Corporate Overview

Name: FUJITSU GENERAL LIMITED
Head office location: 1116, Suenaga, Takatsu-ku, Kawasaki 213-8502, Japan
Established: January 15, 1936
Capital: 18,089 million yen (as of March 31, 2010)
Net sales (consolidated): 164,158 million yen (FY2009)
Employees (consolidated): 4,828 (as of March 31, 2010)
Main business: Development, production, sales and service of products and parts of air conditioners and information & communication systems

Main products and services (consolidated)
[Air conditioners]
Air conditioners, VRF (Multi air conditioning system for buildings), ATW (Air-to-Water, heat-pump type hot water heating system), Electric carpets, Hot water room heaters, Deodorizers

[Information & Communication system]
Fire-fighting systems, Disaster prevention systems, POS systems, Video transmission systems, Security networking systems, Consumer wireless communication systems, Surveillance cameras, Automotive cameras, Electronic parts and unit products

[Others]
Recycling of electric home appliances
Radio interference measurement and consulting

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Period covered:
FY2009 (April 1, 2009 – March 31, 2010)
Sites covered:
Reports relating to environmental activities are covering Fujitsu General Limited, domestic affiliated companies and following 4 main overseas manufacturing
• Fujitsu General (Thailand) Co., Ltd
• FGA (Thailand) Co., Ltd.
• Fujitsu General (Shanghai) Co., Ltd.
• Fujitsu General Central Air-conditioner (WUXI) Co., Ltd.
Main change in business environment:
Dissolution of Shinjo Fujitsu General Ltd in FY2009
Message from Management

Recognizing that environmental protection activity is one of essential management themes, Fujitsu General Group is promoting environmental activities steadily and continuously in all business segments including air conditioner business and information & communication system business. We consider it our mission to contribute to the reduction of environmental burden of our customers and society by providing environmentally-friendly products developed with technology and creative power of Fujitsu General Group as well as grappling with the reduction of environmental burden arising through our own business activities.

Based on “Fujitsu General Group Environmental Policy”, our company is promoting the environmental activities by establishing the Environmental Protection Program every 3 years. After the Environmental Protection Program Stage V ended in FY2009, the “Environmental Protection Program Stage VI (FY2010 – 2012)” started in April, 2010. As specific activities of the “Environmental Protection Program Stage VI”, we are setting the goals of activities for environmental protection improving the conventional activities such as “Creation of environmental technology and environmentally-friendly products”, “Reduction of global warming gas emission” and “Expansion of introduction of environmental management system”.

In the past, our environmental activities have been confined to domestic and overseas manufacturing centers but in the “Environmental Protection Program Stage VI, we will expand the scope to more global environmental activities including overseas sales subsidiaries and business partners. Also, all organizations and each individual employee will strive to enhance and establish the environmental awareness, promote the global environment conscious activity and strongly push forward the reduction of environmental burden through actual business.

This report is a summary of global environmental protection activities of Fujitsu General Group and achievements of environmental activities in FY2009. We hope that you will kindly understand our efforts for environmental protection through this report and, at the same time, your candid comments and advices will be highly appreciated and reflected on our further enrichment of environmental activities.

Junichi Murashima,
Director & Corporate Senior Executive Vice President, in charge of production and environmental affairs and General Manager, Office of GDM
Basic Stance to Environment

FUJITSU GENERAL Way

The FUJITSU GENERAL Way expresses the common practice of action that all Fujitsu General Group employees should share and implement.

United by a common philosophy and guidelines, the Fujitsu General Group aims to contribute to the creation of a comfortable and safe society.

Corporate Vision

Through our constant pursuit of innovation, the Fujitsu General Group contributes to the creation of a comfortable and safe society and bring about a prosperous future that fulfills the dreams of people throughout the world.

[Fujitsu General Group business goals]
- Global business development
- Harmonious coexistence with the world's people
- Business operation with open communication

Corporate Values

< What we strive for >
- Society and Environment: In all our actions, we protect the environment and contribute to the society.
- Profit and Growth: We strive to meet the expectation of customers, employees and shareholders.
- Shareholders and Investors: We seek to continuously increase our corporate value.
- Global Perspective: We think and act from a global perspective.

< What we value >
- Employees: We respect diversity and support individual growth.
- Customers: We seek to be their valued and trusted partner.
- Business Partners: We build mutually beneficial relationships.
- Technology: We seek to create new value through innovation.
- Quality: We enhance the reputation of our customers and the reliability of social infrastructure.

Principles

Global Citizenship: We act as good global citizens, attuned to the needs of society and the environment.
Customer-centric Perspective: We think from the customer's perspective and act with sincerity.
Firsthand Understanding: We act based on a firsthand understanding of the actual situation.
Spirit of Challenge: We strive to achieve our highest goals.
Speed and Agility: We act flexibly and promptly to achieve objectives.
Teamwork: We share common objectives across organizations, work as a team and act as responsible members of the team.

Code of Conduct

- We respect human rights.
- We comply with all laws and regulations.
- We act with fairness in our business dealings.
- We protect and respect intellectual property.
- We maintain confidentiality.
- We do not use our position in our organization for personal gain.

Fujitsu General Group Environmental Policy

■ Philosophy

The Fujitsu General Group believes that working to preserve the environment is an important part of doing business. Based on this philosophy, we put the technology and creativity we possess to work on contributing to building a sustainable society as an information technology and home electronics company. Besides observing environmental laws and norms in the course of doing business, we carry out environmental activities on our own initiative. Moreover the entire organization and all employees remain committed to continuing past efforts to ensure that future generation will enjoy a rich and diverse environment.

■ Action Plan

- Reduce environmental burden throughout every stage of the product life cycle.
- Introduce Top Runner products with even better energy and resource efficiency and 3R (reduce, reuse, recycle) compliancy.
- Prevent environmental risks that cause environment pollution and health hazards caused as a result of using toxic chemicals and waste.
- Supply IT and home electronic products and solutions that contribute to reducing environmental burden for our customers and society and enhance environment efficiency.
- Disclose business activities, products and solutions related to the environment, acknowledge feedback concerning them, and apply what we learn to improve our environmental activities.
- Every employee is committed to the improvement of the environment from the perspective of their own work role and as a member of the community.
Environmental Management

Fujitsu General Group is working on the cycle of PDCA (Plan-Do-Check-Action) and promoting environmental protection based on the International Standard of Environmental Management (ISO14001) in order to promote voluntary and continual environmental protection activity.

■ Promotion Framework
In order to clarify and share the themes to materialize the “Environmental Policy” and actually realize them, the “Environmental Promotion Committee” is pushing forward the activity under the direct supervision of the Corporate Executive Meeting as the company-wide promoting setup.

Contents of activity:
(1) Deliberation of “Environmental Protection Program”
(2) Check and measures of action plan and progress of the whole company and each department relating to the “Environmental Protection Program”
(3) Deliberation of disclosed information relating to environmental activities
(4) Screening and accreditation of “Super Green Products”
(5) Sharing of information and counter-measures on laws and regulations concerning the environment in Japan and abroad

■ History of Environmental Activities
1978 ・Environmental Pollution Prevention Committee established
1991 ・Environmental Protection Promoting Committee established
1993 ・“Commitment to the Environment” established
・ “Environmental Protection Program Stage I” established
1995 ・Operation of Product Environmental Assessment started to evaluate the impact of products on the environment
1996 ・“Environmental Protection Program Stage II” established
1998 ・Fujitsu General (Shanghai) Co., Ltd. acquired ISO14001 certification
1999 ・All manufacturing subsidiaries in Japan completed acquisition of ISO14001 certification
・ Fujitsu General (Thailand) Co., Ltd. acquired ISO14001 certification
2000 ・Fuji Eco Cycle Ltd. established to recycle end-of-life electric home appliances
2001 ・“Environmental Protection Program Stage III” established
・ 5 domestic sites of ISO14001 integrated as Fujitsu General Limited head office Fujitsu General Limited head office
・ Fuji Eco Cycle Ltd. acquired ISO14001 certification
2002 ・FGA (Thailand) Co., Ltd. acquired ISO14001 certification
2003 ・“Fujitsu General Group Environmental Policy” established
2004 ・“Environmental Protection Program Stage IV” established
・ ISO14001 covering area in Japan expanded to all sales branches
2007 ・“Environmental Protection Program Stage V” established
2008 ・ISO14001 integration in domestic areas completed
2010 ・“Environmental Protection Program Stage VI” established
■ Activities in FY2009

In order to enhance the level of environmental activities, we increased the internal auditors by 13 persons in Japan as part of strengthening ISO14001 internal auditing. We will continue to bring up auditors in the future. We held trainings for sales branches regarding proper dealing with industrial wastes and thoroughly instructed the staff to comply with laws and regulations. On the other hand, with regard to overseas manufacturing centers, we dispatched staff in charge to each center from Kawasaki head office to check the actual operation of ISO14001 system and confirmed the proper operation of the system. In the future, we are planning to implement the mutual auditing between the centers.

Training of internal auditors

■ Environmental Auditing

We are conducting auditing, measurement and compliance assessment periodically in line with the environmental management system. In order to operate the environmental management system properly, we are also implementing the internal auditing regularly. The internal auditing is conducted in two ways, mutual auditing among group companies in Japan and internal auditing within each company. In the future, this type of auditing will be carried out in overseas companies as well. The problems pointed out in the auditing are reported to the environmental management promptly and the measures for improvement are taken. Furthermore, each group company in Japan and abroad is continuously implementing the auditing by third implementing the auditing by third result of such activities, there was no serious problem such as law violation, accident, etc. in FY2009.

■ Environmental Education

Fujitsu General Group is steadily conducting the education targeting all the employees and practical training for dealing with natural disasters and factitious dealing with natural disasters and factitious carried out focusing on the manifesto management of industrial wastes and CFC control aiming at the compliance of laws and regulations for the sales branches in Japan.

■ Winning “10-Year Continuation Award” for Environmental Management System

The domestic division of Fujitsu General Group has won “10-Year Continuation Award” from Japan Audit and Certification Organization for Environment and Quality (JACO) to commend the continuous improvement.

■ Status of Acquisition of ISO14001 Certification

<table>
<thead>
<tr>
<th>Company</th>
<th>Certificate acquisition year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fujitsu General head office and sales branches</td>
<td>2008 Integration completed</td>
</tr>
<tr>
<td>Hamamatsu Business Office</td>
<td></td>
</tr>
<tr>
<td>Aomori Business Office</td>
<td></td>
</tr>
<tr>
<td>FES Ltd</td>
<td>1998</td>
</tr>
<tr>
<td>CSP Ltd</td>
<td>1999</td>
</tr>
<tr>
<td>Seiwa–kai Ltd</td>
<td>1999</td>
</tr>
<tr>
<td>Fuji Eco Cycle Ltd</td>
<td>2002</td>
</tr>
<tr>
<td>Fujitsu General EMC Laboratory Ltd.</td>
<td></td>
</tr>
<tr>
<td>Fujitsu General Electronics Ltd.</td>
<td></td>
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<tr>
<td>Fujitsu General Carrier Promoting Co., Ltd.</td>
<td></td>
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<tr>
<td>Fujitsu General Institute of Air-Conditioning Technology Ltd.</td>
<td></td>
</tr>
<tr>
<td>Fujitsu General Information System Ltd.</td>
<td></td>
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<tr>
<td>Fujitsu General Residential Equipment Ltd.</td>
<td></td>
</tr>
<tr>
<td>Fujitsu General Heartware Ltd.</td>
<td></td>
</tr>
<tr>
<td>Fujitsu General (Shanghai) Co., Ltd.</td>
<td>1998</td>
</tr>
<tr>
<td>Fujitsu General (Thailand) Co., Ltd.</td>
<td>1999</td>
</tr>
<tr>
<td>Fujitsu General Engineering (Thailand) Co., Ltd.</td>
<td>1999</td>
</tr>
<tr>
<td>FGA (Thailand) Co., Ltd.</td>
<td>2002</td>
</tr>
<tr>
<td>Fujitsu General Central Air-Conditioner (WUXI) Co., Ltd.</td>
<td>2006</td>
</tr>
</tbody>
</table>
## Environmental Protection Program Stage V and Achievements

<table>
<thead>
<tr>
<th>Key issues</th>
<th>Goals up to the end of FY2009</th>
<th>FY2009 Achievements</th>
<th>Achievement status</th>
<th>Related page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Enhancement of environmental value of products</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development of Green products and Super Green products</td>
<td>① Increase the ratio of Green Products(<em>) to 100% targeting our products developed newly in FY2009 and thereafter. ② Increase the ratio of the number of models of Super Green Products(</em>) to 20% targeting the Green Products of air conditioners for domestic market developed newly in FY2009 and thereafter.</td>
<td>① Green Products 24 models ② Super Green products 5 models (28%)</td>
<td></td>
<td>P8</td>
</tr>
<tr>
<td>Adoption of recycling materials</td>
<td>Increase the adoption of recycling materials (resin) in air conditioners for domestic and overseas markets to more than 100 tons.</td>
<td>107 tons</td>
<td></td>
<td>P12</td>
</tr>
<tr>
<td>Total ban of specified hazardous chemical substances</td>
<td>① Compliance with existing regulations (European RoHS Directive, REACH regulations) ② Conclusion of Green Procurement Agreement (FUJITSU GROUP 29 Specified Hazardous Chemical Substances)</td>
<td>① Achieved ② Not achieved (Partly not concluded)</td>
<td></td>
<td>P9</td>
</tr>
<tr>
<td><strong>Measures to prevent global warming</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction of energy consumption and total CO2 emission</td>
<td>① Reduce total CO2 emission in domestic business offices by 15% in total compared to actual emission in FY1990. ② Reduce total CO2 emission in overseas factories by 10% compared to actual emission in FY2006 in production output per unit.</td>
<td>① Reduced by 23.3%(*3) ② Reduced by 15.1%(*3)</td>
<td></td>
<td>P10</td>
</tr>
<tr>
<td>Reduction of total CO2 emission in distribution and transportation</td>
<td>Reduce total CO2 emission in products transportation by 5% in total compared to actual emission in FY2006 in Japan).</td>
<td>Reduced by 23%</td>
<td></td>
<td>P10</td>
</tr>
<tr>
<td>Development of energy-saving products</td>
<td>① Domestic air conditioners: Achieve target standards of &quot;2010 Energy-saving Law&quot; for all models advancing one year. ② Overseas air conditioners: Develop the products conforming to the energy-saving regulations in the countries of destination.</td>
<td>① All 17 models ② All 14 models</td>
<td></td>
<td>P9</td>
</tr>
<tr>
<td>Strengthening governance</td>
<td>① Strengthen internal audit of ISO14001 and education of compliance (in Japan) ② Strengthen internal audit of ISO14001 of overseas factories</td>
<td>① Increased auditors by 13 persons ② Confirmed proper operation of system</td>
<td></td>
<td>P4</td>
</tr>
<tr>
<td>Strengthening green procurement</td>
<td>① Promote upgrading of EMS(<em>) of parts and material suppliers (FJEMS(</em>) or ISO14001 Certification) (in Japan) ② Establish EMS in all parts and material suppliers(in Japan)</td>
<td>① FJEMS certified at 4 companies ② All 454 companies</td>
<td></td>
<td>P11</td>
</tr>
<tr>
<td>Promotion of green factory</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction of emission of PRTR subject chemical substances</td>
<td>Reduce emission of PRTR(*6) subject chemical substances by 20% in total compared to actual emission in FY2006 (in Japan and overseas).</td>
<td>Reduced by 58.7% in Japan Reduced by 20.1% overseas</td>
<td></td>
<td>P11</td>
</tr>
<tr>
<td>Reduction of waste materials</td>
<td>Reduce waste materials by 5% in total compared to actual emission in FY2006 (in Japan and overseas).</td>
<td>Reduced by 67.8% in Japan Reduced by 76.1% overseas</td>
<td></td>
<td>P12</td>
</tr>
</tbody>
</table>

(*1) "Green Products" means the products of our company which enhanced environmental performance such as energy saving, resource saving, reduction of hazardous substances from current products.

(*2) "Super Green Products" means the products, among "Green Products", which have industry's top level of environmental performance or considerably improved performance compared to our current products.

(*3) CO2 emission computation standard: Electricity (Japan) calculated by "FY2008 actual emission co-efficient" (FY2009 unreleased) and (overseas factories) by "0.410t-CO2/MWh". Fuel calculated by "Total Greenhouse Emission Computation Guideline (March, 2007)" of Ministry of Environment

(*4) EMS: Environmental Management System (System and guideline relating to environmental protection activity. e.g.: International Standard ISO14001)

(*5) FJEMS: Fujitsu group environmental system (Fujitsu group's own EMS)

(*6) PRTR: Pollutant Release and Transfer Register (Law relating to the promotion of comprehension and management of emission of specified chemical substances to the environment. e.g.* xylene and toluene to be used when manufacturing motors in case of our company)
Environmental Protection Program Stage VI

In order to further strengthen the activity to reduce environmental burden, we are tackling the “Environmental Protection Program Stage VI” which was established as 3-year environmental activity program from FY2010 to FY2012.

< Key issues >

1. Development of environmental protection products and technologies to reduce the global environmental burden throughout the product lifecycle.
2. Reduction of energy consumption CO₂ emission in the domestic manufacturing centers, overseas manufacturing centers and domestic product distribution.
3. Establishment of Environmental Management System (EMS) for the material suppliers of overseas sales subsidiaries and manufacturing centers.
4. Suppression of emission of waste products and PRTR subject chemical substances.

<table>
<thead>
<tr>
<th>Fujitsu General Group “Environmental Protection Program Stage VI”</th>
<th>Goals up to the end of FY2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of environmental protection products and technologies to reduce the global environmental impact throughout the product lifecycle</td>
<td>1) Designating all products to be developed newly in FY2010 and thereafter as environmentally-friendly products “Green products” 2) Designating more than 20% of the models developed in each fiscal year as “Super green products” 3) Development of further energy-saving technology</td>
</tr>
<tr>
<td>Reduction of energy consumption CO₂ emission in the domestic manufacturing centers, overseas manufacturing centers and domestic product distribution</td>
<td>1) Energy consumption CO₂ emission in domestic bases: 25% reduction in total compared to actual emission in FY1990 2) Energy consumption CO₂ emission in overseas manufacturing centers: 16% reduction in output basic unit compared to FY2006 3) Energy consumption CO₂ emission in domestic products distribution: 26% reduction in total compared to actual emission in FY2006</td>
</tr>
<tr>
<td>Establishment of Environmental Management System (EMS) for the material suppliers of overseas sales subsidiaries and manufacturing centers</td>
<td>1) Acquisition of ISO14001 in overseas sales subsidiaries 2) Support of EMS establishment in material suppliers of overseas manufacturing centers</td>
</tr>
<tr>
<td>Suppression of emission of waste products and PRTR subject chemical substances</td>
<td>1) Emission of waste products in domestic manufacturing centers and overseas sales subsidiaries: 30% reduction in total compared to actual emission in FY2009 2) Emission of waste products in overseas manufacturing centers: 30% reduction in output basic unit compared to actual emission in FY2009 3) Emission of PRTR subject chemical substances in domestic manufacturing centers and overseas manufacturing centers: 60% reduction in total compared to actual emission in FY2005</td>
</tr>
</tbody>
</table>
Fujitsu General Group is promoting company-wide environmental activities and aiming to reduce environmental burden at all stages of business activities.

Our environmental investment in FY2009 was 890 million yen. The main capital investment was for home electric appliances recycling plant and refrigerant recovering equipment. The cost and effects in FY2009 declined by 33 million yen mainly because of the increased purchase of depreciable assets in this fiscal year.

Environmental investment**: 890 million yen
Environmental protection cost : 1,196 million yen
Environmental protection effects : 1,199 million yen

Environmental protection cost**

<table>
<thead>
<tr>
<th>Item</th>
<th>Main contents</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs in business area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Air/water pollution protection</td>
<td></td>
<td>172.2</td>
</tr>
<tr>
<td>Resources recycling</td>
<td>Global warming prevention</td>
<td>52.3</td>
</tr>
<tr>
<td>Resources effective use</td>
<td></td>
<td>547.1</td>
</tr>
<tr>
<td>Sub total</td>
<td></td>
<td>771.6</td>
</tr>
<tr>
<td>Production upstream/downstream activity cost</td>
<td>Recycling of used products</td>
<td>142.3</td>
</tr>
<tr>
<td>Management activity cost</td>
<td>EMS, education, etc.</td>
<td>111.9</td>
</tr>
<tr>
<td>R&amp;D cost</td>
<td>Development of environment</td>
<td>205.4</td>
</tr>
<tr>
<td>Environmental Protection cost</td>
<td>Recovery of land pollution</td>
<td>0.4</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1231.6</td>
</tr>
</tbody>
</table>

Environmental protection effects

<table>
<thead>
<tr>
<th>Contents of effects</th>
<th>Money</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Sale of valued articles by recycling</td>
<td>671.9</td>
</tr>
<tr>
<td>Cost saving Energy saving, Material saving</td>
<td>527.2</td>
</tr>
<tr>
<td>Total</td>
<td>1,191.1</td>
</tr>
</tbody>
</table>

**Environmental investment amount is the capital investment amount aiming at environmental protection calculated by multiplying pro rata (0.05, 0.25, 0.5, 0.75, 1) set according to the degree of "environment protection" out of the purpose of purchase of relevant equipment on each capital investment amount.

**Environmental protection effects in FY2007 and FY2008 are real effects only.

**Environmental protection cost is calculated including various expenses, personnel cost and depreciation cost of capital investment relating to environmental activities.
Environmentally-friendly Products

Development of “Green Products” and “Super Green Products”

In the new product development, we are tackling the development of “Environmentally-friendly Products” leading to the reduction of environmental burden such as “Energy saving”, “Reduction of chemical substance”, “Effective use of resources”. After establishing the “Product Environmental Assessment” in 1995, we have been implementing the product assessment at the stage of product planning, development, designing and test production and sending the products which cleared the standard of environmental performance of our company to the market. In 2007 and thereafter, we established “Green Product Conforming Evaluation Standards” to further strengthen the environmental performance of the products and have been positioning all the newly developed products as “Green Products (+1)”. At the same time, we are developing “Super Green Products (+2)”, which are the products that have industry’s top-class environmental element in “Energy saving”, “3R design technology”, “Designated chemical substances” or “Environmentally-friendly materials and technology” and are recognized as having superior environmental performance. Our company is aiming to improve the level of environmental performance of products by periodically updating “Green Product Conforming Evaluation Standards” and “Super Green Product Conforming Evaluation Standards”.

- 2009 Activities

We released 24 models of “Green Products” in the market including domestic air conditioners, overseas air conditioners, “Plazion” (deodorizer), automotive camera.

With regard to the development of “Super Green Products”, we set the target of “increasing the ratio of the number of models of Super Green Products among Green Products of newly developed domestic air conditioners to more than 20%” and achieved 28%.

(*1) “Green Products”: Products which scored 80 points or more in “Product Environmental Assessment” or cleared one item or more out of 10 items in the evaluation of environmental element.

(*2) “Super Green Products”: Products in which CO2 emission in use is reduced by more than 30% compared to the products having equivalent function to our FY2000 models.

- Green products developed in 2009

We developed all of the newly developed products (full model change) and products with relatively small change in major parts or structure (minor model change) as “Green Products”.

Product name: nocria S series
- Energy-saving performance
- Further reducing CO2 emission in operation by equipping human sensor

Product name: Plazion DAS-301V
- Reduction of standby power consumption
- Excelling in 3R designing (Separation/Sorting)

Others
- Developed lighter-weight models in automotive camera compared with conventional models
Development of Energy-saving Products

While the energy conservation regulations are strengthened in various areas of the world, we are promoting energy-saving measures and working on timely measures for regulations.

■ 2009 Activities
With regard to all models of air conditioners for domestic market for FY2009, we cleared the target standard of “FY2010 Energy Conservation Law” one year ahead of schedule. Moreover, as for the models for 2010, we developed “nocria Z, S series” adopting the function to be able to estimate electricity charge or check the electricity used by “preset temperature”.

For overseas air conditioners, 14 energy-saving models were released, which cleared the energy conservation regulations of various countries.

■ Award winning
In November, 2009, our split type inverter air conditioner “ASTA09LFC” received “Australia’s most efficient single phase air conditioner 2009–2010” Award (*1) as it was recognized as “No.1” energy-saving performance (EER 5.2 in cooling operation) among split type air conditioners marketed in Australia. Our air conditioner won the Award for the 2nd consecutive year.

Air Conditioning and Refrigeration Equipment Manufacturers Association of Australia (*3) is holding “AREMA Energy Star Awards” every year to enhance the environmental contribution consciousness of business operators doing air conditioner business in Australia.

The award our company received is given to the product with the best energy-saving performance as at 1 July, 2009 selected by the Australian Government among split type air conditioners sold in Australia.

Measures against Chemical Substance Restriction

Considering the situations of the regulations in Japan and abroad regarding chemical substances contained in the products, we requested our business partners to observe “Fujitsu Group Procurement Standards” which defines the measures against hazardous chemical substances specified by Fujitsu Group and concluded the agreement with almost all business partners.

< Fujitsu Group Specified Chemical Substances >
- Banned Substances (29 substances)
- Prohibited Substances in manufacturing process (6 substances)

■ 2009 Activities
In order to strengthen the hazardous chemical substance management setup of business partners, we further promoted the on-site examination guidance/education which started in FY2007.

Also, we strengthened the management setup of chemical substances contained in the products by establishing the internal system to perform the communication which is obliged by the European REACH Regulations (*4) and maintaining target chemical substance information.

With regard to legal regulations such as RoHS Directive (*5), we are working systematically including the internal Supply Chain on the whole implementing the chemical substance management thoroughly by the setup including Environmental Management Division, Product Manufacturing Division, Quality Assurance Division and Purchasing Division.

Framework of chemical substance management setup

(*4) REACH Regulations: Regulations relating to the registration, evaluation, approval and restriction of chemical substances

Award-winning plate
“Australia’s most efficient single phase air conditioner 2009–10”

(*1) The Award name changed from “Most efficient air conditioner unit as at 30 Nov. 2007” in 2008.
(*2) Among all split type air conditioners sold in Australia as at 1 July, 2009.
(*3) AREMA stands for “Air Conditioning and Refrigeration Equipment Manufacturers Association of Australia”
(*4) REACH Regulations: Regulations relating to the registration, evaluation, approval and restriction of chemical substances
Environmental Consideration in Business Activities

Global Warming Prevention

Reduction of Energy Consumption
In order to reduce CO2 emission which causes global warming, we are grappling with the reduction of CO2 emission in business activities by improving production efficiency and activity of each individual employee.

■ 2009 Activities

Energy consumption CO2 emission was 13,600 tons (23.2% less compared to FY1990) in Japan and 25,800 tons in production output basic unit in FY2009 (15.1% less compared to FY2006) in overseas manufacturing centers, which cleared the goal.

< Main activities >
- Energy-saving measures by efficient operation of electric generator in Air Conditioner R&D Center
- Updating the air conditioning facility to energy-saving type
- Heat releasing measures by heat insulating and heat shielding process of hot air heating furnace of printed board
- Energy saving by shortening conveyors of air conditioner assembly lines
- Energy saving by updating heating method of drying furnace of heat exchanger and preset temperature
- Promotion of national campaign of global warming prevention “Team -6%” (Energy saving activity by participating in COOL BIZ, Light-down campaign)
- Replacing company cars with low gas emission cars
- Turning off unnecessary lightings in the offices

Activities in Distribution
We are working on the improvement of transportation frequency of stock transfer between warehouses by reviewing transportation route by integration and abolishment of warehouses, adopting transportation method to improve load efficiency and reviewing operation efficiency and method for delivering goods to customers promptly.

■ 2009 Activities

Scope: Sales distribution of domestic air conditioners CO2 emission at the distribution stage in Japan was 2,158 tons, 23% less compared to FY2006. In FY2009, as a result of extending the scope of allocation of goods entered into 8 warehouses after discharging at 6 ports in Japan to offshore (Shanghai → ports of discharge), the loss of transfer of stock between warehouses was reduced by 3% in sales quantity compared to the previous year.

Also, we reduced transportation frequency by using large-size trucks in route transportation and improved the load efficiency of small lot delivery by adopting box transportation using dedicated folding containers. In the future, we will aim at further reduction of CO2 in the transportation process by quantifying the environmental burden in ocean transportation of the goods shipped from China and Thailand.

Example of improving load efficiency

Before improvement Transportation by 2-ton truck or 4-ton truck without filling the space
After improvement Transportation by charted truck per box improving load efficiency

Activity examples

Improving air conditioning duct (Removing cold air machine) Tree planting for sunshade

![Graphs and charts]

Energy consumption CO2 emission

Reduction rate (%)

[1,000t-CO2] 0 10 20 30 40 50 60 70 0 10 20 30 40 50 60 70

1990 2006 2007 2008 2009

Compared to FY1990
Compared to FY2006

CO2 emission in domestic distribution

Reduction rate (%)

2006 2007 2008 2009

Compared to FY2006 (Total)
Green Procurement

Fujitsu General Group is pursuing the procurement with environmental consideration from the stage of material procurement aiming at manufacturing the products realizing both global environmental protection and creation of affluent life. To that end, we are promoting the purchase from business partners who are positively promoting environmental protection and the procurement of parts, materials and products with less environmental burden and without hazardous substances.

We are asking business partners for their cooperation regarding establishment of environmental management, observation of the Guideline regarding Fujitsu Group Specified Chemical Substances and establishment of chemical substance management system based on “Fujitsu Group Green Procurement Standards” and “Fujitsu General Group’s Individual Procurement Standards”.

We are working on the shift to materials not containing PRTR subject substance and the restriction of emission by improving disposal process.

■ 2009 Activities
Scope: Aomori Business Office (Japan) / FGA (Overseas manufacturing center)

As for PRTR subject substance xylene and toluene, the varnish impregnation equipment was changed in order to restrict the emission of chemical substance (solvent) used for the production of motors. The varnish used for the production of motors contains solvent which evaporates in the process of varnish impregnation process. In this process, the emission of solvent is restricted by using small-size varnish impregnation equipment to reduce the amount of evaporation of solvent.

Also, overseas manufacturing centers grappled with the shortening of production process time for reducing the amount of evaporation and achieved the reduction by 20.1% in FY2009 compared to FY2006.

In the future, we will continue to work on the proper control of chemical substances, improvement of disposal process and substitution of materials for the restriction of emission.

■ 2009 Activities
Scope: Business partners in Japan and abroad

We promoted the establishment of environmental management system of business partners, activities for supporting operation and enhancing the level (Level II and higher). In FY2009, we achieved 100% of goals of activity targeting business partners. We are also promoting the global green procurement by holding the briefing sessions on green procurement targeting business partners at the manufacturing centers in China and Thailand.
Measures against Wastes

Aiming to realize the recycling-oriented society, we are working on the 3R (Reduce, Reuse, Recycle) of wastes along with the effective use of limited resources.

■ 2009 Activities
In order to restrict the amount of waste generation, we changed delivery box of parts from carton box to dedicated plastic container. Carton box has durability for the use of only several times. By using dedicated plastic containers which can be used repeatedly, the amount of waste generation was reduced. Furthermore, we made efforts not only for recycling and deploying recycling route but also for not producing defective goods by improving production facility, and the achievement at overseas manufacturing centers in FY2009 was the reduction by 76.1% compared to FY2006.

![Carton box](Image1) ➔ ![Plastic box](Image2)

**Carton box of air conditioner parts (Electromagnetic valve)**

Environmental Social Contribution Activities

We promote social contribution activities aiming at fostering mutually beneficial relationships with regional communities.

■ Regional Contribution Activities
Aiming to provide the local people with a pleasant environment, Kawasaki Head Office, Aomori Business Office and FGEL, a manufacturing subsidiary in Ichinoseki, Japan, are continuously conducting a voluntary cleaning activity around the office premises. At our manufacturing subsidiary in Thailand, the employees are regularly keeping up the plants and beautifying the green area and were commended in the “Greening Contest” held targeting the companies residing in the industrial area in Thailand.

■ Nature Environment Protection Activities
With the aim to curb the destruction of coral reef spreading in the global scale and revive corals, we carried out a nocria “Coral Growing” campaign. Winners were selected in a drawing among those who applied for the game on the Web site of our company and cleared, and the corals with their nicknames were transplanted to the sea of Okinawa under the cooperation of “Sea Seed Co., Ltd.”

■ Environmental Education Activities
In order to make children at local primary and junior high schools make aware of the importance of the environment, we held environmental lessons visiting schools mainly on the good use of electric home appliances to promote energy saving at home.

![Environmental lesson at local school](Image3)

**Sponsored by “Energy Saving Electric Home Appliance Dissemination & Promotion Forum” of Association for Electric Home Appliances**
Recycling Activities

We are promoting the recycling business of the end-of-life electric home appliances at our subsidiary company, Fuji Eco Cycle Ltd. and environmentally-friendly business activities including self-recycling of resources.

■ 2009 Activities
In FY2009, we used 107 tons of PP (polypropylene) material by closed-recycling for air conditioners. Also, for disassembling and sorting at the recycling stage and easier operation at the collection process of materials, we clearly specified the information by indication or marking on the products. In the future as well, we will promote environmentally-friendly designing of products considering resource recycling.

< Example of adopting recycled materials for air conditioner >
• Indoor unit: Horizontal air direction board, Rear board
• Outdoor unit: Thermister holder, Protection net

Marking of combined part
Marking to provide information of the part where parts are combined for the improvement of work efficiency at the time of disassembling [Combined plastic parts]

Example of recycle mark indication for air conditioner

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit</th>
<th>Air conditioner</th>
<th>TV OTR type</th>
<th>LCD / Plasma type</th>
<th>Refrigerator / Freezer</th>
<th>Washing machine / Dryer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity of recycled products processed</td>
<td>set</td>
<td>108,464</td>
<td>14,813</td>
<td>340</td>
<td>151,503</td>
<td>12,726</td>
</tr>
<tr>
<td>Weight of recycled products processed</td>
<td>ton</td>
<td>4,476</td>
<td>422</td>
<td>5</td>
<td>9,070</td>
<td>429</td>
</tr>
<tr>
<td>Weight of recycled products</td>
<td>ton</td>
<td>4,057</td>
<td>383</td>
<td>4</td>
<td>7,006</td>
<td>382</td>
</tr>
<tr>
<td>Recycled product rate</td>
<td>%</td>
<td>90</td>
<td>90</td>
<td>80</td>
<td>77</td>
<td>89</td>
</tr>
</tbody>
</table>

■ Electric Home Appliance Recycling
With the aim of strengthening the process capacity of electric home appliance recycle plant of our subsidiary "Fuji Eco Cycle, Ltd." our company constructed a new factory in the premises of our Hamamatsu Business Office (Hamamatsu City, Shizuoka Prefecture) and relocated the operation of the old factory (Fujinomiya City, Shizuoka Prefecture) to the new factory in April, 2010. The new factory has two times bigger process capacity than the old factory because of adoption of new facility and improved efficiency. In the environmental aspect, besides greening of 25% of the site area, the energy saving of factory building was promoted by adopting our multi air conditioning system for buildings, and as an environmental consideration to the regional area, a rainwater outflow restraint facility was installed to reduce the rainwater outflow from the factory premises due to concentrated heavy rains.

In the future, pursuing the mind of "MOTTAINAI" (eliminating the wastes) and with the password of "Resource if sorted, Trash if mixed" , we will strive to make further contribution to the environmentally-friendly recycling-oriented society by promoting more effective use of resources.

Status of recycled products of end-of-life electric home appliances