

PFU
Sustainability Report
2021

Corporate Profile

Company name: PFU Limited
Capital: 15 billion yen
Sales: 134.5 billion yen (consolidated for fiscal 2020)
Employees: 4,491 (PFU Group, as of July 2021)
Foundation: May 1962 (Establishment: November 1960)
Shareholder: Fujitsu Limited
Headquarters: Nu 98-2 Unoke, Kahoku-shi, Ishikawa
929-1192 Japan

Our Business

■ Document Imaging Operations

- Development and manufacturing of image scanners
- Development and services for software products such as OCR for business use, support for form development, and document management
- Development and manufacturing of products such as keyboards that are targeted at individuals

■ Computer Product Operations

- Development and manufacturing of industrial computing products
- Development and manufacturing of network security appliance products
- Development and manufacturing of self-service terminal products

■ Infrastructural Customer Service Operations

- Maintenance services for our own products and multi-vendor products
- Installation kitting/construction/development services
- Infrastructure/cloud installation and operational maintenance services
- Network security setup and operational maintenance services

Main Sites

Headquarters: Kahoku-shi, Ishikawa
Yokohama Headquarters: Yokohama-shi, Kanagawa
ProDeS Center: Kahoku-shi, Ishikawa
Kansai Branch: Osaka-shi, Osaka
Tokai Branch: Nagoya-shi, Aichi
Shinbashi Service Center: Minato-ku, Tokyo

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PFU Group (as of July 1, 2021)

- **Affiliated Companies (5 companies in Japan)**

- PFU IT Services Limited
- PFU Quality Service Limited
- PFU Techno Wise Limited
- PFU Life Agency Limited
- PFU Creative Services Limited

- **Affiliated Companies (10 companies overseas)**

- PFU Shanghai Co., Ltd.
- PFU Shanghai Information System Co., Ltd.
- PFU Jiangsu Nantong Information System Co., Ltd.
- PFU America, Inc.
- PFU Canada Inc.
- Fujitsu Computer Products of America, Inc.
- PFU(EMEA) Limited
- PFU Hong Kong Limited
- Fujitsu South China Limited
- PFU Asia Pacific Pte. Ltd.

Period of Publication

This report is published for the period of April 1, 2020 to March 31, 2021. Some content from March 2020 and before and April 2021 and after is also included.

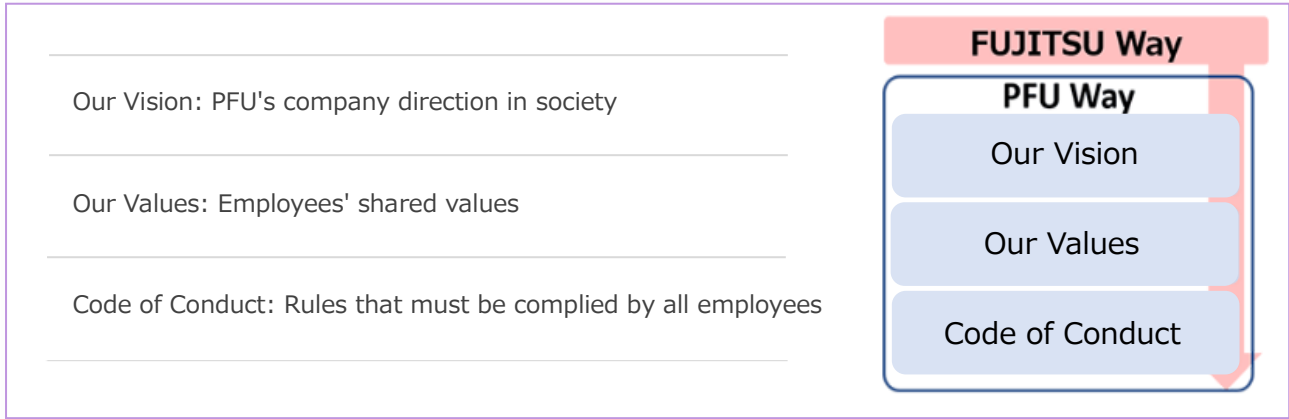
This report was created to give information related to the sustainability of PFU Limited and PFU Group.

PFU Way

PFU established the "PFU Way" in August 2020. PFU Way, derivative norms of Fujitsu Way, sets forth guiding principles for every decision and action of all PFU employees around the world. PFU Way consists of three components: "Our Vision", "Our Values" and "Code of Conduct".

Sustainability

Our Values
We will solve social issues through co-creation activities.



Our Vision

Providing value to the customers as their premier Edge Solution Partner

As an engineering group, PFU aims to be a leading solution partner that paves the way to a brighter future for our customers involved in both analog and digital

Our Values

- We will bring vision and excitement to our customers.
- We will create the world's best technology.
- We will solve social issues through co-creation activities.

Our Vision

Code of

Conduct

- We will respect human rights.
- We will comply with all laws and regulations.
- We will conduct fair trade.
- We will protect and respect intellectual property.
- We will maintain confidentiality.
- We will not commit acts for personal gain.

Our Values

Code of
Conduct

PFU is a premier Edge Solution Partner that delivers on-site value and contributes to the development of our customer's business and to society.

In recent years, with the advent of innovative technologies such as AI, robotics, IoT, and 5G, the digital transformation of society has advanced, and ICT is becoming an indispensable part of creating a prosperous society. Nowadays, people are unconsciously using various ICT services daily and enjoying smart lifestyles and work styles.

As shown by the SDGs that aim to realize a sustainable society, there is a need for innovations that are compatible with solving social issues such as global environment conservation and economic growth in this digital revolution.



Our mission is to maximize the potential of ICT and continue to contribute to the development of customers and society.

Even in a world where the external environment has changed drastically and the future is uncertain, aka the VUCA era, we will keep taking on challenges through trial and error.

We will be an "Edge Solution Partner that provides value to customers on-site", and we promise to provide better products and services, creating the future together with you.



President and Representative Director *Izumi Nagahori*

Sustainability Management

By acting based on the PFU Way, we will realize our vision, work to solve social issues, and aim for the coexistence of business and economics.



Connecting Business and the SDGs

PFU Way/Our Policy for Promotion of SDGs/Our Business Plans



PFU Way

Our Vision
Providing value to the customers as their premier Edge Solution Partner

Our Values

- (1) We will bring vision and excitement to our customers
- (2) We will create the world's best technology
- (3) We will solve **social issues** through co-creation activities

Code of Conduct

Design and promote business plans that connect together the PFU Way, our vision, and our policy for promotion of SDGs on the premise that the coexistence of business and economic activity comes first.



Major goals for SDGs that PFU can contribute to through its business activities

4 QUALITY EDUCATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	17 PARTNERSHIPS FOR THE GOALS
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Mapping Out of Measures for Vision Realization Based on the Policy for Promotion of SDGs

Organized the measures to realize our vision to fit into the framework of the policy for promotion of SDGs according to the perspectives of "Substance", "Material", and "Material" to be utilized for mapping out of company-wide strategy and business strategy, or for planning of measures to be taken.

Providing value to the customers as their premier Edge Solution Partner

(1) Customer value	(2) Technical value	(3) Social value
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PFU Policy for Promotion of SDGs

Measure (1) Clarification and PR for action realizations that...
Measure (2) Promoting ESG...
Measure (3) Promoting ESG...
Measure (4) Promoting ESG...
Measure (5) Promoting ESG...
Measure (6) Promoting ESG...
Measure (7) Promoting ESG...
Measure (8) Promoting ESG...
Measure (9) Spending up action on diversity

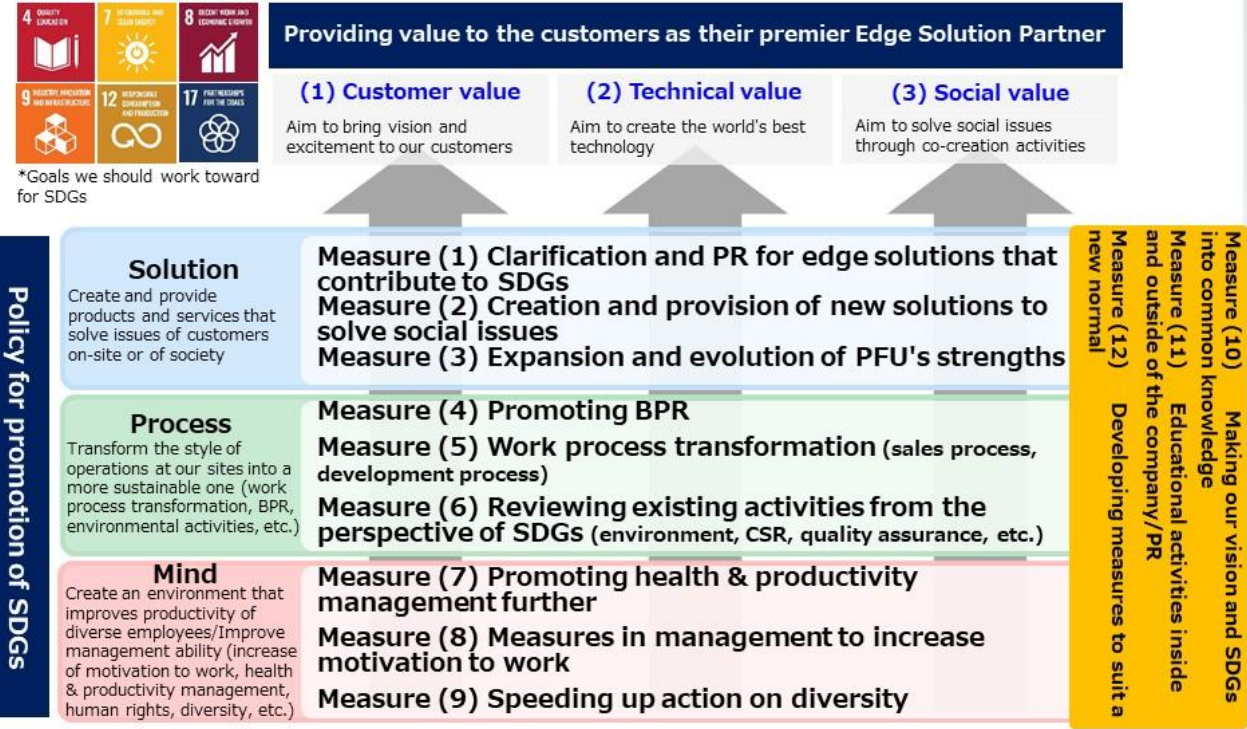
Approach for SDGs

PFU established its "policy for promotion of SDGs" in July 2020. "12 measures" have been designated and operations have begun. The policy for promotion of SDGs and 12 measures select six core goals that PFU can achieve from among the 17 goals in the SDGs, and we are focusing on actions to advance these.

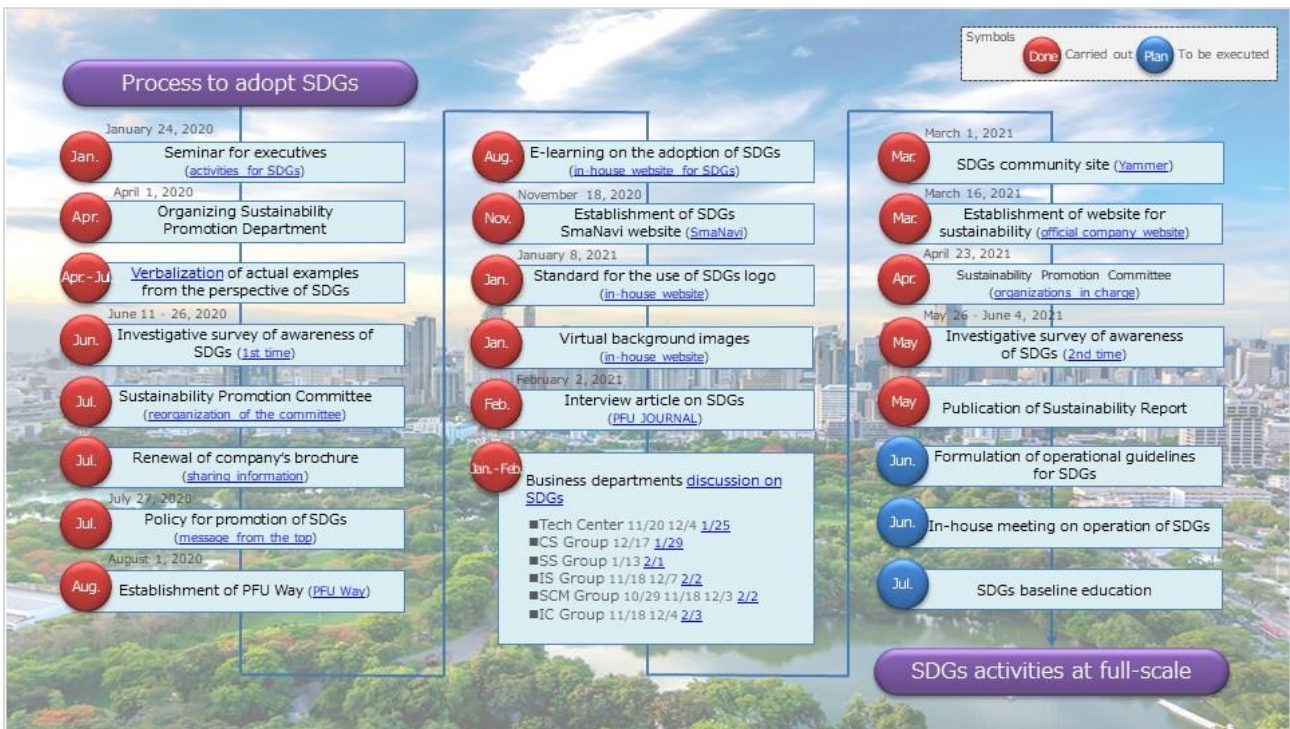
Policy for SDGs
Established
7/27/2020

Mapping Out of Measures for Vision Realization Based on the Policy for Promotion of SDGs

Organized the measures to realize our vision to fit into the framework of the policy for promotion of SDGs according to the perspectives of "Solution", "Process", and "Mind". To be utilized for mapping out of company-wide strategy and business strategy, or for planning of measures to be taken.



In line with its efforts toward SDGs, PFU has specified a "process for adoption of SDGs". In January 2020, we held a "seminar for executives", so that the senior executives could start taking the first initiative toward advancements. Now, we are proceeding with taking steps together with all employees.

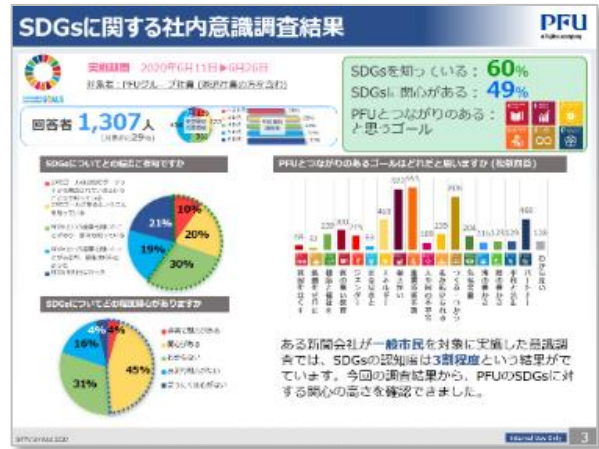


To promote steps toward the SDGs, we are utilizing activities such as an "investigative survey of awareness of SDGs", "e-learning on the adoption of SDGs", "in-house website for SDGs", and "in-house social networking service for SDGs" with the expectation that our employees' motivation will be maintained and increased.

Investigative Survey of Awareness of SDGs

In order to realize our vision as PFU and simultaneously implement steps to achieve the SDGs, we performed an investigation in the form of a survey to test the understanding of employees regarding SDGs.

Our company employees had a 60% understanding of the SDGs. In this survey, out of the 17 goals of the SDGs, our employees chose "8: Decent Work and Economic Growth" and "9: Industry, Innovation and Infrastructure" as the top two goals that we should work toward.



E-learning on the Adoption of SDGs

Along with making "general knowledge and social trends" for the SDGs into common knowledge, this was also executed with the goal of deepening knowledge regarding "the direction PFU is taking to adopt the SDGs". We carried out this project with the intention to introduce the broad vision and the information required when working toward the SDGs. Moreover, we did this to encourage employees to take into consideration the relationship with the business operations of PFU, which would foster the learning of new habits for the natural awareness of "the resolution of social issues".



Establishment of In-house Website for SDGs

We established and have been utilizing an in-house website for SDGs, so that all employees can obtain the latest information on and can take action according to PFU's structured approach to SDGs, which connects together the PFU Way, our vision, our policy for promotion of SDGs, and our business plans. From March 2021, we set up the "PFU SDGs community", an in-house social networking service, to enable the exchange of information on SDGs between company employees.



S Sustainability
E Environmental
S Social
G Governance

Discussion on SDGs

In order for our business and the SDGs to coexist, we held an in-house discussion between each business division in our company and our in-house SDGs business division. The aim of these two months of discussions was to utilize the business operations handled by each business division to realize the provision of contributive solutions for the resolution of social issues in the marketplace and for our customers.



The following slides show actual examples of contributions to the resolution of social issues that PFU has provided solutions for in the marketplace, verbalizing the contributions from the three perspectives of "technical value", "customer value", and "social value". By making such slides from the stage of planning of new solutions, we hope to develop a business that has an awareness of social issues.

By Providing Operational Management Services for a Society with a New Normal, We Can Contribute to the Security and Safety of Our Customers and Employees

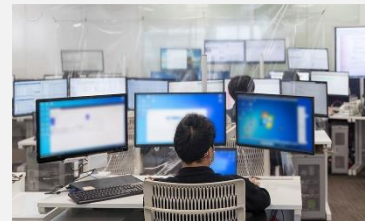
Social Background/Challenges

- Confrontation with unprecedented situations such as the coronavirus, which has been rampant around the world, or the Great East Japan Earthquake, which inflicted a huge amount of damage, has urged industries to promote "measures for safety and security" even more than before, including reformation of the way we work, such as working from home (remote work) and avoiding the three Cs.



The PFU Approach (Technical Value)

- Reducing risk and ensuring safety by having engineers do remote work and by creating an environment where engineers can go directly to customers and directly home afterward
- 24 hours/day, 365 days/year, nonstop "Unified Management Center (UMC)" that manages 800 engineers across Japan, observes and manages essential ICT devices, and handles more than 100,000 alerts a month



Value Felt by Customers (Customer Value)

- Sustaining and deepening the feeling of security for our customers with our policy that "our service level won't change"
- Our 24 hours/day, 365 days/year "nonstop center" to maintain not only PFU's own products but also the products of other companies and provide a sense of security that our customers' essential networks will not stop

Connection to Society (Social Value)

- Contribution to the reformation of the way we work for customers and engineers by changing and evolving to suit a society with a new normal
- By providing 24 hours/day, 365 days/year nonstop service, we can contribute to the sustainment of safe and secure social action for society as a whole



PFU's Scanners and OCR Software Make Huge Contributions

to Local Government's Processing of Applications

Social Background/Challenges

- In order to make fast payment of the "Special Cash Payments" for the coronavirus, 2,600 or more applications needed to be processed per day, and moreover frequent changes to specifications demanded an adaptable approach. Additionally, the need for workers who could focus exclusively on work related to examination and payment created a situation where data input and format changes needed to be swiftly dealt with by only two employees, and thus **reduction of labor** and **reformation of the way we work** presented themselves as challenges.

The PFU Approach (Technical Value)

- With the paper feeding technology of the "fi-7180", even folded applications can be scanned with no delays
- With the high-precision character recognition of "DynaEye 10", processing performance can be improved
- Based on an ample amount of actual results, the appropriate device/product can be selected and smoothly introduced



Value Felt by Customers (Customer Value)

- Even applications folded into small pieces can be processed smoothly without worrying about paper jams
- Contents of applications from residents can be converted into data the same day (2,600 applications/day at a peak period)
- Even if application specifications change frequently, workers can handle these changes themselves in a short amount of time

Connection to Society (Social Value)

- Able to handle the application status of all different kinds of residents
- Speed-up of providing service to residents
- Improvement of work environment for administrative workers (reduction in time required to complete tasks)
- Automatic robotization of simple tasks to support **reduction of labor** in order to **reform work style**



Support for Work in Medical Settings

Social Background/Challenges

- Due to increasingly sophisticated medical treatment, the aging population, preventative medical care, and other factors, the number of patients is on the rise. Meanwhile, hospitals and pharmacies continue the advancement of ICT to **improve the efficiency of work** and **improve the work environment** as they aim for **high-quality medical services**.

PFU

Customers

Society

The PFU Approach (Technical Value)

In addition to documents such as medical questionnaires and medical prescriptions, the compact fi-800R scanner can also scan ID cards and passports all on one machine

Value Felt by Customers (Customer Value)

- By digitizing information originally stored and managed on paper, searchability improves and work becomes more efficient
- Due to simplified operability and saving of space, the work environment improves

Connection to Society (Social Value)

- **Increased work efficiency** and **an improved work environment** provide increased motivation to work
- Support for smooth hospital management and **high-quality medical services**



Automation and Robotization of Factories to Support the Reduction of Labor, Improved Quality, and Increased Productivity

Social Background/Challenges

- In manufacturing factories, advancements in automation and robotization are being made in order to work toward both improved quality and improved productivity, while also actualizing the **reduction of labor**. Thus, industrial robotics are now in demand that support the ability to connect to a network, offer the versatility of being switchable remotely, and are highly robust. **The reformation of the way we work** is another challenge that has emerged.

The PFU Approach (Technical Value)

- We offer a COM Express board controller that is small form factor, as well as having both high processing capability and low energy consumption, making it optimal for the control of industrial robots. It also has high environmental endurance, and is highly reliable and has high design flexibility that includes strong RAS features.



PFU

Customers

Society

Value Felt by Customers (Customer Value)

- High design flexibility and strong support for designs enables the rapid preparation of core parts for industrial robots
- With our strong response and ability to offer solutions if by any chance a problem occurs, and moreover with our high reliability that enables stable operation, we can safely provide robots to factory locations

Connection to Society (Social Value)

- We can achieve improvement in quality and improvement in productivity to support lasting economic growth
- We can use the automation of simple tasks to support **reduction of labor** in order to **reform our work style**



Carbon Neutral

PFU aims to be completely carbon neutral by 2050. We want to achieve the goal of zero CO₂ emissions coming from the PFU group (Scope 1, Scope 2).

In order to achieve carbon neutrality, we have created a "roadmap to completion", and while promoting the sustainable conservation of energy, we are also advancing toward the adoption of renewable energy.

PFU wants to contribute fully to efforts to prevent global warming to realize a sustainable society.

Roadmap to Achieve Carbon Neutrality



Target for Reduction in Amount of CO₂ Emissions (Scope 1, Scope 2)

Goal for 2030	Goal for 2050
33% reduction compared to fiscal 2013	100% reduction

Renewable Energy

The Fujitsu Group to which PFU belongs has joined RE100 (Note) as a Gold Member, which makes PFU a member of RE100. Our goal is to make the electric power consumed by our business into 100% renewable energy by 2050.



(Note) RE100 is convened by the Climate Group in partnership with CDP. In Japan, as a regional partner, the Japan Climate Leaders' Partnership (JCLP) has helped Japanese companies join RE100 since April 2017.

Sharing Information

PFU is sharing information about sustainability and SDGs on its website.

PFU aims to be a business that can contribute to "solutions to social issues" and "a design for a sustainable society". We have posted a "Sustainability" page on our public website to share information about our way of thinking, course of action, and future direction for "sustainable operation", "environment (E)", "society (S)", and "governance (G)".

In addition, we have built an environment to distribute information within the company to raise awareness of SDGs among workers in the PFU group.

With the aim to create a business that has awareness of both industry and society, we have established an "in-house website for SDGs" and "in-house social networking service for SDGs" in which we encourage development of solutions to resolve social issues through our business operations and call for support in activities to make an environmental society.



Stakeholder Engagement

Through engagement with our customers, community, supply chains, company employees, and other stakeholders, we make efforts to solve social issues.



Customers	<ul style="list-style-type: none"> • Eco Mark Award 2015 Prize (image scanner) • Ishikawa Ecodesign Award (silver prize) (2020, Ishikawa prefecture) • BCN scanner division, #1 share for 11 consecutive years (2021)
Supply Chains	<ul style="list-style-type: none"> • Green procurement (Fujitsu Group) • CSR procurement (Fujitsu Group)
Community	<ul style="list-style-type: none"> • Hama Road Supporter (Yokohama city) • Ishikawa Satoyama ISO (Ishikawa prefecture) • We entered into a contract to take part in voluntary activities such as weeding and beautification of the environment to help maintain the beauty of the reclaimed land in the Kahoku Lagoon (in Kahoku) and the function of its agricultural facilities
Company Employees	<ul style="list-style-type: none"> • 2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program (PFU Group) • Eruboshi certification (2019, level 3) • 2020 Yokohama Health and Productivity Management Accreditation (Class AAA) (Yokohama Headquarters) • Ishikawa Health and Productivity Management Declarative Business (Ishikawa Headquarters)

Environmental Management System

Results in Acquiring Independent Certification

We acquired certification for our Kasashima site (Ishikawa prefecture) in October 1996, the month in which the ISO14001 Environmental Management System Standards were issued. After that, we expanded our certified sites. All sites and sales and maintenance service bases across Japan received certification by October 2008. In addition, an overseas affiliated company has also received certification in March 2010.

Because the Tokyo headquarters and the Tokyo Development Center were relocated to the newly-built Yokohama headquarters in October 2014, we acquired the certifications accordingly in March 2015.

October 1996: Kasashima site (Ishikawa)

May 2001: Headquarters/Ishikawa Development Center (Ishikawa), Tokyo Development Center (Tokyo)

April 2004: Tokyo Headquarters (Kanagawa)

February 2006: Kansai Branch (Osaka), Tokai Branch (Aichi), Shinbashi Service Center (Tokyo)

November 2006: ProDeS Center (Ishikawa), PFU Techno Wise Takamatsu Plant (Ishikawa)

October 2008: Sales and maintenance services in Japan (21 sites)

March 2010: PFU Shanghai (Shanghai, China)

March 2015: Yokohama Headquarters (Kanagawa) (Operations in the Tokyo Headquarters and Tokyo Development Center were combined)

April 2016: PFU Quality Service Limited (Kanagawa)

For this certification, all of the sites, the sales and maintenance service bases, and four affiliated companies located within the bases in Japan, as well as an overseas affiliate, which are listed above, are now registered as a multi-site system operating under one management system.

E Environmental

The PFU Group as a whole is making advancements through environmental management system operations.



Ishikawa Headquarters



Yokohama Headquarters



ProDeS Center

Contents of ISO14001 Certification

Scope of Certification: Design, development, manufacture, sales and maintenance of Hardware of Computer, Peripheral Device, Application Device and Software conducted in PFU Limited, PFU Quality Service Limited, PFU Techno Wise Limited, PFU Life Agency Limited, PFU Creative Services Limited, and PFU Shanghai Co., Ltd.

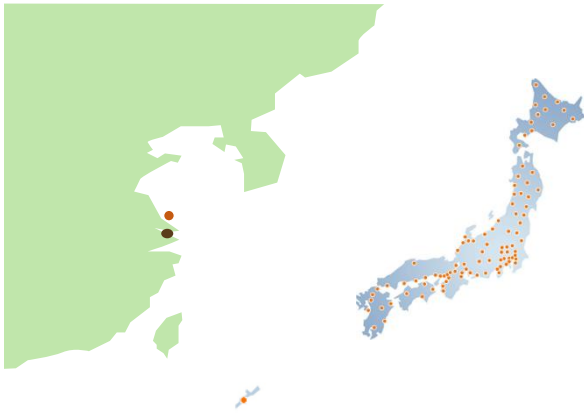
Certification Number: EC99J2029

Registration Date : October 29, 1996

Renewal Date : October 29, 2020

Issuance Date : September 30, 2020

Certifying Organization: Japan Audit and Certification Organization for Environment and Quality (JACO)



S Sustainability

E Environmental

S Social

G Governance

PFU Environmental Charter/Environmental Policy

PFU Environmental Charter
(Sixth edition)
Revised on August 1, 2020
PFU Limited

This charter, derivative norms of PFU Way, is established to ensure the thorough and implementation of "Directionality" "Sense of Values" and "Code of Conduct" which are common to all PFU Group companies.

Our Vision
"Providing value to the customers as their premier Edge Solution Partner"

Our Values
"(3) We will solve social issues through co-creation activities"
We will grow together with our customers and our partners with high technology and aspirations and create businesses that will dramatically change the world. We will contribute to the realization of a sustainable society through co-creation activities.

Code of Conduct Regarding Environment
The PFU Group members deem contribution to the sustainability of the earth to be one of the social responsibilities of a business, and will act with an awareness that they are living thanks to the blessing of the earth and with an awareness for the environment.

Perspectives of Efforts for Environment
With the aim to transform ourselves into "a premier Edge Solution Partner who provides value to customers", we will take action from the three perspectives of "Solution", "Process", and "Mind" to promote our business in a sustainable way that realizes both the solving of social issues and economic growth.

- i. **Solution** Create and provide products and services that solve issues of customers on-site or of society
- ii. **Process** Transform the style of operations at our sites into a more sustainable one
- iii. **Mind** Create an environment that improves productivity of diverse employees/Improve management ability

PFU Environmental Charter
Sixth edition Revised on August 1, 2020
Fifth edition Revised on June 9, 2020
Fourth edition Revised on May 16, 2016
Third edition Revised on November 19, 2002
Second edition Revised on March 31, 1995
First edition Established in July 1993

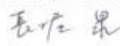

PFU Limited
The Office: Sustainability Promotion Department, Business Strategy Office

Environmental Policy

The PFU Group aims to become a solution partner that will open the way to the future by using edge technology to resolve issues in any environments (where digital and analog data are interrelated) for our customers.

1. We shall contribute to resolving social issues as an edge solution partner that provides values in any environments for our customers.
 - (1) Industry and technological innovation (Green Solution)
 - Continuous creation and provision of eco-efficient products
 - Promotion of environmentally conscious solutions and services
 - Promotion of green procurement
 - (2) Job satisfaction, economic growth, and climate control (Green Process)
 - Improvement of quality and enhancement of business efficiency
 - Promotion of global warming countermeasures
 - (3) Partnership (Green Mind)
 - Promotion of an environmentally conscious culture
2. We shall comply with all applicable environmental laws and regulations, as well as any other standards that we have decided to adopt. Furthermore we shall prevent pollution by establishing our own standards and appropriately managing environmental facilities, related equipment and harmful chemical substances.
3. We shall establish an Environmental Management System in compliance with ISO14001, and promote environmentally conscious business development, all the while continually improving an Environmental Management System to better conserve the environment for improvement of Environmental Performance.
4. We shall endeavor to raise all of our employees understanding of our environmental activities, and improve their environmental awareness through environmental education, advertising, and social contribution activities. In addition, we will endeavor to work on global environmental conservation such as tackling climate change and conservation of biodiversity through our business and civic activities to be role models in society.
5. To promote this environmental policy, we shall establish firm targets and implement effective plans for their achievement.

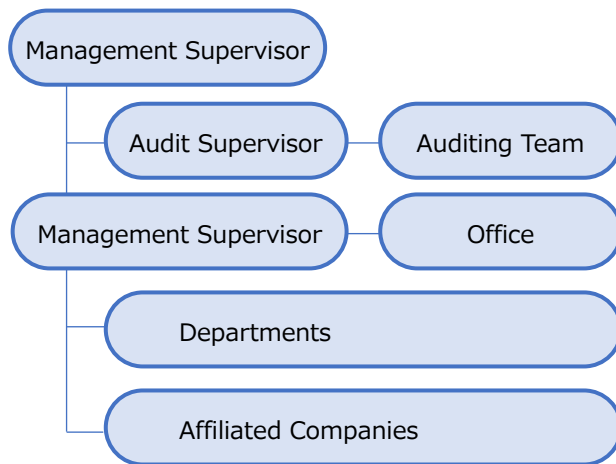
April 2021
PFU Limited

President and Representative Director

Corporate Senior Vice President


This environmental policy is disclosed to the public.

Environmental Management Framework

<EMS Organization>



<Organizations in Charge>



PFU Environmental Action Plan

We have established the Ninth Environmental Action Plan (Fiscal 2019 - Fiscal 2021) and are already working towards it.

Activity		Details		Results from fiscal 2019	Results from fiscal 2020	Targets for fiscal 2021	
Green Solution	1	Continuous Creation and Provision of Eco-efficient Products	To produce products with top-level energy efficiency	Scanner products	Product compliance with the International ENERGY STAR Program Ver.2.0/3.0: 100%	Product compliance with the International ENERGY STAR Program Ver.3.0: 100%	Product compliance with the International ENERGY STAR Program Ver.3.0: 100%
				Embedded computer products	Environmental performance index: 5.19	Environmental performance index: 4.94	Environmental performance index: 4.74 or less
					Amount of reduction in CO ₂ emissions at our customers' sites: 5.6 tons of CO ₂	Amount of reduction in CO ₂ emissions at our customers' sites: 5,726 tons of CO ₂	Amount of reduction in CO ₂ emissions at our customers' sites: 6,500 tons of CO ₂ or more
				Interactive KIOSKS	Environmental performance index: 17.52	Environmental performance index: 16.69	Environmental performance index: 16.6 or less
					Amount of reduction in CO ₂ emissions at our customers' sites: 1,876 tons of CO ₂	Amount of reduction in CO ₂ emissions at our customers' sites: 1,970 tons of CO ₂	Amount of reduction in CO ₂ emissions at our customers' sites: 1,722 tons of CO ₂ or more
				Security products	Environmental performance index: 1.66	Environmental performance index: 1.35	Environmental performance index: 1.286 or less
					Amount of reduction in CO ₂ emissions at our customers' sites: 785 tons of CO ₂	Amount of reduction in CO ₂ emissions at our customers' sites: 773 tons of CO ₂	Amount of reduction in CO ₂ emissions at our customers' sites: 841 tons of CO ₂ or more
				Solutions	Amount of reduction in CO ₂ emissions at our customers' sites: 6,021 tons of CO ₂	Amount of reduction in CO ₂ emissions at our customers' sites: 5,491 tons of CO ₂	Amount of reduction in CO ₂ emissions at our customers' sites: 5,491 tons of CO ₂ or more
				Customer services	Amount of reduction in CO ₂ emissions at our customers' sites: 34.1 tons of CO ₂	Amount of reduction in CO ₂ emissions at our customers' sites: 44.2 tons of CO ₂	-
				To comply with environmental labels (EPEAT)		Acquisition of EPEAT: 100%	Acquisition of EPEAT: 100%
2	Promotion of Environmentally Conscious Solutions and Services	To reduce our customers' environmental burden by expanding our environmentally conscious solutions and services	At least one suggestion per department (20 out of 21 departments)	At least one suggestion per department (19 out of 19 departments)	At least one suggestion per department (9 departments)		
3	Promotion of Green Procurement	To promote procurement from suppliers that work aggressively in consideration of the environment	Promotion of activities to reduce CO ₂ and to preserve water resources to the upper stream in the supply chain: 100% understanding of business partners' activities	Promotion of activities to reduce CO ₂ and to preserve water resources to the upper stream in the supply chain: 100% understanding of business partners' activities	Promotion of activities to reduce CO ₂ and to preserve water resources to the upper stream in the supply chain: 100% understanding of business partners' activities		

Green Process	4	Improvement of Quality and Enhancement of Business Efficiency	To reduce the burden on the environment with improved business operations	(40 out of 42 departments)	(41 out of 45 departments)	At least one suggestion per department (32 departments)
	5	Promotion of Global Warming Countermeasures	To cut the amount of energy consumption.	Crude oil conversion value: 3,198 kL	Crude oil conversion value: 3,235 kL	Crude oil conversion value: 3,224 kL
Green Mind	6	Promotion of an Environmentally Conscious Culture	To promote the protection of the environment through not only environmental and social contribution activities and biodiversity conservation activities, but also through sharing environmental activity information and improving operation	Promotion of social contribution activities (21 projects)	Promotion of social contribution activities (15 projects)	Promotion of social contribution activities (20 projects)
				Promotion of the sharing/transmitting of environmental information and improving operation of environmental activities (37 projects)	Promotion of the sharing/transmitting of environmental information and improving operation of environmental activities (38 projects)	Promotion of the sharing/transmitting of information about SDGs and improving operation of environmental activities (43 projects)
				Continuous improvement of the management system (1 project)	Continuous improvement of the management system (1 project)	Continuous improvement of the management system (1 project)

The environmental performance index is calculated by the amount of power consumed per product and the number of shipments.

The amount of reduction in CO₂ emissions at customers' sites are calculated from the number of solutions and services provided.

Results from Activities in Fiscal 2020

During fiscal 2020, the second year of the Ninth Environmental Action Plan (Fiscal 2019 - Fiscal 2021), we pursued 17 environmental targets and achieved 15 of them.

✓: Target Achieved -: Target Not Achieved

Activity	Details	Fiscal 2020				
		Target	Result	Evaluation		
Green Solution	1 Continuous Creation and Provision of Eco-efficient Products	To produce products with top-level energy efficiency	Scanner products	Product compliance with the International ENERGY STAR Program Ver. 3.0: 100% (sum of 5 models)	Product compliance with the International ENERGY STAR Program Ver. 3.0: 100% (sum of 5 models)	✓
			Embedded computer products	Environmental performance index: 4.98 or less	Environmental performance index: 4.94	✓
				Amount of reduction in CO ₂ emissions at our customers' sites: 5,000 tons of CO ₂ or more	Amount of reduction in CO ₂ emissions at our customers' sites: 5,726 tons of CO ₂	✓
			Interactive KIOSKs	Environmental performance index: 18.41 or less	Environmental performance index: 16.69	✓
				Amount of reduction in CO ₂ emissions at our customers' sites: 1,950 tons of CO ₂ or more	Amount of reduction in CO ₂ emissions at our customers' sites: 1,970 tons of CO ₂	✓
			Security products	Environmental performance index: 1.42 or less	Environmental performance index: 1.35	✓
				Amount of reduction in CO ₂ emissions at our customers' sites: 790 tons of CO ₂ or more	Amount of reduction in CO ₂ emissions at our customers' sites: 773 tons of CO ₂	-
			Solutions	Amount of reduction in CO ₂ emissions at our customers' sites: 4,250 tons of CO ₂ or more	Amount of reduction in CO ₂ emissions at our customers' sites: 5,491 tons of CO ₂	✓
			Customer services	Amount of reduction in CO ₂ emissions at our customers' sites: 32.2 tons of CO ₂ or more	Amount of reduction in CO ₂ emissions at our customers' sites: 44.2 tons of CO ₂	✓
			To comply with environmental labels (to acquire EPEAT)	Acquisition of EPEAT 100% (sum of 2 models)	Acquisition of EPEAT: 100% (2 models)	✓
2 Promotion of Environmentally Conscious Solutions and Services	To reduce our customers' environmental burden by expanding our environmentally conscious solutions and services	Achieving at least one target per department (19 departments)	Achieving at least one target in all departments (19 departments)	✓		
3 Promotion of Green Procurement	To promote procurement from suppliers that work aggressively in consideration of the environment	Promotion of activities to reduce CO ₂ and to preserve water resources to the upper stream in the supply chain: 100% understanding of business partners' activities (64 partners)	Promotion of activities to reduce CO ₂ and to preserve water resources to the upper stream in the supply chain: 100% understanding of business partners' activities (64 partners)	✓		

Green Process	4	Improvement of Quality and Enhancement of Business Efficiency	To promote improved business operations (to reduce the burden on the environment with improved business operations in areas such as quality and efficiency)	Achieving at least one target per department (45 departments)	Achieved by 41 departments Not achieved by four departments	-
	5	Promotion of Global Warming Countermeasures	To cut the amount of energy consumption (Purchased electricity and gas are converted into crude oil)	Crude oil conversion value: 3,258 kL or less	Crude oil conversion value: 3,235 kL	✓
Green Mind	6	Promotion of an Environmentally Consciously Culture	To promote the protection of the environment through not only environmental and social contribution activities and biodiversity conservation activities, but also through sharing environmental activity information and improving operation	Promotion of social contribution activities: 15 projects	Promotion of social contribution activities: 15 projects	✓
				Promotion of the sharing/transmitting of environmental information and improving operation of environmental activities: 38 projects	Promotion of the sharing/transmitting of environmental information and improving operation of environmental activities: 38 projects	✓
				Continuous improvement of the management system	Completion of continuous improvement of the management system	✓

Eco-efficient Products

We make efforts to develop and provide eco-efficient products that support "energy-saving", "3R design (*1)", and "management of used chemical substances" in order to reduce the burden on the environment throughout the product's entire life cycle. In fiscal 2020, in order to contribute to reducing the environmental burden at our customers' sites by releasing more products with advanced environmental performance, we engaged in activities setting the improvement of environmental performance as an environmental target for products, solutions, and services in all our business departments and promoted the development and provision of eco-efficient products.

Main Achievements of Fiscal 2020

Producing products with top-level energy efficiency	Scanner products	As planned, we complied with the International ENERGY STAR Program Ver. 3.0 for a sum of 5 newly-developed models.
	Embedded computer products	To make environmental contributions, we made efforts to develop better products by improving the environmental contribution indexes that we defined based on our own standards. We have also made efforts to reduce the environmental burden at our customers' sites by providing our products for customers.
	Interactive KIOSKs	To make environmental contributions, we made efforts to develop better products by improving the environmental contribution indexes that we defined based on our own standards. We have also made efforts to reduce the environmental burden at our customers' sites by providing our products for customers.
	Security products	To make environmental contributions, we made efforts to develop better products by improving the environmental contribution indexes that we defined based on our own standards. We have also made efforts to reduce the environmental burden at our customers' sites by providing our products for customers.
	Solutions	We have made efforts to reduce environmental burden at our customers' sites by providing our solutions for the customers.
	Customer services	We have made efforts to reduce environmental burden at our customers' sites by providing our services for the customers.
Complying with environmental labels	Scanner products	As planned, we acquired certification for a sum of 2 new models that are to be expanded to North America, for EPEAT (Electronic Product Environmental Assessment Tool), an environmental evaluation system for electronic products adapted as a system for promoting green purchasing, primarily in organizations related to the American government.
		As our environmentally conscious activities, such as 3R design and energy-saving functions became recognized, a sum of 2 new models received Eco Mark certification.

(*1) 3R design: Design in which the concepts of "Reduce", "Reuse", and "Recycle" are taken into consideration.

Main Eco-efficient Products for Fiscal 2020

We contribute to reducing the burden on the environment from our customers' business by offering products that comply with the Act on Promoting Green Procurement with energy-saving and 3R design features, and furthermore that comply with various environmental standards. Information about the compliance of our scanners with environmental standards is published on our official company website.



ScanSnap iX1600



ScanSnap iX1400

- Product compliance with the Act on Promoting Green Procurement
- Product compliance with the International ENERGY STAR Program Ver. 3.0
Power consumption during sleep mode:
iX1600 1.6 W or less
iX1400 1.5 W or less
- Eco Mark certified product (17 155 060)
- Product compliance with chemical substance regulations (RoHS Directive, REACH Regulation, etc.)



Information for EPEAT 4.7.2.2: [Public disclosure of supply chain toxics](#)

Environmentally Conscious Solutions and Services

We provide environmentally conscious solutions and services that contribute to reducing the burden on the environment from our customers' business, such as energy conservation and paperless work, through more efficient business, reduced consumption, reduced movement, and efficient use of space. In fiscal 2020, we moved forward with the activities that contribute to reducing the environmental burden on our customers, such as developing and shipping various solutions and services, and expanding the provision of solutions and services that utilize scanners.

Main Achievements of Fiscal 2020

Reducing our customers' environmental burden by expanding our environmentally conscious solutions and services	Activity	Product
	<ul style="list-style-type: none"> Development and shipment of environmentally conscious solutions Expansion of the provision of solutions and services that utilize scanners Promotion of virtualization, cloud negotiation, etc. 	<ul style="list-style-type: none"> DynaEye form OCR BIP Smart PaperStream Capture

• Digitalization Solutions for Transactional Documents

"Seals and papers" hinder the efficiency of all kinds of work both within and beyond a company. Our solution is to support the efficiency of our customers' business by reevaluating transactions and business operations that use "seals and papers" through the many possible applications of PFU services.

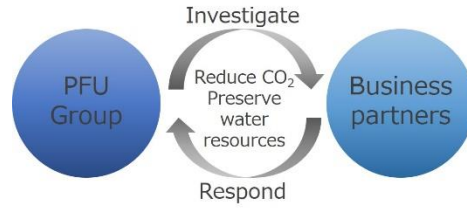
Telework has become the new normal and continues to spread, but paperwork such as the stamping of contracts and payment processing of invoices received by postal mail presents obstacles.

Through the support of multiple transfer methods for transactions and the collective digital management of transactional documents, it becomes possible to do work without "seals" and "papers" and to enable contracts and digital transactions without seals, while also respecting the need to preserve evidence.



Green Procurement

To provide eco-efficient products, we established "PFU Group Green Procurement Direction", which specifies basic requirements for our suppliers, and we promote environmental activities together with our suppliers. In fiscal 2020, we promoted activities to reduce CO₂ and to preserve water resources to the upper stream in the supply chain for target business partners, and gained an understanding of the activities of all business partners.



Main Achievements of Fiscal 2020

Promotion of procurement from suppliers that work aggressively in consideration of the environment	Promotion of activities to reduce CO ₂ and to preserve water resources to the upper stream in the supply chain (21 new companies + 43 existing companies = 64 companies: 100%)
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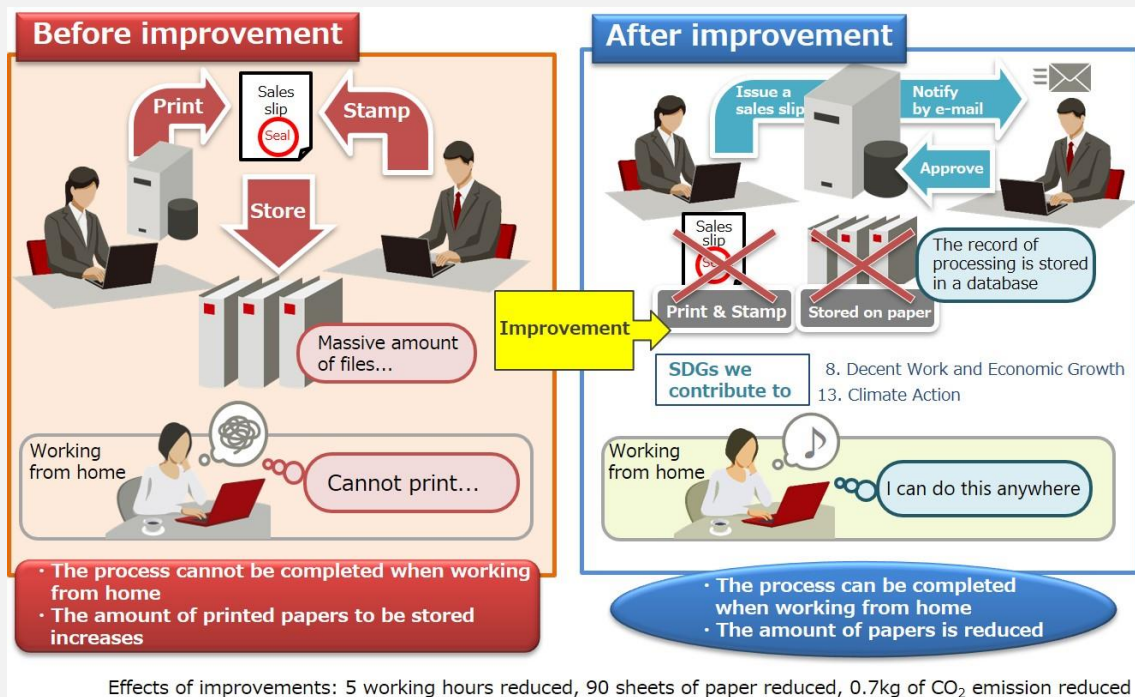
Improvement of Quality and Enhancement of Business Efficiency

Even in in-house work, we promote the reduction of the environmental burden through the enhancement of business efficiency and the improvement of quality using IT, which leads to promoting environmental activities that are focused on our core business. Activities for enhancements are shared as Idea Snap Activities (in-house improvement activities). To promote spreading the activities throughout the company, examples are regularly introduced.

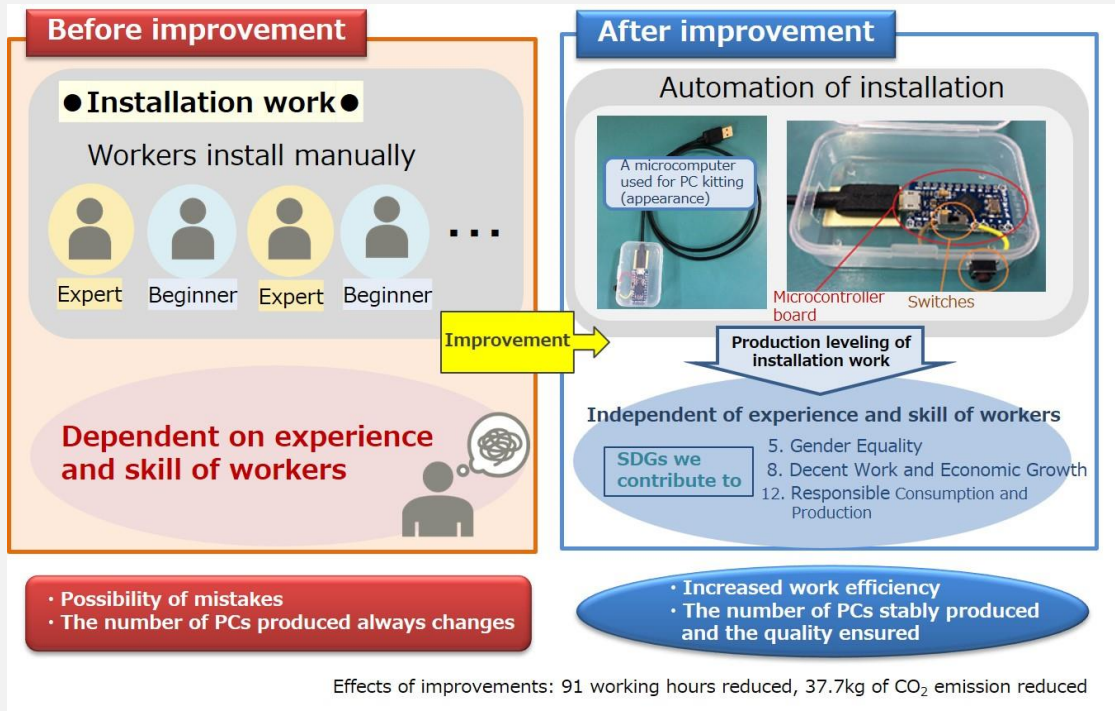
In fiscal 2020, we made our environmental targets consistent with our quality targets and promoted the reduction of the environmental burden by improving the quality, efficiency, and delivery time for our core business, including product development and in-house business related to provision of products, solutions, and services, as well as other activities.

Examples of Improvements in Fiscal 2020

• Paperless Management of Order and Sales Forms



• Improved Efficiency of Installation Work for PC Kitting Process

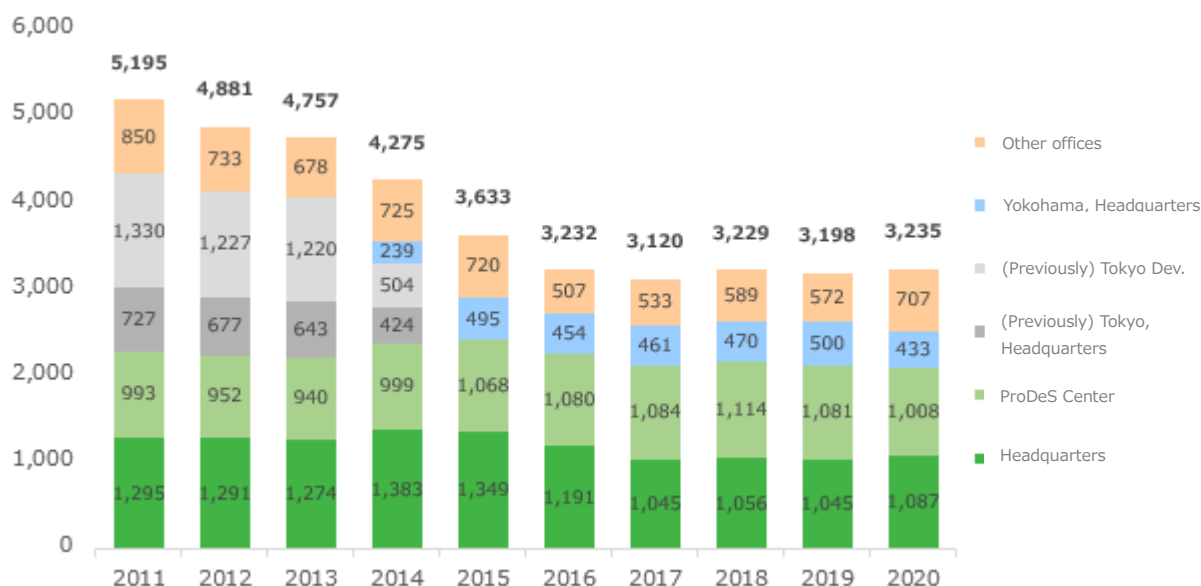


Global Warming Countermeasures

To prevent global warming, we engage in energy-saving and power-saving activities to reduce the amount of energy consumption. (*2)

In fiscal 2020, we have made efforts such as enhancing the effects of power-saving by introducing a power-saving device at the ProDeS Center and installing insulated glass at the Shinbashi Service Center.

Trends in Energy Consumption (Crude Oil Conversion Value: kL)



(*2) Amount of consumption of purchased electricity, gas, and heat, converted into crude oil (kL)

Energy-saving Effects of Updated Facilities (ProDeS Center)

At the ProDeS Center (Bld. A & B), the transition to LED light is complete, and when combined with updated air conditioning units, we achieved a successful 10% reduction in electric power compared to results from the previous year.

Installation Location	ProDeS Center (Bld. A & B)
Start of Operation	August 2020
Reduction in Electric Power	-347,000 kWh (-48%, compared to the amount of power consumption before the devices were installed)

Installation Location	ProDeS Center (Bld. A)
Start of Operation	April 2020
Reduction in Electric Power	-86,000 kWh (-11%, compared to the amount of power consumption before the devices were installed)



Efforts for a Wider Dissemination of Renewable Energy

PFU will contribute to a wider dissemination of renewable energy as a company of the Fujitsu Group that has joined RE100 (Note 3) as a Gold Member.

[Fiscal 2020: Amount of purchased green power: 10,000 kWh]



(Note 3) RE100 is convened by the Climate Group in partnership with CDP.

In Japan, as a regional partner, the Japan Climate Leaders' Partnership (JCLP) has helped Japanese companies join RE100 since April 2017.

Environmentally Conscious Culture

Our Group workers promote the protection of the environment through environmental and social contribution activities and biodiversity conservation activities, by entering into a contract and working together with the community and the local government around the company sites. In 2020, to prevent the spread of the coronavirus, some regularly held annual events were canceled, but we participated in events such as tree-planting activities in the reclaimed land in the Kahoku Lagoon and Hama Road Supporter activities.

List of Main Activities

No.	Event name	Date	Implemented at:
1	Green Fund donation	May 31, 2020	Ishikawa
2	Turning the Lights Off	June 21, 2020	All offices/locations
3	Displaying Certificate of Green Power (at PFU Digital Fair)	June 25, 2020	On the web
4	Creation workshop (distribution of environment leaflets)	August 1, 2020 to August 2, 2020	Ishikawa
5	Cutting grass around the PFU Techno Wise Takamatsu Plant	October 8, 2020	Ishikawa
6	Hama Road Supporter activities	November 11, 2020	Yokohama Headquarters
7	Plantation of nandina saplings	December 10, 2020	Ishikawa
8	Displaying Certificate of Green Power (at PFU Charity Concert)	December 5, 2020	On the web
9	Use of local ingredients in the company cafeteria	July 2020 to December 2020	Ishikawa
10	Tree-planting activities of trees to block out wind on the Kahoku Lagoon reclaimed land	March 13, 2021	Ishikawa
11	Collection of plastic bottle caps	All year	All the sites in the nation
12	Collection of used disposable wooden chopsticks	All year	Tokai Branch
13	Conversion of food residue into fertilizer	All year	Ishikawa
14	Social contribution through sports	All year	Ishikawa, all sites in the nation
15	Support for regional education	All year	Ishikawa

Volunteer Activities for Kahoku Lagoon Reclaimed Land

In March 2007, we entered into a contract to take part in voluntary activities such as weeding and beautification of the environment to help maintain the beauty of the reclaimed land in the Kahoku Lagoon (in Kahoku) and the function of its agricultural facilities, as private company No. 1 for the Kahoku Lagoon reclaimed land Improvement Area and Kahoku Lagoon reclaimed land Periphery Improvement Area. In accordance with this contract, we will also join in the activity of planting trees to block out wind in March 2021.



Tree-planting activities on the Kahoku Lagoon reclaimed land

Green Fund Donation and Plantation of Nandina Saplings

Every year we donate to the "Green Fund", and we plant the saplings we are gifted in return on the grounds of our headquarters. The purpose of the Green Fund is to plant trees, protect forests against droughts and other problems, educate children about forests and the environment, help with African green belt restoration activities, and more.



Plantation of nandina saplings

Local Environment Beautification Activities

As part of our CSR activities and environmental activities, we participated in the Hama Road Supporter activities sponsored by Yokohama City at the Yokohama Headquarters.

As a group company initiative, employees at PFU Techno Wise cut grass around the Takamatsu plant (in Kahoku) in October.

Food residue recycling

We continuously achieved zero waste emissions by switching food residue recycling from the in-house food recycling system to the regional food recycling system (outsourced with an outside vendor) in the community.



Hama Road Supporter activities



Reducing Food Waste by Using a Food Recycling System

Environmental Awareness & Communication

We strive to increase our employees' environmental awareness through efforts such as holding environmental facility tours and sharing environmental information. We also respond to inquiries about the environment from our customers.

First Online "Environmental Facility Tour for Employees"

On June 19th, we held an online "environmental facility tour for employees" as one of the events for Environment Month.

The tour of facilities and equipment related to energy and waste at PFU provided an opportunity for the 34 participants to get a deeper understanding of how these related to everyday work.



■Toured Company Environmental Facilities:

Cleaning center, emergency-use electric generators, outdoor air conditioning units, PCB waste management facility, lead-acid battery management facility

PFU Creation Workshop 2020

On August 1st and 2nd, we held this event in collaboration with the Kahoku educational committee's "Kahoku Shimin Daigakko" (lifelong learning activities for Kahoku residents). Due to social distancing, the number of people allowed to participate was lower than normal years, but 20 groups including people from Kahoku city and our company employees and their families participated.

The aim of these activities is to cultivate the next generation in the community. We held this event for the 12th time this year.



Collection of plastic bottle caps

We contributed to the reduction of waste emissions by donating plastic bottle caps.

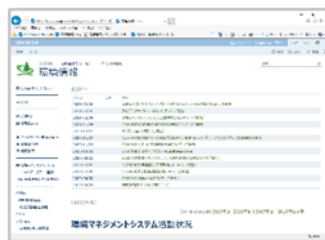
(Implemented at: Headquarters, ProDeS Center, Yokohama Headquarters, Kansai Branch/Tokai Branch/Shinbashi Service Center, service bases, etc.)

[Fiscal 2020: 260,456 bottle caps (weight : 595.7 kg)]

Sharing Environmental Information

Our company now presents information related to environmental activities, introduces the environmental activities of each department, and covers current topics, event information, and environmental news on our in-house intranet.

Also, in "Idea Snap Activities", which allow for improvement activities to be shared throughout the company, we are showing the environmental effect of reducing the amount of paper or electricity used. We are trying to enhance the motivation for improvements among our employees by regularly making an honorable recognition of good proposals.



Portal site for environmental information for employees



Idea Snap Website

Requests and Inquiries from Outside Our Company

In fiscal 2020, we responded to 207 requests and inquiries, such as questionnaires and survey requests regarding the environment submitted to our company by customers, the government, industrial groups, and others. There were no environmental claims.

	Requests and Inquiries	Number of Requests
1	Requests about products and services (Example: Request for REACH/RoHS surveys, survey on the use of chemical substances specified by a customer, etc.)	119
2	Requests other than those related to products (Example: Request for provision of data about the environment from customers, the government, industry organizations, etc.)	87
	Total	206

Sharing Environmental Information

We transmit and introduce "information about eco-efficient products" and "environmental activities" via our official website and at events.

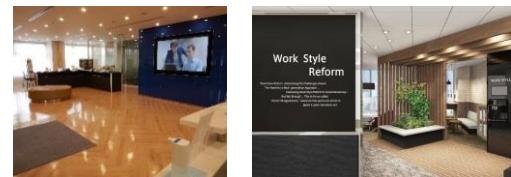
Environmental Report

Since 1994, we have been issuing an annual environmental report as the "PFU Environmental Report" (and the English version since 2003). From 2021, we are issuing it as the "Sustainability Report". We publish this information on our website. In addition to this report, we also share the latest information about eco-efficient products on our official website.



Showroom

We set up showrooms at our main sites in Japan to display our eco-efficient products, such as scanners and embedded computer products, and other environmentally conscious solutions.



Headquarters Yokohama Headquarters

Participation in Exhibitions

Every year, we participate in environmental exhibitions to introduce our eco-efficient products and environmental activities.

We exhibited our eco-efficient products and solutions at the "PFU Digital Fair 2020" (held online), where we exhibit our latest technology and products. In the NEW Environmental Exposition, we gave a presentation that focused on projects for new types of business, starting with an AI device that automatically separates recyclable waste.



Exhibiting eco-efficient products and solutions (PFU Digital Fair 2020)

Use of Green Power at Exhibitions and Events

At the "PFU Digital Fair 2020" (held online from June 25th to July 31st) and at the "PFU Christmas Charity Concert" (held in Kanazawa and online on December 9th), we contributed to spreading the use of natural energy in the nation and mitigating global warming by using renewable energy from wind power to supply the equipment in the venues with electricity.



本イベントで使用する電力のうち
1,000KWhを風力発電による自然エネルギーでまかっています。

Notice of Green Power
(PFU Christmas Charity Concert)

Environmental Performance Data

Environmental Accounting

To quantify the costs and benefits of environmental conservation and evaluate environment investment and its benefits, "Environmental Accounting" was introduced in fiscal 1999. In fiscal 2020, this accounting method was applied to seven of our business sites in Japan (Headquarters, Yokohama Headquarters, ProDeS Center, Kansai Branch, Tokai Branch, Shinbashi Service Center, and PFU Quality Service).

Breakdown of environmental accounting results for fiscal 2020 (April 1, 2020 to March 31, 2021) (Unit: One million yen)

Item		Main Scope	Capital Investments	Costs	Benefits
Business area	Pollution prevention costs/benefits	Air pollution prevention, water pollution prevention, etc.	0 (±0)	6 (-1)	0 (±0)
	Global environmental conservation costs/benefits	Global warming prevention, energy-saving, etc.	209 (+209)	280 (+217)	9 (-3)
	Resource recycling costs/benefits	Disposal of waste and effective use of resources, etc.	0 (±0)	20 (-26)	5 (-3)
Upstream/downstream costs/benefits		Collection/recycling/re-merchandising of products, etc.	0 (±0)	0 (±0)	2 (-1)
Management costs/benefits		Maintenance/operation of the Environmental Management System, environmental education for employees, etc.	0 (±0)	67 (+8)	81 (-5)
R&D costs/benefits		R&D for products/solutions that contribute to environmental conservation, etc.	0 (±0)	238 (-5)	1,288 (-115)
Social activities costs/benefits		Contributions/support for organizations involved in environmental conservation, etc.	0 (±0)	0 (±0)	0 (±0)
Costs/benefits to repair environmental damage		Repairs involved in soil/ground water pollution, etc.	0 (±0)	0 (±0)	0 (±0)
Total			0 (+209)	611 (+193)	1,385 (-127)

Numbers in parentheses () are comparisons with the previous fiscal year.

Costs and Benefits of Fiscal 2020

After tallying fiscal 2020, we see that costs increased to 611 million yen (+46% compared to the previous fiscal year), and benefits decreased to 1.385 billion yen (-8% compared to the previous fiscal year).

In fiscal 2020, as capital investments in regard to the conservation of the environment at the ProDeS Center, we upgraded to highly efficient air conditioning equipment and switched to LED light fixtures.

Environmental Conservation

In order to conserve the environment surrounding our sites and comply with the regulations, we perform ongoing management of our facilities, as well as properly manage chemical substances to prevent pollution.

Also, we regularly monitor the burden on the environment from our sites by assessing the actual amount of greenhouse gases, waste material, and water resources emitted/used in business.

Proper Handling of Chemical Substances

We tally the amount of chemical substances that are used for purposes such as designing, developing, evaluating, manufacturing, maintaining, or cleaning up the premises no matter how much there is.

Chemical Substances Subject to PRTR Law

The amount of chemical substances subject to the PRTR law that were handled in fiscal 2020 is shown below. None of the chemical substances were in excess of the annual values which require the relevant prefectural authorities to be notified (*4).

Furthermore, no Special Class I Specified Chemical Substances were handled.

We set a goal to limit the amount we handle to less than the average of fiscal years 2012 to 2014, which was 0.132 tons. Our actual results from fiscal 2020 were 0.136 tons (+3%).

Annual Handled Amount of Chemical Substances Subject to the PRTR Law (Class I Specified Chemical Substances)

(Tons)

Chemical Substance Name	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020
sodium linear alkylbenzenesulfonate	0.007	0.007	0.034	0.031	0.044
Silver and its water-soluble compounds	0.022	0.027	0.028	0.039	0.031
2-aminoethanol	0.003	0.004	0.021	0.026	0.027
Poly (oxyethylene) alkyl ether	0.017	0.015	0.021	0.022	0.022
Sodium dodecyl ether sulfate	0.011	0.012	0.002	0.001	0.006
Toluene	0.000	0.000	0.000	0.000	0.003
n-Hexane	0.001	0.001	0.001	0.001	0.001
2,6-Di-tert-butyl-4-cresol	0.000	0.000	0.000	0.000	0.001
Lead and its compounds	0.001	0.003	0.008	0.000	0.000
Mecoprop	0.000	0.000	0.002	0.001	0.000
Other	0.010	0.017	0.003	0.002	0.001
Total	0.127	0.137	0.135	0.123	0.136

(*4) 1 ton or more per year for Class I Specified Chemical Substances, 0.5 tons or more per year for Special Class I Specified Chemical Substances.

VOC (Volatile Organic Compound)

Although there are no specific facilities that are subject to VOC emission control, we make an independent effort to maintain and manage the amount of VOCs handled.

We set a goal to limit the amount we handle to less than the average of fiscal years 2012 to 2014, which was 1.266 tons. Our actual results from fiscal 2020 were 0.685 tons (-46%).

Annual Amount of VOC Handled

(Tons)

Chemical Substance Name	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020
Isopropyl alcohol	0.768	0.789	0.746	0.555	0.525
Ethanol	0.280	0.336	0.150	0.134	0.097
Butyl acetate	0.051	0.056	0.056	0.066	0.046
Other	0.201	0.108	0.030	0.043	0.017
Total	1.300	1.289	0.982	0.798	0.685

Greenhouse Gases

The amount of greenhouse gases other than CO₂ that were handled in fiscal 2020 is shown below. The annual amount handled in fiscal 2020 is converted to a CO₂ equivalent weight of approximately 12 tons, and is equivalent to approximately 0.2% of emissions from all our sites (5,921 tons).

Our reduction target for the amount (tons) of greenhouse gas emissions handled applies to reduction at all our sites.

Annual amount of greenhouse gases handled (Converted to CO₂)

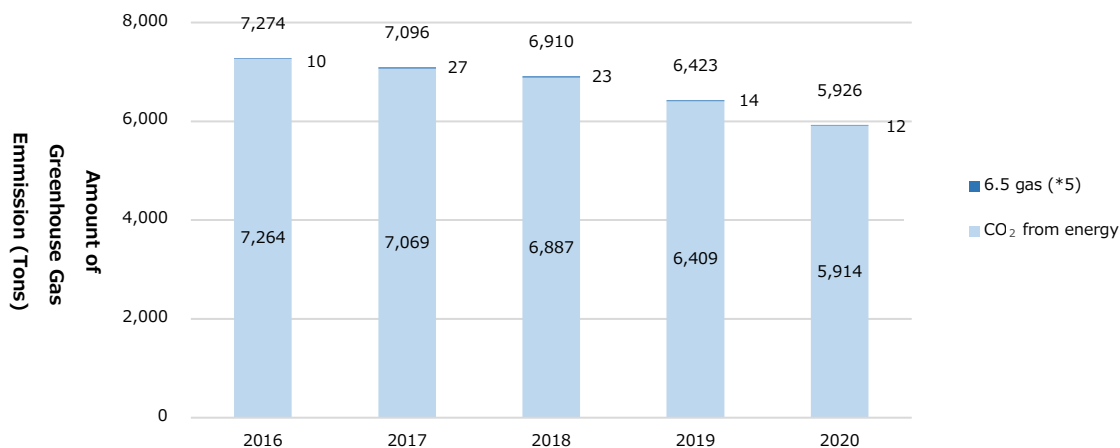
(Tons)

Chemical Substance Name	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020
1,1,1,2-tetrafluoroethane (HFC-134a)	9.245	26.980	23.271	13.974	11.517
1,1-Difluoroethane (HFC-152a)	0.316	0.336	0.023	0.000	0.054
CO ₂ not from energy	0.002	0.000	0.001	0.000	0.001
Total	9.563	27.316	23.295	13.974	11.572

Environmental Burden

Total Amount of Greenhouse Gas (GHG) Emissions (Scope 1, Scope 2)

The amount of greenhouse gas emissions from all our sites in Japan is converted to a CO₂ equivalent weight as shown below.



(Note 5) The amount (tons) of greenhouse gas emissions above is calculated by taking the total of Scope 1 and Scope 2 of the WRI/WBCSD GHG Protocol.

Total of CO₂ from energy (CO₂ emissions due to use of purchased electricity, city gas, liquefied petroleum gas (LPG), and heat (district cooling and heating at the Yokohama headquarters)) and the amount of use of greenhouse gases such as chlorofluorocarbon alternatives (6.5 gas), converted into carbon dioxide.

[Conversion factor]

Purchased electricity: Uses each electric company's conversion factor for the Act on the Rational Use of Energy report

City gas: 2.29 tons of CO₂/1,000 m³ (fixed), Liquefied petroleum gas (LPG): 3.00 tons of CO₂/ton (fixed)

Amount of heat: 0.057 tons of CO₂/GJ (fixed)

Total Amount of Greenhouse Gas (GHG) Emissions (Scope 3) [Results from Fiscal 2020]

The amount of greenhouse gas emissions is converted to a CO₂ equivalent weight as shown below.

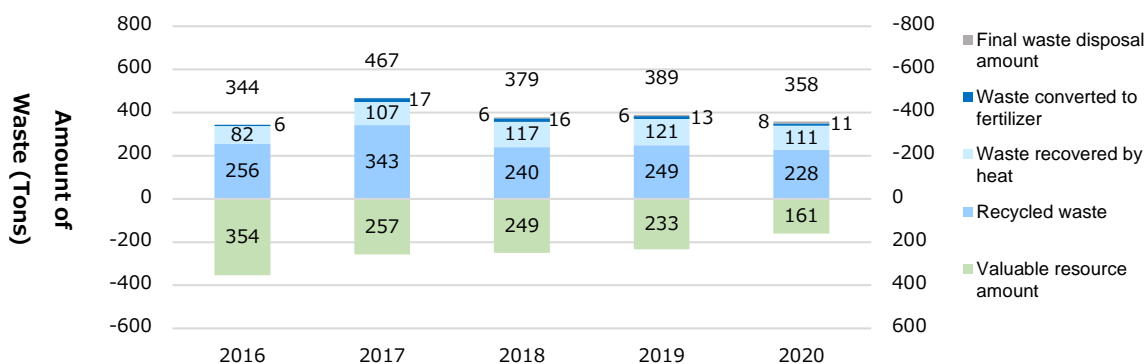
Category	Category Name	Amount of Emission (CO ₂ -t)	Percentage (%)
Category 1	Purchased products/services	152,218.4	45.1
Category 2	Capital goods	7,554.4	2.2
Category 3	Fuel and energy-related activities not included in Scope 1 or 2	4,193.5	1.2
Category 4	Transportation, shipping (upstream)	678.3	0.2
Category 5	Waste from business operations	2.3	0.0
Category 6	Business trips	161.5	0.0
Category 7	Transportation for employees	4,289.3	1.3
Category 8	Leased assets (upstream)	Included in other categories	0.0
Category 9	Transportation, shipping (downstream)	Not applicable	0.0
Category 10	Manufacturing of products sold	Not applicable	0.0
Category 11	Use of products sold	168,672.4	49.9
Category 12	Disposal of products sold	Not applicable	0.0
Category 13	Leased assets (downstream)	Not applicable	0.0
Category 14	Franchises	Not applicable	0.0
Category 15	Investments	Not applicable	0.0
Total		337,770.1	100.0

Amount of Waste

The amount of waste for all our sites in Japan is shown below. We achieved zero waste emissions (*6) in all our offices and factories.

We check that after thermal recycling by means such as the conversion of general combustible matter to RDF (Refuse Derived Fuel), the residue is put to effective use as base material for cement and paving materials.

We set a goal for 5% or more reduction in the amount of waste, down to 527 tons or less from the 555 ton average of fiscal years 2012 to 2014. Our actual results from fiscal 2020 were 358 tons (-32%).

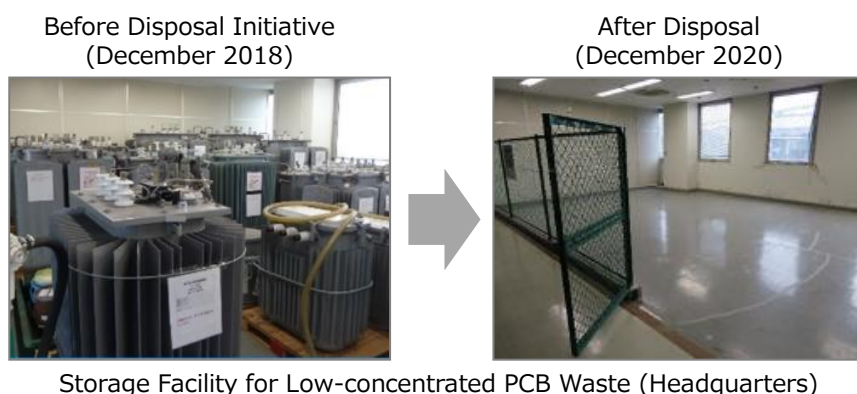


(Note 6) Zero waste emission means that waste produced by our sites is all used effectively, such as through recycling, and disposal by simple incineration or landfills is less than 0.5%. The term "Waste", as used above, specifically includes 11 sub-types, such as sludge waste, oil waste, acid waste, alkali waste, plastic waste, paper waste, metal waste, timber waste, textile waste, glass and ceramic waste, and meat and vegetable waste (cafeteria kitchen waste). Medical waste is not included in this definition.

(Note) The valuable resource amount means the amount of waste resources sold off for monetary compensation. The final waste disposal amount means the remaining waste (landfill) other than recycled waste, waste recovered by heat, and simple incinerated waste.

Disposing of Low-concentrated PCB Waste

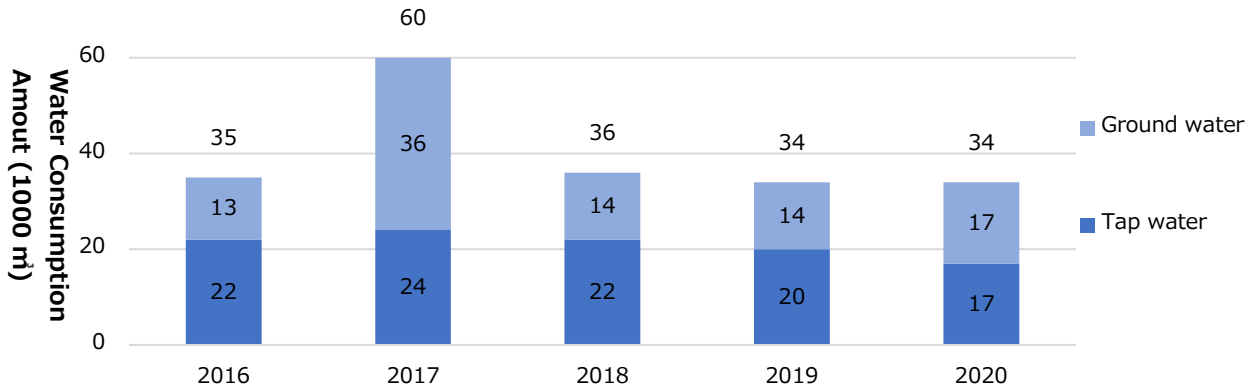
In December 2018, we started disposal of our low-concentrated PCB waste that we had in storage, and we completely disposed of it as planned by fiscal 2020. We completed this six years before March 31, 2027, the deadline set by the government.



Water Consumption/Water Drainage

The amount of water consumption and water drainage for our main sites in Japan is shown below.

Water Consumption Amount

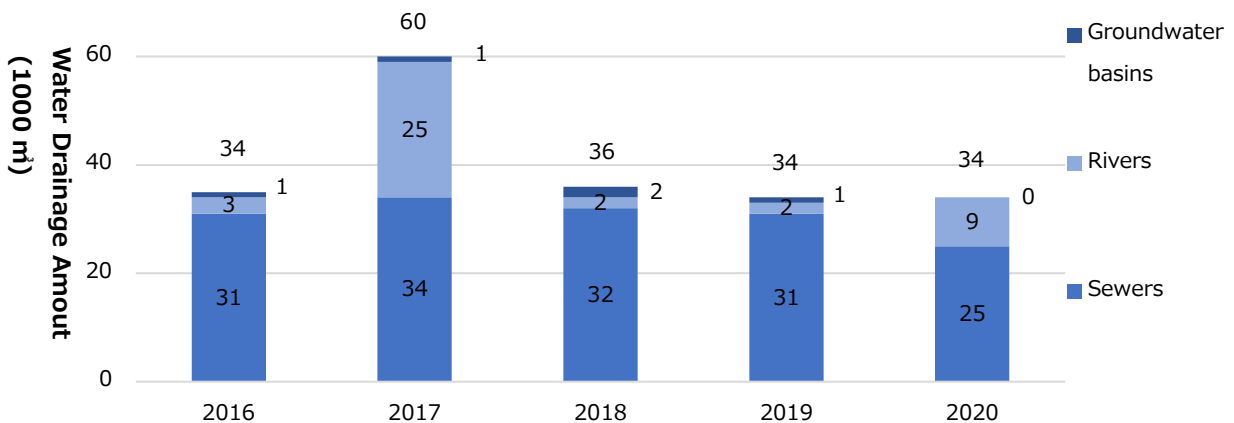


At each site, we use tap water for domestic use and to humidify the office in winter. At our Headquarters, we use ground water to water our plants in summer, and at our Headquarters and the ProDeS Center, we use ground water to melt snow. We use water for our every day needs at our company sites, not for industrial purposes.

For our total water consumption amount, we set a target to reduce it by 1% or more in fiscal 2020 to an amount of 35,600 m³ or less compared to the reference year of 2018. We achieved our target, with the actual results for fiscal 2020 at 34,000 m³ (-4%).

Our water is used for every day purposes. We do not have any water that can be reused or recycled.

Water Drainage Amount



Tap water used for domestic uses drains into the sewer. Ground water used to melt snow drains into the rivers, and water used to water plants and vegetable drains underground. We have been continuously monitoring and measuring water quality by using our own self management values in order to ensure the quality of water that drains from our main sites.

Internal Audits and External Inspections

Internal Audits

Internal audits are carried out by employees certified as auditors, confirming the implementation of each department's environmental activities target set in accordance with the Environmental Policy and confirming that each department upholds various rules, including laws. These audits help improve problems and spread positive activities in our company.

From July 13 to August 3, 2020, we carried out internal audits that were generally performed online of 35 departments in 14 service bases including six affiliated companies. We found two non-compliant cases, seven cases needing improvement, and 39 positive cases, all of which do not violate any laws.

External Inspections

On August 13 and from August 17 to 21, 2020, a certification inspection was conducted by the Japan Audit and Certification Organization for Environment and Quality (JACO) as an ISO14001 renewal inspection. For this audit, the entire inspection was performed online.

We received the results of this inspection with no non-compliant cases, four cases needing improvement, and seven highly-rated cases. Our environmental activities incorporated into our businesses were also evaluated with a statement saying that the activities have been advancing with continuous improvements.

Fiscal 2020 Results of Internal Audits and External Inspection

(Cases)

Classification	Internal Audits			External Inspections (Renewal Inspections)		
	Non-compliant Case	Case Needing Improvement	Positive Case	Non-compliant Case	Case Needing Improvement	Highly-rated Case
Number of Detected Cases	2	7	39	0	4	7

PFU Group Activities

Our group companies PFU Quality Service Limited and PFU Techno Wise Limited are taking action through the PFU environmental management system. Furthermore, PFU Life Agency Limited conducts environmentally related business.

PFU Quality Service Limited

In Atsugi where the headquarters are located, the regional environment beautification activities that are normally held every year were canceled to prevent the spread of the coronavirus. However, we are continuing to reuse the pallets that the distribution department uses, and in fiscal 2020 we reduced the amount of waste correspondingly by 7.2 tons compared to the previous year.



PFU Techno Wise Limited

To prevent the spread of the coronavirus, this year the annual grass-cutting event at Takamatsu Plant, which is normally held in the Environment Month (June), was held in October instead and the number of participants was reduced.



PFU Life Agency Limited

We collect and transport the industrial and general waste, then recycle the waste via a qualified waste disposal contractor.

<Status of Permissions>

Industrial Waste Collection and Transport Operation

■ Ishikawa Pref.: License No. 01707052827

General Waste Collection and Transport Operations

■ Kahoku County and Kahoku City: License No. 07

■ Kanazawa City: License No. 25

■ Hakusan City: License No. 26

Employment

In terms of employment, we are making efforts to promote diversity and respect human rights, as well as to promote employment for people who have disabilities.

S Social

Our company is promoting social activities through health, employment, human rights, sports, cooperation with the local community, and more.

S Sustainability

E Environmental

S Social

G Governance

Employment Status

Number of Employees (as of April 30, 2021)

Consolidated: 4,495 (Domestic: 3,901, Overseas 594)

Composition of Employees

		Fiscal 2019	Fiscal 2020	Fiscal 2021
Number of Employees by Type of Employment (Persons)	Regular	3,441	3,473	3,462
	Non-regular (Note)	449	448	439
Number of Overseas Employees (Persons)		601	619	594
Total (Persons)		4,491	4,540	4,495

(Note) This includes temporary workers, contract workers, part-timers, and so on. Employees dispatched from agencies are not included.

Diversity

		Fiscal 2019	Fiscal 2020	Fiscal 2021
Number of Employees (Persons) Total		3,890	3,921	3,901
Average Age (Years)		43.9	44.2	44.6
Employees by Gender (Persons)	Male	3,124	3,156	3,143
	Female	766	765	758
Ratio of Female Employees (%)		19.7%	19.5%	19.4%

Employment Status

		Fiscal 2019	Fiscal 2020	Fiscal 2021
Average Length of Employment (Years)	Total Average	20 years and 5 months	20 years and 7 months	21 years and 7 months
	Male	21 years and 9 months	21 years and 10 months	22 years and 2 months
	Female	14 years and 9 months	15 years and 5 months	16 years and 2 months
Ratio of New Employees (%)		80.6%	84.5%	-

Status of New Employees (Domestic Only)

Year Joined Company	Gender	Development	SE	CE	Sales	Staff	Manufacturing	Subtotal	Total
2018	Male	25	13	16	7	2	2	65	84
	Female	7	3	1	5	3	0	19	
2019	Male	19	14	17	8	0	2	60	83
	Female	7	2	0	3	9	2	23	
2020	Male	27	14	24	8	1	4	78	93
	Female	2	2	2	6	3	0	15	

Diversity

In a situation where external environments are changing drastically and the path ahead is unclear, what we can see is the importance of creating synergy by demonstrating the potential of all kinds of employees with various traits, abilities, and values, and by mutually accepting each other. Thus, the PFU Group is continuing to promote diversity. We are working on diversity to achieve an environment where individuals can work with various styles of work and continue to thrive, in order to respect each person's individuality.

Labor and Management Conference for the Promotion of Diversity

At PFU, we established the "Labor and Management Conference to Support the Coexistence of Work and Family" from 2004. Mainly, this was designed to focus on the expansion of policies and systems to "make it easy to work". From 2016, to work toward the realization of an environment where all kinds of people can flourish to the fullest, including "women", "people with disabilities", and "senior citizens", we expanded and renamed it as the "Labor and Management Conference for the Promotion of Diversity". From here on, by implementing workable strategies in the PFU Group that build upon this labor and management conference, we aim to create a company where anyone can demonstrate their full potential and feel the "motivation to work".

An Environment where Women Can Flourish

The PFU Group strives to create a work environment that establishes a flexible system where employees can continue to work even after life events such as getting married or having children, and supports networking between female employees. Utilizing the easy-to-work environment formed through this, we are shifting from "support for coexistence" to "support for successful career formation" to further advance the success of women.

Formulation of a "Plan for Action" on the Act on the Promotion of Female Participation and Career Advancement in the Workplace

To promote female participation and career advancement in the workplace, PFU has formulated a general business action plan based on the act on the promotion of female participation and career advancement, and has established goals for improving the ratio of women in leadership and management roles.

Out-of-Company Certifications/Awards (PFU Limited)

✓ **Eruboshi certification**

Certified in 2019, level 3

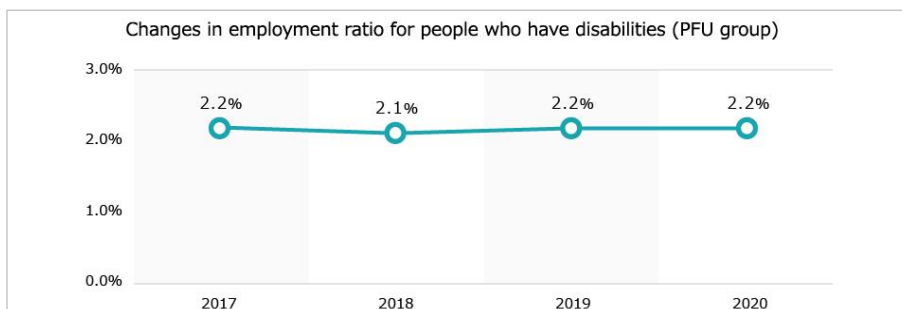
✓ **Other**

Ishikawa Advancement of Men and Women's Cooperative Participation Declarative Enterprise, "Class for Acceleration of Women's Participation"



Employment for People with Disabilities

At the PFU Group, we promote employment opportunities for people with disabilities, with which each individual can maximize their full potential regardless of whether someone has a disability. Further, in accordance with the "PFU Way", we endeavor to build a bright and energetic workplace environment that respects individuality, shows kindness to others, and has a lively exchange of communication.



*From fiscal 2017, we received authorization for business group calculation exception and reported our group consolidated employment rates

Support for Coexistence of Work and Private Lives

In the PFU Group, we are advancing the development of methods for the coexistence of work with childbirth/childrearing, nursing care, and medical treatment.

Work from Home System, Flexible Work System, and Other Expanded Work Systems

In addition to the introduction and expansion of our work from home system, we have expanded our flexible work system and established other such work systems to support the coexistence of childcare and nursing care.

System for Babysitter Fee Subsidization and Contract with Company-sponsored Nursery School

When employees have to work while their children are sick or recovering from illness, we subsidize the fees for babysitter services. Additionally, we have a contract with a company-sponsored nursery school, which employees can use on a monthly basis or when they need care for sick children.

Follow-up between Childcare Leave and Coming Back to Work

We provide information regularly to employees who are on childcare leave. Additionally, we hold seminars every year with the aim to support the return to work and the building of networks.

Formulation of a "Plan for Action" on the Law for Measures to Support the Raising of the Next Generation

To promote the raising of the next generation, PFU has formulated an action plan as a general business operator based on the law for measures to support the raising of the next generation, and has established goals for increasing the proportion of men and women who take parental leave.

Out-of-Company Certifications/Awards (PFU Limited)

- ✓ **Kurumin certification**
2007 certification/2011 certification/2013 certification
- ✓ **Family friendly business department**
Fiscal 2005, directors of prefectural labor bureaus award (Ishikawa prefecture)
- ✓ **Work-life balance grand prize**
2013, excellence award
Granted the "Work-life balance grand prize" excellence award
- ✓ **Other**
Kanagawa prefecture home education cooperative business partner
Children of Kanagawa prefecture child raising support promotional business partner
Ishikawa prefecture child raising for fathers supportive business



Human Rights

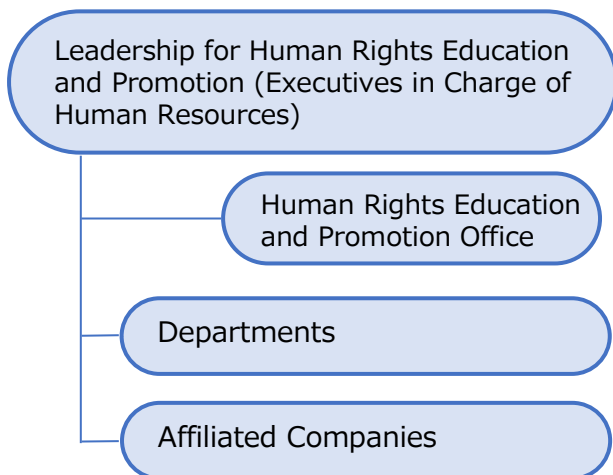
The "PFU Way", which shows the collective values of the PFU Group, regards "respect for human rights" as first and foremost in our code of conduct. Acceptance of diversity and respect for human rights creates a healthy workplace, and it is essential for each and every employee to demonstrate their maximum potential.



Particularly, conduct that qualifies as harassment is a serious problem for human rights that takes away the dignity of employees and ruins the workplace environment. At the PFU Group, conduct that qualifies as harassment is absolutely not tolerated. We are working to create a workplace environment that is safe and comfortable where all employees mutually respect one another.

Promotional System

At PFU, with the executives in charge of human resources taking the lead, we have established an executive office for the education and promotion of human rights within the human resources division. The divisions in charge at each group are linked together to promote the creation of a company environment where harassment does not occur and is not tolerated.



Help Desk for Consultation/Reports on Human Rights

An employee should never have to struggle alone. For this reason, we have established a "help desk for consultation on harassment prevention and human rights protection" to offer advice and hear the opinions of all employees in the PFU Group, and to provide one-on-one consultation and support.

Additionally, our "compliance hotline" accepts reports on compliance violations, including human rights violations, and offers consultation.

Activities/Education to Raise Awareness of Human Rights

At the PFU Group, we use the one month leading up to "Human Rights Week" designated by the Ministry of Justice (December, yearly) as "a month to think about human rights", in which we take various actions to raise awareness of human rights.

Furthermore, starting with compliance education for employees in executive and leadership roles and human rights training taken by all relevant employees such as new recruits and recipients of promotions, we have implemented e-learning that encompasses all employees.

Human Resource Development

Our Vision for Human Resources

For each employee to go forward acting professionally, we have specified "PFU's vision for human resources" as the ideal.

PFU's Policy on Human Resources

In order to be an edge solution partner who provides value to the environments of our customers, each of our employees as professionals must have the passion to repeatedly challenge themselves and continue to grow. PFU has established our vision on human resources as the guidelines for this, and we are implementing a series of human resource policies, including education, evaluation, and recruitment of human resources, in order to form a strong human resource response that provides for all of these factors.



Humanity
We face both people and work with sincerity.
We follow the PFU Way and take action with altruism in our hearts.



Autonomy
We autonomously hold awareness of reformation and improvement and continue to work toward those goals. We think and make our decisions individually with the goal to improve the status quo, and take fast action to produce fruitful results.



Expertise
We have the expert knowledge and skills required to develop technologies that are the best in the world.
We are eager to improve our technologies and distribute information in the organization.

High	Education for Fostering of Early Selected Future Leaders	By-level Education	Business Skill Education	Globalization Education	Career Development Education	Baseline Education	By-division Specialized Education	Self-development
	Job Grade	Management Leader Training Business Leader Training	Top Management Training Middle Management Training Leader Training Skill Up Training By-occupation Specialized Education New Recruit Common Education Prospective Employee Education	Communication Skill Training Management & Leadership Skill Training	Overseas Assignment Preparation Education Global Business Communication Practice Support for Language Learning	Career Design Training	Risk & Compliance Awareness Training	Career Framework Internal/External Specialized Education (Workshops)
Low								

Self-learning Support
(an environment in which one can learn the latest technology or business skills on demand)

Hybrid Training
(cross-training which is comprised of online courses and classroom learning)

Declaration on Health

Based on the "Declaration on the Health of the PFU Group", we aim for "a company where everyone can work healthily and happily".

Declaration on the Health of the PFU Group

At the PFU Group, in order to continue to make progress alongside our customers, we perceive the health of our employees to be one of our management tasks, and we endeavor to improve the health of our employees to live each day actively and aim for "a company where everyone can work healthily and happily".

At PFU, we are continuing to advance our previous initiative for "health management", as well as promoting the self-maintenance of health by employees themselves in an initiative called "building health", for which we are taking action that focuses on the following measures:

1. Strategies for Lifestyle Diseases
Lifestyle diseases are preventable if you lead a healthy lifestyle. In line with the strengthening of specific health guidance, we encourage our employees to take slow and steady steps to move their lifestyle in a positive direction.
2. Strategies for Mental Health
When it comes to mental health, early detection and early treatment are extremely important. By improving self-care as well as company-care, we can make advancements in noticing and offering support immediately.
3. Strategies for Nutrition
Balanced meals are essential to our health. We encourage our employees to build a healthy body nutritionally, by eating healthy meals.
4. Strategies for Quitting Smoking
Quitting smoking is one of the most important things we can do to improve our health. In addition to offering support for quitting smoking to smokers, we want to promote an environment where smokers and non-smokers can both work together comfortably.
5. Creating Awareness of Health
Awareness of health, alongside mental and physical health, is the way to become healthy. We support each individual in raising their awareness of health, so that they can autonomously take action to improve their own health.

Promotional System

With the directors in charge taking on the leading role, we have built a promotional system that joins together occupational health physicians, public health nurses, each group company's department in charge, health insurance associations, and local governments. Policies and yearly plans are reported at places such as board meetings, and then the PDCA cycle repeats.



Health Management (Results of Initiatives)

Strategies for Lifestyle Diseases

To prevent lifestyle diseases, PFU has been focusing on visceral fat and achieving an appropriate level of waist circumference. From fiscal 2016, we changed the focus of our efforts to increasing the ratio of individuals with a BMI within the standard range and the ratio of those provided with specific health guidance.

Strategies for Mental Health

We think creating a sense of harmony between work and life is one of the most important strategies for mental health. Mondays, Wednesdays, and salary/bonus payment days are no-overtime days at our company to encourage work-life balance. Additionally, each quarter we have each employee make a plan for when they will take their paid vacation days, to encourage the taking of paid vacation days in a planned way.

For all employees who worked outside of business hours for more than a certain level in the previous month, we require them to have a consultation with an occupational health physician to prevent mental health issues from overwork. Additionally, based on the results of stress checks, we hold individual consultations with highly stressed individuals, give communication training to managers and leaders, and hold workshops for the improvement of our organization.

Further, when employees return to work after being away from work for a certain period of time, we make sure the departments they belong to stay closely connected with medical professionals such as occupational physicians and public health nurses, and that the return to work is smoothly supported based on the situation of each individual.

Strategies for Nutrition

At the company cafeteria, "Shine Terrace", we take the concept of "a cafeteria that you want to go back to tomorrow" to provide a place with good communication and meals that take health into consideration. Each year, we hold a survey about use of the cafeteria, and we apply the results to the improvement of cafeteria management. Additionally, we share nutritional information such as how to eat healthy meals to raise employee awareness of nutrition.

Strategies for Quitting Smoking

From October 2020, there is no smoking allowed at any time (complete smoking prohibition) at all offices in our group. This ties into reformations to the way we work, designs for how to reduce risks to the health of smokers and reduce harm from secondhand smoke, advancements in our reformed understanding of smoking, and efforts to reduce the ratio of smokers.

Information Sharing

With our company intranet and mail magazines, we share a wide range of health information with all employees of the PFU Group, such as health white papers, strategies for lifestyle diseases, strategies for infectious diseases, and information from health insurance associations, to create an environment where it is easy to obtain health-related information.

Prevention of lifestyle diseases (whole group)							
	Fiscal 2014 (Result)	Fiscal 2015 (Result)	Fiscal 2016 (Result)	Fiscal 2017 (Result)	Fiscal 2018 (Result)	Fiscal 2019 (Result)	Fiscal 2020 (Target)
Percentage of workers who succeeded in losing 3cm by the next year (out of workers over the standard range*)	16.0%	26.2%	-	-	-	-	-
Percentage of workers who stayed within the standard range the next year (out of workers within the standard range*)	92.7%	95.3%	-	-	-	-	-
Percentage of workers with a BMI within the standard range	64.9%	65.0%	63.0%	64.6%	63.8%	63.3%	70.0%
Execution ratio of specific health guidance (percentage of workers who were provided with health guidance)	-	12.7%	25.0%	29.3%	25.4%	42.0%	50.0%

*The standard abdominal circumference range: below 85cm for male, below 90cm for female

Average paid vacation days each worker took (whole group)					
Fiscal 2014 (Result)	Fiscal 2015 (Result)	Fiscal 2016 (Result)	Fiscal 2017 (Result)	Fiscal 2018 (Result)	Fiscal 2019 (Result)
13.7 days	15.0 days	13.9 days	13.9 days	15.4 days	15.4 days

Execution ratio of stress checks (whole group)				
Fiscal 2016 (Result)	Fiscal 2017 (Result)	Fiscal 2018 (Result)	Fiscal 2019 (Result)	Fiscal 2020 (Target)
88.0%	89.0%	91.9%	92.2%	100%



Strategies for quitting smoking (whole group)							
	Fiscal 2014 (Result)	Fiscal 2015 (Result)	Fiscal 2016 (Result)	Fiscal 2017 (Result)	Fiscal 2018 (Result)	Fiscal 2019 (Result)	Fiscal 2020 (Target)
Smoking rate (male)	28.7%	28.4%	27.8%	27.1%	26.7%	26.0%	24.0%
Smoking rate (female)	5.7%	5.3%	5.7%	5.4%	4.5%	4.5%	4.0%

2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program

PFU Group Certified by "2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program (Large Enterprise Category)"

PFU's efforts to improve health were appraised and certified by the "2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program (Large Enterprise Category)", which is sponsored by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi. PFU itself has been certified for five consecutive years since the system was launched in 2017, and all domestic companies in the PFU Group have been certified for four consecutive years.

PFU considers the health of all its employees to be an important management task and plans to keep taking a proactive approach to promote the maintenance of the health of its employees.



Yokohama Headquarters Certified by 2020 Yokohama Health and Productivity Management Accreditation (Class AAA)

The PFU Yokohama Headquarters were certified in 2020 as class AAA, an enterprise of the highest rank, by the Yokohama Health and Productivity Management Accreditation, an administration that gives certifications to enterprises that promote health in Yokohama city. The PFU Yokohama Headquarters has been consecutively certified as a class A enterprise since 2018 when the system was launched. In addition to campaigns such as "Yokohama Walking Point" initiated by Yokohama city, we want to further continue to cooperate with Yokohama city to promote health and productivity management in the future.

Ishikawa Headquarters Certified as Ishikawa Health and Productivity Management Declarative Business

The PFU Ishikawa Headquarters were certified in December 2019 as a business that promotes health and productivity management in Ishikawa prefecture, and as a health and productivity management declarative business that receives support in Ishikawa. Starting with measures to improve eating habits such as by providing a healthy menu at the company cafeteria, in order to promote health for a working generation whose risk of getting lifestyle diseases has increased, we are cooperating with Ishikawa prefecture with the aim to extend healthy lifespans.

Cooperation with the Local Community

Regional Environmental Service Activities

Each and every one of our employees plays a major role in environmental service activities by working together with the community and the local government, who are stake holders, around the company sites.

Implementation of Hama Road Supporter Activities

At the Yokohama Headquarters, we have been contributing since 2015 to the "Hama Road Supporter Activities" sponsored by Yokohama city, in which we periodically clean, beautify, and maintain the environment for the roads near the Yokohama Headquarters.

Date of activities: November 11, 2020

Location of activities: Yokohama-shi, Kanagawa



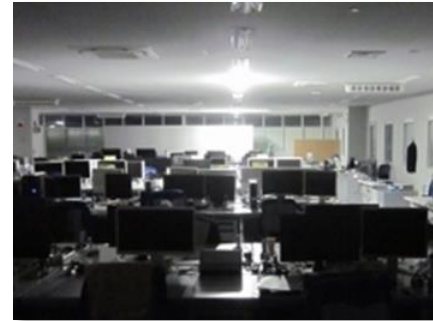
Hama Road Supporter Activities

Turning the Lights Off

We turned the lights off whenever possible, from June 21 (summer solstice) to July 7 (star festival). We used our intranet for employees and digital signs to provide information that encouraged employees to turn the lights off after 8 p.m. both at work and at home.

Date of activities: June 21 to July 7, 2020

Location of activities: All offices



Turning the Lights Off

Hometown Tax Return Gift

The "ScanSnap iX1500" was used as a hometown tax return gift for Kahoku city in Ishikawa prefecture where the Ishikawa Headquarters are located.

Settling of Agreement for Joint Development with Kahoku City to Create a City where It Is Easy to Live

On March 19th, Kahoku city and our company formed an agreement with the goal to make a good city to live in through joint development. We will use PFU's product creation and ICT technology to the fullest as we contribute the following:

1. Realization of a digital society
2. Building of regional society through utilization of new technology
3. Implementation of ICT and DX transformation in administration
4. School education that utilizes digital technology
5. Other improvements to city services through digital technology



ScanSnap iX1500



Signing Ceremony

Cultural Support Activities

We implement cultural support activities to contribute to the regional promotion and formation of culture. To prevent the spread of the coronavirus, we are promoting measures such as temperature checks, ventilation, thorough hand sanitation, and holding events online.

PFU Creation Workshop

This is an event we have been holding since 2007 for local children in Kahoku city. In 2020, in the midst of the coronavirus epidemic, we held an event at reduced scale to teach electronic manufacturing and programming with the theme of creating a hand washing timer using IchigoJam.

Event date:

August 1, 2020 (Saturday), 10 parent-child groups

August 2, 2020 (Sunday), 10 parent-child groups

Location:

Kahoku city Takamatsu industry and culture center



Ishikawa Uchu-no-Gakko (Space Center)

Starting from 2010, teachers and company employees in Kahoku county, Kahoku city, and Kanazawa city have been cooperating to hold activities with a theme of space and natural science. In 2020, to prevent the spread of the coronavirus, we offered courses through online schooling.

Start date of streaming:

- September 27, 2020 (Sunday)
Theme of "autumn constellation story, floating objects with a dryer, continual rotation of a spinning top"
- December 6, 2020 (Sunday)
Theme of "talking about stars, turning anything into a spool of thread, paper tube rockets, Da Vinci's bridge"
- January 24, 2021 (Sunday)
Theme of "online special lecture on Hayabusa 2's return to earth"



Anniversary of PFU's Sixtieth Year in Business

PFU Christmas Charity Online Concert

This year, due to the coronavirus pandemic, we held an online concert. Being able to see each of the performers from a different angle than usual created a concert with a new kind of appeal. To view the concert, we took applications for a "charity viewing fee" from the general ticket sales website, and all of the profits from those sales were donated to the "Kanazawa city cultural donation fund".

This concert, which has been held since 1992, was held for the 28th time this year.

Event date: December 5, 2020 (Saturday) 15:00 to 15:00 the next day, both live and for those who missed it

Location: Ishikawa Ongakudo concert hall

Orchestral music: Orchestra Ensemble Kanazawa



Contribution Activities through Sports

Activities by PFU Blue Cats

We use volleyball activities to share the players' energy and bravery with the whole country, as well as to show the value of sports to children as they aim for tomorrow.

"Our Goal for Ishikawa: Let's Take Back Sports"

We participated in a film for raising awareness on how to prevent infections with other top sports teams in the prefecture.

Due to measures to prevent the spread of the coronavirus, official games for all of the top sports teams in the prefecture were suspended or canceled, and even training was put on hold as the situation continued. Thinking about what we could do now to support our hometown, Ishikawa prefecture, we gathered the power of each team to make an educational film about how to prevent infections. Their message was that they hoped we could bring back the happy days when we could enjoy sports even one day sooner.

Participating teams:

Zweigen Kanazawa / Ishikawa Million Stars / Kanazawa Samuraiz / Hokkoku Bank Honey Bee / VINCEDOR HAKUSAN / Kanazawa Gakuin Club / PFU Blue Cats

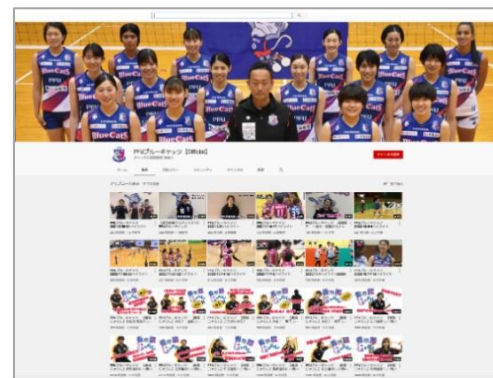
Setup of Blue Cats Fan Corner in Kahoku City Hall

On August 6th, we set up a "Blue Cats fan corner" on the wall of the first floor lobby in the Kahoku city hall. For everyone in Kahoku city and for our fans, we use it to introduce the players and staff, to announce information about matches and other information, and also to let team members respond to questions from fans on the "community board". Our hometown is Kahoku city, so we want everyone here to feel closer to the Blue Cats so that we can do our best together with our fans!

Sharing on Social Networking with All of Our Fans who Cheer Us On

To prevent the spread of the coronavirus, there have been restrictions on our ability to host volleyball classes as planned or to participate in regional volunteer activities, and since our games have also become remote matches, there have been less chances for us to respond to the support we receive from our fans.

Focusing on our official website, our team decided to "Expand our presence on social networking services!" and also launched a YouTube channel, so that the coach and players could start to share stories about their experiences, and to share timely updates about performance during games. Even if only a little, we hope that we can use this as a way to encourage young people as they grow.



S Sustainability

E Environmental

S Social

G Governance

Governance Policy/Internal Control Process

Striving for Continuous Improvement of Business Value

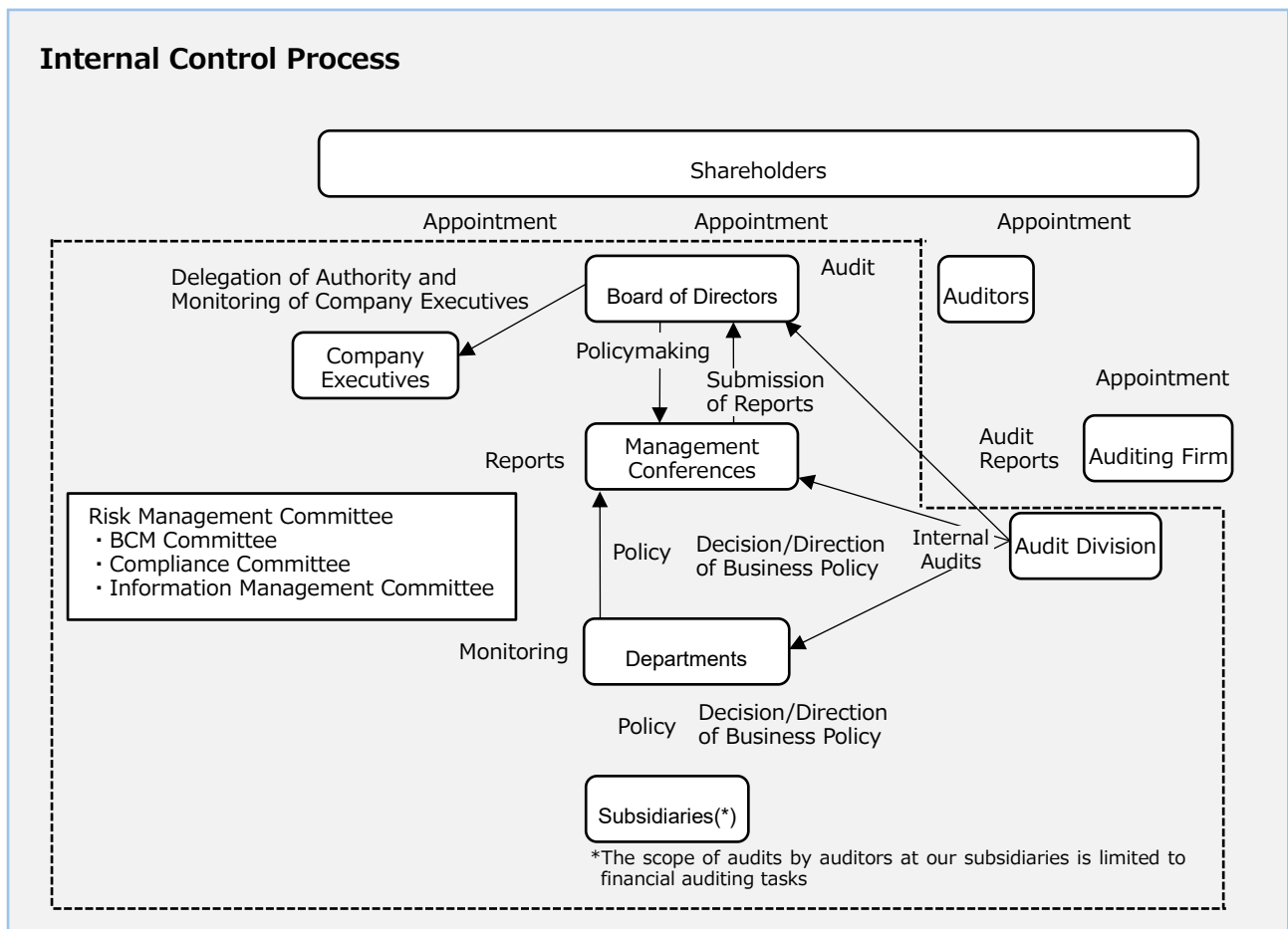
Under the PFU Way, we not only pursue profit, but also to meet the expectations of our customers and business partners who rely on us, to have employees who work energetically and proudly, and to be a business that contributes to society.

G Governance

We guarantee compliance, work safety, quality, private information management, and other forms of governance.

Governance Policy

At the PFU Group, we work to always create new value and to provide superior products and services, in order to make significant contributions to the development of society, as well as to strive for the coexistence and co-prosperity of the international community and regional communities, which all form our basic policy for execution of our professional duties and are laid out in the "Code of Conduct" of the PFU Way.



Risk Management

Risk Management at Our Company

At the PFU Group, we work to always create new value and to provide superior products and services, in order to make significant contributions to the development of society, as well as setting goals to strive for the coexistence and co-prosperity of the international community and regional communities. We must appropriately assess a wide array of risks that influence achievement of these goals, and we consider challenges such as taking preventative measures and limiting the range of influence if a problem does occur and preventing its reoccurrence to be of the utmost importance. In addition to this, we have built a system for risk management and compliance for the whole group, and while advancing the implementation of this system, we also continuously work toward making improvements to it.

Promotional System

At the PFU Group, to avoid the actualization of the risk of losses that may occur while accomplishing our business, in addition to appropriately dealing with any risk of loss that surfaces and to prevent its reoccurrence, we have established a risk management committee as the top level for risk management and compliance. The committee complements our decision-making system, which is mostly comprised of management conferences.



Status of Our Actions

■ Risks that Come with Our Business Activities

At the PFU Group, based on the extraction, analysis, and evaluation of the risks that come with our business activities, we strive to create strategies to avoid or minimize the effects of these risks, or on the off chance that these risks are actualized, we strive to deal with them swiftly.

■ Implementation of Education on Risk Management

For all employees at the PFU Group, we hold e-learning courses related to risk management and compliance at PFU and the Fujitsu Group, to raise awareness of risk management and promote a strengthened ability to respond to such issues. We also provide various types of education and training based on rank in the company.

Major Risks that Come with Our Business Activities	
<ul style="list-style-type: none"> • Risks related to trends in economics and financial markets • Risks related to customers • Risks related to competition and industry • Risks related to investment decisions and business reorganization • Risks related to suppliers and partners • Risks related to official regulations, political measures, and taxation • Risks related to natural disasters and unexpectedly occurring events • Risks related to financial affairs 	<ul style="list-style-type: none"> • Risks related to defects and faults in our products and services • Risks related to compliance • Risks related to intellectual property • Risks related to security • Risks related to human resources • Risks related to facilities and systems at our group • Risks related to the environment and climate change

Compliance at Our Company

At the PFU Group, with our "Code of Conduct" indicated in the "PFU Way", we place vital importance on compliance with the laws and regulations that make up the general policy at our company. As a system to promote compliance, we have established a compliance committee under the umbrella of our risk management committee, and we are advancing with various activities, starting with education within our company. Furthermore, for each of the spheres such as labor laws and environmental laws, the divisions in charge of each sphere are responsible.

Code of Conduct

We will respect human rights.

We will without question never infringe on human rights, and will never endorse or overlook, but rather resolutely address infringement on human rights by others. We will learn to recognize discrimination and never engage in discrimination or permit it to occur. Also, in order to detect and prevent discrimination, we will strive to correctly understand human rights issues and cultivate a spirit of respect for human rights.

We will comply with all laws and regulations.

We will respect and obey laws, Cabinet Order, ordinances, and customs that are recognized as just by society, and continuously confirm that our behavior does not violate them. Furthermore, in overseas dealings, we will maintain a thorough understanding of the laws, history, customs, and ethnicity of the country in question and act appropriately.

We will conduct fair trade.

We will not treat customers differently without due cause. We will always treat our suppliers with respect. We will never use unfair methods against our competitors and will always maintain a fair competitive relationship with them.

We will protect and respect intellectual property.

In order to receive the full protection of our intellectual property by the law, we will faithfully obtain patents, copyrights, and trademarks, and consciously work to increase the profits of the company. In addition, we will respect the intellectual property rights of others, and will be thorough and careful in handling them.

We will maintain confidentiality.

We will not disclose confidential company information to any party outside of the company without having completed the appropriate procedures, nor use such information for any purpose other than conducting company business. Specifically, in dealing with company information, customers' information, and personal information, we will manage the information appropriately and conform to the procedures delineated in the Information Management Regulations and related regulations.

We will not commit acts for personal gain.

We will never misuse our position in the company, or act in breach of our duties and attempt to gain undue profit for ourselves or related persons. We will never use or dispose of (selling, lending) the PFU Group's assets, including software and equipment, for a purpose outside of conducting company business.

We will comply with all environmental laws and regulations.

In order to conserve the environment surrounding our sites and comply with laws and regulations, we will regularly measure water quality, noise output, and vibration output.

Water Quality Measurement Results

We make efforts to maintain the water quality of drainage from Headquarters, the ProDeS Center, and the PFU Techno Wise Takamatsu Plant. The results of the measurement did not exceed the legal regulations, and there was no problem with water quality.

	Regulated substances	Unit	Regulation value	Fiscal 2020 measured value	Evaluation
Headquarters (Bld. A & B)	Hydrogen ion concentration (pH)	-	Between 5 & 9	6.1	✓
	Biochemical oxygen demand (BOD)	mg/L	Less than 600	330	
	Suspended substances (SS)	mg/L	Less than 600	230	
	Mineral oil	mg/L	5 or less	Less than 1	
	Animal and plant oils	mg/L	30 or less	16	
	Ammonium-nitrogen, nitrite-nitrogen and nitrate-nitrogen content	mg/L	Less than 380	13	
Headquarters (Bld. E)	Hydrogen ion concentration (pH)	-	Between 5 & 9	8.2	✓
	Biochemical oxygen demand (BOD)	mg/L	Less than 600	33	
	Suspended substances (SS)	mg/L	Less than 600	27	
	Mineral oil	mg/L	5 or less	Less than 1	
	Animal and plant oils	mg/L	30 or less	Less than 1	
	Ammonium-nitrogen, nitrite-nitrogen and nitrate-nitrogen content	mg/L	Less than 380	16	
Headquarters (Anechoic Chamber)	Hydrogen ion concentration (pH)	-	Between 5 & 9	7.9	✓
	Biochemical oxygen demand (BOD)	mg/L	Less than 600	30	
	Suspended substances (SS)	mg/L	Less than 600	36	
	Mineral oil	mg/L	5 or less	Less than 1	
	Animal and plant oils	mg/L	30 or less	1.7	
	Ammonium-nitrogen, nitrite-nitrogen and nitrate-nitrogen content	mg/L	Less than 380	22.3	
ProDeS Center	Hydrogen ion concentration (pH)	-	Between 5 & 9	8.4	✓
	Biochemical oxygen demand (BOD)	mg/L	Less than 600	220	
	Suspended substances (SS)	mg/L	Less than 600	240	
	Mineral oil	mg/L	5 or less	1.0	
	Animal and plant oils	mg/L	30 or less	2.5	
	Ammonium-nitrogen, nitrite-nitrogen and nitrate-nitrogen content	mg/L	Less than 380	120	
PFU Techno Wise Takamatsu Plant (Bld. 1)	Hydrogen ion concentration (pH)	-	Between 5 & 9	7.4	✓
	Biochemical oxygen demand (BOD)	mg/L	Less than 600	3	
	Suspended substances (SS)	mg/L	Less than 600	5	
	Mineral oil	mg/L	5 or less	Less than 1	
	Animal and plant oils	mg/L	30 or less	Less than 1	
	Ammonium-nitrogen, nitrite-nitrogen and nitrate-nitrogen content	mg/L	Less than 380	0.9	
PFU Techno Wise Takamatsu Plant (Bld. 2 & 3)	Hydrogen ion concentration (pH)	-	Between 5 & 9	7.4	✓
	Biochemical oxygen demand (BOD)	mg/L	Less than 600	2	
	Suspended substances (SS)	mg/L	Less than 600	1	
	Mineral oil	mg/L	5 or less	Less than 1	
	Animal and plant oils	mg/L	30 or less	Less than 1	
	Ammonium-nitrogen, nitrite-nitrogen and nitrate-nitrogen content	mg/L	Less than 380	0.9	

■Noise/Vibration Measurement

At our headquarters, we regularly measure the noise and vibration generated by our business activities (once every five years).

We performed measurements on June 10, 2020, and confirmed that all values did not exceed the legal regulations (next measurement planned for fiscal 2025).

Noise Measurement Results

	Noise	Unit	Regulation value	Fiscal 2020 measured value				Evaluation
				Bld. E north side	Bld. A southwest side	Anechoic chamber north side	South side parking lot	
Headquarters	Daytime	dB	65 or less	34	47	46	-	✓
	Morning	dB	60 or less	34	47	46	-	
	Evening	dB	60 or less	34	47	46	-	
	Nighttime	dB	50 or less	34	47	46	-	
	Daytime	dB	60 or less (Note 1)	-	-	-	40	
	Morning	dB	55 or less (Note 1)	-	-	-	40	
	Evening	dB	55 or less (Note 1)	-	-	-	40	
	Nighttime	dB	45 or less (Note 1)	-	-	-	40	

(Note 1) Because the parking lot is in an area within 50m of the borders of school grounds, the legal regulations are five decibels lower.

Vibration Measurement Results

	Vibration	Unit	Regulation value	Fiscal 2020 measured value				Evaluation
				Bld. E north side	Bld. A southwest side	Anechoic chamber north side	South side parking lot	
Headquarters	Daytime	dB	65 or less	27	30	31	-	✓
	Nighttime	dB	50 or less	27	30	31	-	
	Daytime	dB	60 or less (Note 2)	-	-	-	29	
	Nighttime	dB	45 or less (Note 2)	-	-	-	29	

(Note 2) Because the parking lot is an area within 50m of the borders of school grounds, the legal regulations are five decibels lower.

Protection of Private Information

Our Company's View on the Protection of Private Information

At our company, we work to always create new value, and with strong information technology as the base, we aim to speedily and continuously provide customers with products, services, and solutions that they will be satisfied with, in order to realize profit and growth as well as to strive for the coexistence and co-prosperity of the international community and regional communities. Furthermore, through the provision of superior products and value, our company continues to move forward in the advancement of a safe, secure, and happy society. As we move forward on this path, our company will need to handle the private information of a large number of people, from our customers, to our suppliers, to our employees. We consider the appropriate management of all of this private information to be an important duty for our company, and in accordance with the following policy for the protection of private information, we continue to strive for the proper protection of private information.

Policy for the Protection of Private Information

At our company, under the principle that each person should be respected individually, we are deeply aware of the fact that our duty to society as a corporation is to appropriately handle private information, and based on each of the following points, we protect and respect private information. Furthermore, we have placed people in charge of handling such private information, and ensure that those in charge perform the appropriate management.

1. When our company acquires private information, we first notify or announce the purpose of use, how to contact our company for support, what extent of third parties we will distribute private information to, and other such information, and only after this do we acquire the private information that is strictly necessary to achieve the purpose of use.
2. Our company does not use private information beyond the range required to achieve the specified purpose of use. Additionally, we take measures to ensure that the range required to achieve our purpose is not exceeded.
3. Our company takes security measures to prevent the leakage or loss of private information or other such destruction or damages. If an incident involving private information occurs, we take corrective measures.
4. If someone has complaints or questions related to our company's handling of private information, or for cases where our company has the rights to disclose or otherwise handle private information in response to claims, if we receive a claim from the person in question (or their representative) to disclose or otherwise handle the private information, we swiftly and appropriately respond via the contact information that we provided to the person in question in advance.
5. As our company follows the applicable laws, guidelines, and other standards set by countries related to the handling of private information, we make revisions to how we handle each of the above points as required.

Privacy Mark Certification

Our company, in order to protect private information, received the certification to be granted the privacy mark (Note) as of October 2001, and each year we give education and perform audits related to the handling of private information, as well as other measures as we strive to continuously strengthen our system for the protection of private information.

(Note) The privacy mark is granted to businesses who handle private information appropriately according to the management system for the protection of private information applied under JIS Q 15001.



Information Security

Our Company's View on Information Security

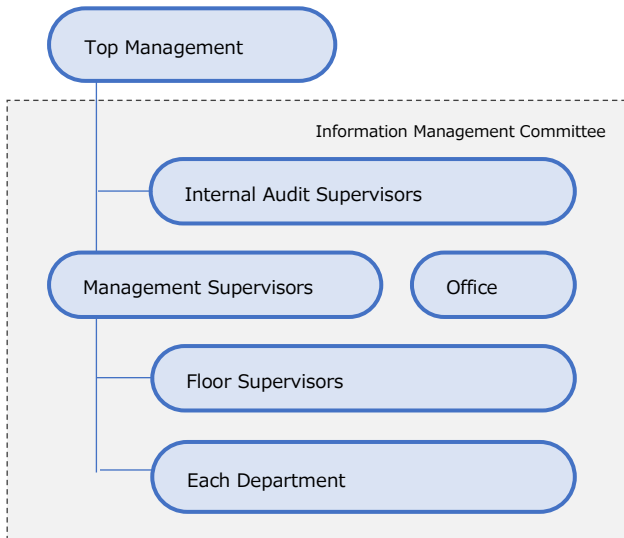
At our company, we must ensure the security of the information handled during our business activities, and as such we operate an information security management system as part of our Infrastructure Customer Service Business Group (our call center facility), and we have received certification for ISO27001.

Information Security Policy

At our company, we consider the trust of our customers and the companies with whom we perform business to be of the utmost importance, and for all information we handle in the business activities of our company, including information received from all sources, we guarantee information security.

- At our company, we recognize the following as threats that could jeopardize information security.
 - Physical threats: Trespassers, computer crashes, breakdowns, power outages, natural disasters, and so on
 - Technological threats: Unauthorized access, interception, alteration, erasure, computer viruses, service sabotage, and so on
 - Human threats: Operational mistakes, taking things outside of the company, inappropriate conduct, information leaks, and so on
- Our company, in the event of the actualization of the information security threats described in 1. above, recognizes the damages of such an event as follows.
 - There is a huge impact on the assets entrusted to our company by the customers and companies we do business with, and it causes immense loss and inconvenience for the customers and companies we do business with.
 - Our company loses the trust of society, and moreover we become unable to participate in normal business activities.
 - There is a huge impact on the assets of our company, and it causes economical losses.
- Our company, in regards to the information security threats described in 1. above, safely plans for measures to take in such cases and prevents the damages in 2. above before they occur.
- Specifically, we lay out rules appropriately and follow them carefully in the building and operational management of information systems, the handling of information, and other such tasks related to information, and we use redundancy in equipment, access control, encryption, and other such methods to take the appropriate physical and technological measures.
- We establish a system to thoroughly enforce 4. above, and through our actions as an organization, we ensure information security for our company.

Promotional System



ISO27001 Registration Certificate

Scope of certification:

- Monitoring of customers' systems and operational services
- Receipt of incidents from customers and designation/management of work
- Any additional work related to the tasks above

Certification number : IC06J0152

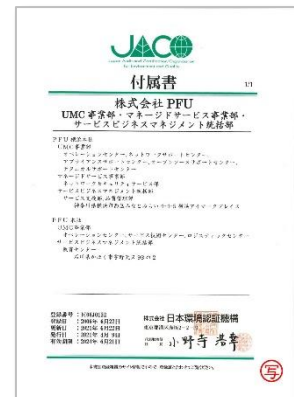
Certification date : June 22, 2006

Renewal date : June 22, 2021

Issuance date : April 9, 2021

Certifying organization :

Japan Audit and Certification Organization for Environment and Quality (JACO)



Safety Evaluation of Products and Services

Strategies for Safety Evaluation of Products and Services

At our company, we follow product specifications and our company's standards to confirm environmental considerations as well as confirm safety, in order to deliver safe and reliable products to our customers.

Compliance with Environmental Standards

We have obtained various environmental marks for our scanner products, are compliant with the Act on Promoting Green Procurement, and are taking other such measures.

- International ENERGY STAR Program
- EPEAT
- Act on Promoting Green Procurement
- Eco Mark
- Ecoleaf

Information about the compliance of our scanners with environmental standards is published on our official company website.

Maintenance of Various Test Environments

Our company maintains various test environments to verify that our products comply with product specifications.



RoHS Phthalic Acid Analysis Equipment



Energy Star Program Measurement Facility



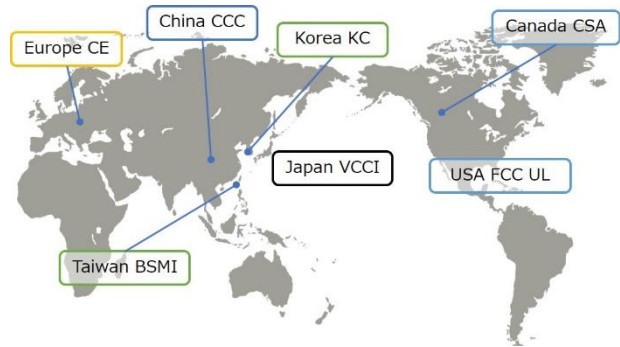
Product Safety Test Facility



10m Anechoic Chamber

Product Safety/Compliance with EMC Standards

Our company's products comply with international standards to offer fast support for our customers in global development.



Automation of Reliability Evaluation

For our scanner products, we use an automatic test robot to confirm reliability via multi-hour "continuous paper feeding tests" and "endurance tests" for movable parts (buttons and switches).



Automatic Test Robot



At our company, in order to achieve both customer satisfaction and business growth, we operate a quality management system in our development/production departments and Infrastructure Customer Service Business Group, and we have obtained ISO9001 certification (for maintenance/repair services and infrastructure construction/operation).

Quality Management in Our Development/Production Process

Quality Policy

Achievement of Both Customer Satisfaction and Business Growth

Providing value to the customers as their premier Edge Solution Partner

- We provide reliability (safety/security) and added value (user-friendliness/service) to our customers
- We continue to be an engineering group who passionately challenges ourselves to produce cutting-edge technologies and innovations
- We aim to resolve social issues by working together with our customers and business partners

<Priority Policies>

- (1) We do our best to understand the environments of our customers to provide a bright future and sublime impression for our customers
- (2) From the start of development to the end of support, we work tirelessly to improve quality
- (3) We work to provide speedy support, and to understand the true source of problems to prevent problems in advance
- (4) We follow the PFU Way and work toward the realization of a sustainable society

We are expanding our activities as follows based on the business plans and quality policies for each organization

- We set quality targets based on business plans and quality policies, and expand our activities as necessary to achieve our goals
- While striving to adapt to demands such as from customers and markets, we also follow the requirements set by laws and regulations
- When we use our quality management system, we pay attention not only to conformity, but also endeavor to assess its validity and continually make improvements
- We perform the appropriate reviews of our quality policies, quality targets, and quality management system to ensure that they continue to be suitable

Promotional System



ISO9001 Registration Certificate/Notes

Scope of certification:
 Computers for general purposes and specialized for customers, peripheral devices, hardware for application equipment, design/development/manufacture of software, and also development/manufacturing services

Certification number : QC02J0176
 Certification date: July 23, 1993
 Renewal date : January 24, 2019
 Issuance date : January 13, 2021
 Certifying organization:
 Japan Audit and Certification Organization for Environment and Quality (JACO)



Quality Policy

"Reformation" for gaining the trust of our customers

- We will deliver an even higher standard of reliability (safety/security) and added value (user-friendliness) to our customers and business partners
- For the development and provision of products/services to new markets and our customers, rather than adhering slavishly to conventional ideas, we do what is best for our customers

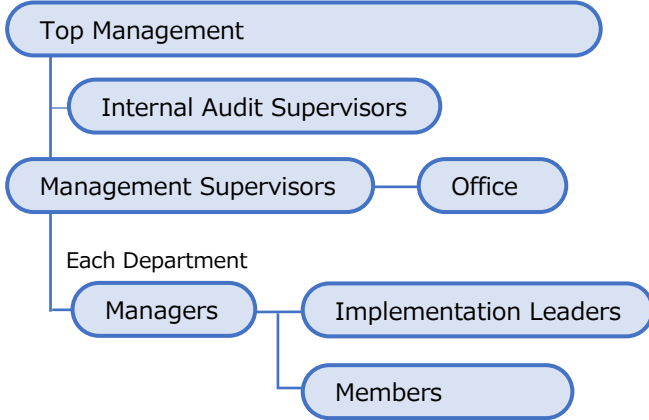
<Priority Policies>

- ◆ Improvement of customer service
 - Provision of service quality that exceeds the expectations of our customers
 - Improvement of degree of customer satisfaction via hospitality services
- ◆ Improvement of technical ability
 - Creation and continuation of reliable technology
 - Progression of infrastructural system that supports technology
- ◆ Creation of an autonomous organization
 - Transformation into an organization where individuals set their own goals in order for our organization to continuously improve
 - Continuation of basic standards of conduct and four main campaigns

To act while following our quality policy, we will implement the following measures

- We follow our customers' requests as well as laws/regulations, and we also work to continuously improve the validity of our quality management system
- We ensure that our quality policy is common knowledge in Infrastructure Customer Service Business Group and that all employees understand it
- We review our quality policy as necessary to ensure that it continues to be appropriate

Promotional System



ISO9001 Registration Certificate/Notes

Scope of certification:

- (1) Maintenance and repair services for computers and related devices, as well as network devices
- (2) Infrastructure construction and operational services for computer systems based on customer requests
- (3) IDC construction and operational services

Certification number : QC98J1036

Certification date : March 29, 1999

Renewal date : March 29, 2020

Issuance date : January 27, 2021

Certifying organization:

Japan Audit and Certification Organization for Environment and Quality (JACO)



Occupational Health & Safety Management

At PFU Techno Wise, to ensure our goal to create a safe and healthy workplace that is easy to work in, we operate an Occupational Health & Safety Management System, and we have obtained ISO45001 certification.

Occupational Health & Safety Management Policy

At PFU Techno Wise Limited, building on our company's manufacture of IT-related devices, peripheral devices, and application devices, we aim "to create a safe and healthy workplace that is easy to work in".

With the aim to achieve this, we built our Occupational Health & Safety Management System (OHS-MS) and continue to make improvements with full-employee participation in our efforts, in order to implement the following measures.

1. By means of the construction, maintenance, and improvement of OHS-MS, we continuously make improvements to our performance in health and safety, and we provide safe and healthy labor conditions to reduce work-related accidents and to prevent injury or illness, as well as working to maintain and improve mental and physical health.
2. We abide by legal requirements related to occupational health and safety as should be applied, and we also follow other requirements agreed on by organizations such as labor-management agreements.
3. We perform risk assessment of occupational health and safety, identify sources of danger and health hazards, and eliminate those sources of danger as we strive to lower risks to occupational health and safety. The specific measures we will implement are as follows.
 - (1) Risk reduction for work related to handling of machinery and equipment
 - (2) Risk reduction for work related to transportation and loading/unloading
 - (3) Risk of accidents when driving an automobile (indirect)
4. To realize our occupational health and safety policy, we set targets for occupational health and safety, and we periodically monitor our progress.
5. We verify our occupational health and safety policy and its appropriateness to our management system standards, perform management reviews periodically, and make continuous efforts to improve our Occupational Health & Safety Management System
6. We provide the appropriate education and training on occupational health and safety to all staff who work at our company, and by making this policy on occupational health and safety into common knowledge, we ensure that everyone is aware of our duty to occupational health and safety as we work together on our efforts for occupational health and safety. Furthermore, we hold conferences with our company employees as necessary, as a way for them to be able to participate

Promotional System



ISO45001 Registration Certificate/Notes

Scope of certification:

Manufacture of IT devices, peripheral devices, and application devices

Certification number : WC11J0003

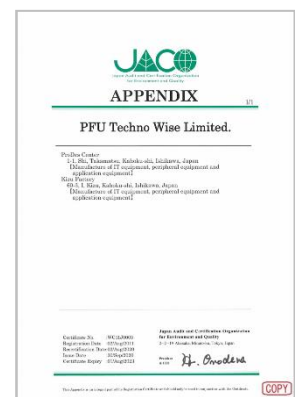
Certification date : August 2, 2011

Renewal date : August 2, 2020

Issuance date : September 30, 2020

Certifying organization:

Japan Audit and Certification Organization for Environment and Quality (JACO)



Business Continuity

At our company, we have established a BCM committee, and we have taken measures to establish a system for immediate response to emergencies in order to quickly recover from any disasters or accidents that occur and to promote our plans for business continuity.

Basic Policy for Business Continuity

Large scale natural disasters such as earthquakes or floods, incidents and accidents, epidemics of various infectious diseases, and other such unforeseen risks that threaten the continuity of economic and social activities are on the rise. In order for the PFU Group to stably provide the products and services required by our customers even in cases with unforeseen circumstances, we have formulated a Business Continuity Plan (BCP).



Promotional System

In order to continuously revise our BCP and make improvements to it, we have established a BCM committee and continue to promote Business Continuity Management (BCM).

Status of Our Actions

At the PFU Group, in order to fulfill our social duty as a company that carries responsibility for social infrastructure, we organize and analyze issues related to business continuity for each of our businesses and locations as a strategy for business continuity, and we continuously implement training that aims to strengthen and raise our business continuity abilities.



Basic Policy on Infectious Disease Strategy

The PFU Group, based on the following way of thinking, has planned for and implemented measures for infectious diseases and endeavors to protect against infection as well as to prevent the spread of infection, while also ensuring the preservation of essential business even during epidemics of infectious diseases and accomplishing our social responsibilities.

- Our top priority is the safety of each and everyone's lives, including our customers, our business partners, our employees and their families, and our local communities.
- During outbreaks of infections, in addition to cooperating with the authorities in charge and related government agencies, we implement various strategies and strive to minimize secondary infections.
- After outbreaks of infections, we continue to act in accordance with our plans for business continuity for each of our businesses, and we contribute as a business that maintains the functions of society, as well as to the business continuity of our customers.

<Preventative Measures for the Spread of the Coronavirus>

At the PFU Group, in regards to the coronavirus, we have enacted measures targeted at ensuring the safety of our customers, our business partners, and our employees and their families, preventing infection as well as stopping the spread of infection, and maintaining our business continuity. From here on as well, with ensuring the safety of our customers, our business partners, and our employees and their families and stopping the spread of infection as our top priorities, we will continue to provide products and services to our customers, and continue to make efforts to contribute to the resolution of various social issues that arise as a result of the spread of infection.

[Main Measures for Prevention of Infection and Risk Reduction for Spread of Infection]

1. For work conditions, a strong recommendation is made to use methods such as work-from-home/telework and work on a flextime system to adjust commuting times. Moreover, for regions where requests to stay indoors are issued by governing bodies, employees who work at the office should as a rule work from home/telework
2. If an employee has a fever or other cold symptoms, and if that employee or their family living in the same residence have been infected or have had confirmed close contact with an infected person, we strictly enforce that they do not come to the office and are not forced to come (they can work from home/telework or take any available type of vacation day)
3. For in-company conferences and events held by our company, if it is an event where many people will gather or that requires a business trip or other such risks, we rearrange the event by switching to web conference or web content distribution, postponing the date of holding the event, or taking other such measures
4. For recruiting activities, we have implemented revisions such as switching to web content distribution and web interviews
5. For training of new employees, we plan to use on-demand environments as the location for training and perform training in virtual classes via telework
6. International business trips are prohibited as a general rule

Company Revitalization

With the aim to create a company where all of our employees can work brightly with zeal and zest for life, we are proceeding with efforts at PFU to revitalize our whole company by cultivating our employees' spirit to challenge themselves.

Company Revitalization Project

As we make efforts to create new business ideas, we endeavor to train personnel who perform actively and influentially and to encourage their spirit to challenge themselves and their awareness for innovation, and we also aim to provide opportunities for our employees to be proactive in challenging themselves and thereby to stimulate our entire organization.

We have been making such efforts since 2018, with 2018 designated as a year for "unexplored projects" and 2019 as a year for "sensational projects". With 2020 as a year for "turbulence response projects", our theme was "to formulate sustainable business ideas for PFU as an edge solution partner who must work to resolve social issues while also achieving economic growth", and we strove to create business ideas to resolve the social issues faced by our customers and society.



Rising-V Activities

Through our activities as a company to promote and advance the materialization of ideas freely from individuals and groups, we strive to increase employees' spirit to challenge themselves and create a climate for innovation as a full-company effort, not only for the development department but for everyone including affiliated companies.

Furthermore, these activities are ones that we have been making persistent and consistent efforts toward for close to 20 years, and each year we have steadily improved our results, which has also led to appreciation for our business contributions and efforts to cooperate with the social community. We were thereby acknowledged with the award "KAIKA Prize 2020" in the "KAIKA Awards", which are held by the Japan Management Association and are a system to publicly recognize and praise efforts in business, organizational restructuring, and human resources development in continuing to connect with society and create value.



We will continue to update our activities as we develop them in our work toward the resolution of social issues.

History

1960	Established (Unohe Denshi Kogyo Partnership established)
1973	PANAFACOM Limited established
1987	Two companies merged, changed company name to PFU
1991	Developed the DS/90 Series UNIX servers
1992	Started multi-vendor support service
1995	Started businesses in embedded systems and electronic KIOSKS
2001	Strengthened scanner business and embedded systems business
2004	Strengthened image business
2006	Domestic shipments of electronic KIOSKS attained No.1 position (in 2006)
2007	Strengthened Enterprise Content Management (ECM) solutions
2008	Strengthened IT Infrastructure business
2009	Strengthened scanner sales network globally
2010	Strengthened ECM business in North America
2014	Consolidated offices in the Tokyo region and moved to Yokohama
2015	Strengthened eDocument solutions
2017	Global shipments of image scanners passed the 10 million mark
2018	Global shipments of ScanSnap series passed the 5 million mark Shipments of embedded computing products passed the 1 million mark
2019	Global shipments of Happy Hacking Keyboard series passed the 500 thousand mark

Appendix

History
Major Awards History,
Certifications, etc.
GRI Standards Reference
Table

Major Awards History, Certifications, etc.

1992	Award for the Promotion of Energy-Saving (Governor of Ishikawa Prefecture)
1994	Excellent Energy Management Plant Award (Chairman of the Central Bureau of Trade and Industry)
1999	Excellent Energy Management Plant Award (Secretary of the Natural Resources & Energy Agency)
2002	Ishikawa Green Enterprise Award (Governor of Ishikawa Prefecture)
2010	Ranked 31st in manufacturing in the 14th "Environmental Management Investigation (Nikkei)" "Line of the Year" Award for scanners (BLI, an independent evaluator of office devices in USA), information security rating "A is" certification
2011	Ishikawa Prefecture Creativity and Originality Award in the Occupational Field of the Company (Yonejiro Tsuda Award) for the Promotion of Energy-Saving and the Installation of the High Efficiency Reflective Panel
2013	kakaku.com PRODUCT AWARD 2013 silver prize in scanner division for ScanSnap SV600 "Ishikawa Satoyama ISO" certification (Ishikawa) Excellent Energy Management Company Award (ProDeS Center) (Chairman of the Japan Electric Association, Hokuriku Branch)
2015	Interop Tokyo 2015 "Best of Show Award" grand prize for cyber attack countermeasure/internal countermeasure appliance "iNetSec Intra Wall" "Hama road supporter" certification (Yokohama)
2016	Eco Mark Award 2015 Prize (image scanner)
2017	Excellent Energy Management Company Award (Headquarters) (Chairman of the Japan Electric Association, Hokuriku Branch)
2018	Certified Health & Productivity Management Outstanding Organizations Recognition Program, White 500 (PFU Group)
2019	Eruboshi (a certification based on the Act on the Promotion of Female Participation and Career Advancement in the Workplace), highest level certification (PFU) GOOD DESIGN AWARD 2019 for fi-800R The China Environmental Label Excellence Enterprise Award (Fujitsu South China Limited)
2020	Certified Health & Productivity Management Outstanding Organizations Recognition Program 2020 (Large Enterprise Category) (PFU Group)
2020	Ishikawa Ecodesign Award (silver prize) (BIP Smart) KAIKA Prize from KAIKA Awards (Rising-V Activities)
2021	BCN scanner division, #1 share for 11 consecutive years



Ishikawa
Ecodesign Award
(silver prize)
(2020)



KAIKA Awards
KAIKA Prize
(2020)



BCN scanner division
#1 share for 11
consecutive years
(2021)

GRI Standards Reference Table

Compliance with GRI (Global Reporting Initiative Standards)

— : Not applicable or not described

GRI	Standard	Corresponding section
102-1	Name of the organization	Corporate Profile
102-2	Primary brands, products, and/or services	Corporate Profile
102-3	Location of the organization's headquarters	Corporate Profile
102-4	Number of countries where the organization operates, and the names of countries where it has significant operations	Corporate Profile
102-5	Nature of ownership and legal form	Corporate Profile
102-6	Markets served	-
102-7	Scale of the organization	Corporate Profile
102-8	Employment form, manpower by gender	Employment
102-9	Supply chain of the organization	-
102-10	Change of the organization (significant changes to providing products, amount of services, structure, ownership, or supply chain during the monitoring report)	Corporate Profile
102-11	Precautionary approach, principle adaptation	Risk Management
102-12	Initiatives that the organization endorses	Governance Policy/Internal Control Process
102-13	Membership in external associations	Corporate Profile
102-14	A statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and its strategy for addressing sustainability	Message from the Top
102-15	A description of key impacts, risks, and opportunities	Risk Management
102-16	Values, principles, standards, and norms of behavior of the organization	PFU Way
102-17	Helpline, whistle-blowing	Human Rights
102-18	Governance structure of the organization	Governance Policy/Internal Control Process
102-19	Delegating authority for economics, environment, and society	-
102-20	Report process about economics, environment, and society	-
102-21	Governance body and stakeholders	Governance Policy/Internal Control Process
102-22	Composition of the governance body	Stakeholder engagement Governance Policy/Internal Control Process
102-23	The chair of the highest governance body's performance and service in another post	Governance Policy/Internal Control Process
102-24	Nominating process	-
102-25	Conflicts of interest avoidance process	Governance Policy/Internal Control Process
102-26	Role of highest governance body in setting purpose, policies, and strategy	Governance Policy/Internal Control Process
102-27	Knowledge enhancement about economics, environment, and society	-
102-28	Evaluation from the aspects of economics, environment, and society	Corporate Profile
102-29	Identification of impacts, risks, and opportunities from the aspects of economics, environment, and society	Risk Management
102-30	Roles in risk management for impacts from the aspects of economics, environment, and society	Risk Management
102-31	Review of impacts, risks, and opportunities from the aspects of economics, environment, and society	Risk Management
102-32	The highest approval organization of reports	Governance Policy/Internal Control Process
102-33	Notification process on critical concerns to the highest governance body	Governance Policy/Internal Control Process
102-34	Reported critical concerns	Governance Policy/Internal Control Process
102-35	Remuneration for the governance body and senior administrators	-
102-36	Process for determining remuneration	-
102-37	Stakeholders' involvement in remuneration	-
102-38	Ratio of the highest compensation and the average compensation for employees	-
102-39	Ratio of the percentage increase in the highest compensation to that of the average compensation for employees	-
102-40	A list of stakeholder groups engaged by the organization	Stakeholder engagement
102-41	Ratio of total employees covered by collective bargaining agreements	-
102-42	The basis for identifying and selecting stakeholders with whom to engage	-
102-43	Frequency of engagement	-
102-44	Topics and concerns raised	Governance Policy/Internal Control Process
102-45	A list of entities of the organization	Corporate Profile
102-46	How to define report content and boundary conditions	Back cover
102-47	All of the material topics identified in the process for defining report content	-
102-48	The effect of any restatements of information given in previous reports, and the reasons for such restatements	-
102-49	Significant changes from previous reporting periods in the list of material topics and topic Boundaries	-
102-50	Reporting period for the information provided (the fiscal or calendar year)	Back cover
102-51	If applicable, the date of the most recent previous report	Back cover
102-52	Reporting cycle (such as annual or every six months)	Environmental Awareness & Communication

GRI Standards Reference Table

Compliance with GRI (Global Reporting Initiative Standards)

— : Not applicable or not described

GRI	Standard	Corresponding section
102-53	The contact point for questions regarding the report or its contents	Back cover
102-54	Applied option	GRI Standards Reference Table
102-55	Reporting GRI content index of the applied option	GRI Standards Reference Table
102-56	Policy and practice with regard to seeking external assurance	-
103-1	For each material topic, explanation of the boundary for the organization	-
103-2	Managing approach of the organization to each material topic and to its impact	-
103-3	Reporting the evaluation of management approach, including:	environmental management system, information security, quality, and occupational health and safety
201-1	Direct economic value generated and distributed	-
201-2	Financial implications and other risks and opportunities posed to the organization's activities due to climate change	-
201-3	Coverage for organization funding of defined benefit plan obligations	-
201-4	Financial assistance received from government	-
202-1	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	-
202-2	Proportion of senior management hired from the local community at significant locations of operation	-
203-1	Development and impact of infrastructure investments or services supported	-
203-2	Significant indirect economic impacts including the spectrum of impacts	-
204-1	Proportion of spending on local suppliers at significant locations of operation	-
205-1	Total number and percentage of operations assessed for risks related to corruption, and significant risks related to corruption identified	Risk Management
205-2	Communication and training about anti-corruption policies and procedures	Human Resource Development
205-3	Confirmed incidents of corruption and actions taken	Risk Management
206-1	Number of legal actions and outcomes regarding anti-competitive behavior and violations of anti-trust and monopoly legislation	Risk Management
301-1	Materials used by weight or volume	-
301-2	Recycled input materials used	-
301-3	Reclaimed products and their packaging materials	-
302-1	Energy consumption within the organization	Environmental Performance Data
302-2	Energy consumption outside of the organization	Environmental Performance Data
302-3	Energy intensity	Environmental Performance Data
302-4	Reduction of energy consumption	PFU Environmental Action Plan
302-5	Reductions in energy requirements of products and services	PFU Environmental Action Plan
303-1	Water withdrawal by source	Environmental Performance Data
303-2	Water sources significantly affected by withdrawal of water	-
303-3	Water recycled and reused	Environmental Performance Data
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-
304-2	Significant impacts of activities, products, and services on biodiversity	-
304-3	Habitats protected or restored	-
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-
305-1	Direct (Scope 1) GHG emissions	Environmental Performance Data
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Performance Data
305-3	Other indirect (Scope 3) GHG emissions	Environmental Performance Data
305-4	GHG emissions intensity	Environmental Performance Data
305-5	Reduction of GHG emissions	Environmental Performance Data
305-6	Emissions of ozone-depleting substances (ODS)	-
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Environmental Performance Data
306-1	Water discharge by quality and destination	Compliance
306-2	Waste by type and disposal method	Environmental Performance Data
306-3	Significant spills	-
306-4	Transport of hazardous waste	-
306-5	Water bodies affected by water discharges and/or runoff	-
307-1	Non-compliance with environmental laws and regulations	Compliance
308-1	New suppliers that were screened using environmental criteria	PFU Environmental Action Plan
308-2	Negative environmental impacts in the supply chain and actions taken	Environmental Performance Data
401-1	Total number and rate of new employee hires and employee turnover by age group, gender, and region	Employment
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	-
402-1	Return to work and retention rates that took maternity and paternity leave, by gender	Diversity
403-1	Percentage of total workforce that sends a representative to formal joint management-worker health and safety committees which monitor and advise about the labor safety and sanitation program	-
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	-
403-3	Workers with high incidence or high risk of diseases related to their occupation	Occupational Health & Safety Management

GRI Standards Reference Table

Compliance with GRI (Global Reporting Initiative Standards)

— : Not applicable or not described

GRI	Standard	Corresponding section
403-4	Health and safety topics covered in formal agreements with trade unions	Occupational Health & Safety Management
404-1	Average hours of training per year per employee, by gender or employee category	Human Resource Development
404-2	Continued employability by skill management or lifelong learning programs, and assistance for career endings	Human Resource Development
404-3	Percentage of employees receiving regular performance and career development reviews	Human Resource Development
405-1	Composition of governance body and percentage of employees per employee category by diversity categories	Governance Policy/Internal Control Process, Employment
405-2	Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation	-
406-1	Total number of incidents of discrimination and corrective actions taken	Human Rights
407-1	Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk, and measures taken by the organization intended to support those rights	Risk Management
408-1	Operations and suppliers considered to have significant risk for incidents of child labor, and measures taken by the organization intended to contribute to the effective abolition of child labor	-
409-1	Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor, and measures taken by the organization intended to contribute to the elimination of all forms of forced or compulsory labor	Compliance
410-1	Percentage of security personnel trained in human rights policies or procedures related to operations	-
411-1	Total number of identified incidents of violations involving the rights of indigenous peoples, and actions taken	-
412-1	Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments	Human Rights
412-2	Total number of hours devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including percentage of employees trained	Human Rights
412-3	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	-
413-1	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs	PFU Environmental Action Plan
413-2	Operations with significant actual and potential negative impacts on local communities	PFU Environmental Action Plan
414-1	Percentage of new suppliers that were screened using work environment criteria	PFU Environmental Action Plan
414-2	Negative social impacts in the supply chain and actions taken	Environmental Performance Data
415-1	Total monetary value of financial political contributions by country and recipient/beneficiary	-
416-1	Percentage of key products and services for which health and safety impacts are assessed for improvement	Safety Evaluation of Products and Services
416-2	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services (by type of outcome)	Safety Evaluation of Products and Services
417-1	When the organization institutes procedures for product and service information and labeling, the types of information for products and services the procedures are applied to, and the percentage of key products or services assessed for compliance with such information requirements	Safety Evaluation of Products and Services
417-2	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling	Safety Evaluation of Products and Services
417-3	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by category of result	Environmental Awareness & Communication
418-1	Total number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Risk Management
419-1	Amount of significant fines for non-compliance with laws and/or regulations on provision or use of products and services. Number of significant fines and non-monetary sanctions for non-compliance with laws and/or regulations	Risk Management

Never changing passion, ever changing future

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