

# DISCLOSURE PURSUANT TO THE RECOMMENDATIONS OF THE TCFD\*

\* Established by the Financial Stability Board at the request of the G20, the Task Force on Climate-related Financial Disclosures (TCFD) works to reduce the risk of climate change-related instability in financial markets.

Protection of the environment represents one of the Fujitsu Group's most important management tasks. Climate change is especially posed to significantly affect society's sustainability. As a provider of ICT products and services that consume power, the Fujitsu Group views climate change as both a risk and as an opportunity to provide services that support mitigation and adaptation. For these reasons, we consider climate change countermeasures to be a major component of sustainability management.

## Governance

| Items   | Details  | Related Information  |
|---|--|--|
| The Board's oversight of climate-related risks and opportunities                    | Under Fujitsu's system for promoting sustainability management, the Sustainability Management Committee, chaired by the representative director and CEO, analyzes medium- and long-term issues, establishes policies, shares the risks and opportunities arising from climate change, determines countermeasures, and manages their progress. Further, the committee reports its findings to the Board of Directors via meetings of the Management Council.  | Corporate Governance <a href="#">P56-63</a><br>Risk Management <a href="#">P66-67</a>                            |
| Management's role in assessing and managing climate-related risks and opportunities | In addition, as part of Groupwide risk management efforts, the Risk Management & Compliance Committee, also chaired by the representative director and CEO, analyzes and responds to climate change risks and other Groupwide risks under the supervision of the Board of Directors. As the Group's highest decision-making body with respect to risk management, this committee periodically provides reports on the significant risks it has identified, analyzed, and assessed to the Board of Directors.<br>In the aforementioned committees, the representative director and CEO serves as the chair, while executives act as committee members.<br>The Fujitsu Group has additionally built an environmental management system based on ISO 14001. Under this system, the Board of Directors receives reports from the Management Council, which makes final decisions on climate change-related strategies. | Environmental Management System (Sustainability Databook 2020 P5-3-1-2 to 3)<br>CDP Climate Change response (C1) |

## Strategy

| Items   | Details  | Related Information  |
|---|--|--|
| Climate-related risks and opportunities the organization has identified over the short, medium, and long term                               | Utilizing a 2°C scenario, the Fujitsu Group conducts scenario analysis of the period through 2050. This has led to the identification of the risks and opportunities shown in the table below. ICT products and services that can contribute to climate change mitigation and adaptation measures provide opportunities to increase sales. Physical risks and legal risks could give rise to operational costs by requiring the implementation of measures in the Group's operations and supply chains. For details on measures in response to risks, please refer to the related information. | Countermeasures to Climate Risk (Sustainability Databook 2020 P5-3-1-7 to 11)  |
| Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning                        | With the aim of realizing the aforementioned opportunities, responding to risks, and reducing its CO <sub>2</sub> emissions to zero, the Fujitsu Group has established a medium- to long-term environmental vision, which sets out measures focused on utilizing ICT for climate change mitigation and adaptation. Measures based on this vision contribute to the Group's strategic resilience.   | Medium- to Long-term Environmental Vision (Sustainability Databook 2020 P5-3-2-1 to 3)<br>CDP Climate Change response (C2, C3) |
| Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario |  |  |

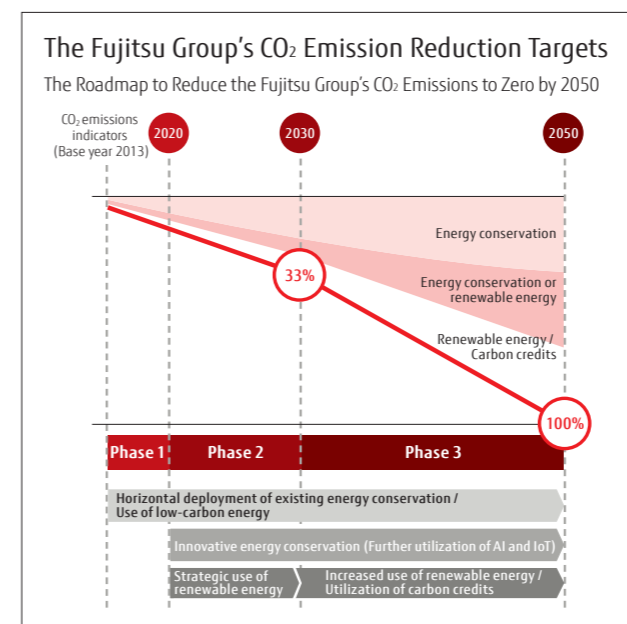
| Risks and Opportunities           | Details  |
|-----------------------------------|--|
| Policy and legal risks            | The risk of incurring higher costs as a result of responding to stricter laws and regulations on greenhouse gas emissions and energy use (carbon tax, etc.) and the risk of diminished corporate value in the event of a violation   |
| Technology risks                  | The risk of unrecovered investments or market share decline if the Company lags behind in fierce competition to develop technologies (energy-saving performance, etc.) for a carbon-free society   |
| Market risks                      | The risk of losing business opportunities if products and services do not meet energy-saving performance needs   |
| Reputation risks                  | The risk of a decline in corporate value or an increase in response costs associated with stakeholders' negative assessment of the progress of climate change countermeasures (renewable energy introduction percentage, etc.)   |
| Product and service opportunities | The opportunity to increase sales by providing low-power-consumption products (high-performance computers, etc.) or services that contribute to climate change mitigation or adaptation (mathematical optimization technologies, AI-enabled planning services for disaster prevention and disaster recovery, etc.) |
| Market opportunities              | The acquisition of new market opportunities by applying ICT to create climate change countermeasures (utilization of AI to enhance energy efficiency, utilization of super computers for various types of simulations, utilization of blockchain technology to adjust energy supply and demand, etc.)              |

## Risk Management

| Items  | Details  | Related Information  |
|--|--|--|
| Organization's processes for identifying and assessing climate-related risks   | In the context of the Companywide risk management system, the Risk Management & Compliance Committee identifies, classifies, assesses, and manages Groupwide risks, including climate change risks. To facilitate the periodic implementation of standardized Companywide risk assessments, this committee prepares tools, distributes them to respective risk and compliance officers, and collects responses. Each risk department across the entire Company uses this tool to conduct risk assessment on items such as "severity" (the degree of impact), "likelihood" (the likelihood of occurrence), and the status of countermeasures, and to report on risk threats. With regard to risk assessment related to climate change, the relevant departments carry out risk assessment with reference to the expertise of respective divisions and units in such areas as policy, reputation, natural disasters, supply chains, products and services, using information collected from the entire Company. Using the results of assessments that divisions and units provide in response to its requests, the Risk Management & Compliance Committee conducts unified matrix analysis of "severity" (the degree of impact) and "likelihood" (the likelihood of occurrence) of risks, thereby identifying high-priority risks on a Companywide level. The results of the committee's analysis are reported to the Board of Directors.<br>The Sustainability Management Committee shares climate change business risks, opportunities, and countermeasures and conducts progress management. Furthermore, the Group has built an environmental management system based on ISO 14001. Under this system, compliance with laws and regulations and other risks are monitored. | Risk Management <a href="#">P66-67</a><br>CDP Climate Change response (C2) |
| Organization's processes for managing climate-related risks  |  |  |
| Processes for identifying, assessing, and managing climate-related risks that are integrated into the organization's overall risk management |  |  |

## Metrics and Targets

| Items  | Details  | Related Information   |
|--|--|---|
| Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process | The Fujitsu Group views reducing GHG emissions and introducing renewable energy as important countermeasures for mitigating climate change risks. Also, we believe that incorporating the innovative energy-saving technologies that we create will lead to the acquisition of climate-related opportunities. For these reasons, we have set out GHG emissions and the renewable energy introduction percentage as indicators. We establish medium- to long-term objectives that are in line with Science Based Targets initiative (SBTi) certification and with RE100 membership. Meanwhile, we prepare Fujitsu Group environmental action plans to set short-term targets. We monitor the indicators associated with these targets, conduct progress management in relation to strategies, and conduct risk management.<br>The tables on the lower right show the Fujitsu Group's GHG emission reduction results and targets, respectively. The chart on the lower left is an overview of the roadmap and measures that the Fujitsu Group will follow in reducing its CO <sub>2</sub> emissions to zero. | Medium- to Long-term Environmental Vision (Sustainability Databook 2020 P5-3-2-1 to 3)<br>Environmental Action Plans (Sustainability Databook 2020 P5-3-3-1 to 3) |
| Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks                                     |  |   |
| Targets used by the organization to manage climate-related risks and opportunities and performance against targets                       |  |   |



| Items                                   | Fiscal 2019 GHG Emission Results                                |
|---|---|
| Scope 1                                 | 87,000 kt-CO <sub>2</sub> e                                     |
| Scope 2 (Location-based / Market-based) | 715,000 kt-CO <sub>2</sub> e / 663,000 kt-CO <sub>2</sub> e     |
| Scope 3 (Category 1 / Category 11)      | 1,436,000 kt-CO <sub>2</sub> e / 3,791,000 kt-CO <sub>2</sub> e |

| Items   | Targets  | Fiscal 2019 Results |
|---|--|---------------------|
| Reducing our own GHG emissions* <sup>1</sup> (short term/medium term/long term) | Reduction of 14% by 2020* <sup>2</sup><br>Reduction of 33% by 2030* <sup>2</sup><br>Reduction of 80% by 2050* <sup>2,3</sup> | 35.3% reduction     |
| Reducing GHG emissions across the value chain* <sup>1</sup> (medium term)       | Reduction of 30% by 2030* <sup>4</sup>   | 36.2% reduction     |
| Renewable energy introduction percentage (medium term/long term)                | Introducing 40% by 2030<br>Introducing 100% by 2050  | 8.4% introduction   |

\*1 vs. 2013  
\*2 Scope 1 + Scope 2  
\*3 Excluding carbon credits  
\*4 Scope 3 Category 1 + Category 11