

Social Contribution

Social Contribution



- 39 Supplier Relations
- 41 Partnership
- 42 Quality Initiatives
- Stakeholder Engagement
- 43 External Recognition and Participating Initiatives
- 44 Community Relations

Supplier Relations

Topic 1

Priority Initiatives Supply Chain Management Promotion of CSR Procurement

Policy

The Fujitsu General Group feels it must manage its entire global supply chain, both in Japan and throughout the world, in line with fulfilling its overall social responsibilities. By closely working together with our suppliers and business partners, we can minimize the negative impact on the environment and meet the expectations of society, thus actualizing a tenet of Our Mission "Living together for our future."

Action

The Fujitsu General Group conducts surveys and checks the status of compliance with the CSR Procurement Guidelines for suppliers. Before undertaking an actual survey, we request our business partners to complete a Self-Check Assessment. During the field survey, we measure the degree of compliance with our CSR guidelines against the parameters of human rights, health and safety levels, and the level of measures which have been taken to protect the environment.

In FY2021, due to the pandemic of COVID-19, we were unable to conduct CSR audits and other on-site surveys, but we did conduct self-checks using the self-assessment questionnaire for two companies in Japan, two in China, and one in Thailand.

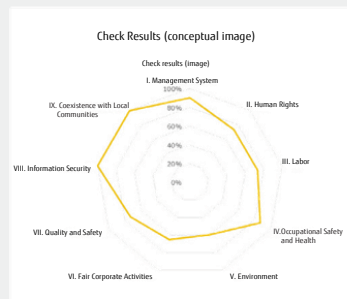
In the survey conducted in FY2021, no CSR issues were found among our suppliers.

CSR Procurement Guidelines Check List

Nine items (41 subitems) are checked.

Check Items

- Management system
- Human rights
- Labor
- Occupational safety & health
- Environment
- Fair corporate activities
- Quality and safety
- Information security
- Coexistence with local communities



Next Approach

In recent years, there has been increasing demand to address social issues such as human rights and environmental issues throughout the supply chain. In order to strengthen CSR procurement, we have been explaining the importance of adhering to the CSR Procurement Guidelines to new suppliers.

In the future, by expanding the scope of conducting self-check assessment for suppliers directly related to Fujitsu General Group, we will grasp and assess the situation and promote correction and improvement while communicating with suppliers through on-site audits. In this way, we will raise awareness of the environment, labor environment, human rights, and other issues throughout the supply chain and strive to mitigate risks.

Key Initiatives

Sharing the CSR Procurement Policy

In procuring products, materials and raw materials, Fujitsu General Group has formulated the CSR Procurement Policy and Guidelines with the aim of fulfilling social responsibility in the entire supply chain. It will do this by adding required items in light of the progress in measures taken for the environment, labor environment, human rights, etc. to the existing items such as quality, performance, price and delivery.

We share our CSR Procurement Policies and Guidelines with our suppliers and ask them to practice them within their companies.

CSR Procurement Policy

1. Coexistence and co-prosperity with our suppliers
2. Fair and impartial evaluation and selection of suppliers
3. Promotion of CSR-conscious procurement activities

Key CSR activities to be requested from suppliers

1. Labor initiatives (freedom of employment, humane treatment, elimination of discrimination, etc.)
2. Health and safety initiatives (occupational safety, sanitation facilities, etc.)
3. Environmental initiatives (pollution prevention and resource reduction, water management, reduction of energy consumption and greenhouse gas emissions, etc.)
4. Ethical initiatives (responsible mineral sourcing, information disclosure, etc.)
5. Management systems (management accountability, risk assessment and management, auditing and evaluation, etc.)

Measures for Conflict Minerals

The Fujitsu General Group, in cooperation with its business partners, promotes responsible procurement to prevent the sourcing of conflict minerals connected with the use of forced labor, human rights violations, and civil unrest/war.

Basic Policy on Responsible Mineral Procurement

It is the policy of the Fujitsu General Group to exclude from its products, parts and supply chain those minerals with a high risk of contributing to conflict or being associated with forced labor or human rights violation.



Please visit our website for more information.
CSR Procurement Policy
<https://www.fujitsu-general.com/global/csr/procurement-policy.html>



Partnership

Partnership with Overseas Distributors

At the Fujitsu General Group, we have set "Expansion of the Air Conditioner Business" as one of our core strategic themes to achieve the Medium-term Management Plan. We will create new innovations through partnerships with other companies, expand product lineups, and lead to business expansion.

Voice Johnstone Supply (America)



General Manager
HVAC Equipment
Mr. Derek Morgan

Johnstone Supply began our partnership with Fujitsu General America over 15 years ago when ductless mini-split products made up less than 3% of the total equipment market in the United States. Today, these products make up nearly 15% of HVAC equipment market. Mini splits have consistently been the fastest growing equipment category for Johnstone supply for over 10 years.

Our Mission at Johnstone Supply is simple, everything we do is designed to make it "easy for our Dealers to do business." With partners like Fujitsu General, we are able to develop and deploy industry leading tools, training resources and services to improve our customers' productivity and profitability. Fujitsu General is there, every step of the way providing the people, product, data, programs, and services to support our efforts.

As the impact of global warming continues to grow throughout the world, the United States Federal government continues to raise efficiency standards across the country. Additionally, many states are taking very aggressive positions against fossil fuel-based products. Some areas now ban the use of natural gas and propane heating products for new construction. This has been referred to as "the electrification of America". These efforts have positioned Fujitsu General extremely well with their high efficiency Air conditioning and Heat Pump products. Fujitsu General has brought industry leading technology and world class designs in both the residential and commercial markets for many years and the brand is among the leaders in consumer awareness and trust.

I expect Fujitsu General to continuously drive to improve manufacturing efficiencies, invest in the design and development of innovative products and deliver them to the market at competitive pricing. Doing this will ensure the continued growth of Johnstone supply and Fujitsu General America for many years.

Voice Frigelar (Brazil)



President
Frigelar Comércio e
Indústria Ltda.
Mr. Alexandre Fiss

We live in a world where our actions can have repercussions beyond the borders of our businesses. In this scenario, our services and products must promote the development of humankind and the means for a sustainable world. Therefore, to be effective in our efforts, we need to form partnerships with companies that have the same goals.

Fujitsu General is recognized for its technology, quality products, and its focus on promoting better service and high-grade products designed to provide the most comfortable and healthy indoor environments to their customers. Fujitsu General's goal of "Making the world more sustainable by building trust in society through innovation" reveals part of Fujitsu General's culture and its contribution to promoting a sustainable world.

For this and other reasons, Frigelar is very proud to have consolidated a partnership with Fujitsu General that has lasted for so many years. Frigelar, since its foundation, has served as a basis for many segments – such as the food industry, health care industry, and many others – through constant investments in innovation and a mission to connect people and businesses to solutions.

We believe in the strength of this partnership and in the strength of the Fujitsu brand to create a sustainable world together and to guarantee a better life for future generations.

Quality Initiatives Stakeholder Engagement

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.

Key Initiatives

Ethics Education for Engineers

Fujitsu General Group conducts "Ethics Education for Engineers" every year via the Quality Assurance Management Department, which supervises our Group's quality for engineers.

In 2021, we invited outside experts to give lectures and hold group discussions on hypothetical issues and presented the results. The participation rate was 96%, and in the group discussions, opinions from various perspectives were exchanged, with the final key phrase being "Value Integrity," which is the spirit of the FUJITSU GENERAL Way, our Corporate Philosophy. The participants commented that the seminar provided them with an opportunity to take a fresh look at themselves.

Quality Compliance Interviews

Fujitsu General Group conducts "Engineer Interview" for engineers, by sampling method, every year via the Quality Assurance Management Department, which supervises our Group's quality.

In 2021, we conducted interviews related to quality compliance with 12 engineers.

The purpose of the interview 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. No serious problem was identified in this interview.

Stakeholder Engagement

Dialogue with shareholders and investors

In Our Philosophy, which is part of the Group's Corporate Philosophy, we define "collaborative effort focused on communication" and "integrity" as a means to achieve Our Mission.

We maintain a constructive dialogue with our shareholders and investors as often as we can, and disclose company information in a timely and appropriate manner that serves as a basis for such dialogue.

■ 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 rule, these meetings are held on days that allow us to avoid the shareholders' meetings of other companies as much as possible. A notice of convocation is sent out approximately 3 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 the 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

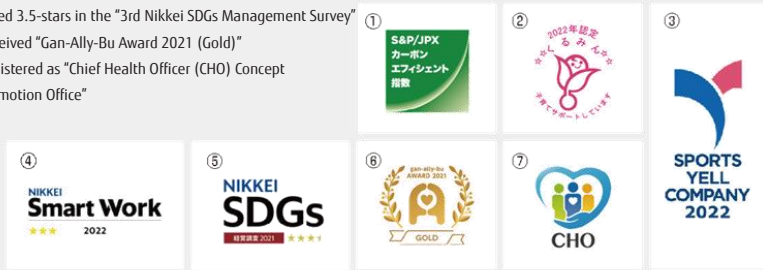
The Fujitsu General Group strives to deepen investors' understanding of its business through timely and appropriate information disclosure. We hold briefings on financial results and Medium-term Management Policies for analysts and institutional investors twice a year (in principle, in April and October), 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 brand for "S&P/JPX Carbon Efficient Index"
- 2) Acquired the next-generation certification mark "Kurumin"
- 3) Accredited "Sports Yell Company 2022" by Kanagawa Prefecture
- 4) Rated 3-star in the 5th Nikkei Smart Work Management Survey
- 5) Rated 3.5-stars in the "3rd Nikkei SDGs Management Survey"
- 6) Received "Gan-Ally-Bu Award 2021 (Gold)"
- 7) Registered as "Chief Health Officer (CHO) Concept Promotion Office"



Participating Initiatives

- 8) Japan Climate Initiative: JCI
- 9) United Nations Global Compact: UNGC
- 10) Task Force on Climate-related Financial Disclosure: TCFD
- 11) Keidanren Biodiversity Declaration Initiative



Community Relations

Topic 2

Priority Initiatives Promoting Social Contribution Coexistence with Local Communities

Policy

Fujitsu General Group's Basic Policy for community contribution activities are: "Development of next-generation talented people," "Communication with local communities" and "Conservation of the global environment." In particular, we are focusing on conveying the joy of *monozukuri* (manufacturing) to children who will lead the next generation and nurturing human resources who will be involved in future *monozukuri*. In addition, by holding various events participated in by local residents, we aim to play a role in the development of local communities.

Action

■ Development of next-generation talented people

As a manufacturer, Fujitsu General Group conveys the joy of manufacturing and develops human resources who will lead the future of manufacturing. The Headquarters accepts interview requests from high school students who are interested in the electrical and electronics industry to convey views on job and work, and provides them with opportunities, etc. to think about how to live life and what to become in the future.

Case On-site lecture on air conditioners at Kawasaki City Suenaga Elementary School

For two days, June 29 and 30, 2021, our employees (13 employees in total from the International Sales and Marketing Division) visited Suenaga Elementary School (located opposite the Kawasaki Headquarters and we have had various types of exchange) and gave lectures on air conditioners and "classes through experience," dividing the class into several groups. This time, the class was aimed at 6th grade students and in the lecture, with the theme of "refreshing the summer classroom," we explained the mechanism of air conditioners, how to use them effectively and what can be done at home. We divided the class into several groups and had them learn how cold air is actually coming out through the experience of "creating a simple air conditioner (using dry ice)" with the title "Let's make a magic box."



At the On-site lecture

Case Vocational training

In partnership with Lincoln Tech, a technical vocational school, we regularly provide various kinds of training to young future engineers. The number of air conditioner engineers and contractors (installers) is gradually decreasing, and it is becoming increasingly difficult to secure quality service engineers and installers. At Fujitsu General Group, we believe it is our responsibility to nurture future engineers, so we regularly provide training on ductless split and inverter technologies to students studying air conditioning technology at technical vocational schools such as Lincoln Tech. These activities not only develop future engineers, but also help them learn about the Company's products and become fans, and this will lead to more robust support for the Company's products in the future.



Training at a technical vocational school

■ Communication with local communities

Fujitsu General Group is promoting coexistence with local communities through exchanges. Fujitsu General (Thailand) Co., Ltd., a manufacturer in Thailand, participated in reforestation activities organized by an industrial park. Fujitsu General (Aust.) Pty Ltd., a distributor in Australia, participated in an event to support people who are homeless due to poverty, the presidents of participating companies spent the night outdoor in winter to raise funds.

Please visit our website for more information.
External Recognition
<https://www.fujitsu-general.com/global/csr/assessment.html>



Please visit our website for more information.
Participating Initiatives
<https://www.fujitsu-general.com/global/csr/initiative.html>



Community Relations

Contribution to Local Communities at Each Base

Fujitsu General Group is expanding the circle of social contribution and activities globally.

United States



Demonstrating Energy Saving Performance of Heat Pump Technology in New York State (FGAI)



Promoting activities to help seriously ill children achieve their dreams (FGAI)



Providing regular technical training at technical vocational schools (FGAI)

United Kingdom



Regular participation in the "Bike Event" charity for brain cancer patients (FGACUK)

Thailand



The planting and beach cleanup (FGT)

China



Participation in Environmental Conservation Activities (FGCA)



Volunteer participation in PCR testing activities (FGCA)

Japan



Accepting high school students for vocational experience (*monozukuri*)



Career education in elementary schools



Opening up green spaces to neighboring elementary schools



Providing company and factory tours



Protecting and fostering rare organisms



Co-hosting and providing venue for seminar for citizens of Takatsu Ward

Australia



Donation and volunteering through the Sporting Chance Cancer Foundation, a charity that supports hospitals for pediatric cancer patients (FG Aust)

New Zealand



Attend a charity event (FGNZ)



Please visit our website for more information.
Community Involvement and Development
<https://www.fujitsu-general.com/global/csr/community/index.html>

