

Response to Environmental Risks and Opportunities

We, Fujitsu Frontech, in the purpose of CSR practices and finally contribution to achievement of SDGs, make efforts on the environmental conservation, by identifying environmentally-related “Risks” such as climate change and environmental pollution and taking measures against them. Moreover, we not only identify “Opportunities” other than environmental risks and implement their measures, but also evaluate “relevance to value chain” in “Issues of Organization” and “Needs and Expectations of Interested Parties”, so that we can expand our business through the environmental contribution.

Risk Management System

Through identification and measures relevant to the environmental risks and opportunities based on ISO14001 (EMS: Environmental Management System) as well as activities of company-wide risk assessment (as a category of Environment) in Risk and Compliance Committee, we establish and operate our governance system, so that we can not only control potential risks but take corrective actions against apparent risks in a rapid and proper manner.

[> Risk Management and Compliance Promotion System](#)

Identification and Measures relevant to Environmental Risks Based on EMS

Major Environmental Risks and Opportunities Identified in FY2025

Environmental Significant Aspects

| # | Identified item | Risk / Opportunity | Specific contents of Risk / Opportunity (Upper side) Major measures (Lower side) |
|---|-------------------|--------------------|---|
| 1 | Energy use | Risk | Negative impact on global warming due to greenhouse gas emissions. |
| | | | <ul style="list-style-type: none">● Promotion of company-wide energy savings (electricity savings, introduction of energy-efficient facilities)● Expansion of adoption of renewable energy |
| 2 | Waste generations | Risk | Depletion of natural resources, Environmental pollution due to waste disposal |
| | | | <ul style="list-style-type: none">● Promotion of 3Rs (Reuse, Reduce and Recycle) + Renewable● Reduction of waste (thorough waste sorting, expansion of valuables etc.) |

External and Internal Issues of Organization

| # | Identified item | Risk / Opportunity | Relevance to value chain | Specific contents of Risk / Opportunity (Upper side) Major measures (Middle side) Viewpoints of value chain (Lower side) |
|---|--|--------------------|--------------------------|--|
| 1 | Countermeasures against Climate change | Risk | ✓ | <p>Difficulty of business continuation due to abnormal climate etc., Rising of requirements for countermeasures against climate change by companies</p> <hr/> <ul style="list-style-type: none"> ● Reduction of GHG emissions in our Group ● Expansion of adoption of renewable energy <hr/> <p>To reduce GHG emissions in Scope 3, we make efforts to request suppliers for their improvement in Category 1, as well as pursue energy efficiency of our products superior to conventional models in Category 11.</p> |
| 2 | Sustainable resource use | Risk | ✓ | <p>Depletion of natural resources, Nature destruction due to mining, Soaring prices of natural resources</p> <hr/> <ul style="list-style-type: none"> ● Increase of resource efficiency of products (weight reduction, adoption of recycled plastics etc.) ● Long-lasting use of products and effective resource use through collection and repair of our products <hr/> <p>To push forward with adoption of recycled materials to our products, reduction of package materials, 3Rs design, and long-lasting products through repair etc., we cooperate with business partners in both upstream and downstream.</p> |

| # | Identified item | Risk / Opportunity | Relevance to value chain | Specific contents of Risk / Opportunity (Upper side) Major measures (Middle side) Viewpoints of value chain (Lower side) |
|---|---|--------------------|--------------------------|---|
| 3 | Preservation of biodiversity and ecosystem | Risk | ✓ | Ecological collapse due to decline of species, Human crisis in survival due to shortage of foods and clothes etc. |
| | | | | <ul style="list-style-type: none"> ● Participation in the environmental conservation events ● Actions on plastic waste issues |
| | | | | To help biodiversity be protected, we cooperate with relevant stakeholders. |
| 4 | Conservation of water resources | Risk | ✓ | Deterioration of water stress and water pollution |
| | | | | <ul style="list-style-type: none"> ● Monitoring of data on water resources that we consume and water stress in the areas where we run businesses |
| | | | | We get a grasp of water stress in countries where our Group companies run businesses, as well as monitor data on water resources that we consume. |
| 5 | Contribution to SDGs and gain of business opportunities | Opportunity | ✓ | Business promotion through development and delivery of contributable products & services to SDGs |
| | | | | <ul style="list-style-type: none"> ● Development and delivery of SDGs Contribution Solutions |
| | | | | To move ahead with the reduction of GHG emissions and plastic waste generations etc., we work together with each stakeholder. |

| # | Identified item | Risk / Opportunity | Relevance to value chain | Specific contents of Risk / Opportunity (Upper side) Major measures (Middle side) Viewpoints of value chain (Lower side) |
|---|---|--------------------|--------------------------|---|
| 6 | Governance of Group companies outside Japan | Risk | -- | Negative impact on the whole Group due to revocation of ISO14001 certification in Group companies in and outside Japan |
| | | | | <ul style="list-style-type: none"> ● Periodical confirmation of the status of EMS operation etc. ● Communication with local staff in charge of EMS who belong to Group companies |
| | | | | -- |
| 7 | Chemical substances management and pollution prevention | Risk | ✓ | Reinforcement of chemical substances management regulations, Increase of importance of on-site chemical substances management |
| | | | | <ul style="list-style-type: none"> ● Thorough chemical substances management (use, storage and disposal) based on legal requirements and in-house rules ● In-house training related to chemical substances management |
| | | | | We notify external vendors of important points in time of using chemical substances, to prevent environmental pollution and health damage from occurring. |

Needs and Expectations of Interested Parties

| # | Identified item (Upper side) Interested Party (Lower side) | Risk / Opportunity | Relevance to value chain | Specific contents of Risk / Opportunity (Upper side) Major measures (Middle side) Viewpoints of value chain (Lower side) |
|---|---|-----------------------|-----------------------------|---|
| 1 | Promotion of ESG | Opportunity | ✓ | Actions on SDGs etc. as well as external disclosure of the results for the improvement of our corporate brand |
| | | | | <ul style="list-style-type: none"> ● Promotion of sustainable business through climate-related countermeasures, resource circulation and SDGs contribution etc. ● Information disclosure of our activities on Sustainability website in a forward-looking manner |
| | Every stakeholder | | | We work together with each stakeholder, to practice ESG activities such as climate-related countermeasures, circular economy, and CSR procurement etc. |
| 2 | Response to TCFD, CDP, SBTi, RE100, TCFD (IFRS S1 & S2) and TNFD etc. | Opportunity | ✓ | Improvement of Fujitsu brand through climate-related countermeasures |
| | | | | <ul style="list-style-type: none"> ● Calculation and disclosure of value chain emissions |
| | International initiatives, financial institutions etc. | | | <p>To reduce GHG emissions in Scope 3, we make efforts to request suppliers for their improvement in Category 1, as well as pursue energy efficiency of our products superior to conventional models in Category 11.</p> <p>In addition, we push forward with forest conservation activities, cooperating with stakeholders, in the purpose of biodiversity conservation.</p> |

| # | Identified item (Upper side) Interested Party (Lower side) | Risk / Opportunity | Relevance to value chain | Specific contents of Risk / Opportunity (Upper side) Major measures (Middle side) Viewpoints of value chain (Lower side) |
|---|---|-----------------------|-----------------------------|--|
| 3 | Efforts on communication with neighborhood | Risk | -- | Negative impact on neighborhood due to social disaster such as water pollution and noise / vibration, Complaint from neighborhood |
| | Neighborhood | | | <ul style="list-style-type: none"> ● Monitoring by the environmental measurement and disclosure of the results |
| | | | | -- |
| 4 | Vitalization of communication with employees | Opportunity | -- | Promotion of environmental activities in cooperation with employees |
| | Employees | | | <ul style="list-style-type: none"> ● Implementation of environmentally-related in-house learning, communication and events ● Promotion of social activities in cooperation with employees |
| | | | | -- |
| 5 | Provision of information on restricted substances in products | Risk | ✓ | Loss of social credit due to violation of law related to restricted substances in products |
| | | | | <ul style="list-style-type: none"> ● Interactive communication with suppliers etc. to ensure the conformity with regulations of restricted substances in products such as RoHS, REACH |
| | Suppliers | | | Under the circumstance that regulations of chemical substances contained in products mainly in Europe and U.S. are being strengthened, we continue to collect information on contained chemical substances in close cooperation with suppliers. |

| # | Identified item (Upper side) Interested Party (Lower side) | Risk / Opportunity | Relevance to value chain | Specific contents of Risk / Opportunity (Upper side) Major measures (Middle side) Viewpoints of value chain (Lower side) |
|---|--|-----------------------|-----------------------------|--|
| 6 | Notification of environmental compliance obligations and important points etc. in time of outsourcing | Risk | ✓ | Occurrence of violation of environmental laws and significant incidents due to external vendors |
| | | | | ● Notification of environmental compliance obligations and important points etc. to external vendors |
| | External vendors | | | We request external vendors to cooperate with energy savings and waste sorting etc., as needed. |
| 7 | Promotion of Social activities | Opportunity | -- | Promotion of social activities in cooperation with NPO etc. |
| | | | | ● Social activities as good corporate citizenship |
| | NPO / NGO | | | -- |
| 8 | Compliance with environmental laws and ordinances, as well as cooperation with local administration | Risk | -- | Decline of corporate image due to violation of environmental law or ordinance |
| | | | | ● Compliance with legal requirements of environmental laws and ordinances, including reports submission and legal standards |
| | Ministries, agencies, and local governments | | | ● Participation in environmental activities local governments hold |
| 9 | Response to requests for repair and long-lasting etc. from customers who adopt our products and services | Opportunity | ✓ | Response to customers who desire to use products as long as possible in repair |
| | | | | ● Contribution to circular economy through repair businesses |
| | Customer | | | ● To establish circular economy business models, we cooperate with business partners etc. |

Company-wide Risk Assessment (as for Environment)

Major Environmental Risks Identified in FY2025

Environmental Risks

| # | Identified item | Specific contents of Risk (Upper side) Major measures (Lower side) |
|---|---------------------------------------|---|
| 1 | Water pollution | Environmental destruction due to water pollution derived from our activities, Compensation for damage, Deterioration of corporate brand |
| | | <ul style="list-style-type: none">● Periodical monitoring of ground water / discharged water● Proper control of chemical substances (leakage prevention such as locking storage) |
| 2 | Noise and vibration | Negative impact on neighborhood due to noise / vibration, Complaint from neighborhood |
| | | <ul style="list-style-type: none">● Periodical monitoring of noise and vibration● Measures including installation of soundproof wall panels |
| 3 | Proper management of industrial waste | Environmental pollution due to improper processing by consigned vendors, Decrease of corporate reputation |
| | | <ul style="list-style-type: none">● Thorough waste sorting in a waste storage area● Confirmation of the status of proper waste processing through on-site inspections of waste vendors |

| # | Identified item | Specific contents of Risk (Upper side) Major measures (Lower side) |
|---|--------------------------|---|
| 4 | Leakage of fluorocarbon | Leakage of fluorocarbon due to lack of management of air conditioners etc. and GHG emissions derived from the leakage |
| | | <ul style="list-style-type: none"> ● Establishment of company-wide management system of fluorocarbon ● Steady implementation of simple / periodical inspection etc. |
| 5 | Environmental compliance | Punishment due to violation of laws such as missing of report submissions, Deterioration of corporate brand |
| | | <ul style="list-style-type: none"> ● Periodical monitoring of information on legislation and revision of environmental laws ● Retainment of legally-qualified persons |