# Climate Transition Plan

2025

FUJITSU

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# 01 Executive Summary

Guided by our Climate and Energy Vision, Fujitsu is committed to realizing a positive future for the people and the planet, by aligning our science-based GHG reduction targets with the 1.5°C pathway. This Climate Transition Plan outlines our strategy to achieve Net Zero emissions across our entire value chain, leveraging advanced digital technologies to drive this transformation while upholding Just Transition principles.

Beyond financial performance, our plan reflects Fujitsu's dedication to addressing global environmental challenges, particularly greenhouse gas emissions — while fostering a digital society and improving people's well-being. We believe technology and innovation can positively impact society, and addressing issues such as natural disasters, regulatory change, and that responding to global warming requires minimizing environmental impacts within our operations and those of our customers.

Through our solutions, Fujitsu enables customers and society to reduce energy consumption, monitor and lower GHG emissions, enhance traceability, improve business efficiency, and strengthen resilience.

Our GHG emission reduction targets are based on international science frameworks validated by SBTi.

Fujitsu aims to minimize emissions from its entire value chain (Scope 1, 2, and 3), consistent with the 1.5°C pathway. Our Climate and Energy vision states we will accomplish Net Zero equivalent scope 1 and 2 emission by 2030 and scope 3 emission by FY2040.

By integrating advanced AI and other leading-edge digital technologies into a framework that transcends business, industry, and regional boundaries, Fujitsu will reduce GHG emissions and transform businesses.

Recognizing the social implications of climate action, we are actively embedding Just Transition principles in our strategy.

Fujitsu maintains robust oversight and governance structures to ensure climate-related risks and opportunities are integrated into corporate decision-making. Integral to this is the Sustainability Management Committee.

# 02 Governance and Oversight

Fujitsu's materiality approach is centered on "double materiality," a framework that assesses both the impact of the environment and society on Fujitsu's business and the impact of Fujitsu's operations on society and the environment.

- Fujitsu's essential contributions are structured around three global imperatives: **Planet** (Solving global environmental issues), **Prosperity** (Developing a digital society), and **People** (Improving people's well-being).

- Climate action falls squarely within the Planet imperative, reflecting the company's commitment to environmental stewardship.

## Fujitsu's governance structure for climate action

Referencing Fujitsu's TCFD - Based Information Disclosure, the company demonstrates a strong commitment to integrating climate action into its core business operations through a robust governance framework overseeing climate-related strategies. This framework establishes clear lines of responsibility from the Board of Directors and CEO down to operational levels.

# Board and Executive oversight

## Role of Management

As detailed in Fujitsu's TCFD disclosures, the CEO holds ultimate responsibility for climate-related decisions, empowered by the Board of Directors. This ensures that climate considerations are integrated into the highest levels of decision-making. The CEO chairs both the Risk Management & Compliance Committee and the Sustainability Management Committee, directly linking the management of climate-related risks and opportunities to executive leadership.

## Board-Level engagement

The Board of Directors receives regular reports on climate-related risks and opportunities, progress towards net-zero targets, and materiality assessments. This ensures board-level understanding and oversight of climate-related issues. The Board also oversees the Risk Management & Compliance Committee, which manages company-wide risks, including climate risks.

## Sustainability Management Committee

This committee, chaired by the CEO, plays a central role in formulating sustainability and climate strategies, shares climate-related risks and opportunities, and deliberates on medium- to long-term -plans and directions. The committee reports to the Executive Management Council and the Board of Directors to ensure alignment between climate action and overall corporate strategy.

**Board of Directors meeting**

**Executive Management Council meeting**

**Sustainability Management Committee**

Reporting, deliberation, and decision-making on sustainability-related policies and activities

**Chairperson**: CEO; Vice-chairperson: Corporate Vice President;
**Committee members**: Corporate and Business Board Members or SVP
**Head of Office**: CSSO (Chief Sustainability & Supply Chain Officer)

**Business Groups / Regions and Corporate Functions**

System chart

## Risk Management & Compliance Committee

This committee, also chaired by the CEO, manages company-wide risks, including climate-related risks. Regular reporting to the Board of Directors ensures that climate risks are treated with the same level of importance as other critical business risks. This committee also oversees Regional Risk Management and Compliance Committees, creating a cascaded structure for managing climate risks across the organization.

### Governance mechanisms for climate transition plan delivery

Our governance structure incorporates several mechanisms to ensure the effective delivery of its climate transition plan:

- **Regular reporting**
  We regularly report on the progress of climate risks, strategies, and environmental activities to the Risk Management & Compliance Committee and the Sustainability Management Committee, both chaired by the CEO.

- **Integrated decision-making**
  Climate-related decisions consider various factors (e.g., investment, timelines, impacts) and involve analysis presented to the Management Committee, culminating in a final decision by the CEO.

- **Management incentives**
  For Executive Directors, efforts related to climate change are evaluated as part of their bonuses.

Fujitsu's governance structure demonstrates a strong commitment to addressing climate change. With board and executive oversight, defined governance mechanisms, executive directors' incentives, and stakeholder engagement all contribute to a robust framework for driving the company's climate transition plan and achieving its ambitious climate targets. This integrated approach positions Fujitsu as a leader in corporate climate action.

# Key takeaway

# 03
# Baseline Emissions and Current State

## Comprehensive disclosure of emission inventories

Fujitsu prioritizes transparency and accountability in its environmental impact reporting, primarily regarding GHG emissions. Annually, the company discloses its Scope 1, 2, and 3 emission inventories, striving for completeness, accuracy, transparency, and consistency. To maintain credibility and reliability, these disclosures undergo third-party verification. The annual GHG group inventories, verification focuses on Scope 1, 2, and Scope 3 categories 1 & 11.

Fujitsu uses FY2020 as the baseline year for its emissions mapping across the value chain, identifying major sources such as data centres, products, and logistics.

| GHG emissions reduction rate | Fujitsu has achieved a 45.8% reduction in GHG emissions from Scope 1 and 2 in FY2024, surpassing its own target of a 40% reduction against the FY2020 baseline. |
|---|---|

# GHG emissions report based on GHG protocol (*3)

| Indicator | FY2020 | | FY2021 | | FY2022 | | FY2023 | | FY2024 | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Upstream (Scope 3)** | kton-$CO_2$ | % (*4) | kton-$CO_2$ | % (*4) | kton-$CO_2$ | % (*4) | kton-$CO_2$ | % (*4) | kton-$CO_2$ | % (*4) |
| Purchased goods and services | 1,192 | 21.4 | 1,304 | 18.2 | 1,361 | 25.0 | 1,086 | 27.3 | 2,748 (*8) | 51.7 |
| Capital goods | 15 | 0.3 | 13 | 0.2 | 11 | 0.2 | 7 | 0.2 | 24 | 0.5 |
| Fuel and energy-related activities not included in Scopes 1 and 2 | 99 | 1.8 | 94 | 1.3 | 85 | 1.6 | 82 | 2.1 | 81 | 1.5 |
| Transportation and distribution (Upstream) | 53 | 0.9 | 71 | 1.0 | 44 | 0.8 | 32 | 0.8 | 16 | 0.3 |
| Waste generated in operations | 4 | 0.1 | 4 | 0.1 | 4 | 0.1 | 3 | 0.1 | 3 | 0.0 |
| Business travel | 27 | 0.5 | 23 | 0.3 | 48 | 0.9 | 71 | 1.8 | 82 | 1.5 |
| Employee commuting | 5 | 0.1 | 6 | 0.1 | 5 | 0.1 | 5 | 0.1 | 6 | 0.1 |
| Leased assets (Upstream) | 88 | 1.6 | 64 | 0.9 | 72 | 1.3 | 43 | 1.1 | 44 | 0.8 |
| **Reporting company (Scope 1, 2)** | | | | | | | | | | |
| Direct emissions (Scope 1) | 75 | 1.3 | 70 | 1.0 | 65 | 1.2 | 64 | 1.6 | 69 | 1.3 |
| Indirect emissions from energy sources (Scope 2) | 583 (*5) 540 (*6) | - 9.7 | 530 (*5) 428 (*6) | - 6.0 | 476 (*5) 341 (*6) | - 6.3 | 451 (*5) 268 (*6) | - 6.7 | 429 (*5) 237 (*6) | - 4.5 |
| **Downstream (Scope 3)** | | | | | | | | | | |
| Transportation and distribution (Downstream) | N/A | - | N/A | - | N/A | - | N/A | - | N/A | - |
| Processing of sold products | 12 | 0.2 | 16 | 0.2 | 16 | 0.3 | 12 | 0.3 | 11 | 0.2 |
| Use of sold products | 3,470 | 62.2 | 5,073 | 70.7 | 3,358 | 61.7 | 2,283 | 57.4 | 1,982 | 37.3 |
| End-of-life treatment of sold products | 1 | 0.0 | 8 | 0.1 | 6 | 0.1 | 4 | 0.1 | 3 | 0.1 |
| Lead assets (Downstream) | N/A (*7) | - | N/A | - | N/A | - | N/A | - | N/A | - |
| Franchises | N/A | - | N/A | - | N/A | - | N/A | - | N/A | - |
| Investment | N/A | - | N/A | - | 27 | 0.5 | 17 | 0.4 | 14 | 0.3 |
| **Scope 3 total** | 4,966 | 89.0 | 6,676 | 93.1 | 5,037 | 92.5 | 3,645 | 91.7 | 5,014 | 94.2 |

**\*3** GHG emissions qualifications is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potential
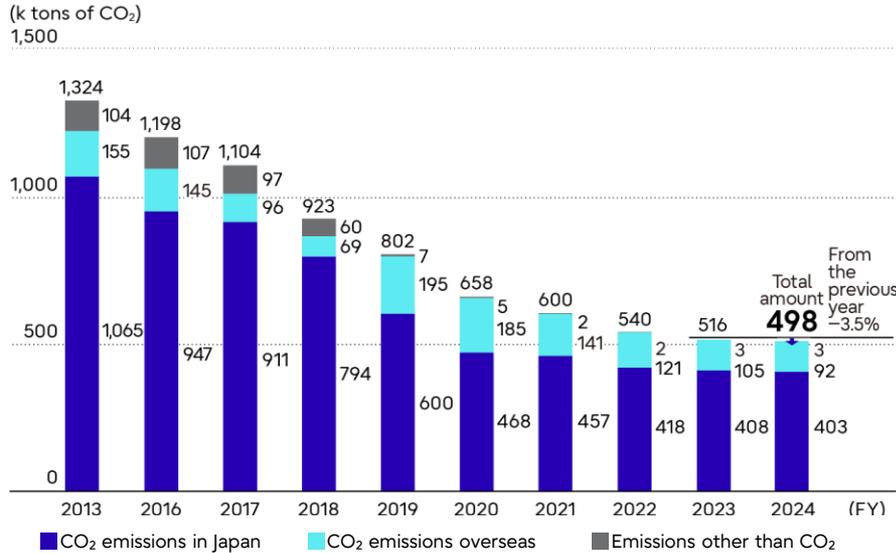
**\*4** The percentage of total GHG emissions (Scope 1 + Scope 2 [Market-based] + Scope 3) when Scope 2 emissions are calculated using the market-based method.

**\*5** Location-based
**\*6** Market-based
**\*7** N/A : Not applicable

**\*8** From FY2024, the scope has been expanded. For details, refer to the "Environmental Performance Data Standards"

(k tons of $CO_2$)

**Total emissions of 498 ktons-$CO_2$ in FY2024 (more details)**

Legend: CO₂ emissions in Japan — CO₂ emissions overseas — Emissions other than CO₂

## Verification and assurance

Fujitsu's emission inventories are verified by third-party providers (Fujitsu Group Sustainability Data Book 2025 / Independent Assurance Report) to ensure accuracy and reliability.

**$CO_2$ emissions in Japan and overseas:** The $CO_2$ conversion factor for purchased electric power in performance reports has been calculated with a fixed value of: In Japan - 0.570 tons-$CO_2$/MWh from FY2013 to FY2015, 0.534 tons-$CO_2$/MWh for FY2016, 0.518 tons-$CO_2$/MWh for FY2017, 0.497 tons-$CO_2$/MWh for FY2018, 0.461 tons-$CO_2$/MWh for 2019, 0.444 tons-$CO_2$/MWh for FY2020, 0.441 tons-$CO_2$/MWh for FY2021, 0.436 tons-$CO_2$/MWh for FY2022, 0.437 tons-$CO_2$/MWh for FY2023, and 0.421 tons-$CO_2$/MWh for FY2024. Overseas – The same coefficients as those used in Japan are applied from FY2013 to FY2018, and from FY2019 onwards, values are calculated using the latest IEA data (by country ) for the relevant FY.

**Emissions other than $CO_2$:** These are converted to equivalent amounts of $CO_2$ using the global warming potential (GWP) for each gas.

# 04 Net-zero Target

## Disclosure of Net-zero and Near-term targets

Fujitsu has committed to ambitious climate goals that align with the latest scientific evidence and global climate agreements. These targets are designed to ensure we contribute significantly to global efforts to mitigate climate change, while also enhancing its operational sustainability and resilience. Our net-zero and near-term targets are validated by the Science Based Targets initiative (SBTi), ensuring they are consistent with the preferred 1.5°C warming scenario.

## Overall Net-zero target

Fujitsu commits to reach net-zero GHG emissions across the value chain by FY2040 from a FY2020 base year.

## Near-term targets

Fujitsu commits to reduce absolute scope 1 and 2 GHG emissions 42% by FY2030 from a FY2020 base year.

Fujitsu also commits to reduce absolute scope 3 GHG emissions from purchased goods and services and use of sold products 25% within the same timeframe.

## Long-term targets

Fujitsu commits to reduce absolute scope 1, 2 and 3 GHG emissions 90% by FY2040 from a FY2020 base year.
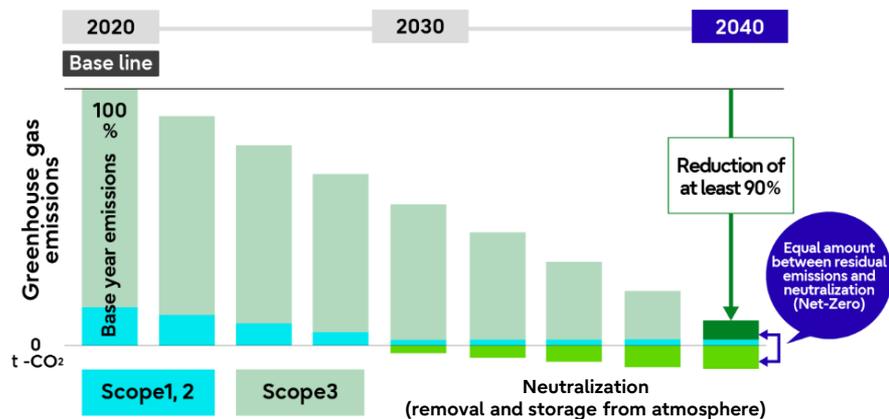
## Roadmap to Zero Emission of our Climate and Energy Vision

Note that in addition to our SBTi targets Fujitsu has also set ambitious and challenging targets as detailed in the Climate and Energy Vision. These are underpinned by the Environmental Action Plan.

### Targets for FY2030

- Scope 1+2 emissions equivalent to Net-Zero (compared to FY2020)
- Reduce Scope 3 emissions by more than 25% (compared to FY2020)

We have been working towards carbon neutrality, revising original FY2030 target for reducing GHG emissions from business activities (Scope 1 and 2) from 33% to a 71.4% reduction compared with FY2013 levels. As the global community accelerates its efforts to become carbon neutral Fujitsu has also re-examined the role it plays in society. Accordingly, global targets were revised down; we now aim to meet our scope 1 & 2 target of "Net Zero $CO_2$ emissions by FY2030" rather than the original 2050—20 years ahead of the original schedule.



**2020** **2030** **2040**

Base line

Greenhouse gas emissions

Base year emissions

100 %

0 t -$CO_2$

Reduction of at least 90%

Equal amount between residual emissions and neutralization (Net-Zero)

Scope1, 2   Scope3

Neutralization
(removal and storage from atmosphere)

## The Environmental Action Plan

We have been formulating environmental action plans once in every three years since 1993 and have expanded activities aimed at continuously reducing environmental impacts (elaborated further in Section 5, page 16).

The current Environmental Action Plan (Stage XI) outlines specific initiatives to achieve targets. Up to FY2025, the plan serves as a roadmap for realizing carbon neutrality and includes measures to reduce emissions from our facilities and its supply chain. The plan emphasizes the importance of fulfilling social responsibilities and minimizing environmental impact.

**FY2025 targets:**

- **Scope 1 and 2:** Achieve a 50% reduction in emissions against the FY2020 baseline.

- **Scope 3, Category 11:** Achieve a 12.5% reduction against the FY2020 baseline.

## Objectives and strategic benefits

Our climate targets are designed to align with our purpose and mission, fostering trust with customers and partners. The plan includes purchasing and cancelling carbon credits for neutralization at the end of the target period.

**RE100**

**°CLIMATE GROUP** | **CDP**

RE100 (Renewable Energy 100) is a global initiative bringing together hundreds of large and ambitious businesses committed to 100% renewable electricity.

These companies publicly pledge to source all their electricity from renewable sources, driving demand for clean energy and accelerating the transition to a zero-carbon economy. Fujitsu is a Gold Member Participant of RE100 and one of 12 members on the Policy Working Group reviewing policies in Japan.

Fujitsu's disclosure of net-zero and near-term targets highlights its dedication to science-based climate action and its role as a leader in sustainability. By setting ambitious, time-bound goals and implementing strategic initiatives, Fujitsu is well-positioned to contribute to global efforts to combat the impact of climate change. Fujitsu's proactive approach to emissions reduction and environmental stewardship underscores its commitment to creating value for stakeholders while minimizing its environmental footprint.

With cutting-edge technologies, expert guidance, and targeted solutions, we empower companies to advance their digital transformation journey toward Net Zero emissions solving climate issues.

# Key takeaway

# 05 Decarbonization Levers and Actions

**Uvance**

## Uvance

We believe that collaboration is key to achieving a sustainable future. We actively seek partnerships with our customers, leveraging Uvance to co-create solutions that address social issues and drive sustainable growth.

Fujitsu is dedicated to providing our customers with the tools and support they need to minimize their environmental impact.

Fujitsu is actively engaged in transforming its portfolio and offerings, focusing on ESG contributions and Sustainability Transformation (SX). In line with its materiality focus on solving global environmental issues, Fujitsu has developed a range of cross-industry offerings, from supply chain optimization to energy efficiency.

We have set eight targets in three areas reflected in our **Environmental Action Plan Stage XI**: Climate change, Resource circulation, and Living in harmony with nature, based on the two axes of "Customers and Society" and "Fujitsu and Supply Chain." We are working to strengthen our foundational work toward the realization of the Fujitsu Group's environmental vision, including efforts to contribute digital technology to our customers and society, and to increase our use of renewable energy.

# Environmental Action Plan Stage XI (fiscal 2023–2025)

| | | | Baseline | Targets for fiscal 2025 | Fiscal 2024 result |
|---|---|---|---|---|---|
| **Customers and society** | | Goal | — | • Deliver SX offerings to customers<br>• Disclose actual measured values for environmental contribution indicators<br>• Achieve external recognition as a leader in sustainability transformation (SX) | Defined and measured environmental contribution indicators Improved external evaluations related to sustainability transformation (SX), including selection as "Best in Class"—the highest rating—in the PAC INNOVATION RADAR for sustainability services* in Europe<br>* Leaders in Sustainability-related IT Consulting & Services in Europe |
| | | • Fiscal 2023: Develop environmental contribution metrics fiscal 2024 to fiscal 2025: Measure and disclose the amount of contribution<br>• Earn the objective recognition of global customers and society as an SX leader | | | |

| | | | | Baseline | Targets for fiscal 2025 | Fiscal 2024 result |
|---|---|---|---|---|---|---|
| **Fujitsu and supply chain** | **Climate change*** | Scope 1, 2 | Reduce GHG emissions at business sites by half of the baseline by the end of fiscal 2025<br>• Increase use of renewable energy to 50% or more by 2025 | Fiscal 2020 | Reduce by at least 50% | 45.8% reduction (305,000 tons) |
| | | Scope 3 (Category 11) | Reduce $CO_2$ emissions from power consumption during product use by 12.5% or more | Fiscal 2020 | Reduce by at least 12.5% | 42.9% reduction |
| | | Scope 3 (Category 1) | Reduce GHG emissions in the supply chain<br>• Major business partners should set emissions reduction targets (equivalent to SBT well below 2°C target)<br>• Collection of GHG reduction data, construction and deployment of mechanisms | — | Complete target setting | Set target at 68% (253 companies) |
| | **Resource circulation** | | Develop products and services that contribute to a circular economy (CE) business model | — | Develop circular economy products and services | Conducted e-learning for domestic frontline departments to raise awareness in service development-related divisions (approx. 25,000 participants) |
| | | | Reduce water consumption by 57,000 m³ or more by implementing continuous water reduction measures | — | 57,000 m³ or more | 46,000 m³ reduction |
| | | | Strengthen awareness of water resource conservation in the upstream supply chain<br>• Request our major suppliers to make efforts to raise their awareness of the importance of water resources | — | Complete the request | Completed 100% of requests |
| | **Living in harmony with nature (conservation of biodiversity)** | | Reduce negative impacts on biodiversity in the areas of our corporate activities, including supply chains, by at least 12.5%; in addition, promote activities that increase positive impacts on biodiversity | Fiscal 2020 | Reduce by at least 12.5% | 28.5% reduction |

\* Scope 1, 2 and 3 for acquisitions and divestitures

# Fujitsu initiatives

## Sustainability Value Accelerator

The Sustainability Value Accelerator enhances the transparency of the value chain by collecting verifiable traceability data, enabling collaboration across companies and countries. Through trusted data sharing and cross-company impact simulations, it supports the optimization of the entire value chain and the creation of new business models, helping companies fulfil their social responsibilities while improving profitability.

This value chain restructuring supports customers in achieving their business goals and contributes to market revitalization.

**Regulatory compliance through traceability assurance (such as DPP, EUDR, FLAG)**

**Realizing a circular economy society**

**Implementation of sustainable procurement practices**

**Tokenization and crediting Creating marketplaces**

**Promoting the widespread adoption and utilization of green energy**

**Realization of Sustainability Transformation (SX)**

## Ocean Digital Twin technology – Fujitsu trials for blue carbon measurement and verification

The Fujitsu Ocean Digital Twin is a key technology that reproduces the marine environment with high precision in a digital space enabling comprehensive understanding of ocean conditions and the planning of utilization strategies. In 2024, Fujitsu launched trials in Japan for realizing a blue carbon measurement and quantification using Ocean Digital Twin. These trials leverage core technologies such as autonomous control of underwater drones, and AI that has converged with marine ecology as a key technology to measure the amount of underwater $CO_2$ absorption by seaweed. In combination with these technologies, it enables highly accurate evaluations at a low cost without relying on divers or other specialists. This contributes to solving social challenges such as marine conservation and achieving carbon neutrality. Japan's ocean areas are estimated to have a $CO_2$ absorption capacity of up to 5M tons as blue carbon. Ocean Digital Twin has great potential to be applied in the emerging blue carbon market.

## Next Generation Technologies for Energy Efficiency

In recent years, the increasing demands of DX and AI have led to a surge in data volume, driving the need for large-scale data centers and intermediary edge clouds. Recognizing the growing energy demands, Fujitsu is pioneering energy-efficient solutions. Our FUJITSU-MONAKA next-generation Arm-based processor, slated for 2027, is expected to be twice as energy-efficient and faster than competing processors, offering a sustainable computing solution. Furthermore, our AI computing broker middleware optimizes GPU usage, potentially halving power consumption and reducing our customers' carbon footprint.

## Strategic Collaboration for Energy-Efficient Data Centers

The accelerating adoption of generative AI is driving exponential growth in computing demand, resulting in a global expansion of data centers and a corresponding rise in energy consumption. A key contributor to this trend is the increased cooling requirement of GPU-based AI workloads. While conventional air cooling remains prevalent—with average PUE values around 1.6—liquid cooling technologies offer superior thermal efficiency, achieving average PUE levels near 1.2. However, the adoption of liquid cooling remains limited due to the complexity of system design, construction, and operation, which requires advanced technical expertise and specialized skills.

In response to this market shift, Fujitsu has entered into a strategic collaboration with Supermicro Inc. and Nidec Corporation. This partnership integrates Supermicro's high-performance GPU servers, Fujitsu's liquid cooling monitoring, and control software—developed from over 40 years of experience in supercomputing and mission-critical systems—and Nidec's Coolant Distribution Units (CDUs). Together, the three companies aim to deliver a comprehensive solution that empowers customers to significantly enhance the energy efficiency and PUE of their data centers.

To address the implementation challenges associated with liquid cooling, Fujitsu provides professional services to support customers in designing and deploying the necessary cooling infrastructure for GPU server environments. These services facilitate a smooth transition from air to liquid cooling, reduce the power consumption of cooling systems, and are expected to improve overall energy efficiency by up to 40% compared to traditional air-cooled systems.

To validate the effectiveness of this joint solution, Fujitsu will conduct a proof-of-concept at its Tatebayashi Data Center. The objective is to demonstrate the solution's ability to support customers in achieving world-class PUE standards by the end of fiscal 2025.

## Transition to Renewable Energy

Fujitsu has accelerated its target for 100% renewable electricity from 2050 to 2030. Fujitsu is expanding its procurement of renewable energy-sourced electricity globally. This includes power purchase agreements (PPAs) and investments in new power sources to support the transition. The company achieved a renewable energy usage ratio of 47.5%, achieving the target of 47% or more in FY2024.

## Electrification of Company Fleet

Fujitsu is actively transitioning to low-carbon transportation by electrifying its company fleet. In the UK, for instance, we've increased our electric fleet from 4% in 2022 to 55% 2025 (total fleet car 1,087), with a target of 100% electrification by 2030. The remaining UK fleet consists of 35% hybrid vehicles and 10% Internal Combustion Engine (ICE) vehicles. Similarly, in Fujitsu Australia, we began deploying electric vehicles in FY2024, with 5 EVs and 3 charging stations already in place. This global effort reduces our Scope 1 emissions and contributes to the broader shift towards sustainable mobility.

## Development of Energy-Efficient ICT Products

Fujitsu is focused on developing energy-efficient ICT products and services that contribute to climate change mitigation. This includes enhancing the energy-saving performance of products and solutions to meet market demands. Promoting development of products that contribute to reduced power consumption when in use. Achieved reduction in $CO_2$ emissions due to product power consumption by 42.9% in FY2024.

## Supplier Engagement

Fujitsu's approach to reducing Greenhouse Gas (GHG) emissions within its supply chain is multifaceted, focusing on promoting GHG emission reductions through its procurement activities and suppliers. A central target is achieving net-zero across the entire value chain by FY2040.

Key aspects of our supplier engagement include strengthening partnerships with suppliers to set Scope 1 and 2 GHG reduction targets and to collect Product Carbon Footprint (PCF) data. This information is crucial for identifying high-emission areas, monitoring progress, and confirming the status of each company's decarbonization efforts. We also encourage suppliers to set their own GHG emission reduction targets and provide support and workshops to help build their capabilities in environmental management.

Fujitsu conducts risk assessments for suppliers and regular evaluations to promote continuous improvement. By integrating environmental criteria into the procurement processes and fostering collaborative relationships with suppliers, Fujitsu aims to drive reductions in Scope 3 emissions and contribute to a more sustainable future.

Fujitsu's decarbonization levers and actions demonstrate a comprehensive approach to achieving net-zero emissions across its value chain. By setting ambitious targets, implementing strategic initiatives, and engaging stakeholders, Fujitsu is well-positioned to contribute to global climate goals and drive sustainable growth.

The company's commitment to transparency and accountability ensures that progress is tracked and reported, fostering trust and collaboration with partners and customers. Through these efforts, Fujitsu continues to lead the way in environmental stewardship and innovation, paving the way in pursuit of our purpose to make the world more sustainable by building trust in society through innovation.

# Key takeaway

# 06 Financial Planning and CAPEX Allocation

The company recognizes climate change as a significant long-term management issue, impacting societal sustainability and presenting both financial challenges and business prospects. This overview analyzes how these factors influence Fujitsu's financial decisions.

## Climate-related risks and financial impact

Fujitsu faces several key climate-related risks with financial impacts:

**Carbon pricing mechanisms**
The introduction and anticipated increase of carbon taxes in regions like Europe and the US poses a financial risk.

**Fluctuating electricity rates and decarbonization levies**
Data center operations and manufacturing, consuming 80-90% of Fujitsu's total energy, are highly vulnerable to electricity price fluctuations. Due to the stability of the wholesale electricity market and the increase in the amount of renewable energy introduced, the rising renewable energy feed-in tariff (FIT) levy in Japan, is projected to increase.

## Climate-related opportunities and financial planning

Fujitsu identifies opportunities arising from climate change, influencing its financial planning:

**Energy efficiency investments**
Fujitsu invests in energy-saving equipment and technologies. This includes R&D for power reduction technologies in data centers and manufacturing processes. These investments aim to mitigate energy cost increases and improve operational efficiency.

**Renewable Energy Transition**
Fujitsu's commitment to RE100 drives investments in renewable energy procurement and infrastructure. The company has already achieved significant progress, with Fujitsu Australia sourcing 46% of its entire operations from renewables in FY2024.

**Sustainability Transformation**
Setting its sights on 2030 and beyond, Fujitsu is expanding its digital services centered on Uvance, strengthening its consulting capabilities to enhance its competitiveness, and executing its AI strategies. We will achieve sustainable growth and enhance corporate value by simultaneously providing new value to our customers and pursuing our own innovation.
The potential for offering new value through sustainability transformation (SX) are major business opportunities.

Image from Squadron Energy and Sapphire Wind Farm who are integral to our Fujitsu Australia PPA

Climate change presents both risks and opportunities for Fujitsu. By investing in energy efficiency, transitioning to renewable energy, Fujitsu aims to navigate the complexities of the climate transition while ensuring long-term business sustainability and creating value for its stakeholders.

# Key takeaway

# 07
# Just Transition and Workforce

## Fujitsu's commitment to a Just Transition

*Supporting People, Communities, and the Planet in our Climate Transition*

Fujitsu's commitment to a Just Transition is intertwined with its sustainability strategy and purpose. This means that as Fujitsu innovates for sustainability and pursues carbon neutrality, it actively considers the social and economic impacts on its employees, communities, and future generations. By prioritizing a fair, inclusive, and equitable transition, Fujitsu aims to build trust in society through innovation, aligning its business practices with its stated purpose of making the world more sustainable. Examples of these are following:

### Renewable Energy Procurement Principle

A just transition to a renewable energy economy necessitates a keen focus on the social considerations embedded within Fujitsu's Renewable Energy Procurement Principle, particularly those that extend beyond mere environmental attributes and RE100 reporting, a truly equitable shift demands prioritizing practices that actively contribute to local society.

This includes selecting renewable energy sources that enable "Local generation for local consumption," thereby keeping energy production and consumption within the same community.

Furthermore, a just transition requires procuring power from sites developed and constructed with the explicit agreement of local society, ensuring that projects avoid making significant negative impacts on the environment or the social fabric of the host community. This proactive engagement and consideration of community well-being are paramount to ensuring that the expansion of renewable energy benefits all, rather than imposing burdens on vulnerable populations.

### Climate education

Over 75 workshops have been conducted across Europe designed to educate participants on the causes and consequences of climate change through an interactive, collaborative card game Climate Fresk. Fujitsu has trained facilitators to host these events for employees, and for local schools and colleges as it helps society by fostering a shared understanding of the scientific consensus on climate change, enabling informed discussions and collective action. This understanding is crucial for the progression to a just transition, as it empowers individuals and communities to advocate for equitable solutions and policies that address climate impacts. To date, 800 people have attended Climate Fresk workshops; 10 of those workshops were delivered in schools or colleges.

## Community engagement

Fujitsu and Kawasaki City in Japan launched a field trial for the "Green Carb0n Club" app, aimed at promoting sustainable behaviors among citizens and businesses. The initiative includes the launch of the "Green Carb0n Farm" city-building game, developed with SEGA XD, which links to the app and encourages environmentally friendly actions.

This trial utilizes gamification to engage participants not just with financial rewards, such as points, but also by appealing to the feeling of 'enjoyment.' Our goal is to create a situation, particularly through local fan communities and similar groups, where more people find decarbonization efforts enjoyable, leading them to participate naturally (without consciously feeling it's an obligation.)

This project aligns with Kawasaki City's goals for achieving a carbon-neutral society. Drawing from past examples, we will leverage incentives, community engagement, and data analysis to encourage participation in the project. This initiative exemplifies how we are actively involving local populations in the shift toward a more sustainable future.

Moving forward, Kawasaki City will explore new strategies to drive behavioral change, while we will enhance our environmental app to improve user experience and visualize citizens' contributions to the city. The app will also utilize secure data analysis to encourage more businesses to participate, helping them verify and plan their environmental actions.

## Advancing social equity and inclusion

Fujitsu integrates social justice into our climate transition. We recognize that vulnerable groups are disproportionately affected by environmental and economic shifts. Our initiatives are designed to embed fairness, foster inclusion, and prevent any negative social impacts.

## Human rights oversight

Integrated with Fujitsu's Human Rights Statement, our approach ensures proactive identification of human rights risks, including those arising from climate-related business changes.

## Regional revitalization and community impact

Fujitsu believes that the transition to Net Zero must contribute positively to the economic and social sustainability of local communities.

## Social impact management and governance

To ensure accountability and transparency in our Just Transition initiatives, Fujitsu employs a robust governance framework:

- **Impact measurement tools**
  A data collection platform evaluates community activities, mapping them to non-financial outcomes such as employee engagement and social inclusion.

- **Alignment with B4SI (Business for Societal Impact)**
  The B4SI Framework enables standardized measurement and management of contributions, such as community investments (including employee volunteerism), and impacts, including social outcomes such as enhanced knowledge for climate action.

Fujitsu's Just Transition commitments are designed not only to mitigate the risks associated with climate change but also to unlock social value. Our transition is about more than achieving Net Zero; it is about building an inclusive, resilient society.

# Key takeaway

# 08 Policy Engagement

Fujitsu has established itself as a leader in climate action by adopting a proactive stance on carbon disclosure, aligning with climate-forward associations, and publicly disclosing its positions. This approach is integral to realizing Fujitsu's Climate Transition Plan

## Dual roles in climate frameworks

**Fujitsu plays two critical roles in climate frameworks, initiatives, and commitments:**

**1** **Promoting Internal GHG Reductions**
Fujitsu is committed to reducing its own GHG emissions to achieve the Paris Agreement's 1.5°C target. Specific activities include having our net-zero science-based target verified by the SBTi, joining RE100, and disclosing information in accordance with the Task Force on Climate-related Financial Disclosures (TCFD is being superseded by ISSB Standards).

**2** **Urging Societal Action**
Fujitsu's commitment to RE100 not only drives its internal GHG reductions but also strengthens its advocacy for broader societal action, evident in its policy recommendations through the Japan Climate Leaders' Partnership (JCLP) and its support for the World Business Council for Sustainable Development's (WBCSD) long-term vision "Vision 2050: Time to Transform.", while actively collaborating with the Japan Climate Initiative (JCI) to build a decarbonized society.

**WBCSD** World Business Council *for Sustainable Development*

## Membership

Fujitsu has been working together with Japan Climate Initiative (JCI) since its inception to build a decarbonized society. Fujitsu endorses the activities mandated by the JCLP and has participated in these activities as an executive member since JCLP was founded.

## Support for Renewable Energy and Climate Risk Disclosure

Fujitsu has published clear position statements supporting renewable energy expansion, clean energy procurement frameworks, and robust climate risk disclosure regulations.

## Public disclosure and reporting

Fujitsu provides annual disclosure of its engagement activities through ESG responses, its Integrated Report, and the Sustainability Data Book. These disclosures demonstrate Fujitsu's commitment to transparency and accountability, allowing stakeholders to track its progress and influence in climate policy development.

Fujitsu's proactive stance on carbon disclosure and alignment with climate-forward associations, and public disclosure of positions underscores its leadership in climate action. By ensuring consistency between public policy positions and climate goals, Fujitsu is well-positioned to drive the transition to a decarbonized society and achieve its net-zero targets. Through these efforts, Fujitsu continues to contribute to global climate solutions and inspires positive change across the industry.

# Key takeaway

# 09 Progress Monitoring

**Fujitsu's robust systems for ESG data tracking and reporting**

Fujitsu has developed a comprehensive framework for tracking, verifying, and reporting its Environmental, Social, and Governance (ESG) performance. This framework is designed to ensure transparency, accountability, and continuous improvement in sustainability practices. It includes robust internal tracking systems, third-party assurance, and a variety of reporting channels to communicate progress to stakeholders.

# Internal Tracking Systems and Key Performance Indicators (KPIs)

Fujitsu's internal tracking systems are integral to monitoring and managing its ESG performance. These systems are designed to capture a wide range of data, enabling the company to assess climate-related risks and opportunities effectively.

- **Data Collection and Management**: Fujitsu employs sophisticated systems to collect and process data related to GHG emissions, energy consumption, water usage, waste generation, and other environmental indicators. These systems ensure data accuracy and facilitate comprehensive reporting.

- **KPIs and Performance Tracking:** Fujitsu has set targets for non-financial management indicators, including GHG emission reductions, customer satisfaction (NPS), operating profit per employee, employee engagement, and diversity leadership. These KPIs are monitored regularly to track progress and ensure alignment with sustainability goals.

**Disclosure system**
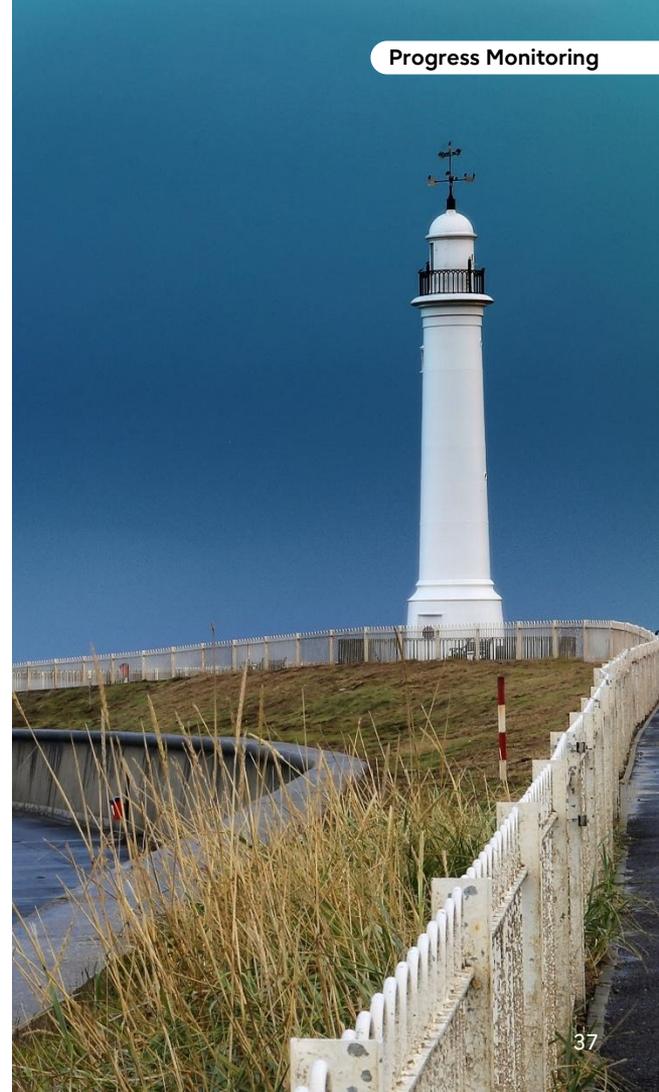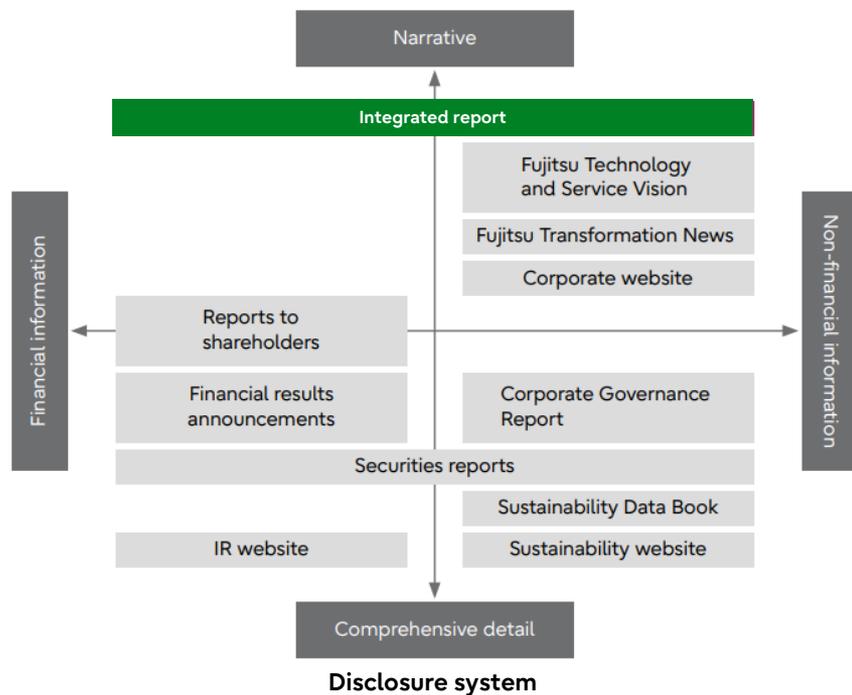
# Reporting frequency and channels

Fujitsu is committed to providing stakeholders with timely and comprehensive information on its ESG performance through various reporting channels.

### Sustainability website
Fujitsu's sustainability website serves as a platform for disclosing non-financial information. The website is updated regularly to ensure stakeholders have access to the latest sustainability data.

Sustainability : Fujitsu Global

### Sustainability data book
The Sustainability Data Book offers a detailed repository of ESG data, including historical data and trend analysis. It provides stakeholders with a granular view of Fujitsu's performance across a wide range of indicators.

Fujitsu Group Sustainability Data Book : Fujitsu Global

### Integrated report
Fujitsu's Integrated Report provides a unified story that includes financial as well as non-financial information, such as our environmental, social, and governance (ESG) activities, describing in a straightforward manner the Fujitsu Group's initiatives toward sustainable growth.

Fujitsu Integrated Report 2025 Fujitsu

### Additional channels
Fujitsu utilizes various other channels to communicate its ESG performance, including its corporate website, press releases, social media, investor relations, analyst relations, and sustainability reports to DJSI, and other rating agencies.
Employee communications are also used to share sustainability goals and initiatives internally.

## Continuous improvement and stakeholder engagement

Fujitsu is committed to continuous improvement in its sustainability reporting practices, striving to meet the evolving needs of stakeholders and foster trust and accountability.

- Fujitsu conducts regular materiality assessments to identify the most important issues for both stakeholders and the business, ensuring its sustainability efforts are strategically focused. This process involves identifying, analysing, and prioritizing a range of social issues based on their significance to stakeholders and their potential impact on Fujitsu's operations.

- The assessment results directly inform Fujitsu's reporting and business efforts. Issues deemed most material are prioritized in our approach to our Sustainability.

- Fujitsu's business aims to transform its portfolio and offerings by 2030, focusing on ESG contributions and Sustainability Transformation (SX).

ESG data tracking and reporting demonstrate Fujitsu's commitment to transparency, accountability, and continuous improvement. By leveraging internal tracking systems, third-party assurance, and diverse reporting channels, Fujitsu provides stakeholders with comprehensive and reliable information on its sustainability performance, reinforcing its position as a responsible and forward-thinking enterprise.

# Key takeaway

# 10 Scenario Analysis and Resilience

**Fujitsu's strategic use of climate-related scenario analysis**

Fujitsu has long recognized the profound impact of climate change on societal sustainability and business operations. As part of its commitment to addressing climate-related risks and opportunities, Fujitsu employs scenario analysis as a strategic planning tool. This approach informs the development of its Climate Transition Plan (CTP), enabling the company to minimize identified risks and maximize opportunities.

**Importance of scenario analysis**

Scenario analysis is a critical component of Fujitsu's strategic planning process. It allows the company to explore potential futures based on varying climate conditions and assess their implications for business operations. By examining scenarios of 1.5°C and 4°C global warming, Fujitsu can identify significant risks and opportunities, ensuring its strategies are resilient and adaptive.

**Conducting scenario analysis**

Fujitsu conducted comprehensive scenario analyses extending to 2050. These analyses focused on sectors likely to be impacted by climate change, including Sustainable Manufacturing, Trusted Society, and Hybrid IT. The scenarios were established using information from reputable sources such as the IPCC, IEA, and government agencies.

Global outlook of a 1.5°C "carbon-neutral world in 2050"
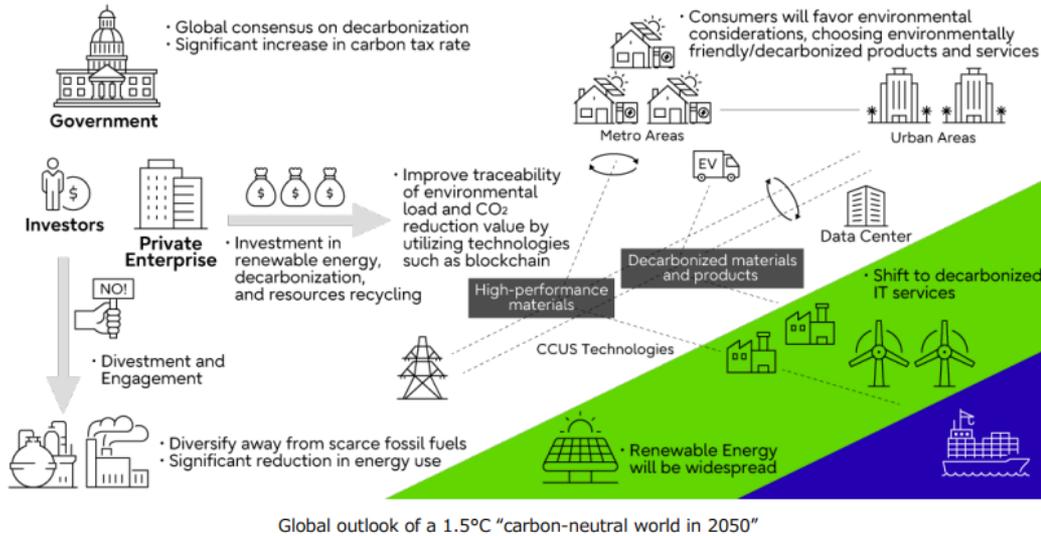
# Identifying risks and opportunities

**Fujitsu's scenario analysis revealed several climate-related risks and opportunities:**

- **Transitional and physical risks**
  These risks negatively impact Fujitsu's operations and supply chains. Rising electricity prices and regulatory changes pose significant challenges, requiring proactive management.

- **Opportunities for innovation**
  Developing services and IT products that contribute to climate change mitigation and adaptation offers opportunities for increased sales. Fujitsu's commitment to renewable energy and energy efficiency positions it to capitalize on these opportunities.

## Strategic resilience and business strategy

The scenario analysis confirmed Fujitsu's strategic resilience in the medium- to long-term. The company's ability to seize opportunities by helping customers resolve climate-related issues enhances its business strategy. Fujitsu's environmental strategy, aligned with TCFD (ISSB Standards) recommendations, focuses on reducing environmental impact while maintaining its role as a trusted IT services provider.

Fujitsu's strategic use of climate-related scenario analysis demonstrates its commitment to addressing climate change and ensuring sustainable growth. By identifying significant risks and opportunities, Fujitsu's Climate Transition Plan is informed by robust analysis, enabling the company to minimize risks and maximize opportunities.

# Key takeaway

FUJITSU