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, 2011)
Net sales (consolidated): 182,105 million yen (FY2010)
Employees (consolidated): 5,157 (as of March 31, 2011)
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

Contents:

Message from Management .......... P 1
Basic Stance to Environment
FUJITSU GENERAL Way .......................... P 2
Fujitsu General Group Environmental Policy .... P 2

Environmental Management
Environmental Promotion Framework .......... P 3
Environmental Auditing Framework .......... P 3
Environmental Education ........................ P 4
Environmental Accounting ........................ P 4
Environmental Burden in Business Activities .......... P 5
Environmental Protection Program Stage VI .......... P 5

Environmental Consideration in Products
Development of “Green Products” and “Super Green Products” ................. P 6
Life Cycle Assessment .......................... P 8
Measures against Chemical Substance
Restriction ........................................ P 8

Environmental Consideration in Business Activities
Green Procurement .............................. P 9
Chemical Substance Emission Restraint ........ P 9
Reduction of Energy Consumption CO2 .......... P 10
Environmental Activity in Distribution .......... P 11
Measures against Wastes ........................ P 12
Electric Home Appliance Recycling Activity ........................ P 12
Regional Contribution Activities ..................... P 14
Natural Disaster Support Activities ................. P 14
Measures against Radioactive Substance .......... P 15
Electricity Saving Initiatives ........................ P 16
History of Environmental Activities ................. P 17
Status of Acquisition of ISO14001 Certification P 17

Period covered:
FY2010 (April 1, 2010 – March 31, 2011)

Sites covered:
Reports relating to environmental activities are covering Fujitsu General Limited, domestic affiliated companies, main overseas manufacturing companies (4 companies) and main overseas sales subsidiary companies (11 companies)

Description referring to the future:
The matters referring to the future described in this report are the contents based on the information at the time of drawing up

Reference Guidelines:
“Environmental Report Guideline 2005” The Ministry of Environment
Message from Management

We would like to express our heartfelt sympathy to the sufferers of the Great East Japan Earthquake which occurred in March this year and sincerely hope for the earliest possible restoration of the suffered area.

Today, we are confronting the imminent problems on the earth such as global warming prevention, resource depletion, biodiversity conservation. On these problems, our company is positioning the environmental protection as one of our essential management issues and promoting the well-planned and continuous environmental activities based on the motto “In all our actions, we protect the environment and contribute to the society”, one of the corporate values of the FUJITSU GENERAL Way.

We will contribute to the reduction of environmental burden of our customers and society by creating “human-and-earth-friendly technology” and providing environmentally considerate products such as “Super Green Products” around the world in all business segments including air conditioner, information & communication system and electronic device. contribution to the global environment protection.

At present, Fujitsu General Group is working on the achievement of the important themes and goals stipulated in the “Environmental Protection Program Stage VI” which is the action program for 3 years from FY2010 to 2012. Specifically, we will contribute to the comfortable and eco-friendly life through the development of the products pursuing the industry’s top level of environmental performance and also promote the improvement of energy consumption efficiency in our own business activities and the environmental management of the whole group in Japan and abroad. Through these activities, we will make company-wide efforts to further enhance the contribution to the global environment protection.

This time, we compiled the activities of global environmental protection of Fujitsu General Group and FY2010 environmental activity achievements as “Fujitsu General Group Environmental Activities”. In order to further enhance our environmental activities, we hope that you will kindly read the report and give us your candid comments and advices.

Junichi Murashima
President and Representative Director
Fujitsu General Limited
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 and 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: We build mutually beneficial relationships.
  - Partners: We act based on a firsthand understanding of the actual situation.
  - Technology: We strive to achieve our highest goals.
  - 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: 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 environmental 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 environmental efficiency.
- Disclose business activities, products and solutions related to the environment, acknowledge feedback concerning them, and apply what we learn to improving our environmental activities.
- Every employee is committed to the perspective of the environment from the perspective of their own work role and as a member of the community.
Environmental Management

Fujitsu General Group is promoting the environmental activities based on the International Standard (ISO14001) of Environmental Management System (EMS) in order to promote voluntary and continual environmental protection activity.

Ⅰ Environmental Management System

We are aiming to acquire the domestic and overseas global integrated certification of ISO14001 in FY2012 to further strengthen the governance and company-wide environmental activity. Each of the overseas production bases (4 companies) has completed the acquisition of ISO14001 individually and all of the domestic business bases (12 companies and 26 business offices) acquired integrated certification by 2008. Overseas sales subsidiaries started the activity of the EMS establishment from FY2010 aiming to acquire the integrated certification in FY2012.

Ⅱ Environmental Promotion Framework

Fujitsu General Group is discussing the specific measures regarding environmental management themes and measures to materialize the “Environmental Policy” in the “Environmental Promotion Committee” held regularly and making final decision in the Corporate Executive Meeting. The contents of decision are notified from the Chairman of the Committee through the managers of organizations. Thus, all the employees are working on the environmental protection activities.

Ⅲ Environmental Auditing Framework

In order to operate the environmental management system properly, we are implementing the examination by external certification body and internal auditing by internal auditors once a year. For assuring the thoroughgoing compliance, the continuous improvement is also pursued by reporting on the environmental activities 4 times a year from environmental management executives to corporate auditors from FY2010. In the examination by external certification body in FY2010, two cases of minor nonconformity such as temporary employees of one organization were not included in the activity were pointed out, for which correction measures were taken.
Environmental Management

Environmental Education
Fujitsu General Group is conducting the environmental education targeting all the employees according to the program. We are implementing the general training for new employees and the programs for training “ISO14001 Internal Auditors” and also encouraging those engaged in the legal affairs to acquire the public qualifications by participating in the external trainings. In FY2010, we conducted the training focusing on the industrial waste disposal and management of CFC fill ration with the purpose to strengthen the compliance at the sales branches and newly trained internal auditors at 33 organizations to vitalize the environmental activities at each organization. Thus, the internal auditors are now staffed to all domestic organizations.

Environmental Accounting
Our environmental investment in FY2010 was 1,462 million yen (230 million yen up from the previous year) and the economic effect was 2,300 million yen (400 million yen up) and the capital investment was 81 million yen. Main cost increase factor was the increase of consignment expense to Fuji Ecocycle Ltd along with the increase of electric home appliance recycling volume.

Cost and effect

![Graph showing environmental protection cost and environmental protection effect over years]

<table>
<thead>
<tr>
<th>Item</th>
<th>Main contents</th>
<th>Capital investment amount</th>
<th>Cost amount ((\times 4))</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pollution prevention</td>
<td>Air/water pollution protection</td>
<td>0</td>
<td>169</td>
</tr>
<tr>
<td>Environmental protection</td>
<td>Global warming prevention</td>
<td>20</td>
<td>48</td>
</tr>
<tr>
<td>Resources recycling</td>
<td>Resources effective use</td>
<td>22</td>
<td>422</td>
</tr>
<tr>
<td>Sub total</td>
<td></td>
<td>42</td>
<td>639</td>
</tr>
<tr>
<td>Production upstream/downstream activity cost</td>
<td>Recycling of used products</td>
<td>0</td>
<td>510</td>
</tr>
<tr>
<td>Management activity cost</td>
<td>EMS, education, etc.</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>R&amp;D cost</td>
<td>Development of environmentally-friendly products</td>
<td>39</td>
<td>213</td>
</tr>
<tr>
<td>Environmental Protection cost</td>
<td>Recovery of land pollution</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>81</td>
<td>1,462</td>
</tr>
</tbody>
</table>

Economic effects relating to environmental protection

<table>
<thead>
<tr>
<th>Item</th>
<th>Main contents</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Sale of valued articles by recycling</td>
<td>1,107</td>
</tr>
<tr>
<td>Cost saving</td>
<td>Energy saving, Material saving, etc.</td>
<td>404</td>
</tr>
<tr>
<td>Estimated effect</td>
<td>Sales contribution in environmentally-friendly designing, etc.</td>
<td>789</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2,300</td>
</tr>
</tbody>
</table>

\(\text{1} \) Capital investment amount aiming at environmental protection calculated by multiplying pro rata set according to the degree of “environment protection” out of the purpose of purchase of relevant equipment on each capital investment amount.

\(\text{2} \) In the “2010 Environmental Activities Report (2009 Achievement)”, the estimated effects are not included in the FY2009 environmental protection effects.

\(\text{3} \) Environmental protection cost is calculated including various expenses, personnel cost and depreciation cost of capital investment relating to environmental activities.

\(\text{4} \) Depreciation cost is calculated by 5-year fixed amount depreciation method and included in the cost amount.
Environmental Burden in Business Activities

The state of the amount of resources consumed (INPUT) and the amount of environmental burden emitted (OUTPUT) in the business activities of Fujitsu General Group was as shown below. There was an improvement in the amount of environmental burden in sales amount basic unit compared to the previous year.

<table>
<thead>
<tr>
<th>INPUT</th>
<th>Business activities</th>
<th>OUTPUT year on year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>Development/Designing</td>
<td>Emission to the air</td>
</tr>
<tr>
<td>Electricity</td>
<td>82,705 MWh</td>
<td>CO₂</td>
</tr>
<tr>
<td>Heavy oil/Kerosene</td>
<td>139 kℓ</td>
<td>NOₓ (Japan)</td>
</tr>
<tr>
<td>Light oil/Gasoline</td>
<td>745 kℓ</td>
<td>SOₓ (Japan)</td>
</tr>
<tr>
<td>LPG</td>
<td>2,066 t</td>
<td></td>
</tr>
<tr>
<td>City gas</td>
<td>243 k㎥</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Resource</th>
<th>Manufacturing</th>
<th>Distribution/Sales</th>
<th>Emission to the water area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>Amount of water used in factories and business offices in FY2010</td>
<td>Drainage</td>
<td>378 k㎥</td>
</tr>
<tr>
<td>Metal (Iron/Copper/Aluminum)</td>
<td>103,583 t</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plastic</td>
<td>11,073 t</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paper</td>
<td>13,276 t</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>6,508 t</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Calculation method:
- Consumption of electricity, oil and gas in factories and business offices in FY2010 (INPUT)
- Amount of water used in factories and business offices in FY2010 (INPUT)
- Amount of water drained into sewage system or rivers from factories and business offices in FY2010 (INPUT)
- Amount of water used in factories and business offices in FY2010 (INPUT)
- Amount of waste generated in factories and business offices in FY2010 (INPUT)
- Amount of water used in factories and business offices in FY2010 (INPUT)
- Amount of water used in factories and business offices in FY2010 (INPUT)
- Amount of water used in factories and business offices in FY2010 (INPUT)
- Amount of water used in factories and business offices in FY2010 (INPUT)
- Amount of water used in factories and business offices in FY2010 (INPUT)

Environmental Protection Program Stage VI

Fujitsu General Group established the Environmental Protection Program Stage I in 1993 and is establishing the Environmental Protection Program every three years. In the Environmental Protection Program Stage VI, we are promoting the reduction of environmental burden focusing on: Development of environmentally-friendly products and technologies, Reduction of greenhouse gas emission, Extension of environmental activities to overseas sales subsidiaries and parts/material suppliers and Suppression of emission of wastes and PRTR subject chemical substances. The results in FY2010 are as follows:

<table>
<thead>
<tr>
<th>Key issues</th>
<th>FY2010</th>
<th>FY2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY</td>
<td>Unit</td>
<td>Target</td>
</tr>
<tr>
<td>Green Products development rate</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Super Green Products development rate</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Rate of development of environmentally-friendly technology</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Reduction rate of energy consumption CO₂ total emission</td>
<td>Domestic business offices</td>
<td>Total amount</td>
</tr>
<tr>
<td>Overseas production bases</td>
<td>2006</td>
<td>Production output basic unit</td>
</tr>
<tr>
<td>Reduction of CO₂ emission in domestic distribution</td>
<td>Domestic</td>
<td>Total amount</td>
</tr>
<tr>
<td>Overseas sales subsidiaries</td>
<td>Level I</td>
<td>Level I</td>
</tr>
<tr>
<td>Establishment of EMS at all of our overseas business partners</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Reduction rate of wastes</td>
<td>Domestic</td>
<td>Total amount</td>
</tr>
<tr>
<td>Overseas production bases</td>
<td>2009</td>
<td>Production output basic unit</td>
</tr>
<tr>
<td>Reduction rate of PRTR subject chemical substance emission</td>
<td>2005</td>
<td>Total amount</td>
</tr>
</tbody>
</table>

- PRTR: Pollutant Release and Transfer Register (Law relating the promotion of comprehension and management of emission of specified chemical substances to the environment)
- Targeting our products developed within the target year
- EMS: Environmental Management System (System and procedure relating to the environmental protection activity, e.g., International Standard ISO14001)
- Level in the Fujitsu General Group own EMS: Level I (Introductory stage), Level II (Preparation stage for acquiring third party certification)
- Level III (80%)
Development of “Green Products” and “Super Green Products”

Fujitsu General Group is aiming to reduce the environmental burden of the society on the whole by providing “Environmentally-friendly Products” to customers and society. We are setting targets for all the environmental elements specified in the “Product Environmental Assessment” at the product planning stage and verifying the achievement at the designing test production stage. Then, we recognize the products complying with “Green Product Conforming Standards” as “Green Products” and are working on the activity to make all the newly developed products “Green Products” after FY2010. Furthermore, out of the “Green Products”, the products which cleared one or more items out of 4 items such as the industry’s top level in environmental elements and commended by third party in the environmental performance are recognized as “Super Green Products”.

Environmentally-friendly products

- “Green Products”
- “Super Green Products”

Development process

Planning ➞ Designing ➞ Test production ➞ Mass production

Setting target and how to achieve (Conforming standards)

- Super Green Product Conforming Standards
- Green Product Conforming Standards

< Super Green Product Conforming Standards >
Products conforming to one or more of following 4 items
- Industry’s top level in environmental performance (Ⅲ)
- CO2 emission reduced by over 30% from our conventional models
- Resource saving by over 15% from our conventional models
- Commended by the third party in environmental performance

(<) Up to industry’s 2nd

< Green Product Conforming Standards >
Products which scored 80 points or more in Product Environmental Assessment
- Weight reduction
- Resource saving
- Recycling
- Energy saving
- Separation
- Ease of decomposing disposal
- Ease of collection and transportation
- Use of recycled resource
- Promotion of long term use
- Safety and environmental protection
- Packaging
- Information disclosure

In FY2010, in order to strengthen the reduction of environmental burden of “Green Products”, we raised the standard point of “Product Environmental Assessment” which is the conforming standard of Green Products from 70 to 80 points. As a result, all of 94 newly developed products have been recognized as “Green Products” which reduced environmental burden by more than 5% compared to conventional products.

In the development of “Super Green Products” which have industry’s top level environmental performance, we mainly targeted the domestic air conditioners in FY2009 but extended the target to all the products in FY2010, as a result of which 29 models of “Super Green Products” were developed, 31% out of 94 models of “Green Products” of FY2010.

Development of Environmentally-friendly Technology

We are pushing forward the development of energy-saving technology which is our core technology. As for air conditioners, we continue to develop the high density multi-path heat exchanger with our own technology in which both energy-saving and high power are compatible. In the PLAZION deodorizer, the enhancement of deodorizing performance by double coating of the catalyst was realized. In the digital wireless base station, the energy-saving technology of digital circuit getting high transmission power with small power consumption was developed. As to the in-vehicle camera, the energy-saving technology was established by the development of the dedicated LSI with high integration and software.
Examples of Super Green Products Development

**Domestic air conditioner**
Energy saving by high density multi-path heat exchanger
- “nocria Z series”
- “nocria S series”
- “V series”

<table>
<thead>
<tr>
<th>Model No.</th>
<th>Reason for recognition</th>
</tr>
</thead>
<tbody>
<tr>
<td>AS-Z56A2-W and 2 other models</td>
<td>Industry’s top level in seasonal power consumption</td>
</tr>
<tr>
<td>AS-S28A-W/AS-S40A2-W</td>
<td>Reducing CO₂ mission at operation by 30% compared to conventional model</td>
</tr>
<tr>
<td>AS-V25A-W/AS-V28A-W</td>
<td>Reducing CO₂ mission at operation by 30% compared to conventional model</td>
</tr>
</tbody>
</table>

**Overseas air conditioner**
Energy saving by high density multi-path heat exchanger
- “Multi-type air conditioners for North America”
- “Air conditioners for Oceania”
- “Air conditioners for China”

<table>
<thead>
<tr>
<th>Model No.</th>
<th>Reason for recognition</th>
</tr>
</thead>
<tbody>
<tr>
<td>AQUA48LAT8 and 12 other models</td>
<td>Industry’s top level in SEER (Seasonal Energy Efficiency Ratio) improved by 30% compared to conventional model</td>
</tr>
<tr>
<td>ASTG09LVCA and 3 other models</td>
<td>Energy-saving performance improved by 30% compared to conventional model</td>
</tr>
<tr>
<td>AWQZ12LCC/AWQZ18LCC</td>
<td>Energy-saving consumption efficiency improved by over 30% compared to conventional model</td>
</tr>
</tbody>
</table>

**Deodorizing equipment**
Downsizing by enhancing deodorizing effect with double coating of the catalyst
- “Deodorizing equipment”

<table>
<thead>
<tr>
<th>Model No.</th>
<th>Reason for recognition</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAS-303W</td>
<td>Reducing product cubic volume by 27% compared to conventional model</td>
</tr>
</tbody>
</table>

* Products which have equal function to FY2000 models
*1 Stands for Seasonal Energy Efficiency Ratio. Calculated by dividing total cooling volume (Btu/h) in usable period of ordinary year by electricity (Wh) consumed in the same period.
Environmental Consideration in Products

Life Cycle Assessment
Fujitsu General Group developed “LCA Automatic Calculation System” in FY2010 to reduce the environmental burdens of the whole life cycle of the products from parts and materials procurement to disposal. By this system, we started to implement LCA for typical models of all product groups of Fujitsu General Group including air conditioners for domestic and overseas markets. From FY2011, we are implementing LCA for all products developed newly. We will also promote the activity to reduce the environmental burden at each stage of product life cycle.

LCA Activity System (Example: Air conditioner)

Measures against Chemical Substance Restriction
Fujitsu General Group is complying with the regulations in Japan and abroad regarding the chemical substances contained in the products by establishing and operating its own system. In order to minimize the risk due to the chemical substances contained in the products, we are receiving information on the chemical substances contained in the parts and materials from suppliers and making integrated management on the state of the containments. Also, with regard to the specified substances prohibited to use by law, we are implementing our own measurement and confirming the non-containment when adopting new parts and materials. We are providing the products which do not contain the specified prohibited substances by conducting the incoming inspection of the parts and materials at the time of production.
Environmental Consideration in Business Activities

**Green Procurement**
Fujitsu General Group is implementing the environmentally-friendly activities from the stage of material procurement. Specifically, while requesting our suppliers to tackle the environmental protection, we are promoting the procurement of parts and materials containing less environmental burden and no harmful substances.

To that end, we are asking our suppliers for their cooperation regarding the observation of the restriction of specified chemical substance based on “Fujitsu Group Green Procurement Standards” and “Harmful Substance Non-containment Requirement Specifications”, establishment of Environmental Management System (EMS), establishment of Chemical substance Management System (CMS) (1), reduction of energy consumption CO₂ emission and biodiversity protection.

In FY2010, the purchasing department and quality assurance department of overseas production bases conducted the guidance and auditing for establishing EMS for 118 suppliers which had not established EMS, as a result of which all of the suppliers have established EMS up to today.

**Enhancement of Level**

- Level α: Third party certification: ISO14001, etc.
- Level β: We request suppliers to establish their own EMS as a step towards acquiring third party certification such as ISO14001
- Level γ: For business partners who are newly working on environmental protection activities, as a step toward establishing an EMS, this level involves setting up “Environmental Activity Objectives” from their activities.

**PRTR Subject Chemical Substance Emission Restraint**
We are working on the improvement of production efficiency and change of materials to restrict the emission of xylene and toluene contained in the varnish solvent used for the production of motors.

In FY2010, the emission was reduced in production quantity basic unit by 47% compared to the previous year in domestic factories and 7% in overseas factories (the effect of changing was limited to 2 months) by changing to the solvent containing less PRTR subject chemical substance (Containment rate: 80% □ 27.5%). Consequently, the technical possibility of the change to the varnish containing almost no PRTR subject chemical substance has become certain.

**Reduction of PRTR Subject Chemical Substance Emission (Total)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Reduction compared to FY2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>55,828</td>
</tr>
<tr>
<td>2006</td>
<td>34,450 (38.3%)</td>
</tr>
<tr>
<td>2007</td>
<td>36,424 (34.8%)</td>
</tr>
<tr>
<td>2008</td>
<td>30,802 (44.8%)</td>
</tr>
<tr>
<td>2009</td>
<td>32,055 (42.6%)</td>
</tr>
<tr>
<td>2010</td>
<td>31,028 (44.4%)</td>
</tr>
<tr>
<td>2012</td>
<td>11,165 (80%)</td>
</tr>
</tbody>
</table>

PRTR: Pollutant Release and Transfer Register (Law relating the promotion of comprehension and management of emission of specified chemical substances to the environment, e.g., xylene and toluene used when manufacturing motors in case of Fujitsu General Group.)

* Chemical substance management system based on the concept of “Chemical Substance Management Guideline” published by JGPSS (Japan Green Procurement Survey Standardization initiative) and JAMP (Joint Article Management Promotion-consortium)
Environmental Consideration in Business Activities

Reduction of Energy Consumption CO₂

Fujitsu General Group is making company-wide efforts for the prevention of global warming setting up the reduction of energy consumption CO₂ emission as important challenge in the Environmental Protection Program Stage VI.

In FY2010, under such circumstances as economic recovery in Europe, heat wave in Japan and various other areas in Northern Hemisphere, government subsidy for energy-saving products, demand increase in emerging countries, we increased the sales of air conditioners by releasing the products excelling in the energy-saving performance and strengthening the sales channels. As a result, our energy consumption in business activities in Japan and abroad increased. To this, the production bases in Japan and abroad continued to strive to enhance the energy consumption efficiency by thoroughgoing production innovation activity.

Also, we established the guideline regarding the energy-saving investment for equipment, based on which CO₂ emission reduction effect and economic evaluation are conducted for promoting effective energy-saving activity. As one example, we started the energy-saving renovation of air conditioner test equipment which accounts for large part of electricity consumption at Kawasaki head office. Besides, we made electricity saving measures such as partial light off, revising the setting of temperature of air conditioners (28 ºC), electricity-saving setting of PC.

As a result of those measures, the energy consumption CO₂ emission decreased by 24.4% against the projection of 23% reduction compared to FY1990 in total in Japan and by 23.5% against the projection of 12% reduction in production output basic unit in overseas production bases.

Energy consumption CO₂ emission (Japan: Total)

Energy consumption CO₂ emission (Overseas factories: Production output basic unit)

CO₂ emission calculation base:
Electricity: Japan 0.407t- CO2/MWh  Overseas factories “0.410t- CO2/MWh
Environmental Activity in Distribution

Fujitsu General Group is striving to reduce environmental burden by improving transportation efficiency in distribution reviewing the transportation methods and routes. In FY2010, we reduced the “transportation between warehouses” which is re-transporting between warehouses of various places in Japan and implemented the share transportation in Kansai area. We improved the loading efficiency by shifting individual transportation from distribution warehouse to each dealer to the share transportation in coordination with other dealers on the similar transportation route.

By implementing these measures, we reduced CO₂ emission by 34.5% compared to FY2006.

In the future as well, we will strive to reduce the environmental burden by extending the share transportation efforts to other areas and increasing the railroad transportation with less environmental burden which is partly adopted in the domestic transportation.

We are also working on the check of the amount of CO₂ emission generated from the transportation of products to domestic and overseas markets from overseas production bases and reduction of air transportation and enhancement of loading efficiency.

Reduction of environmental burden in distribution

Reduction of transportation between warehouses

- Share transportation
- Enhancing loading rate
- Modal shift (Railroad transportation)

Reduction of transportation between warehouses

Modal shift

Dealers

CO₂ emission in domestic distribution (Total)

<table>
<thead>
<tr>
<th>Year</th>
<th>CO₂ Emission</th>
<th>Reduction Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006 (Base)</td>
<td>2,923</td>
<td>101.4%</td>
</tr>
<tr>
<td>2007</td>
<td>2,963</td>
<td>0.8%</td>
</tr>
<tr>
<td>2008</td>
<td>2,900</td>
<td>-26.2%</td>
</tr>
<tr>
<td>2009</td>
<td>2,158</td>
<td>34.5%</td>
</tr>
<tr>
<td>2010</td>
<td>1,915</td>
<td>40%</td>
</tr>
<tr>
<td>2012 (Target)</td>
<td>1,753</td>
<td>0%</td>
</tr>
</tbody>
</table>

( ): Reduction rate compared to FY2006
Environmental Consideration in Business Activities

Measures against Wastes

Fujitsu General Group is working on the reduction of wastes and the effective use of resources. We are striving to convert the wastes generated from the business activities into valuable resources with the motto of “Resources if sorted, Trash if mixed”.

The production bases are promoting the reduction of wastes by utilizing the reusable packing materials when parts are delivered from suppliers. Also, we reduced the loss from spoilage by preventing aluminum fins from falling off by securing the copper pipe exposed part by narrowing the aluminum fin pitch when making heat exchanger.

We are also promoting the paperless operation company-wide and the amount of usage can be visualized from each workplace through the in-company intranet for the thorough implementation of the reduction.

Electric Home Appliance Recycling Activity

For the promotion of recycling of the used electric home appliances (air conditioners, CRT/LCD/Plasma TVs, refrigerators, freezers, washing machines, cloth driers), the “Electric Home Appliance Recycling Law” was enforced in April, 2001, and all the manufacturers were obliged to make recycling disposal of the used electric home appliances.

Under the circumstances, our company established a recycling disposal company, “Fuji Ecocycle Ltd.” in Fujinomiya City, Shizuoka Prefecture and started operation in 2001 and then, constructed a new factory in Hamamatsu, Shizuoka Prefecture starting operating in April, 2010 to strengthen the disposal capacity.

Furthermore, we are promoting “closed recycling” of resources such as recycling the PP material (polypropylene) collected from the used washing machines into resources at Fuji Ecocycle and adopting them for the parts of our company’s air conditioners. In FY2010, we used 171 tons, 160% up from the previous year.
<Features of Fuji Ecocycle Ltd.>

□ Resource recycling
- Realized the industry's top class product recycling rate by complete manual disassembly and enhancing the accuracy of crushing and sorting.

□ Environmental consideration for factory vicinity
- Enhancing the sound insulation and minimizing the noise
- Disposal method without using water (No waste water generated)

In accordance to the Home Electric Appliances Recycling Law, Fujitsu General is publicly announcing the actual results of the product recycling in the company’s website. The disposed quantity of our products was 381,000 sets and total recycled weight was 15,673 tons for 4 subject items in FY2010.

<table>
<thead>
<tr>
<th>FY2010 Product Recycling Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item</td>
</tr>
<tr>
<td>Accepting quantity at specified accepting place</td>
</tr>
<tr>
<td>Product recycling disposed quantity</td>
</tr>
<tr>
<td>Product recycling disposed weight</td>
</tr>
<tr>
<td>Product recycling weight</td>
</tr>
<tr>
<td>Product recycling rate</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Breakdown of Product Recycling (ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item</td>
</tr>
<tr>
<td>Iron</td>
</tr>
<tr>
<td>Copper</td>
</tr>
<tr>
<td>Aluminum</td>
</tr>
<tr>
<td>Composite of nonferrous, iron, etc.</td>
</tr>
<tr>
<td>CRT glass</td>
</tr>
<tr>
<td>Other valuable items</td>
</tr>
<tr>
<td>Total weight</td>
</tr>
</tbody>
</table>

Environmental Consideration in Business Activities

Regional Contribution Activities

Fujitsu General Group is implementing cleaning and greening activities aiming at the regional environmental protection and co-existence with regional areas.

Also, to have Japanese electric home appliance recycling system understood more deeply, Fuji Ecocycle Ltd. is positively accepting the visitors from local government and neighboring schools. The number of visitors in FY2010 was 1,161 and the cumulative total for 10 years from the start of operation became 6,500.

Natural Disaster Support Activity

We are implementing the support activity for the areas suffered by natural disaster such as earthquake.

- Support for the Great East Japan Earthquake Disaster:
  We donated 30 million yen to Japan Red Cross Society as the relief money for the restoration from the Great East Japan Earth Disaster occurred on March 11 this year. We also donated mobile communication equipment and in-vehicle wireless equipment as substitute for fire-fighting wireless system for emergency communication and disaster prevention wireless system to Iwate Prefecture and Miyagi Prefecture and electric carpets to Kanagawa Prefecture for the sufferers who evacuated to Kanagawa area. Fujitsu General Group is placing top priority to work on the restoration of the social system such as fire-fighting and disaster prevention.

- Support for the New Zealand Earthquake Disaster:
  We sponsored the charity cricket game held in Wellington on March 13 with the purpose of reconstruction support for the earthquake disaster occurred in New Zealand on February 22 this year and donated the relief money of NZ$100,000 (about 6 million yen) together with the proceeds of the game to the New Zealand (Canterbury district) government through our sales subsidiary, Fujitsu General New Zealand Limited.
Measures against Radioactive Substance

We established the management system to assure voluntarily the safety of our products by investigating the impact of the radioactive substance due to the accident of Tokyo Electric Power Company Fukushima Daiichi Nuclear Power Plant on the products of our company so that our customers can use our products without anxiety.

- Investigation of impact by radioactive substance:
  We are regularly measuring the radioactive substance dose in the factory premises of production bases, factory buildings and products using the measuring equipment.

- Assurance of safety:
  We assure that the impact on our products is less than the standard value by setting voluntary standard with reference to the standard of ICRP (International Commission on Radiological Protection)

- Domestic production bases and destination of products:

  Domestic production bases

  - Investigation of impact
  - Assurance of safety

  Ports by ship and air

  In Japan
  - Customers

  Overseas
  - Customers
  - Sales distributors
  - Overseas production bases
Electricity Saving Initiatives

Fujitsu General Group is implementing the following electricity saving initiatives at the Kawasaki head office and domestic business offices and factories aiming to reduce the peak electricity usage between July and September, 2011 by 20% compared to the previous year.

Main electricity saving initiatives at Fujitsu General Group

1. Period of the initiatives:
   - Area serviced by Tokyo Electric Power Company: Weekdays 09.00-20.00, July 1–Sept. 22
   - Area serviced by Tohoku Electric Power Company: Weekdays 09.00-20.00, July 1–Sept. 9

2. Target of saving:
   - 20% reduction in peak electricity usage of the previous year

3. Initiatives in operation:
   1) Kawasaki head office
      - Reducing electricity used for test equipment in the air conditioner division (Shifting of starting and operating time)
      - Setting the room temperature of air conditioners at 28°C
      - Partial suspension of power equipment such as ventilation equipment, elevators and suspension of automatic vending machines

   2) Fujitsu General Electronics Ltd. (FGEL)
      - Reducing electricity for each production line by stopping operation in turn (Change of work system by shifting to holidays)

   3) Companywide
      - Extending the period of “Cool Biz”, partial light off, partial suspension of air conditioner usage, turning off of PCs and peripheral equipment when not in use
      - Implementing reduction of electricity by 20% at business offices and branches in other than the areas serviced by Tokyo Electric Company and Tohoku Electric Company
      - Monitoring the status of electricity usage in real time at Kawasaki head office and FGEL

4. Encouragement of electricity saving at homes
   - We are encouraging employees to save electricity at their homes by sending specific information on how to save electricity at home and also promoting the electricity saving at homes through the public website.

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 and domestic manufacturing companies
    - 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
2006 - Fujitsu General Central Air-Conditioner (WUXI) Co., Ltd. acquired ISO14001 certification
2007 - “Environmental Protection Program Stage V” established
2008 - ISO14001 integration in domestic areas completed
2010 - “Environmental Protection Program Stage VI” established
    - Fuji Eco Cycle Ltd. acquired ISO14001 certification after relocating to Hamamatsu

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</td>
</tr>
<tr>
<td>Hamamatsu Business Office</td>
<td>Integration completed</td>
</tr>
<tr>
<td>Fujitsu General (Shanghai) Co., Ltd.</td>
<td></td>
</tr>
<tr>
<td>Fujitsu General EMC Laboratory Ltd.</td>
<td></td>
</tr>
<tr>
<td>Fujitsu General Electronics Ltd.</td>
<td></td>
</tr>
<tr>
<td>Fujitsu General Carrier Promoting Co., Ltd.</td>
<td></td>
</tr>
<tr>
<td>Fujitsu General Institute of Air-Conditioning Technology Ltd.</td>
<td></td>
</tr>
<tr>
<td>Fujitsu General Information System Ltd.</td>
<td></td>
</tr>
<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>