



Oceania Responsible Business Report

2018 – 2019

shaping tomorrow with you


FUJITSU



Message from the CEO

I am pleased to share the second Responsible Business Report for Fujitsu Australia and New Zealand. It has been encouraging to see the positive reaction to our first report from our customers, people, partners and community; and to share in conversation and dialogue about what we do and how we do it.

We are living in a world that is more connected, more globally integrated and faster paced than it has ever been. Digital transformation has brought many benefits, but it has also brought complexity, and new challenges for governance: from the ethical application of Artificial Intelligence, to the security of data and systems against cyber-attacks. In today's world, trust has become a significant issue, and is the idea explored in the Fujitsu Technology and Service Vision 2019.

Fujitsu is committed to delivering successful outcomes for our customers and society. Driving trust through the responsible operation of our business is central to how we can become more trusted by our customers as we work together to co-create a prosperous, inclusive and sustainable future.

To Fujitsu Australia and New Zealand, being a responsible business means investing in a diverse, safe, and engaged workforce; adding value to the communities in which we work; ensuring high ethical standards in our value chain, and being a leader in sustainability. By being open about our progress, goals and challenges, we seek to invite dialogue and foster trust with our stakeholders.

This report reflects our continuing efforts to run our business responsibly and making a positive impact society, incorporating making an impact towards the UN Sustainable Development Goals. We look forward to co-creating a trusted, sustainable future with our community and customers, and welcome your feedback and comments.

Mike Foster
Chief Executive Officer
Fujitsu Australia & New Zealand

Executive summary

Leading in environmental sustainability

In 2008, we set rigorous sustainability targets to achieve by 2020. Since that time, we have seen issues of environmental stewardship rise to the top of the corporate agenda, and Fujitsu continues to take a leadership position.

We have made significant progress in our targets to reduce emissions from business travel and from electricity use in our offices, with emissions from these sources down more than 60 per cent. The year saw NABERS star rating increases in our Data Centres in Malaga, WA and Eight Mile Plains, QLD; providing an external validation of our continual efforts to improve energy efficiency. Fujitsu remains the only Data Centre provider to have the entire portfolio NABERS rated; with our Data Centres assessed as 33 per cent more efficient than the industry average, delivering both environmental and commercial value for our customers.

We continue to devote attention to the impact of our products throughout their lifecycle, and this year we recycled more than half a million kilograms of eWaste and increased the reach of our Smart eWaste bin program, a fully automated solution that helps customers simplify the collection of eWaste. Our waste management efforts at our premises continue to bear results, and we achieved a waste diversion rate of 89.4 per cent in our main warehouse and distribution centre in Lidcombe, NSW.

This year we've celebrated the success of our Digital Owl solution that began life in our Innovation Program here in Oceania. This award-winning solution, co-created with the NSW Government, uses Artificial Intelligence (AI) to analyse high-res photos taken by a drone, precisely pinpointing the population of endangered plant species. Digital Owl provides conservation teams with better quality data than ever before, obtained faster, at lower cost, and with fewer carbon emissions. This solution will play an important role in conservationist's ability to understand the impacts of climate change on native species, and is a good example of how Fujitsu can harness innovative technology to co-create solutions for social value.



Being well at work

In 2018, Fujitsu endorsed a new Safety and Wellbeing strategy for Oceania: extending our focus from robust risk management activity, through to creating a workplace where our employees are enabled and supported to be the best they can be.

We've rolled out a new Safety and Wellbeing communication and consultation framework, extending workforce participation and strengthening two-way dialogue on wellbeing. We have also partnered with a new Employee Assistance Provider as we continue to implement a comprehensive Mental Health Strategy.



Delivering for customers

Fujitsu is committed to delivering outcomes that matter for our customers. Being a responsible and sustainable business is critical to fostering the relationships of trust with our customers that allow successful co-creation. Through co-creation, Fujitsu partners with customers to deliver innovative solutions that deliver value to society as a whole, including delivering on the UN Sustainable Development Goals.

During this reporting period Fujitsu's sustainability innovations were recognised in many forums. The Digital Owl project received the ARN Award for Smart Technology, was recognised as the Partnership of the Year at the NSW CitySwitch Awards, and was a finalist in the Imagination category at the ANZ Paragon Awards; while our Smart eWaste bins were a finalist at the Australian IoT awards. We were finalists at the NSW Green Globes for our data centre energy efficiency program, and our Noble Park facility in Victoria won the business division in the Greater Dandenong Sustainability Awards. At a global level, Fujitsu was again included on the Dow Jones Sustainability Indices (World, Asia Pacific) and was listed on the CDP (Carbon Disclosure Project) A List for Climate Change for the second year in a row.



Working with our value chain

Our suppliers and vendors are important to our business. This year Fujitsu formed a relationship with the Indigenous Defence and Infrastructure Consortium to strengthen our ability to incorporate Indigenous-owned businesses in our supply chain, and this year recorded a record \$272,000 spend with Indigenous-owned business, a fourfold increase on last year's spend; and we feel confident this new initiative will assist us to incorporate more Indigenous-owned businesses into our operations.

Our work to prepare to meet the requirements of the Modern Slavery Act in Australia continues, with the implementation of enhanced due diligence extending from top tier suppliers to all direct suppliers in both Australia and New Zealand.



Our commitments to our community

This year, Fujitsu continued its relationship as Innovation Partner with Camp Quality, and as a Champion of Soldier On. Through contributing our time, money and skill, we support these organisations to deliver their important services to the community.

We also support our customer's community programs and were delighted to sponsor the Ronald McDonald House Charities NSW Ball this year with our customer McDonalds Australia. The Townsville Floods in February 2018 challenged Fujitsu to assist our customer, Australia Post, to support the local community. Three Post Offices hit by floods required replacement EPOS terminals to continue to provide vital services to the community. Fujitsu's efforts enabled Australia Post to stand up a portable office in only four days – an activity that would normally take eight weeks, essential to providing core service continuity for Townsville residents.



Creating a diverse and inclusive organisation

2018 saw the formation of employee D&I working groups across our five diversity focus areas: disability, LGBTI+, cultural diversity and reconciliation, and gender and generational diversity. These working groups will help us drive forward our plans to better reflect the society in which we operate, and create an environment where everyone can be completely themselves.

As a Male Champion of Change, I was pleased to take part in a panel at our Macquarie Park head office for International Women's Day, which was marked with morning teas at all our major premises across Australia and New Zealand. We also celebrated our high-performing women who were nominated as leaders in ICT at the 2019 Paragon Awards and the 2018 ARN Awards in both Australia and New Zealand.

As we implemented our Reflect Reconciliation Action Plan (RAP), the year saw us mark National Reconciliation Week with a virtual reality experience for employees and host a 'Digital Diversity' panel profiling Aboriginal Australians in technology at Fujitsu World Tour in Sydney. We also joined Pride in Diversity, a member-based organisation to assist us with our LGBTI+ strategy.

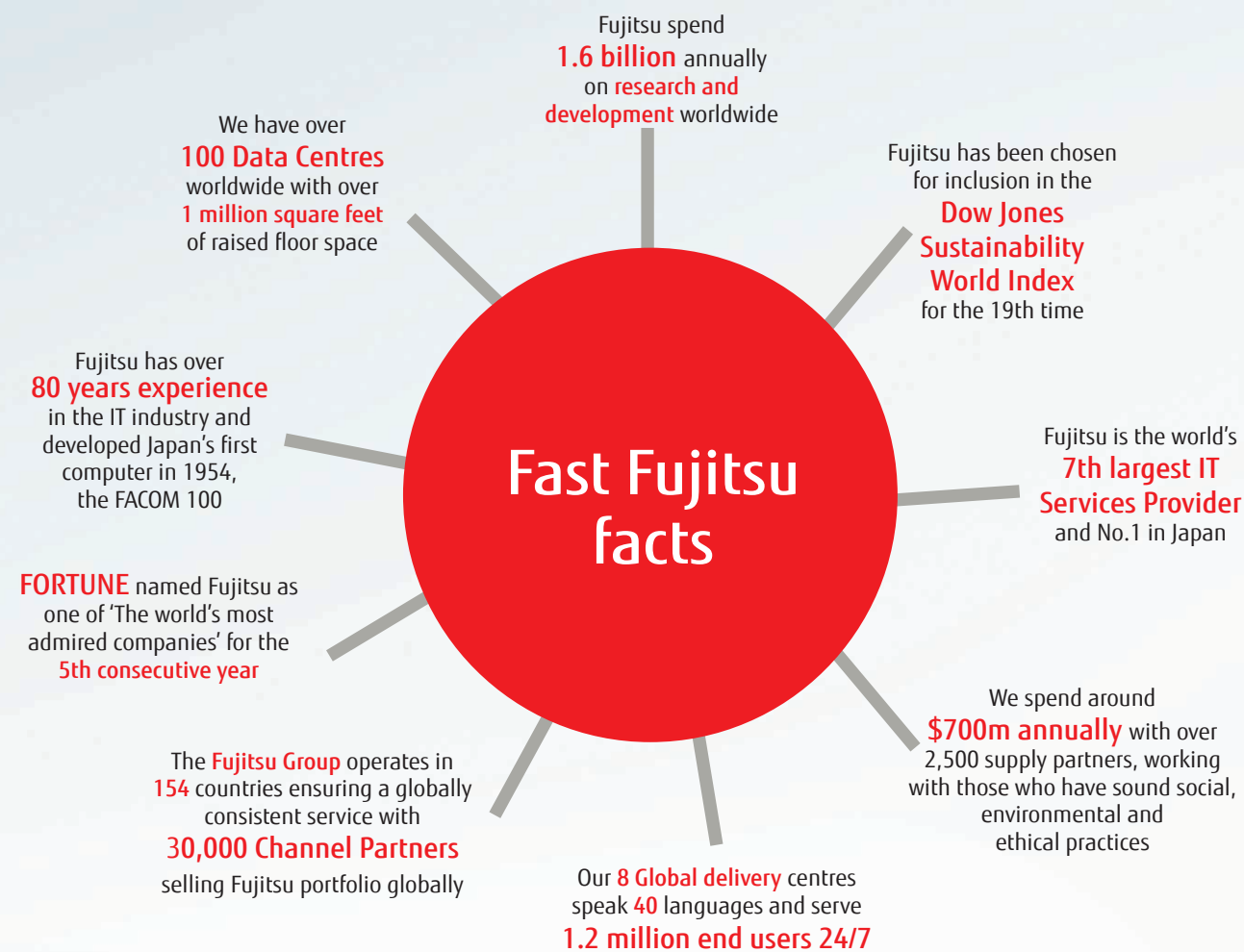


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1. About Fujitsu Oceania

Using the power of technology to shape the future of business and society



Fujitsu Australia and New Zealand at a glance



Fujitsu Oceania is the **number 1 provider** of ICT services within the transportation industry



Fujitsu achieved a resource recovery rate of over **99% of business IT equipment** at recycling centres globally, with a **reuse rate of over 99%**



Fujitsu has been supporting business and Government in Oceania for over 45 years



100% of sites in New Zealand are run on **renewable energy**



Fujitsu provides solutions and services that enable nearly **40% of all 000 emergency services** responses each year



Across Oceania, Fujitsu has **19 core partners** in its ecosystem helping to co-create and **deliver innovative solutions** for our customers



Fujitsu supports retail customers in **52 countries** powering over **82,000 retail stores** worldwide



Fujitsu Oceania attends over **600,000 onsite calls** each year across **metropolitan, regional and remote areas**



\$1.1B of the revenue and one of the leading ICT companies in Oceania



+1,000 customers



+3,500 staff



+100 locations



44,700 square metres of data centre footprint



+45 years of innovation



1,000 projects in FY18



100% of sites in NZ is run on renewable energy



19 core partner helping us to co-create and deliver innovative solutions

2. About this report

In this section:

- Why and how this report was produced?
- Material Issues

About this report

This is Fujitsu Oceania’s second responsible business report, covering all operations across Australia and New Zealand including Fujitsu Australia Software Technology (FAST), together referred to as ‘Fujitsu’ throughout this report. Fujitsu New Zealand Limited is owned by Fujitsu Australia Limited. Fujitsu Australia Limited and Fujitsu New Zealand Limited are wholly owned subsidiaries of Fujitsu Limited. Fujitsu Australia and New Zealand reported consolidated revenues of over \$1.1bn for the fiscal year ended March 31, 2019. For more information, please see <http://www.fujitsu.com.au>.

Fujitsu corporate governance cascades from the company’s Japanese head office and global policies and procedures, with localised systems and processes put in place to adhere to global standards while tailored to local circumstances. Where the global operations are referenced in this report, this is referred to as the Fujitsu Group.






The reporting period is our financial year, April 01 2018 – March 31 2019. This report has been prepared with reference to corporate social responsibility reporting frameworks including the Global Reporting Initiative. The Fujitsu Group CSR and Environment reports are produced following GRI Standard guidelines, a global reporting framework for responsible business disclosure.

Our Australian carbon emissions data (scope 1 and 2) is externally assured as part of our obligation under the NGERs Act and our environmental management program is certified to the ISO14001 Environmental Management System standard.

Our responsible business approach

Understanding what our stakeholders want and expect from us as a responsible business is paramount to the prioritisation of material issues. The principle of materiality helps us focus resources, strategy and reporting on sustainability and social issues of the most significance. The Fujitsu Group has conducted a materiality assessment in line with the Global Reporting Initiative’s G4 Sustainability Reporting Guidelines. This is available in the Fujitsu Group Sustainability Report.

In 2016 Oceania region has adopted the five Responsible Business pillars, as set out below, as a framework for our strategy. This covers our commitments both internally and externally. Governance includes our diversity and inclusion council, compliance committee and sustainability board.

Responsible Business Framework 5 pillars		Material Issues	Sustainable Development Goals	
	Environment	We are fully committed to reducing our environmental impact across the scope of our operation and through services we deliver to customers.	Energy efficiency and climate action ICT Solutions for a Low Carbon World Moving to a Circular Economy	7, 12, 13
	Community Involvement and Development	We aim to tackle the issues that impact society and contribute positively to local communities.	Digital Inclusion and the Future of Work	8, 9, 11
	Diversity and Inclusion	We are committed to developing a diverse and enabled workforce from the widest talent pools and promote equal opportunities for all.	Gender representation Aging population	5, 10
	Wellbeing	We value the importance of our people and strive to promote a positive health culture, in order to enable individuals to feel more resilient and cope successfully with both their personal and work life.	Employee Engagement Wellbeing	3
	Operating practices	We conduct our business in an open, honest and ethical manner and actively strive to implement anti-corruption practices and socially responsible supply chains.	Data Security Responsible procurement & supply chains	8, 12, 16

Fujitsu and the Sustainable Development Goals

The Sustainable Development Goals (SDGs), adopted by the United Nations in 2015 are a set of common goals to be achieved worldwide, by 2030. Achieving these goals places considerable demand on private-sector enterprises to play an active and useful role through their technology and capacity for innovation, as well as in their own operations.

Fujitsu recognises that our vision of achieving the “human centric intelligent society”, is aligned with the efforts by the international community toward achieving the SDGs. We believe that by pursuing the 2030 Global Goal agenda, using the goals as a common language with customers, vendors, government and non-government organisations, we can create and maximise social value on an even larger scale. Fujitsu are committed to actively using the SDGs as a tool in our management strategy for achieving sustainable growth.

As a first step, we are focusing on the six areas shown as the fields in which we can deliver the greatest value by deploying the digital technologies at the core of the Fujitsu Group’s operations. Throughout this report, the SDGs that most closely align with our responsible business pillars have been highlighted.

Fujitsu’s initiatives for the SDGs

2

ZERO HUNGER

Sustainable food and agriculture

3

GOOD HEALTH AND WELL-BEING

Well-being in an aging society and eradication of difficult diseases

8

DECENT WORK AND ECONOMIC GROWTH

Promotion of innovation and human-centric way of work

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Intelligent industrialisation by shaping ecosystems

11

SUSTAINABLE CITIES AND COMMUNITIES

Realisation of better urban mobility and resilient cities

13

CLIMATE ACTION

Achievement of zero CO2 emissions and contribution to de-carbonised society



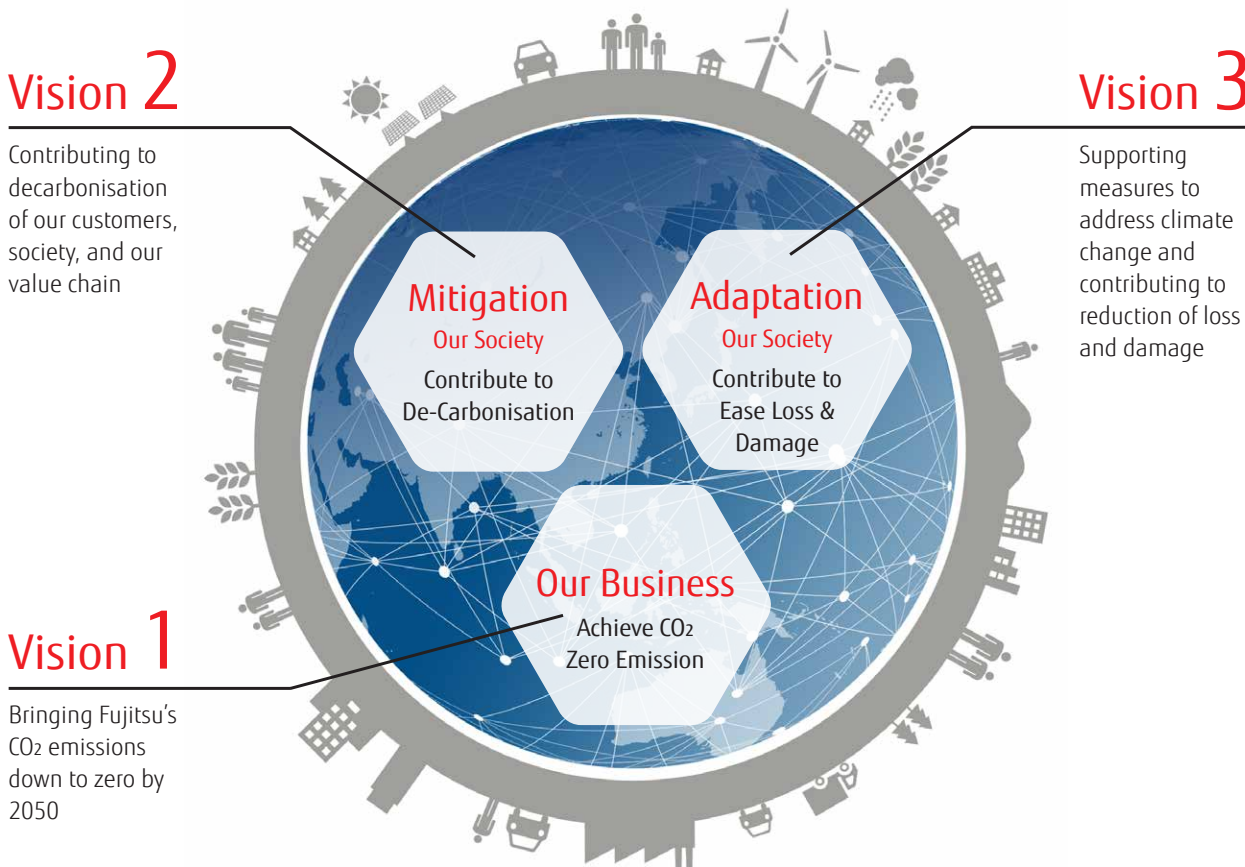
3. Environment

In this section:

- Data center efficiency
- Driving down carbon emissions
- Towards a circular economy
- Sustainable solutions

Fujitsu Australia and New Zealand is committed to being a global leader in sustainability

The Fujitsu Group has established the “FUJITSU Climate and Energy Vision,” a medium to long-term environmental vision with the goal of bringing the Fujitsu Group’s CO2 emissions to zero by 2050, as well as contributing to the achievement of a decarbonised society and the adaptation to climate change, through provision of technologies and services supporting digital transformation. At a group level we have science-based emissions reductions targets that cover operations in Japan and overseas.



In 2008, long before most of our competitors, Fujitsu Australia and New Zealand undertook a comprehensive analysis of our business targets and consulted with our stakeholders to set ambitious sustainability targets. The final measurement point for these targets will be the end of our FY2020 (i.e. March 2021).

Table 3 - Performance against 2020 Sustainability targets at glance

Emission source and target on 2008 baseline	FY 2008	FY 16/17	FY 17/18	FY 18/19	% Change since baseline year (2008)
50% reduction Office Electricity CO2e (t)	6, 584	2, 818	2, 677	2, 120	67% reduction
Travel 80% reduction	6,357	2, 815	2, 522	2, 302	63% reduction
Data Centre PUE of 1.5	1.94	1.58	1.55	1.54	20% improvement
20% of our energy will be from Renewable Sources	0%	<1%	<1%	<1%	

Data Centre sustainability

Fujitsu has the first and only data centre portfolio in Australia to have its entire portfolio publicly rated to the NABERS energy standard. In FY2018, two of our data centres achieved NABERS star increases, reflecting our continuing improvement in energy efficiency.

Fujitsu's 6 data centres in Australia account for 97 per cent of our energy use across the region and are a significant focus of our sustainability program. This target measures Power Usage Effectiveness (PUE), a common industry measure of data centre energy efficiency. Developed by the Green Grid, PUE is the ratio of the total amount of energy used by the facility (lighting, cooling etc) delivered to the IT equipment (servers, network equipment etc) within that facility. An ideal PUE is 1.0 (theoretical).

We have achieved an average PUE of 1.54 across the portfolio, representing an avoided spend of over \$12.1M had consumption continued at 2008 levels.

All of our major Data Centres have been rated to the NABERS for Data Centre standard. The ratings are on a 6-star scale, where 1 represents very poor performance, 3 represents average, and 6 represents outstanding performance. Fujitsu was the first, and is still the only, Data Centre portfolio to have achieved the publically rated NABERS certification for 100% of facilities in the portfolio.

In FY18, two of our data centres achieved a 0.5 star NABERS rating increase. Our Eight Mile Plains Data Centre in QLD went from 3 to 3.5 stars, and our Malaga Data Centre in WA improved to 4 stars from its previous rating of 3.5. These increases are evidence of Fujitsu's continued improvement in energy efficiency, as well as our ongoing commitment to transparency.

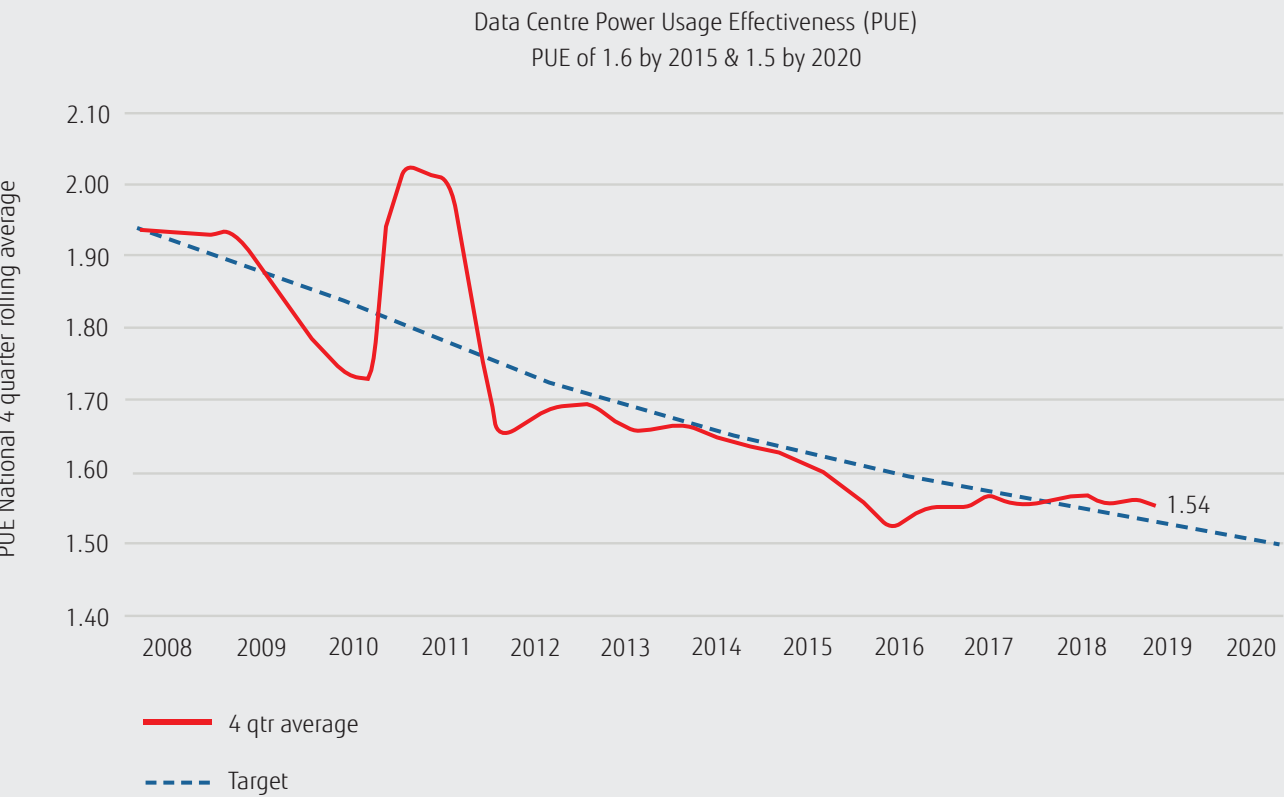
This shows that we are 33% more efficient than the industry average.* Every year through these efforts we save over 34 Gigawatt hours of energy, reduces 30,611 tonnes of carbon - equivalent to 1,700 homes.

Our public NABERS ratings give our customers assurance that we deliver on our environmental commitments and maximise customer value, through energy efficiency. By publicly sharing our ratings, we demonstrate our genuine commitment to sustainability and transparency about the results we achieve.

During FY18 we completed a number of energy efficiency projects at our data centres, including completing containment at Eight Mile Plains (QLD), and invested more than \$300,000 in LED lighting upgrades at North Ryde (NSW), Homebush (NSW) and Malaga (WA). With our global colleagues from Fujitsu Laboratories, we also trialled advanced sensor units designed to reduce energy consumption in our data centre cooling systems.

* according to the NABERS Energy methodology

Graph 1- Data Centre PUE performance



We are 33% more efficient than the industry average.*

<div><div>4★</div><div>NABERS ENERGY</div><div>Homebush</div></div>	<div><div>4★</div><div>NABERS ENERGY</div><div>Western Sydney</div></div>	<div><div>4★</div><div>NABERS ENERGY</div><div>Noble Park</div></div>
<div><div>4★</div><div>NABERS ENERGY</div><div>Malaga (0.5 star increase this year)</div></div>	<div><div>3.5★</div><div>NABERS ENERGY</div><div>North Ryde</div></div>	<div><div>3.5★</div><div>NABERS ENERGY</div><div>Eight Mile Plains (0.5 star increase this year)</div></div>

* according to the NABERS Energy methodology

Water efficiency

In FY18 smart water meters were fitted across our data centre portfolio to assist in water management. These meters provide near real-time information on water flows, and have enabled better monitoring of water consumption and savings initiatives.

These complement existing water efficiency measures, including:

- rainwater collection for grounds and toilet facilities at the Noble Park data centre and rainwater collection for grounds at Homebush and Western Sydney data centres
- 70,000L grey water infrastructure at Homebush data centre. The grey water is used in closedloop chillers for cooling the data halls
- Low-flow misting nozzles fitted at North Ryde data centre and Western Sydney data centre to reduce water consumption in Heating, Ventilation, and Air-conditioning (HVAC) systems
- Low-flow water taps and showerheads fitted across all premises
- where Fujitsu buildings have landscaped surrounds, they are planted with drought-tolerant native species to support biodiversity and reduce water consumption.

Office emissions reductions

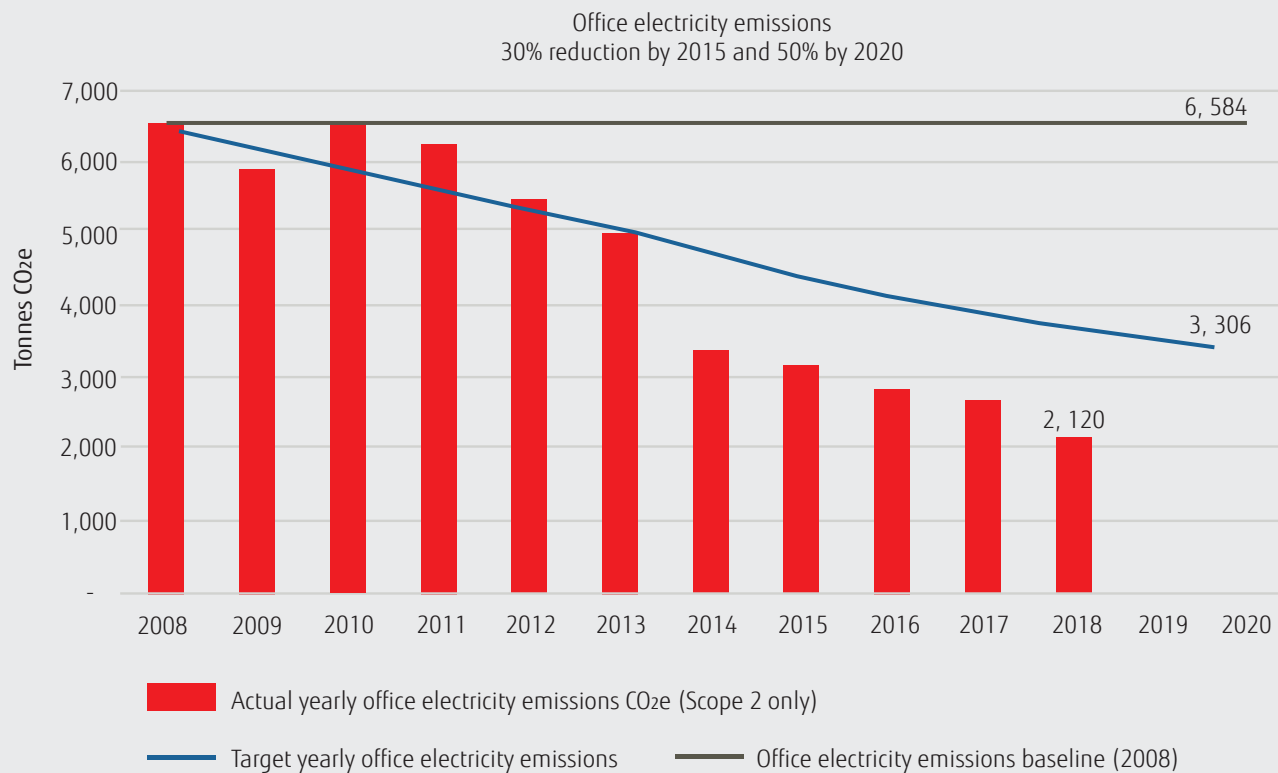
FY18 saw a number of initiatives that see us continue to exceed our target to reduce office energy emissions by 50% by 2020. We have continued our shift to agile working with the opening of new highly energy-efficient premises in both Melbourne and Auckland. As part of the move, a number of on-site server development and test labs were moved into the cloud or relocated into specialist data centre facilities, reducing both the office space required and energy consumption. Compared to our previous office spaces, we're achieving energy savings of 63% in Auckland and 87% in Melbourne.

FY18 saw a full year of operation after the upgrade to LED lights at our Lidcombe warehouse and distribution centre, which saw the replacement of 119 400Mw metal halide high-bay lights with new high-efficiency LED fittings. This single change achieved a 32% reduction in total energy use at the site compared to the previous 12-month period.

These developments have helped propel our progress in this area, with a record low energy consumption in our premises, and achieving a 67% reduction against our 2020 target of 50%. This target is measured in energy per full-time equivalent (FTE) employee, which helps account for changes in our business size. In FY18, we used 207kWh per FTE, compared to 618kWh per FTE in 2008.

Compared to our previous office spaces, we're achieving energy savings of 63% in Auckland and 87% in Melbourne.

Graph 2 - Office electricity emissions target performance



We continue to explore ways to increase the amount of renewable energy use in our business.

Travel emissions reductions

The further reduction of emissions of travel is a concern for Fujitsu as we approach our 2020 target. While progress is strong – 63% reduction against a target of 80% by 2020 – further progress against the target is challenging.

At the time the targets were set, the ambitious target forecast greater adoption of low-emission travel adoptions by 2020 than have materialised in the region. In particular, we projected an earlier availability of hybrid and electric vehicles and a greater penetration of aviation biofuel in commercial flight. Despite this allowance, through our investments in providing technology solutions to reduce the need for business travel (such as web and video conference facilities) and strict policy control on travel, we have reduced the amount of travel from 2,303km per FTE to just 716km per FTE each year.

Nevertheless, the target for travel emissions remains at risk, as Fujitsu’s travel emissions are forecast to rise in FY2019 due to the addition of new vehicles that will support delivery of desktop services to more than 100,000 users across more than 450 Department of Defence locations around Australia.

We continue to examine ways to help Fujitsu meet its ambitious emissions reductions target, including incorporating more low emission models into our vehicle fleet.

Measures undertaken thus far include:

- Roll out and use of Unified Communications with desktop sharing, audio conference, instant messaging and live meeting functions

- Encourage use of Telepresence and video conferencing facilities
- Company car hire policy specifies and favours fuel efficient models
- Support active transport with end-of-trip facilities for cyclists and walkers
- Promotions and incentives for public transport use
- 68% of our New Zealand vehicle fleet are hybrid vehicles

This has enabled us to achieve a 63% reduction in emissions per FTE since our baseline year.

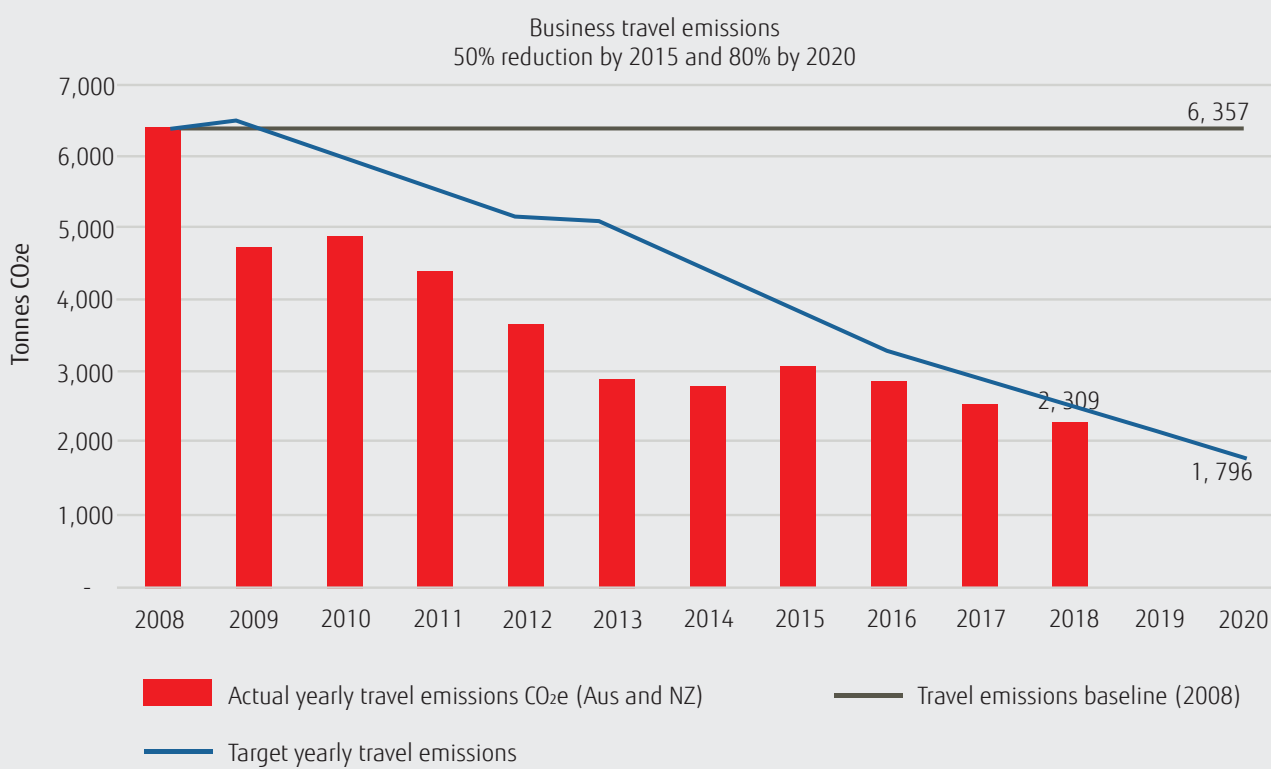
Renewable energy purchase and generation

The use of renewable energy is a key priority area in our Responsible Business program as we approach the end of this target period.

In New Zealand we procure our power from Meridian Energy who only generates energy from renewable sources such as wind and hydro power. We continue to explore ways to increase the amount of renewable energy use in our business, including different procurement models and on-site generation.

In addition to our regional target of 20 per cent renewable energy by 2020, the Fujitsu Group has a renewable energy target of 40% by 2030 and 100% by 2050 for operations both in and outside Japan. This commitment is formalized in our RE100 membership as Japan’s first Gold Member.

Graph 3 - Travel emissions target performance



Environmental Management System (EMS)

Fujitsu's Environmental Management System (EMS) is certified to ISO 14001 covering 13 premises and 97% of our impacts in Australia and New Zealand. In FY19, the scope of our EMS certification is increasing over the next three years to cover an additional 14 sites across Australia and New Zealand.

As part of our ISO 140001 certification, all environmental impacts including hazards have been assessed. Any significant impacts have targets around their management and reduction. We also have control procedures and appropriate training where elevated risk occurs, e.g. safe handling of dangerous goods, diesel spill containment and emergency response procedures.

Towards a circular economy: our product sustainability

We recognise that the circular economy for electronic products is a material issue for Fujitsu, the consumers of our products, and for society at large. Fujitsu has long-term commitments to enhance the sustainability of our product: ranging from design, packaging, energy efficient operations, to end of life recycling, we have been taking steps to promote circular economy thinking into our business.

In Oceania, two thirds of our business is service based, with products representing the remainder. Fujitsu Group lead the development, manufacture and distribution of our products. Here in the Oceania region, we provide service to customers and take back schemes for end of life management.

Whole of lifecycle ICT assets

1. Product Development and Innovation

Fujitsu products are designed to be easily disassembled and the components recovered for re-use. We avoid using glues and adhesives and fused parts that prohibit repairs and complicate disassembly for recycling. Beginning in 2010, Fujitsu Group product designers conduct regular study tours at product recycling centers, so designers gain feedback from staff in charge of recycling. More than 90 improvements to our products have been made as a result of these exchanges.

2. Responsible Sourcing

We are committed to the phasing out of hazardous substances throughout our supply chain and to the responsible capture and/or recycling of such substances. We have a stringent policy prohibiting the use of conflict minerals, (Refer to compliance section 7 of this report). Fujitsu Group audit suppliers annually.

Fujitsu's strategy incorporates packaging reduction and recyclability requirements from different regions. Packaging for consumer products conforms to the EPEAT Gold standard, which includes the requirement that packaging is over 90% recyclable and all plastics are separable. EPEAT is the leading global ecolabel for the IT sector and provides independent verification of manufacturers' claims.

3. Manufacturing

We reduce the environmental load of our international factories by achieving the ISO 14001 certification. We also ensure that we work with suppliers with an environmental management system aligned to ISO 14001. We also work to incorporate recycled materials into the manufacture of our products. Fujitsu continues to shift transport modes to ocean shipments, which have a lower environmental impacts than air shipment, as well as sharing joint transportation with other companies.

4. Consumption

Fujitsu comply with the current ENERGY STAR version for relevant ICT equipment. This label gives a clear indication of a product's green credentials, helping our customers decide when purchasing and acting as immediate and visible proof that our products are designed according to our far-reaching corporate goals on energy efficiency and sustainability.



5. Product stewardship and recycling

Fujitsu provides complimentary recycling of Fujitsu branded hardware when it has reached the end of its useful life. Our eWaste recycling partner is located onshore in Australia and New Zealand, so customers can be sure any devices are processed in a facility that protects human health and the environment, where over 97% of the product by weight is recycled. All Fujitsu branded products, including accessories, are accepted for free recycling, and we also offer like-for-like recycling for enterprise and educational customers.

Fujitsu is a liable party under the National Television and Computer Recycling Act (NCTRS). Fujitsu is a member of approved co-regulatory Electronic Product Stewardship Australia (EPSA).

Figure 2. Whole of lifecycle ICT assets



Waste

Fujitsu source-separates and recycles 15 waste streams across its operations, and continue to introduce more recycling initiatives across our operations.

This year we introduced disposable coffee cup recycling at our head office in Macquarie Park NSW, and in just under 12 months we have diverted more than 15,000 cups from landfill and reduced recycling contamination rates. We also continue to run employee engagement programs, such as webinars and product trials during Plastic Free July, to encourage our people to develop new waste habits.

Our primary waste management activity is in our warehouse and distribution centre in Lidcombe NSW. In FY18 we achieved a diversion rate of 89.4% of waste from landfill at this facility, a 2% improvement from the previous year (measured by weight, excluding eWaste).

Electronic waste (eWaste) is Fujitsu's priority waste area. eWaste is the fastest growing waste type in Oceania, and contains substances that are toxic in landfill, like lead, mercury, cadmium. On the positive side, more than 95% of eWaste (by weight) can be recovered for re-use, including scarce materials like gold and silver as well as commodities (glass, plastic).

We have had a zero eWaste to landfill policy in place in Oceania since 2009, and collect eWaste from our own operations, from our customer's business operations, and from our employee and customer community through collection events and our fleet of smart eWaste bins. This year we increased our Smart eWaste bin fleet to nine units across the region, hosted in our own and customer premises; and held eWaste collection events at major offices to coincide with World Environment Day.

We work with our customers to promote eWaste best practice, including effective due diligence in the supply chain, to promote proper handling of eWaste. We continue to help customers ensure the best outcomes are realised for end of life assets in terms of data security, lifecycle environmental impact and value recovery. This includes offering (with our eWaste processing partner) asset remarketing and parts harvesting options which extend the useful life of the asset, and ensure that any that cannot be reused are securely recycled.

Table 4 - Oceania eWaste recycling volume (kg)

	FY 15	FY 16	FY 17	FY 18
Total Fujitsu eWaste recycled	31,754	108,886	86,639	119,269
Total Customer eWaste recycled	23,376	157, 423	294,298	398,831

Total eWaste recycled	55,130	266,309	380, 937	518,100
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A technology-enabled solution to help divert eWaste from landfill.

Case study: SmartBin

Fujitsu's Smart eWaste bins make the collection and processing of eWaste easy for our customers.

The SmartBin solution is a completely automated, self-contained unit that is attractive enough to sit out in the open in an office or community location, increasing the availability of eWaste recycling. It uses IoT sensors to alert when the fill level is reached, and Fujitsu's Run My Process automation technology to book a collection.

The bins have been deployed to nine Fujitsu customers across Australia and New Zealand, providing an easy way to dispose of eWaste, which is then handled by a processing partner subject to thorough vetting to ensure eWaste is processed on shore, compliant with best practice, in a way to protects human health and the environment.

There are now nine SmartBins at customer and Fujitsu sites across the region, and they've collected and diverted more than 5 tonnes eWaste from landfill in FY18.

We have committed to meeting the Australian goal of having all packaging be recyclable, reusable or compostable by 2025.

Packaging sustainability

All packaging is managed under the ISO 14001 Environmental Management System (EMS) performance improvement system. Fujitsu is a signatory to the Australian National Packaging Covenant. By signing the Covenant, we have committed to meeting the Australian goal of having all packaging be recyclable, reusable or compostable by 2025.

Fujitsu’s ISO 14001 certified Environmental Management System (EMS), covers warehousing, integration, staging and distribution of computer equipment. The warehouse manages not only the safe recycling and disposal of end of life equipment but also the disposal of packaging (including cardboard, polystyrene and soft plastics).

Fujitsu is working on a variety of methods for reducing its use of packaging and cushioning materials. For lightweight units we have phased out polystyrene and now package units with an egg carton-like cardboard packaging solution, which is made from 100% recycled material. For larger products, we have replaced conventional cushion foam with reusable air packs. We also offer customers the option to ship notebook computers in a special returnable container, rather than shipping each unit individually in a cardboard box, reducing cardboard and plastic packaging. These developments aid the Fujitsu Group in avoiding single-use packaging materials, as well as reducing shipping volumes.

Our priority in Australia and New Zealand is product recovery and recycling (i.e. eWaste) from our enterprise customers and the community. As part of our eWaste recycling initiatives we will also recycle packaging that the goods may be contained in.

ICT’s role in delivering a low carbon world

The information and communications technology industry (ICT) itself is now estimated for being responsible for approximately 2% of the world’s total global emissions, with this expected to continue to rise to 14% by 2040. To achieve our sustainability vision, Fujitsu’s goal globally and in the Oceania region is to play a pivotal role in driving down the impact of the ICT sector through ICT enabling technology and to help reduce - and ultimately reverse - the current share of emissions produced by the ICT sector. That is, to harness the power of ICT innovations and solutions to the benefit of society as a whole.

Working upstream for the improved lifecycle of ICT, the Fujitsu ICT Sustainability Policy outlines disposal, infrastructure optimisation, energy management and procurement approaches to limit the negative environmental impacts of its ICT related activities.

We continually work to improve environmental performance and comply with all relevant environmental legislation and other compliance requirements with regards to ICT.

Working downstream, we are able to measure and assess the full environmental impact of an ICT estate through our ICT Sustainability Benchmark offering. This benchmark, developed a decade ago in collaboration with RMIT and Connection Research, has grown to now be the largest database of its kind in the world. The ICT Sustainability benchmark helps identify opportunities for emission and cost savings, as well as improving due diligence and measurement opportunities as a roadmap to best practice.

We’re proud to have delivered the ICT Sustainability benchmark to customers across Australia and New Zealand, including ambitious sustainability leaders like SkyCity.



Case study: SKYCITY

Customer

SKYCITY Entertainment Group Limited (SKYCITY) is New Zealand’s largest tourism, leisure and entertainment company and is listed in both New Zealand and Australia. It is one of only three publicly listed casino operators in Australasia and operates integrated entertainment complexes in New Zealand (Auckland, Hamilton and Queenstown) and Australia (Adelaide and Darwin).

Challenge

To meet its commitment to sustainability, SKYCITY wanted to become more energy efficient in its ICT estate. It asked Fujitsu to provide an ICT Sustainability Benchmark that would give an overview of its operations and how best to improve them.

Solution

Fujitsu conducted face-to-face interviews with key personnel, surveyed the ICT estate and installed power meters to accumulate the relevant data. It then provided SKYCITY with a comprehensive report detailing how it consumes energy with recommendations on how best to reduce this figure.

Benefit

- Dashboards clearly show how SKYCITY uses electricity in its ICT estate
- SKYCITY now only purchases energy-star rated devices
- All suppliers now vetted based on eWaste policy
- Soon to arrive is a new eWaste bin, enabling employees to safely dispose of cords, mobile phones and tablets
- On track to reduce energy consumption by 20 per cent

Oceania sustainability awards

Fujitsu continues to receive wide industry recognition both locally and globally and is considered a world leader in sustainability. Within the last financial year, sustainability recognition included:



2019

Finalist – Imagination Category (for Digital Owl)




2018

CitySwitch Awards
Winner – NSW Partnership of the Year (with NSW OEH for Digital Owl)
Finalist – NSW Large Signatory of the Year




2018

City of Greater Dandenong Sustainability Awards
Winner – Large Business Category for Noble Park Data Centre (VIC)



2018

ARN Awards
Winner – Smart Technology (Emerging Technology) for Digital Owl



2018

Green Globes Awards
Finalist – Built Environment NABERS for Data Centre Energy Efficiency & Transparency



2018

Australian IoT Awards
Finalist – Best Secondary Industry Project for Smart eWaste Bins



Fujitsu GROUP awards, ratings and leadership

MEMBER OF

Dow Jones Sustainability Indices

In Collaboration with RobecoSAM

Dow Jones Sustainability World Index (DJSI World), the world's leading Socially Responsible Investment (SRI) (1) index. Fujitsu has been listed on the Index for seven consecutive years, and 19 times since the index was created in 1999.



FTSE is an investment-related organisation established by the London Stock Exchange which has created this globally-recognized SRI index that evaluates companies based on their environmental and social practices. Fujitsu has been selected for inclusion in the index for nine consecutive years.



United Nations
Global Compact

UN Global Compact – Fujitsu announced its support of the United Nations Global Compact in December 2009. The Fujitsu Group is committed to global CSR activities that uphold the 10 principles of the Global Compact.



International non-profit organisation CDP represents a network of institutional investors that control over \$100 trillion in assets. CDP scores over 5,000 companies throughout the world on their environmental action and identifies those that it rates highest as the "A List." Fujitsu has earned a spot on the A list in 2018 and 2017.



WBCSD – in 2018, Masami Yamamoto, Senior Director of the Fujitsu Board, was appointed as Vice Chair of the World Business Council for Sustainable Development.



WEF- Fujitsu Support activities by the World Economic Forum (WEF) to strengthen Reliability and Security through ICT cyber security.

Our Sustainability eLearning courses give all our people the knowledge and skills they require to ensure they can protect the environment and improve practices in their area of responsibility.

Sustainability engagement and education

Our Sustainability eLearning courses and our Environmental Management System (EMS) gives all our people the knowledge and skills they require to ensure they can protect the environment and improve practices in their area of responsibility.

Our mandatory Fujitsu, Sustainability and You course outlines Fujitsu’s Sustainability values and policies from both a local and global perspective. Last financial year 2836* people had completed this training. Our Sustainability and ICT course examines the environmental impact of ICT and the solutions to some of these challenges, and help employees recognise the ways that Fujitsu is contributing towards the development of a low-carbon society. Last financial year 2834* people completed this course.

In FY18 we also rolled out a program of education and engagement on the Sustainable Development Goals. Delivered both in person and via webinar, this program reached more than 450 of our people. The sessions delivered an introduction to the SDGs, what they are trying to achieve, how partnerships are key to achieving the goals, and Fujitsu’s commitments to achieving the goals. We will continue to run these education sessions on an ongoing basis.

Employee engagement in sustainability activity is fostered and maintained through regular interaction via the Yammer Sustainability Group, postings on Fujitsu’s Sustainability Intranet Home Page, location meetings and events. Topical sustainability webinars are also held attract a wide audience of staff tuning in to learn about a range of critical sustainability topics. In FY18 these included Marine debris (with the Tangaroa Blue and Australian Marine Debris Initiative) and Digital Disruption in sustainability.

*Training numbers include Australia and New Zealand permanent staff and contractors only.

Sustainability Board

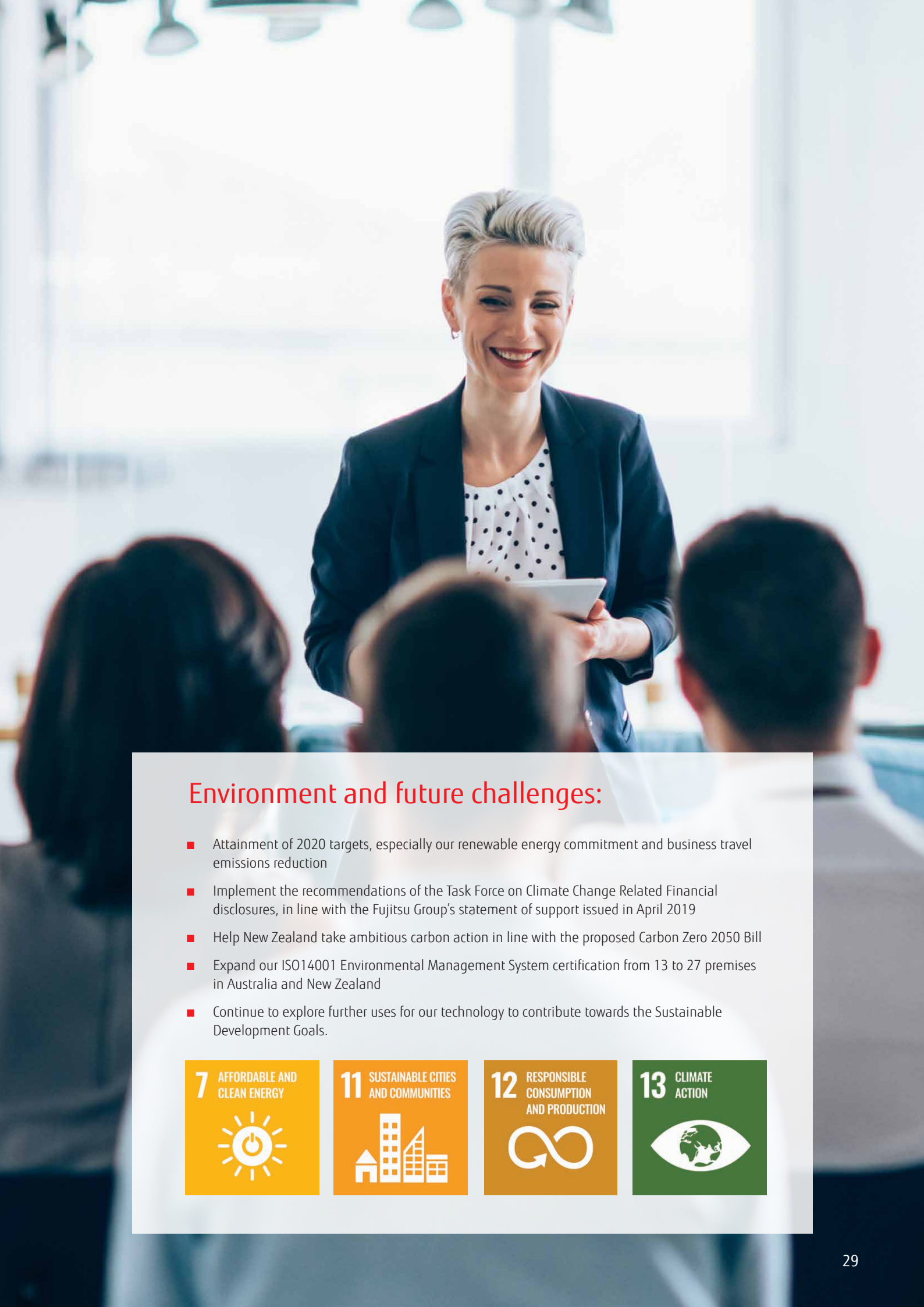
The Sustainability Board provides leadership and governance over Fujitsu’s sustainability strategy and policy and is accountable for the successful implementation of the specific goals and objectives of the program. Chaired by the CEO, the Sustainability Board is the highest level of sustainability authority at Fujitsu and meets bi-annually to review the formal report from the Sustainability team on the overall performance of the strategy.

Memberships

Fujitsu is actively involved in and a contributing member of many local and global organisations that are committed to achieving quantifiable improvements to society’s environmental impact.

Fujitsu is a member of:

- Sustainable Business Council New Zealand
- Climate Leaders Coalition New Zealand
- Carbon Market Institute Australia
- Australian Packaging Covenant Organisation
- Business Renewables Centre Australia
- CitySwitch
- NSW Sustainability Advantage
- TAKE2 Sustainability Victoria



Environment and future challenges:

- Attainment of 2020 targets, especially our renewable energy commitment and business travel emissions reduction
- Implement the recommendations of the Task Force on Climate Change Related Financial disclosures, in line with the Fujitsu Group’s statement of support issued in April 2019
- Help New Zealand take ambitious carbon action in line with the proposed Carbon Zero 2050 Bill
- Expand our ISO14001 Environmental Management System certification from 13 to 27 premises in Australia and New Zealand
- Continue to explore further uses for our technology to contribute towards the Sustainable Development Goals.

7 AFFORDABLE AND CLEAN ENERGY

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION



4. Community involvement and development

In this section:

- Charity partnerships
- Supporting our customers in the community

At Fujitsu, we believe that we can all make a positive difference in our community.

We aim to contribute to the creation of a trusted future: a connected society that is prosperous and secure, fulfilling the dreams of people in our communities. We engage our employees to enable them to live their values at work and feel pride in Fujitsu. At Fujitsu, we use our technology, expertise, time and funds to create a positive difference in our communities.

Fujitsu's charity partnerships

In Australia and New Zealand, we support two long term charity partnerships with community organisations.

Soldier On

Fujitsu has a long-term relationship with the Department of Defence and a deep understanding of the issues facing Defence personnel in Australia. As such, we have been proud to support Soldier On as a charity partner since 2015.

Soldier On provides support to Australian Defence Force personnel and their families who have been physically and psychologically wounded in service. With the help and support of sponsors, Soldier On works to enhance recovery, inspire communities, and empower Australia's veterans, giving those who have served our country the dignity they deserve and the chance to do and be whatever they choose.

Over the course of our sponsorship, Fujitsu has provided both financial and in-kind support, through fundraising initiatives, donations, IT infrastructure services, and career development opportunities for veterans.

Having signed the 'Soldier On pledge', Fujitsu demonstrates our commitment to recognising skills and attributes of veterans and their spouses throughout our recruitment initiatives. Fujitsu actively supports this initiative by offering guaranteed interviews to veterans and their spouses, and we work directly with Soldier On to refer applicants who may be suitable for other organisations involved in the initiative.

Over the course of our partnership, Fujitsu has provided in-kind support to Soldier On in the form of IT infrastructure and products. Our Fujitsu desktops and notebooks have been used within the new innovation hubs set up across Soldier On regions. These hubs provide health, wellbeing, and psychological support services to veterans and their families, as well as providing a space to build social connections and access one-on-one employment or education support.

Additionally, Fujitsu launched a Fujitsu/Soldier On Career Academy in February 2017, providing young war veterans with transition support needed to return to civilian life and enter the corporate career world. The Academy offers work placement within a team at Fujitsu where the veteran receives coaching, mentoring, interview guidance including mock phone interviews, and tips for their CV development to prepare them to land their dream role in the corporate world.

Fujitsu also supports the Pathways events which Soldier On runs. In the past year, we have hired two employees as a direct result of our attendance and support at Soldier On events. Pathways networking events are held across the country with support from Pledge Partners.

The events provide support, guidance and opportunities for current or ex-service personnel in terms of employment opportunities, career guidance, resume writing, and networking. Fujitsu is proud to have attended and hosted several of these events in both NSW and ACT for Soldier On.



Camp Quality

Fujitsu has chosen Camp Quality as its Charity partner since 2015. Camp Quality makes a real difference to children and their families living with cancer. The services Camp Quality provides help children aged up to 13 years who are living with cancer and their families create a better life through building optimism and resilience throughout each stage of their cancer journey. From cancer diagnosis throughout treatment and into remission or, sadly, in bereavement, the Camp Quality programs and services support the whole family; at hospital, at home, back at school, and in the community.

Operating since 1983, Camp Quality teams are located in every state and territory across Australia. With the support of 2,500 volunteers, their services reach one in three children living with cancer in Australia.

We bring our support to life in a number of ways.

As a proud sponsor of the Australian Open of Golf, Fujitsu hosts a Super Monday Charity Golf Day (our biggest charity event of the year), inviting select Fujitsu staff, guests, partners and customers to play on the course directly after the Australian Open. This exclusive day is followed by a charity dinner and silent/live auction where Fujitsu raises funds for exclusively for Camp Quality. In 2018 we raised over \$27,000.

As Camp Quality's Innovation partner, we bring efficiencies to Camp Quality through digital transformation projects, utilising both our support funding and digital expertise. At the beginning of our partnership, Fujitsu funded the establishment of an online volunteer portal, which enables all of their volunteers to complete e-learning and training, before becoming fully-fledged 'vollies'.

Throughout December, Camp Quality were looking for some help to write Christmas cards to their generous donors who support kids and their families living with cancer. Employees at Fujitsu's Melbourne office answered the call and happily volunteered their time to spread festive cheer to donors and families alike. Over the course of 3 days, we were able to complete and send out 1,200 hand-written cards.

Our staff also have the opportunity to be involved in volunteering and fundraising events, and our previous Senior Marketing Manager, Sue Armstrong, was proud to serve on Camp Quality's NSW Revenue committee.

Our support equates to over \$100K each year, \$27K donation and in kind support and fundraising.



Eat my Lunch

Our Technical, Maintenance & Project Services team in Auckland volunteered their time for the second consecutive year to New Zealand's "Eat My Lunch" program this year. Eat My Lunch (EML) is a New Zealand-based organisation that has a mission to ensure that no child at school goes hungry, starting with kids right in their own backyard. In just three years, EML have provided over 1 million lunches to Kiwi kids in need. For every personal or corporate lunch purchased, EML donates one lunch to a school.

This year, the TMPS team helped pack and box over 2000 lunches for the Day One launch of the 2019 campaign. The Fujitsu team were thrilled to donate their time to such a worthy cause close to home.



Supporting our customers, supporting the community

As a customer-led organisation, we are proud to support our customers in their community programs.

Ronald McDonald House

Fujitsu's have been sponsoring the Ronald McDonald's House Charity NSW Ball for over 10 years. This year Fujitsu were platinum sponsors of the charity event and had three tables of staff and guests present.

The Ronald McDonald House Charities NSW Ball raises funds for programs such as Ronald McDonald Houses in NSW, the Ronald McDonald Family Retreat Forster and Batemans Bay, the Care Mobile, the Ronald McDonald Learning Program and the Ronald McDonald Family Room program; all essential programs that ensure families who have a seriously ill child receive much needed comfort and support.

Childhood illness can have a devastating effect on families. As well as the fear and uncertainty, there are the practicalities of managing the family when a child is away in hospital, often for extended periods of time. Ronald McDonald House Charities have been making life easier for seriously ill children and their families in Australia since 1981. During the event, Fujitsu donated 150 nights of family care, together with the support of one of our partners Google. Each 'night' donation provides a bed and room for a family at the Ronald McDonald house.

Fujitsu is proud to have donated over \$50,000 on the night to this charity as part of our ongoing partnership with McDonalds.



Australia Post & Fujitsu brave the Townsville floods ensuring key services remain available for the community

In February this year, Townsville in North-eastern Queensland, faced a years' worth of rain in just seven days, forcing hundreds of residents to evacuate and inundating thousands of homes and businesses with floodwaters. This event drastically changed the lives of the town's 180,000 residents in the space of a fortnight. One such organisation still dealing with the fallout is Australia Post – one of Fujitsu's major customers in Australia.

Fujitsu provides Retail Field Services for Post Offices nationwide, providing working equipment which will sustain smooth operations, instrumental to small communities, particularly those in remote regions of the country. In the wake of the floods in Townsville, the strength of our relationship with Australia Post was evident, as Fujitsu maximised their efforts to ensure all impacted sites were back to running, as soon as possible.

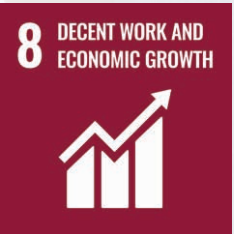
Three Post Offices hit by the floods required EPOS terminal replacements, which typically have a one month timeframe to order and implement. Working with Australia Post, Fujitsu put community impact at the forefront of their minds, working to make sure that EPOS terminals were staged, tested end-to-end, shipped by express courier and installed quickly. This allowed Australia Post to stand up a portable office in only four days – an activity that would usually take eight weeks. This teamwork was vital to providing a continuity of core services for communities in Townsville.

Fujitsu was proud to support Australia Post to create a positive difference in providing local community services during a difficult time for the Townsville community.



Community future challenges:

- Leverage our co-creation expertise to identify where our technology and skills can deliver greater value to our community partners
- Continue to expand our measurement of social impact to understand the social return on investment in our community programs
- Extend our volunteering leave to allow more choices for Fujitsu people to be active in the community
- Review our veteran hiring and set targets.



5. Diversity & Inclusion

In this section:

- Gender
- Culture and reconciliation
- Generational
- LGBTI+
- Disability inclusion
- Employee engagement

We want Fujitsu to be a place where everyone can be completely themselves.

At Fujitsu, we believe in the power of human difference to create a better future in a digital and diverse world. We understand that the insights of many voices will make Fujitsu stronger and more innovative, and is a key part in building trust. We want Fujitsu to be a place where everyone can be completely themselves.

Our Diversity and Inclusion Council, chaired by CEO Mike Foster, plays a key role in driving strategies and initiatives. This year, we launched working groups across the five diversity areas to better inform and implement our strategy.

The Council and Working Groups are committed to making Fujitsu a place where the richness of ideas, backgrounds and perspectives of its people can be harnessed for both our employees and our customers.

Our diversity and inclusion policy covers five key areas to help foster an equal and innovative culture, these are: age, gender, health & disability, ethnicity & race, and sexual orientation & gender identity.



Gender

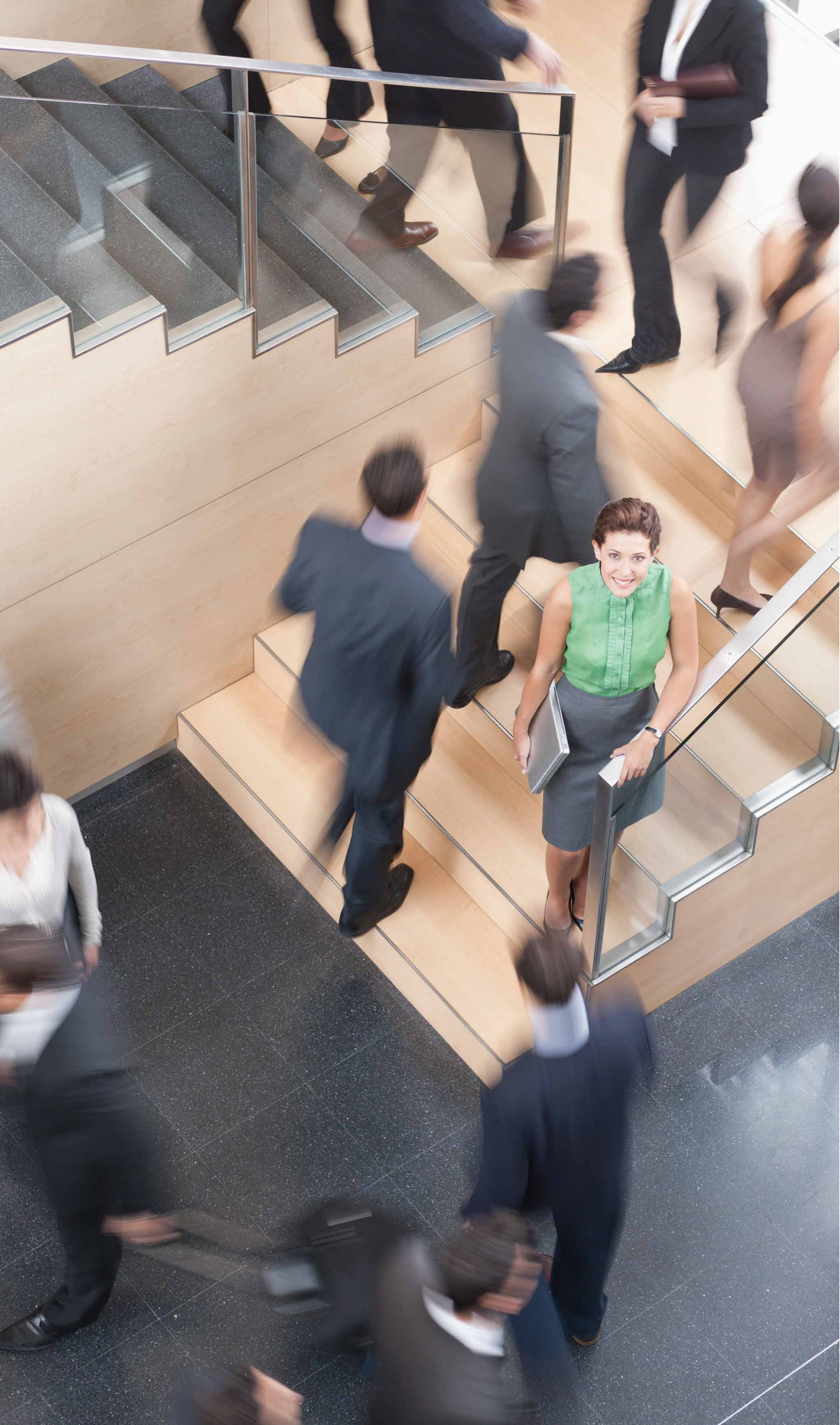
We will build an inclusive culture that empowers women and harnesses their strengths to create customer and social value.

Changing the gender balance in Fujitsu is one of our key areas of focus. In regards to the gender diversity of our senior team, 20% of our Senior Leadership Team are female. Targets for increasing the gender balance of our organisation and leadership levels are currently being prepared and will be finalised for implementation in FY19.

Table 1 – Employee numbers by gender

	FY 17	FY 18
AUSTRALIA		
Employee Count	2,592	2,369.2
% Female	21%	21.1%
Return to work after parental leave	100%	97%
Fathers taken Paternity Leave	51	51
Women in executive roles	18.0%	20.7%
Women in technology roles	12.2%	12.4%
NEW ZEALAND		
Employee Count	555	514.7
% Female	21%	23.6%
Return to work after parental leave	96%	100%
Fathers taken Paternity Leave	11	9
Women in executive roles	25.0%	25.0%
Women in technology roles	14.7%	16.0%
FAST		
Employee Count	41	75
% Female	24%	21%
Return to work after parental leave	*No PL taken	100%
Fathers taken Paternity Leave	*No PL taken	*No PL taken
Women in executive roles	0%	0%
Women in technology roles	11%	9%
REGIONAL TOTAL		
Employee Count	3188	2883.9 (*1)
% Female	22%	21.5% (*1)
Return to work after parental leave	98% (*1)	99% (*1)
Fathers taken Paternity Leave	62 (*1)	60 (*1)
Women in executive roles	30% (*1)	20% (*1)
Women in technology roles	12.7% (*1)	13% (*1)

(*1) This data is the data excluding FAST employees



This year, we have seen many more men access parental leave after we upgraded our parental leave entitlement to 14 weeks for the primary carer in 2017. We recognise that encouraging men to be active, involved parents supports gender equality, mental health and work-life balance.

Since 2016, our CEO Mike Foster has been a member of the STEM Male Champions of Change Group. Male Champions are committed to redefining men’s roles in taking action on gender equality. They seek to identify and share practical actions to increase the representation of women in leadership. Fujitsu is a proud silver member of Females in Information Technology (FITT), an industry association that aims to create a voice for women in ICT, promote gender balance in the industry, and provides mentorship opportunities for talented women.

In 2019, we launched the inaugural Fujitsu Women’s Network (FWN). The FWN aims to foster an inclusive atmosphere and drive initiatives that help women at Fujitsu to realise their potential. On International Women’s Day in March 2019, FWT celebrated in all offices across Australia and New Zealand, with our CEO Mike Foster chairing a panel in our Macquarie Park head office. We also profiled women of Fujitsu who shared their thoughts on gender diversity in the workplace, drawing on their personal experiences. Across several Fujitsu locations we raised awareness of this year’s theme, #BalanceforBetter, by distributing stickers to wear for the day. Fujitsu colleagues were asked to identify with one of the commitments for change: maintain a gender parity mindset, challenge stereotypes and bias, forge positive visibility of women, influence others’ beliefs/actions and celebrate women’s achievements.

This financial year, a number of Fujitsu women were externally recognised for their contribution to the IT industry. Congratulations to:

- Melissa Woolley, Regional Manager in Palmerston North, NZ, a finalist at the ARN NZ Women in IT Awards in the ‘Shining Star’ category
- Blaise Porter, Sustainability Manager Oceania, who was a finalist at the ARN Australia Women in IT Awards in the Community category, and also a finalist at the 2019 ISG Awards in the Woman in ICT category
- Sabina Janstrom, a finalist at the 2019 ISG Awards in the Woman in ICT category

The Workplace Gender Equality Agency is an Australian Government statutory agency created by the Workplace Gender Equality Act 2012. Fujitsu reports against a set of standardised gender equality indicators (GEIs). Fujitsu is required to prepare a report for the Workplace Gender Equality Agency and this is available on the WGEA website.

Culture and Reconciliation

Through our Reconciliation Action Plan, Fujitsu aims to create sustainable opportunities for Aboriginal and Torres Strait Islander people in our communities, business and supply chain.

By partnering with Aboriginal and Torres Strait Islander people, businesses and communities Fujitsu aims to help shape a tomorrow in which First Nations and non-Indigenous Australians share in an equitable, just, prosperous and rewarding future. In this spirit, we launched our first Reflect RAP in February 2018. With the one-year duration of the RAP now complete, we reflect on the achievements and learnings that have come in the past year. We are proud that we have:

- Increased our spend with Indigenous-owned businesses from \$4.5k in FY16 to over \$273k in FY18
- Partnered with the Indigenous Defence & Infrastructure Consortium (IDiC), an organisation designed to help Indigenous-owned businesses get exposure in critical government contracts
- Participated in a Virtual Reality experience in our offices for Reconciliation Week
- Published a protocol for Welcome to Country and Acknowledgement of Country for our employees
- Hosted an 'Indigenous Voices in Tech' panel at Fujitsu World Tour in 2018 featuring Adam Goodes, IDiC CEO; Donna Reddin, Contracts Administrator - Social & Sustainability and Procurement Manager, Laing O'Rourke + Supply Nation Procurement Professional of the Year 2018; Jesse Slok, Co-Founder, Bawurra Foundation; and Liam Ridgeway, Co-Founder NGNY + Co-Founder Indigitek.

We have learned that we need to build deeper partnerships with First Nations STEM and higher education organisations to attract, nurture and celebrate First Nations people in STEM careers. We also acknowledge that we must build the confidence of our employees in delivering Acknowledgement of Country statements, and that our employees would like more opportunities to learn about First Nations history, culture and achievements. We will incorporate these learnings into our Innovate RAP, which will be launched in 2019.

Generational

Our ambition is to be a global leader in workplace diversity by building a culture of inclusion which embraces opportunities for a multi-generational workforce.

Globally, the workforce is aging, people are living and working longer than ever before. At the same time, more young people are entering the workforce with new expectations, informed by a lifetime of digital connection.

In terms of generational diversity, the average age of our employees is 44. Fujitsu is committed to the future success and growth of our organisation depends upon attracting, developing and retaining talent. We need to ensure we create an employee experience that embraces diversity, inclusion

and belonging. We will do this by integrating diversity and inclusion into every aspect of our business to improve performance.

The Young Community was launched in February 2019 aiming to bring millennials in the business together, to foster an inclusive atmosphere and drive initiatives that will help millennials at Fujitsu to realise their full potential. We aim to increase visibility for millennials across the business by strengthening and expanding their professional network.

Our graduate program has been a key area of focus to attract and develop a new generation of talent. In FY 18/19 we recruited 59 graduates across Australia and New Zealand, up from 44 the previous year.

LGBTI+

We promote respect for people and equal opportunities for all.

This year we joined Pride in Diversity, Australia's largest employer support program for LGBTI+ inclusion, to help us with our activities to promote LGBTI+ inclusion. Pride in Diversity have supported our LGBTI+ working group to develop a three-year strategy, which will see Fujitsu take part in the Australian Workplace Equality Index in future years to benchmark our practices. We have also promoted training and awareness sessions offered by Pride in Diversity to our people.

Fujitsu Pride, a networking group for LGBTI+ employees and allies was launched this year and will celebrate days of significance to the LGBTI+ community in FY19, including IDAHOBIT Day (the International Day Against Homophobia, Biphobia, Intersexism and Transphobia) and Wear it Purple Day, which celebrates and raises awareness of mental health issues in the LGBTI+ community.

We have reviewed and updated a number of workplace policies, including our benefits policies (superannuation, travel relocation etc) to ensure that same-sex partners are explicitly included. Fujitsu is listed on the Inclusive Employer Australia website as part of our commitment to hire from diverse talent pools.

In 2018, Fujitsu became the first Japanese company to pledge our support to the UN's LGBTI Standards of Conduct for Business.

Disability

We are committed to developing a diverse and enabled workforce from the widest talent pools.

Our focus has been on ensuring our policies are fit for the modern workplace and prominent so that people are aware of what is available to them. The policies include: Disabled parking, Seating arrangements, Building accessibility and Flexible working arrangements (e.g. working from home). Our buildings have been fitted to modern standards that cater for employees who require adjustments. This includes provision of adjustable-height desks, provision of accessible parking spaces, and conformance with appropriate building access regulations.

In addition, we celebrated International Day for Disability by encouraging all employees to wear purple (our global colour for disability).



We promote respect
for people and equal
opportunities for all.

People development and employee engagement

Employee Engagement

Fujitsu's Oceania employee engagement strategy includes these guiding principles:

- putting the employee at the centre of everything we do
- trusting the employee to do the right thing
- training, supporting, and empowering managers to lead and grow high-performing teams
- building a culture of continuous learning that will provide opportunities for personal development
- creating an environment where employees contribute and innovate in a culture that celebrates diversity and promotes inclusion
- recognising and rewarding talent and celebrating the contribution of employees
- ensuring there is no compromise on health and safety

One way we measure employee engagement is through the 'One Fujitsu' employee engagement survey, which is conducted annually across all Fujitsu regions. The 2018 results indicated an engagement score of 60% (up 6 percentage points from 2017) and an enablement score of 59% (an increase of 5 percentage points).

As a result, a number of initiatives focused on driving cultural change across our organisation have been launched, including:



Building a strengths-based organisation:

We have continued with the rollout of the Gallup Clifton Strengths Based Assessment. This is one of the ways we are driving a positive change in culture, focusing on how we apply and build on our strengths as individuals and in our teams. The program is designed to support all employees build on their personal strengths and to bring the best of themselves to the workplace.



Learning & development:

Fujitsu launched the Empower learning portal, an online learning platform offering access to thousands of learning resources. The Empower Learning platform is designed with the learner as the number one focus, offering an easy to use experience when accessing learning resources online. Empower enables employees to access training courses and content, complete Fujitsu specific learning modules, and assists with personal development.



Changing the culture of our business:

The Oceania 7 Values was launched in March 2019. These values form the essence of Fujitsu Oceania's culture and are fully endorsed by the Executive Leadership Team.

These values are:

- Trust
- Respect
- Focus on the Customer
- Accountability
- Purposeful
- Simplicity
- Learning

In November 2018, over 180 staff across the region attended focus groups to share their perspectives on what the core values mean to them. Participants shared personal stories and experiences to articulate what the values look like in action. The outputs were published on Yammer, for further employee feedback and videos featuring our executive leadership team explaining the importance of each value were released internally.



Diversity future challenges:

Gender

- Increase representation of women in our business, with a focus on leadership and technical roles
- Attract more women to Fujitsu and achieving a 50% target of women as new hires
- Continue to explore new flexible working pathways and examine barriers to flexible work

Culture & Reconciliation:

- Launch our first 2-year Innovate Reconciliation Action Plan (RAP)
- Create pipelines for young First Nations people in our organisation
- Continue to increase the number of Indigenous-Owned businesses in our supply chain, including sub-contracting customer deliverables to invest in First Nations capacity in the ICT sector
- Greater acknowledgement of days of cultural significance across the broad mix of cultures at Fujitsu

LGBTI+

- Participate in the AWEI Index
- Join Rainbow Tick NZ and achieve this certification
- Continue to grow the Fujitsu Pride network regionally and forge strong connections with international Fujitsu LGBTI+ networks
- Launch a Gender Transition in the Workplace guideline to support the needs of trans colleagues

Generational

- Grow and enhance the Young Community Group
- Create a more visible Employee Valuable Proposition – external communications within the market

Disability

- Focus on Disability inclusive employment strategies and recruitment



6. Wellbeing

In this section:

- Wellbeing strategy
- Highlights & performance measures



The safety and wellbeing of our most important resource, our people, is a key priority at Fujitsu.

Fujitsu continues to invest in maturing our Safety and Wellbeing systems with strategies to measure compliance, evidence based risk management and education programs to give our staff tools in resilience and health promotion.

Early in 2019, the Executive Leadership Team endorsed a new Fujitsu Safety and Wellbeing strategy extending our focus from risk management activity through to a workplace where our employees are supported to be the best they can.

Vision

“At Fujitsu, our vision is to create a healthy, safe, productive and engaged workplace where our people feel valued and at the heart of everything we do.”

Guiding principles

- We are committed to enhancing the physical and mental safety and wellbeing of our people
- Safety and wellbeing risks are given the highest consideration in our decision making, work planning and performance
- Genuine and continual engagement with the people involved in, or affected by our work, on matters of safety and wellbeing.

Strategic objectives

Effectively manage safety and wellbeing risks

- Confirm risk management strategy and practice is in place and effective
- Communicate uniform standards in the treatment of risks
- Refine effective injury management

Simplify and promote systems

- Simplify WHSM system and increase awareness
- Implement self assessment tool to verify compliance
- Expand external audit
- Transition to 45001

Develop safety and wellbeing capability

- Educate our leaders in accountability and responsibility
- Establish an effective consultation and participation framework
- Train the people involved in achieving our critical risk controls

Network a positive safety and wellbeing culture

- Implement a comprehensive mental health strategy
- Introduce an innovative safety and wellbeing communications approach
- Leverage relationship with EAP provider

Wellbeing highlights

There have been a number of highlights for the reporting period, including:

- Commenced arrangements to review the Fujitsu safety management program and transition from the current ISO 18001 certification to the new Standard, AS/NZS ISO 45001 Occupational health and safety management systems. We are looking forward to collaborating with our new certification agency, Bureau Veritas to achieve certification in 2020
- Refresh of the workplace health and safety (WHS) information on the Fujitsu Infoworld portal to allow ready access to procedures, links to training, how to report an incident and more
- Pilot of Mental Health Awareness training sessions for Managers, including mental health vs mental illness, detection and conversation to support employees, self-care techniques in managing mental illness
- High participation rate of Oceania employees in the Corporate Global Challenge, focusing on key areas such as nutrition, sleep, hydration and relaxation strategies.



- Partnership with a new wellbeing provider, Assure Programs, to provide face-to-face, teleconference or 24/7 SMS coaching and support to any of our employees or family members experiencing personal or work related challenges. The service extends to proactively support employees with access to team and individual coaching services across a range of matters.



Performance measures

- The Lost Time Injury Frequency Rate (LTIFR) for April 2018 to March 2019 (the Fujitsu financial year) was recorded at 1.1, decreasing from 1.2 the previous year
- Zero significant incidents or potentially significant incidents (pSI) were recorded for the reporting period
- Successfully met target of 80% attendance of ELT at monthly Safety & Wellbeing Steering Committees
- Zero major non-conformances identified during third party external and internal audits.

The Fujitsu focus on the wellbeing

With increasing stability in the safety features of the Fujitsu workplace environment, we have expanded our investment in wellbeing, particularly mental health aspects. The new Fujitsu strategy consists of three segments to be addressed in sequence from support programs, through to protection from work related risk factors and culminating in wellbeing promotion initiatives. Indicated by the gentle yellow butterfly, Fujitsu is committed to reducing the stigma of mental illness and will campaign with RUOK? Day activities each year to promote connection and support for anyone who may be struggling.



Fujitsu Oceania's mental health strategy

Wellbeing future focus:

- Risk review of workplace factors or relationships that may have an adverse impact of wellbeing
- Investing in Manager Capability with skills to identify, support and refer team members who may be struggling with their mental health
- Regular communications to promote current wellbeing information and support services
- Continued promotion of our Employee Assistance Program, in particular the manager support service
- Incorporate workplace mindfulness and resilience programs as part of health promotion activity.



7. Operating practices

In this section:

- Responsible procurement
- Modern slavery
- Compliance practices
- Safety
- Digital security and privacy

Our procurement policy has ethical, social and environmental principles embedded within it.

Driving responsibility in the Oceania supply chain

Our procurement policy has ethical, social and environmental principles embedded within it. Our supply chain consists of approximately \$700m spend in the Oceania region on products and services, and globally a product manufacturing and services supply chain. Our procurement policy has ethical, social and environmental principles embedded within it. We joined the United Nations Global Compact in December 2009 and are committed to upholding its 10 principles in all our business activities.

Globally, Fujitsu are members of the Responsible Business Alliance and The Fujitsu Group has adopted the RBA Code of Conduct as its Responsible Procurement Guideline. We seek assurance from our suppliers via code of conduct and questionnaires about subjects including human rights and labour, environment, conflict minerals, and ethical business practices. We work with our supply chain to promote due diligence in the supply of high risk minerals that could lead to human rights abuses, which is outlined in our Approaches against Responsible Minerals Procurement.

Indigenous procurement

In line with our procurement policy, Fujitsu proactively seeks to procure products and services from suppliers that are Aboriginal and Torres Strait Islander owned, managed and controlled (Indigenous enterprise).

With this we aim to generate value within our supply chain, increase opportunities for Indigenous Australians through economic empowerment, and meet the expectations of our customers and communities.

As such, we have targets in place for Indigenous enterprise representation in our supply chain and are members of Supply Nation. In 2018 Fujitsu also partnered with the Indigenous Defence & Infrastructure Consortium (IDiC) to further progress our supply chain inclusion goals, and are proud to have continued to increase the value of our spend with Indigenous owned businesses year on year.

FY Year	Spend
FY16/17	\$4,500
FY17/18	\$73,100
FY18/19	\$272,000



Compliance training

Fujitsu undertakes regular compliance training through our iLearn online learning software. Key courses that we have rolled out are shown below with completion numbers (training numbers include Australia and New Zealand permanent staff and contractors only).

Course	Australia	New Zealand
Global Business Standards - provides guidance to all employees as to how we must act to prevent breaches of the law, maintain our high standards of business conduct and protect Fujitsu's global reputation.	2320 90%	423 78%
Compliance Awareness - this course focuses on three key subject areas; bribery and corruption; antitrust and competition; and export control.	2482 94%	570 96%
The Fujitsu Way - explains our vision, the values we hold, and the principles all employees are expected to follow. This course explores the four core elements that underpin the Fujitsu Way: our corporate vision; values; principles; and code of conduct.	2531 89%	522 88%

Modern slavery

The 2018 Global Slavery Index (published by the Walk Free Foundation) estimates that 15,000 people in Australia and 3000 in New Zealand live in modern slavery. An estimated 40.3 million men, women, and children were victims of modern slavery on any given day in 2016. Of these, 24.9 million people were in forced labour and 15.4 million people were living in a forced marriage.

In Australia the Modern Slavery Act (Cth) ("Act") became effective on 1 January 2019 introducing a new statutory modern slavery reporting requirement for companies with an annual review of \$100 million annually operating in Australia. Under the Act, Fujitsu Australia is required to register its Modern Slavery Statement with the Department of Home Affairs by 30 September 2020. This Statement will be freely accessible on the Department of Home Affairs website and Fujitsu Oceania will also publish it on its website.

In order to ensure that Fujitsu Australia meets its reporting requirements a Modern Slavery Statement Committee has been established. The Committee meets regularly to review Fujitsu's compliance with the act and progress against plans.

The Act requires that the Modern Slavery Statement contain the following:

- Fujitsu's structure, operations and supply chains
- the risks of modern slavery practices in the operations and supply chains
- the actions taken to assess and address those risks, including due diligence and remediation processes. (Actions can include development of policies and processes to address modern slavery risks, and providing training for staff about modern slavery)
- how Fujitsu assessed the effectiveness of such actions

As at 1 April 2019, Fujitsu Australia has reviewed its current supply chain, and assessed and categorised each supplier as having a high, medium and low risk of modern slavery. It has prepared a questionnaire that will be sent to all Fujitsu Australia's suppliers in regard to their compliance with the Act. The results from the questionnaire will provide a real-time picture of Fujitsu Australia's supply chain. Fujitsu Australia will then be able to work with the suppliers that may need remediation processes put in place.

In addition, Fujitsu Australia has amended the terms and conditions of its Supplier Agreements to ensure that all new suppliers will comply with the Act and will not engage in any activity, practice or conduct which would constitute modern slavery under the Act.

This will support our ambition of transparency in supply chains as well as acting in accordance with human rights principles.

Governance - Compliance Committee

The Compliance Committee meets quarterly and is a forum for the sharing of compliance incidents and information which supports the compliance program in Fujitsu's business practice. Further, the Compliance Committee assists the company to maintain an effective ethics and compliance program, maximise the inherent benefits of such a program, and consistently promote an organisational culture that demands ethical business conduct and compliance with the law.

Transforming our global supply chain requires both transparency and collaboration.

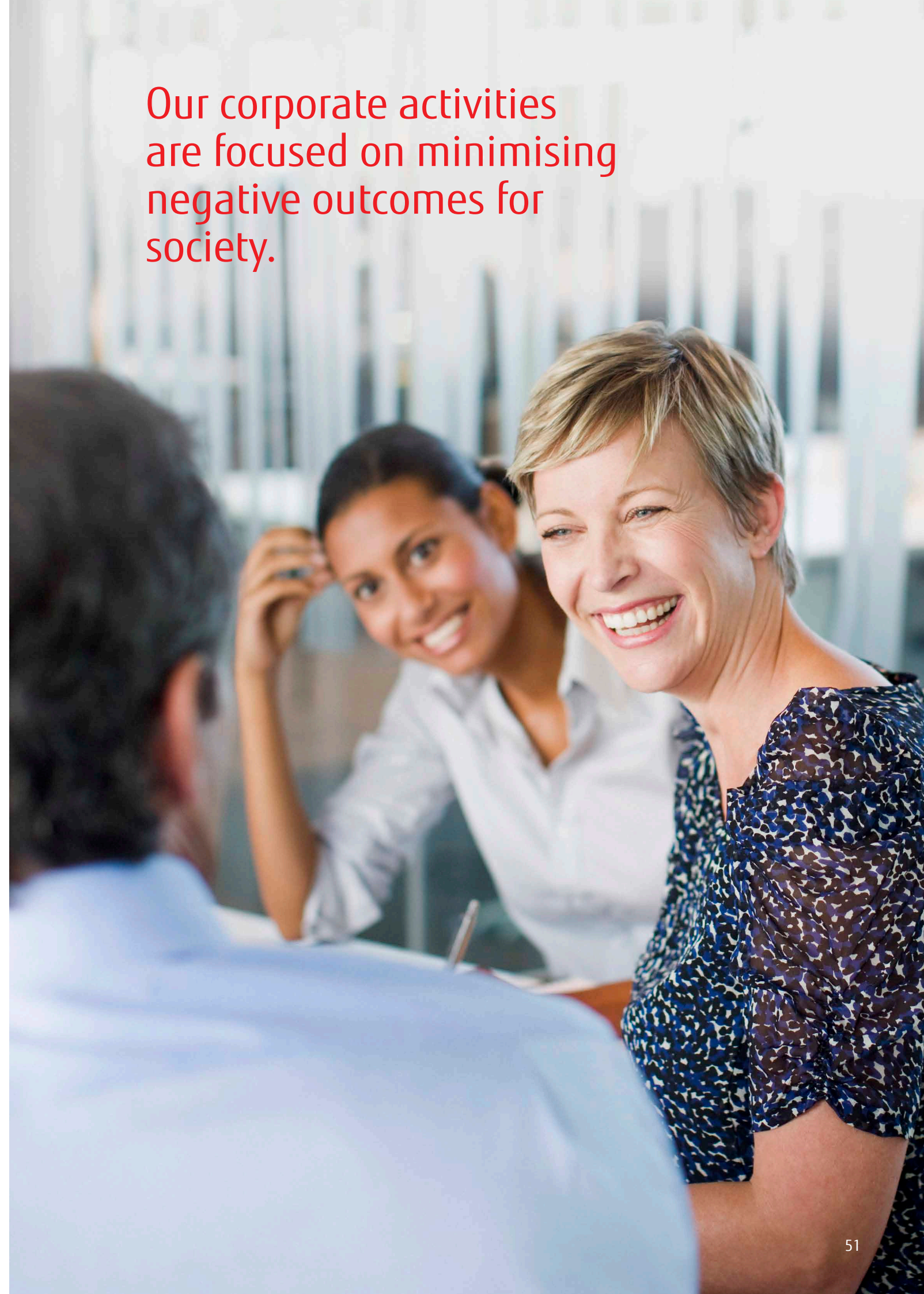
To ensure ongoing sustainable operations, the Fujitsu Group supports and is a signatory to the UN Global Compact's 10 principles in the areas of human rights, labour, the environment, and anti-corruption. Our corporate activities are focused on minimising negative outcomes for society and we are committed to reviewing and improving our socially responsible activities. In terms of compliance, we have implemented the Global Compliance Program throughout the Fujitsu Group to firmly establish a corporate culture where all executives and managers continue to lead each and every employee around the world in an environment with zero tolerance for any wrongdoing.

Fujitsu Group became a member of the Responsible Business Alliance (RBA) (*1) in 2017 and adopted the RBA Code of Conduct as the "Fujitsu CSR Procurement Guideline" in March 2018. Suppliers are subject to the Guideline if they provide components, materials, construction services, equipment, software, and so on for use in Fujitsu Group products Globally, we are members of SHIFT, a U.S. non-profit organisation engaged in business and human rights; and BSR, a global non-profit business network and consultancy dedicated to sustainability.

Fujitsu Group Policy on Conflict Minerals

The Fujitsu Group regards corporate responsibility with respect to conflict minerals (*2) as an important CSR issue and, accordingly, formulated its "Fujitsu Group Policy on Conflict Minerals" in March 2018. The Policy stipulates that the Fujitsu Group shall remove high-risk conflict minerals – those associated with fostering conflict, forced labor, or human rights violations – from its products, components, and supply chain. In addition to joining the RBA, Fujitsu is also a member of the Responsible Minerals Initiative (formally CFSI) and is part of the JEITA working group on responsible minerals. We are also working closely with our customers and suppliers to ensure that we have implemented suitable measures in our supply chain.

Our corporate activities
are focused on minimising
negative outcomes for
society.



Safety across Oceania

At Fujitsu we are committed to the health, safety and welfare of all people who work for and with our business. Our ultimate objective is the prevention of injury and harm. We expect our leaders to communicate their commitment to safety to their people by establishing injury prevention goals and safe work practices, which includes the psychological wellbeing of our people.

One key performance measure is our lost time injury and frequency reporting (LTIFR) figure. This measures the number of lost-time injuries per million hours worked during an accounting period. The LTIFR for April 2017 to March 2018 (Fujitsu financial year) is 1.1, down from 1.96 last year. Fujitsu has a health and safety management system that applies across all operations in ANZ. The system is based on the standards for safety management systems, OHSAS 18001: 2007. The system is externally certified to OHSAS 18001 - Occupational Health and Safety Management Systems, thus ensuring a consistent and standard approach across the organisation.

Data security and privacy

Ensuring the security and privacy of data is key to trust in partners and society.

Fujitsu's full range of professional security services and managed security services are based on best-of-breed security technologies. We develop and provide our own security products and solutions, such as the biometric authentication solution Fujitsu PalmSecure, and Fujitsu Identity as a Service (IDaaS). Fujitsu's local and global Security Operations Centers provide a 24/7 secure service tailored to customers requirements, and drawing on more than 40 years of experience in highly secure environments.

Fujitsu delivers a comprehensive suite of security offerings, including:

- Threat Analytics – where we collate and analyse events
- Vulnerability Management – where we probe assets and configurations to identify weaknesses
- Threat Intelligence – where we track external feeds to give early indications of potential targets
- Threat response- where we help our customers to plan how to react effectively in the event of a breach or potential breach.

The ethical application of Artificial Intelligence

In recent years exciting developments in AI-related technologies have promised many novel solutions to persistent social issues and environmental problems. Nevertheless, the possibility of unforeseen consequences, including discrimination, has come to the forefront, and debate about the social, ethical, and legal issues surrounding artificial intelligence is increasing. Fujitsu believes that as an enterprise developing and providing AI services and solutions, it bears an obligation to advance the safe and secure use of AI, which remains essential for respecting the dignity of people and creating a promising and prosperous future.

In March 2019 the Fujitsu Group released its Fujitsu Group AI Commitment, which outlines our vision for the safe and secure use of AI. In formulating this commitment, Fujitsu surveyed and investigated the policies covering AI development and usage that have been promoted by governments and organisations around the world. Last year, London-based Fujitsu Laboratories of Europe Ltd. also became a founding partner of AI4People(1), Europe's largest forum for AI-related ethics.

Key points of the AI Framework

1. Provide value to customers and society with AI
2. Strive for Human Centric AI
3. Strive for a sustainable society with AI
4. Strive for AI that respects and supports people's decision making
5. As corporate social responsibility, emphasize transparency and accountability for AI

The company also established a committee including external experts and put in place a mechanism for fielding the objective evaluations of third parties. By sharing those evaluations at future Board of Directors' meetings, the company will enhance corporate governance relating to AI ethics. As a business partner trusted by its customers, Fujitsu will support the transformation of customer business and will carry out an ongoing dialogue with stakeholders in society, including customers, end users, and outside experts.



Future challenges operating practices:

- Work with our supply chain to promote Modern Slavery due diligence
- Continue to increase number of indigenous owned businesses in our supply chain and spend per FY
- Launch of our Cyber Security Resilience Centre in 2019



Conclusion

In the opening of this report, the themes of trust in a more connected and more uncertain world were highlighted. Fujitsu recognises that it is through our responsible business actions that we will build trust with customers, employees and society.

We acknowledge that all areas of environmental sustainability, community inclusion, wellbeing, diversity & inclusion, and ethical operating practices are important in achieving trust. As noted throughout this report, we have noted our challenges and future plans to address them, as well as our success.

We have a long term vision to both operate our business responsibly, but also to co-create social value through our technology with our customers and partners.

"Camp Quality has been working with Fujitsu for the past 4 years to help kids facing cancer be kids again. As an Innovation Partner, Fujitsu have ensured our families feel supported and understood. They have helped change the cancer story for kids by allowing them to create new memories built around laughter and fun, where cancer can take a back seat."

Arabella McGinness

National Campaigns and NSW Partnerships Manager
Camp Quality

"Fujitsu Australia are great supporters of Soldier On providing both financial and In-Kind support, which all goes towards helping Soldier On provide assistance to contemporary veterans and their families."

Jane Farrell

National Marketing and Communications Director
Soldier On

8. References

Reports

Fujitsu Group Integrated Report 2018

<https://www.fujitsu.com/global/about/resources/reports/sustainabilityreport/>

Fujitsu Group Environment Report 2018

<http://www.fujitsu.com/global/about/resources/reports/sustainabilityreport/2017-environmentalreport/>

Fujitsu Technology & Service Vision 2019

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SMARTer2030 – ICT Solutions for 21st Century Challenges

<http://www.fujitsu.com/au/solutions/business-technology/sustainability-consulting/thought-leadership/smarter2030/index.html>

Fujitsu Reflect Reconciliation Action Plan (RAP)

<http://www.fujitsu.com/au/about/local/rap/index.html>

Policies

Fujitsu Australia and New Zealand Sustainability Policy

<http://www.fujitsu.com/au/about/local/sustainability/sustainability-policies/>

Fujitsu Group Environmental Policy

<http://www.fujitsu.com/global/about/environment/approach/policy/index.html>

Fujitsu Australia and New Zealand Procurement Policy

<http://www.fujitsu.com/au/about/procurement/>

Fujitsu Group Socially Responsible Procurement Initiatives

<https://www.fujitsu.com/global/about/csr/procurement/>

Ethical AI Principles

<https://www.fujitsu.com/global/Images/20190313-01a.pdf>





Let's continue the conversation.
Find out how we can shape tomorrow with you.

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