Medium-Term Management Plan
Progress update

Takahito Tokita
CEO
Fujitsu Limited

April 25, 2024
Agenda

I  Progress in FY2023

II  Progress and plans of major initiatives

III Targets for FY2024
Our Purpose

Make the world more sustainable by building trust in society through innovation.
Fujitsu Way

Our Purpose
Making the World more sustainable
Building trust in society

Aspiration
Trust
Empathy
Innovation

Our Values
- Set ambitious targets and act with agility.
- Embrace diversity and create original ideas.
- Stay curious and learn from failures and experiences.
- Deliver positive impact through human centric innovation.

Trust
- Honor promises and exceed expectations.
- Act with ethics, transparency and integrity.
- Work autonomously and unite for common goals.
- Contribute to a trusted society using technology.

Empathy
- Strive for customers’ success and their sustainable growth.
- Listen to all people and act for the needs of our planet.
- Work together to solve global challenges.
- Generate shared value for our people, customers, partners, community and shareholders.

Code of Conduct
- We respect human rights.
- We comply with all laws and regulations.
- We act with fairness in our business dealings.
- We protect and respect intellectual property.
- We maintain confidentiality.
- We do not use our position in our organization for personal gain.

Our purpose is to make the world more sustainable by building trust in society through innovation.
Value creation concept for 2030

Being a technology company that realizes net positive* through digital services

Net positive: In addition to maximising financial returns, we are committed to solving global environment problems, developing a digital society and improving people’s well-being. Technology and innovation will have a positive impact on society as a whole.

Input

Financial capital
Human capital
Natural capital
Technology and intellectual capital

Fujitsu’s business activities
Implementing key strategies based on sustainability

Global responsible business

- Human rights and DE&I
- Wellbeing
- Environment
- Compliance
- Supply chain
- Community

Output / Outcomes

Key strategies

Business model and portfolio strategy
Technology strategy
People strategy
Customer success / Regional strategy

Financial indicators

Non-financial indicators

Materiality
- Solving global environmental issues
- Developing a digital society
- Improving people’s well-being
5 Corporate Vice Presidents

Takahito Tokita
Representative Director, CEO

Takeshi Isobe
Representative Director, Corporate Vice President, CFO

Vivek Mahajan
Corporate Executive Officer, Corporate Vice President, CTO, CPO, System Platform

Yoshinami Takahashi
Corporate Executive Officer, Corporate Vice President, COO (Fujitsu Uvance)

Megumi Shimazu
Corporate Executive Officer, Corporate Vice President, COO (Service Delivery)

Shunsuke Onishi
Corporate Executive Officer, Corporate Vice President, COO (Regions), CRO
I. Progress in FY2023
The business portfolio is transforming as planned. Service Solutions which is our growth area, increased in both revenue and profit.

### Consolidated

<table>
<thead>
<tr>
<th></th>
<th>FY22 (Results)</th>
<th>FY23 (Results)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (Billions of yen)</td>
<td>3,675.0*</td>
<td>3,756.0</td>
</tr>
<tr>
<td>Adjusted Operating profit** (Billions of yen)</td>
<td>320.8 [8.6%]</td>
<td>283.6 [7.6%]</td>
</tr>
</tbody>
</table>

*Note: FY22 Revenue is excluding the impact of business restructuring

### Service Solutions

<table>
<thead>
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</thead>
<tbody>
<tr>
<td>Revenue (Billions of yen)</td>
<td>1,945.5</td>
<td>2,137.5</td>
</tr>
<tr>
<td>Adjusted Operating profit** (Billions of yen)</td>
<td>162.9 [8.2%]</td>
<td>237.2 [11.1%]</td>
</tr>
</tbody>
</table>

*Note: Adjusted operating profit: Indicator which represents an actual profit from core business calculated by deducting profits from business restructuring, M&A, etc, and one-off profits from changes in regulations.
Medium-Term Management Plan
Progress status of non-financial performance indicators

Each non-financial indicator is tracking in line with planned changes in our business model and portfolio.

**Environment**

- **GHG emissions** (10,000 tons)
  - Fujitsu Group - Scope 1,2 - (Compared to FY20)
    - FY20 (Results) - FY23 (Results) - FY25 (Target)
      - -44% -50%
  - Supply chain - Scope 3** - (Compared to FY20)
    - FY20 (Results) - FY23 (Results) - FY25 (Target)
      - -31% -12.5%

**Customer**

- **Customer NPS***
  - Net Promoter Score (Compared to FY22)
  - FY22 (Results) - FY23 (Results) - FY25 (Target)
    - +7.7

**Productivity**

- **Per capita productivity**
  - Operating profit compared to FY22
    - Consolidated
      - FY22 (Results) - FY23 (Results) - FY25 (Target)
        - -11% +40%

- **Service Solutions** Exceeded +40%
  - FY22 (Results) - FY23 (Results)

**People**

- **Employee engagement**
  - FY22 (Results) - FY23 (Results) - FY25 (Target)
    - 69 69 75

- **Diversity leadership** (Percentage of female managers)
  - FY22 (Results) - FY23 (Results) - FY25 (Target)
    - 15% 16% 20%

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**Category 11: CO2 emissions due to product power consumption only**
II. Progress and plans of major initiatives
Major initiatives

01 | Business model and portfolio transformation
02 | Reliable support of customers’ modernization
03 | Improving international business profitability
The business model transformation led by Fujitsu Uvance is progressing to plan, offerings strengthening, and business has expanded, particularly in Japan.

**Progress and Plans**

- Strengthened 22 Uvance Offerings with embedded AI
- Launched AI service with PaaS model
- GTM* expansion, initially focusing on Japan based customers

*GTM: Go to Market

**Plans**

- Consulting led business growth
- Providing standardized offerings to grow global common services
- GTM expansion for international based customers

**Revenue**

(Billions of yen)

<table>
<thead>
<tr>
<th>Vertical</th>
<th>Horizontal</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY23 (Results)</td>
<td>FY24 (Forecast)</td>
</tr>
<tr>
<td>367.9</td>
<td>450.0</td>
</tr>
<tr>
<td>251.5</td>
<td>180.0</td>
</tr>
<tr>
<td>116.3</td>
<td>270.0</td>
</tr>
</tbody>
</table>

vs Last Year

+84%

Revenue vs Last Year

367.9

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02 Reliable support of customers’ modernization

Leading the modernization of customer assets by harmonizing Fujitsu capabilities.

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Progress and Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Billions of yen)</td>
<td></td>
</tr>
<tr>
<td>268.0</td>
<td>FY23 Progress</td>
</tr>
<tr>
<td>161.1</td>
<td>Plans</td>
</tr>
</tbody>
</table>

- Resource requirements are visualized to ensure effective demand fulfilment
- Consolidated expertise in CoE* (Modernization Knowledge Center)
- Collaboration with global partners and strengthening of tools

FY23 Progress

**Plans**

- Agile and efficient assignment of resources, appropriate to the business situation
- Continuously develop and grow the number of skilled employees (Modernization Meister)

*CoE: Center of Excellence
Improving international business profitability

Accelerating structural reforms to being a services-based business and improve profitability.

### Revenue

<table>
<thead>
<tr>
<th>Regions (International)</th>
<th>FY23 (Results)</th>
<th>FY24 (Forecast)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>604.1 (Billions of yen)</td>
<td>540.0</td>
</tr>
<tr>
<td>Adjusted operating profit</td>
<td>1.7%</td>
<td>3.7%</td>
</tr>
</tbody>
</table>

**FY23 Progress**

- Americas Region completed the shift to being a services-based business, resulting in revenue stabilization
- Europe Region structural reforms underway
  - Separation of Germany private cloud business
  - Withdrawal from low-profit areas and downsized management
  - Corporate restructuring (service / hardware business separation)

**Plans**

- Europe Region’s structural reform will complete during FY2025 (Adjusted operating profit ratio FY2023: 0.5% → FY2024: 4.3%)
- Asia Pacific Region is planning to commence structural reforms
Improving the profitability of Service Solutions

Driving delivery transformation and value-based pricing to ensure continued profit increases in Service Solutions.

**Gross margin ratio**

<table>
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<tbody>
<tr>
<td>FY23 (Results) 35%</td>
</tr>
<tr>
<td>FY24 (Forecast) 37%</td>
</tr>
<tr>
<td>vs Last Year +2% Achieved</td>
</tr>
</tbody>
</table>

**Progress and Plans**

### Delivery transformation
- Increase insourcing ratio and offshore ratio with scaled GDC* resource
- Drive standardization and automation by utilizing JGG** and development platforms

*GDC: Global Delivery Center  
**JGG: Japan Global Gateway

### Enabling value-based pricing
- Improve customer value through increased specialisms, with investment in people development
- Develop a global, value-based, pricing strategy
III. Targets for FY2024
Continue progressing the business model transformation, increasing consolidated profitability predominantly in Service Solutions.

### Consolidated

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<th>FY2024 (Forecast)</th>
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<tr>
<td><strong>Revenue</strong></td>
<td>3,756.0</td>
<td>3,760.0</td>
<td>+3.9</td>
</tr>
<tr>
<td><strong>Adjusted operating profit</strong>*</td>
<td>283.6</td>
<td>330.0</td>
<td>+46.3</td>
</tr>
<tr>
<td><strong>Adjusted operating profit margin (%)</strong></td>
<td>7.6%</td>
<td>8.8%</td>
<td>+1.2%</td>
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### Service Solutions

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<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>2,137.5</td>
<td>2,230.0</td>
<td>+92.4</td>
</tr>
<tr>
<td><strong>Adjusted operating profit</strong>*</td>
<td>237.2</td>
<td>280.0</td>
<td>+42.8</td>
</tr>
<tr>
<td><strong>Adjusted operating profit margin (%)</strong></td>
<td>11.1%</td>
<td>12.6%</td>
<td>+1.5%</td>
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</table>

*Note: Adjusted operating profit: Indicator which represents an actual profit from core business calculated by deducting profits from business restructuring, M&A, etc, and one-off profits from changes in regulations.
Toward a sustainable future

Solving global environmental issues

Developing a digital society

Improving people's well-being

Planet

Prosperity

People
Thank you
Cautionary Statement

These materials may contain forward-looking statements that are based on management’s current information, views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results may differ materially from those projected or implied in the forward-looking statements due to, without limitation, the following factors listed below.

- General economic and market conditions in key markets (Particularly in Japan, Europe, North America, Oceania, and Asia, including China)
- Fluctuations in exchange rates or interest rates
- Fluctuations in capital markets
- Intensifying price competition
- Changes in market positioning due to competition in R&D
- Changes in the environment for the procurement of parts and components
- Changes in competitive relationships relating to collaborations, alliances and technical provisions
- Risks related to public regulations, public policy and tax matters
- Risks related to product or services defects
- Potential emergence of unprofitable projects
- Risks related to R&D investments, capital expenditures, business acquisitions, business restructuring, etc.
- Risks related to natural disasters and unforeseen events
- Changes in accounting policies