

Fujitsu Components Group Environmental Report FY2020

The Fujitsu Components Group recognizes environmental management as one of the most important roles and contributes to build a sustainable society and participate in the global environmental conservation by striving to reduce harmful environmental impact generated by products or services offered throughout the business activities.

1. Greeting

The Fujitsu Components Group has been conducting activities to reduce the environmental impact since 1998. These activities are based on our principle *“We shall keep the best corporate activities while improving our coexistence with the environment”*.

The 2016 Paris Agreement accelerates the movement toward a carbon-free society. In addition, global momentum for the environment is growing, as the adoption of the Sustainable Development Goals (SDGs) in 2015 illustrates.

The Fujitsu Components Group continues to adopt measures, based on SDGs blueprint, that limit the environmental impact by developing energy efficient products, proper utilization of resources, streamlining the manufacturing process, reducing CO₂ emission, reducing waste emission, and environmental protection through socially responsible activities.

We have also engaged EcoVadis^(*), a company that provides sustainability ratings for companies with global supply chains. Its ratings cover the following categories: Environment, Labor & Human Rights, Ethics and Sustainable Procurement. Fujitsu Component has been awarded a Silver rating which is given to the top 30% of companies. Especially in the Environment category, we were rated an exceptional 80 points due to our proactive engagements.

In addition, the Fujitsu Components Group responds to the business environment and customers’ requirements immediately to carry out these environmental activities. We strive to realize the human and environmental friendly society through our products.

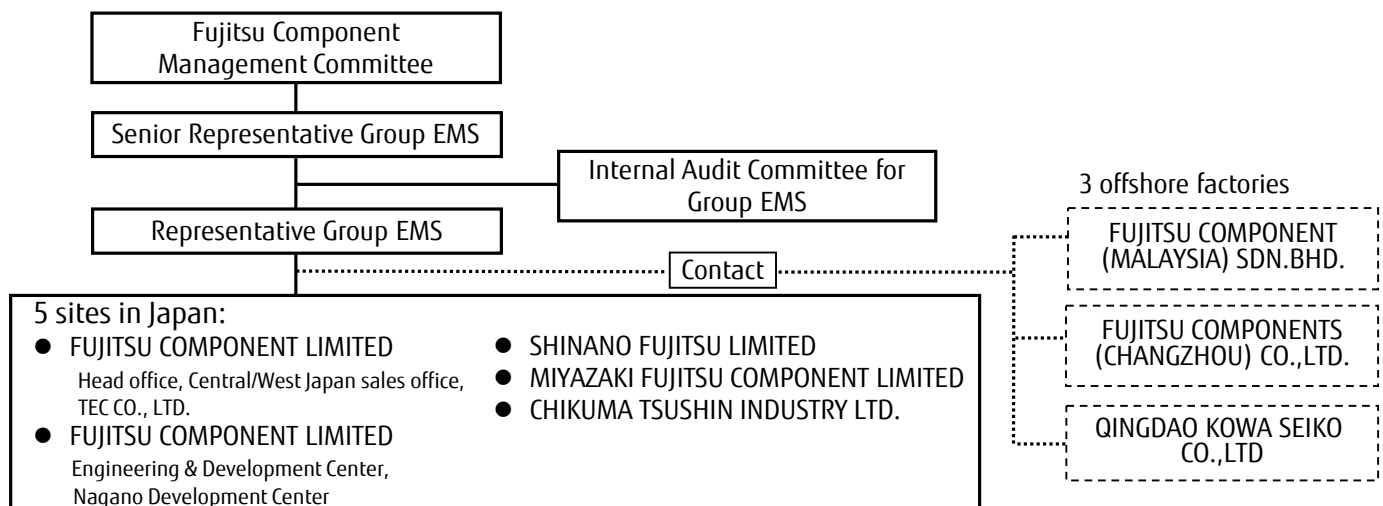
* EcoVadis is a France-based company offering CSR evaluation services.



Masahiro Kinoshita
President and Representative
Corporate Officer, CSO



2. Organization for Environmental Activities



3. Group Profile

Head Office address	FUJITSU COMPONENT LIMITED Shinagawa Seaside Park Tower, 12-4, Higashi-shinagawa 4-chome, Shinagawa-ku, Tokyo 140-0002, Japan
President and Representative Corporate Officer, CSO	Masahiro Kinoshita
Founded	September 17, 2001
Main Business	Manufacturing and sales of relays, keyboards, touch panels, pointing devices, thermal printers, server console switches, cross technology products (unit products)
Capital	500 million yen
Capital surplus	11,850 million yen (As of August 31st, 2020)
Sales	47.3 billion yen (consolidated FY2019)
Financial Year End	March 31
Employees	2,998 (consolidated as of July 10, 2020)
Group Composition	The Group is composed of total 14 companies; 5 Japanese companies including 1 sales company, and 9 overseas companies including 6 sales companies

4. Environmental Policy & Environmental Protection Program

■ Fujitsu Components Group Environmental Policy

Principle

The Fujitsu Components Group recognizes the value and importance of protecting the global environment as one of the most important issues. Our environmental philosophy is: We shall adhere to the best corporate activities while improving our coexistence with the environment. As an enterprise that develops, designs, manufactures, and sells electrical components, we promote the Environmental Management System (EMS) in accordance with ISO14001.

Action Guidelines

- We continuously improve our environmental management system to reduce and prevent environmental pollution by keeping the environmental aspects in mind through our activities, products and services.
- We offer products that both help achieve business growth and protect the environment.
- We comply with the various environmental laws as they apply to our activities, products and services.
- We comply with the various environmental laws as they apply to our activities, products and services.
- Every employee shall strive to improve the environment including use of sustainable sources, climate control, and biodiversity conservation at work and at home and extend those activities to society.

Priority Items

1. We take on following priority items which pertaining to environmental aspect of our products and services.
2. Improvement of environmental value throughout product lifecycle
3. Promotion of social contribution activities
4. Reduction of greenhouse gas CO₂ emission
5. Improvement of energy consumption per unit
6. Improvement of waste emission per unit

Supplement

1. This policy is shared our employees, group members and all other parties concerned.
2. Our Analytical Engineering Department is responsible for the Environmental Policy.

April 1, 2020

Fujitsu Components Group EMS Management

5. The 8th Stage Group Environmental Protection Program (FY2019 to FY2021)

The 8th Stage of the Fujitsu Components Group Environmental Protection Program has been established. Detailed action plans to FY2021 have been provided and actual activities are under way.

Item	The 8th Stage Group Environmental Protection Program Goals	FY2019	FY2020	FY2021
		Result	Target	Target
Social contribution activities	Improvement of environmental value throughout product lifecycle at least 10 new eco-friendly products which satisfy (1) or (2) have to be developed by end of FY2021. i. Product to lead in energy-efficiency ^(*1) ii. Product's resource efficiency ^(*2) is increased by 1% or more compared to those of FY2016-FY2018 ^(*3)	4 products	3 products	3 products
	Promotion of social contribution activities Each employee shall contribute to the society to affluent and sustainable society. i. Continuous cooperation with society. ii. Material support and other activities to resolve social/environmental issues such as biodiversity observation.	37 activities	35 activities	36 activities
Own business activities	Reduction of greenhouse gas (GHG) emissions We will reduce 3,132t-CO ₂ ^(*4) by end of FY2021 by continuous energy saving activities.	1,609 t-CO ₂	893 t-CO ₂	912 t-CO ₂
	Improvement of energy efficiency We will improve specific energy consumption unit ^(*5) in facilities by an average of 1% per year.	See table-1	Average 1% or more at 3 sites	Average 1% or more at 3 sites
	Control on waste emission We will reduce specific waste unit ^(*6) to less than FY2018 results by end of FY2021.	See table-2	Less than FY2018 results	Less than FY2018 results

Table-1 Specific energy consumption unit FY2019 results

Site name	Calculation formula	FY2019 target ^(*7)	FY2019 result
FUJITSU COMPONENT Engineering & Development Center	$\frac{\text{Energy consumption (kl)}}{\text{Sales amount (Million Yen)}}$	0.617	0.570
SHINANO FUJITSU	$\frac{\text{Energy consumption (kl)}}{\text{Sales amount (10 Million Yen)}}$	1.470	1.416
MIYAZAKI FUJITSU COMPONENTS	$\frac{\text{Energy consumption (kl)}}{\text{Production quantity (Kpcs)}}$	0.0145	0.0140

Table-2 Specific waste unit FY2019 targets

Site name	Calculation formula	FY2019 target (FY2018 result)	FY2019 result
FUJITSU COMPONENT Engineering & Development Center	$\frac{\text{Waste amount (kg)}}{\text{Sales amount (million yen)}}$	66.9	66.3
SHINANO FUJITSU	$\frac{\text{Waste amount (kg)}}{\text{Sales amount (million yen)}}$	22.3	19.7
MIYAZAKI FUJITSU COMPONENTS	$\frac{\text{Waste amount (kg)}}{\text{Sales amount (million yen)}}$	49.0	40.0

*1 :The products meet the criteria which is ranked at the top level in the market, including leading products (world-first, industry-first, world-best, industry - best) in energy efficiency.

*2: Improvement of product's resources (smaller, lighter, thinner, reducing number of parts) or resource circulation (reducing waste amount, recycle capability).

*3: Conditions were revised based on development plan.

*4: 15% of FY2018 CO₂ emission (20,870t-CO₂) in the 3 years (average 5% per year).

*5: Specific energy consumption unit = energy consumption amount (kl crude oil equivalent) / production amount (industrial output amount or quantity)

*6: Specific waste unit = waste emission amount (t) / production amount (industrial output amount or quantity)

*7: FY2019 target was revised based on production situation.

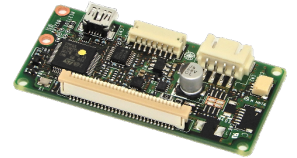
6. Environmental Activities

Development of Eco-friendly Products

We strive to develop and offer eco-friendly products which improve the environment and commercial aspects.



Highlights of New Developments



Full HD drawer

Wireless module

Touch panel

Thermal printer control board

Improvements	Products	Products developed	Improvement ratio (*1)
Energy efficiency	KVM	Full HD with high performance power supply unit drawer (FD-6000DVI/J, DVI/JW, DVI/US)	7% reduction in power consumption
	Wireless module	Development of new wireless module (FWM8BLZ07P)	66% reduction in power consumption
Resource efficiency	Touch panel	Removal of a cover film (FID-1155-401-A10)	10% reduction in weight
	Thermal printer	Development of new thermal printer control board (FTP-628DSL311-R)	25% reduction in weight

Status of Social Contribution Activities

Each site engages in social contributions, not only our employees but also their family members participate, for biodiversity conservation and engaging with local communities. Those activities are expanding year by year and are thoroughly acknowledged as wonderful activities among neighbors.



Major Activities



Head office (Shinagawa, Tokyo)
Cleaning the Shinagawa Konan area



Engineering & Development Center (Suzaka, Nagano)
Taking part in cleaning up Shuzaka-city



Shinano Fujitsu (Iiyama, Nagano: left) and Miyazaki Fujitsu Component (Nichinan, Miyazaki: right) Removal of dead plants and weeds.



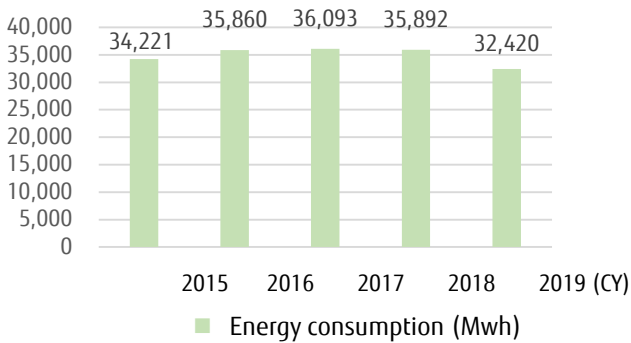
Chikuma Tsushin (Saku, Nagano)
Cleaning up around the factory

■ **Global Warming Prevention Activities (Reduction of Energy Origin CO₂, Improvement of Energy Efficiency)**

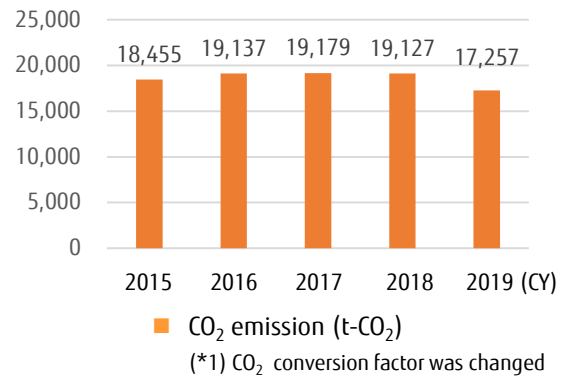
To reduce CO₂ emissions, we have focused on improving the energy efficiency. Each site has been working on to reduce electricity consumption, usage of use of a heavy oil), LPG, etc. We are considering switching to renewable energy.



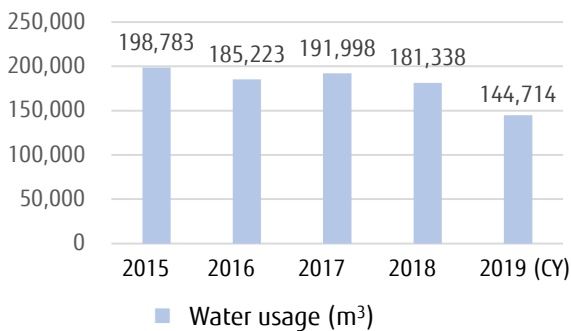
■ **Transition of total energy consumption amount**



■ **Transition of CO₂ Emission^(*)**



■ **Transition of water usage**



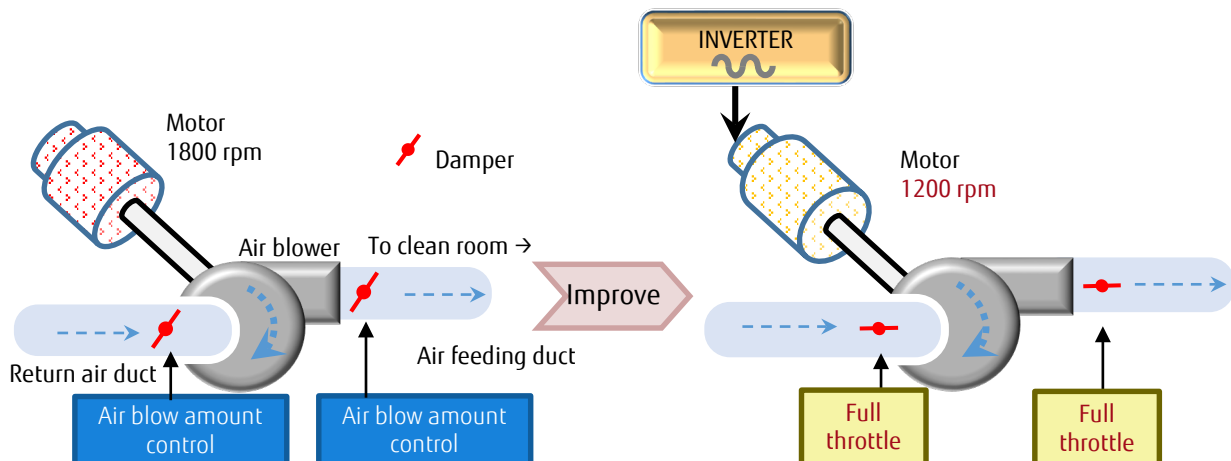
Topic

Reduction of CO₂ emission by installing invertors in air conditioners in the clean room

We organized an Energy Savings Working Group that consists of members from 4 sites in Japan, and have been working continuously to improve energy efficiency and reduction of CO₂ emissions.

In FY2019, we introduced invertors in air conditioners in the clean room.

Dampers (air volume level regulation valves) used to regulate the amount of air blown out of the A/C. They were replaced by invertors which reduced the revolution frequency of the air blowers. The operation power of the air blowers drops by approximately 60%, which reduces the CO₂ by 186t in a year.

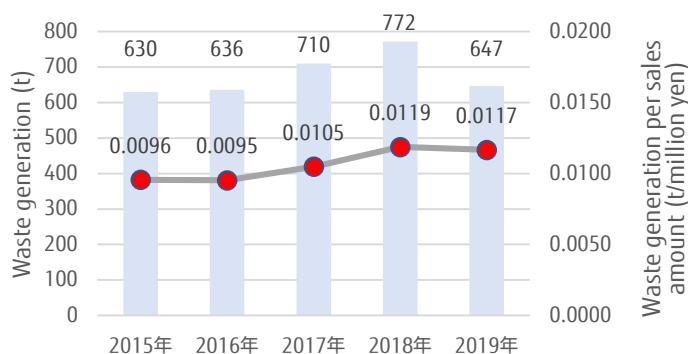


Industrial Waste Reduction Management

Every worker in the group recognizes the importance of the 3Rs (Reuse, Reduce and Recycle) and engages in waste separation. We have been working on the reduction of environmental loads by minimizing the waste and promoting its recycling or reuse.



Transition of industrial waste reduction



* Waste generation includes Japan sites only

7. Chemical Substances Contained in Products

Management of Chemical Substances Contained in Products

All materials are purchased under the Common Environmental Purchasing Specifications, and Fujitsu Components Group specified banned materials are checked by certification of compliance and chemSHERPA (*1). Phthalic acid ester, which was added under the revised European RoHS directive, is analyzed by Gas Chromatograph Mass Spectrometry and other methods inside our company. In addition, we have established a management system for pollution control in production sites and suppliers and check products' compliance.

*1: A scheme that facilitates sharing information on chemical substances in products conducted by Ministry of Economy, Trade and Industry. (Abbreviation of Chemical Information Sharing and Exchange under Reporting Partnership in supply chain).

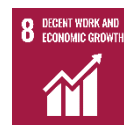


Green Procurement

We ask all supply partners to build an environmental management system as well as prevention of global warming and biodiversity program to further the reduction of the environmental impact throughout the supply chain.

8. Actions to High Risk Minerals

Fujitsu Components Group promote investigation of the High Risk Minerals in line with OECD Due Diligence Guidance. We use a reporting template of Responsible Materials Initiative (RMI) for conflict minerals and cobalt for these investigation. We will continue the activities to smelting manufacturers and to improve transparency of supply chain to provide reliable information for the customers.



9. Third Party Evaluation

■ ISO14001: 2015

To reduce CO₂ emissions, we have focused on improving the energy efficiency. Each site has been working on to reduce electricity consumption, use of heavy oil, LPG, etc. We are considering switching to renewable energy.



■ EcoVadis Sustainability Evaluation

We have been awarded a Silver rating with an overall score of 60 points for sustainability performance in an assessment conducted by EcoVadis (Headquarters: France) in 2019. It was rated an exceptional 80 points in the Environment category.



■ Contact

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