

Compliance

Fuji Electric employs thorough measures to ensure compliance with laws and corporate ethics and always acts with the highest ethical standards to achieve sustained corporate growth.

Basic Policies

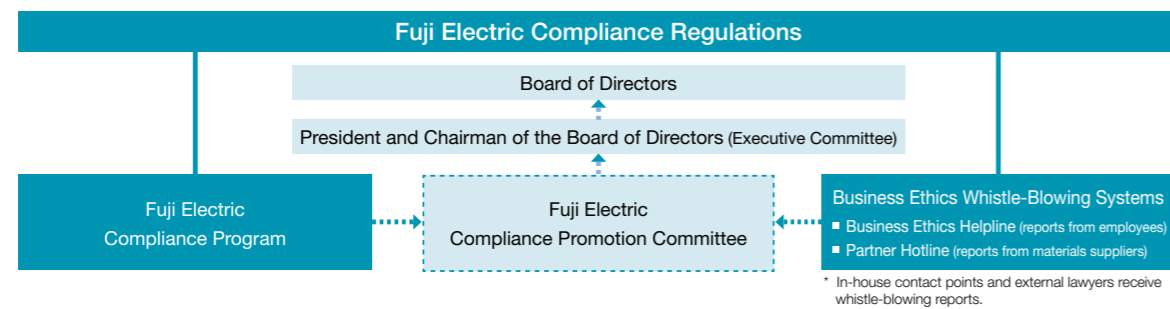
Fuji Electric has a basic policy that gives top priority to global compliance. Based on this policy, we established the Fuji Electric Compliance Regulations, which is a concrete

guideline for compliance. We also globally promote compliance through the Fuji Electric Compliance Program and the Fuji Electric Business Ethics Whistle-Blowing Systems.

Promotion System

We established the Fuji Electric Compliance Promotion Committee to ensure full compliance with laws and social norms globally. The Committee is headed by the Chairman of the Board of Directors and consists of the managers (managers of businesses and corporate department heads) responsible for regulating laws and acts, with Standing Audit & Supervisory Board Members and outside experts (attorneys) as observers. It meets twice each fiscal year

to deliberate on compliance execution and planning and reports the results of these deliberations, including matters related to preventing corruption, to the Board of Directors. In the event of a compliance infraction, the Committee has a system in place to take any necessary measures after deliberating on fact-finding investigations, corrective actions, recurrence prevention measures, internal punishments, and internal and external disclosures.



Status of Promotion

Fuji Electric Compliance Program

Fuji Electric established and implements the Fuji Electric Compliance Program bringing together four aspects (see numbers 1 to 4 below) of domestic and overseas laws (including those related to anti-corruption, fair competition, labor, human rights, product safety, the environment, taxation, accounting, information security, and export management) for the Company and other Group companies in Japan and overseas including ones that newly joined the Group. The Fuji Electric Compliance Promotion Committee continuously reviews the program and makes revisions. Moreover, as part of our efforts to verify and review the effectiveness of our compliance program, we continue our initiatives to acquire external certifications.

1. Establishment, revision, abolition, and dissemination of internal rules
2. Constant monitoring of status of compliance with laws and internal rules
3. Auditing of status of compliance with respect to 1 and 2
4. Compliance education

Compliance education

We promote wide-ranging compliance education and instruction through level-specific and job-specific group training and e-learning programs, as well as displaying posters internally and distributing pamphlets.

Examples of Training Conducted in Fiscal 2020

	Participants	Details
Level-specific training	Newly appointed executives	25 Important laws and regulations (e.g. competition laws and anti-corruption)
	Newly appointed managers	120 Points to consider when performing duties
	New employees	269 Overview of compliance and important laws and regulations (e.g. competition laws and anti-corruption)
Job-specific training	Sales and administrative division employees	2,316 Compliance framework and important laws and regulations (e.g. competition laws and anti-corruption)

Fuji Electric Business Ethics Whistle-Blowing Systems

To prevent infractions of laws and regulations and ensure early detection, we have introduced and are operating the Fuji Electric Business Ethics Whistle-Blowing Systems. Under these systems, internal and external parties can report real or suspected violations of laws, regulations, or internal rules including matters related to bribery and corruption to the president of Fuji Electric via contact points (anonymous reporting is also possible).

Business Ethics Helpline

The Business Ethics Helpline handles notifications from our employees in Japan and overseas (including dispatch employees). It is thoroughly promoted among employees through the publication of case examples of solutions on the Company magazine and the intranet.

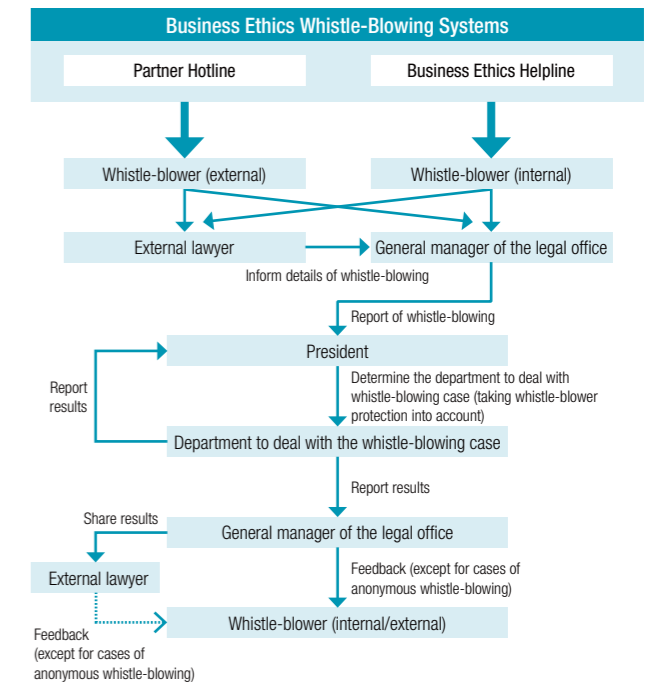
Partner Hotline

The Partner Hotline handles notifications from our suppliers about Fuji Electric's materials procurement operations. We spread awareness of the system among business partners through postings on the Company's website and at explanatory forums for subcontractors.

As a result of these initiatives, there were 47 reports made to the whistle-blowing systems in fiscal 2020 (25 in fiscal 2019).

We also work meticulously to protect whistle-blowers by keeping their personal information confidential and

prohibiting disadvantageous treatment and retaliatory or discriminatory acts on the grounds of whistle-blowing. In addition, we take all necessary steps to resolve issues raised by whistle-blowers, including fact-finding investigations, corrective actions, and recurrence prevention measures.



Results of Promotion

Anti-corruption

On the basis of the Fuji Electric Code of Conduct and a directive on the prevention of corruption, we established the policy that no employee is to offer or receive bribes to or from public- or private-sector officials in any country or region. Prevention of corruption is reinforced through thorough rules, daily monitoring, auditing, and training.

For officers and employees involved in corruption, our policy is to consider disciplinary action based on our work rules and take strict measures accordingly. In fiscal 2020, however, there were no incidents of officers or employees violating anticorruption rules, including notifications received through the Business Ethics Whistle-Blowing Systems, and no fines, surcharges, or settlements related to corruption were incurred.

Competition laws

Through our Antimonopoly Act Compliance Manual, the Foreign Competition Law Compliance Manual, and other regulations, we are enhancing measures to prevent the violation of competition laws. We also perform daily monitoring by confirming quotations and estimates via an extensive bidding information management system and extensive record-keeping. In addition, our auditing divisions perform audits in accordance with auditing guidelines, and we conduct extensive level-specific and job-specific training.

In fiscal 2020, there were no serious problems related to competition laws that warranted disclosure, including notifications received through the Fuji Electric Business Ethics Whistle-Blowing Systems.

Other

Other than the above, there were no compliance infractions with the potential to seriously impact management.