(TRANSLATION FOR REFERENCE ONLY)

To our shareholders,

Security Code (in Japan) 6702
May 31, 2024
Takahito Tokita
Representative Director, CEO
Fujitsu Limited
1-1, Kamikodanaka 4-chome,
Nakahara-ku, Kawasaki-shi,
Kanagawa

NOTICE OF THE 124th ANNUAL SHAREHOLDERS' MEETING

We hereby inform you that the 124th Annual Shareholders' Meeting will be held as set forth below.
For convening this Shareholders' Meeting, the Company has taken measures for providing information that constitutes the content of reference materials for the shareholders' meeting, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format and posted at the following websites. Therefore, we would like you to access one of the websites and confirm.

Company's website:
https://www.fujitsu.com/global/about/ir/stock/meeting/
Informational materials for the shareholders' meeting (in Japanese only):
https://d.sokai.jp/6702/teiji/

Moreover, matters for which measures for providing information in electronic format are to be taken are also available at the website of the Tokyo Stock Exchange (TSE), in addition to the above website. Therefore, we would like you to confirm from the following:

Tokyo Stock Exchange (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

(Please access the above TSE website, enter "Fujitsu" in "Issue name (company name)" or "6702" in "Code" and search, select "Basic information" and "Documents for public inspection/PR information" in sequence, and confirm from the "[Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting]" section under "Documents for public inspection" section.)

In case of nonattendance, you may exercise your voting rights by mail or via the Internet in advance. Please review the attached Reference Materials for the Annual Shareholders' Meeting and exercise your voting rights by following the instructions of "Exercise of Voting Rights in Case of Nonattendance" on Page 2.

1. **Time & Date** 10:00 a.m., Monday, June 24, 2024 (The reception desk opens at 9:00 a.m.)

2. **Venue** Shin Yokohama Prince Hotel *The reception desk will be on the 1st floor.
4, Shin Yokohama 3-chome, Kohoku-ku, Yokohama-shi, Kanagawa, Japan

3. **Purposes of the Shareholders' Meeting Reports:**
Business Report, Consolidated and Unconsolidated Financial Statements for the 124th Business Period (April 1, 2023 – March 31, 2024); Auditing Reports from Accounting Auditor and Audit & Supervisory Board on Consolidated Financial Statements

Agenda:

Proposal No. 1	Election of Nine Directors
Proposal No. 2	Election of Two Audit & Supervisory Board Members
Proposal No. 3	Revision to the Performance-based Stock Compensation Plan for Executive Directors
Proposal No. 4	Revision to the Restricted Stock Unit Plan for Independent Directors

○ **Points to Note for Shareholders Attending the Meeting:**

(1) Please bring your Voting Card to the meeting venue reception.
(2) Please refrain from taking photographs, recording video, or recording audio within the meeting venue.
(3) The number of questions during the question and answer section is limited to one per person.

4. Attached Materials

(1) In accordance with laws and regulations and the provision of Article 17 of the Company's Articles of Incorporation, the "Reports on the 124th Business Period" sent to shareholders who requested the delivery of documents does not include the following items among the Auditing Reports, and among the "Business Report" on the 124th business period, the "Consolidated Financial Statements" on the 124th business period, and "Unconsolidated Financial Statements" on the 124th business period, which are targeted for auditing when the Audit & Supervisory Board and the Accounting Auditor prepare their respective Auditing Reports. Since the following items have been shifted to being provided only on the website based on the system for the provision of informational materials for shareholders' meetings in electronic format and are not included in Reports on the 124th Business Period sent to shareholders, please review the "Matters Subject to Measures for Electronic Provision (Matters Excluded from Paper-Based Documents Delivered Upon Request) at the Time of Notice of the 124th Annual Shareholders' Meeting" posted on the same websites.

- "Fujitsu Group Principal Offices and Plants," "Employees," "Principal Lenders," "Stock," "Stock Acquisition Rights," "Overview of Liability Limitation Agreement," "Summary of Contents of Directors and Officers Liability Insurance Policy, etc.," "Concurrent Positions of External Directors and Auditors and Their Activities," "Other Matters Regarding Management," "Basic Policy on the Control of the Company," "Policy on Decision Regarding Dividends of Surplus etc.," "Accounting Auditor" and "System to Ensure the Properness of Fujitsu Group Operations" in the "Business Report" on the 124th business period
- "Consolidated Statement of Financial Position," "Consolidated Statement of Profit or Loss," "Consolidated Statement of Changes in Equity," "[Unaudited] Simplified Consolidated Statement of Comprehensive Income," "[Unaudited] Simplified Consolidated Statement of Cash Flows" and "Notes to Consolidated Financial Statements" among the "Consolidated Financial Statements" on the 124th business period
- "Unconsolidated Balance Sheet," "Unconsolidated Profit and Loss," "Unconsolidated Statement of Changes in Net Assets" and "Notes to Unconsolidated Financial Statements" among the "Unconsolidated Financial Statements" on the 124th business period
- "Transcript of Accounting Auditor's Report on the Consolidated Financial Statements," "Transcript of Accounting Auditor's Report on the Unconsolidated Financial Statements" and "Transcript of Audit & Supervisory Board Audit Report" among the "Audit Reports"

(2) In the case of any revisions to the matters for which measures for providing information in electronic format are to be taken, the revisions, and the matters before and after the revisions will be posted at **the websites on Page 1**.

5. Voting

(1) Exercise of Voting Rights in Case of Nonattendance

If you are not attending the Shareholders' Meeting, we ask you to exercise your voting rights by using one of the following methods.

[Voting by mail]

Please complete the Voting Card, indicating your approval or disapproval for each of the proposals, and return it to the Company.

Deadline for exercise

To reach the Company no later than 6:00 p.m. on Friday, June 21, 2024 (Japan standard time)

[Voting via the Internet]

Please access the Company's designated online voting site (https://evote.tr.mufg.jp/) via a PC or mobile phone using the login ID and temporary password printed on the enclosed Voting Card. Please indicate and submit your approval or disapproval for each of the proposals, following the on-screen instructions. Please note that the input of neither login ID nor temporary password is required when you access the voting site by reading the QR code (for the first-time login only).

Deadline for exercise

To be received no later than 6:00 p.m. on Friday, June 21, 2024 (Japan standard time)

Please note that the input of neither login ID nor temporary password is required when you access the voting site by reading the QR code.

[Exercise of Voting Rights by Proxy]

Voting rights can be exercised by a proxy shareholder, so long as the proxy is a shareholder who is able to exercise his or her voting rights at the Shareholders' Meeting.

Items that shareholders should bring to reception

Voting Card

(For yourself and any proxy)

+ Documentation certifying authority to act as proxy

(2) Board Resolution regarding Exercise of Voting Rights

a. Any voting right exercised by mail without indicating approval or disapproval for a particular proposal on the Voting Card will be counted as a vote for approval of the proposal.
b. If any voting right is exercised both by mail and via the Internet, exercise via the Internet will be recognized as the valid exercise of the voting right.
c. If any voting right is exercised more than once via the Internet, the latest exercise will be recognized as the valid exercise of the voting right.
d. No Voting Card has been sent to those shareholders who have given consent to receive a notice by email. Any such shareholder wishing to have his or her Voting Card issued is asked to contact the Company's representative at the following address:

Contact: Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation
Mailing address: P.O.Box 29, Shin-Tokyo Post Office, 137-8081, Japan
Telephone: 0120-232-711 (toll-free)
Reception hours: 9:00 a.m. to 5:00 p.m. (not available on Saturdays, Sundays, and national holidays)

Note:

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

REFERENCE MATERIALS FOR THE ANNUAL SHAREHOLDERS' MEETING

Proposal No. 1 Election of Nine Directors

The terms of office for all nine Directors expire at the close of this Annual Shareholders' Meeting. Accordingly, the Company proposes the election of nine Directors including five Independent Directors. Candidates for the position of Director are listed on Pages 8 to 17. The term of office for each Director shall be until the close of next year's Annual Shareholders' Meeting.

The candidates for Director were approved by the Board of Directors as the Executive Nomination Committee consulted with the Board of Directors and gave a report after consideration in accordance with the "Structural framework" and the "Procedures and policy of Directors and Auditors nomination/dismissal" stipulated in the Company's Corporate Governance Policy. In addition, for the purpose of materializing the discussion on the mid- to long-term Management Direction in the Board of Directors, the nomination of the candidates for Executive Directors was conducted from a standpoint of electing candidates with a company-wide perspective and who can meet expectations that shareholders have for this position.

In order to achieve the Company's "Our Purpose" of "Make the world more sustainable by building trust in society through innovation," the Company has steadily promoted the transformation of business portfolio that contributes to improving corporate value and endeavored to expand revenue since the start of the business execution system with Mr. Takahito Tokita as Representative Director, CEO. In fiscal 2024, the middle fiscal year of the medium-term management plan announced in May of last year, the Company will aim to achieve further global growth and strengthen competitiveness through a management structure with clearer authority and responsibility. Accordingly, in order to ensure the achievement of the management targets, the Company believes a new structure with three Executive Directors is desirable, and has therefore decided to continuously nominate Mr. Takahito Tokita, Representative Director, CEO, and Mr. Takeshi Isobe, Representative Director, Corporate Vice President, CFO as candidates for Executive Director, while also nominating Mr. Hiroki Hiramatsu, Corporate Executive Officer, as a candidate for Executive Director in order to realize the human resource strategies that are important in the medium-term management plan.

As a replacement for Mr. Masami Yamamoto, who will resign at the close of this Shareholders' Meeting, the Company expects that Mr. Hidenori Furuta, who is a candidate for Non-Executive Director from within the Company, will utilize his deep knowledge and experience related to the execution of business operations to supervise and advise the execution of business operations and help Independent Directors understand matters such as the Company's business fields, corporate culture, etc. Mr. Takuya Hirano is a new candidate for Independent Director to replace Mr. Atsushi Abe, who will resign at the close of this Annual Shareholders' Meeting. Mr. Takuya Hirano has experience as a senior manager at a global technology company, and in addition to supervision and advice from a fair and objective standpoint, the Company expects that his joining the Board of Directors will further enhance discussions at the Board.

Regarding the other four Independent Directors, taking the mission of the Board of Directors into account, that is, to continue monitoring of the implementation of measures for realizing Our Purpose and their progress, the Company proposes to reelect all of them.

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

Candidate No.	Name	Authority of Representation	Independent Director	Position and responsibility at the Company
Non-Executive Directors				
1	Hidenori Furuta			Non-Executive Chairman, Member of the Board
Executive Directors				
2	Takahito Tokita	x		CEO[*1)], Chairman of the Risk Management & Compliance Committee
3	Takeshi Isobe	x		Representative Director, Corporate Vice President, CFO[*1)]
4	Hiroki Hiramatsu			Corporate Executive Officer, SEVP[*2)], CHRO[*1)]
Non-Executive Directors				
5	Chiaki Mukai		x	
6	Yoshiko Kojo		x	Chairman of the Board of Directors
7	Kenichiro Sasae		x	
8	Byron Gill		x	
9	Takuya Hirano		x	

Notes:

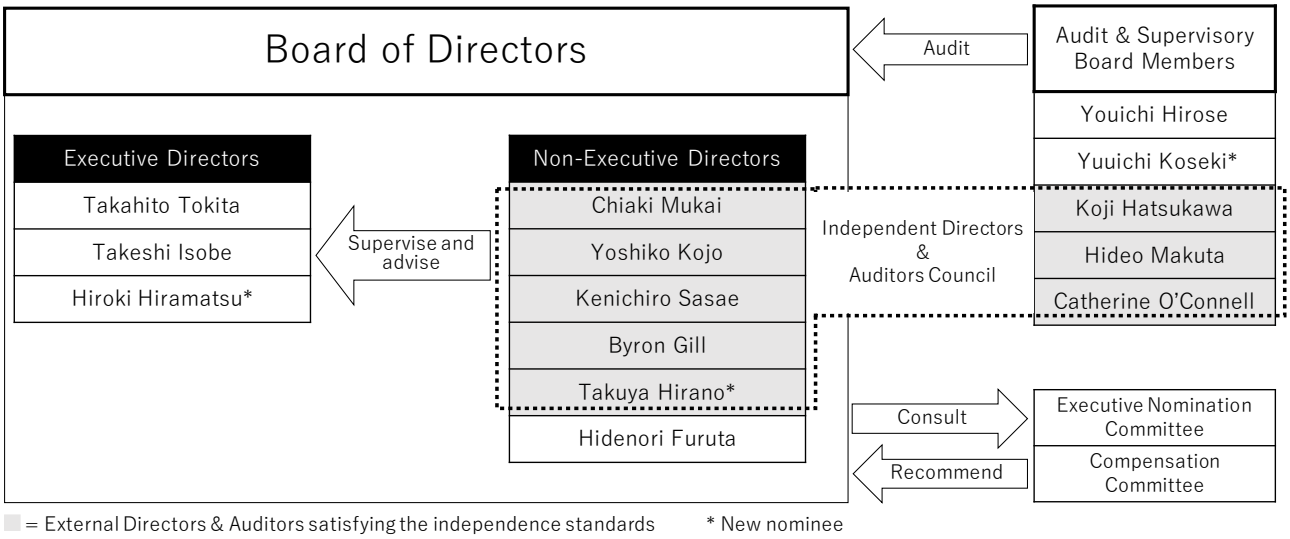
**1) CEO, CFO, and CHRO are abbreviations of Chief Executive Officer, Chief Financial Officer, and Chief Human Resource Officer, respectively.*

**2) SEVP is one of the FUJITSU Levels (other levels include EVP and SVP), the common global criteria to show the extent of duties of officers and employees of the Fujitsu Group.*

Framework of Fujitsu's Corporate Governance Structure (Reference)

The Company outlines the following rules to ensure the effective oversight and advice from a diverse perspective of Non-Executive Directors (Independent Directors and Directors from within the Company who are not in charge of execution of business) to Executive Directors on their business execution as part of the Board of Directors function while taking advantage of the Company with the Audit & Supervisory Board system:

a) Independent Directors are appointed as the core members of Non-Executive Directors, and at least one Non-Executive Director is appointed from within the Company.
b) The skills and diversity necessary for the Board of Directors shall be considered when selecting candidates for Non-Executive Director.
c) The majority of the Board of Directors members shall be Independent Directors.
d) Independent Directors must meet the independence standards established by the Company (hereinafter referred to as "Independence Standards").
e) The Company has the Audit & Supervisory Board Members' external audit and oversight on the Board of Directors, the voluntary Executive Nomination Committee and Compensation Committee composed of Non-Executive Directors and Auditors (hereinafter, the term used for the combination of Non-Executive Directors and Audit & Supervisory Board Members), and the Independent Directors & Auditors Council composed of Independent Directors & Auditors (hereinafter, the term used for the combination of Independent Directors and Independent Audit & Supervisory Board Members), all of which function to complement the Board of Directors.
f) Independent Audit & Supervisory Board Members shall be the External Audit & Supervisory Board Members who meet the Independence Standards.



Stance on Independence of External Directors & Auditors (Reference)

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

Independence Standards for External Directors & Auditors

The Company determines that External Directors & Auditors are independent if, as a result of an investigation to the extent reasonably possible in the Company, it is determined that the External Directors & Auditors satisfy all of the criteria set forth in paragraphs 1. through 4. below.

1. A person who is not a Director (excludes Independent Director) or an employee of one of Fujitsu Group Companies[1], at present and/or in the past.

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

(1) Director, Executive Officer, Audit & Supervisory Board Member, or important employee[2] of a Major Shareholder[3] of Fujitsu;
(2) Director, Executive Officer, Audit & Supervisory Board Member, or important employee[3] of a Major Lender[4] to Fujitsu;
(3) Partner or employee of accounting auditor of Fujitsu;
(4) Director, Executive Officer, Audit & Supervisory Board Member, or Corporate Executive Officer mutually exchanged between Fujitsu and another company
(5) A person who receives a Significant Amount of Monetary Benefits[5] or other property as an individual, or as a Director, Executive Officer, Audit & Supervisory Board Member, or important employee[3] of a small corporation, etc. that can be regarded as an individual, other than the compensation as a Director or Audit & Supervisory Board Member from Fujitsu; or
(6) Director, Executive Officer, Audit & Supervisory Board Member, or important employee[3] of a Major Business Partner[6] of Fujitsu

3. A person who does not have a Close Relative[7] will be independent, wherein a Close Relative meets one of the following items, at present or at any time within the preceding three years:

(1) Executive Director, Non-Executive Director[8], or important employee of Fujitsu Group Companies;
(2) Any person listed in any of the above items (1) through (6) of Paragraph 2 (provided, however, that in the case of item (3), this is limited to important persons for natural persons listed in the same)

4. In addition to what is provided for in the preceding items, there are no other circumstances in which it is reasonably determined that there is a risk of substantial conflict of interest with General Shareholders.

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1 "Fujitsu Group Companies" means Fujitsu Limited and its subsidiaries.
2 "Major Shareholder" indicates a shareholder who holds at least 10 percent of the voting rights of Fujitsu nominally or substantially.
3 "Employee" exclude an Independent Director or an Independent Auditor of a Major Shareholder, Lender, corporation, or Business Partner.
4 "Major Lender" indicates the lender whose total amount of Fujitsu's borrowings at the end of the most recent fiscal year exceeds 2% of Fujitsu's total consolidated assets at the end of the fiscal year.
5 "Significant Amount of Monetary Benefits" means the sum of annual compensation for expert services and donation exceeding 10 million yen on average for the past three fiscal years.
6 "Major Business Partner" means a company with whom Fujitsu made a business transaction within the preceding three fiscal years and the total amount of the transaction (payments or receipts for ongoing product and service delivery and procurement) exceeds 2% of consolidated sales revenue of either Fujitsu or that company.
7 "Close Relative" means a family, spouse, or cohabiter within the second degrees of kinship (as stipulated in the Civil Code of Japan).
8 This condition applies only when judging the independence of Fujitsu's External Audit & Supervisory Board Member or a nominee thereof.
9 The positions listed in the Independence Standards include those corresponding positions.

<table>
<tr><th>Candi-date No.</th><th>Name and date of birth</th><th>Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company</th></tr>
<tr><td rowspan="4">1</td><td rowspan="2">Hidenori Furuta

(December 13, 1958)

*Reappointment

[No. of Years Served as a Director*3)] 5

[No. of the Company's Shares Held*4)] 78,010

[Attendance at the FY2023 Board of Directors' Meetings] 100%</td><td>Apr. 1982 Joined the Company
May 2009 Head of Manufacturing Industry Solutions Business Unit
Apr. 2012 Corporate Executive Officer
Apr. 2014 Corporate Executive Officer, EVP*5)
Head of Global Delivery
Apr. 2018 Corporate Executive Officer, SEVP*5) (until May 2019)
Head of Digital Services Business
Jan. 2019 SEVP, Head of Technology Solutions Business (until March 2020)
Representative Director, CTO*6) (until June 2021)
Jun. 2019 Representative Director, COO*6) (until March 2024)
Apr. 2020 SEVP, Head of Global Solutions Business
Oct. 2021 Representative Director, CDPO*6) (until March 2023)
Apr. 2024 Non-Executive Chairman, Member of the Board (to present)</td></tr>
<tr><td>[Significant concurrent positions outside the Company]
None</td></tr>
<tr><td colspan="2">[Reasons for Nomination]
Mr. Hidenori Furuta has international experience due to launching Global Delivery as well as many years of experience in the systems integration business. As Representative Director, COO*6), he has been supporting Mr. Takahito Tokita, Representative Director, CEO. Because the Company believes that he is suitable for supervising and advising the execution of business operation and expects that he will help Independent Directors understand matters such as the Company's business fields, corporate culture, etc., based on his deep knowledge and experience concerning the execution of business operations, the Company proposes appointing him as a Non-Executive Director. The Company intends to reappoint him as Director and Chairman, if his appointment is approved at this Shareholders' Meeting.</td></tr>
<tr><td colspan="2">[Comments on Special-interest Relationships]
Mr. Hidenori Furuta has no special-interest relationships with the Company.</td></tr>
<tr><td colspan="2">[Special Notice regarding the Director Candidate]
Mr. Hidenori Furuta assumed the position of Non-Executive Director and Chairman, on April 1, 2024, and the Company concluded an agreement limiting liability for damages under Article 423, paragraph (1) of the Companies Act with him on April 1, 2024. The Company plans to continue such agreement if he is appointed at this Shareholders' Meeting*7).
The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If he is reappointed, he will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.</td></tr>
</table>

Notes:

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

**4) The number of shares after the stock split is stated as converted since the Company implemented a ten-for-one common stock split with an effective date of April 1, 2024.*

**5) We eliminated the position names of Corporate Executive Officer (Senior Executive Vice President/Executive Vice President) in April 2022 and Executive President in April 2023 respectively, and changed to naming that demonstrates the scale of job responsibility using the FUJITSU Level (SEVP, EVP, SVP, etc.).*

**6) CTO, COO, and CDPO are abbreviations of Chief Technology Officer, Chief Operating Officer, and Chief Data & Process Officer, respectively.*

**7) The maximum liability for damages in accordance with the agreement limiting liability concluded between the Company and Non-Executive Directors and Audit & Supervisory Board Members is the minimum liability amount stipulated by laws and regulations.*

<table>
<tr><th>Candi-date No.</th><th>Name and date of birth</th><th>Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company</th></tr>
<tr><td rowspan="4">2</td><td rowspan="2">Takahito Tokita

(September 2, 1962)

*Reappointment

[No. of Years Served as a Director*3)] 5

[No. of the Company's Shares Held*4)] 106,470

[Attendance at the FY2023 Board of Directors' Meetings] 100%</td><td>Apr. 1988 Joined the Company
Jun. 2014 Head of Financial Systems Unit, Integration Services Business
Apr. 2015 Corporate Executive Officer
Jan. 2019 Corporate Executive Officer, EVP*5)
Head of Global Delivery Group, Technology Solutions Business
Mar. 2019 Corporate Senior Executive Vice President
Jun. 2019 Representative Director, CEO*1) (to present)
Chairman of the Risk Management & Compliance Committee (to present)
Oct. 2019 Representative Director President, CDXO*8) (until March 2023)
Apr. 2021 CEO*1) (to present)</td></tr>
<tr><td>[Significant concurrent positions outside the Company]
None</td></tr>
<tr><td colspan="2">[Reasons for Nomination]
Mr. Takahito Tokita has a wealth of experience as a systems engineer in the business for the financial sector; the decisiveness and the capabilities necessary to execute business improvements; and a good grasp of what is happening in the global business arena through his overseas experience, mainly in the Global Delivery Group whose mission is to offer uniform services throughout the world. He also led the development and implementation of the medium-term management plan announced by the Company in the previous fiscal year. In the medium-term management plan, the Company has positioned the three years from fiscal 2023 as a time to build a model for sustainable growth and improved profitability, and the Company as a whole has been focusing on key strategies. For this year, the Company believes it necessary for him to promote these initiatives in terms of the business operation. Therefore, the Company proposes reappointing him as an Executive Director.
The Company intends to reappoint him as Representative Director, CEO, if his reappointment is approved at this Shareholders' Meeting.</td></tr>
<tr><td colspan="2">[Comments on Special-interest Relationships]
Mr. Takahito Tokita has no special-interest relationships with the Company.</td></tr>
<tr><td colspan="2">[Special Notice regarding the Director Candidate]
The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If Mr. Takahito Tokita is appointed, he will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.</td></tr>
</table>

Notes:

**8) CDXO is an abbreviation of Chief Digital Transformation Officer.*

<table>
<tr><th>Candi-date No.</th><th>Name and date of birth</th><th>Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company</th></tr>
<tr><td rowspan="4">3</td><td rowspan="2">Takeshi Isobe

(July 29, 1962)

*Reappointment

[No. of Years Served as a Director[*3)]] 4

[No. of the Company's Shares Held[*4)]] 37,700

[Attendance at the FY2023 Board of Directors' Meetings] 100%</td><td>Apr. 1985 Joined the Company
Jun. 2014 VP of Corporate Controller Division, Corporate Finance Unit
Apr. 2018 Corporate Executive Officer
Head of Corporate Finance Unit (until March 2021)
Jun. 2019 Corporate Executive Officer, EVP[*5)]
CFO[*1)] (to present)
Apr. 2020 Corporate Executive Officer, SEVP[*5)]
Jun. 2020 Director and Corporate Executive Officer, SEVP[*5)]
Apr. 2022 Director and Corporate Executive Officer, SEVP[*2)]
Apr. 2024 Representative Director, Corporate Vice President, CFO[*1)] (to present)</td></tr>
<tr><td>[Significant concurrent positions outside the Company]
None</td></tr>
<tr><td colspan="2">[Reasons for Nomination]
Mr. Takeshi Isobe has many years of experience in the Corporate Finance Unit of the Company. He has been responsible for the formulation and execution of the financial strategy and constructive dialogues with shareholders and investors as CFO[*1)]. Based on such knowledge, he has been providing advice to the management and formulating and executing Capital Allocation Policy. In this way, he has supported important decision-making concerning the Company's business execution. In view of his experience, the Company believes he is the most suitable person to continuously fulfill the role of leading the initiatives for realization of Our Purpose, as well as initiatives to achieve important financial targets in the medium-term management plan. Therefore, the Company proposes reappointing him as an Executive Director. The Company intends to reappoint him as Representative Director, Corporate Vice President, CFO[*1)], if his appointment is approved at this Shareholders' Meeting.</td></tr>
<tr><td colspan="2">[Comments on Special-interest Relationships]
Mr. Takeshi Isobe has no special-interest relationships with the Company.</td></tr>
<tr><td colspan="2">[Special Notice regarding the Director Candidate]
The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If Mr. Takeshi Isobe is reappointed, he will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.</td></tr>
</table>

<table>
<tr><th>Candi-date No.</th><th>Name and date of birth</th><th>Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company</th></tr>
<tr><td rowspan="4">4</td><td rowspan="2">Hiroki Hiramatsu

(November 29, 1965)

*New appointment

[No. of the Company's Shares Held[*4)]] 27,360</td><td>Apr. 1989 Joined the Company
Apr. 2019 Corporate Executive Officer [*5)] (until March 2020)
Head of Global Human Resources, Global Corporate Functions
Jun. 2019 Head of Global Human Resources & Corporate Affairs Unit, Global Corporate Functions
Apr. 2020 Corporate Executive Officer, EVP[*5)] (until March 2022)
Head of Global Human Resources & Corporate Affairs Unit Health Promotion Unit
Apr. 2021 Corporate Executive Officer, CHRO[*1)] (to present)
Apr. 2022 Corporate Executive Officer, EVP[*2)] (until March 2024)
Apr. 2024 Corporate Executive Officer, SEVP[*2)] (to present)</td></tr>
<tr><td>[Significant concurrent positions outside the Company]
None</td></tr>
<tr><td colspan="2">[Reasons for Nomination]
Mr. Hiroki Hiramatsu has many years of experience in the Human Resources Unit of the Company, and has advanced insight through his experience an executive manager in the human resource and corporate affairs fields, as well as his experience of participating in the activities of ministries and agencies and external bodies. As CHRO[*1)], he is responsible for planning and executing the Company's human resource strategies. In view of his experience, the Company believes he is the most suitable person to fulfill the role of leading the initiatives for the achievement of human resource strategies to enhance the value of the human capital of the Company under the "people strategy," a key strategy in the medium-term management plan. Therefore, the Company proposes appointing him as an Executive Director.</td></tr>
<tr><td colspan="2">[Comments on Special-interest Relationships]
Mr. Hiroki Hiramatsu has no special-interest relationships with the Company.</td></tr>
<tr><td colspan="2">[Special Notice regarding the Director Candidate]
The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If Mr. Hiroki Hiramatsu is appointed, he will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.</td></tr>
</table>

Candi-date No.	*Name and date of birth*	*Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company*
5	Chiaki Mukai (May 6, 1952) **Reappointment* **Independent Director* [No. of Years Served as a Director[*3)]] 9 [No. of the Company's Shares Held[*4)]] 39,050 [Attendance at the FY2023 Board of Directors' Meetings] 100%	Apr. 1977 Staff of Department of Surgery, Keio University School of Medicine (until November 1985) Aug. 1985 Payload Specialist of National Space Development Agency of Japan[*9)] (until March 2015) Jun. 1987 Visiting Scientist of Division of Cardiovascular Physiology, Space Biomedical Research Institute, NASA Johnson Space Center (until December 1988) Oct. 2014 Vice President of Science Council of Japan (until September 2017) Apr. 2015 Vice President, Tokyo University of Science (until March 2016) Jun. 2015 Director of the Company (to present) Apr. 2016 Specially Appointed Vice President of Tokyo University of Science (to present) Jul. 2016 Member of the Executive Nomination Committee of the Company (until June 2021) Member of the Compensation Committee (until June 2018) Jan. 2017 Chair of the Scientific and Technical Subcommittee, UN Committee on the Peaceful Uses of Outer Space (COPUOS) (until January 2018) Apr. 2018 Special Counselor of JAXA (until March 2021) Jul. 2018 Chairperson of the Compensation Committee of the Company (to present) Mar. 2019 Outside Director, Kao Corporation (until March 2024) Nov. 2022 Director, Keio University (to present) Feb. 2024 Advisor, TOPPAN Holdings Inc. (to present) Apr. 2024 Corporate Executive Fellow, Kao Corporation (to present) [Significant concurrent positions outside the Company] Specially Appointed Vice President of Tokyo University of Science
	[Reasons for Nomination and Overview of Expected Role] Although Ms. Chiaki Mukai has not previously been involved with company management other than having served as an external director, she has an impressive personal history as a doctor who became Asia's first female astronaut, and exemplifies the Company's spirit of taking on challenges at the cutting edge of science. As well as providing oversight and advice concerning business execution from diverse perspectives, she led discussion about executive compensation in her capacity as the Chairperson of the Compensation Committee. Because the Company expects that she will continue to be able to provide oversight and advice from a fair and objective global perspective based on broad knowledge of science and technology, the Company proposes reappointing her as an Independent Director.	
	[Comments on Special-interest Relationships and the Independence of the Candidate] Ms. Chiaki Mukai has no special-interest relationships with the Company. Academic Corporation Tokyo University of Science that operates Tokyo University of Science, where she serves as Specially Appointed Vice President, and the Company do have sales business dealings that in fiscal 2021 amounted to approximately 2 million yen, in fiscal 2022 amounted to approximately 2 million yen, and in fiscal 2023 amounted to approximately 160,000 yen. In light of the scale of the Company's sales, however, it is not a major business partner of the Company. In addition, she is neither a Major Shareholder nor has she held an executive management position with a major trading partner of the Company in the past three fiscal years, and thus, she satisfies the Independence Standards (Refer to Page 7) established by the Company. In accordance with listing regulations, the Company has reported to the securities exchanges on which the Company is listed in Japan that she is an Independent Director.	

Candi-date No.	*Name and date of birth*	*Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company*
	[Special Notice regarding the Director Candidate] An agreement limiting liability for damages under Article 423, paragraph (1) of the Companies Act has been concluded between the Company and Ms. Chiaki Mukai. The Company plans to extend the agreement if she is appointed at this Shareholders' Meeting*7). The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If she is reappointed, she will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.	

Note:

**9) Currently, the Japan Aerospace Exploration Agency (JAXA)*

Candi-date No.	*Name and date of birth*	*Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company*
6	Yoshiko Kojo[*10)] (June 19, 1956) **Reappointment* **Independent Director* [No. of Years Served as a Director[*3)]] 6 [No. of the Company's Shares Held[*4)]] 13,120 [Attendance at the FY2023 Board of Directors' Meetings] 100%	Apr. 1988 Assistant Professor of International Relations, Faculty of Law, Kokugakuin University Apr. 1991 Associate Professor of International Relations, Faculty of Law, Kokugakuin University Apr. 1996 Associate Professor of International Relations, Department of Advanced Social and International Studies, The University of Tokyo Jun. 1999 Professor of International Relations, Department of Advanced Social and International Relations, The University of Tokyo (until March 2020) Oct. 2010 President, Japan Association of International Relations Oct. 2012 Member of Advisory Board, Japan Association of International Relations (to present) Oct. 2014 Member of Science Council of Japan (until September 2020) Jun. 2018 Director of the Company (to present) Jul. 2019 Member of the Executive Nomination Committee (to present) and Compensation Committee (until June 2023) Apr. 2020 Professor of Department of International Politics, Aoyama Gakuin University School of International Politics, Economics and Communication (to present) [Significant concurrent positions outside the Company] Professor of Department of International Politics, Aoyama Gakuin University School of International Politics, Economics and Communication
	[Reasons for Nomination and Overview of Expected Role] Although Ms. Yoshiko Kojo has not previously been involved with company management other than having served as an external director, she served in important positions including the President of the Japan Association of International Relations. Her research has for many years focused mainly on the impact of economic entities, including private companies, on international politics. The Company expects that she will be able to provide extensive advice and oversight concerning the Company's responses to change in the external environment during a dramatic transition of international politics and initiatives for ESG management based on her deep insight. Therefore, the Company proposes reappointing her as an Independent Director. In addition, she serves as a member of the Executive Nomination Committee and Compensation Committee of the Company, and contributes to enhancing the corporate value of the Company from various perspectives. The Company expects that she will be able to make meetings of the Board of Directors more active and effective based on her experiences and extensive knowledge. Therefore, the Company intends to appoint her as Chairperson of the Board of Directors, if her appointment is approved at this Shareholders' Meeting.	
	[Comments on Special-interest Relationships and the Independence of the Candidate] Ms. Yoshiko Kojo has no special-interest relationships with the Company. She is neither a Major Shareholder nor has she held an executive management position with a major trading partner of the Company within the preceding three fiscal years, and thus the Company believes that she satisfies the Independence Standards (Refer to Page 7) established by the Company. In accordance with listing regulations, the Company has reported to the securities exchanges on which the Company is listed in Japan that she is an Independent Director.	
	[Special Notice regarding the Director Candidate] An agreement limiting liability for damages under Article 423, paragraph (1) of the Companies Act has been concluded between the Company and Ms. Yoshiko Kojo. The Company plans to extend the agreement if she is appointed at this Shareholders' Meeting[*7)]. The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If she is reappointed, she will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.	

Note:

**10) The name of Yoshiko Kojo in the domiciliary register is Yoshiko Kugu.*

<table>
<tr><th>Candi-date No.</th><th>Name and date of birth</th><th>Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company</th></tr>
<tr><td rowspan="3">7</td><td rowspan="2">Kenichiro Sasae

(September 25, 1951)

*Reappointment
*Independent Director

[No. of Years Served as a Director*3)] 3

[No. of the Company's Shares Held*4)] 2,280

[Attendance at the FY2023 Board of Directors' Meetings] 83.3%</td><td>Apr. 1974 Joined Ministry of Foreign Affairs
Mar. 2002 Director-General of Economic Affairs Bureau, Ministry of Foreign Affairs
Jan. 2005 Director-General of Asian and Oceania Affairs Bureau, Ministry of Foreign Affairs
Jan. 2008 Deputy Minister for Foreign Affairs
Aug. 2010 Vice-Minister for Foreign Affairs
Sep. 2012 Ambassador Extraordinary and Plenipotentiary of Japan to the United States of America
Jun. 2018 President and Director General, The Japan Institute of International Affairs
Jun. 2019 Outside Director, SEIREN CO., LTD. (to present)
Outside Director, MITSUBISHI MOTORS CORPORATION (to present)
Dec. 2020 President, The Japan Institute of International Affairs (to present)
Jun. 2021 Director of the Company (to present)
Jul. 2021 Member of the Compensation Committee (to present)
Mar. 2022 Outside Director of Asahi Group Holdings, Ltd. (to present)</td></tr>
<tr><td>[Significant concurrent positions outside the Company]
President, The Japan Institute of International Affairs
Outside Director, SEIREN CO., LTD.
Outside Director, MITSUBISHI MOTORS CORPORATION
Outside Director, Asahi Group Holdings, Ltd.</td></tr>
<tr><td colspan="2">[Reasons for Nomination and Overview of Expected Role]
Although Mr. Kenichiro Sasae has not previously been involved with company management other than having served as an external director, he has served in important positions including the Vice-Minister for Foreign Affairs, Ambassador Extraordinary and Plenipotentiary of Japan to the United States of America, and currently as the President of the Japan Institute of International Affairs. He has extensive knowledge and practical experience in international politics and economics. As the international situation becomes more complicated these days, the Company expects that he will be able to provide oversight and advice from a fair and objective global perspective based on his knowledge and experience. Therefore, the Company proposes reappointing him as an Independent Director.</td></tr>
<tr><td colspan="2">[Comments on Special-interest Relationships and the Independence of the Candidate]
Mr. Kenichiro Sasae has no special-interest relationships with the Company.
The Japan Institute of International Affairs, where he serves as President, and the Company have no business dealings.
He is neither a Major Shareholder nor has he held an executive management position with a major trading partner of the Company within the preceding three fiscal years, and thus the Company believes that he satisfies the Independence Standards (Refer to Page 7) established by the Company. In accordance with listing regulations, the Company has reported to the securities exchanges on which the Company is listed in Japan that he is an Independent Director.</td></tr>
<tr><td colspan="2">[Special Notice regarding the Director Candidate]
An agreement limiting liability for damages under Article 423, paragraph (1) of the Companies Act has been concluded between the Company and Mr. Kenichiro Sasae. The Company plans to extend the agreement if he is reappointed at this Shareholders' Meeting*7).
The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If he is appointed, he will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.</td></tr>
</table>

<table>
<tr><th>Candi-date No.</th><th>Name and date of birth</th><th>Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company</th></tr>
<tr><td rowspan="4">8</td><td rowspan="2">Byron Gill[*11)]

(December 29, 1968)

*Reappointment
*Independent Director

[No. of Years Served as a Director[*3)]] 1

[No. of the Company's Shares Held[*4)]] 0

[Attendance at the FY2023 Board of Directors' Meetings] 100%</td><td>Sep. 1991 Joined Saison Corporation
Jul. 1997 Vice President, Nikko Salomon Smith Barney Limited[*12)]
Aug. 1999 Chief Representative, Japan Branch, Soros Global Advisors, LLC
Aug. 2000 Founding Partner, Indus Capital Partners, LLC
Japan Representative, Indus Capital Advisors, Inc.
Jul. 2016 Managing Partner, Indus Capital Partners, LLC (to present)
Jun. 2023 Director of the Company (to present)
Jun. 2023 Member of the Compensation Committee (to present)</td></tr>
<tr><td>[Significant concurrent positions outside the Company]
Managing Partner, Indus Capital Partners, LLC</td></tr>
<tr><td colspan="2">[Reasons for Nomination and Overview of Expected Role]
Mr. Byron Gill is currently serving as Managing Partner at Indus Capital Partners, LLC, which is an institutional investor specializing in Asian markets, after having worked for a foreign securities company. He has a wealth of experience as an institutional investor in conducting dialogues with invested companies, in addition to the knowledge about finance and investment. The Company expects that he will continue to fulfill his role of providing oversight and advice from a fair and objective perspective, while also providing feedback of shareholder and investor opinions to the Company's management. Therefore, the Company proposes reappointing him as an Independent Director.</td></tr>
<tr><td colspan="2">[Comments on Special-interest Relationships and the Independence of the Candidate]
Mr. Byron Gill has no special-interest relationships with the Company.
Indus Capital Partners, LLC and the Company have no business dealings. Indus Capital Partners, LLC, where he serves as Managing Partner, is not a Major Shareholder as defined by the Independence Standards (Refer to Page 7) established by the Company. Moreover, he has not held an executive management position with a major trading partner of the Company within the preceding three fiscal years, and thus, he satisfies the Independence Standards established by the Company. In accordance with listing regulations, the Company has reported to the securities exchanges on which the Company is listed in Japan that he is an Independent Director. Additionally, he has declared that he would fulfill his duties as a Director for the Company and for all the shareholders of the Company.</td></tr>
<tr><td colspan="2">[Special Notice regarding the Director Candidate]
An agreement limiting liability for damages under Article 423, paragraph (1) of the Companies Act has been concluded between the Company and Mr. Byron Gill. The Company plans to extend the agreement if he is reappointed at this Shareholders' Meeting[*7)].
The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If he is appointed, he will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.</td></tr>
</table>

Notes:
**11) The name of Byron Gill in the domiciliary register is Byron Gill Edward.*
**12) Currently Citigroup Global Markets Japan Inc.*

Candi-date No.	*Name and date of birth*	*Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company*
9	Takuya Hirano (August 11, 1970) **New appointment* **Independent Director* [No. of the Company's Shares Held[*4)]] 0	Dec. 1995 Joined Kanematsu USA Inc. Feb. 2001 President, Hyperion Solutions Japan[(*13)] Feb. 2006 General Manager, Enterprise Service, Microsoft Co., Ltd.[(*14)] Jul. 2007 General Manager, Enterprise Business & Enterprise Service, Microsoft Co., Ltd. Mar. 2008 General Manager, Enterprise Business, Microsoft Co., Ltd. Sep. 2011 General Manager, Multi-country, Microsoft Central and Eastern Europe Jul. 2014 Executive Vice President, Marketing & Operations, Microsoft Japan Co., Ltd. Mar. 2015 Representative Officer, Executive Deputy President, Microsoft Japan Co., Ltd. Jul. 2015 President, Microsoft Japan Co., Ltd. (until August 2019) Sep. 2019 Vice President, Global Service Partner Business, Microsoft Corporation (until September 2022) Jun. 2022 Outside Director, Yokogawa Electric Corporation (to present) Sep. 2022 Co-founder, Three Fields Advisors, LLC (to present) Mar. 2023 Outside Director, Renesas Electronics Corporation (to present)
		[Significant concurrent positions outside the Company] Co-founder of Three Fields Advisors, LLC Outside Director, Yokogawa Electric Corporation Outside Director, Renesas Electronics Corporation
	[Reasons for Nomination] Mr. Takuya Hirano has served as a senior manager for many years at global technology companies, including Microsoft Japan Co., Ltd. and Microsoft Corporation (the US), and he has extensive knowledge, as well as management and practical experience, in the technology industry. Based on this knowledge and experience, the Company expects that he will be able to provide oversight and advice from a fair and objective perspective. Therefore, the Company proposes appointing him as an Independent Director.	
	[Comments on Special-interest Relationships and the Independence of the Candidate] Mr. Takuya Hirano has no special-interest relationships with the Company. Three Fields Advisors, LLC, where he serves as Co-founder, and the Company have no business dealings. He is neither a Major Shareholder nor has he held an executive management position with a major trading partner of the Company within the preceding three fiscal years, and thus the Company believes that he satisfies the Independence Standards (Refer to Page 7) established by the Company. In accordance with listing regulations, the Company plans to report to the securities exchanges on which the Company is listed in Japan that he is an Independent Director.	
	[Special Notice regarding the Director Candidate] The Company plans to conclude an agreement limiting liability for damages under Article 423, paragraph (1) of the Companies Act with Mr. Takuya Hirano if he is appointed at this Shareholders' Meeting[*7)]. The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If he is appointed, he will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.	

Notes:
**13) A corporation established in Japan by Hyperion Solutions Corporation (Currently, Oracle Corporation)*
**14) Currently, Microsoft Japan Co., Ltd.*

Proposal No. 2 Election of Two Audit & Supervisory Board Members

The terms of office for Mr. Megumi Yamamuro, full-time Audit & Supervisory Board Member, and Mr. Hideo Makuta, Independent Audit & Supervisory Board Member, will expire at the close of this Annual Shareholders' Meeting. Accordingly, the Company proposes the election of two Audit & Supervisory Board Members. Candidates for the position of Audit & Supervisory Board Member are listed on Pages 18 to 19.
Taking into account that an important role of Audit & Supervisory Board Members is to perform compliance and accounting audits, the Company has decided to adopt a structure for audits to be performed by two full-time Audit & Supervisory Board Members and three Independent Audit & Supervisory Board Members who have the experience and knowledge required for such audits.
The Company has already received the consent for this proposal from the Audit & Supervisory Board.

<table>
<tr><th>Candi-date No.</th><th>Name and date of birth</th><th>Career summary, position in the Company, and significant concurrent positions outside the Company</th></tr>
<tr><td rowspan="5">1</td><td rowspan="2">Yuuichi Koseki

(March 12, 1964)

*New appointment

[No. of the Company's Shares Held*4)] 25,240</td><td>Apr. 1986 Joined the Company
Jun. 2015 Head of Business Management Unit, Integration Services Business
Apr. 2016 Corporate Executive Officer (until March 2021)
Head of Business Management Unit, Japan Sales (until March 2020)
Jun. 2018 Outside Director, DAIKO DENSHI TSUSHIN, LTD. (expected to retire in June 2024)
Apr. 2020 Head of Business Management Unit, Japan Region
Apr. 2021 Corporate Executive Officer, EVP*5)
Head of Business Management Unit (until March 2023)
Apr. 2022 Corporate Executive Officer, EVP*2) (until March 2024)
Apr. 2023 Co-Head of Business Management Unit (until March 2024)
Apr. 2024 Senior Advisor (to present)</td></tr>
<tr><td>[Significant concurrent positions outside the Company]
None</td></tr>
<tr><td colspan="2">[Reasons for Nomination]
Mr. Yuuichi Koseki has operational experience of supervision and management in the Business Management Unit and operational experience of management accounting in a business unit. Based on his extensive knowledge and practical experience from having led the Service Solutions Unit, one of the Company's growth areas, from the perspective of business management, the Company expects that he will be able to audit the execution of business operations and enhance the function of supervising the Board of Directors, from a fair and objective perspective. Therefore, the Company proposes his appointment.
The Company intends to appoint him as full-time Audit & Supervisory Board Member, if his appointment is approved at this Shareholders' Meeting.</td></tr>
<tr><td colspan="2">[Comments on Special-interest Relationships]
Mr. Yuuichi Koseki has no special-interest relationships with the Company.</td></tr>
<tr><td colspan="2">[Special Notice regarding the Audit & Supervisory Board Member Candidate]
The Company plans to conclude an agreement limiting liability for damages under Article 423, paragraph (1) of the Companies Act with Mr. Yuuichi Koseki if he is appointed at this Shareholders' Meeting*7).
The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If he is appointed, he will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.</td></tr>
</table>

Candi-date No.	*Name and date of birth*	*Career summary, position in the Company, and significant concurrent positions outside the Company*
2	Hideo Makuta (February 6, 1953) **Reappointment* **Independent Audit & Supervisory Board Member* [No. of Years Served as an Audit & Supervisory Board Member[*15)]] 4 [No. of the Company's Shares Held[*4)]] 0 [Attendance at the FY2023 Board of Directors' Meetings] 100% [Attendance at the FY2023 Audit & Supervisory Board Meetings] 100%	Apr. 1978 Public Prosecutor, Tokyo District Public Prosecutors Office Dec. 2006 Chief Prosecutor, Niigata District Public Prosecutors Office Apr. 2010 Chief Prosecutor, Chiba District Public Prosecutors Office Aug. 2011 Director, Criminal Affairs Department, Supreme Public Prosecutors Office Jul. 2012 Commissioner, Japan Fair Trade Commission (until June 2017) Sep. 2017 Registered as a Lawyer Advisor, Nagashima Ohno & Tsunematsu (until February 2023) Apr. 2019 Commissioner, Contract Monitoring Committee, Japan Atomic Energy Agency (to present) Jun. 2020 Outside Audit & Supervisory Board Member, Daicel Corporation (to present) Jun. 2020 Audit & Supervisory Board Member of the Company (to present) Mar. 2023 Attorney at law of Ginza Chuo Law Office (to present) [Significant concurrent positions outside the Company] Attorney at law Outside Audit & Supervisory Board Member, Daicel Corporation
	[Reasons for Nomination] Although Mr. Hideo Makuta has not previously been involved with company management other than having served as an external director, he served as a prosecutor and a Commissioner of the Japan Fair Trade Commission, and has in-depth knowledge not only of law but also of other matters associated with corporate management, such as the economy and society. Since his appointment as Audit & Supervisory Board Member of the Company, he has utilized his extensive knowledge to play an active role in various aspects, including playing an active role in stimulating discussions at meetings of the Audit & Supervisory Board, etc. Accordingly, the Company believes that his continuing to serve as Audit & Supervisory Board Member will contribute to highly effective audits at the Company, and therefore proposes reappointing him as an Independent Audit & Supervisory Board Member.	
	[Comments on Special-interest Relationships and the Independence of the Candidate] Mr. Hideo Makuta has no special-interest relationships with the Company. He is neither a Major Shareholder nor has he held an executive management position with a major trading partner of the Company in the past three fiscal years, and the Company believes that he satisfies the Independence Standards (Refer to Page 7) established by the Company. In accordance with listing regulations, the Company has reported to the securities exchanges on which the Company is listed in Japan that he is an Independent Audit & Supervisory Board Member.	
	[Special Notice regarding the Audit & Supervisory Board Member Candidate] An agreement limiting liability for damages under Article 423, paragraph (1) of the Companies Act has been concluded between the Company and Mr. Hideo Makuta. The Company plans to extend the agreement if he is reappointed at this Shareholders' Meeting[*7)]. The Company plans to conclude a directors and officers liability insurance contract with an insurance company. It covers the damages and dispute costs that the insured may bear if they receive a claim for damages as a result of serving as director or officer. If he is appointed, he will be included as an insured in the insurance contract. We also plan to renew the contract with the same content at the next contract renewal.	

Note:
**15) "No. of Years Served as an Audit & Supervisory Board Member" is as of the close of this Shareholders' Meeting.*

(Reference) Skill Matrix of the Company's Director and Audit & Supervisory Board Member

Fujitsu, as a global company making the world more sustainable by building trust in society through innovation, has identified requisite qualities including diversity and the necessary skills for Directors and Audit & Supervisory Board Members to execute business and provide appropriate advice and supervision in their respective roles. Fujitsu has nominated the candidates for Director and Audit & Supervisory Board Member as described above based on such requisites.

Below is the skill matrix of the Company's Directors and Audit & Supervisory Board Members (planned) after this Shareholders' Meeting.

	Name	Independent	Diversity		Skill Matrix				
			Gender	Nationality	Corporate management	Finance and investment	Global	Technology	ESG, academia, and policy
Non-Executive Chairman, Member of the Board	Hidenori Furuta		Male	JP	X		X	X	
Representative Director, CEO	Takahito Tokita		Male	JP	X		X	X	
Representative Director, Corporate Vice President,, CFO	Takeshi Isobe		Male	JP	X	X	X		
Director and Corporate Executive Officer, CHRO	Hiroki Hiramatsu		Male	JP	X		X		X
Director	Chiaki Mukai	X	Female	JP			X	X	X
Director	Yoshiko Kojo	X	Female	JP			X		X
Director	Kenichiro Sasae	X	Male	JP			X		X
Director	Byron Gill	X	Male	US		X	X		
Director	Takuya Hirano	X	Male	JP	X		X	X	

	Name	Independent	Diversity		Skill Matrix		
			Gender	Nationality	Legal affairs and compliance	Finance and accounting	Operating process
Full-time Audit & Supervisory Board Member	Youichi Hirose		Male	JP		X	X
Full-time Audit & Supervisory Board Member	Yuuichi Koseki		Male	JP		X	X
Audit & Supervisory Board Member	Koji Hatsukawa	X	Male	JP		X	X
Audit & Supervisory Board Member	Hideo Makuta	X	Male	JP	X	X	
Audit & Supervisory Board Member	Catherine O'Connell	X	Female	NZ	X		

Proposal No. 3 Revision to the Performance-based Stock Compensation Plan for Executive Directors

1. Reasons for proposal and reasons justifying the revisions

(1) Current status of the Plan

The "Performance-based Stock Compensation Plan," known as "Performance Share Units" (hereinafter referred to as the "Plan" in this proposal) was introduced after shareholders' approval at the 117th Annual Shareholders' Meeting held on June 26, 2017 to grant Executive Directors mid- to long-term incentives for improving corporate value and to further encourage them to enhance management from the shareholders' perspective.

Furthermore, separate from the upper limit of the amount of monetary compensation that was resolved at said Shareholders' Meeting, a resolution was made at the 121st Annual Shareholders' Meeting held on June 28, 2021 to revise the upper limit of compensation related to the Plan to up to 1.2 billion yen per year (the total number of allocated shares of the Company is set to within 750,000 shares[*4)] a year). In addition, the specific details of the Plan have been resolved.

A resolution was also made at the 122nd Annual Shareholders' Meeting held on June 27, 2022 to add EPS (earnings per share) to the evaluation indicators for the compensation for fiscal 2022 and onward, as well as to pay a portion of the compensation in cash equivalent to the tax obligation and other financial burden, with the remainder being paid with monetary compensation claims for the allocated shares of the Company.

(2) Details and reasons for the revisions

Separate from the upper limit of monetary compensation for Directors, the upper limit of compensation under the Plan shall be revised to an annual amount not exceeding 2.5 billion yen (the total number of allocated shares of the Company shall not exceed 1 million shares per year).

In promoting the business model reforms and strengthening global competitiveness to realize the Company's Purpose, the maximum amount of performance-based stock compensation for Executive Directors shall be revised to improve Fujitsu's competitiveness in securing excellent human resources to manage the company and to further deepen the connection between business performance, stock value and the compensation of Executive Directors. As reference, the revised maximum amount uses the compensation system of a group of benchmark companies that operate globally in accordance with said objectives.

In addition to the previously established levels of performance achievement for operating profit and EPS (earnings per share) in Fujitsu's consolidated financial results, the evaluation indicators for fiscal 2024 and onward under this Plan shall include an evaluation of the Company's Total Shareholder Return (TSR) (specifically, the superiority of the Company's TSR over the TOPIX growth rate and the results of comparisons with the TSRs of pre-selected peer group companies). The addition of TSR as an evaluation indicator is intended not only to generate profits and improve capital efficiency within the Fujitsu Group, but also to deepen the sharing of value with shareholders and to enhance the commitment of the Executive Directors to continuously improve corporate value. In the medium to long term, the Company shall place greater emphasis on profitability and value sharing with shareholders and shall exclude consolidated sales revenue from the indicators of the Plan.

(3) Reasons justifying the proposal

The Company determined the policy for determining the content of compensation, etc. for individual directors (Basic Policy on Executive Compensation) at a meeting of the Board of Directors, the majority of whom are Independent Directors, after receiving a report from the Compensation Committee consisting of Independent Directors. Revisions to the Plan are designed to link Executive Directors' compensations more closely with the Company's medium- and long-term performance and shareholder value, they are consistent with this policy, and they were determined at the Board of Directors meeting by receiving a report after the deliberations by the

Compensation Committee. Accordingly, the Company believes the content of these revisions is appropriate. Furthermore, the ratio of the total Company stock to be allocated in each fiscal year set forth in item 2 (2) below is about 0.04% (the ratio to the outstanding shares is about 0.48% in the case of issuing the Company shares for the total number at such upper limit over ten years), and the dilution ratio is thus minimal.

In addition, if this proposal and Proposal No. 4 are approved, the Basic Policy on Executive Compensation will be revised as stated on Pages 27 to 29, in order to be consistent with the content thereof.

(4) Executive Directors applicable for the Plan

The Company currently has nine Directors (of which five are Independent Directors), and three Executive Directors among those applicable for the Plan. There will be no change in the number of the applicable Executive Directors for the Plan, even if Proposal No. 1 "Election of Nine Directors" is approved as originally proposed at this Shareholders' Meeting.

2. Amount of compensation and specific details of the Plan after the revisions

(1) Overview of the Plan

The Company will present to Executive Directors (hereinafter referred to as "Eligible Persons" in this proposal) a base number of stock units in accordance with their duties and responsibilities, a performance judging period (three fiscal years), and the evaluation method including evaluation indicator and performance targets in advance. The number of stock units is calculated by multiplying base number of stock units by a coefficient according to the performance results such as the level of performance achievement and is fixed at each fiscal year and at the end of the performance evaluation period. When the performance evaluation period is over, and on the conditions that the person has been at a position that is applicable for the Plan throughout the performance evaluation period and that certain other requirements previously determined by the Board of Directors have been met, each applicable person is paid in cash the amount equivalent to a portion of the total number of shares that is allocated to the applicable person to pay for the tax obligation and other financial burden to be borne by the Eligible Persons as a result of the payment of compensation under the Plan, with the remainder of the allocated shares. At that time, monetary compensation claims and cash equivalent to market value of the above total shares are provided to Eligible Persons. The Eligible Persons shall then contribute in kind all of these monetary compensation claims in allocated shares to acquire shares of the Company. The proportion of the amount paid in cash out of the total shares is determined by the Board of Directors, taking into consideration the tax obligation and other financial burden above of each applicable Eligible Person.

Eligible Persons may transfer acquired shares of the Company at their own discretion unless they violate insider trading regulations.

(2) Total amount of monetary compensation claims and cash pertaining to the Plan, maximum number of shares to be allotted

The upper limit of the total amount of monetary compensation claims and cash paid to the Eligible Persons under the Plan shall be up to 2.5 billion yen per year. The total number of allocated shares of the Company shall be within 1 million shares a year.

In the event of a stock split, stock consolidation, or other event requiring adjustment of the total number of the Company's shares to be allotted, the total number of shares shall be adjusted to a reasonable extent in accordance with the split ratio or consolidation ratio, and other factors.

(3) Evaluation indicators and coefficient

Evaluation indicators are the Company's operating profit, EPS (earnings per share) in its consolidated financial results and TSR. The coefficients shall be set up within a certain range according to the level of achievement of the Company's operating profit and EPS in its consolidated financial results against predetermined performance targets, and the superiority of TSR over the TOPIX growth rate and the results of comparisons with the TSRs of pre-selected peer group companies.

(4) Condition for provision of monetary compensation claims and cash, allocation of shares of the Company

When the performance judging period is over, on the conditions that the Eligible Person has been at a position that is applicable for the Plan throughout the performance judging period and that certain other requirements previously determined by the Board of Directors have been met, monetary compensation claims and cash are paid to each Eligible Person. The Company shares will be allotted to each Eligible Person by having all monetary compensation claims contributed in kind.

However, should an Eligible Person for the Plan lose the aforementioned position before the expiration of the performance judging period with reasons deemed valid by the Board of Directors, the Board of Directors shall reasonably adjust the amount of the monetary compensation claims and cash to be paid, the number and payment of allocated shares and the timing of allocation as necessary.

As for the Plan, the Malus and Clawback Policy has been applied. If a certain event, such as significant misconduct, occurs with regard to an Eligible Person, the Board of Directors may demand reduction or return of stock compensation provided under the Plan to the Eligible Person based on a decision of the Board of Directors.

(5) Payment amount per share

The payment amount per share allocated to the Eligible Persons under the Plan shall be the fair price of the Company's shares on the day of allocation, such as the closing value of the share at the Tokyo Stock Exchange one business day before the date of the Board of Directors' meeting held to decide about the allocation (if there is no trade on such date, the closing value on the business day immediately preceding such date).

(6) Others

Handling of the Plan at the time of measures including organizational restructuring, handling at the time of stock split or stock consolidation and other details of the Plan shall be determined by resolution of the Board of Directors.

(Reference) Evaluation Indicators and Coefficient for the Plan

- Operating profit and income in EPS, which are evaluation indicators for the Plan, are adjusted operating profit and income (an indicator that represents an actual profit and income from core business calculated by deducting profits and losses from business restructuring, structural reforms, M&A, etc., and one-off profits and losses from changes in regulations). This was set as the financial targets in the medium-term management plan announced on May 24, 2023.
- Under the Plan, to share value with shareholders and contribute to the sustainable enhancement of corporate value, a fixed portion is provided as a base payment in addition to the performance-linked portion. Based on this, the payment rate is calculated using a coefficient that varies between 50 and 150% depending on the results of performance evaluation including achievement of performance targets.

Proposal No. 4 Revision to the Restricted Stock Unit Plan for Independent Directors*16)

1. Reasons for proposal and reasons justifying the revisions

(1) Current status of the Plan

Pursuant to the resolution at the 123rd Annual Shareholders' Meeting held on June 26, 2023, in order to provide incentives for Independent Directors to share values from the perspective of shareholders and to continuously improve corporate value, the Company introduced a "Restricted Stock Unit Plan" (Restricted Stock Unit; hereinafter referred to as the "Plan" in this proposal).

It was also resolved that the compensation amount under the Plan will be set at an amount that does not exceed 100 million yen per year (the total number of allocated shares of the Company will be set to within 60,000 shares per year*4)), separate from the upper limit of the amount of monetary compensation for Independent Directors resolved at the 121st Annual Shareholders' Meeting held on June 28, 2021.

(2) Details and reasons for the revisions

Directors from within the Company who do not execute operations shall be newly added to those eligible for the Plan and the Plan shall be revised so that all Non-Executive Directors (Independent Directors and Directors from within the Company who do not execute operations) including Independent Directors are eligible for the Plan for fiscal 2024 and onwards. The revision is based on the fact that Non-Executive Directors from within the Company complement the lack of knowledge of the Company's business fields and corporate culture among Non-Executive Directors, who are mainly composed of Independent Directors, and play a role in effective management supervision and advice together with other Directors. Therefore, the purpose of this revision is to make Non-Executive Directors from within the Company eligible for the Plan so that they can share value from the perspective of shareholders.

For Non-Executive Directors who are eligible for the Plan, the stock compensation plan is not linked to business performance from the perspective of ensuring that they can properly fulfill their roles of supervising and advising management from an objective standpoint.

(3) Reasons justifying the proposal

The Company determined the policy for determining the content of compensation, etc. for individual directors (Basic Policy on Executive Compensation) at a meeting of the Board of Directors, the majority of whom are Independent Directors, after receiving a report from the Compensation Committee consisting of Independent Directors. The content of revisions to the Plan provides incentive for Non-Executive Directors from within the Company to share value from the shareholders' perspective and for the sustainable enhancement of the Company's corporate value, and is in line with this Policy. It was determined at the Board of Directors meeting by receiving a report after the deliberations by the Compensation Committee, and their content is considered to be appropriate

In addition, if this proposal and Proposal No. 3 are approved, the Basic Policy on Executive Compensation will be revised as stated on Pages 27 to 29, in order to be consistent with the content thereof.

(4) Non-Executive Directors applicable for the Plan

The Company currently has nine Directors, of which six Non-Executive Directors shall be eligible for the plan (five Independent Directors and one Director from within the Company who does not execute operations). There will be no change in the number of the applicable Directors for the Plan, even if Proposal No. 1 "Election of Nine Directors" is approved as originally proposed at this Shareholders' Meeting.

2. Amount of compensation and specific details of the Plan after the revisions

(1) Overview of the Plan

The Company will determine the number of stock units to be granted to Non-Executive Directors (Independent Directors and Directors from within the Company who do not execute operations; hereinafter referred to as "Eligible Persons" in this proposal) for each fiscal year and the period of continued service (three years). Upon the completion of the period of continued service, on the condition of fulfilling the certain requirements set forth in advance by the Board of Directors, including having been in the position of an Eligible Person continuously for such period, the Eligible Persons shall be paid cash equivalent to the tax obligation and other financial burden arising for them due to the granting of compensation under the Plan, and allocated the Company shares, in accordance with the number of above Stock Units.

At the time, the Eligible Persons shall be provided with monetary compensation claims and cash equivalent to the market value of the Company shares at the same number of the above Stock Units, and shall receive the allocation of the Company shares by contributing in kind all of the former monetary compensation claims to the Company. The proportion of the amount paid in cash out of the number of above Stock Units is determined by the Board of Directors, taking into consideration the tax obligation and other financial burden of each applicable Eligible Person.

Eligible Persons may transfer acquired shares of the Company at their own discretion unless they violate insider trading regulations.

(2) Total amount of monetary compensation claims and cash pertaining to the Plan, maximum number of shares to be allotted

The upper limit of the total amount of monetary compensation claims and cash paid to the Eligible Persons under the Plan is set up to 100 million yen per year. The total number of allocated shares of the Company is set to be within 60,000 shares a year (including the portion for Independent Directors not exceeding 90 million yen per year, and the total number of allocated shares of the Company not exceeding 53,000 shares per year).

In the event of a stock split, stock consolidation, or other event requiring adjustment of the total number of the Company's shares to be allotted, the total number of shares shall be adjusted to a reasonable extent in accordance with the split ratio or consolidation ratio, and other factors.

(3) Calculation method of the number of the Company shares to be allocated and the amount of money to be paid under the Plan

The Company shall decide the number of Stock Units to be granted to the Eligible Persons by the Board of Directors, in consideration of the duties, etc. of the Eligible Persons. Upon the completion of the period of continued service, regarding the number of Stock Units granted to the Eligible Person, one unit shall be equivalent to one share, and the amount of cash to be paid and the number of Company shares to be granted to each Eligible Person shall be decided, based on the proportion set forth by the Board of Directors, taking into account of the tax obligation and other financial burden arising for the Eligible Persons due to the payment of compensation under the Plan.

(4) Condition for provision of monetary compensation claims and cash, allocation of shares of the Company

On the condition that the period of continued service is over, and that the Eligible Person fulfills the certain requirements set forth in advance by the Board of Directors, including having been in the position of an Eligible Person for the Plan continuously for such period, monetary compensation claims and cash are paid to each Eligible Person. The Company shares will be allotted to each Eligible Person by having all monetary compensation claims contributed in kind.

However, should an Eligible Person for the Plan lose the aforementioned position before the expiration of the period of continued service with reasons deemed valid by the Board of Directors, the Board shall reasonably adjust the amount of the monetary compensation claims and cash to be paid, the number and payment of allocated shares and the timing of allocation as necessary.

(5) Payment amount per share

The payment amount per share allocated to the Eligible Persons under the Plan shall be the fair price of the Company's shares on the day of allocation, such as the closing value of the share at the Tokyo Stock Exchange one business day before the date of the Board of Directors' meeting held to decide about the allocation (if there is no trade on such date, the closing value on the business day immediately preceding such date).

(6) Others

Handling of the Plan at the time of measures including organizational restructuring, handling at the time of stock split or stock consolidation and other details of the Plan shall be determined by resolution of the Board of Directors.

Note:
**16) Non-Executive Directors after the revision.*

[Reference] Basic Policy on Executive Compensation (if Proposal No. 3 and Proposal No. 4 are approved)

Basic Policy on Executive Compensation

The Company has established the following basic policy on executive compensation to secure the exceptional human resources required to manage the Fujitsu Group and achieve its Purpose "Make the world more sustainable by building trust in society through innovation," and to further strengthen the link to its financial performance and shareholder value while at the same time improving its transparency.

1. Policy on the Compensation System and Compensation Levels

- Executive compensation is comprised of the following: "Base Compensation," specifically a fixed monthly salary in accordance with position and responsibilities; "Bonuses" that are compensation linked to short-term business performance; and "Stock Compensation," which is a medium- and long-term incentive that emphasizes the connection to shareholder value.
- With the aim of setting competitive compensation that contributes to securing and maintaining exceptional human resources, compensation levels and composition ratio by type shall be set based on the financial position of the Company, comparing the compensation composition ratio and compensation levels for each position and responsibility at global companies in Japan and overseas with similar business lines and similar scale as benchmarks.
- The ratio of performance-based compensation (bonuses and performance-based stock compensation) to the total compensation for Executive Directors shall be determined so as to strengthen the link to the Group's financial performance and shareholder value by setting the higher ratio to the greater responsibilities.
- Individual director's compensation shall be determined by the Board of Directors following deliberation by the Compensation Committee to ensure objectivity, transparency and fairness.

[Matrix diagram of executive compensation items and payment recipients]

Recipient	Base compensation (1)	Bonuses (2, 6)	Stock compensation	
			Performance-based stock compensation (3a, 5, 6)	Restricted stock units (3b, 5)
Executive Directors	X	X	X	—
Non-executive Directors	X	—	—	X
Audit & Supervisory Board Members	X	—	—	—

2. Basic Policy on Executive Compensation Items

(1) Base compensation

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

(2) Bonuses

- Bonuses shall be paid to Executive Directors. The amount of a bonus shall reflect business performance in the respective fiscal year.
- As a specific evaluation indicator and calculation method, the Company shall adopt an "On Target model" to determine the bonus amount to be paid by setting the base amount in accordance with the position and responsibilities in advance. The bonus amount is calculated by multiplying the base amount by the coefficient in accordance with the following elements: the degree of achievement of the performance targets for the respective fiscal year based on the Company's consolidated revenue and adjusted consolidated operating profit and core free cash flow (Note 1), which are our financial management target indicators, growth from the previous fiscal year in "Customer NPS® "(Note 2), "Employee Engagement" (Note 3), and diverse leadership (ratio of female managers), which are our non-financial management target indicators, and acquisition of the highest evaluation, etc. from a third-party assessment organization on ESG initiatives.

Notes:

*1. Ordinary free cash flow, excluding one-time cash inflows or outflows from such activities as business restructurings, structural reforms, and M&A.
*2. Abbreviation for Customer Net Promoter Score. It is an indicator to measure "customer loyalty," which presents the degrees of trust and attachment of customers to companies, products, and services, in order to understand the degree of improvement and depth of the customer experience (CX).
*3. An indicator to present willingness and attachment to work voluntarily and independently, and to contribute to the Company, with empathy for the Company's direction and Purpose.

(3) Stock Compensation

a) Performance-based Stock Compensation (performance share units)

- Performance shares shall be granted to Executive Directors, in order to share the profit with shareholders and as an incentive to contribute to the enhancement of medium- to long-term business performance.
- As a specific evaluation indicator and calculation method, the Company shall set a base number of stock units in accordance with the position and responsibilities in advance, and at each fiscal year and at the end of the performance judging period, the Company shall calculate the number of stock units by multiplying the base number of stock units by the coefficient in accordance with the degree of achievement of the performance targets for the performance judging period (three years) based on the Company's adjusted consolidated operating profit and adjusted EPS (profit for the year per share), which are financial management target indicators, as well as the superiority of TSR (total shareholder return) over the TOPIX growth rate and the results of comparisons with the TSRs of pre-selected peer group companies at the end of the performance judging period. When the performance judging period is over, the total number of shares is calculated, based on each stock unit being equivalent to one share of the Company, and a portion of the total number of shares is paid in cash for the amount equivalent to the Eligible Person's tax payment and other financial burden arising from the compensation paid, and the remainder is allocated in shares of the Company.

b) Restricted Stock Units

- Restricted stock units (under a post-delivery type incentive plan that grants shares as compensation after confirming the right which is subject to a certain period of continuous service) shall be granted to Non-executive Directors, in order to share the profit with shareholders and as contribution to the sustainable enhancement of corporate value.
- The Company shall set a number of stock units in accordance with the position each year in advance. Upon completion of the period of continuous service (three years), the total number of shares is calculated, based on each stock unit being equivalent to one share of the Company, and a portion of the total number of shares is paid in cash for the amount equivalent to the Eligible Person's tax payment and other financial burden arising from the compensation paid, and the remainder is allocated in shares of the Company.

(4) Benchmark Composition Ratio for Compensation

The benchmark ratio of base compensation, bonuses, and performance-based stock compensation shall be 1:1:4 for Representative Director, CEO, and the percentage for performance-based compensation is set higher than that for other Executive Directors. In addition, the benchmark ratio of base compensation (excluding allowances) and restricted stock units for Independent Directors shall be 7:3.

(5) Stock Holding Guideline

The Company has established the Stock Holding Guideline with the aim of promoting long-term value sharing with shareholders. Directors who are eligible to receive stock compensation shall make an effort to hold at minimum the certain number of the Company's shares set for each position during their terms of office. Representative Director, CEO shall make an effort to hold the Company's shares equivalent to twice as much as the annual amount of base compensation by the time four years have passed after taking office and continue holding them during the term of office.

(6) Return of Compensation (Malus and Clawback Policy)

In the event of an inappropriate accounting treatment including material ex-post adjustments to past-year financial results or a serious misconduct or compliance violation during the term of office, the Company may demand reduction or return of performance-based compensation (bonuses and performance-based stock compensation) to the relevant Executive Director, including a person who retired within two years, based on a decision of the Board of Directors after deliberation by the Compensation Committee.

As resolved at the Annual Shareholders' Meeting, the total amount of the "base compensation" and "bonuses" to Directors shall not exceed 1,200 million yen per year (including the portion for Independent Directors not exceeding 150 million yen per year). The amount of the "performance-based stock compensation" for Executive Directors shall not exceed 2,500 million yen per year, with the total number of shares to be allocated not exceeding 1 million shares per year. And the amount of the "restricted stock units" for Non-executive Directors shall not exceed 100 million yen per year, with the total number of shares to be allocated not exceeding 60,000 shares per year (including the portion for Independent Directors not exceeding 90 million yen per year; with the total number of the Company's shares to be allocated not exceeding 53,000 shares per year).

The amount of "base compensation" for Audit & Supervisory Board Members shall not exceed 150 million yen per year.

Exhibit A

Reports on the 124th Business Period

Fujitsu Limited

Note:
This English version of *Reports on the 124th Business Period* is a translation for reference only. The style of this English version differs slightly from the original Japanese version.

To Our Shareholders

We would like to sincerely thank you for your continued support.

We welcome the opportunity to present this report on our 124th business period (covering fiscal year 2023, from April 1, 2023 to March 31, 2024).

The Fujitsu Group is dedicated to realizing Our Purpose "Make the world more sustainable by building trust in society through innovation." To this end, we have identified three areas of Materiality (our essential areas for contributions): "Solving global environmental issues," "Developing a digital society," and "Improving people's well-being." For those three areas, we have set 11 key issues relating to climate change, maintaining security of information and contributing to healthcare for an improved quality of life, which we are approaching through all our corporate activities.

Under our new Medium-Term Management Plan that we announced in May 2023, we have positioned the three-year period from FY2023 to FY2025 as a period to establish a business model for sustainable growth and improved profitability and defined our four key strategies of Business Model and Portfolio Strategy; Customer Success Strategy/Regional Strategy; Technology Strategy; and People Strategy. In addition, we have set Group-wide financial and non-financial targets, and are promoting measures in alignment with that.

During fiscal 2023, Fujitsu Uvance, a portfolio of solutions with which we are taking on the challenge of solving social problems across industries, captured the high priority needs of SX (Sustainability Transformation) to achieve significant 84% year-on-year growth in operating revenues. Going forward, in addition to transformation of our business model and business portfolio led by Fujitsu Uvance, we will continue to provide reliable support for our customers' modernization and to efforts to improve the profitability of our service solutions overall, including overseas businesses.

For the Group's own DX, we are steadily working to strengthen our management foundation through implementing our "OneFujitsu" program, which revamps processes and systems in order to realize data driven management. Furthermore, we made some partial revisions to our evaluation indicators for the non-financial area and setting targets related to the four items of Environment, Customer, Productivity and People, we have been working continuously on improving the evaluation of each item.

Regarding the financial performance of fiscal 2023, despite a decrease in operating profit due to one-time losses incurred primarily from structural reforms centered on overseas regions, we achieved record high profit for the year due to the revenue-increasing effects and improved profitability in Fujitsu's core segment of service solutions along with a decrease in tax expenses due to the recording of deferred tax assets associated with the aforementioned structural reforms. For details of our financial results, please refer to Page A-5 of this report.

Considering these financial results, the financial position, and the business environment from now on in, as stated in the plan announced in April 2023, we will pay an annual dividend of 260 yen per share for fiscal 2023. This is a 20 yen increase from the annual dividend for fiscal 2022, and our eighth consecutive year of dividend increases.

In fiscal 2024, we will further promote creation of value offered to our customers and the transformation for this creation to achieve our management direction and to realize Our Purpose going forward. Moreover, under the Company's capital allocation policy, we will continue to pay a stable dividend while expanding the amount of shareholder returns by proactively conducting repurchases of treasury stock with an eye on our capital efficiency.

We would like to ask for continued support and encouragement from all shareholders.
May 2024
Takahito Tokita, Representative Director, CEO

(Note)
Fujitsu carried out a 10-for-1 stock split on April 1, 2024. However, the figure presented for the annual dividend for fiscal 2023 is the actual dividend amount before the stock split. The annual dividend after being converted based on the number of shares after the stock split would have amounted to 26 yen.

Business Report

1. Business Overview (April 1, 2023 to March 31, 2024)

(1) Major Businesses of the Fujitsu Group (As of March 31, 2024)

Fujitsu Limited and its subsidiaries have operations in different regions around the world, including Japan, and provide digital services globally. The main businesses of the Fujitsu Group consist of four segments, "Service Solutions," "Hardware Solutions," "Ubiquitous Solutions," and "Device Solutions," and the main products and services of each segment are described below.

From fiscal 2023, the Company has made partial changes to segments. For details, please refer to "(Reference) Partial Changes to Segments" on the next page.

Segment	*Main products and services*
Service Solutions <Sub-segment> • Global Solutions • Regions (Japan) • Regions (International)	● Consulting Services (Business Consulting and Technology Consulting) ● Cloud Services (IaaS, PaaS, SaaS, etc.) ● Systems Integration (System Implementation, Modernization, etc.) ● Software (Business Applications and Middleware) ● Software Support Services ● Business Process Outsourcing ● IT Services (Data Center, Network Services, Security Services, In-Vehicle Information Systems, etc.) ● Managed Services (Systems Operations Management, Application Operations Management, Service Desk, etc.)
Hardware Solutions	● System Products (UNIX Servers, Mission Critical IA Servers, PC Servers, OS, Storage System, Mainframe, Front End Technology, etc.) ● Network Products (Mobile Systems, Photonics Systems, IP Network Equipment, etc.) ● Hardware Support Services (Support for System Products and Network Products) ● System Support Services (ICT System and Network Maintenance and Monitoring Services, etc.)
Ubiquitous Solutions	● PCs
Device Solutions	● Electronic Components (Semiconductor Packages, Batteries, etc.)

(Reference) Partial Changes to Segments

From fiscal 2023, the Company has made changes to segments as follows. In accordance with these changes, segment information in this Business Report is presented using the changed segments, including past fiscal years. Comparisons with past fiscal years are made after reclassifying data for past fiscal years to the changed segments.

1. Purpose of the changes

The purpose of these changes is to more clearly indicate progress toward the achievement of medium-term management targets, and to more closely reflect the viewpoint of a management approach based on consistency between the current organizational structure and the segment classifications used for the disclosure of information.

2. Main changes

The Company will eliminate the previous "Technology Solutions" segment, create two new segments, and change the previous "Inter-segment Elimination" segment.

(1) Establishment of the "Service Solutions" segment

The hardware sales and hardware maintenance services were separated from the sub-segments "Solutions/Services" and "International Regions Excluding Japan" included in "Technology Solutions," and the name has been changed to "Service Solutions."

The following three sub-segments will be newly established.

Global Solutions	Creating and providing common global value providing services centered on Fujitsu Uvance
Regions (Japan)	Provision of services to the Japanese market (including implementation of Fujitsu Uvance)
Regions (International)	Provision of services in regions outside of Japan (including implementation of Fujitsu Uvance)

(2) Establishment of the "Hardware Solutions" segment

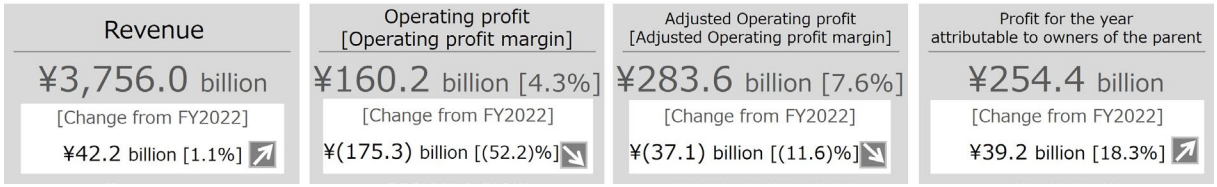
The sub-segment "System Platforms," which was included in "Technology Solutions," was consolidated with hardware sales and hardware maintenance services into the new segment "Hardware Solutions."

(3) Changes in "Inter-segment Elimination"

"Inter-segment Elimination/Corporate" (the name has changed from the previous "Inter-segment Elimination") refers to the following items included in the previous sub-segment "Technology Solutions (Common)": advanced R&D conducted by the Fujitsu Research Unit and other groupwide organizations that do not belong to any of the segments; investment in common business growth including in-house DX investment on a global group basis; sale and disposal of common assets; and elimination of inter-segment revenue.

(2) Trends and Results for the Consolidated Group

a) Overview



Notes:
1. Revenue is revenue to unaffiliated customers.
2. Adjusted operating profit is an indicator of the actual profit from the core business after deducting gains and losses resulting from business reorganization, business restructuring, M&A, etc. and one-time gains and losses due to system changes, etc. from operating profit.

Consolidated revenue for fiscal 2023 was 3,756.0 billion yen, up 1.1% from fiscal 2022. Consolidated revenue increased due to factors such as the following. In the Company's mainstay "Service Solutions" segment, there was a significant increase in business orders related to DX (digital transformation), modernization, etc., particularly in the Japanese market, and Fujitsu Uvance revenue also grew 84% from fiscal 2022 as it captured high demand related to SX (sustainability transformation), etc.

Operating profit for fiscal 2023 amounted to 160.2 billion yen, a decrease of 175.3 billion yen from fiscal 2022. Operating profit includes one-off losses of 123.4 billion yen (Note) from business restructuring, structural reforms, etc. Adjusted operating profit, which represents actual profit from the core business after deducting these one-off losses was 283.6 billion yen, a decrease of 37.1 billion yen from fiscal 2022. In addition to higher revenue, profit also increased in "Service Solutions" as a result of steadily taking steps to enhance the profitability of services in Japan, but overall operating profit fell from fiscal 2022 owing to the impact of a decline after high demand in fiscal 2022 for network products in "Hardware Solutions," as well as lower unit sales and a drop in capacity utilization for semiconductor packages, etc., in "Device Solutions."

Net financial income for fiscal 2023, consisting of financial income, financial expenses, and income from investments accounted for using the equity method, net, was 17.9 billion yen, a decrease of 18.3 billion yen from fiscal 2022, mainly because income from investments accounted for using the equity method, net, fell by 16.8 billion yen, owing to a fall back from recording a gain on valuation of fair value of 7.7 billion yen associated with PFU Limited becoming an equity method affiliate in fiscal 2022.

As a result, profit before income taxes for fiscal 2023 was 178.1 billion yen, a decrease of 193.6 billion yen from fiscal 2022.

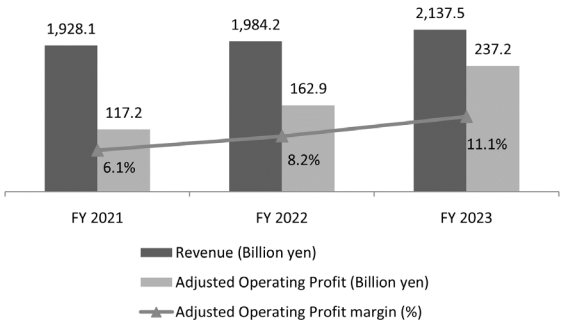
Profit for the year attributable to owners of the parent was 254.4 billion yen, up 39.2 billion yen from fiscal 2022, marking a record high, thanks to higher revenue and profitability improvements in "Service Solutions," as well as the impact of a decline in tax expense caused by recording 140.5 billion yen in deferred tax assets owing to the decision to liquidate a subsidiary (Fujitsu Services Holdings PLC) in Europe as part of the aforementioned business restructuring, structural reforms, etc.

Note:

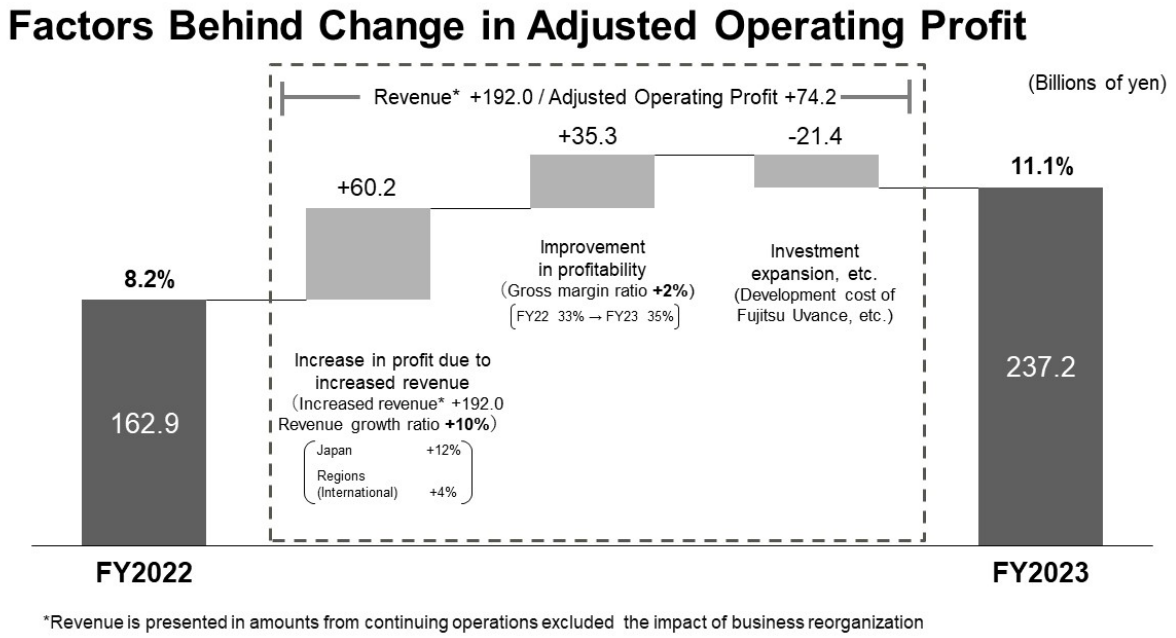
Mainly one-off losses associated with the transfer of the German private cloud business (approximately 30.0 billion yen), one-off losses associated with the withdrawal from regions with low profitability in Europe and the downsizing of corporate functions (approximately 30.0 billion yen), one-off losses associated with a response to the exit from the CCD (PCs, etc.) business in Europe (approximately 30.0 billion yen), etc.

b) Overview by Business Segment

Service Solutions



	FY 2021	FY 2022	FY 2023
Breakdown of Revenue			
Global Solutions	411.5	407.2	480.3
Regions (Japan)	1,197.7	1,194.6	1,262.1
Regions (International)	535.2	581.7	604.1
Inter-segment eliminations	(216.3)	(199.3)	(209.1)
Breakdown of Adjusted Operating Profit			
Global Solutions	(9.0)	5.0	13.7
Regions (Japan)	109.5	147.7	213.1
Regions (International)	16.7	10.3	10.3



Revenue in the Service Solutions segment in fiscal 2023 amounted to 2,137.5 billion yen, an increase of 7.7%, year on year. There was very solid growth in business related to DX and modernization, particularly in the Japanese market. In addition, Fujitsu Uvance, which is positioned as a key part of business growth and portfolio transformation, captured high demand in areas such as SX, and generated revenue of 367.9 billion yen, an increase of 84% year on year, significantly exceeding the target revenue of 300.0 billion yen. Orders received also increased significantly, to 449.3 billion yen, an increase of 80% year on year. As a result, Fujitsu Uvance's share of the overall Service Solutions revenue grew to 17%, an increase of 10% from fiscal 2022.

Adjusted operating profit grew significantly, to 237.2 billion yen, an increase of 74.2 billion yen from fiscal 2022. In addition to the impact of increased revenues in the Japanese market, profitability also improved as result of steady progress in the use of offshore services through Global Delivery Centers (Note), as well as development process standardization, automation, in-house manufacturing, etc. Although the Company increased investment directly linked to business growth, such as development of offerings at Fujitsu Uvance, development of highly skilled human resources, reskilling, and increased security, the impact of the aforementioned factors contributing to higher profit was greater, resulting in a significant increase in overall profit.

< Sub-segments >

In “Global Solutions,” revenue increased by 17.9% from fiscal 2022, driven partly by a steady increase in revenue at Fujitsu Uvance, as well as revenue from software supporting modernization. While actively investing in Fujitsu Uvance as a growth investment, profit levels also significantly improved thanks to the increase in revenue and better profitability, and as a result, adjusted operating profit increased by 8.6 billion yen from fiscal 2022.

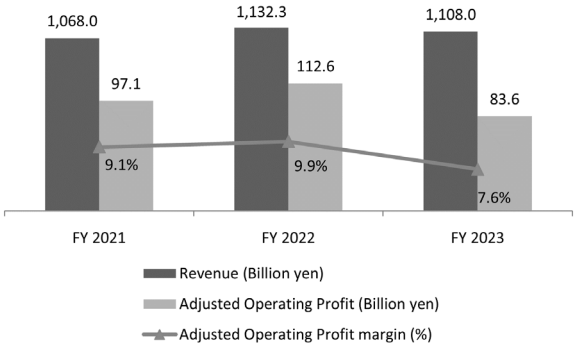
In “Regions (Japan),” revenue increased by 5.7% from fiscal 2022, as orders grew for DX business and modernization contracts across a wide range of fields, particularly the finance, public sector, and healthcare fields. Adjusted operating profit increased by 65.4 billion yen from fiscal 2022, thanks to the increase in revenue, as well as advancements in improvements to profitability.

In “Regions (International),” revenue increased 3.9% from fiscal 2022 as a result of growth in revenue at Fujitsu Uvance, as well as the impact of foreign exchange rates. Adjusted operating profit was largely unchanged from fiscal 2022 at 10.3 billion yen. Conditions remained difficult with in terms of profitability, but the Company is steadily converting the business portfolio, and will accelerate improvements to profitability.

Note:

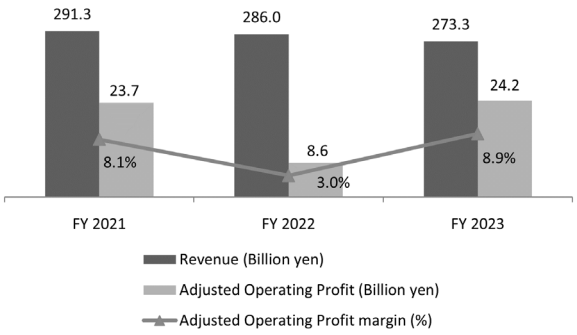
Global Delivery Center (GDC): Numerous sites established by the Company in different parts of the world for providing offshore development and other services.

Hardware Solutions



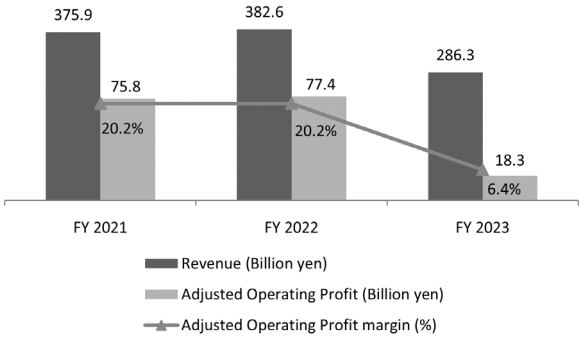
Revenue in the Hardware Solutions segment in fiscal 2023 amounted to 1,108.0 billion yen, a decrease of 2.2% year on year. In System Products, revenue increased by 7.2% from fiscal 2022, mainly as a result of the impact of foreign exchange rates, but in Network Products, demand continued to decline from high levels in fiscal 2022 in both mobile systems and photonics, resulting in revenue falling by 32.2% from fiscal 2022. In line with the impact of lower revenue, adjusted operating profit was 83.6 billion yen, a decrease of 28.9 billion yen from fiscal 2022.

Ubiquitous Solutions



Revenue in the Ubiquitous Solutions segment in fiscal 2023 was 273.3 billion yen, down 4.4% year on year. Adjusted operating profit was 24.2 billion yen, a significant increase of 15.5 billion yen, or 178.4%, from fiscal 2022, as a result of the promotion of initiatives such as cost cuts and passing costs onto sales prices, in response to higher component prices due to foreign exchange fluctuations.

Device Solutions



Revenue in the Device Solutions segment in fiscal 2023 amounted to 286.3 billion yen, down 25.2% year on year. Demand for semiconductor packages was strong until the first half of fiscal 2022, but slowed significantly from the second half, and remained at low levels in fiscal 2023. As a result, together with a decline in plant utilization caused by lower unit sales, adjusted operating profit was 18.3 billion yen, a decrease of 59.0 billion yen from fiscal 2022.

● Inter-segment Elimination/Corporate

"Inter-segment Elimination/Corporate" is a segment for recording the following items: advanced R&D conducted by groupwide organizations that do not belong to any of the segments; investment in common business growth including in-house DX investment on a global group basis; sale and disposal of common assets; and elimination of inter-segment revenue.

Adjusted operating loss from "Inter-segment Elimination/Corporate" was 79.7 billion yen, an increase in expenses of 38.8 billion yen from fiscal 2022. The Company is systematically increasing investment that will contribute to business growth over the medium and long term, including stronger advanced R&D in areas such as AI, quantum computing, and energy-saving processors, the promotion of the OneFujitsu program to enhance management foundations, and stronger global security.

Notes:

1. Revenue in each segment includes inter-segment revenue.
2. From fiscal 2023, the Company has made partial changes to segments. For details, please refer to "(Reference) Partial Changes to Segments" on page A-4 of this report.

(3) Consolidated Asset and Profit (Loss) Situation for the Most Recent Four Fiscal Years

Billion yen, except where stated

Section	*FY 2020 (121st)*	*FY 2021 (122nd)*	*FY 2022 (123rd)*	*FY 2023 (Current period)*
Revenue	¥3,589.7	¥3,586.8	¥3,713.7	¥3,756.0
Japan	2,417.6	2,269.8	2,290.2	2,437.6
Outside Japan	1,172.0	1,316.9	1,423.4	1,318.4
Ratio of Revenue Outside Japan [%]	[32.7]	[36.7]	[38.3]	[35.1]
Operating Profit	266.3	219.2	335.6	160.2
Operating Profit Margin [%]	[7.4]	[6.1]	[9.0]	(4.3)
Profit for the Year Attributable to Owners of the Parent	202.7	182.6	215.1	254.4
Basic Earnings per Share [yen]	101.38	92.42	110.76	135.59
Total Assets	3,190.2	3,331.8	3,265.5	3,514.8
Equity Attributable to Owners of the Parent	1,450.1	1,590.7	1,586.8	1,752.3
Equity Attributable to Owners of the Parent Ratio [%]	[45.5]	[47.7]	[48.6]	[49.9]
Equity per Share Attributable to Owners of the Parent [yen]	728.71	809.47	842.54	952.76
Free Cash Flow	236.3	189.0	177.5	151.9

Notes:

1. Pursuant to Article 120, paragraph (1) of the Regulation on Corporate Accounting, the Company prepares consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS).
2. On April 1, 2024, the Company implemented a ten-for-one stock split. Basic Earnings per Share and Equity per Share Attributable to Owners of the Parent have been calculated on the basis that the stock split had been conducted at the beginning of the 121st fiscal term.
3. Free cash flow: Total of cash flows from operating and investing activities

(4) The Fujitsu Group (as of March 31, 2024)

The status of the Company's principal consolidated subsidiaries and affiliates are shown below.

Company name	Percentages of voting rights (%)	Location	Major businesses
Service Solutions (excluding sales of Hardware and Ubiquitous products)			
Fujitsu Japan Limited	100	Minato-ku, Tokyo	Provision of integrated services covering solutions and SI, package development, and operation, to local governments, medical and educational institutions, and the private sector. Promotion of DX business utilizing AI, cloud services, local 5G, etc.
Fujitsu Fsas Inc.	100	Nakahara-ku, Kawasaki-shi	Provision of information system architecture, maintenance, and operation services, and the sale of information system devices and software
Fujitsu Network Solutions Limited	100	Saiwai-ku, Kawasaki-shi	Network system planning, consulting, design, installation management, operation, and maintenance, as well as the provision of related services
Fujitsu Defense & National Security Limited	100	Nakahara-ku, Kawasaki-shi	Research, development, construction and maintenance of security-related information and communication systems, and the development, manufacture and sale of equipment and software for information and communication systems
Ridgelinez Limited	100	Chiyoda-ku, Tokyo	Digital transformation-related consulting and investigation and research activities
TRANSTRON Inc.	51.00	Kohoku-ku, Yokohama-shi	Development, manufacture, and sale of automotive-related electronic products and in-vehicle information devices, and the provision of related services
Fujitsu Technology Solutions (Holding) B.V.	100	Netherlands	Consulting and the provision of various services related to system architecture, maintenance, and operation, and the sale of information system devices and software
Fujitsu Services Holdings PLC	100	U.K.	
Fujitsu North America, Inc.	100	U.S.	
Fujitsu Australia Limited	100	Australia	
Fujitsu Asia Pte. Ltd.	100	Singapore	
GK Software SE	72.07 (72.07)	Germany	Development and sale of software products for the retail industry, and the provision of related services
Hardware Solutions (excluding manufacturing and sales of Ubiquitous products)			
Fujitsu Frontech Limited	100	Inagi-shi, Tokyo	Provision of front-end technology products and related solutions and services
Fujitsu Isotec Limited	100	Date-shi, Fukushima	Manufacture of PC servers, and the development, manufacture, and sale of printers
Fujitsu Telecom Networks Limited	100	Oyama-shi, Tochigi	Manufacture of network devices, network systems, etc.
Fujitsu Network Communications, Inc.	100	U.S.	Development, manufacture, and sale of network devices and systems, as well as construction and the provision of related services
Ubiquitous Solutions			
Fujitsu Personal System Limited	100	Nakahara-ku, Kawasaki-shi	Sale of PCs, etc., and the provision of related services
Device Solutions			
SHINKO ELECTRIC INDUSTRIES CO., LTD.	50.03	Nagano-shi, Nagano	Development, manufacture, and sale of semiconductor packages
FDK CORPORATION	58.93	Minato-ku, Tokyo	Development, manufacture, and sale of various batteries and electronic components

Notes:

1. Figures in parentheses in the percentages of voting rights are indirect shareholdings, which are included in the percentages of voting rights.
2. Fujitsu Japan Limited transferred its head office to Saiwai-ku, Kawasaki-shi on April 1, 2024.
3. Fujitsu Fsas Inc. changed its trade name to Fsas Technologies Inc. on April 1, 2024.
4. From fiscal 2023, the Company has made partial changes to segments. For details, please refer to "(Reference) Partial Changes to Segments" on page A-4 of this report.

<Equity method affiliates>
Fujitsu General Limited 44.06%, Fujitsu Client Computing Limited 49.00%, FLCS Co., Ltd. 20.00%, PFU Limited 20.00%, etc.

Notes:
1. Percentages are percentages of voting rights.
2. Fujitsu Client Computing Limited delivers parts of personal computers for enterprises it develops and manufactures to the Company.

(5) Significant Realignment

Fujitsu ND Solutions AG, a consolidated subsidiary of the Company, conducted a tender offer for GK Software SE, a German company, which was completed on May 16, 2023. As a result, GK Software SE became a consolidated subsidiary of the Company on the same day.

(6) Capital Expenditures

Capital expenditures in fiscal 2023 totaled 129.7 billion yen, an increase of 7.2% compared with fiscal 2022.

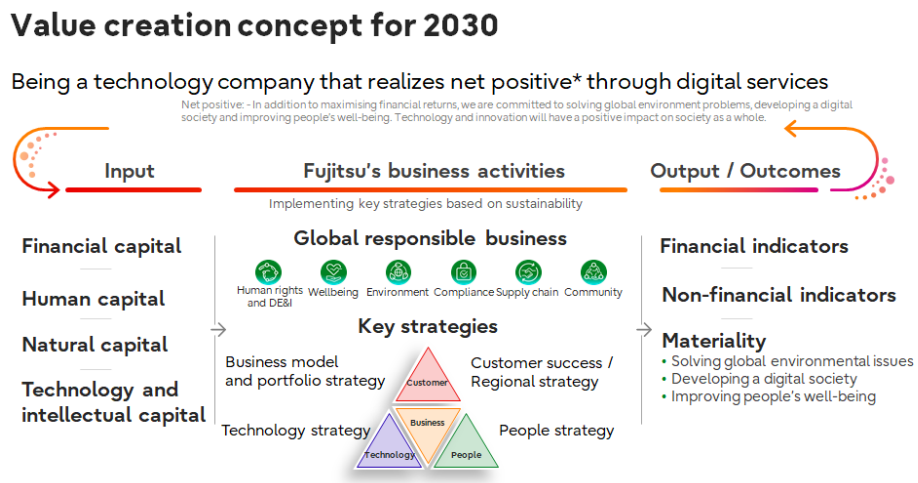
In the Service Solutions segment, capital expenditures amounted to 31.5 billion yen, primarily for equipment related to the service business, including data center equipment. In the Device Solutions segment, capital expenditures amounted to 78.5 billion yen, mainly for new plants and production equipment for electronic components at SHINKO ELECTRIC INDUSTRIES CO., LTD.

(7) Capital Procurement

During fiscal 2023, the Company did not engage in capital procurement by means of issuance of shares or bonds.

(8) Key Challenges Ahead

The Fujitsu Group has defined its Purpose as “Make the world more sustainable by building trust in society through innovation.” We established “Solving global environmental issues,” “Developing a digital society,” and “Improving people’s well-being” as our three areas of Materiality that are essential areas for contributions to achieving Our Purpose. We have identified 11 key issues to focus on across these areas, including addressing climate change, maintaining information security, and contributing to healthcare for an improved quality of life, and have promoted company-wide initiatives to address these issues, with the aim of increasing the Fujitsu Group’s corporate value and creating a sustainable world.



We have also established a vision of being a technology company that realizes net positive for our stakeholders, including society, customers, shareholders, and employees, by providing digital services that contribute to sustainability in a cross-industry approach toward 2030. This net positive is defined as Fujitsu’s efforts as a social presence that, in addition to maximizing financial returns, resolves the Materiality of “Solving global environmental issues,” “Developing a digital society,” and “Improving people’s well-being,” thereby creating a positive impact on society as a whole through technology and innovation.

We will invest capital such as financial and human capital, address Materiality in line with our key strategies, produce outputs and outcomes in both financial and non-financial terms, and invest these as inputs. By continuing this cycle, we will strive to improve the value we provide to our stakeholders.

[Market Environment]

Regarding the market environment surrounding our group, the existing IT market, such as conventional mission-critical systems, is expected to continue to shrink at a moderate pace. On the other hand, spending on modernization of legacy systems and shift to cloud computing are predicted to continue to solidly increase. Moreover, spending on technologies such as AI (Artificial Intelligence), represented by generative AI, and digitalization, such as data analysis and utilization, are expected to continue to expand, in order to respond to changes in social systems and industrial structures, in addition to the needs for society and businesses to grow and develop.

[Medium-Term Management Plan Through Fiscal 2025]

Under these circumstances, the Group has established a three-year medium-term management plan from fiscal 2023 to fiscal 2025, as a period for establishing a business model for sustainable growth and improved profitability that will position us to achieve our vision for 2030 and beyond, and has been moving forward with efforts to achieve this plan.

In order to realize our ideal state in 2025 and to maximize value provided to stakeholders, we are promoting measures in line with four key strategies: Business Model and Portfolio Strategy, Customer Success Strategy/Regional Strategy, Technology Strategy, and People Strategy.

[Progress in Fiscal 2023 and Initiatives for Fiscal 2024 and Beyond]

We are pursuing three main initiatives. The first is to transform the business model and business portfolio from a traditional system integration (SI) business to a business model and business portfolio that includes on-cloud, business applications, and cross-industry businesses, centered on Fujitsu Uvance. Fujitsu Uvance's revenue for fiscal year 2023 was 367.9 billion yen, well above the initial plan of 300 billion yen, and a significant increase of 84% from 200 billion yen in the previous fiscal year. In fiscal 2022, revenue from the Horizontal areas, which provides technologies and solutions to support customers' DX, dominated. However, in fiscal year 2023, revenue from Vertical areas exceeded 30% of Fujitsu Uvance's overall revenue, resulting from the strengthening of offerings in cross-industry Vertical areas.

In addition, data linkage and utilization are key elements of cross-industry initiatives. In fiscal 2023, we worked to advance Fujitsu Uvance by leveraging AI capabilities, based on our AI platform Fujitsu Kozuchi, and embedded Fujitsu Kozuchi's AI engine into 22 offerings, mainly in the Vertical areas. During fiscal 2024, we will continue to expand our Fujitsu Uvance offerings. We will also grow our business led by consulting services through "Uvance Wayfinders," our new consulting business model announced in February, establishing the standard global services with a view to full-scale global expansion.

The second initiative is to ensure reliable support for customer modernization. The modernization business is steadily expanding, particularly in Japan, and in fiscal 2023, we visualized resource requirements against demand, streamlined sales discussions and projects through the Modernization Knowledge Center established in 2022, and deployed proven global tools.

We expect that demand for modernization of existing systems will continue in fiscal 2024 and beyond. Based on the visualized resource requirements, the Group will flexibly assign resources according to the status of sales discussions to execute projects reliably and efficiently. We will also continue to expand the number of human resources with the skills necessary for modernization while responding to changes in business, to support customer modernization including developing cloud and DX capabilities.

Third is to improve the profitability of our international businesses: overall revenue of "Regions (International)," a sub-segment of "Service Solutions" for fiscal 2023, was 604.1 billion yen, a slight increase from the previous fiscal year. Although profitability remains an issue with an adjusted operating profit margin of 1.7%, we expect a recovery through initiatives such as the transformation of our business portfolio. Looking at each region, the Americas Region has steadily transformed its business portfolio and increased the proportion of service business, resulting in an improving trend in adjusted operating profit margins in fiscal 2023. In fiscal 2024, we will expand the scale of our business and further increase profitability. The

Europe Region has implemented structural reforms, including the curve-out of the private cloud business in Germany, the withdrawal from low-profit regions to focus on more profitable regions, and the restructuring of the legal entity structure to separate the services and hardware businesses, all of which will be completed in fiscal 2025. As a result of these measures, we expect the adjusted operating profit margin to recover from 0.5% in fiscal 2023 to 4.3% in fiscal 2024. In the Asia Pacific Region, we are considering structural reforms to shift away from the highly competitive infrastructure business to service businesses, such as business applications. In all regions, we will continue to shift to service business centered on Fujitsu Uvance.

In addition to the above three measures, we are continuing our company-wide efforts to improve overall profitability of Service Solutions. We are pursuing two major initiatives to improve Service Solutions' gross profit margin: delivery transformation and pricing based on the value delivered to customers.

The Global Delivery Centers (GDC), which conduct offshore development and service delivery under global standards, have expanded its staffing and are working to increase the in-house ratio and our overall offshore ratio. In addition, through Japan Global Gateway, which standardizes delivery based on business practices and needs unique to Japan, we are promoting standardization and automation of development work through the use of company-wide development platforms, which is beginning to produce results such as man-hour reductions.

We are also moving away from traditional cost-based estimations and implementing value-based pricing for our offerings based on the value we deliver to customers. Since fiscal 2023, we have established a global common rate card for services such as SAP and ServiceNow, which is now being applied in all regions. The results have been positive to a certain extent. These strategic initiatives resulted in a 2% gross margin improvement in fiscal 2023.

Going forward, we will continue to invest in and develop the human resource necessary to provide competitive services and high value services to our customers. We will also price appropriately, taking into account cost increases due to changes in the external environment, to further improve profitability and productivity.

[Non-financial Initiatives]

In the non-financial area, the Group has set KPIs for fiscal 2025 in four areas: Environment, Customer, Productivity, and People. We also have initiatives underway targeted to achieve these goals. In the area of the Environment, we have set greenhouse gas reduction as a KPI, aiming for a 50% reduction in Scope 1 and 2 for the Group and a 12.5% reduction in Scope 3 for our supply chain compared with fiscal 2020. With regard to Customer, we are aiming for a 20-point increase in "Customer NPS®" compared to fiscal 2022. In terms of Productivity, we aim to achieve a 40% increase in adjusted operating profit per employee compared with fiscal 2022. For People, we aim to achieve a global score of 75 for "Employee Engagement." In addition, as an indicator of diverse leadership, we aim to increase the percentage of female managers globally from 15% in fiscal 2022 to 20% in fiscal 2025. In fiscal 2024, none of the above KPIs for fiscal 2025 will change, and we will continue to work toward achieving them. We are conducting quantitative analysis to understand how these non-financial initiatives contribute to financial performance. In fiscal 2023, we worked to further analyze the correlation between the non-financial and financial aspects of our operations, and further analysis will be conducted in fiscal 2024.

The Group will continue to use data to make prompt decisions, while leveraging digital technology and its track record and expertise it has accumulated in a variety of industries to contribute to the creation of a safe, secure and prosperous society.

Notes:

1. Customer NPS®: Abbreviation for Customer Net Promoter Score, an indicator to measure "customer loyalty," which presents the degree of trust and attachment of customers to companies, products or services, in order to understand the degree of improvement and depth of the customer experience (CX).
2. Employee Engagement: An indicator to present willingness and attachment to work voluntarily and independently, and to contribute to the Company, with empathy for the Company's direction and Purpose.

2. Company Overview

(1) Management

a) Directors and Audit & Supervisory Board Members (As of March 31, 2024)

Position	*Name*	*Areas of Responsibility*	*External Director/Auditor*	*Independent Director/Auditor*
Representative Director, CEO	Takahito Tokita	CEO, Chairman of the Risk Management & Compliance Committee		
Representative Director, COO	Hidenori Furuta	COO		
Director and Corporate Executive Officer SEVP	Takeshi Isobe	CFO		
Director and Senior Advisor	Masami Yamamoto	Member of the Executive Nomination Committee		
Director	Chiaki Mukai	Chairperson of the Compensation Committee	X	X
Director	Atsushi Abe	Chairman of the Board of Directors, Chairperson of the Executive Nomination Committee	X	X
Director	Yoshiko Kojo	Member of the Executive Nomination Committee	X	X
Director	Kenichiro Sasae	Member of the Compensation Committee	X	X
Director	Byron Gill	Member of the Compensation Committee	X	X
Audit & Supervisory Board Member	Youichi Hirose			
Audit & Supervisory Board Member	Megumi Yamamuro			
External Audit & Supervisory Board Member	Koji Hatsukawa		X	X
External Audit & Supervisory Board Member	Hideo Makuta		X	X
External Audit & Supervisory Board Member	Catherine O'Connell		X	X

Notes:

1. Independence of Directors and Audit & Supervisory Board Members is judged based on the Company's independence standards. (For details, please refer to Page 7 of the Notice of the 124th Annual Shareholders' Meeting.)
2. Director and Senior Advisor Masami Yamamoto concurrently serves as a Director (Outside Director) of JFE Holdings, Inc. and a Member of the Board of Directors (Outside Director), Mizuho Financial Group, Inc.
3. Audit & Supervisory Board Member Youichi Hirose has lengthy experience of finance and accounting, including former service as Head of Corporate Finance Unit of the Company, and he has extensive knowledge of finance and accounting. He concurrently serves as an External Audit & Supervisory Board Member, Fujitsu General Limited.
   Audit & Supervisory Board Member Megumi Yamamuro has abundant experience in handling economic affairs as a judge, and he has extensive knowledge of finance and accounting.
   External Audit & Supervisory Board Member Koji Hatsukawa has a wealth of experience in auditing global companies as a Certified Public Accountant, and he has extensive knowledge of finance and accounting.
   External Audit & Supervisory Board Member Hideo Makuta has abundant experience in handling economic affairs having served as a Public Prosecutor and as a Commissioner of the Fair Trade Commission, and he has extensive knowledge of finance and accounting.
4. Significant concurrent positions of External Directors and Auditors are described in "8. Concurrent Positions of External Directors and Audit & Supervisory Board Members and Their Activities" on Page 5 of the "Matters Subject to Measures for Electronic Provision (Matters Excluded from Paper-Based Documents Delivered Upon Request) at the Time of Notice of the 124th Annual Shareholders' Meeting."
5. CEO, COO, and CFO are abbreviations of Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer, respectively.

6. SEVP is one of the FUJITSU Levels (other levels include EVP and SVP) which are globally common levels that demonstrate the scale of job responsibility of corporate executives and employees of the Fujitsu Group.
7. On April 1, 2024, the position and areas of responsibility of Hidenori Furuta and Takeshi Isobe changed as follows.

Position	Name	Areas of Responsibility
Non-Executive Chairman, Member of the Board	Hidenori Furuta	–
Representative Director, Corporate Vice President	Takeshi Isobe	CFO

b) Compensation of Directors and Audit & Supervisory Board Members

A. Policy on the Determination of Executive Compensation

To make its executive compensation systems even more transparent, Fujitsu established a Compensation Committee based on a corporate resolution of the Board of Directors in October 2009. Compensation of Directors and Audit & Supervisory Board Members, which is aggregated in B. "Total Compensation Paid for Fiscal 2023," is determined within the scope of total compensation established by resolution of the Annual Shareholders' Meeting based on the framework of the basic policy on executive compensation (policy on executive compensation including the policy on the determination of the details of compensation, etc. for individual Directors (hereinafter referred to as "the Determination Policy")), which was determined by the Board of Directors following the recommendation by the Compensation Committee. Compensation for each Director is determined by resolution of the Board of Directors following the deliberation of the Compensation Committee, and compensation for each Audit & Supervisory Board Member is decided based on consultation with the Audit & Supervisory Board Members.

In determining the details of compensation of each Director for fiscal 2023, the Compensation Committee composed of independent External Directors made considerations from various viewpoints based on the Determination Policy, and the Board of Directors that received recommendation of the Compensation Committee confirmed that the determination of the details of such compensation was in accordance with the above operation and therefore confirmed that the determination was in conformity with the Determination Policy.

At the 124th Annual Shareholders' Meeting held on June 24, 2024, if Proposal No. 3 and Proposal No. 4 indicated on Page 21 and Page 24, respectively, of the Notice of the 124th Annual Shareholders' Meeting are approved, the Determination Policy will be revised as stated on Page A-24 of this report.

The details of the Determination Policy concerning fiscal 2023 are as follows.

Basic Policy on Executive Compensation

The Company has established the following basic policy on executive compensation to secure the exceptional human resources required to manage the Fujitsu Group and achieve its Purpose "Make the world more sustainable by building trust in society through innovation," and to further strengthen the link to its financial performance and shareholder value while at the same time improving its transparency.

1. Policy on the Compensation System and Compensation Levels

- Executive compensation is comprised of the following: "Base Compensation," specifically a fixed monthly salary in accordance with position and responsibilities; "Bonuses" that are compensation linked to short-term business performance; and "Stock Compensation," which is a medium- and long-term incentive that emphasizes the connection to shareholder value.
- With the aim of setting competitive compensation that contributes to securing and maintaining exceptional human resources, compensation levels and composition ratio by type shall be set based on the financial position of the Company, comparing the compensation composition ratio and compensation levels for each position and responsibility at other companies with similar business lines and similar scale as benchmarks.

- The ratio of performance-based compensation (bonuses and performance-based stock compensation) to the total compensation for Executive Directors shall be determined so as to strengthen the link to the Group's financial performance and shareholder value by setting the higher ratio to the greater responsibilities.
- Individual director's compensation shall be determined by the Board of Directors following deliberation by the Compensation Committee to ensure objectivity, transparency and fairness.

[Matrix diagram of executive compensation items and payment recipients]

Recipient	Base compensation (1)		Bonuses (2, 6)	Stock compensation	
	For management oversight	For management execution		Performance-based stock compensation (3a, 5, 6)	Restricted stock units (3b, 5)
Executive Directors (4)	X	X	X	X	—
External Directors (4)	X	—	—	—	X
Directors other than the above	X	—	—	—	—
Audit & Supervisory Board Members	X		—	—	—

2. Policy on Executive Compensation Items

(1) Base compensation

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

(2) Bonuses

- Bonuses shall be paid to Executive Directors. The amount of a bonus shall reflect business performance in the respective fiscal year.
- As a specific evaluation indicator and calculation method, the Company shall adopt an "On Target model" to determine the bonus amount to be paid by setting the base amount in accordance with the position and responsibilities in advance. The bonus amount is calculated by multiplying the base amount by the coefficient in accordance with the following elements: the degree of achievement of the performance targets for the respective fiscal year based on the Company's consolidated revenue, consolidated operating profit and core free cash flow (Note 1), which are our financial management target indicators, growth from the previous fiscal year in "Customer NPS®" (Note 2), "Employee Engagement" (Note 3), and diverse leadership (ratio of female managers), which are our non-financial management target indicators, and acquisition of the highest evaluation from a third-party assessment organization on ESG initiatives.

Notes:

*1 Ordinary free cash flow, excluding one-time cash inflows or outflows from such activities as business restructurings, structural reforms, and M&A.

*2 Abbreviation for Customer Net Promoter Score. It is an indicator to measure "customer loyalty," which presents the degrees of trust and attachment of customers to companies, products, and services, in order to understand the degree of improvement and depth of the customer experience (CX).

*3 An indicator to present willingness and attachment to work voluntarily and independently, and to contribute to the Company, with empathy for the Company's direction and Purpose.

(3) Stock Compensation

a) Performance-based Stock Compensation (performance shares)

- Performance shares shall be granted to Executive Directors, in order to share the profit with shareholders and as an incentive to contribute to the enhancement of medium- to long-term business performance.
- As a specific evaluation indicator and calculation method, the Company shall set a base number of shares in accordance with the position and responsibilities in advance, and calculate the number of shares for each fiscal year by multiplying the base number of shares by the coefficient in accordance with the degree of achievement of the performance targets for the performance judging period (three

years) based on the Company's consolidated revenue, consolidated operating profit, and EPS, which are financial management target indicators. When the performance judging period is over, a portion of the total number of shares is paid in cash for the amount equivalent to the market value, and the remainder is allocated in shares of the Company.

b) Restricted Stock Units

- Restricted stock units (under a post-delivery type incentive plan that grants shares as compensation after confirming the right which is subject to a certain period of continuous service) shall be granted to External Directors, in order to share the profit with shareholders and as contribution to the sustainable enhancement of corporate value.
- The Company shall set a number of stock units in accordance with the position each year in advance, and with the elapse of the period of continuous service (three years), a portion of the number of stock units is paid in cash for the amount equivalent to the market value, and the remainder is allocated in shares of the Company.

(4) Benchmark Composition Ratio for Compensation

The benchmark ratio of base compensation (only for the portion for management execution and excluding the portion for management oversight), bonuses, and performance-based stock compensation shall be 1:1:3 for Representative Director, CEO, and the percentage for performance-based compensation is set higher than that for other Executive Directors. In addition, the benchmark ratio of base compensation (excluding allowances) and restricted stock units for External Directors shall be 7:3.

(5) Stock Holding Guideline

The Company has established the Stock Holding Guideline with the aim of promoting long-term value sharing with shareholders. Directors who are eligible to receive stock compensation shall make an effort to hold at minimum the certain number of the Company's shares set for each position during their terms of office. Representative Director, CEO shall make an effort to hold the Company's shares equivalent to twice as much as the annual amount of base compensation by the time four years have passed after taking office and continue holding them during the term of office.

(6) Return of Compensation (Malus and Clawback Policy)

In the event of an inappropriate accounting treatment including material ex-post adjustments to past-year financial results or a serious misconduct or compliance violation during the term of office, the Company may demand reduction or return of performance-based compensation (bonuses and performance-based stock compensation) to the relevant Executive Director, including a person who retired within two years, based on a decision of the Board of Directors after deliberation by the Compensation Committee.

As resolved at the Annual Shareholders' Meeting, the total amount of the "base compensation" and "bonuses" to Directors shall not exceed 1,200 million yen per year (including the portion for External Directors not exceeding 150 million yen per year). The amount of the "performance-based stock compensation" for Executive Directors shall not exceed 1,200 million yen per year, with the total number of shares to be allocated not exceeding 75,000 shares per year (Note). And the amount of the "restricted stock units" for External Directors shall not exceed 100 million yen per year, with the total number of shares to be allocated not exceeding 6,000 shares per year (Note), as resolved at the 123rd Annual Shareholders' Meeting.

The amount of "base compensation" for Audit & Supervisory Board Members shall not exceed 150 million yen per year.

Note:

The Company implemented a ten-for-one stock split with an effective date of April 1, 2024, but for the total number of shares to be allocated, the number of shares before the stock split is stated since the content of the policy relates to the fiscal 2023.

B. Total Compensation Paid for Fiscal 2023

Section	*No. of qualified persons*	*Types of Compensation (Million yen)*				*Total Amount Paid (Million yen)*
		Base compensation	*Bonuses*	*Performance-based stock compensation*	*Restricted stock units*	
a. Directors	10	313	125	411	12	862
b. External Directors (included in a.)	6	66	—	—	12	79
c. Audit & Supervisory Board Members	5	117	—	—	—	117
d. External Audit & Supervisory Board Members (included in c.)	3	45	—	—	—	45
e. Total	15	430	125	411	12	979
f. Total External Directors/Auditors (included in e.)	9	111	—	—	12	124

Notes:

1. The above table includes one External Director who retired at the close of the 123rd Annual Shareholders' Meeting held on June 26, 2023. In addition, since the amounts of remuneration are rounded down to the nearest million yen, the total amount of each remuneration listed in the "Type of Compensation" column for each category of Director or Audit & Supervisory Board Members, etc., may not match the amount listed in the "Total Amount Paid" column.
2. The upper limit on monetary compensation to Directors was resolved to be 1,200 million yen per year (including 150 million yen per year for External Directors) at the 121st Annual Shareholders' Meeting held on June 28, 2021. The upper limit on non-monetary compensation for Executive Directors was resolved to be 1,200 million yen per year, separately from the amount of the above monetary compensation, and the total number of shares of common stock of the Company to be allocated to be within 75,000 shares per year (within 750,000 shares after the ten-for-one stock split with an effective date of April 1, 2024) at the 121st Annual Shareholders' Meeting. As of the conclusion of the 121st Annual Shareholders' Meeting, the number of directors was 9 (including 3 Executive Directors and 5 External Directors). The upper limit on non-monetary compensation for External Directors was resolved to be 100 million yen per year, separately from the amount of the above monetary compensation, and the total number of shares of common stock of the Company to be allocated to be within 6,000 shares per year (within 60,000 shares after the ten-for-one stock split with an effective date of April 1, 2024) at the 123rd Annual Shareholders' Meeting held on June 26, 2023. As of the conclusion of the 123rd Annual Shareholders' Meeting, the number of External Directors was 5. The upper limit on compensation to Audit & Supervisory Board Members was resolved to be 150 million yen per year at the 111th Annual Shareholders' Meeting held on June 23, 2011. As of the conclusion of the 111th Annual Shareholders' Meeting, the number of Audit & Supervisory Board Members was 5 (including 3 External Audit & Supervisory Board Members). The Company pays the compensation shown in the above table within these limits.
3. For performance-based stock compensation and restricted stock units, the amount charged to expenses during fiscal 2023 is stated.

C. Matters Related to Performance-based Compensation for Fiscal 2023

i) Details of performance indicators for the calculation basis and reason for selecting them

a. Bonuses

In order to provide Executive Directors with an incentive to achieve their performance targets for a single fiscal year, the Company has selected revenue, operating profit and core free cash flow of the consolidated financial results, which are financial management target indicators for the Company, as evaluation indicators. In addition, the Company has selected "Customer NPS®," "Employee Engagement," and diverse leadership (ratio of female managers), which are non-financial management target indicators for the Company, and the third-party assessments on ESG initiatives (DJSI (Note 1), CDP Climate Change (Note 2)), as evaluation indicators to enhance the commitment of Executive Directors to achieving their management targets.

Notes:

1. DJSI: Abbreviation for Dow Jones Sustainability Index. A global ESG investment index.
2. CDP Climate Change: CDP, an international non-profit organization, conducts surveys and evaluations of climate change initiatives at the request of investors and others, and publishes the results.

b. Performance-based Stock Compensation

In order to provide Executive Directors with an incentive to increase corporate value over the medium to long term as well as to further promote management from the perspective of shareholders, the Company has selected revenue, operating profit, and EPS (profit for the year per share) of the consolidated financial results, which are financial management target indicators for the Company, as evaluation indicators.

Note:

Operating profit and profit for the year in EPS, which are evaluation indicators for "a. Bonuses" and "b. Performance-based Stock Compensation," are adjusted operating profit and adjusted profit for the year (an indicator that represents an actual profit from the core business calculated by deducting profits and losses from business restructurings, structural reforms, M&A, etc., and one-off profits and losses from changes in regulations). This was set as the financial targets in the Company's medium-term management plan.

ii) Calculation method

a. Bonuses

At the beginning of each fiscal year, the Company will present the Executive Directors with a base bonus amount in accordance with performance targets, positions, and responsibilities. Then, at the end of the relevant fiscal year, the bonus amount to be paid will be calculated by multiplying the base bonus amount by the coefficient in accordance with the following elements: the degree of achievement of the performance targets for the respective fiscal year based on the revenue, operating profit and core free cash flow of the Company's consolidated financial results; growth from the previous fiscal year in "Customer NPS®," "Employee Engagement," and diverse leadership (ratio of female managers), which are set out as non-financial management target indicators; and acquisition of the highest evaluation from a third-party assessment organization on ESG initiatives. No bonus will be paid if the degree of achievement of the performance targets is less than the preset lower limit. In addition, if the degree of achievement of the performance targets exceeds the preset upper limit, the amount obtained by multiplying the base bonus amount by the preset upper limit of the coefficient will be paid.

b. Performance-based Stock Compensation

The Company will present to Executive Directors a base number of stock units in accordance with their duties and responsibilities, a performance judging period (three fiscal years), and performance targets in advance. The number of stock units is calculated by multiplying the base number of stock units by the coefficient in accordance with the degree of achievement of the performance targets for the performance judging period (three fiscal years) based on the revenue, operating profit and EPS of the Company's consolidated financial results, and is fixed for each fiscal year and upon completion of the performance judging period. When the performance judging period is over, for each Eligible Person, the total number of shares is calculated, based on one of the aforementioned stock units being equivalent to one share of the Company, and a portion of the total number of shares is paid in cash for the amount equivalent to the Eligible Person's tax payment and other financial burden arising from compensation paid under the Plan and the remainder is allocated in shares of the Company, under the condition that each Eligible Person continues to be in the position of an Eligible Person in the plan throughout the performance judging period and that the Eligible Person fulfills the certain requirements set forth in advance by the Board of Directors. At that time, monetary compensation claims and cash equivalent to market value of the total number of shares mentioned above are provided to each Eligible Person. Each Eligible Person invests in kind all these monetary compensation claims in allocated shares to acquire shares of the Company. The proportion of the

amount paid in cash out of the total shares is determined by the Board of Directors, taking into consideration the tax obligation and other financial burden above of each applicable Eligible Person.

Note:

Under the "b. Performance-based Stock Compensation," to share value with shareholders and contribute to the sustainable enhancement of corporate value, a fixed portion is provided as a base payment in addition to the performance-linked portion. Based on this, the payment rate is calculated using a coefficient that varies between 50 and 150% depending on the level of achievement of performance targets.

iii) Targets and actual results of performance indicators related to performance-based compensation for fiscal 2023

	Targets (Billion yen)	*Results (Billion yen)*
Consolidated revenue	3,860.0	3,756.0
Adjusted consolidated operating profit	340.0	283.6
Core free cash flow	225.0	197.2

In addition, targets are set for EPS (profit for the year per share), which is used as an evaluation indicator for performance-based stock compensation, at the beginning of each performance judging period (three years).

	Applicable period for performance-based Stock Compensation	Targets	Results
Adjusted EPS	Third year of period with fiscal 2021 as the beginning of the period	124.5 yen	125.6 yen
	Second year of period with fiscal 2022 as the beginning of the period	124.5 yen	
	First year of period with fiscal 2023 as the beginning of the period	116.0-118.0 yen	

Notes:

1. Adjusted EPS: EPS calculated using adjusted profit for the year, which represents actual profit from the core business calculated by deducting profits and losses from business restructurings, structural reforms, M&A, etc., and one-off profits and losses from changes in regulations.
2. For the "third year of period with fiscal 2021 as the beginning of the period" and the "second year of period with fiscal 2022 as the beginning of the period," the Company has set targets based on achieving the EPS management target of a CAGR of 12% under the previous medium-term management plan (fiscal 2020 to fiscal 2022), and for the "first year of period with fiscal 2023 as the beginning of the period," the Company has set a target based on achieving the EPS management target of a CAGR of 14-16% under the current medium-term management plan (fiscal 2023 to fiscal 2025).
3. Targets and actual results that have been calculated using the total number of outstanding shares after the stock split are stated, since the Company implemented a ten-for-one stock split with an effective date of April 1, 2024.

D. Matters Related to Non-monetary Compensation, etc., for Fiscal 2023

Non-monetary compensation in the Company's executive compensation consists of performance-based stock compensation for Executive Directors and restricted stock units for External Directors, and the purpose and details of the introduction are described in "A. Policy on the Determination of Executive Compensation, Basic Policy on Executive Compensation." In the fiscal year under review, shares were delivered as performance-based stock compensation, the status of which is described in "(6) Shares Granted as Consideration for Duties Performed by the Company's Directors and Audit & Supervisory Board Members during the Period under Review" on page 3 of the "Matters Subject to Measures for Electronic Provision (Matters Excluded from Paper-Based Documents Delivered Upon Request) at the Time of Notice of the 124th Annual Shareholders' Meeting." The Company introduced the restricted stock unit plan in 2023

as stock compensation system where shares are delivered after a three-year period of continuous service, and therefore there is no delivery of shares in fiscal 2023. Furthermore, information concerning non-monetary compensation, the amount of expenses recorded in fiscal 2023 is described in “B. Total Compensation Paid for Fiscal 2023.”

[Reference] Basic Policy on Executive Compensation (if Proposal No. 3 and Proposal No. 4 are approved)

While the Determination Policy for fiscal 2023 is as stated on Page A-17 of this report, if Proposal No. 3 and Proposal No. 4 are approved at the 124th Annual Shareholders' Meeting held on June 24, 2024, the said Policy will be revised as below.

Basic Policy on Executive Compensation

The Company has established the following basic policy on executive compensation to secure the exceptional human resources required to manage the Fujitsu Group and achieve its Purpose "Make the world more sustainable by building trust in society through innovation," and to further strengthen the link to its financial performance and shareholder value while at the same time improving its transparency.

1. Policy on the Compensation System and Compensation Levels

- Executive compensation is comprised of the following: "Base Compensation," specifically a fixed monthly salary in accordance with position and responsibilities; "Bonuses" that are compensation linked to short-term business performance; and "Stock Compensation," which is a medium- and long-term incentive that emphasizes the connection to shareholder value.
- With the aim of setting competitive compensation that contributes to securing and maintaining exceptional human resources, compensation levels and composition ratio by type shall be set based on the financial position of the Company, comparing the compensation composition ratio and compensation levels for each position and responsibility at global companies in Japan and overseas with similar business lines and similar scale as benchmarks.
- The ratio of performance-based compensation (bonuses and performance-based stock compensation) to the total compensation for Executive Directors shall be determined so as to strengthen the link to the Group's financial performance and shareholder value by setting the higher ratio to the greater responsibilities.
- Individual director's compensation shall be determined by the Board of Directors following deliberation by the Compensation Committee to ensure objectivity, transparency and fairness.

[Matrix diagram of executive compensation items and payment recipients]

Recipient	Base compensation (1)	Bonuses (2, 6)	Stock compensation	
			Performance-based stock compensation (3a, 5, 6)	Restricted stock units (3b, 5)
Executive Directors	X	X	X	—
Non-executive Directors	X	—	—	X
Audit & Supervisory Board Members	X	—	—	—

2. Basic Policy on Executive Compensation Items

(1) Base compensation

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

(2) Bonuses

- Bonuses shall be paid to Executive Directors. The amount of a bonus shall reflect business performance in the respective fiscal year.
- As a specific evaluation indicator and calculation method, the Company shall adopt an "On Target model" to determine the bonus amount to be paid by setting the base amount in accordance with the position and responsibilities in advance. The bonus amount is calculated by multiplying the base amount by the coefficient in accordance with the following elements: the degree of achievement of the performance targets for the respective fiscal year based on the Company's consolidated revenue and adjusted consolidated operating profit and core free cash flow (Note 1), which are our financial management target indicators, growth from the previous fiscal year in "Customer NPS®" (Note 2),

"Employee Engagement" (Note 3), and diverse leadership (ratio of female managers), which are our non-financial management target indicators, and acquisition of the highest evaluation, etc. from a third-party assessment organization on ESG initiatives.

Notes:

*1. Ordinary free cash flow, excluding one-time cash inflows or outflows from such activities as business restructurings, structural reforms, and M&A.

*2. Abbreviation for Customer Net Promoter Score. It is an indicator to measure "customer loyalty," which presents the degrees of trust and attachment of customers to companies, products, and services, in order to understand the degree of improvement and depth of the customer experience (CX).

*3. An indicator to present willingness and attachment to work voluntarily and independently, and to contribute to the Company, with empathy for the Company's direction and Purpose.

(3) Stock Compensation

a) Performance-based Stock Compensation (performance share units)

- Performance shares shall be granted to Executive Directors, in order to share the profit with shareholders and as an incentive to contribute to the enhancement of medium- to long-term business performance.
- As a specific evaluation indicator and calculation method, the Company shall set a base number of stock units in accordance with the position and responsibilities in advance, and at each fiscal year and at the end of the performance judging period, the Company shall calculate the number of stock units by multiplying the base number of stock units by the coefficient in accordance with the degree of achievement of the performance targets for the performance judging period (three years) based on the Company's adjusted consolidated operating profit and adjusted EPS (profit for the year per share), which are financial management target indicators, as well as the superiority of TSR (total shareholder return) over the TOPIX growth rate and the results of comparisons with the TSRs of pre-selected peer group companies at the end of the performance judging period. When the performance judging period is over, the total number of shares is calculated, based on each stock unit being equivalent to one share of the Company, and a portion of the total number of shares is paid in cash for the amount equivalent to the Eligible Person's tax payment and other financial burden arising from the compensation paid, and the remainder is allocated in shares of the Company.

b) Restricted Stock Units

- Restricted stock units (under a post-delivery type incentive plan that grants shares as compensation after confirming the right which is subject to a certain period of continuous service) shall be granted to Non-executive Directors, in order to share the profit with shareholders and as contribution to the sustainable enhancement of corporate value.
- The Company shall set a number of stock units in accordance with the position each year in advance. Upon completion of the period of continuous service (three years), the total number of shares is calculated, based on each stock unit being equivalent to one share of the Company, and a portion of the total number of shares is paid in cash for the amount equivalent to the Eligible Person's tax payment and other financial burden arising from the compensation paid, and the remainder is allocated in shares of the Company.

(4) Benchmark Composition Ratio for Compensation

The benchmark ratio of base compensation, bonuses, and performance-based stock compensation shall be 1:1:4 for Representative Director, CEO, and the percentage for performance-based compensation is set higher than that for other Executive Directors. In addition, the benchmark ratio of base compensation (excluding allowances) and restricted stock units for Independent Directors shall be 7:3.

(5) Stock Holding Guideline

The Company has established the Stock Holding Guideline with the aim of promoting long-term value sharing with shareholders. Directors who are eligible to receive stock compensation shall make an effort to hold at minimum the certain number of the Company's shares set for each position during their terms of office. Representative Director, CEO shall make an effort to hold the Company's shares equivalent to

twice as much as the annual amount of base compensation by the time four years have passed after taking office and continue holding them during the term of office.

(6) Return of Compensation (Malus and Clawback Policy)

In the event of an inappropriate accounting treatment including material ex-post adjustments to past-year financial results or a serious misconduct or compliance violation during the term of office, the Company may demand reduction or return of performance-based compensation (bonuses and performance-based stock compensation) to the relevant Executive Director, including a person who retired within two years, based on a decision of the Board of Directors after deliberation by the Compensation Committee.

As resolved at the Annual Shareholders' Meeting, the total amount of the "base compensation" and "bonuses" to Directors shall not exceed 1,200 million yen per year (including the portion for Independent Directors not exceeding 150 million yen per year). The amount of the "performance-based stock compensation" for Executive Directors shall not exceed 2,500 million yen per year, with the total number of shares to be allocated not exceeding 1 million shares per year. And the amount of the "restricted stock units" for Non-executive Directors shall not exceed 100 million yen per year, with the total number of shares to be allocated not exceeding 60,000 shares per year (including the portion for Independent Directors not exceeding 90 million yen per year; with the total number of the Company's shares to be allocated not exceeding 53,000 shares per year).

The amount of "base compensation" for Audit & Supervisory Board Members shall not exceed 150 million yen per year.