

Fujitsu Frontech Group Environmental Report 2024



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About This Report

Editorial Policy

We, Fujitsu Frontech Group, establish “Fujitsu Frontech Group Environmental Policy ([Link](#))” whose basic philosophy is “Eco-friendly business activities”, based on Fujitsu Group Environmental Policy and Vision as well as global environmental issues around companies such as climate change, resource circulation and biodiversity conservation. Then, we, based on the Policy, establish “Fujitsu Frontech Group Environmental Action Plan”, and promote our environmental activities globally to contribute to solving the environmental issues.

This report broadly covers our environmental activities and data including actions in “Fujitsu Frontech Group Environmental Action Plan Stage XI” (FY2023 – FY2025). Also, we strive to keep in mind that it will be easy for every stakeholder reading this report to understand our Group activities.

Report Period:

FY2023 (From 2023/4/1 until 2024/3/31).

Besides, this report also includes trend data in past 4 – 6 years and results of partial activities in FY2024.

Scope:

In Japan	Fujitsu Frontech Limited
	Fujitsu Frontech Systems Limited (FJFS)
	Totalizator Engineering Limited (TEL)
	Life Create Limited (LC)
Outside Japan	FUJITSU DIE-TECH CORPORATION OF THE PHILIPPINES (FDTP: Philippines)
	Fujitsu Frontech North America Inc. (FFNA: U.S.A)

Referral Guideline:

“Environmental Reporting Guidelines 2018” issued by Ministry of the Environment (Japan). *See the page 21.

Issue: September 2024.

Representative of Issue:

Hiroshi Watabe, President and Representative Director.

Representative of Planning & Editing:

Takashi Fukui, General Manager of Environmental Management Center.

Top Statement

We contribute to realizing safe, secure and sustainable society where everyone can live snugly.

Toward the Realization of a Sustainable Society

While society and industrial structure are changing radically through the rapid progress of digital innovation, various social issues, such as climate changes, waste-related pollution, poverty, and human rights violations, are now becoming more visible worldwide.

Given these challenges, the role played by companies is increasingly important in efforts, including the "Sustainable Development Goals (SDGs)" adopted by the United Nations and the achievement of the Paris Agreement goals to attain a sustainable society globally.

The Fujitsu Frontech Group adhere to the "Fujitsu Way" which is the corporate principle for all employees of the Fujitsu Group, and we have also established the "Fujitsu Frontech Purpose" as our fundamental policy for business management.

Committed to making sustainability the core of business growth, the Fujitsu Group has identified "Solving global environmental issues", "Developing a digital society", and "Improving people's well-being" as the Essential Contributions, which are also designated as Materiality. Recently, as a member of the Fujitsu Group, we have been addressing the development and provision of solutions and services that contribute to Materiality and the achievement of SDGs, in addition to efforts, such as in-house enlightenment and training programs on SDGs.

Fujitsu Frontech Group delivers new value to customers and society by proposing a new connection between people and companies, and people and society by offering a unit of "Product", "Solution" and "Service" powered by our digital technology expertise, which is our advantage. Furthermore, we contribute to realizing a safe, secure and sustainable society where everyone can live snugly, through continuous development as a company.

Actions on Environmental Issues in "Environmental Action Plan Stage XI"

We evaluate not only environmentally negative aspects such as energy use and waste generations, but environmentally positive ones like energy and resource efficiency of products, to identify priority themes whose environmental impacts are significant. After that, we establish "Fujitsu Frontech Group Environmental Action Plan" and practice it, to address global environmental issues.

In the "Environmental Action Plan Stage XI" (FY2023 – 2025), we set 3 kinds of categories which are "Climate", "Resource Circulation" and "SDGs", and are taking actions on a total of 7 targets relevant to the categories.

In "Climate", we establish targets of "Reduce GHG emissions in our business facilities by 30% or more compared to FY2020", "Increase renewable energy use to 37.2% of total electricity" and "Reduce CO₂ emissions derived from product use to 12.5% or more compared to conventional models". In "Resource Circulation", we strive to reduce plastic waste as well as to develop products and services conducive to circular economy business models. In "SDGs", we promote activities to hit both targets of "Development and delivery of SDGs Contribution Solutions" and "Corporate Good Citizenship". In FY2023 which is the first year of "Stage XI", we could hit all the 7 targets, owing to the efforts that we had informed employees of the targets on the environmental e-learning at the beginning of the fiscal year, and taken actions as a unit.

Moreover, to achieve a target of "Fujitsu Climate and Energy Vision", which is "Reduce GHG emissions from the Group's business activities to Net-Zero by FY2030", we take both actions of increasing the adoption of renewable energy and promotion of energy savings in our facilities.

On the other hand, accompanied by the enforcement of "New Chemical Substances Regulation in Labor Safety Law" in Japan, we reinforce the management of chemical substances, in instance, by designating Chemical Management Officer at each site.

Globally, we will continue to make thorough efforts on the environmental compliance, including enlightenment of our employees, to respond to issues like "Stockholm Convention" regulating POPs (Persistent Organic Pollutants) such as PFAS.



Hiroshi Watabe
President and Representative Director

Corporate Profile

■ Name FUJITSU FRONTECH LIMITED	■ Management President and Representative Director Hiroshi Watabe Director Yasunobu Nogami Audit & Supervisory Board Member Yoshitaka Fujioka
■ Corporate Headquarters 1776 Yanokuchi, Inagi-shi, Tokyo 206-8555 Japan TEL: +81-42-377-5111	■ List of Certification of ISO14001
■ Established November 9, 1940	Fujitsu Frontech Limited Certificate No.: EC98J2005-D050
■ Capital 8,457 million yen (as of March 31, 2024)	Totalizator Engineering Limited Certificate No.: EC07J0072
■ Employees 4,624 (Consolidated) 1,486 (Non-consolidated) (as of March 31, 2024)	Fujitsu Die-Tech Corporation of the Philippines Certificate No.: 10000352049-MSC-JAS-ANZ-PHL
■ History	Fujitsu Frontech North America Inc. Certificate No.: 10000332136-MSC-ANAB-USA
1940	Finds in Tsubame-machi, Nishikambara-gun (current Tsubame-shi), Niigata prefecture, under the name of Kanaiwa Kousakusho Co., Limited.
1944	Fuji Tsushinki Manufacturing Corporation (current Fujitsu Limited.) undertakes all shares and changes the company name to Kambara Kikai Kogyo Limited.
1962	Establishes the Yoshida Plant (current Niigata Plant) in Yoshida-machi, Nishikanbara-gun (current Yoshida Higashi Sakae-cho, Tsubame-shi), Niigata prefecture.
1963	Establishes the Yanokuchi Plant (current Headquarters/Tokyo Plant) in Inagi-machi, Minamitama-gun (current Inagi-shi), Tokyo.
1966	Relocates the head office from Yoshida Plant (current Niigata Plant) to Yanokuchi Plant (current Headquarters / Tokyo Plant).
1970	Changes the company name to KAMBARA KIKAI DENSHI LIMITED.
1972	Changes the company name to FUJITSU KIDEN LIMITED.
1988	Qualifies for listing in the 2nd section of the Tokyo Stock Exchange.
1996	Establishes a subsidiary FUJITSU DIE-TECH CORPORATION OF THE PHILIPPINES.
2002	Changes the company name to FUJITSU FRONTECH LIMITED.
2005	Receives a transfer of all stocks of Fujitsu Terminal Systems LIMITED. (current Fujitsu Frontech Systems LIMITED) and institutes it as a subsidiary company.
2009	Establishes Fujitsu Frontech North America Inc. (Fujitsu Frontech Limited purchases 100% shares of Fujitsu Transaction Solutions Inc. and institutes it as a subsidiary company.) Receives a transfer of 100% of TOTALIZATOR ENGINEERING LIMITED shares from FUJITSU FSAS INC., and institutes it as a subsidiary company.
2017	Establishes Positek RFID, Inc. (Later merged with Fujitsu Frontech North America Inc.)
2020	Fujitsu Frontech North America Inc. acquires Fulcrum Biometrics, LLC. (Current Fulcrum Biometrics, Inc.) Becomes a wholly-owned subsidiary of Fujitsu Limited.

Business Profile

We develop business at the point of contact (front) where our customers and consumers meet, in business fields such as finance, retail, public and medical facilities.

Finance & Retail

Provide the optimum solutions for customer needs to support driving efficiency in field works and promoting DX

[Main business areas]

- ❑ Financial Solutions (Including ATMs and banking terminals, etc.)
- ❑ Financial Services (Including ATM total outsourcing services, etc.)
- ❑ ATM services for retail stores



Financial Solutions

Services

Secure safety and security of customers with total services and comprehensive support systems

[Main business areas]

- ❑ Cash management services "TeamCloud/CM"
- ❑ Help desk services
- ❑ Installation services
- ❑ Operation support services
- ❑ Maintenance and repair services



Help desk services

Frontline Solution

Providing solutions that increase the corporate value of customers based on unique technologies

[Main business areas]

- ❑ "TeamManage"^{*1}
- ❑ "TeamDX"^{*2}
- ❑ POS Systems
- ❑ Palm Vein Authentications "Millions Edition"^{*3}
- ❑ RFID Solutions
- ❑ Payment Solutions
- ❑ Mobile Systems



"Millions Edition"

*1: Subscription services that support customer's business transformation with a variety of devices and solutions from various companies.

*2: Data management platform for device management and operation monitoring, and utilization of various collected data.

*3: "Fujitsu Biometric Authentication PalmSecure Authentication Library Millions Edition"

Totalizator & Amusement

Support innovation of customers, from public racecourses to amusement park

[Main business areas]

- ❑ Solutions for public racing (Including automatic vending and refunding machines and cashless totalizator terminals, etc.)
- ❑ Comprehensive operation services
- ❑ Used car auction system / Medical solutions

Global

"Automation, No downtime, Long-lasting, Recycling"

Provide various solutions which meet customer needs finely in global markets

[Main business areas]

- ❑ Bill Recycling Units
- ❑ Self-service solutions for retail stores outside Japan
- ❑ Multimodal biometrics authentication solutions
- ❑ RFID solutions for linen rental and laundry
- ❑ Airline Printer

Environmental Management System

We establish and operate Environmental Management System (EMS) based on ISO14001, to enhance our environmental performance.

Environmental Management System in Fujitsu Frontech Group

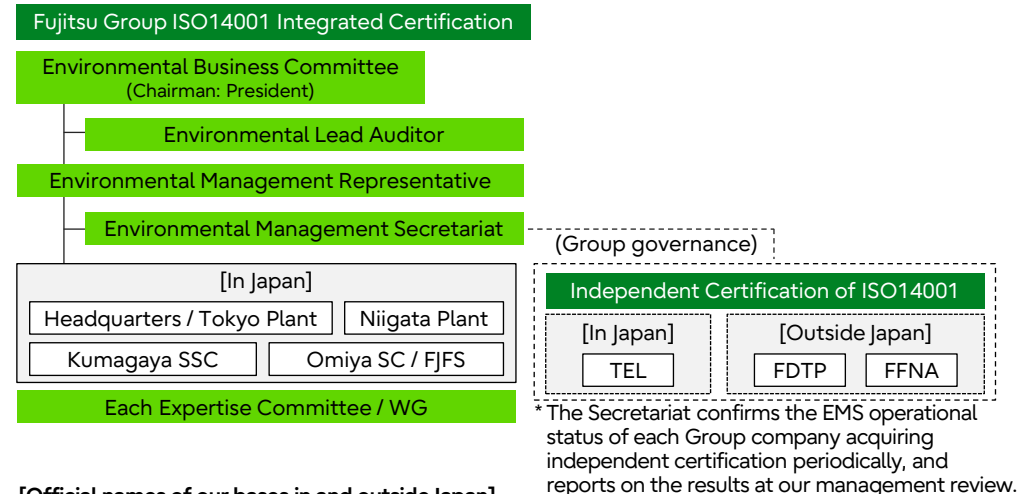
We obtained the certification of ISO14001 for the first time in 1998, recognizing the importance of actions on the environment issues as one of the main responsibilities of businesses. After that, we transited to "Fujitsu Group Integrated Certification" in 2005, so as to realize aims such as "Further reinforcement of Group governance", that Fujitsu Group had set.

Environmental Organization

We organize "Environmental Business Committee", whose chairman is a president, with the approval of our "Business Committee", composed of directors and executive officers involved in our business execution, to discuss comprehensive issues relevant to our environmental business. In this committee, we, for example, review medium- to long-terms issues, make policies, share risks and opportunities in business derived from climate change, and consider the countermeasures, in the purpose of enhancing the environmental business and reinforcing the governance.

In addition, we also organize "Environmental Management Committee" whose chairman is Site Controller (executive / plant manager) at each EMS site. In this committee, we, for instance, discuss the whole environmental activities, review issues at a site level, make policies, share risks and opportunities, and consider the countermeasures.

Fujitsu Frontech Group Environmental Organization Chart (As of September 2024)



[Official names of our bases in and outside Japan]

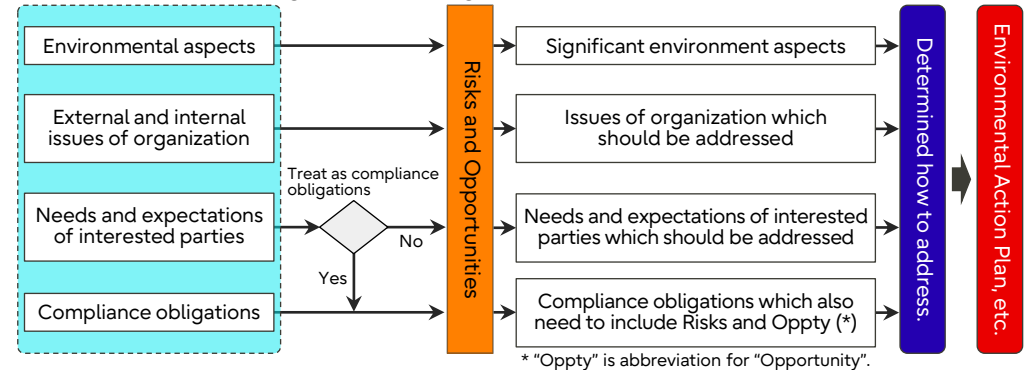
Kumagaya SSC: Kumagaya Service Solution Center
Omiya SC: Omiya Solution Center
FJFS: Fujitsu Frontech Systems Limited

TEL: Totalizator Engineering Limited
FDTP: Fujitsu Die-Tech Corporation of the Philippines
FFNA: Fujitsu Frontech North America Inc.

Method to Identify and Address Environmental Risks and Opportunities

We, through the EMS established on the basis of ISO14001, identify and evaluate material environmental risks and opportunities, to be determined how to address these issues. In addition, we, based on ISO14001:2015, establish and operate processes to identify risks and opportunities having impacts on our business, which include factors besides "Environment" like "External and internal issues of organization" and "Needs and expectations of interested parties".

[Processes of Identifying and Evaluating Risks and Opportunities]



[Major Risks and Opportunities Determined to Address as EMS Issues (FY2024)]

Risks & Opportunities Determined to Address as EMS Issues			Items in "Action Plan"
➤ Significant environmental aspects			
1	Some kinds of energy including electricity	Risk	"Climate"
2	Waste	Risk	"Resource Circulation"
➤ Issue of organization (external and internal)			
1	Countermeasures against climate change	Risk	"Climate"
2	Sustainable resource use	Risk	"Resource Circulation"
3	Conservation of biodiversity and ecosystem	Risk	"SDGs"
4	Contribution to SDGs & Gain of business chances	Oppty	"Resource Circulation" and "SDGs"
➤ Needs and expectations of interested parties			
1	Promotion of ESG	Oppty	"SDGs"
2	Contribution to Fujitsu Climate and Energy Vision	Oppty	"Climate"
3	CDP, SBTi, RE100, TCFD, TNFD, etc.	Oppty	"Climate"

Environmental Action Plan / Results

In “Environmental Action Plan Stage XI”, we have established 7 targets including new ones relevant to circular economy as well as plastic waste, and are now taking actions. In FY2023 which is the 1st year, we could meet all the annual KPIs.

Environmental Action Plan Stage XI (FY2023 – 2025)

CATs	Targets	Scope*1	FY2023			FY2024	FY2025
			KPIs	Results	Judge	KPIs	
Climate	To reduce GHG emissions • Reduce greenhouse gas emissions in our business facilities to 30% or more compared to FY2020 by the end of FY2025	HQs / Tokyo Plant Niigata Plant Kumagaya SSC	Under 5,244 tons-CO ₂ (-10% or more)	4,525 tons-CO ₂ (-22%)	Met	Under 4,662 tons-CO ₂ (-20% or more)	Under 4,079 tons-CO ₂ (-30% or more)
	To increase the adoption of renewable energy • Increase renewable energy use to 37.2% of total electricity by the end of FY2025	HQs / Tokyo Plant Niigata Plant Kumagaya SSC FDTP FFNA	12%	13% (29%)*2	Met	24.6%	37.2%
	To reduce CO₂ emissions derived from product use • Reduce CO ₂ emissions derived from product use to 12.5% or more compared to conventional models by the end of FY2025	HQs / Tokyo Plant	Selection of applicable product	Selected	Met	12.5% or more	12.5% or more
Resource Circulation	To develop products and services conducive to circular economy business models • Develop products and services aimed to improve resource efficiency and resource circulation	HQs / Tokyo Plant Kumagaya SSC	Selection of applicable activities	Selected	Met	Development of products and services aimed to improve resource efficiency and resource circulation*3	
	To reduce plastic waste generations • Reduce the amount of plastic waste to 19% or more compared to FY2019 by the end of FY2025	HQs / Tokyo Plant Niigata Plant Kumagaya SSC	Under 77,000kg (-1% or more)	63,462kg (-18%)	Met	Under 63,000kg (-19% or more)	Under 63,000kg (-19% or more)
SDGs	To develop and deliver SDGs Contribution Solutions • Develop no less than 15 SDGs Contribution Solutions in total by the end of FY2025	HQs / Tokyo Plant Kumagaya SSC Omiya SC / FJFS Other SE sites	No less than 5 solutions	9 solutions	Met	No less than 10 solutions in total	No less than 15 solutions in total
	Social activities as good corporate citizenship • Promote broad social activities	HQs / Tokyo Plant Niigata Plant Kumagaya SSC Omiya SC / FJFS	No less than 40 cases	90 cases	Met	No less than 60 cases	No less than 60 cases

*1: "Kumagaya SSC" stands for Kumagaya Service Solution Center, "Omiya SC" stands for Omiya Solution Center, "FJFS" stands for Fujitsu Frontech Systems Limited, "FDTP" stands for Fujitsu Die-Tech Corporation of the Philippines and "FFNA" stands for Fujitsu Frontech North America Inc.

*2: The percentage is a result reflecting renewable energy (RE) only in Japan. The percentage inside () is a result including RE outside Japan.

*3: We will strive to develop products and services aimed to improve resource efficiency and resource circulation, without setting a uniform KPI. After this target term is over, we will evaluate the concrete outcomes.

Response to TCFD

We strive to disclose for all stakeholders, based on the Framework of “The Task Force on Climate-Related Financial Disclosures (TCFD)”, with the assessment and management of the risks.

Information Disclosure Based on TCFD's Framework

Items	Status of our Response	Relevant Information
Governance The organization's governance around climate-related risks and opportunities	<ul style="list-style-type: none"> Review climate-related risks and opportunities and countermeasures at Environmental Business Committee (chairman: President and Representative Director), which is organized with the approval of our “Business Committee” Decide on plans for climate-related countermeasures and practice them at Expertise Committee of each site, etc. Discuss the action plan to achieve Environmental Vision “Fujitsu Climate and Energy Vision”, with Fujitsu Limited at Environment WG 	<ul style="list-style-type: none"> > Fujitsu Way > Fujitsu Frontech Purpose
Strategy The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	<ul style="list-style-type: none"> Make strategies aimed at realization of Net-Zero, based on “Fujitsu Climate and Energy Vision” Contribute to low-carbon society, by developing and delivering “Green Products” and “SDGs Contribution Solutions”, whose energy efficiency is excellent Let “low-carbon business” come true, through the expansion of renewable energy, etc. 	<ul style="list-style-type: none"> > Actions on Climate Change > Green and Super Green Products > SDGs Contribution Solutions
Risk Management The processes used by the organization to identify, assess, and manage climate-related risks	<ul style="list-style-type: none"> Assess climate-related risks across the company Review medium- and long-term risks related to climate change identified through EMS at Environmental Business Committee, etc., so as to draw up plans of sustainable development of our business Respond to climate-related risks in the whole Fujitsu Group, cooperating with Fujitsu Limited 	<ul style="list-style-type: none"> > Environmental Policy > Environmental Management System > Response to Environmental Risks and Opportunities
Metrics and Targets The metrics and targets used to assess and manage relevant climate-related risks and opportunities	<ul style="list-style-type: none"> Establish the environmental targets of “Climate”, as one of the items in “Fujitsu Frontech Group Environmental Action Plan” Take actions toward the realization of “Reduce GHG emissions from the Group's business activities to Net-Zero by FY2030”, declared in “Fujitsu Climate and Energy Vision” 	<ul style="list-style-type: none"> > Environmental Action Plan > Value Chain Emissions (Scope 1,2,3) > Fujitsu Climate and Energy Vision > Environmental Report > Sustainability

[About TCFD]

TCFD stands for “The Task Force on Climate-Related Financial Disclosures”, which was established by Financial Stability Board (FSB) at the request of G20 with the objective to reduce the risk of instability in the financial market due to climate change. It recommends companies to disclose information on 4 themes relevant to climate-related risks and opportunities, which consist of “Governance”, “Strategy”, “Risk Management” and “Metrics and Targets”.

[Response to TCFD in Fujitsu Group]

The Fujitsu Group announced its support for the TCFD recommendations in April 2019 and strives to disclose information in line with the recommendations, including the response to CDP.
 (Link: <https://www.fujitsu.com/global/about/environment/tcfd/>)

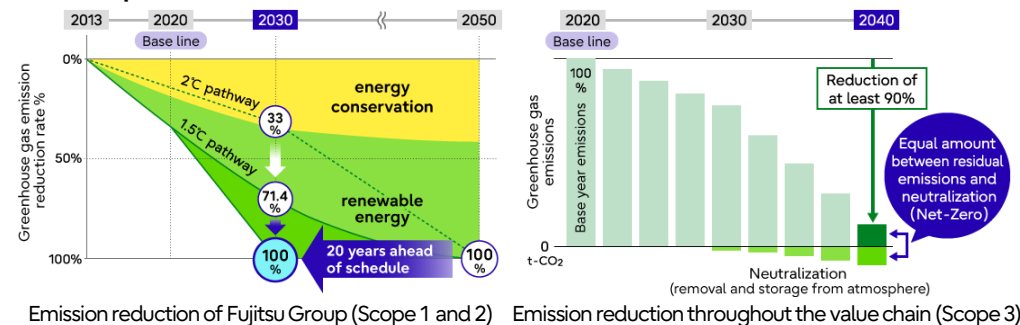
Countermeasures against Climate Change

Based on “Fujitsu Climate and Energy Vision”, we have established the targets to reduce GHG emissions, and are now taking actions on climate change.

Toward realization of “Fujitsu Climate and Energy Vision”

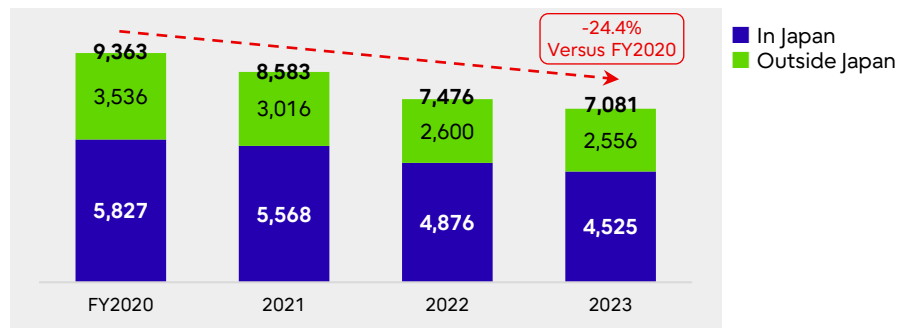
The Fujitsu Group set a new target to achieve net-zero emissions from the Group's business activities by FY2030, and from the entire value chain by FY2040, thus earning Net-Zero Target certification from SBTi in June 2023. (Detail: [Link](#))

[Roadmap to Net-Zero]



To realize this Vision, we, Fujitsu Frontech Group, have established the targets of “Reduce GHG emissions in our business facilities” and “Increase the adoption of renewable energy (RE)” as themes of our “Environmental Action Plan”, and are now taking actions.

Awing to the efforts that we had taken both actions to increase the adoption of RE and to promote energy savings, in FY2023, we have reduced 2,281 tons- CO_2 (-24.4%) globally compared to FY2020 which is a benchmark.



Progress of GHG Emissions in Fujitsu Frontech Group (Unit: tons- CO_2)

*1: Cooperative initiative which encourages businesses to establish targets to reduce GHG emissions, which are consistent with Paris Agreement scientifically.

Increase of RE Use

We have decided on a plan of “Introduce RE in sites to 100% of all purchased electricity in our Group by the end of FY2030” to achieve RE100^{*2} that Fujitsu Group participates in, and have just started forward-looking actions since FY2021. In Japan, we introduced RE which was equivalent to about 13% of total electricity use in the whole Group in FY2023., and Outside Japan, one of our Group companies, Fujitsu Die-Tech Corporation of the Philippines (FDTP: Philippines) has completed the switch to 100% renewable electricity in July 2024. FDTP now runs businesses as 100% renewable electricity factories.

*2: It is abbreviation of “Renewable Energy 100%”, which is an international initiative that participating companies try to switch all energy used in own business to RE.

Promotion of energy savings in our facilities

Switching to energy-efficient facilities

In Headquarters / Tokyo Plant, we replaced large environmental test chambers to assure the quality of developed products, with recent models, during the period from FY2018 to FY2019 and in FY2023. This replacement demonstrated the effectiveness of enables us to reduction of a large amount of GHG emissions (the result of its measurement revealed the effectiveness of reductions of -70% or so).

Improvement of facilities operation

In Headquarters / Tokyo Plant, we did not only cover outdoor units on the rooftop with nets as sunshades to mitigate air conditioning loads in summer, but put bubble wrap sheets with thermal insulation on windows in winter.

In Niigata Plant, we do cover high temperature burn-in facilities to assure the quality of products before shipping, with aluminum insulation materials to confine released fever inside. This way enables us not only to control the operational frequency of attached air heaters, but to control the rise in room temperature during summer season, because the temperature within the facilities is kept in a certain degree.



Sunshades for outdoor units



Insulation of burn-in facilities

Promotion of Resource Circulation

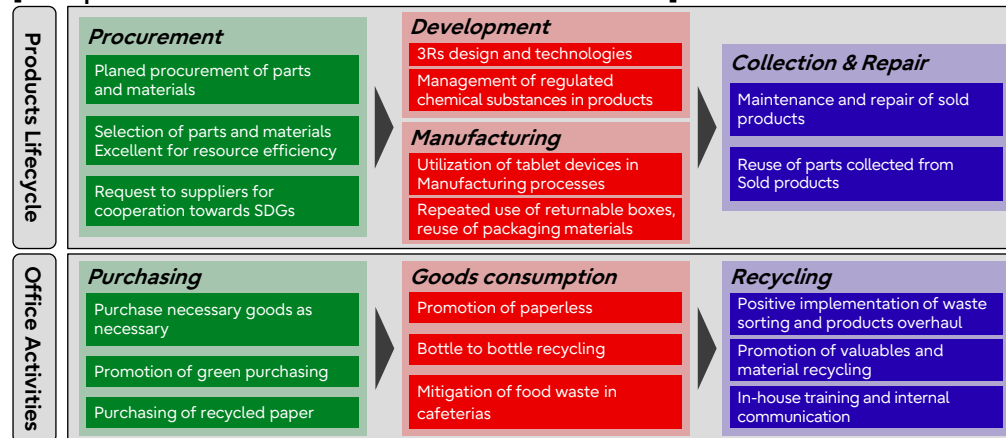
Recognizing “Resource Circulation” as one of the material environmental issues, we take resource circulation into consideration in both business and office activities.

Actions on Resource Circulation in Fujitsu Frontech Group

In our businesses, especially our products, we promote activities conducive to resource circulation in the whole lifecycle, not only by taking measures in each phase which is “Procurement”, “Development” and “Manufacture”, but by implementing “Collect and Repair” after delivering products to customers. In “Development”, we make efforts on such as reduction of mass and volume of products, reduction of the number of parts loaded onto products and partial adoption of bioplastic materials. In “Manufacture”, we, for instance, implement reduction of paper use in process control by using tablets, utilization of returnable boxes and reuse of packaging materials. In “Collection and Repair”, we promote mainly long-term use of products by maintenance and repair, as well as collection and reuse of parts loaded onto end-of-life products.

On the other hand, in our office activities, we take contributable actions to enhancing resource circulation, from viewpoints of “Purchasing of goods” and “Consumptions of goods” as well as “Recycling” in time of waste disposal. (Detail: [Link](#))

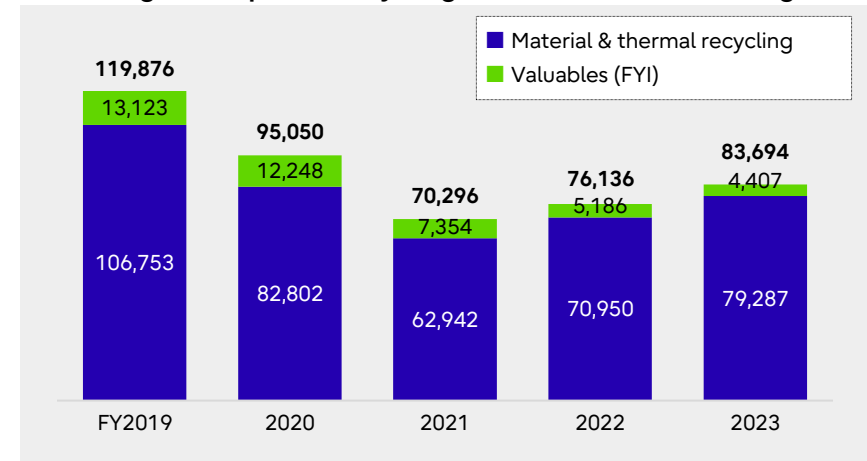
[Examples of our actions toward sustainable resource use]



Response to issues of plastic waste

We strive to reduce plastic waste which has negative impacts on environmental issues such as marine pollution and climate change. Up to now, we have taken measures including recycling of plastic parts and packaging materials. Recently, we have started reducing plastic waste more positively than before, through reinforcement of our alignment between each site, enhancement of plastic-related in-house training, etc., based on the philosophy of “Plastic Resource Circulation Promotion Act” enforced in April 2022 in Japan.

Progress of plastic recycling based on the Act (Unit: kg)



Includes: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC and Construction Administration Dept.

Actions toward reducing plastic waste

As examples of specific measures to reduce plastic waste, we, in cooperation with a beverage supplier, have adopted “Bottle to bottle” recycling (a way to recycle used PET bottles into new ones), concerning PET bottles disposed within our sites. Moreover, in Niigata Plant, we changed the design of packaging materials of our ATMs (FACT-X) from a type of combination of cardboard boxes and polystyrene foams into one of fully using cardboard boxes. As a result, we are now able to fully recycle the packaging materials as paper materials, although in the past it was difficult for us to recycle because polystyrene foams were pasted onto cardboard boxes.



Before and after of packaging materials (Niigata Plant)

Conservation of Biodiversity

We, with positive participation of employees, take actions on biodiversity conservation together with stakeholders, globally.

Actions on Biodiversity Conservation in Fujitsu Frontech Group

The Fujitsu Group have set "Living in Harmony with Nature (Conservation of Biodiversity)" as one of the important action items of "Solving global environmental issues" which is its Materiality (Essential Contributions)*, and are now implementing various activities of biodiversity conservation.

We, Fujitsu Frontech Group, have been promoting activities conducive to biodiversity conservation including forest conservation, tree planting and donation to nature protection entities, with positive participation of employees, cooperating with stakeholders such as NPOs and other companies within an industrial park, in and outside Japan.

* Fujitsu Group has identified "Solving global environmental issues", "Developing a digital society", and "Improving people's well-being" as the Essential Contributions, which are also designated as Materiality

Biodiversity conservation activities in and outside Japan

FJFS implements the forest conservation activities at the foot of Akagi Mountain with participation of President of FJFS, twice a year from FY2008, when they concluded the Agreement of Activities for Forest Conservation, etc. with Gunma Prefecture and Maebashi-shi. In January 2022, FJFS received the distinctive achievement award in environmental activities from Gunma Prefecture because this activity of long years was evaluated.

FDTP takes actions on tree planting such as mangroves, together with other companies in Laguna Technopark where FDTP runs businesses, to contribute to maintaining rich ecosystem.



A commemorative photo (FJFS)



A scene of tree planting (FDTP)

Examples of contributable factors to SDGs:



Promote absorption of CO₂ by trees.



Conserve biodiversity, by recovering or maintaining nature environment.

Chemical Substances Management & Pollution Prevention

We make efforts on pollution prevention, through not only proper management of chemical substances in facilities, but environmental measurement, etc.

Management of Chemical Substances in our Facilities

We manage chemical substances in terms of the volume of usage and storage, which we use within our sites, mainly to mitigate the impacts on the environment and human being to the minimum. In particular, we acquire SDSs (safety data sheets) on chemical substances used within our sites, and perform the risk assessments, to prevent from having negative impacts on staff using chemical substances.

In addition, following "new chemicals substances regulation based on Industrial Safety and Health Act" which was enforced in stages from April 2023 and April 2024 in Japan, we have reinforced in-house chemical substances management, in instance, by designating Chemical Management Officer and Personal Protective Equipment (PPE) Wearing Management Officer at each site where chemical substances are used.

Pollution Prevention

We perform voluntary measurement of ground water, discharged water noise and vibration on a regular basis, and take corrective actions as needed. The main result in FY2023 is, as follows:

[Result of FY2023]

Measurement of "Ground water"

Unit: mg/l

Measured Item	Site	Legal Sta.	Result	Note
Arsenic	Niigata Plant	0.01	Below Sta. - 0.026	We regarded as natural origin because we have never used it before.

[The other measured items and results in other sites]

We had no any other deviation except the above results including Headquarters / Tokyo Plant and Kumagaya SSC. (Detail: [Link](#))



Voluntary noise measurement



Extract of ground water







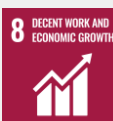








Contribution to Achievement of SDGs

Through our products, solutions and services connecting people to ICT with cutting-edge technologies, we make contributions to SDGs.

Actions on SDGs in Fujitsu Frontech Group

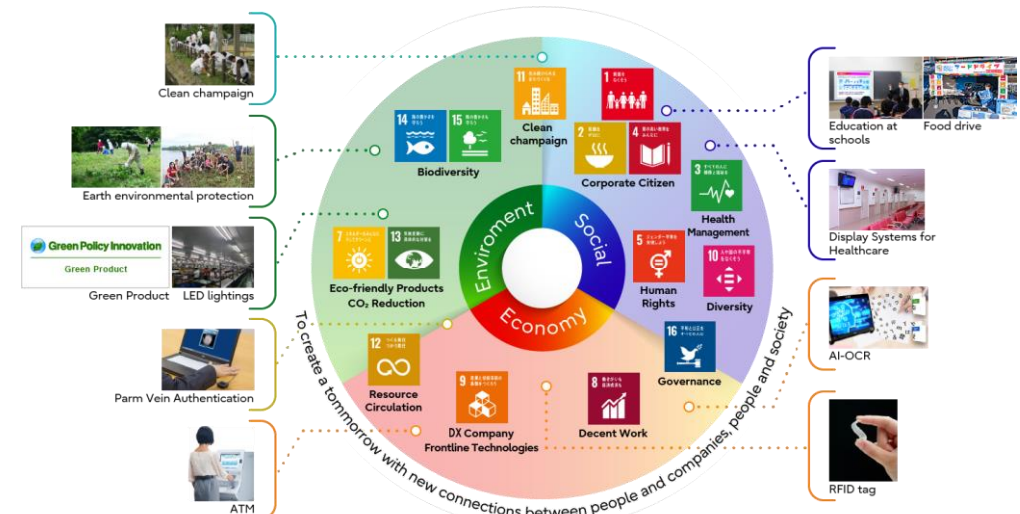
Contribution to the achievement of SDGs in a forward-looking manner is the social responsibility of all companies, because they will not be able to run own businesses continuously unless Environment, Social and Economy are kept sustainable. We have been taking broad actions on SDGs to resolve not only environmental issues such as climate change but social and economic ones, since we noticed the importance of SDGs at an early stage. The following is introduction of our actions on SDGs.

[Our Actions on SDGs]

Themes	Major Actions	Related SDGs
<u>Climate Change</u>	<ul style="list-style-type: none"> Reduction of GHG emissions Introduction of RE Increase of products energy efficiency 	  
<u>Sustainable Resource Use</u>	<ul style="list-style-type: none"> Actions on plastic waste issues Promotion of waste recycling Resource savings & improvement of resource circulation in products development 	  
<u>Resolution of Social & Economic Issues</u>	<ul style="list-style-type: none"> SDGs Contribution Solutions 	  
<u>Good Corporate Citizenship</u>	<ul style="list-style-type: none"> Social activities in cooperation with local community Sponsorship of charity work and group 	  
<u>Human health, Diversity and Human Rights</u>	<ul style="list-style-type: none"> Promotion of health management Promotion of active women participation Efforts to hire people with disabilities Education on human rights CSR procurement 	  

Contributable Areas to SDGs by Fujitsu Frontech Group

In each category of Environment, Social and Economy and 17 goals of SDGs, we take actions, being aware of what's areas we can contribute to.



Contributable areas to SDGs by Fujitsu Frontech Group

External Reputation

Nikkei SDGs Management Survey

Fujitsu Frontech was certified as the 3-star class for 5 years in a row in Nikkei SDGs Management Survey 2023 (the 5th time), which Nikkei Inc. has implemented since 2019 targeting listed companies and influential privately-owned companies in Japan, as a result of total evaluation of our activities. This survey evaluates leading enterprises which strive for "SDGs management" positively to enhance their corporate brands, from 4 perspectives, "SDGs strategy and economic value", "social value", "environmental value" and "governance".



Efforts in Solutions and Services

We offer customers one-stop solutions for their now and future.

Activity in Solution & Service Business

We, Fujitsu Frontech, live up to customer's expectations by one-stop solutions combining with hardware, software and services, based on experiences we have had through products development and manufacture in mission-critical areas such as financial, retail, industrial and public.

Moreover, we define cutting-edge technologies such as "Palm Vein Authentication" and "UHF band RFID" as "core technologies" bringing digital reformation to the front-end of customers. Also, by aspiring to develop more advanced technologies, we will offer solutions and services creating new values for customer's business

Development and Delivery of "SDGs Contribution Solutions"

The Solutions are to contribute not only to solving the environmental issues like climate change focused by SDGs, but to sustainable development of society and economy. We have established the scheme by making rules including the criterion of the solutions in our original guideline, and we push forward with this activity now. (Detail: [Link](#))

Results of "SDGs Contribution Solutions" in FY2023

In FY2023, we could register total of 9 solutions in actual, as the matrix below:

#	Names of Solutions and Services	Improvement rate*
1	Power consumption reduction by connecting with TeamCloud/CM POS	-37.5%
2	Modified Program Distribution System for banking terminals	-92.9%
3	Keyword Capture® "Account transfer request form recognition package"	-73.7%
4	AI Sift Management System	-75.1%
5	Boatrace Maintenance System	-39.8%
6	Quick Counter "Response to integrated local tax QR code"	-57.2%
7	ATM Service Platform "Remote Operation Service"	-45.9%
8	ATM Reuse Scheme	-100%
9	RFID Uniform Cleaning Management System	-60.1%

* It indicates the "reduced rate" after the introduction of solutions versus before it, that is, the comparison with "before-and-after" related to CO₂ emissions derived from travel, logistics, working time, power consumption of equipment, etc.

Case Study of "SDGs Contribution Solutions"

Quick Counter "Response to integrated local tax QR code"

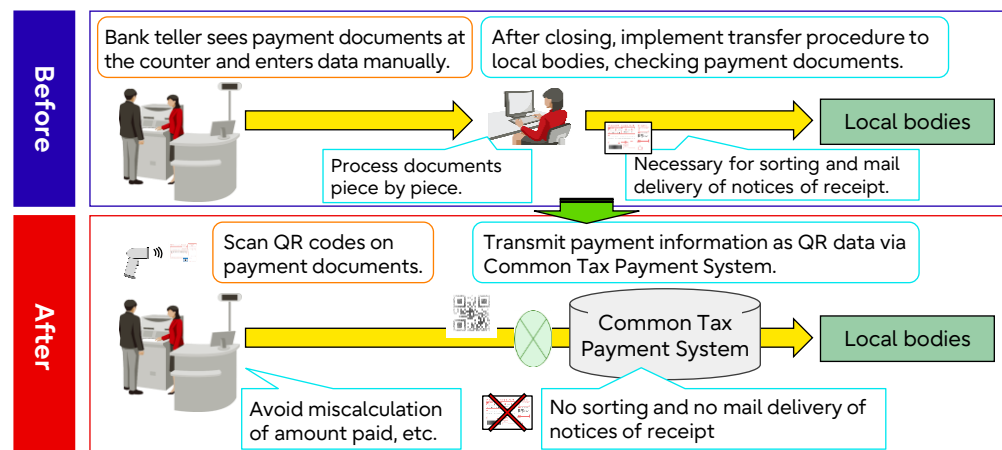
■ System summary

We have incorporated into a next generation banking counter "Quick Counter" we provide, a function corresponding to local tax integrated QR code (eL-QR), which was started from April 2023 in Japan.

In the past, bank tellers have borne a great burden, because they need to visually check local tax payment documents requested to process by customers, enter data manually, sort the documents and arrange mail delivery of them. Adopting this solution makes it possible to omit a part of processes, and can be expected to improve work efficiency. This time, we evaluate the effectiveness of this improvement as reduction of CO₂ emissions.

■ Before-and-after of system introduction

- 1) Reduce miscalculation of amount paid due to manual inputs, because amount paid is calculated automatically after scanning QR code.
- 2) No sorting and mail delivery of notices of receipt, because payment information is transmitted as QR data to local bodies via Common Tax Payment System.



Examples of contributable factors to SDGs:



Realize decent work.



Reduce CO₂ emissions of customer, by the improvement of productivity and work performance, etc. through ICT.

Efforts in Products Development

To offer eco-friendly products and services to customers, we promote green procurement in cooperation with suppliers.

Actions in "Environmental Action Plan"

Pursuit of improving energy and resource efficiency

In "Fujitsu Frontech Group Environmental Action Plan Stage XI" (FY2023 – FY2025), we make efforts on "Reduce CO₂ emissions derived from product use" as one of actions on climate change, continuing from previous Stage.

On the other hand, we have set a new target of "Develop products and services conducive to circular economy business models" as one of measures contributable to resource circulation, and started taking actions. By promoting the activities, we will create added values through delivery of services, for example, which effectively utilize stocks of parts and units as well as curb the volume of resource use, in addition to 3Rs design we have ever made efforts. In FY2023, we have selected applicable activities.

Product Introduction

All-in-one style POS "TeamPoS8000 Model A200" which combines sophisticated design with flexibility compatible with various layouts

This POS is stylish and all-in-one type integrated main body with LCD. It doesn't need to set a main body separately and can be set in a small space.

We not only reduced the size of its base stand by 30% or so compared to a conventional model, but improved the environment of face-to-face with customers visiting a store thanks to its compact design. In addition, we realized excellent designability and miniaturization of a main body owing to adoption of a slim LCD bezel.

Moreover, we also realized highly energy-efficient design by adopting CPU whose TDP (thermal design power) had been reduced by about 71% compared to a conventional model, and LCD with LED backlight, changing a customer display from a vacuum fluorescent display to LCD.



TeamPoS8000 Model A200

Examples of contributable factors to SDGs:



Reduce resource volumes in the product by integrating main body with LCD.



Reduce CO₂ emissions during product use, by adopting CPU whose electricity consumptions are low and LCD with LED backlight.

Green Procurement

Fujitsu Group have established "Fujitsu Group Green Procurement Standard" which frames the basic concepts of procuring eco-friendly parts, materials and products, so that suppliers both in and outside Japan can promote the green procurement.

In FY2023, to reinforce CSR procurement and to practice "Environmental Action Plan Stage XI", we not only carried out a large-scale inquiry to major suppliers which Fujitsu Limited sponsored, but conducted analysis focused on each supplier based on their answers and fed results of analysis back to them. This time, we could implement detailed response by mentioning issues each supplier has as well as common ones.

Management of Chemical Substances in Products

Establishment of Chemical substances Management System

We are asking our parts suppliers to establish the CMS*¹ based on "Guidelines for the management of chemical substances in products" which are defined as industrial standard made by JAMP*², in order to enhance the management of the restricted chemical substances contained in the parts and products in the whole supply chain.

*1: CMS--Chemical substances Management System

*2: JAMP--Joint Article Management Promotion-consortium

Acquisition of the information on chemical substances in products

Fujitsu Group, in cooperation with our suppliers, survey for the information on chemical substances contained in products, and shares obtained information within an internal system, by using such chemSHERPA*³ provided by the JAMP, to comply with a relevant regulations, and to prevent regulated chemical substances contained in products from affecting human health negatively and from contaminating the environment.

*3: It stands for "Chemical information SHaring and Exchange under Reporting Partnership in supply chain", which is a common scheme to communicate the information on chemicals contained in products.

Communication with Suppliers

In FY2023, we held an annual "Business Party" face-to-face for the first time in 4 years and explained our business and procurement policy to suppliers. In addition, we directly presented letters of thanks and souvenirs to the suppliers who made significant contributions to our business. It was a meaningful party because long-awaited face-to-face with suppliers came true.



A scene of Business Party

Stakeholder Engagement

We, one by one, promote CSR together with stakeholders, as "Corporate Citizenship" at each site and Group company in and outside Japan.

Social Activities

Sponsorship of Kawasaki Frontale SDGs food drive

Kawasaki Frontale holds food drive at every home game. Food drives are activities in which people bring unused food that cannot be consumed at home and donate it to food bank groups and local welfare facilities. The food collected at Kawasaki Frontale SDGs food drive will be distributed to local welfare facilities and people in need of food through Food Bank Kawasaki (Tama-ku, Kawasaki City).

We have sympathized with these activities and started supporting the Kawasaki Frontale SDGs food drive since the 2023 season.

As part of their activities, we have also set up collection boxes within Fujitsu Frontech to bring unused food items that cannot be used up in employees' homes and donate them.



Kawasaki Frontale SDGs food drive Booth



Collection boxes within Fujitsu Frontech

Community vitalization based on KAWASAKI KEIRIN PARK (TEL)

Totalizator Engineering Limited (TEL) is entrusted with businesses of bicycle races in KAWASAKI KEIRIN PARK by Kawasaki City, Kanagawa Prefecture. Under the theme of "Community vitalization based on KAWASAKI KEIRIN PARK", TEL aims to create a KEIRIN PARK which can be not only familiar to citizen, but conducive to local economy.

West Area of KAWASAKI KEIRIN PARK has had few people before. After that, TEL installed a large screen on the area so that neighbors and bicycle race fans can enjoy a variety of citizen events, which Kawasaki-ku, shopping district in Kawasaki Station square and TEL cooperate with each other and hold. Skateboard school is also popular with citizen there.



Contribution to local events with a large screen

Communication

SDGs training for new employees

We focus on enhancement of employee's awareness related to SDGs, mainly by implementing environmental e-learning annually, which is applied to all the employees.

In FY2024, continuing from the previous fiscal year, we also conducted SDGs training as one of the curriculum of trainings for new employees, so that from the beginning they are able to do their work, thinking of SDGs as their own things.

At the training session, our person in charge of SDGs played a role of the teacher. He explained from a summary of SDGs through relation between our activities and SDGs to new employees, by using a unique material. At the end, he finished his lecture after pointing out the importance of how they can contribute to SDGs through their own work.



A scene of training for new employees

Environmental Month

In every Environmental Month (June), we make efforts to enhance the environmental awareness of employees, by holding events such as cleaning activities around our sites and flower planting volunteer as well as by creating and putting up original posters. In the Month of FY2024, it was meaningful time because a number of employees participated in the events at each site.



Original poster



Flower planting volunteer (Niigata Plant)

Environmental Governance

We maintain our environmental governance, by periodically checking if there are any environmental issues through internal audits, environmental patrol or the like.

Implementation of Internal Audits

Fujitsu Frontech Group, following the requirements of ISO14001, implement individual internal audits annually. Firstly, we create an annual audit schedule under the leadership of Environmental Lead Auditor, and then hold internal auditor training before starting audits to ensure the competence of auditors. After that, we start implementing audits against each environmental organization, legal compliance or the like.

Because remote work has spread into our Group in the wake of COVID-19, we have adopted online-based and cross-functional audits since FY2020. This audit style brings about an effect that both auditing organization and internal auditors can get new insights each other because, for example, a certain internal auditor belonging to HQs participates in an audit against an organization in Niigata Plant.

Incidentally, after the end of an audit period, we share all the environmental organizations with results of audits such as “opportunities for improvement” and “noteworthy efforts” in the fiscal year to review if they have similar issues to be improved.

Fujitsu Group Integrated Internal Audits

We get audited as Fujitsu Group integrated internal audits annually, because we are subject to the scope of Fujitsu Group ISO14001 Integrated Certification. The audits are implemented by auditors belonging to Fujitsu Group, who have the official qualification as an external auditor. Through the audits, we can enhance our environmental activities by finding out the environment-related issues to be improved, which we cannot find out by ourselves.

Incidentally, we have no non-conformity in the audits of FY2023.

External Audits

To sustain our Certification of ISO14001, we get audited by a certification body named JACO (Japan Audit and Certification Organization for Environment and Quality).

Incidentally, we have no non-conformity in the audits of FY2023.

Governance of Group Companies outside Japan

Environmental Management Secretariat of Fujitsu Frontech Limited, as part of our Group governance, monitors the operational status of the environmental management systems (EMSs) of FDTP and FFNA which are our Group companies outside Japan, by confirming the progress of EMS targets relevant to electricity, waste, chemical substances or the like on the web meeting as well as by periodically getting and checking their EMS materials.

Environmental Patrol

In Headquarters / Tokyo Plant, according to Environmental Month (every June), mainly members of Environmental Management Secretariat and General Affairs implement “environmental patrol”, for example, to see if we can properly operate our environment-related facilities (waste storage areas, chemical storage cabinets, noise generating facility, etc.) within the site following legal requirements, and if there are any problems in terms of safety and health.

Moreover, if some problems are found out through this patrol, a division which manages applicable facilities will take corrective actions, and after that the Secretariat will check the effectiveness of the actions.



Inspection of environment-related facilities through the environmental patrol

Creation of Compliance Obligation List and Evaluation of Compliance

We, in each site, create “Compliance Obligation List” which registers legal requirements of laws, regulations, ordinances, etc. applicable to our environment-related facilities, management of chemical substances and waste generated from the sites. After that, we inform the list of employees.

In addition, regarding specific legal requirements in the list which we need to confirm the status of compliance, we implement the evaluation of compliance once a quarter to review if there is any deviation from the requirements.

Retention of Sufficient Legally Qualified Persons

Let alone legal compliance, we strive to develop and increase legally-qualified human resources such as Pollution Control Manager and Hazardous Material Engineer at each site, to retain sufficient persons with relevant competence, because we have facilities (such as noise generating facilities and outdoor hazardous material storage facilities) applicable to environment-related laws, regulations and ordinances due to the reason for our business operations, etc., in a part of our sites such as Niigata Plant.

Environmental Compliance

Based on requirements of environmental laws and regulations applicable to our businesses, we fulfill the compliance with them.

Energy Saving Act

In the aspects of our business, because we are designated as a "specified business" (which consumes energy equivalent to crude oil of no less than 1,500kl) defined by "Energy Saving Act" in Japan, we take actions on the voluntary target required by this act which defines "To let energy consumption per unit be improved to 1% or more on average annually", and report to the government regularly.

We have been awarded "S Class (an excellent enterprise)" for 9 consecutive years in "Classification and Evaluation Scheme of Enterprise" since FY2016, when this scheme had been launched based on the act.

Fluorocarbon Emissions Control Act

We, following "Fluorocarbon Emissions Control Act" enforced from April 2015 in Japan, have established and operate in-house structure like a special management department, so that we can manage "class I specified products" (mainly industrial air conditioners and refrigerators) properly, including the calculation of the total amount of leaked fluorocarbons. Also, we fulfill legal requirements like a simple inspection at each division owning class I specified products thoroughly, to curb GHG emissions caused by leaked fluorocarbons.

Waste Management Act

Based on the responsibility of a "waste generator" stipulated by "Waste Management Act" in Japan, we, following "consignment standards", etc. required by the Act, strive to reduce industrial waste as well as manage the waste properly. For example, we, our Group in Japan, make efforts to certainly monitor the process from the collection of industrial waste until the final disposal by utilizing "electronic data processing system for electronic industrial waste control sheet", and to sort waste more finely than types of waste that the Act defines, as a waste generator.

In addition, we periodically conduct on-site audits against industrial waste vendors so as to see if the waste we consigned vendors is processed properly, by utilizing a representative audit framework in Fujitsu Group (if multiple sites in the Group have contracts with the same waste vendor, then a representative site conducts on-site audits as a representative).



Small sorting (HQs / Tokyo Plant)

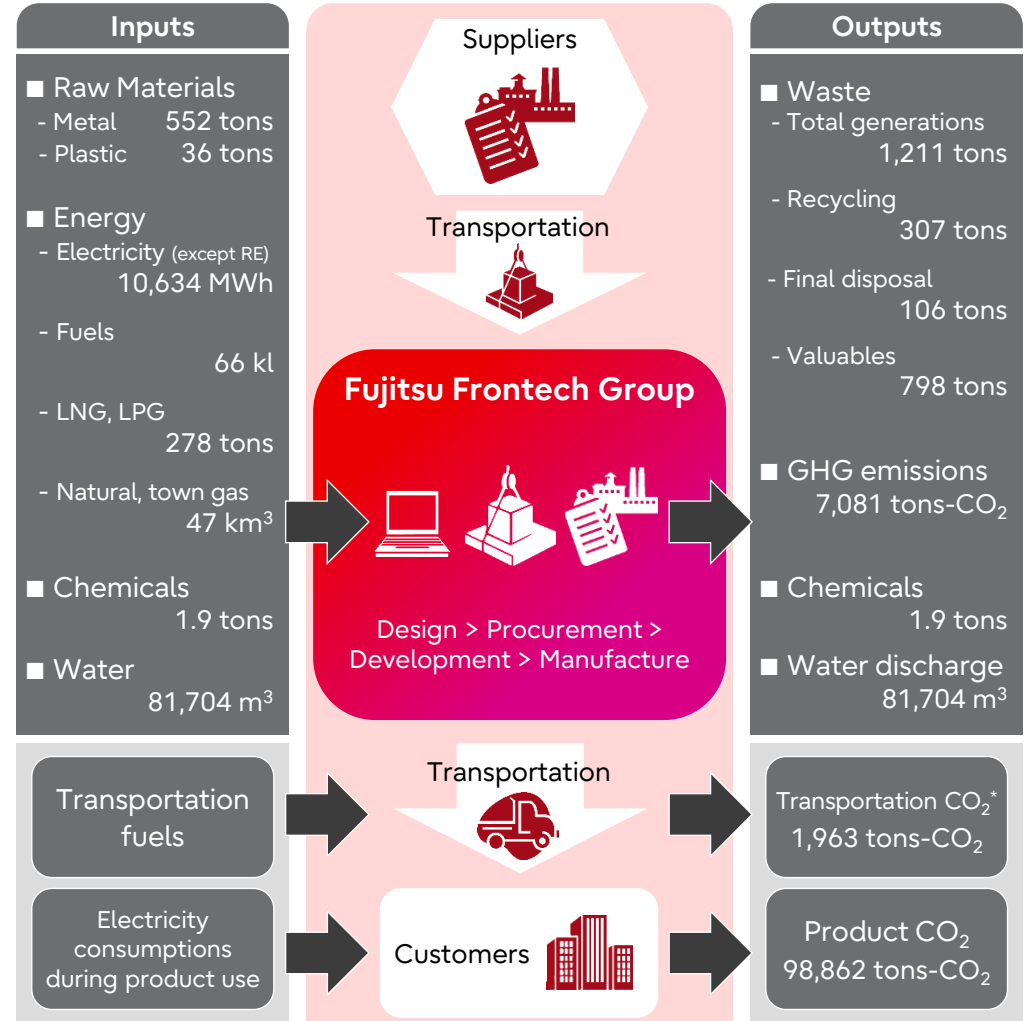


A scene of on-site audit

Business Activities & Environmental Burden

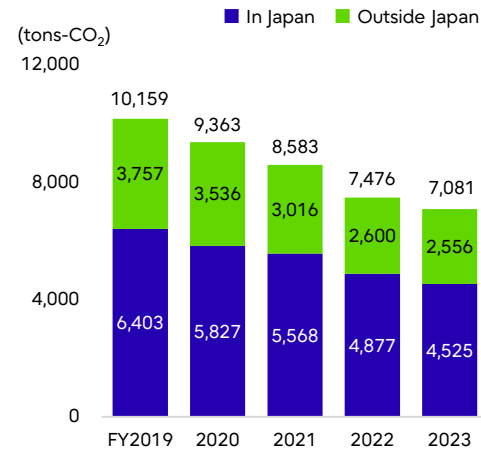
We promote our eco-friendly business as well as capture our environmental performance in the whole value chain.

[Material Balance (FY2023)]



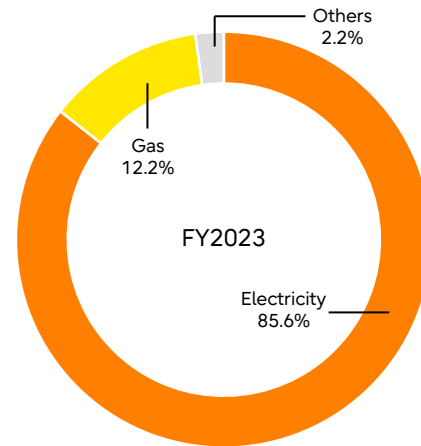
Environmental Data -Climate Change-

(1) Total GHG emissions



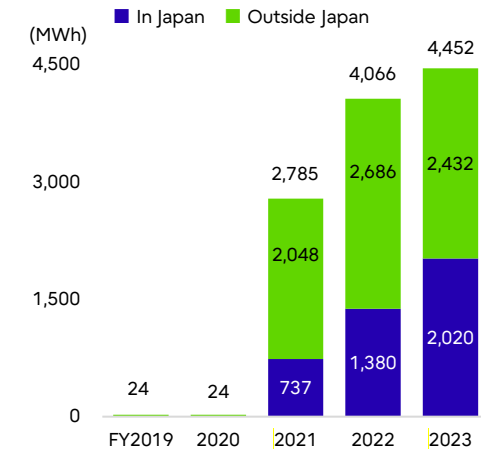
In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC
Outside Japan: FDTP, FFNA

(2) Ratio of energy use (except RE)



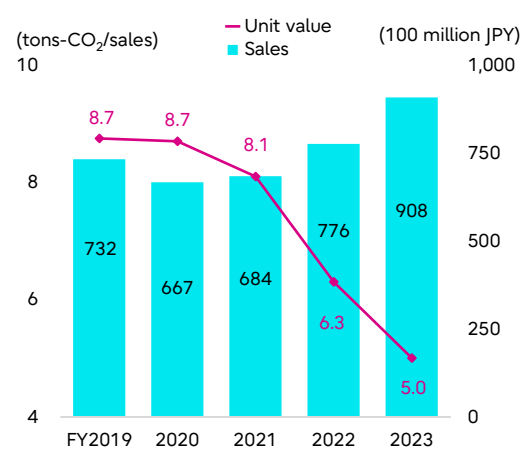
In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC
Outside Japan: FDTP, FFNA

(3) Renewable energy use



In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC
Outside Japan: FDTP, FFNA

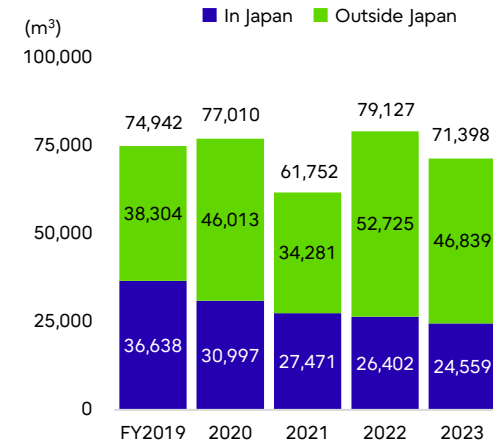
(4) Unit value of GHG emissions / sales (in Japan)



In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC

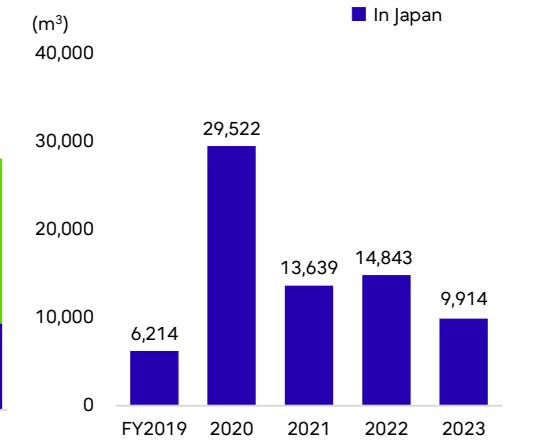
-Water Resources-

(1) Tap water



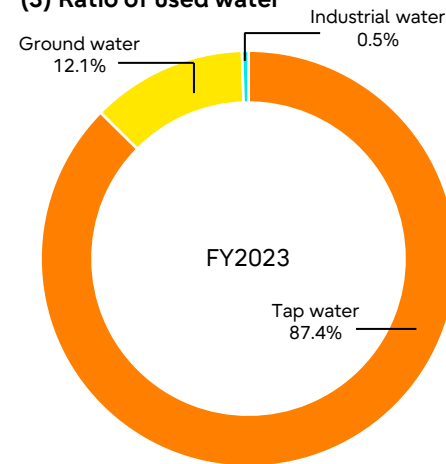
In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC
Outside Japan: FDTP, FFNA

(2) Ground water (in Japan)



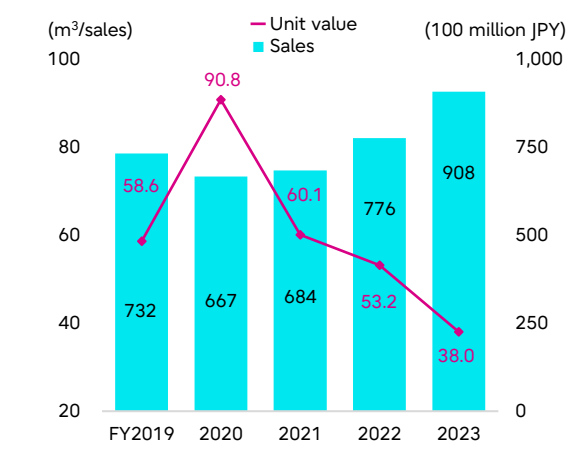
In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC

(3) Ratio of used water



In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC
Outside Japan: FDTP, FFNA

(4) Unit value of used water / sales (in Japan)



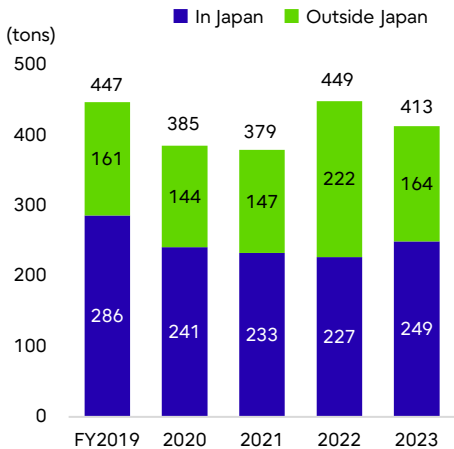
In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC

[Status of water stress in countries where we run business (as of September 2024)]

West coast of U.S. has broad areas of "High" and "Extremely high". Japan and Philippines almost have areas of below "Medium-high". (Reference: Data by WRI)

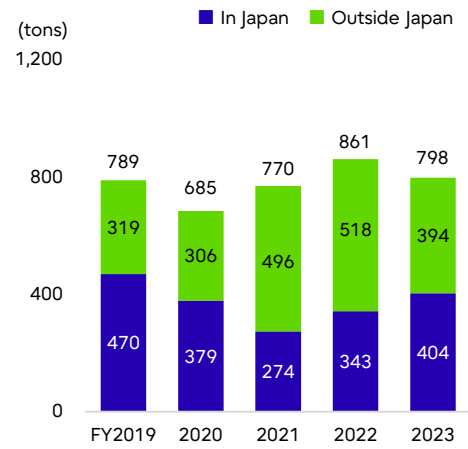
-Resource Circulation-

(1) Waste generations



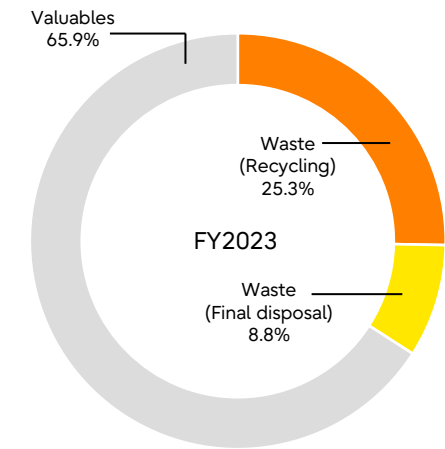
In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC
Outside Japan: FDTP, FFNA

(2) Sold valuables



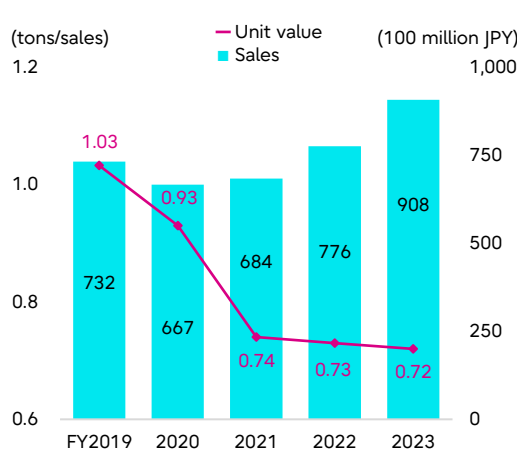
In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC
Outside Japan: FDTP

(3) Ratio of waste & valuables



In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC
Outside Japan: FDTP, FFNA

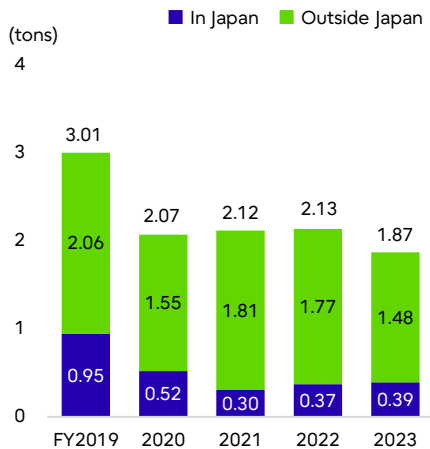
(4) Unit value of waste & valuables (in Japan)



In Japan: HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC

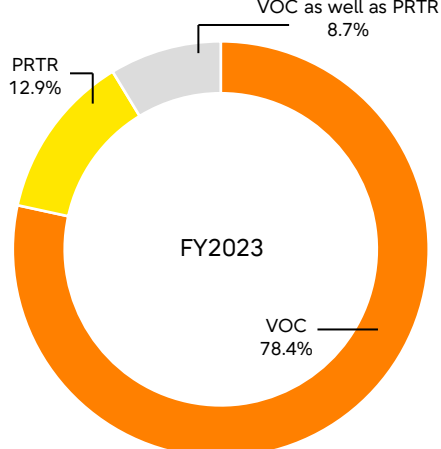
-Chemical Substances-

(1) Treated chemicals



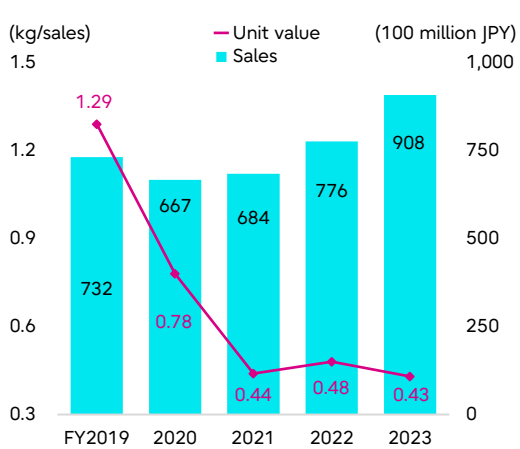
In Japan: Niigata Plant
Outside Japan: FDTP

(2) Ratio of treated chemicals



In Japan: Niigata Plant
Outside Japan: FDTP

(3) Unit value of treated chemicals / sales (in Japan)



In Japan: Niigata Plant

(4) Main chemicals treated (FY2023)

(Unit: kg)		
Chemical Name	Type	Volume
In Japan (Niigata Plant)		
Ethanol	VOC	75
Xylene	VOC	70
N-hexane	VOC	43
Toluene	VOC	110
Outside Japan (FDTP)		
Isopropyl Alcohol	VOC	1,470
Acetone	VOC	9

[About chemical substances within the bar and circle graphs]

They are total values of chemical substances (VOC, PRTR) whose treated volume is over 100kg per year.

-Value Chain Emissions-

We strive to mitigate a wide range of the environmental burden, by grasping total GHG emissions from upstream through downstream and reducing them.

Value Chain Emissions (Scope 1 – 3)

Unit: tons-CO₂

Items			FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Scope 3 (Upstream)	CAT 01	Purchased goods and services	139,263	104,240	100,628	121,440	137,495	145,321
	CAT 02	Capital goods	13	380	0	0	122	323
	CAT 03	Fuel and energy-related activities not included in Scopes 1 and 2	601	1,254	1,218	1,127	1,001	943
	CAT 04	Transportation and distribution (Upstream)	2,769	2,133	1,651	2,101	2,835	1,963
	CAT 05	Waste generated in operations	202	150	127	123	138	153
	CAT 06	Business travel	1,512	2,807	475	424	878	1,279
	CAT 07	Employee commuting	1,094	942	82	104	89	96
	CAT 08	Leased assets (Upstream)	726	656	586	516	521	560
Scope 1 (Reporting company)		Direct emissions	581	534	1,086	1,095	1,152	1,020
Scope 2 (Reporting company) *1		Indirect emissions from energy sources	Location-based	11,055	9,625	8,277	7,488	6,324
			Market-based	10,637	9,204	7,843	7,437	6,091
Scope 3 (Downstream)	CAT 09	Transportation and distribution (Downstream)	N/A *2	N/A	N/A	N/A	N/A	N/A
	CAT 10	Processing of sold products	-- *2	--	--	--	--	--
	CAT 11	Use of sold products	110,902	68,042	74,071	95,613	93,086	98,862
	CAT 12	End-of-life treatment of sold products	N/A	N/A	N/A	1,423	1,368	1,428
	CAT 13	Leased assets (Downstream)	N/A	N/A	N/A	N/A	N/A	N/A
	CAT 14	Franchises	N/A	N/A	N/A	N/A	N/A	N/A
	CAT 15	Investment	N/A	N/A	N/A	N/A	N/A	N/A

*1: GWP (global-warming potential) of "Location-based" is all "0.57 tons-CO₂/MWh". GWPs of "Market-based" are mainly based on data provided by each local electric power company in the territories where our Group Sites are located. The GWPs exclude electricity as RE.

*2: "N/A" means items which we regarded as not applicable to our Group. "--" means item which was decided not to calculate because it is practically difficult to calculate and its assumed emission volume is relatively small, although the CAT is applicable to our Group.

-Supplements-

Page 16 – Page 17 (Climate Change, Water Resources, Resource Circulation and Chemical Substances)

Items of Environmental Data	Explanation (Scope, background of data, etc.)
Climate Change (Left of page 16)	Applied to sites which are included in SBTi, etc. that Fujitsu Group disclose to. Also, conversion factor from purchased electricity consumptions to CO ₂ is all "0.57 tons / MWh" except RE.
(1) Total GHG emissions	They have been decreasing year by year thanks to the adoption of RE, etc.
(2) Ratio of used energy (FY2023)	"Others" are some kinds of fuel such as gasoline.
(3) Renewable energy use	From FY2021, we started introducing RE in Japan and FDTP.
(4) Unit value of GHG emissions / sales	Divided total GHG emissions by non-consolidated sales.
Water Resources (Right of page 16)	Applied to sites which are included in CDP, DJSI (Dow Jones Sustainability World Index), etc. that Fujitsu Group disclose to.
(1) Tap water	In FY2023, it decreased by about 2km ³ versus FY2022 in Kumagaya SSC, by switching some of toilet systems to a water saving type, etc.
(2) Ground water	Increase in FY2020 was due to the use to melt much snow in Niigata Plant.
(3) Ratio of used water (FY2023)	"Industrial water" is used only in FDTP (Philippines).
(4) Unit value of used water / sales	Divided the total volume of used water by non-consolidated sales.
Resource Circulation (Left of page 17)	Applied to sites which are included in CDP, DJSI, etc. that Fujitsu Group disclose to.
(1) Waste generations	They had a little increase in FY2023 in Japan because of replacement of office furniture.
(2) Sold valuables	Sold mainly metal scrap and used paper.
(3) Ratio of waste & valuables (FY2023)	"Final disposal" means landfill of the unrecyclable sludge, etc.
(4) Unit value of waste & valuables / sales	Divided the total volume of waste and valuables by non-consolidated sales.
Chemical Substances (Right of page 17)	Applied to sites which are included in CDP, DJSI, etc. that Fujitsu Group disclose to. Treated chemical substances include "emissions to air", "consumptions", "removed / reprocessed" and "recycling".
(1) Treated chemicals	We mainly use solvent as chemical substances in the processes of manufacturing.
(2) Ratio of treated chemicals (FY2023)	"VOC as well as PRTR" is a chemical substance subject to both VOC and PRTR.
(3) Unit value of treated chemicals / sales	Divided the volume of treated chemical substances by non-consolidated sales.
(4) Main chemicals treated (FY2023)	Used mainly for cleansing.

[Terms of definition]

- SBTi : An initiative jointly established by the United Nations Global Compact, WRI (World Resources Institute), and other organizations in 2015. It encourages companies to set GHG emission reduction targets consistent with science-based evidence to the level required by the Paris Agreement, validating targets that comply with criteria.
- GHG Protocol : It provides standards, guidance, tools and training for business and government to measure and manage climate-warming emissions.
- CDP : A not-for-profit charity running the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.
- DJSI : Stock market indices jointly launched by S&P Dow Jones and RobecoSAM. They select enterprises excellent for sustainable business, by assessing from the viewpoint of 3 core elements, which are Economy, Environmental and Social.
- VOC : Acronyms for "Volatile Organic Compounds".
- PRTR : Acronyms for "Pollutant Release and Transfer Register", governed by METI, Japan.

Page 18 (Value Chain Emissions – Scope 3)

CATs	Scope	Calculation Methods
1	In Japan	Components purchased during the fiscal year x Emissions per unit of purchase ^{*2}
2	In Japan	Total amounts of acceptance inspection of construction objects in the fiscal year x Emission intensity ^{*7}
3	Main 5 Sites ^{*1}	Annual amounts of fuel oil and gas, electricity and heat purchased (consumed) at mainly business sites owned by Fujitsu Frontech Group x Emissions per unit ^{*7}
4	- Niigata Plant - FFNA	In Japan : CO ₂ emissions related to transportation of goods in Japan by Fujitsu Frontech Limited ^{*4, 5} Outside Japan: Transportation ton-kilometer x Emissions per unit ^{*6}
5	Main 5 Sites	Annual amounts of waste (discharged mainly by business sites owned by Fujitsu Frontech Group) processed or recycled by type and processing method x Emission per unit of annual amounts of waste processed or recycled ^{*7}
6	In Japan	(By means of transportation) Σ (Transportation expense payment x Emission per unit) ^{*3, 7}
7	In Japan	(By means of transportation) Σ (Transportation expense payment x Emission per unit) ^{*3, 7}
8	Global	Annual amounts of fuel oil and gas, electricity and heat consumed mainly at leased business sites x Emissions per unit of fuel oil and gas, electricity and heat consumed ^{*8, 9}
9	N/A	N/A
10	--	--
11	Global	Electricity consumption during product use x emissions per unit of electricity ^{*10}
12	Global	Σ {Tonnage of each products sold during the fiscal year x rate by type of waste and processing method x Emissions unit value for the type of waste and processing method (tCO ₂ e/t)} ^{*7}
13	N/A	N/A
14	N/A	N/A
15	N/A	N/A

*1: 3 Sites in Japan (HQs / Tokyo Plant, Niigata Plant, Kumagaya SSC) and 2 Sites outside Japan (FDTP, FFNA)

*2: Source - Embodied Energy and Emissions Intensity Data (3EID) published by the National Institute for Environmental Studies Center for Global Environmental Research

*3: Source - Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain published by Ministry of the Environment and Ministry of Economy, Trade and Industry

*4: Source - CO₂ emissions related to domestic transportation by Fujitsu Frontech Limited, based on the Act on the Rational Use of Energy.

*5: Source - The fuel economy method (for some vehicle) or the improved ton-kilometer method (vehicle, trail, air).

*6: Source - GHG Protocol emissions coefficient data base

*7: Source - Database of emissions unit values published by Ministry of the Environment and Ministry of Economy, Trade and Industry

*8: Source - Act on Promotion of Global Warming Countermeasures - GHG Emissions Accounting, Reporting and Disclosure System

*9: Source - IEA CO₂ Emissions from Fuel Combustion (outside Japan)

*10: Source - The Electric Power Council for a Low Carbon Society (in Japan), Latest IEA value (outside Japan)

Response to "Environmental Reporting Guidelines 2018"

[About the Structure of This Report]

To create this report, we use the data as much as possible to disclose as of now, referring to "Environmental Reporting Guidelines 2018" issued by Ministry of the Environment (Japan). The following information is to clarify which page(s) in this report is relevant to which item(s) defined by the guideline:

#	Items	Relevant Pages
(1) Basic information of environmental reporting		
1	Basic requirements for environmental reporting	01
2	Trends in key performance indicators	07, 08, 16 – 18
(2) Items to be reported in environmental reporting		
1	Top management's commitments	02
2	Governance	04, 06, 14
3	Stakeholder engagement	09, 10, 12, 13
4	Risk management	04, 06
5	Business model	03, 11, 12
6	Value chain management	12, 15, 18
7	Long-term vision	07

#	Items	Relevant Pages
8	Strategy	02, 05 – 12
9	Methodology for identifying material environmental issues	02, 04, 06
10	The entity's material environmental issues	02, 05 – 10
[Reference] Major environmental issues and their performance indicators		
1	Climate change	05 – 07, 11, 12, 16, 18
2	Water resources	16
3	Biodiversity	09
4	Resource circulation	05, 08, 12, 17
5	Chemical substances	09, 12, 17
6	Pollution prevention	09

* "Environmental Reporting Guidelines 2018" is uploaded on the following Website of Ministry of the Environment (Japan):
 URL: https://www.env.go.jp/policy/j-hiroba/kigyo/2018Guidelines_E20190412.pdf

Main Facilities / Sales Offices / Group Companies

Main Facilities

Headquarters / Tokyo Plant

1776 Yanokuchi, Inagi-shi, Tokyo 206-8555

Niigata Plant

17-8 Yoshidahigashisakae-cho, Tsubame-shi,
Niigata Prefecture 959-0294

Omiya Solution Center

Omiya JP Bldg, 1-11-20 Sakuragi-cho, Omiya-ku,
Saitama-shi, Saitama Prefecture 330-0854

Kumagaya Service Solution Center

1224 Nakanara, Kumagaya-shi, Saitama Prefecture 360-0801

Sales Offices

Headquarters / Tokyo Plant

1776 Yanokuchi, Inagi-shi, Tokyo 206-8555 [Sales headquarters]

Omori Office

East Square Omori, 6-20-14 Minamioi, Shinagawa-ku,
Tokyo 140-0013

Chubu Branch

JR Gate Tower, 1-1-3 Meieki, Nakamura-ku, Nagoya-shi,
Aichi Prefecture 450-6631

Kansai Branch

Osaka Tokio Marine & Nichido Building, 2-2-53 Shiromi,
Chuo-ku, Osaka-shi, Osaka Prefecture 540-0001

Kyushu Branch

Higashihie Business Center II, 1-5-13 Higashihie, Hakata-ku,
Fukuoka-shi, Fukuoka Prefecture 812-0007

Group Companies

In Japan

TOTALIZATOR ENGINEERING LIMITED (Shinagawa-ku, Tokyo)

Maintenance of totalizator systems, development and sales of operation services and support systems for public racecourses

FUJITSU FRONTECH SYSTEMS LIMITED (Maebashi-shi, Gunma Prefecture)

Development of software related solutions and services

LIFE CREATE LIMITED (Inagi-shi, Tokyo)

Welfare programs, facilities management and logistics services

Outside Japan

FUJITSU DIE-TECH CORPORATION OF THE PHILIPPINES (Laguna, Philippines)

Manufacturing and sales of metal molds and mechanical components

Fujitsu Frontech North America Inc. (California, U.S.A.)

Sales and repair services of mechanical components,
Development, manufacturing and sales of self-checkout solutions
Development and sales of RFID solutions
Development and sales of biometric products
(including palm vein authentication device) and solutions



Fujitsu Frontech Limited

1776 Yanokuchi, Inagi-shi, Tokyo 206-8555 Japan
<https://www.fujitsu.com/jp/group/frontech/en/>

