

Strengthening Environmental Management

We are continuously working to improve our ISO14001-based environmental management system and to promote unified environmental management of the Fujitsu Group.

EMS Implementation and Operation Strengthening Our Environmental Promotion Structure

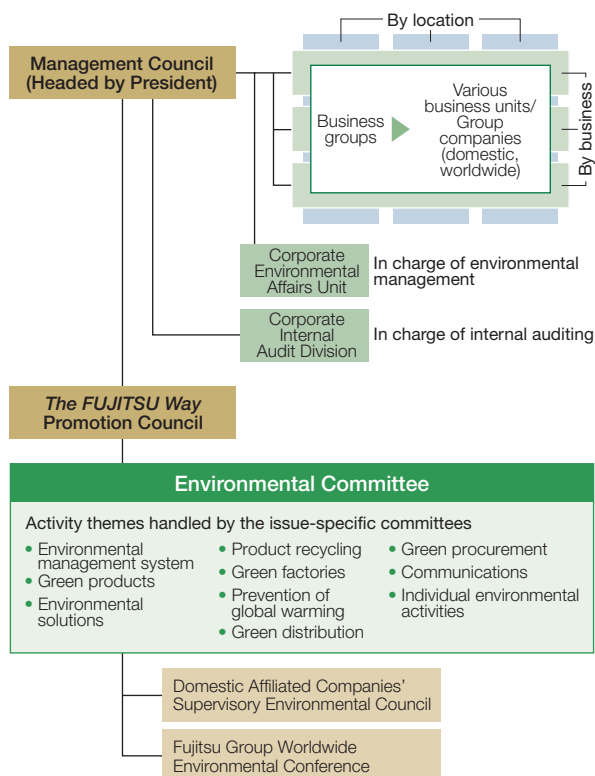
In order to carry out management decisions quickly, the Fujitsu Group environmental management system (EMS) has been developed in accordance with our business organization, that is, our business group structure. Each business group undertakes environmental efforts tailored to the particular characteristics of its business and also participates in Group-wide environmental activities.

Decision making concerning EMS activities takes place in the Management Council, and these decisions are transmitted to each business group by the Corporate Environmental Affairs Unit, which is in charge of environmental activities for the Fujitsu Group.

In addition, with respect to certain environmental themes, issue-specific committees managed and coordinated by the Environmental Committee, and comprising concerned parties from various units that transcend the business group/business unit framework, debate and develop concrete environmental action plans and improvements to the EMS structure. The results of their deliberations are reported to the Corporate Environmental Affairs Unit, and feedback is provided to the Management Council, after which they are reflected in the activities of each business group.

In fiscal 2005, along with changing both the name and

Structure for Environmental Activities



role of the deliberative body consisting of heads of Group companies, we strengthened our Group-wide and cross-divisional efforts in areas such as Green Logistics and Individual Environmental Activities.

Going forward, the Fujitsu Group is committed implementing a PDCA (Plan, Do, Check, Act) approach across the Group to continually improve our EMS.

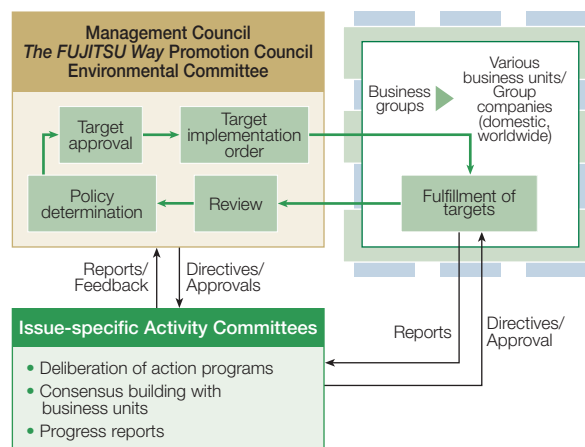
• Modification of the Group Company Governance Framework

Associated with the start of operation of the Fujitsu Group integrated EMS from fiscal 2005, we expanded the number of companies covered and revised the role of the coordinating council for the Group in Japan, changing its name to the Domestic Affiliated Companies' Supervisory Environmental Council. From now on, this council will have the role of transmitting to the heads of all domestic Group companies the items approved by the Environmental Committee and the Management Council, as well as the Group's overall direction for environmental activities, including for nonmanufacturing Group companies.

• Establishment of the New Green Logistics Committee

To respond to Japan's Revised Energy-Saving Law and strengthen initiatives with respect to environmentally friendly packaging materials and resource saving, the Environmental Committee created a new Green Logistics Committee under its direction (reorganizing the Green Logistics Working Group launched in July 2003 under the auspices of the Global Warming Prevention Measures Strategy Committee). This organizational enhancement will further strengthen the CO₂ reduction and other environmental improvement efforts of the entire Fujitsu Group.

Action Implementation Flow



- **Creation of Individual Environmental Activities Working Group**

This working group was established in September 2005 with the purpose of creating guidelines and plans for increasing the environmental awareness of each individual Fujitsu Group employee and promoting involvement in environmental activities.

Construction of a Globally Integrated EMS

We obtained integrated ISO14001 certification, which is an international EMS standard, covering our domestic consolidated subsidiaries at the end of fiscal 2004. In fiscal 2005 we expanded our EMS coverage to 11 companies/ 22 business sites outside Japan involved in manufacturing activity or otherwise requiring certification for business reasons, thus achieving globally integrated ISO14001 certification at a scale among the top of Japan's major electronics companies. Furthermore, our nonmanufacturing overseas consolidated subsidiaries implemented and are operating environmental management systems based on common standards derived from the Fujitsu Group environmental policies. In this way, we established a framework for environmental management of the entire Group.

Implementation of Environmental Audits (internal audits)

Internal audits of the Fujitsu Group are carried out by employees of the Corporate Internal Audit Division, Corporate Environmental Affairs Unit, and other business sites under the basic principles of independence and objectivity.

In fiscal 2005, focusing on environmental impact and compliance issues, we carried out internal audits of a total of 546 divisions at 102 companies. These audits discovered 641 issues, of which 115 were classified as minor faults and 526 were classified as items to be monitored. The following three points were the main issues discovered.

- **Legal compliance:**

Problems with the items recorded, management system for record keeping, and other matters related to handling of industrial waste.

- **Inadequate manuals for standards and procedures:**

Inconsistencies between manuals, content deficiencies and other issues.

- **Inadequate implementation plans;**

Lack of clarity in some plans and other issues.

In fiscal 2006 we will continue to implement corrective policies and verification activities regarding the items identified.

Implementation of Management Review

Through deliberations of the Environmental Committee and Management Council in fiscal 2005, we implemented a management review to evaluate the effectiveness of our domestic and international environmental activities and discuss the direction of such activities in fiscal 2006 and beyond. As a result of this review, it was decided to give particular weight to the following issues going forward.

- Full-fledged development of Super Green Products and environmentally conscious solutions, together with efforts to differentiate ourselves in the market based upon the extent to which environmental considerations are embedded in our business.
- Avoiding environmental risks related to products and strengthening internal audits to fully audit our principal businesses.
- Strengthening global warming countermeasures

Promoting Environmental Education and Awareness for All Employees

As a foundation for promoting involvement in environmental activities by all our employees, we are carrying out a variety of environmental education and consciousness-raising activities throughout the Group. In this way, we aim to increase the environmental awareness of each and every one of our employees.

Environmental Education at Our Numazu Plant

At our Numazu Plant, we are preserving the natural environment as an "industrial park" under an innovative concept that includes retaining the natural woods and tea plantations that were present before the factory was opened. Taking advantage of the natural environment within the plant complex, we created a "Nature Appreciation Academy" to provide hands-on environmental education for our employees and local community residents. In this effort we worked together with the Whole Earth Institute, an NPO in Shizuoka Prefecture, to carry out a survey of flora and fauna at the site and incorporate the results in constructing a hands-on environmental education program for each season and training environmental interpreters (nature observation guides). In addition to organizing nature observation events for employees of the Numazu Plant and their families, we also hold nature observation instructor seminars for those in charge of EMS activity promotion at each of our factories. In the future, we plan to implement programs and hands-on events for employees, local residents, and visitors to our plants, and to promote environmental learning extensively.



Nature School at the Numazu Plant