Policies and Strategies

Based on its Fourth Medium-Term Reduction Targets, the Furukawa Company Group has set a target of reducing water consumption by 2% compared with the level predicted for fiscal 2028. With this in mind, we are working to improve water usage efficiency and promote water reuse.

To protect water resources, we conduct regular monitoring at our production sites, assess the risks at each site, and strive to conserve water. For business/production sites with high water consumption, we conduct surveys of current conditions, set reduction targets, and take measures to reduce consumption. In addition, we expanded the scope of coverage, from major domestic production sites to a consolidated basis, including overseas sites, resulting in a 24.8% year-on-year increase in water consumption.

In addition, we systematically maintain and manage Company owned forests, which serve as water sources.

Governance Framework

Risk Management

For details on our governance Framework and risk management, please refer to the Environmental Management section.

<u>Environmental Management (P.13)</u>

Metrics and Targets

FY2023 target:

 Reduce water consumption: 1.0% reduction vs FY2023 BAU^{*1}

FY2023 results:

- Water consumption*2: 521,000 m³ reduction (12.7% reduction vs FY2023 BAU)
- *1 BAU (business as usual): No action taken
- *2 Volume of water consumption at major production sites

Initiatives

Water Stress Assessment

The Furukawa Company Group uses Aqueduct, developed by the World Resources Institute (WRI), to identify water stress at its major business locations. As a result, we identified high water stress at our production sites in China and Thailand. The total water consumption (withdrawal) in these regions is approximately 10,000 m³ per year.

To address this issue, we have set a target to reduce water consumption by 2% from the projected level for fiscal 2028, and are actively working toward decreasing water consumption and mitigating water stress accordingly.

No violations of water quality or water quantity permits, standards, or regulations occurred in fiscal 2023.

Promoting More Efficient Use and Reuse of Water Resources

The Furukawa Company Group has worked to improve efficiency in production processes and implement water-saving measures by installing inverters on intake pumps at several facilities. As a result, these locations achieved a 31.7% reduction in water consumption compared with before the implementation of these measures.