

# Governance

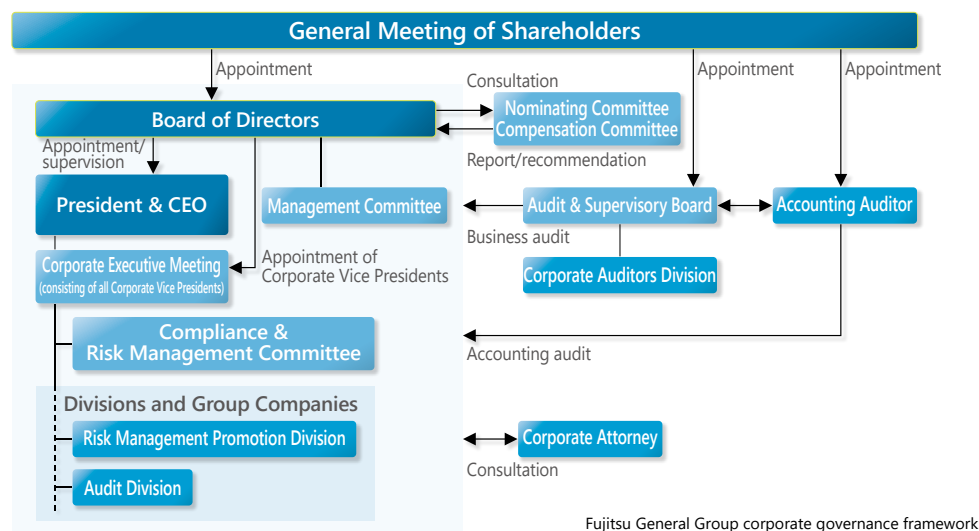
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## Corporate Governance

### 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.



### 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. For matters that do not require a resolution of the Board of Directors, internal rules (Executive Management Meeting Regulations, Executive Officer 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 Board of Directors from inside and outside the Company, 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 (9 Directors in total (including 5 External Directors, 1 of whom is a woman)) is appropriate.

### Members of the Board of Directors

Chairperson	Fumiaki Terasaka, Director (Independent External Director)
Member	President: Koji Masuda
	Director: Mieko Kuwayama (Independent External Director),
	Director: Yoshio Osawa (Independent External Director),
	Director: Keiichi Nakajima (Independent External Director),
	Director: Ryuichi Kubota (External Director),
	Director: Tadashi Hasegawa,
	Director: Toshiyuki Kawanishi,
	Director: Susumu Ohkawara

### Role of the Board of Auditors

The Board of Auditors consists of three auditors (including two external auditors) and has established the Corporate 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 the Board of Directors to audit proceedings and the content of resolutions, and express their opinion when deemed necessary. Furthermore, the Audit & Supervisory Board Member attends other important internal meetings or committees, such as the Executive Officer Meeting and the Compliance/ Risk Management Committee. We conducted on-site inspections of sites in Japan and overseas. We conducted audits of 20 sites this year (12 in Japan and 8 overseas).

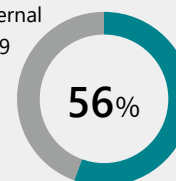
Audit & Supervisory Board Members hold quarterly meetings with External Directors to share their views on issues identified through audits. Reports of Audit & Supervisory Board Members' activities are made to the Board of Auditors for proper sharing among Auditors. The Audit Division (nine members), a dedicated internal organization, conducts internal audits. The Audit Division regularly reports on the status of internal audits to the Board of Directors once a year.

### Members of the Board of Auditors

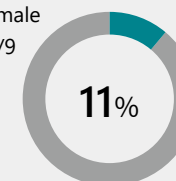
Chairperson	Audit & Supervisory Board Member: Akira Inoue (External Auditor)
Member	Audit & Supervisory Board Member: Yoshinobu Miyajima,
	Auditor: Youichi Hirose (External Auditor)

### Executive diversity

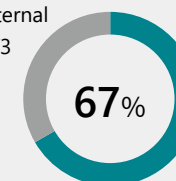
Ratio of External Directors 5/9



Ratio of Female Directors 1/9



Ratio of External Auditors 2/3



## ■ Summary of the analysis and assessment of the Board of Directors' overall effectiveness

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 FY2023 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.

Furthermore, there were points for further improvement. These include the matters to be discussed by the Board of Directors, the need for more active discussions, the activities of the Nominating Committee and the Compensation Committee, and the provision and enhancement of training opportunities.

We have shared our recognition of these as issues that require further consideration. To address them, we are taking steps to enhance the effectiveness of the Board of Directors.

## ■ Role of the Nominating Committee and the Compensation Committee

Matters related to the nomination and remuneration of Directors and Corporate Vice Presidents shall be deliberated by the Nominating Committee and Compensation Committee, a majority of whose members are Independent External Directors, and which are chaired by Independent External Directors, and reported to the Board of Directors for deliberation and a decision.

The members of the committee are as follows. (As of June 18, 2024)

Nominating Committee	Chairperson	Director	Fumiaki Terasaka (Independent External Director)
	Members	Director	Mieko Kuwayama (Independent External Director)
		Director	Yoshio Osawa (Independent External Director)
		Director	Keiichi Nakajima (Independent External Director)
		President	Koji Masuda
Compensation Committee	Chairperson	Director	Yoshio Osawa (Independent External Director)
	Members	Director	Fumiaki Terasaka (Independent External Director)
		Director	Mieko Kuwayama (Independent External Director)
		Director	Keiichi Nakajima (Independent External Director)
		President	Koji Masuda

## ■ Selection and dismissal of executive management and nomination of Director and Auditor candidates

For internal Directors and Corporate Vice Presidents, the Company selects candidates that understand and embody the Corporate Philosophy of the Fujitsu General Group, excellent character and insight, specialist knowledge related to their operations, and the qualities to execute their duties from a company-wide perspective. The Company selects executive management candidates after comprehensively taking into consideration

factors such as their leadership and decision-making capabilities as a corporate leader, in addition to their qualities as a Director.

For External Directors, the Company selects candidates capable of fulfilling the function of supervising management from an external, independent position, and who can provide advice on the corporate activities of the Company based on their respective abundant experience and advanced insight.

For Auditors, the Company selects candidates with excellent character and insight, as well as deep knowledge of corporate management and the operations of the Company, or advanced expertise and abundant experience in fields such as accounting.

Furthermore, the nomination of Director and Corporate Vice President candidates and the selection and dismissal of executive management are deliberated by the Nominating Committee, a majority of whose members are Independent External Directors, and recommendations are made to the Board of Directors for deliberation and a decision. The nomination of Auditor candidates is deliberated and determined by the Board of Directors, with the consent of the Board of Auditors, after obtaining advice from Independent External Directors in advance. In addition, in the event of material misconduct or violation of laws, regulations and the Articles of Incorporation, in the event that a member of executive management is deemed not to be sufficiently performing his or her functions, based on assessments of corporate business performance, etc., or in other cases when there are circumstances under which it is deemed difficult for him or her to appropriately execute his or her duties, the Nominating Committee shall deliberate his or her dismissal.

## ■ Attendance of Directors at Board of Directors Meetings, Nominating Committee Meetings, and Compensation Committee Meetings (April 2023 to March 2024)

	Name	Attribute	Board of Directors	Nominating Committee	Compensation Committee	Board of Auditors
Director	Etsuro Saito		◎ 100% (14/ 14)	100% (7 / 7)		
	Hiroshi Niwayama		100% (14/ 14)		100% (3 / 3)	
	Hisashi Sakamaki	[External/Independent]	93% (13/ 14)	86% (6 / 7)	100% (3 / 3)	
	Fumiaki Terasaka	[External/Independent]	100% (14/ 14)	◎ 100% (7 / 7)	◎ 100% (3 / 3)	
	Mieko Kuwayama	[External/Independent]	100% (14/ 14)	100% (7 / 7)	100% (3 / 3)	
	Osami Maehara	[External/Independent]	100% (14/ 14)	100% (7 / 7)	100% (3 / 3)	
	Ryuichi Kubota*	[External]	100% (11/ 11)			
	Tsunenao Kosuda		100% (14/ 14)			
	Tadashi Hasegawa		100% (14/ 14)			
	Hiroyuki Yokoyama		93% (13/ 14)			
	Masaki Sugiyama		100% (14/ 14)			
Auditor	Akira Inoue	[External/Independent]	100% (14/ 14)			◎ 100% (14/ 14)
	Yoshinobu Miyajima		100% (14/ 14)			100% (14/ 14)
	Youichi Hirose	[External]	79% (11/ 14)			100% (14/ 14)

\*The status of attendance for Ryuichi Kubota is since his appointment as Director \*Results for FY2023, ◎ indicates the Chairperson

## Executive Remuneration

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

At a meeting of the Board of Directors held on April 27, 2022, Fujitsu General resolved to amend policies on determining the details of the individual remuneration, etc., for Directors, in accordance with the remuneration structure of the Company resolved at a meeting of the Compensation Committee.

#### □ Basic Policy

Fujitsu General's basic policy is to establish a highly transparent compensation system that enables the Group to bring on board 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 1) "basic remuneration," which is paid in a fixed monthly amount based on job responsibilities and position; 2) "bonuses," which are linked to short-term performance; and 3) "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.

The policy for determining the content of individual director compensation stipulates the following items.

- Policies related to the determination of the amount of individual remuneration, etc., for basic remuneration (monetary remuneration) (including policies related to the determination of the timing or conditions for granting remuneration, etc.)
- Policies related to the determination of the amount of performance-linked remuneration, etc. (including policies related to the determination of the timing or conditions for granting remuneration, etc.)
- Policies related to the determination of the details of non-monetary remuneration, etc., and calculation method for the number thereof (including policies related to the determination of the timing or conditions for granting remuneration, etc.)
- Policies related to the determination of the ratio of the amount of monetary remuneration, amount of performance-linked remuneration, etc., or amount of non-monetary remuneration, etc., to the amount of individual remuneration, etc., for Directors
- Policy for determining the content of individual remuneration, etc., for Directors
- Policies related to the determination of the amount of individual remuneration, etc., for Corporate Auditors (including policies related to the determination of the timing or conditions for granting remuneration, etc.)
- Other

When determining the content of individual remuneration, etc., for Directors for FY2023, the Compensation Committee, a majority of whose members are Independent External Directors, verifies factors such as the validity of remuneration levels, utilizing objective data from external institutions, and engages in multi-faceted analysis, including consistency with the policy on such decisions. Accordingly, the Board of Directors fundamentally respects the report of the Compensation Committee, and has judged that the content of individual remuneration, etc., for Directors is consistent with the policy on such decisions.

#### □ Officer compensation plan

	Type	Payment format	KPI	Outline
Fixed remuneration (60-75%)	Basic remuneration	Cash	—	- Monthly fixed remuneration - Payment amounts are set in accordance with the responsibilities and positions of each Executive
Variable remuneration (25-40%)	Bonuses		Operating income	- Bonuses that reflect performance over a single fiscal year are paid at a certain time each year. The payment amount is determined in accordance with the level of achievement - The total payment amount is subject to approval at an Ordinary General Meeting of Shareholders
	Restricted share-based remuneration	Shares	Indicator of Sustainable Management	- The removal of transfer restrictions is subject to the achievement of indicator requirements *In FY2023, we used the following assessment indicators: net sales from sustainable products, ESG rating by MSCI (third-party assessment), and employee engagement index

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

Executive category	Total Amount of Remuneration, etc. (Millions of Yen)	Total amount of each type of compensation, etc. (millions of yen)			Number of eligible executives
		Fixed remuneration (basic remuneration)	Performance-linked Remuneration (Bonuses)	Non-monetary Remuneration, etc. (restricted share-based remuneration)	
Directors (excluding External)	327	237	50	39	6
Auditor (excluding External)	28	28	—	—	1
External Executives	54	54	—	—	8



For the details of decision-making policies, please refer to the Fujitsu General website.  
Corporate Governance  
<https://www.fujitsu-general.com/jp/ir/corporate-governance/index.html>





## Skill Matrix

### Company's expectations for Directors and Auditors (as of June 18, 2024)

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.

Name	Affiliation	Gender	Area of expertise the Corporate expects in particular								
			Management of the Corporate's business	Corporate Management	International business, Overseas operation / Globalization	Manufacturing, Technology / R&D	Sales, Marketing	ICT, DX	Finance, Accounting, M&A	Compliance, Risk management	Personnel Development, Organizational Invigoration, Diversity
Director											
Koji Masuda		Male	○	○	○		○	○		○	○
Fumiaki Terasaka	External/Independent	Male	○	○			○			○	○
Mieko Kuwayama	External/Independent	Female	○			○	○			○	○
Yoshio Osawa	External/Independent	Male	○	○	○		○	○		○	
Keiichi Nakajima	External/Independent	Male	○	○	○	○			○	○	
Ryuichi Kubota	External	Male	○	○				○	○	○	○
Tadashi Hasegawa		Male	○	○	○	○		○			○
Toshiyuki Kawanishi		Male	○	○	○		○	○		○	
Susumu Ohkawara		Male	○		○				○	○	○
Auditor											
Akira Inoue	External/Independent	Male			○				○	○	
Yoshinobu Miyajima		Male			○				○	○	
Youichi Hirose	External	Male						○	○	○	

\* "○" 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.

## Supervision of the board of directors

### Board of Directors

The Board of Directors makes decisions on important matters related to management 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. In addition, for matters that do not require resolutions of the Board of Directors, internal rules (Executive Management Meeting Regulations, Executive Officer 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.

#### □ Main agenda items in FY2023

##### Main resolutions

- Accounts
- Budget proposals
- Executive personnel matters
- Executive remuneration and bonus payments
- Organizational change and personnel transfers
- Conflict of interest transactions
- M&A
- Medium- to long-term environmental target-setting
- Formulation of various policies related to sustainability

##### Main reports

- Monthly accounts
- Risk management promotion activity reports
- Internal audit reports
- Effectiveness assessment of the Board of Directors
- Necessity of holding cross-shareholdings
- Reports on progress of important lawsuits
- Core operational system overhauls

## Executive Members [Directors] (as of June 18, 2024)



President  
Koji Masuda

April 1984 Joined Fujitsu Limited  
October 2014 Corporate Executive Officer, Head of ERP Solutions, Solutions Business Group, Fujitsu Systems West Limited  
February 2015 Head of ASEAN Business Promotion Office, Fujitsu Limited  
June 2016 Vice Head of Asia Region in charge of Delivery, Fujitsu Limited  
April 2021 Corporate Executive Officer, Head of Asia Region, International Regions, Fujitsu Limited  
April 2023 SVP, Vice Head of Asia Pacific Region in charge of Asia, Fujitsu Limited  
April 2024 Corporate Senior Executive Vice President, the Company  
June 2024 President & Chief Executive Officer, the Company (to present)



Director [External][Independent]  
Yoshio Osawa

April 1975 Joined Sumitomo Corporation  
April 2003 Corporate Officer, General Manager of Network Division, Sumitomo Corporation  
April 2005 Executive Officer, Sumitomo Corporation  
April 2008 Managing Executive Officer, Sumitomo Corporation  
June 2008 Representative Director & Managing Executive Officer, Sumitomo Corporation  
April 2011 Representative Director & Senior Managing Executive Officer, Sumitomo Corporation  
June 2013 Representative Director, President & COO, SCSK Corporation  
April 2016 Director & Chairman, SCSK Corporation  
March 2018 External Director, Canon Marketing Japan Inc. (to present)  
June 2019 External Director, Citizen Watch Co., Ltd. (to present)  
June 2024 Director, the Company (to present)



Director  
Tadashi Hasegawa

April 1988 Joined Fujikoki Corporation  
April 1997 Joined the Company  
April 2014 Director & Senior Vice General Manager, Fujitsu General Central Air-conditioner (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  
April 2024 Director & Corporate Senior Executive Vice President (to present)



Director [External][Independent]  
Fumiaki Terasaka

April 1972 Joined Sapporo Breweries Limited (currently Sapporo Holdings Limited)  
October 2002 Director, Kyushu Sales & Marketing Division, Sapporo Breweries Limited  
March 2004 Operating Officer, Sapporo Breweries Limited (newly established company)  
September 2004 Director and Managing Officer, Sapporo Breweries Limited  
March 2005 Director and Executive Managing Officer, Sapporo Breweries Limited  
March 2009 Executive Managing Officer, Sapporo Breweries Limited  
March 2010 President and Representative Director, Sapporo Breweries Limited Member of the Board, Managing Director and Group Operating Officer, Sapporo Holdings Limited  
March 2013 Senior Advisor, Sapporo Breweries Limited  
March 2014 Advisor, Sapporo Breweries Limited  
November 2015 External Audit & Supervisory Board Member, DAISYO CORPORATION (to present)  
June 2017 Director, the Company (to present)  
June 2017 External Director, Citizen Watch Co., Ltd.



Director [External][Independent]  
Keiichi Nakajima

April 1982 Joined Citizen Watch Co., Ltd.  
June 2008 President & Representative Director, Citizen Machinery Asia Co., Ltd.  
June 2008 President & Representative Director, Citizen Machinery Vietnam Co., Ltd.  
June 2008 Director, CITIZEN MACHINERY CO., LTD.  
June 2010 Operating Officer, CITIZEN MACHINERY CO., LTD.  
April 2012 Director & Operating Officer, CITIZEN MACHINERY MIYANO CO., LTD. (currently CITIZEN MACHINERY CO., LTD.)  
April 2013 President and Representative Director, CITIZEN MACHINERY MIYANO CO., LTD.  
June 2013 Director, Citizen Watch Co., Ltd. (resigned on June 25, 2024)  
April 2024 Director & Advisor, CITIZEN MACHINERY CO., LTD.  
June 2024 Director, the Company (to present)



Director  
Toshiyuki Kawanishi

April 1991 Joined Fujitsu Limited  
October 2017 Head of the 6th System Business of the first Manufacturing Industry Solutions Business Unit, Fujitsu Limited  
April 2020 Corporate Executive Officer, Head of Manufacturing Industry Solutions Business Unit, Fujitsu Limited  
April 2021 Corporate Executive Officer, Head of Manufacturing Business Unit, Global Solutions Business Enterprise Solution Business Group, Fujitsu Limited  
April 2023 SVP, Head of Enterprise Business Unit, Global Customer Success Business Group, Fujitsu Limited  
April 2024 Corporate Senior Executive Vice President  
June 2024 Director & Corporate Senior Executive Vice President (to present)



Director [External][Independent]  
Mieko Kuwayama

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 Specially 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)  
April 2018 Chief Researcher, Business Ethics Research Center (to present)  
June 2018 External Director, HAZAMA ANDO CORPORATION (to present)



Director [External]  
Ryuichi Kubota

April 1986 Joined Fujitsu Limited  
April 2019 Corporate Executive Officer, 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)



Director  
Susumu Ohkawara

March 1981 Joined the Company  
April 2005 General Manager, International Business Administration Division  
April 2011 Corporate Vice President,  
April 2015 Corporate Senior Vice President  
April 2021 Corporate First Senior Vice President  
April 2024 Corporate Executive Vice President  
June 2024 Director & Corporate Executive Vice President (to present)

## Executive Members [Auditor] (as of June 18, 2024)



Audit & Supervisory Board Member  
[External][Independent]  
**Akira Inoue**

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 Audit & Supervisory Board Member, the Company (to present)



Audit & Supervisory Board Member  
**Yoshinobu Miyajima**

April 1981 Joined the Company  
December 2009 General Manager, Air Conditioner Business Administration Division, and Deputy General Manager, Finance and Accounting Division  
April 2010 Corporate Vice President  
April 2014 Corporate Senior Vice President  
April 2021 Adviser (to present)  
June 2021 Audit & Supervisory Board Member, the Company (to present)



Auditor [External]  
**Youichi Hirose**

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 October 1, 2024)

### ◆ President

Koji Masuda Chief Executive Officer (CEO) / Chief Transformation Officer (CTrO) / Chief Sustainability Officer (CSuO)

### ◆ Corporate Senior Executive Vice President

Tadashi Hasegawa Head of Tech Solutions Business / TrO (Tech Solutions Business) / Chief Quality Officer (CQO) / Chief Technology Officer (CTO) / Head of Electronic Devices & Components Unit, Tech Solutions Business / President of Fujitsu General Electronics Limited / President of Fujitsu General Electronics (Suzhou) Co., Ltd.  
Toshiyuki Kawanishi Head of Air Conditioner Business / TrO (Air Conditioning Business) / Head of Strategy and Planning Unit, Air Conditioner Business

### ◆ Corporate Executive Vice President

Susumu Ohkawara Chief Strategy Officer (CSO) / TrO (management foundations) / Chief Legal & Risk Management Officer (CL&RMO) / General Manager of Corporate Executive Office  
Tadashi Arikado Chief Financial Officer (CFO) / TrO (business foundations) / Head of Finance & Accounting Unit  
Hiroyuki Yokoyama Chief Supply Chain Officer (CSCO) / Head of Production Unit, Air Conditioner Business / Chief Information Officer (CIO)

### ◆ Corporate Senior Vice President

Junji Nakagawa Chief Human Resource Officer (CHRO) / TrO (human resources organization) / Head of Human Resources Unit  
Kimihiro Shimizu Vice Head of Production Unit in charge of Thailand, Air Conditioner Business / Chairman of Fujitsu General (Thailand) Co., Ltd. / Chairman of FGA (Thailand) Co., Ltd. / Chairman of TCFG Compressor (Thailand) Co., Ltd.  
Masataka Eto Vice Head of Production Unit in charge of China, Air Conditioner Business / President of Fujitsu General (Shanghai) Co., Ltd. / President & General Manager of Fujitsu General Central Air-Conditioner (WUXI) Co., Ltd. / President of F.G.L.S. Electric Co., Ltd.  
Yosuke Nakagawa Head of Japan Business Unit, Air Conditioner Business  
Atsushi Itagaki Head of Development Unit, Air Conditioner Business

### ◆ Corporate Vice President

Hiroyuki Sato Head of Quality Assurance Unit, Air Conditioner Business  
Toshio Kano Assistant to CSO / Assistant to CSuO / General Manager of Corporate Communications Office  
Shigeki Asai Head of Information & Communication System Business Unit, Tech Solutions Business  
Yasushi Asanuma Head of International Business Unit, Air Conditioner Business / Chairman & CEO of Fujitsu General America, Inc. / Chairman of Fujitsu General South East Europe S.A.

### ◆ Fellow

Eiji Futagami Executive Architect of Development Unit, Air Conditioner Business / Assistant to CTO / President of Fujitsu General Laboratories Limited

## Dialogue with Capital Markets

### Policy regarding constructive dialogue with shareholders

A responsible Director oversees the Company's dialogue with shareholders, addressing such needs through collaboration, including the exchange of information as needed with the Corporate Communications Office and Finance & Accounting Unit.

In addition to providing information and conducting Q&A sessions at the general shareholders' meeting, we hold individual meetings with institutional investors within a reasonable scope. We also actively provide information, such as financial results, on our homepage to promote understanding of the Company's businesses among shareholders.

Executive management regularly receives feedback on the opinions of shareholders identified through dialogue, and reports are submitted to the Board of Directors as necessary.

When performing these activities the persons responsible for dialogue with shareholders appropriately engage in dialogue with shareholders, while complying with laws, regulations, and internal rules on matters such as insider information and confidential information handling.

### Main IR activities and persons responsible

Item	Content	Main persons responsible
Results briefings for institutional investors and analysts	We hold online results briefings following the announcements of the second quarter and full-year results.	- President - CFO
Conferences	We participate in conferences for overseas investors held by securities companies.	- General Manager of Corporate Communications Office (Corporate Vice President)
Individual meetings with institutional investors and analysts	We hold meetings with institutional investors and analysts in Japan and overseas through online conferences (telephone, internet), visits, and receiving visits.	- General Manager of Corporate Communications Office (Corporate Vice President) - Head of Finance & Accounting Unit
Publication of IR materials online	We post materials including summaries of financial results, financial results briefing materials, materials for the General Meeting of Shareholders, the Annual Securities Report, the Medium-term Management Plan, the integrated report, and the Sustainability Data Book.	

### Status of dialog with shareholders, etc. (FY2023)

Methods of dialog	Number of times implemented
Individual meetings with institutional investors and analysts (including conferences)	246
Conferences held by securities companies	2
Results briefings for institutional investors and analysts	2

### 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 a general meeting of shareholders) in English.



For information about the details information of the Shareholders General Meeting, please refer to the Fujitsu General website.  
General Meeting of Shareholders  
<https://www.fujitsu-general.com/global/ir/stock/shareholders/index.html>





## 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 respect human rights.

We respect each individual's human rights and will not discriminate on the basis of race, color, religion, creed, sex, age, social status, family origin, physical or mental disability or sexual orientation, nor will we commit other violations of human rights. Such discrimination will not be tolerated. We will make every endeavor to be fully aware of human rights issues and foster respect and equality for all.

#### □ We comply with all laws and regulations.

We respect and comply with all applicable laws, treaties, government regulations and statutes, customs and social norms considered to be fair. We also conform to socially accepted business practices, use common sense in our dealings, and are careful to check whether our commercial terms are in line with local requirements. Customs vary from country to country. Therefore, in addition to understanding the laws and customs of our home territory, we also will become familiar with and respect the laws, customs and ethnicities of other territories in which we do business.

#### □ 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.

#### □ 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 maintain confidentiality.

We must have a proper understanding of the rules for handling different types of information and thoroughly comply with those rules. In addition, we are conscious of the vital importance of data security in our daily work so as not to unintentionally leak confidential information or personal data.

#### □ 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 using undisclosed "insider" information gathered from our organization or third parties.

### ■ Compliance training for employees

As part of our employee awareness-raising activities, we have conducted risk management training for managers. We also conduct e-learning training for persons subject to important laws and regulations relevant to each division's operations, such as the Anti-Monopoly Act, Security Export Control, and the Subcontract Act. In addition, We have conducted compliance training for all employees on a total of seven occasions. Other, We regularly send out e-mail newsletters to employees to raise awareness of compliance in general. Two e-learning training sessions have been conducted for CSR (excluding compliance).

Content	FY2023
Compliance training	7 times
CSR training (excluding compliance)	2 times

### ■ 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.

### ■ 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.



An image of internal education related to insider trading

# 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" and "Supplier Report Contact"

The 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 normal business reporting channels for employees of sites in Japan. 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, violations of internal rules, unethical acts, human rights problems, and other matters. We have also developed similar systems at each overseas site. In addition, we have established and put into operation the "Supplier Report Contact" as a reporting contact point for domestic suppliers. As with the Corporate Ethics Helpline, this hotline ensures the protection of whistleblowers, while working to quickly discover and appropriately respond to compliance violations, etc., in procurement activities.

## ■ 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.