

COMPLIANCE

We employ thorough measures to ensure compliance with laws and corporate ethics and always act with a high degree of social conscience, because achieving sustained corporate growth is premised upon doing so.

Basic Compliance Policy and Framework

● Basic Compliance Policy and Individual Regulations

The Fuji Electric Code of Conduct, which was revised in October 2010, states that we shall "Respect, value and conform with all applicable laws and regulations." We have established the Fuji Electric Compliance Regulations and the Fuji Electric Compliance Program, which bring together four aspects of domestic and overseas compliance (internal rules, oversight, monitoring, education), based upon this policy, to achieve sustained growth.

● Fuji Electric Compliance Promotion Committee

The Fuji Electric Compliance Promotion Committee, which is headed by the president and composed of the managers responsible for compliance, with outside experts (attorneys) as observers, has jurisdiction over compliance.

The committee meets twice each fiscal year to deliberate compliance planning and execution with the goal of achieving full compliance with laws and social norms.

● Compliance Program

Amid its efforts to promote the localization of management and construct partnerships with offshore entities, Fuji Electric is bolstering the compliance of its overseas operations.

In addition to globally consistent items such as the prohibition of discriminatory acts and unfair dealings, including bribery and corruption, the Fuji Electric Compliance Program reflects the laws and regulations of each region where we conduct business. In addition to Fuji Electric itself, we practice compliance on this basis through the actions of all our subsidiaries in Japan and overseas.

● Operation of Whistle-Blowing Systems in Japan and Overseas

To prevent infractions of laws, regulations and internal rules and ensure early detection, Fuji Electric has introduced the Business Ethics Helpline System. Under this system, employees in Japan and overseas can report to Fuji Electric's president via the department responsible for compliance.

In fiscal 2012, we plan to initiate a Partner Hotline, which will handle notifications from business partners about Fuji Electric's materials procurement operations.

Conducting Compliance Training

Fuji Electric has created a compliance training program for officers and employees of the Company and its affiliates that addresses matters they encounter in the course of their business activities. This program is conducted year-round. Compliance training has two main thrusts: level-specific and job-specific courses.

In March 2012, we conducted group training at Fuji Electric (China) Co., Ltd., to communicate information concerning the prohibition of bribery. This training brought to attention the United Kingdom Bribery Act that went into force in July 2011 and that assigns penalties for bribery occurring even among private-sector firms and for acts that occur outside the United Kingdom.

