Corporate Philosophy

FUJITSU GENERAL Way

The FUJITSU GENERAL Way represents the Fujitsu General Group’s core purpose that defines, as a basis for achieving sustainable growth, where our company wants to be, the mission we must fulfill to support customers and society, and the value we offer.

It also serves as a guidepost for every employee of the Fujitsu General Group to follow in everything they do at work.

By fulfilling Our Mission in the Corporate Philosophy through our businesses, we will bring comfort, wellness, confidence, and safety to society and pave the way for a brighter future for generations to come.

Structure of the FUJITSU GENERAL Way

The FUJITSU GENERAL Way encompasses the Corporate Philosophy and the Code of Conduct.
### Corporate Profile (As of March 31, 2023)

**FUJITSU GENERAL LIMITED**

- **Headquarters:** 3-3-17 Suenaga, Takatsu-ku, Kawasaki-shi, Kanagawa, Japan
- **Representative**
  Etsuro Saito
  President & CEO (from June 23, 2015)
- **Established:** January 15, 1936
- **Capital stock:** 18,172 million yen
- **Number of employees:**
  - Fujitsu General Group: 8,335
  - Fujitsu General Limited: 1,729
- **Number of Directors (as of June 28, 2023):**
  - 11 (including 5 External Directors)
- **Number of consolidated subsidiaries:** 39
  - Number of affiliates accounted for by the equity method: 3
- **Stock exchange listing:**
  - The Prime Market of the Tokyo Stock Exchange

### Air Conditioners

- **Manufacturing and Development Subsidiaries**
  - Fujitsu General (Thailand) Co., Ltd.
  - FGA (Thailand) Co., Ltd.
  - Fujitsu General Air Conditioning R&D (Thailand) Co., Ltd.
  - Fujitsu General (Shanghai) Co., Ltd.
  - Fujitsu General Central Air-Conditioner (WUXI) Co., Ltd.
  - F.G.L.S. Electric Co., Ltd.
  - FGAHP 1 other subsidiary
- **Sales Subsidiaries**
  - Aeroshield Co., Ltd.
  - Fujitsu General America, Inc.
  - Fujitsu General do Brasil Ltda.
  - Fujitsu General Air Conditioning (UK) Ltd.
  - Fujitsu General (Euro) GmbH
  - Fujitsu General (Italia) S.p.A.
  - Fujitsu General (Middle East) Fze
  - Fujitsu General (Asia) Pte. Ltd.
  - Fujitsu General (India) Private Ltd.
  - Fujitsu General (Aust.) Pte Ltd.
  - Fujitsu General New Zealand Ltd.
  - Fujitsu General Sales & Trading (Shanghai) Co., Ltd.
  - Fujitsu General (Taiwan) Co., Ltd. 1 other subsidiary
- **Design & Construction and Service-Maintenance Subsidiaries**
  - ABS Fujitsu General Private Ltd.
  - Precise Air Group (Holdings) Pty Ltd. 7 other subsidiaries

### Information & Communication System and Electronic Devices

- **Fujitsu General Electronics Limited**
- **Fujitsu General OS Technology Limited** 1 other subsidiary

### Other Subsidiaries

- **Fuji Eco Cycle Co., Ltd.**
- **Fujitsu General EMC Laboratory Limited** 3 other subsidiaries

### Group Profile (As of March 31, 2023)

#### Air Conditioner Business

Air is always around us. Fujitsu General offers air conditioners designed to make room air clean and refreshing and bring ultimate comfort to customers anytime, anywhere.

#### Information & Communication System Business

We offer total solution system services, in which we propose, manufacture, sell, and maintain firefighting systems to protect the lives and property of residents, as well as disaster prevention systems to ensure the safety and security of people's day-to-day lives, as part of the creation of frameworks for firefighting and disaster prevention.

#### Electronic Devices Business

We have developed a solutions business focused mainly on cameras, electronic parts, and semi-assembled components in our Electronic Devices Business. We have received high praise in various industrial fields for solving issues our customers have with the likes of technology, quality, and cost.
Message from the CEO

Achieving our corporate philosophy through “Sustainable management”

Under the Corporate Philosophy of the Fujitsu General Group, the "FUJITSU GENERAL Way," we have defined “–Living together for our future–” as Our Mission, which we aim to achieve for our customers and society. This embodies the same aim as the philosophy behind "Sustainable Development Goals (SDGs)," “Leave No One Behind.” This serves as a guideline for every employee of the Fujitsu General Group aimed at contributing to the creation of a comfortable, secure, and safe society through the provision of new value.

To achieve our Corporate Philosophy, we have also set “Sustainable Management” as the basis of all our business activities. Under “Sustainable Management,” we aim to contribute to the creation of a sustainable society through medium- and long-term business growth and development based on the following three pillars: Harmonious Coexistence with Our Planet (Planet), Social Contribution (Society), and Care for Employees (Our People).

The business activities of the Fujitsu General Group contribute to the creation of a sustainable society. Air Conditioners from our mainstay business are used around the world as clean products that offer excellent energy efficiency, comfort, and safety. These products, which utilize heat pump technology, are anticipated to contribute to limiting climate change as alternative products for appliances that burn fossil fuels for heating and hot water. The Fujitsu General Group aims to contribute to the creation of a sustainable society by providing products that solve social issues, including air conditioners, for which there is a growing global need for day-to-day life, and Air to Water (ATW) systems (heat pump-type hot water heating systems), which do not emit any greenhouse gases (GHGs) when operating.

In the Information & Communication System Business, the power-saving effects with the use of digital technology, and the energy-saving performance of the products we sell, enhance the power-saving effects with the use of digital technology, and improve the efficiency of product transportation. Through these efforts, our entire value chain aims to reduce GHG emissions by 55% by FY2035 (compared to FY2021) and to “achieve carbon neutrality” with net-zero GHG emissions by FY2050.

For “Social Contribution (Society),” we will provide a comfortable, safe, and secure society and space by strengthening our Air Conditioner, Information & Communication Systems, and Electronic Devices Businesses. We also aim to provide new value to solve social issues through internal measures such as new business creation programs. In parallel with these activities, we will strengthen our systems for responsible procurement activities and promote regional networking activities as we further focus on social contribution as a member of society.

For “Care for Employees (Our People),” we will continue promoting health and productivity management to create workplaces that help employees maintain health and vitality while boosting their productivity and motivation. At the same time, we will strengthen our initiatives to support “spontaneous career development and learning” based on the fact that it is essential for sustainable growth that each and every employee thinks proactively about their career and engages in self-growth.

By continuing these endeavors, we will further solidify our business foundation and the trust placed in us by our customers and society, and always pursue self-innovation as we target sustainable growth for the Fujitsu General Group.
Financial Data

- **Net sales**
  - (Hundred Million Yen)
  - FY2018: 2,527
  - FY2019: 2,621
  - FY2020: 2,655
  - FY2021: 2,841
  - FY2022: 3,710

- **Operating income and operating income margin**
  - FY2018: 5.8%
  - FY2019: 5.7%
  - FY2020: 7.1%
  - FY2021: 3.0%
  - FY2022: 4.1%

- **Equity capital and shareholder’s equity ratio**
  - FY2018: 50.7%
  - FY2019: 50.1%
  - FY2020: 48.4%
  - FY2021: 47.0%
  - FY2022: 44.7%

Regional Composition

- **Japan**
  - Net sales: 743 Hundred Million Yen
  - Share of global sales: 20.0%

- **Asia and Greater China**
  - Net sales: 584 Hundred Million Yen
  - Share of global sales: 15.8%

- **Europe**
  - Net sales: 903 Hundred Million Yen
  - Share of global sales: 24.3%

- **Americas**
  - Net sales: 675 Hundred Million Yen
  - Share of global sales: 18.2%

- **Middle East and Africa**
  - Net sales: 453 Hundred Million Yen
  - Share of global sales: 12.2%

- **Oceania**
  - Net sales: 352 Hundred Million Yen
  - Share of global sales: 9.5%

* Figures are actual results for FY2022
Financial Data (Segment)

**Air Conditioner Segment**

Sales ratio of Air Conditioner Business

Net sales

3,384 Hundred Million Yen

Sales composition by segment

91.2%

Net sales of the Air Conditioner Segment increased to 3,384 hundred million yen (+34.1% YoY) due to overseas sales benefiting from steady progress in normalizing procurement, production, and shipment operation, steady shipments of high backlog orders, and the depreciation of the yen against each foreign currency, although domestic sales could not fully recover from the impact of the lockdown in Shanghai. Operating income in the Air Conditioner Segment was 120 hundred million yen (+131.9% YoY) mainly due to the effect of improved selling prices and increased sales volume to overseas customers, although it was significantly affected by soaring prices of materials and parts and ocean freight rates, increased upfront investment costs to strengthen the business, and cost increases due to the depreciation of the yen.

**Information & Communication System and Electronic Devices Segments**

Sales ratio of Information & Communication System and Electronic Devices Businesses

Net sales

300 Hundred Million Yen

Sales composition by segment

8.1%

In the Information & Communication System and Electronic Devices Segments, net sales amounted to 300 hundred million yen (+2.5% YoY) thanks to sales growth in Electronic Devices. However, operating income was 18 hundred million yen (-16.7% YoY), as performance was significantly impacted by lower Information & Communication System sales.
Message from the Executive Officer

- Contribution to mitigation of climate change
  In recent years, natural disasters that appear to be caused by climate change have been trending upward worldwide, and countermeasures are urgently required. Our core business of “air conditioners that utilize heat pump technology (air conditioners and heat pump-type water heating systems)” are not just essential items for a comfortable day-to-day life but are also essential products for contributing to cutting greenhouse gas emissions by replacing heating devices that use fossil fuels. We will provide products that solve these social issues and, in doing so, contribute to limiting climate change and achieving a sustainable society.

- Respect human rights
  The opening line of the Fujitsu General Group Code of Conduct is “We respect human rights.” This expresses our position that our corporate activities will primarily be based on the spirit of respect for human rights. In order to achieve this, we think it is essential that all employees correctly understand human rights issues and take action to combat them. In addition to repeated education and development activities, we will also utilize our consultation and relief desk to endeavor to rectify and prevent the recurrence of any issues as part of our efforts to nurture a spirit of respect for human rights across our supply chain as a whole.

- Initiatives to strengthen governance
  In order to act with integrity and fulfill the responsibility entrusted to us by our stakeholders with shared ethics, we promote initiatives to strengthen governance. Through focusing on highly transparent business activities, the thorough enforcement of compliance with laws and regulations, fair commercial transactions, appropriate information management, the prevention of corruption, and so forth, we will endeavor to manage risk and enact measures based on the spirit set forth in our Corporate Philosophy, and will build and strengthen an effective framework for governance.

Corporate Vice President
General Manager, Corporate Communications Division
General Manager, Sustainability Promotion Division
Toshio Kano

Promoting Sustainable Management

- Basic Policy
  In order to promote Sustainable Management, the Fujitsu General Group formulated and announced its Sustainable Management Basic Policy in March 2021.

  The Sustainable Development Goals (SDGs) are intended to drive future business creation, and their core principle of “Leave No One Behind” is synonymous with our own Corporate Philosophy of “Living together for our future.” Fujitsu General takes a medium- and long-term approach to the promotion of sustainable management. Fujitsu General promises the children and society of the future to create a sustainable society, and pursues its own business growth by accelerating these sustainability efforts.

- Three Core Strategic Themes
  In order to promote Sustainable Management, we are implementing measures based on three pillars: Harmonious Coexistence with Our Planet (Planet), Social Contribution (Society), and Care for Employees (Our People).

  1. Harmonious Coexistence with Our Planet
     - Toward carbon neutrality
     - Developing talented people willing to take on new challenges
     - Solving social issues through “monozukuri” (manufacturing in Japanese)

  2. Social Contribution
     - Contribution to solving social issues
     - Create innovations to solve social issues

  3. Care for Employees
     - Solving social issues with a Sustainable Product System
     - Contribution to solving social issues

Promotion framework of Sustainable Management

In Fujitsu General Group, the President is appointed Chief Sustainability Officer (CSO), and we promote company-wide activities based on “Sustainable Management.” In addition, the Sustainability Promotion Committee deliberates plans, progress, and issues related to sustainability with a particular focus on Sustainable Management.

- Promotion structure

  Board of Directors
  Corporate Executive Meeting
  Sustainability Promotion Committee
    (Secretariat: Sustainability Promotion Division)
  Environmental Promotion WG
  Energy Cost Reduction WG
  Sustainability Due Diligence Promotion WG
  Sustainable Product Promotion WG

  Each site in the Fujitsu General Group (Japan and overseas)
**Sustainable Product**

- **Start of Sustainable Product System**
  Fujitsu General Group internally certifies each of the Group’s strategic products and services that are expected to solve social issues and contribute to a sustainable society as a Sustainable Product. We also internally certify each such product that is recognized as contributing to sustainable development to a certain degree through innovative technologies and services and that allow our Group to pursue business growth as a Sustainable Product Gold. By concentrating investment in these products and services in our aim to have our Sustainable Product series account for at least 30% of company-wide net sales in FY2030, we will aggressively promote the integration of sustainability and growth strategies.

  - **Sustainable Product**
    A product or service that helps solve social issues and can be expected to contribute to a sustainable society is certified by us as a Sustainable Product.

  - **Sustainable Product Gold**
    A product or service certified by us as a Sustainable Product that is recognized as contributing to sustainable development to a certain degree is certified as a Sustainable Product Gold.

- **Products Certified as Sustainable Product**
  - nocria ZN series air conditioners for cold regions
  - Cold climate air conditioners for North America
  - ATW (Air-to-water) Small GaN (Gallium Nitride) power modules
  - Tropical cooling only inverter air conditioners for India
  - Tropical cooling only inverter air conditioners for the Middle East
  - Cómodo gear AEROSHIELD

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**Materiality**

- **Materiality**
  The Fujitsu General Group identifies materiality to promote Sustainable Management and pursues business activities to realize a sustainable society. In identifying materiality, we extracted issues in light of our Group’s Corporate Philosophy and Management Policies, considering international guidelines such as SDGs and the GRI Standards as well as the results of various surveys conducted by external research organizations. The extracted issues are then classified and organized into two Categories: “Stakeholder interest & impact” and “Significance to the Group.” More material issues are designated as Core Strategic Themes.

- **Materiality Identification Process**
  - **Step 1** Extract social issues
    Extract issues from stakeholders’ perspectives based on GRI Standards, etc.

  - **Step 2** Extract issues to be addressed by the Group
    Identify priority issues for the Group based on the Corporate Philosophy, Management Policy, etc.

  - **Step 3** Identify materiality
    Sort out stakeholder interest & impact and significance to the Group are organized to identify our Materiality.

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**Materiality Matrix**

- **Thorough Compliance and Governance, Respect for Human Rights**
  - Management of Chemical Substances
  - Efficient Use of Natural Resources
  - Reduction of Energy, Waste, and Water Consumption
  - Air Pollution Control
  - Supply Chain Management

- **Biodiversity Conservation**
  - Stakeholder Engagement
  - Diversity
  - Health and Productivity Management
  - Occupational Health and Safety
  - New Value Creation

- **Information Security**
  - Community Contribution
  - Talent Development

Significance to the Group

Extremely high

High

Very high

High

Very high

Extremely high
### Core Strategic Themes

<table>
<thead>
<tr>
<th>Classification</th>
<th>Key Initiatives</th>
<th>KPI</th>
<th>SDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harmonious Coexistence with Our Planet</td>
<td><strong>Action Against Climate Change, Reduction of Energy</strong></td>
<td>Reduce CO₂ emissions from products during their use</td>
<td>Greenhouse gas emissions</td>
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<tr>
<td></td>
<td></td>
<td>Reduce CO₂ emissions across business activities</td>
<td>Greenhouse gas emissions</td>
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<td></td>
<td><strong>Efficient Use of Natural Resources</strong></td>
<td>Promote resource-saving design</td>
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<td></td>
<td></td>
<td>Reduce material waste from production</td>
<td>Ratio of waste loss ratio to purchase volume</td>
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<td></td>
<td><strong>Air Pollution Control</strong></td>
<td>Reduce air pollutant emissions</td>
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<td></td>
<td><strong>Reduction of Water and Waste</strong></td>
<td>Reduce water usage</td>
<td>Water use reduction rate</td>
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<td></td>
<td></td>
<td>Reduce waste generation</td>
<td>Reduction rate of total waste generated</td>
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<tr>
<td>Social Contribution</td>
<td><strong>Customer Relations</strong></td>
<td>New Value Creation</td>
<td>Conduct research and development projects that address social issues</td>
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<td></td>
<td></td>
<td></td>
<td>Offer products that address social issues</td>
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<td></td>
<td><strong>Delivery of Products that Meet Customers’ Expectations</strong></td>
<td>Endeavor to improve quality</td>
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<td><strong>Improvement of Customer Communication</strong></td>
<td>Improve the satisfaction of customers served by the call center</td>
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<td></td>
<td><strong>Coexistence with Local Communities</strong></td>
<td>Provide educational assistance for children</td>
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<td>Promote community coexistence</td>
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<td>Make charitable donations</td>
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<td></td>
<td><strong>Supplier Relations</strong></td>
<td>Approach to Our Suppliers</td>
<td>Promote CSR procurement</td>
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<td></td>
<td>Dialogue with Shareholders and Investors</td>
<td>Hold dialogue with shareholders and investors</td>
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<td>Share company information with shareholders and investors</td>
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<tr>
<td>Care for Employees</td>
<td><strong>Development of Employees Who Take on New Challenges on Their Own Initiative</strong></td>
<td>Introduce a system that encourages employees to take on new challenges spontaneously</td>
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<td></td>
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<td>Train employees</td>
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<td></td>
<td><strong>Creation of a Workplace that Promotes Healthy Lifestyles Among Employees to Achieve a “Good Life”</strong></td>
<td>Promote mental health</td>
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<td>Implement measures to prevent lifestyle-related illness</td>
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<td>Reduce second-hand smoke exposure and encourage smokers to quit</td>
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<td>Help employees maintain a healthy diet</td>
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<td>Raise awareness of women’s health among all employees</td>
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<td>Help employees continue to work while receiving medical treatment</td>
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<td><strong>Creation of a Workplace in which Diverse Employees Can Thrive and Succeed in a Flexible Manner</strong></td>
<td>Promote diversity &amp; inclusion in the workplace</td>
<td>Number of newly promoted female managers and leaders</td>
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<td>Help employees maintain a good work-life balance</td>
<td>Percentage and number of days of childcare leave taken by full-time male employees</td>
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<tr>
<td>Governance Agendas</td>
<td><strong>Respect for Human Rights</strong></td>
<td>Promote human rights awareness</td>
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<td></td>
<td>Take action against human rights violations</td>
<td>Number of cases of due diligence on human rights conducted</td>
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<td></td>
<td><strong>Compliance and Governance</strong></td>
<td>Provide compliance training to employees</td>
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* The SDGs icons listed here are SDG targets that the Company believes it can contribute to through its activities.
The Process of Value Creation

Strengths of Fujitsu General

- Power of "monozukuri" (manufacturing)
- Global production and R&D bases that bring forth innovative "monozukuri"
- Business in more than 100 countries worldwide
- World- and industry-first technologies
- Business in more than 100 countries worldwide

Expansion of partnership

Global production and R&D bases that bring forth innovative "monozukuri"
- Production bases: 8 bases [Breakdown]: Domestic: 2 Overseas: 6
- R&D bases: 6 bases [Breakdown]: Domestic: 1 Overseas: 5

Human capital

Human resources supporting innovative "monozukuri"
- Development of self-motivated talent
- Empowering of "monozukuri" (Technical Academy)

Intellectual capital

Power of value creation that has brought forth world- and Industry-firsts since our founding
- Air conditioners
  - Simple-mounting cassette-type cooler (industry-first)
  - Air conditioner with automatic filter cleaning function (world-first)
- Information & Communication System and Electronic Devices
  - Digital fire-fighting emergency radio (SCPC method) system (Japan-first)
  - Municipal Disaster Prevention Radio touchscreen console (industry-first)

Social and relationship capital

Expanding business domains by strengthening cooperation
- Good partnerships with customer companies in Japan and overseas
- Joint R&D with companies, universities ...and others

What we can do because we are Fujitsu General

Promotion of Sustainable Management

- Limiting CO₂ emissions by replacing fossil fuel equipment
- Air conditioners with sufficient heating capabilities, even in cold regions
- Air to Water (ATW) systems (heat pump type hot water heating systems)

Promoting our Core Strategic Themes

I. Expansion of Air Conditioner Business
- Strengthening of responsiveness to external environment
- Enhancement of development productivity (PLM/CAE)
- Design process innovation
- New production bases and production leveling
- Review of procurement methods
- Establishment of business model
- Innovation of development system
- Strengthening of sales activities

II. Strengthening business foundations for Information & Communication System and Electronic Devices
- Information & Communication System
- Organizational response to increase in large-scale projects
- Proposals for effectively utilizing operating assets
- Challenge of new domains
- Electronic Devices
- Establishment of power module business
- Reforms for production operations

III. Promotion of total cost reductions
- Standardized design and conversion to alternative materials
- Promotion of cost reductions/VE
- Strengthening of "monozukuri" (manufacturing) ...and others

IV. Strengthening of ability to generate cash
- Shortening of CCC*1
- Investment for growth (includes M&A)
- Shareholder returns ...and others

SDGs and Fujitsu General share the same belief

Leave No One Behind
We aim for a future in which people can continue to live enriched, peaceful lives on the planet through cooperation

SDGs (United Nations)

- Living together for our future-

Through innovation and technology, we deliver a brighter future with the peace of mind to our customers and societies around the world.

*1: Stands for Cash Conversion Cycle. Refers to an indicator used to see capital efficiency.
Interview with the CEO

We will execute our core strategic themes and respond to the new era in pursuit of business growth while promoting Sustainable Management.

Q1. Can you please tell us about the conditions through 1H FY2023 and the outlook for the full year?

In 1H FY2023, sales of air conditioners to customers in Japan recovered. However, shipments of air conditioners to overseas customers were strong in 1H FY2022, and factors such as lower demand caused by changes in consumption trends after the COVID-19 pandemic, inflation, etc., also affected performance. As a result, both sales and profits were down year on year. Market conditions are expected to remain difficult in the 2H, but over the full year, we aim to achieve our revised sales targets. We are also targeting a year-on-year increase in profits, despite a fall in sales, based on thorough measures to cut costs, reduce expenses, improve cost efficiency, and take advantage of a favorable cost environment.

Q2. Can you please tell us about your initiatives to strengthen your business foundations in air conditioners?

In terms of sales, we are gradually, strengthening our sales structure and entering the solution business field by acquiring overseas distributors as subsidiaries through M&A and other means.

In terms of production, we are also building a foundation for local production for local consumption. In addition to main production sites in Thailand and China, we have also begun local production in India, where the air conditioner market has rapidly expanded due to population and economic growth. In Europe, where decarbonization is progressing, we also established a joint venture for local ATW production in France. To secure future orders, we will strengthen product competitiveness by improving system performance and functions, and also develop next-generation digital firefighting radio systems.

Q3. How were the Information & Communication System and Electronic Devices Businesses?

Firefighting business of mainstay in Information & Communication Systems, we have begun full-fledged operation of our shared and wide-area businesses. At the same time, the future expansion of this business appears certain, based on our utilization of emergency disaster prevention and mitigation project bonds.

To secure future orders, we will strengthen product competitiveness by improving system performance and functions, and also develop next-generation digital firefighting radio systems.

We are moving forward in Electronic Devices, with the full-scale commercialization of our power module business, which is envisioned to become our future core business. In addition to installing new production lines, we will significantly expand the use of these modules in our own air conditioners. In this way, we are making progress on the shift to the in-house production of air conditioner components, and we plan to expand synergies between business divisions.
Q4. Can you explain again about the characteristics of Sustainable Management promoted by Fujitsu General?

In the Fujitsu General Group, our core business is directly connected to the realization of a sustainable society. The more we strengthen our core business, the more we can contribute to a sustainable society. This significantly defines an Air Conditioner, Information & Communication System, and Electronic Devices businesses. Using energy-efficient air conditioners and air conditioners that can replace fossil fuel equipment will reduce global carbon dioxide emissions and curb global warming.

Our Group’s corporate philosophy, “Our Mission —Living together for our future—,” aims to solve social issues through our core business, such as minimizing our impact on climate change through innovation and technology. We have responsibilities to provide an environment in which our children, who will lead the next generation, and the generations to come, can live well.

Promoting Sustainable Management based on the three pillars of “1. Harmonious Coexistence with Our Planet,” “2. Social Contribution,” and “3. Care for Employees” is a process of fulfilling our “Contract with the future,” so to speak.

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Q5. Can you please tell us about the newly formulated “Medium- to Long-term Environmental Targets”?

In light of the recommendations at the UN COP27, Japanese government targets, and recent social trends, we have set a new long-term target of achieving carbon neutrality across our entire value chain (Scope 1, 2, and 3) by FY2050. At the same time, we have also revised our medium-term targets, setting a target of reducing greenhouse gas emissions by FY2035 across the value chain as a whole by 55% (compared with FY2021).

Regarding Scope 2 emissions, we have already effectively converted all electric power used for business activities across the entire Group to renewable energy. In the future, we will continue actively implementing various initiatives as we set ambitious targets.

All employees share targets to be achieved over the medium to long term, and we aim to balance the reduction of our environmental impact and the enhancement of corporate value while contributing to achieving the Sustainable Development Goals (SDGs).

<table>
<thead>
<tr>
<th>FY</th>
<th>Target of initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2022 [Achieved]</td>
<td>Switched all electricity used in our business activities across the entire Group to renewable energy</td>
</tr>
<tr>
<td>FY2035 [Target]</td>
<td>Reduce greenhouse gas emissions by 55% across the value chain as a whole (compared with FY2021)</td>
</tr>
<tr>
<td>FY2050 [Target]</td>
<td>Achieve virtually “Net Zero” greenhouse gas emissions across the value chain as a whole (carbon neutrality)</td>
</tr>
</tbody>
</table>
**Achieving Carbon Neutrality**

- **Switching all electricity to renewable energy**
  As one initiative to reduce greenhouse gas emissions, in April 2022, we converted all electric power used in our business activities to renewable energy. As a result, we have achieved net zero greenhouse gas emissions for electric power used at all our sites around the world.

- **Toward carbon neutrality**
  In 2016, we formulated our "Mid-term Environmental Action Plan," with FY2030 as the final target year, and made significant revisions to this plan in March 2021 and April 2022. In light of UN recommendations, Japanese government targets, and recent social trends, following a resolution at a meeting of our Board of Directors held in August 2023, we have now set new long-term targets with FY2050 as the target year, and have revised our medium-term targets in anticipation of achieving our long-term targets. All employees share targets to be achieved over the medium to long term, and we aim to balance the reduction of our environmental impact and the enhancement of corporate value while contributing to achieving the Sustainable Development Goals (SDGs).

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**Environmental Management**

- **Fujitsu General Group Environmental Policy**
  The Fujitsu General Group recognizes that initiatives to conserve the global environment are an important management issue. We will do our part for sustainable social development by contributing to the creation of a comfortable and secure society and providing people around the world with a future that is rich and filled with possibilities. In addition, we will not just comply with environmental laws, regulations, and standards related to our business activities, but will also proactively engage in activities to conserve the global environment. Furthermore, to ensure we can pass on rich nature to future generations, we will pursue pioneering initiatives through the activities of all our organizations and employees.

- **Environmental management structure**
  For our environmental management structure, we set up an "Environmental Promotion Working Group," which was established under the "Sustainability Promotion Committee" chaired by the President & CEO. This Group deliberates issues related to the global environment, such as climate change and resource depletion, and manages countermeasures and the progress of our activities. In addition, the Fujitsu General Group has created an environmental management system based on the international standard ISO14001.

- **Procurement activities based on Green Procurement Standards**
  The Group works together to promote green procurement activities. We promote procurement from suppliers who satisfy our green procurement criteria based on the "Fujitsu Group Green Procurement Standards," which are shared across the entire Group. In addition, we also conduct monitoring through surveys shared across the Fujitsu Group and request that suppliers engage in activities with respect to their environmental management systems of suppliers, CO2 emissions reduction, water resource conservation, and biodiversity conservation initiatives.

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**Mitigation of Climate Change with Heat Pump Technology**

- **Heat pump heating**
  One notable characteristic of heat pump heating is that it does not "create" new heat but instead "collects and moves" heat that already exists. With devices such as electric heaters, which convert electricity into heat, and oil heaters, which create heat by burning fossil fuels, a maximum of only "one" unit of heat can be obtained from "one" unit of energy. However, with heat pump heating, it is possible to transport up to approximately five times the heating effect indoors with "one" energy unit. In this way, we promote the spread of heat pump equipment that can produce significant effects with small amounts of energy, is highly effective in reducing greenhouse gases, and is friendly to the environment. Through our efforts, we contribute to the realization of a sustainable society by "changing the world's heating culture."

- **Offering products that utilize heat pumps**
  - **ATW (air-to-water heat pump systems)**
    The main appliances on the European heating market are used fossil-fueled. Those are radiators and central heating systems using hot water, such as underfloor heating. Switching to high-efficiency ATW will contribute to limiting greenhouse gas emissions.
    - **Air conditioners for cold regions**
      There is growing demand for air conditioners for cold regions that can achieve high levels of heating performance even when outside temperatures are low. This is because of factors such as the high airtightness and good insulation of homes, the safety of not performing combustion, and increasing demand for cooling in the summer. Fujitsu General offers air conditioners for cold regions in Japan and North America with stronger heating capabilities suited for such regions.

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*1: Excluding some leased properties
Biodiversity Conservation

Use of biotope to create ecosystem networks

At our Hamamatsu Business Office, we have been maintaining the biotope that we opened on green land at that site in FY2012. Within the biotope, we conserve tanakia lanceolata (slender biteroller) and pronodularia japonensis (a freshwater mussel), which are rare species designated as critically endangered\(^*1\) on the Shizuoka Prefecture Red List, and we have confirmed that these species are currently naturally reproducing. There are many other animals and plants inhabiting and growing in the biotope, including oryzias latipes (Japanese rice fish) (vulnerable), rana nigromaculata (black spotted pond frog) (near threatened), appasus japonicus (ferocious water bug) (requires attention), sparganium fallax (bur-reed) (vulnerable), and brasenia schreberi (water shield) (near threatened). We also work to create an environment capable of attracting native species that inhabit the area around our business office by thinning out overgrown plants and removing invasive species. As a result, the number of species of creatures seen in the biotope is increasing every year, including calopteryx atata (ebony jewelwing) and amphiesma vibakari (Japanese keelback). Since 2019, as part of Hamamatsu City’s ESD\(^*2\) model program for environmental education, we have been regularly donating bitering moths from the biotope at our Hamamatsu Plant to support students of Ilya Elementary School in Hamamatsu City in their efforts to conserve bitering moths in a biotope managed by local residents.

In the future, we will continue enhancing the biotope while also contributing to the creation of an ecosystem network in the area around our business office and the conservation of rare species outside their habitat.

Disclosure Based on TCFD

Disclosure of climate change-related information

The Fujitsu General Group supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We will disclose material information related to climate change in accordance with these recommendations.

- List of disclosure items

<table>
<thead>
<tr>
<th>TCFD Recommendations and Supporting Recommended Disclosures</th>
<th>Recommended Disclosures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance: Disclose the organization’s governance around climate-related risks and opportunities.</td>
<td>Governance</td>
</tr>
<tr>
<td>a) Describe the board’s oversight of climate-related risks and opportunities.</td>
<td></td>
</tr>
<tr>
<td>b) Describe management’s role in assessing and managing climate-related risks and opportunities.</td>
<td></td>
</tr>
<tr>
<td>Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.</td>
<td>Strategy</td>
</tr>
<tr>
<td>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</td>
<td></td>
</tr>
<tr>
<td>b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</td>
<td></td>
</tr>
<tr>
<td>c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</td>
<td></td>
</tr>
<tr>
<td>Risk Management: Disclose how the organization identifies, assesses, and manages climate-related risks.</td>
<td>Risk Management</td>
</tr>
<tr>
<td>a) Describe the organization’s processes for identifying and assessing climate-related risks.</td>
<td></td>
</tr>
<tr>
<td>b) Describe the organization’s processes for managing climate-related risks.</td>
<td></td>
</tr>
<tr>
<td>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</td>
<td></td>
</tr>
<tr>
<td>Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</td>
<td>Environmental Action Plan (Metrics and Targets)</td>
</tr>
<tr>
<td>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</td>
<td></td>
</tr>
<tr>
<td>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</td>
<td></td>
</tr>
<tr>
<td>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</td>
<td></td>
</tr>
</tbody>
</table>

Governance

In April 2021, through discussions with the Board of Directors, we formulated and announced our basic policy and core strategic themes of sustainable management. Important management issues are discussed at meetings of the Management Committee (generally held twice a month) and the Environmental Promotion Working Group as a sub-organization of this committee that deliberates environmental issues specific to organizations.

A diagram of our corporate governance framework is provided on P. 21.

Strategy

- Impact and countermeasures of climate-related risks and opportunities in the air conditioner business of Fujitsu General Group

Regarding business risks related to climate change, we examined the following two scenarios according to the TCFD classification: (1) “Risks related to the transition to a low-carbon economy” which will mainly occur in the course of the 2°C scenario, and (2) “Risks related to the physical impacts of climate change” which will occur when the 4°C scenario is reached due to the failure to reduce global CO\(_2\) emissions. We also consider the business opportunities and compile strategic initiatives to prepare for risks and take advantage of opportunities.
Disclosure Based on TCFD (cont.)

- Process for identification of climate-related risks and opportunities, consideration of actions, and implementation management

1. Information collection
   - Organize risks and opportunities based on TCFD recommended disclosure items, considering external information and reports.
   - Obtain objective forward-looking information and identify impact on the Group.

2. Identify risks and opportunities
   - Estimate the business impact (financial impact) of climate change and identify high-impact risks and opportunities.

3. Consider and determine actions
   - The Sustainability Division plays a central role in discussing and developing actions for the identified risks and opportunities with related divisions. Risks, opportunities, and actions are reported to the CSO and the Board of Directors.

4. Execution and management of initiatives
   - The Compliance & Risk Management Committee promotes activities to reduce risks.

Opportunity

<table>
<thead>
<tr>
<th>Opportunity Item</th>
<th>Opportunity</th>
</tr>
</thead>
</table>
| Products & Services | Tighter regulations on the use of fossil fuels
| | Stricter regulations on the use of fossil fuels have increased the need for heat pump heaters, leading to higher sales
| | Increase in demand for air conditioners due to rising temperatures
| | In response to growing demand for air conditioners due to rising temperatures, research and development of air conditioners for high outdoor temperatures and sales expansion
| | Strengthening of regulations on energy conservation
| | Expand sales by doing research and development of air conditioners with high energy efficiency in response to tighter energy conservation regulations

Risk Management

The Fujitsu General Group classifies various changes in the external environment associated with climate change into “transition risk” and “physical risk” as exemplified by the TCFD recommendations, and evaluates financial impact and probability in three levels to identify significant risks and opportunities.

In addition, at the Group, we strive to prevent and mitigate risks that could significantly impact our business by conducting risk assessments related to compliance, crisis management, human resources, labor, safety & health management, the environment, IT security, and information management, amongst others. The process is deliberated at the Compliance & Risk Management Committee.

- Risks: Impact on business and likelihood of occurrence

<table>
<thead>
<tr>
<th>Risk Item</th>
<th>Risks</th>
<th>Likelihood of Occurrence</th>
<th>Financial Impact Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased pricing of GNG emissions</td>
<td>Increased cost burden in procuring raw materials and manufacturing products due to carbon tax, introduction of emissions trading, etc.</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Tightening of refrigerant regulations</td>
<td>Loss of sales opportunities if unable to comply with refrigerant regulations</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Tight supply and demand for electricity</td>
<td>Possibility that electricity use will increase in emerging countries, causing electricity shortages and making it difficult to expand sales of air conditioners</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Increased cost of raw materials</td>
<td>Possibility of higher raw material prices or difficulty in obtaining raw materials due to changes in supply-demand balance or changes in materials toward fossil fuel-free</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Damage to production bases</td>
<td>Possibility of inundation of our plants due to disasters such as typhoons and floods, resulting in damage to production facilities, etc. and suspension of operations, or suspension of parts supply due to inability of suppliers to operate</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Rising mean temperatures</td>
<td>Possibility of increased heat stress and infectious diseases leading to decreased worker productivity and accidents</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

- Likelihood of Occurrence
  - Level 1: Occurs very rarely
  - Level 2: Moderate
  - Level 3: Occurs frequently

- Financial Impact Level
  - Level 1: High
  - Level 2: Very high
  - Level 3: Extremely high

Risk Management System

To promptly identify risks that may adversely affect the Fujitsu General Group as it develops its business globally and to implement countermeasures in a timely manner, risk assessments are conducted to confirm the appropriateness of risk evaluation and risk management by our Company’s divisions and Group companies. The Compliance & Risk Management Committee selects priority issues to be addressed while promoting activities to reduce risk. The Committee reports its annual activities to the Board of Directors.

Environmental Action Plan Stage X (FY2023-FY2025)

<table>
<thead>
<tr>
<th>Polar activity</th>
<th>Activity theme</th>
<th>Key initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action against climate change</td>
<td>Reduction of greenhouse gas emissions</td>
<td>Make transition to new refrigerant</td>
</tr>
<tr>
<td></td>
<td>Pursuit of energy efficiency</td>
<td>Change to highly energy efficient equipment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Enhance energy efficiency</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Reduce greenhouse gas emissions in the supply chain (upstream)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Expand use of decarbonized energy</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Improve efficiency of facilities</td>
</tr>
<tr>
<td>Sustainable consumption</td>
<td>Resource-saving design</td>
<td>Promote use of recycled materials</td>
</tr>
<tr>
<td></td>
<td>Make resource recyclable designs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Promote elimination of plastics</td>
<td></td>
</tr>
<tr>
<td>Effective use of resources</td>
<td>Reduce waste</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Take action against water risk</td>
<td></td>
</tr>
<tr>
<td>Environmental protection activities</td>
<td>Management of chemical substances</td>
<td>Prevent air pollution</td>
</tr>
<tr>
<td></td>
<td>Biodiversity Conservation</td>
<td>Register for OECM certification</td>
</tr>
</tbody>
</table>

For details, please refer to the Fujitsu General website. Information disclosure based on TCFD. 
Disclosure Based on TCFD (cont.)

**Material balance (FY2022 actual results)**

**INPUT**

<table>
<thead>
<tr>
<th>Energy</th>
<th>Electricity 57,324 GJ</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fuel: 20,068 GJ</td>
</tr>
</tbody>
</table>

**OUTPUT**

<table>
<thead>
<tr>
<th>Suppliers Fujitsu General Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
</tr>
<tr>
<td>Vehicle fuel</td>
</tr>
<tr>
<td>Electricity</td>
</tr>
<tr>
<td>Electricity purchased from renewable energy sources (includ. purchase amount) 28,951 GWh</td>
</tr>
<tr>
<td>City gas 43,000 m³</td>
</tr>
<tr>
<td>LNG 0 m³</td>
</tr>
<tr>
<td>LPG 2,491 t</td>
</tr>
<tr>
<td>Light oil 906 kL</td>
</tr>
<tr>
<td>Kerosene 34 kL</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Raw materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metal 107,720 t</td>
</tr>
<tr>
<td>Plastics 21,726 t</td>
</tr>
<tr>
<td>Paper/metal 10,173 t</td>
</tr>
<tr>
<td>Others 4,142 t</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water</th>
</tr>
</thead>
<tbody>
<tr>
<td>409,000 m³</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chemical substances</th>
</tr>
</thead>
<tbody>
<tr>
<td>54 t</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Energy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle fuel</td>
</tr>
<tr>
<td>698,679 GJ</td>
</tr>
<tr>
<td>Marine transportation fuel 1,229,703 GJ</td>
</tr>
<tr>
<td>Aviation fuel (jet fuel) 73,576 GJ</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Power consumption during product use^2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
</tr>
<tr>
<td>92,858,000 kWh</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product recycling disposed quantity 42,849 units</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRT type TV 1,276 units</td>
</tr>
<tr>
<td>LCD/plasma type TV 123 units</td>
</tr>
<tr>
<td>Air conditioner 359,294 units</td>
</tr>
<tr>
<td>Refrigerator/freezer 65,155 units</td>
</tr>
<tr>
<td>Washing machine/dryer 3,211 units</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recycling</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disposal amount 18,682 t</td>
</tr>
<tr>
<td>Fluorocarbons regeneration amount 231 t</td>
</tr>
<tr>
<td>Other reuse 17,250 t</td>
</tr>
</tbody>
</table>

**Atmospheric emissions**

<table>
<thead>
<tr>
<th>CO₂ emissions during product use^3</th>
</tr>
</thead>
<tbody>
<tr>
<td>39,577,537 t-CO₂</td>
</tr>
</tbody>
</table>

**Atmospheric emissions**

| Greenhouse gases 20,895 t-CO₂ |
| CO₂ 12,611 t-CO₂ |
| Fluorocarbons 8,284 t-CO₂ |
| NOx 36.6 t |
| SOx 1.3 t |
| VOC 5.9 t |

**Recycling**

| Disposal amount 36,164 t |
| Fluorocarbons regeneration amount 364 t |
| Other reuse 23,900 t |

**Reporting of greenhouse gas emissions based on GHG Protocol**

<table>
<thead>
<tr>
<th>Scope</th>
<th>Category</th>
<th>Calculated volume/CO₂</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2022</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Emissions from corporate activities (Scope 1 + Scope 2)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope 1</td>
<td>Direct emissions from fuels and fluorocarbons consumed by the company^3</td>
<td>20,895</td>
<td>0.05%</td>
</tr>
<tr>
<td>Scope 2</td>
<td>Indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the company (Market-based)^4</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>All other indirect emissions that occur in a company’s value chain (Scope 3)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Category 1</td>
<td>Purchased goods and services</td>
<td>739,007</td>
<td>1.82%</td>
</tr>
<tr>
<td>Category 2</td>
<td>Capital goods</td>
<td>25,391</td>
<td>0.06%</td>
</tr>
<tr>
<td>Category 3</td>
<td>Fuel- and energy-related activities not included in Scope 1 or Scope 2</td>
<td>3,125</td>
<td>0.01%</td>
</tr>
<tr>
<td>Category 4</td>
<td>Upstream transportation and distribution</td>
<td>91,135</td>
<td>0.22%</td>
</tr>
<tr>
<td>Category 5</td>
<td>Waste generated in operations</td>
<td>2,536</td>
<td>0.006%</td>
</tr>
<tr>
<td>Category 6</td>
<td>Business trip</td>
<td>1,057</td>
<td>0.003%</td>
</tr>
<tr>
<td>Category 7</td>
<td>Employee commuting</td>
<td>311</td>
<td>0.001%</td>
</tr>
<tr>
<td>Category 8</td>
<td>Upstream leased assets</td>
<td>N/A</td>
<td>-</td>
</tr>
<tr>
<td><strong>Emissions from entire value chain (Scope 1 + Scope 2 + Scope 3)</strong></td>
<td></td>
<td>40,525,150</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

^1: Market-based  
^2: Regarding the amount of fluorocarbon emissions from repair processes at factories, the amount of fluorocarbons filled into products was regarded as the amount of fluorocarbon emissions until FY2021, but from FY2022, the amount of fluorocarbons plugged into products minus the amount of fluorocarbons recovered is calculated as the amount of fluorocarbon emissions.  
^3: (Domestic) Calculated with emission factors for electricity contractually purchased. (Overseas) Calculated with emission factors by country based on IEA “Emissions Factors.” Note that the CO₂ emissions of Scope 2 are zero because of the contracts for renewable energy electricity, in-house generation using renewable energy, and the purchased renewable energy electricity certificates.  
^4: Calculated based on average electricity generation emission factors for defined locations. (Domestic) Calculated with the national average factor in the Ministry of the Environment’s “Emission Factors by Electric Utility Company.” (Overseas) Calculated with emission factors by country based on IEA “Emissions Factors.”  
^5: Scope of coverage for categories 6 and 7 is within Japan.  
^6: Products included in the calculation: Air conditioners.
Human rights initiatives

- Basic Approach to Human Rights
  The FUJITSU GENERAL Way, which represents the common values of the Fujitsu General Group, states, “We respect human rights” in the first item of the Code of Conduct.
  This clearly states the company’s stance that “in all corporate activities, the spirit of respect for human rights shall be the foundation of our activities.”
  We strive to ensure that all employees of the Group demonstrate this spirit in action.
  We believe it is essential to recognize human rights issues properly to cultivate a spirit of respect and a sense of the true meaning of human rights and to act in a way that does not tolerate discrimination or other human rights violations.

- Human Rights Policy (excerpt)
  The Human Rights Policy of the Fujitsu General Group supports and respects the following international principles and standards.
  - “International Bill of Human Rights”
  - “Guiding Principles on Business and Human Rights”
  - “IL0 Declaration on Fundamental Principles and Rights at Work”
  - “National Action Plan on Business and Human Rights”
  - “United Nations Global Compact”
  - “Convention on the Rights of the Child”
  - “Children’s Rights and Business Principles”

Internal education related to human rights
As part of the promotion of DE&I (measures to create an environment and foster a culture where everyone can exercise their capabilities and take on new challenges), the Fujitsu General Group conducted training to ensure a proper understanding of sexual minorities (LGBTQ+). In addition, together with “Human Rights Week” and “World Human Rights Day,” we also conducted training related to “global business and human rights” to provide an opportunity for employees to “take ownership” of human rights problems and act on them.

- Results of awareness-raising activities related to human rights in FY2022

<table>
<thead>
<tr>
<th>Subject</th>
<th>Content</th>
<th>Implementation method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executives / all employees</td>
<td>Sexual minorities (LGBTQ+)</td>
<td>e-learning</td>
</tr>
<tr>
<td></td>
<td>Global business and human rights</td>
<td>e-learning</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(video lessons)</td>
</tr>
</tbody>
</table>

Established a point of contact for consultation and redress regarding human rights.
The Fujitsu General Group has set up a “Corporate Ethics Helpline” for consultation and relief to protect employees’ human rights. This can be selected either through the division in charge or via an external law firm.

Response to the Modern Slavery Act
Under the provisions of the UK Modern Slavery Act and Australia’s Modern Slavery Act, we have disclosed statements related to our initiatives to prevent slave labor and human trafficking on the official websites of the applicable Group companies.

- Human rights due diligence initiatives
  The Fujitsu General Group performs sustainability due diligence, which includes issues related to human rights, labor, health and safety, the environment, corporate ethics, and information security. Within this, we promote human rights due diligence by focusing in particular on items related to human rights.
  Our Group’s human rights due diligence is based on the “UN Guiding Principles on Business and Human Rights,” and we endeavor to identify, prevent, and mitigate any negative impact on human rights. If it becomes clear that the Group’s business activities have caused or promoted human rights violations, or if indirect effects through business relationships, etc. have become clear, or if there are not finalized, but it is suspected that there is a possibility of causing violations, we will correct and remedy it through dialogue and appropriate procedures.

- Human rights due diligence at the company’s overseas locations
  In FY2022, we conducted risk assessments using self-assessment questionnaires at two of the Group’s overseas production companies. In FY2023, we will continue conducting human rights due diligence at a greater number of overseas manufacturing sites.

Examples of human rights issues identified

<table>
<thead>
<tr>
<th>Types of human rights issues</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education related to human rights</td>
<td>It is necessary to provide regular education concerning human rights for all employees.</td>
</tr>
<tr>
<td>Labor time</td>
<td>It is necessary to appropriately manage labor time based on laws and regulations and on agreements between labor and management.</td>
</tr>
<tr>
<td>Consideration for minorities and socially disadvantaged persons</td>
<td>It is necessary to promote initiatives for employees categorized as minorities<em>1 and socially disadvantaged persons</em>2.</td>
</tr>
</tbody>
</table>

Human rights due diligence covering the supply chain
We conduct human rights due diligence covering the supply chain as part of our sustainability due diligence, including self-assessment questionnaires and local audits.

*1: Minorities: Persons and groups who are minorities in society for reasons such as race, religion, sexual orientation, physical disability, and gender identity
*2: Socially disadvantaged persons: Persons placed in a socially disadvantageous position, such as children and young people, the elderly, people with disabilities, and refugees
Promotion of Health and Productivity Management

Creating a workplace that promotes healthy lifestyles among employees to achieve a “Good Life”

Defining health and productivity management as “the strategic realization of health measures for the achievement of sustainable business growth,” the Fujitsu General Group makes it clear that “employee health is a valuable asset for management” to promote and strengthen “valuing and investing in our people” as stated in our Corporate Philosophy and Sustainable Management. We are working to create a healthy and vibrant workplace as a comfortable and rewarding place to work and improve all employees’ motivation and overall strength.

Fujitsu General Group Declaration of Employee Wellness

Healthy employees and their healthy families are our most valuable assets. As a company that delivers comfort and safety to customers around the world, it is our responsibility to ensure that every employee stays healthy and happy in a vibrant workplace.

Promotion Structure

- Chief Health and Productivity Management Officer (President & CEO)
- Health and Productivity Management Promotion Liaison Committee
- Health and Productivity Management Promotion Department
- Human Resources Division
- Health Insurance Society
- Health and Safety Committee at each business office
- Employees and their families

Pursuing the achievement of “Living together for our future”

In addition to promoting the health of employees, we also support the families who support our employees, as well as businesses and organizations that aim to introduce health and productivity management. We will realize our corporate philosophy of “—living together for our future—” by contributing to local communities and providing support to our stakeholders.

Health and Productivity Management Initiatives

- Health consultations with medical professionals for all employees (providing opportunities for employees to discuss matters with peace of mind)
- Health Design Center and regular events on health activity entry apps (enhancing employee awareness of health)
- Family days for the children who will lead the next generation and walking events at business offices around Japan (supporting our employees and the families who support them)

Work-life Balance

The Fujitsu General Group promotes a healthy work-life balance. We believe that a fulfilling personal life enhances the productivity and quality of work. Based on this approach, in the area covered by our Kawasaki Headquarters, we set one day a week as a day when all employees finish work at the scheduled time. Additionally, we encourage all employees to take two days of annual leave every six months in a planned manner, and recommend these days are combined with weekends and national holidays to ensure a longer break. We have also taken other measures to enhance employees’ personal lives, including increasing the amount of annual leave taken during the summer break by one day to four days, since FY2020. The positive impact of these initiatives has begun to show up in our engagement data.

Supporting Life Fulfillment

The Fujitsu General Group has put in place various systems to enable its employees and their families to lead healthy and fulfilling lives. To meet the diversified needs of our employees, in addition to our existing welfare system focusing on livelihood support (rent subsidies, company cafeteria, group insurance at preferred rates, and cash for congratulatory occasions or condolences), we have introduced a Cafeteria Plan that allows each employee to choose a menu that suits their lifestyle.

Occupational Health and Safety

Prevention of occupational accidents & preparedness for natural disasters

The Fujitsu General Group holds a monthly Safety & Health Committee meeting to achieve zero occupational accidents. The main areas of focus include root cause analysis of any occupational accidents, discussion to prevent recurrence of such accidents, the reporting of vehicle accidents involving company-owned vehicles operated by sales/service staff, and consideration of recommended corrective actions. Meeting minutes are disseminated through our internal infrastructure. In addition, safety and health training is conducted as necessary at the time of hiring and reassignment. As part of an annual campaign to raise employees’ health & safety awareness, a billboard is set up each year in September at our Kawasaki Headquarters. The purpose of this billboard is to announce the coming of National Occupational Health Week, which starts on the first of October.

In November, evacuation drills are conducted in order to strengthen our initial response readiness in the event of a natural disaster, as well as to raise employee awareness of disaster prevention. In previous years, all employees at our Headquarters participated in this event, but in FY2022, 180 representatives from each workplace took part in this event as a measure against COVID-19. During the drill, participants also practiced setting up sandbags to prevent flooding in the building, like we did in 2021.

In addition, a safety confirmation system is in place to quickly confirm the safety of employees in the event of a major disaster. In preparation for such an emergency, we hold regular drills to confirm the safety of employees using mobile terminals.

Promoting Safe Driving

E-learning is utilized to promote safer driving, focusing on the prevention of accidents, raising of safety awareness, and traffic rules for employees who use company cars for business, as well as those who commute by private car, motorcycle, or bicycle.
Diversity

- Creation of a workplace in which diverse employees can thrive and succeed in a flexible manner
  - Promoting women in the company
    As part of our promotion of diversity, equity, and inclusion, Fujitsu General Group is working on creating an organizational culture in which all employees can play an active role regardless of gender. In particular, we are focusing on the active participation of women. We believe that the success of women is indispensable for the growth of the company and the creation of innovation. In order to eliminate any situation in which gender is a barrier, we have repeatedly interviewed workplaces and with women themselves to ascertain the reality, conducted improvement measures, held roundtable discussions with female External Directors, and conducted training for mid-level women employees. Currently, in line with our new action plan (see below), we are actively promoting motivated and capable women in order to enhance the empowerment of female employees.
  - Promote women in the company
    - Female managers (regular employment) 11
    Currently, we are conducting training for mid-level women employees. To ascertain the reality, we conducted improvement measures, held roundtable discussions with female External Directors, and to ensure that gender is no longer a barrier, we have been promoting women in the company. In particular, we are focusing on the active participation of women.

- Support for voluntary learning
  - In today’s rapidly changing world, the constant learning and growth of individuals is an essential element for the sustainable growth of the company. Accordingly, we have created an on-demand learning platform that enables employees to select topics they wish to study. We believe that each employee can contribute to the company’s performance by fulfilling their required role, and that the experience of spontaneous learning and the growth that accompanies it will contribute to job satisfaction and, ultimately, greater engagement with the company.
  - To develop human resources who can play an active role on the global stage, we are enhancing our education system and have established an on-demand learning platform for employees to acquire comprehensive skills such as cross-cultural understanding and communication skills, as well as English proficiency. At the same time, we are continuing our efforts to create a system that allows employees to gain experience through their work and make their own career choices.

- Career ownership
  - In training for each level of employee, we enable employees to acquire the knowledge and skills necessary to fulfill their required roles. At the same time, we also encourage career autonomy through ‘career ownership’ through which employees take control of their own careers, including envisioning their aspirations, visions, and dreams (the future they want for themselves). For managerial roles, we also provide training to make managers aware of supporting the realization of their subordinates’ careers and help them acquire specific methods for doing so.

- Development of overseas engineers
  - To enable the excellent local engineers working at the Fujitsu General Group’s overseas sites (Thailand and Shanghai) to become human resources capable of leading local sites in the future, we conduct hands-on training at our Kawasaki Headquarters over two to three years.

Human Resource Development

- Development of employees who take on new challenges on their own initiative
  - We believe the role of employee development and education is extremely significant for ensuring sustainable growth for the Fujitsu General Group. Our personnel system is a role- and rank-based system that clarifies the “roles of each rank.” We urge employees of all ranks to voluntarily take on new challenges.

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Labor-Management Relations

- Labor union
  - The Fujitsu General Group has entered into a collective agreement with the Fujitsu General Workers Union (union shop system), which was established in 1955 and is under the umbrella of the Japanese Electrical Electronic & Information Union and the Federation of All Fujitsu Workers’ Unions, with mutual respect for the union’s position. The agreement stipulates the importance of communication between labor-management, such as the “Establishment of Labor Council at Headquarters and Production Council at plants and other business sites for the purpose of mutual communication between labor-management and to maintain and improve labor productivity.” The Central Labor Council and the Fall Labor Council, attended by the President and other corporate officers, convene regularly each year. In addition, meetings of the Labor and Production Councils are held as necessary to explain management policies, business conditions, and business reorganization to employees and to discuss various working conditions and improvements in the workplace environment.

Based on a union democracy, our Group fully cooperates with the Fujitsu General Workers’ Union, which is striving to enhance labor-management communication at all levels in order to make Fujitsu General Group a more “attractive, trusted, and reliable company” in the eyes of customers, society, and union members. At the same time, we are striving to maintain and improve sound and good labor-management relations through constructive dialogue based on mutual respect.
Supply Chain

- Creation of a supply chain that is highly responsive to changes in social trends
  We are working to strengthen the responsiveness of our supply chain through measures such as stabilizing supply by expanding the subjects of purchase (adopting alternatives and diversifying suppliers), dispersing orders, and conducting the long-term arrangement of parts; responding to fluctuations in demand by utilizing external resources such as production contractors; and reconstructing our IT infrastructure, including the creation of a new system for production management.

- CSR Procurement Guidelines
  The CSR Procurement Guidelines of the Fujitsu General Group are based on the RBA Code of Conduct as well as the Responsible Business Conduct Guidelines of the Japan Electronics Information Technology Industries Association (JEITA). They apply the principles set forth in the ILO Declaration of Basic Principles and Rights in Labor, the Universal Declaration of Human Rights, UN Guidelines on Business and Human Rights Principles, Sustainable Development Goals (SDGs), and the “Ten Principles of the UN Global Compact across four themes.” Under these guidelines, we request that suppliers understand the Fujitsu General Group’s CSR Procurement Policies and Guidelines, spread awareness of them throughout their supply chains, and consent to the guidelines.

  For details, please refer to the Fujitsu General website. Summary of CSR Procurement Guidelines

- Sustainability due diligence to the suppliers
  We confirm our suppliers’ compliance with the “CSR Procurement Guidelines,” as well as their initiatives related to sustainability initiatives, such as human rights, labor, health and safety, the environment, corporate ethics, quality, information security, and regional society.
  In FY2022, we conducted sustainability due diligence, including self-assessment questionnaires and local audits, at 14 suppliers. From FY2023 onward, we plan to conduct sustainability due diligence at even more suppliers.

- Quality Initiatives
  The Fujitsu General Group-wide Quality Assurance Policy
  The Fujitsu General Group will continue to provide safe, high-quality products to ensure repeat purchases and increased customer loyalty.
  1. We will always put quality first and foremost.
  2. We will continue to produce products using advanced technology, which are both high quality and safe, to achieve customer satisfaction.
  3. We will comply with all government laws and regulations.
  4. We will proactively canvass our customers for feedback on product quality and safety issues. We will also promptly share any relevant information with our customer base.
  5. We will continue to support both the global and local communities through ongoing quality improvement.

  Ethics Education for Engineers
  Every year, the Quality Assurance Management Department, which supervises quality in the Fujitsu General Group, invites lecturers from the Business Ethics Research Center (BERC) to conduct “Ethics Education for Engineers.”
  In FY2022, there were lectures, and group discussions on hypothetical issues, with the results presented by participants.

  Quality compliance interviews
  The Quality Assurance Control Department, which controls the quality of Fujitsu General Group, conducts a questionnaire survey of engineers after the “Engineer Ethics Education” every year and interviews on quality compliance with the engineers who are deemed necessary in the survey. The purpose of the interviews is to explain the three factors (motive, opportunity, and justification) that cause fraud, and to ask about any cases that might have led to fraud committed by themselves or others, as well as to ask about the engineers’ concerns.
  In FY2022, a total of 803 individuals submitted Ethics Education for Engineers questionnaires, none of whom were deemed to require interviews.
Society

Stakeholder Engagement

- List of stakeholders and groups and contact methods
  ◊ Customers (call centers, surveys, websites, etc.)
  ◊ Shareholders and investors (General Meeting of Shareholders, results briefings, websites, interviews, etc.)
  ◊ Suppliers (procurement activities, CSR audits, CSR procurement briefings, etc.)
  ◊ Regional communities (on-site lectures, plant tours, social contribution, etc.)
  ◊ NPOs and NGOs (dialogue, etc.)
  ◊ Industry bodies (participation in industry bodies, etc.)
  ◊ Academic bodies and research institutions (research through industry-academia collaboration, etc.)
  ◊ Employees (helplines, Labor Councils, various forms of training, etc.)

- The Company’s General Meeting of Shareholders
  The Fujitsu General Group considers the Company’s General Meeting of Shareholders to be a valuable opportunity for communicating with shareholders. As a general rule, general shareholders’ meetings are held while avoiding days when other companies tend to hold theirs, and the convocation notice is sent out approximately three weeks prior to the date of the meeting. In addition, to enable shareholders to exercise their voting rights appropriately and smoothly, we support the exercise of voting rights via the Internet, participation in an electronic voting platform for institutional investors, and provision of the convocation notice (narrowly defined convocation notice and reference document for general meeting of shareholders) in English.

- IR activities for analysts and institutional investors
  In IR activities for analysts and institutional investors, the Fujitsu General Group strives to deepen investors’ understanding of its business through timely and appropriate information disclosure. We hold briefings on our financial results and Medium-term Management Policies for analysts and institutional investors twice a year (in principle, in April and October), conduct individual interviews as appropriate, and also visit overseas investors as needed. We also hold press conferences when announcing our quarterly financial results so that the information can be communicated through the media.

External Recognition and Participating Initiatives

- External recognition
  1. Selected as a constituent of “SOMPO Sustainability Index”
  2. Selected as a “FTSE Blossom Japan Sector Relative Index”
  3. Selected as a constituent of “S&P/JPX Carbon Efficient Index”
  4. Recognized as “Health and Productivity Management, White 500”
  5. Acquired the next-generation certification mark “kurumin”
  6. Accredited as “Sports Yell Company 2023”
  7. Rated 3 -stars in the “7th Nikkei Smart Work Management Survey”
  8. Rated 3.5 -stars in the “5th Nikkei SDGs Management Survey”
  9. Received “Gan-Ally-Bu Award 2023 (Gold)”
  10. Registered as a “CHO Concept Promotion Office”

- Participating initiatives
  11. Japan Climate Initiative: JCI
  12. United Nations Global Compact: UNGC
  13. Task Force on Climate-related Financial Disclosure: TCFD
  14. Keidanren Biodiversity Declaration Initiative

Social Contribution Activities

- Coexistence with local communities
  The basic policies underlying the Fujitsu General Group’s community contribution activities are “development of next-generation people,” “communication with local communities,” and “conservation of the global environment.” We promote initiatives to live in harmony with local communities through various activities, including interacting with nearby elementary schools, holding a summer festival on the company’s lawn space for local residents, conducting clean-up work in areas around our sites, and protecting and nurturing rare plants and animals.

- Development of next-generation personnel
  In order to develop next-generation personnel, we are communicating the joy of “monozukuri” as a manufacturer, and working to develop human resources who will lead the future of “monozukuri.” We engage in various activities, including “on-site lectures,” given by our employees at nearby elementary schools, accepting social studies tours by elementary and junior high school students, and accepting high school students interested in the electrical and electronics industry for internships, as well as tours of Group company plants where home appliances are recycled.

- Communication with local communities
  In communication with local communities, we aim to promote coexistence with local communities through interaction. We engage in various activities, not just in Japan but also at overseas sites, including participating in afforestation, fund-raising activities, and volunteer activities.
Corporate Governance

Corporate governance framework
The Fujitsu General Group is a company with Audit & Supervisory Board Members and has adopted the Corporate Vice President (executive officer) system to enhance management’s oversight function and enable efficient and agile business execution. The Auditors conduct audits and provide supervision from a standpoint independent of company management. We believe that this system is effective in terms of our meeting the tenets of our corporate governance program.

Important management issues
Important management matters are, in principle, discussed at meetings of the Management Committee (held twice a month in principle), which is composed of senior executive officers and above. Furthermore, the Board of Directors, which meets once a month on a regular basis or on an ad hoc basis as necessary, deliberates and makes decisions on such matters. The Corporate Executive Meeting, which consists of all Corporate Vice Presidents, meets three times a month in principle to deliberate and decide on specific important issues related to business execution, and seeks approval from the Board of Directors on particularly important matters.

Audit & Supervisory Board
The Board of Auditors consists of three auditors (including two external auditors) and has established the Auditors’ Office (one person in charge) as an organization to assist them in their duties. The Audit & Supervisory Board meets monthly on the same day as the Board of Directors or on an ad hoc basis when necessary. The Audit & Supervisory Board Members attend Board of Directors meetings to audit proceedings and the content of resolutions, and express their opinion when deemed necessary. Furthermore, the full-time auditor attends other important internal meetings of committees, such as the Executive Committee and the Compliance/ Risk Management Committee. A full-time Audit & Supervisory Board Member also meets on a quarterly basis with the President to provide audit findings and make recommendations based on the audit activities. In addition, interviews and reports were conducted 88 times over the year with Directors, executive officers and senior managers in charge of each division. Regarding inspections of sites in Japan and overseas, as restrictions on people’s actions resulting from the spread of COVID-19 have been eased, we have restarted on-site inspections of sites in Japan. Audits of overseas sites were conducted via remote audit using videocall conferencing systems in 1H, but from 2H, we restarted on-site inspections at some sites in Thailand, India, and so forth. We conducted 18 inspections this year (8 in Japan and 10 overseas).

Full-time Audit & Supervisory Board Members hold quarterly meetings with External Directors to share their views on issues identified through audits. Reports of full-time Audit & Supervisory Board Members’ activities are made to the Audit & Supervisory Board for proper sharing among Audit & Supervisory Board Members. The Audit Division regularly reports on the status of internal audits to the Board of Directors once a year.

Role of the Board of Directors
The Board of Directors makes decisions on important matters related to the management of the Fujitsu General Group and important business execution as stipulated by laws and regulations and the Company’s Articles of Incorporation. Matters requiring a resolution of the Board of Directors are clearly defined in the Board of Directors Regulations. Matters that do not require a resolution of the Board of Directors, internal rules (Management Meeting Regulations, Corporate Executive Meeting Regulations, Internal Approval Rules, etc.) establish criteria on the degree of importance of each matter for delegation to the Director or Corporate Vice Presidents in charge of the relevant business execution. Our basic policy is to appoint a well-balanced from inside and outside, the Company Board of Directors consisting of members who have the knowledge, experience, and abilities necessary for the Company’s business operations, taking into account diversity in terms of gender globalization, and other aspects. We believe that the current composition of the Board of Directors (11 Directors in total (including 5 External Directors, 1 of whom is a woman)) is appropriate.

Attendance of Directors at Board of Directors Meetings and Nomination and Compensation Committee Meetings

<table>
<thead>
<tr>
<th>Name</th>
<th>Affiliation</th>
<th>Board of Directors</th>
<th>Nominating Committee</th>
<th>Compensation Committee</th>
<th>Audit &amp; Supervisory Board</th>
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<tbody>
<tr>
<td>Etuoo Saito</td>
<td></td>
<td>100% (15/15)</td>
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<tr>
<td>Hiroshi Niiyama</td>
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<td>Hisashi Sakamaki</td>
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<td>Fumiaki Terasaka</td>
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<td>Mieko Kosawaya</td>
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<td>Osami Maehara</td>
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<td>Hirohisa Yamaguchi</td>
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<td>Tsunenao Kosuda</td>
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<td>Yaddashi Hasegawa</td>
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<td>Hiroyuki Yokoyama</td>
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<td>Masaki Sugiyama</td>
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<td>Yoshinobu Miyatomi</td>
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<tr>
<td>Youshi Hirose</td>
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* Actual attendance in FY2022; ◎ indicates Chair/Committee Chairperson

Summary of results of analysis and assessment on overall effectiveness of the Board of Directors
In order to improve the effectiveness of corporate governance, the Company annually conducts an effectiveness assessment on the Board of Directors. The assessment details are, in principle, reported to the Board of Directors in May each year, and discussions are held to improve effectiveness. An effectiveness assessment on the Board of Directors in FY2022 was conducted in the same way as last year, with all Directors responding to a questionnaire. In the results, the Board of Directors was assessed to be generally appropriate in terms of its operation and other areas, and we confirmed that the effectiveness of our Board of Directors is secured. Going forward, we will continue considering these matters and taking steps to enhance the effectiveness of the Board of Directors.
Compliance

- **FUJITSU GENERAL Way**
  The Code of Conduct of the FUJITSU GENERAL Way, which sets forth specifics to be taken into account as the basis for compliance at the Fujitsu General Group, is posted on the company intranet as well as disseminated through training programs for officers and employees.

- **The Fujitsu General Group Code of Conduct**
  - We act with fairness in our business dealings.
  - We comply with all laws and regulations.
  - We respect human rights.
  - Employees.

  We act with fairness in our business dealings.
  - We respect the knowledge and know-how held by each employee give us a competitive edge in our business activities. We are contributing to the establishment of a networked society by continuously creating new value and providing products and services on a global basis to meet customer needs.

  - We maintain confidentiality.
  - We respect intellectual property.
  - We protect and respect intellectual property. We respect third-party intellectual property and utilize it only after having properly secured rights to its use. We recognize that the knowledge and know-how held by each employee give us a competitive edge in our business activities. We are contributing to the establishment of a networked society by continuously creating new value and providing products and services on a global basis to meet customer needs.

  - We do not use our position in our organization for personal gain.
  - We do not use our position, role, or corporate information, or act in any way contrary to our corporate obligations, to seek or gain benefits for ourselves, our relatives, our friends or other third parties. We do not trade stocks or other securities or gain benefits for ourselves, our relatives, our friends or other third parties. We do not use our position in our organization for personal gain.

  - We do not use our position in our organization for personal gain.

  - We act in any way contrary to our corporate obligations, to seek or gain benefits for ourselves, our relatives, our friends or other third parties. We do not trade stocks or other securities or gain benefits for ourselves, our relatives, our friends or other third parties. We do not use our position in our organization for personal gain.

  - We act with fairness in our business dealings.

  We treat customers, business partners and competitors fairly and with respect. We do not engage in practices which treat customers differently without justification. We do not use our position to secure an unfair advantage in dealings with business partners. We do not take advantage of competitors through unethical behavior or illegal means.

- **Compliance training for employees**
  As part of our employee awareness-raising activities, we conduct risk management training for managers. We also conduct training as necessary on important laws and regulations relevant to each division’s operations, such as the Anti-Monopoly Act, Security Export Control, and the Subcontract Act. In FY2022, we conducted training on eight occasions on topics such as information leak prevention. We also regularly send out e-mail newsletters to employees to raise awareness of compliance in general.

  Four e-learning training sessions have been conducted for CSR Training (excluding compliance).

<table>
<thead>
<tr>
<th>Content</th>
<th>FY2022</th>
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<tbody>
<tr>
<td>Compliance training</td>
<td>8 times</td>
</tr>
<tr>
<td>CSR training (excluding compliance)</td>
<td>4 times</td>
</tr>
</tbody>
</table>

- **Anti-Bribery Policy**
  All members of the Fujitsu General Group follow the FUJITSU GENERAL Way of Code of Conduct principles of "We act with fairness in our business dealings" and "We do not use our position in our organization for personal gain." In further support of this, we have established the Anti-Bribery, Gift and Entertainment Guidelines to prevent bribery and maintain fair and equitable relationships with our business partners. Specifically, the provision of gifts or entertainment to public officers for the purpose of obtaining business favors is prohibited. In addition to prohibiting the giving of gifts or entertainment to persons other than public officers and other parties with the intention of inducing them to perform improper duties, it is also prohibited in principle to receive gifts or entertainment.

  All officers and employees of the Company and its domestic affiliates are informed of the Policy through training each fiscal year and act in accordance with the said guidelines.

  Furthermore, each of our overseas bases complies with anti-bribery regulations established based on the content of these guidelines and local laws and customs, and we conduct training to spread awareness and ensure compliance each fiscal year.
Compliance (cont.)

■ Policy on political contributions and donations
When making political contributions or donations to various organizations and other entities, we will follow the laws and regulations established by each country. In addition, we will do so only after obtaining approval in accordance with internal rules and regulations.

■ Preventing insider trading
Based on the FUJITSU GENERAL Way’s Code of Conduct principles of “We comply with all laws and regulations” and “We maintain confidentiality,” the Fujitsu General Group has established the Regulations for the Prevention of Insider Trading to ensure the prevention of insider trading to fulfill its corporate social responsibility. As an example, employees are required to make prior notification when buying, selling, or otherwise trading the Company’s specified securities. In addition, we provide internal training to our employees covering the subject of insider trading to ensure compliance with laws and regulations, and acquaint them with our internal rules regarding the proper handling of insider and confidential information.

Risk Management

■ Risk management system
To promptly identify risks that may adversely affect the Fujitsu General Group, whether at home or overseas, and to implement countermeasures in a timely manner, risk assessments are conducted to confirm the appropriateness of the evaluation and management of risk by each division of the Company as well as Group companies. The Compliance & Risk Management Committee, organized every quarter, selects priority issues to be addressed while promoting activities to reduce risk.

■ Risk management
The Code of Conduct of the Fujitsu General Way, which sets forth specifics to be taken into account as the basis for compliance at the Fujitsu General Group, is posted on the company intranet and also disseminated through training programs for executives and employees. As part of our employee awareness-raising activities, we conduct training on the essentials of risk management for managers who are responsible for on-site risk management and internal controls. We also conduct training on important laws and regulations relevant to each division’s operations, such as the Anti-Monopoly Act, insider trading regulations, and the Subcontract Act, as well as the like business and human rights and information leak prevention. We also regularly send out e-mail newsletters to employees to raise awareness of compliance in general.

■ Risk assessment
Each of Fujitsu General’s divisions and Group companies conducts risk assessment to evaluate risks that are considered to have a significant impact if they are actualized and consider risk reduction measures. Specifically, from the perspective of compliance, we have identified risks that may arise from the status of compliance with various laws and regulations such as labor laws, anti-monopoly laws, bribery regulations, and environmental regulations applicable to our company, as well as risks that may arise from business activities such as product quality, IT security, natural disasters, and internal fraud. The Compliance & Risk Management Committee selects important themes that should be prioritized from a corporate perspective based on the degree of impact and the level of controls and promotes risk mitigation activities.

■ Internal reporting system “Corporate Ethics Helpline”
Fujitsu General Group has established the “Corporate Ethics Helpline” system, which ensures the protection of whistleblowers, as a means of directly reporting compliance issues in addition to norma business reporting channels. Through the use of this system, compliance issues are detected at an early stage and appropriate measures are taken. The Corporate Ethics Helpline also covers reporting of internal fraud, bribery, and other violations of laws and regulations.

■ Information security
We have formulated an Information Security Policy and disclosed this policy both internally and externally in order to provide products and services that are trusted by society through the implementation of appropriate and advanced security measures. We provide education related to information security to employees of the entire Group every year, and also hold annual drills to practice dealing with suspicious emails.

■ Business continuity management
The Fujitsu General Group has formulated a Business Continuity Plan (BCP) for the purpose of ensuring the safety of employees and their families while continuing and operating its business in the event of an unplanned disruption or large-scale natural disaster. Disasters include, but are not limited to, a major earthquake or the spread of new infectious diseases. In order to ensure the effectiveness of the BCP, our Group regularly conducts awareness-raising activities and BCP drills covering important business operations.

■ Disaster initial response training
Every year, we conduct initial response drills to prepare for events such as an inland earthquake in Tokyo or a Nankai Trough earthquake. In addition to the Human Resources Division, General Affairs Division, and IT Division, the divisions responsible for the business continuity of critical business operations all participate.

An image of internal education related to insider trading
**Officer Compensation**

- Matters related to policies on determining the amount of compensation, etc. for officers and the calculation method thereof

  - **Basic Policy**
    The Company’s basic policy is to establish a highly transparent compensation system that enables the Group to bring on superior human resources who will drive the sound and sustainable growth of the Fujitsu General Group while also further aligning business performance and shareholder value. Compensation consists of “basic remuneration,” which is paid in a fixed monthly amount based on job responsibilities and position; “bonuses,” which are linked to short-term performance; and “restricted share-based remuneration,” which is non-monetary remuneration that provides incentives for the sustained enhancement of corporate value and promotion of Sustainable Management. External Directors, who are responsible for supervisory functions, are paid only "basic remuneration" in consideration of their duties. Individual remuneration and so forth shall be deliberated by the Compensation Committee, a majority of whose members are Independent External Directors, and reported to the Board of Directors for deliberation and a decision. The Compensation Committee shall verify the appropriateness of the level of remuneration, among other areas, by utilizing objective data from outside organizations.

  - **Officer compensation plan**

  - **Total amount of compensation, etc., for each category of officer, total amount of each type of compensation, etc., and number of eligible officers**

### Officer Compensation

<table>
<thead>
<tr>
<th>Officer category</th>
<th>Total amount of compensation, etc. (millions of yen)</th>
<th>Total amount of each type of compensation, etc. (millions of yen)</th>
<th>Non-monetary remuneration, etc. (restricted share-based remuneration)</th>
<th>Number of eligible officers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directors (excluding External Directors)</td>
<td>343</td>
<td>237</td>
<td>69</td>
<td>36 &amp; 6</td>
</tr>
<tr>
<td>Audit &amp; Supervisory Board Members (excluding External Audit &amp; Supervisory Board Members)</td>
<td>28</td>
<td>28</td>
<td>—</td>
<td>— &amp; 1</td>
</tr>
<tr>
<td>External officers</td>
<td>54</td>
<td>54</td>
<td>—</td>
<td>— &amp; 7</td>
</tr>
</tbody>
</table>

### Skill Matrix

**Company’s expectations for Directors and Audit & Supervisory Board Members**

These are the important areas for the Company to promote "Sustainable Management" and its specific measures in the Medium-term Management Plan. In addition, the "Management of the Company’s business" in the following areas expects to monitor and supervise the execution of business operations in line with the "Sustainable Management" and raise issues from a long-term perspective.

<table>
<thead>
<tr>
<th>Name</th>
<th>Affiliation</th>
<th>Area of expertise the Company expects in particular</th>
</tr>
</thead>
</table>
| Etsuo Saito | External | • Manufacturing 
• Corporate sustainability
• Strategic business development

| Hiroshi Niwayama | External/Independent | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Hitoshi Sakamaki | External/Independent | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Fumaki Terasaka | External/Independent | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Mieko Kuwahara | External/Independent | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Osami Maehara | External/Independent | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Ryuichi Kubota | External | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Tsunenao Kosuda | External | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Hidashi Hasegawa | External | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Hiroyuki Yokoyama | External | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Masaki Sugiyama | External | • Manufacturing 
• Corporate sustainability
• Strategic business development |

### Audit & Supervisory Board Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Affiliation</th>
<th>Area of expertise the Company expects in particular</th>
</tr>
</thead>
</table>
| Akira Iinuma | External/Independent | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Yoshinobu Miyajima | External/Independent | • Manufacturing 
• Corporate sustainability
• Strategic business development |
| Youichi Hirose | External | • Manufacturing 
• Corporate sustainability
• Strategic business development |

* * is indicated in areas the Company expects, particularly in light of each individual’s experience and current role. It is not indicative of all the insight and experience possessed by each individual.
Our Leadership

■ Directors

Etsuro Saito  President & CEO (Representative Director)
April 1977  Joined the Company
December 2008  General Manager, VR/ATW Sales & Marketing Division
April 2009  Corporate Vice President
April 2011  Corporate Senior Vice President
April 2015  Corporate Senior Executive Vice President
June 2015  President & Representative Director
December 2020  President & Representative Director, Chief Sustainability Officer (CSO)
April 2022  President & Representative Director, Chief Executive Officer (CEO)

Hisashi Sakamaki  Director [External] [Independent]
January 1967  Joined Canon Camera Co., Inc. (currently Canon Inc.)
January 1987  General Manager, Systems Operations, Canon Inc.
March 1989  Director, Canon Inc.
March 1996  Managing Director, Canon Inc.
March 1999  President & CEO, Canon Electronics Inc.
May 2010  External Director, Ryohin Keikaku Co., Ltd.
June 2015  Director, the Company (to present)
June 2016  External Director, Yoaku Co., Ltd. (to present)
March 2021  Chairman & CEO, Canon Electronics Inc. (to present)

Mieko Kuwayama  Director [External] [Independent]
April 1970  Joined Shiseido Company, Limited
April 2004  General Manager, CSR Department, Shiseido Company, Limited
April 2008  Part-time Lecturer, Faculty of Economics, Komazawa University
April 2009  Senior Researcher, Business Ethics Research Center
June 2012  Special Research Professor, Graduate School of Law, Hitotsubashi University
April 2015  Visiting Researcher, Research Center for CFO Education, Hitotsubashi University (to present)
April 2015  Visiting Researcher, Mission Management Research Institute, Meiji University
June 2017  Director, the Company (to present)
June 2018  External Director, Citizen Watch Co., Ltd.

Osami Maehara  Director [External] [Independent]
April 1978  Joined the Company
August 1983  Joined Hitachi Koki Co., Ltd. (currently Koki Holdings Co., Ltd.)
June 2006  General Manager, Corporate Planning Division, Hitachi Koki Co., Ltd.
June 2008  Director, Hitachi Koki Co., Ltd.
June 2012  Managing Director, Hitachi Koki Co., Ltd.
June 2013  Senior Managing Director, Hitachi Koki Co., Ltd.
June 2014  President & Representative Director, Hitachi Koki Co., Ltd.
April 2019  Chairman, Koki Holdings Co., Ltd.
August 2020  External Director, Audit & Supervisory Committee Member, UMC Electronics Co., Ltd. (to present)
Jun 2021  Director, the Company (to present)

Tadashi Hasegawa  Director
April 1988  Joined Fujikoki Corporation
May 1997  Joined the Company
April 2014  Director & Senior Vice General Manager, Fujitsu General Central Airconditioner (Wuxi) Co., Ltd.
April 2015  Corporate Vice President, the Company
April 2017  Corporate Senior Vice President
June 2018  Director & Corporate Senior Vice President
April 2019  Director & Corporate First Senior Vice President
April 2020  Director & Corporate Executive Vice President (to present)

Hiroyuki Yokoyama  President & Representative Director (newly established company)
April 2021  Director & Corporate Senior Executive Vice President, PFU Ltd.
September 2022  Corporate Executive Officer, EVP, Fujitsu Limited (to present)
June 2023  Director, the Company (to present)

Tsunenao Kosuda  Director
April 1978  Joined the Company
June 2002  General Manager, Sales Planning Department, Domestc Whole Sales Promotion Division
June 2005  Director
April 2006  Director & Corporate Vice President
June 2006  Corporate Vice President
April 2009  Corporate Senior Vice President
June 2010  Corporate Senior Vice President
April 2011  Corporate Senior Vice President
April 2013  Director & Corporate Executive Vice President
April 2018  Director & Corporate Senior Executive Vice President (to present)

Ryachi Kubota  Director [External]
April 1986  Joined Fujitsu Limited
April 2019  Corporate Executive Officer SVP, Head of Business Management Unit, Technology Solutions Business, Fujitsu Limited
April 2021  Director & Corporate Senior Executive Vice President, PFU Ltd.
September 2022  Corporate Executive Officer, EVP, Fujitsu Limited (to present)
June 2023  Director, the Company (to present)

Hisashi Sakamaki  Director [Independent]
April 1977  Joined the Company
December 2001  General Manager, Finance Division and General Manager, Accounting Division
June 2004  Director
April 2006  Director & Corporate Vice President
April 2007  Director & Corporate Senior Vice President
April 2010  Director & Corporate First Senior Vice President
April 2011  Director & Corporate Executive Vice President
April 2015  Director & Corporate Senior Executive Vice President
June 2018  Vice President & Representative Director, in charge of Corporate Functions (to present)

Mieko Kuwayama  Director [External] [Independent]
April 1970  Joined Shiseido Company, Limited
April 2004  General Manager, CSR Department, Shiseido Company, Limited
April 2008  Part-time Lecturer, Faculty of Economics, Komazawa University
April 2009  Senior Researcher, Business Ethics Research Center
June 2012  Special Appointed Professor, Graduate School of Law, Hitotsubashi University
April 2015  Visiting Researcher, Research Center for CFO Education, Hitotsubashi University (to present)
April 2015  Visiting Researcher, Mission Management Research Institute, Meiji University
June 2017  Director, the Company (to present)
June 2018  External Director, Citizen Watch Co., Ltd.

Osami Maehara  Director [External] [Independent]
April 1978  Joined the Company
August 1983  Joined Hitachi Koki Co., Ltd. (currently Koki Holdings Co., Ltd.)
June 2006  General Manager, Corporate Planning Division, Hitachi Koki Co., Ltd.
June 2008  Director, Hitachi Koki Co., Ltd.
June 2012  Managing Director, Hitachi Koki Co., Ltd.
June 2013  Senior Managing Director, Hitachi Koki Co., Ltd.
June 2014  President & Representative Director, Hitachi Koki Co., Ltd.
April 2019  Chairman, Koki Holdings Co., Ltd.
August 2020  External Director, Audit & Supervisory Committee Member, UMC Electronics Co., Ltd. (to present)
Jun 2021  Director, the Company (to present)
Our Leadership (cont.)

■ Directors

Masaki Sugiyama  Director
April 1981  Joined the Company
April 2011  General Manager, Information & Communication Networking System Division
April 2016  Corporate Vice President
April 2018  Director & Corporate Senior Vice President
April 2019  Director & Corporate First Senior Vice President (to present)

Yoshinobu Miyajima  Full-time Corporate Auditor
April 1980  Joined The Dai-Ichi Kangyo Bank, Ltd. (now Mizuho Bank, Ltd.)
September 1999  Senior Vice President, Credit Audit Division
April 2002  Senior Vice President, Corporate Credit Assessment Division, Mizuho Corporate Bank, Ltd. (Currently Mizuho Bank, Ltd.)
October 2007  Deputy General Manager, Internal Audit Division
May 2008  General Manager, Internal Audit Division, Hokuetsu Paper Mills, Ltd. (Currently Hokuetsu Corporation) (Seconded)
June 2010  Senior Vice President, Corporate Banking Division No.8, Mizuho Corporate Bank, Ltd.
June 2010  Full-time Corporate Auditor, the Company (to present)

Hiroyuki Yokoyama  In charge of Global Demand Chain Management, Air Conditioner Production and IT
April 2019  Executive Manager, Office of Global Demand Chain Management
April 2018  Director & Corporate Senior Vice President
June 2016  Director & Corporate Vice President
April 2016  General Manager, Office of Air Conditioner Engineering
April 2011  General Manager, Domestic Service Support Division
April 2006  Head of Corporate Finance Unit
April 2017  Executive Advisor
June 2017  Audit & Supervisory Board Member (to present)
June 2018  Corporate Auditor, the Company (to present)

Akira Inoue  Full-time Corporate Auditor  [External]  [Independent]
April 1980  Joined The Dai-Ichi Kangyo Bank, Ltd. (now Mizuho Bank, Ltd.)
September 1999  Senior Vice President, Credit Audit Division
April 2002  Senior Vice President, Corporate Credit Assessment Division, Mizuho Corporate Bank, Ltd. (Currently Mizuho Bank, Ltd.)
October 2007  Deputy General Manager, Internal Audit Division
May 2008  General Manager, Internal Audit Division, Hokuetsu Paper Mills, Ltd. (Currently Hokuetsu Corporation) (Seconded)
June 2010  Senior Vice President, Corporate Banking Division No.8, Mizuho Corporate Bank, Ltd.
June 2010  Full-time Corporate Auditor, the Company (to present)

Yoshihiro Hirose  Corporate Auditor  [External]
April 1981  Joined Fujitsu Limited
June 2009  Vice President, Corporate Controller, Corporate Finance Unit, Fujitsu Limited
April 2012  Executive Vice President
May 2013  Corporate Vice President
April 2014  Head of Corporate Finance Unit
April 2017  Executive Advisor
June 2017  Audit & Supervisory Board Member (to present)
June 2018  Corporate Auditor, the Company (to present)

Corporate Vice Presidents and Other Management Officers (As of December 1, 2023)

■ Chief Executive Officer
Etsuro Saito  CEO (Chief Executive Officer)  CSO (Chief Sustainability Officer)

■ Corporate Senior Executive Vice Presidents
Hiroshi Niwawaya  In charge of Corporate Functions
Tsunenao Kosuda  In charge of Domestic Sales and Marketing

■ Corporate Executive Vice Presidents
Tadashi Hasegawa  In charge of Air Conditioner and Quality Assurance
Executive Manager, Air Conditioner Business Group
General Manager, Air Conditioner Product Planning Division
President, Fujitsu General (Thailand) Co., Ltd.
President and Representative Director, Aero Shield Co., Ltd.
Hiroyuki Yokoyama  In charge of Global Demand Chain Management, Air Conditioner Production and IT
Executive Manager, Office of Global Demand Chain Management
President, Fujitsu General Central Air Conditioning (Wuxi) Co., Ltd.

■ Corporate First Senior Vice Presidents
Masaki Sugiyama  In charge of Information & Communication System
Executive Manager, Office of Information & Communication System
President & Representative Director, Fujitsu General OS Technology Limited
Sosuke Ohkawara  General Manager, Corporate Executive Office
In charge of Risk Management, Internal Control and Information Security

■ Corporate Senior Vice Presidents
Kimihiko Shimizu  In charge of Procurement Reform
President, Fujitsu General (Shanghai) Co., Ltd.
Masataka Eto  Director and General Manager, Fujitsu General (Shanghai) Co., Ltd.
Yosuke Nakagawa  Executive Manager, Office of Domestic Sales and Marketing
Executive Manager, General Manager, Domestic Service Support Division
Takumi Tsuibouchi  Executive Manager, Office of Air Conditioner Products Development
President and Representative Director, Fujitsu General Electronics Ltd.
In charge of Electronic Devices
General Manager, Electronic Devices & Components Division
President, Fujitsu General Electronics (Suzhou) Co., Ltd.
Manueki Ohada  President and Representative Director, Fujitsu General Electronics Ltd.
In charge of Electronic Devices
General Manager, Electronic Devices & Components Division
President, Fujitsu General Electronics (Suzhou) Co., Ltd.
Atsushi Itagaki  President, Fujitsu General Air Conditioning B&D (Thailand) Co., Ltd.
President, TCFG Compressor (Thailand) Co., Ltd.

■ Corporate Vice Presidents
Masahiko Naito  Vice in charge of Branding and IT
Hiroyuki Sato  Deputy Executive Manager, Office of Air Conditioner Products Development
Hiroshi Kobayashi  General Manager, Human Resources Division
Toshio Kano  General Manager, Corporate Communications Division
Shigeaki Araki  Deputy Executive Manager, Office of Information & Communication System
Yasushi Asanuma  Executive Manager, Office of International Sales and Marketing
Chairman, Fujitsu General South East Europe S.A.

■ Fellow
Eiji Futagami  General Manager, Office of Air Conditioner Engineering Project
President and Representative Director, Fujitsu General Laboratories Limited

Introduction of Nominating and Compensation Committee Members

■ Nominating Committee Members
Chairman: Fumiaki Terasaka, Director (Independent External Director)
Members: Hisashi Sakamaki, Director (Independent External Director)
Mieko Kuwayama, Director (Independent External Director)
Osami Maehara, Director (Independent External Director)
Etsuro Saito, President & CEO

■ Compensation Committee Members
Chairman: Fumiaki Terasaka, Director (Independent External Director)
Members: Hisashi Sakamaki, Director (Independent External Director)
Mieko Kuwayama, Director (Independent External Director)
Osami Maehara, Director (Independent External Director)
Hiroshi Niwawaya, Vice President & Representative Director
### Ten-Year Financial Summary

<table>
<thead>
<tr>
<th>Financial Data</th>
<th>(Unit)</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>(Millions of yen)</td>
<td>241,441</td>
<td>274,807</td>
<td>280,977</td>
</tr>
<tr>
<td>Operating income</td>
<td>(Millions of yen)</td>
<td>20,702</td>
<td>27,140</td>
<td>27,521</td>
</tr>
<tr>
<td>Operating income margin</td>
<td>(%)</td>
<td>8.6</td>
<td>9.9</td>
<td>9.8</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>(Millions of yen)</td>
<td>20,407</td>
<td>27,860</td>
<td>25,889</td>
</tr>
<tr>
<td>Profit attributable to owners of parent</td>
<td>(Millions of yen)</td>
<td>10,211</td>
<td>12,854</td>
<td>8,929</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td>(Millions of yen)</td>
<td>15,410</td>
<td>23,455</td>
<td>13,143</td>
</tr>
<tr>
<td>Total net assets</td>
<td>(Millions of yen)</td>
<td>55,803</td>
<td>76,638</td>
<td>87,350</td>
</tr>
<tr>
<td>Total assets</td>
<td>(Millions of yen)</td>
<td>162,421</td>
<td>190,522</td>
<td>181,082</td>
</tr>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td>(Millions of yen)</td>
<td>24,066</td>
<td>23,207</td>
<td></td>
</tr>
<tr>
<td>Net cash provided by (used in) investing activities</td>
<td>(Millions of yen)</td>
<td>(4,676)</td>
<td>(6,830)</td>
<td></td>
</tr>
<tr>
<td>Free cash flow</td>
<td>(Millions of yen)</td>
<td>19,390</td>
<td>16,377</td>
<td></td>
</tr>
<tr>
<td>Net cash provided by (used in) financing activities</td>
<td>(Millions of yen)</td>
<td>(15,472)</td>
<td>(3,311)</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at end of period</td>
<td>(Millions of yen)</td>
<td>9,136</td>
<td>21,604</td>
<td></td>
</tr>
<tr>
<td>Amount per share</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings per share (EPS)</td>
<td>(Yen)</td>
<td>123.80</td>
<td>170.19</td>
<td>167.55</td>
</tr>
<tr>
<td>Net assets per share (BPS)</td>
<td>(Yen)</td>
<td>514.29</td>
<td>710.16</td>
<td>812.56</td>
</tr>
<tr>
<td>Dividend per share</td>
<td>(Yen)</td>
<td>14.00</td>
<td>18.00</td>
<td>20.00</td>
</tr>
</tbody>
</table>

#### Key Indicators, etc.

| R&D expenses | (Millions of yen) | 10,284 | 11,549 | 12,374 |
| R&D expense ratio | (%) | 4.3 | 4.2 | 4.4 |
| Capital expenditures | (Millions of yen) | 6,162 | 7,148 | 5,037 |
| Depreciation expenses | (Millions of yen) | 3,623 | 3,876 | 4,556 |
| Shareholder's equity ratio | (%) | 33.1 | 39.0 | 47.0 |
| Return on equity (ROE) | (%) | 26.3 | 27.9 | 22.0 |
| Return on assets (ROA) | (%) | 8.5 | 10.1 | 9.4 |
| Net D/E ratio | (Times) | 0.17 | 0.11 | 0.25 |
| Cash conversion cycle* | (Days) | 79.1 | 82.0 | 81.8 |
| Days inventory outstanding | (Days) | 29.5 | 31.6 | 31.1 |
| Inventories | (Millions of yen) | 19,962 | 21,833 | 20,044 |
| Dividend payout ratio | (%) | 11.3 | 10.6 | 11.9 |
| Price-earnings ratio (PER) | (Times) | 8.0 | 9.3 | 10.4 |

* Cash conversion cycle (CCC) = Days' sales in accounts receivable + Days' sales in inventory - Days' sales in accounts payable.

For details, please refer to the Annual Securities Report.
IR Library > Annual Securities Reports (in Japanese)
This report presents not only the past and current facts about the Fujitsu General Group but also its projections, forecasts, and plans. Such projections, forecasts, and plans are based on the information available to us at the time we prepared this report. All readers are advised to note that results of the Group's business activities and developments may differ from those projections, forecasts, and plans, depending on unforeseeable changes in the business environment and other relevant factors.

Editorial Policy

In this integrated report, we select and report key information covering our policies, approaches, data, and other areas. For detailed information about our activities, examples of initiatives, and so forth, please visit our official website.

◆ Reporting period: FY2022 (April 1, 2022 to March 31, 2023)
Please note that this report also refers to some events that took place before and after this period.

◆ Scope of organizations covered in the report: This report covers the activities and achievements of Fujitsu General Limited and its consolidated subsidiaries and affiliated companies accounted for by the equity method, which collectively constitutes the Fujitsu General Group.

◆ Reference guidelines used for the preparation of this report: “GRI Standards,” published by Global Reporting Initiative (GRI); UN Global Compact; “ISO 26000: 2010,” published by the International Organization for Standardization (ISO); recommendations by the Task Force on Climate-related Financial Disclosures (TCFD); and “Environmental Reporting Guidelines 2018,” published by the Ministry of Environment of Japan

◆ Published: December 2023 (Next scheduled: October 2024)

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◇ “nocria” is a registered trademark of Fujitsu General Limited.
◇ “AIRSTAGE” is a registered trademark of Fujitsu General Limited.

◆ For inquiries, contact: Corporate Communications Division, Sustainability Promotion Division

Scope of information disclosure

The Fujitsu General Group discloses to its stakeholders a wide range of information regarding its business activities.