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Fujitsu Limited

	Companies' approach
① Background and purpose of accounting	<ul style="list-style-type: none"> ● To ascertain the overall picture of the environmental impact of our business activities. ● To identify hotspots and clarify categories that we need to focus on. ● To fulfill our accountability toward stakeholders by disclosing the data concerning the environmental impact of our business activities.
② Utilization of accounting results	<ul style="list-style-type: none"> ● The results are: ● utilized to identify important environmental impact factors in our environmental activities as well as issues that we need to address; ● disclosed through our sustainability databook, website, and other forms of corporate communication on environmental performance; and ● used as data when we respond to external surveys, such as for the CDP and Dow Jones Sustainability Index.
③ Benefits of accounting	<ul style="list-style-type: none"> ● The accounting enables us to: ● satisfy stakeholders' demand for information disclosure; and ● identify categories with large CO₂ emissions, develop more effective plans for emission reduction, and convince others to adopt emission reduction measures.
④ Internal system for accounting	<ul style="list-style-type: none"> ● Primary data are gathered from environmental managers in our business sites and operational managers and calculated by Sustainability, purchasing, logistics, HR, and other Headquarters divisions for each category.

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	Companies' approach
⑤ Efforts to reduce supply chain emissions	<ul style="list-style-type: none"> ● As part of the Science Based Targets of the Fujitsu Group (approved by the Science Based Targets initiative [SBTi] in 2017), we have set the target of reducing Scope 3 emissions by 30% from 2013 levels by 2030. The applicable categories are Category 1 (Purchased goods and services) and Category 11 (Use of sold products), where CO2 emissions are particularly large and therefore the greatest emission reduction effects can be expected. ● In the Fujitsu Group Environmental Action Plan (Stage X) (FY 2021 to 2022), we have set the following targets in connection with Scope 3: <ul style="list-style-type: none"> -Target related to Category 1: Drive activities to reduce CO2 emissions in the upstream supply chain. -Target related to Category 11: Reduce CO2 emission due to power consumption during product usage by more than 17% (compared to FY2013).
⑥ Issues in supply chain emissions accounting	<ul style="list-style-type: none"> ● Accounting based on unit value poses some issues that make accurate, detailed calculation difficult, such as credibility of unit value and difficulty in reflecting a company's efforts to reduce emissions. ● We need to further sophisticate the accounting methodology particularly for categories where gathering overseas data is difficult.
⑦ Other	

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Category	Accounting methods	※Accounting period: April 2021 - March 2022
	Activity data	Emission factor
Category 1: Purchased goods and services	● Volume of components purchased	● Emissions per unit of purchases (Source: 3EID)
Category 2: Capital goods	● Total amount of acceptance of construction projects	● Emissions per unit of capital value (*1)
Category 3: Fuel and energy related activities not included in Scope 1 or 2	● Amounts of fuel oil, gas, electricity, and heat consumed at business sites owned by Fujitsu	● Emissions per unit by type of energy (*1, *2)
Category 4: Transportation and delivery (upstream)	● Amount of fuel consumed for transportation by Fujitsu as the consigner	● Emission factor per ton kilometer or fuel consumption (*3, *4)
Category 5: Waste generated in operations	● Excluded from accounting (because it does not generate major emissions)	
Category 6: Business travel	● Transportation expense payment	● Emissions per unit by means of transport (*1, *5)
Category 7: Employee commuting	● Transportation expense payment ● Transported persons-kilometer (commuting by private automobile)	● Emissions per unit by means of transport (*1, *5)
Category 8: Leased assets (upstream)	● Amounts of fuel oil, gas, electricity, and heat consumed at leased business sites	● Emissions per unit by type of energy (*6, *7)
Category 9: Transportation and delivery (downstream)	● Excluded from accounting (because it does not generate major emissions)	
Category 10: Processing of sold products	● Intermediate product sales volume	● Emissions per unit of processing volume (calculated by Fujitsu)
Category 11: Use of sold products	● Electricity consumption during the use of products	● Emissions per unit of electricity (*8)

*1 Emission Factor Database on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain Ver.3.2(Ministry of the Environment, Ministry of Economy, Trade and Industry)

*2 IDEAv 2.3 (for calculation of greenhouse gas emissions in the supply chain), based on the Japanese emissions intensity database

*3 Guidelines on Accounting for CO₂Emissions in the Logistics Field developed by the Ministry of Economy, Trade and Industry and the Ministry of Land, Infrastructure, Transport and Tourism under the Act on the Rational Use of Energy

*4 GHG protocol emissions coefficient database

*5 Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain Ver2.3. (Ministry of the Environment, Ministry of Economy, Trade and Industry)

*6 Act on Promotion of Global Warming Countermeasures—GHG Emissions Accounting, Reporting, and Disclosure System

*7 IEA CO₂Emission from Fuel Combustion 2021

*8The Electric Power Council for a Low Carbon Society, FY 2020 Results

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Category	Accounting methods ※Accounting period: April 2020 - March 2021	
	Activity data	Emission factor
Category 12: End-of-life treatment of sold products	<ul style="list-style-type: none"> Weight of major products sold during the year × Percentage by type of waste and disposal method 	<ul style="list-style-type: none"> Emissions per unit by waste type and disposal method
Category 13: Leased assets (downstream)	<ul style="list-style-type: none"> N/A 	
Category 14: Franchises	<ul style="list-style-type: none"> N/A 	
Category 15: Investments	<ul style="list-style-type: none"> N/A 	
Other	<ul style="list-style-type: none"> N/A 	

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Supply chain emissions : Accounting results

● Supply chain emissions (FY 2021)

Indicator		FY2021 (1,000tons)
Upstream (Scope3)	Purchased goods and services	1,207
	Capital goods	13
	Fuel and energy-related activities not included in Scopes 1 and 2	94
	Transportation and distribution (Upstream)	71
	Waste generated in operations	Excluded from accounting
	Business travel	23
	Employee commuting	6
	Leased assets (Upstream)	64
Reporting company (Scope1,2)	Direct emissions	70
	Indirect emissions from energy source	(*) 428
Downstream (Scope 3)	Transportation and distribution (Downstream)	Excluded from accounting
	Processing of sold products	16
	Use of sold products	3,142
	End-of-life treatment of sold products	8
	Leased assets (Downstream)	The Company's business is not applicable.
	Franchises	The Company's business is not applicable.
	Investment	The Company's business is not applicable.

*Market-based emissions