

To our shareholders,

Security Code (in Japan) 6702  
June 2, 2017

Tatsuya Tanaka  
Representative Director  
President  
Fujitsu Limited  
1-1, Kamikodanaka 4-chome,  
Nakahara-ku, Kawasaki-shi  
Kanagawa, Japan

### **NOTICE OF THE 117<sup>th</sup> ANNUAL SHAREHOLDERS' MEETING**

You are cordially invited to attend the 117<sup>th</sup> Annual Shareholders' Meeting, to be held as set forth below. If you are unable to attend the meeting, please exercise your voting rights using any of the methods explained in Section 5 (1) of this notice after reviewing the attached Reference Materials for the Annual Shareholders' Meeting.

- 1. Time & Date**                    10:00 a.m., June 26, 2017
- 2. Venue**                            Shin Yokohama Prince Hotel, Sinfonia Hall (5<sup>th</sup> Floor)  
\*The reception desk is on the 1<sup>st</sup> floor.  
4, Shin Yokohama 3-chome  
Kohoku-ku, Yokohama-shi  
Kanagawa, Japan

### **3. Purposes of the Shareholders' Meeting**

#### *Reports:*

Overview of the 117<sup>th</sup> Business Period (April 1, 2016 – March 31, 2017) Business Report, Consolidated and Unconsolidated Financial Statements; Auditing Reports from Accounting Auditor and Audit & Supervisory Board on Consolidated Financial Statements

#### *Agenda:*

- Proposal No. 1                    Election of Ten Directors
- Proposal No. 2                    Election of One Audit & Supervisory Board Member
- Proposal No. 3                    Determination of the Compensation Amount etc. under the Performance-based Stock Compensation Plan

### **4. Attached Materials**

- (1) The Business Report, Consolidated and Unconsolidated Financial Statements for the 117<sup>th</sup> Business Period are attached as Exhibit A.
- (2) The following items are provided online on the Company's website (<http://www.fujitsu.com/global/about/ir/>) in accordance with Japanese laws and regulations, and Article 17 of the Articles of Incorporation, and not included in Exhibit A:
- a) Fujitsu Group Principle Offices and Plants
  - b) Employees;
  - c) Full text of Policy on the Internal Control System;
  - d) Overview of the Status of Operation of the System to Ensure the Properness of Fujitsu Group

Operations

- e) Notes to Consolidated Financial Statements; and
- f) Unconsolidated Statements of Changes in Net Assets, and Notes to Unconsolidated Financial Statements.

(3) In the case of any revisions to the Reference Materials for the Annual Shareholders' Meeting, the Business Report, Consolidated Financial Statements or Unconsolidated Financial Statements, they will be posted online on the Company's website (<http://www.fujitsu.com/jp/about/ir/>).

## 5. Voting

### (1) Exercise of Voting Rights in case of Nonattendance

If you are unable to attend the Shareholders' Meeting, we ask you to exercise your voting rights by using one of the following methods.

[Voting by mail]

Please complete the enclosed Voting Card, indicating your approval or disapproval for each of the proposals, and return it to reach the Company no later than 6:00 p.m. on Friday, June 23, 2017 (Japan standard time).

[Voting via the Internet]

Please access the Company's designated online voting site (<http://www.evote.jp/>) via a PC, smartphone or mobile phone using the login ID and temporary password printed on the enclosed Voting Card. Please indicate and submit your approval or disapproval for each of the proposals no later than 6:00 p.m. on Friday, June 23, 2017 (Japan standard time), following the on-screen instructions.

[Exercise of Voting Rights by Proxy]

Voting rights can be exercised by a proxy shareholder, so long as the proxy is a shareholder who is able to exercise his or her voting rights at the Shareholders' Meeting. The absent shareholder's Voting Card, along with a document authorizing the proxy's representation of the absent shareholder, should be passed to the proxy, and we ask that the proxy present these materials, along with the proxy's own Voting Card, to the reception desk on the day of the meeting.

### (2) Board Resolution regarding Exercise of Voting Rights

- a. Any voting right exercised by mail without indicating approval or disapproval for a particular proposal on the Voting Card will be counted as a vote for approval of the proposal.
- b. If any voting right is exercised both by mail and via the Internet, the exercise via the Internet will be recognized as a valid exercise of the voting right.
- c. If any voting right is exercised more than once via the Internet, the latest exercise will be recognized as a valid exercise of the voting right.
- d. Any institutional or other shareholder who holds the Company's shares on behalf of other parties may cast split votes. In this case, a written notice of the diverse exercise of voting rights and reasons must be submitted to the Company no later than three days before the Shareholders' Meeting.
- e. No Voting Card has been sent to those shareholders who have given consent to receive a notice by email. Any such shareholder wishing to have his or her Voting Card issued is asked to contact the company's representative at the following address:

Contact: Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation  
7-10-11 Higashisuna, Koto-ku, Tokyo 137-8081, Japan

*Note:*

This English version of the Notice and attached materials is a translation for reference only. The style of this English version differs slightly from the original Japanese version.

**REFERENCE MATERIALS FOR THE ANNUAL SHAREHOLDERS' MEETING****Proposal No. 1 Election of Ten Directors**

The terms of office for all ten Directors expire at the close of this Shareholders' Meeting. The Company proposes the election of ten Directors including four External Directors. Candidates for the position of Director are listed on pages 6 to 14. The term of office for each Director is set at one year.

The Director candidates were recommended by the Executive Nomination Committee after consideration in accordance with the "structural framework" and the "procedures and policy of Directors and Auditors nomination" stipulated in the Company's Corporate Governance Policy, and approved by the Board of Directors.

In addition to the Framework of Corporate Governance Structure, the Executive Nomination Committee has considered the concept behind the duties of the Board of Directors when giving its recommendation. Namely, an understanding that the Board of Directors have a duty to commit to the medium- to long-term management strategy of the Company, and not only do they participate in the setting of the management policy, they also have a critical duty to monitor the progress of the policy after it has been set.

Based on this concept, it is desirable to have the same Board of Directors to the extent possible for this fiscal year as well, and therefore the Company proposes to reelect all the current members of the Board of Directors.

Regarding the structure for business execution following the election of Directors at this Shareholders' Meeting, the Company clarifies the policy that all the Executive Directors, led by Representative Director and President, are responsible for execution in all areas and assume responsibility to the Board of Directors. It is proposed to reelect the following four Executive Directors. Mr. Tatsuya Tanaka, Representative Director and President, will not only supervise the entire execution of business but also be responsible to the Board of Directors for overall execution of business for Japan and Asia and Oceania Regions. Mr. Tanaka will also be responsible for establishment and operation of internal control systems, report to the Board of Directors, and supervise activities of the Risk Management & Compliance Committee, which is at the center of the internal control systems, as its chairman.

In addition to Representative Director and President, Mr. Norihiko Taniguchi and Mr. Hidehiro Tsukano will have authority of representation and supervise overall business promotion and overall administration, respectively. The Company expects them to assist Representative Director and President in decision-making and implementation concerning business execution. Mr. Duncan Tait will continue to be responsible to the Board of Directors for overall business execution for EMEIA and Americas Regions.

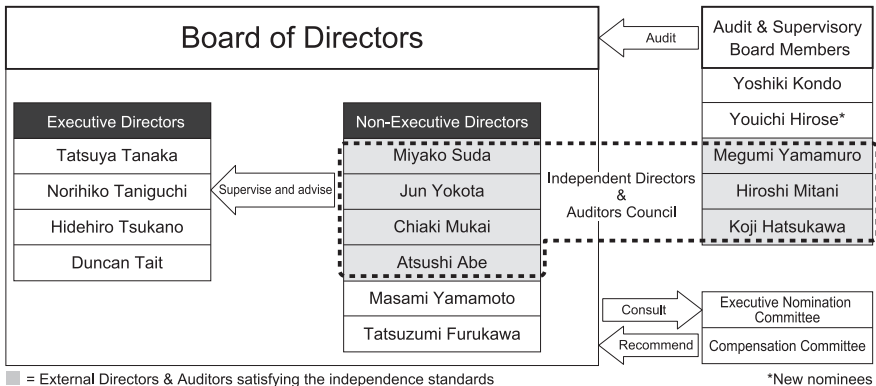
**[Planned Board Structure after the approval at the Shareholders' Meeting]**

Candidate No.	Name	Authority of Representation	External Director	Independent Director	Position at the Company
<b>Executive Directors</b>					
2	Tatsuya Tanaka	○			President, Chairman of the Risk Management & Compliance Committee
3	Norihiko Taniguchi	○			Corporate Executive Officer, Overall Business Promotion
4	Hidehiro Tsukano	○			Corporate Executive Officer, CFO, Overall Administration
5	Duncan Tait				Corporate Executive Officer, EMEIA and Americas Regions
<b>Non-Executive Directors</b>					
1	Masami Yamamoto				Chairman, Chairman of the Board of Directors
6	Tatsuzumi Furukawa				
7	Miyako Suda		○	○	
8	Jun Yokota		○	○	
9	Chiaki Mukai		○	○	
10	Atsushi Abe		○	○	

**Framework of Fujitsu's Corporate Governance Structure (Reference)**

The Company outlines the following rules to ensure the effective oversight and advice from a diverse perspective of Non-Executive Directors to Executive Directors on their business execution as part of the Board of Directors function while taking advantage of the Company with the Audit & Supervisory Board system:

- a Same number or more Non-Executive Directors responsible for oversight are appointed as Executive Directors responsible for business execution.
- b Independent Directors are appointed as the core members of Non-Executive Directors, and at least one Non-Executive Director is appointed from within the Company.
- c Independent Directors must meet the independence standards (hereinafter referred to as "Independence Standards") established by the Company.
- d In nominating Non-Executive Director candidates, the Company takes account of the background of candidates and their insight into the Company's business.
- e The Company has the Audit & Supervisory Board Members' external audit and oversight on the Board of Directors, the voluntary Executive Nomination Committee and Compensation Committee composed mainly of Non-Executive Directors and Auditors (hereinafter, the term used for the combination of Non-Executive Directors and Audit & Supervisory Board Members), and the Independent Directors & Auditors Council, all of which function to complement the Board of Directors.
- f Independent Audit & Supervisory Board Members shall be the External Audit & Supervisory Board Members who meet the Independence Standards.



## Stance on Independence of External Directors & Auditors (Reference)

The Company established its Independence Standards for External Directors & Auditors in the Corporate Governance Policy, which was established by the resolution of the Board of Directors in December 2015.

### Independence Standards for External Directors & Auditors

1. A Director and Auditor will be independent if none of the following are met, at present and/or in the past:

- (1) Director or employee of one of Fujitsu Group Companies<sup>1</sup>;
  - (2) Director, Executive Officer, Audit & Supervisory Board Member, or important employee<sup>2</sup> of a Major Shareholder<sup>3</sup> of Fujitsu;
  - (3) Director, Executive Officer, Audit & Supervisory Board Member, or important employee<sup>2</sup> of a Major Lender<sup>4</sup> to Fujitsu;
  - (4) partner or employee of accounting auditor of Fujitsu;
  - (5) Director, Executive Officer, Audit & Supervisory Board Member, or Corporate Executive Officer mutually exchanged between Fujitsu and another company;
  - (6) a person who receives Significant Amount of Monetary Benefits<sup>5</sup> or other property other than the compensation as a Director or Audit & Supervisory Board Member from Fujitsu;
- or
- (7) Director, Executive Officer, Audit & Supervisory Board Member, or important employee<sup>2</sup> of a Major Business Partner<sup>6</sup> of Fujitsu

2. A person who does not have a Close Relative<sup>7</sup> will be independent, wherein a Close Relative meets one of the followings, at present or at any time within the preceding three years:

- (1) Executive Director, Non-Executive Director<sup>8</sup>, or important employee of Fujitsu Group Companies;
  - (2) Director, Executive Officer, Audit & Supervisory Board Member, or important employee<sup>2</sup> of a Major Shareholder of Fujitsu;
  - (3) Director, Executive Officer, Audit & Supervisory Board Member, or important employee<sup>2</sup> of a Major Lender to Fujitsu;
  - (4) partner or employee of accounting auditor company of Fujitsu;
  - (5) Director, Executive Officer, Audit & Supervisory Board Member, or Corporate Executive Officer mutually exchanged between Fujitsu and another company
  - (6) a person who receives Significant Amount of Monetary Benefits or other property other than the compensation as a Director or Audit & Supervisory Board Member from Fujitsu;
- or
- (7) Director, Executive Officer, Audit & Supervisory Board Member, or important employee<sup>2</sup> of a Major Business Partner of Fujitsu.

---

1 "Fujitsu Group Companies" means Fujitsu Limited and its subsidiaries.

2 Excluding an Independent External Director or an Independent External Auditor of a Major Shareholder, Lender, or Business Partner

3 "Major Shareholder" indicates the shareholder in the top 10 major shareholders listed in the latest Business Report of Fujitsu.

4 "Major Lender" indicates the lender in the group's major lenders listed in the latest business report of Fujitsu.

5 "Significant Amount of Monetary Benefits" means the sum of annual compensation for expert services and donation equal to or more than 10 million yen.

6 "Major Business Partner" means a company with whom Fujitsu Group Companies made a business transaction within the preceding three fiscal years and the total amount of the transaction exceeds 1% of consolidated sales revenue of either Fujitsu or that company.

7 "Close Relative" means a family, spouse, or cohabiter within the second degrees of kinship (as stipulated in the Civil Code of Japan).

8 This condition applies only when judging the independence of Fujitsu's External Audit & Supervisory Board Member or a nominee thereof.

<i>Candidate No.</i>	<i>Name and date of birth</i>	<i>Personal history, positions at the Company</i>
1	<p>Masami Yamamoto (January 11, 1954)</p> <p><i>*Reappointment</i></p> <p>[No. of Years Served as a Director*1)] 7</p> <p>[No. of the Company's Shares Held] 156,134</p> <p>[Attendance at the FY2016 Board of Directors' Meetings] 100%</p>	<p>Apr. 1976 Joined the Company</p> <p>Jun. 2004 Executive Vice President, Personal Systems Business Group</p> <p>Jun. 2005 Corporate Vice President</p> <p>Jun. 2007 Corporate Senior Vice President</p> <p>Jan. 2010 Corporate Senior Executive Vice President</p> <p>Apr. 2010 President</p> <p>Jun. 2010 Representative Director</p> <p>Jun. 2010 President (until June 2015)</p> <p>Aug. 2012 Member of the Executive Nomination Committee and Compensation Committee (until June 2013)</p> <p>Jun. 2015 Representative Director</p> <p>Jun. 2015 Chairman (to present)</p> <p>Chairman of the Board of Directors (to present)</p> <p>Jul. 2015 Member of the Executive Nomination Committee and Compensation Committee (to present)</p>
		[Important positions at other corporations/institutions] None
		[Reasons for Appointment] Masami Yamamoto has management experience gained while serving as Representative Director and President for five years and as Representative Director and Chairman for two years. The Company believes he is ideally suited to fulfill the role of being responsible for oversight of business execution and providing advice based on his experience and knowledge. Therefore, the Company proposes that he be reappointed as a Non-Executive Director. The Company intends to appoint him as Chairman and Chairman of the Board of Directors, if his appointment is approved at this Shareholders' Meeting
		[Comments on Special-interest Relationships] Masami Yamamoto has no special-interest relationships with the Company.

<i>Candidate No.</i>	<i>Name and date of birth</i>	<i>Personal history, positions at the Company</i>
2	<p>Tatsuya Tanaka (September 11, 1956)</p> <p><i>*Reappointment</i></p> <p>[No. of Years Served as a Director*1)] 2</p> <p>[No. of the Company's Shares Held] 53,737</p> <p>[Attendance at the FY2016 Board of Directors' Meetings] 100%</p>	<p>Apr. 1980 Joined the Company</p> <p>Apr. 2005 Director of the Board &amp; Vice President, Fujitsu (China) Holdings Co., Ltd.</p> <p>Dec. 2009 Senior Vice President, Manufacturing Industry Business Unit</p> <p>Apr. 2012 Corporate Vice President</p> <p>Apr. 2014 Corporate Senior Vice President</p> <p>Head of Asia Region*2) (until February 2015)</p> <p>Jan. 2015 Corporate Executive Officer</p> <p>SEVP</p> <p>Jun. 2015 Representative Director (to present)</p> <p>President (to present)</p> <p>Jul. 2015 Chairman of the Risk Management &amp; Compliance Committee (to present)</p>
		[Important positions at other corporations/institutions] None
		[Reasons for Appointment] Tanaka Tatsuya has management experience gained while serving as Corporate Executive Officer for three years and as Representative Director and President for two years. Since his appointment as President, in order to realize sustainable growth of the Group, he has been addressing three initiatives: transformation of business divisions, digital innovation, and reinforcement of front-end customer interfaces. These initiatives are underway and the Company believes it is essential that he continue to take the lead in their promotion. Therefore, the Company proposes that he be reappointed as a Director.
		[Comments on Special-interest Relationships] Tatsuya Tanaka has no special-interest relationships with the Company.

<i>Candidate No.</i>	<i>Name and date of birth</i>	<i>Personal history, positions at the Company</i>
3	<p>Norihiko Taniguchi (September 7, 1954)</p> <p><i>*Reappointment</i></p> <p>[No. of Years Served as a Director*1] 3</p> <p>[No. of the Company's Shares Held] 69,785</p> <p>[Attendance at the FY2016 Board of Directors' Meetings] 100%</p>	<p>Apr. 1977 Joined the Company</p> <p>May 2005 President, Fujitsu Advanced Solutions Limited*3)</p> <p>Jun. 2007 Executive Vice President, the Company</p> <p>Jun. 2008 Corporate Vice President</p> <p>Apr. 2010 Corporate Senior Vice President</p> <p>Apr. 2014 Corporate Executive Vice President</p> <p>Jun. 2014 Director</p> <p>Apr. 2016 Head of Global Services Integration Business</p> <p>Apr. 2017 Corporate Executive Officer SEVP, Head of Business Lines</p> <p>Present Position: Director and Corporate Executive Officer SEVP, Head of Business Lines</p> <p>[Important positions at other corporations/institutions] None</p>
	<p>[Reasons for Appointment]</p> <p>Norihiko Taniguchi has many years of management experience in the Company's mainstay Systems Integration business, along with experience as president of a subsidiary. Placing the Representative Director and President as the central core, the Company plans to set forth the structure in which the Executive Directors shall administer the business execution in all areas. Therefore, the Company proposes that he be reappointed as a Director as he is competent for the role of supervising overall business promotion and assisting Representative Director and President in decision-making concerning business execution. The Company intends to appoint him as a Representative Director, if his appointment is approved at this Shareholders' Meeting.</p>	
	<p>[Comments on Special-interest Relationships]</p> <p>Norihiko Taniguchi has no special-interest relationships with the Company.</p>	

Candidate No.	Name and date of birth	Personal history, positions at the Company
4	Hidehiro Tsukano (March 21, 1958) <i>*Reappointment</i> [No. of Years Served as a Director*1] 2 [No. of the Company's Shares Held] 46,898 [Attendance at the FY2016 Board of Directors' Meetings] 100%	Apr. 1981 Joined the Company Jun. 2009 President, Corporate Planning and Business Strategy Office (until March 2014) May 2011 Corporate Vice President Apr. 2014 Corporate Senior Vice President (until March 2016) CFO (Chief Financial Officer) (to present) Apr. 2015 EVP, Head of Strategy and Planning (until March 2016) Jun. 2015 Director (to present) Apr. 2016 Corporate Executive Officer (to present) SEVP, Head of Global Corporate Functions (to present)
		[Important positions at other corporations/institutions] None
	[Reasons for Appointment] Before his appointment as a Director in June 2015, Hidehiro Tsukano gained experience in the Company's procurement and management strategy divisions, and has served as the CFO since April 2014, and thus he has broad knowledge of, and significant experience of, business strategies and investor relations. Placing the Representative Director and President as the central core, the Company plans to set forth the structure in which the Executive Directors shall administer the business execution in all areas. Therefore, the Company proposes that he be reappointed as a Director as he is competent for the role of supervising overall administration and assisting President and Representative Director in decision-making concerning business execution. The Company intends to appoint him as a Representative Director, if his appointment as a Director is approved at this Shareholders' Meeting.	
	[Comments on Special-interest Relationships] Hidehiro Tsukano has no special-interest relationships with the Company.	



Candi- date No.	Name and date of birth	Personal history, positions at the Company
5	<p>Duncan Tait (March 24, 1966)</p> <p><i>*Reappointment</i></p> <p>[No. of Years Served as a Director*1] 2</p> <p>[No. of the Company's Shares Held] 0</p> <p>[Attendance at the FY2016 Board of Directors' Meetings] 100%</p>	<p>Mar. 1996 Business Development Head, Managed Services, Digital Equipment Corporation*4)</p> <p>Jun. 1999 Managed Services Director, Compaq Global Services, Compaq*4)</p> <p>Jun. 2004 Director and General Manager, Outsourcing, HP Services, Hewlett-Packard*4)</p> <p>Jan. 2006 Managing Director UKMEA, Unisys</p> <p>Oct. 2009 Managing Director, UK&amp;I Private Sector Division, Fujitsu Services Ltd.</p> <p>Mar. 2011 CEO, Fujitsu Services Ltd.</p> <p>Apr. 2014 Corporate Senior Vice President Head of EMEIA*5) Region</p> <p>Jun. 2015 Director</p> <p>Jan. 2016 Head of Americas*6) Region</p> <p>Aug. 2016 Corporate Executive Officer</p> <p>Present Position: Director and Corporate Executive Officer SEVP, Head of EMEIA*5) Region, Head of Americas*6) Region</p>
		<p>[Important positions at other corporations/institutions]</p> <p>None</p>
	[Reasons for Appointment]	
		<p>Duncan Tait has abundant international business management experience and has management insights from a global perspective. He has been serving as Head of the EMEIA*5) Region since April 2014 and as Head of the Americas*6) Region since January 2016. Placing the Representative Director and President as the central core, the Company plans to set forth the structure in which the Executive Directors shall administer the business execution in all areas. Therefore, the Company proposes that he be reappointed as a Director as he is competent for execution in the Regions mentioned above.</p>
	[Comments on Special-interest Relationships]	
		<p>Duncan Tait has no special-interest relationships with the Company.</p>

Candi- date No.	Name and date of birth	Personal history, positions at the Company
6	<p>Tatsuzumi Furukawa (November 17, 1942)</p> <p><i>*Reappointment</i></p> <p>[No. of Years Served as a Director*1] 11</p> <p>[No. of the Company's Shares Held] 53,000</p> <p>[Attendance at the FY2016 Board of Directors' Meetings] 100%</p>	<p>Apr. 1965    Joined the Company</p> <p>Jun. 1994    Director</p> <p>Apr. 2000    Senior Vice President and Director (until June 2001)</p> <p>Jun. 2001    Corporate Senior Executive Vice President and Representative Director, NIFTY Corporation</p> <p>Jun. 2002    Representative Director and President, NIFTY Corporation</p> <p>Jun. 2007    Representative Director and Chairman, NIFTY Corporation (until June 2008)</p> <p>Jun. 2013    Director (to present)</p> <p>Jul. 2013    Member of the Executive Nomination Committee and Compensation Committee</p> <p>Jan. 2014    Chairman of the Executive Nomination Committee and Compensation Committee (to present)</p> <p>[Important positions at other corporations/institutions] None</p>
	[Reasons for Appointment]	<p>Tatsuzumi Furukawa has many years of experience in corporate management, and he also has extensive knowledge of the Company's business operations. In addition, since being appointed as a Director, he has served as a member of the Executive Nomination Committee and Compensation Committee, and has also chaired the committees, during which time he has debated approaches for qualifying management candidates and compensating management that are crucial issues in the Company's corporate governance. Given his experience and insight, the Company considers him to be highly qualified in the oversight of its management execution and in connecting Executive Directors and Independent Directors, and proposes that he be reappointed a Non-Executive Director.</p>
	[Comments on Special-interest Relationships]	<p>Tatsuzumi Furukawa has no special-interest relationships with the Company.</p>
	[Special Notice regarding the Director Candidate]	<p>An agreement limiting liability for damages under Clause 1, Article 423 of the Companies Act has been concluded between the Company and Tatsuzumi Furukawa. The Company plans to extend the agreement if his reappointment is approved at this Shareholders' Meeting*7).</p>

Candidate No.	Name and date of birth	Personal history, positions at the Company
7	<p>Miyako Suda (May 15, 1948)</p> <p><i>*Reappointment</i> <i>*External Director</i> <i>Candidate</i></p> <p>[No. of Years Served as a Director*1] 4</p> <p>[No. of the Company's Shares Held] 8,016</p> <p>[Attendance at the FY2016 Board of Directors' Meetings] 100%</p>	<p>Apr. 1982 Associate Professor, School of Economics, Senshu University</p> <p>Apr. 1988 Professor, School of Economics, Senshu University</p> <p>Apr. 1990 Professor, Faculty of Economics, Gakushuin University</p> <p>Apr. 2001 Member of the Policy Board, the Bank of Japan (until March 2011)</p> <p>May 2011 Special Advisor, the Canon Institute for Global Studies (to present)</p> <p>Jun. 2013 Director (to present)</p>
		<p>[Important positions at other corporations/institutions]</p> <p>Special Advisor, the Canon Institute for Global Studies</p> <p>External Director, Meiji Yasuda Life Insurance Company</p> <p>Outside Statutory Auditor, Ube Industries, Ltd.</p>
	<p>[Reasons for Appointment]</p> <p>Miyako Suda had no direct corporate management experience before she joined the Board, but she has extensive knowledge as an economist of international macroeconomics. She also served for ten years, in two terms, as a Policy Board member of the Bank of Japan. In view of her insights into monetary policy and the management insights she brings from a global perspective, the Company proposes that she be reappointed as an External Director.</p>	
	<p>[Comments on Special-interest Relationships and the Independence of the Candidate]</p> <p>Miyako Suda has no special-interest relationships with the Company.</p> <p>Further, she is not a major shareholder nor has she held an executive management position with a major trading partner of the Company, and she satisfies the Independence Standards (Refer to Page 5) established by the Company.</p> <p>In accordance with listing regulations, the Company has reported to the securities exchanges on which the Company is listed in Japan that she is an Independent Director.</p>	
	<p>[Special Notice regarding the Director Candidate]</p> <p>An agreement limiting liability for damages under Clause 1, Article 423 of the Companies Act has been concluded between the Company and Miyako Suda. The Company plans to extend the agreement if her reappointment is approved at this Shareholders' Meeting *7).</p>	

Candidate No.	Name and date of birth	Personal history, positions at the Company
8	<p style="text-align: center;">Jun Yokota (June 26, 1947)</p> <p><i>*Reappointment *External Director Candidate</i></p> <p>[No. of Years Served as a Director*1)] 3</p> <p>[No. of the Company's Shares Held] 3,488</p> <p>[Attendance at the FY2016 Board of Directors' Meetings] 100%</p>	<p>Apr. 1971    Joined the Ministry of Foreign Affairs</p> <p>Jan. 1998    Deputy Director-General, Economic Affairs Bureau</p> <p>Jun. 2002    Consul-General of Japan in Hong Kong</p> <p>Apr. 2004    Ambassador Extraordinary and Plenipotentiary to the State of Israel</p> <p>May 2009    Ambassador Extraordinary and Plenipotentiary to the Kingdom of Belgium</p> <p>Oct. 2012    Ambassador Extraordinary and Plenipotentiary in charge of Economic Diplomacy and of Reconstruction Assistance to Iraq (until January 2014)</p> <p>Jun. 2014    Special Advisor to the Chairman of KEIDANREN (to present)</p> <p>Jun. 2014    Director (to present)</p> <p>Jul. 2014    Member of the Executive Nomination Committee and Compensation Committee (to present)</p> <p>[Important positions at other corporations/institutions]</p> <p>Special Advisor to the Chairman of KEIDANREN</p>
	<p>[Reasons for Appointment]</p> <p>Jun Yokota had no direct company management experience before he joined the Board, but having served as Japan's ambassador to Israel and Belgium, and having served as Special Representative of the Government of Japan in charge of the Japan-EU Economic Partnership Agreement negotiations, he is an expert in international economic negotiations and brings a global perspective to political and economic discussions. For these reasons, the Company proposes that he be reappointed as an External Director.</p>	
	<p>[Comments on Special-interest Relationships and the Independence of the Candidate]</p> <p>Jun Yokota has no special-interest relationships with the Company. Further, he is not a major shareholder nor has he held an executive management position with a major trading partner of the Company, and he satisfies the Independence Standards (Refer to Page 5) established by the Company.</p> <p>In accordance with listing regulations, the Company has reported to the securities exchanges on which the Company is listed in Japan that he is an Independent Director.</p>	
	<p>[Special Notice regarding the Director Candidate]</p> <p>An agreement limiting liability for damages under Clause 1, Article 423 of the Companies Act has been concluded between the Company and Jun Yokota. The Company plans to extend the agreement if his reappointment is approved at this Shareholders' Meeting*7).</p>	

Candi- date No.	Name and date of birth	Personal history, positions at the Company
9	<p style="text-align: center;">Chiaki Mukai</p> <p style="text-align: center;">(May 6, 1952)</p> <p><i>*Reappointment *External Director Candidate</i></p> <p>[No. of Years Served as a Director*1)] 2</p> <p>[No. of the Company's Shares Held] 13,000</p> <p>[Attendance at the FY2016 Board of Directors' Meetings] 92.3% (12/13)</p>	<p>Nov. 1977 Staff, Department of Surgery, Keio University School of Medicine (until November 1985)</p> <p>Aug. 1985 Payload Specialist, the National Space Development Agency of Japan (currently: the Japan Aerospace Exploration Agency; JAXA) (until March 2015)</p> <p>Jun. 1987 Visiting Scientist, Division of Cardiovascular Physiology, Space Biomedical Research Institute, NASA Johnson Space Center (until December 1988)</p> <p>Sep. 1992 Research Instructor of the Department of Surgery, Baylor College of Medicine (until August 2011)</p> <p>Apr. 2000 Visiting Professor of the Department of Surgery, Keio University School of Medicine (to present)</p> <p>Sep. 2004 Visiting Professor of the International Space University (until September 2007)</p> <p>Oct. 2007 Director, Space Biomedical Research Office, Human Space Technology and Astronaut Department of the JAXA</p> <p>Apr. 2011 Senior Advisor to the JAXA Executive Director (until March 2015)</p> <p>Oct. 2014 Vice President of the Science Council of Japan (to present)</p> <p>Apr. 2015 Vice President of Tokyo University of Science (to present)</p> <p>Jun. 2015 Director (to present)</p> <p>Jul. 2016 Member of the Executive Nomination Committee and Compensation Committee (to present)</p> <p>Jan. 2017 Chair of the Scientific and Technical Subcommittee, UN Committee on the Peaceful Uses of Outer Space (COPUOS) (to present)</p>
		<p>[Important positions at other corporations/institutions]</p> <p>Vice President of Tokyo University of Science</p> <p>Chair of the Scientific and Technical Subcommittee, UN Committee on the Peaceful Uses of Outer Space (COPUOS)</p>
		<p>[Reasons for Appointment]</p> <p>Although Chiaki Mukai had not been directly involved with company management before she assumed the position of Director of the Company, she has an impressive personal history as a doctor who became Asia's first female astronaut, and she exemplifies the Company's spirit of taking on challenges at the cutting edge of science. Because the Company expects that she will continue to be able to provide oversight and advice from a fair and objective global perspective based on broad knowledge of science and technology, the Company proposes that she be reappointed as an External Director.</p>
		<p>[Comments on Special-interest Relationships and the Independence of the Candidate]</p> <p>Chiaki Mukai has no special-interest relationships with the Company.</p> <p>Academic Corporation Tokyo University of Science that operates Tokyo University of Science, where she serves as Specially Appointed Vice President, and the Company do have sales business dealings that in fiscal 2016 amounted to approximately 7 million yen. In light of the scale of the Company's sales, however, this is not considered material. Thus, she satisfies the Independence Standards (Refer to Page 5) established by the Company.</p> <p>In accordance with listing regulations, the Company has reported to the securities exchanges on which the Company is listed in Japan that she is an Independent Director.</p>
		<p>[Special Notice regarding the Director Candidate]</p> <p>An agreement limiting liability for damages under Clause 1, Article 423 of the Companies Act has been concluded between the Company and Chiaki Mukai. The Company plans to extend the agreement if her reappointment is approved at this Shareholders' Meeting*7).</p>

Candi- date No.	Name and date of birth	Personal history, positions at the Company
	<p style="text-align: center;">Atsushi Abe</p> <p style="text-align: center;">(October 19, 1953)</p> <p><i>*Reappointment *External Director Candidate</i></p> <p>[No. of Years Served as a Director*1)] 2</p> <p>[No. of the Company's Shares Held] 9,189</p> <p>[Attendance at the FY2016 Board of Directors' Meetings] 100%</p>	<p>Apr. 1977 Mitsui &amp; Co., Ltd.</p> <p>Jun. 1990 Manager, Electronic Industry Department, Mitsui &amp; Co., Ltd.</p> <p>Jan. 1993 Managing Director, Alex. Brown &amp; Sons, Inc.*8)</p> <p>Aug. 2001 Managing Director and Head of Global Corporate Finance, Deutsche Securities, Ltd. *9)</p> <p>Aug. 2004 Partner &amp; Head of Japan, J.P. Morgan Partners Asia*10) (until March 2009)</p> <p>May 2007 Board Member, Edwards Group Ltd.*11) (until October 2009)</p> <p>Dec. 2009 Managing Partner, Sangyo Sosei Advisory Inc. (to present)</p> <p>Feb. 2011 Board Member, ON Semiconductor Corporation (to present)</p> <p>Jun. 2015 Director (to present)</p> <p>[Important positions at other corporations/institutions] Managing Partner, Sangyo Sosei Advisory Inc. Board Member, ON Semiconductor Corporation</p>
10		<p>[Reasons for Appointment] Through many years of experience in investment banking and private equity, Atsushi Abe has gained a deep understanding of the ICT industry and mergers and acquisitions. Because the Company expects that, in addition to being able to provide oversight and advice from a shareholder and investor perspective, he will continue to contribute to timely and decisive management decision-making, the Company proposes that he be reappointed as an External Director.</p> <p>[Comments on Special-interest Relationships and the Independence of the Candidate] Atsushi Abe has no special-interest relationships with the Company. Sangyo Sosei Advisory Inc., where he serves as Managing Partner, and ON Semiconductor Corporation, where he serves as Board Member, and the Company have no business dealings. He is not a major shareholder nor has he held an executive management position with a major trading partner of the Company, and does not receive monetary benefits other than the compensation as a Director of the Company, and thus, he satisfies the Independence Standards (Refer to Page 5) established by the Company. In accordance with listing regulations, the Company has reported to the securities exchanges on which the Company is listed in Japan that he is an Independent Director.</p> <p>[Special Notice regarding the Director Candidate] An agreement limiting liability for damages under Clause 1, Article 423 of the Companies Act has been concluded between the Company and Atsushi Abe. The Company plans to extend the agreement if his reappointment is approved at this Shareholders' Meeting*7).</p>

## **Overview of External Director Candidates' Preventive Actions and Responses to the Company's Illegal Business Execution in Fiscal 2016**

In July 2016, which falls during the terms of office of External Director candidates Miyako Suda, Jun Yokota, Chiaki Mukai, and Atsushi Abe as the Company's External Directors, the Company was found to have violated the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Antimonopoly Act) concerning order coordination of equipment for electric power security communication for Tokyo Electric Power Co., Ltd.\*12) and the Company received a cease and desist order and a surcharge payment order. Subsequently, in February 2017, the Company was found to have violated the Antimonopoly Act concerning transactions of hybrid optical communication equipment and transaction-path equipment for Chubu Electric Power Co., Inc.

The External Directors have stipulated the Policy on the Internal Control System, including the compliance system, and had been receiving reports about their operation at the Board of Directors' meetings.

The Board of Directors was unable to detect the violation concerning the transactions for Tokyo Electric Power Co., Ltd.\*12), partly because the sales personnel had already stopped engaging in violation before the on-site inspection by the Japan Fair Trade Commission. However, after the violation came to light, as members of the Board of Directors, the External Directors led establishment of an internal special investigation committee. As investigation conducted by the said committee detected order coordination concerning the transactions for Chubu Electric Power Co., Inc., through discussion at the Board of Directors' meeting, they made a decision to apply for reduction or waiving of surcharge. As a result, the Company was fully exempted from payment of the surcharge and was also not subjected to a cease and desist order.

Moreover, at the initiative exercised by them and External Audit & Supervisory Board Members, disciplinary actions against the officers concerned, including Representative Director and Chairman and Representative Director and President, was decided by the Board of Directors. Subsequently, the External Director candidates have been overseeing recurrence prevention initiatives led by Representative Director and President.

### *Notes*

\*1) "No. of Years Served as a Director" is as of the close of this Shareholders' Meeting.

\*2) East Asia excluding Japan and Southeast Asia

\*3) Fujitsu Advanced Solutions Limited merged with Fujitsu Mission Critical Systems Limited in October 2013, and subsequently merged with the Company in November 2016 and ceased to exist.

\*4) Currently, HP Inc. and Hewlett Packard Enterprise Co.

\*5) Europe, Middle East, India, and Africa

\*6) North and South America

\*7) The maximum liability for damages in accordance with the agreement limiting liability concluded between the Company and Non-Executive Directors is the minimum liability amount stipulated by the Companies Act.

\*8) Currently, Raymond James & Associates, Inc.

\*9) Currently, Deutsche Securities Inc.

\*10) Currently, Unitas Capital

\*11) Currently, Atlas Copco

\*12) Currently, Tokyo Electric Power Company Holdings, Incorporated

**Proposal No. 2 Election of One Audit & Supervisory Board Member**

Audit & Supervisory Board Member Kazuhiko Kato will resign at the close of this Annual Shareholders' Meeting. Accordingly, the Company proposes the election of one Audit & Supervisory Board Member. The Audit & Supervisory Board Member candidate is as described below.

Upon his appointment, the Audit & Supervisory Board will continue to consist of five members including three external members.

The Company has already received approval for this proposal from the Audit & Supervisory Board.

<i>Name and date of birth</i>	<i>Personal history, positions at the Company</i>
<p>Youichi Hirose (March 5, 1958)</p> <p><i>*New appointment</i></p> <p>[No. of the Company's Shares Held] 19,932</p>	<p>Apr. 1981 Joined the Company</p> <p>Jun. 2009 Vice President, Corporate Controller, Corporate Finance Unit (until June 2014)</p> <p>Apr. 2012 Executive Vice President &amp; Corporate Controller, Corporate Finance Unit (until March 2014)</p> <p>May 2013 Corporate Vice President (until March 2017)</p> <p>Apr. 2014 Head of Corporate Finance Unit (until March 2017)</p> <p>Apr. 2017 Executive Adviser (to present)</p> <p>[Important positions at other corporations/institutions] None</p>
<p>[Reasons for Appointment]</p> <p>Youichi Hirose has many years of experience in the Company's finance and accounting division. He has also been deeply involved in business model transformation centering on digital solutions currently promoted by the Company. In view of his abundant knowledge of management as well as finance and accounting, he is considered to be highly qualified to serve as an Audit &amp; Supervisory Board Member, and the Company proposes that he be appointed as an Audit &amp; Supervisory Board Member. The Company intends to appoint him as a full-time Audit &amp; Supervisory Board Member, if his appointment as an Audit &amp; Supervisory Board Member is approved at this Shareholders' Meeting.</p>	
<p>[Comments on Special-interest Relationships]</p> <p>Youichi Hirose has no special-interest relationships with the Company.</p>	
<p>[Special Notice regarding the Audit &amp; Supervisory Board Member Candidate]</p> <p>The Company plans to conclude an agreement limiting liability for damages under Clause 1, Article 423 of the Companies Act with Youichi Hirose, if his appointment is approved at this Shareholders' Meeting*.</p>	

*\*The maximum liability for damages in accordance with the agreement limiting liability concluded between the Company and Audit & Supervisory Board Members is the minimum liability amount stipulated by the Companies Act.*



### **Proposal No. 3 Determination of the Compensation Amount etc. under the Performance-based Stock Compensation Plan**

The Company proposes the introduction of a performance-based stock compensation plan, known as “Performance Share,” (hereinafter referred to as “the Plan”) to grant to Executive Directors mid- to long-term incentives for improving corporate value, and also to further enhance management from shareholders’ perspectives.

According to the resolution at the 106th Annual Shareholders’ Meeting held in June 2006, the maximum amount of compensation for Directors is 600 million yen a year. Separately from this compensation amount, the Company proposes to set the amount of compensation for Executive Directors under the Plan to be up to 300 million yen a year and the total number of shares of the Company to be allocated to be within 430,000 shares a year.

The Company decided to introduce the Plan according to recommendations made by the Compensation Committee. The Plan is designed to link the compensation of Executive Directors to the Company’s mid- and long-term performance and shareholder value. The Company also believes that it is consistent with the spirit of the Corporate Governance Code. Moreover, the Company believes that the compensation amount under the Plan is reasonable, taking into consideration the purpose of incentives to Executive Directors under the Plan and future change of the share price.

If Proposal No. 1 “Election of Ten Directors” is approved at this Shareholders’ Meeting, a total of four Executive Directors eligible for the Plan will be elected by the Board of Directors.

[Reference] Details of the Plan

#### (1) Overview of the Plan

At the start of the period that covers the pre-determined three-year mid- to long-term performance targets, the Company will present to Executive Directors a base number of shares in accordance with respective rank, performance judging period (three years) and mid- to long-term performance targets. The number of shares, which is calculated by multiplying base number of shares by a fixed coefficient according to the level of performance achievement, is fixed at each fiscal year. When the performance judging period is over, the total number of shares is allocated to each applicable person. Then, monetary compensation claims comparable to market value of allocated shares are provided to the Executive Directors. The Executive Directors invest these monetary compensation claims in allocated shares to acquire shares of the Company.

The Executive Directors may transfer acquired shares of the Company at their own discretion unless they violate regulations regarding insider trading.

#### (2) Compensation amount under the Plan and upper limit of the number of granted shares

The upper limit of the amount of monetary compensation to executive directors under the Plan is set up to 300 million yen a year. The total number of allocated shares of the Company is set to within 430,000 shares a year.

#### (3) Indicator of performance achievement level and coefficient

Coefficient is set up within a certain scope according to performance achievement level vis-à-vis the pre-arranged mid- to long-term performance targets in terms of sales revenue and operating profit of the Company’s consolidated financial results. When the coefficient turns out to be less than the pre-determined lower limit, then shares are not allocated. The number of shares, calculated by multiplying Base No. of Shares by the upper limit of the pre-determined coefficient, represents that of the upper limit allocated to the Executive Directors.

(4) Payment amount per share

The payment amount per share allocated to Executive Directors under the Plan shall be the fair price of the Company's shares on the day of payment, such as the closing value of the share at the Tokyo Stock Exchange one business day before the date of the board of directors meeting held to decide on allocation.

(5) Others

Handling of share allocation for outgoing Executive Directors, handling of the Plan at the time of restructuring and others, handling of the base number of shares at the time of stock split or stock consolidation and other details of the Plan shall be determined at the Board of Directors' meeting and incorporated as regulations on the Plan.

Although this proposal concerns compensation for Directors, the Plan is available not only for Directors but also for Corporate Vice Presidents and Executive Vice Presidents.

[Reference] Policy on the Determination of Executive Compensation

Compensation of Directors and Audit & Supervisory Board Members is determined in accordance with the Executive Compensation Policy below, which was determined by the Board of Directors following the recommendation by the Compensation Committee. By the resolution of the Board of Directors in May 2017, this policy will be changed as follows, provided that Proposal No. 3 is approved by this Shareholders' Meeting.

### **Executive Compensation Policy**

To secure exceptional human resources required to manage the Fujitsu Group as a global ICT company, and to further strengthen the link between its financial performance and shareholder value, while at the same time improving its transparency, Fujitsu establishes its Executive Compensation Policy as follows. Executive compensation is comprised of the following: "Base Compensation," specifically a fixed monthly salary in accordance with position and responsibilities; "Bonuses" that are compensation linked to short-term business performance; and "Performance-based Stock Compensation," which is a long-term incentive that emphasizes a connection to shareholder value.

#### **Base Compensation**

Base compensation is paid to all Directors and Audit & Supervisory Board Members. A fixed monthly amount shall be determined for each executive in accordance with the position and responsibilities of each executive.

#### **Bonuses**

- Bonuses shall be paid to Directors who carry out executive responsibilities. The amount of a bonus shall reflect business performance in the respective fiscal year.
- As a specific method for calculating a bonus, Fujitsu shall adopt an "On Target model" that uses consolidated revenue and consolidated operating profit as indices and the amount shall be determined in accordance with the degree of achievement of the performance targets for the respective fiscal year.

**Performance-based Stock Compensation**

- Performance-based stock compensation shall be granted to Directors who carry out executive responsibilities, in order to share the profit with shareholders and as an incentive to contribute to enhancement of medium- to long-term performance.
- A base number of shares in accordance with respective rank, performance judging period (three years) and mid- to long-term performance targets in terms of consolidated sales revenue and consolidated operating profit, and coefficient according to performance achievement level vis-à-vis the mid- to long-term performance targets shall be set in advance. The number of shares to be allocated for each fiscal year shall be calculated by multiplying the base number of shares and the coefficient according to the performance achievement level, and the total number of shares calculated shall be allocated upon completion of the performance evaluation period.

In accordance with the resolution of the Annual Shareholders' Meeting, the total amount of Base Compensation and Bonuses (monetary compensation) for Directors shall not exceed 600 million yen per year, Performance-linked Compensation (non-monetary compensation) shall not exceed 300 million yen per year, and the total number of shares to be allocated shall not exceed 430,000 shares per year. The Base Compensation for Audit & Supervisory Board Members shall not exceed 150 million yen per year.

## (Reference) Types of Executive Compensation and Eligibility

Category	Base Compensation		Bonuses	Performance-based Stock Compensation
	Management Oversight Portion	Business Execution Portion		
Directors	○	-	-	-
Executive Directors	○	○	○	○
Audit & Supervisory Board Members	○		-	-