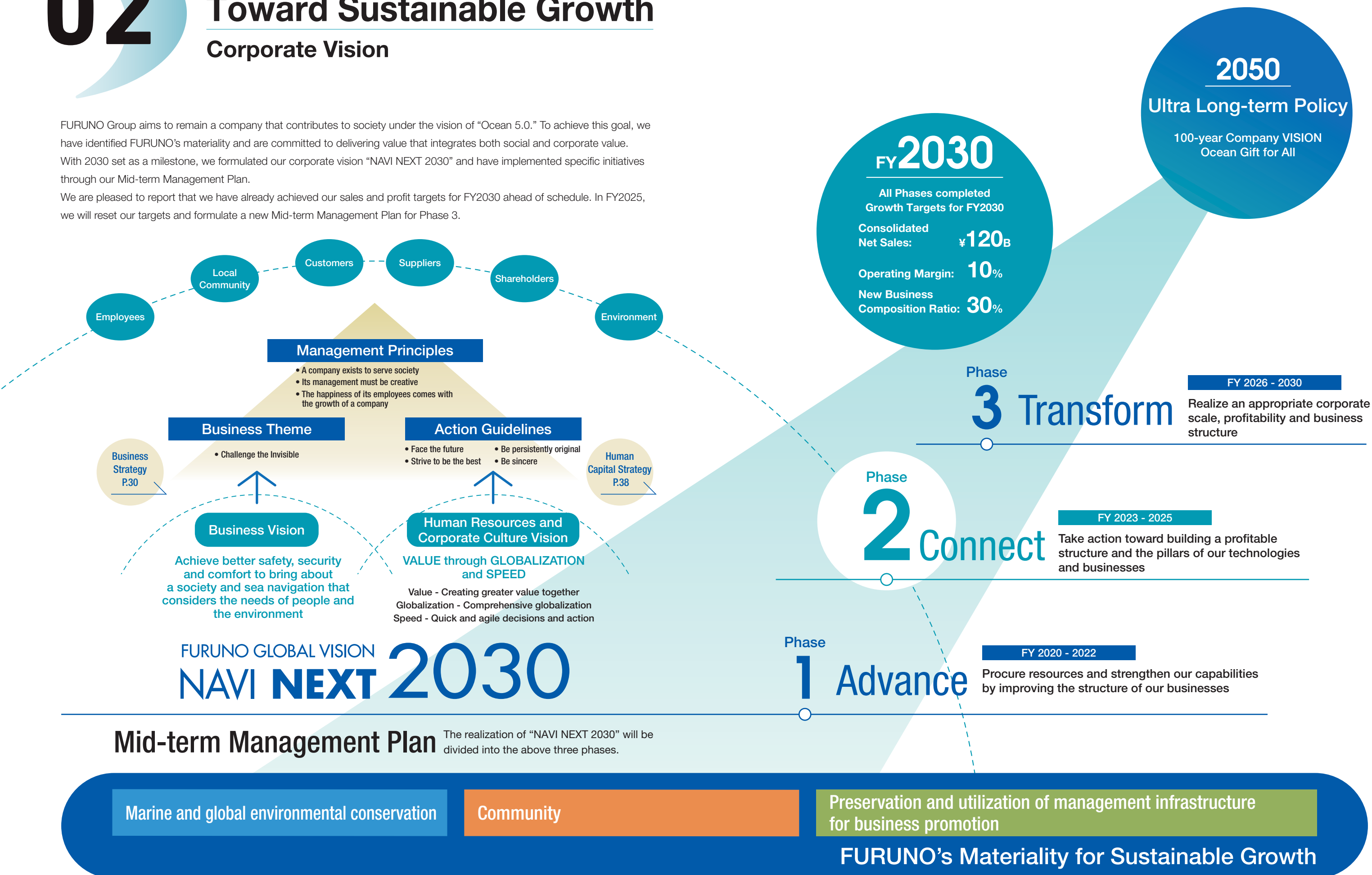


FURUNO Group aims to remain a company that contributes to society under the vision of “Ocean 5.0.” To achieve this goal, we have identified FURUNO’s materiality and are committed to delivering value that integrates both social and corporate value. With 2030 set as a milestone, we formulated our corporate vision “NAVI NEXT 2030” and have implemented specific initiatives through our Mid-term Management Plan.

We are pleased to report that we have already achieved our sales and profit targets for FY2030 ahead of schedule. In FY2025, we will reset our targets and formulate a new Mid-term Management Plan for Phase 3.



Ocean Gift for All 100-year Company VISION

FURUNO has set forth its 100-year Company VISION "Ocean Gift for ALL" as its ultra long-term policy for the year 2050, which coincides with FURUNO's 100th anniversary. For the purpose of visualizing our aspirations for the future,

we have imagined the future society "Ocean 5.0" for the year 2050. Our goal is "to create a future in which all living things benefit from the ocean's blessings and, in return, give back to the ocean."

A future society that FURUNO has imagined in which we would live in 2050



Themes that FURUNO would like to contribute to in the OCEAN 5.0

Maritime Data

Utilize the data collected from the seabed to the surface of the ocean.

Economic Value

Foster businesses such as disaster prediction and weather forecasting by collecting ocean-related data.

Social Value

Enhance maritime safety and security through effective data utilization.

Maritime Distribution

Making the ocean a safer, freer place for trade.

Economic Value

Enhanced logistics with improved economic efficiency in marine distribution.

Social Value

Eliminate accidents and distress at sea, creating a society where everyone can safely and securely participate in marine distribution.

Marine Resources

Delicious seafood for everyone, forever!

Economic Value

Achieve a fishery where everyone can consistently enjoy high-quality seafood.

Social Value

Achieve a sustainable ocean that negates the risk of marine life extinction and protects biodiversity.

*Values here are intentionally the same as "Marine Biodiversity"

Marine Disaster

Preventing disasters at sea and on land.

Economic Value

Develop disaster prevention businesses by analyzing data from both land and sea.

Social Value

Create a society where everyone is safe amidst increasing disasters and extreme weather events and where everyone can adapt to an uncertain future.

Marine Environment

Appreciate the blessings of the sea and fulfill our responsibilities.

Economic Value

Develop businesses focused on preventing marine pollution and achieving a sustainable ocean.

Social Value

Benefit from the ocean while making it sustainable and abundant.

Marine Biodiversity

Passing on the rich biodiversity of the ocean to the future.

Economic Value

Achieve a fishery where everyone can consistently enjoy high-quality seafood.

Social Value

Achieve a sustainable ocean that prevents the risk of marine life extinction and preserves biodiversity.

*Values here are intentionally the same as "Marine Resources"

Maritime Health and Lifestyle

Freeing people from fear of the ocean and making it a comfortable place to live.

Economic Value

Develop businesses that foster new living spaces on the sea.

Social Value

Create a society where mankind can live safely and securely on the ocean, realizing a lifestyle of freedom.

Special website

FURUNO Ocean 5.0
<https://future-vision.furuno.co.jp/en/>



For the latest information, please visit the website.

Basic Policy for Sustainability/Materiality

Basic policy for Sustainability

Contributing to a sustainable environment and society, aiming for continuous growth and enhanced corporate value.

At the FURUNO Group, our founding principle is “A company exists to serve society,” which serves as the Management Principles. Guided by this philosophy, we create new value to contribute to a sustainable environment and society, aiming for continuous growth and enhanced corporate value. We remain committed to identifying meaningful value, generating revenue through it, and reinvesting in future challenges and growth. By maintaining this virtuous cycle, we embody our vision of sustainable management.

FURUNO’s Materiality for Sustainable Growth

Materiality Identification Process

FURUNO reviewed the 169 targets contained within the 2030 Agenda for Sustainable Development, as well as various social issues within the fisheries and marine transportation industries. FURUNO then selected issues to be addressed for sustainable growth in consistency with its management philosophy and corporate vision “NAVI NEXT 2030”.

Marine and global environmental conservation

Elements	Initiatives	Actions	Achievements in FY2024
Prevention of marine accidents and pollution	- Avoid collisions through autonomous navigation - Prevent pollution caused by maritime accidents	R&D activities through participation in MEGURI2040	MEGURI 2040 Autonomous Ship Project: Fleet Operation Center for remote operation of multiple vessels completed
Protection of fishery resources and response to increasing food demand	- Support for managed fisheries using catch information - Support for increasing aquaculture fish production	- Practical application of monitoring set-netting system, collaboration with fishermen's cooperatives - Supporting Aquaculture Farmers	- Launch of stationary net monitoring system - Release of aquaculture management service “Aqua Scope” to enhance fish farming operations
Environment-friendly production	Create products based on the “preservation of the global environment,” “formation of a recycling-oriented society,” and “maintenance of biodiversity.”	- Setting GHG reduction targets and taking action - Reducing power consumption in the development process - Reduction of materials, waste in factories	- Disclosure of Scope 1–3 CO₂ emissions in line with GHG protocol guidance - Transition to renewable energy-based electricity - Installation of EV charging stations for company vehicles

Preservation and utilization of management infrastructure for business promotion

Elements	Initiatives	Actions	Achievements in FY2024
Promotion of Diversity & Inclusion	Develop diverse human resources, and enhance more productive work styles	- Formation of a dedicated organization for D&I promotion - Conduct company-wide training	- Recruitment website relaunched: “An adventure to visualize the invisible” - Earned 2 stars Eruboshi certification - Conducted leadership training for women and diversity management training for managers
Utilization of DX	- Harnessing digital technology to create new business opportunities - Streamlining operations - Nurturing digital talent	- Building a comprehensive marine data platform - Expanding and enhancing our global service network - Deploying FURUNO’s Product Lifecycle Management (PLM) system - Developing DX-skilled personnel to lead future innovation	- Certified as a “DX-certified business operator” - Launch of a special website for FURUNO’s Marine DX - Initiated real-ship services through data platform collaboration with other companies
Utilization of intellectual assets	Strengthen corporate competitiveness by acquiring and utilizing intellectual property	- Preventing patent infringement through examination - Intellectual property portfolio expansion to support new business - Strengthening of overseas intellectual property rights	- Filed patents related to new businesses, AI, and IoT - Established an employee invention system at overseas subsidiaries - Conducted intellectual property discovery and patent filing
Corporate governance	Implement governance that pursues legality, appropriateness, efficiency, and risk management, while being accountable to stakeholders	- Governance structure to enhance management and execution functions - Ensuring the effectiveness of the Board of Directors and the Board of Corporate Auditors - Development of a risk management system including sustainability	- Self-evaluation and improvement activities through effectiveness survey for directors - Establishment and operation of sustainability committee in collaboration with risk management committee
Sustainable procurement promotion	- Share strategies with business partners to deepen mutual understanding - Promote CSR activities throughout the supply chain	- Holding CSR study sessions for suppliers - Request for cooperation in GHG reduction	Conducted a seminar on human rights and GHG reduction with external lecturers
Thorough security export control	Comply and transact based on relevant laws and regulations, international economic sanctions, etc.	- Deploying the latest information to the internal organization - Cooperation with ministries	- Established screening system to respond to rapidly changing international regulations and sanctions - Began implementing rules for managing and informing about vessels subject to equipment bans

Community

Elements	Initiatives	Actions	Achievements in FY2024
Aging staff and manpower shortages	- Reduce workload with unmanned vessels, providing support for vessel operation with remote management - Support the realization of smart fisheries using data that do not rely on intuition and experience	- R&D activities through participation in MEGURI2040 - Practical application of monitoring set-netting system, collaboration with fishermen's cooperatives	- MEGURI 2040 Autonomous Ship Project: Fleet Operation Center for remote operation of multiple vessels completed - Launch of stationary net monitoring system
Coexistence and co-prosperity	- Support fishermen with sustainable fisheries - Contribute to local communities in areas such as cultural promotion and environmental preservation	- Provide offshore wind power solutions - Project: Taking the Sea to the Future	- Proposed offshore wind power and fishery coexistence through “Vissim marine management system” - Held over 15 events under the “Sea Pulse to the Future” Project - Signed partnership agreement for the “Zero Marine Waste Osaka” future creation project

Mid-term Management Plan

Mid-term Management Plan

Phase 2 “Connect”

In February 2023, FURUNO formulated the Mid-term Management Plan (Phase 2) for the three-year period from FY2023 to FY2025. In Phase 2, we will complete the measures that were not achieved in Phase 1 to improve

profitability, and at the same time, we will secure profits by expanding sales. We will also promote investments for future growth to enhance corporate value. In addition, we will strive to improve the ratio of ordinary income to shareholders' equity.

Key Performance Indicators (KPI)

In FY2025, FURUNO will build a management foundation that will enable it to sustain the following.

Targets for
FY2025

ROE (based on ordinary income)

10% or higher*

Payout Ratio

30% or more

*Average ROE (based in ordinary income) for FY2009 - 2017 of 6%

Main Measures

1 Improvement in Profitability

Aim to reduce costs through completing the measures of Phase 1, focusing on improving profitability by increasing the quality level, optimizing inventories, and optimizing the product development function and the comprehensive manufacturing function.

2 Expansion of Sales

Provide high-quality services through remote management, promote DX for Marine field focusing on digitalization, and invest resources in businesses with growth potential to further generate resources for investment in growth.

3 Implementation of Sustainable Management

Aim to realize sustainable management by expressing a long-term policy that will guide our future business, strengthening business creation through strategic investments, promptly commercializing new and expanding businesses, investing in human resources, and promoting diversity.

Mid-term Management Plan

Review of Phase 2 “Connect”

In FY2024, we worked on the second year of Phase 2.

Result of
FY2024
the second year
of Phase 2

ROE (based on ordinary income)

21.3%

Payout Ratio

30.3%

Results from the first and second years of Phase 2

1 Improvement in Profitability

We enhanced factory efficiency by promoting smart factories, shortening lead times, adjusting prices appropriately, and selecting profitable projects. We also improved quality stability and reduced loss costs through reliability assessments, while reinforcing cybersecurity and product safety systems. Although inventory valuation losses continue due to securing long-lead-time parts, we aim to optimize inventory levels to reduce such costs.

2 Expansion of Sales

In the Marine Business, we promoted service and equipment sales expansion and future growth initiatives. We added remote support to our global maintenance network and built a database of our service expertise to improve quality and efficiency. For pleasure boats, we launched strategic products and expanded sales in the U.S. We also advanced autonomous navigation and fishery-data-based cloud services. In the Industrial Business, we expanded overseas sales of time synchronization products. In Defense Equipment, we strengthened production to meet rising demand and increased sales.

3 Implementation of Sustainable Management

We launched the Sustainability Committee, chaired by the President, to strengthen governance over sustainability efforts. The committee discussed climate-related risks and opportunities, human capital initiatives, and overall sustainability governance. For climate change, we conducted a scenario analysis based on TCFD recommendations, identifying key risks and opportunities and organizing our responses. Regarding human capital, we developed a new HR Vision and implemented strategic measures to adapt to changing social and business environments.

CFO MESSAGE



Yutaka Wada
Director, Managing Executive Officer and CFO

Review of FY2024

Under our corporate vision “NAVI NEXT 2030”, we are implementing Phase 2 of our Mid-term Management Plan (FY2024–FY2026), themed ‘Connect,’ focusing on improving profitability, expanding sales, and implementing sustainable management.

In FY2024, we achieved record-high results for the second consecutive year: net sales of ¥126.953 billion (+10.5% year-over-year), operating profit of ¥13.181 billion (+102%), operating margin of 10.4% (+4.7pt), and net income of ¥11.457 billion (+83.6%). We also reached our NAVI NEXT 2030 targets for consolidated sales and operating margin ahead of schedule.

Return on equity was 17.2% (+6.2pt), equity capital reached ¥72.186 billion (+18.3%), and the equity ratio improved to 58.4% (+5.0pt). We declared a year-end dividend of ¥75 per share, totaling ¥110 for the year.

By segment, the Marine business saw strong sales growth, especially in commercial vessels in Asia and maintenance services. The Industrial business was driven by increased sales of timing synchronization products and defense equipment. The Wireless LAN Systems/Handy terminal business posted slight growth.

As we conclude the second year of Phase 2, here is the progress on our three core initiatives:

1 Improving Profitability

We enhanced operational efficiency, product quality, inventory optimization, and development capabilities. We continue to pursue cost reductions and monitor inventory planning amid rising material costs and strong demand.

2 Expansion of Sales

We are advancing maritime DX by expanding newbuilding orders and enhancing services such as maintenance, inspections, and predictive maintenance for the growing commercial ship market.

3 Implementation of Sustainable Management

We envision the future of FURUNO beyond 2050, adapting to marine and business environment changes. We are advancing discussions and actions on demographic shifts, diversity (D&I), talent investment, and the launch of a Sustainability Committee.

Future Financial Targets

We have already achieved our Phase 2 Mid-term targets for FY2030 ahead of schedule. For FY2025, we aim to maintain the current performance level, targeting consolidated net sales of ¥127.5 billion, operating profit of ¥11.5 billion, and net income of ¥9.0 billion. As the final year of Phase 2, we will firmly advance our three core initiatives. Looking ahead, we are preparing to launch Phase 3 starting in FY2026.

Discussions are underway on an optimal balance sheet structure, including D/E ratio, equity ratio, and inventory levels, along with the introduction of ROIC-based management. We also plan to accelerate growth through strategic investments and shareholder returns, with full disclosure scheduled around January–February 2026.

Toward Improving PBR

We are steadily working to enhance ROE and preparing to implement ROIC-based management focused on capital efficiency. To drive profit growth, we are developing advanced services that support maritime DX, including remote services, remote monitoring, and cybersecurity measures for marine electronics.

We will also expand our maintenance and inspection services, capitalize on equipment replacement opportunities,

and pursue new businesses such as aquaculture, autonomous navigation support systems, and cloud services for fisheries data.

Despite a growing market share in the maritime sector, our PER still does not fully reflect investor expectations. We will strengthen IR and SR activities and enhance information disclosure to address this.

Growth Investment and Capital Policy

We aim to further strengthen our position as a Global Niche Top company by leveraging our technological capabilities and contributing to society. To realize our vision “Achieve better safety, security, and comfort to bring about a society and sea navigation that considers the needs of people and the environment,” we will continue investing in business, talent, IT, and M&A—as well as foundational infrastructure investments. Specifically, we will focus on delivering high-quality services using digital technologies, promoting smart fisheries and aquaculture, and investing in R&D for autonomous navigation support.

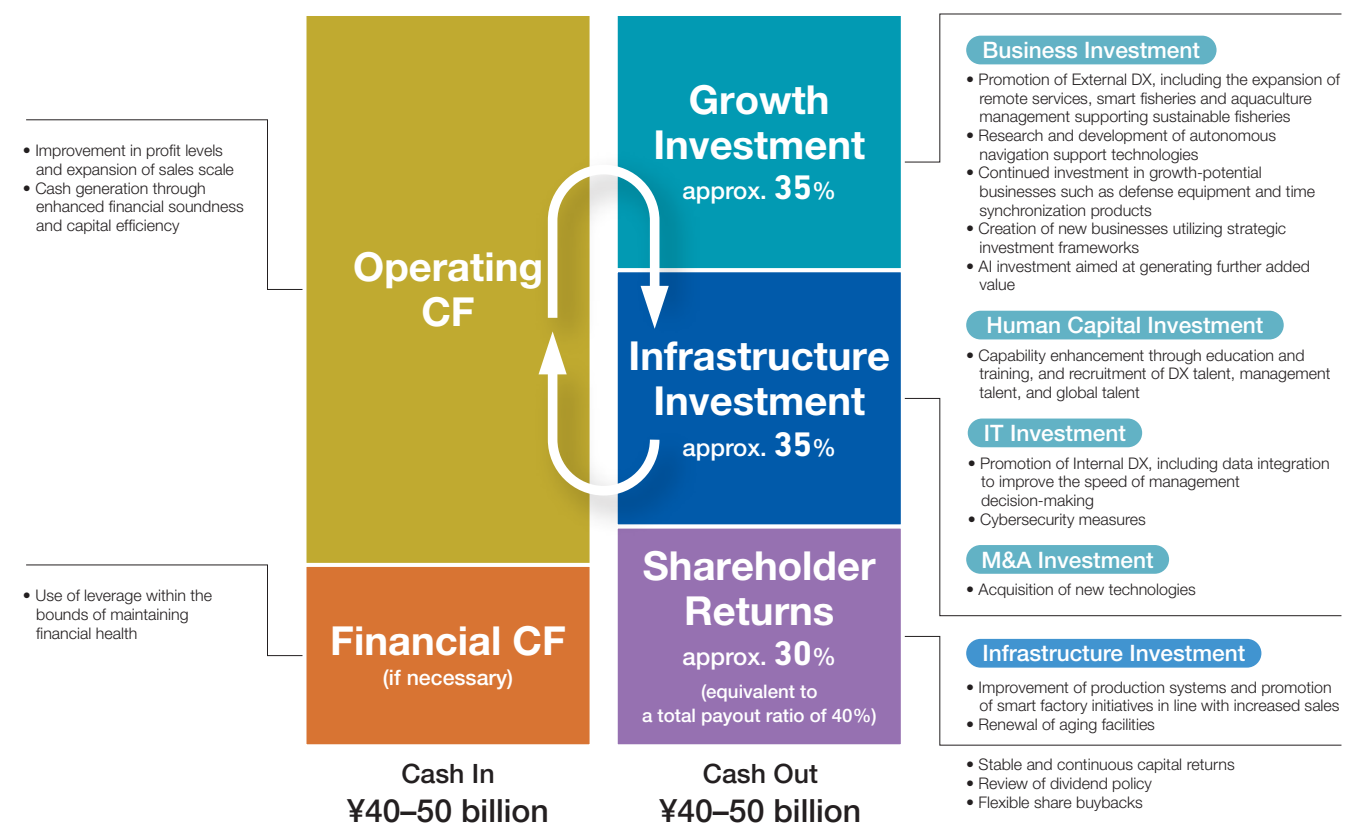
We are also evaluating business profitability and

concentrating resources in growth areas such as defense equipment and time synchronization products.

As part of our shareholder return policy, we aim to build a stable management foundation that supports a dividend payout ratio of at least 30%. We will pursue growth investments, internal reserves, and talent development, while also investing in IT for data integration and cybersecurity, and upgrading production systems and facilities. In addition, we will consider M&A to enhance product and service competitiveness and ensure stable, ongoing shareholder returns aligned with performance.

Cash Allocation Image for the Next Three Years

(Subject to change upon announcement of the new Mid-term Management Plan)



Business Strategy for Achieving the Corporate Vision

Marine Business

Related SDGs



Since pioneering the world's first fish finder in 1948, FURUNO has developed navigation and communication equipment to meet diverse customer needs. Today, we support safe, secure, and efficient operations across various types of vessels. Through group-wide initiatives, we pursue our vision: Achieve better safety, security, and comfort to bring about a society and sea navigation that considers the needs of people and the environment.

Kazuma Waimatsu
Marine Electronic Products Division General Manager

Our Vision for 2030

As a marine electronics-based company, we support safe navigation and promote maritime culture through innovation.

For Merchant Vessels

- ▶ The world's most trusted partner

For Fishing Vessels

- ▶ A manufacturer with technologies that support both efficient operations and resource management, contributing to customers, markets, and society.

For Pleasure Boats

- ▶ A company that maximizes special moments through harmony between people, nature, and vessel spaces.

Strategic Direction for Achieving “NAVI NEXT 2030”

Strengthening and creating businesses through digital transformation

- Global expansion of vessel lifecycle support (newbuilds, retrofits, and services) combined with digitalization.
- Creating new customer value by launching data-driven products and services.

Business optimization through regional and global collaboration

- Formulating market strategies and optimizing operations by leveraging our global network.

Phase 2 Mid-Term Management Plan – Initiatives to Date

<FY2023 to FY2024>

Expansion of service revenue and improvement of profit margins

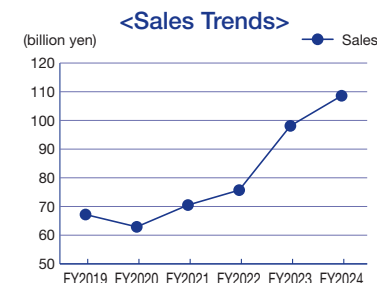
- Differentiation through predictive services and promotion of remote maintenance.
- Improvement of service quality and operational efficiency through the development of a proprietary database compiling the Group's unique service expertise.

Investments to strengthen future competitiveness

- Development and demonstration testing of autonomous navigation support systems.
- Practical implementation of cloud services utilizing fisheries data.

Regaining market share in the pleasure boat segment

- Launch of strategic products and active promotion through product planning and development in North America, our main market.



Phase 2 Mid-Term Management Plan – Final Year Initiatives

<FY2025>

- Strengthening service capabilities within vessel lifecycle support through expansion of overseas personnel and increased use of remote services.
- Advancing product and service development using digital technologies to enhance customer value.
- Promoting strategic products in the pleasure boat market to drive sales growth.

Business Overview & Topics

For Merchant Vessels / Maintenance Services

For Merchant Vessels

Initiatives toward the practical implementation of unmanned vessels

- MEGURI2040 Stage 2 will be equipped with our autonomous navigation system on three vessels: a newly built container ship equipped with unmanned navigation and engine systems, an existing container ship equipped mainly with unmanned navigation systems, and an existing remote island shipping vessel. A total of four vessels will be used in demonstration tests starting in June 2025, supported remotely by the Fleet Operation Center. FURUNO is in charge of the development of automatic navigation functions (monitoring, decision-making and planning) on the vessels and the development of the Fleet Operation Center.



FURUNO is part of the MEGURI2040 Fully Autonomous Ship Program conducted by the Nippon Foundation.



- MEGURI2040 aims to strengthen Japan's maritime industry by developing safety guidelines for unmanned vessels based on the results of the safety evaluation project for unmanned vessels and by gaining international consensus. FURUNO is contributing to the development of rules for these new instruments in addition to existing navigational instruments.

Maintenance Service Growth Initiatives

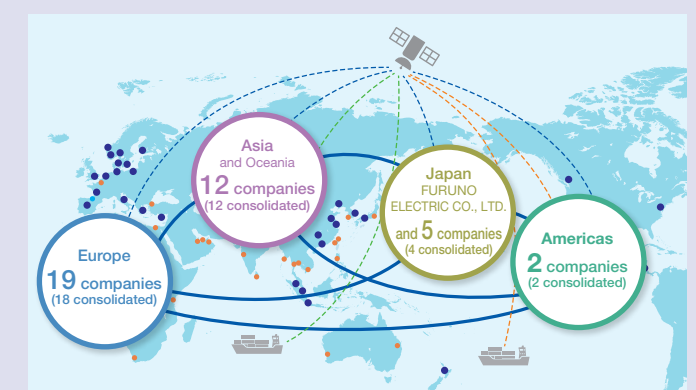
FURUNO provides a prompt and high-quality maintenance service by visiting customers' vessels around the world with 34 domestic bases, 22 overseas group companies, and numerous third-party distributors. To realize “more prompt services,” we will add “remote services” to our maintenance service which is based on our global network.

Sales Growth Driven by Product Quality and Global Network

Maintenance services sales of our group continue to grow, supported by improved product quality and strong customer trust. Our focus on quality in development and manufacturing has led to more full-line installations, increasing the number of supported devices. Our global service network enables flexible, reliable support—especially in the merchant sector, where seamless coordination across bases ensures timely repairs. This structure has driven strong sales growth, particularly in Europe and Asia.

Efficient and Value-Enhancing Remote Services

To reduce delays in offshore maintenance, FURUNO developed a remote system enabling equipment monitoring, diagnostics, and updates via secure internet connections—without onboard visits. As our global service network expands, we aim to enhance efficiency and real-time support through remote services and digital transformation (DX).



● Subsidiaries and Representative Offices
● Affiliated Companies ● National Distributions

For Fishing Vessels



For safe fishing and sustainable use of fishery resources

Since our founding, FURUNO has offered electronic fishing equipment to modernize and improve the efficiency of commercial fishing. FURUNO is working to develop fisheries with resource management, through the fishery consulting capability that we have previously cultivated in countries around the world, and by providing products and services that are both innovative and optimally suited for the market.

Toward the Realization of Smart Fishery

Recent changes in the marine environment have increased the uncertainty surrounding the fishing industry. In 2023, FURUNO started to provide a "Fishery Viewing Diary" in Japan that will serve as a foundation for operational analysis, human resource development, operational planning, and stock assessment, using DX data from fish finders and tide gauges.



Fishing vessel with the latest Smart Bridge (Turkey)

For Workboats



For the safety and security of maritime operations

FURUNO contributes to the safety, security, and comfort of its customers while continuously providing innovative and reliable products to users of government ships and port marine and work vessels.

FURUNO supports government and municipal vessels

FURUNO products have been adopted by many government vessels, including patrol vessels of the Japan Coast Guard, which are responsible for maritime enforcement and rescue operations, harbor patrol vessels, which are responsible for port supervision and surveys, and training ships of various educational institutions, which train future crew members.



Photo credit: The Japan Coast Guard (<https://www.kaiho.mlit.go.jp/soubi-yosan/sentei/ship.html>)

For Pleasure Boats



For safe and comfortable boating

FURUNO offers high-quality products for users of all types of recreational boats, including sport fishing boats, sailboats, and yachts. While continuing to supply innovative and highly reliable products to our users, we are expanding our efforts to enhance customer value.

Awarded NMEA Best Product of 2024 for 54 consecutive years

In 2024, FURUNO received the best products in 6 out of 18 categories by NMEA (National Marine Electronics Association). This is the 54th consecutive year for FURUNO to be honored since we received the NMEA Best Manufacturer Award in the fish finder category in FY1971. We will continue to meet the expectations and trust of marine electronics users all around the world.



Production Plant



To deliver what our customers need, when they need it, with uncompromising quality

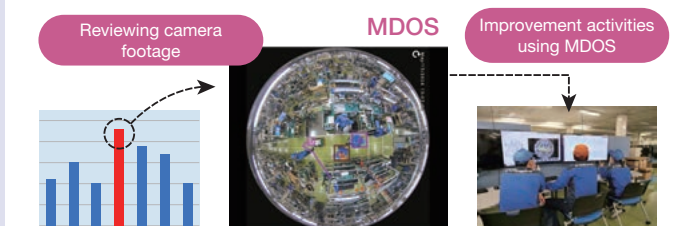
FURUNO operates its sole domestic production site for marine business at the Miki Factory.

Smart Manufacturing Initiatives

At the Miki Factory, we are advancing smart manufacturing aligned with FURUNO GLOBAL VISION "NAVI NEXT 2030." By visualizing and optimizing production processes, we aim to build a flexible, integrated factory that enables short-cycle manufacturing. Most operations are now quantified, allowing us to identify issues and monitor improvements effectively.

On-site visualization tool "MDOS"

The MDOS uses AI to extract human movement from video acquired by a 360° camera and box type camera, and automatically determines whether people are stationary or moving.



Identifying processes with large gaps between planned and actual labor hours.

Industrial Business

<Healthcare·GNSS·ITS>

Related SDGs



Based on the technology developed for marine electronic equipment, FURUNO provides equipment and services that realize safe, secure and comfortable lives in three businesses: Healthcare, GNSS (time synchronization, chips & modules) and ITS (ETC, OEM).

Yukio Nobuhiro

System Products Division General Manager

Our Vision for 2030

GNSS business

- ▶ Contributing to Stability in Transportation, Communication, and Infrastructure through Positioning and Time Synchronization Technologies.

ITS business

- ▶ Providing added value to people, goods, and mobility, and supporting global infrastructure and urban functions.

Healthcare business

- ▶ Creating Early Diagnosis Solutions to Meet Medical Needs.
- ▶ Contributing to health and welfare by offering integrated solutions of devices, reagents, and services tailored to regional characteristics.

Expanding into Land-Based Fields as a Second Core Business.

Strategic Direction for Achieving “NAVI NEXT 2030”

Resource Allocation to High-Growth Potential Businesses

- Accelerating technology development and market expansion for time synchronization products (GNSS business), a market with high growth potential.
- Creating urban traffic management and logistics solutions using ITS wireless communication technologies.

Exploring New Business through Broad Collaboration

- Formulating market strategies and optimizing operations by leveraging our global network.

Expanding Overseas Sales Ratio

- Enhancing existing overseas sales channels and further expansion.
- Strengthening overseas sales and promotion to acquire new customers.

Phase 2 Mid-Term Management Plan – Initiatives to Date

<FY2023 to FY2024>

Enhancing Competitiveness and Expanding Global Reach for Time Synchronization Products

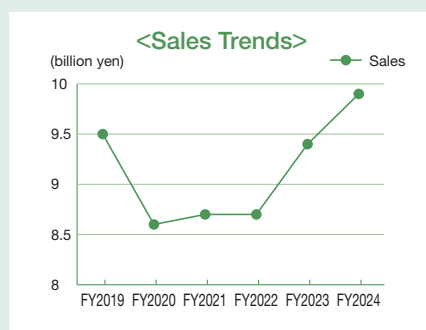
- R&D investment to improve accuracy and robustness.
- Adoption by major mobile base station manufacturers and global standard certification.

Developing Solutions for Social Challenges

- Launch of “FLOWVIS,” a vehicle access management service addressing logistics issues.

Evolving the Healthcare Business Model

- Expansion of reagent business in Southeast Asia.



Phase 2 Mid-Term Management Plan – Final Year Initiatives

<FY2025>

- Further expansion of overseas customer base to grow sales of time synchronization products.
- Strengthening deployment of FLOWVIS to address logistics challenges, with proposals for collaboration with industry groups and related companies.
- Promoting investment in healthcare to expand product lineup.

Business Overview & Topics

GNSS business

Time synchronization

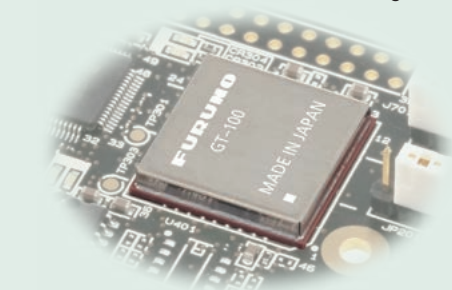
Using satellite signals, we provide nanosecond-to-microsecond time accuracy, supporting key infrastructure such as public safety radio, broadcasting, 5G mobile base station, and stock exchange.



Digital Terrestrial Television Transmitting Station

We exhibited as a Gold Sponsor at ITSF 2024, the world's largest international timing and synchronization conference.

Held in Seville, Spain in November 2024, we showcased our dual-frequency GNSS receiver module “GT-100,” offering world-class timing accuracy under 4.5ns (1σ) and high robustness, along with the compatible dual-frequency multi-GNSS antenna “AU-500” for enhanced precision and reliability.



ITS business

Using Intelligent Transport Systems (ITS), we connect people, roads, and vehicles through advanced ICT to address social challenges such as highway congestion. We develop, manufacture, and sell ETC2.0/ETC toll payment devices and vehicle access management services based on ETC authentication technology.

FLOWVIS (Vehicle Access Control Service)

Vehicles are reliably identified by hybrid authentication that combines ETC authentication technology with camera-based vehicle number reading. The system also contributes to logistics DX as a solution to the new Logistics Legislation (“The revised two logistics laws”) facing the logistics industry by reducing truck drivers' waiting time for cargo by dispatching vehicles on premises according to berth conditions at each location.



Healthcare business

With the world's population rapidly aging and medical disparities becoming a major issue, FURUNO is applying its technologies to the medical industry to create optimal specimen testing solutions, especially for medical institutions in developing and emerging countries.



Biochemical analyzers and reagents

This medical device measures over 100 parameters, including familiar ones like blood glucose, triglycerides, uric acid, and γ-GTP. It supports diagnosis, treatment monitoring, and early detection. In Southeast Asia, FURUNO contributes to better healthcare by offering high-quality results through its devices and reagents. We aim to expand sales regions and strengthen our product lineup.

Defense Equipment Business

Related SDGs >>>



We use core marine electronics technologies to develop defense equipment such as underwater acoustics, GNSS devices, and digital maps. To meet increasingly complex needs, we also adopt innovations like unmanned and autonomous navigation systems to provide products and services that contribute to public safety and security.

Takeshi Miyazaki
Avionics and Defense Electronics Division General Manager

Our Vision for 2030

We protect people and society through defense technologies, contributing to public safety and security.

Strategic Direction for Achieving "NAVI NEXT 2030"

Responding to Ministry of Defense initiatives and creating synergies through collaboration between Marine and Industrial divisions

- Stable continuation of existing projects, supported by increased defense budgets.
- Enhanced reliability and competitiveness through improved performance in quality, cost, and delivery.
- Expansion of order opportunities through technical and product collaboration between marine and industrial businesses.

Phase 2 Mid-term Management Plan – Initiatives to Date

<FY2023 to FY2024>

Steady Order Acquisition

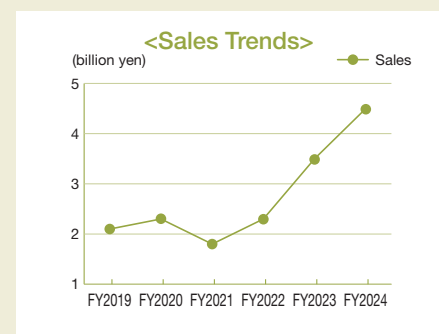
- Continued orders for GNSS and aircraft-related systems.
- Achieved adoption of a bridge system for new naval vessels through proposals based on civilian technology.

Improved Profitability and Management

- Promotion of QCD (Quality, Cost, Delivery) improvements to enhance customer trust and profit margins.

Organizational Strengthening with Business Expansion

- Ongoing review of future vision and organizational challenges.
- Enhancement of production and management systems to meet growing demand.



Phase 2 Mid-term Management Plan – Final Year Initiatives

<FY2025>

- Strengthened organizational structure to improve accuracy in production planning, budget control, and process management.
- Enhanced interdepartmental collaboration to boost sales of consumer products.
- Reinforced production and procurement systems to accommodate increased output.

Underwater acoustic technologies

The division has begun to study low power consumption, compactness, light weight, and strong resilience against voltage of the transmitter and receiver, with a view to installing USVs or UUVs.



Wireless LAN Systems/Handy Terminal Business

Related SDGs >>>



FURUNO provides wireless LAN access points and wireless network management systems for better Internet access. We are also developing communication systems for the IoT field that can be used in social infrastructures.

Satoshi Nakatani
FURUNO SYSTEMS Co., Ltd. President

Our Vision for 2030

"Realizing a connected and expanding society through 'Comfortable Wireless' by providing wireless expertise within standardized network infrastructure"

Strategic Direction for Achieving "NAVI NEXT 2030"

Creation of New Businesses Leveraging Core Wireless Communication Technologies

- Forming ecosystems through wireless communication to create new value and drive customers' digital transformation.
- Providing wireless systems in the IoT field to address social challenges.
- Promoting technological development through collaboration with other companies, including overseas partners.

Strengthening the Network Business (Wireless LAN Access Point Sales) Utilizing High Market Share and Track Record in the Educational Sector

- Steadily capturing demand from Next GIGA and further expanding market share.
- Exploring new growth markets beyond the educational sector.

Phase 2 Mid-term Management Plan – Initiatives to Date

<FY2023 to FY2024>

Product Development for Next GIGA

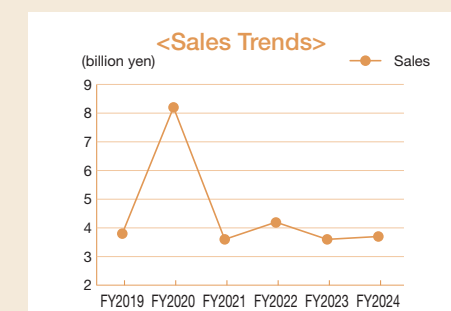
- Development of new strategic products and enhancement of cloud services.

Expansion into New Markets for Wireless LAN Access Point Sales

- Promotional activities targeting the nursing care and SMB (small and medium-sized business) markets.

Launch of a New Business Area as a Second Pillar (IoT Business)

- Development of products compatible with the new wireless standard IEEE 802.11ah.
- Establishment of model use cases through numerous proofs of concept.



Phase 2 Mid-term Management Plan – Final Year Initiatives

<FY2025>

- Network Business: Gathering information through communication with the clients to expand sales share in the Next GIGA initiative.
- Logistics ICT Business: Promoting replacement for new equipment and standardizing access points in the logistics market.
- IoT Business: Working toward early single-year profitability through capturing market needs and defining packaged products.



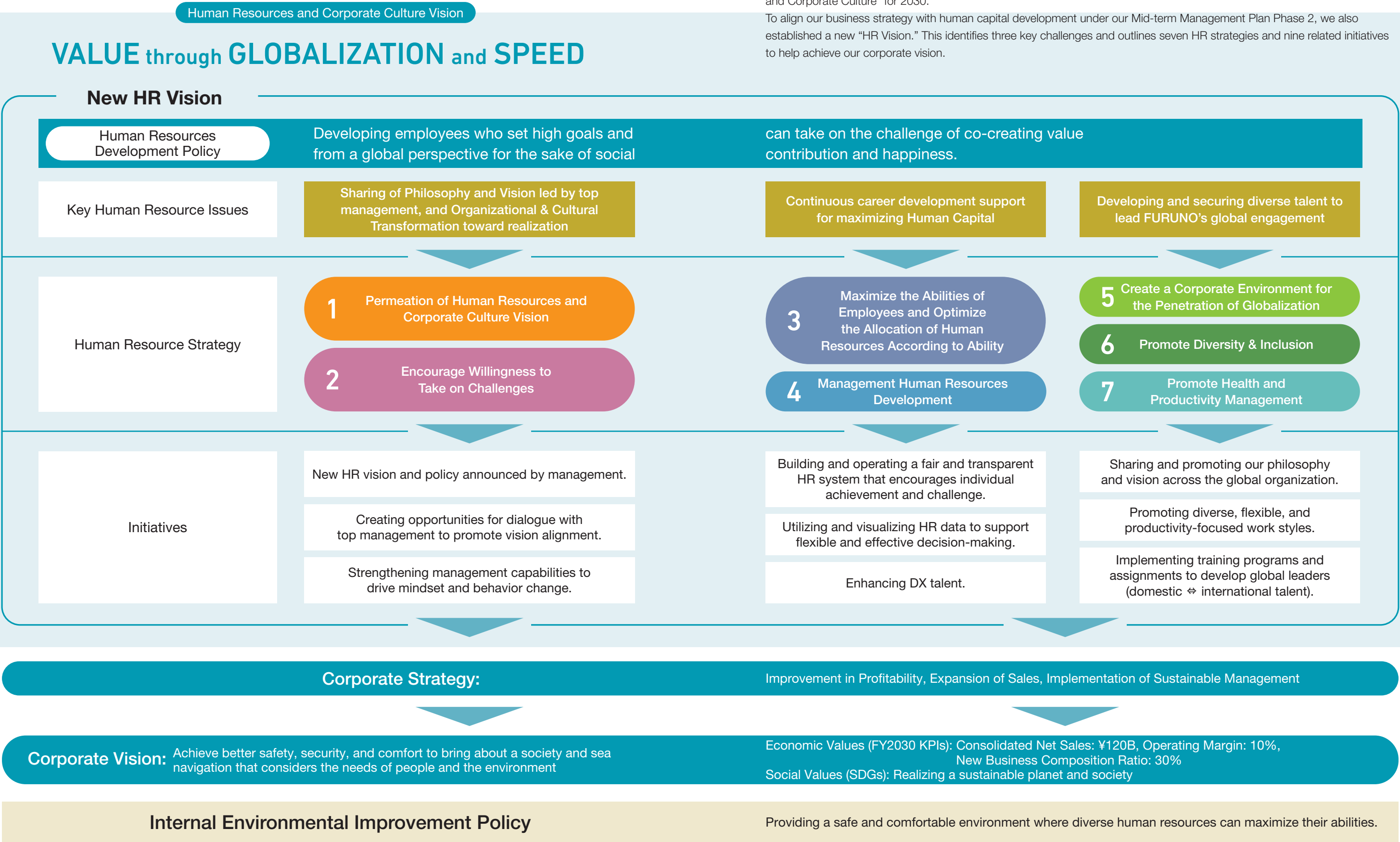
11ah access point for IoT gateway support

IEEE802.11ah-compliant access points can communicate over long distances with a radius of approximately 1 km. It is expected to play a role in supporting social infrastructure.

Human Capital Management for Achieving the Corporate Vision

FURUNO has provided value in a variety of ways by realizing its management principles: “A company exists to serve society,” “Its management must be creative” and “The happiness of its employees comes with the growth of a company.” To continue to service society, it is essential to have “human resources” who can solve social issues and create added value. For this reason, FURUNO regards “human capital” as its most important management capital and established a “Vision for Human Resources and Corporate Culture” for 2030.

To align our business strategy with human capital development under our Mid-term Management Plan Phase 2, we also established a new “HR Vision.” This identifies three key challenges and outlines seven HR strategies and nine related initiatives to help achieve our corporate vision.



Talent Strategy Initiatives

Under our corporate vision “NAVI NEXT 2030,” our group is pursuing three core initiatives: Improvement in Profitability, Expansion of Sales, Implementation of Sustainable Management. In line with these, we have formulated HR strategies and initiatives based on our talent development policy. We will implement these strategies in close alignment with our business goals to achieve our FY2026 targets.

1. Permeation of Resources and Corporate Culture Vision

The President and other top management members hold town hall meetings and engage in direct dialogue with employees to ensure that the vision permeates the whole FURUNO group. In addition, we conduct an employee

engagement survey called “F-Voice” to measure the effectiveness of these efforts and utilize the results in the formulation and implementation of the next vision penetration measures and human resources strategy.

Town Hall Meetings

In FY2024, six town hall meetings were held where the president and other executives engaged in dialogue with employees at production sites and sales offices nationwide.

<Purpose>

- Listening and responding to employee voices
- Strengthening communication between the president and employees
- Enhancing motivation and engagement



2. Encourage Willingness to Take on Challenges

To co-create values, it is necessary to have a corporate culture in which challenges are praised. We provide training to managers on techniques for encouraging their team to take on challenges. We also promote an in-house internship system that provides employees with opportunities to experience work in various departments

at their own request. Furthermore, in our personnel evaluation system, we have introduced “Challenge Goals,” a system that allows each employee to set not only goals based on departmental policies, but also goals that they would like to challenge on their own initiative, based on our corporate vision “NAVI NEXT 2030.”

KPI of 1 and 2

Concrete measures	KPI	Results of FY2024	KPI for FY2026
• New HR vision and policy announced by management. • Creating opportunities for dialogue with top management to promote vision alignment. • Strengthening management capabilities to drive mindset and behavior change.	Positive responses to Engagement Survey's “Values in Practice.”	Japan: 72% Overseas: 83%	Japan: 73% Overseas: 84%
	Town hall meetings between the CEO and frontline members.	6 times 49 employees	Total to date: 14 times 120 employees
	Positive responses to Engagement Survey's “Innovation.”	Group-wide: 60% (Japan: 60% Overseas: 62%)	Group-wide: 61% (Japan: 61% Overseas: 63%)

3. Maximize the Abilities of Employees and Optimize the Allocation of Human Resources According to Ability

In order to maximize the abilities of each employee and to assign human resources in accordance with their capabilities, we actively promote the development of human resources with a wide range of experience through job rotation. Specifically, the Human Resource Development Committee, which is led by a director in

charge of each job function, meets regularly to consider and decide on the assignment of human resources. In addition, we are promoting DX to strengthen our competitiveness under the Phase 2 Mid-term Management Plan and are taking steps to develop DX human resources to lead and execute the plan.



KPI of 3

Concrete measures	KPI	Results of FY2024	KPI for FY2026
• Establishing a fair and transparent HR system for executive employees that encourages individual achievement and challenge. • Utilizing and visualizing HR data to support flexible and effective decision-making. • Strengthening DX talent. • Promoting HR rotation.	New executive HR system implemented	Project launched for further consideration	(Newly added qualitative goal)
	Talent management system implemented	Implementation initiated	Talent management system implemented
	Investment in DX education	Over 60% increase compared to FY2023	10% or more increase compared to FY2024
	Job rotation conducted for development and training purposes	54 cases	60 cases

4. Management Human Resources Development

In order to realize sustainable management as stated in the Phase 2 Mid-term Management Plan, it is important to continuously develop excellent management personnel. We have established an educational system to continuously develop all human resources, from general employees to management candidates (executive officers), in accordance with their expected

roles at each stage of growth. Specifically, as a selective training program, we conduct training of selected young employees for early development as candidates for management positions, and for executives, we conduct training for selected executives to foster a management perspective.

KPI of 4

Concrete measures	KPI	Results of FY2024	KPI for FY2026
• Conduct top management training for newly appointed executive officers. • Formulate a succession plan. • Conduct the selective training for general employees and executives.	Education fee	8% increase compared to FY2023	10% or more increase compared to FY2024

5. Create a Corporate Environment for the Penetration of Globalization

Our group has established a worldwide sales and service network including affiliates and distributors, and overseas sales account for more than 70% of our total sales. In order to achieve the goals of the Phase 2 Mid-term Management Plan, it is essential to promote global sales and services in each region. We are striving to recruit and train global human resources who will be responsible for these efforts. As a specific initiative, we are strengthening the recruitment of foreign employees at the head office and planning an “overseas internship program” for young employees.



Overseas internship participants in FY2024

6. Promote Diversity & Inclusion

As part of our Phase 2 Mid-term Management Plan, we are advancing Diversity & Inclusion (D&I) to build a sustainable organization. Initiatives include company-wide D&I training, the President-led “Smile Project,” and the establishment of a dedicated D&I

Promotion Section. In FY2024, we implemented leadership and diversity training programs, and in 2025, we appointed a D&I officer and plan further training for senior staff and female employees.



Women's Leadership Development Training



Mimosa Company Certification

We were certified by Hyogo Prefecture as a “Hyogo-Kobe Women's Empowerment Company (Mimosa Company)” in recognition of our proactive efforts to promote women's empowerment, including support for diverse workstyles, career development, and long-term employment.



“Eruboshi(★)” from the Minister of Health, Labor and Welfare

We received a “2 stars,” the second highest rank of “Eruboshi(★)” based on the Act on Promotion of Women's Participation and Advancement in the Workplace.

KPI of 5 and 6

Concrete measures	KPI	Results of FY2024	KPI for FY2026
- Sharing and promoting our philosophy and vision across the global organization. - Promoting diverse, flexible, and productivity-focused work styles. - Implementing training programs and assignments to develop global leaders (domestic ⇄ international talent).	Implementation of Global Philosophy Education (History and Philosophy Modules)	Completion of History-Based Philosophy Education for Overseas Subsidiaries	(Newly added qualitative goal)
	Promotion of Diverse Workstyles		
	• Paternity Leave Acquisition Rate	46.7%	Maintain a five-year average of 50% or more.
	• Ratio of Female Executive Employees	5.8%	6% or more
	• Ratio of Female in New Graduate Hires	30%	15% or more
	Expansion of Super Flex Usage at Regional Offices	Trial implementation at three offices	(Newly added qualitative goal)
	Number of Participants in Overseas Internship Program	2 employees	Total to date: 5 employees

7. Promote Health and Productivity Management

We aim to create a corporate environment in which each and every employee can continue to work in good physical and mental health. To achieve this, we established the “FURUNO Health Declaration” in March 2018 to strengthen our health management system and promote efforts to raise employees' health awareness.



Health and Productivity Management (White 500)

We have been certified as a “White 500” company for seven consecutive years since FY2019, recognizing our efforts to create a workplace that supports employees' physical and mental well-being. We will continue to implement strategic health management initiatives.



Certified as a Sports Yell Company

Through activities such as daily exercises, walking events, health seminars, and support for internal clubs, we were certified as a “Sports Yell Company (Bronze)” by the Japan Sports Agency in 2025.

We will continue promoting employee health through sports.

KPI of 7

Concrete measures	KPI	Results of FY2024	KPI for FY2026
- To be certified as “Health and Productivity Management (White 500).” - Conduct regular interviews with head office staff for mid-career hires.	Continued Certification as “Health and Productivity Management (White 500).”	7 consecutive years	(Newly added qualitative goal)
	Rate of stress check inspection	98.3%	90% or more