



# Basic Policy for Environment and Environmental Action Plan

The FDK Group contributes to the sustainable development of the society. For this purpose, the 'FDK Group Environmental Policy' is in place and environmental promotion activities are promoted throughout the Group in line with the Environmental Action Plan.

## FDK Group Environmental Policy

FDK Group considers it necessary to address environmental protection as a part of its corporate activities. This includes prevention of global warming, reduction of wastes, and thorough control over hazardous chemical substances, all of which should be implemented not only based on laws and regulations of central and regional governments of Japan, but also based on the wider global perspective. This must be a shared idea among other companies as well, with the aim of realizing a sustainable society. In addition to its own activities, FDK Group is determined to promote environmental protection in cooperation with Fujitsu Ltd. and adapt an environmental policy which forms the foundation for environmental activities of Fujitsu Ltd. The "FDK Environmental Policy" is the essence of the group's environmental activities, and aims to promote robust environmental protection activities through synergistic, voluntary reduction of environmental impacts and cooperative actions with Fujitsu Ltd.

### Philosophy

The FDK Group recognizes that environmental protection is a vitally important business issue. By utilizing our technological expertise in the IT industry and our creative talents, we seek to contribute to the promotion of sustainable development of society. In addition, while observing all environmental regulations in our business operations, we are actively pursuing environmental protection activities on our own initiative. Through our individual and collective actions, we will continuously strive to safeguard a rich natural environment for future generations.

### Slogan

**FDK Group Loves Nature for the Future of the Earth**

### Principles

1. We strive to reduce the environmental impacts of our products throughout the product life cycle.
2. We are committed to conserving energy and natural resources, and practice a 3R approach (Reduce, Reuse, Recycle) to create best-of-breed eco-friendly products.
3. We seek to reduce risks to human health and the environment from the use of harmful chemical substances or waste.
4. Through our IT products and solutions, we help customers reduce the environmental burdens of their activities and improve environmental efficiency.
5. We disclose environment-related information on our business activities, products and services, and we utilize the resulting feedback to critique ourselves in order to further improve our environmental programs.
6. We encourage our employees to work to improve the environment, bearing in mind the impact of their business activities and their civic responsibilities.

## Organizational Structure

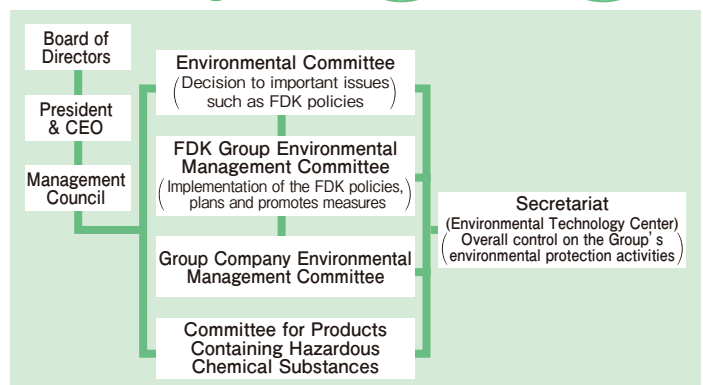
Important issues such as policies on environmental activities are discussed in the 'Environmental Committee.' The resolutions made by the committee will then be implemented after approval by the 'Management Council.' Detailed action plans including policies and measures are decided at the "Plant Environmental Management Committee" established at the environmental management system level based on ISO14001. The plans are implemented by repeating the cycle of PDCA (Plan, Do, Check and Action) for continuous improvement to achieve "spiral up."

Hazardous chemical substances contained in products are managed at the "Committee for Products Containing Hazardous Chemical Substances," a newly established internal organization in October 2004, to eliminate use of hazardous substances and appropriate control of them. (See page 25 for further information.)

### Environmental Management Cycle



### Environmental Organization



## The Third Environmental Action Plan

An environmental action plan is a document created by the FDK Group delineating the targets for putting the 'Environmental Policy' into practice. FY2006 marks the last year of the 'Third Environmental Action Plan,' and an assessment of the plan was made regarding the results it produced. The achievements of the Action Plan include achievement of zero emissions at the end of FY2004, successful development of the first super-green product, and acquisition of an ISO14001 certification at all FDK offices in and out of Japan in FY2005. Though certain elements are difficult to be assessed numerically, we came to a determination that we have ultimately achieved the targets set for each and every item of the Action Plan successfully.

### Achievements of the Third Environmental Action Plan (FY 2004 – 2006)

Items	Action Plan	Progress (as of the end of FY 2006)	Assessment
Reinforcement of environmental management	<b>To establish own frameworks of environmental management in all the Group's affiliates and subsidiaries, which are based on the environmental management system (EMS), by the end of FY 2005</b> <ul style="list-style-type: none"> <li>EMS to be introduced in the entire corporate structure of FDK in Japan including its head office and sales offices.</li> </ul>	<ul style="list-style-type: none"> <li>All FDK Group sites in and out of Japan were certified as ISO14001 compliant by the end of FY2005.</li> <li>FDK's Head Office and Sales Offices kicked off the environmental management system and initial surveys by the end of FY2005. In FY2006, the FDKEMS was established and is in operation. (See P20)</li> </ul>	○
Green procurement	<b>Promotion of EMS to suppliers</b> <ul style="list-style-type: none"> <li>To encourage business partners in Japan with no EMS to introduce it.</li> <li>The scope of EMS include those certified by a third party certification organization such as ISO14001, EMAS, Eco-Action 21, Eco-Stage, local environmental management (FJEMS), FDK Group Environmental Management System (equivalent to FJEMS), and other EMS systems unique to each business partner approved by FDK.</li> </ul>	<ul style="list-style-type: none"> <li>The number of suppliers which established the environmental management system increased to 188. (Among them, 36 suppliers introduced FDKEMS.) (See P21)</li> </ul>	○
Environmentally compatible products	<b>Provision of Super-Green Products by the end of FY 2006</b> <ul style="list-style-type: none"> <li>" Super Green Products " are the advanced form of green products incorporating such properties as energy saving, 3R (Reduce, Reuse, Recycle)-based design, and elimination of hazardous chemical substances. They are forerunners having the "world's first" " world's smallest" " nation's first" " industry's first" " nation's smallest" and " industry's smallest" characteristics, which are intended to be released by the end of FY 2006.</li> </ul>	<ul style="list-style-type: none"> <li>Two super-green products were launched on the market.                      ①Ultra-small multilayer power inductor MIPF 2520D Series (FY2005)                      ②RF multilayer chip inductor AML0603E Series (FY2006)                      (See P22)</li> </ul>	○
	<b>To eliminate use of hazardous substances designated by Fujitsu Group in manufacturing products by the end of FY 2005, except for those designated by RoHS whose elimination target is the end of December 2004</b> <ul style="list-style-type: none"> <li>Use of hazardous substances listed in 31 categories of Fujitsu Group's list will be totally eliminated by the end of FY 2005.</li> <li>For products shipped to Europe and covered under the RoHS Directive, use of lead, cadmium, mercury, hexavalent chromium compounds, PBB and PBDE will be totally eliminated by the end of December 2004.</li> </ul>	<ul style="list-style-type: none"> <li>Prohibited chemical substances were totally eliminated from the products as required by the customers. All products required by the customers for continued consideration have been responded in accordance to the customer specifications. (See P25)</li> </ul>	○
Measures against global warming	<b>Energy consumption and emission of CO<sub>2</sub> reduced at the end of FY 2006 by 15% of those in FY 2000</b> <ul style="list-style-type: none"> <li>The scope of these reductions includes FDK's plants and offices in Japan.</li> </ul>	<ul style="list-style-type: none"> <li>As to energy consumption, the volume of CO<sub>2</sub> emission was successfully reduced by 62%. (53,998 ton-CO<sub>2</sub> in FY2000 was reduced to 20,460 ton-CO<sub>2</sub> in FY2006.) (See P26)</li> </ul>	○
	<b>Contribution to the reduction of greenhouse gas emission</b> <ul style="list-style-type: none"> <li>Reduction of CO<sub>2</sub> emission is promoted through improvement of logistics, recycled use of products and packaging materials, and development and purchase of energy-saving products.</li> </ul>	<ul style="list-style-type: none"> <li>CO<sub>2</sub> emission was reduced by revision of delivery truck route to shorten the travel distance of a truck and enhancing the truck loading efficiency. (See P27)</li> </ul>	○
Promotion of green factory	<b>Discharge of chemical substances under the Pollutant Release and Transfer Register (PRTR) reduced at the end of FY 2006 by 15% of those discharged in FY 2001</b> <ul style="list-style-type: none"> <li>The scope of the reductions includes FDK plants and offices in Japan.</li> </ul>	<ul style="list-style-type: none"> <li>The emission of the designated chemical substances was successfully reduced by 76%. (5.5 ton in FY2001 →1.3 ton in FY2006) (See P28)</li> </ul>	○
	<b>Generation of wastes reduced at the end of FY 2006 by 3% of those generated in FY 2003</b> <ul style="list-style-type: none"> <li>The scope of reductions includes FDK plants and offices in Japan.</li> <li>Zero emission of wastes will be achieved by the end of FY 2004 ahead of the target shown in the " Second Environmental Action Plan by the end of FY2005 " by 1 year.</li> </ul>	<ul style="list-style-type: none"> <li>Generation of waste was reduced by 18%. (2,081 ton in FY2003→1,708 ton in FY2006)</li> <li>Zero emission of waste is continuing after achievement of it at the end of FY2004. (See P29)</li> </ul>	○

\* Assessment: ○: Achieved, ×: Not achieved yet



# Basic Policy for Environment and Environmental Action Plan

## The Fourth Environmental Action Plan

After the completion of the 'Third Environmental Action Plan by FY2006,' the 'Fourth Environmental Action Plan' was established covering for the periods from FY2007 to FY2009. The FDK Group will abide by the new Plan to continue its environmental activities.

### Basic Concept

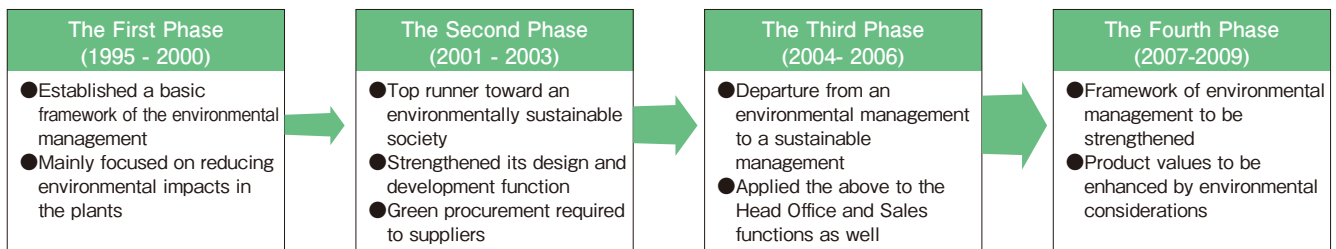
The FDK Group has successfully expanded its scope of environmental management from a plant based management system to a wider management system involving the entire Group. In line with it, the scope of reducing environmental impacts has expanded from a plant-based activity to involve parts, products delivered into and out of plants, and logistics.

In the new 'Fourth Environmental Action Plan,' while carrying on the idea of the previous Action Plan, the following actions are given focus in order to raise the level of activities. In response to the surging interest of the general public toward environmental risks, the environmental management system for the entire Group will be subject to a total check, to establish and strengthen the operation of an environmental pollution prevention system. Reduction of VOC (volatile organic compound) emissions is also within the scope of the Group's activities. The Fourth Environmental Action Plan contains the targets for domestic Group companies. However, the FDK Group recognizes that the target setting involving overseas Group companies must be addressed in the future.

#### Key Points of the Activities

- ① To strengthen the framework of environmental management as the basic activity of the Group as a whole, and to maintain and strengthen the cooperation among non-production functions of the FDK Head Office and Sales functions and overseas Group companies, by which the entire FDK Group unites its efforts for environmental management activities.
- ② As people are concerned about global-scale environmental destruction and global warming, the FDK Group will make further efforts toward minimizing environmental impacts of the products it manufactures, by reducing CO<sub>2</sub> emissions when the products are used and by resource-saving activities. The FDK Group considers it important to enhance the value of the products it manufactures through implementing more strict environmental measures.

### History of Environmental Action Plans



### Targets in the Fourth Environmental Action Plan (2007-2009)

Item	Target
Strengthening environmental management	Framework for environmental management established based on the Environmental Management System (1)Level up of office functions (2)Strengthening the level of cooperation with overseas production sites
Green procurement	Promoting establishment of EMS (Environmental Management System) at suppliers
Strengthening risk management	Strengthening a system for preventing of environmental pollutions and its operation
Uplifting of product values	To uplift the ratio of super green products to all products newly developed to be 20% or above by the end of FY2009
	To achieve the environmental efficiency factor 2 of newly developed products by the end of FY2009 compared to those developed in FY2005
Measures against global warming	To reduce CO <sub>2</sub> emission by 2% by the end of FY2010, compared to that emitted in FY2006
	To reduce CO <sub>2</sub> emission from transportation
Green factory	To reduce VOC (volatile organic compound) by 30% by the end of FY2010, compared to that emitted in FY2000
	To reduce the volume of wastes generated by 3% by the end of FY2009, compared to that generated in FY2006