

Promoting the Global Compliance Program

Fujitsu carries out its businesses under the principle that it is in the interests of Fujitsu, its employees and business partners to ensure that misconduct does not occur and that the business gained through improper or illegal conduct has no value for Fujitsu Group and will never be tolerated. In the course of such businesses, we prioritize openness, probity and accountability.

Based on such principle and values in terms of Compliance, we have implemented the Global Compliance Program throughout the Fujitsu Group to firmly establish 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.

1. Establishing Regulations and Procedures

Fujitsu group's minimum requirements for internal rules have been put together as "Fujitsu Group Global Policy" across the entire Fujitsu Group and they are adopted into the internal rules of each Group company after taking each country's law, culture, customs and other characteristics into account.

We have instituted the Compliance Policy with the approval of the Risk Management & Compliance Committee, and expanded them into Japanese Group companies with the aim of thoroughly ensuring compliance and improving corporate values. In particular, under the above regulations, we have established more specific and detailed guidelines in the areas with significant impact on business: antitrust law, anti-bribery, and antisocial forces.

For overseas Group companies, in addition to Fujitsu Group Global Policy, we make global guidelines with the approval of the Risk Management & Compliance Committee, and they are adopted into the internal rules of each overseas Group company. While issuing General Compliance Guidelines which correspond to the above compliance rules, we are also issuing global guidelines which relate to competition laws and various guidelines which pertain to bribery prevention.

With regard to bribery, we indicate the types of actions that are high risk, such as providing gifts and hospitality to government officials, giving donations and charitable contributions to political organizations, and facilitation payments. We have installed online systems in order to secure compliance of gifts and hospitality for government officials, and to thoroughly conduct due diligence on transactions made in regions that are high risk for corruption. We operate these systems in major overseas Group companies in Europe, Asia, the Americas and Oceania. Suppliers and partners are required to abide by laws and regulations, as well as the Global Business Standards, in contracts and other means.

2. Top-Level Commitment and Securing of Resources

Fujitsu actively works to express management's commitment to compliance through the President's and/or Executive messages to employees and other measures every year. By doing so, the company aims to disseminate and implement the Code of Conduct and the Global Business Standards across the entire Group. In addition, Fujitsu deploys regional officers responsible for compliance activities in Japan, Europe, Asia, the Americas and Oceania, and has formed a global network with Risk Management & Compliance Officers spanning every company in the Fujitsu Group to secure a structure for implementing the Global Compliance Program.

3. Training and Communication

The Fujitsu Group continuously conducts various training and awareness-boosting activities for executives and employees in order to embed and implement the Fujitsu Way Code of Conduct and the Global Business Standards.

“Fujitsu Compliance Week” is held annually and includes various activities, such as sending out top management messages from executives such as the president to employees as mentioned above, and carry out activities in each region such as distribution of compliance related news to promote discussion in the workplace. There are plans to continue holding Fujitsu Compliance Week in the future. The Fujitsu Group has been printing the Fujitsu Way on wallet-sized cards and distributing them to employees. The cards are designed to serve as a quick reference to the Code of Conduct for employees when they are uncertain about a decision in the course of daily operations or dealing with customers and/or business partners.

We provide Global Compliance E-learning for all Fujitsu Group executives and employees every year. The contents of this e-learning includes risk areas such as anti-bribery & anti-corruption law, competition law and security export control law, and is reviewed annually.

Every year, Fujitsu and domestic Group companies hold compliance training sessions targeted at newly appointed executives, conducted by lawyers from outside Fujitsu, and the company's legal and compliance function. For managers, we regularly conduct internal seminars where in-house trainers explain the importance of the Code of Conduct and compliance, in addition to discussing typical scenarios and difficult situations.

For overseas Group company employees, we also conduct training sessions for different sites, divisions or levels which take each country's laws and regulations, customs, and business conditions into account. In addition, in response to the risk of bribery, cartel forming and other such actions, we conduct timely group training sessions which emphasize the prevention of these illegal acts. There are also future plans to further develop compliance training for our partner companies.

Please refer to "FY2019 Performance " for the status of these activities in FY2019. As we continue to tackle these activities, we plan to enhance our program by reflecting the results of annual risk assessment and compliance trends in the world.

4. Reporting and Responding to Incidents

Establishing an Internal Whistleblower System

The Fujitsu Group has established an internally and externally accessible portal, operated as the Compliance Line/Fujitsu Alert, to receive reports from external sources and all Group employees (including retirees, temporary transfers, contracted employees, part-time employees and dispatch workers) and offer consultations (including anonymous reports). Group companies also maintain and operate separate internal whistleblower systems.

With one of our Whistleblowing System “Fujitsu Alert”, provided through an application and a telephone call system, Fujitsu provides a means to employees and external parties who have a connection to the Fujitsu Group (anonymously, if applicable) to report specific indications of suspected wrongdoing or concern. Fujitsu Alert is available in 20 languages 24 hours a day, 365 days a year. Fujitsu Alert is also used to communicate (including submission of additional materials and receipt of comments from compliance) with the reporter on the investigation.

We have established a Compliance Line for Suppliers in Japan, in addition to Fujitsu Alert, to receive reports from the suppliers of Fujitsu and domestic Group companies, to whom we directly supply products, services, software and other goods. Fujitsu Alert also accepts reports from customers, suppliers and other third parties.

- Fujitsu Alert

<https://secure.ethicspoint.eu/domain/media/en/gui/102834/index.html>

- Compliance Line for Suppliers

<http://www.fujitsu.com/jp/about/csr/management/compliance/complianceline/>

These internal whistleblower systems are publicized to employees via periodic messages, compliance training sessions, websites, posters and wallet-sized cards with contact information. In addition, Fujitsu regularly confirms trends in the usage of the whistleblower system ensuring the improvement and recognition of, and confidence in, the system.

Protection of reporter

Employees are encouraged to report breaches or potential breaches of Compliance they become aware of and must seek advice from a senior manager or from the specialized department such as the Legal department.

Regarding the Compliance Line/Fujitsu Alert, it is possible to report anonymously and we handle information with the utmost care in order to preserve anonymity. Even if the reporter would be identified indirectly during investigation process, we strictly prohibit the adverse treatment of whistleblowers because of their reports, and such retaliation will itself be regarded as a very serious breach of the internal rules.

Investigation of Reports

In the event of a report, we will conduct internal investigation under the supervision of responsible managers having attorney's licence. Fujitsu directly reports the results of its internal investigations to the Board of Directors and the Risk Management and Compliance Committee, independently of the department and/or affiliates which relate to the subject matter under investigation. Depending on the content of the report, an investigation may also be delegated by the Compliance department to other authorized departments if deemed appropriate.

The Compliance department will conduct appropriate internal investigations in order to understand the facts and propose countermeasures in accordance with applicable laws and professional standards. The internal investigation includes, but is not limited to, consideration of applicable laws, consideration of appropriate investigation steps, evaluation of collected evidence, documentation of investigation result, reporting or escalation. Depending on the result of the investigation, if necessary and subject to applicable laws, including – but not limited to – data protection law and business law, Fujitsu provides feedback to the reporter.

In the event that the investigation has verified problems according to the provisions of the Code of Conduct and the Global Business Standards, we address them (which includes taking disciplinary action) and take measures to prevent the problems from reoccurring. Appropriate measures may include communication to alert employees about specific non-compliant activities and decisions on strengthening of controls, to avoid similar misconduct in the future.

The investigation process is also reviewed on a timely basis, especially at the time of establishment of the annual plan under the Global Compliance Program and/or enactment or amendment of relevant laws.

Fujitsu may be either required by law or decide based on business judgement to provide certain government and/or judicial agencies, including, without limitation, government investigative agencies or courts with information about compliance violations. Such decisions are prepared and made by a representative of Compliance, if required in conjunction with executives and other relevant functions.

Filing Reports with the Risk Management & Compliance Committee

When executives and employees become aware that compliance violations have occurred, or there are signs that violations will occur, they are required by the Risk Management Rules to immediately file a report with the Risk Management & Compliance Committee and Heads of Units in accordance with the previously established reporting system. Furthermore, the Head of Unit is required to promptly respond and report any updates to the Risk Management & Compliance Committee. In addition, we regularly make reports to the Risk Management & Compliance Committee, the Board of Directors and internal auditors concerning internal whistleblower reports and consultations, as well as our responses to major compliance issues. Please refer to the Fujitsu Group Integrated Report 2019 for the number of meetings of the Risk Management & Compliance Committees and the Board of Directors' meeting.

5. Monitoring and Reassessment

We conduct regular verification of the effectiveness of the Global Compliance Program through reviews of our risk assessment and auditing activities and reviews by external experts such as law firms, and aim to achieve continuous improvement. We also refer to the Risk Management page regarding risk assessment activities.

The compliance division of Fujitsu HQ continually conducts risk assessments by visiting Group companies located in overseas countries and regions with a high risk of corruption. Through interviews with executives and employees and verification of internal rules and business procedures, the compliance division analyzes the compliance risks of local businesses and provides proposals for countermeasures regarding those risks, in addition to support on its implementation.

The status of the risk assessment and the implementation of the Global Compliance Program are regularly reported to the Risk Management & Compliance Committee, Region Risk Management & Compliance Committees, and the Board of Directors. The discussions and decisions made at these meetings are reflected in the Global Compliance Program and all activities.