Siemens' computer division a wholly-owned subsidiary, thus establishing a global procurement organization with Germans and Japanese working together. The staff is about 200 people with a multi-ethnic makeup that consists of 40% Japanese, 40% Germans, and 20% Chinese, South Korean, and Taiwanese. We hope to incorporate the good points of their respective cultures into our work.



Hiroyasu Takeda, Corporate Vice President and Head of Purchasing Unit

Kondo: I'm in charge of the Solution Business Management Unit that supervises Fujitsu's sales and SE business management divisions, and of Fujitsu IS Service (FISS), which was established in February. It's a company with a unique employment composition, in which nearly 90% of the 700 employees are women and 200 are temporary staff. One of my missions as the President of this company is creating flexible work systems matched to women's work styles, and making the company an advanced model for diversity within the Fujitsu Group.



Yoshiaki Kondo, Corporate Vice President and President, Business Management Operations Group

Masuda: Diversity consists of attribute data seen from the outside, such as ethnicity, gender, age, and so on, expressed in terms of "who I am." However, what's important for the organization is the inclusion expressed in terms of "how I feel." Motivation increases when individuals feel they have a place in the workplace, with results seen in actions such as taking ownership and making active suggestions for improvement.



Yayoi Masuda

Fujisaki: Society and companies in Japan maintain an almost homogenous state, which makes for an environment without much of a feel of diversity. It's also an environment in which it's difficult to get a direct feeling for global human rights issues such as child labor or forced labor. What should Japanese companies do in order to address global human rights issues?

Shiraishi: It's important for companies to give serious thought to the matter of protecting human rights. Toward that end, (1) it is important that top management, together with relevant departments, decide on a policy of promoting human rights, and that this policy be disseminated throughout the company. (2) Next, the company should introduce "human rights due diligence," or mechanisms to check where human rights risks may lie within the company. (3) Finally, in the event that abuse of human rights occurs, the company should immediately make inquiry to the victims of the abuse and eliminate the abusive situation.

Masuda: I think there are two relevant approaches: that of directly addressing human rights and diversity, and that of addressing performance management. Of the two, I think the performance management approach yields faster results by far. Transparency and consistency are the key points for successful evaluation systems and performance management. The personnel division should indicate the basis for its evaluations (transparency) and should conduct thorough training of the management ranks, so that personal factors do not impact evaluations and promotions (consistency).

Uekuri: From what Mr. Shiraishi has said, it seems to me that executing human rights due diligence and operating the PDCA cycle are important. Moreover, with regard to evaluation systems and performance management, which are always key topics for us, in my future actions I hope to refer to what Ms. Masuda said about "transparency" and "consistency" while adding my own point regarding "agreeability."



Akio Uekuri, Head of Corporate Affairs & Human Resources Unit

Kouno: I think that overcoming diversity issues is possible when the standards for performance management are clear. I want to set clear performance standards and, by thoroughly sharing these within the company, establish fair standards. I also realize that these standards are what ensure diversity.



Makoto Kouno, Vice President, Public Policy and Business Development Office

Shiraishi: In my opinion, one of the most pressing issues facing Japanese companies is that of work styles. I think that one of the things that make it difficult to provide environments for work by women is the matter of men demanding that women work in the style of men. We need to consider agreeable work styles by which women can work normally, through means such as cooperation from men in lessening the load on women. European companies have already been achieving this while maintaining high international competitiveness.

Kondo: I hope to put what I've heard here today into use in management from here out. More specifically, I hope to leverage the advantages of FISS having been spun off from Fujitsu, introduce systems and mechanisms that bring variation to work styles for women, and create an organization where every employee feels he or she has a place and will want to contribute actively to the company.

Takeda: Working with Germans, every day I experience issues of inefficiency. Working with diligence is something we could point to as a good point of Japan's culture, but it also runs contrary to working with efficiency. However, if we cannot achieve both of these, we cannot move ahead as a global company. I hope to continue tackling the matter of improving work styles.

Fujita: In this discussion, I've been very motivated by what the two experts have said. I learned that although we conduct our diversity promotion activities with an awareness of diversity and inclusion, before we can unify our terminology and people's sense of value, we should think of inclusion in terms of whether people feel they have a place in the workplace. This has also been a good opportunity to deepen my understanding of the concepts of respect for human rights that are at the foundation of inclusion, and to consider how management should value people.

Participant profiles



Osamu Shiraishi, Director, Asia-Pacific Human Rights Information Center (Hurights Osaka)

The University of Tokyo Faculty of Law (LL.B.), The University of Tokyo Graduate Schools for Law and Politics (LL.M.), completion of Ph.D. program. University of Virginia School of Law (Master of Comparative Law).

April 1980: Employed at the Headquarters (Geneva) of the Office of the UN High Commissioner for Human Rights (UNHCR).

October 1982 - August 2005: Assigned to the Division of Human Rights, United Nations Secretariat (Geneva Office).

August 2005: Compulsory retirement from United Nations.

May 2006 - present: Director, Asia-Pacific Human Rights Information Center (Hurights Osaka). Visiting Professor, Ryukoku University (until March 2010). Invited by Fujitsu as lecturer at FY 2011 top management training sessions on human rights education.



Yayoi Masuda, Former Asia-Pacific Head of Human Resources for Nike, Inc.

Experienced a range of business fields at Ricoh Company, Ltd., including joint venture operation.

Subsequently entered Levi Strauss & Co.; contributed to the company's globalization as Global Leadership Development Director at the US headquarters and other regions worldwide. From 2004, led organizational personnel overall for 4 years at the US headquarters of Nike, Inc. as the Asia Pacific Head of Human Resources.

Ms. Masuda is a leader with her own global perspective as well as an expert in global organizations and global leader development, with a focus on the global penetration and improvement of corporate values. She is the co-author of *Leader as being oneself* (Kobunsha Co., Ltd.) with Professor Toshihiro Kanai of Kobe University.

FY 2012 Stakeholder Dialogue (Universal Design)

Lunch meeting with guest experts on universal design (UD)

The Fujitsu Group is not only developing and offering products and services that are easy to use by all and enable participation in society by more people, but is also devising work styles that enable a variety of people to work within the company.

On October 5, the Universal Design and IT Usage Seminar was held at Fujitsu Trusted Cloud Square. Fujitsu took this opportunity to welcome Dr. Sheryl Burgstahler (founder of the DO-IT Center, University of Washington) and Professor Kenryu Nakamura of The University of Tokyo, the co-host of the seminar, for a lunch meeting with the company's top management on the theme of UD. An overview of the dialogue follows.

Participants:

Experts

Sheryl Burgstahler, Professor, University of Washington

Kenryu Nakamura, Director, DO-IT Japan; Professor, The University of Tokyo

Fujitsu

Noriko Shiono, Vice President, Diversity Promotion Office

Ken Toyoda, Director, Recruiting Center

Kazuhisa Terashi, Head of Ubiquitous Services Business Unit

Kimitaka Kato, SVP, Marketing Transformation Project Office

Yoshihiro Ueda, President, Fujitsu Design Limited

Sogo Fujisaki, Director, CSR Department (meeting MC)

* The positions and titles of participants are as of the time of the dialogue.



Fujisaki: First, I would like to thank you all for coming today. On the topics of UD and ICT, I think there are two issues at work: empowerment^{*1} and communication. Empowerment can also be seen as two items, with the first involves individuals taking action in society thanks to empowerment by products and services. The other involves a greater number of people taking action thanks to the empowerment of employees. With regard to communication, it is important for people with disabilities and companies to advocate their respective situations and to strengthen their mutual communication. Along those two lines, I would like to hear any advice or expectations you have for companies.

^{*1} Empowerment: The act of expanding persons' on-site discretionary power and promoting their autonomous decision-making while supporting their actions. Empowerment allows people to display their latent talents and improve their individual capabilities.



Sogo Fujisaki, Director, CSR Department

Terashi: At Fujitsu, we not only develop devices such as PCs and smartphones but also embed sensors in these and provide services that tie data to cloud services. On the topic of product development empowerment, we're working to widen the scope of our business by widening our thinking to encompass devices that grant users the ability to do what they want. From the standpoint of a manufacturer, we're currently supporting the Wish Project, which uses ICT to offer children in a high school for physically disabled students and children with learning disabilities in Kagawa Prefecture the ability to do what they want. Although different people face different situations and circumstances, we hope to provide what support we can through ICT to help them live lifestyles with joy.



Kazuhisa Terashi, Head of Ubiquitous Services Business Unit

Prof. Burgstahler: It's a good thing to set regular opportunities to communicate with users with disabilities. In particular, companies developing products should gather the opinions of users themselves before shipping to the market, as Microsoft does. The matter of how to incorporate the opinions of people with disabilities into critical points of product development is an important one.



Sheryl Burgstahler, Professor, University of Washington

Ueda: In my own talk earlier, I said that UD will shift from the creation of products, architecture, and services that anyone can use to the provision of services using interfaces optimized for each individual. Taking in what Prof. Burgstahler said, I believe it's more fitting to use the term "add to" instead of "shift from." Looking at our UD activities from here out, I think we need to move ahead with both design of ICT products that anyone can easily use, and design activities that aim to provide services through user interfaces optimized for each individual.



Yoshihiro Ueda, President, Fujitsu Design Limited

Kato: From this fiscal year, Fujitsu has moved the designing department's brand and UD team to the marketing department within the corporate headquarters, and is undertaking design development activities along company-wide lines. We intend to engage in global support for UD in the form of technological development and activities that leverage customers' voices. At the same time we'll communicate with society and citizens through new UD activities that include industry, government, academia, and citizens, with today's lecture and workshop as examples.



Kimitaka Kato, SVP, Marketing Transformation Project Office

Prof. Burgstahler: I think it should be possible to create a model by which a company recruits an appropriate group of people who periodically test and evaluate a variety of products. It's important that high school students and other young people with varied disabilities perform evaluations from the perspective of those varied disabilities.

Nakamura: UD in Japan is meticulous and thus overly protective, and needs to shift in the direction of enabling autonomy as in the US. Product design geared toward Japan's future is necessary, with consideration of educational systems and other cultural differences.

Shiono: The Fujitsu Group is advancing diversity in the belief that it's vital to leverage diverse human resources in order for the company and individuals to grow together. Internal surveys have shown a difference between people with and without disabilities in the affirmative response rate to items such as "a sense of fulfillment toward your job." We've had people with disabilities comment, "I have to clearly convey what I want the company to consider, and what things I can and can't do." I want to use a variety of measures to aim for workplaces where diverse employees are motivated to work with enthusiasm.



Noriko Shiono, Vice President, Diversity Promotion Office

Toyoda: At Fujitsu, employees with disabilities are active as salespersons, SE, developers, researchers, business staff, and so on in all of our businesses. Through working alongside people with disabilities in our workplaces, Fujitsu has learned many important requirements for business. I always tell students with disabilities who seek employment at Fujitsu that the company gives consideration to disabilities, but does not hold back in asking people with disabilities to contribute. We confirm what considerations are required for each person we employ, consider what workplaces will let that person be active, and undertake coordination that includes putting in support devices.



Ken Toyoda, Director, Recruiting Center

Prof. Burgstahler: The reason I have DO-IT programs engage people from their teens in the US is because I believe this is a most vital age. Teens are starting to develop self-awareness, and tend to think that every problem that occurs is because of their disabilities. They all have their own problems and concerns, but by sharing these, friendships grow within DO-IT. As an example, there is an event for graduating students in the US known as prom, where girls are generally escorted by boys. In the past, girls with disabilities have stayed away, blaming it on their disabilities, but girls taking part in DO-IT have taken part as a girl group. It's important to know what people are facing at every age, and determine what their needs and worries are at that time.

Nakamura: Japan needs to start thinking about the impact of raising children in a world that is kind to disabled people and the elderly. It's not meaningful to simply listen to the voices of these people who are communicating and creating lives inside a closed society. We've come to an age in which we can observe them, build people up with technology, and design society together with people.



Kenryu Nakamura, Director, DO-IT Japan; Professor, the University of Tokyo

Terashi: Being too kind may stem from holding back in what we ask of people. It seems to me that we can hold back too much when we don't stand in people's place. In the Wish Project, too, we start from asking what children are thinking, without feeling sorry for them or feeling we have to do something for them. Using SNS and other tools, we need to create a place where they can share their thoughts. I think it all begins with people in varied circumstances around the world understanding each other's thoughts and worries.

Fujisaki: The essence of Fujitsu's business is providing solutions through ICT, which in turn is a service that resolves society's issues while providing quality products. To identify society's issues, too, I want to think about how to overcome cultural differences and provide value to society.

The power of ICT lies in unleashing the abilities of individuals and bringing opportunity and possibilities to all people. The Fujitsu Group's UD initiatives bear a large role in this. We hope to draw on the opinions expressed to keep on improving our corporate value.

Participant profiles



Sheryl Burgstahler

Affiliate Professor, College of Education, University of Washington (Seattle, Washington).

Founder and Director, DO-IT Center and UW Access Technology Center (ATC); Instructor/Advisor, Distance Learning.

Engaged in project development, support, and instruction for IT usage, UD application, physical space provision, and other activities to resolve issues for students facing academic or vocational difficulties due to disabilities or illness.



Kenryu Nakamura

Director, DO-IT Japan; Professor, The University of Tokyo

1987: Assistant Professor, Faculty of Education, Kagawa University.

1992: Visiting Scholar, University of Kansas and University of Wisconsin-Madison.

1995: Visiting Scholar, University of Dundee.

April 2005: Project Professor, Research Center for Advanced Science and Technology, The University of Tokyo.

FY 2012 Stakeholder Dialogue (BOP, Inclusive Business)

Discussion with guest experts on BOP and inclusive business

The Internet is creating new opportunities for its 2.4 billion users worldwide. However, these opportunities can be lost amid information disparities (digital divide) in developing countries where ICT infrastructure is inadequate.

The Fujitsu Group has declared its intent to take on the challenge of changing society by 2020 through the "Three Powers of ICT." With regard to one of these, "The Power to Provide Equal Opportunities to All People," the Fujitsu Group is undertaking partnership development and field surveys aimed at developing countries. To help put this into concrete practice, Fujitsu invited global experts to a discussion on the theme of "Cultivating the BOP market (Prospects for the Future)." An overview of the discussion follows.

Date held: February 27, 2013

Participants:

Experts

Armin Bauer, Senior Economist, Asian Development Bank

Robert de Jongh, CEO, Red Mantra Group

Fujitsu

Kanji Hayashi, Head of NTT Data Global Business Unit

Mikito Kiname, Executive Vice President, Marketing Unit

Yoshihiko Tokumaru, Corporate Senior Vice President, Fujitsu Research Institute

Takafumi Ikuta, Senior Research Fellow, Economic Research Center, Fujitsu Research Institute (secretariat)

Sogo Fujisaki, Director, CSR Department (secretariat)

* The positions and titles of participants are as of the time of the dialogue.



Key comments by the participating experts are as follows.

Key comments by experts



Dr. Armin Bauer

When conducting business in the BOP market, a company should not only make efforts to sell ICT systems and devices but should also consider who will use the provided goods and services and for what purpose, as well as how this will benefit society. Most Japanese companies, including Fujitsu, tend to focus only on the top tier (top-level companies and the government) as clients. ICT has the power to resolve many of the problems of developing countries. I think that adding "for BOP" to the end of Fujitsu's declaration of "The Power of ICT" can reform the company's conventional thinking about business.



Robert de Jongh

To use ICT in resolving the social issues of developing countries, the presence of partners (governments, NGOs, etc.) well versed in the local issues is important. Even if the return on a project is minimal at the time of launch, a high degree of social contribution will lead to an improvement in reputation and return for the company in the long run.

When entering business in developing countries, it's vital to take the approach of not only committing low-cost products to the BOP market but also providing systems that comprehensively resolve social issues.

The Fujitsu Group, drawing on the expectations and requests of outside experts, will make efforts to create mechanisms that promote the diffusion of ICT so that as many people as possible worldwide can open the door to cyber society and enjoy the benefits of ICT.

Participant profiles

Armin Bauer

Armin Bauer is a Principal Economist at the Asian Development Bank (ADB). Mr. Bauer has been with ADB since 1995 in various functions in the operational, strategy and policy, and knowledge management departments. One of Mr. Bauer's recent initiatives is a collaboration with ADB's Private Sector Department and the Inter-American Development Bank (IDB) on promoting inclusive business investments in various Asian countries. The initiative comprises (a) market scoping studies in 10 Asian countries on inclusive business at the base of the pyramid, (b) the development of an inclusive business impact assessment tool, and (c) the possible establishment of investment facilities for inclusive business in cooperation with development partners. Mr. Bauer has more than 20 years of development experience, a Ph.D. in development economics, an M.A. in Political Economy (1987), and a BA in Administrative Science.

Robert de Jongh

W. Robert de Jongh is currently the Founder, CEO and Chief Inclusion Architect at the Red Mantra Group, a boutique strategy consulting, market research, and ideation company focused on inclusive growth, sustainability and accountability in emerging markets worldwide. He is currently Regional Team Leader and Inclusive Business Development specialist at the Asian Development Bank, where he currently manages a portfolio of inclusive business and impact investing initiatives including fund design, market feasibility studies, and a strategic knowledge exchange with the Inter-American Development Bank. Mr. de Jongh is also leading an inclusive business^{*} development and engagement strategy for the poorest regions in the United States for the Ford Foundation. Mr. de Jongh is a graduate of the American University in International Studies and Development Economics in Washington, D.C. and completed EU policy studies at the Universite Libre de Bruxelles in Brussels, Belgium.

* Inclusive Business

-Inclusive business is a sustainable business model that targets poor and low-income people ("base of the pyramid," BOP) in emerging and developing countries, resolving regional social issues while securing revenue for companies.

-Inclusive business seeks to create a value chain by viewing the poor not only as consumers but also as suppliers, sellers, and laborers. It has gained attention as an approach for cultivating growth markets in emerging and developing countries such as African countries and India.

With Our Customers

We adopt a customer-centric approach to our thinking and actions, and communicate proactively with our customers so that we can grow together as their partner.

To Increase Customer Satisfaction

Fast-changing social and economic environments make this a difficult time in which to see far ahead, so we place ourselves in the position of the customer and transform ourselves in order to better and more rapidly understand new requirements, and innovate to meet those needs as quickly and accurately as possible. We are aiming for management innovation by using the "Program to Improve the Quality of Management^{*1}", and taking a number of initiatives to form an innovative corporate culture that can keep pace with customer changes.

^{*1} Program to Improve the Quality of Management:

A framework for customer-centric management excellence modeled on the Malcolm Baldrige National Quality Award of the United States, the de facto global standard for management innovation.

Promoting Field Innovation with the Customer

The Fujitsu Group initiated "Field Innovation" in 2007 to create a prosperous future along with our customers.

It is important to get back to the starting point, where ICT is seen as a tool to support people in their work and increase efficiency in their working places. Field Innovators, who are specialists in Field Innovation, concentrate on the customer's workplace to determine the true nature of the issues present by visualizing relationships between people, processes, and ICT. This increases the value of using ICT by making full use of actual insights from the workplace.

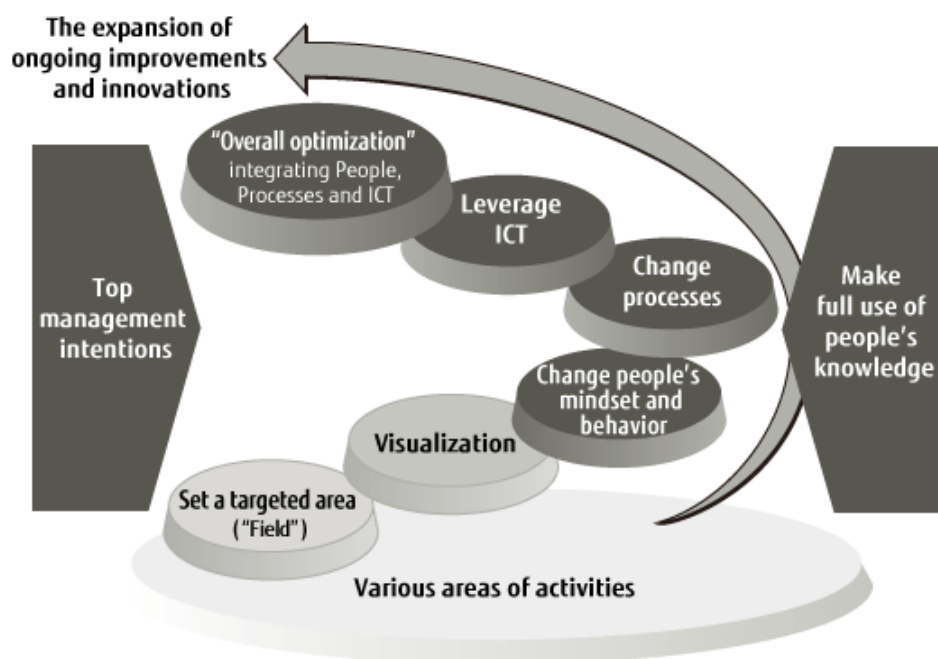
By making such management issues visible, Field Innovation leads to ongoing management innovation by customers in line with top management's intentions. We have already implemented Field Innovation programs at as many as 500 customers and also continue to use it ourselves within the Fujitsu Group.

Now, 350 Field Innovators work with customers to visualize the issues and build consensus at customer worksites to promote innovation. We continue to foster Field Innovators in a bid to strengthen the framework and concentrate their knowledge.

Fujitsu accumulates practical wisdom as the knowledge gained through Field Innovation, which it then uses to increase the quality of activities and provide further value using ICT.

Results of Field Innovation Activity (Including Fujitsu Group internal projects) (Units: Activity)

	FY2008	FY2009	FY2010	FY2011	FY2012
Results of Activity	129	294	331	336	522



The Field Innovation Process

We insist on rendering all the facts visible

By selecting areas for improvement and innovation as fields, and by using the latest techniques (such as business fieldwork^{*2}) and technologies (such as BPM-A^{*3}), we are taking a proactive approach to making facts visible.

*2 Business fieldwork:

A site survey method in business based on ethnography, a social scientific research and analysis methodology for identifying and visualizing facts. In business, this method is used primarily for observation and innovation at customer sites.

*3 BPM-A (Interstage Business Process Manager Analytics):

A business process observation/analysis tool developed by Fujitsu that can help grasp bottlenecks and other operational process issues and facilitate process innovation.

Facts modify attitudes and actions

Issues only become clear when the basic facts are known, after which mindsets can be reformed. We aim to establish an agreement on mindset among people through facilitation^{*4} and workshops, and achieve reforms by taking advantage of people's knowledge. The changes in people's mindset and actions will affect the processes in which we utilize ICT. Our innovation methodology is threefold - in People, Processes and ICT - through which we advance reforms.

*4 Facilitation:

A set of techniques that is used to elicit fully satisfied consensus in a meeting by encouraging members to participate in the discussion and by controlling the flow of communication, even if the meeting deals with touchy subjects.

Ongoing innovation brings an innovative mindset to businesses and organizations

By continuing our innovation methodology in line with customers' top management intentions, we aim to establish powerful companies and organizations that will themselves continue to innovate. We also sponsor an "FI Community" to research the keys to promoting innovation by drawing together customers who have experienced Field Innovation for themselves.

Fujitsu Trusted Cloud Square

Fujitsu Trusted Cloud Square^{*5} was opened in Tokyo's Minato Ward in 2010 as a place for Fujitsu customers to actually experience our technologies, products, and services in the cloud computing age.

This facility provides permanent exhibits of the cutting-edge technologies, products, and solutions that make the dreams of mankind real, with everything from supercomputers to the latest smart devices on display. Visitors can take part in seminars and demonstrations centered on major themes in the ICT field such as cloud computing and big data, and ITC system verification. Through these activities, they can also experience for themselves the Fujitsu of today and the advanced technological capability that makes it all possible.

In FY 2012, we had about 11,000 visitors to the Fujitsu Trusted Cloud Square, for a cumulative total to date of around 36,000 visitors.

^{*5} Fujitsu Trusted Cloud Square: A facility usable by reservation by our corporate and institutional clients.

- [Fujitsu Trusted Cloud Square](#)



Supercomputers
Visitors can learn about the fields where supercomputers are used and experience the HPC solutions made possible by the "K computer"



Server room
Approx. 300 server and storage units onsite are used to test and demonstrate customer ICT systems

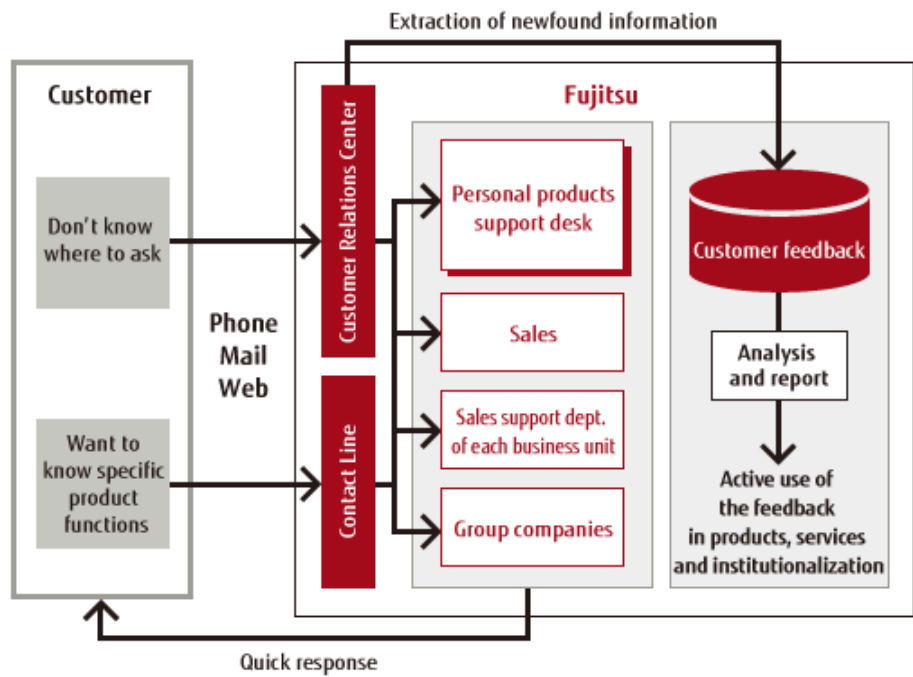
Operation of the Fujitsu Customer Relations Center and the Fujitsu Contact Line

We established the Fujitsu Customer Relations Center in 2003 to handle inquiries and other problems concerning products and services from customers who are not sure where to address their issues. Also, in order to respond quickly to customers concerning the functions and prices of products before they make their purchases, since 2005 we have been routing all such pre-purchase telephone inquiries to a single window, the Fujitsu Contact Line, with the telephone number for access published on our corporate website and in catalogs, press releases and advertisements.

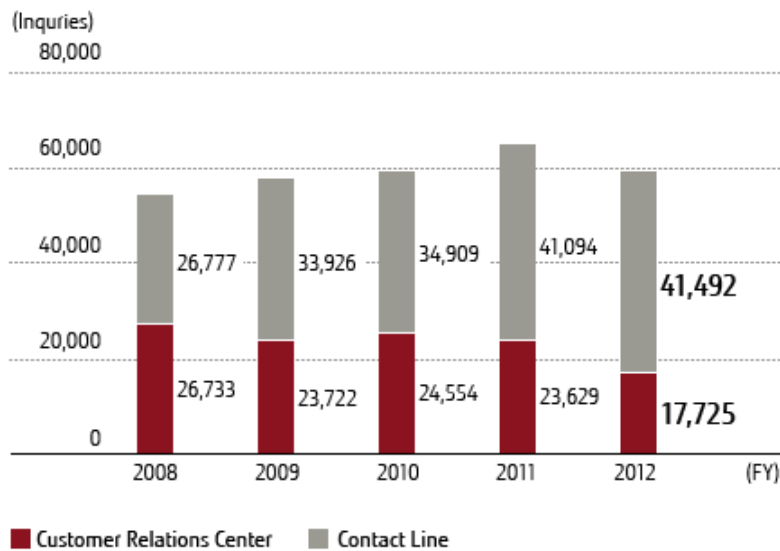
The Fujitsu Customer Relations Center and the Contact Line act as a clearinghouse that links the customer to the best line of communication for answering their inquiries. They not only contribute to increasing customer satisfaction through their accelerated responses, but also extract customer feedback, which is reported to the departments responsible for development and quality improvements of the related products and services.

Note that when we receive opinions or when something is brought to our attention in the form of a complaint from the customer, the specific content of that feedback or complaint is reported as a special bulletin to our executives.

Fujitsu Customer Relations Center/Fujitsu Contact Line



Trends in Inquiries Addressed to the Customer Relations Center



PC Support Center for Individual Customers

To handle the diversifying needs and environments of our individual customers, we have put in place the "personal products support desk" to provide consultation concerning Fujitsu personal computers. Through this support desk, we are building a system for handling a wide range of questions on matters regarding the use, troubleshooting, and servicing of Fujitsu personal computers.

Examples of Improvements Based on Customer Feedback

- Change to charging port position on our tablet

For our "STYLISTIC" tablet, we received the following feedback from our customers: "Connecting the AC adapter to the tablet with it leaning against its special case makes the unit tip to one side. Is the unit not meant to be recharged when leaning up against its case?" and "If it were possible to use the tablet with it stood up against its case without using the charging cradle, it would be lighter to carry about. Could you therefore change the position of the charging port?"

Consequently, we changed the layout for the tablet, putting the charging port on the left and right sides. This change will be introduced for the new Fall/Winter 2013 model.

Placing Importance on Connecting with Our Customers

Fujitsu Family Association

The Fujitsu Family Association was founded in 1964 for our corporate clients and allows members to exchange information and improve each other's skills. As of the end of FY 2012, it had 11 chapters and LS Research Committees^{*6} throughout Japan with some 3,500 members. It is the largest organization of users of information and communications systems in Japan.

The association's activities consist of branch and head office activities. Branch activities in FY 2012, which targeted things like promoting ICT management for an increasingly globalized world, conducting activities that capitalize on local characteristics, and standardizing the quality of member services, took the form of networking events among members as well as training and research activities. Head office activities included an overseas seminar in the US and the fall conference in Okinawa to commemorate 40th anniversary of the reversion of Okinawa to Japan. Some 1,000 members participated in the fall conference from around the country. The association also put out five issues this year of its Family magazine for members and the Web version, e-Family.

The LS Research Committee held research section meetings on 16 themes as part of its research activities on leading-edge management and ICT, and published a summary report. Furthermore, we held seminars and research meetings at 11 local chapters to provide problem solving and practical business support to local members.

The Family Association continued its support this year for recovery efforts in areas hit by the Great East Japan Earthquake. Association volunteers visited the affected areas in August 2012, followed by a discussion of what the association could do to help with recovery efforts. This discussion will be held again in FY 2013.

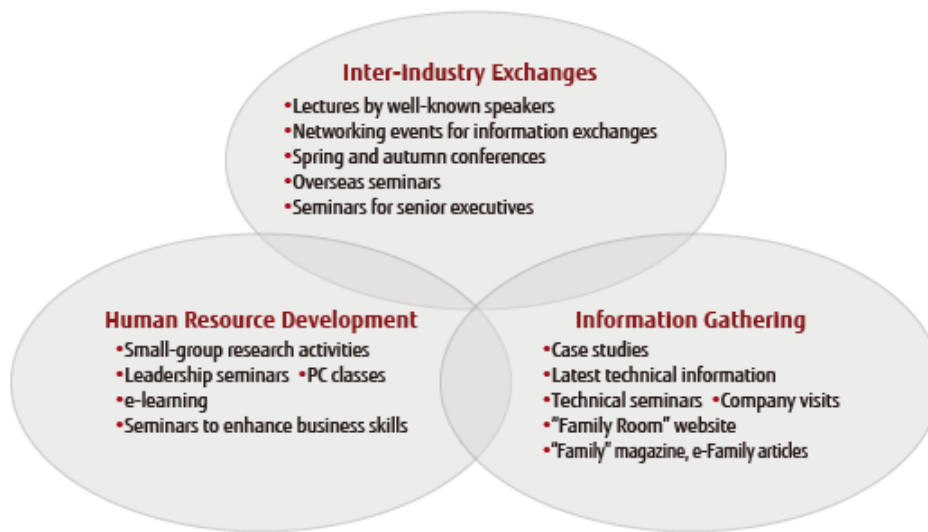
The Family Association has offered five points that will guide its activity policy in FY 2013, with the aim of making the user community a more appealing one than ever.

1. Work as a community of users supporting ICT in Japan to promote activities that help with the further growth of association members
2. Standardize member services through the promotion of activities that capitalize on local characteristics and enhanced coordination among branches
3. Continue to provide support for recovery from the Great East Japan Earthquake
4. Promote research activities and information sharing with respect to advanced ICT
5. Strengthen mutual communication among members

*6 LS Research Committee:

This committee, originally formed as the "Large Systems Research Association" in 1978, was merged with the Fujitsu Family Association in 2007 with the renewed purpose of carrying out research on leading-edge technologies and concepts, and implementing effective ICT utilization that will contribute to members' growth.

Fujitsu Family Association



Directions in Advertising

In all advertising and publicity activities in the Fujitsu Group, we strive to observe all laws and corporate internal regulations and to only use fair and appropriate expressions and graphic symbols.

Main advertising and publicity activities

- TV programming: Fujitsu sponsors "See the world by train" and "Fight! KAWASAKI Frontale (a Japanese soccer team)" for Japanese TV.
- TV commercials/newspaper advertisements: In Japan, Fujitsu places advertisements for Fujitsu products in daily life. The themes of this series of press advertisements have included firefighting, farming, the Automated Meteorological Data Acquisition System, the Subaru telescope, datacenters, and global themes (healthcare).
- Event sponsor/co-sponsor: Fujitsu Ladies Golf Tournament, Izumo All Japan University Ekiden, Fujitsu Concert Series (classical), Japan Science & Engineering Challenge (JSEC), others

Marking and Labeling of Products and Services Regarding Quality and Safety

Fujitsu is dedicated to observing all laws and internal regulations related to marking and labeling of products and services regarding quality and safety.

While we did not experience any major legal violations during FY 2012, there was one instance where an internal inspection uncovered a violation of the Electrical Appliances and Materials Safety Act that regulates product safety (the sale of a product without a PSE mark). The results of this inspection and a measure to prevent future violations were reported to the Kanto Bureau of Economy, Trade and Industry of the METI. The reason for the improper marking appeared to have involved human error, and more thorough checking of products before they are shipped was implemented as a measure to prevent recurrence. It has since been confirmed that proper marking is now being carried out.

Quality Initiatives

The Fujitsu Group, to further enhance the trust placed in it by customers, practices quality management, and works to achieve process improvements through visualization of its efforts regarding quality, and with QMS.

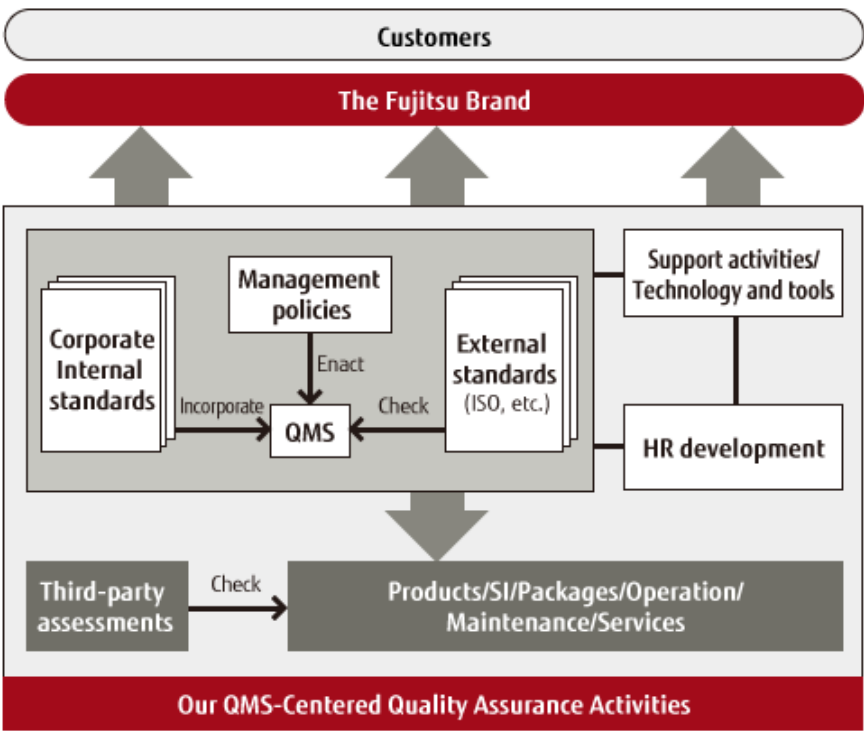
The Pursuit of Quality

Quality that Builds Trust, Safety and Security

The Fujitsu Group attaches fundamental importance to quality in all business activities to ensure that everyone can equally enjoy the benefits provided by ICT with safety and security. Our aim is to achieve a level of quality in all products and services that satisfies customers.

To accomplish this we have established and maintain the quality management system (QMS). Through the QMS we regularly confirm the progress of the PDCA (Plan, Do, Check, Act) cycle in the light of ISO and other international certification standards, and make process improvements to achieve even higher quality.

Our QMS-Centered Quality Assurance Activities



The Pursuit of Quality and Safety

Fujitsu responds by anticipating changes at our customers and their business environments so as to continue to provide them with appropriate products and services. At every stage from design through evaluation, production, to sales and support, we perform our quality improvement activities in line with the following principles.

Quality Principles

- We pursue quality from the customer's perspective.
- We build in quality that anticipates changes.
- We achieve quality consistent with our social responsibilities.
- We use first-hand feedback based on the actual situation.
- We work with our business partners to improve quality.
- We seek to make public quality-related information transparently.
- We foster employees who think about quality.

Based on the policy of emphasizing safety in all aspects of our business activities, we strive for assured safety in product designs, collection and the publication of information on product-related problems, and rapid response to such problems.

Acquisition of ISO 9001 Certification

Based on our belief that better processes create better products and services, Fujitsu is continuously improving our processes to meet the needs of the market and our customers. This ongoing effort has led to the certification under ISO 9001. As of March 31, 2013, 23 of our divisions had obtained ISO9001 certification.

Safety Assurances Based on the Fujitsu Product Safety Charter

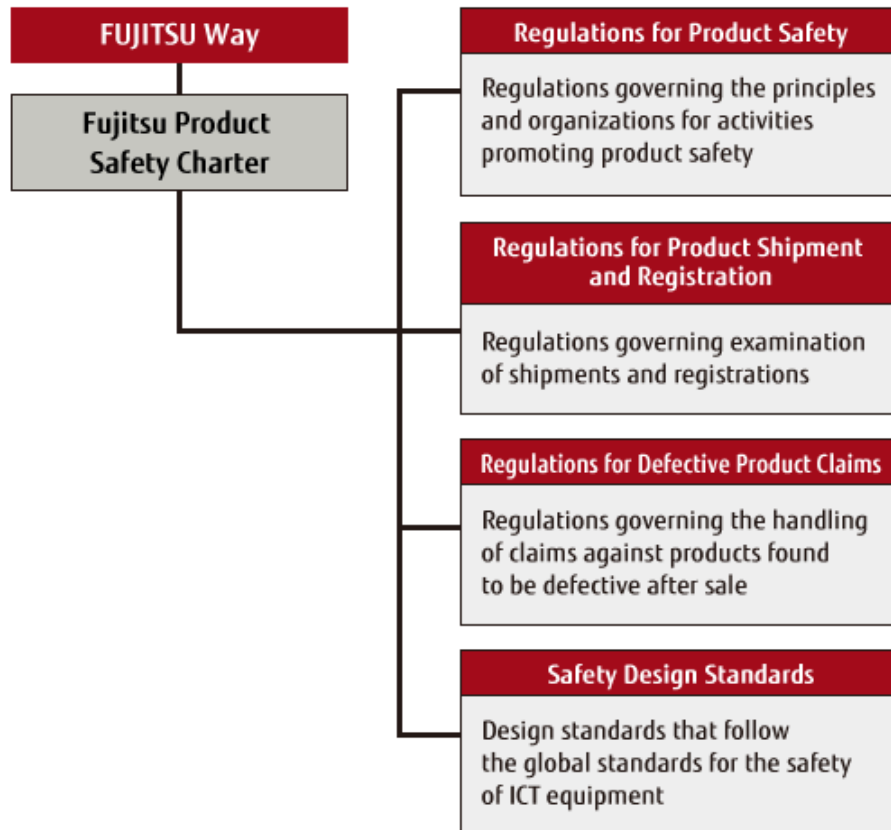
Quality is the basis of brand value for the Fujitsu Group. Products and services that customers can safely use is the essence of the Fujitsu Group's business. Based on this philosophy, in June 1994 Fujitsu formulated the "Fujitsu Product Safety Charter" ahead of the implementation of Japan's Product Liability Act (effective from July 1, 1995).

Based on the Fujitsu Product Safety Charter, we have revised and put in place various regulations and technical standards regarding product safety, and have taken steps to distribute this information through such means as new employee orientations, group training courses for technical departments, and quality conferences.

Fujitsu will continue to actively adhere to the following points in an effort to establish and maintain a corporate culture that assures safety.

- We will comply with laws and regulations regarding product safety, including the reporting of product accidents.
- We will put in place and comply with independent safety standards, and establish a suitable quality assurance structure.
- We will compile data on product accidents and related information.
- We will respond to product accidents and other incidents.

The System of Quality and Safety Regulations

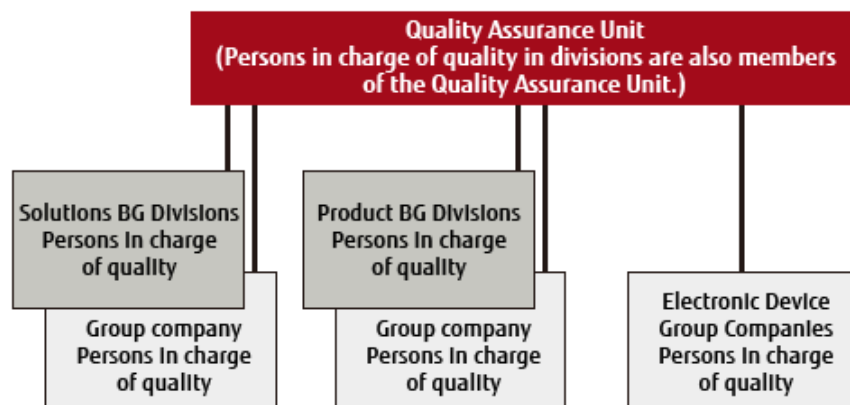


Our Approach to Promoting Quality Assurance

Fujitsu has established a dedicated unit for quality management within each business division and Group company to ensure that it is able to provide customers with high-quality products and services.

Also, through the Quality Assurance Unit, which consists of representatives of these dedicated units, we promote information sharing, propose countermeasures, and improve support structures in ways that transcend organizational barriers. In this way, we work to establish a QMS that creates added value for the customer.

The Quality Assurance Structure



System for Addressing Major Quality Problems with Products and Services

In the event of a major quality problem concerning a product or service, directors and employees immediately report to the Risk Management & Compliance Committee in accordance with risk management regulations, which then reports to the department manager according to the pre-defined reporting structure. The department manager quickly addresses the problem and reports on progress to the committee, responding to any instructions along the way. When a solution comes to light, the department manager informs the committee of the history leading up to the risk and measures to prevent recurrence. The committee can instruct the department manager to also report this information to the Board of Directors and Management Council.

No major quality problems occurred with products or services in FY 2012

Improving Quality of Products and Services through Qfinity

Since FY 2001, Fujitsu has implemented Qfinity, which are unique quality improvement activities, in all divisions. The word Qfinity was created as the combination of "Quality" and "Infinity" to express the concept of our commitment to the infinite pursuit of quality.

The Qfinity concept emphasizes a quality improvement model using the PDCA cycle that exhaustively pursues not only better product functions and reliability but also quality improvements in all phases of work, including efforts to improve customer response and delivery and reduce costs.

In each division, we are moving forward with efforts on themes that reflect the division's major policies and the issues that arise in the workplace on a daily basis. Project activities include both group activities concerned with a specific theme and individual activities to propose reform and improvement based on their findings. In principle, all Fujitsu employees participate in at least one of these activities.

- FY 2012: 6,528 project initiatives (as of March 31, 2013)
- FY 2012: 84,189 improvements/proposals (as of March 31, 2013)

Since FY 2011, Fujitsu has been conducting training sessions where guidance is given to effectively leverage Qfinity for quality innovation as well as quality improvement. 28 sessions were held in FY 2012, with 299 people engaged in promoting quality improvement in their workplaces taking part.

Information on Qfinity is shared internally using the Qfinity System, a web-based information system on the corporate intranet. It is used to benchmark the objectives and processes of other divisions, as well as to acquire information and knowledge on such topics as technologies and expertise.

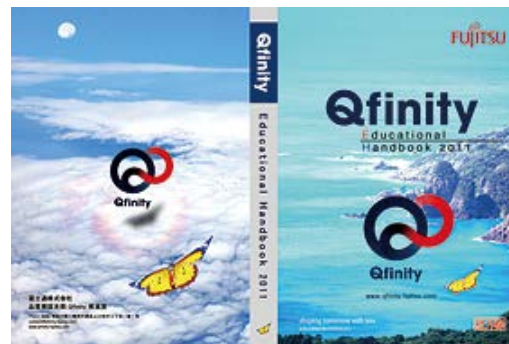
Qfinity Group-Wide Quality Improvement Activities



To publicize the successes of each Qfinity activity throughout the Group, we make information available to each employee in the Fujitsu Group through the Qfinity website on our corporate intranet. We also hold a Group-wide Qfinity conference every year at which best practices from all Qfinity activities during the year are introduced. In addition, awards are presented for these best practices at the annual celebration of the anniversary of Fujitsu's founding.



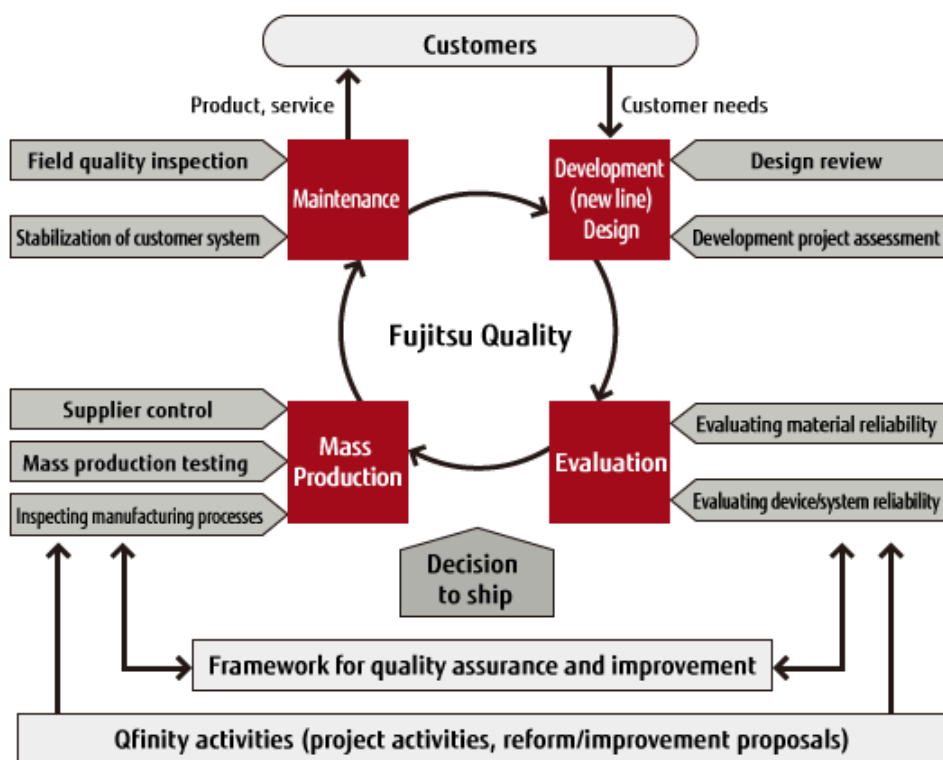
Each year these Qfinity examples are collected in a handbook that is distributed to new employees and employees participating in training.



Customer-Centric Quality Assurance Activities for Products and Services

In providing products and services, we adopt the customer-centric perspective. This attitude is central not only at the design review stage but also at every stage of the development and production process, where we perform evaluations, asking, "does it meet customer needs and expectations?" Through this process, we work from an objective standpoint to bring products that provide the value that customers expect.

Flowchart for Quality Assurance Activities



Fostering Experts Who Support Product Safety

As part of efforts to ensure product safety, in FY 2003 Fujitsu established its own certification program to train Product Safety Experts. Those who complete the program are certified by the managing product safety department of the Quality Assurance Unit. 213 people have been certified as of the end of FY 2012.

Certified Product Safety Experts verify the safety of products at design review stage (from the initial stage of development to the decision to ship). When a product cannot be confirmed as safe, it does not receive final approval to ship. In addition to verifying conformance to safety requirements in Japan and overseas as well as to Fujitsu's own standards, these experts also look at the design stage from the perspective of preventing recurrence of problems that happened with other products in the past. They also take follow-up training twice a year and an annual qualification renewal test to maintain and improve their skills.



Product Safety Experts in training

The concept of averting product accidents at the design stage has become increasingly important. This requires not only familiarity with the accidents or hazards associated with an existing product, and with other products incorporating similar functions and structures, but also practical knowledge and assessment of any potential risks associated with the nature of the product at the design stage and the way it is used, viewed from the perspective of the user.

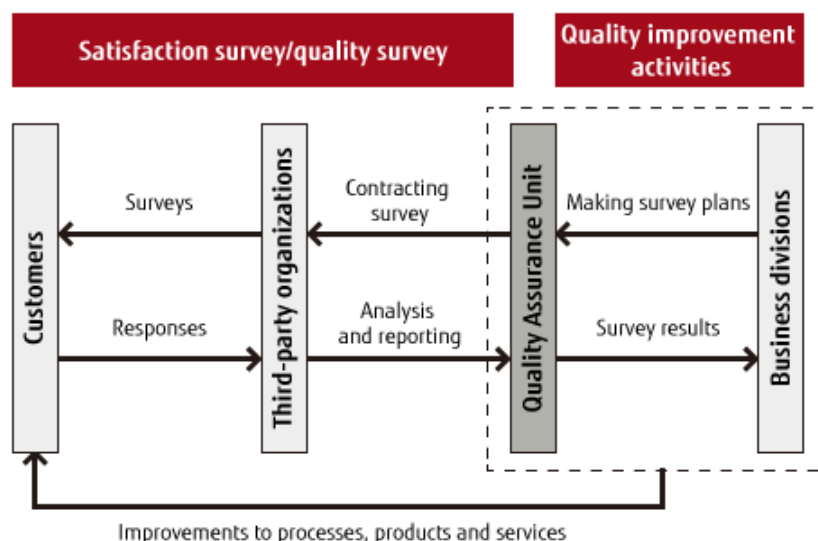
Accordingly, in FY 2010 Fujitsu established internal standards for the conduct of product safety risk assessments and began training Product Safety Risk Assessors. FY 2010 saw us begin applying these standards to products in the PC segment, and plans are in place to expand them to the mobile phone segment in FY 2013. As of the end of FY 2012, we have 128 registered Product Safety Risk Assessors.

Going forward, we will be developing experts in anticipation of new safety standards to be introduced in Japan and overseas as we strive to further improve product safety.

Satisfaction and Quality Surveys by Third-Party Organizations

The products and services provided through Qfinity and other activities are only delivered and provided when they reach a level of quality that satisfies our customers. We also implement customer-satisfaction and quality surveys by third-party organizations for these products and services, and have received particularly good results for customer satisfaction with reliability (FY 2012 surveys covered 4 products, with 1,825 responses collected). As a result, when this information is circulated to all parts of the Company, it can be reflected in developing the next products and services. Moving forward, we will continue to work to improve quality through the twin pillars of Qfinity activities and various surveys.

Flowchart for Satisfaction and Quality Surveys



With Our Suppliers

Basic Approach to Suppliers

The Fujitsu Group is committed to building long-term relationships of trust with our suppliers by continuously learning from each other. We also strive to achieve harmonious coexistence with our suppliers so that both of us, as good partners, can further exert our respective strengths.

In addition, we support suppliers' efforts to enhance their BCM (business continuity management) capabilities and compliance.

Promoting Socially Responsible Procurement

Socially Responsible Procurement Initiatives

In procurement, Fujitsu's policy is based on harmonious coexistence with its suppliers, fair and proper evaluation and selection of suppliers, and the promotion of socially responsible procurement activities. Guided by this policy, Fujitsu conducts procurement activities worldwide.

We work together with our suppliers to implement procurement activities grounded in the principles of CSR. In particular, in March 2006, we published our CSR PROCUREMENT GUIDELINES, which state our requirements such as respect for human rights, labor, health and safety and fair trading, asking our suppliers for their strict compliance in writing. Furthermore, in November 2011, we revised our CSR PROCUREMENT GUIDELINES to clarify our stance on the conflict minerals issue.


Since 2007, we have continuously conducted written surveys every year to ascertain progress status and CSR activities systems at our suppliers.

We surveyed 743 suppliers in FY 2012 and out of the 200 major suppliers surveyed, about 80% were found to be actively engaged in CSR activities.

In FY 2013, in addition to the conventional CSR activities, we will be heavily focused on the survey and information disclosure of conflict minerals^{*1}, aiming at ensuring transparency in the supply chain and practicing responsible mineral sourcing.

^{*1} Conflict minerals:

Conflict minerals are minerals whose mining or trading finances armed groups and fosters conflict, or are closely related to such issues as human rights abuses or labor issues. The Dodd-Frank Wall Street Reform and Consumer Protection Act enacted in July 2010 requires U.S. and foreign companies listed on U.S. stock exchanges to report the use of conflict minerals such as tantalum, tin, tungsten, gold and any other minerals named by the U.S. State Department to the U.S. Securities and Exchange Commission (SEC).

-  [FUJITSU CSR Deployment Guidebook](#) [164KB]
- [Fujitsu Procurement Policy and CSR Procurement Guideline](#)

FUJITSU CSR PROCUREMENT GUIDELINES

1. Protection of the Global Environment

Complying with the Fujitsu Group Green Procurement Direction, we promote the establishment of environmental management systems (EMS), and we aim to supply products and services that involve low environmental load and do not contain hazardous substances

2. Compliance with Laws and Regulations

We adhere to applicable laws, regulations and accepted social practices governing our local and global businesses

3. Respect for Human Rights, Labor, Health and Safety

- We respect individual human rights and do not unfairly discriminate against people based on race, color, religion, creed, sex, social status, and physical or mental disability, and we do not engage in human rights abuses such as sexual harassment. Also, we do not induce anybody to infringe such human rights or tolerate such actions.
- We establish comfortable work environments for the security and health of our employees.
- We do not use child labor or any form of forced or compulsory labor.

4. Assurance of Safety and Quality of Products and Services

We maintain high standards of safety and quality in our products and services.

5. Maintenance and Promotion of Information Security

We maintain and promote information security in order to properly protect our own information and information systems and those of third parties.

6. Fair Trade and Corporate Ethics

◦ Fair Trade

We promote fair, transparent and free competition and do not engage in any illicit trade.

◦ Protection of Confidential Information

We maintain and promote proper handling of confidential information, including third parties' confidential and personal information.

◦ Protection of Intellectual Property

We strive to obtain, maintain and utilize the intellectual property of others, understanding the role that intellectual property plays as an important resource to underpin organizations' business activities.

◦ Prohibition of bribes

We do not engage in any bribery of public officials or any similar activities, or any corruption, extortion, or appropriation through the abuse of one's position in the organization.

Addressing the Conflict Minerals Issue

We view the responsibility of corporations regarding conflict minerals as an important CSR issue, and work together with Fujitsu Group companies and suppliers to increase the transparency of the supply chain in purchasing activities and to ensure responsible mineral sourcing practices.

Informing and Emphasizing the Importance of CSR to Procurement Staff

Through education and training, Fujitsu keeps employees in charge of procurement informed of the importance of CSR-conscious procurement activities. In FY 2012, we held training on such themes as compliance with the laws governing subcontracting and worker dispatching, information security, and personal information protection in procurement activities as well as CSR-conscious procurement and green procurement activities.

In FY 2013, we will continue similar education to further increase our procurement staff's awareness of CSR issues.

Collaborative Promotion of CSR with Suppliers

Promoting Green Procurement

We have set out the basic requirements for environmentally sound procurement of components, materials and products in the Fujitsu Group Green Procurement Direction and are working with our suppliers on [green procurement](#) activities.

Specifically, the Fujitsu Group requests that all of its suppliers establish an environmental management system (EMS) (subject to third-party certification, in principle), which is designed to ensure that suppliers continuously implement environmental burden reduction. We also ask that our suppliers build a chemical substances management system (CMS^{*2}) based on the JAMP^{*3} guidelines for the management of chemical substances included in products.



Woodland preservation activities

In regard to CMS, we monitor the status of CMS creation at our material/parts suppliers and, if their systems are inefficient, provide support with additional monitoring when we receive plans for improvement. By providing support for building their CMS throughout the Fujitsu Group, we work to improve the management level for chemical substances in products in the supply chain.

As new activities starting in FY 2010, we are undertaking activities involving limiting and reducing CO₂ emissions and conserving biodiversity. We ask our suppliers to understand the importance of these themes and undertake activities with specific goals.

Furthermore, we support our suppliers' efforts in this area by providing biodiversity conservation guidelines for them which include concrete examples of such efforts and information on ways of promoting such activities. We also hold seminars related to CO₂ emissions reduction and biodiversity conservation. In 2011 and 2012, Fujitsu's purchasing unit held woodland preservation activities. This experience allowed both the unit and our suppliers to reconfirm the importance of preserving woodlands as they worked hard together in removing weeds and thinning trees.

The Fujitsu Group will continue to work together with our suppliers towards lessening the environmental impact of our supply chain.

^{*2} CMS: Chemical substances management system. Refers to a means or a system to properly manage the chemical substances contained in products.

^{*3} JAMP:
Joint Article Management Promotion Consortium

Supply Chain BCM

To ensure the stable supply of products and services to our customers in the event of major disasters and other unexpected contingencies, Fujitsu has made a continuous commitment to strengthening the BCM capabilities of our suppliers since FY 2007. This commitment is based on the belief that strengthening BCM capabilities throughout the entire supply chain is essential.

Each year, Fujitsu conducts a questionnaire survey of its suppliers on how they address BCM. In FY 2012 we surveyed roughly 760 major suppliers (at about 1,960 sites) by questionnaire. We analyzed the results from around 1,780 sites (as of September 1) and provided feedback to our suppliers.



BCM briefing for suppliers

In February 2013, as part of efforts to strengthen BCM capabilities in the supply chain, we held a briefing on BCM for suppliers, attended by 133 individuals representing 104 companies. At the briefing, we shared survey analysis results and information on the latest trends involving BCM in an effort to further promote BCM activities.

Furthermore, in FY 2012, we held a total of five BCM training seminars for around 315 people representing around 200 of our major suppliers related to the solution business. In March 2013, each of these suppliers submitted reports concerning the status of BCM promotion. Fujitsu assessed the reports and provided feedback.

In FY 2013, we plan to conduct a survey, shifting the emphasis from BCP formulation to BCP execution, and hold a briefing for our suppliers on further BCM enhancement.

Thorough Enforcement of Compliance

The Fujitsu Group is dedicated to ensuring compliance throughout our entire supply chain.

Every year, we conduct a written survey to assess the status of compliance system formation in our suppliers' supply chains, which will verify the thoroughness of compliance enforcement. Also we are promoting business transactions with the consideration of risk assessment by identifying the products and regions that are concerned with high risk of labor and other problems and by determining whether or not we are procuring from the regions in question.

In addition, in February 2012, we revised our agreements with suppliers by adding provisions on the elimination of anti-social forces and other such groups, for the purpose of preventing damage by anti-social forces (and avoiding any encouragement of their activities). The Fujitsu Group will have no relationship whatsoever with anti-social forces, including through suppliers.

Promoting Information Security Measures

The Fujitsu Group has set the goal of eliminating information security breaches and, along with our suppliers, we continuously implement measures to prevent such breaches and to prevent any reoccurrences should they still occur. These measures include education, enlightenment, auditing, and information sharing.

In recent years there has been a significant increase in commercial use of external services such as cloud computing in the wake of wider adoption of business continuity management and social networking services aimed at information sharing. With the rapid increase in opportunities to use smart devices such as smartphones and tablet PCs as infrastructures for these services and with the diversification and technological advances of related networks, we are facing the highest-ever potential risk of information leaks due to fast-changing technologies and environments.

We have thus become committed to accurately ascertaining the latest changes in the ICT environment and deterring new kinds of risks involving information leaks that arise from the use of external services, servers, and smart devices. When we start business with a new supplier, we have made it a rule to explicitly state in the contract that the supplier shall manage information security and handle personal information at the same level as Fujitsu does. If any serious problem in information security occurs at a supplier, or if a supplier shows no improvement in its security management, we reconsider the business relationship with the supplier and may discontinue placing new orders.

In recent years, we have been working to implement information security measures equivalent to those used in our domestic (Japanese) activities for an increasing number of offshore development projects with overseas partners.

Main efforts in FY 2012

(For suppliers of software development, services, or hardware manufacturing)

- Information Security Management Regulation was revised and applied (Oct 2012)
- Information security seminars (Dec. 2012) A total of some 1,000 companies (some 1,250 individuals) attended.
- Questionnaires to suppliers on information security measures (Feb. 2012 through Mar. 2013) About 1,500 companies
- Information security audits (on-site) of our suppliers (Apr. 2012 through Mar. 2013) A total of some 140 companies

Compliance Line Available to All Suppliers

Fujitsu launched a confidential communication channel, called the "Compliance Line," available to all suppliers, in August 2009. The Compliance Line is to receive reports from suppliers on any matters of potential or actual non-compliance action with regard to our purchasing activities. Through the channels we have set up both internally and externally, we verify and investigate the facts of every report and respond quickly.

We forbid any kind of reprisal being taken against people making reports or the supplier itself as a result of the report.

Partnerships with Our Suppliers

In 1997, Fujitsu established its suppliers' performance review (SPR^{*4}) system, in which about 200 major suppliers are comprehensively evaluated for their products and efforts from the standpoint of quality, technology, price, supply, the environment and reliability. Since FY 2008, the results of written surveys on matters related to CSR, information security, and BCM have been included in the evaluation.

For our partners in the solutions business, we developed a similar review system (PPR^{*5}) in 2004. Since 2008, we have reviewed about 1,320 solution-related system supplier companies and provided the results as feedback to about 220 of our main suppliers.

With our main suppliers, we hold business review meetings (QBR^{*6}) organized by our top management in which we directly share the results of our evaluation with suppliers and explain the outlook of our business and procurement strategies.

*4 SPR:

Suppliers' Performance Review

*5 PPR:

Partners' Performance Review

*6 QBR:

Quarterly Business Review

Fujitsu Supplier Day

Since 1997, we have held Fujitsu Supplier Day to strengthen our partnership with suppliers. At these events, we present letters of appreciation to those suppliers who have made exceptional contributions to our business, and the company president and the VP in charge of Purchasing give presentations to share our procurement policies in line with Fujitsu's business plans.

The FY 2012 event was held in January 2013 and was attended by approximately 800 representatives from some 330 domestic and overseas suppliers.



Social gathering for suppliers

With Our Shareholders and Investors

Our Basic Stance

Based on the statement "We seek to continuously increase our corporate value" in the Corporate Values of the Fujitsu Way, to raise corporate value and meet the expectations of shareholders and investors, we aim to achieve long-term sustainable growth and profit, and pursue strategic business expansion and focused management, while maintaining a sound financial standing.

We also provide timely and accurate disclosure of our corporate activities and financial information, improving management transparency so that shareholders and investors can better understand how well we perform in increasing corporate value.

Basic Policy on Information Disclosure

Fujitsu emphasizes fairness and continuity in disclosure of information, in accordance with the Financial Instruments and Exchange Act and other laws and regulations, as well as the rules of the exchanges on which its shares are listed.

Moreover, our policy is to be proactive in disclosing any information that we judge to be effective for helping shareholders, investors and other stakeholders to deepen their understanding of Fujitsu, even if such disclosure is not required by laws, regulations or other rules.

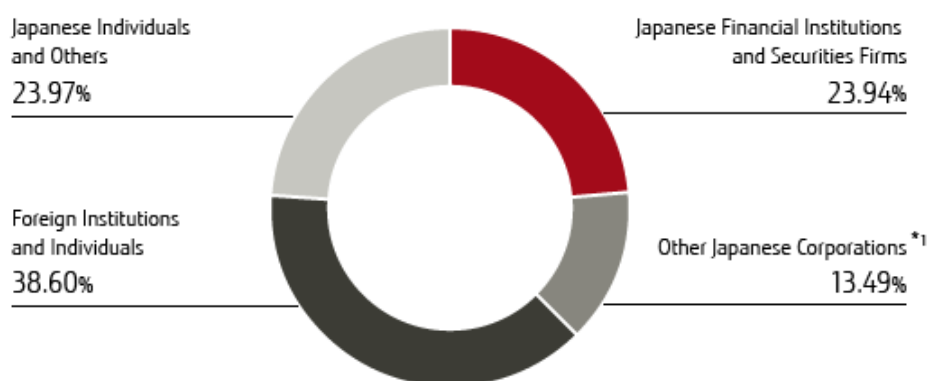
Basic Policy on Returns to Shareholders

Article 40 of Fujitsu Limited's Articles of Incorporation grants the Board of Directors the authority to distribute retained earnings. As part of Fujitsu's basic policy on the exercise of this authority, we believe that a portion of retained earnings should be paid to shareholders to provide a stable return, and that a portion should be retained by the Company to strengthen its financial base and support new business development opportunities that will result in improved long-term performance. In addition, taking into consideration the level of profits, Fujitsu aims to increase the distribution of profits to our shareholders when the financial base is sufficiently strong enough, including through share buybacks.

As for our nonconsolidated performance for the fiscal year ended March 31, 2013, performance took a downturn at Fujitsu Semiconductor Ltd., a subsidiary dealing in semiconductors, and Fujitsu Technology Solutions (Holding) B.V., a subsidiary in Europe, leading us to post an extraordinary loss. We were also forced to recognize unfunded retirement benefits due to changes to accounting standards at Fujitsu Services Holdings PLC, a British subsidiary. Thus, we posted a loss from revaluation of stock of approximately 380 billion yen for mainly unrecoverable shares from these three firms. Due to the posting of this current valuation loss, nonconsolidated retained earnings were negative and we deeply regret that we will not be paying year-end dividends.

Only interim dividends (at 5 yen per share) will be paid for the fiscal year under review.

Equity Shareholdings by Type of Shareholder (as of March 31, 2013)



*1:

The 118,892 thousand shares of Fujitsu Ltd. stock held by Fuji Electric Co., Ltd. and its consolidated subsidiaries as retirement benefit trust assets are categorized under the shareholdings of "Other Japanese Corporations."

Communicating with Shareholders and Investors

We are actively involved in IR activities in Japan and abroad, including holding briefing sessions for institutional investors and securities analysts, responding to individual requests from investors, visiting Japanese and international investors, and transmitting information through the Fujitsu website as part of our efforts to improve communications with all our investors.

We also disseminate press releases, providing information through the media to individual investors and the public at large as part of our active efforts to ensure fair disclosure.

The Annual Shareholders' Meeting is taken as an opportunity to improve communications with all our shareholders, for example by displaying our products so as to increase understanding of Fujitsu. We also carry out questionnaire surveys of opinions of our Annual Shareholders' Meeting, and the results are used to improve subsequent meetings.

A Variety of Meetings for the Investor Community, both in Japan and Overseas

In addition to briefings on financial results, we provide a variety of briefings on management policy and business targeted at institutional investors and securities analysts in Japan.

For institutional investors outside Japan, we hold road shows (explanatory meetings for investors) regularly in Europe and North America, and local staff members also visit investors individually. In FY 2012, we held about 970 meetings for institutional investors and securities analysts (56% of them outside Japan and 44% within Japan).

Communicating with Individual Shareholders and Investors

We prepare and send out interim and year-end financial reports for individual shareholders and investors. We promptly disclose IR materials used at analyst briefings and materials and images from presentations of financial results, utilizing PDF files and streaming technology.

When we report interim dividends, we also carry out a questionnaire survey to derive feedback from a wide range of shareholders and investors. This feedback is used as a reference for various measures.

Publication on IR websites

Fujitsu publishes information that we would like our shareholders and investors to know on our Japanese and global IR websites. Data from briefings held in Japan is also translated into English and posted on our global IR site.

We also use our IR websites for information disclosure and communication to deepen people's understanding of Fujitsu through IR activities, such as early public release of proposals submitted at shareholders' meetings. Actions we took in FY 2012 included adding the ability to change font size and posting Web versions of our annual reports as well as the "How to Use Our IR Site" handbook for Internet beginners.

- [Japanese IR site](#)
- [Global IR site](#)

Main Results of IR Activities in FY 2012

		Apr. 2012	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan. 2013	Feb.	Mar.
In Japan	Annual Shareholders' Meeting				●Annual Shareholders' Meeting								
	Management Direction Briefing						●Small Briefing with President Yamamoto			●Nomura Investment Forum		●Management Direction Briefing	
	Financial Results Briefings		●Full-Year Financial Results		●1Q Financial Results				●2Q Financial Results			●3Q Financial Results	
	Business Briefings	●R&D					●Mobile Phones						
Outside Japan	Roadshow		●Europe	●North America			●Asia		●North America				

In FY2012, we held about 970 meetings for institutional investors and securities analysts (56 % of them outside Japan and 44 % within Japan)

Governments & Industry Groups (Public Policy)

Activities Related to Public Policy

Fujitsu participates in government and industry group councils, committees and forums, and promotes activities relating to the investigation of concrete proposals and measures to resolve social issues, as well as the creation and revision of legal systems and promotion of international collaboration.

In FY 2012, Fujitsu worked with about 1,250 partners such as industry groups, research organizations, and NGOs on activities including the following.

Participation in the World Economic Forum

The World Economic Forum (WEF) on East Asia, held in May 2012 in Bangkok, Thailand, saw some 700 participants from more than 40 countries, regions, international organizations, etc.

Co-chairing the forum, the President of Fujitsu talked about the Great East Japan Earthquake and flood in Thailand, and also touched on how simulations using supercomputers are an effective tool in enhancing flexibility in handling global risk, including that in supply chains, and deepened cooperative ties internationally regarding natural disasters.



President Yamamoto, co-chair of the plenary session of the World Economic Forum on East Asia
(Photo courtesy of the WEF)

Promoting e-Government

While Japan compares favorably internationally when it comes to infrastructure deployment and usage of ICT in the private sector, the government's sluggishness in adopting ICT is a major issue.

As the joint committee chair of the Committee on e-Government of the Keidanren, Fujitsu Chairman Mazuka is continuously encouraging the construction of a base for e-Government to bring more convenience to citizens' lives and streamline government and make it more transparent. He is also engaged in getting laws in place for enhancing command-giving functionality within the government. In December 2012, he made a strong appeal as to the importance of e-Government from the point of view of its citizens at a Keidanren symposium attended by many members of government and industry.



Fujitsu Chairman Mazuka giving a speech at a Keidanren symposium
(Photo courtesy of the Keidanren)