

Notice regarding introduction of post-delivery type stock remuneration plan for independent directors

Tokyo, May 11, 2023 -- Fujitsu Limited today announced that it revised its remuneration plan for Directors at its Board of Directors' Meeting held on May 11, 2023, and made a resolution to introduce a plan in which stocks are delivered as remuneration after a certain period (known as restricted stock units, hereinafter referred to as "the Plan") to Independent Directors. Fujitsu will submit a proposal regarding the Plan to its 123rd Annual Shareholders' Meeting (hereinafter referred to as "the Shareholders' Meeting") to be held on June 26, 2023.

1. Purpose of introducing the Plan, etc.

(1) Purpose of introducing the Plan

The purpose of the Plan is for Fujitsu's Independent Directors to align their viewpoint with shareholders and strengthen incentives for sustainable growth in corporate value. Under the Plan, a new allotment of Fujitsu's common stocks (hereinafter referred to as "the Company's stocks") and money is delivered to Independent Directors after a certain time period.

(2) Conditions for introducing the Plan

Given that Fujitsu will provide monetary compensation claims for the Company's stocks as well as cash to its Independent Directors, the Plan is subject to the approval of the remuneration amount at the Shareholders' Meeting. At the 121st Annual Shareholders' Meeting held on June 28, 2021, the amount of remuneration to be paid to Independent Directors was approved as an amount not to exceed 150 million yen per year. In addition to this amount, Fujitsu will submit a proposal at the 123rd Annual Shareholders' Meeting for the new Plan to set a remuneration amount that does not exceed 100 million yen per year (an allotment that does not exceed 6,000 of the Company's stocks per year in total). The amount takes into consideration various matters such as the degree of contribution by the Independent Directors to Fujitsu.

2. Amount and details of remuneration under the Plan

(1) Overview of the Plan

Fujitsu will specify the number of stock units to be granted and the period of continuous service (three years) to its Independent Directors (hereinafter referred to as "Eligible Persons") each fiscal year. At the end of the period of continuous service, subject to the condition that the outside director has continued to hold the position during the period and that he or she satisfies certain requirements predetermined by the Board of Directors, Fujitsu, in accordance with the above-mentioned number of stock units, will pay cash equivalent to the tax burden incurred by the Eligible Person in connection with the remuneration under the Plan and allot the Company's stocks. At this time, each Eligible Person shall be provided with monetary compensation claims and cash that is equivalent to the market value of the number of the Company's stocks,

which will be the same as the above-mentioned number of stock units. Each Eligible Person shall then contribute in kind all of the monetary compensation claims to Fujitsu and receive an allotment of the Company's stocks. The ratio of the portion to be paid in cash to the above-mentioned number of stock units shall be determined by the Board of Directors, which will take into consideration the tax burden incurred by the Eligible Person.

The Eligible Person may transfer acquired shares of Fujitsu at their own discretion unless they violate insider trading regulations.

(2) Total amount of monetary compensation claims and cash under the Plan and maximum number of stocks to be allotted

As stated above in Item 1., the upper limit of the total amount of monetary compensation claims and cash paid to the Eligible Person under the Plan is set up to 100 million yen per year. The total number of allocated shares of Fujitsu is set to be within 6,000 shares a year.

(3) Method for calculating the number of the Company's stocks to be allotted and the amount of cash to be paid under the Plan

Fujitsu will determine the number of stock units to be granted to the Eligible Persons at a Board of Directors Meeting, taking into consideration the Eligible Persons' responsibilities. After the period of continuous service ends, each unit of the number of stock units granted to the Eligible Person will be deemed equivalent to one stock unit. The amount of cash to be paid to the Eligible Person and the number of the Company's stocks to be allotted will be based on a ratio that is determined by the Board of Directors, taking into consideration the tax burden incurred by the Eligible Person in connection with the remuneration under the Plan.

(4) Amount to be paid per stock

The payment amount per share allocated to the Eligible Person under the Plan shall be the fair price of Fujitsu's shares on the day of payment, 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 (or, the closing value of the share on the most recent business day prior to that, if no trade was executed on that day).

(5) Conditions for providing monetary compensation claims and cash, and allotting the Company's stocks

Subject to the completion of the period of continuous service and the satisfaction of certain requirements predetermined by the Board of Directors, such as that the Eligible Person has continued to hold the position of outside director during the period of continuous service, the Company's stocks shall be allotted to each Eligible Person by providing monetary compensation claims and cash, and having all of the monetary compensation claims contributed in kind.

However, if the Eligible Person resigns as an outside director of Fujitsu before the expiration of the period of continuous service due to a reason deemed justifiable by the Board of Directors, it shall reasonably adjust the amount of monetary compensation

claims and cash, and the number of allotted stocks, along with the timing of their payment and allotment as necessary.

(6) Other

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

**Fujitsu Limited**

Public and Investor Relations Division

Inquiries:

<https://www.fujitsu.com/global/about/resources/news/presscontacts/form/index.html>

**About Fujitsu**

Fujitsu's purpose is to make the world more sustainable by building trust in society through innovation. As the digital transformation partner of choice for customers in over 100 countries, our 124,000 employees work to resolve some of the greatest challenges facing humanity. Our range of services and solutions draw on five key technologies: Computing, Networks, AI, Data & Security, and Converging Technologies, which we bring together to deliver sustainability transformation. Fujitsu Limited (TSE:6702) reported consolidated revenues of 3.7 trillion yen (US\$28 billion) for the fiscal year ended March 31, 2023 and remains the top digital services company in Japan by market share. Find out more: [www.fujitsu.com](http://www.fujitsu.com).