

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

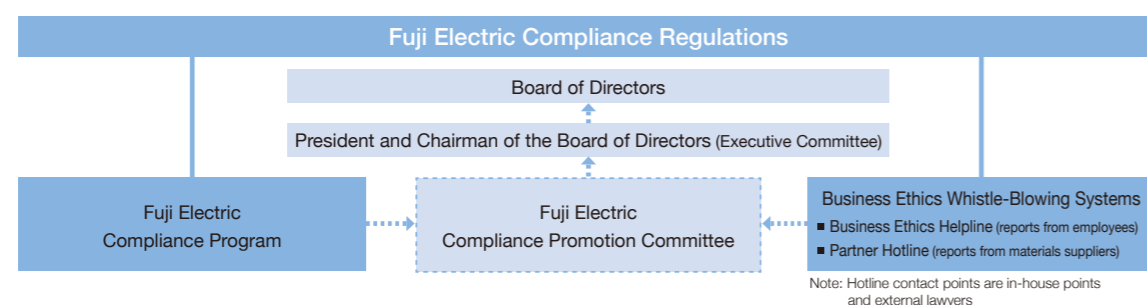
Fuji Electric has a basic policy that gives top priority to global compliance. Based on this policy, we established the Fuji Electric Compliance Regulations, which is a concrete

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

Compliance 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 (corporate general managers and general managers) 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 Compliance Promotion

Fuji Electric Compliance Program

Fuji Electric established and implements the Fuji Electric Compliance Program bringing together five aspects (see numbers 1 to 5 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 new ones, without delay. And the Fuji Electric Compliance Promotion Committee continuously reviews the program and makes revisions.

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 regarding laws and internal rules
5. Acquisition of external certifications*

* As part of our efforts to verify and review the effectiveness of our compliance program, we started initiatives to acquire certifications in fiscal 2019.

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 2019

	Participants	Details
Level-specific training	Newly appointed executives	Important laws and regulations, such as anti-corruption
	Newly appointed managers	Points to consider when performing duties
	New employees	Overview of compliance and important laws and regulations
Job-specific training	Sales and administrative department employees	Compliance framework and important laws and regulations

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 promoted among employees at all compliance training sessions and through postings on the Company's intranet and internal bulletin boards. In addition, we made a special feature article on it in the company magazine in fiscal 2019.

Partner hotline

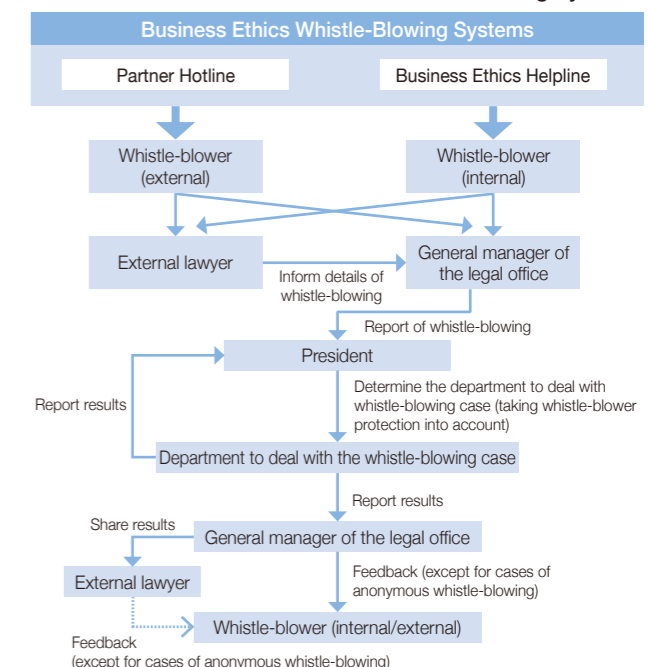
The Partner Hotline handles notifications from our suppliers about Fuji Electric's materials procurement operations. We spread awareness of the system among business partners through postings on the Company's website and at explanatory forums.

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.

In fiscal 2019, there were 25 reports made to the whistle-blowing systems.

Framework of the Business Ethics Whistle-Blowing Systems



Results of Compliance Promotion

Initiatives related to anti-corruption

The Fuji Electric Code of Conduct and a directive on the prevention of corruption established a rule 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 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 2019, however, there were no incidents of officers or employees violating anti-corruption rules, and no fines, surcharges, or settlements related to corruption were incurred.

Violations of laws and regulations

In fiscal 2019, there were no compliance infractions with the potential to seriously impact management or serious problems related to anti-corruption and competition

Initiatives related to 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.

laws that warranted disclosure, including notifications received through the Fuji Electric Business Ethics Whistle-Blowing Systems.