

Fuji's Materialities

Even in an ever-changing macro environment in which it is difficult to predict the future, we will tirelessly take on the challenge of fulfilling our purpose: Enriching the lives of those in the world around us. To contribute to the realization of a sustainable society, in FY2024 we identified six societal issues that we must address, evaluated these against our scope of business, and defined our materialities (material issues) under three categories: Manufacturing, Lifestyle, and the Future.

Identifying Fuji's Materialities



Materialities Category	Societal Issues	Risks and Opportunities	Theme	Products, Services, and Initiatives	Relevant SDGs
Manufacturing Contributing to solving societal issues through business as a manufacturing company	Industrial efficiency	Risk Obsolescence of existing business models associated with the advance of new technologies Deterioration of profitability due to declining labor productivity Loss of market competitiveness due to inability to meet customers' automation needs Increase in development costs due to intensification of competition in product development Risk of business suspension and reduced productivity due to cyberattacks and system failures	<ul style="list-style-type: none"> Automation and labor saving Low waste manufacturing 	<ul style="list-style-type: none"> SMT pick and place machines (mounters) Semiconductor manufacturing equipment (die bonders) Machine tools Smart factory expansion Business portfolio restructuring 	
		Opportunity Opening of new markets through the provision of innovative solutions Dramatic enhancement of productivity through the use of DX and AI Creation of new businesses through business portfolio review			
	Quality stability	Risk Loss of customer trust due to defects Increased investment in quality enhancements Risk of defects or inconsistencies in quality due to an insufficient education system Quality risks due to supply chain destabilization	<ul style="list-style-type: none"> Digital transformation and smartification Global collaboration 	<ul style="list-style-type: none"> IT solutions Traceability Strengthening of service network Strengthening of training structure 	
		Opportunity Enhanced reliability through the upgrading of our quality management system Strengthening of quality assurance structure through the introduction of traceability and IoT systems Enhanced quality stability and cost competitiveness through the optimization of global procurement Enhancement of customer trust through "zero placement defects"			
Lifestyle Expanding access to an enriched society	Shrinking of workforce	Risk Increased labor costs due to intensification of recruitment competition Delays in delivery and loss of customer trust due to manpower shortages Decline in quality of services provided to customers due to reduced productivity	<ul style="list-style-type: none"> Manpower shortage Last mile problem Aging population 	<ul style="list-style-type: none"> Smart locker system Mobility support robots Raising the percentage of women in leadership positions and non-Japanese employees 	
		Opportunity Increased demand due to growing needs for automation and labor saving Introduction of remote work, in-house side job system, and other support for flexible work styles Securing of a diverse workforce not limited by gender or nationality			
	Creating a rewarding workplace	Risk Increase in turnover rate due to decline in employee engagement Damage to our corporate identity due to human rights violations Decline in development capabilities and continuity due to drain of engineering talent Increase in medical care expenses and welfare expenses due to increase in employee health risks Physical and mental health risks and reduced motivation in employees due to deterioration in the working environment	<ul style="list-style-type: none"> Health and productivity management Educational support for the next generation 	<ul style="list-style-type: none"> Consideration for physical and mental health Community education 	
		Opportunity Enhancement of employee motivation and revitalization of the organization through more rewarding work Creation of innovation through the promotion of diversity and inclusion Acquisition and retention of talented human resources through strengthening of our corporate brand Enrichment of human resources through an enhanced education system			
	Decarbonization	Risk Increased costs associated with the introduction of carbon taxes and strengthened emissions regulations Decline in investor interest due to lower ESG ratings Loss of trading opportunities due to delays in addressing Scope 3 Risk of suspension of business activities due to extreme weather	<ul style="list-style-type: none"> Addressing climate change Strengthening of risk management and governance 	<ul style="list-style-type: none"> Reduction of CO₂ emissions throughout the value chain Strengthening of sustainability initiatives Strengthening of governance framework 	
		Opportunity Cost reductions through the introduction of renewable energy and energy-saving technologies Creation of new businesses through decarbonization-related products and services Enhancement of brand value and investors' recognition as an environmentally advanced company			
Future Contributing to a carbon neutral society Fostering innovative talent	Recycling of resources	Risk Increase in raw material costs due to soaring commodity prices Risk of stricter regulations and penalties related to waste disposal Risk of deselection by customers with high environmental awareness Risk of suspension in product supply due to difficulties in obtaining components Increase in waste disposal costs Supply chain disruptions and logistics delays due to natural disasters and geopolitical risks	<ul style="list-style-type: none"> Expanding products that contribute to the environment 	<ul style="list-style-type: none"> Supply chain management Atmospheric pressure plasma unit Electronics 3D printer Waste-sorting robot 	
		Opportunity Cost optimization through the use of recycled raw materials and reused components Securing of competitive advantage through development of resource-efficient, eco-friendly products Expansion of business opportunities through environmentally beneficial products that contribute to various industries, such as recycling and waste processing			

Fuji Technology Roundtable Discussion

Engineers Speak about Fuji's Innovative Spirit

With its ground-breaking structure, the NXT Fuji Scalable Placement Platform lifted Fuji to a leading position in the SMT industry. Fuji engineers subsequently continued to make improvements and took part in the initial development of the SMT pick and place machines that evolved to become the NXTR. Here, these engineers with well-established backgrounds in technology development look back on the development of the NXT, discussing the innovative spirit at the foundation of Fuji and the development of engineers who will carry Fuji into the future.



FUJI x Engineers

I. The achievements and endeavors of the technology developers who are the pride of Fuji

Okada: Fuji has long been a front runner in the SMT industry. I'd like to start by asking you to talk about your challenges and experiences so far. Mr. Sato, how about you?

Sato: Well, looking at technical endeavors, Fuji's uniqueness comes from thinking non-hierarchically about how we can turn ideas into reality without being bound by common thinking. For example, we've tackled a number of challenges, including our industry-first adoption of vision processing and our modular concept. I believe that these things are now reaching new heights in the form of automation.

Fujita: I was first involved in the CP series, and was truly impressed by the commitment to speed. I think the highlight was that we had to do everything within a limited time frame, but through technical specialization and commitment we reached the top spot and captured the market. When the NXT era came around, we had to capture the market on completely different issues. We've always faced challenges and, looking back, it was a lot of fun, but at the time of the NXT things were hectic.

Sato: I joined the company when the CP6 was dominating the market, and the strength that comes with having a number one product was imprinted on me through firsthand experience. Fuji had a basic approach of always shooting for the top. To make that a reality for the NXT, we had to abandon the successful experience of the CP6 and aim for the top in a completely different way. We took a huge swing, and frankly speaking, I'm proud that we succeeded.

Fujita: There's a will to take on challenges, while having the grace to not cling to the past.

Okada: It sounds like having a strong desire to take the top spot in the world is what drove Fuji engineers.

Sato: That's right. We made no compromises in pursuing excellence.

Okada: In the development of the NXT, I think new technologies came up that hadn't been available in SMT pick and place machines up to the CP6. In the process of discovering innovative

things and moving forward, we overcame a number of barriers.

Fujita: Our modular concept is representative of the innovation in the NXT. Senior employees minutely observed customers' work sites to come up with the concept. The development process focused on achieving the predefined device size, takt time, and modularization targets. The respective mechanical, control, and software designers worked as a team under a mindset not of whether it could be done, but of having no choice but to see it through. We achieved the modular concept with the NXT and aimed for high speed and high precision with the NXT II, but we faced limitations in sequential development by which motion control was considered after mechanical design. In response, we adopted a new development method of integrally designing mechanics and control. We pursued performance and precision through repeated simulations in virtual space and through verification with real machinery. I think that was the major innovation in our motion control development.

Okada: Mr. Sato, I think you were able to work on a lot of things together with Mr. Fujita.

Sato: I considered the means for taking technologies theoretically devised by Mr. Fujita and incorporating them into the product. The NXT took a software-oriented approach in the sense that the interfacing was decided upon, and the machine was structured with that incorporated. So integrating software-oriented ideas into the mechanics and the control systems was key. It was truly a major challenge to incorporate control theory into the machinery and configure software and systems in a way that achieved the modular concept.

Okada: From a mechanical standpoint, the development of the NXT began amid a shift in mainstream SMT from large rotary machines like the CP to XY-robot equipment. Our commitment to miniaturization and modularization kick-started development. How to devise a lightweight, compact device from the CP, a machine that was an assemblage of cast and machined components, was honestly an unknown. I think it was really a huge challenge. However, Mr. Sahara, the leader at that time and the current Chairman of the Board of Directors, exercised strong leadership to render a decision of "we'll make it this size," and

set the specifications. In response, the engineers thought out how to make that a reality, eventually leading to commercialization.

Sato: Even with its compactness, the base and the module can be separated, and the head can also be removed. The difficulty of development was really high. At one point, I stated that the miniaturized NXT seemed so different from the CP that I couldn't even picture it. Sometime later, a cardboard mock-up appeared on the desk in the conference room. "Ah, it's small enough to fit in a spot like this!" I said with surprise.

Okada: We assumed a 250 mm PCB size. The machinery width of 325 mm for the M3 type, and a doubled width of 650 mm for the M6 type, were clear guidelines worked out by Mr. Sahara. We also committed to making the head easy to replace. The designer at the time suggested that the head should be bolted for purposes of rigidity. However, Mr. Sahara refused to compromise and followed his convictions, which I believe led to the NXT series becoming a major hit with over 130,000 units sold.

Okada: There were a lot of innovations when the NXT was released in 2003, and again with the generational changeovers to the NXT II in 2008 and the NXT III in 2013. What are your thoughts on that?

Fujita: Something that was really difficult was that we had to multiply production speed several times over while maintaining the same size and concept. I think that the insistence on improving performance while maintaining the concept, even amid software constraints, was a driving force behind a number of innovations.

Okada: I believe the fact that our engineers were able to act with confidence and succeed led to the NXTR. But I also think that we attained an even higher level with the NXTR.

Sato: The NXTR improves on moulder performance and adds new value in how it achieves automation. I think that we've entered a new phase in which, where we used to see things in terms of the machinery, we now take a broader perspective of individual production lines, multiple production lines, and even entire production floors to address the issue of what sort of machinery truly contributes to customers' production.

II. Fuji's technology development and development culture

Okada: Together with the evolution of technology, I think that the development of young engineers who will lead the next generation, including issues of passing down skills and know-how, is a critical matter.

Sato: When I was young, senior employees generously provided me with opportunities to tackle challenges, which let me experience numerous successes and failures. We will continue to foster a corporate environment in which even inexperienced engineers can proactively take on challenges, for a sustainable approach to development.

That's the secret to maintaining Fuji's essential nature.

Fujita: In recent years, room for evolution in vibration control and servo technology has narrowed. But we have to keep on evolving. Doing so will require a perspective of evolving through completely different ideas. That means achieving goals by incorporating different perspectives while improving our existing skills. It's an easy thing to say, but it's a critical aspect. I value the opinions and ideas of the younger generation of engineers.

Okada: The transmission of skills is genuinely difficult. Do you have any thoughts on doing so successfully?

Sato: It's a difficult thing, but I think it means not talking in



Takeshi Sato
Board Member, Executive Officer
Robotic Solutions Division General Manager



Masatoshi Fujita
Senior Executive Officer
Development Center General Manager

terms of what we consider common knowledge. Much of what we now think of as core technologies was not the case 20 years ago. Just as we've received support from so many senior employees in creating new things, I now want to create a climate in which we continue enhancing our technical capabilities by supporting young employees in undertaking endeavors and playing active roles. I think it's important that we hand down not only skills but mindsets as well. Innovation is not going to arise unless we look closely at things both inside and outside the company, understand our relative strengths and weaknesses, and enthusiastically adopt new technologies.

Okada: In that sense, do you feel that results are gradually starting to show from the multi-skilling project?

Sato: I can sense results. The people who take part in overseas experiences are very ambitious and motivated, and when they come back, the changes in them are very noticeable. It's a stimulating experience not only for the participants but for the departments involved as well.

Okada: Several people in my departments have been participants, and I think we can expect a lot from their future growth. Through the project, the distance between office and front line is shrinking and barriers among departments and

among group companies are being overcome.

Sato: I agree. Listening to program participants' reports, I can feel how their enthusiasm really comes through and energizes us even more.

Okada: What are your thoughts on Sokaijuku, which began in 2011 in the hope of instilling Fuji's development technologies and mindsets in new employees?

Sato: Core members in engineering spent a year creating the concept of Sokaijuku, discussing how the skills needed by Fuji engineers could be worked into the curriculum. We are in the business of building fully realized products, not simply software or mechanics. We need to create things that excel as integrated products, otherwise what we do is meaningless.

Fujita: Another thing discussed at that time was how we can give rise to future innovation for Fuji. When we discussed what types of specialists and generalists are needed as Fuji engineers, I thought that innovation won't happen if we only understand our own areas of specialty. We require human resources who, while having their own fields of expertise, can also turn their attention to other technologies and think about the "innovative" that we're aiming to be. That sort of human resource development is where the significance of Sokaijuku lies.



Contributing to Manufacturing, Lifestyle, and the Future, with Our Innovative Spirit



Takehito Okada

Senior Executive Manager
 Robotic Solutions Division
 Engineering Planning Department General Manager
 Prototype Engineering Department General Manager

Okada: Participants in Sokajuku set their own goals, achieve those within a limited time frame, and make presentations to the Fuji executives at which a winning team is determined. That inclusion of a competitive aspect differs significantly from other training and helps in learning about the actual development process.

Sato: I think that the Sokajuku initiative is a miniature version of actual development.

Fujita: It's not just about the transmission of technical skills. I think Fuji's essential nature lies in our spirit of "give it a try." When interviewing new graduates we try to communicate this point as an appealing aspect of our development structure.

Sato: The greatest challenge for me was the large-scale system renewal during the development of the NXT III. I suggested that, rather than being an extension of the NXT II, the NXT III would require this system renewal in order to continue for a decade or more. In response, Fuji put me in charge of the project. When people believe that putting forth ideas will be rewarded with opportunities and possible acceptance of their ideas, that's when new endeavors are born. This culture is one of Fuji's greatest strengths.

Fujita: Putting forth suggestions gives the proposer a sense of responsibility and ambition, and builds up achievements. If someone makes a good proposal based on a sound recognition of Fuji's intended direction, we'll also want to give that person support. I think the important question is what thought processes are behind their proposals, and whether those ideas can be expressed.

Sato: We need to create systems and organizations that enable taking on such challenges. With regard to fundamental technologies, for example, the Development Center prepares a

roadmap, based on which it brings ideas to life, while departments such as the Innovation Promotion Department take charge of creating new businesses. That sort of framework by which business divisions cooperate in commercialization is now taking shape within Fuji. In addition, people gain receptiveness through diverse experiences, including personnel measures such as the in-house side job system and innovation training, and new ideas are born from this. I think that a wide range of input increases opportunities for creation.

III. The source of competitiveness and in-house development of core technologies

Okada: Advancing technological innovation and the transmission of skills requires us to create Fuji's core technologies in-house. Mr. Fujita, as the General Manager of the Development Center, what do you think about the in-house development and cultivation of core technologies?

Fujita: Looking back on the development of the NXT, in-house development of core technologies was vital. One example is linear motors. During the development of the NXT, we placed high requirements on actuators to achieve the target takt time. We couldn't meet those requirements through the combination of available components, and discussions with the motor manufacturers did not result in a favorable outcome. Inevitably, a push grew to produce the key components in-house. The same happened with wireless charging, multiplex communication, and more. First there's a requirement, so we search out products on the market. If we're unable to find something optimal in terms of product performance and convenience, we bring development in-house and improve the performance. That's become a

completely natural process at Fuji. This in-house development isn't only about making things entirely in the company. We also engage in in-house development through joint research with universities or joint development with other companies. It's important that we communicate well with outside parties and select the optimal method for the situation.

Okada: Mr. Sato, you've had a lot of experience in this. Did your work related to control systems also focus on in-house development?

Sato: We decide on current specifications with not only current development in mind but also the next round of development, and the next. That's the difficult yet fun part of the field of control systems. Determining a system's specifications means determining the machine's future possibilities, so our thinking was more focused on what sort of partners we should collaborate with in pursuing the best, rather than being fixed on in-house development.

Okada: In creating new things, were there also doubts over whether it could actually be done in-house?

Fujita: Not every attempt is successful, of course, but we learned a lot by first giving things a try. Through in-house development, we're able to make decisions on whether an item should be left to an outside party, and we're often able to encounter ideal partners. Once we develop something in-house, we're able to see the key technologies. Linear motors are a good example of this. We're able to apply that technology to other products, and can also assess the capabilities of outside products. We become able to judge whether to leave an item to another company or whether to dig deeper ourselves.

IV. Responsibilities and prospects for the future

Okada: Fuji's purpose is "Enriching the lives of those in the world around us." What do you think Fuji should aim for in its technology?

Sato: As an engineer, I naturally want to pursue technology as far as possible. In the end, though, technology is only a means. By pursuing how to build equipment that can produce

high-quality products with high efficiency and a high operating rate at customers' production sites, we naturally gain a view of what technology is lacking. These days, ideas such as whether we can use generative AI technologies to create products that further support customers come to mind. On questions of what to develop in-house and what to create with partners, thinking from a customer-first perspective makes rationale clearer. Approaching things from the long-term perspective of 2035, we also need a mindset of starting now to tackle and capture technologies that will take time. Rather than taking the technologies themselves as our starting point in doing so, I think it's natural to dig into technologies in such a way that we're guided by a customer perspective.

Fujita: So far, the Development Center has worked hard to meet the performance requirements of customers. From here on out, though, we believe that performing "proactive development" ahead of customer requirements will be important. When we consider what exactly we should develop, in addition to receptivity, sensibility, and insight, what's important in the end is information from customers. This roundtable discussion has made me realize anew that Fuji is truly a technology-oriented company. We engage in genuinely fascinating development work, with challenges always lying ahead. And the joy of achieving a high goal is the greatest reward for an engineer. It really is fun.

Sato: I've been involved for almost 30 years and haven't tired of it yet (laughs). Development is grueling, but it's like having a special seat with a close-up view of things as they reach heights beyond expectations.

Okada: Development can be hard and demanding, but I'm at my happiest when I hear a customer say at the end, "I'm really glad we chose Fuji." That's the reason why we have to keep raising Fuji to a higher level.

Sato: We continue thinking about how to create things that exceed customers' expectations, without being bound by preconceived notions. I am certain this innovative spirit will strengthen the value of our existence.

Pioneering the Future through an Innovative Spirit

Robotic Solutions Division: Opening a New Factory Building at Okazaki Plant



Katsuya Nishino

Executive Officer
Plant Manager, Okazaki Plant
Robotic Solutions Division

The new building at Okazaki Plant was completed on September 18, 2024. With a total investment of approximately 10 billion yen, a building area of 6,866 m², and a total floor space of 32,500 m², the new building at the factory is a production base for SMT pick and place machines, mainly the NXTR. The building began operation in October of the same year, and by the end of FY2025, it achieved a production capacity of 500 units per month. In FY2026, we will further expand our production capacity to achieve a monthly production of 1,000 units by increasing the number of assembly lines and the degree of automation in the production process. This target is one of the important measures of our Mid-term Business Plan 2026, which includes the basic policy to “expand existing businesses and strengthen profitability,” and is foundational for achieving the FY2036 target of 300 billion yen in net sales, as outlined in FUJI 2035.

The new building at Okazaki Plant achieves production optimization and high-quality manufacturing through the use of state-of-the-art production equipment and process streamlining. The production scheduler and the manufacturing execution system (MES) enable digitalized production planning, visualization of production progress, and monitoring and control of quality. In addition, we are proceeding with automation and labor saving in the production process through the introduction of the latest AutoStore automatic warehouse, which automatically receives and dispenses parts; AMR autonomous mobile robots which transport parts from the warehouse to the assembly process; and automatic assembly robots, which install parts and tighten screws. The assembly line floor of our mainstay NXTR series has many flexible areas to allow flexibility in line with production plans.

Okazaki Plant also serves as an after-sales service center once products are shipped. In addition to parts sales service, which accepts orders for and ships maintenance parts, the facility also has a call center that centrally manages and responds to various inquiries from customers in Japan and service personnel at 177 overseas subsidiaries, distributors, and service branches in 37 countries, as well as a training center that educates customers and service personnel on machine operation and maintenance. As such, Okazaki Plant plays a central role in the Fuji global support network.

From an environmental perspective, we are also committed to sustainable manufacturing, including the use of solar power generation, and packaging and packing materials with low CO₂ emissions. In addition, we are striving to improve our on-site capabilities through manufacturing education, and are focusing on creating an energy-saving and people-friendly workplace environment by introducing Karakuri mechanisms and systems into the production process. These additions were created based on employees' own ideas through improvement activities.

We will continue to improve and strengthen our production system in consideration of the global environment and its workers as we strive to further evolve Okazaki Plant as a core base that will drive Fuji's medium- to long-term growth.

Okazaki Plant Floor Map



1 NXTR shipping inspection 2 Automatic warehouse



3 Karakuri workshop 4 Karakuri (lifting mechanism)

Without using a motor, the lifting mechanism moves up and down based on the weight of the parts supply box.



4 NXTR assembly line 4 MES (manufacturing execution system)



4 AMR (autonomous mobile robots)



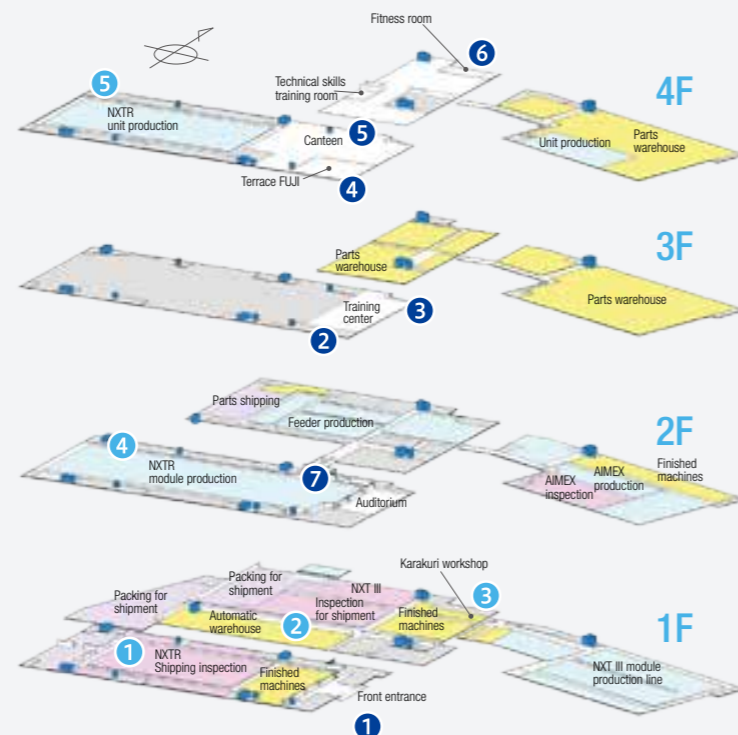
5 Unit (MFU) production



5 Unit (placement head) production



5 Unit (tray unit) production



1 Front lobby



2 Call center



3 Training center



4 Terrace Fuji (communication space)



5 Employee canteen



6 Fitness room



7 FBA-8560 display model

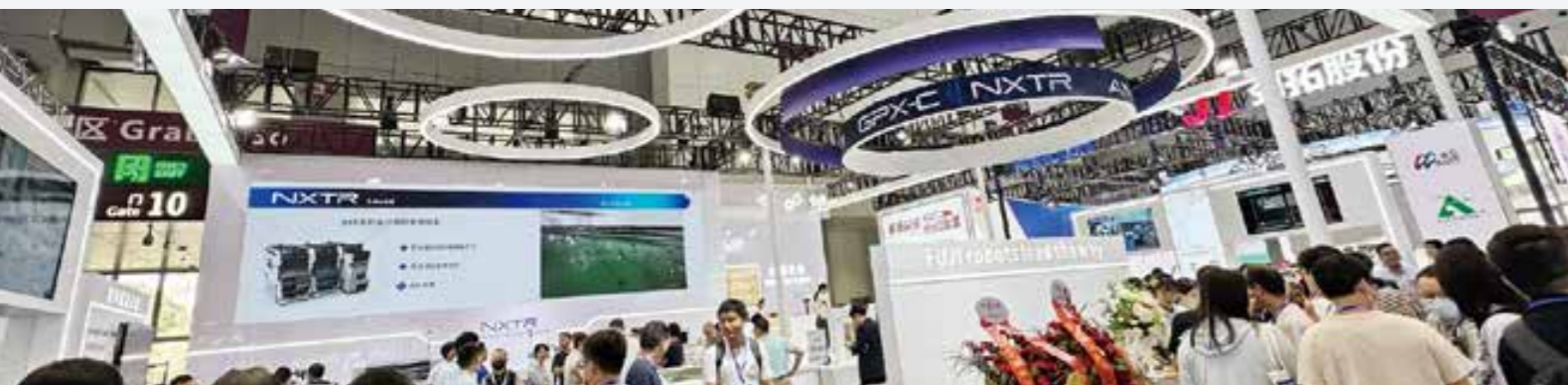
The first product Fuji introduced to the electronic component automated assembly machine market.

Sales Strategy

Sales Strategy and Future Prospects in Order to Remain a Leading Company in the SMT Business

Tetsuya Asaoka

Senior Executive Officer
Robotic Solutions Division
Sales Head Manager



Current status and future directions in our sales strategy

Fuji already has a high global market share in the surface mount technology (SMT) field and is strengthening its sales strategy centered on sales of SMT pick and place machines, with the aim of achieving a firm position at the top. In FY2025, the first year of the current mid-term business plan, we began a full-scale transition from the NXT and AIMEX series, which have garnered support in the market for over 20 years, to their successors, the R-generation models NXTR and AIMEXR. For existing customers, we boosted proposals for switching to R-generation models, and, in new markets, we focused on building a track record by emphasizing the superiority of the NXTR series.

The NXTR inherits the features of the NXT III, such as high speed, high precision, and high stability, as well as the one-of-a-kind modular concept of the NXT series, while also achieving further technological evolution. In addition to flexibility that enables optimal line construction according to product type and production volume, it is equipped with advanced functions for full automation, such as checks after parts are placed, self-diagnosis of equipment conditions, and automatic parts supply using the Smart Loader. The NXTR is designed to improve the efficiency of the production line and support future smart factory initiatives.

R-generation models are versatile enough to be used in diverse product fields such as smartphones, automotive-related, PCs, servers, networks, home appliances, semiconductors, module components, IoT, and infrastructure, and, in FY2026, we will leverage this versatility to expand our customer base and promote market penetration in key industries and regions.

In particular, as global supply chain reorganizing accelerates against the backdrop of U.S. tariff measures, new production sites are being established and facilities are being upgraded in Southeast and South Asian countries such as Vietnam and India. Fuji entered the Indian market at an early stage and has established a large customer base, both foreign and local, in the region, and we see this as an opportunity to leverage our past efforts. The key to the future will be to further strengthen the sales structure and service network in each region under the sales support provided by Fuji Headquarters.

Approaches to strengths and challenges

Fuji's strength lies in its unique technological development capabilities, its sales and service network across different areas worldwide, and the trust it has amassed over the years with its customers. From the late 1980s to the mid-1990s, based on the sales foundation built up from the machine tools

business, which is our legacy business, we developed our business in Japan, the United States, and Europe, focusing on serving major telecommunications and home appliances manufacturers, as well as OEM companies.¹ In the latter half of the 1990s, as demand for electronic devices grew, mainly in the emerging economies of Asia, we expanded our sales channels to China, Southeast Asia, Eastern Europe, Mexico, and other regions where EMS companies² had expanded their production sites. In addition to strengthening partnerships with local distributors, we have created call centers and training centers, developed service manuals, and worked to build a training system for service personnel, while establishing a community-based support system from the early stages. This has resulted in high regard from our customers and a firmly rooted brand image—reliable equipment that does not break down and reliable service.

Meanwhile, in the growing markets of Southeast Asia and India, further upgrading of sales and service systems is required. In addition to strengthening multilingual support (local languages, English, and Chinese), there is an urgent need to establish a system to accurately share specifications and contract terms and conditions required for each country with customers who have multiple locations, centering on the main factory, so that there is no difference in service quality from region to region. To develop skills to meet the high expectations of our customers, we are reorganizing our education system and information sharing system.

We are shifting our sales style from the traditional introduction of functions to problem solving based on the type of industry and type of production. Through the development of application-specific materials and operational improvement proposals utilizing our Nexim production system, we are developing proposal activities that are more in line with operations in the field, such as reducing on-site workloads and improving productivity.

In addition to high speed, high precision, and high stability, Fuji has shifted to a policy of also promoting ease of use, labor saving, automation, and diverse product support capabilities in media campaigns and exhibitions, in an effort to clearly convey the value of introducing our products to customers.

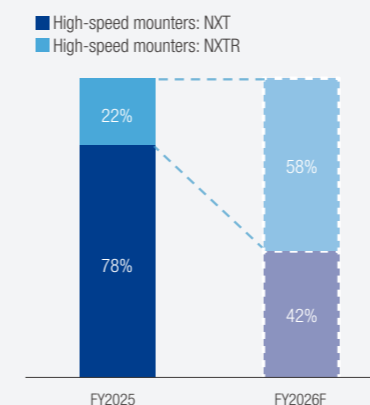
Additionally, regarding the framework for globally sharing and utilizing business discussion information and customer requests, we are promoting the collection and visualization of insights using Salesforce's Voice of the Customer (VoC). This system centrally manages information from local sales representatives, branch office staff, and service personnel, sharing it through regular meetings and sales training. This enables us to incorporate insights into product development and improvement activities. Additionally, we are promoting the sharing of successful sales cases and proposal materials, as well as platform management for specialized equipment projects. By leveraging digital technology, we are enhancing both the quality and speed of our sales capabilities.

In FY2026, we will also focus on promoting the NXTR A model, which balances automation needed now with automation for the future, while simultaneously deepening relationships with existing customers and expanding sales in emerging markets. Through integration with new products like Smart Storage and related solutions, we will provide comprehensive labor-saving and automation solutions to support our customers' smart factory initiatives.

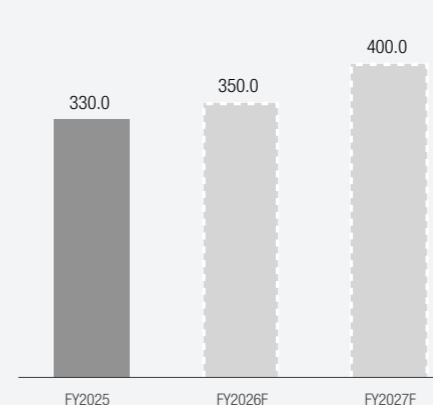
Under the new vision of Target ZERO (zero machine stops, zero placement defects, zero machine operators, zero placement limits), we will further refine our product capabilities, responsiveness, and proposal strength, aiming to achieve a 20% automation rate in the SMT market by 2030. In addition to deepening our presence in existing markets, we will actively expand into new market areas. With the pride of a leading company, we will further enhance our presence in the global market.

1. OEM company (Original Equipment Manufacturer): a manufacturer that is solely entrusted with the production of another company's branded products.
2. EMS company (Electronics Manufacturing Services): a manufacturer that is entrusted with the design, manufacturing, assembly, inspection, shipping, and other processes of other companies' branded electronic devices.

NXT and NXTR Sales Composition



Mounter Market Forecast (billion yen)

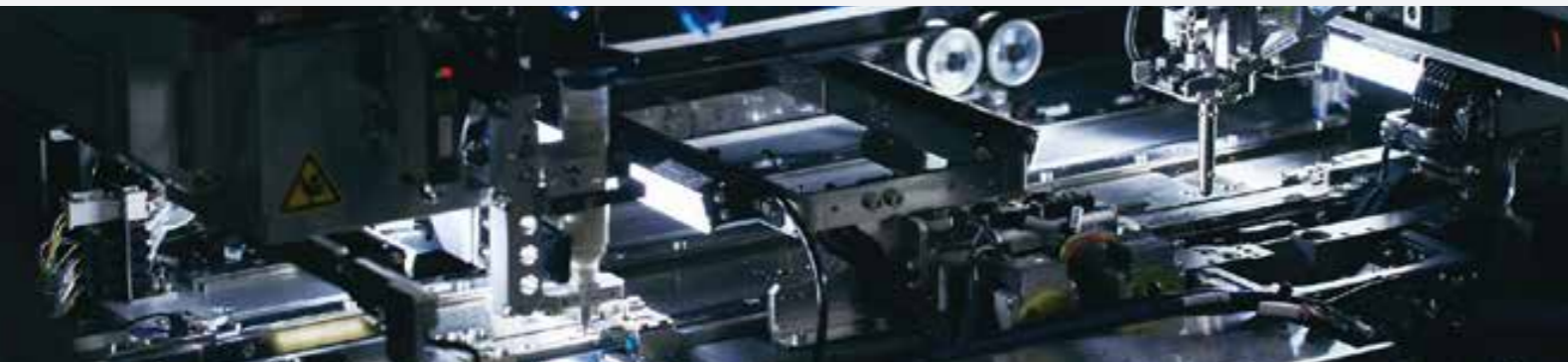


Fasford Technology Co., Ltd.

We Will Contribute to the Evolution of the Semiconductor Market by Wielding Our Technological Development Capabilities

Hiroyuki Ao

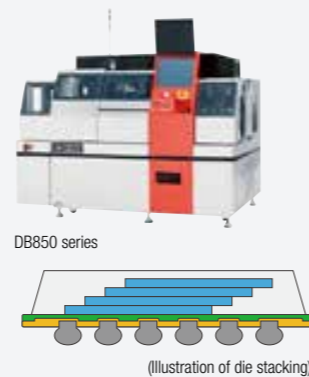
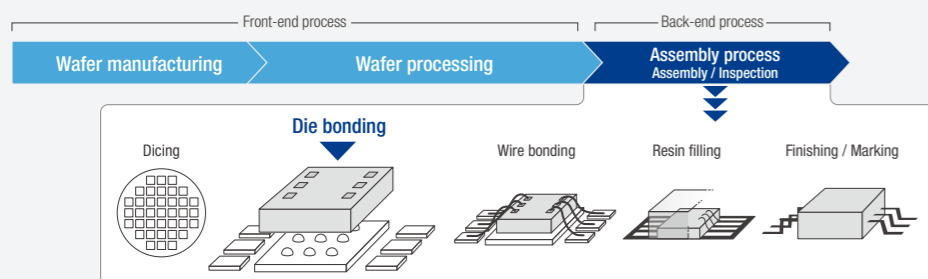
President & CEO
Fasford Technology Co., Ltd.



Overview of Fasford Technology

Fasford Technology (FFT) develops, designs, manufactures, sells, and provides maintenance services for semiconductor manufacturing equipment known as die bonders. A die bonder is a device that picks up silicon chips (dies) from a wafer and mounts and stacks them onto lead frames or package substrates. FFT's die bonders are the first in the world to support 12-inch wafers, and have gained a high market share in the stack bonding for NAND flash memory used in SSDs and LPDRAM, which is the main memory in smartphones. The technology for stacking dies with high precision at predetermined positions, combined with the capability to pick up from wafers—which are as thin as plastic shopping bags at 25 to 40 microns—without breaking them and with minimal stress, enables unmatched precision and high quality in semiconductor back-end process equipment that no competitor can rival.

Additionally, FFT has introduced technologies such as image processing for detecting defective chips, equipment clean techniques, and automation technologies that achieve factory automation comparable to semiconductor front-end processes, earning high praise from semiconductor manufacturers.

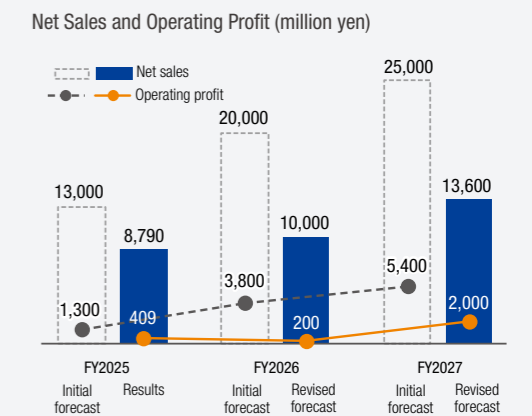


Business environment

In the mid-term business plan announced in May 2024, the initial net sales target for FY2027 was set at 25 billion yen. However, during the mid-term business plan review in May 2025, this target was revised downward to 13.6 billion yen. The initial figure was based on the prediction that replacement demand for smartphones and PCs sold during the COVID-related surge from 2020 to 2021 would emerge in the latter half of FY2025, leading to increased demand for die bonders alongside rising semiconductor demand. However, the revision reflects the fact that the anticipated replacement demand did not materialize within FY2025, and customer production equipment utilization rates also failed to increase. Another key factor is that we currently lack die bonders for AI semiconductor packages—the core of current semiconductor investment—in our product lineup, preventing us from capturing demand for this equipment.

Due to the significant fluctuations in demand within the semiconductor industry, we have revised the figures based on current forecasts during the review of the first year of the mid-term business plan.

Investment in AI semiconductors is expected to continue beyond FY2026, while investment in general-purpose memory semiconductors is projected to remain sluggish.



New product development



We plan to launch a high-precision die bonder designed for advanced package manufacturing, developed by enhancing conventional die bonders for general-purpose memory. For this development, we established an advanced development project room within the R&D building and equipped it with a cleanroom environment equivalent to that of customer factories. By centralizing development and evaluation within the R&D building, we can achieve the shortest possible product development cycle.

Furthermore, for high bandwidth memory (HBM), we are simultaneously developing fundamental technologies for high-precision mounting compatible with hybrid bonding, and plan to launch a hybrid bonder in the market in FY2028 or later.

Creating growth drivers for Fuji Group through packaging innovation

FFT's semiconductor manufacturing equipment has maintained a high market share for many years, particularly in the field of semiconductor memory chip stack bonding. In recent years, the growth of the AI semiconductor space has progressed at a pace exceeding expectations, and FFT is also advancing the restructuring of its strategy with an eye toward new growth opportunities. As demand for high-quality electronic devices expands, semiconductors are becoming increasingly sophisticated and diverse. Beyond AI semiconductors, requirements for semiconductor packaging technology are rising daily across various applications, including semiconductors for EVs and camera image sensors. To meet these advanced needs, the evolution toward more sophisticated and flexible semiconductor back-end process equipment is essential. We will continue to focus on developing semiconductor back-end process equipment, while leading the world in bonding technology and aiming for sustainable growth.

Machine Tools Division

Fuji's Turnkey Solutions Tackle Diverse Customer Needs

Kazuyoshi Nagato

Executive Officer
General Manager, Machine Tools Division



The strengths of Fuji's machine tools

Turn the key and start production immediately—this is the very essence of the turnkey solutions Fuji has cultivated over many years. Since our founding, our Machine Tools business has primarily focused on automotive parts machining, bringing our customers' desires to life. To date, we have processed over 1,000 different types of workpieces. Based on our accumulated track record, we are confident that Fuji's turnkey solutions provide customers with optimal proposals from perspectives such as how to secure workpieces (chuck technology), under what conditions to perform machining (machining technology), and how to build a lean production line (automation technology). Among the many machine tool manufacturers, only a very limited number consistently design and manufacture chucks (designed chucks) tailored to the workpiece itself. This is one of Fuji's major strengths.

The approach to machining has also evolved over time. Optimization is required not only for high-mix low-volume production, but also for mass production, through process segmentation and process integration. Fuji has traditionally focused on horizontal lathes suitable for process segmentation, but to keep pace with market changes, we have also introduced a product designed for process integration: the ACUFLEX 400S multitasking lathe. Through process integration, we will continue to meet our customers' needs by leveraging our accumulated experience and new initiatives.



Turnkey solutions (CSD-300II & CSS-300II)

The reasons we achieved profitability in FY2025

The Machine Tools Division achieved profitability in FY2025 for the first time in five years. The market environment for the automotive parts processing field faced extremely challenging conditions, including a slowdown in the shift toward EVs, particularly in Europe, and market stagnation amid uncertainty surrounding the U.S. presidential election. To generate profits even under such circumstances, we thoroughly removed inefficiencies and reviewed our business structure. This focused on appropriate staffing levels across the entire division relative to with projected sales volume, as well as reducing development costs by concentrating investments on priority themes. As a result, each employee's cost awareness and sense of responsibility increased more than ever before, enabling us to turn the division around toward profitability. Furthermore, we believe that a major driving force behind achieving profitability was the positive shift in employee mindset—moving from saying, "It can't be done" to asking, "How can we make it happen?"—even for highly demanding projects requiring turnkey solutions.

FY2026: Measures to maintain profitability

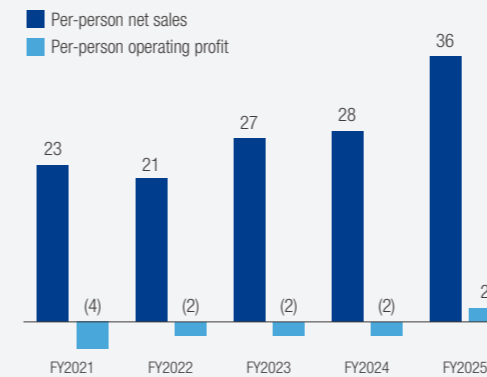
While capital investment in the automotive industry remained sluggish in FY2025, inquiries from customers have steadily increased since January 2025. Once projects are initiated, there is a tendency for customers to firmly request shipments on short lead times. To address this situation, starting this fiscal year, we have shifted from the conventional planned production system with a sequential flow to an assemble-to-order production system that allows for flexible customization. By carrying out sub-assembly processes in advance and keeping units in stock, we are able to respond quickly to meet our customers' desired delivery dates. Furthermore, we will expand sales channels into fields outside the automotive industry, such as general metal parts, valve components, and machine tool parts. This expansion will be centered on the ACUFLEX 400S multitasking lathe, which was introduced to the market in FY2025.



Multi Task CNC Lathe ACUFLEX 400S



Machine Tools Division
Per-Person Consolidated Net Sales and Operating Profit
(million yen)



New Business

The New Business Department's Endeavor: Turning New Value into Business

Wataru Hosoi

General Manager, New Business Department
Robotic Solutions Division



At Fuji, we are planning new businesses in the three areas defined by our materialities—Manufacturing, Lifestyle, and the Future—to address societal issues while driving the creation and commercialization of next-generation businesses.

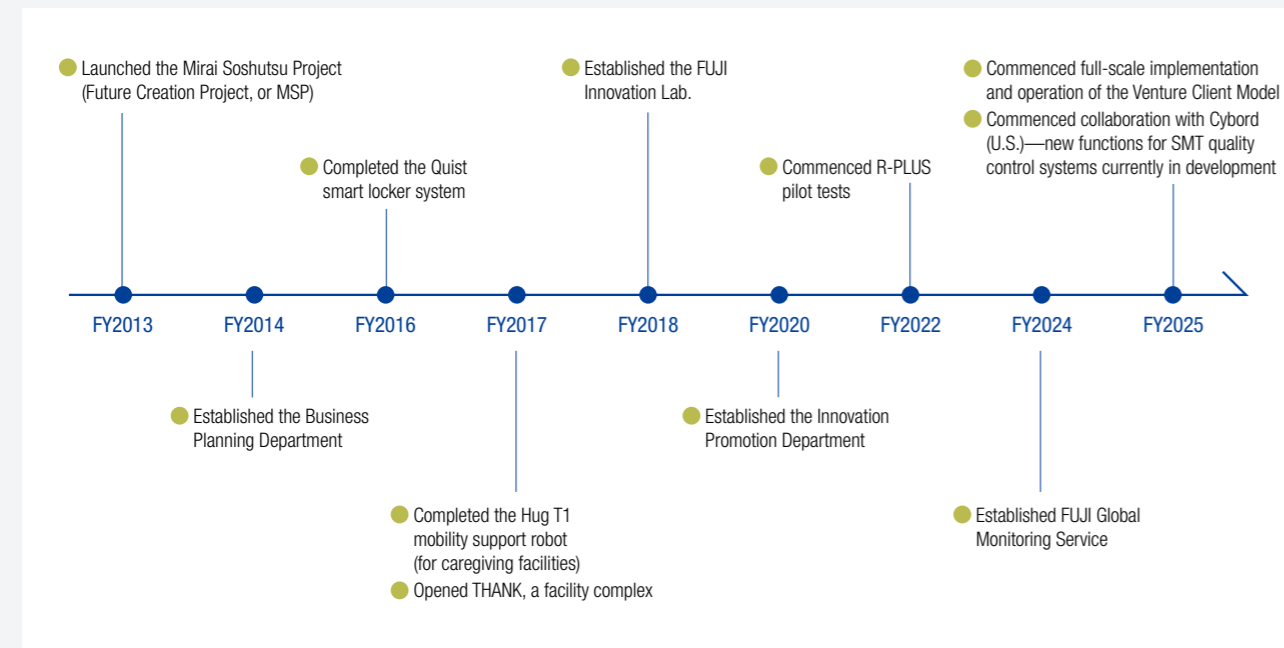
This initiative, which began in the mid-2010s and was subsequently transferred to the New Business Department, has focused on identifying societal issues from a market-in perspective based on market needs, devising solutions to address them, and consciously adopting a small-scale initial approach to quickly test ideas. By repeatedly experiencing failure and learning early on, and steadily applying that experience to subsequent challenges, we have established a cycle that increases the success rate of new businesses. This process encourages each employee's acceptance of challenges and growth, leading to the strategic development of human capital.

Meanwhile, in promoting new businesses, we devote significant effort not only to technological and product development, but even more so to how to create the market within the relevant field. Rather than simply bringing products or services to market, it is crucial to engage in activities that make potential customers recognize, "This is something we must have," thereby bringing latent needs to the surface.

As a measure to achieve this, we are first working to enhance our collaboration with government ministries, local governments, and industry associations, aiming to establish ourselves, at an early stage, as the first point of contact for administrative bodies and industry groups. Additionally, to raise awareness of our company through media channels, we will proactively share new initiatives to attract new customers and capture attention within the industry. When we deliver products and new initiatives, our customers in turn present their needs and provide new perspectives—prompting response from us, and resulting in a chain reaction that enables us to expand our business into new areas and deepen our market penetration.

Moving forward, we will continue to deliver products and services that excite and inspire our customers, guided by the innovative spirit that resides in the hearts of Fuji employees. We will strive to create new businesses and aim for top market share in all ventures we participate in.

History of Fuji's New Business Creation



Quist, a smart locker system

Quist is a next-generation smart locker system that links the locker itself, the cloud, and the user's end device. Quist is currently in use at leading companies in industries including convenience stores, supermarkets, pharmacies, home improvement stores, furniture stores, and second-hand goods stores.

Furthermore, going beyond the traditional definition of locker systems, we are exploring new applications, using Quist as a labor-saving, unmanned tool that bridges the time lag between the person who wants to deliver goods and the person who wants to receive them. Applications are beginning to emerge in areas such as handling lost property for police authorities; handling duty-free goods, including tax-free processing at international airports; and handling and managing goods as part of factory DX. Striving to further expand our business, we will not remain complacent with the status quo, continuing to plan and develop solutions that address the new needs we hear about from our customers every day.

Quist



Tokyo Metropolitan Police Department Lost and Found Center (Bunkyo Ward, Tokyo)



HANEDA TAX FREE Lockers (Haneda Airport)



Tool management within factories

Hug, a mobility support robot

From bed to wheelchair, or wheelchair to toilet seat, at caregiving and medical facilities, this support robot assists when needing to transfer to a sitting position or in situations where standing for a period of time is required, such as when getting dressed or undressed. Hug's simple, user-friendly operation and compact size have been well received, and, since its launch in 2016, the series has shipped approximately 5,000 units.

The latest model, Hug L1-01WP, is a waterproof version developed in response to requests for a device that can be used for transfer assistance in bathing rooms—a task that places significant physical strain on caregivers—and for supporting standing posture. Since its release in 2024, it has also been well received.

Hug



Going forward, we believe our mission is to leverage the technology and expertise cultivated through Hug to broaden our horizons beyond the caregiving field into the medical (rehabilitation) field, while planning and developing products that solve new challenges.

R-PLUS, a waste-sorting robot

R-PLUS is a robot that automates manual sorting in industrial waste recycling processes using AI detection technology and a robotic picking hand. By integrating Fuji's robotics, cultivated over many years, with AI technology acquired through open innovation, we strive to accelerate development and enhance customer satisfaction and utilization.

This technology's implementation in society is steadily progressing and is already being utilized by a major customer in the road paving industry for the automated removal of impurities mixed with debris, and also in industrial waste processing for the automatic sorting and recovery of valuables from mixed waste.

R-PLUS



In the industrial waste processing industry, process automation is a foreign concept, as there have been few precedents for robot utilization to date. Therefore, rather than completing the equipment in-house before deployment as we did traditionally we advanced product development using a collaborative approach. With our customers' cooperation, we simultaneously evolved the equipment through repeated verification and feedback in real-world environments. This evolving-while-running approach is effective in that it allows immediate reflection of frontline needs and challenges in the product, and we believe it will serve as the foundation for product adoption and business expansion in this field going forward.

Since its founding, Fuji has focused primarily on manufacturing, often referred to as the "arterial industry." Going forward, we will also leverage our robotics in the recycling and environmental spaces—known as the "venous industries"—to contribute to the establishment of a recycling-oriented society and the realization of a sustainable future.



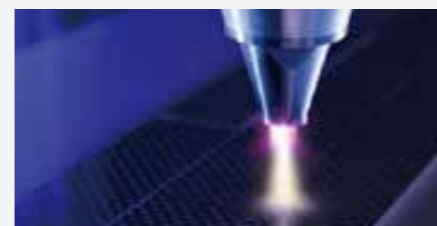
2025 Nikkan Kogyo Shimbun, Ltd.
55th Industrial Machine Design Award IDEA
Recipient of the Jury's Special Award

Tough Plasma, an atmospheric pressure plasma unit

This plasma treatment system is capable of generating the world's highest level of high-density radicals. In recent years, adoption of Tough Plasma as a surface modification method in production sites across various industries has been progressing.

Fuji's newest model, ATOM, does not require a nitrogen generator—which was required for conventional systems. This model has achieved broad cost reductions for its customers. As a result, adoption has expanded to encompass a diverse range of customers beyond the automotive industry, which had been the primary focus for pretreatment when bonding and joining difficult-to-bond materials and dissimilar materials, as well as for painting pretreatment and coating pretreatment processes.

Tough Plasma



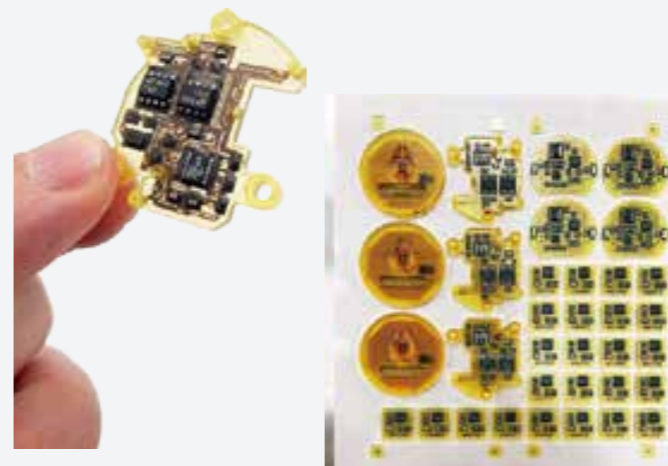
We will continue to expand our offerings as solutions to challenges at customers' production sites, specifically addressing issues in bonding and joining processes, as well as painting and coating processes.

FPM-Trinity, an electronics 3D printer

FPM-Trinity is an innovative device that can automatically manufacture multilayer electronic circuit boards with placed electric components in just one day by applying 3D printer techniques.

In today's world where customer and market needs are constantly changing, companies are required to develop new products in a timely manner. Creators must quickly shape ideas, test them, and iterate, which means that the ability to shorten that cycle is a significant value and competitive advantage. FPM-Trinity makes activities for creating innovation faster and more flexible.

FPM-Trinity



We currently offer design and prototyping services on a contract basis, serving a wide range of customers including major manufacturers, startups, universities, and research institutions. Going forward, we will continue to deepen our expertise in additive technologies, such as high-density multilayer forming, and expand their range of applications.

New Business

Aiming to Create Value That Responds to Societal Changes

Koji Kawaguchi
General Manager,
Innovation Promotion Department



Seminar Stage Session presentation at the Japan Open Innovation Fes 2024 (JOIF 2024) hosted by eiicon Corporation

The significance of new business creation and internal organizational structure

Fuji is committed to creating new businesses because it believes that leveraging its technological capabilities and human capital to contribute to solving societal issues and generating new value will lead to the company's sustainable growth. In addition to our core technological strengths, we aim to enhance our adaptability through the practical application skills and flexible thinking of each employee. This enables us to remain a company that can keep pace with and even lead the way when significant changes occur in the market.

To create new businesses, a series of steps is required. We 1) Identify new needs by addressing unresolved societal issues or challenges within existing businesses; 2) Explore how Fuji can engage with those challenges; 3) Determine the optimal approach (whether to tackle it internally or collaborate externally); 4) Give physical shape to the concept and conduct trials; and 5) Pass the prototype to the department responsible for commercializing and expanding sales. At Fuji, this process is driven by three dedicated entities. The North American-based FUJI Innovation Lab. (FIL) specializes in exploring needs. The Innovation Promotion Department handles conceptualization and prototyping, while the New Business Department oversees commercialization. Each organization assumes its respective role according to the stage of the process.

A framework for rapid value creation

To achieve rapid value creation, leveraging collaboration with universities and companies—including startups—through open innovation is highly effective. At Fuji, we have established internal systems with the goal of becoming a company that our partners consider worthy of co-creating with. We have created effective mechanisms such as a simplified approval route to accelerate decision-making, flexible procurement rules, and an agile stage-gate review system. We were also among the first in Japan to obtain certification for the Venture Client Model (VCM)*.

In addition, we continuously identify potential collaboration partners and conduct scanning activities to deepen relationships. We have established a system to build trust and develop concrete co-creation once needs align.

** Venture Client Model (VCM):
A process and methodology systematized by Gregor Gimmy, CEO of 27pilots, for achieving strategic benefits by becoming a startup's customer. By discovering, piloting, and implementing startup solutions, operating companies solve their strategic challenges, driving revenue growth and cost reduction.*



On stage at the Japan Open Innovation Fes 2024 (JOIF 2024), giving a co-creation pitch event presentation. Fuji was awarded the Grand Prize for a presentation on co-creation with Roxy Co., Ltd.

Test small and fast—a framework for rapid verification

Once the optimal solution for the challenge is identified, we promptly conduct prototyping and validation with limited time and budgets. We present the prototype to our customers and conduct a multifaceted evaluation encompassing not only technical verification but also business viability, monetization potential, and market fit. If market testing is delayed to focus on quality, the risk is greater should the direction prove to be incorrect. While many projects do not reach commercialization or business implementation, we place great importance on fostering an environment that welcomes renewed attempts, based on the principle of learning from failures and applying those lessons to future endeavors.

Meanwhile, we recognize that technical success and business success are distinct, and it is crucial to design with sales strategies and scaling in mind. Regarding the current stage-gate system, the evaluation metrics for each stage and the criteria for business feasibility decisions are relatively weak. Going forward, we will strengthen the foundation to enable smoother transition to the business divisions by incorporating verification systems for business viability and reproducibility at an earlier stage.

Fostering a culture that nurtures ideas from within

Innovation is not the responsibility of any single department. By gathering proposals from diverse perspectives, selecting them, and refining them, the possibilities for business expand. At Fuji, we have introduced design thinking training, which is widely implemented not only for new employees and managers but also for directors and officers. In a workshop format, participants experience the process of problem identification, hypothesis-driven thinking, and dialogue, which fosters the adoption of a problem-solving mindset.

We also operate WAVE, an idea submission platform that solicits business ideas from employees. For ideas that pass the initial screening, the Innovation Promotion Department provides ongoing support. We secure the necessary systems and budget to execute prototypes, utilizing external collaborations as needed. Through this approach, we are promoting cross-departmental collaboration and knowledge sharing.

Our efforts to date have yielded some results in collaborating with startups and rapidly testing hypotheses, but there are still few cases that have led to commercial success. As we progress, we will focus our efforts on generating results that lead to commercialization and sales growth.

Innovation is not merely about creating technology; it is about delivering value to society as a business. We will continue to uphold our problem-focused approach while striving to create new value that meets the demands of the next era.



Design thinking training for executive officers and young employees



WAVE first-round presentations

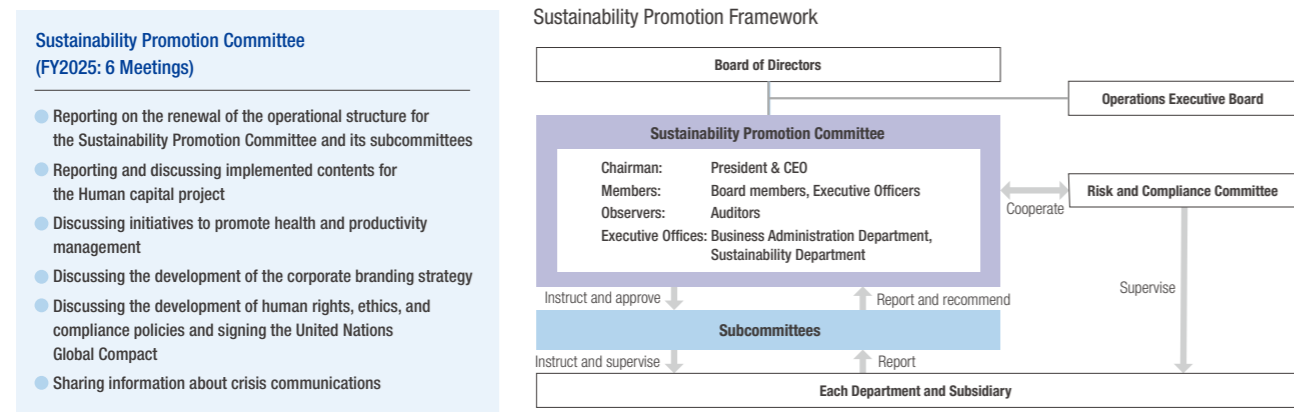
Sustainability Management

We position sustainability as one of our key management policies and aim to enhance our medium- to long-term corporate value while fulfilling our social responsibilities. We established the Sustainability Promotion Committee in April 2022 to strengthen company-wide initiatives that ensure co-existence with society and the sustainability of our business, despite the rapidly changing macro environment.

The Sustainability Promotion Committee is chaired by the president and consists of full-time and part-time directors and executive officers. Under the committee, we have set up subcommittees covering corporate branding, technology development, environmental response, social contribution, and employee engagement, thereby creating a structure to study and implement specific measures in each area. Auditors also participate in committee meetings as observers to ensure transparency.

We established the Sustainability Department in April 2025. This department is responsible for managing ESG ratings and delivering information internally and externally, based on the policies of the Sustainability Promotion Committee, while providing professional support for the company-wide promotion of sustainability.

Going forward, we will continue to address societal issues through our business activities and strive to achieve both a sustainable society and enhanced corporate value through ongoing dialogue with stakeholders.



Relationship with stakeholders

We have identified our customers, shareholders, investors, employees, suppliers, and local communities as our primary stakeholders, and we will actively engage in dialogue with them, as well as understand their opinions and requests to improve our management, and strive to enhance our corporate value.

Primary stakeholders	Policies	Main Communication Opportunities	Frequency
Customers	We are committed to our quality first policy, always providing technology and services that are a complete answer to the issues that customers face and that inspire their confidence.	Daily sales activities, CS/CV activities, websites, social media Exhibitions, company showrooms, factory tours, online seminars, machine training	Daily As needed
Shareholders and investors	We have a channel for dialogue with shareholders and investors, through which the representative directors, executive officers in charge, and other representatives proactively communicate with shareholders and investors for their better understanding of our business strategies, divisional strategies, financial information, and other matters, emphasizing fairness, accuracy, and continuity. We strive to facilitate constructive dialogue with shareholders and investors through our IR activities for meaningful communication.	General shareholders meeting Financial results briefings for analysts and institutional investors IR events for analysts and institutional investors, individual meetings, facility tours, website (mid-term business plan, integrated reports, financial statements, financial results briefing materials, etc.), responses to ESG evaluation surveys, participation in IR events for individual investors	Once a year Four times a year As needed
Employees	We strive to provide employees with the tools to become self-driven, maintain and improve the health of our employees, and create an employee-friendly working environment based on the policies of developing and utilizing talent and building a lively workplace where employees can work with vitality. We create a corporate culture in which a diverse workforce with different values and perspectives can fully show their individuality and abilities and play an active role.	Employee engagement surveys, stress checks Employee pulse survey Company newsletter, portal site, health and safety committee meetings, labor-management council meetings, supervisor-subordinate meetings Various training programs Whistle blowing and contact points	Once a year Every month Periodically As needed Always
Suppliers	We have the basic CSR procurement policy and the Fuji Supplier CSR Guidelines, under which we share with our suppliers our policy and vision to continue trying to create new value and to contribute to the creation of a prosperous society. We are committed to fair, equitable, and environmentally friendly procurement, working throughout our supply chain to realize a sustainable society.	Procurement activities CSR surveys, supplier annual general meetings, business continuity plan surveys, Scope 3 surveys Announcement via Web-EDI, CSR study sessions, financial results briefings	Daily Once a year Periodically
Local community	As a member of the local community, we are committed to initiatives with the goal of becoming a company that is loved and trusted by local residents.	Community cleaning activities Fostering talent who will be active in the electronics industry on a global scale, providing workplace training experience, participating in local events, facility tours	Periodically As needed

External Evaluation (as of June 30, 2025)

Inclusion in Indices



Sustainability Ratings



Acknowledgments



Participation in External Initiatives



Environment

Basic approach

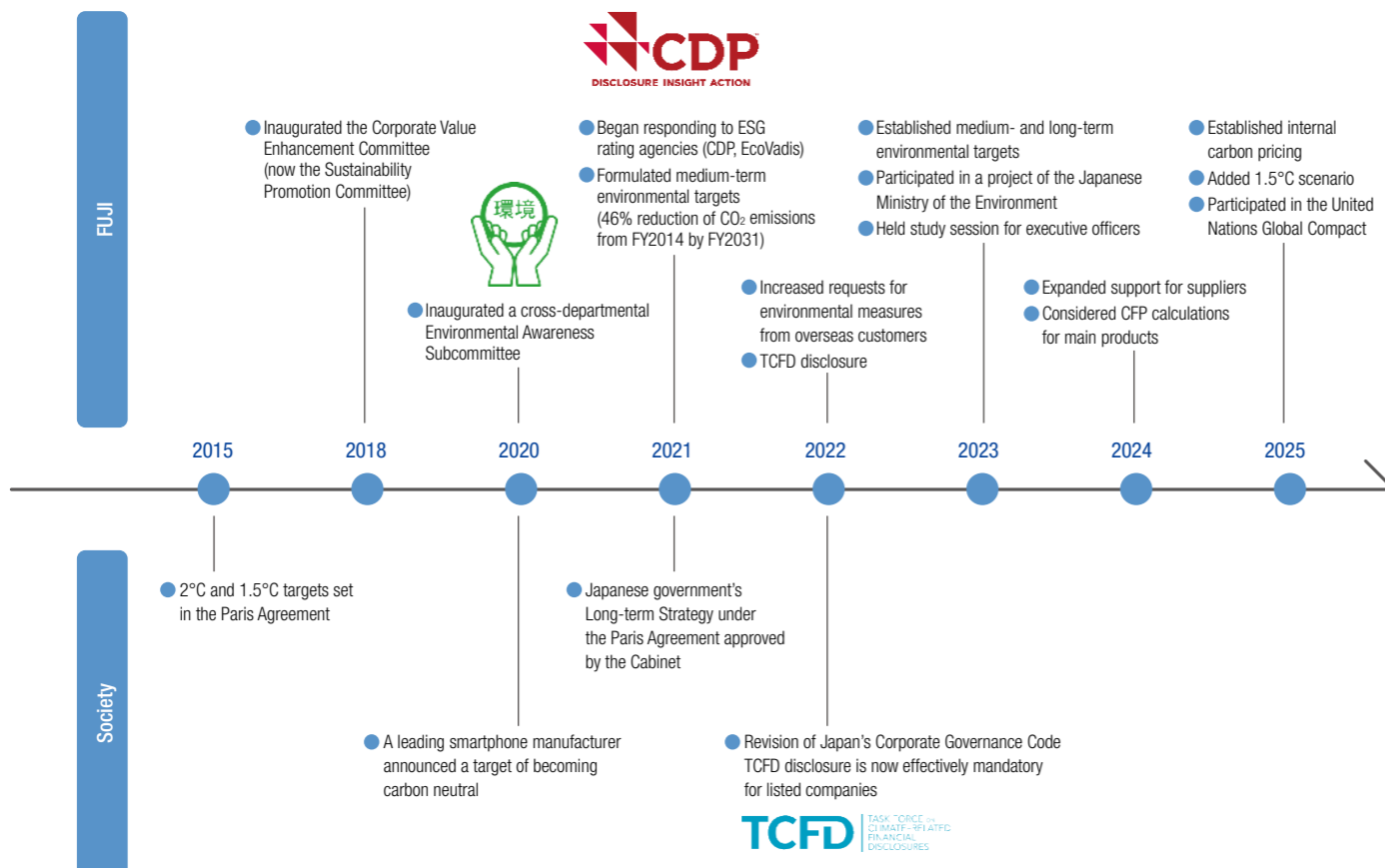
Fuji Group recognizes that conservation of the earth's environment is one of the high-priority issues shared by all mankind, and endorses global goals such as the Sustainable Development Goals (SDGs) and the Paris Agreement.

In order to conserve lush natural environments for future generations, we are making company-wide efforts to reduce environmental impacts in our business activities and contribute to development of a sustainable society and environmental conservation.

Guiding Principles

- 1 Engage in development and production while taking into account environmental impacts as befitting of a manufacturing company.
- 2 Constantly seek improvements in our environmental management system, and address environmental issues including reduction of CO₂ emissions.
- 3 Comply with environmental laws and regulations applicable to the company, and additional requirements of which Fuji is in favor.
- 4 Set and work on environmental targets designed to embody the basic environmental policy, and periodically conduct a review.
- 5 Endeavor to keep all employees informed of the environmental policy by means of environmental education and internal communications, and actively engage in communication with related government agencies, local residents and partner companies as well.

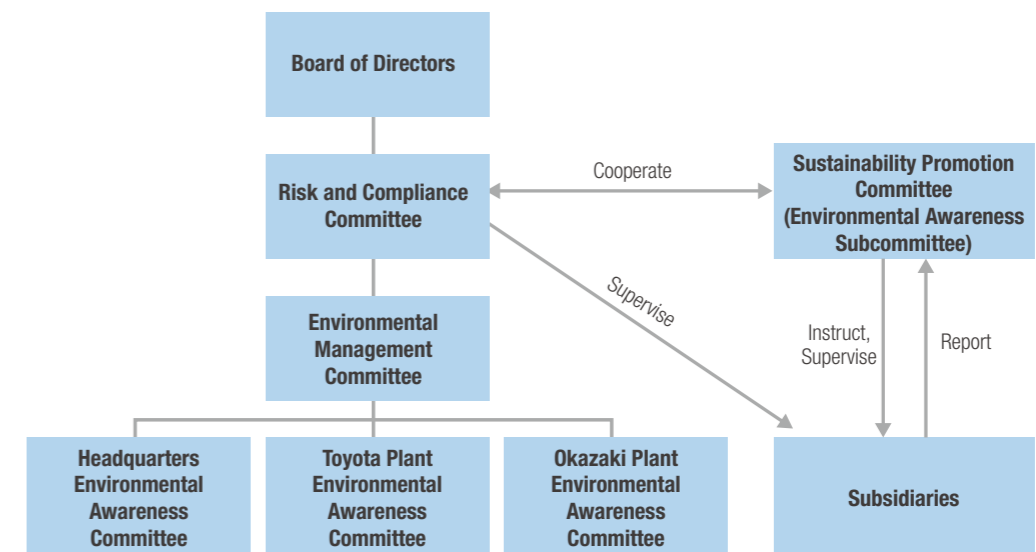
History of Environmental Activities



Environmental management framework

We established the Environmental Management Committee under the Risk and Compliance Committee, which oversees our risk management framework, aiming to improve our environmental performance. The committee members meet regularly to monitor our energy consumption, amount of waste disposal, progress toward our environmental targets, and compliance with environmental laws and regulations.

The Risk and Compliance Committee, in cooperation with the Sustainability Promotion Committee, is developing a framework to expand our sustainability-related initiatives to our subsidiaries.



Environmental action plans for FY2025 to 2027

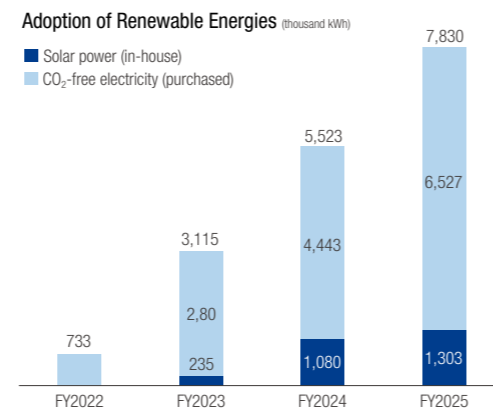
We update the environmental action plans every three years, and confirm the target values with our performance for each of the categories every year. At the same time, we make it clear which activities are relevant to which goal of the 17 SDGs and implement the PDCA cycle for environmental management practices.

	Category	Initiatives	Related SDGs
Business activities (Scopes 1 and 2)	Operations	<ul style="list-style-type: none"> Improve operational efficiency (development, production, sales, and administrative operations) Save energy Promote digital transformation Raise environmental awareness (carbon neutral) 	
	Facilities	<ul style="list-style-type: none"> Install renewable energy equipment (e.g., solar panels) Use renewable energy 	
Initiatives for society (Scope 3)	Development (products)	<ul style="list-style-type: none"> LCA (Life Cycle Assessment): Develop products that are environmentally friendly and that contribute to the environment Reduce environmental impact throughout the product life cycle (all processes) 	
	Procurement	<ul style="list-style-type: none"> Reduce and make visual the CO₂ emissions associated with delivered parts and materials 	

Environmental initiatives

Utilization of renewable energy

Fuji Group is promoting the adoption of solar power and the use of CO₂-free electricity. In September 2024, we installed a solar power generation system at the new Okazaki Plant building, which brought the Group's total annual power generation to 1,594 thousand kWh and resulted in an annual CO₂ reduction of about 670 tons. As for the use of CO₂-free electricity, ADTEK FUJI Co., Ltd. and Fasford Technology Co., Ltd. have made all purchased electricity CO₂-free from July 2023 and October 2022, respectively. Furthermore, Fuji plans to switch to CO₂-free electricity generation at its Headquarters from this financial year, and will continue to expand the use of CO₂-free electricity generation throughout the Group.



Development of environmental contribution products

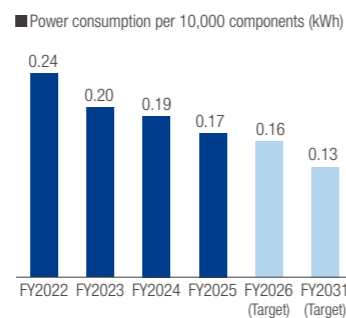
The Quist smart locker system is a delivery locker system that contributes to solving the last-mile logistics problems by consolidating delivery locations. The R-PLUS waste-sorting robot automates the waste sorting process with AI-based sorting and picking hands, which contributes to improved and stabilized recycling efficiency. The FPM-Trinity electronics 3D printer combines both circuit formation by printing and ultra-low temperature SMT, which significantly reduces the amount of waste solutions and waste materials used in manufacturing PCBs.



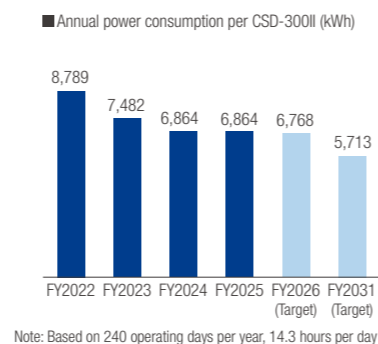
Development of eco-friendly products

We will further reduce power consumption by improving the placement speed of the NXTR SMT pick and place machine. To reduce environmental impacts throughout the product life cycle, we are working to recycle materials, reduce the weight of materials, reduce the use of consumables during electronic component placement, and reduce air consumption. For machine tools, we are reducing the power consumption of our products, such as CSD-300II, a front facing twin spindle lathe. We are working on hydraulic standby control, reduction of warm-up time through air saving and thermal displacement compensation, visualization (energy saving screen), etc.

Power Consumption of SMT Pick and Place Machines (NXTR)



Power Consumption of Machine Tools (CSD-300II)



Note: Based on 240 operating days per year, 14.3 hours per day

Implementation of internal carbon pricing (ICP)

Fuji introduced an internal carbon pricing (ICP) system in FY2026, setting a price of 7,000 yen per t-CO₂ for CO₂ emissions. This price is applied to capital investment evaluations and internal decision-making on CO₂ emission reduction measures. By taking into account not only direct costs such as utility bills, but also costs associated with CO₂ emissions expected in the future, the ICP system encourages investment decisions that can be made with a sense of conviction that is in line with actual conditions. In the first year, we took a small-scale approach by applying the system to capital investment projects from selected departments. Going forward, we will further accelerate our efforts toward decarbonization by expanding the system with a view to adoption across the Group.

Participation in MOEJ's Model Project for Promoting Decarbonization Throughout the Value Chain Initiative and subsequent activities

In FY2024, Fuji participated in the Model Project for Promoting Decarbonization Throughout the Value Chain Initiative implemented by the Japanese Ministry of the Environment (MOEJ). Based on insights gained from this initiative, in FY2025 we worked to foster employee awareness of carbon neutrality and formulated policies by department, while also conducting environmental education for newly appointed managers and new graduates. We also hold study sessions for suppliers and work with suppliers and our group companies to calculate and utilize primary data-based emissions in supply chain emissions calculations.

In recognition of these activities, we were invited to present our initiatives externally at events such as an industry-specific practical seminar on reducing greenhouse gas emissions hosted by Gifu Prefecture, Japan, a seminar for the Green Value Chain promotion network organized by the Ministry of the Environment, and a seminar on policy trends and case studies for reducing greenhouse gas emissions organized by the Japan Electrical Manufacturers' Association (JEMA).

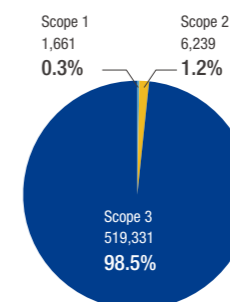


Presentation at an industry-specific practical seminar for reducing greenhouse gas emission hosted by Gifu Prefecture, Japan

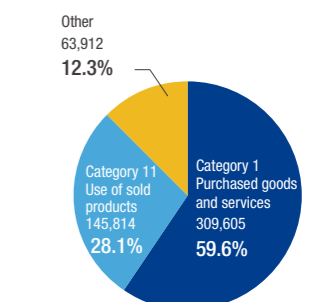
CO₂ emissions across the entire supply chain

In FY2022, we began calculating emissions in Scope 3 (upstream and downstream emissions in the supply chain). The FY2025 results indicate that Scope 3 accounts for 98% of emissions from the entire supply chain, excluding category 9 (downstream transportation and distribution), which is still under investigation. The Scope 3 emissions are influenced largely by category 1 (purchased products and services) and category 11 (use of sold products). In light of this, we will strive to reduce Scope 3 emissions by deepening cooperation with suppliers and promoting environmentally conscious design of products.

CO₂ Emissions (t-CO₂) by Scope (FY2025)



Scope 3 CO₂ Emissions (t-CO₂) by Category (FY2025)



Disclosure based on TCFD recommendations



We understand that one of the most important issues in building a sustainable society is to respond to climate change by reducing CO₂ emissions. We are investigating and analyzing the risks and opportunities posed by climate change in relation to our business activities, and reflecting the results of our analysis to our management strategies while calculating the financial impact.

In June 2022, we endorsed the Task Force on Climate-related Financial Disclosures (TCFD) and are disclosing information.

In February 2025, we joined the TCFD Consortium with the aim of further strengthening our response to climate change. We will continue to contribute to the realization of a sustainable society through our initiatives to address climate change.

See here for details of the 1.5°C and 4°C scenarios and the five forces analysis



1.5°C scenario (excerpts of major items)

Risk or opportunity	Transition or physical	Category	Issues	Responses to risks and opportunities	Impact level
Risk	Transition	Policies and regulations	<ol style="list-style-type: none"> Increases in fuel procurement costs and material procurement costs due to the introduction of carbon taxes such as CBAM and carbon pricing. Increases in costs due to mandatory purchase of green power and other requirements resulting from stricter emission regulations. 	<ol style="list-style-type: none"> Cooperate with suppliers to reduce CO₂ emissions, collaboratively explore the use of new materials and production methods, and ensure information transparency through purchasing CBAM certificates and obtaining third-party certifications. Purchase CO₂-free electricity, install renewable energy generation equipment and storage batteries, and purchase green power certificates. 	Medium
Risk	Transition	Market	<ol style="list-style-type: none"> Discontinuation of transactions with companies that do not engage in decarbonization amid an increasingly decarbonized society. 	<ol style="list-style-type: none"> Establish a cooperative framework to reduce greenhouse gas emissions throughout the supply chain. <ul style="list-style-type: none"> Comply with domestic and international decarbonization laws and regulations. Improve external scores and ratings, such as CDP and EcoVadis. 	Major
Opportunity	Transition	Product and service markets	<ol style="list-style-type: none"> Expansion of market size due to an increase in energy-saving electrical products in the market. Wider scope of business opportunities in solutions for greater energy-saving performance and improvements in the productivity of factories and equipment. Wider scope of business opportunities in machine tools and SMT pick and place machines, as the automotive industry shifts toward EVs. Increased customer willingness to purchase as a result of carbon footprint visualization. Increased customer demand resulting from the manufacturing of products using carbon-neutral steel and green materials. 	<ol style="list-style-type: none"> Accelerate development of high-efficiency, power-saving products. Promote development of production equipment with high energy-saving performance. Strengthen development of products and technologies for the EV market. Disclose carbon footprints of products. Promote the use of materials with low environmental impact. 	Major
Opportunity	Transition	Resilience	<ol style="list-style-type: none"> Increased number of machines delivered as customers establish factories in multiple countries in order to mitigate the risk of climate change-related disasters. 	<ol style="list-style-type: none"> Establish a flexible production system that can respond to sudden changes in demand. 	Medium

4°C scenario (excerpts of major items)

Risk or opportunity	Transition or physical	Category	Issues	Responses to risks and opportunities	Impact level
Risk	Physical	Acute	<ol style="list-style-type: none"> Fuji Group: Increases in instances of damage due to frequent weather disasters, resulting in factory shutdowns and increased repair costs. Suppliers: Stagnation of production activities due to disruptions in the supply chain, ranging from parts procurement to product shipment logistics, caused by frequent weather disasters. 	<ol style="list-style-type: none"> Strengthen business continuity planning (BCP) measures that also cover the supply chain. 	Medium
Risk	Physical	Chronic	<ol style="list-style-type: none"> Increases in costs due to increased energy consumption for air conditioning at Fuji-owned factories. Increases in costs for responding to infectious diseases. 	<ol style="list-style-type: none"> Reduce CO₂ emissions by introducing renewable energy equipment and promoting the use of CO₂-free electricity. Promote automation and labor-saving measures in factories. 	Medium
Opportunity	Transition	Market	<ol style="list-style-type: none"> Market expansion of robotics and automation solutions because of a greater interest in automation, due to labor-saving efforts being pursued in many fields; driven by the need to address increases in abnormal weather conditions and infectious diseases. 	<ol style="list-style-type: none"> Create products and services that meet requirements for factory automation and optimization. 	Medium
Opportunity	Transition	Resilience	<ol style="list-style-type: none"> Increased number of machines delivered as customers establish factories in multiple countries in order to mitigate the risk of climate change-related disasters. 	<ol style="list-style-type: none"> Establish a flexible production system that can respond to sudden changes in demand. 	Medium

Governance

Since climate change issues can pose both risks and opportunities for our corporate value and business activities, we report our progress in addressing climate change to our directors and executive officers twice a year at the Sustainability Promotion Committee. This committee serves the function of decision-making and supervision, effectively implementing the PDCA cycle. Issues that have a significant impact on the business are treated as a matter for report and placed on the agenda for the Board of Directors.

The Environmental Awareness Subcommittee, which aims to promote environmental responsiveness, and each business division make recommendations on capital investment and business plans to the Sustainability Promotion Committee and report on their progress.

Strategy

We conducted a scenario analysis of the impact of climate change on our business activities.¹

Targeted items were identified from current and potential future transition risks (policy and regulation, technology, market, and reputation), physical risks (acute and chronic), transition opportunities (products and services, markets, and resilience), and physical opportunities (acute). Based on the information released by the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA), we have set out a 1.5°C scenario² and a 4°C scenario³ using the year 2030 as a marker. In terms of physical risks, we obtained data relating to future forecasts based on observed and projected climate change data from the climate change adaptation information platform (A-PLAT). As for business, we expect to see an increase in the various IoT devices needed to realize Society 5.0 and a shift toward automated solutions in factories and other facilities. From this information, we organized the viewpoints for the 1.5°C and 4°C scenarios, envisioned what our future society might look like, and conducted a five forces analysis consisting of new entrants, suppliers, buyers, substitutes, and industries orbiting our own company.

1. The scenario was revised from one in which the global average temperature rises about 2°C above pre-industrial levels to one in which it rises about 1.5°C (2025)
 2. Scenario in which the global average temperature rises about 1.5°C above pre-industrial levels (IPCC SSP1-RCP1.9, IEA NZE2050)
 3. Scenario in which the global average temperature rises about 4°C above pre-industrial levels (IPCC RCP8.5)

Risk management

To properly manage the risks surrounding Fuji, we have the Risk and Compliance Committee, headed by the representative director, to support the development of risk management systems in each department. The committee also analyzes various risks surrounding the management of Fuji and responds to events that may have a significant impact.

Regarding risks related to climate change, risks and opportunities are reviewed annually by each division. The Environmental Management Committee monitors the status of the updates and activities, so the PDCA cycle spirals up throughout the company. Information is regularly shared with the Sustainability Promotion Committee and the Board of Directors to prevent risks from materializing and minimize their impact through appropriate management and response.

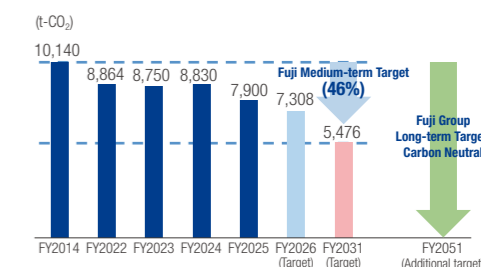
Indicators and targets

Medium- and long-term environmental targets

We have been working to combat climate change, with the medium-term target of reducing CO₂ emissions by 46% from the FY2014 level by FY2031. In April 2023, the Sustainability Promotion Committee established the Fuji Group's long-term goals and strategic roadmap for achieving carbon neutrality, as we are strongly aware that the preservation of the global environment is one of the most important issues shared by all humankind. We will address climate change throughout the entire Group and supply chain.

	By FY2031	By FY2051	Major actions
Scopes 1 and 2 Reduction of CO ₂ emissions in the Fuji Group's own activities	Reduce CO ₂ emissions by 46% (non-consolidated, compared to FY2014)	Endeavor to become carbon neutral (consolidated)	<ul style="list-style-type: none"> Install solar power generation system Expand procurement of CO₂-free electricity in steps Make electricity usage visual
Scope 3 Initiatives for society through the entire supply chain	Reduce CO ₂ emissions per unit sales by 30% (compared to FY2022)	Reduce CO ₂ emissions per unit sales by 80% (compared to FY2022)	<ul style="list-style-type: none"> Make products use less energy Develop products that contribute to the environment Strengthen cooperation with suppliers

CO₂ Emission Reduction Targets (Scopes 1 and 2)



Note: The emission factor used to calculate Scope 2 has been changed to an adjusted emission factor that reflects environmental values due to the purchase of non-fossil certificates, etc. by electric utilities. (Previously, the basic emission factor was used.)

The Carbon Neutral Strategy Roadmap is here



Supply Chain Engagement

Fuji Group Procurement CSR Policy

We promote CSR throughout our supply chain to create a sustainable society. Based on the Fuji Supplier CSR Guidelines, we require suppliers to comply with laws and regulations, respect human rights, give consideration to the environment, and act ethically. We ensure thorough implementation of these efforts. We also conduct a CSR questionnaire survey once a year for supplier self-diagnosis. For suppliers that we needed to follow-up with after the questionnaire, we have regularly strengthened risk management systems and built partnerships by conducting on-site audits and providing educational support. On the other hand, in recent years, there has been a demand to expand the scope of CSR activities in procurement to the entire supply chain, including respect for human rights, prohibition of child labor, forced labor, and discrimination, and responsible mineral sourcing. As a response, Fuji established the Fuji Group Human Rights Policy and the Fuji Group Ethics and Compliance Policy in FY2025. In addition, from FY2026, we will promote responsible sourcing by sharing these principles internally and externally along with the Supplier Code of Conduct and Agreement, and encourage suppliers to practice respect for human rights.

Fuji Group Procurement CSR Policy

As a global company, we promote procurement activities in line with the principles of the United Nations Global Compact (UNGC) and the RBA Code of Conduct, taking into consideration the requests of our stakeholders from all perspectives.

1. Build relationships with our suppliers as good partners based on mutual trust underlining fair, transparent, and equitable business practices.
2. Comply with laws, regulations, rules and social norms, and actively work to achieve the SDGs.
3. Commit to our trading basics that meet the Q (quality), C (cost), D (delivery time), S (service), and S (speed) requirements of Fuji.

CSR Questionnaire Survey Results Scope: Suppliers accounting for the top 95% of purchases in the previous year

	Number of questionnaire responses (companies) (Conducted in April to May)	Number of cases with follow-up confirmations or training (Through phone calls or other interviews) (companies)	On-site audits or training (companies)
FY2025	145	16	4
FY2026	133	22 (planned)	5 (planned)

Toward achieving the medium- and long-term environmental targets

In FY2022, an analysis of CO₂ and other greenhouse gas emissions throughout Fuji's non-consolidated operations revealed that emissions from the supply chain, including the procurement of raw materials and logistics, accounted for approximately 60% of total emissions. In order to achieve our medium- and long-term environmental target of reducing CO₂ emissions in the supply chain by 30% per unit sales in FY2031 (compared to FY2022), it is extremely important to reduce emissions through collaboration with suppliers in addition to our own energy conservation and introduction of renewable energy. To achieve this, we are pursuing initiatives to raise awareness of this issue, including deepening our mutual understanding through participation by representative suppliers in the Ministry of the Environment's model project and study sessions on carbon neutrality hosted by Fuji. For calculating emissions in the supply chain, we are shifting from a simplified method of estimating CO₂ by multiplying purchase amounts by sectoral emissions intensity factors to a primary data-based method that calculates CO₂ emissions based on energy consumption at suppliers (Scopes 1 and 2).

Our efforts in collaboration with suppliers toward carbon neutrality were recognized with an "A-" score in the CDP 2024 Supplier Engagement Assessment (SEA).

Study Session Implementation Status

		Number of participating companies	Number of people participating
January 2023	Carbon neutral briefing session	13	50
April 2023	Carbon neutral briefing session / financial institution subsidy information session	17	37
March 2024	Report meeting on the Ministry of the Environment's "Model Project for Promoting Decarbonization Throughout the Value Chain Initiative"	129	147

Letter of appreciation presented to member companies of the supplier cooperative association Fuso-kai

Fuji's supplier cooperative association, Fuso-kai, was established in 1960 and has been supporting Fuji since its foundation. It currently comprises 158 suppliers. Although over 20 years have passed since the launch of the NXT series of SMT pick and place machines, our suppliers have helped us respond flexibly and quickly to production fluctuations caused by market changes, natural disasters, and disruption caused by the COVID-19 pandemic, and to maintain a stable supply system over the long term. In recognition of their dedicated support, we presented letters of appreciation to all Fuso-kai member companies in March 2025.



SANRYUSHA CO., LTD. (Fuso-kai member)
(From left)
Chiyo Taguchi, Senior managing director
Tadayoshi Kajiwara, General manager
Tatsuya Taguchi, President
Koya Taguchi, Vice chairman
Kazuaki Kurahashi, Assistant manager



Strengthening BCP in the supply chain

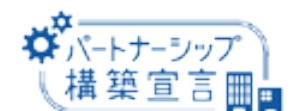
In recent years, there has been an increasing trend in natural disasters and social risks that have a significant impact on our business environment, such as earthquakes, heavy rains, and international unrest. Against this backdrop, as part of our efforts to enhance the safety and business continuity of the entire supply chain, we have introduced a safety confirmation system for the supply chain starting in March 2025.

This system, which is separate from our internal procurement management system, is a cloud-based platform that secures communication channels with supplier account managers. In the event of a disaster or other calamity, our procurement department will confirm the safety status of supplier account managers and ascertain in real time the damage status of supplier factories, thereby enabling early identification of supply chain risks and accelerating coordination and support for recovery. Through regular safety drills and communication checks under normal circumstances, we can prevent confusion in the event of an emergency and improve the effectiveness of the collaborative system.

Together with our partners, we will continue working to build a sustainable and resilient supply chain and to strengthen our disaster response capabilities.

Declaration of Partnership Building

To build new partnerships, we advocate the Declaration of Partnership Building, which promotes collaboration and mutual prosperity with supply chain business partners and other value-creating businesses. Specifically, we conduct transactions based on the Basic Approach and Basic Principles for Transactions and the Memorandum on the Handling of Molds set forth in the Report of the Council for Promotion of Appropriate Mold Transactions, and promote the disposal of unnecessary product molds, ensuring that partner companies are not required to store product molds without compensation.



Human Resources Strategy

Fuji believes that one of our highest priority missions is working to maximize human capital through our human resources strategy in order to realize "Providing innovation to the world as a global company that contributes to manufacturing, lifestyle, and the future" as set forth in FUJI 2035 and to achieve net sales of 300 billion yen in FY2036. In FY2025, we established a year-long human capital project under the Sustainability Promotion Committee, and identified issues in our human capital management while implementing various measures to promote workforce mobility.

Our company is advancing initiatives under our human resources strategy from the four perspectives of diversity, human resource development, health and productivity management, and the working environment including occupational health and safety. Through self-directed growth of employees, the creation of innovation, and solutions to societal issues via our businesses and products, we will work to realize our purpose of "Enriching the lives of those in the world around us."

Realizing our purpose, enhancing Fuji's corporate capabilities



Diversity

Fuji aims to be an organization in which human resources possessing diverse values and ideas can fully display their individuality and abilities to play active roles. Toward that end, we work to secure diverse human resources. In October 2024, we began a referral hiring program that includes alumni (former employees) as eligible candidates. We are also increasing opportunities for employees to fully demonstrate their individual characteristics and skills. In FY2025, we established new initiatives for employee empowerment including a career design consultation desk, an in-house side job system, and an in-house free agent (FA) system. We will continue working to build an organization in which the growth of the company is linked to the growth of employees.

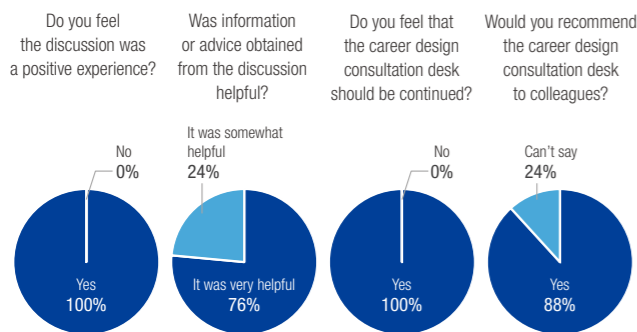
Diversity Priority Goals (Fuji Corporation, Non-consolidated)

	FY2025 Results	FY2027 Targets
Female employees	14.5%	16%
Female career-track position hires	42.9%	50%
Mid-career hires	27%	30% or higher
Referral hires (from October 2024)	1	5 or more
Employment of persons with disabilities	2.7%	Statutory employment rate or higher

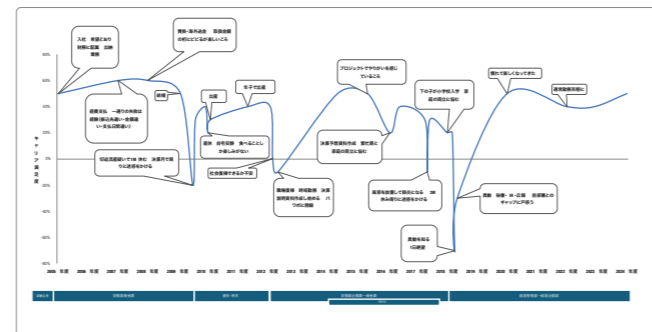
Career design consultation desk

We staffed our career design consultation desk with five counselors from different departments, after which employees engaged in one-on-one discussions with counselors of their choosing. The varied topics of consultations included role models, necessary skills, and work-life balance. All participants reported that the discussions were a positive experience. As an aid for employees in selecting a counselor, we also released lifeline charts of the counselors. Even in cases that did not advance to the stage of a discussion, employees reported that seeing the twists and turns in the charts of counselors' careers was informative.

Questionnaire on the Use of the Career Design Consultation Desk



Counselor Lifeline Chart



In-house side job system

For a period of four months, employees can use a portion of their working hours to engage in different work in other departments while remaining in their own departments. In FY2025, the first year of the system, 13 employees took part. Employees reported that participation widened their horizons and that becoming better known in other departments aided their own work, among other comments.

Examples of Side Jobs

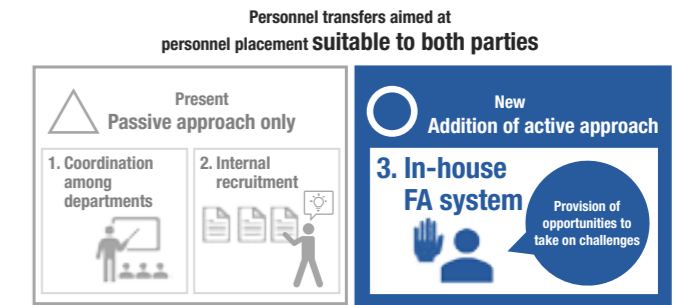
Own department	Side job department	Side job work
Sales Planning Department, Robotic Solutions Division	DX Department	Promotion of RPA utilization
NXTR Project, Robotic Solutions Division	DX Department	Development of ChatGPT agents using internal data
New Business Department, Robotic Solutions Division	Engineering Department, Development Center	Problem-solving for mechanical structures using CAE
Engineering Department, Machine Tools Division	Sales Department, Machine Tools Division	Preparation of materials for proposals (sales tools) and accompaniment on sales visits

Referral hiring system

To take advantage of employees' personal networks in securing human resources, we established a new system by which employees can recommend friends, acquaintances, relatives, and others, including Fuji alumni, as candidates for recruitment. The program began in October 2024, with one hire made under the program in FY2025.

In-house FA system

Our in-house free agent (FA) system allows employees who have been enrolled in a department for over three years to apply for a transfer. As a means of conducting personnel transfers based on active approaches from employees, this new measure is aimed at further ensuring suitable personnel placement through the mobility of internal human resources. As of April 1, 2025, 12 individuals have been transferred to their requested departments under the system.



Further human resource mobility

Childcare and caregiving support

Fuji believes that support for employees' life events is important in ensuring that talented human resources can excel in a variety of jobs, regardless of gender. We offer shortened working hours for childcare and leave for nursing and other purposes until the end of their child's sixth year of elementary school, caregiving leave for up to one year, and shortened working hours for caregiving for up to three years. Through these, we are strengthening support for balancing work with childcare, caregiving, and other family demands and are working to create a workplace where employees can work with peace of mind. We are also promoting the use of parental leave by male employees.

Utilization of Parental Leave by Male Employees

	FY2021	FY2022	FY2023	FY2024	FY2025
Parental leave utilization	20.4%	17.4%	40.5%	60.7%	77.8%
Average number of days of utilization	67.4	67.4	36.6	47.4	65.6
Number of persons utilizing leave	10	8	17	17	21
Of above, number utilizing leave for one month or longer	8	6	10	8	14
Utilizing leave for one month or longer	80.0%	75.0%	58.8%	47.1%	66.7%

Human resources development

As a manufacturing company, we believe that the growth of our employees is the source of our corporate value. We view human resource development as investment in human capital and have long focused efforts on this development.

New employee training

Fuji places particular emphasis on introductory education for new employees as valuable human capital who will support the future of the company. To instill a deep understanding of technologies and markets related to SMT pick and place machines, our mainstay business, we created job type-specific curricula for long-term introductory education. This includes Sokaijuku, which lasts for about one year for new university and technical school graduate hires in engineering positions, and user support training, which lasts for seven months for new university graduate hires in sales positions. We also conduct innovation training aimed at passing down the "innovative spirit" that is Fuji's corporate message.

Sokaijuku

Born from the FUJI Technology Skill Standards (FTSS) initiative that started at the end of November 2011, Sokaijuku is Fuji's proprietary training system for new employees in technical fields, aimed at strengthening engineers' development capabilities. Since its launch in December 2012, Sokaijuku has continued without interruption for 13 years. Program participants go beyond their academic majors in basic courses related to machinery, software, and control, acquiring fundamental knowledge of fields that are essential to Fuji Group engineers. They then develop compact pick and place robots as a practical exercise and compete in a final presentation (competition) evaluating the completeness of their designs.

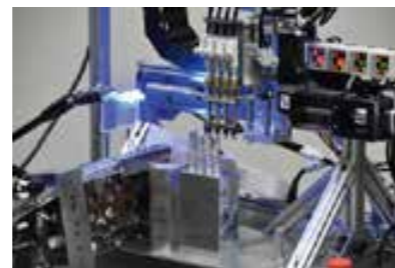
Eligible persons: Engineers in their first year with Fuji or domestic group companies (about 20 to 30 people)

Operation: About 120 people (tutors, caretakers, organizers, HR department)

Period: From end of summer break to end of March (6.5 months)

Course hours per person: 1,030 (FY2025)

Training format: 3 to 4 people per team



Investment in Human Resources Education

	FY2021	FY2022	FY2023	FY2024	FY2025
Number of participants in major educational programs	1,018	2,408	2,912	1,731	1,452
Total training hours for major educational programs	25,141	31,861	33,574	34,484	32,042
Annual average training hours per employee	14.7	18.6	19.3	19.7	18.2
Investment in human resources education* (million yen)	26	41	41	43	41

*The investment in human resources education is calculated using Fuji Corporation's expenses for external training and the hourly rates of in-house instructors.

New Employee Training Chart

Target	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.		
Engineering-field university graduates, technical school graduates	Onboard training	Okazaki Plant training	Design thinking training	Sokaijuku								Machining	OJT	
University graduate career-track positions				Other than the above	RS Division/Sales	Other than the above	Other than the above	Other than the above	Other than the above	Other than the above	Other than the above	Other than the above	Other than the above	OJT
University graduate clerical positions				University graduate service engineers	Engineering-field technical school graduates, high school graduates	Engineering-field technical school graduates, high school graduates	Engineering-field technical school graduates, high school graduates	Engineering-field technical school graduates, high school graduates	Engineering-field technical school graduates, high school graduates	Engineering-field technical school graduates, high school graduates	Engineering-field technical school graduates, high school graduates	Engineering-field technical school graduates, high school graduates	Engineering-field technical school graduates, high school graduates	OJT
Self-development support program	Practical skill development	Correspondence course and e-learning												
		Support for acquiring professional qualifications (incentive program)												
		Presentation training												
	Global talent development	English learning	TOEIC exam held on-premises											
			Study Sapuri (online learning service)											
DX training	Online English conversation													
	Gyokakujyuku (workplace digital transformation program)													
Statistics education, Python														

Rank-based training and self-development support

We have established rank-based training for the continuous development of employees and provide varied forms of self-development support aimed at nurturing proactive employees who are capable of creating innovation.

Rank-based Training (FY2025 Results)

- Manager training
- Newly appointed manager training
- Leader training
- Fourth-year training (university graduates in humanities only)
- Level-up training (university and technical school graduates in engineering fields only)
- Third-year training

Self-development Support

- Language education support (Online English conversation, TOEIC exam held on-premises)
- Professional qualification incentive program
- Subsidization of correspondence course fees (up to 30,000 yen/course)

Multi-skilling project

The multi-skilling project is a one-year human resource development program aimed at nurturing designers who perform development from customers' perspective. It consists of the phases: 1) product installation and system introduction; 2) call center operations; and 3) resident support operations at overseas and domestic service locations. By letting participants gain experience at customers' production sites, the initiative fuels further innovation in product development.

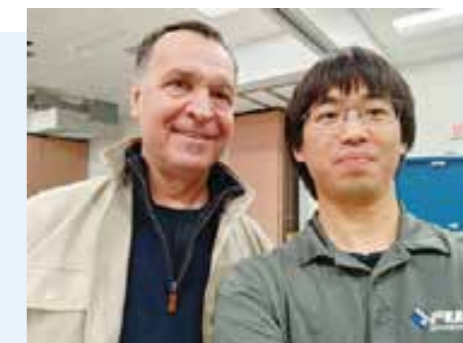


Voice | Participant in the Multi-skilling Project

Shota Shima

Engineering Planning Department, Robotic Solutions Division
Posted to: Fuji America Corporation (FAC)

During the six months I spent overseas training at FAC, my tasks included troubleshooting for SMT pick and place machines, installing new lines, production support, and NXTR A model evaluations, at eight customer companies in the U.S. and Mexico. This allowed me to learn about actual situations at overseas sites, hear customers' voices, and understand cultural differences from Japanese customers. From the multi-skilling project experience, I became more committed to design and inspection to prevent defects. Forming relationships with other departments and connections with new people has made communication easier, and I feel that I've broadened my perspective beyond technology to include user-friendliness and cost awareness. Going forward, I would like to make use of my on-site experiences to contribute to creating reliable products that earn customers' trust.

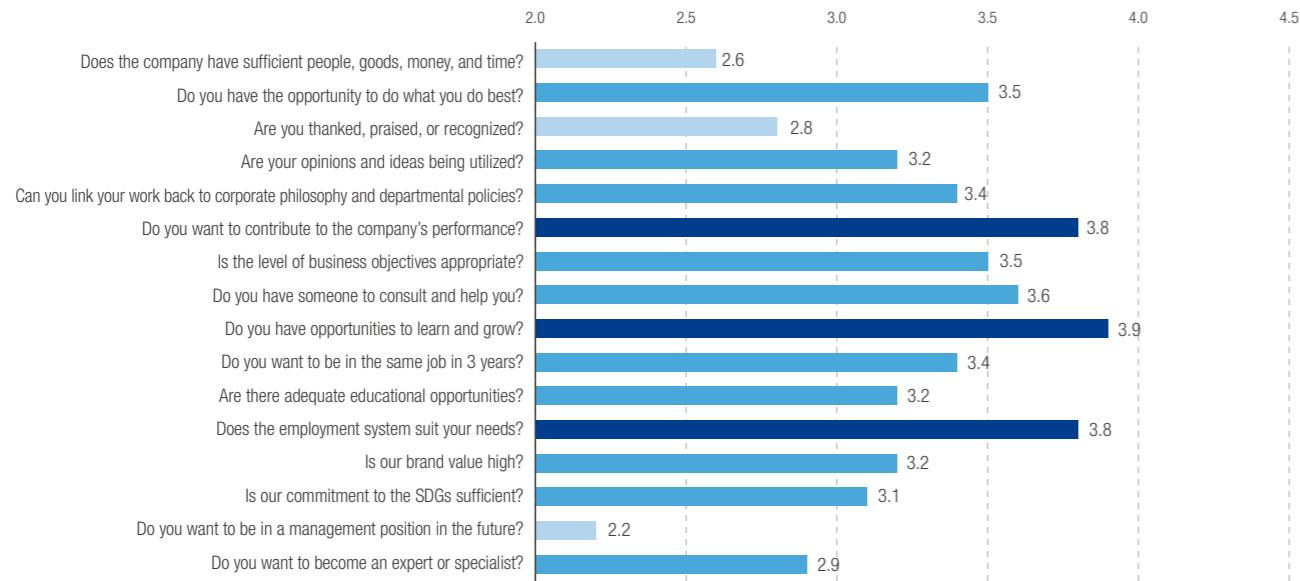


● Employee engagement survey

We followed up on the engagement survey we conducted in FY2024 with another in FY2025. The response rate was 72.4% and the overall average score was 3.24 (-0.06 year on year). Despite the implementation of various HR initiatives in FY2025 under our one-year human capital project, no major changes were seen in the engagement survey, while our score declined by a small amount. From this result, we consider radical reform to be necessary and are working to renew aspects of our personnel system, including evaluations, internal grades, and compensation.

We also began conducting pulse surveys in FY2025. Through these monthly surveys, we assess the workload and the mental and physical condition of employees in order to visualize the state of the organization. We will prepare a structure that enables the company to cooperate with employees' superiors on support for quickly obtaining information and quickly taking action.

Employee Engagement Survey (FY2025)

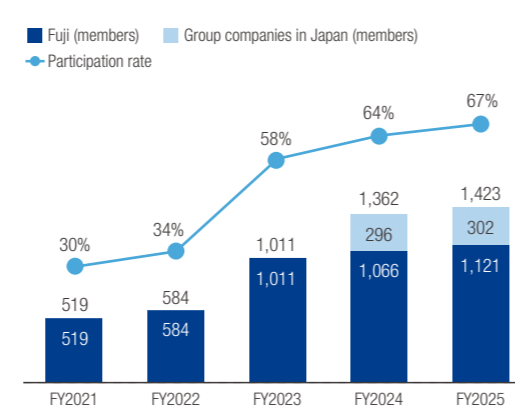


● Employee stockholding program

Fuji Group has established an employee stockholding program aimed at enhancing employees' awareness of participation in management and supporting them in building assets. Employees can continually make small-lot purchases of the company's shares from their monthly salaries and bonuses. As of the end of FY2025, 67% of our employees have joined the program.

To further assist employees in building assets through shares in the company while heightening engagement, in July 2022 we raised the stockholding program's incentive allocation rate from 10% to 20%. We are also working to foster understanding and awareness among employees through means including financial education and briefings on business results through our company newsletter and videos on our intranet. Through the employee stockholding program, we will achieve financial wellness for employees (through support for building assets) while enhancing our corporate value.

Employee Stockholding Membership and Participation Rate



■ Health and productivity management

● Strengthening our health and productivity management promotion framework

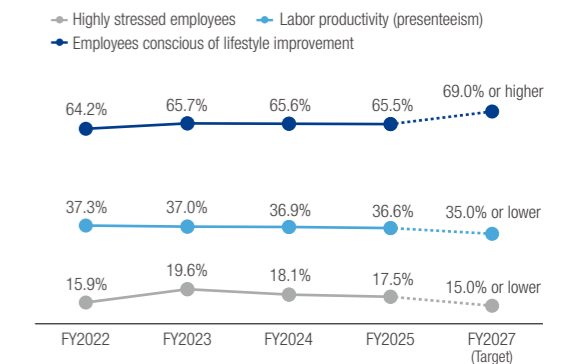
Fuji views the health of our employees as the foundation of our corporate activities, as well as a key management issue and a valuable management resource. Under the thinking that physical and mental health for all employees connects to sustainable growth for the company and greater competitiveness, we actively work to further promote our health and productivity management.

In FY2025, we promoted "collaborative health" in cooperation with the Fuji Health Insurance Society and enhanced our health support framework. We have nurses stationed at Fuji Headquarters, Toyota Plant, and Okazaki Plant and have prepared an environment in which employees can request consultations with confidence along with a structure that enables rapid response. The Sustainability Promotion Committee has strengthened our company-wide promotion framework by sharing policies and issues related to health and productivity management with directors and executive officers to gain the understanding and participation of senior management.

To improve health awareness throughout Fuji Group, we formulated our new Fuji Group Health and Productivity Policy and are working to create a foundation that supports sustainable growth.



Health and Productivity Management KPIs (Non-consolidated)



■ Occupational health and safety

● Creating a comfortable work environment

In FY2025, we carried out renovations of the new building at Okazaki Plant, as well as Tokyo Branch Office and the sales floor at Fuji Headquarters. We set up free spaces for active exchanges and communication both within departments and between departments and group companies, creating opportunities for new insights and innovation. We will continue to move forward with phased renovations of our office floors.



Renewal of Tokyo Branch Office

Renewal of the Fuji Headquarters' sales floor

