

Promotion of Green Factories

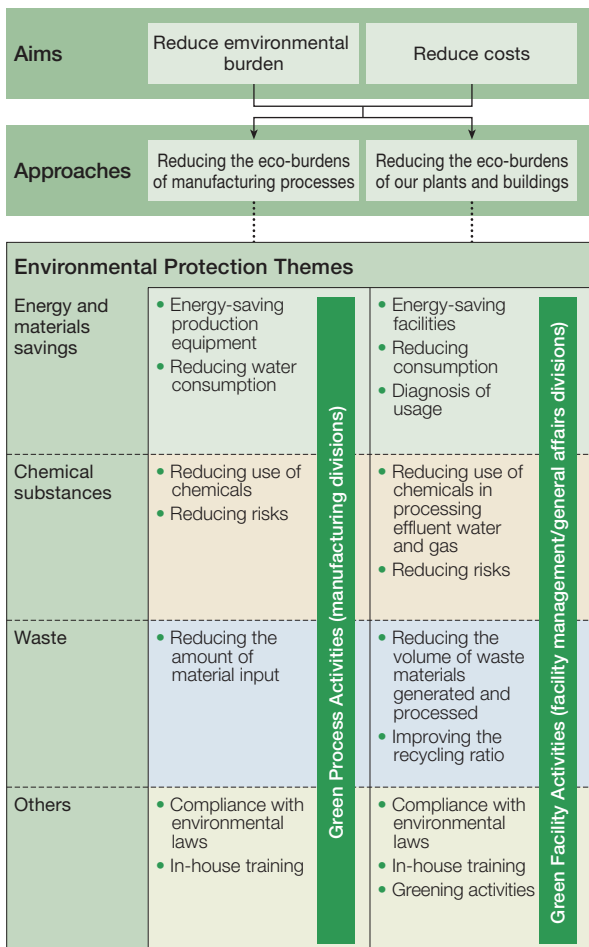
Advancing eco-friendly manufacturing through comprehensive environmental protection activities.

The “Green Factory” Concept (eco-friendly factories)

At the Fujitsu Group, we have coined the term “Green Factories” to refer to facilities that pursue a unified approach in striving to reduce the amount of materials and energy used in business operations, minimize the amounts of chemical discharge, waste, and air pollution produced through business operations, and also minimize manufacturing costs. At the same time, these facilities must also make comprehensive efforts to comply fully with all relevant laws and regulations and to prevent environmental risks in advance.

To promote these activities, our manufacturing divisions carry out Green Process Activities, and facilities management divisions and waste management divisions (general affairs divisions) carry out Green Facility Activities.

The Green Factory Concept



Promoting Green Process Activities

Green Process activities are intended to reduce manufacturing costs and, after calculating an environmental burden index (CG index*) for each product line (based on the amount of materials required, the volume of chemical substances used, the energy consumed, etc.), to lower environmental burdens continually.

The CG index is used to assign priorities for Green Process activities within the Group and to set quantitative targets, devising and implementing plans to reduce environmental burdens and costs. The progress in implementing these plans is evaluated at quarterly review meetings, and items for which the target values are not met are thoroughly analyzed and the results fully incorporated into activities in the following quarter.

The cumulative benefit achieved through our Green Process activities in fiscal 2005 was 936 million yen.

* CG index

Original to the Fujitsu Group, this index describes the product of input volume used per product, the cost, and the environmental impact (on a scale from 1 to 10).

Green Process Example (Fujitsu Mie Plant) Reducing use of chemical solvents in the semiconductor manufacturing process

Our Mie Plant in central Honshu produces semiconductors for digital AV products. As one theme of our Green Process activities, we reexamined the methods we use at the plant to remove etching residue that occurs during the circuit pattern transfer step of the wafer manufacturing process. As a result of this review, we switched from batch processing to single-wafer processing, which resulted in better post-washing quality. Furthermore, this improvement enabled us to significantly reduce the amount of resist remover used to remove the residue of the photosensitive material. As a result, we were able to reduce the production line's CG index by 51.9% from its previous level.

Promotion of Green Factories

Promoting Green Facility Activities

Green Facility activities are focused on stabilizing factory operation, reducing environmental burden, and preventing environmental risks by identifying and reforming aspects of the factory infrastructure that can be improved in terms of thorough compliance with environmental regulations, reducing waste, and conserving energy, water and other resources.

We started these activities at 14 business locations in our Electronic Devices Group from fiscal 2004, setting half-year activity targets at each business location and evaluating the results using a standardized evaluation procedure.*

* Standardized evaluation procedure

This procedure evaluates individual activity effects by assigning a point score to the achievement level (the reduction achieved by the activity) for 11 items such as reductions in energy, water and chemical usage, and also provides an overall evaluation by combining those scores.

Implementing Disaster-Prevention Inspections

To prevent risks to buildings and facilities*¹ and environmental equipment*² associated with natural disasters (earthquakes, typhoons, heavy rain, etc.) or aging of structures, we have formed facilities and environmental working groups, positioning them as independent bodies that implement disaster-prevention inspections to check on the functions and status of individual facilities' preparedness measures on a continuing basis.

*1 Facilities

Includes buildings, electrical systems, piping, distilled water production equipment, high-pressure gas production equipment, and chemical storage warehouses.

*2 Environmental equipment

Includes waste-water processing facilities and exhaust gas processing facilities.

Factory Greening Activities (Numazu Factory)

In recognition of its longstanding and continuous management and protection of the surrounding green space and wide-ranging environmental activities for the local community, our Numazu Plant was awarded "Excellent Stage 3" certification based on the Social and Environmental Green Evaluation System (SEGES)* operated by the Urban Green Fund. Excellent Stage 3 certification is the highest level that can be acquired in a single year, and is promoted to "Superlative Stage" status if maintained for seven straight years. The plant is committed to managing and protecting its green space as well as to continuing its other environmental activities, and thereby aims to continually acquire this certification.

* **Social and Environmental Green Evaluation System (SEGES)**
System for evaluating excellent green spaces created by corporations and their related activities.



Certification Label

Reducing the Amount of Chemicals Discharged

Basic Approach to Reducing Chemical Discharge

We are currently focusing our efforts to reduce the amounts of chemicals discharged and used on the following two items.

- Reductions in discharge of substances subject to the PRTR Law (Pollutant Release and Transfer Register);
- Reductions in discharge of 20 industry-specified VOC (volatile organic compound) substances subject to voluntary efforts.

Although the PRTR Law requires that sites report data on any of the designated chemicals for which annual usage/processing amounts to one ton or more, we take an even stricter approach to managing these substances. We stipulate that Fujitsu Group business locations that use 100 kg or more of any PRTR-specified substance be held to the same reporting requirements.

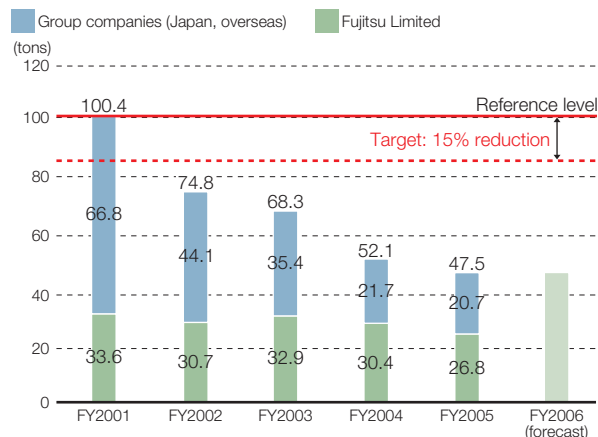
Fiscal 2005 Performance

The Fujitsu Group Environmental Protection Program (Stage IV) sets a target of reducing the business activity-related discharge of chemical substances subject to the PRTR Law by 15% compared to fiscal 2001 discharge levels by the end of fiscal 2006.

This goal has already been achieved, and we have continued to appropriately manage these substances and achieved further reductions.

In addition to strengthening management of chemical substances that are subject to the PRTR Law and reviewing our manufacturing processes, in fiscal 2005 we implemented a variety of measures to reduce chemical discharge by our semiconductor factories, including installing organic solvent recovery equipment. As a result, the total amount of PRTR chemical substances discharged by the Fujitsu group fell to 47.5 tons, a 52% reduction from fiscal 2001 levels.

PRTR Law Chemical Discharge Amounts



Reducing VOC Emissions

The revisions to Japan's Air Pollution Control Law that came into effect on April 1, 2004 stipulate regulations on VOC emissions.

As of the end of fiscal 2005, there were no Fujitsu Group business locations subject to regulatory control for VOCs. However, in line with voluntary industry initiatives, we have established a goal of reducing annual discharge of 20 specified VOC substances by 30% relative to fiscal 2000 levels by the end of fiscal 2010.

Our activities in this area in fiscal 2005 included identifying the amounts of VOCs emitted or handled in fiscal 2000 and studying effective reduction measures. To effectively reduce such discharges, we are installing organic solvent recovery units in our electronic device manufacturing facilities, which handle large amounts of these materials, and taking other measures to reduce emissions of chemical substances. We are also switching to substitute materials with lower toxicities in the cleaning processes in these factories.

We will initiate Group-wide activities in this area in fiscal 2006.

Reducing the Amount of Waste Generated Basic Approach to Reducing Waste Generation*

In working towards creating a recycling-minded society, we have adopted a basic 3R policy (reduce, reuse and recycle), and in aiming for an even higher level of 3R achievement encourage all our employees to separate waste materials into different categories for more effective recycling.

* Waste generation reduction

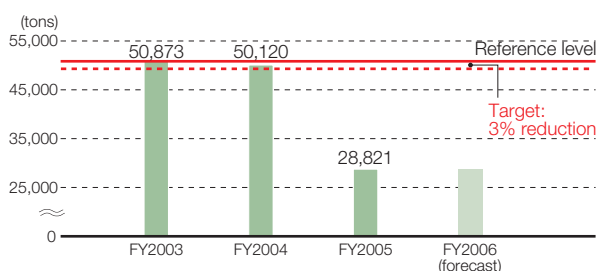
Definition: Reduction of waste generated by sites
Targeted waste: All discarded materials (excluding those with monetary value)

Fiscal 2005 Performance

In the Fujitsu Group Environmental Protection Program (Stage IV), we set the goal of reducing the amount of waste generated by our business operations by 3% compared to fiscal 2003 levels.

In fiscal 2005, as a result of efforts that enabled us to assign monetary value to paper and inorganic sludge, we reduced the total amount of waste generated to 28,821 tons, which corresponds to a reduction of 43% below fiscal 2003

Amounts of Waste Generated



* Statistics for 12 Fujitsu sites and 27 Group companies.

levels. Business restructuring was also a significant factor in these reductions.

Progress towards Zero Waste Emissions* at Group Companies in Japan

We are actively promoting zero emissions activities at our domestic Group companies. In fiscal 2003, Fujitsu Limited achieved zero emissions. In fiscal 2004, except for one business location, all Fujitsu Group companies in Japan achieved zero emissions, and this zero emissions status has continued ever since.

We made continuous efforts in fiscal 2005 to determine measures for reducing to zero the discharge of sewage treatment tank sludge that became an issue at the single business location that failed to achieve zero emissions status in fiscal 2004. Due to structural factors in the sewage treatment tank facilities essential for strict conformance with water quality regulations, however, we were not able to achieve zero emissions at this facility in fiscal 2005. We continue to study how to reduce sewage treatment tank sludge emissions to zero at this one location.

* Zero waste emissions

Achieving 100% waste utilization, with none going to landfills or simple incineration.

Polychlorinated Biphenyl (PCB) Storage and Processing

Based on storage and management regulations of our domestic business locations and affiliated companies for storage of transformers, condensers, and fluorescent light ballasts that include PCB in their materials, these items are stored and managed in strict conformance with Japan's PCB Special Measures Law.

The amounts of PCB currently being stored by Fujitsu Limited and domestic affiliated companies are shown below.

PCB Storage Volumes

	Transformers (units)	Condensers (units)	Fluorescent light ballasts (units)
Fujitsu	106	287	40,388
Affiliated companies	60	46	1,303
Total	166	333	41,691

(As of March 2006)

The PCB Special Measures Law mandates the treatment of PCB waste by fiscal 2016. We have registered with the Japan Environmental Safety Corporation (JESCO) under their early discount system and have a system in place for performing this treatment within the stipulated period.