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Securities Code: 5803

June 3, 2024

Start date of measures for electronic provision: May 24, 2024

To our shareholders:

Naoki Okada  
Director, President & CEO  
**Fujikura Ltd.**  
5-1, Kiba 1-chome, Koto-ku, Tokyo, Japan

## Notice of Convocation of Fujikura's 176th Annual General Meeting of Shareholders

We hereby inform you of the 176th Annual General Meeting of Shareholders of Fujikura Ltd. (the "Company"), which will be held as indicated below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format. This information is posted on each of the following websites, so please access either of those websites to see the information.

The Company's website:

<https://www.fujikura.co.jp/ir/statement/meeting/index.html> (in Japanese)

※ For reference, website in English:

<https://www.fujikura.co.jp/eng/ir/statement/meeting/index.html> (in English)

(Access the Company's website by using the Internet address shown above and the information is posted as Notice of Convocation of Fujikura's 176th Annual General Meeting of Shareholders.)

TSE website:

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

※ For reference, website in English:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show> (in English)

(Access the TSE website by using the Internet address shown above, enter "Fujikura" in the "Issue name (company name)" field or the Company's securities code "5803" in the "Code" field, and click "Search." Then, click "Basic information" and "Documents for public inspection/PR information," and select "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].")

General Meeting of Shareholders portal site (Sumitomo Mitsui Trust Bank, Limited)

<https://www.soukai-portal.net> (in Japanese)

(Access the portal site by scanning the QR code in the voting form sent with this notice, and enter your ID and password indicated in the form.)

※ "QR code" is a registered trademark of DENSO WAVE INCORPORATED.

In the event that you are unable to attend this General Meeting of Shareholders, please exercise your voting rights beforehand via the Internet, etc. or in writing. Please review the Reference Document for the General Meeting of Shareholders provided below as well as the Instruction on Exercising Your Voting Rights on page 3 of this notice, and exercise your voting rights no later than June 26, 2024 (Wednesday) at 5:45 p.m. (JST).

1. **Date and time:** June 27, 2024 (Thursday) at 10:00 a.m. (JST)
2. **Place:** Assembly Hall, the Company's head office  
5-1, Kiba 1-chome, Koto-ku, Tokyo, Japan

**3. Purpose of the meeting**

**Matters to be reported:**

1. Details of the business report, the consolidated financial statements, and the reports by the Accounting Auditor and the Audit and Supervisory Committee on the audit results of consolidated financial statements for the Company's 176th business year (from April 1, 2023 to March 31, 2024).
2. Details of non-consolidated financial statements for the Company's 176th business year (from April 1, 2023 to March 31, 2024).

**Matters to be resolved:**

**Proposal No. 1** Appropriation of Surplus

**Proposal No. 2** Election of Three Directors Not Serving as Audit and Supervisory Committee Members

**4. Matters decided for convocation**

- (1) Among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 16, paragraph 2 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. Accordingly, the documents that are delivered to shareholders who have made a request for delivery of paper-based documents are part of the documents included in the scope of audits by the Audit and Supervisory Committee and the Accounting Auditor when they create their respective audit reports.
    - (i) System to Secure Appropriate Business Operation and Operational Status of the System described in the business report
    - (ii) Notes to consolidated financial statements
    - (iii) Notes to non-consolidated financial statements
  - (2) Please note that if you exercise your voting rights both via the Internet, etc. and using the voting form, only the online vote via the Internet, etc. shall be deemed effective. If you exercise your voting rights more than once via the Internet, etc., only the last vote shall be deemed effective.
  - (3) In the event that the Company receives a voting form that does not state approval or disapproval for each proposal, it will be treated as approving proposals by the Company.
- If any items subject to measures for electronic provision are revised, a notice of the revisions and the details of the items before and after the revisions will be posted on the aforementioned websites.

## Instruction on Exercising Your Voting Rights

### 1. In case of exercising the voting rights via the Internet, etc.:

- Method 1 Exercising voting rights using “General Meeting of Shareholders portal site”  
Please scan the QR Code displayed on the bottom right of the voting form with a smartphone or tablet device and enter your approval or disapproval by following the onscreen instructions. Please see next page for details.  
\* If you wish to modify your vote after exercising your voting rights, please follow Method 2 “Exercising voting rights on the “website for exercising voting rights”” and enter your changed vote.
- Method 2 Exercising voting rights on the “website for exercising voting rights”  
Access the website for exercising voting rights (<https://www.web54.net>) (in Japanese), click the login button upon entering the “voting right exercise code” and “password” indicated on the voting form sent with this notice, and enter your approval or disapproval by following the onscreen instructions.

#### **Voting deadline:**

No later than June 26, 2024 (Wednesday) at 5:45 p.m. (JST)

### 2. In case of exercising the voting rights by post:

Please indicate your approval or disapproval on each of the proposals on the voting form sent with this notice and return the completed form to us promptly so that it arrives by the voting deadline, without affixing a postage stamp.

#### **Voting deadline:**

It must be received by the Company by no later than June 26, 2024 (Wednesday) at 5:45 p.m. (JST)

### 3. In case of attending the General Meeting of Shareholders:

Please submit the voting form to the receptionist. (No seal is necessary.)

**Date and time:** June 27, 2024 (Thursday) at 10:00 a.m. (JST)

**Place:** Assembly Hall, the Company’s head office, 5-1, Kiba 1-chome, Koto-ku, Tokyo

## Important Information Regarding Exercising Your Voting Rights via the Internet, etc.

- (i) Please note that your online vote via the Internet, etc. will prevail should you exercise your voting rights both via the Internet, etc. and in writing.
- (ii) If you exercise your voting rights more than once via the Internet, etc., only the last vote shall be deemed effective.
- (iii) Each shareholder shall bear any fees for accessing the voting website (Internet connection fees, telephone charges, etc.).
- (iv) Voting rights to be exercised via the Internet, etc. are accepted until Wednesday, June 26, 2024 at 5:45 p.m. (JST). However, we request that you vote as early as possible.  
If you have any inquiries, please contact the dedicated phone line for web support shown below.

Inquiries on systems, etc.	Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support Hotline Telephone: 0120-652-031 (toll-free in Japan only; hours: 9:00 a.m. to 9:00 p.m. (JST))
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## Electronic Voting System Platform

Institutional investors may use the electronic voting system platform operated by Investor Communications Japan (ICJ), Inc.

## Instruction on Exercising Your Voting Rights via the Internet

**Internet voting deadline: June 26, 2024 (Wednesday) at 5:45 p.m. (JST)**

1. Exercising voting rights using a smartphone, etc.
  - (i) Scan the QR Code displayed on the voting form.
    - \* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
  - (ii) Tap the “議決権行使へ (To exercise voting rights)” button on the home page of the General Meeting of Shareholders portal site.
  - (iii) The Smart Exercise home page will be displayed. Enter your approval or disapproval by following the onscreen instructions.

2. Exercising voting rights using a PC, etc.

Access the portal site at the following URL by entering the login ID and password indicated on the voting form. After logging in, enter your approval or disapproval by following the onscreen instructions.

**URL of General Meeting of Shareholders portal site**  
**<https://www.soukai-portal.net> (in Japanese)**

You may also continue to use the website for exercising voting rights.  
<https://www.web54.net> (in Japanese)

3. Accepting advance questions

**Deadline for accepting advance questions: No later than June 19, 2024 (Wednesday) at 5:45 p.m. (JST)**

For this General Meeting of Shareholders, we will be accepting advance questions about the proposals from shareholders via the General Meeting of Shareholders portal site. Of the questions that we receive, those that seem likely to be the subject of strong interest for shareholders will be picked up at the meeting. Using the same method as described above for exercising voting rights, access the General Meeting of Shareholders portal site and tap/click on “To advance questions” on the top page. A screen will be displayed where you can enter your advance questions. Follow the guidance on the screen to enter your questions.

\* Please be aware that we will not provide individual answers to the questions we receive.

### Points to Note

- If you wish to modify your vote after exercising your voting rights, you must enter the “voting right exercise code” and “password” indicated on the voting form.
  - Please note that if you exercise your voting rights both via the Internet and in writing, only the online vote via the Internet shall be deemed effective. If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective.

Contact	Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support Hotline 0120-652-031 (hours: 9:00 a.m. to 9:00 p.m. (JST))
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## Reference Document for the General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

In May 2023, the Company announced its 2025 Mid-term Management Plan (“2025 MTMP”) for the period until the end of the fiscal year 2025. 2025 MTMP aims to realize sustainable growth for the Company and raise its corporate value. 2025 MTMP has a plan to efficiently use funds raised through business activities to distribute dividends to shareholders at the dividend payout ratio of 30% as a guide, and to make business investments including strategic investments and to strengthen the Company’s financial position aiming at ensuring the equity ratio at 50% or above.

For the fiscal year under review, the Company recorded net sales of ¥799.8 billion, operating profit of ¥69.5 billion, ordinary profit of ¥69.7 billion, and profit attributable to owners of parent of ¥51.0 billion. Net sales and operating profit recorded the second highest figures ever, following on from the previous fiscal year, and ordinary profit and net profit hit a record high for the third consecutive fiscal year.

In consideration of a policy setting a dividend payout ratio at 30% as a guide and the record-high net profit, the Company proposes distributing a year-end dividend of ¥32.5 per share for the fiscal year under review. This dividend, combined with the interim dividend of ¥22.5 per share paid in December 2023, will result in an annual dividend of ¥55 per share, an increase of ¥25 compared to the previous fiscal year.

- (i) Kind of dividend property:  
Cash
- (ii) Matters concerning allocation of dividend property to shareholders and the total amount thereof:  
¥32.5 per share of common shares of the Company  
Total amount: ¥8,983,121,225
- (iii) Effective date for distribution of dividends:  
June 28, 2024

## Proposal No. 2 Election of Three Directors Not Serving as Audit and Supervisory Committee Members

The term of office of all the current four Directors not serving as Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of three Directors not serving as Audit and Supervisory Committee Members.

No.	Name of candidate		Age *1	Current position and responsibilities at the Company	Attendance rate for the Board of Directors Meetings during Fiscal Year 2023*2	Tenure as Director *3
1	Naoki Okada	(Re-election)	60	Representative Director, President & CEO*5, Internal Audit Department, Corporate Strategy Unit, Corporate Governance Unit, Corporate Staff Unit, Telecommunication Systems Business Unit, Electronic Components & Connector Business Unit, Automotive Products Business Unit, Production Engineering Unit, and Independent Business Companies*6, etc.	100.0%	3 years
2	Tatsuya Banno	(Re-election)	59	Representative Director, Director & CTO*5, Research and New Business Development Unit, and Corporate Quality Management Unit	100.0%	2 years
3	Kazuhito Iijima	(Re-election)	58	Director & CFO*5, Corporate Management Unit, and Real Estate Business Unit	100.0%	1 year

\*1 Age indicates candidates' ages as of June 27, 2024.


\*2 Mr. Kazuhito Iijima was appointed as Director at the 175th Annual General Meeting of Shareholders held on June 29, 2023, and assumed office on the same date. Therefore, his attendance at the Board of Directors meetings only includes meetings held on or after that date.

\*3 Tenure as Director not serving as an Audit and Supervisory Committee Member as of the conclusion of this General Meeting of Shareholders.

\*4 The Company has entered into a directors and officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. This policy covers the insureds for their legal liability for compensation for damages and litigation expenses arising from the execution of their duties. Moreover, among the insured persons, the Directors (including Directors serving as Audit and Supervisory Committee Members) of the Company personally cover 5% of their insurance premiums. If each candidate is elected and assumes the office as Director not serving as Audit and Supervisory Committee Member, each candidate will be included as an insured in the policy.


\*5 CEO stands for Chief Executive Officer; CTO stands for Chief Technology Officer; and CFO stands for Chief Financial Officer.


\*6 Independent Business Companies refers to Fujikura Printed Circuits Ltd. (FPC business), Fujikura Dia Cable Ltd. (industrial electric wires business) and Fujikura Energy Systems Ltd. (transmission and metal cables business).

Candidate No.	Name (Date of birth, Age)	Career summary, position and responsibilities at the Company and significant concurrent positions
1	 <p data-bbox="347 701 533 786"><b>Naoki Okada</b> (January 28, 1964, 60 years old)</p> <p data-bbox="373 819 507 846">[Re-election]</p> <p data-bbox="347 882 533 994">Number of the Company's shares owned 18,545</p> <p data-bbox="347 1028 533 1088">Tenure as Director 3 years</p> <p data-bbox="325 1122 555 1205">Attendance at the Board of Directors Meetings 100% (24/24)</p>	<p data-bbox="571 271 671 297">Apr. 1986</p> <p data-bbox="767 271 967 297">Joined the Company</p> <p data-bbox="571 309 671 336">Apr. 2008</p> <p data-bbox="767 309 1414 360">General Manager of the Optical Cable Research and Development Department</p> <p data-bbox="571 371 671 398">June 2012</p> <p data-bbox="767 371 1414 454">General Manager of the Optical Cable Research and Development Department and General Manager of the Optical Cable Manufacturing Department</p> <p data-bbox="571 465 671 492">Apr. 2013</p> <p data-bbox="767 465 1342 492">General Manager of the Cable and Equipment R&amp;D Center</p> <p data-bbox="571 504 671 530">Mar. 2014</p> <p data-bbox="767 504 1342 555">General Manager of the New Optical Fiber Cable Business Development Department</p> <p data-bbox="571 566 671 593">Apr. 2018</p> <p data-bbox="767 566 1374 593">General Manager, Head of the Optical Cable Systems Division</p> <p data-bbox="571 604 671 631">Apr. 2020</p> <p data-bbox="767 604 1390 656">Managing Corporate Officer, General Manager of the Corporate Strategy Planning Division</p> <p data-bbox="571 667 671 694">Apr. 2021</p> <p data-bbox="767 667 1414 801">Corporate Officer &amp; COO, and Chief of the Telecommunication Systems Business Unit, Chief of the Printed Circuit Business Unit, Chief of the Connector Business Unit, Chief of the Automotive Products Business Unit, Chief of the Electronic Components Business Unit, and Chief of the Production Engineering Unit</p> <p data-bbox="571 813 671 840">June 2021</p> <p data-bbox="767 813 1422 981">Representative Director and COO, and Chief of the Telecommunication Systems Business Unit, Chief of the Printed Circuit Business Unit, Chief of the Connector Business Unit, Chief of the Automotive Products Business Unit, Chief of the Electronic Components Business Unit, and Chief of the Production Engineering Unit</p> <p data-bbox="571 992 671 1019">Apr. 2022</p> <p data-bbox="767 992 1422 1216">Representative Director, President &amp; CEO, Chief of Internal Audit Department, Chief of Corporate Quality Management Unit, Chief of Corporate Governance Unit, Chief of the Corporate Staff Unit, Chief of the Production Engineering Unit, Chief of the Telecommunication Systems Business Unit, Chief of the Electronic Components &amp; Connector Business Unit, Chief of the Automotive Products Business Unit, and Chief of the Printed Circuit Business Unit</p> <p data-bbox="571 1227 671 1254">Apr. 2023</p> <p data-bbox="767 1227 1422 1424">Representative Director, President &amp; CEO, Chief of Internal Audit Department, Chief of Corporate Strategy Unit, Chief of Corporate Governance Unit, Chief of the Corporate Staff Unit, Chief of the Telecommunication Systems Business Unit, Chief of the Electronic Components &amp; Connector Business Unit, Chief of the Automotive Products Business Unit, Chief of the Production Engineering Unit, and Chief of Independent Business Companies, etc. (to present)</p>

Candidate No.	Name (Date of birth, Age)	Career summary, position and responsibilities at the Company and significant concurrent positions
		<p><b>Reason for nomination as a Director</b>  Mr. Naoki Okada has worked in the optical fiber cable-related business right through since he joined the Company. In particular, he played a central role in product development and promotion strategy proposals for the Company’s innovative strategic optical fiber products “Spider Web Ribbon® / Wrapping Tube Cable®” (hereinafter referred to as “SWR®/WTC®”), and paved the way for a strategic pivot of the Company’s telecommunications business from the business focused on the supply of optical fiber to a total solutions business centered on high-value-added optical cable. In 2020, he was appointed Managing Corporate Officer, General Manager of the Corporate Strategy Planning Division, where he experienced planning, proposal, and execution of company-wide management strategies. Through this experience, he has developed the “ability to accurately understand the issues from a company-wide perspective,” which is necessary for managing the Company given its diverse business fields, as well as the “ability to make decisions with a sense of urgency” and “strong leadership,” which are required during phases when reforms are needed. In the proposal of the operational turnaround plan named 100-Day Plan, he demonstrated aptitude as a leader for promoting new business, suggesting radical reforms of the management and business structures and leading efforts to cultivate awareness of business structure reforms inside the Company. From April 2021 onward, Mr. Okada vigorously promoted the Company’s core businesses as COO during the operational turnaround phase, and assumed a major role in the transition to the sustainable growth phase. Since his appointment as Director, President &amp; CEO in April 2022, he has achieved a significant recovery in business results in the first fiscal year of the sustainable growth phase. He has clearly demonstrated his abilities through the formulation and promotion of the 2025 MTMP, which is currently in progress. The Company has determined that Mr. Okada’s strategic vision, ability to execute transformation, and his aptitude for drawing in others by leading from the front will be essential for steering the Company that is in the sustainable growth phase under the 2025 MTMP. For these reasons, the Company nominates him as a candidate for Director.</p> <p><b>Special interest between the Company and the candidate</b>  There are no special interests between the candidate and the Company.</p>



Candidate No.	Name (Date of birth, Age)	Career summary, position and responsibilities at the Company and significant concurrent positions
2	 <p><b>Tatsuya Banno</b> (August 22, 1964, 59 years old)</p> <p>[Re-election]</p> <p>Number of the Company's shares owned 23,433</p> <p>Tenure as Director 2 years</p> <p>Attendance at the Board of Directors Meetings 100% (24/24)</p>	<p>Apr. 1987      Joined the Company</p> <p>May 2009      General Manager of the Optical Production Engineering Department, Optical Fiber &amp; Cable Systems Division</p> <p>Apr. 2013      General Manager of the Optical Fiber Production Engineering Department, Optical Business Division, Optical Business Unit</p> <p>Apr. 2015      General Manager, Head of the Optical Cable Division, Optical Business Unit</p> <p>Oct. 2015      Deputy General Manager of the Optical Cable Systems Division</p> <p>Apr. 2018      Deputy General Manager of the Optical Fiber Division</p> <p>Apr. 2020      Corporate Officer, General Manager, Head of the Optical Fiber Division</p> <p>Apr. 2021      Corporate Officer, Head of the Telecommunication Systems Business Unit</p> <p>Apr. 2022      Corporate Officer &amp; CTO, Chief of the Research and New Business Development Unit</p> <p>June 2022      Director &amp; CTO, Chief of the Research and New Business Development Unit</p> <p>Apr. 2023      Director &amp; CTO, Chief of the Research and New Business Development Unit, and Chief of the Corporate Quality Management Unit</p> <p>June 2023      Representative Director, Director &amp; CTO, Chief of the Research and New Business Development Unit, and Chief of the Corporate Quality Management Unit (to present)</p> <p><b>Reason for nomination as a Director</b>  Since he first joined the Company Mr. Tatsuya Banno has been involved exclusively in development, engineering, and manufacturing technology for optical fiber cable. In addition to extensive experience over many years in the optical business, he has a high degree of specialized knowledge in matters related to optical fiber. Since April 2021, as the person in charge of the telecommunication systems business, he has employed a strategy backed by his technological insight to expand the optical cable total solutions business centered on SWR®/WTC®, the Company's strategic products, to the point that it can now be described as the Company's growth business field. Since his appointment as CTO in April 2022, he has demonstrated his abilities by strengthening the foundation for maintaining and enhancing Fujikura's position as a technology leader in the long term, and the development of new technologies and products by the Company based on the Technology Platform announced in May 2023 is expected to generate considerable results.  The Company has determined that Mr. Banno's experience in the telecommunications systems business, which is one of the core areas of its operations, his abundant specialized knowledge, along with his capability to make effective strategic proposals for attaining performance targets and his business execution capabilities, based on a strong belief in the importance of what he is doing, are necessary in relation to formulating and implementing management and business strategies designed to enhance corporate value as the Company is in the sustainable growth phase under the 2025 MTMP. For these reasons, the Company nominates him as a candidate for Director.</p>
		<p><b>Special interest between the Company and the candidate</b>  There are no special interests between the candidate and the Company.</p>

Candidate No.	Name (Date of birth, Age)	Career summary, position and responsibilities at the Company and significant concurrent positions
3	<div style="text-align: center;">  <p>Kazuhito Iijima (February 22, 1966, 58 years old)</p> <p>[Re-election]</p> <p>Number of the Company's shares owned 7,652</p> <p>Tenure as Director 1 year</p> <p>Attendance at Board of Directors Meetings 100% (19/19)</p> </div>	<p>Apr. 1989      Joined the Company</p> <p>Apr. 2006      Senior Manager of the Finance &amp; Accounting Division</p> <p>Feb. 2008      Vice President &amp; CFO of Fujikura Automotive Europe S.A.U</p> <p>Aug. 2009      Senior Manager of the Finance &amp; Accounting Division</p> <p>June 2012      Vice President &amp; CFO of Nistica Inc.</p> <p>Apr. 2013      Senior Manager of the Finance &amp; Accounting Division</p> <p>June 2014      Deputy General Manager of the Finance &amp; Accounting Division</p> <p>Apr. 2016      General Manager of the Finance &amp; Accounting Division</p> <p>Apr. 2021      Corporate Officer, Head of the Finance &amp; Accounting Department</p> <p>Apr. 2022      General Manager of the Corporate Finance &amp; Accounting Unit</p> <p>June 2023      Director &amp; CFO, Chief of the Corporate Management Unit, Chief of the Real Estate Business Unit, and General Manager of the Finance &amp; Accounting Department</p> <p>Apr. 2024      Director &amp; CFO, Chief of the Business Management Unit, and Chief of the Real Estate Business Unit (to present)</p> <p><b>Reason for nomination as a Director</b> Mr. Kazuhito Iijima has expert knowledge of finance and accounting from his many years of experience in the Company's Finance &amp; Accounting units. He has been in the Finance &amp; Accounting units consistently since joining the Company, and has abundant knowledge not only of finance and accounting but also of fund procurement and tax, and has accumulated experience in these areas. In particular, he also has the ability to take action in an emergency, having demonstrated his ability to rebuild multiple overseas subsidiaries when posted to them as CFO. In the 2025 MTMP, Mr. Iijima played a central role in the formulation of the new mid-term capital allocation policy which is expected to have a significant impact on enhancing corporate value as the core of the financial strategy during the growth phase. The Company has determined that Mr. Iijima's extensive experience and deep knowledge of finance and accounting are necessary in relation to formulating and implementing companywide management and financial strategies designed to enhance corporate value as the Company is in the sustainable growth phase under the 2025 MTMP. For these reasons, the Company nominates him as a candidate for Director.</p> <p><b>Special interest between the Company and the candidate</b> There are no special interests between the candidate and the Company.</p>

## **(Reference)**

### **[Independence Standards for Outside Directors]**

A person to whom any of the following items currently applies, or has applied within the past three years, and the spouse or relative within the second degree of kinship of such a person does not have independence.

- A major business partner<sup>\*1</sup> of the Group or an executive thereof<sup>\*2</sup>
- A person for which the Group is a major business partner or an executive thereof
- A shareholder with 10% or more of the total voting rights of the Company or an executive thereof
- A person or an executive who has received moneys or substantial compensation<sup>\*3</sup> in other form from the Company or its subsidiary, other than compensation obtained as an outside officer of the Company.

To ensure that the Outside Directors can allocate sufficient time and energy to the Group's service, the number of concurrent companies at which they may engage in as Outside Directors, including the Company, is limited to four in principle.

- \*1 Major business partner: A business partner for which the consolidated sales of the Company account for 1% or more of consolidated net sales, as well as a business partner for which the purchases by the Company account for 1% or more of consolidated net sales
- \*2 Executive: An executive director or an employee under said director
- \*3 Substantial compensation: Amounts in excess of ¥10 million per year

### **[Opinions of Audit and Supervisory Committee Regarding Nomination of Directors]**

The Audit and Supervisory Committee received a report from the Audit and Supervisory Committee Member who attended a meeting of the Nominating Advisory Committee and discussed such report. As a result, the Audit and Supervisory Committee reached the conclusion that the decision-making process for the nomination of Directors of the Nominating Advisory Committee is appropriate, and that there are no other special matters to be stated at the General Meeting of Shareholders pursuant to the provisions of the Companies Act in relation to the election of Directors serving as Audit and Supervisory Committee Members.

### **[Nominating Advisory Committee]**

Regarding the nomination of candidates for Directors not serving as Audit and Supervisory Committee Members, and Directors serving as Audit and Supervisory Committee Members, the Nominating Advisory Committee, which is an advisory body of the Board of Directors, verifies the fairness and appropriateness of the decision-making process regarding the nomination criteria and the reasons for appointment, including the achievements of each candidate. The Nominating Advisory Committee is comprised of the Director, President & CEO, the Director in charge of human resources, and three Outside Directors; and chaired by an Outside Director.

For this General Meeting of Shareholders, the Nominating Advisory Committee concluded that the decisions were fair and reasonable regarding the candidates for Directors not serving as Audit and Supervisory Committee Members.

### [Directors and Corporate Officers' Skill Matrix]

The skill matrix below maps the main skills the Company considers necessary to achieve the targets in the 2025 MTMP announced in May 2023 against the skills possessed by each candidate. In terms of the Company's management system, Corporate Officers who are not Directors are included in the chart below. This will be the Company's management team if Proposal No. 2 is approved as proposed.

	Executive/ Non- executive	Management	Planning	Personnel	Governance	Global	Finance and Accounting
Directors not serving as Audit and Supervisory Committee Members							
Naoki Okada	CEO	•	•		•		
Tatsuya Banno	CTO						
Kazuhito Iijima	CFO					•	•
Directors serving as Audit and Supervisory Committee Members							
Koji Naruke	Full-time					•	•
Hamako Hanazaki	Independent Outside						
Keiji Yoshikawa	Independent Outside	•		•		•	
Yoji Yamaguchi	Independent Outside						•
Kozo Meguro	Independent Outside						•
Corporate Officers who are not serving as Directors							
Toru Hamasuna	Management Strategies		•		•	•	
Keiko Shindo	Corporate Governance				•		
Yuki Mori	Corporate Staff			•			
Noriyuki Kawanishi	Telecommunica tion Systems						
Junji Fukuhara	Electronic Components & Connector					•	
Shuichi Nasu	Automotive Products					•	
Tetsuya Mangyoku	Production Engineering					•	

	Executive/ Non- executive	R&D	Engineering	Legal Affairs and Compliance	Business Experience*2	Gender
Directors not serving as Audit and Supervisory Committee Members						
Naoki Okada	CEO	●	●		I, S, C	Male
Tatsuya Banno	CTO	●	●		I, S, C	Male
Kazuhito Iijima	CFO					Male
Directors serving as Audit and Supervisory Committee Members						
<u>Koji Naruke</u>	Full-time				I, T	Male
<u>Hamako Hanazaki</u>	Independent Outside			●		Female
<u>Keiji Yoshikawa</u>	Independent Outside					Male
<u>Yoji Yamaguchi</u>	Independent Outside					Male
<u>Kozo Meguro</u>	Independent Outside					Male
Corporate Officers who are not serving as Directors						
Toru Hamasuna	Management Strategies				I, S, T	Male
Keiko Shindo	Corporate Governance			●		Female
Yuki Mori	Corporate Staff					Male
Noriyuki Kawanishi	Telecommunica- tion Systems	●	●		I, S	Male
Junji Fukuhara	Electronic Components & Connector				S, T	Male
Shuichi Nasu	Automotive Products		●		T, C	Male
Tetsuya Mangyoku	Production Engineering		●			Male

\*1 Skills that the Company currently considers important from among those possessed by each individual are indicated with ●.

\*2 “Business Experience” denotes experience accumulated in the areas of business described in the 2025 MTBP.

“I”: Information Infrastructure

We contribute to the establishment of telecommunication infrastructure to help realize the digitalized society, through the use of optical wiring solutions based on innovative optical technology and future high-speed wireless communications technology.

“S”: Information Storage

We contribute to the creation of high-capacity components and the establishment of data centers that can store vast amounts of data through the use of unique electronic component technology and ultra-high-speed/high-density optical wiring technology.

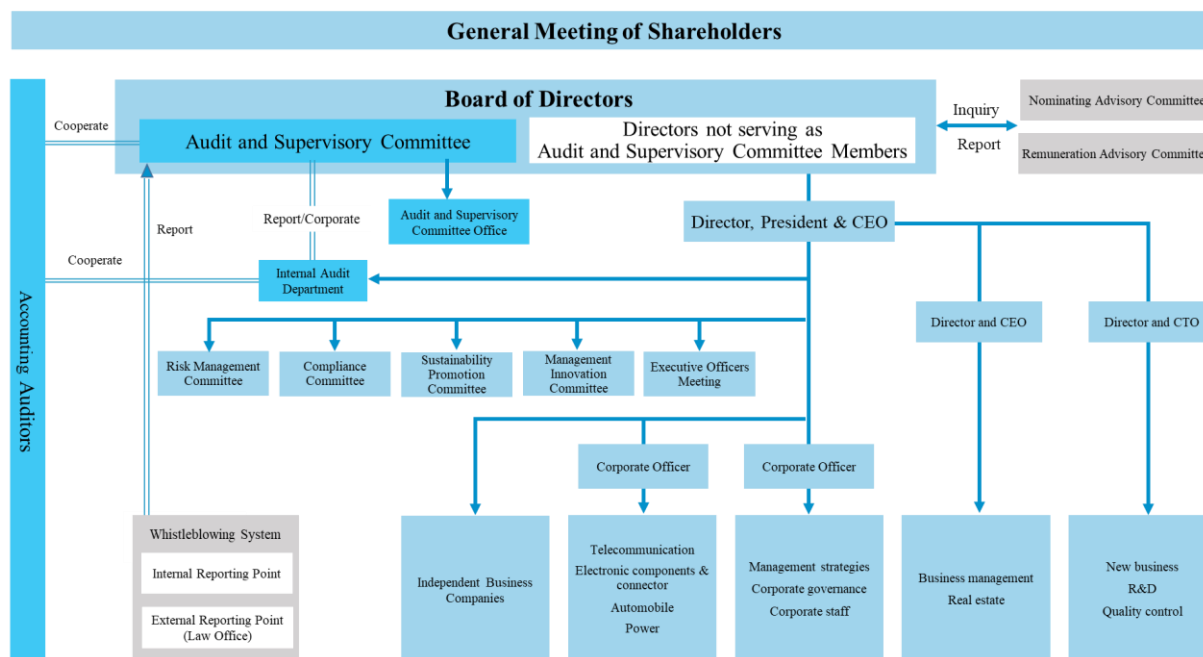
“T”: Information Terminal

We contribute to the evolution of high-speed, high-capacity, and high-functionality information terminals through the use of high-precision electronic components and wiring/mounting technology. Moreover, conceiving automobiles as information terminals, we contribute to the realization and evolution of CASE (Connected, Autonomous, Shared, Electric).

“C”: Carbon neutrality

Because carbon neutrality initiatives are an opportunity for business creation as we prepare for the realization of a sustainable society, we will promote the commercialization of our superconductor and other technologies.

**[The Company's Corporate Governance Structure (After the General Meeting of Shareholders on June 27, 2024 (Planned))]**



- **Nominating Advisory Committee**  
Advisory body to the Board of Directors established with the purpose of ensuring the objectivity and transparency of decision-making processes related to the nomination of candidates for Directors.  
(Consisting of Director Mr. Yamaguchi as Committee chair, Director Mr. Yoshikawa, Director Ms. Hanazaki, and CEO Mr. Okada who participates as CEO and Director in charge of human resources)
  - **Remuneration Advisory Committee**  
Advisory body to the Board of Directors established with the purpose of ensuring the objectivity and transparency of decision-making processes related to the remuneration for Directors.  
(Consisting of Director Mr. Yoshikawa as Committee chair, Director Mr. Yamaguchi, Director Mr. Meguro, and CEO Mr. Okada who participates as Director in charge of human resources)
  - **Executive Officers Meeting\*2**  
Meeting that reports, deliberates, and shares information in relation to important affairs that affect execution of business for the Company as a whole.
  - **Risk Management Committee\*2**  
Committee established to verify the Company's business execution system and execution status from the perspective of operational risk, to prevent and evaluate losses, to formulate policies, and to share the contents of the said policies.
  - **Management Innovation Committee\*2**  
Committee that promotes streamlining of management resources and optimization of the business portfolio, raising efficiency through expense reductions, and improving profitability through the enhancement of sales and purchasing power.
  - **Sustainability Promotion Committee\*2**  
Committee that conducts deliberation, promotion, etc. of basic policies and individual measures, the status of progress of such initiatives, external announcements, and other important matters, concerning sustainability aimed at achieving the sustainable growth of the Group.
  - **Compliance Committee\*2**  
Committee that shares information with management, deliberates issues, constructs, maintains and manages management systems concerning compliance in the Group, as well as promoting awareness-raising activities and activities ensuring that compliance takes root.
- \*1. Names of Outside Directors are underlined.  
\*2. Such meeting bodies (with \*2) denote a meeting or committee consisting of CEO Mr. Okada as Chair or Committee chair, and all other Executive Directors and Corporate Officers. Separately from members, the Full-time Audit and Supervisory Committee Member also attends and engages in Q&A, if needed.

## **Business Report** (from April 1, 2023 to March 31, 2024)

### **1. Current Status of the Fujikura Group**

#### **(1) Business Progress and Results**

##### **(i) Financial overview for fiscal year 2023**

In the fiscal year 2023, the Group's net sales decreased by 0.8% year-on-year to ¥799.8 billion, and operating profit decreased by 1.0% year-on-year to ¥69.5 billion. Performance was affected by such factors as the waning of so-called "stay-at-home" demand following the near-disappearance of the impact of the spread of COVID-19, but both net sales and operating profit achieved the second highest figures ever, due in part to the tailwind provided by the weaker yen, which has continued from the last fiscal year.

In the Electronics business segment, sales decreased due to the inventory adjustments arising from a pullback in stay-at-home demand, and other factors. On the other hand, in the Automotive Products segment, the launch of products for new car models resulted in an increase in sales. In the Telecommunication Systems segment, profits decreased due to the declining demand from telecommunications carriers and data centers in Europe and the United States. In the Electronics business segment, profits fell following a decrease in demand. Conversely, in the Automotive Products segment, the effects of cost improvements and other factors led to higher profits. The Power Systems segment recorded an increase in profit due to steady demand and the effect of improvements in selling prices.

As for ordinary profit, as a result of recording ¥8.3 billion in non-operating income and ¥8.1 billion in non-operating expenses, the Company achieved ordinary profit of ¥69.7 billion, a year-on-year increase of 2.7%.

In addition to this, a total of ¥0.7 billion was recorded as extraordinary income, consisting of gains on sale of shares for cross-shareholdings, and a total of ¥6.2 billion was posted as extraordinary losses, which included the recording of impairment losses and expenses associated with structural reforms in the Automotive Products segment.

As a result, profit attributable to owners of parent was ¥51.0 billion, up 24.8% year-on-year.

[Financial Highlights]

(Billions of yen)

	175th period FY2022	176th period FY2023	Variation
Net sales	806.5	799.8	(6.7)
Telecommunication Systems	291.3	297.2	6.0
Electronics business	197.3	164.7	(32.6)
Automotive Products	155.9	179.5	23.7
Power Systems	138.3	139.1	0.8
Real Estate	10.8	10.5	(0.3)
Other	12.9	8.7	(4.2)
Operating profit	70.2	69.5	(0.7)
Telecommunication Systems	40.6	39.2	(1.4)
Electronics business	27.6	16.6	(11.0)
Automotive Products	(6.6)	1.2	7.8
Power Systems	4.3	8.7	4.4
Real Estate	5.0	4.9	(0.1)
Other	(0.7)	(1.1)	(0.4)
Ordinary profit	67.9	69.7	1.8
Profit attributable to owners of parent	40.9	51.0	10.1
Net assets	294.4	366.6	72.2
Total assets	656.8	723.9	67.1

**(ii) Business plan for fiscal year 2024**

In the business plan for the fiscal year 2024 on a consolidated basis, the Company is aiming for net sales of ¥830.0 billion (up 3.8% from FY2023), operating profit of ¥70.0 billion (up 0.7%), ordinary profit of ¥68.0 billion (down 2.5%), and profit attributable to owners of the parent of ¥50.0 billion (down 2.0%).

This mainly reflects the assumption that the restraint of investment by our customers, telecommunication carriers, will continue into the next fiscal year, whereas the infrastructure investment in data centers against the background of the expanded demand for generative AI will be accelerated. For the Automotive Products segment, which made a profit in the 176th period, we will continue working to improve profitability. For currency exchange, we expect a continuation of the trend towards a weaker yen, with an assumed rate of 145 yen to the dollar in fiscal year 2024 relative to 144.59 yen to the dollar in fiscal year 2023.

In terms of returns to shareholders, we plan to pay a total dividend of ¥55 per share (same as a total amount of dividend for fiscal year 2023), consisting of an interim dividend and year-end dividend of ¥27.5 each, pursuant to the basic policy of our 2025 Mid-term Management Plan (“2025 MTMP”) of setting the dividend payout ratio at 30% as a guideline.

	Fiscal year 2023		Fiscal year 2024		Mid-term plan for fiscal year 2025
	Mid-term plan	Results	Mid-term plan	Forecasts	
Consolidated net sales	¥770.0 billion	¥799.8 billion	¥800.0 billion	¥830.0 billion	¥825.0 billion
Consolidated operating profit	¥60.0 billion (7.8%)	¥69.5 billion (8.7%)	¥70.0 billion (8.8%)	¥70.0 billion (8.4%)	¥85.0 billion (10.3%)
Consolidated rate of return on equity (ROE)	14.4%	16.7%	14.5%	14.0%	16.5%
Consolidated return on invested capital (ROIC)	10.7%	11.1%	10.6%	10.4%	12.8%
Consolidated capital adequacy ratio	44.6%	47.1%	47.2%	50.1%	51.7%



## (2) Issues Facing the Fujikura Group

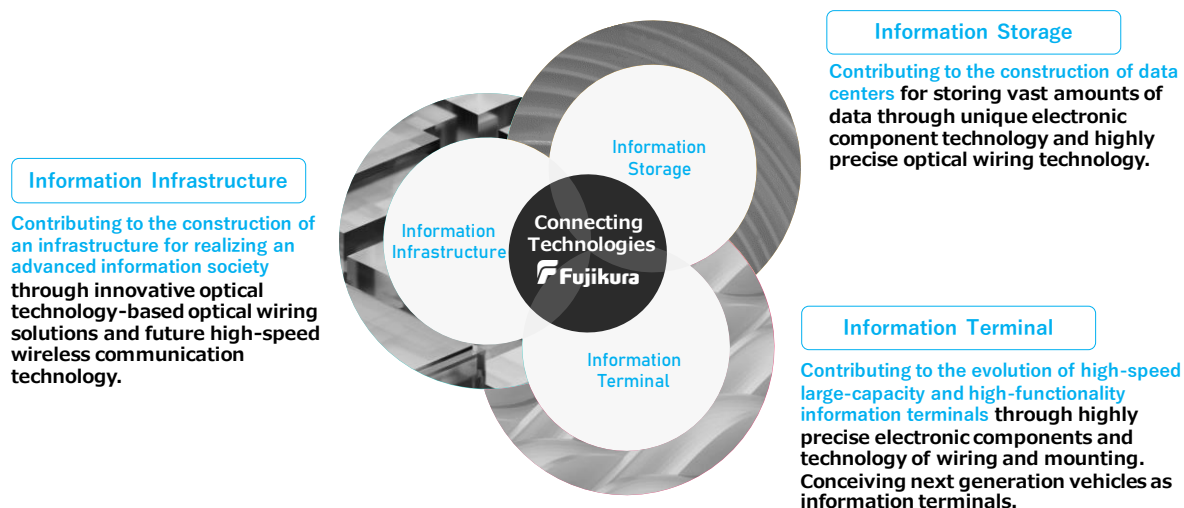
### (i) 2025 Mid-term Business Plan

#### a. Overview

With the aim of achieving sustainable growth for the Group and further enhancing its corporate value, the Company formulated and announced in May 2023 its three-year 2025 MTMP, the first year of which was the fiscal year 2023.

Under the 2025 MTMP, the Company will pivot on the “Tsunagu” (Connecting) Technology that it has developed, and position the three areas of Information Infrastructure, Information Storage, and Information Terminals, which leverage its fundamental and core technologies to the full, as core business areas. The Company will concentrate management’s resources in these core business areas with the aim of becoming a highly profitable corporate group.

### Core Business Areas in the 2025 Mid-term Business Plan



In addition, “carbon neutrality,” which is one of social issues shown in Sustainable Development Goals (SDGs), is an opportunity for new business creation. We will leverage our technological capabilities to promote technology and product development in such fields as superconducting tapes that are expected to be used for nuclear fusion power generation, fiber lasers, and electric vehicles (EVs).

For the 2025 MTMP, we also formulated a mid-term capital allocation policy as the core of our financial strategy going forward. Based on this policy, we will work to achieve a balance among implementation of business investment and strategic investment for future growth, securing of financial soundness, and shareholder returns, and will execute management with an awareness of capital efficiency.

#### <Capital Allocation Policy>

- Growth investment: Focused invest of ¥105.0 billion\* in core business areas
- Strategic investment: Invest flexibly ¥30.0 billion\* in new businesses and other areas
- Shareholder returns: Set consolidated dividend payout ratio at 30% as a guideline
- Ensure financial soundness: target capital adequacy ratio of 50% or above
- Amounts are based on cumulative operating cash flows, etc. projected in the 2025 MTMP

## **b. Information Infrastructure**

In the Information Infrastructure Area, we will contribute to the construction of the infrastructure for realizing the advanced information society through innovative optical technology-based optical wiring solutions and future high-speed wireless communication technologies. In this area, we will particularly focus on the following points in FY2024 and FY2025.

[Cultivating new markets and customers]

In addition to focusing on optical wiring solutions that use our strategic product “Spider Web Ribbon® / Wrapping Tube Cable®” (hereinafter referred to as “SWR®/WTC®”), etc. to dig deeper into the North America businesses, we will concentrate on expanding the business in the new markets of continental Europe, and the Middle East, Asia and Oceania regions.

In the U.S., the trend of the restraint on investment by telecommunication companies, which began in the second half of the fiscal year 2023 against the background of higher interest rates and other factors, continues. However, installation and expansion of ultra-high-speed broadband infrastructure is expected to move ahead under the leadership of the federal government in order to resolve the digital divide. This movement is expected to gather momentum in the second half of FY2024, and as the U.S. government requires that the products used with this investment be products made in America, the Company is promoting sales expansion through the construction of an SWR®/WTC® production structure in the U.S., and strategic alliances with U.S. companies.

In terms of cultivating new markets, a major telecommunication company in the Middle East adopted our SWR®/WTC® for its broadband network by the fiscal year under review. From the viewpoint of improving our competitiveness in markets, we are pursuing higher fiber counts in WTC® through a technology alliance with a Taiwanese cable manufacturer. In the fiscal year 2024 and beyond, we will conduct technological development and productivity improvement, including the promotion described above, to create competitive products that meet customer needs, and open the way to business expansion.

[Taking on the challenge of new business models]

By leveraging its strengths as a one-stop supplier that offers everything from the manufacture of optical fiber, optical cable, optical components, and fusion splicers to network design and construction, the Company is working to establish a new business model in North America.

Specifically, based on the track record accumulated in the course of building fiber networks totaling 850,000 lines over the past ten years, we have taken the decision to launch a dark fiber/provider business\*<sup>1</sup> in Canada. In recognition of the urgent need to eliminate the digital divide in Canada as well, this business involves the construction of an optical network by an entity jointly established by the Company and leading local telecommunications carriers with funding from a broad range of investors. The network will be leased to telecommunications carriers, thereby contributing to the elimination of this issue and the spread of ultra-high-speed broadband in the region. In the U.S., we will also promote the business of DAS\*<sup>2</sup>-Local 5G, which makes high-speed and high-quality data communications possible in limited areas where large numbers of people are assumed to gather, such as stadia, indoor sporting venues, and airports.

\*<sup>1</sup> Refers to a business that promotes the utilization of optical fiber networks that have been installed but not put to use by leasing them out, etc.

\*<sup>2</sup> An abbreviation for Distributed Antenna System. DAS is a system that distributes radio waves received from base stations over optical cables to enlarge the area covered by communications.

## **c. Information Storage**

The Information Storage Area is aimed at the “data center market,” with booming capital investment in recent years due to the spread and expansion of generative AI. The Company will contribute to solving problems by leveraging its high-density optical wiring technology and unique electronic component technology to address the urgent issues of space and energy efficiency in data centers, which are becoming increasingly sophisticated and large in size.

To begin with, as the number of servers and storage devices in data centers increases, so does demand for optical components, such as small multi-core optical connectors. The Company will strengthen its production system to meet this increased demand. For example, we have expanded our plant in

Monterrey, Mexico. In addition, in order to capture the demand in the European data center market, we have established a plant in Poland for the production of optical components, which became operational in early 2024. Furthermore, the Company will make investments in Japan to improve production capacity.

Next, with regard to HDD products that are attracting attention as a low-power consumption high-volume storage medium in data centers, we will move forward with the development of technology conforming to HDDs using new magnetic recording technology, such as thermally assisted magnetic recording and microwave assisted magnetic recording. In addition, in response to rising demand for efficient and high-performance cooling systems that is being driven by the increase in heat generated by data centers, we will strengthen solution proposals that make use of our technology, such as developing a new type of multiple layers cold plate, as a means of increasing our market share.

#### **d. Information Terminals**

The Information Terminal Area covers smartphones and PCs, as well as Augmented Reality (AR), Virtual Reality (VR), and drones. Automobiles are sometimes referred to as mobile devices on wheels and are seeing ongoing innovation in a variety of technologies with an eye toward social implementation of highly sophisticated autonomous driving. We also categorize automobiles into the Information Terminals Area.

The Company possesses the fundamental and core technologies of wiring and mounting technologies, leveraging these to offer high-value-added connectors, electronic wires, a variety of sensors, and other high-precision electronic components. These components are used in a wide range of fields, including PCs, wearable devices, industrial machinery, and medical equipment.

We believe that the need for higher density, higher precision, and more multifunctionality will increase in the Information Terminal Area in the future, and we will respond to such needs with our advanced manufacturing technologies.

In addition, “CASE” (connected, autonomous driving, sharing, and electrification) is putting the automotive industry through a once-in-a-century revolutionary period. While effectively using our superior customer base and worldwide network of production locations that we have developed, we will position next-generation CASE vehicles as a new business platform, and take on the challenge of creating new businesses by leveraging Fujikura’s status as a technology leader.

#### **e. Beyond 2025**

We look ahead beyond the 2025 MTMP and work towards the creation of new businesses on the three themes of superconducting, fiber lasers, and EVs. In particular, we are promoting the following initiatives in the field of superconductors.

Our rare-earth-based high temperature superconducting tapes incorporate world-leading performance and mass-production technology. Coils using superconducting tapes are important members for nuclear fusion power generation, which is the subject of research initiatives for commercialization in various countries as a source of next-generation clean energy. In order to contribute to the realization of nuclear fusion power generation, the Company has promoted various initiatives in this field. Specifically, the Company has taken an equity stake in Kyoto university startup Kyoto Fusioneering Ltd., which is engaging in research and development for fusion energy plant-related devices and systems and in plant engineering. As a result of our collaborative initiatives to realize the technology of fusion power generation, the Company and Kyoto Fusioneering Ltd. Have been awarded a contract to advance private-sector research in high temperature superconducting magnets for fusion energy plants by the UK Atomic Energy Authority (UKAEA), an initiative under which the Company will work in collaboration with Kyoto Fusioneering Ltd., such as by taking responsibility for the design and manufacture of magnets.

The Company Is also involved in the Japan Fusion Energy Council (common name: J-Fusion) as a founding member of this organization, which is a collaborative initiative between industry, government, and academia established under the leadership of the Cabinet Office of the government of Japan.

We expect that demand for superconducting tapes will increase as initiatives for nuclear fusion power generation move forward, and will take steps to increase production capacity for superconducting tapes going forward.

#### **f. Research and New Business Development Unit**

Constant rejuvenation of businesses, products, and technologies in alignment with our management and business strategies is essential for our sustainable growth. This unit seeks to contribute to society by building innovative information and telecommunications networks and reducing environmental burdens. To these ends, it is conducting research and development in technological fields that have a high compatibility with the Company's businesses, centering on "next-generation optical communications," "millimeter wave applications," and "next-generation energy."

In the field of next-generation optical communications, faster information networks with greater capacity are required since innovative digital technologies represented by generative AI are leading to exponential growth in the volume of communications data. In addition, response to a power consumption increase in data centers, etc. is also required. Next-generation communications technology as represented by the IOWN® concept\* is required to solve these issues, and we are forging ahead with research and development into the area of the fusion of optical and electronics technologies that will be able to contribute to reductions in power consumption in data centers.

In the field of millimeter wave applications, as a high-speed wireless communications technology with greater capacity and lower latency, we have promoted the development of 28 GHz millimeter wave ICs and modules used for 5G mobile base stations and fixed wireless access (FWA) equipment and 60 GHz millimeter wave communications modules used for business operators in such environments as railways, expressways, airports, ports and harbors, factories, and construction sites, and have begun providing prototype products to customers. Millimeter wave is a promising technology for applications other than communication, and we are developing a broad range of applied technology for the future.

In the field of next-generation energy, in addition to pushing forward with further improvements in the performance and output of fiber lasers, we are conducting research and development into applications for the transmission of energy and information.

\* An abbreviation of Innovative Optical and Wireless Network Concept, this is a concept advocated by Nippon Telegraph and Telephone Corporation (NTT) for a network and information processing infrastructure that uses innovative technologies centered on optical technology to provide high capacity and low latency with low power consumption. Starting in 2021, the Company has been participating in the IOWN® Global Forum, which aims to materialize and disseminate this concept.

### **(ii) ESG**

The Fujikura Group has established the five-year activity plan "Sustainability Targets 2025 (FY2021 to FY2025)," aiming to contribute to a sustainable society and improve the Group's corporate value. For these targets, the Company has set targets to be achieved for fiscal year 2025 on four themes, F (Finance & Future), E (Environment), S (Society), and G (Governance), making reference to social issues, international guidelines, evaluation items established by ESG Ratings Agencies, and comments from stakeholders. The targets to be achieved have been set based on published long-term visions, such as the Fujikura Group Environmental Long-term Vision 2050 and the 2030 Vision. "F (Finance & Future)" is as described in "1. (1) (ii) Business plan for fiscal year 2024" and "(2) (i) a. Overview" described above.

#### **a. Environment (E)**

The "Environment" theme is one where the public is focused on corporate climate-change countermeasures. The Group has set a carbon-neutral target to achieve zero CO<sub>2</sub> emissions at its plants by 2050 under the Fujikura Group Environmental Long-term Vision 2050 and is working towards achieving them.

As a major initiative, we have joined the international organization RE100, which aims for the use of 100% renewable energy, and we announced our support for the TCFD (Task Force on Climate-related Financial Disclosures), which is an international activity of disclosure recommendations regarding the risks of climate change. We have participated (actually implementing CO<sub>2</sub> emissions trading, etc.) in

the GX League Basic Concept\*<sup>1</sup>, an initiative led by the Ministry of Economy, Trade and Industry. We also set new greenhouse gas emission reduction targets for the Fujikura Group, completed the procedures for Science Based Targets (SBT) certification from the SBT initiative\*<sup>2</sup> and are preparing for the prescribed disclosure. We will continue our climate change initiatives going forward.

\*1 A concept announced by the Ministry of Economy, Trade and Industry in February 2023 as a framework to promote the establishment of a venue (the GX League) where a company taking on the challenges of GX to realize sustainable growth in the present and future society can work in concert with other companies conducting similar initiatives as well as government and academia. GX stands for “Green Transformation” and refers to the promotion of reform of the overall economic and social system in order to realize improvements in emissions reductions and industrial competitiveness by viewing Japan’s initiatives to become carbon neutral by 2050 and achieve greenhouse gas emission reduction targets as a country by 2030 as opportunities for economic growth.

\*2 A joint initiative established by several international organizations based on the Paris Agreement, which was adopted at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) held in 2015. The SBTi supports companies in setting and certifying Science Based Targets (SBTs), which are standards consistent with scientific findings for measures to combat global warming.

#### **b. Social (S): Human capital-related initiatives**

Sustainable growth of the Company requires the hiring, development, promotion, and appropriate compensating of the diverse human resources who play an active role globally.

Using the Fujikura Group’s HR development total system based on “Group HRM Vision” (a human resources development system that cycles repeatedly through “evaluation,” “development,” “awareness of strengths and issues,” and “further growth”), we are working to build a culture and an environment optimized for the nurturing of outstanding personnel who can work anywhere in the world.

Specifically, we seek to enhance the value of human resources and employee engagement through the following four core measures and initiatives.

- i) We will accept diverse values and approaches, and pursue workplace environments characterized by mutual respect, and flexible work styles.
- ii) We provide learning opportunities necessary for building careers, and support employee growth.
- iii) We conduct fair evaluations and treatment according to the role played, contributions, and results.
- iv) We create an organization where “each individual can play an essential role,” and assign the right people to the right places.

#### **c. Governance (G)**

##### **(a) Governance of the Company and the Group**

In 2017, the Company transitioned to an Audit and Supervisory Committee system with the aim of separating management supervision and execution to speed up management decision-making. Since then, we have continued our efforts to strengthen corporate governance by overhauling our managerial system and strengthening the supervisory function of the Board of Directors.

As described in the “System to Ensure Appropriate Operations,” provided separately, our current system for execution of business is based on the three-person structure of CEO, CFO, and CTO, which enables proactive and decisive business operations based on sophisticated and effective management judgment. Meanwhile, we are working to strengthen corporate governance through measures such as establishing a system that enables appropriate supervision of the status of business execution by CxOs by the Board of Directors, in which non-executive Directors make up the majority.

In addition, in order to promote stronger governance in the Group, we have established the “Group Governance Basic Policy” to serve as a guideline. This is intended to systematically establish rules and regulations for the entire Group, strengthen overall governance, and create an environment in which the Group can operate as though it were a single company. In terms of business operations, each business segment will reinforce the system to directly control

group companies under its control according to their size and function, while in terms of monitoring, the Company's departments with corporate functions will directly monitor group companies. In the fiscal year 2024, we will strengthen group governance by extending this basic policy to major group companies.

(b) Improving governance at AFL

As was explained at last fiscal year's General Meeting, there was an incident (the "Incident") in which the CEO of the Company's consolidated U.S. subsidiaries America Fujikura Ltd. ("AFL") and AFL Telecommunications LLC ("AFLT"), who concurrently served as Director of the Company (the "Former CEO") misappropriated real estate, credit cards, checks, aircraft, etc. for his personal use. We would like to again express our deepest apologies to everyone that the Incident was allowed to take place.

The Company has been working to improve the governance of AFL and AFLT in light of the Incident, which will be reported below. We found there to be two main causes behind the Incident, concentration of business authority in the hands of the Former CEO, and ineffective checks and balances on the Former CEO's business execution. Having identified these causes, the governance has been improved during the fiscal year under review as follows:

- i. Decentralization of authority, and clarification of the authority of the CEO and other officers
- ii. Development of governance structure and internal rules and regulations
  - (i) Clarification and making a rule of AFL's decision-making authority in line with the Company's decision-making authority chart
  - (ii) Overhaul of committees under the AFL Board of Directors and creation of new specialized committees

As part of (ii) above, we have improved the effectiveness of AFL's Executive Committee. Specifically, the Committee is required to discuss important management decisions, such as investments with a high face value. We have also reviewed and clarified its membership, including requiring the participation of legal experts in the Executive Committee. In addition, a Nominating Advisory and Corporate Governance Committee and Compensation Advisory Committee have been newly established as specialized committees at AFL, strengthening control by making it mandatory that AFL's director nomination and compensation decisions receive approval from the AFL's Board of Directors and the Company.

As described above, we have implemented changes to the system to prevent governance issues like that of the Incident from occurring. The Company is also monitoring AFL, including reviewing and auditing the minutes of AFL Executive Committee meetings. The Company will continue to improve governance in order to prevent such a situation from occurring again, and will be extending these efforts across the entire Group in order to strengthen our group governance.

The Company will examine the results of the investigation of the Incident closely, and will take appropriate steps in accordance with the relevant laws and regulations.

(c) Cross-shareholdings

As per Principle 1-4 of the Company's Corporate Governance Code, the Company does not engage in cross-shareholding in principle. However, we may hold the shares of a company as cross-shareholdings only if it is necessary for the Company to enter into a strategic business partnership and it will contribute to an increase in corporate value over the medium to long term.

Based on this policy, the Company held 4,776,300 common shares of FUJIKURA COMPOSITES Inc., but has sold 3,163,800 shares as of May 13, 2024. As a result, the Company's shareholding ratio became 6.88%.

The Company will review the utility of its shareholdings from time to time, and the Board of Directors will decide whether or not to continue to hold such shares.

### (3) Fujikura Group Capital Investment

The total amount of capital investments for the 176th period was ¥20.8 billion, under the basic idea of taking a balanced approach of allocating resources mainly to growth sectors.

[Telecommunication Systems segment]

We are proceeding with construction of a new SWR® plant within Sakura Works as a means of strengthening our optical cable total solutions business. We seek to increase production of SWR® by 30% by commencing operations within fiscal year 2025, thereby addressing mounting worldwide demand for building advanced information infrastructure. In taking on construction of the new plant, we will strive to achieve labor and energy savings through digital transformation (DX) and green transformation (GX).

[Real Estate segment]

With the aim of enhancing the value of Fukagawa GATHARIA and contributing to the local community, we are constructing a new building (New North Plaza Building) with a focus on medical services. (Estimated completion in October 2024)

### (4) Fujikura Group Fund Procurement

#### (i) Fund procurement

In October 2023 we signed a long-term (3-year) commitment line agreement with one of our main financial institutions for ¥60.0 billion. There were no outstanding loan balances with respect to commitment lines as of the end of the period under review.

#### (ii) Principal lenders and loan amounts (As of March 31, 2024)

(Millions of yen)	
Lender	Loan balance
Sumitomo Mitsui Banking Corporation	22,507
Mizuho Bank, Ltd.	6,035
MUFG Bank, Ltd.	5,181
Sumitomo Mitsui Trust Bank, Limited	5,082
The Shizuoka Bank, Ltd.	3,950
Syndicated loan*	60,000
Hybrid loan*	40,000

\* The syndicated loan and the hybrid loan are loans from a syndicate, with Sumitomo Mitsui Banking Corporation as the arranger.

### (5) Financial Position and Business Performance

(Millions of yen)				
Category	173rd period (FY2020)	174th period (FY2021)	175th period (FY2022)	176th period (current period) (FY2023)
Net sales	643,736	670,350	806,453	799,760
Operating profit	24,422	38,288	70,163	69,483
Ordinary profit	18,380	34,089	67,897	69,733
Profit (loss) attributable to owners of parent	(5,369)	39,101	40,891	51,011
EPS (yen)	(19.50)	141.85	148.27	184.96
Net assets	184,483	243,657	294,384	366,582
Total assets	569,124	611,526	656,785	723,867

**(6) Major Lines of Business of the Fujikura Group (As of March 31, 2024)**

**(i) Telecommunication Systems segment**

[Major lines of business]

This segment provides optical fiber cables and various products for the construction of optical networks.

[Main products]

Optical fibers, optical fiber cables, connection components including optical connectors, optical devices, optical fusion splicers, optical line monitoring systems, optical transmitters, optical wiring systems, OPGW (Optical Ground Wires) and related installation work

**(ii) Electronics business segment**

[Major lines of business]

This segment provides components of electronic equipment for digital home electronics, mobile devices, industrial machinery and medical equipment

[Main products]

FPCs, connectors, membrane switches, electronic wires, HDD components, sensors (pressure and oxygen) and heat pipes

**(iii) Automotive Products segment**

[Major lines of business]

This segment provides various components for automobiles, etc.

[Main products]

Wire harnesses for automobiles and automotive components

**(iv) Power Systems segment**

[Major lines of business]

This segment provides a variety of electric wires and cables, including those for industrial use, for power transmission and distribution, and for communication.

[Main products]

Industrial electric wires, telecommunications metal cables, overhead transmission wires, power distribution lines, cables for power supply, connection components for electric wires and power supply cables and magnet wires

**(v) Real Estate segment**

This segment is engaged in the building rental business through the operation of “Fukagawa GATHARIA.”

**(7) Principal Business Locations of the Fujikura Group (As of March 31, 2024)**

**(i) The Company**

Head office: Koto-ku, Tokyo

Works: Sakura Works (Chiba Prefecture), Suzuka Works (Mie Prefecture) and Numazu Works (Shizuoka Prefecture)

**(ii) Subsidiaries**

America Fujikura Ltd. (U.S.), Fujikura Printed Circuits Ltd. (Tokyo), Fujikura Electronics (Thailand) Ltd. (the Kingdom of Thailand), Fujikura Electronic Components (Thailand) Ltd. (the Kingdom of Thailand), DDK (Thailand) Ltd. (the Kingdom of Thailand), Fujikura Automotive Asia Ltd. (Yamagata Prefecture), Fujikura Automotive Europe S.A.U. (Spain), Fujikura Automotive America



LLC (U.S.), Fujikura Dia Cable Ltd. (Tokyo), and Nishi Nippon Electric Wire & Cable Co., Ltd. (Oita Prefecture)

### (8) Employees of the Fujikura Group (As of March 31, 2024)

Segments, etc.	Number of employees	
		(Persons)
Telecommunication Systems segment	9,658	(374)
Electronics business segment	11,645	(3,493)
Automotive Products segment	26,504	(2,182)
Power Systems segment	1,433	(257)
Real Estate segment	21	(10)
Head office and other	993	(244)
Total	50,254	(6,560)

\* Figures shown in parentheses above are annual average numbers of temporary employees, excluded from the total number of employees.

### (9) Principal Subsidiaries (As of March 31, 2024)

The outline of principal subsidiaries of the Company is as follows. Each subsidiary manufactures and sells the products listed in the right column. The Company has 95 consolidated subsidiaries (increased by 3 compared to the previous fiscal year) and 10 subsidiaries (same as the end of the previous fiscal year) under the equity method.

Company name, etc.	Share capital Ownership percentage	Major lines of business
America Fujikura Ltd.	202 million U.S. dollars 100.0%	Optical cables, optical fusion splicers, optical connection parts, OPGW and telecommunications related work
Fujikura Printed Circuits Ltd.	¥1,000 million 100.0%	FPCs
Fujikura Electronics (Thailand) Ltd.	11,552 million Thai baht 100.0%	FPCs
Fujikura Electronic Components (Thailand) Ltd.	3,068 million Thai baht 100.0%	Electronic components
DDK (Thailand) Ltd.	1,730 million Thai baht 100.0%	Connectors
Fujikura Automotive Asia Ltd.	¥1,773 million 100.0%	Wire harnesses for automobiles
Fujikura Automotive Europe S.A.U.	60,000 euros 100.0%	Wire harnesses for automobiles
Fujikura Automotive America LLC	3 million U.S. dollars 100.0%	Wire harnesses for automobiles
Fujikura Dia Cable Ltd.	¥5,400 million 70.0%	Electric wires and cables
Nishi Nippon Electric Wire & Cable Co., Ltd.	¥960 million 60.8%	Electric wires and cables

### (10) Other

- (i) The Company conducted a simplified absorption-type company split of its conductor business (procurement of materials such as electrolytic copper, sales of rough copper wire and copper wire) into Fujikura Dia Cable Ltd., a 70%-owned subsidiary, with an effective date of April 1, 2024.
- (ii) The Company conducted a simplified absorption-type merger, in which the Company is the surviving company, with the Company's wholly-owned subsidiary, OPTOENERGY Inc., in relation to its fiber laser business, with an effective date of April 1, 2024.

## 2. Company's Stock (As of March 31, 2024)

- (1) **Number of Authorized Shares** 1,190,000,000 shares  
(2) **Number of Shares Issued** 295,863,421 shares (including 19,459,691 shares of treasury shares)  
(3) **Number of Shareholders** 29,400 (down 840 from the previous fiscal year end)  
(4) **Major Shareholders**

(Thousand shares; %)

Name	Number of shares held	Percentage of total shares issued
The Master Trust Bank of Japan, Ltd. (Trust Account)	56,326	20.38
Custody Bank of Japan, Ltd. (Trust Account)	31,209	11.29
Taiju Life Insurance Company Limited	10,192	3.69
Sumitomo Mitsui Banking Corporation	8,456	3.06
Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank, Limited Retirement Benefit Trust Account)	6,777	2.45
STATE STREET BANK AND TRUST COMPANY 505223	5,845	2.11
The Shizuoka Bank, Ltd.	5,789	2.09
SSBTC CLIENT OMNIBUS ACCOUNT	4,737	1.71
JP MORGAN CHASE BANK 385781	3,674	1.33
Fujikura Employees Shareholding Association	3,218	1.16

\*1. The numbers presented in "Number of shares held" are based on the list of shareholders.

\*2. Although the Company owns 19,459,691 shares of treasury shares, this is excluded from the above table. 19,459,691 shares of treasury shares do not include 494,988 shares held by the trust account relating to the stock distribution trust established for the stock-based compensation plan for Directors (excluding Outside Directors) not serving as Audit and Supervisory Committee Members and Corporate Officers.

\*3. The percentage values presented in "Percentage of total shares issued" are calculated excluding treasury shares.

### (5) Shares delivered during the fiscal year to Directors as consideration for their execution of duties

There were no shares delivered to Directors during the fiscal year under review.

\* Details regarding the Company's stock-based compensation are described under "4. (5) Compensation, etc. to Directors."

## 3. Share Acquisition Rights (As of March 31, 2024)

Not applicable.

#### 4. Company's Officers (As of March 31, 2024)

##### (1) Directors

Position	Name	Position and Responsibilities
Chairman of the Board of Directors	Masahiko Ito	Chair of the Board of Directors
<u>Director, President &amp; CEO</u>	Naoki Okada	Internal Audit Department, Corporate Strategy Unit, Corporate Governance Unit, Corporate Staff Unit, Telecommunication Systems Business Unit, Electronic Components & Connector Business Unit, Automotive Products Business Unit, Production Engineering Unit, and Independent Business Companies, etc.
<u>Director &amp; CTO</u>	Tatsuya Banno	Research and New Business Development Unit and Corporate Quality Management Unit
Director & CFO	Kazuhito Iijima	Corporate Management Unit, Real Estate Business Unit, and General Manager of Finance & Accounting Department
Director, Member of the Audit and Supervisory Committee (Full-time)	Koji Naruke	–
Director, Member of the Audit and Supervisory Committee (Outside)	Hamako Hanazaki	–
Director, Member of the Audit and Supervisory Committee (Outside)	Keiji Yoshikawa	–
Director, Member of the Audit and Supervisory Committee (Outside)	Yoji Yamaguchi	–
Director, Member of the Audit and Supervisory Committee (Outside)	Kozo Meguro	–

\*1. Representative Directors are underlined.

\*2. A full-time Member of the Audit and Supervisory Committee is selected to ensure the effectiveness of the activities of the Audit and Supervisory Committee.

\*3. Directors, Members of the Audit and Supervisory Committee Ms. Hamako Hanazaki, Mr. Keiji Yoshikawa, Mr. Yoji Yamaguchi and Mr. Kozo Meguro serve as Outside Directors, as provided for in Article 2, Item 15 of the Companies Act.

\*4. Director, Member of the Audit and Supervisory Committee Mr. Yoji Yamaguchi has experience serving in a key role of a major city bank over many years and has a significantly high level of knowledge about finance and accounting. Director, Member of the Audit and Supervisory Committee Mr. Kozo Meguro is a certified public accountant and has a significantly high level of knowledge about finance and accounting.

\*5. Significant concurrent positions are as follows.

Director, Member of the Audit and Supervisory Committee Ms. Hamako Hanazaki is an attorney at law at Kita-Aoyama Law Office. There are no transactional relationships between the Company and Kita-Aoyama Law Office.

Director, Member of the Audit and Supervisory Committee Mr. Keiji Yoshikawa is an Outside Board Director of Kansai Paint Co., Ltd. and an Outside Director of AEON DELIGHT CO., LTD. There are no transactional relationships between the Company and both Kansai Paint Co., Ltd. and AEON DELIGHT CO., LTD.

\*6. Directors, Members of the Audit and Supervisory Committee Ms. Hamako Hanazaki, Mr. Keiji Yoshikawa, Mr. Yoji Yamaguchi and Mr. Kozo Meguro are registered as Independent Officers with the Tokyo Stock Exchange.

\*7. On April 1, 2024, the positions and responsibilities of Directors were changed as follows.

Position	Name	After change	Before change
Director & CFO	Kazuhito Iijima	Corporate Management Unit and Real Estate Business Unit	Corporate Management Unit, Real Estate Business Unit, and General Manager of Finance & Accounting Department
Director, Member of the Audit and Supervisory Committee (Full-time)	Koji Naruke	Chair of the Board of Directors	—

Corporate Officers who are not serving as Directors (as of April 1, 2024)

Position	Name	Responsibilities
Corporate Officer	Toru Hamasuna	Corporate Strategy Unit
Corporate Officer	Keiko Shindo	Corporate Governance Unit
Corporate Officer	Yuki Mori	Corporate Staff Unit
Corporate Officer	Noriyuki Kawanishi	Telecommunication Systems Business Unit
Corporate Officer	Junji Fukuhara	Electronic Components & Connector Business Unit
Corporate Officer	Shuichi Nasu	Automotive Products Business Unit
Corporate Officer	Tetsuya Mangyoku	Production Engineering Unit

\*8 The term of office of Mr. Yoshio Shirai, who is Director serving as Audit and Supervisory Committee Member, expired at the conclusion of the Adjourned Meeting of Fujikura's 175th Annual General Meeting of Shareholders held on August 25, 2023. In addition, the term of office of Mr. Masahiko Ito, who is Chairman of the Board of Directors, will expire at the conclusion of the 176th Annual General Meeting of Shareholders.

\*9 Mr. Joseph E. Gallagher, who was Director and Corporate Officer, Mr. Koichi Takemoto, who was Director & CFO, and Shigeo Sekikawa, who was Director, Member of the Audit and Supervisory Committee, resigned on May 26, 2023, June 5, 2023 and June 29, 2023, respectively.

## (2) Overview of Directors and Officers Liability Insurance Policy

The Company has entered into a directors' and officers' liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. The scope of insureds covered by the directors' and officers' liability insurance policy includes the Directors (including Directors serving as Audit and Supervisory Committee Members), auditors, corporate officers, and management level personnel of the Company and its subsidiaries. This policy covers the insureds for their legal liability for compensation for damages and litigation expenses arising from the execution of their duties. Moreover, among the insured persons, the Directors (including Directors serving as Audit and Supervisory Committee Members) of the Company personally cover 5% of their insurance premiums.

## (3) Overview of Provisions in Contracts for Liability Limitation

The Company and non-executive Directors have entered into a contract to limit their liability to damages in Article 423, paragraph (1) of the Companies Act, in accordance with the provisions of Article 427, paragraph (1) of the said act. The maximum amount of liability for damages under this contract is defined as the amount stipulated by laws and regulations.

## (4) Outside Directors

The Company's Outside Directors are Ms. Hamako Hanazaki, Mr. Keiji Yoshikawa, Mr. Yoji Yamaguchi and Mr. Kozo Meguro.

Main activities during the 176th Period

	Overview of attendance and remarks at meetings, as well as of the duties relating to the role expected for outside directors
Director, Member of the Audit and Supervisory Committee Hamako Hanazaki	The Company expects Ms. Hamako Hanazaki to utilize her expertise and practical experience as an attorney, to provide opinions and suggestions, and to demonstrate the audit function of company management from an objective perspective that is independent from executives. By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, she uses her experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company's management.

	<p>Overview of attendance and remarks at meetings, as well as of the duties relating to the role expected for outside directors</p>
	<p>Based on a whistleblowing complaint made on March 3, 2023, the Company became aware of the fact that a person who concurrently served as the Director of the Company and the CEO of a U.S. subsidiary was using assets owned by the subsidiary for personal use, etc. (hereinafter referred to as the “Incident”). Although unaware of the occurrence of the Incident until the whistleblowing complaint was made, she has conducted her duties appropriately by actively offering useful advice, etc. on improving and strengthening governance on such occasions as the Board of Directors meetings, drawing on her expertise on controls based on her highly specialized perspective afforded by many years of service as a lawyer in corporate practice.</p> <p>She serves as a member of the Nominating Advisory Committee, and has attended all Nominating Advisory Committee meetings held since her assumption of office.</p> <p><b>Attendance at:</b>  Board of Directors Meetings: 100% (24/24)  Audit and Supervisory Committee Meetings 100% (20/20)  Nominating Advisory Committee Meetings 100% (6/6)</p>
<p>Director, Member of the Audit and Supervisory Committee Keiji Yoshikawa</p>	<p>The Company expects Mr. Keiji Yoshikawa to utilize the abundant experience and knowledge that he has accumulated in corporate management over many years, to provide opinions and suggestions, and to demonstrate the supervisory function of company management from an objective position that is independent from executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company’s management, and exchanging opinions with persons who execute business, he uses his experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company’s management.</p> <p>Based on a whistleblowing complaint made on March 3, 2023, the Company became aware of the fact that a person who concurrently served as the Director of the Company and the CEO of a U.S. subsidiary was using assets owned by the subsidiary for personal use, etc. (hereinafter referred to as the “Incident”). Although unaware of the occurrence of the Incident until the whistleblowing complaint was made, he has conducted his duties appropriately by actively offering useful advice, etc. on improving and strengthening governance on such occasions as the Board of Directors meetings based on his perspective and expertise in business management of global companies. He serves as chair of the Remuneration Advisory Committee, and serves as member of the Nominating Advisory Committee.</p> <p><b>Attendance at:</b>  Board of Directors Meetings: 100% (24/24)  Audit and Supervisory Committee Meetings 95.0% (19/20)  Nominating Advisory Committee Meetings 100% (8/8)  Remuneration Advisory Committee Meetings 100% (9/9)</p>
<p>Director, Member of the Audit and Supervisory Committee Yoji Yamaguchi</p>	<p>The Company expects Mr. Yoji Yamaguchi to utilize the experience and knowledge that he has accumulated in important positions in a major city bank over many years, to provide opinions and suggestions, and to demonstrate the supervisory function of company management from an objective position that is independent from executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company’s management, and exchanging opinions with persons who execute business, he uses his experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company’s management.</p> <p>Based on a whistleblowing complaint made on March 3, 2023, the Company became aware of the fact that a person who concurrently served as the Director of the Company and the CEO of a U.S. subsidiary was using assets owned by the subsidiary for personal use, etc. (hereinafter referred to as the “Incident”). Although unaware of the occurrence of the Incident until the whistleblowing complaint was made, he has conducted his duties appropriately by actively offering useful advice, etc. on improving and strengthening governance on such occasions as the Board of Directors meetings based on his perspective and expertise in corporate accounting and taxation practice.</p> <p>He serves as chair of the Nominating Advisory Committee and member of the Remuneration Advisory Committee, and has attended all Remuneration Advisory Committee meetings since his assumption of office as a member of the Remuneration Advisory Committee.</p> <p><b>Attendance at:</b>  Board of Directors Meetings: 100% (24/24)  Audit and Supervisory Committee Meetings 100% (20/20)  Nominating Advisory Committee Meetings 100% (8/8)  Remuneration Advisory Committee Meetings 100% (6/6)</p>

	Overview of attendance and remarks at meetings, as well as of the duties relating to the role expected for outside directors
Director, Member of the Audit and Supervisory Committee Kozo Meguro	<p>The Company expects Mr. Kozo Meguro to utilize his expertise and practical experience as a certified public accountant, to provide opinions and suggestions, and to demonstrate the supervisory function of company management from an objective position that is independent from business executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, he uses his experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an independent and objective standpoint, and fulfills the supervisory function of the Company's management.</p> <p>Based on a whistleblowing complaint made on March 3, 2023, the Company became aware of the fact that a person who concurrently served as the Director of the Company and the CEO of a U.S. subsidiary was using assets owned by the subsidiary for personal use, etc. (hereinafter referred to as the "Incident"). Although unaware of the occurrence of the Incident until the whistleblowing complaint was made, he has conducted his duties appropriately by actively offering useful advice, etc. on improving and strengthening governance on such occasions as the Board of Directors meetings, drawing on his expertise on controls based on his highly specialized perspective afforded by his many years of service as an accountant in corporate practice.</p> <p>He serves as a member of the Remuneration Advisory Committee.</p> <p><b>Attendance at:</b></p> <p>Board of Directors Meetings: 100% (24/24)  Audit and Supervisory Committee Meetings 100% (20/20)  Remuneration Advisory Committee Meetings 100% (9/9)</p>

## (5) Compensation, etc. to Directors

### (i) Policy on Determining Compensation to Directors

In determining the policy for decisions on compensation, etc., as well as in determining compensation, etc., of Directors not serving as Audit and Supervisory Committee Members, decisions are made by resolution of the Board of Directors, upon having received a report from the advisory body of the Board of Directors, the Remuneration Advisory Committee (comprises the Director in charge of human resources and three Outside Directors; and is chaired by an Outside Director).

The content of our decision making policy for the content of individual compensation, etc., for Directors is as shown below.

The Company not only deals with a variety of products but also promotes a global business operation. Accordingly, the duties of Directors are diverse and require expertise. Therefore, the standard for compensation to Directors should be set at a level appropriate to recruit qualified people capable of fulfilling these duties, and in specific, the compensation for Directors comprises the following three categories referring to surveys that target mainly listed companies conducted by multiple research agencies. Based on objective benchmarks and evaluations, we have revised the compensation policy to ensure a stronger link to performance.

#### (a) Basic compensation

The portion corresponding to the monitoring and supervision functions of each Director, which is a fixed amount according to his/her rank and grade.

#### (b) Short-term performance-based compensation

A base amount by rank and grade shall be established reflecting the corporate performance or the performance of the divisions under each Director's responsibility. The amount of compensation under this category shall vary within a range between 0% and 200% of the aforementioned base amount, depending on certain indicators (operating profit ratio, return on equity (ROE), and return on invested capital (ROIC)). We have used these indicators as they are "indicators that easily reflect management measures", "indicators that have a strong correlation with the level of return of profits to shareholders," and indicators which have high affinity with the Company's growth strategy. As targets for indicators relating to short-term performance-based compensation in the fiscal year under review, we have used the abovementioned indicators calculated based on the consolidated plan for the fiscal year ended March 2023 that was resolved by the Board of Directors at the end of the fiscal year ended March 2022. The degree of achievement was

measured by comparing these indicators to indicators calculated based on the results for the same fiscal year, resulting in the determination of the amount of short-term performance-based compensation to be paid for the fiscal year under review. Beginning from the next fiscal year (fiscal year ending March 2025), in addition to the degree of achievement against the plan for the fiscal year under review, we plan to use the degree of growth over the previous fiscal year's results as an indicator.

(c) Stock-based compensation

Apart from the monetary compensation in (a) and (b) above, a scheme that provides compensation in the form of common shares of the Company has been established. This scheme is mainly intended to enhance the motivation of Directors towards contribution to an increase in corporate value of the Company, by placing Directors in a position to enjoy the merit of a rising share price as well as to bear the risk of a falling share price, whereby Directors and shareholders share the merit and risk of such fluctuations.

The timing for receiving the distribution of the relevant shares is upon the retirement of the Directors not serving as Audit and Supervisory Committee Members, in principle.

Roughly 50% of the entire compensation shall be represented by the portion subject to fluctuations at a maximum, depending on performance and share price (short-term performance-based compensation and stock compensation).

On the other hand, compensation for non-executive Directors, in light of their duties, will be exclusively a fixed amount as basic compensation, not including short-term performance-based compensation and stock-based compensation.

The determination of policy for decisions on compensation, etc. and compensation, etc. for Directors serving as Audit and Supervisory Committee Members will be based on the market environment and consist of fixed compensation that takes into account their professional responsibilities. The amount of compensation for individual Directors serving as Audit and Supervisory Committee Members shall be within the range of compensation approved by a general meeting of shareholders, and shall be determined through deliberation by Directors serving as Audit and Supervisory Committee Members.

Furthermore, this policy will be determined through deliberation by Directors serving as Audit and Supervisory Committee Members.

(ii) Total Amount of Compensation, etc. to Directors

(Millions of yen; persons)

Category	Total amount of compensation, etc.	Total amount of compensation, etc. by type			Number of recipients
		Basic compensation	Performance-based compensation	Stock-based compensation	
Directors not serving as Audit and Supervisory Committee Members	254	163	39	52	6
Directors serving as Audit and Supervisory Committee Members (excluding Outside Directors)	26	25	1	—	2
Directors serving as Audit and Supervisory Committee Members (Outside Directors)	59	59	—	—	5

\*1. Among the Company's Directors not serving as Audit and Supervisory Committee Members, there are no Outside Directors.

\*2. The above includes two Directors not serving as Audit and Supervisory Committee Members who resigned on May 26 and June 5, 2023, respectively, one Director serving as an Audit and Supervisory Committee Member who retired due to the resignation at the adjournment of the 175th Annual General Meeting of Shareholders held on June 29, 2023, and one Director serving as an Audit and Supervisory Committee Member who retired due to the expiration of the term of office at the conclusion of the 175th Annual General Meeting of Shareholders (Adjourned Meeting) held on August 25, 2023.

- \*3. The targets and performances for indicators relating to “short-term performance-based compensation” in the fiscal year under review are as follows.

(Performance-linked coefficient)

(%)

Type of indicator	Target (Business plan for fiscal year ended March 2023)	Performance (Performance for fiscal year ended March 2023)
Consolidated operating profit ratio	6.0	8.7
Consolidated rate of return on equity (ROE)	9.8	16.7

- \*4. Total amount, etc. of compensation, etc. for those whose total amount of compensation, etc. is ¥100 million or more

(Millions of yen)

Name	Total amount of compensation paid by group	Total amount of compensation by type		
		Basic compensation	Performance-based compensation	Stock-based compensation
Naoki Okada	101	53	19	29

- \*5. Performance-based compensation for Directors serving as Audit and Supervisory Committee Members was determined as such based on performance results during the period in which the relevant Director had served as an Audit and Supervisory Committee Member in fiscal year 2020.
- \*6. The Board of Directors, in regard to the individual compensation for Directors not serving as Audit and Supervisory Committee Members in the fiscal year under review, has determined that as individual compensation amounts for Directors are determined through the procedures described in “(i) Policy on Determining Compensation to Directors” above, the content of this conforms with such policy. In determining the compensation, etc. of Directors not serving as Audit and Supervisory Committee Members, the Remuneration Advisory Committee verifies the fairness and appropriateness of the decision making process regarding the performance evaluation of each Director, the compensation standards in line with the market, the compensation system, and the specific amount of compensation. The Board of Directors has received a report from the Remuneration Advisory Committee that the decision making process is fair and reasonable.
- \*7. The Audit and Supervisory Committee received a report regarding the individual compensation of Directors not serving as Audit and Supervisory Committee Members in the fiscal year under review from the Audit and Supervisory Committee Members who attended a meeting of the Remuneration Advisory Committee. As a result of the report and consultations, the Audit and Supervisory Committee reached the conclusion that the Remuneration Advisory Committee’s decision making process for the compensation, etc., of Directors not serving as Audit and Supervisory Committee Members is appropriate, and that there are no special matters that should be stated at a General Meeting of Shareholders under the provisions of the Companies Act.
- \*8. Matters concerning the resolution at the General Meeting of Shareholders on compensation, etc. of Directors
- (1) It was resolved that the amount of compensation to Directors not serving as Audit and Supervisory Committee Members should not exceed ¥600 million per year at the 169th Annual General Meeting of Shareholders held on June 29, 2017. In addition, separate from such monetary compensation, a resolution was passed at said Annual General Meeting of Shareholders to restrict the amount of stock-based compensation to up to ¥120 million per year and the maximum number of shares to 285,000 shares per year (Outside Directors are not eligible). The number of Directors not serving as Audit and Supervisory Committee Members as of the conclusion of said Annual General Meeting of Shareholders was nine, and none of them were Outside Directors.
  - (2) It was resolved that the amount of compensation to Directors serving as Audit and Supervisory Committee Members should not exceed ¥150 million per year (of which not exceeding ¥100 million for Outside Directors) at the 174th Annual General Meeting of Shareholders held on June 29, 2022. The number of Directors serving as Audit and Supervisory Committee Members as of the conclusion of said Annual General Meeting of Shareholders was six (of which five were Outside Directors).
- \*9 As noted in “Notice of Reduction of Executive Remuneration” dated August 31, 2023, in light of the result for the investigation relating to the improper real estate acquisition and similar incidents at a U.S. subsidiary published on “Notice Regarding the Investigation Result for the Investigation Relating to an Improper Real Estate Acquisition and Similar Incidents at a U.S. Subsidiary” as of July 31, 2023, the Company resolved at the Board of Directors meeting held on August 13, 2023, to reduce the remuneration of Directors not serving as Audit and Supervisory Committee Members, as described below in “(1) Details of the reduction in remuneration for rectors not serving as Audit and Supervisory Committee Members,” in order to clarify management responsibility for the inappropriate cases. Furthermore, through a discussion by the Audit and Supervisory Committee Members, the Company decided to reduce the remuneration of Directors serving as Audit and Supervisory Committee Members, as described below in “(2) Details of the reduction of remuneration for Directors serving as Audit and Supervisory Committee Members.”



(1) Details of the reduction of remuneration for Directors not serving as Audit and Supervisory Committee Members

Position	Details of the reduction
Chairman of the Board of Directors	Monthly remuneration equivalent to 30% for 3 months
Director, President & CEO	Monthly remuneration equivalent to 30% for 3 months
Director & CTO	Monthly remuneration equivalent to 20% for 3 months
Director & CFO	Monthly remuneration equivalent to 20% for 3 months

(2) “Details of the reduction of remuneration for Directors serving as Audit and Supervisory Committee Members

Position	Details of the reduction
Director, Full-time Audit and Supervisory Committee Member	Monthly remuneration equivalent to 10% for 1 month
Director, Audit and Supervisory Committee Member (five members)	Monthly remuneration equivalent to 10% for 1 month

## 5. Accounting Auditor

### (1) Name of Accounting Auditor

PricewaterhouseCoopers Japan LLC

\* PricewaterhouseCoopers Aarata LLC merged with PricewaterhouseCoopers Kyoto as of December 1, 2023 and changed its name to PricewaterhouseCoopers Japan LLC.

### (2) Content of Non-Audit Services

Agreed procedures concerning certification application related to special provisions for levies pursuant to the provisions of Article 37, paragraph (1) of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities.

### (3) Compensation Paid by the Total Fujikura Group

(Millions of yen)	
	Amount
(i) Compensation as Accounting Auditor of the Company for the 176th period	121
(ii) Sum of amount the Company and its subsidiaries owe to Accounting Auditor (including the amount set forth in (i))	191

- \*1. In the audit contract between the Company and Accounting Auditor, it is not practically possible to distinguish between the compensation for the audit based on the Companies Act and that based on the Financial Instruments and Exchange Act. Therefore, the amount set forth in (i) above is the sum of them.
- \*2. The Company's principal subsidiaries, America Fujikura Ltd., Fujikura Electronics (Thailand) Ltd., Fujikura Electronic Components (Thailand) Ltd., DDK (Thailand) Ltd., Fujikura Automotive Europe S.A.U. and Fujikura Automotive America LLC are subject to audits by audit corporations other than the Company's accounting auditor.
- \*3. Taking into account the "Practical Guidelines for Cooperation with Accounting Auditors" released by the Japan Audit & Supervisory Board Members Association, the Audit and Supervisory Committee, by acquiring necessary documents and hearing reports from the Accounting Auditor and relevant sections within the Company, compares the audit plan with the actual results of the previous fiscal year; confirms the time and contents of audits by each auditing item for the fiscal year under review; and examines the appropriateness of the amount of compensation. After these discussions, the Audit and Supervisory Committee gives its consent regarding the compensation, etc. of the Accounting Auditor in accordance with Article 399, paragraphs (1) and (3) of the Companies Act.

### (4) Policy on Decision Concerning Dismissal or Non-Reappointment of Accounting Auditor

It is the policy of the Company that the Accounting Auditor shall be dismissed with the consent of all Audit and Supervisory Committee Members in the case that the Accounting Auditor infringes on or violates laws and regulations such as the Companies Act and the Certified Public Accountant Law. Moreover, in the case that it determines that a serious impediment or possibility of a serious impediment arises in the Company's auditing in light of changes in the nature of the Company's business or the corporate scale including the consolidated group, or smoothness of partnership with other audit organizations, the Audit and Supervisory Committee shall propose to a General Meeting of Shareholders "Dismissal or Non-reappointment of Accounting Auditor."

\* Monetary amounts and numbers of shares less than stated units in this Business Report are rounded off.

## Consolidated Balance Sheet

(As of March 31, 2024)

(Millions of yen)

Item	Amount	Item	Amount
<b>ASSETS</b>		<b>LIABILITIES</b>	
<b>Current assets</b>	<b>467,297</b>	<b>Current liabilities</b>	<b>200,283</b>
Cash and deposits	147,760	Notes and accounts payable - trade	78,019
Notes receivable - trade	17,872	Short-term borrowings	49,558
Accounts receivable - trade	136,169	Current portion of bonds payable	10,000
Contract assets	10,157	Income taxes payable	5,355
Merchandise and finished goods	38,587	Contract liabilities	4,416
Work in process	33,062	Provision for loss on business of subsidiaries and associates	702
Raw materials and supplies	59,878	Other provisions	2,080
Other	24,668	Other	50,152
Allowance for doubtful accounts	(855)	<b>Non-current liabilities</b>	<b>157,003</b>
		Bonds payable	10,000
		Long-term borrowings	108,008
		Other provisions	330
		Lease liabilities	14,635
		Retirement benefit liability	10,661
		Other	13,368
		<b>Total liabilities</b>	<b>357,285</b>
<b>Non-current assets</b>	<b>256,570</b>	<b>NET ASSETS</b>	
<b>Property, plant and equipment</b>	<b>165,696</b>	<b>Shareholders' equity</b>	<b>270,528</b>
Buildings and structures	76,058	Share capital	53,076
Machinery, equipment and vehicles	38,605	Capital surplus	26,110
Land	15,323	Retained earnings	201,814
Leased assets	19,518	Treasury shares	(10,472)
Construction in progress	11,126	<b>Accumulated other comprehensive income</b>	<b>70,563</b>
Other	5,067	Valuation difference on available-for-sale securities	4,844
<b>Intangible fixed assets</b>	<b>20,412</b>	Deferred gains or losses on hedges	203
Goodwill	10,095	Foreign currency translation adjustment	63,879
Other	10,317	Remeasurements of defined benefit plans	1,638
<b>Investments and other assets</b>	<b>70,461</b>	<b>Non-controlling interests</b>	<b>25,490</b>
Investment securities	35,207	<b>Total net assets</b>	<b>366,582</b>
Retirement benefit asset	1,357	<b>Total liabilities and net assets</b>	<b>723,867</b>
Deferred tax assets	16,739		
Other	17,294		
Allowance for doubtful accounts	(135)		
<b>Total assets</b>	<b>723,867</b>		

**Consolidated Statements of Income**  
(From April 1, 2023 through March 31, 2024)

(Millions of yen)

Item	Amount	
Net sales		799,760
Cost of sales		629,053
Gross profit		170,707
Selling, general and administrative expenses		101,223
Operating profit		69,483
Non-operating income		
Interest income	765	
Dividend income	662	
Share of profit of entities accounted for using equity method	2,662	
Foreign exchange gains	3,213	
Other	1,022	8,324
Non-operating expenses		
Interest expenses	3,821	
Other	4,253	8,074
Ordinary profit		69,733
Extraordinary income		
Gain on sale of investment securities	668	
Other	9	677
Extraordinary losses		
Impairment losses	3,317	
Business restructuring expenses	2,288	
Other	591	6,196
Profit before income taxes		64,215
Income taxes - current	14,495	
Income taxes - deferred	(3,392)	11,103
Profit		53,112
Profit attributable to non-controlling interests		2,100
Profit attributable to owners of parent		51,011

## **Consolidated Statement of Changes in Equity**

(From April 1, 2023 through March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	53,076	26,514	161,721	(10,470)	230,842
Changes during period					
Dividends of surplus			(10,918)		(10,918)
Profit attributable to owners of parent			51,011		51,011
Purchase of treasury shares				(2)	(2)
Change in ownership interest of parent due to transactions with non-controlling interests		(2)			(2)
Purchase of shares of consolidated subsidiaries		(363)			(363)
Purchase of treasury shares of consolidated subsidiaries		(40)			(40)
Net changes in items other than shareholders' equity					-
Total changes during period	-	(404)	40,093	(2)	39,687
Balance at end of period	53,076	26,110	201,814	(10,472)	270,528

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,075	38	39,277	(1,694)	39,695	23,847	294,384
Changes during period							
Dividends of surplus					-		(10,918)
Profit attributable to owners of parent					-		51,011
Purchase of treasury shares					-		(2)
Change in ownership interest of parent due to transactions with non-controlling interests					-		(2)
Purchase of shares of consolidated subsidiaries					-		(363)
Purchase of treasury shares of consolidated subsidiaries					-		(40)
Net changes in items other than shareholders' equity	2,769	166	24,602	3,332	30,868	1,643	32,511
Total changes during period	2,769	166	24,602	3,332	30,868	1,643	72,198
Balance at end of period	4,844	203	63,879	1,638	70,563	25,490	366,582

## Non-consolidated Balance Sheets

(As of March 31, 2024)

(Millions of yen)

Item	Amount	Item	Amount
<b>ASSETS</b>		<b>LIABILITIES</b>	
<b>Current assets</b>	<b>168,659</b>	<b>Current liabilities</b>	<b>100,647</b>
Cash and deposits	83,650	Notes payable - trade	78
Notes receivable - trade	2,796	Accounts payable - trade	26,656
Accounts receivable - trade	38,629	Short-term borrowings	24,120
Merchandise and finished goods	3,402	Current portion of bonds payable	10,000
Work in process	9,617	Accrued expenses	7,156
Raw materials and supplies	3,405	Deposits received	25,361
Accounts receivable - other	13,824	Provision for loss on business of subsidiaries and associates	702
Short-term loans receivable	11,416	Other	6,573
Other	1,929	<b>Non-current liabilities</b>	<b>127,420</b>
Allowance for doubtful accounts	(9)	Bonds payable	10,000
<b>Non-current assets</b>	<b>190,403</b>	Long-term borrowings	107,100
<b>Property, plant and equipment</b>	<b>72,765</b>	Long-term leasehold and guarantee deposits received	7,626
Buildings	50,052	Provision for retirement benefits	1,047
Structures	2,163	Other provisions	314
Machinery and equipment	5,064	Other	1,333
Land	9,710	<b>Total liabilities</b>	<b>228,067</b>
Construction in progress	4,672	<b>NET ASSETS</b>	
Other	1,103	<b>Shareholders' equity</b>	<b>126,415</b>
<b>Intangible fixed assets</b>	<b>2,276</b>	Share capital	53,076
Software	1,102	Capital surplus	28,302
Other	1,174	Legal capital surplus	13,269
<b>Investments and other assets</b>	<b>115,362</b>	Other capital surplus	15,034
Investment securities	10,754	Retained earnings	55,458
Shares of subsidiaries and associates	87,767	Other retained earnings	55,458
Investments in capital of subsidiaries and associates	12,973	Reserve for tax purpose reduction entry of non-current assets	950
Long-term loans receivable	8,771	Retained earnings brought forward	54,508
Deferred tax assets	2,901	Treasury shares	(10,422)
Other	727	<b>Valuation and translation adjustments</b>	<b>4,580</b>
Allowance for doubtful accounts	(8,500)	Valuation difference on available-for-sale securities	4,527
Allowance for investment loss	(32)	Deferred gains or losses on hedges	53
<b>Total assets</b>	<b>359,062</b>	<b>Total net assets</b>	<b>130,995</b>
		<b>Total liabilities and net assets</b>	<b>359,062</b>

**Non-consolidated Statements of Income**  
(From April 1, 2023 through March 31, 2024)

(Millions of yen)

Item	Amount	
Net sales		239,416
Cost of sales		205,316
Gross profit		34,100
Selling, general and administrative expenses		22,839
Operating profit		11,261
Non-operating income		
Interest and dividend income	16,668	
Foreign exchange gains	3,116	
Other	286	20,070
Non-operating expenses		
Interest expenses	1,691	
Interest on bonds	53	
Financing expenses	611	
Provision for loss on business of subsidiaries and associates	463	
Provision of allowance for doubtful accounts	178	
Other	1,070	4,066
Ordinary profit		27,265
Extraordinary income		
Gain on sale of investment securities	542	
Other	7	549
Extraordinary losses		
Impairment losses	1,452	
Business restructuring expenses	30	
Loss on sale of investment securities	21	1,503
Profit before income taxes		26,311
Income taxes - current	1,722	
Income taxes - deferred	(2,140)	(418)
Profit		26,729

**Non-Consolidated Statement of Changes in Equity**  
(From April 1, 2023 through March 31, 2024)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward	
Balance at beginning of period	53,076	13,269	15,034	28,302	950	38,697	39,647
Changes during period							
Dividends of surplus				–		(10,918)	(10,918)
Reversal of reserve for tax purpose reduction entry of non-current assets				–	(0)	0	–
Profit				–		26,729	26,729
Purchase of treasury shares				–			–
Net changes in items other than shareholders' equity during period				–			–
Total changes during period	–	–	–	–	(0)	15,811	15,811
Balance at end of period	53,076	13,269	15,034	28,302	950	54,508	55,458

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(10,419)	110,606	1,927	40	1,967	112,574
Changes during period						
Dividends of surplus		(10,918)			–	(10,918)
Reversal of reserve for tax purpose reduction entry of non-current assets		–			–	–
Profit		26,729			–	26,729
Purchase of treasury shares	(2)	(2)			–	(2)
Net changes in items other than shareholders' equity during period		–	2,600	13	2,613	2,613
Total changes during period	(2)	15,809	2,600	13	2,613	18,421
Balance at end of period	(10,422)	126,415	4,527	53	4,580	130,995



## **The Audit and Supervisory Committee's Audit Report**

The Audit and Supervisory Committee of Fujikura Ltd. (hereafter, "the Company") conducted an audit regarding the execution of the duties of the directors for the 176th business year (April 1, 2023 to March 31, 2024). Methods and results of the audit are as follows.

### 1. Method and Contents of the audit

With regard to the contents of the resolution of the Board of Directors regarding matters defined in Article 399-13, paragraph (1), item (1)-(b) and -(c) of the Companies Act and the structure established based on such resolution (internal control system), the Audit and Supervisory Committee received reports on the establishment and the status of the operation of the internal control system from the Directors, officers and employees on a regular basis, sought explanations as necessary, expressed our opinions and conducted an audit according to the methods described below.

Meanwhile, with regard to internal control over financial reporting as required by the Financial Instruments and Exchange Act, the Audit and Supervisory Committee received reports from the Directors, etc. and the Accounting Auditor, PricewaterhouseCoopers Japan LLC, regarding their evaluation of internal control and the results of the audit, and sought explanations as necessary.

- (1) While utilizing techniques via telephone lines, the Internet, etc. in accordance with the audit policy, assignment of duties and other relevant matters specified by the Audit and Supervisory Committee, Audit and Supervisory Committee Members, in collaboration with the Internal Audit Division and others, attended important meetings, received reports from the Directors, officers and other employees on the execution of their duties, sought explanations as necessary, scrutinized important documents pertaining to decision-making, and examined the business and financial conditions at the head office and other principal offices. Regarding subsidiaries, Audit and Supervisory Committee Members communicated and exchanged information with the Directors, the Corporate Auditors and other employees of subsidiaries, and received reports with respect to their business from subsidiaries as necessary.
- (2) We monitored and verified whether the Accounting Auditors maintained their independence and implemented appropriate audits, and we received reports from the Accounting Auditors regarding the performance of their duties and sought explanations as necessary. Also, we received notice from the Accounting Auditors that "the Systems for ensuring that duties of the Accounting Auditors are performed properly" (matters set forth in each item of Article 131 of the Corporate Accounting Regulations) is organized in accordance with the "Quality Management Standards Regarding Audits" (Business Accounting Council) and other relevant standards, and sought explanations as necessary.

Based on the above methods, we examined the Business Report and the annexed detailed statements, non-consolidated financial statements ("non-consolidated balance sheets," "non-consolidated statements of income," "non-consolidated statements of shareholders' equity," and "notes to the non-consolidated financial statements") and the annexed detailed statements, and consolidated financial statements ("consolidated balance sheets," "consolidated statements of income," "consolidated statements of shareholders' equity," and "notes to the consolidated financial statements") for this business year.

### 2. Results of the audit

- (1) Results of audit of the Business Report, etc.
  - i) We confirm that the Business Report and the annexed detailed statements fairly represent the condition of the Company in accordance with the relevant laws and regulations and the Articles of Incorporation of the Company.
  - ii) With regard to the performance of duties of the Directors, we confirm that there were no improper acts or violations of any laws and regulations or the Articles of Incorporation of the Company committed by any of the Directors in connection with their duties.

iii) We confirm that the details of the resolution made by the Board of Directors concerning the internal control system is proper. Furthermore, we confirm that there are no matters on which to remark with regard to performance of duties of the Directors and content of the Business Report concerning the aforementioned internal control system.

As stated in the Business Report, the Company is implementing improvement measures to strengthen governance at the Company's consolidated U.S. subsidiaries where inappropriate cases were discovered in the previous fiscal year. The Audit and Supervisory Committee will continue to confirm the status of implementation of those improvement measures and the status of their dissemination across the entire Group.

(2) Results of audit of the non-consolidated financial statements and the annexed detailed statements  
We found the method and the results of the audit by the Accounting Auditor, PricewaterhouseCoopers Japan LLC, to be appropriate.

(3) Results of audit of the consolidated financial statements  
We found the method and the results of the audit by the Accounting Auditor, PricewaterhouseCoopers Japan LLC, to be appropriate.

May 17, 2024

Audit and Supervisory Committee of Fujikura Ltd.

Full-time Audit and Supervisory Committee Member:	Koji Naruke	[Seal]
Audit and Supervisory Committee Member:	Hamako Hanazaki	[Seal]
Audit and Supervisory Committee Member:	Keiji Yoshikawa	[Seal]
Audit and Supervisory Committee Member:	Yoji Yamaguchi	[Seal]
Audit and Supervisory Committee Member:	Kozo Meguro	[Seal]

Note: Among Members of the Audit and Supervisory Committee, Ms. Hamako Hanazaki, Mr. Keiji Yoshikawa, Mr. Yoji Yamaguchi and Mr. Kozo Meguro serve as Outside Directors, as provided for in Article 2, item (15) and Article 331, paragraph (6) of the Companies Act.