

Governance

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Human Rights

Human Rights Policy

Basic Approach to Human Rights

The FUJITSU GENERAL Way, which represents the common values of the Fujitsu General Group, states "We respect human rights" in the opening line of the Code of Conduct.

This statement clearly sets out the company's position that "its activities will be based on respect for human rights, that diversity is to be embraced, and that no one shall be discriminated against on the basis of race, religion, disability, gender or sexual orientation, nor shall harassments be tolerated."

We strive to ensure that all employees of the Group demonstrate this spirit in action.

We believe that it is important to properly recognize human rights issues to cultivate a spirit of respect and a sense of the true meaning of human rights, and to act in a way that does not tolerate discrimination or other human rights violations.

It is the fundamental principle of our group that each employee of the Group should be conscious of the need to protect human rights and act accordingly.

The Group supports and respects the following international principles and standards, and will continue to promote human rights-oriented management.

- "International Bill of Human Rights"
- "Guiding Principles on Business and Human Rights"
- "ILO Declaration on Fundamental Principles and Rights at Work"
- "National Action Plan on Business and Human Rights"
- "United Nations Global Compact"
- "Convention on the Rights of the Child"
- "Children's Rights and Business Principles"

Scope of Application

This policy applies to all officers and employees of the Group. In addition, we will work with all business partners related to the Group's products and services to respect human rights and not infringe them.

Implementation of human rights due diligence

The Group will implement human rights due diligence in accordance with the procedures based on the "UN Guiding Principles on Business and Human Rights" and will endeavor to identify, prevent and mitigate the negative impacts on human rights.

If it becomes clear that the Group's business activities have caused or promoted human rights violations, or if indirect effects through business relationships, etc., have become clear, or even if they are not clear negative impacts - if it is suspected that there is a possibility of causing violations, we will correct and remedy it through dialogue and appropriate procedures.

Dialogue/Discussion

We will hold dialogue and discuss with relevant external stakeholders on responses to potential and actual impacts on human rights.

Education and Enlightenment

We will not only educate officers and employees, but also provide appropriate education and training to all stakeholders so that this policy will be implemented throughout our business activities.

Information Disclosure

We will disclose the progress of our efforts to respect human rights and the results on our website.

Key Initiatives

The Group recognizes that addressing the following human rights issues related to its business activities is an important element of human rights responsibility.

Prohibition of forced labor and child labor

We will not be involved in forced labor or child labor in all business activities in all countries or regions. In addition, regarding forced labor, we do not use or take part in it, and we do not make a profit.

Discrimination / harassment

We will respect the human rights of each individual and will not engage in unfair discrimination or sexual harassment due to race, skin color, religion, beliefs, gender, social status, family origin, disability, sexual orientation, etc.

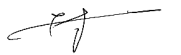
Freedom of association

We respect the basic rights of our employees regarding freedom of association and collective bargaining.

Providing a safe, hygienic and healthy working environment

We provide a working environment where you can continue to work safely, hygienically and healthily.

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FUJITSU GENERAL LIMITED
President & CEO



Key Initiatives

Conducting human rights awareness training

The Fujitsu General Group strives to raise employees' awareness on human rights issues through regular education. As an opportunity for human rights education, we provide e-learning on the prevention of harassment and human rights risks in business activities during Human Rights Week every year. In addition, we promote human rights education for newly appointed managers and new hires.

CSR procurement

The Fujitsu General Group conducts surveys to check the status of compliance with the CSR Procurement Guidelines for suppliers. For the survey, we request our business partners to conduct a self-check assessment in advance. During the field survey, we check the status of CSR initiatives centering on human rights, health and safety and environment measures.

Establishment of human rights consultation / relief desk

The Fujitsu General Group has set up a "Corporate Ethics Helpline" for consultation and relief to protect employees' human rights, and it can be either reached through the division in charge or via an external law firm. All employees have been made aware of the helpline through the details posted on the company intranet as well as via e-learning.

The system provides a mechanism for the early detection and resolution of potential or actual violations of laws and regulations, internal rules and corporate ethics, as well as the prevention of a violation.

We have a system in place that enables an independent team of investigators to take responsibility for factual probes and, if necessary, take corrective action and prevent recurrence, whenever a report is filed or a request for consultation is received.



Corporate Governance

Basic Approach

The Fujitsu General Group believes that the basis of corporate governance is to increase management efficiency, such as expediting of the decision-making process, while at the same time ensuring transparency in the decision-making process and enhancing the internal control function over business execution.

Management

■ Corporate Governance Structure

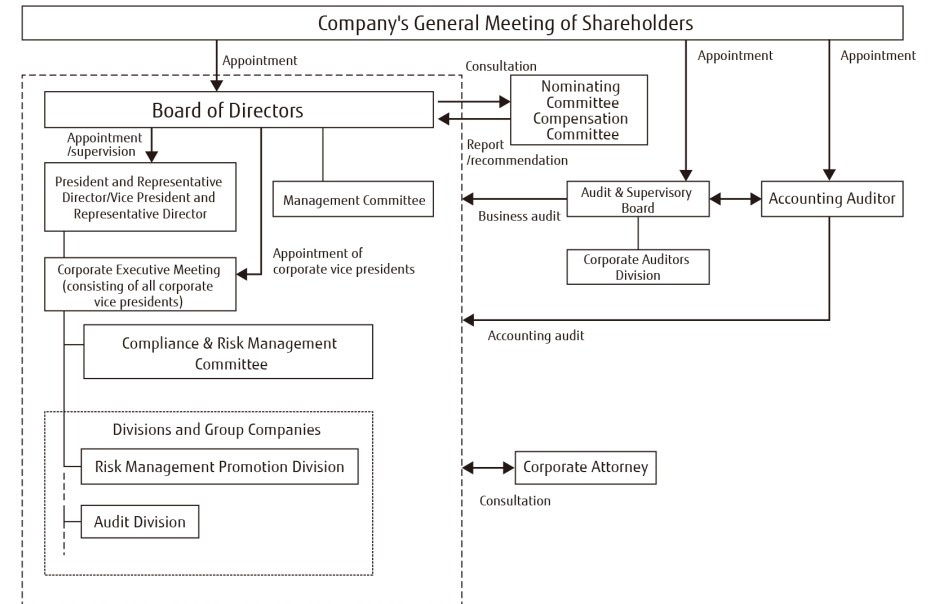
The Fujitsu General Group has adopted the Audit & Supervisory Board Member and Corporate Vice President (executive officer) system to enhance management's oversight function and enable efficient and agile business execution. The Auditors conduct audits and provide supervision from a standpoint independent of company management. We believe that this system is effective in terms of our meeting the tenets of our corporate governance program.

As of the end of June 2022, there were 11 Directors (including five External Directors) and three Audit & Supervisory Board Member (including two External Audit & Supervisory Board Members).

Important management issues are discussed at the Management Committee (held twice a month in principle) attended by Corporate Vice Presidents (Corporate First Senior Vice Presidents and above), as well as at meetings of the Board of Directors, held once a month or on an ad hoc basis when necessary. The Corporate Executive Meeting, which consists of all Corporate Vice Presidents, meets three times a month in principle to deliberate and decide on specific important issues related to business execution, and seek approval from the Board of Directors on particularly important matters. In FY2021, 14 meetings of the Board of Directors were held (and one other meeting with a written resolution) with a 98% attendance rate of officers.

The Audit & Supervisory Board consists of three Audit & Supervisory Board Members (including two External Members) with the Corporate Auditors Division (one staff member) expected to assist the Members in fulfilling their duties. The Audit & Supervisory Board meets monthly on the same day as the Board of Directors or on an ad hoc basis when necessary. The Audit & Supervisory Board Members attend the Board of Directors to audit the proceedings of the meetings and the content of resolutions, and express their opinion when deemed necessary. Furthermore, Full-time Audit & Supervisory Board Members attend important internal meetings or sits on committees, such as the Corporate Executive Meeting and the Compliance & Risk Management Committee. A full-time Audit & Supervisory Board Member also meets on a quarterly basis with the President to provide audit findings and make recommendations based on the audit activities. In addition, interviews and reports were conducted 94 times a year with Directors, executive officers and senior managers in charge of each division. In the midst of the ban on overseas travel and voluntary refraining from visiting other domestic offices under the impact of COVID-19, 17 inspections were conducted this year (10 in Japan and 7 overseas) basically through remote audits using a videoconferencing system. However, audits were limited in scope, and excluded the physical inspection and manufacturing divisions. In principle, Full-time Audit & Supervisory Board Members hold quarterly meetings with External Directors to share their views on issues identified through audits. Reports of full-time Audit & Supervisory Board Members' activities are made to the Audit & Supervisory Board for proper sharing among Audit & Supervisory Board Members.

Internal audits are conducted by the Audit Division with nine employees, an internal organization dedicated to internal audits. The Audit Division reports on the status of internal audits to the Board of Directors periodically once a year.



Our Group's Corporate Governance Structure



Risk Management

Basic Approach

At the Fujitsu General Group, we strive to prevent and reduce risks that could significantly impact our business by conducting risk assessments related to compliance, crisis management, human resources, labor, safety & health management, IT security, environment and information management, amongst others. The process is overseen by the Compliance & Risk Management Committee.

Risk Management System

In order to promptly identify risks that may adversely affect the Fujitsu General Group, whether at home or overseas, and to implement countermeasures in a timely manner, risk assessments are conducted to confirm appropriateness of the risk evaluation and risk management of each division of the Company as well as for the Group companies. The Compliance & Risk Management Committee, organized every quarter, selects priority issues to be addressed while promoting activities to reduce risk.

Key Initiatives

■ Risk Management

The Code of Conduct of the Fujitsu General Way, which sets forth the specifics to be taken into account as the basis for compliance at the Fujitsu General Group, is posted on the company intranet and also disseminated through training programs for executives and employees.

As part of our employee awareness-raising activities, we conduct training on the essentials of risk management for managers, who are responsible for on-site risk management and internal controls. We also conduct training on important laws and regulations relevant to each division's operations, such as the Anti-Monopoly Act, insider trading regulations, and the Subcontract Act, as well as on business and human rights, information leak prevention, etc. We also regularly send out e-mail newsletters to employees to raise awareness of compliance in general.



A scene from the Risk Management training

■ Risk Assessment

Each of Fujitsu General's divisions and Group companies conducts risk assessment to evaluate risks that are considered to have a significant impact if they are actualized and consider risk reduction measures.

Specifically, from the perspective of compliance, we have identified risks that may arise from the status of compliance with various laws and regulations such as the labor law, anti-monopoly law, bribery regulations, and environmental regulations applicable to our company, as well as risks that may arise from business activities such as product quality, IT security, natural disasters, and internal fraud. The Compliance & Risk Management Committee selects important themes that should be prioritized from a corporate perspective based on the degree of impact and the level of controls, and promotes risk mitigation activities.

■ Internal Reporting System "Corporate Ethics Helpline"

Fujitsu General Group has established the "Corporate Ethics Helpline" system, which ensures the protection of whistleblowers, as a means of direct reporting of compliance issues in addition to the normal business reporting channels. Through the use of this system, compliance issues are detected at an early stage and appropriate measures are taken. The Corporate Ethics Helpline also covers reporting of internal fraud, bribery, and other violations of laws and regulations.

■ Business continuity management

The Fujitsu General Group has formulated a Business Continuity Plan (BCP) for the purpose of ensuring the safety of employees and their families while continuing and operating its business in the event of an unplanned disruption or large-scale natural disasters. Disasters include, but are not limited to, a major earthquake or the spread of new infectious diseases. In order to ensure the effectiveness of the Plan, the Fujitsu General Group regularly conducts awareness-raising activities and BCP drills covering important business operations.

In response to the COVID-19 epidemic, we are striving to prevent infection and the spread of the disease, while continuing to maintain important business operations during the epidemic and fulfilling our social responsibilities.

■ Disaster initial response training

Every year we conduct initial response drills to prepare for events such as a Tokyo inland or Nankai Trough earthquake. In addition to the Human Resources Division, General Affairs Division and IT Division, the divisions responsible for business continuity of critical business operations participate in training sessions every year, and the participants are rotated every year to increase effectiveness.



A scene from the initial response drill at the time of disaster

■ BCP drill

We have formulated the BCP to ensure the continuity of important operations such as the shipment of various Fujitsu General products and the maintenance service of firefighting systems and disaster-prevention radio systems, which are social infrastructure, even in the event of a major earthquake or cyberattack. BCP drills are also conducted every year to ensure effectiveness.

Corporate Philosophy

Topics

Priority Initiatives

Understanding the Corporate Philosophy and Taking Action

Initiatives at Fujitsu General

■ Environmental Management System Promotion Department

At the regular weekly meeting of the department, each employee reports on the progress of their work and also presents a weekly review of "Our Philosophy." This is an opportunity for each member to carry out their work with an awareness of the Corporate Philosophy, as well as to gain insights from the good behavior of other members.



At the EMS Promotion Department activities

■ Information & Communication Systems Sales Division and Domestic Consumer Sales Division (Joint workshop)

The Information & Communication Systems and Domestic Consumer Sales Divisions have held joint workshops on the FUJITSU GENERAL Way (Corporate Philosophy and Code of Conduct) since January 2022, with the purpose of deepening interdepartmental exchange between employees working at the same sites and areas, learning about the FUJITSU GENERAL Way, raising awareness on issues, and sharing recognition while cooperating with each other.

For example, the Chugoku Branch discussed the words in the Corporate Philosophy that resonate, and why and what actions we should take to achieve it.

Also, the Kansai Branch exchanged opinions about the company's reason for being and connection with society based on the Corporate Philosophy "Living together for our future" and how we live it.

In addition, employees who work remotely can participate online, so that everyone can easily participate. We will continue to develop the FUJITSU GENERAL Way by listening to everyone's opinions, and by continuing to do so, we will deepen understanding of the FUJITSU GENERAL Way, which will lead to action.



At the training at Chugoku Branch (Hiroshima)

Initiatives at Fujitsu General Electronics Limited

Fujitsu General Electronics Limited ("FGEL") has, since April 2021, carried out activities to review the "Division Policy" which will be the basic guideline for sustainable development of FGEL, with selected members from each workplace.

We started with a firm consideration of the Corporate Philosophy, which is the compass of Fujitsu General Group, shared the contents of the discussion such as "FGEL's origin and current status" and "Our strengths, weaknesses and existence value" with the workplaces and created the policy while reflecting in it the opinions of members.

We would like to start by disseminating our Corporate Philosophy and the new "Division Policy" that the members have created, and then work to build understanding and action.



At the working group at Fujitsu General Electronics Limited

Initiatives at Fujitsu General (Shanghai) Co., Ltd.

For three days in May and June 2021, training sessions were held by the members of FUJITSU GENERAL Way (Corporate Philosophy and Code of Conduct) Penetration Project. In the opening remarks, the President (Fujitsu General (Shanghai) Co., Ltd.) commented that, in order to have FUJITSU GENERAL Way take root in the workplace, each member is expected to think, take action and lead in developing and promoting workplace activities.

The members representing each department were divided into four groups to learn how to build a team to have the FUJITSU GENERAL Way take root and had lively discussions on the draft of the implementation plan.

Then, naming the project "FUJITSU GENERAL Way Predecessors," the mission was set to "deepen understanding of our Corporate Philosophy by all employees, have a common recognition and create the future together, through promotion of FUJITSU GENERAL Way."



At the training at Fujitsu General (Shanghai) Co., Ltd.

Compliance

The Code of Conduct of the FUJITSU GENERAL Way, which sets forth the specifics to be taken into account as the basis for compliance at the Fujitsu General Group, is posted on the company intranet and also disseminated through training programs for officers and employees.

■ The Fujitsu General Group Code of Conduct

- We respect human rights.

We respect each individual's human rights and will not discriminate on the basis of race, color, religion, creed, sex, age, social status, family origin, physical or mental disability or sexual orientation, nor will we commit other violations of human rights. Such discrimination will not be tolerated. We will make every endeavor to be fully aware of human rights issues and foster respect and equality for all.
- We comply with all laws and regulations.

We respect and comply with all applicable laws, treaties, government regulations and statutes, customs and social norms considered to be fair. Violating laws or regulations.

We also conform to socially accepted business practices, use common sense in our dealings, and are careful to check whether our commercial terms are in line with local requirements. Customs vary from country to country.

Therefore, in addition to understanding the laws and customs of our home territory, we also will become familiar with and respect the laws, customs and ethnicities of other territories in which we do business.
- We act with fairness in our business dealings.

We treat customers, business partners and competitors fairly and with respect. We do not engage in practices which treat customers differently without justification. We do not use our position to secure an unfair advantage in dealings with business partners. We do not take advantage of competitors through unethical behavior or illegal means.
- We protect and respect intellectual property.

We are contributing to the establishment of a networked society by continuously creating new value and providing products and services on a global basis to meet customer needs. We recognize that the knowledge and know-how held by each employee give us a competitive edge in our business activities. We respect third-party intellectual property and utilize it only after having properly secured rights to its use.
- We maintain confidentiality.

We must have a proper understanding of the rules for handling different types of information and thoroughly comply with those rules. In addition, we are conscious of the vital importance of data security in our daily work so as not to unintentionally leak confidential information or personal data.
- We do not use our position in our organization for personal gain.

We do not use our position, role, or corporate information, or act in any way contrary to our corporate obligations, to seek or gain benefits for ourselves, our relatives, our friends or other third parties. We do not trade stocks or other securities using undisclosed "insider" information gathered from our organization or third parties.

■ Compliance Training for employees

As part of our employee awareness-raising activities, we conduct training on the essentials of risk management for managers, who are responsible for on-site risk management and internal controls, in order to raise their awareness. We also conducted 12 training sessions on important laws and regulations related to each division's operations in FY2021, such as the Anti-Monopoly Act, insider trading regulations, and the Subcontract Act, as well as on business and human rights, information leak prevention, etc. We also regularly send out e-mail newsletters to employees to raise awareness of compliance in general.

Two e-learning training sessions have been conducted for CSR Training, excluding compliance.

• Implementation Status of Each Training Program

Training	FY2021
Compliance Training	12 times
CSR Training (excluding compliance)	2 times

• Ethics Training for engineers

The Fujitsu General Group has established a corporate quality policy, and the first priority is to provide safe and high-quality products. Under the policy, in order to eliminate risks such as falsification of quality data, Ethics Training for Engineers is conducted to disseminate that "Quality should be secured by the organization through reasonable procedures and approvals" and "the approach should be shared by all."

■ Fair Trade Policy

The FUJITSU GENERAL Way's Code of Conduct states that "We act with fairness in our business dealings" and "We comply with all laws and regulations." We have established internal rules and conduct regular employee training in relation to legislation with high relevance to our business (e.g., the Anti-monopoly Act and the Subcontractors Act). We monitor our level of compliance as per the various regulations.

■ Anti-Bribery Policy

All members of the Fujitsu General Group follow the FUJITSU GENERAL Way of Code of Conduct principles: "We act with fairness in our business dealings" and "We do not use our position in our organization for personal gain." In further support of this, we have established the Anti-Bribery, Gift and Entertainment Guidelines to prevent bribery and maintain fair and equitable relationships with our business partners. Specifically, the provision of gifts or entertainment to public officers for the purpose of obtaining business favors is prohibited. In addition to prohibiting the giving of gifts or entertainment to persons other than public officers, etc., with the intention of inducing them to perform improper duties, it is also prohibited in principle to receive gifts or entertainment.

All officers and employees of the Company and its domestic affiliates are informed of the Policy through training in FY2021 and act in accordance with the said guidelines.

Furthermore, each of our overseas bases comply with anti-bribery regulations established based on the content of these guidelines and local laws and customs, and in FY2021, training was conducted to ensure compliance.

■ Preventing insider trading

Based on the FUJITSU GENERAL Way's Code of Conduct principles "We comply with all laws and regulations" and "We maintain confidentiality," the Fujitsu General Group has established the Regulations for the Prevention of Insider Trading to ensure prevention of insider trading to fulfill its corporate social responsibility. As an example, employees are required to make prior notification when buying, selling or otherwise trading the Company's specified securities. In addition, we provide internal training to our employees covering the subject of insider trading to ensure compliance with laws and regulations, and acquaint them with our internal rules regarding the proper handling of insider and confidential information.