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Editorial Policy

In our Integrated Report, we provide information mainly focusing on our business performance, growth strategies, sustainability, governance initiatives, and other matters to investors and various other stakeholders, aiming to communicate and enhance understanding of financial and non-financial data related to the Fujitsu General Group.





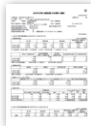





Reporting period	FY2023 (April 1, 2023 to March 31, 2024) Please note that this report also refers to some events that took place before and after this period.
Report target organization	Fujitsu General Limited and its consolidated subsidiaries
Published	December 2024 (Next scheduled: October 2025)
For inquiries	Corporate Communications Office, Sustainability Promotion Division

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Scope of information disclosure

	Website	Booklet or PDF		
Financial Data	<div>IR information page</div> <div></div>	<div>Annual Securities Report</div> <div></div>	<div>Summaries of financial results</div> <div></div>	Integrated report (this document)
Non-financial Data	<div>Sustainability information page</div> <div></div>	<div>Sustainability Data Book</div> <div></div>		

Forward-looking Statement

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.

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.

FUJITSU GENERAL Way

Corporate Philosophy

Our Mission

It is a declaration of what we, at the Fujitsu General Group, will endeavor to achieve.

"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.

Our Philosophy

It indicates the way we should think and act in order to realize "Our Mission."

Act Spontaneously

We embrace new challenges by investing in ourselves for personal growth, and through continuous creativity with a spontaneous attitude.

Develop Our Team

We respect and value our people, and optimize their abilities through fostering culture and diversity, and utilizing a collaborative effort focused on communication.

Value Integrity

To achieve our goals, we always act with integrity and shared ethics.

Code of Conduct

It defines how every employee of the Fujitsu General Group should act at work.

- We respect human rights.
- We comply with all laws and regulations.
- We act with fairness in our business dealings.

- We protect and respect intellectual property.
- We maintain confidentiality.
- We do not use our position in our organization for personal gain.


■ Message from the Chief Executive Officer (CEO) / Chief Transformation Officer (CTrO)

By "Creating a Life Conditioner," we want to continue protecting "All of LIFE," including the smiles of future children and the environment.

I joined the Fujitsu General Group as Vice President in April 2024 and was appointed CEO in June 2024. Since joining the Company, I have felt the enormous potential of the Fujitsu General Group. I believe that the sincerity ingrained in our employees, as well as the technical expertise we have developed over many years and the trust placed in us by customers around the world count among the important assets of the Company. On the other hand, I recognize that increasing the profitability of this company is our biggest issue. I view increasing profitability and achieving sustainable growth as an important mission for me.

■ Our vision

Our vision



Creating a Life Conditioner

What we strive to support and protect is the comfort of our loved ones and family. Our goal is to promote a sustainable and well-being-focused lifestyle that helps our communities thrive, and maintain our health during extreme weather, such as through intense heat waves and cold spells.

We want to continue protecting "All of LIFE," such as the smiles of future generations and the environment.

Through creating "Air" Conditioners, we are creating "Life" Conditioners.

At the results briefing in October 2024, we introduced our new vision, "Creating a Life Conditioner." By making air conditioners, we will deliver sustainable and well-being-focused lifestyles, thereby creating a "Life Conditioner." We have defined this as our vision for the next Fujitsu General. In the Air Conditioning Business, the Company's specialty, we will develop technologies that contribute to reducing CO₂ emissions, In addition to highly energy-efficient products, and offer value, not just as simple

heating and cooling, but also in the form of well-being, such as health and productivity enhancements. In the Tech Solutions Business, which is related to disasters and disaster prevention, in addition to ensuring safety, we will also create new added value, and expand our support across all aspects of people's lifestyle environments. We will achieve our vision of "Creating a Life Conditioner" by utilizing Fujitsu General's strengths, i.e. "monozukuri" power that has enabled us to create world and industry firsts; "technology" power such as heat pumps, inverters, and communications; and "global channels" in more than 100 countries around the world.



■ Message from the Chief Executive Officer (CEO) / Chief Transformation Officer (CTrO), cont.

■ Positioning of FY2024

As we look to achieve our vision, it is important that we implement measures to achieve high levels of profitability, as I mentioned in the beginning. As the first step, in October 2024, we rearranged our internal structure.

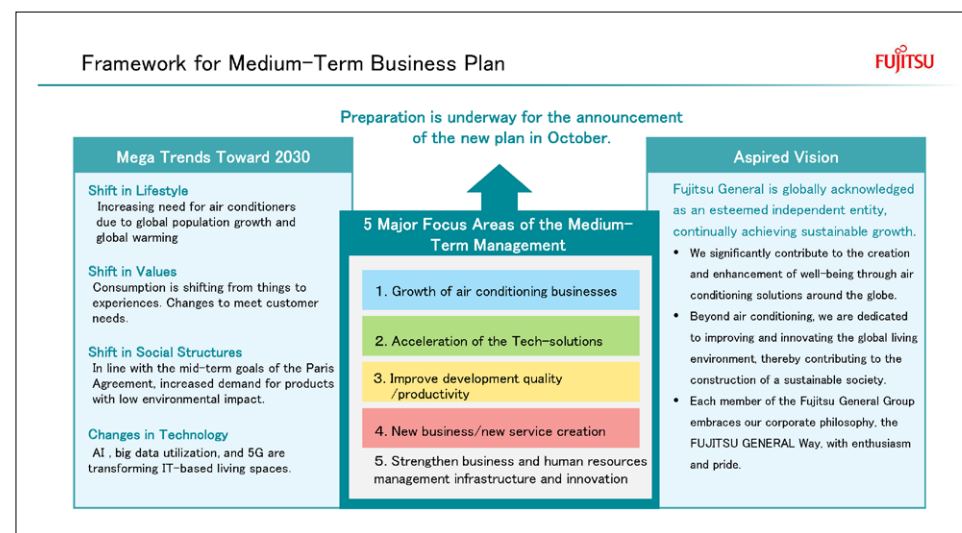
Specifically, we consolidated multiple business lines in two businesses: "Air Conditioning business" and "Tech Solutions business." Under this structure, Vice President Kawanishi, Head of the Air Conditioner Business, and Vice President Hasegawa, Head of the Tech Solutions Business, will be solely responsible for their respective businesses as a whole and profitability, and will also lead transformation in each business as Transformation Officers (TrO). Also, we have appointed "TrO" members as follows to support mindset reform among all employees: management foundations (Corporate Senior Executive Vice President Ohkawara), business foundations (Corporate Senior Executive Vice President Arikado), and human resource strategy (Corporate Senior Vice President Nakagawa). Under this system, as Chief Transformation Officer (CTrO), I will be responsible for transformation of the Fujitsu General Group as a whole.

Additionally, in order to establish high levels of profitability under the new structure, we have created major cross-divisional projects across the Group as a whole, including overseas operations. We will make thorough efforts to identify issues, and explore and implement countermeasures in response.

On the other hand, in order to ensure high profitability in the future, there are various issues that we must solve in 2024. Accordingly, we recorded strategic expenses associated with losses, etc., as a lump sum in our financial results for the first six months of the fiscal year, announced in October 2024. This is also our preparation to make dramatic progress from the next fiscal year onward.



■ Future framework and priority issues



As explained in our vision, we will leverage air conditioners as a foundation to achieve well-being, while also going beyond that to play the role of a Life Conditioner. We will ensure that each and every member of the Fujitsu General Group shares this mindset, and create the foundations for achieving a highly profitable structure and ensuring future growth.

As priority measures to achieve this, Fujitsu General will focus on primarily on "1. Promoting growth in the Air Conditioning Business" and "2. Accelerating Tech Solutions." We will make concerted efforts in these areas, while selecting and concentrating our strategies. Next, it will also be extremely important that we implement "3. Development and production reform" to achieve these targets. I believe that promoting local production will be a particularly important priority measure, and we will work to create a production structure as soon as possible. We will use these efforts as the foundation for "4. Taking on the challenge of offering new added value," which will be the final form of our completed Life Conditioner. "5. Management foundations / human resource organization strengthening" will provide the management foundations to execute these initiatives, and will be a transformation of ourselves, the most important area of all.

By promoting these priority measures, we will transform ourselves into a highly profitable company, while also working to achieve our vision. We sincerely ask for the continued support of our stakeholders.

The Process of Value Creation

Achieve the Fujitsu General Group Corporate Philosophy “Living together for our future”

Input

Strengths of Fujitsu General



Monozukuri (manufacturing)

Creation of world and industry firsts



Technology

Heat pumps / inverters, Communication technology



Global Channels

Expansion to over 100 countries worldwide

Output

Sustainable Products and Services

Air Conditioning Ecology

- Reduction of Product CO₂ emissions
- Energy efficiency monitoring / consultation
- Resource circulation business

Air Conditioning Service Solutions

- Energy management platform
- Air conditioning lifecycle support



Well-Being Solutions

- Pursuit of comfort for health
- Air quality monitoring systems

Disaster Prevention Solutions

- Utilization of drones for firefighting
- Digital transformation of firefighting/ disaster prevention systems
- Infection Prevention

Outcome

Creating a Life Conditioner

What we strive to support and protect is the comfort of our loved ones and family. Our goal is to promote a sustainable and well-being-focused lifestyle that helps our communities thrive, and maintain our health during extreme weather, such as through intense heat waves and cold spells.



History of Value Creation

Progress of innovative monozukuri (manufacturing)

In the Corporate Philosophy of the Fujitsu General Group, we set forth our intention, “- 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.” To date, we have created many world-first advanced products and technologies, and have progressed and grown alongside our customers and society. And we will keep on, as a member of global society, aiming to be a company that delivers innovative objects, things, and services to support happy day-to-day lives for people around the world, and we will live into the future together with people around the world by creating a comfortable, healthy, secure, and safe society while focusing on people's lives beyond that point.

○ Founding



○ Japan first: Supplied domestically produced TV studio Sub control room equipment to Nippon Hoso Kyokai (NHK)

○ Japan first: Developed a method to erase the horizontal blanking of TV

○ Industry first: Began production of split cooler with a built-in ventilator

○ World first: Developed an electronic cash register



1960s

○ Japan first: Supplied transistor type film camera equipment to Nippon Hoso Kyokai (NHK)

1970s

1980s

○ World first: Began sales of refrigerator-freezers equipped with frost-free rapid refrigeration equipment based on the heat pipe principle



1990s

○ Industry first: Developed touch screen type firefighting emergency command systems

2000s

○ World first: Developed axial gap-type fan motors for use in air conditioners



2010s

○ World first: Began sales of air conditioners equipped with dual blasters, enabling a new comfort from two types of air flow



○ Industry first: Began sales of air conditioners that use high-temperature heating to disinfect heat exchangers

○ Began sales of wearable air conditioners (Cómodo gear)



2020s

○ Japan first: Introduced “digital fire-fighting emergency radio (SCPC method) systems” at fire department

○ Developed a new technology (SIAFOLS) for disaster prevention wireless broadcasts that is easy to hear and understand even in heavy rain or loud noise

Main activities for innovative monozukuri (manufacturing) in 2020s

□ Development of Cómodo gear wearable air conditioners for people working in very hot environments (for Japanese market)

As climate change has caused the heat of summer to become increasingly fierce, we have developed “Cómodo gear” wearable air conditioners for people in industries that perform work outdoors or in environments without air conditioning, to cool the carotid artery by wearing them around the neck and increase comfort and working efficiency.

□ Joint development of multi-positional whole-house air conditioners (for North American market)

The Company and our strategic partner Rheem jointly developed multi-positional whole-house air conditioners with a compact outdoor unit together with high volume and industry-leading energy-efficient performance, by combining the technologies of both companies.

□ Jointly developed a new technology for disaster prevention wireless broadcasts that is easy to hear and understand even in heavy rain or loud noise with Kobe University (for Japanese market)

We make evacuation information, etc., easier to hear and understand, and thus contribute to ensuring the safety of local residents, through the development of new “SIAFOLS” technology, for reliably transmitting disaster prevention administrative wireless broadcasts through the application of an emphasis algorithm to match changes in seasons, weather, etc.

□ Conversion of TCFG into a wholly owned subsidiary (Thailand)

As part of our efforts to strengthen the foundations of the Air Conditioning Business, we acquired additional shares of TCFG Compressor (Thailand) Co., Ltd., an affiliate accounted for by the equity method that manufactures and sells compressors, and converted it into a wholly owned subsidiary.



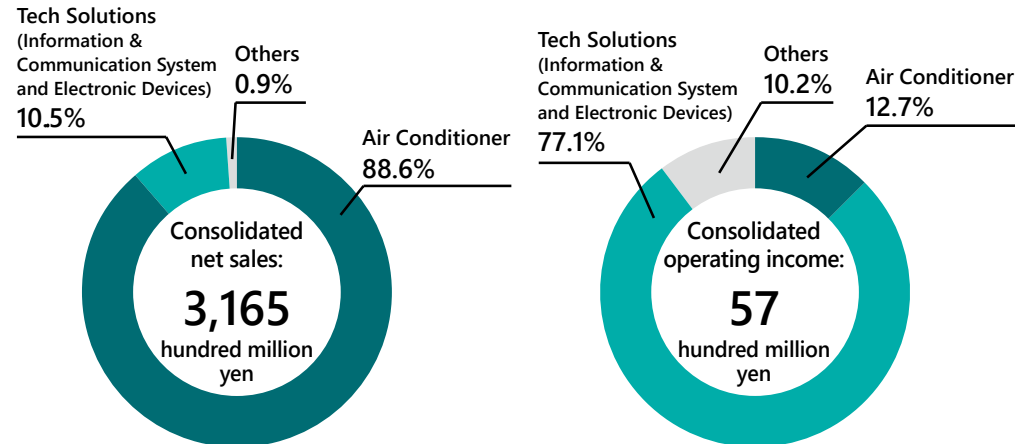
At a Glance (FY2023 Results)

Business progress and results

In the consolidated fiscal year under review, Air Conditioner net sales to the Japanese market increased, and Information & Communication System increased, but Air Conditioner sales to overseas markets decreased significantly. As a result, consolidated net sales amounted to 316,476 million yen (-14.7% YoY).

With regard to profits, despite an improvement in the cost environment, including the progression of cost reductions and a decrease in material prices, performance was significantly impacted by lower sales from restrictions on Air Conditioner shipments to overseas markets aimed at lowering dealer inventories. As a result, operating income amounted to 5,747 million yen (-61.9% YoY). Ordinary income was 14,375 million yen (-17.5% YoY) owing to the recording of foreign exchange gains associated with the weaker yen and other changes in foreign exchange rates. Profit attributable to owners of the parent was 3,067 million yen (-64.7% YoY), partly owing to the recording of losses related to the Antimonopoly Act, etc., as extraordinary losses.

Breakdown by segment



Other information

- Ordinary income
144 hundred million yen
- Profit net income to parent corporation stockholder
31 hundred million yen
- Total assets
2,756 hundred million yen
- Equity capital
1,387 hundred million yen
- Shareholder's equity ratio
50.3%

Breakdown by region (net sales)

