Fostering mutually beneficial relationships in our communities worldwide

Constructing a globally integrated Environmental Management System

In pursuing the worldwide business development of the Fujitsu Group we recognize that constructing a globally integrated environmental management system (EMS) that incorporates the environmental regulations of countries around the world has become essential. Under the slogan “We Make Every Activity Green,” we have been working to develop a shared EMS framework for the Fujitsu Group. In fiscal 2005, we were able to establish such a Group-wide EMS framework, including for operations outside Japan.

In recent years there has been a trend towards increasingly strict environmental regulations on commercial products in Europe and other regions. Because we engage in business activities all around the world, building a shared Group-wide environmental management system that incorporates these environmental regulations has been seen as a critical business issue. At the same time, amid changes in our business structure, the proportion of the Fujitsu Group’s overall environmental burden associated with subsidiaries’ business activities is increasing, making it essential to increase the environmental awareness of each and every employee throughout the Group.

It was from this standpoint that in Stage IV of our Environmental Protection Program (covering a three-year period beginning with fiscal 2004) we set the target of establishing an EMS-based framework for environmental management across the entire Fujitsu Group by the end of fiscal 2005. By the end of fiscal 2004 we had acquired integrated ISO14001 certification covering Fujitsu Limited and all consolidated domestic subsidiaries.

In fiscal 2005, we expanded EMS coverage to our overseas manufacturing subsidiaries and other key operations requiring certification for business reasons—a total of 11 companies and 22 business sites. As a result, Fujitsu ranks among the leaders of the Japanese electronics industry in ISO14001 globally integrated certification, with an EMS-based framework encompassing roughly 117,000 employees (including employees of certain affiliated companies).

In acquiring this certification, and to make this a management system that is uniform worldwide, our domestic and overseas sites were audited by Japan Audit and Certification Organization for Environment and Quality (JACO) and Det Norske Veritas (DNV), respectively, and the system was duly certified as a unified environmental management system.

Furthermore, we have established and are operating an EMS based on common standards derived from the Fujitsu Group Environmental Policy in 34 non-manufacturing consolidated subsidiaries outside Japan, thus solidifying our environmental management framework across all companies in the Group.

Background and Impact of Building a Globally Integrated EMS

Amid increasing globalization and international division of labor

We are now able to coordinate efforts across our whole supply chain, including overseas locations, to systematically and efficiently advance environmental activities such as RoHS compliance.

Amid calls for strengthened corporate governance

Since updates on progress toward achieving the goals set forth in Stage IV of the Fujitsu Group Environmental Protection Program (see page 43) and information on environmental activities by each Group company (including legal compliance, emergency response, and communication activities) can now be collected every quarter, we have strengthened Group governance through management reviews that include overseas subsidiaries and affiliates and unscheduled audits.

EMS Deployment

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<th>Fujitsu</th>
<th>Japan</th>
<th>Worldwide</th>
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<td>• Fujitsu Limited (Deployed company-wide through integration)</td>
<td>• Group companies in Japan (Integration of the domestic Group)</td>
<td>• All Group companies (Construction of a system that includes all overseas business sites)</td>
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<td>• Development &amp; manufacturing Group companies (Construction of individual systems at each company)</td>
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**Step I (through fiscal 2003)**
- Environmental management system was deployed throughout Fujitsu Limited by the end of fiscal 2003. (Included certain Group companies located within Fujitsu business sites.)
- Environmental management systems were also deployed at manufacturing-related Group companies.

**Step II (through fiscal 2004)**
- Individual environmental management systems at manufacturing-related Group companies were integrated, and deployment of EMS was expanded to non-manufacturing Group companies.

**Step III (through fiscal 2005)**
- A unified environmental management system for all Group companies was implemented in principle.
Along with giving Fujitsu high marks for their progressive efforts with respect to constructing a globally integrated EMS that includes overseas Group companies, we are proud to have been chosen as the certification organizations concerned. Although this was the first experience for both of our organizations to jointly work on a single EMS certification, we are confident that we achieved a certification that follows certification standards, thanks to Fujitsu's understanding of our certification method.

In the future, while continually improving and expanding our recycling activities, we intend to expand the organizations covered by the EMS to include our office division as well.

Fujitsu Transaction Solutions sells, maintains, and develops applications for systems for the US retail market and ATMs for the financial services market. We addressed the construction of an EMS aimed at all employees with “environmental education and awareness” and “promoting recycling” as critical themes. As a result, not only have all our employees become aware of environmental protection in their daily work, but we have built a system that promotes recycling of used products as well as virtually all waste materials. In implementing this global EMS, we were able to acquire certification quickly by taking advantage of our QMS (quality management system), which has already been certified, and the Fujitsu Group experience in EMS construction. In the future, while continually improving and expanding our recycling activities, we intend to expand the organizations covered by the EMS to include our office division as well.

Fujitsu Microelectronics Europe is engaged in the import, export, and sale of electronic devices in the European market. The issue we faced directly was the reuse and recycling of packing materials. Previously, packing materials that could not be reused or recycled had been used in the products we handled. Therefore, we worked to adopt packing materials that could be recycled and to reuse shipping materials. In addition to reducing the amount of waste we generated, this also led indirectly to a reduction in our CO₂ emissions. Along with these efforts, we are promoting a variety of environmental initiatives, starting with the introduction of “cooling roofs” to reduce air conditioning use, as well as measures to reduce the amounts of power, water, and paper we use. Through these efforts and educational programs, we are sensing an increasing awareness of environmental activities among our employees. In the future we will continue to contribute to the creation of a recycling-oriented society and the prevention of global warming, implementing environmental activities that augment the credibility of our company and the Fujitsu Group.

Fujitsu (Thailand) Co., Ltd. manufactures hard disk drives and other magnetic disk equipment. Not only does hard disk drive manufacturing use large amounts of resources, such as power and water, it also generates significant amounts of waste. Reducing the environmental burden associated with this type of manufacturing is thus a critical issue for us. In addition to implementing the RoHS directive and “green procurement” measures stipulated in the Fujitsu Group Environmental Protection Program, we are working hard to reduce our environmental burden by aggressively adopting technologies that can contribute to such reduction. We feel that the understanding and cooperation of our employees and business partners are absolutely essential to these efforts. We have created our own training materials based on the materials used by Fujitsu Limited, and are carrying out environmental education aimed at both our employees and business partners. In future, based on the Fujitsu Group Environmental Protection Program, we are committed to further enhancing our environmental protection activities.

Along with giving Fujitsu high marks for their progressive efforts with respect to constructing a globally integrated EMS that includes overseas Group companies, we are proud to have been chosen as the certification organizations concerned. Although this was the first experience for both of our organizations to jointly work on a single EMS certification, we are confident that we achieved a certification that follows certification standards, thanks to Fujitsu’s understanding of our certification method.

In the future, while trusting that the synergistic effects between the global system and the systems at each site will increase, and that this synergy can be increased to achieve a mechanism securing results greater than the sum of those attainable individually by each system, we hope that Fujitsu will take advantage of having one of the very few globally integrated EMSs in the world to contribute even more to society as a corporate environmental leader.