

**NOTICE OF CONVOCATION OF
THE 148th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

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To Our Shareholders

We would like to express our gratitude to all of our shareholders for their continued support.

As we present this notice of convocation of the 148th Ordinary General Meeting of Shareholders (for fiscal 2023) of the Company, I would like to take this opportunity to extend my greetings.

I would first like to express my sincere condolences to all those who have suffered as a result of the 2024 Noto Peninsula Earthquake in January, and I pray for a speedy recovery.

In fiscal 2023, although socioeconomic activity continues to normalize following the COVID-19 crisis, conditions remained volatile due to geopolitical factors such as the prolonged Russia-Ukraine conflict and rising tensions in the Middle East.

In this environment, in fiscal 2022, we achieved the quantitative targets set forth in the FY2023 Medium-Term Management Plan, namely, net sales of 1 trillion yen and an operating profit ratio of 8% or more. We focused our combined efforts as a Group on reaching even greater heights, and as a result, in fiscal 2023, we posted record net sales, operating profit, and profit attributable to owners of the parent. For the first time in our Company's history, we brought in over 100 billion yen in operating profit.

In view of the above business performance and future investment plans, we have decided to pay a year-end dividend of 75 yen per share. Together with the interim dividend, this will bring the total dividend per share for the fiscal year ended March 31, 2024 to 135 yen, an increase of 20 yen compared to the previous fiscal year.

In September 2023, we celebrated our 100th anniversary of the Company's founding, and in fiscal 2024, we set out on the next 100 years of our Company's history. In May 2024, we announced our FY2026 Medium-Term Management Plan, "To be enthusiastic, ambitious and sensitive 2026." We named this new medium-term management plan after our management slogan. Going back to our management roots, we will further polish our core power electronics technology with passion, high aspirations and goals, and we will continue to earn the trust of our stakeholders as a company that "contributes to society through its energy and environmental businesses." Guided by our corporate philosophy, "To be enthusiastic, ambitious and sensitive," we will continue to safeguard the safety and health of our employees and their families, as a matter of the highest priority, value communication with our stakeholders, and further increase the value of our Company.

We would like to ask for the continued confidence and support of our shareholders.

June 2024

Michihiro Kitazawa
Representative Director
Chairman of the Board and CEO

FUJI ELECTRIC CO., LTD.
Securities Code: 6504
1-1 Tanabe Shinden, Kawasaki-ku, Kawasaki
(Head Office)
Gate City Ohsaki, East Tower
11-2, Osaki 1-chome, Shinagawa-ku, Tokyo

June 4, 2024
(Provision of the information to be provided
electronically commences on June 3, 2024)

**NOTICE OF CONVOCATION OF
THE 148th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders,

The 148th Ordinary General Meeting of Shareholders of FUJI ELECTRIC CO., LTD. shall be held as outlined below.

In convocation of this General Meetings of Shareholders, the Company takes electronic provision measures to provide electronically information that is the content of reference materials for the General Meeting of Shareholders, etc. (matters to which the electronic provision measures apply), and posts such matters on the following Company's website.

Company's website

(<https://www.fujielectric.co.jp/about/ir/stock/meeting/index17.html> (in Japanese only))

In addition to the above website, the same information is posted on the website of Tokyo Stock Exchange, Inc. (TSE).

TSE website

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

Please access the above website and enter "Fuji Electric" in "Issue name (company name)" field, or "6504" in "Code" field, and then click "Search" button. Subsequently, click "Basic information" and then "Documents for public inspection/PR information," which will allow you to access "Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting" section under "Filed information available for public inspection."

Please exercise your voting rights by no later than 6:00 p.m., Monday, June 24, 2024 after reviewing the attached reference materials (pp. 6-35) and following the "Guidelines for the Exercise of Voting Rights" on page 4.

Sincerely,
Michihiro Kitazawa
Representative Director
Chairman of the Board and CEO

Details of Meeting

1. Date: 10:00 a.m., Tuesday, June 25, 2024 (Reception opens at 9:00 a.m.)

2. Place: Galaxy Room, 2nd Basement, Westin Hotel Tokyo
4-1 Mita 1-chome, Meguro-ku, Tokyo
(within Yebisu Garden Place)

3. Meeting Agenda

Items to be reported:

Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the 148th term (from April 1, 2023 to March 31, 2024), as well as the results of the audit of Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board

Items to be resolved:

Item 1: Election of Ten (10) Directors

Item 2: Election of Five (5) Audit & Supervisory Board Members

Item 3: Introduction of a Performance-related Share-based Remuneration Plan for Directors

4. Other Matters Shareholders Are Asked to Know with respect to this Convocation

- (1) The agenda item unmarked on a ballot form will be counted as “approved.”
 - (2) If voting rights are duplicated through the use of postal and via the Internet, etc., any vote that reaches the Company later will be regarded as the valid vote. In the event that multiple votes reach the Company on the same day, the vote exercised via the Internet, etc. shall take precedence.
 - (3) If voting rights are exercised multiple times via the Internet, etc., the last vote will be regarded as the valid vote.
- Please be advised that the Company’s Directors, Audit & Supervisory Board Members, and persons in charge are encouraged to be in light attire (the so-called Cool Biz) on the day of the Ordinary General Meeting of Shareholders.
 - Of the matters to which the electronic provision measures apply, the “Explanatory Notes for Consolidated Financial Statements” in the Consolidated Financial Statements and the “Explanatory Notes for Non-consolidated Financial Statements” in the Non-consolidated Financial Statements are posted on the Company’s website as well as on the TSE website as mentioned in page 2 of this notice, pursuant to the provisions of laws and regulations and the Articles of Incorporation of Company, and thus are omitted from this notice.
 - In the case that any revisions are made to the matters to which the electronic provision measures apply, a notice of the revisions and the details of revisions showing before and after changes will be posted on both of the aforementioned websites.

Guidelines for the Exercise of Voting Rights

You may exercise your voting rights at the Ordinary General Meeting of Shareholders by one of the following methods.

If you are not attending the meeting:

1. Exercising voting rights by postal mail (in writing)

Please indicate your approval or disapproval on the ballot form and send it back to us. (No postage is needed.)

*All unmarked agenda items will be counted as “approved.”

Exercise deadline: **Received by no later than 6:00 p.m., Monday, June 24, 2024**

2. Exercising voting rights via the Internet, etc.

Please access the Company’s designated website to exercise your voting rights online, and enter your vote of approval or disapproval by following on-screen guidance.

Please refer to the following page for instructions concerning the exercise of voting rights via the Internet, etc.

[Cautions regarding exercising voting rights via the Internet, etc.]

- If voting rights are exercised multiple times, the last vote will be regarded as the valid vote.
- If voting rights are duplicated through the use of postal and via the Internet, etc., any vote that reaches the Company later will be regarded as the valid vote. In the event that multiple votes reach the Company on the same day, the vote exercised via the Internet, etc. shall take precedence.

Exercise deadline: **Input by no later than 6:00 p.m., Monday, June 24, 2024**

If you are attending the meeting:

Please present the ballot form to the receptionist. (A personal seal will not be required.)

*You may exercise your voting rights by a proxy who is also a shareholder. In this case, the proxy should submit the following three documents to the reception on the day of the meeting: the proxy authorization form, your ballot form, and the proxy’s ballot form.

Date of the Ordinary General Meeting of Shareholders:

10:00 a.m., Tuesday, June 25, 2024 (Reception opens at 9:00 a.m.)

Instructions Concerning the Exercise of Voting Rights via the Internet, etc.*

*Institutional investors can exercise their voting rights via the electronic voting platform for institutional investors operated by Investor Communications Japan Inc. (ICJ).

By scanning the QR code (“Smart Exercise”)

You can log-in to the website for exercise of voting rights without entering the voting rights exercise code and password.

1. Please scan the QR code printed on the ballot form at the bottom right.

*QR code is a registered trademark of DENSO WAVE INCORPORATED.

2. Then please follow on-screen guidance and enter your vote of approval or disapproval.

The exercise of voting right by “Smart Exercise” is available only once.

In case if you want to change your vote after exercising your voting right, please access the website for PC and log-in by entering the “voting rights exercise code” and “password” indicated in the ballot form, to exercise your voting right again.

*You will be transferred to the website for PC by scanning the QR code again.

By entering the voting rights exercise code and password

Website for exercise of voting rights: <https://www.web54.net>

1. Please access the website for exercise of voting rights.

Click the “Next” button.

2. Please enter the “voting rights exercise code” indicated in the ballot form.

Enter the “voting rights exercise code.”

Click “Log in.”

3. Please enter the “password” indicated in the ballot form.

Enter the “password.”

Enter the new password that you will actually use.

Click “Register.”

4. Then please follow on-screen guidance and enter your vote of approval or disapproval.

If you have any questions on how to exercise your voting rights via the Internet using a personal computer or a smartphone, please contact the department below.

Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Web Support (dedicated line)

Toll-free number: 0120-652-031 (from within Japan only)
(9:00 a.m. to 9:00 p.m., JST)

Reference Materials for the General Meeting of Shareholders

Item 1: Election of Ten (10) Directors

Reasons for Proposal

The terms of office of all of ten members of the Board of Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. We, therefore, propose the election of the following ten members of the Board of Directors (four of them are Outside Directors) due to the following reasons.

In September 2023, the Company celebrated its 100th anniversary of the Company's founding, and in fiscal 2024, we set out on the next 100 years of the Company's history. In May 2024, we announced our FY2026 Medium-Term Management Plan, "To be enthusiastic, ambitious and sensitive 2026." The Company named this new medium-term management plan after our management slogan. Going back to our management roots, we will further polish our core power electronics technology with passion, high aspirations and goals, and we will continue to earn the trust of our stakeholders as a company that "contributes to society through its energy and environmental businesses."

For this reason, in light of the Company's business characteristics, the Company has defined the insight and experience necessary for the Board of Directors of the Company as the seven areas of "Business management," "Finance and accounting," "Global business," "Environmental and Society," "R&D, technology, manufacturing, and DX," "Corporate Governance, legal matters, and risks," and "Marketing and industry."

Six candidates for Standing Directors (No. 1-6) have been decided on the basis of the skills and experience necessary for the execution of the Company's management policies.

Four candidates for Outside Directors (No. 7-10) have been selected based on a comprehensive evaluation of the candidate's insight and experience, including management experience in other companies and expertise and international experience in the energy and environmental fields related to the Company's business, to determine their ability to conduct multifaceted management decisions, as well as of their understanding with regard to Fuji Electric's management and their independence from the Company described in pages 15-20. This approach has been adopted to facilitate the reinforcement of Fuji Electric's management supervisory functions and ensure the validity and appropriateness of important management decisions.

For the areas expected to Director candidates by the Company, please refer to pages 7 to 8.


As mentioned above, we would ask you to approve the election of these ten Directors in order to execute highly transparent management in a prompt manner with the aim of future business growth.

The election of Director candidates was made after the "Nomination and Remuneration Committee," a discretionary committee whose membership is made up of a majority of Outside Directors who are Independent Officers and whose chairman is an Outside Director who is an Independent Officer, deliberated and reported its findings.

Current positions and direct duties of Director candidates in the Company and areas expected to them by the Company


No.	Name	Current positions and direct duties in the Company		Areas expected to Director candidates by the Company						
				Business management	Finance and accounting	Global business	Environment and Society	R&D, technology, manufacturing, and DX	Corporate Governance, legal matters, and risks	Marketing and industry
1	Michihiro Kitazawa (Male) (Reappointment)	Representative Director Chairman of the Board and CEO (Chief Executive Officer)	Nomination and Remuneration Committee member	●	●	●	●	●	●	●
2	Shiro Kondo (Male) (Reappointment)	Representative Director President and COO (Chief Operating Officer)	President Nomination and Remuneration Committee member	●		●	●	●		●
3	Junichi Arai (Male) (Reappointment)	Director	Senior Managing Executive Officer Corporate General Manager, Corporate Management Planning Headquarters General Manager, Export Administration Office In charge of compliance management		●	●	●		●	
4	Toru Hosen (Male) (Reappointment)	Director	Senior Managing Executive Officer Corporate General Manager, Semiconductors Business Group				●	●		●

No.	Name	Current positions and direct duties in the Company		Areas expected to Director candidates by the Company						
				Business management	Finance and accounting	Global business	Environment and Society	R&D, technology, manufacturing, and DX	Corporate Governance, legal matters, and risks	Marketing and industry
5	Hiroshi Tetsutani (Male) (Reappointment)	Director	Managing Executive Officer Corporate General Manager, Industry Business Group				●	●		●
6	Masashi Kawano (Male) (New appointment)		Managing Executive Officer Corporate General Manager, Energy Business Group				●	●		●
7	Toshihito Tamba (Male) (Reappointment) (Outside Director) (Independent Officer)	Outside Director	Nomination and Remuneration Committee chairman	●	●	●			●	
8	Yukari Tominaga (Female) (Reappointment) (Outside Director) (Independent Officer)	Outside Director	Nomination and Remuneration Committee member	●				●	●	
9	Yukihiro Tachifuji (Male) (Reappointment) (Outside Director) (Independent Officer)	Outside Director	Nomination and Remuneration Committee member	●		●	●	●	●	
10	Tomonari Yashiro (Male) (Reappointment) (Outside Director) (Independent Officer)	Outside Director	Nomination and Remuneration Committee member			●	●		●	

No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
1	 <p data-bbox="272 667 507 757">Michihiro Kitazawa (Feb. 10, 1952) (Reappointment)</p>	<p data-bbox="539 241 1230 792"> Apr. 1974: Joined the Company Apr. 1998: President and Director, U.S. FUJI ELECTRIC INC. Jun. 2001: President and Representative Director, Fuji Electric Imaging Device Co., Ltd. Oct. 2003: Director, Fuji Electric Device Technology Co., Ltd. Jun. 2004: Managing Director, Fuji Electric Device Technology Co., Ltd. Jun. 2006: Senior Managing Director, Fuji Electric Device Technology Co., Ltd. Apr. 2008: Senior Executive Officer of the Company Jun. 2008: Representative Director, Vice President and Director of the Company Apr. 2010: Representative Director, President and Director of the Company Apr. 2011: President of the Company Apr. 2022: Representative Director, Chairman of the Board and CEO of the Company (up to the present) </p> <p data-bbox="539 801 1230 891"> [Direct duties in the Company] Chief Executive Officer Nomination and Remuneration Committee member </p>	<p data-bbox="1273 315 1394 412">Ownership of the Company's shares 45,200</p> <p data-bbox="1273 472 1394 524">Tenure 16 years</p> <p data-bbox="1273 584 1394 725">Number of attendance at the Board of Directors meetings 11/13</p>
<p data-bbox="181 904 772 927">Reasons for nomination as a candidate for Director</p> <p data-bbox="181 936 1362 1025">Mr. Michihiro Kitazawa was elected Director in 2008, and his tenure of office is 16 years. He was appointed as President of the Company in April 2010, and has been leading the management of the Company ever since. In addition, he has been Chairman of the Board and CEO since April 2022.</p> <p data-bbox="181 1034 1394 1155">We would ask shareholders to reelect him as Director, to perform the duties of a person to oversee the formulation of medium- to long-term business strategies and management plans. This is based on his experience of working abroad for many years and in the semiconductors business, where outstanding progress of technological innovation is seen, and his insight into business management.</p> <p data-bbox="181 1164 1378 1214">If his reelection is approved at this General Meeting, the Company will continue his appointment as Chairman of the Board and CEO.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
2	 <p data-bbox="300 936 480 1025">Shiro Kondo (Oct. 4, 1960) (Reappointment)</p>	<p data-bbox="539 241 903 271">Apr. 1984: Joined the Company</p> <p data-bbox="539 280 1238 353">Apr. 2005: General Manager, Information and Communications Controls Department, Fuji Electric Advanced Technology Co., Ltd.</p> <p data-bbox="539 362 1238 436">Apr. 2007: General Manager, Information and Communications Controls Development Center, Fuji Electric Advanced Technology Co., Ltd.</p> <p data-bbox="539 445 1201 506">Jul. 2007: Director, Fuji Electric Advanced Technology Co., Ltd.</p> <p data-bbox="539 515 1238 589">Jul. 2008: General Manager, Technology Strategy Office, Technology and Business Strategy Headquarters of the Company</p> <p data-bbox="539 598 1201 658">Sep. 2010: Deputy General Manager (Director), Fuji Electric Holdings (Shanghai) Co., Ltd.</p> <p data-bbox="539 667 1222 728">Jun. 2012: General Manager (Chairman), Fuji Electric (China) Co., Ltd.</p> <p data-bbox="539 736 1230 810">Apr. 2013: General Manager, Instrumentation and Control Systems Division, Industrial Infrastructure Business Group of the Company</p> <p data-bbox="539 819 1174 893">Jul. 2014: General Manager, Industrial Plant Division, Industrial Infrastructure Business Group of the Company</p> <p data-bbox="539 902 1201 976">Apr. 2015: General Manager, Industrial and Instrumentation Equipment Division, Industrial Infrastructure Business Group of the Company</p> <p data-bbox="539 985 1190 1046">Apr. 2016: Deputy Corporate General Manager, Corporate R&D Headquarters of the Company</p> <p data-bbox="539 1055 1161 1144">Apr. 2017: Executive Officer of the Company Corporate General Manager, Corporate R&D Headquarters of the Company</p> <p data-bbox="539 1153 1153 1182">Apr. 2020: Managing Executive Officer of the Company</p> <p data-bbox="539 1191 943 1220">Jun. 2021: Director of the Company</p> <p data-bbox="539 1229 1222 1319">Apr. 2022: Representative Director, President and COO of the Company (up to the present) President of the Company (up to the present)</p> <p data-bbox="539 1328 887 1357">[Direct duties in the Company]</p> <p data-bbox="539 1366 786 1395">Chief Operating Officer</p> <p data-bbox="539 1404 1083 1433">Nomination and Remuneration Committee member</p>	<p data-bbox="1267 577 1398 678">Ownership of the Company's shares 13,900</p> <p data-bbox="1289 741 1374 792">Tenure 3 years</p> <p data-bbox="1273 855 1390 1003">Number of attendance at the Board of Directors meetings 12/13</p>
<p data-bbox="181 1444 772 1473">Reasons for nomination as a candidate for Director</p> <p data-bbox="181 1482 1350 1543">Mr. Shiro Kondo was elected Director in 2021, and his tenure of office is three years. In addition, he has been President and COO since April 2022.</p> <p data-bbox="181 1552 1385 1666">We would ask shareholders to reelect him as Director, to perform the duties of a person responsible for business strategies and business execution based on management plans. This is based on his experience as a person responsible for business divisions, overseas bases and R&D operations and his insight into business management.</p> <p data-bbox="181 1675 1394 1736">If his reelection is approved at this General Meeting, the Company will continue his appointment as President and COO.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
3	 <p data-bbox="296 976 478 1066">Junichi Arai (Oct. 12, 1957) (Reappointment)</p>	<p data-bbox="539 241 1235 1344"> Apr. 1982: Joined the Company Jul. 1989: Seconded to U.S. FUJI ELECTRIC INC. Feb. 2002: General Manager, Planning Department, Business Division, Electron Business Group of the Company Oct. 2003: General Manager, Management Planning Division, Management Planning Headquarters, Fuji Electric Device Technology Co., Ltd. Apr. 2007: Deputy General Manager, Business Coordination Department, Semiconductor Devices Headquarters, Fuji Electric Device Technology Co., Ltd. Apr. 2008: General Manager, Business Coordination Department, Semiconductor Devices Headquarters, Fuji Electric Device Technology Co., Ltd. Jul. 2008: General Manager in charge of Business Planning, Business Strategy Office, Technology and Business Strategy Headquarters of the Company Jun. 2009: Executive Officer of the Company Jul. 2009: General Manager, Corporate Planning Office of the Company Apr. 2010: Assistant to President, METAWATER Co., Ltd. Jul. 2010: Director, METAWATER Co., Ltd. General Manager, Administration Headquarters, METAWATER Co., Ltd. Apr. 2012: Operating Officer of the Company General Manager, Corporate Planning Office, Corporate Management Planning Headquarters of the Company Apr. 2013: Executive Officer of the Company Apr. 2016: Managing Executive Officer of the Company Corporate General Manager, Corporate Management Planning Headquarters of the Company (up to the present) Jun. 2016: Director of the Company (up to the present) Apr. 2020: Senior Managing Executive Officer of the Company (up to the present) </p> <p data-bbox="539 1352 1209 1509"> [Direct duties in the Company] Corporate General Manager, Corporate Management Planning Headquarters General Manager, Export Administration Office In charge of compliance management </p>	<p data-bbox="1273 622 1394 721">Ownership of the Company's shares 12,300</p> <p data-bbox="1289 779 1378 833">Tenure 8 years</p> <p data-bbox="1273 900 1394 1043">Number of attendance at the Board of Directors meetings 13/13</p>
<p data-bbox="178 1532 772 1559">Reasons for nomination as a candidate for Director</p> <p data-bbox="178 1559 1394 1715">Mr. Junichi Arai was elected Director in 2016, and his tenure of office is eight years. We would ask shareholders to reelect him as Director, to perform the duties of Corporate General Manager of the Corporate Management Planning Headquarters to oversee the entire administrative operations. This is based on his experience of working abroad for many years and in the semiconductors business, where outstanding progress of technological innovation is seen, and his insight into business management.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
4	 <p data-bbox="300 1016 480 1106">Toru Hosen (Jun. 25, 1960) (Reappointment)</p>	<p data-bbox="539 239 903 268">Apr. 1983: Joined the Company</p> <p data-bbox="539 277 1241 331">Oct. 2003: Deputy General Manager, Matsumoto Office, Fuji Hitachi Power Semiconductor Co., Ltd.</p> <p data-bbox="539 340 1228 443">Feb. 2006: General Manager, Product Technology Center, Information and Power Supply Business Division, Semiconductor Devices Headquarters, Fuji Electric Device Technology Co., Ltd.</p> <p data-bbox="539 452 1228 555">Sep. 2007: Deputy General Manager, Information and Power Supply Business Division, Semiconductor Devices Headquarters, Fuji Electric Device Technology Co., Ltd.</p> <p data-bbox="539 564 1228 667">Apr. 2008: Senior Manager, Product Planning Department, Sales Coordination Division, Semiconductor Development and Sales Headquarters, Fuji Electric Device Technology Co., Ltd.</p> <p data-bbox="539 676 1201 757">Jul. 2008: Senior Manager, Discrete and IC Department, Semiconductors Business Coordination Division, Fuji Electric Device Technology Co., Ltd.</p> <p data-bbox="539 766 1228 869">Jan. 2009: Deputy General Manager, Business Strategy Coordination Division, Semiconductor Devices Headquarters, Fuji Electric Device Technology Co., Ltd.</p> <p data-bbox="539 878 1177 958">Oct. 2009: Deputy General Manager, Semiconductor Coordination Division, Semiconductor Devices Headquarters, Fuji Electric Systems Co., Ltd.</p> <p data-bbox="539 967 1225 1048">Apr. 2011: General Manager, Power Semiconductor Business Division, Electronic Devices Business Group of the Company</p> <p data-bbox="539 1057 1235 1111">Apr. 2013: General Manager, Business Coordination Division, Electronic Devices Business Group of the Company</p> <p data-bbox="539 1120 1187 1209">Apr. 2017: Executive Officer of the Company Deputy Corporate General Manager, Electronic Devices Business Group of the Company</p> <p data-bbox="539 1218 1197 1272">Apr. 2018: Corporate General Manager, Electronic Devices Business Group of the Company</p> <p data-bbox="539 1281 1155 1312">Apr. 2019: Managing Executive Officer of the Company</p> <p data-bbox="539 1321 1203 1402">Apr. 2021: Corporate General Manager, Semiconductors Business Group of the Company (up to the present)</p> <p data-bbox="539 1411 1155 1464">Apr. 2022: Senior Managing Executive Officer of the Company (up to the present)</p> <p data-bbox="539 1473 1181 1505">Jun. 2022: Director of the Company (up to the present)</p> <p data-bbox="539 1514 887 1545">[Direct duties in the Company]</p> <p data-bbox="539 1554 1206 1585">Corporate General Manager, Semiconductors Business Group</p>	<p data-bbox="1267 658 1394 757">Ownership of the Company's shares 5,300</p> <p data-bbox="1289 815 1372 869">Tenure 2 years</p> <p data-bbox="1273 927 1388 1079">Number of attendance at the Board of Directors meetings 13/13</p>
<p data-bbox="180 1601 772 1632">Reasons for nomination as a candidate for Director</p> <p data-bbox="180 1635 1059 1666">Mr. Toru Hosen was elected Director in 2022, and his tenure of office is two years.</p> <p data-bbox="180 1668 1401 1758">We would ask shareholders to reelect him as Director, to perform his duties as the person responsible for the Semiconductors Business Group. This is based on his experience holding important positions in the semiconductors business, which the Company has placed as a growth field, and his insight into business management.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
5	 <p>Hiroshi Tetsutani (Nov. 18, 1963) (Reappointment)</p>	<p>Apr. 1986: Joined the Company</p> <p>Jul. 2008: Senior Manager, Drive Equipment Technology Department, Drive Coordination Division, Drive Business Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Apr. 2009: General Manager, Complex Product Solution Coordination Division, Drive Business Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Apr. 2010: General Manager, Conveyance System Coordination Division, Transportation Solution Business Division, Environment Solution Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Apr. 2011: General Manager, Drive Planning Coordination Division, Drive Business Division, Power Electronics Business Group of the Company</p> <p>Oct. 2013: General Manager, Drive Business Division, Power Electronics Business Group of the Company</p> <p>Apr. 2017: Deputy Corporate General Manager, Power Electronics Systems Business Group of the Company</p> <p>General Manager, Factory Automation Business Division, Power Electronics Systems Business Group of the Company</p> <p>Apr. 2019: Executive Officer of the Company</p> <p>Corporate General Manager, Power Electronics System Industry Business Group of the Company</p> <p>Apr. 2021: Managing Executive Officer of the Company (up to the present)</p> <p>Sep. 2021: Corporate General Manager, Power Electronics Industry Business Group of the Company</p> <p>Jun. 2022: Director of the Company (up to the present)</p> <p>Oct. 2023 Corporate General Manager, Industry Business Group of the Company (up to the present)</p> <p>[Direct duties in the Company]</p> <p>Corporate General Manager, Industry Business Group</p>	<p>Ownership of the Company's shares 4,600</p> <p>Tenure 2 years</p> <p>Number of attendance at the Board of Directors meetings 13/13</p>
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Hiroshi Tetsutani was elected as a Director in 2022 and his tenure of office is two years. We would ask shareholders to reelect him as Director, to perform the duties as the person responsible for the Industry Business Group. This is based on his experience holding important positions in the industry business, which the Company has placed as a growth field, and his insight into business management.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
6	 <p data-bbox="284 875 488 965">Masashi Kawano (Sep. 14, 1961) (New appointment)</p>	<p data-bbox="539 253 903 282">Apr. 1986: Joined the Company</p> <p data-bbox="539 293 1238 371">Apr. 2009: Senior Manager, Development Department I, Power Electronics Development Center, Corporate R&D Headquarters, Fuji Electric Systems Co., Ltd.</p> <p data-bbox="539 383 1222 461">Jun. 2010: General Manager, Power Electronics Technology Center, Corporate R&D Headquarters, Fuji Electric Systems Co., Ltd.</p> <p data-bbox="679 472 1238 551">Senior Manager, Development Department I, Power Electronics Technology Center, Corporate R&D Headquarters, Fuji Electric Systems Co., Ltd.</p> <p data-bbox="539 562 1206 663">Apr. 2011: General Manager, Power Electronics Technology Development Center, Product Technology Laboratory, Corporate R&D Headquarters, Fuji Electric Systems Co., Ltd.</p> <p data-bbox="539 674 1222 752">Apr. 2013: General Manager, Kobe Factory, Production Division, Power Electronics Business Group of the Company</p> <p data-bbox="539 763 1206 819">Jul. 2015: General Manager, Power Supply Division, Power Electronics Business Group of the Company</p> <p data-bbox="539 831 1222 931">Apr. 2017: Deputy Corporate General Manager, Production & Procurement Group of the Company General Manager, Monotsukuri Strategy Center, Production & Procurement Group of the Company</p> <p data-bbox="539 943 1046 972">Apr. 2019: Executive Officer of the Company Corporate General Manager, Production & Procurement Group of the Company</p> <p data-bbox="539 1050 1206 1106">Apr. 2020: Corporate General Manager, Power Electronics System Energy Business Group of the Company</p> <p data-bbox="539 1117 1238 1173">Apr. 2021: Managing Executive Officer of the Company (up to the present)</p> <p data-bbox="539 1184 1190 1240">Sep. 2021: Corporate General Manager, Power Electronics Energy Business Group of the Company</p> <p data-bbox="539 1252 1206 1308">Oct. 2023: Corporate General Manager, Energy Business Group of the Company (up to the present)</p> <p data-bbox="539 1319 887 1348">[Direct duties in the Company] Corporate General Manager, Energy Business Group</p>	<p data-bbox="1270 707 1398 808">Ownership of the Company's shares 5,100</p>
<p data-bbox="177 1373 775 1402">Reasons for nomination as a candidate for Director</p> <p data-bbox="177 1406 743 1435">Mr. Masashi Kawano is a new candidate for Director.</p> <p data-bbox="177 1440 1334 1529">We would ask shareholders to elect him as Director, to perform the duties as the person responsible for the Energy Business Group. This is based on his experience holding important positions in the energy business, which the Company has placed as a growth field, and his insight into business management.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	
7	 <p>Toshihito Tamba (Mar. 13, 1950) (Reappointment) (Outside Director) (Independent Officer)</p>	<p>Apr. 1972: Joined ITOCHU Corporation</p> <p>Jun. 2001: Executive Officer, Chief Operating Officer, Forest Products & General Merchandise Division, ITOCHU Corporation</p> <p>Jun. 2003: Managing Representative Director, President, Chemicals, Forest Products & General Merchandise Company, ITOCHU Corporation</p> <p>Apr. 2005: Senior Managing Representative Director, Chief Corporate Planning Officer, ITOCHU Corporation</p> <p>Oct. 2006: Senior Managing Representative Director, Chief Administration Officer, ITOCHU Corporation</p> <p>Apr. 2008: Representative Executive Vice President, Executive Advisory Officer, Chief Operating Officer, Overseas Operations, ITOCHU Corporation</p> <p>Apr. 2010: Representative Director, Executive Vice President, Executive Advisory Officer, ITOCHU Corporation</p> <p>Jun. 2011: Advisor, Century Tokyo Leasing Corporation (now Tokyo Century Corporation) Chairman & Co-CEO, Representative Director, Century Tokyo Leasing Corporation</p> <p>Jun. 2016: Outside Director of the Company (up to the present)</p> <p>Apr. 2020: Director, Tokyo Century Corporation</p> <p>Jun. 2022: Executive Adviser, Tokyo Century Corporation (up to the present)</p> <p>[Direct duties in the Company] Nomination and Remuneration Committee chairman</p> <p>[Significant concurrent positions] Executive Adviser, Tokyo Century Corporation</p>	<p>Ownership of the Company's shares 2,300</p> <p>Tenure 8 years</p> <p>Number of attendance at the Board of Directors meetings 13/13</p>
<p>Reasons for nomination as a candidate for Outside Director and overview of expected roles</p> <p>Mr. Toshihito Tamba was elected Outside Director in 2016, and his tenure of office is eight years. He provides valuable opinions and recommendations with regard to the overall management of the Company based on his extensive experience and considerable insight as a management executive of a listed company. In addition, he actively offers opinions on selection of candidates for officers and determination on remuneration, etc. for officers of the Company as the chairman of the Nomination and Remuneration Committee. As stated above, we would ask shareholders to reelect him as Outside Director because he has played appropriate roles in supervising business execution as an Outside Director of the Company. We expect him to continuously play the above roles.</p> <p>Mr. Tamba currently serves as Executive Adviser at Tokyo Century Corporation. The Company conducts transactions with the aforementioned company. In fiscal 2023, transactions with Tokyo Century Corporation amounted to approximately 1.0 billion yen, and the amount makes up less than 1% of the total net sales of either the Company or the aforementioned company.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	
8	 <p data-bbox="269 1032 499 1182">Yukari Tominaga (Apr. 19, 1958) (Reappointment) (Outside Director) (Independent Officer)</p>	<p data-bbox="533 241 1240 293">Apr. 1981: Joined Hitachi Computer, Consultant Ltd. (now Hitachi Solutions, Ltd)</p> <p data-bbox="533 304 1240 405">Oct. 2010: General Manager, Application Systems Department, Industrial and Retail Solutions Systems Business Department No. 1, Industrial and Retail Solutions Systems Business Group of Hitachi Solutions, Ltd.</p> <p data-bbox="533 416 1240 517">Apr. 2011: Executive Officer, Deputy General Manager, Retail Solutions Business Division, Industrial and Retail Solutions Systems Business Group of Hitachi Solutions, Ltd.</p> <p data-bbox="533 528 1240 629">Apr. 2012: Executive Officer, General Manager, Retail Solutions Business Division, Industrial and Retail Solutions Systems Business Group of Hitachi Solutions, Ltd.</p> <p data-bbox="533 640 1240 719">Apr. 2013: Executive Officer, General Manager, Financial Systems Business Division, Financial Systems Business Group of Hitachi Solutions, Ltd.</p> <p data-bbox="533 730 1240 808">Apr. 2014: Vice President and Executive Officer, Chief Officer, Financial Systems Business Group of Hitachi Solutions, Ltd.</p> <p data-bbox="533 819 1240 898">Apr. 2015: Vice President and Executive Officer, Chief Officer, Social Innovation Promotion Group of Hitachi Solutions, Ltd. Deputy Chief Officer, Sales Operations of Hitachi Solutions, Ltd.</p> <p data-bbox="533 909 1240 965">Oct. 2015: Vice President and Executive Officer, In charge of Social Innovation System Business of Hitachi Solutions, Ltd.</p> <p data-bbox="533 976 1240 1032">Oct. 2016: Vice President and Executive Officer, Chief Officer, Quality Assurance Group of Hitachi Solutions, Ltd.</p> <p data-bbox="533 1043 1240 1099">Apr. 2019: Assistant to the President, Chief Diversity Officer (CDO) of Hitachi Solutions, Ltd.</p> <p data-bbox="533 1111 1240 1144">Apr. 2020: Fellow of Hitachi Solutions, Ltd.</p> <p data-bbox="533 1155 1240 1211">Jun. 2020: External Director, MORINAGA MILK INDUSTRY CO., LTD. (up to the present)</p> <p data-bbox="533 1223 1240 1256">Jun. 2021: Outside Director, Yashima & Co., Ltd.</p> <p data-bbox="533 1267 1240 1301">Jul. 2021: Senior Advisor, SB Technology Corp.</p> <p data-bbox="533 1312 1240 1368">Jun. 2022: External Member of the Board, SB Technology Corp. (up to the present) Outside Director of the Company (up to the present)</p> <p data-bbox="533 1379 1240 1413">[Direct duties in the Company]</p> <p data-bbox="533 1424 1240 1458">Nomination and Remuneration Committee member</p> <p data-bbox="533 1469 1240 1503">[Significant concurrent positions]</p> <p data-bbox="533 1514 1240 1547">External Director, MORINAGA MILK INDUSTRY CO., LTD.</p> <p data-bbox="533 1559 1240 1592">External Member of the Board, SB Technology Corp.</p>	<p data-bbox="1267 707 1394 808">Ownership of the Company's shares 300</p> <p data-bbox="1267 864 1394 920">Tenure 2 years</p> <p data-bbox="1267 976 1394 1122">Number of attendance at the Board of Directors meetings 13/13</p>

Reasons for nomination as a candidate for Outside Director and overview of expected roles

Ms. Yukari Tominaga was elected Outside Director in 2022, and her tenure of office is two years.

She provides valuable opinions and recommendations with regard to the overall management of the Company based on her broad insight and experience in corporate management, accumulated through having held important positions in various business fields deeply related to the Company's business activities at a business company as well as serving as an Outside Director of listed companies.

In addition, she actively offers opinions on selection of candidates for officers and determination on remuneration, etc. for officers of the Company as a member of the Nomination and Remuneration Committee.

As stated above, we would ask shareholders to reelect her as Outside Director because she has played appropriate roles in supervising business execution as an Outside Director of the Company. We expect her to continuously play the above roles.


Ms. Tominaga previously served as Chief Diversity Officer at Hitachi Solutions, Ltd. The Company conducts transactions with the aforementioned company. In fiscal 2023, transactions with Hitachi Solutions, Ltd. amounted to approximately 27 million yen, and the amount makes up less than 1% of the total net sales of either the Company or the aforementioned company.

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	
9	 <p data-bbox="268 689 501 842">Yukihiro Tachifuji (Oct. 12, 1960) (Reappointment) (Outside Director) (Independent Officer)</p>	<p data-bbox="531 241 1241 913"> Apr. 1985: Joined Mitsubishi Paper Mills Limited Apr. 1999: Manager, New Products Development Section of Mitsubishi HiTec Paper Bielefeld GmbH Jun. 2013: Executive Officer, Mitsubishi Paper Mills Limited Head, Takasago Mill of Mitsubishi Paper Mills Limited Deputy General Manager, Paper Division of Mitsubishi Paper Mills Limited Deputy General Manager, Imaging Division of Mitsubishi Paper Mills Limited Deputy General Manager, Specialty Materials Division of Mitsubishi Paper Mills Limited Jan. 2016: Senior Executive Officer, Mitsubishi Paper Mills Limited Jan. 2018: Managing Executive Officer, Mitsubishi Paper Mills Limited Jun. 2019: President & CEO, Mitsubishi Paper Mills Limited Apr. 2022: Director and Advisor, Mitsubishi Paper Mills Limited Jun. 2022: Advisor, Mitsubishi Paper Mills Limited Jun. 2023: Outside Director of the Company (up to the present) [Direct duties in the Company] Nomination and Remuneration Committee member </p>	<p data-bbox="1265 365 1406 465">Ownership of the Company's shares 100</p> <p data-bbox="1297 528 1369 584">Tenure 1 year</p> <p data-bbox="1273 640 1393 786">Number of attendance at the Board of Directors meetings 10/10</p>

Reasons for nomination as a candidate for Outside Director and overview of expected roles

Mr. Yukihiro Tachifuji was elected Outside Director in 2023, and his tenure of office is one year. He provides valuable opinions and recommendations with regard to the overall management of the Company based on his extensive experience and considerable insight as a management executive of a listed company. In addition, he actively offers opinions on selection of candidates for officers and determination on remuneration, etc. for officers of the Company as a member of the Nomination and Remuneration Committee. As stated above, we would ask shareholders to reelect him as Outside Director because he has played appropriate roles in supervising business execution as an Outside Director of the Company. We expect him to continuously play the above roles.

Note: Since he has newly assumed office as Director at the conclusion of the 147th Ordinary General Meeting of Shareholders held on June 27, 2023, the number of attendance and the number of the Board of Directors meetings are counted after such assumption.

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	
10	 <p>Tomonari Yashiro (Jul. 2, 1957) (Reappointment) (Outside Director) (Independent Officer)</p>	<p>Apr. 1985: Researcher, Building Research Institute, Ministry of Construction</p> <p>Apr. 1991: Associate Professor, Department of Architecture, Musashi Institute of Technology</p> <p>Oct. 1994: Visiting Research Fellow, University of Reading (UK)</p> <p>Apr. 1998: Associate Professor, Department of Civil Engineering, Graduate School of Engineering, The University of Tokyo</p> <p>Oct. 1999: Associate Professor, Institute of Industrial Science, The University of Tokyo</p> <p>Apr. 2001: Professor, Institute of Industrial Science, The University of Tokyo</p> <p>Apr. 2009: Director General, Institute of Industrial Science, The University of Tokyo</p> <p>Apr. 2013: Executive Vice President, The University of Tokyo</p> <p>Dec. 2018: Chairman, Design-Led X Pedagogical Research Initiative, The University of Tokyo</p> <p>Mar. 2023: Retired The University of Tokyo</p> <p>Apr. 2023: Professor, Kochi University of Technology Specially-appointed Professor, Tokyo City University</p> <p>Jun. 2023 Outside Director of the Company (up to the present)</p> <p>Jan. 2024 President, Tokyo City University (up to the present)</p> <p>[Direct duties in the Company] Nomination and Remuneration Committee member</p> <p>[Significant concurrent positions] President, Tokyo City University</p>	<p>Ownership of the Company's shares 100</p> <p>Tenure 1 year</p> <p>Number of attendance at the Board of Directors meetings 10/10</p>
<p>Reasons for nomination as a candidate for Outside Director and overview of expected roles</p> <p>Mr. Tomonari Yashiro was elected Outside Director in 2023 and his tenure of office is 1 year. He has not engaged in business management, but he has extensive experience and considerable insight as an expert in sustainable architecture and innovation management. Based on this knowledge, he provides valuable opinions and recommendations with regard to the overall management of the Company. In addition, he actively offers opinions on selection of candidates for officers and determination on remuneration, etc. for officers of the Company as a member of the Nomination and Remuneration Committee. As stated above, we would ask shareholders to reelect him as Outside Director because he has played appropriate roles in supervising business execution as an Outside Director of the Company. We expect him to continuously play the above roles.</p> <p>Mr. Yashiro previously served as Executive Vice President at University of Tokyo which is managed by National University Corporation, The University of Tokyo. The Company conducts transactions with the aforementioned company. In fiscal 2023, transactions with National University Corporation, the University of Tokyo amounted to approximately 60 million yen, and the amount makes up less than 1% of the total net sales of the Company and the total ordinary profit of the aforementioned company. Mr. Yashiro is serving as President of Tokyo City University which is managed by Gotoh Educational Corporation. The Company conducts transactions with the aforementioned company. In fiscal 2023, transactions with Gotoh Educational Corporation amounted to approximately 0.5 million yen, and the amount makes up less than 1% of the total net sales of the Company and the total operating revenue of the aforementioned company.</p>			

Matters Concerning Candidates for Directors

Special interests

- There are no special interests between each candidate and the Company.

Matters concerning candidates for Outside Directors

- Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro are candidates for Outside Directors.
- Each of the candidates for Outside Directors does not intend to receive large payments or transfers of assets in other forms from the Company or specified related businesses of the Company except for Directors' remuneration, and has not received such payments within the past two years.
- Each of the candidates for Outside Directors is not a spouse, a family member within the third degree of kinship, or a member having similar relationship thereof of operators or non-executive officers of the Company or specified related businesses of the Company.

Details of limited liability agreement between the candidates for Outside Directors and the Company

In accordance with laws and regulations and the Articles of Incorporation of the Company, the Company has concluded limited liability agreements with Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro as follows. If this proposal is approved, their agreements with the Company shall continue in effect.

- In the event that any of them bears liability with regard to the Company, the maximum amount of this person's liability to the Company will be the amount of six million yen or the minimum amount for damages stipulated in the Companies Act, whichever is the higher, so long as this person has carried out their duties in good faith and in absence of gross negligence.
- After entering into the agreement, they will continue to fulfill their duties with care and carry out their duties as Outside Director with due diligence.

Overview of the directors and officers liability insurance policy, under which the candidates for Directors are insured

The Company has concluded a directors and officers liability insurance policy with an insurance company, under which if claim for damages is made against the insured when such damage is caused by actions (including inactions) taken when performing duties as a corporate officer, the amount of indemnification, court costs, etc. shall be reimbursed by said insurance. All Directors (including Outside Directors) are insured, and for all who are insured under this insurance, the insurance premium shall be fully borne by the Company.

If each candidate is elected and assumes the office as Director, the Company plans to include every such Director as an insured in the insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Independence of the Outside Director Candidate

Matters stipulated by the Ordinance for Enforcement of the Companies Act

- Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro have not been operators or non-executive officers of the Company or its subsidiaries in the past.
- Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro are not operators or non-executive officers of specified related businesses of the Company as defined by the Ordinance for Enforcement of the Companies Act and have not been operators or non-executive officers of specified related businesses of the Company within the past 10 years.

Matters stipulated by the Securities Listing Regulations of the Financial Instruments Exchanges

- The Company has reported Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro as independent officers as stipulated in the Securities Listing Regulations of the Financial Instruments Exchanges, etc. If this proposal is approved, the Company will continue to report them as such.

Item 2: Election of Five (5) Audit & Supervisory Board Members

Reasons for Proposal

The terms of office of one Standing Audit & Supervisory Board Member, Mr. Junichi Matsumoto and three Outside Audit & Supervisory Board Members, Mr. Tetsuo Hiramatsu, Mr. Hirohiko Takaoka, Ms. Yuko Katsuta will expire, and one Standing Audit & Supervisory Board Member, Mr. Yoshio Okuno will resign, at the conclusion of this Ordinary General Meeting of Shareholders. We, therefore, propose the election of the following five Audit & Supervisory Board Members (of which, three Outside Audit & Supervisory Board Members) due to the following reasons.

Two candidates for Standing Audit & Supervisory Board Member (No. 1-2) have been decided on the basis of familiarity with the overall operations of Fuji Electric and the expert knowledge and experience, etc. required for Audit & Supervisory Board Members.

Three candidates for Outside Audit & Supervisory Board Member (No. 3-5) have been decided based on a comprehensive evaluation of their professional knowledge necessary for auditing, insights and experience necessary for multidimensional management analysis, understanding of the management of Fuji Electric and independence from the Company described in pages 25-28 in order to strengthen the management supervisory function of Fuji Electric, and to receive valuable advice and suggestions for management decision-making.

As mentioned above, we would ask you to approve the election of these five Audit & Supervisory Board Members in order to strengthen compliance through highly transparent auditing.


The nomination of Audit & Supervisory Board Member candidates was made after the "Nomination and Remuneration Committee," a discretionary committee whose membership is made up of a majority of Outside Directors who are Independent Officers and whose chair is an Outside Director who is an Independent Officer, deliberated and reported its findings.


We have obtained the consent of the Audit & Supervisory Board to submit this agenda.

In addition, we would ask shareholders to elect Mr. Jun Ohashi as a substitute for Mr. Yoshio Okuno. His term of office will be until the expiration of Mr. Okuno's term of office as Audit & Supervisory Board Member pursuant to the provisions of the Articles of Incorporation of the Company.

No.	Name	Current positions in the Company
1	Junichi Matsumoto (Male) (Reappointment)	Standing Audit & Supervisory Board Member
2	Jun Ohashi (Male) (New appointment)	Senior Chief Expert of General Manager, Internal Audit Office
3	Hirohiko Takaoka (Male) (Reappointment) (Outside Audit & Supervisory Board Member) (Independent Officer)	Outside Audit & Supervisory Board Member
4	Yuko Katsuta (Female) (Reappointment) (Outside Audit & Supervisory Board Member) (Independent Officer)	Outside Audit & Supervisory Board Member
5	Noriyuki Uematsu (Male) (New appointment) (Outside Audit & Supervisory Board Member) (Independent Officer)	

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	Ownership of the Company's shares
1	 <p data-bbox="284 528 491 618">Junichi Matsumoto (Mar. 26, 1960) (Reappointment)</p>	<p data-bbox="539 253 903 282">Apr. 1982: Joined the Company</p> <p data-bbox="539 293 1222 342">Apr. 2002: General Manager, Corporate Finance Department, Corporate & Group Finance Office of the Company</p> <p data-bbox="539 353 1222 443">Jul. 2009: Executive Officer of the Company General Manager, Corporate Finance Office of the Company</p> <p data-bbox="539 454 943 483">Jun. 2010: Director of the Company</p> <p data-bbox="539 495 1038 524">Apr. 2011: Executive Officer of the Company</p> <p data-bbox="539 535 1222 607">Apr. 2012: General Manager, Corporate Finance Office, Corporate Management Planning Headquarters of the Company</p> <p data-bbox="539 618 1174 647">Jun. 2012: Retired from office of Director of the Company</p> <p data-bbox="539 658 943 687">Jun. 2013: Director of the Company</p> <p data-bbox="539 698 1230 741">Jun. 2017: Standing Audit & Supervisory Board Member of the Company (up to the present)</p>	<p data-bbox="1297 230 1374 259">17,400</p> <p data-bbox="1297 327 1374 378">Tenure 7 years</p> <p data-bbox="1278 445 1393 584">Number of attendance at the Board of Directors meetings 13/13</p> <p data-bbox="1262 618 1417 730">Number of attendance at the Audit & Supervisory Board meetings 9/9</p>
<p data-bbox="180 752 1086 781">Reasons for nomination as a candidate for Audit & Supervisory Board Member</p> <p data-bbox="180 786 1398 846">Since being newly elected as Audit & Supervisory Board Member in 2017, Mr. Junichi Matsumoto has served as a Standing Audit & Supervisory Board Member, and his tenure of office is seven years.</p> <p data-bbox="180 851 1377 880">We would ask shareholders to reelect him to perform the duties of Standing Audit & Supervisory Board Member.</p> <p data-bbox="180 884 1358 974">This is based on his knowledge about business execution at Fuji Electric acquired through his experience as a Director of the Company and a person responsible for finance and accounting and his insight into business management.</p> <p data-bbox="180 978 1342 1039">If his reelection is approved at this Ordinary General Meeting of Shareholders, the Company will continue his appointment as Standing Audit & Supervisory Board Member.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	
2	 <p data-bbox="280 645 491 734">Jun Ohashi (Aug. 14, 1961) (New appointment)</p>	<p data-bbox="536 253 900 282">Apr. 1985: Joined the Company</p> <p data-bbox="536 293 1225 367">Apr. 2005: Senior Manager, General Affairs Department, Saitama Factory, Manufacturing Headquarters, Fuji Electric Retail Systems Co., Ltd.</p> <p data-bbox="536 378 1235 430">Jul. 2007: Senior Manager, Accounting Department, Corporate Administration Division, FFC Limited</p> <p data-bbox="536 441 1209 515">Jun. 2008: Finance & Accounting Department, Corporate Management Planning Headquarters, Fuji Electric Systems Co., Ltd.</p> <p data-bbox="536 526 1174 600">Apr. 2010: Senior Manager, Finance & Accounting Department, Administration Headquarters, Fuji Electric Systems Co., Ltd.</p> <p data-bbox="536 611 1198 663">Apr. 2011: Senior Manager, Administration Dept., Corporate Planning Office of the Company</p> <p data-bbox="536 674 1209 748">Apr. 2012: Senior Manager, Planning Dept., Corporate Planning Office, Corporate Management Planning Headquarters of the Company</p> <p data-bbox="536 759 1198 833">Apr. 2013: Senior Manager, Business Planning Department, Industrial Infrastructure Business Group of the Company</p> <p data-bbox="536 844 1155 896">Apr. 2017: General Manager, Internal Audit Office of the Company</p> <p data-bbox="536 907 1235 965">Apr. 2024: Senior Chief Expert of General Manager, Internal Audit Office of the Company (up to the present)</p>	<p data-bbox="1262 510 1394 611">Ownership of the Company's shares 1,000</p>
<p data-bbox="177 981 1082 1010">Reasons for nomination as a candidate for Audit & Supervisory Board Member</p> <p data-bbox="177 1014 1394 1160">Mr. Jun Ohashi is a new candidate for Audit & Supervisory Board Member. We would ask shareholders to elect him to perform the duties of Audit & Supervisory Board Member. This is based on his knowledge about business execution at Fuji Electric acquired through his experience as a person responsible for the Company's audit and corporate planning divisions, and the finance and accounting divisions of subsidiaries, and his insight into business management.</p>			


No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	Ownership of the Company's shares 1,100 Tenure 3 years 10 months Number of attendance at the Board of Directors meetings 13/13 Number of attendance at the Audit & Supervisory Board meetings 9/9
3	 Hirohiko Takaoka (Aug. 10, 1952) (Reappointment) (Outside Audit & Supervisory Board Member) (Independent Officer)	Apr. 1976: Joined The Yokohama Rubber Co., Ltd. Jun. 2008: Corporate Officer, General Manager of Sports Business Div., The Yokohama Rubber Co., Ltd. Jun. 2011: Managing Corporate Officer, in charge of Sports Business Div., The Yokohama Rubber Co., Ltd. Representative Director and President, Acty Corporation Apr. 2012: President, Chairman of the Board, Yokohama Tire Japan CO., LTD. Mar. 2015: Audit & Supervisory Board Member, The Yokohama Rubber Co., Ltd. Aug. 2020: Outside Audit & Supervisory Board Member of the Company (up to the present)	

Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member

Mr. Hirohiko Takaoka was elected Outside Audit & Supervisory Board Member in 2020, and his tenure of office is three years and 10 months.

We would ask shareholders to reelect him as Outside Audit & Supervisory Board Member because while fulfilling his responsibilities to strengthen the management auditing functions of Fuji Electric, he provides valuable opinions and recommendations with regard to the overall management based on his extensive experience and considerable insight as a management executive of a company, and his expert knowledge gained from his career history, which includes his service as an Audit & Supervisory Board Member for a listed company.

Mr. Takaoka served as Audit & Supervisory Board Member at The Yokohama Rubber Co., Ltd. The Company conducts transactions with the aforementioned company. In fiscal 2023, transactions with The Yokohama Rubber Co., Ltd. amounted to approximately 0.4 billion yen, and the amount makes up less than 1% of the total net sales of either the Company or the aforementioned company.

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	Ownership of the Company's shares
4	 <p data-bbox="272 551 504 763">Yuko Katsuta (Feb. 18, 1966) (Reappointment) (Outside Audit & Supervisory Board Member) (Independent Officer)</p>	<p data-bbox="536 253 1155 304">Apr. 1997: Registered as an attorney-at-law (Tokyo Bar Association)</p> <p data-bbox="536 315 970 342">Apr. 1997: Associate, Araki Law Office</p> <p data-bbox="536 353 1155 405">Feb. 1999: Suzuye Patent Law Offices (now SUZUYE & SUZUYE)</p> <p data-bbox="536 416 995 443">Feb. 2002: Partner, SUZUYE & SUZUYE</p> <p data-bbox="536 454 1222 506">Jan. 2004: Counsel, Legal & Intellectual Property Department, IBM Japan, Ltd.</p> <p data-bbox="536 517 1078 544">Jan. 2013: Chief Privacy Officer, IBM Japan, Ltd.</p> <p data-bbox="536 555 1198 607">Jun. 2016: Partner, Natori Law Office (now ITN Partners) (up to the present)</p> <p data-bbox="536 618 1214 669">Aug. 2020 Outside Audit & Supervisory Board Member of the Company (up to the present)</p> <p data-bbox="536 680 919 707">[Significant concurrent positions]</p> <p data-bbox="536 719 762 745">Partner, ITN Partners</p>	<p data-bbox="1294 230 1369 257">0</p> <p data-bbox="1278 327 1385 409">Tenure 3 years 10 months</p> <p data-bbox="1270 479 1390 622">Number of attendance at the Board of Directors meetings 12/13</p> <p data-bbox="1254 692 1414 801">Number of attendance at the Audit & Supervisory Board meetings 8/9</p>
<p data-bbox="177 819 1182 846">Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member</p> <p data-bbox="177 857 1350 909">Ms. Yuko Katsuta was elected Outside Audit & Supervisory Board Member in 2020, and her tenure of office is three years and 10 months.</p> <p data-bbox="177 920 1377 1037">We would ask shareholders to reelect her as Outside Audit & Supervisory Board Member because while fulfilling her responsibilities to strengthen the management auditing functions of Fuji Electric, she provides valuable opinions and recommendations with regard to the overall management based on her expert knowledge gained from her participation in numerous corporate legal cases as an attorney-at-law.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	
5	 <p>Noriyuki Uematsu (Jun. 24, 1960) (New appointment) (Outside Audit & Supervisory Board Member) (Independent Officer)</p>	<p>Mar. 1985: Joined Tohmatsu, Awoki & Co. (now Deloitte Touche Tohmatsu LLC)</p> <p>Oct. 1988: Registered as a certified public accountant</p> <p>Jun. 1997: Joined Deloitte Tohmatsu Consulting Co., Ltd. (now ABeam Consulting Ltd.)</p> <p>Jun. 1999: Partner in charge of Manufacturing Group and Kyushu Division, Deloitte Tohmatsu Consulting Co., Ltd.</p> <p>Aug. 2003: Joined DENTSU INC.</p> <p>Jul. 2008: Managing Director, Uematsu & Co. (up to the present)</p> <p>Jul. 2011: Representative Director, SU Consultant Co. Ltd. (up to the present)</p> <p>Jan. 2015: Outside Corporate Auditor, Kamakura Shinsho, Ltd.</p> <p>Apr. 2016: Outside Director and Audit and Supervisory Committee Member, Kamakura Shinsho, Ltd.</p> <p>Jun. 2016: Outside Audit & Supervisory Board Member, Astellas Pharma Inc.</p> <p>Jun. 2018: Outside Director and Audit & Supervisory Committee Member, Astellas Pharma Inc.</p> <p>Mar. 2022: Outside Audit & Supervisory Board Member, Cybozu, Inc. (up to the present)</p> <p>[Significant concurrent positions]</p> <p>Managing Director, Uematsu & Co.</p> <p>Representative Director, SU Consultant Co. Ltd.</p> <p>Outside Audit & Supervisory Board Member, Cybozu, Inc.</p>	<p>Ownership of the Company's shares 0</p>

Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member

Mr. Noriyuki Uematsu is a new candidate for Outside Audit & Supervisory Board Member. We would ask shareholders to elect him as Outside Audit & Supervisory Board Member because we believe that while fulfilling his responsibilities to strengthen the management auditing functions of Fuji Electric, he will provide valuable opinions and recommendations with regard to the overall management based on a great deal of experience in corporate management, with a focus on corporate accounting and finance, as a certified public accountant and an officer of a listed company.

Matters Concerning Candidates for Audit & Supervisory Board Members

Special interests

- There are no special interests between each candidate and the Company.

Matters concerning candidates for Outside Audit & Supervisory Board Members

- Mr. Hirohiko Takaoka, Ms. Yuko Katsuta, and Mr. Noriyuki Uematsu are candidates for Outside Audit & Supervisory Board Members.
- Each of the candidates for Outside Audit & Supervisory Board Members does not intend to receive large payments or transfers of assets in other forms from the Company or specified related businesses of the Company except for Audit & Supervisory Board Members' remuneration, and has not received such payments within the past two years.
- Each of the candidates for Outside Audit & Supervisory Board Members is not a spouse, a family member within the third degree of kinship, or a member having similar relationship thereof of operators or non-executive officers of the Company or specified related businesses of the Company.

Details of limited liability agreement between the candidates for Outside Audit & Supervisory Board Members and the Company

In accordance with laws and regulations and the Articles of Incorporation of the Company, the Company has concluded limited liability agreements with Mr. Hirohiko Takaoka and Ms. Yuko Katsuta as follows. If this proposal is approved, their agreements with the Company shall continue in effect and also the Company plans to conclude the same agreements with Mr. Noriyuki Uematsu.

- In the event that any of them bears liability with regard to the Company, the maximum amount of this person's liability to the Company will be the amount of six million yen or the minimum amount for damages stipulated in the Companies Act, whichever is the higher, so long as this person has carried out their duties in good faith and in absence of gross negligence.
- After entering into the agreement, they will continue to fulfill their duties with care and carry out their duties as Outside Audit & Supervisory Board Members with due diligence.

Overview of the directors and officers liability insurance policy, under which the candidates for Audit & Supervisory Board Members are insured

The Company has concluded a directors and officers liability insurance policy with an insurance company, under which if claim for damages is made against the insured when such damage is caused by actions (including inactions) taken when performing duties as a corporate officer, the amount of indemnification, court costs, etc. shall be reimbursed by said insurance. All Audit & Supervisory Board Members (including Outside Audit & Supervisory Board Members) are insured, and for all who are insured under this insurance, the insurance premium shall be fully borne by the Company.

If each candidate is elected and assumes the office as an Audit & Supervisory Board Member, the Company plans to include every such Audit & Supervisory Board Member as an insured in the insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Independence of the Outside Audit & Supervisory Board Member Candidate

Matters stipulated by the Ordinance for Enforcement of the Companies Act

- Mr. Hirohiko Takaoka, Ms. Yuko Katsuta, and Mr. Noriyuki Uematsu have not been operators or non-executive officers of the Company or its subsidiaries in the past.
- Mr. Hirohiko Takaoka, Ms. Yuko Katsuta, and Mr. Noriyuki Uematsu are not operators or non-executive officers of specified related businesses of the Company as defined by the Ordinance for Enforcement of the Companies Act and have not been operators or non-executive officers of specified related businesses of the Company within the past 10 years.

Matters stipulated by the Securities Listing Regulations of the Financial Instruments Exchanges

- The Company has reported Mr. Hirohiko Takaoka and Ms. Yuko Katsuta as independent officers as stipulated in the Securities Listing Regulations of the Financial Instruments Exchanges, etc. If this proposal is approved, the Company will continue to report them as such, and also will newly report Mr. Noriyuki Uematsu as an independent officer.

Item 3: Introduction of a Performance-related Share-based Remuneration Plan for Directors

1. Reasons and Rationale for Proposal

The Company proposes to approval the introduction of a new performance-related share-based remuneration plan for Directors (excluding Outside Directors; the same shall apply hereinafter) (hereinafter referred to as the “Plan”).

Remuneration of the Company’s Directors comprises base remuneration and performance-related remuneration (Note). In order to make the linkage between Directors’ remuneration and share value more transparent, and to enhance Directors’ awareness of contributing to the improvement of business results as well as corporate value over the medium- to long-term from shareholders’ perspective, we propose to newly establish share-based remuneration (not exceeding 42,000 shares per year) as part of the performance-related remuneration, separately from the existing annual bonuses (within one percent of the consolidated profit for the fiscal year prior to the date of payment, as approved at the 131st Ordinary General Meeting of Shareholders).

The Board of Directors approved on May 23, 2024 the “Policy on the Determination of Remuneration for Directors and Audit & Supervisory Board Members” (pages 32 to 33) based on a report from the Company’s Nomination and Remuneration Committee that deemed the introduction of the Plan as reasonable in consideration of the purpose mentioned above. In line with this, we decided to propose the introduction of the Plan in comprehensive view of the current level of Directors’ remuneration, balance with the annual bonuses, and the number of Directors, as well as the future prospects of these factors, and believe that the content of this proposal is appropriate.

Note: The Directors’ remuneration amount was approved as follows at the 131st Ordinary General Meeting of Shareholders held on June 26, 2007 and at the 137th Ordinary General Meeting of Shareholders held on June 25, 2013.

- Base remuneration: Within 450 million yen per year
- Performance-related remuneration (annual bonuses): Within one percent of the consolidated profit for the fiscal year prior to the date of payment

2. Specific Calculation Method and Details of the Remuneration Amounts Associated with the Plan

(1) Outline of the Plan

Outline of the Plan is as follows.

- (i) The number of points determined in consideration of business results, etc. is granted to Directors pursuant to the Officers Share Remuneration Rules formulated subject to the Directors’ remuneration amount approved as part of this proposal, and the Company’s shares commensurate with the number of such points are delivered at a certain time of each year through a trust. (The trust established under the Plan is hereinafter referred to as the “Trust.”) Directors are restricted from disposing the shares delivered during their term of office under the agreement with the Company.
- (ii) The shares to be delivered to Directors mentioned above are acquired by the Trust using the funds paid in advance thereto by the Company, either in the stock market or by accepting treasury shares disposed by the Company.

(2) Persons eligible for the Plan

Directors (excluding Outside Directors) are eligible for the Plan.

Six Directors are eligible for the Plan if Proposal Item No. 1 is approved as originally proposed. As for Executive Officers, a performance-related share-based remuneration plan using the same framework as the Plan shall be introduced.

(3) Method for calculating the number of the Company's shares delivered to Directors and the upper limit

Following the end of each fiscal year, the Company grants each Director points determined reflecting respective senior management rank as well as the level of business results achieved in that fiscal year, based on the Officers Share Remuneration Rules. Each point is converted to one common share of the Company. The upper limit of the number per fiscal year for the points to be granted is 42,000 points, and for the share to be delivered is 42,000 shares.

The percentage of 420 voting rights on shares equivalent to the upper limit of points to be granted to Directors per fiscal year to the 1,425,726 voting rights (as of March 31, 2024) on the total number of outstanding shares is roughly 0.03%.

In the event of share splits, allotment of shares without contribution, or reverse share splits, etc., regarding the Company's shares after the approval of this proposal, reasonable adjustments shall be made to the upper limit of the number of points to be granted, number of points granted and the conversion rate depending on the ratio of these share-related actions. The number of shares to be delivered per fiscal year shall also be adjusted accordingly.

(4) Delivery of the Company's shares, etc.

Directors receive the Company's shares corresponding to the number of points granted after the end of each fiscal year at a certain time of each year. Certain proportions of the points granted may remain unconverted to the Company's shares, and cash equivalent to the market value of such shares corresponding to the points may be granted at the time of retirement.

Directors who receive points shall not be entitled to the delivery of shares if their dismissal is resolved at the General Meeting of Shareholders or the Board of Directors meeting, or if they are found to have committed certain wrongdoing during their term of office.

(5) Funding the Trust

Subject to the approval of this proposal, the Company shall introduce the Plan for the three fiscal years from fiscal 2024 to fiscal 2026 (hereinafter referred to as the "Initial Target Period"), as well as for a certain period thereafter (the target period of the medium-term management plan in principle; hereinafter together with the Initial Target Period, the "Target Period"), while paying the following amount of cash to the Trust for funds for the acquisition of the Company's shares to be used for the delivery of these Company's shares, etc. to Directors.

Initially, the Company establishes the Trust at an appropriate time after the approval of this proposal and pays an amount of cash as a fund considered necessary to cover the Initial Target Period.

For information, if the closing price at 9,647 yen on May 22, 2024 (the day preceding the date of resolution on the introduction of the Plan at the Board of Directors) is quoted, the foregoing required funds will amount roughly to 1,216 million yen (roughly 405 million yen per fiscal year) (Note).

Even after the Initial Target Period, the Company expects reasonable numbers of shares necessary for delivery to Directors under the Plan for each Target Period in principle until the termination of the Plan, and pays additional funds considered necessary for prior acquisition of shares to the Trust. In the case of such additional payment, the Company's shares remaining in the trust assets (excluding the Company's shares in corresponding to the points granted to Directors for the Target Periods immediately preceding such additional payment, and yet to be delivered to Directors), and the cash (hereinafter collectively as the "Remaining Shares, etc.") shall be used for the funds of the delivery under the Plan for the remaining Target Period. Additional payment shall be calculated in consideration of the Remaining Shares, etc. If the Company decides to make additional payment, it shall be disclosed in an appropriate and timely manner.

Note: The actual amount of cash paid to the Trust by the Company includes the estimated

necessary expenses including trust fees, along with the funds for acquiring shares as mentioned above.

- (6) The acquisition method of the Company's shares and the number of shares to be acquired by the Trust

The Trust shall acquire the Company's shares by using the funds paid in a way described in (5) above, either in the stock market or by accepting the treasury shares disposed by the Company.

The upper limit of the number of the Company's shares to be acquired by the Trust for each Target Period is calculated by multiplying 42,000 points, which is the upper limit of points per fiscal year by the number of fiscal years covered in the Target Period (126,000 shares if the medium-term management plan covers three fiscal years). Details of the acquisition of the Company's shares by the Trust are disclosed in an appropriate and timely manner.

- (7) Dividends

Dividends on the Company's shares held in the Trust account are received by the Trust and used for acquiring the Company's shares and for paying trust fees, etc. to the trustee responsible for the Trust. In the case of termination of the Trust, remaining dividends shall be granted to the incumbent Directors at the time in proportion to the number of points held by each Director, pursuant to the provisions of the Officers Share Remuneration Rules.

- (8) Exercise of voting rights

Exercise of voting rights of the Company's shares held in the Trust account shall be withheld under all circumstances based on the instruction by the administrator of the Trust, with a view to ensuring that, by this means, the voting rights of the Company's shares held in the Trust account remain neutral to the management of the Company.

- (9) Outline of the transfer restriction agreement on the Company's shares delivered to Directors

Directors receiving the Company's shares during their term of office shall conclude an agreement with the Company on transfer restriction in advance (hereinafter referred to as the "Transfer Restriction Agreement") including the following points. (Directors shall receive the Company's shares subject to conclusion of the Transfer Restriction Agreement.) The Company's shares may be delivered without the transfer restriction to Directors if they have already retired or with other reasons at the time of the shares' delivery.

- 1) Details of the transfer restriction

Directors shall not be allowed to transfer, attach securities interest thereon, or take other means for disposal of the Company's shares delivered to them during the period from the day of the delivery to the day of their retirement from any and all positions as officer of the Company.

- 2) Lifting of the Transfer Restriction

In the event of a Director's retirement from any and all positions as officer of the Company, the transfer restriction shall be lifted at the time of retirement.

- 3) Treatment in the organizational restructuring

In the event that the General Meeting of Shareholders, etc. of the Company approves a matter related to organizational restructuring, such as a merger agreement in which the Company becomes an absorbed company during the transfer restriction period, the transfer restriction shall be lifted based on a resolution at the Board of Directors of the Company at a time immediately preceding the business day before the effective date of such organizational restructuring.

- 4) Acquisition without compensation by the Company

In the event of certain wrongdoing committed by Directors, the Company shall acquire without compensation the Company's shares held by those Directors.

The Company's shares subject to the transfer restriction under the Transfer Restriction Agreement are scheduled to be managed during the transfer restriction period in a dedicated account opened by the eligible Directors at a securities company designated by the Company, to ensure that these shares are free from transfer, attachment of securities interest thereon, or any other means for disposal during the transfer restriction period.

We would ask shareholders to leave the Plan's details to the discretion of the Board of Directors within the framework described above.

Policy on the Determination of Remuneration for Directors and Audit & Supervisory Board Members

In paying remuneration etc. to Directors and Audit & Supervisory Board Members of the Company, the Company considers its duty to respond to the mandate of the shareholders, acquire and maintain excellent personnel and provide incentive for improvement in earnings performance, and it has in place a remuneration system with set remuneration levels.

While considering changes in the business environment and data objectively compiled by third parties, the Company continuously examines the suitability of the remuneration system and the remuneration levels and whether there is a need to make changes.

(1) Standing Directors

Since Standing Directors are charged with a duty to improve consolidated results for each fiscal year and realize medium- to long-term improvement in corporate value, their remuneration is structured and managed as follows.

(i) Base remuneration

Base remuneration shall be paid as a monthly financial sum determined in advance, applicable to that senior management rank, and at certain time of the month.

(ii) Performance-related remuneration

i. Annual bonuses

Bonuses are decided by taking into full consideration consolidated results (net sales, operating profit, profit, dividends, etc.), based on the consolidated ratio of operating profit to net sales for the previous fiscal year, which is set as a key target in the medium-term management plan.

Bonuses shall be paid only in instances in which dividends are paid to shareholders from retained earnings, and at a certain time of the year. The total amount of bonuses shall be within one percent of the consolidated profit for the fiscal year prior to the date of payment in order to make the linkage with the consolidated results for each fiscal year more transparent.

ii. Share-based remuneration

Share-based remuneration is decided by taking into full consideration consolidated results (net sales, operating profit, profit, dividends, etc.), based on the consolidated ratio of profit to net sales for the previous fiscal year in order to make the linkage with share value more transparent.

The Company's shares commensurate with the remuneration amount mentioned above shall be delivered only in instances in which dividends are paid to shareholders from retained earnings, and at a certain time of the year. The total number of shares to be delivered per fiscal year shall be limited to 42,000 shares.

(2) Standing Audit & Supervisory Board Members

Remuneration for Standing Audit & Supervisory Board Members shall be paid, at certain time of the month, as base remuneration as a monthly financial sum determined in advance, applicable to their senior management rank, since Standing Audit & Supervisory Board Members are charged with the duty of auditing the execution of duties across the entire Fuji Electric.

(3) Outside Directors and Outside Audit & Supervisory Board Members

Remuneration for Outside Directors and Outside Audit & Supervisory Board Members shall be paid, at certain time of the month, as base remuneration as a monthly financial sum determined in advance, applicable to their senior management rank, since Outside Directors and Outside Audit & Supervisory Board Members are charged with the duty of supervising or auditing the execution of duties across the entire Fuji Electric.

The Board of Directors has resolved to delegate the decision on amount of remuneration for each Director to Representative Director, Chairman of the Board and CEO Michihiro Kitazawa. The scope of his authority is to reflect evaluations of the performance in direct duties by each Director in line with the resolution passed in the Board of Directors, which is based on report by the Nomination and Remuneration Committee. To ensure this authority be exercised appropriately, the Nomination and Remuneration Committee has decided on a range within which bonuses shall be determined based on individual evaluation and the delegated authority shall be exercised within said range.

(Reference) Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members

The Company judges the applicable candidate to be fully independent from the Company when he/she does not fall under any of the conditions listed below in addition to criteria of independence stipulated by domestic financial instruments exchanges including the Tokyo Stock Exchange.

(1) Major shareholder

A major shareholder of the Company (who owns 10% or more of the voting rights) or its executor of business

(2) Major business partner

A business partner (including attorneys-at-law, certified public accountants, tax accountants and other consultants, as well as law firms, audit firms, tax firms and other consulting firms) or a person executing its business whose transactions with the Company exceed 2% of the annual consolidated net sales of the Company or the other entity in the past three fiscal years.

(3) Major lender, etc.

A financial institution, other major creditor, or a person executing the business of these institutions that are indispensable for the Company's funding and on which the Company depends to the extent that it is irreplaceable.

(4) Accounting auditor

A certified public accountant who belongs to an auditing firm that serves as the accounting auditor of the Company or employee, etc. of such auditing firm

(5) Donee

A person executing the business of an organization which receives a donation exceeding 10 million yen per year that is greater than 2% of its annual income from the Company for the past three fiscal years.

[Reference] Policy on Cross-shareholding

The Company holds listed shares as a matter of policy in order to maintain and strengthen relations with its investee companies. As a basic policy, we will reduce our cross-shareholdings; even if certain rationality is recognized, we will reduce them while paying attention to the impact on management and business.

Under the basic policy, we reduced our holdings of listed stocks from 102 as of March 31, 2019 to 6 by March 31, 2024.

The Board of Directors will periodically evaluate the rationality of shareholding from the following perspectives and disclose the evaluation details

- - Necessity of maintaining and strengthening relationships with the investee companies
- - Comparison of capital cost and return

The voting rights that come with cross-shareholding are exercised after considering all relevant factors, including whether the proposed action will help the issuing company to establish an appropriate corporate governance framework and to increase its medium- to long-term corporate value, and what impact the action will have on Fuji Electric. We also have dialogue regarding the details of the proposal, among others, with the issuing company as necessary.

Number of cross-shareholding issues and carrying value on the balance sheet

Category		As of March 31, 2023	As of March 31, 2024	Changes
Listed stocks	Number of issues	17	6	(11)
	Carrying value on the balance sheet (Millions of yen)	82,555	92,186	9,631
Unlisted stocks	Number of issues	68	69	1
	Carrying value on the balance sheet (Millions of yen)	3,970	4,151	181
Total	Number of issues	85	75	(10)
	Carrying value on the balance sheet (Millions of yen)	86,525	96,337	9,812

*As of March 31, 2024, in addition to the above, there were 698 million yen of deemed cross-shareholdings, bringing the total amount of cross-shareholdings (including deemed cross-shareholdings) to 97,035 million yen. This represents 14.7% of consolidated net assets as of March 31, 2024.

The amount of deemed cross-shareholdings is calculated by multiplying the market value of shares as of March 31, 2024 by the number of shares held.

(Note) As used in this Reference Materials for the General Meeting of Shareholders, the expression “Fuji Electric” refers to the company group comprising the Company, its subsidiaries, and affiliates, and the expression “Standing Directors” refers to executive directors as prescribed in Article 2, Item 15 of the Companies Act.

Business Report (April 1, 2023–March 31, 2024)

[Business Overview]

Overview

The targets of Fuji Electric's Reiwa Prosperity 2023 medium-term management plan, which concluded with the fiscal year ended March 31, 2024, were accomplished a year ahead of schedule in the fiscal year ended March 31, 2023. Specifically, these targets were net sales of ¥1 trillion and an operating profit ratio of 8% or more. To achieve further growth in the fiscal year ended March 31, 2024, the year of the centennial anniversary of Fuji Electric's founding, the Company continued to move forward with the promotion of growth strategies centered on expanding its power electronics and power semiconductor businesses, the further improvement of profitability through the strengthening of global manufacturing capabilities, and the ongoing reinforcement of operating foundations focused on environmental, social, and governance (ESG) factors. In addition, adaptiveness toward operating environment changes will be heightened with the goal of growing sales and profit.

In the fiscal year ended March 31, 2024, brisk capital investment by manufacturers and data center business operators was seen amid constantly growing needs related to vehicle electrification, energy saving, and digital infrastructure. These needs were sparked by the growth in investments for achieving decarbonization and promoting digitalization. Meanwhile, the demand for machine tools was weak amid ongoing economic stagnancy in China.

In this environment, ongoing steps were taken to improve profitability through production capacity increases for power semiconductors carried out in response to growing demand, efforts to optimize production systems to accommodate demand, and promotion of local production and consumption.

Due to these factors, increases were seen in the sales of all segments, resulting in consolidated net sales in the fiscal year ended March 31, 2024, rising ¥93.8 billion or 9%, year on year, to ¥1,103.2 billion.

Although profit was impacted by high material and energy prices as well as by rising expenses for production capacity augmentations, overall profit was buoyed by sales volume growth coupled with the benefits of increases to product selling prices, cost reduction activities, and foreign exchange influences. As a result, consolidated operating profit rose ¥17.2 billion year on year, to ¥106.1 billion; ordinary profit was up ¥20.0 billion, to 107.8 billion; and profit attributable to owners of parent increased ¥14.0 billion, to ¥75.4 billion. New record highs were posted for net sales, operating profit, ordinary profit, and profit attributable to owners of parent.

Consolidated results of operations for the fiscal year ended March 31, 2024, were as follows.

Fiscal 2023 (April 1, 2023 to March 31, 2024)

Classification	148th term Fiscal 2023	Increase/Decrease	
Net sales	¥1,103.2 billion	Up	¥93.8 billion YoY
Operating profit	¥106.1 billion	Up	¥17.2 billion YoY
Ordinary profit	¥107.8 billion	Up	¥20.0 billion YoY
Profit attributable to owners of parent	¥75.4 billion	Up	¥14.0 billion YoY
Basic earnings per share	¥527.57	Up	¥98.07 YoY
Total assets	¥1,271.2 billion	Up	¥89.6 billion YoY

Business Segment Overview

(¥ billion)

Business segment	Classification	147th term Fiscal 2022	148th term Fiscal 2023	Change (%)
Energy	Net sales	333.3	342.8	103%
	Operating profit	28.6	30.1	106%
Industry	Net sales	369.8	419.9	114%
	Operating profit	26.8	34.3	128%
Semiconductors	Net sales	206.2	228.0	111%
	Operating profit	32.2	36.2	112%
Food and Beverage Distribution	Net sales	95.3	107.3	113%
	Operating profit	4.4	8.8	202%
Others	Net sales	59.8	63.2	106%
	Operating profit	3.7	4.3	115%
Sub-total	Net sales	1,064.4	1,161.2	109%
	Operating profit	95.6	113.7	119%
Eliminate/Corporate	Net sales	(54.9)	(57.9)	—
	Operating profit (loss)	(6.7)	(7.6)	—
Total	Net sales	1,009.4	1,103.2	109%
	Operating profit	88.9	106.1	119%

Note Beginning in the current fiscal year, the reportable segments were changed from the previous segments of "Power Electronics Energy," "Power Electronics Industry," "Semiconductors," "Power Generation" and "Food and Beverage Distribution" to the segments of "Energy," "Industry," "Semiconductors" and "Food and Beverage Distribution" in conjunction with changes to organizational structures. The figures shown for the changes for each reportable segment were calculated using figures for the previous fiscal year that were restated based on the segment classifications after this change.

Results by Business Segment

[Energy]

Net sales increased 3% year on year, to ¥342.8 billion, and operating profit increased ¥1.6 billion year on year, to ¥30.1 billion.

In the Energy segment, net sales and operating profit were up year on year, despite declines in demand in the power generation business and the ED&C components business, due to increases in large-scale orders in the energy management business and higher demand in the power supply and facility systems business.

- In the power generation business, net sales were down year on year due to the absence of large-scale renewable energy projects recorded in the previous fiscal year. Operating results were also down year on year as a result of the lower net sales and the increases in expenses associated with large-scale projects.
- In the energy management business, net sales and operating results were up year on year as a result of increases in large-scale orders for substation equipment and power supply equipment that are used for industrial applications. These increases outweighed the impacts of a decline in large-scale orders from solar power generation facilities.
- In the power supply and facility systems business, net sales and operating results improved year on year as a result of increases in projects from data centers and semiconductor manufacturers.
- In the ED&C components business, net sales and operating results were down year on year due to reductions in demand from finished machinery manufacturers and for semiconductor production equipment.

[Industry]

Net sales increased 14% year on year, to ¥419.9 billion, and operating profit increased ¥7.5 billion year on year, to ¥34.3 billion.

In the Industry segment, net sales and operating profit were up year on year as a result of higher demand in the automation systems business, the social solutions business and the equipment construction business.

- In the automation systems business, net sales and operating results improved year on year, largely as a result of increased production of factory automation components.
- In the social solutions business, net sales and operating results were up year on year, due to increases in orders for nuclear power- and radiation-related equipment.
- In the equipment construction business, net sales and operating results improved year on year as a result of the recording of large-scale orders for air-conditioning equipment construction.
- In the IT solutions business, net sales were up year on year due to increases in large-scale projects while operating results were relatively unchanged year on year because of differences in profitability between projects.

[Semiconductors]

Net sales increased 11% year on year, to ¥228.0 billion, and operating profit increased ¥4.0 billion year on year, to ¥36.2 billion.

- In the semiconductor business, net sales increased year on year due to substantial growth in demand for power semiconductors for electrified vehicles (xEVs), despite the impacts of declines in production and sales seen in the fourth quarter as a result of factors affecting component procurement. The growth in sales led to operating results improving year on year, despite increased expenses accompanying the bolstering of power semiconductor production capacity, as well as soaring raw material prices.

[Food and Beverage Distribution]

Net sales increased 13% year on year, to ¥107.3 billion, and operating profit increased ¥4.5 billion year on year, to an operating profit of ¥8.8 billion.

- In the vending machine business, net sales and operating results were up year on year because of growth in demand in Japan and the benefits of cost reduction activities.
- In the store distribution business, net sales and operating results were up year on year due to higher large-scale orders for counter fixtures combined with growth in demand for convenience store equipment renovations.

[Others]

Net sales increased 6% year on year, to ¥63.2 billion, and operating profit increased ¥0.6 billion year on year, to ¥4.3 billion.

BUSINESS TOPICS

[Energy]

Delivering storage battery systems in solar power generation equipment

We have delivered storage battery systems in the solar power generation equipment of an automaker's plant. This equipment is one of Japan's largest solar power generation equipment for generating power used in-house. Excess power generated on weekends, etc. is stored in the batteries and discharged when needed to fully utilize renewable energy, without wasting it.

Expanding business in Southeast Asia

The Group is engaged in a growing number of business discussions with data centers and semiconductor companies. In Southeast Asia, Fuji SMBE, a Singapore-based company that manufactures switchgears and controlgears, and other companies are meeting robust demand and contributing to sales growth.

[Semiconductors]

Bolstering production capacity for power semiconductors used in automobiles

The increasing electrification of automobiles is driving a rise in demand for power semiconductors, which are used to control motor drive power. To meet this robust demand, we have increased the production capacities of our Japanese production sites and FUJI ELECTRIC (MALAYSIA).

[Industry]

Revamping flagship general-purpose inverters

Inverters are used in machine tools, fan pumps, and conveyor lines to control the rpms of motors, optimizing equipment operation and cutting energy consumption. We have revamped the "FRENIC-Ace Series," our flagship series of general-purpose inverters, reducing their footprints by up to 30% in comparison to conventional models, as well as enriching their predictive maintenance, high-speed communications, and other functions. We are rolling them out globally, led by our concept of local production for local consumption.

Expanding business in India

Fuji Electric India is leading the expansion of the Group's business in India, which is maintaining a high level of growth, through its initiatives promoting local design, local production and local consumption. It is contributing to energy saving and stable energy supply for societal infrastructure, such as the renewable energy and data centers, and in a wide range of industrial fields, such as steel and chemical plants.

[Food and Beverage Distribution]

Awarded Energy Conservation Grand Prize for sustainable vending machines

Our series of sustainable vending machines received the Minister of Economy, Trade and Industry Award in the 2023 Energy Conservation Grand Prize organized by The

Energy Conservation Center, Japan. These vending machines offer a maximum of roughly 20% higher energy-savings performance compared to conventional models thanks to the use of inverters and the improvements in heat pump performance. Furthermore, they use multi communication units developed in-house to improve operator work efficiency, such as assisting with product replenishment, so they contribute to both energy and labor savings.

Research and Development Activities

In fiscal 2023, our efforts were focused on research and development that contributed to energy creation, energy supply stabilization, and energy savings, as well as automation and mobility electrification, utilizing core technologies in such areas as power semiconductors, power electronics, measurement and control, and heating and cooling.

The following provides an overview of these activities.

In the Energy business, we are developing a stationary hydrogen power generation system using solid polymer fuel cell modules for automobiles. We will ensure the system has a high level of reliability by performing JIS-conformant safety and performance testing.

Storage battery systems are expected to help adjust renewable energy supply and demand. We developed a highly salt-resistant, outdoor PCS (PVI1400CJ-3) for 2,600kVA storage batteries for use in these systems. By making this new PCS even more resistant to environmental damage, we have enabled its use in an even wider range of locations.

To meet the need for larger data center capacities, we developed the UPS7500WX, a large-capacity, modular uninterrupted power supply, which has a single-unit capacity of 2,400kVA, making it one of the industry's highest-capacity uninterrupted power supplies. We reduce running costs by improving the device's efficiency and use an integrated switchgear and control gear design to make the UPS more space-saving.

We developed the SC-NEXT Series, a fully redesigned version of our electromagnetic switches, for which we have the top market share in Japan. The new series of switches are 28% narrower than the previous models, helping make control panels smaller and contributing to improved performance.

In the Industry business, we developed the FRENIC-Ace Series of general-purpose inverters for use in machine tools and conveyor lines. The series contains a range of models, such as models with high-speed Ethernet connectivity, and space-saving finless models, and has enhanced predictive maintenance functions, which are highly effective in maintenance. We also developed the "FRENIC-GS" inverter for next-generation plants. The FRENIC-GS has 400V and 690V output voltages for use in a wide range of industries, such as the steel and automotive industries, both in Japan and overseas. It complies with international standards, and its renewed cooling structure and stackable storage structure realized one of the industry's largest stacked capacities.

Furthermore, we developed the MONITOUCH V10 Series of programmable displays, which are used for monitoring and operating devices and machinery in manufacturing sites. They use quad-core CPUs and have optimized applications to achieve the industry's top-level operability, visibility, and high-speed communication processing.

In the Semiconductors business, we developed 1,700V and 2,300V high voltage resistance products equipped with the latest seventh generation IGBT/FWD X Series chips in High Power

next Core (“HPnC”) large-capacity module packages to meet the high voltage resistance needs in the rail and renewable energy fields.

To make power electronics even smaller, lighter, and more efficient, we also developed 1,200V and 1,700V All-SiC modules (in M295 package) equipped with second-generation SiC trench gate MOSFETs.

For the Chinese electrified vehicle market, we developed 750V/820A direct liquid cooling power modules (in M675 package) with further increased power density by improving our RC-IGBT chips and cooling performance.

In the Food and Beverage Distribution business, we developed Cafe Mania, a fully automated drip-type coffee machine for use in the restaurant industry and offices. It uses a newly developed ultrafine mesh filter to brew coffee, preserving the fragrance and flavor of coffee beans while minimizing unwanted flavors. It is also designed to be easy to clean and maintain, improving its usability in restaurants and offices.

Capital Investment

In fiscal 2023, we made investments totaling ¥68.3 billion, including investments for bolstering our production capacity to achieve greater sales, for testing equipment to accelerate new product development, and for environmental measures.

Key investments were as follows.

In the Semiconductors business, we continued our large-scale investments in Fuji Electric (Malaysia) to bolster our production capacity of power semiconductor Si chips in response to the shift to electrified vehicles and rising demand for renewable energy. We also made investments to increase our production capacity of IGBT modules, primarily for automobiles, in Japan and overseas. Furthermore, we made investments to boost our production capacity of power semiconductor SiC chips in Japan.

In the Energy business, we strive to develop products with less environmental impact and make investments in large-capacity short-circuit testing equipment with the aim of early development of substation equipment at our Chiba Factory. At our Fukiage Factory, we installed equipment for producing electromagnetic switches (our new SC-NEXT products), which are more compact and energy-efficient than previous models.

As part of our investments for environmental measures to reduce greenhouse gas emissions, we introduced solar power generation equipment in Fuji Electric Philippines, and we updated the cogeneration system in our Matsumoto Factory. We also replaced our facilities with greenhouse gas removal equipment and energy-saving equipment, to promote initiatives to achieve our Environmental Vision 2050.

Financing

In fiscal 2023, we redeemed the 29th series of unsecured bonds in the amount of ¥15.0 billion and we repaid long-term borrowings, while we also procured new long-term borrowings and commercial papers.

As a result, our consolidated bonds, commercial papers, and loans payable as of the end of March 2024 increased by ¥0.9 billion year on year to ¥111.4 billion.

Initiatives contributing to ESG

To contribute to society through our energy and environmental businesses and to reinforce our operating foundations with the aim of achieving sustainable growth, we promote initiatives from the ESG (environment, society and governance) perspective in accordance with the Fuji Electric Code of Conduct.

Environment

Our Environmental Vision 2050 aims to realize a decarbonized society, a recycling-oriented society, and a society that is in harmony with nature. Led by this policy, we engage in various environmental activities globally.

Environmental Vision 2050

We aim to contribute to the achievement of a decarbonized society, a recycling-oriented society, and a society that is in harmony with nature by expanding the use of Fuji Electric's innovative clean energy technologies and energy-saving products.	
Achieve a Decarbonized Society	Target carbon neutrality across the supply chain
Achieve a Recycling-Oriented Society	Promote green supply chains and 3R activities to reduce the environmental impact to zero
Achieve a Society in Harmony with Nature	Aim for zero impact on the ecosystem through corporate activities that contribute to biodiversity

Fiscal 2030 Goals

<p>We aim to achieve the following goals in order to limit the temperature increase to 1.5°C above pre-industrial levels.</p> <ul style="list-style-type: none"> Greenhouse gas emissions throughout the supply chain: Reduction of over 46% (compared to FY2019) Greenhouse gas emissions through production: Reduction of over 46% (compared to FY2019) Contribution to CO₂ reduction in a society through our products: Over 59 million tons/year
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- Promotion of Environmental Vision 2050

To realize a decarbonized society, we have set Fiscal 2030 Goals and we are working to reduce our greenhouse gas emissions during production and product usage.

In fiscal 2023, we introduced new technologies and reviewed our production methods to cut the use of SF₆ gas in production processes. We began using solar power in our domestic factories and expanded our procurement of renewable energy in our semiconductor factories. Through these initiatives, we have cut greenhouse gas emissions during production by 25% compared to fiscal 2019. Through our expanded sales of environmentally friendly products, we have also reduced CO₂ emissions associated with the use of our products in society by 56 million tons. Both of these achieved our expected goals.

In our initiatives to realize a recycling-oriented society, we began creating standards for environmentally friendly products with the goal of minimizing their environmental impact throughout product lifecycles.

- Disclosure of information in line with TCFD Recommendations
In line with the recommendations of the TCFD (the Task Force on Climate-related Financial Disclosures), we have disclosed the significant risks and opportunities produced by climate change and the adaptation measures.
In fiscal 2023, we identified flooding risks resulting from the high frequency of abnormal weather and took flooding countermeasures for minimizing damage. In addition, we disclosed environmental investment amounts that would be necessary to reduce greenhouse gas emissions from increased production.

Society

One of the values in the Fuji Electric Code of Conduct is to “respect and value all people.” Respect for human rights as well as health and safety are the foundation of all of our activities, and we aim to realize a virtuous cycle of employees’ happiness and sustainable corporate growth. We are actively investing in our human resources by encouraging the advancement of diverse human resources and developing our human resources.
Furthermore, with a view to building a supply chain that supports a sustainable society together with our business partners, we ask them to conduct the self-assessment of CSR procurement in accordance with the Fuji Electric CSR Procurement Guidelines. Through this self-assessment, we strive to share issues to be addressed and to improve cooperation.

- Measures for respecting human rights
In line with the United Nations Guiding Principles on Business and Human Rights, we follow a policy of “never involved in or complicit in human rights violations.” Led by this policy, we carry out human rights due diligence measures every other year at our business sites and consolidated subsidiaries in Japan and overseas.
In fiscal 2023, we conducted human rights e-learning for the employees of the Company and subsidiaries in Japan.
- Encouraging the advancement of diverse human resources
We encourage the advancement of diverse human resources, such as female employees, senior employees, and differently abled people. For the advancement of female employees, we are conducting intensive training and are supporting career continuity through our systems and environment with the aim of increasing the number of female employees in supervisory positions. To encourage the advancement of senior employees, we have begun revising our compensation system for employees aged 60 and older. We are increasing our employment of differently abled people and expanding the scope of duties.
- Developing human resources
To contribute to the sustainable growth of our companies, we are identifying division and business leaders from an early stage. In terms of fostering future management candidates, we implement human resource development programs such as OJT and selective training based on personnel development plans. At our overseas bases, to develop local human resources, we continue to send employees to Japan for training and to appoint them to management positions.
Furthermore, to promote digital transformation (DX), we are actively developing digital human resources.
- Promoting workstyle reforms and work-life balance
To increase our employees’ awareness to improve productivity, we pay incentives to employees who work in ways that make valuable use of their time.
We have relaxed usage requirements for our flexible working systems for employees with special needs, such as childcare or nursing care, to promote more flexible workstyles.
With respect to the upper limits on overtime work in the construction industry that came into effect in April 2024, we are making working arrangements more flexible, improving

business processes, and creating legal and regulatory compliance systems for hiring and training human resources.

- Employee awareness survey

Every year, we conduct an employee awareness survey and analyze results and how the results have changed over time. We use the survey to determine the level of understanding our employees have of our management policies and the degree of satisfaction they feel, to have employees review their own divisions, and to improve our organizational management. For questions indicative of overall satisfaction with Fuji Electric, we have set a target of maintaining an average score of 3.5 points or above, and in fiscal 2023 the average score for these questions was 3.8 points. (These questions use a five-point scale, from 1 to 5, with higher numbers indicating more positive responses.)

Governance

The Company has created and is operating a healthy, efficient, transparent, and effective governance framework and a compliance system that ensures thorough compliance with laws, regulations, and social norms, and also conducts thorough risk management. (For more information regarding our corporate governance system, please see page 70.)

In addition, the Company appropriately responds to “Japan’s Corporate Governance Code” stipulated by Tokyo Stock Exchange.

- Improving the effectiveness of governance

The Company evaluates the effectiveness of the Board of Directors through the use of a third-party survey and makes improvements to address the identified issues. Initiatives and issues related to ESG, etc., are shared among Directors so that the Board of Directors can engage in more active deliberations regarding medium- and long-term management issues. The Company also actively promotes constructive dialog with shareholders and investors to contribute to sustainable growth and to the medium- and long-term improvement of corporate value.

- Strengthen capability to cope with risks

Based on the “Fuji Electric Risk Management Rules,” we are working to prevent risks from materializing and to minimize their impact by thoroughly and appropriately managing and countering various risks.

In order to strengthen our business continuity capabilities, we use the BCP system, which can quickly grasp the potential impact of incidents, such as large-scale natural disasters and accidents, on the safety and production operations of our business partners, and are expanding the multi-sourcing of our material procurement.

We have formulated policies and regulations related to information security. We provide regular training to our employees to improve their information security knowledge and skills. To respond to increasingly diversified and sophisticated cyber-security threats, we endeavor to strengthen our security response structures, our monitoring of signs of new cyber-attacks and for preventing information leakage, and our information system defense and attack monitoring functions.

- Reducing cross-shareholding

We are engaging in a reduction of our cross-shareholdings from the perspective of capital efficiency. We hold 6 listed stocks as of the end of fiscal 2023, a reduction of 11 stocks year on year.

ENVIRONMENTAL TOPICS

Selection as an “A List (climate change)” company by CDP for the fifth consecutive year
For the fifth consecutive year, we were selected as an “A List” company, the top rating of CDP*, as one of the most excellent companies at climate change initiatives and information disclosure.

* CDP is an international environmental NGO that investigates, evaluates and discloses companies' environmental measures.

Challenges to Be Addressed

Management plan for fiscal 2024

In May 2024, we announced our three-year medium-term management plan that finishes in fiscal 2026. This plan adopts a fundamental policy of “improvement of corporate values through management emphasizing profit.” Our management plan for fiscal 2024, the first year of the medium-term management plan, is presented below.

We have set targets for fiscal year 2024, namely, net sales of ¥1,114.0 billion, operating profit of ¥109.0 billion, and profit attributable to owners of parent of ¥76.5 billion. The priority measures to be implemented by the individual businesses are as follows.

[Energy]

We will strive to take on new projects by proposing whole solutions that include renewable energy, energy management systems, storage systems, and related substation equipment to meet our customers' decarbonization needs.

For Japanese and overseas data centers and semiconductor factories, which are continuing to see future growth, we will take on new orders for uninterrupted power supplies (UPS), substation equipment, and the like, and we will develop competitive new products.

We will also strive to increase sales for the ED&C components business by launching new power distribution and control equipment products that realize energy savings and reduction in size.

[Industry]

We will create strong components and enhance systems using those strong components to lead to our business expansion. We will reinforce our production systems based on local production for local consumption globally, to reduce lead times and reduce costs. Through these efforts, we will enhance the profitability of our overseas businesses in India and other countries.

To meet demand for updating plant facilities in materials fields, such as the steel field, and in chemicals fields, we will strengthen package proposals that contribute to our customers' green transformation (GX) and digital transformation (DX) by combining energy-saving products and control systems.

[Semiconductors]

In response to growing demand for power semiconductors for electrified vehicles and renewable energy applications, we will continue to focus on bolstering our production capacity and will also engage in flexible production according to changes in demand. The adoption of next-generation SiC material in electrified vehicles is accelerating, and we will work to expand sales by developing and mass-producing highly efficient new products.

[Food and Beverage Distribution]

We will improve our profitability by providing high-value-added products that cut energy usage and increase operation efficiency through use of digital technologies, helping address social issues such as reducing environmental impacts and dealing with labor shortages. We will roll out new products in new fields, such as the restaurant and distribution industries, and expand our business.

Reinforcement of operating foundations, which help improve our corporate value

In order to reinforce our operating foundations, which help improve our corporate value, we will continue our activities globally to address key ESG issues.

[Environment]

We will procure and introduce renewable energy to achieve the Fiscal 2030 Goals set forth in our Environmental Vision 2050. At the same time, we will promote further CO₂ emissions reduction contributions of our products.

[Society]

We will work to encourage the advancement of diverse human resources and job satisfaction. We will acquire a diverse workforce and further promote the advancement of female employees and senior employees. We will also carry out reskilling and create more flexible workstyles.

[Governance]

In the face of increasingly diverse management risks, we will work to improve the effectiveness of the Board of Directors. At the same time, we will enhance compliance by enriching and expanding the Fuji Electric Compliance Program and promoting more active use of our Business Ethics Whistle-Blowing Systems. Furthermore, we will also strengthen our capability to cope with risks by making ongoing improvements in our BCP.

[Dividends of Surplus]

Policies Relating to Decisions on the Dividend of Surplus, etc.

We intend to return profit gained through business activities to shareholders. At the same time—while maintaining and strengthening our management foundation—we intend to appropriate profit for consolidated shareholders' equity in order to secure internal reserves for research and development, capital investment, human resources development, and other investments reflecting a medium- to long-term viewpoint.

We will determine the amount of dividends to be paid from retained earnings in light of the above medium- to long-term business cycle; our policy of paying stable and continuous dividends; and comprehensive consideration of the business results of the relevant fiscal year, research and development and capital investment plans for future growth, and business conditions.

We regard the acquisition of treasury shares as a flexible mechanism to supplement dividends when warranted by the cash flow position.

Moreover, the capital strategies as prescribed by Article 459, Paragraph 1 of the Companies Act, shall be conducted with a view to strengthening consolidated shareholders' equity.

Also the matters prescribed by Article 459, Paragraph 1 of the Companies Act will be decided by resolution of the Board of Directors, or the Ordinary General Meeting of Shareholders.

Year-End Dividend for Fiscal Year Ended March 31, 2024

Based on the policies relating to decisions on the dividend of surplus, etc. described in the above, the Company resolved to pay a year-end dividend of ¥75 per share at the meeting of the Board of Directors held on May 23, 2024, with due consideration given to the consolidated operating results for the current and next period, financial conditions, and other factors.

The annual dividend for the fiscal 2023 amounted to ¥135 per share including the amount of interim dividend.

[Consolidated Financial Results and Trends in Assets]

Classification	145th term Fiscal 2020	146th term Fiscal 2021	147th term Fiscal 2022	148th term Fiscal 2023
Net sales (¥ billion)	875.9	910.2	1,009.4	1,103.2
Operating profit (¥ billion)	48.6	74.8	88.9	106.1
Ordinary profit (¥ billion)	50.4	79.3	87.8	107.8
Profit attributable to owners of parent (¥ billion)	41.9	58.7	61.3	75.4
Basic earnings per share (¥)	293.52	410.68	429.50	527.57
Total assets (¥ billion)	1,052.0	1,117.1	1,181.6	1,271.2
Annual dividend per share (¥)	85.0	100.0	115.0	135.0

[Remuneration for Directors and Audit & Supervisory Board Members]

Policy on the Determination of Remuneration for Directors and Audit & Supervisory Board Members

(1) Details of the policy

In accordance with the Board of Directors' resolutions, the Company set the policy on determination of remuneration for the Company's Directors and Audit & Supervisory Board Members as described below.

In paying remuneration etc. to Directors and Audit & Supervisory Board Members of the Company, the Company considers its duty to respond to the mandate of the shareholders, acquire and maintain excellent personnel and provide incentive for improvement in earnings performance, and it has in place a remuneration system with set remuneration levels.

While considering changes in the business environment and data objectively compiled by third parties, the Company continuously examines the suitability of the remuneration system and the remuneration levels and whether there is a need to make changes.

1. Standing Directors

Since Standing Directors are charged with a duty to improve consolidated results for each fiscal year and realize medium- to long-term improvement in corporate value, their remuneration is structured and managed as follows.

(i) Base remuneration

Base remuneration shall be paid as a monthly financial sum determined in advance, applicable to that senior management rank, and at certain time of the month.

A portion of the remuneration of Standing Directors, applicable to that senior management rank, shall be contributed to the Director Shareholding Association to share the economic interests of shareholders and as an incentive to make management aware of share value.

(ii) Performance-related remuneration

The amount of performance-related remuneration to be paid shall be decided by comprehensively taking into consideration consolidated results (net sales, operating profit, profit, dividends, etc.) using, as a basis, the consolidated ratio of operating profit to net sales, which is set as a key target in the medium-term management plan, for the previous year.

Performance-related remuneration shall be paid only in instances in which dividends are paid to shareholders from retained earnings, and at certain time of the year. The total amount of performance-related remuneration shall be within one percent of the consolidated profit for the fiscal year prior to the date of payment in order to make the linkage with consolidated results for each fiscal year more transparent.

In the consolidated ratio of operating profit to net sales for results in the fiscal year ended March 31, 2024, of 9.6%, the ratio of performance-related remuneration to remuneration was 56.5%.

2. Standing Audit & Supervisory Board Members

Remuneration for Standing Audit & Supervisory Board Members shall be paid, at certain time of the month, as base remuneration as a monthly financial sum determined in advance, applicable to their senior management rank, since Standing Audit & Supervisory Board Members are charged with the duty of auditing the execution of duties across the entire Fuji Electric.

Standing Audit & Supervisory Board Members may acquire shares in the Company at their own discretion.

3. **Outside Directors and Outside Audit & Supervisory Board Members**
Remuneration for Outside Directors and Outside Audit & Supervisory Board Members shall be paid, at certain time of the month, as base remuneration as a monthly financial sum determined in advance, applicable to their senior management rank, since Outside Directors and Outside Audit & Supervisory Board Members are charged with the duty of supervising or auditing the execution of duties across the entire Fuji Electric.

Outside Directors and Outside Audit & Supervisory Board Members may acquire shares in the Company at their own discretion.

The Board of Directors has resolved to delegate the decision on amount of remuneration for each Director to Representative Director, Chairman of the Board and CEO Michihiro Kitazawa. The scope of his authority is to reflect evaluations of the performance in direct duties by each Director in line with the resolution passed in the Board of Directors, which is based on report by the Nomination and Remuneration Committee. To ensure this authority be exercised appropriately, the Nomination and Remuneration Committee has decided on a range within which bonuses shall be determined based on individual evaluation and the delegated authority shall be exercised within said range.

(2) Method for determining the policy

The Company has established the Nomination and Remuneration Committee to discuss policies and standards relating to remuneration of Directors and Audit & Supervisory Board Members and details of remuneration of Directors and Audit & Supervisory Board Members. Consisting of a majority of Outside Directors and chaired by an Outside Director, the Nomination and Remuneration Committee considers changes in the business environment and data objectively compiled by third parties and discusses the suitability of policies and standards relating to remuneration and the remuneration levels before reporting to the Board of Directors. Thereby, the Board of Directors resolves on policy on the determination respecting details of said report.

(3) Reasons for which the Board of Directors judges details of remuneration of Directors and Audit & Supervisory Board Members are in line with the policy for fiscal 2023

Regarding determination of remuneration for Directors and Audit & Supervisory Board members, the Nomination and Remuneration Committee makes consideration from various perspectives in matters such as whether is it in line with the policy on the determination and the Board of Directors respects the Committee's report and judges it in line with the policy on the determination.

Total Amount, etc. of Remuneration Paid to Directors and Audit & Supervisory Board Members for Fiscal 2023

Classification	Total Remuneration (¥ million)	Remuneration by Type (¥ million)		Number of Recipients
		Base Remuneration	Performance-related remuneration	
Directors	845	383	462	12
(Outside)	(50)	(50)	(-)	(6)
Audit & Supervisory Board Members	91	91	-	5
(Outside)	(29)	(29)	(-)	(3)
Total	937	475	462	17
(Outside)	(79)	(79)	(-)	(9)

(Notes) 1. The amounts of remuneration for Directors were resolved as follows at the 131st Ordinary General Meeting of Shareholders held on June 26, 2007, at the 137th Ordinary General Meeting of Shareholders held on June 25, 2013 and at the 146th Ordinary General Meeting of Shareholders held on June 28, 2022.

(1) Directors (excluding Outside Directors)

Total amount of the fixed amount (i) and performance-related amount (ii) as below

(i) within ¥450 million per year

(ii) within one percent of the consolidated profit for the fiscal year prior to the date of payment

(2) Outside Directors

within ¥100 million per year

The number of Directors at the conclusion of the 131st Ordinary General Meeting of Shareholders was eight (of which, two Outside Directors), the number of Directors at the conclusion of the 137th Ordinary General Meeting of Shareholders was ten (of which, three Outside Directors) and the number of Directors at the conclusion of the 146th Ordinary General Meeting of Shareholders was ten (of which, four Outside Directors).

- The amounts of remuneration for Audit & Supervisory Board Members were resolved as ¥120 million per year at the 131st Ordinary General Meeting of Shareholders held on June 26, 2007. The number of Audit & Supervisory Board Members at the conclusion of said General Meeting of Shareholders was five.
- Representative Director, Chairman of the Board and CEO Michihiro Kitazawa decides the amount of remuneration for each Director based on the resolution to delegate the decision to him by the Board of Directors. The scope of his authority is to reflect evaluations of the performance in duties by each Director in line with the resolution passed in the Board of Directors, which is based on report by the Nomination and Remuneration Committee. The reason for delegating this authority to a Representative Director is that the Company judges a Representative Director most suitable to make comprehensively evaluations based on the operating environment, the Company's business results, and performance in direct duties by each Director. To ensure this authority be exercised appropriately, the Nomination and Remuneration Committee has decided on a range within which performance-related remuneration shall be determined based on individual evaluation and the delegated authority shall be exercised within said range.

4. As described earlier in "Policy on the Determination of Remuneration for Directors and Audit & Supervisory Board Members," a portion of the base remuneration of Standing Directors shall be contributed to the Director Shareholding Association with the obligation to acquire shares of the Company. The following table shows the amount contributed to the Director Shareholding Association, including voluntary contributions, together with the amount of shares of the Company acquired.

	Contribution to Director Shareholding Association (¥ million)	Shares of the Company acquired (hundreds of shares)
Directors	31	48
Audit & Supervisory Board Members	6	9

(Note) As used in this Business Report, the expression "Standing Directors" refers to executive directors as prescribed in Article 2, Item 15 of the Companies Act.

[Corporate Overview]

Share Information (as of March 31, 2024)

- 1. Authorized shares:** **320,000,000**
- 2. Issued shares:** **149,296,991**
- 3. Number of shareholders:** **40,930**
(a decrease of 1,592 from the end of the previous term)

4. Shareholdings by type of shareholder

Classification	Number of shareholders (persons)	Number of shares (shares)	Ratio of shareholding (%)
Financial institutions/Securities firms	129	60,896,310	40.79
Other domestic corporations	435	8,490,658	5.69
Foreigners	888	59,796,629	40.05
Individuals and others	39,478	20,113,394	13.47
Total	40,930	149,296,991	100.00

(Note) "Individuals and others" includes treasury shares.

5. Top ten shareholders

Name	Number of shares (thousands of shares)	Ratio of shareholding (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	25,108	17.58
Custody Bank of Japan, Ltd. (Trust Account)	17,024	11.92
Asahi Mutual Life Insurance Company	3,955	2.77
National Mutual Insurance Federation of Agricultural Cooperatives	3,059	2.14
MSIP CLIENT SECURITIES	2,691	1.88
FANUC CORPORATION	2,684	1.88
STATE STREET BANK WEST CLIENT – TREATY 505234	2,409	1.69
SSBTC CLIENT OMNIBUS ACCOUNT	2,226	1.56
FURUKAWA CO., LTD.	2,205	1.54
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS	2,138	1.50

(Notes) 1. Treasury shares of 6,466,915 shares are excluded from the above list of top ten shareholders.

2. Ratio of shareholding is calculated by deducting treasury shares from the total number of issued shares based on the provisions of the Ordinance for Enforcement of the Companies Act.

Type of Bonds with Share Acquisition Rights (as of March 31, 2024)

Not applicable.

Status of Directors and Audit & Supervisory Board Members

1. Directors and Audit & Supervisory Board Members

Name	Positions and direct duties in the Company	
Michihiro Kitazawa	Representative Director	Nomination and Remuneration Committee member
	Chairman of the Board and CEO (Chief Executive Officer)	
Shiro Kondo	Representative Director	President
	President and COO (Chief Operating Officer)	Nomination and Remuneration Committee member
Toshihito Tamba	Outside Director	Nomination and Remuneration Committee chairman
Yukari Tominaga	Outside Director	Nomination and Remuneration Committee member
Yukihiro Tachifuji	Outside Director	Nomination and Remuneration Committee member
Tomonari Yashiro	Outside Director	Nomination and Remuneration Committee member
Michio Abe	Director	Senior Managing Executive Officer In charge of Production & Procurement and Power Generation Business
Junichi Arai	Director	Senior Managing Executive Officer Corporate General Manager, Corporate Management Planning Headquarters General Manager, Export Administration Office In charge of compliance management
Toru Hosen	Director	Senior Managing Executive Officer Corporate General Manager, Semiconductors Business Group
Hiroshi Tetsutani	Director	Managing Executive Officer Corporate General Manager, Industry Business Group
Yoshio Okuno	Standing Audit & Supervisory Board Member	
Junichi Matsumoto	Standing Audit & Supervisory Board Member	
Tetsuo Hiramatsu	Outside Audit & Supervisory Board Member	
Hirohiko Takaoka	Outside Audit & Supervisory Board Member	
Yuko Katsuta	Outside Audit & Supervisory Board Member	

(Notes) 1. The term of Directors has been set as one (1) year in order to clarify the management responsibilities of individual Directors with regard to each given fiscal year and construct a management system that can quickly respond to changes in the operating environment.

2. The Company has established the Nomination and Remuneration Committee as an advisory body to the Board of Directors to further enhance corporate governance by strengthening the fairness, transparency and objectivity of the procedures relating to the nomination and remuneration of Directors and Audit & Supervisory Board Members. The majority of Nomination and Remuneration Committee members are Outside Directors and it is chaired by an Outside Director.

3. We expect Outside Directors to play roles in strengthening the management supervisory function and ensuring adequacy and appropriateness of decision-making related to the execution of business. To this end, Mr. Toshihito Tamba, Mr. Yukihiro Tachifuji, who are experienced managers in listed companies, Ms. Yukari Tominaga, who has extensive experience in corporate management, and Mr. Tomonari Yashiro, who is an expert in academic fields closely related to Fuji Electric's business, were selected as Outside Directors at the General Meeting of Shareholders as persons who have an understanding of the Fuji Electric's management, as well as insights and experience necessary for making multifaceted management decisions.

Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro are reported as Independent Officers as stipulated by the Securities Listing Regulations of the Financial Instruments Exchanges.

4. We expect Outside Audit & Supervisory Board Members, along with Outside Directors, to be conducive to ensuring the adequacy and legality of decision-making related to the execution of business, as well as to play roles in strengthening the management audit function, by giving advice and making suggestions about the entire spectrum of management activities at meetings of the Board of Directors and on other occasions. To this end, Mr. Tetsuo Hiramatsu, who is an experienced manager in a financial institution, Mr. Hirohiko Takaoka, who is an experienced Audit & Supervisory Board Member for a listed company, and Ms. Yuko Katsuta, who is an attorney-at-law, were selected as Outside Audit &

Supervisory Board Members at the General Meeting of Shareholders upon obtaining approval at a meeting of the Audit & Supervisory Board as persons who have expertise and experience necessary for performing audits.

Mr. Tetsuo Hiramatsu, Mr. Hirohiko Takaoka, and Ms. Yuko Katsuta are reported as Independent Officers as stipulated by the Securities Listing Regulations of the Financial Instruments Exchanges.

5. The financial, accounting and other expertise possessed by each Audit & Supervisory Board Member is as follows:
- Standing Audit & Supervisory Board Member Yoshio Okuno is highly knowledgeable about sales & marketing and overall corporate management, which he has gained from his longstanding career in Fuji Electric as Representative Director, Executive Vice President and person in charge of the sales and other divisions mainly in the overseas plants.
 - Standing Audit & Supervisory Board Member Junichi Matsumoto is highly knowledgeable about financial and accounting matters and overall corporate management, which he has gained from his longstanding career in Fuji Electric as person in charge of finance and accounting division, including Director.
 - Outside Audit & Supervisory Board Member Tetsuo Hiramatsu is highly knowledgeable of financial and accounting matters and overall corporate management, which he has gained from his previous career in the management of financial institutions.
 - Outside Audit & Supervisory Board Member Hirohiko Takaoka is highly knowledgeable about auditing and overall corporate management, which he has gained from his career history having been a management executive of a company and an Audit & Supervisory Board Member for a listed company.
 - Outside Audit & Supervisory Board Member Yuko Katsuta is highly knowledgeable about overall corporate legal matters thanks to her involvement as an attorney-at-law in many corporate legal matters.
6. The positions and direct duties of a Director were changed on April 1, 2024 as follows:
- Michio Abe Director

2. Significant Concurrent Positions of Directors and Audit & Supervisory Board Members

(1) Directors

Name	Significant concurrent positions
Toshihito Tamba	Executive Adviser, Tokyo Century Corporation
Yukari Tominaga	External Director, MORINAGA MILK INDUSTRY CO., LTD. Outside Director, Yashima & Co., Ltd. [retired on June 29, 2023] External Member of the Board, SB Technology Corp.
Yukihiro Tachifuji	Advisor, Mitsubishi Paper Mills Limited [retired on December 31, 2023]
Tomonari Yashiro	Professor, Kochi University of Technology [retired on December 31, 2023] Specially-appointed Professor, Tokyo City University [retired on December 31, 2023] President, Tokyo City University [assumed office on January 1, 2024]
Hiroshi Tetsutani	Chairman, Shanghai Electric Fuji Electric Power Technology (Wuxi) Co., Ltd.

- (Notes)
1. Information in brackets [] indicates the date on which the person began or ceased holding the concurrent position during the current fiscal year.
 2. Mr. Hiroshi Tetsutani retired from Chairman of Shanghai Electric Fuji Electric Power Technology (Wuxi) on April 1, 2024.
 3. There is no noteworthy relationship based on Article 124 of the Ordinance for Enforcement of the Companies Act between the Company and the other company where Outside Director serves concurrent position.

(2) Audit & Supervisory Board Members

Name	Significant concurrent positions
Tetsuo Hiramatsu	Chairman & Representative Director, Chuo-Nittochi Co., Ltd. [retired on June 26, 2023] Senior Advisor, Chuo-Nittochi Co., Ltd. [assumed office on June 26, 2023] Chairman & Representative Director, Chuo-Nittochi Group Co., Ltd. [retired on June 26, 2023]
Yuko Katsuta	Attorney-at-law (Partner, ITN Partners)

- (Notes)
1. Information in brackets [] indicates the date on which the person began or ceased holding the concurrent position during the current fiscal year.
 2. Besides the above, there is no noteworthy relationship based on Article 124 of the Ordinance for Enforcement of the Companies Act between the Company and the other companies where Outside Audit & Supervisory Board Members serve concurrent positions.

3. Overview of Directors and Officers Liability Insurance Policy

The Company has concluded a Directors and Officers liability insurance policy with an insurance company, under which if claim for damages is made against the insured when such damage is caused by actions (including inactions) taken when performing duties as a corporate officer, compensations for such damages and court costs, etc. shall be reimbursed by said insurance. Directors, Audit & Supervisory Board Members and Executive Officers of the Company and its subsidiaries are insured, and for all who are insured under this insurance, the insurance premium shall be fully borne by the Company.

4. Status of Outside Directors and Outside Audit & Supervisory Board Members

(1) Major activities

(i) Outside Directors

Name	Number of attendance at the Board of Directors meetings (attended/held)	Opinions offered and overview duties performed regarding expected roles as an Outside Director
Toshihito Tamba	13/13	<p>Mr. Toshihito Tamba is expected to fulfill the management supervisory function and has offered necessary opinions concerning the overall business management including the following items at the Board of Directors meetings as appropriate, based on his extensive experience and considerable insight as an experienced manager of a listed company. He has played an appropriate role in strengthening the management supervisory function and ensuring adequacy and appropriateness of important decision-making of Fuji Electric.</p> <ul style="list-style-type: none"> - Formulation of business plans by taking into account changes in the market environment - Appropriate way of IR activities <p>Moreover, he attended all four Nomination and Remuneration Committee meetings held in the current fiscal year as the chairman and led the supervisory function in appointment of candidates for Directors and Audit & Supervisory Board Members and the process of determining remunerations for Directors and Audit & Supervisory Board Members from an objective and neutral standpoint.</p>
Yukari Tominaga	13/13	<p>Ms. Yukari Tominaga is expected to fulfill the management supervisory function and has offered necessary opinions concerning the overall business management including the following items at the Board of Directors meetings as appropriate, based on her extensive experience and considerable insight in corporate management. She has played an appropriate role in strengthening the management supervisory function and ensuring adequacy and appropriateness of important decision-making of Fuji Electric.</p> <ul style="list-style-type: none"> - Appropriate way of promoting the advancement of diverse personnel - Initiatives to expand the IT solutions business <p>Moreover, she attended three Nomination and Remuneration Committee meetings held in the current fiscal year as a member of the committee and fulfilled the supervisory function in appointment of candidates for Directors and Audit & Supervisory Board Members and the process of determining remunerations for Directors and Audit & Supervisory Board Members from an objective and neutral standpoint.</p>
Yukihiro Tachifuji	10/10	<p>Mr. Yukihiro Tachifuji is expected to fulfill the management supervisory function and has offered necessary opinions concerning the overall business management including the following items at the Board of Directors meetings as appropriate, based on his extensive experience and considerable insight as an experienced manager of a listed company. He has played an appropriate role in strengthening the management supervisory function and ensuring adequacy and appropriateness of important decision-making of Fuji Electric.</p> <ul style="list-style-type: none"> - Initiatives to optimize inventory - Strengthening of risk management in plant-related projects <p>Moreover, he attended three Nomination and Remuneration Committee meetings held in the current fiscal year as a member of the committee and fulfilled the supervisory function in appointment of candidates for Directors and Audit & Supervisory Board Members and the process of determining remunerations for Directors and Audit & Supervisory Board Members from an objective and neutral standpoint.</p>
Tomonari Yashiro	10/10	<p>Mr. Tomonari Yashiro is expected to fulfill the management supervisory function and has offered necessary opinions concerning the overall business management including the following items at the Board of Directors meetings as appropriate, based on his professional standpoint and considerable insight in sustainable architecture and innovation management. He has played an appropriate role in strengthening the management supervisory function and ensuring adequacy and appropriateness of important decision-making of Fuji Electric.</p> <ul style="list-style-type: none"> - Initiatives to realize a Decarbonized Society - Strengthening of risk management in plant-related projects <p>Moreover, he attended three Nomination and Remuneration Committee meetings held in the current fiscal year as a member of the committee and fulfilled the supervisory function in appointment of candidates for Directors and Audit & Supervisory Board Members and the process of determining remunerations for Directors and Audit & Supervisory Board Members from an objective and neutral standpoint.</p>

(Note) Since Mr. Yukihiro Tachifuji and Mr. Tomonari Yashiro newly assumed the office of Director at the conclusion of the 147th Ordinary General Meeting of Shareholders held on June 27, 2023, the above status on attendance at the Board of Directors meetings refers to those meetings held after their assumption.

(ii) Outside Audit & Supervisory Board Members

Name	Number of attendance at the Board of Directors meetings Number of attendance at the Audit & Supervisory Board meetings (attended/held)	Opinions offered
Tetsuo Hiramatsu	12/13 8/9	Offered necessary opinions at meetings of the Board of Directors as appropriate, concerning the contents of meeting items and the Fuji Electric's business activities, based on his extensive experience and considerable insight as an experienced manager in financial institutions. Also, at meetings of the Audit & Supervisory Board, confirmed the legality of business activities overall from the viewpoint of ensuring legal compliance, and offered appropriate opinions.
Hirohiko Takaoka	13/13 9/9	Offered necessary opinions at meetings of the Board of Directors as appropriate, concerning the contents of meeting items and the Fuji Electric's business activities, based on his extensive experience and considerable insight as an experienced Full-time Audit & Supervisory Board Member, etc. of listed Companies. Also, at meetings of the Audit & Supervisory Board, confirmed the legality of business activities overall from the viewpoint of ensuring legal compliance, and offered appropriate opinions.
Yuko Katsuta	12/13 8/9	Offered necessary opinions at meetings of the Board of Directors as appropriate, concerning the contents of meeting items and the Fuji Electric's business activities, based on her professional experience as an attorney-at-law. Also, at meetings of the Audit & Supervisory Board, confirmed the legality of business activities overall from the viewpoint of ensuring legal compliance, and offered appropriate opinions.

(2) Outline of limited liability agreement with Outside Directors and Outside Audit & Supervisory Board Members

In accordance with laws and regulations and the Articles of Incorporation of the Company, the Company has concluded a limited liability agreement with each Outside Director and Outside Audit & Supervisory Board Member stipulating that in the event that he or she bears liability with regard to the Company, the maximum amount of his or her liability to the Company will be the amount of ¥6 million or the minimum amount for damages stipulated in the Companies Act, whichever is higher, so long as he or she has carried out his or her duties in good faith and in absence of gross negligence.

In the agreement, the Company has set forth articles to provide instruction ensuring that duties of due diligence as Outside Director or Outside Audit & Supervisory Board Member are fulfilled and these duties are executed sincerely even after the conclusion of the agreement to ensure the propriety of duties of Outside Director and Outside Audit & Supervisory Board Member.

Matters Related to Accounting Auditor

1. Designation of accounting auditor **ERNST & YOUNG SHINNIHON LLC**

2. Accounting auditor remuneration for the period

Category	Payment amounts (¥ million)
(i) Remuneration and other amounts payable by the Company for the period	184
(ii) Total profit on cash and other financial assets payable by the Company and its subsidiaries	345

- (Notes) 1. In the audit contract between the Company and the accounting auditor, no distinction is made and no such distinction can be made substantially in the amounts of auditing fees under the Companies Act and audit fees under the Financial Instruments and Exchange Act. For this reason, the sum of these two is entered in the total amount under (i) above.
2. The Audit & Supervisory Board confirmed and deliberated on the details of the audit plan of the accounting auditor, the execution of duties regarding an accounting audit, and the calculation basis of remuneration estimates upon receiving necessary documents and reports from Directors, related divisions of the Company, and the accounting auditor. As a result, the Audit & Supervisory Board believes these are appropriate and agrees to the amount of remuneration and other amounts payable to the accounting auditor.

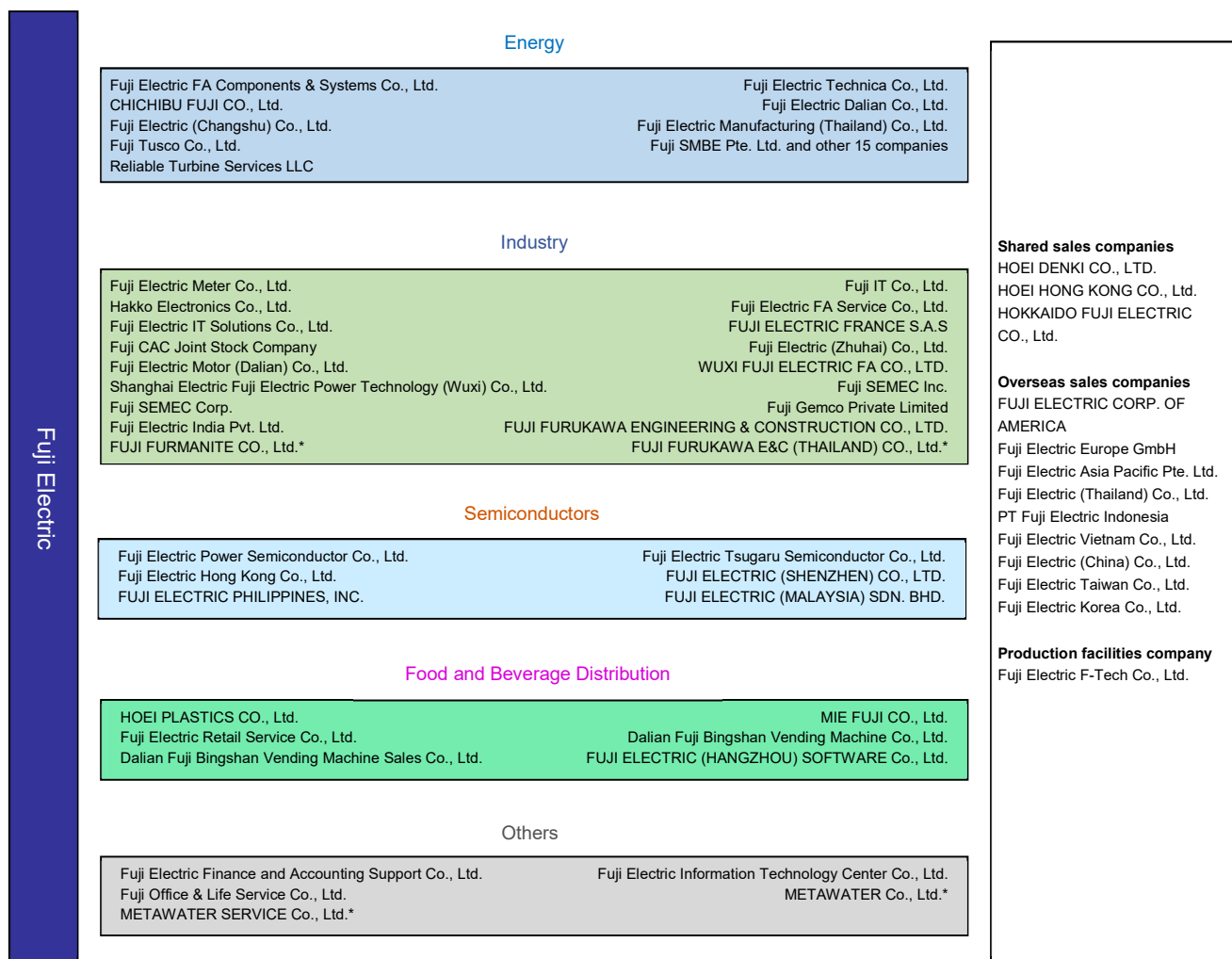
3. Policy for determining accounting auditor dismissal or non-reappointment

If any matters or circumstances surrounding the accounting auditor apply to any of the items under Article 340, Paragraph 1 of the Companies Act, and no improvement is expected, the Audit & Supervisory Board will dismiss the accounting auditor with the consent of all of the Audit & Supervisory Board Members.

In addition, if it is deemed impossible for the accounting auditor to perform its duties properly, the Audit & Supervisory Board may determine the content of a proposal concerning dismissal or non-reappointment of the accounting auditor which will be submitted to the Ordinary General Meeting of Shareholders.

[The Fuji Electric Group] Group Companies

(as of March 31, 2024)



(Notes) 1. The number of consolidated subsidiaries for fiscal 2023 including those above is 68 and the number of equity method affiliates is 4.

2. Companies marked with an asterisk (*) are accounted for as equity method affiliates.

Important Subsidiaries of the Corporate Group

(as of March 31, 2024)

Company name	Fuji Electric FA Components & Systems Co., Ltd.		
The Company's capital contribution	63.2%		
Major business	Development, manufacturing and sales of control equipment and power receiving/distribution equipment.		
Net sales (¥ billion)	47.0	Net assets (¥ billion)	41.9
Operating profit (loss) (¥ billion)	3.2	Capital (¥ billion)	7.6
Profit (loss) (¥ billion)	4.1	Number of employees	814

Company name	FUJI FURUKAWA ENGINEERING & CONSTRUCTION CO., LTD.		
The Company's capital contribution	46.1%		
Major business	Designing and construction of plant facilities, air conditioning facilities, electrical engineering work, civil engineering work, solar power facilities, power transmission work, and information and communications work.		
Net sales (¥ billion)	89.9	Net assets (¥ billion)	37.5
Operating profit (loss) (¥ billion)	7.2	Capital (¥ billion)	2.0
Profit (loss) (¥ billion)	5.3	Number of employees	1,171

Company name	Fuji Electric IT Solutions Co., Ltd.		
The Company's capital contribution	91.1%		
Major business	Sales of computer and telecommunication equipment, development of information processing systems and provision of total solutions.		
Net sales (¥ billion)	82.4	Net assets (¥ billion)	15.5
Operating profit (loss) (¥ billion)	4.6	Capital (¥ billion)	1.0
Profit (loss) (¥ billion)	3.1	Number of employees	670

Specified Wholly Owned Subsidiaries

Not applicable.

Important Corporate Realignments

Not applicable.

Main Facilities of the Group (as of March 31, 2024)

1. Energy

Domestic bases

Production bases	Kawasaki, Ichihara, Kobe, Ami machi (Ibaraki), Konosu, Otawara
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Overseas bases

Fuji Electric Dalian Co., Ltd. (China), Fuji Electric (Changshu) Co., Ltd. (China), Fuji Electric Manufacturing (Thailand) Co., Ltd., Fuji Tusco Co., Ltd. (Thailand), Fuji SMBE Pte. Ltd. (Singapore), Reliable Turbine Services LLC (U.S.A.)
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2. Industry

Domestic bases

Production bases	Hino, Suzuka
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Overseas bases

FUJI ELECTRIC FRANCE S.A.S, Fuji CAC Joint Stock Company (Vietnam), Fuji Electric (Zhuhai) Co., Ltd. (China), Fuji Electric Motor (Dalian) Co., Ltd. (China), WUXI FUJI ELECTRIC FA CO., LTD. (China), Shanghai Electric Fuji Electric Power Technology (Wuxi) Co., Ltd. (China), Fuji SEMEC Inc. (Canada), Fuji SEMEC Corp. (U.S.A.), Fuji Gemco Private Limited (India), Fuji Electric India Pvt. Ltd., FUJI FURUKAWA E&C (THAILAND) CO., Ltd.
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3. Semiconductors

Domestic bases

Production bases	Matsumoto, Minami Alps, Goshogawara
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Overseas bases

Fuji Electric Hong Kong Co., Ltd. (China), FUJI ELECTRIC (SHENZHEN) CO., LTD. (China), FUJI ELECTRIC PHILIPPINES, INC., FUJI ELECTRIC (MALAYSIA) SDN. BHD.
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4. Food and Beverage Distribution

Domestic bases

Production bases	Yokkaichi
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Overseas bases

Dalian Fuji Bingshan Vending Machine Co., Ltd. (China), Dalian Fuji Bingshan Vending Machine Sales Co., Ltd. (China), FUJI ELECTRIC (HANGZHOU) SOFTWARE Co., Ltd. (China)

5. Others, Common

Domestic bases

Sales bases	Shinagawa-ku (Tokyo), Chiba, Saitama, Sapporo, Sendai, Toyama, Kanazawa, Nagoya, Chiryu, Osaka, Kobe, Fukuoka, Hiroshima, Takamatsu, Naha
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Overseas bases

FUJI ELECTRIC CORP. OF AMERICA, Fuji Electric Europe GmbH (Germany), Fuji Electric Asia Pacific Pte. Ltd. (Singapore), Fuji Electric (Thailand) Co., Ltd., PT Fuji Electric Indonesia, Fuji Electric Vietnam Co., Ltd., Fuji Electric (China) Co., Ltd., Fuji Electric Taiwan Co., Ltd., Fuji Electric Korea Co., Ltd., HOEI HONG KONG CO., Ltd. (China)
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Employees of Fuji Electric (as of March 31, 2024)

(Persons)

Business segment	Number of employees	Year-on-year change
Energy	7,871	239
Industry	9,892	76
Semiconductors	6,032	118
Food and Beverage Distribution	1,891	(10)
Others	1,639	(221)
Total	27,325	202

(Note) The number of employees of the Company at the end of March 2024 is 10,711 (an increase of 153 from the end of the previous fiscal year).

Major Lenders (as of March 31, 2024)

Name of lenders	Balance of loans (¥ billion)
Mizuho Bank, Ltd.	14.9
MUFG Bank, Ltd.	10.7
Resona Bank, Limited	10.0
The Norinchukin Bank	5.0

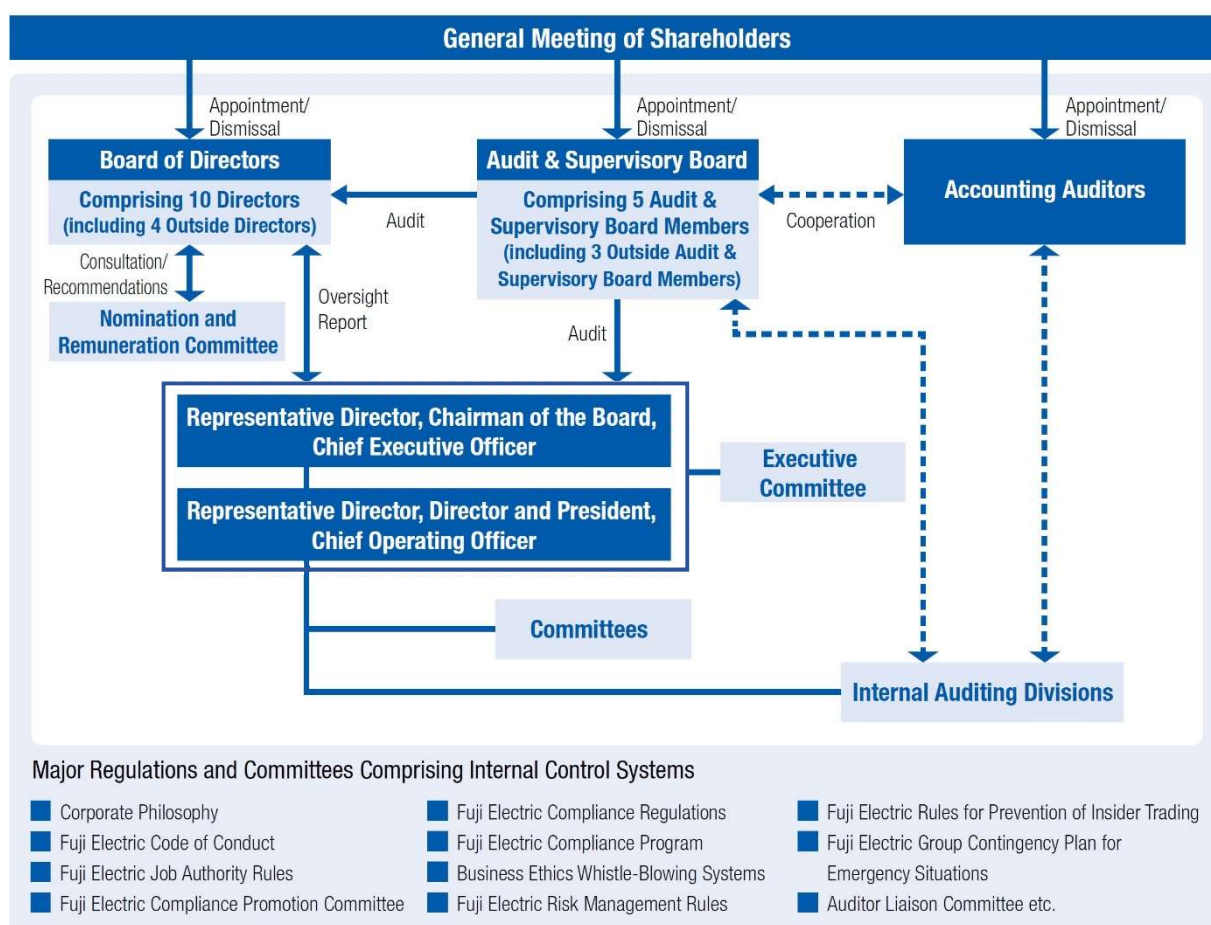
(Reference) The corporate governance system and internal controls system of the Company

The Company's corporate governance system consists of the Board of Directors, which performs the management supervisory function and important decision-making, and the Audit & Supervisory Board, which is in charge of the management auditing functions. As a company employing the corporate auditor system, the Audit & Supervisory Board suitably undertakes audits of the Company's Directors and Executive Officers and guarantees objectivity and neutrality.

The Company actively appoints Outside Audit & Supervisory Board Members that satisfy the requirements for Independent Officers, endeavors to strengthen management supervisory and management auditing functions, and has established the Nomination and Remuneration Committee comprising a majority of Outside Officers as an advisory body to the Board of Directors.

Also, in order to separate the roles of management and execution, we have introduced the executive officer structure in an effort to clearly define the responsibilities of each business and streamline business execution. We are endeavoring to build an effective corporate governance system with the use of Executive Committee, which deliberates and reports on important matters related to management as an advisory body to the Chairman of the Board and CEO and the President and COO as well as other committees tasked with planning and promoting key business strategy issues and key external issues, such as legal compliance.

Details on the internal controls system of the Company is as stated in the following pages.



(as of March 31, 2024)

Basic Policy on System of Internal Controls and Operation of the Internal Controls System

1. Basic policy on system of internal controls

Based on the provisions of Article 362, Paragraph 5 of the Companies Act, as for the development of an internal control system as provided for in Article 362, Paragraph 4, Item 6 of the Companies Act and each Item of Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act, the Board of Directors resolved to adopt the proposal as follows.

(1) System for ensuring that Directors and employees carry out their duties in accordance with laws, regulations, and the Articles of Incorporation

- (i) The Company will repeatedly give explanations to employees of the Company and its subsidiaries on management principles applicable to the Company, and on the spirit behind the Criteria of Corporate Behavior, which serves as a code of behavior for all executives and employees, and ensure such principles and criteria are rigorously followed.
- (ii) The Company will establish and promote a compliance system as follows, based on internal regulations, to ensure the transparency and soundness of business execution.
 - The Compliance Promotion Committee is chaired by the Representative Director of the Company. It will ensure full compliance with laws, regulations, and social norms pertaining to the Company and its subsidiaries.
 - The Company will establish a compliance program that systematizes roles and responsibilities in terms of internal rules, daily monitoring, auditing, education, and other areas for each law and regulation, and carry out the program in accordance with the annual plan.
 - Compliance training is conducted for all full-time executives of the Company and its subsidiaries.
 - The Company will establish an internal reporting system that facilitates communication from employees of the Company and its subsidiaries to the President and COO of the Company and external attorneys-at-law, using a route that is independent of normal lines of communication. This is intended to prevent actions that violate laws, regulations, Articles of Incorporation, or internal rules before they occur, and aid the early discovery of such actions.
 - The establishment and promotion of the above systems will also enable the Company to provide an organized response aimed at rejecting antisocial forces and groups that threaten public order and the safety of private citizens.
- (iii) Internal auditing divisions of the Company under the jurisdiction of the President and COO conduct audits of the Company and subsidiaries. In addition, to ensure effective internal auditing, information on various activities is shared within the committee, which consists of members of internal auditing divisions of the Company and subsidiaries.

(2) System for retaining and managing information pertaining to the performance of Directors

Internal regulations will be formulated to ensure accurate retention and management of records of important business and to ensure that Directors and Audit & Supervisory Board Members acquire knowledge of records. The regulations establish procedures for Directors, Audit & Supervisory Board Members, and managers involved in saving and storing records regarding access to information. Audit & Supervisory Board Members are also consulted in advance with regard to formulating, amending, or eliminating regulations.

(3) Regulations for managing loss-related risk and other systems

- (i) The internal regulations will be formulated to systematically manage operational risks faced by the Company and its subsidiaries. Based on these regulations, the Company and its subsidiaries will establish appropriate risk management systems, and a system for managing specific group-wide risks will be established. The system involves the designation of departments to manage each category of risk.
- (ii) The Company will establish an emergency response manual to minimize damage

incurred at the time of a crisis, such as a major disaster. The manual will prescribe the directors in charge of crisis management and establishment of a conference system and response headquarters to be activated when an emergency occurs.

- (iii) The internal auditing division audits the progress of risk management at the Company and its subsidiaries and reports the results to the President and COO.

(4) System for ensuring effective execution of business by Directors

- (i) The Company will adopt the executive officer structure to separate management and execution, and accelerate decision-making procedures. The division of duties of each executive officer will be clarified by a resolution of the Board of Directors.
In addition, the internal regulations that prescribe the duties and authority of the Chairman of the Board and CEO, the President and COO, executive officers and employees will be formulated to clarify decision-making authority and locus of responsibilities with regard to business execution.
- (ii) Executive Committee will be established as a permanent corporate body to advise the Chairman of the Board and CEO and the President and COO. It will comprise the Chairman of the Board and CEO, the President and COO, the Company's executive officers and other individuals, and will deliberate and formulate reports on important matters pertaining to the management. The Company's Representative Director will communicate the deliberations and reports of Executive Committee to the Company's Board of Directors as necessary.
- (iii) To formulate annual and medium-term management plans for the Company and its subsidiaries and to share information, Executive Committee and the Company's Board of Directors will confirm, evaluate, and review progress for each business division on a monthly basis.

(5) System to ensure reliable financial reporting

The Company will formulate internal regulations to ensure the appropriateness of documents and other information related to financial settlements as stipulated by the Financial Instruments and Exchange Act. Based on these regulations, the Company will build internal controls for financial reporting, appropriately conduct evaluations and reporting, and report the results of evaluations to the Board of Directors.

(6) System for ensuring the appropriate administration of the company group comprising the Company and its subsidiaries

- (i) The Company will formulate internal regulations that prescribe authority and responsibilities pertaining to business execution of the Company and its subsidiaries. Based on these regulations, the Company will ensure systematic and efficient management.
In addition, the Company will request subsidiaries to comply with these regulations and report to the Company or obtain approval from the Company regarding important matters pertaining to business execution of subsidiaries.
- (ii) The Company will enhance systems to ensure appropriate administration for the items discussed above, to maximize the corporate value of the entire company group comprising the Company and its subsidiaries.
In addition, the Company will request the formulation of a basic policy on the establishment of a system that ensures subsidiaries conduct appropriate business activities as stipulated by the Companies Act, and will ensure the effectiveness of such systems.

(7) Matters pertaining to employees assisting Audit & Supervisory Board Members, their independence from Directors, and ensuring the effectiveness of instructions to these employees

- (i) Employees assisting Audit & Supervisory Board Members shall be designated and the treatments for said employees shall respect opinions of Audit & Supervisory Board Members and require consents thereof.
- (ii) Audit & Supervisory Board Members may request the assistance of employees other than the designated employees in (i) above as necessary. Employees carrying out this work may do so independently of instructions or orders from Directors and prioritizing

the business over other businesses.

(8) System for reporting to Audit & Supervisory Board Members by Directors and employees, system for reporting to Audit & Supervisory Board Members by subsidiaries' Directors, Audit & Supervisory Board Members, and employees or those who have received report from these persons, and other matters pertaining to reporting to Audit & Supervisory Board Members

Internal regulations will be established to ensure Audit & Supervisory Board Members acquire sufficient information for them to fulfill their duties. The regulations establish specific methods for ensuring Audit & Supervisory Board Members have opportunities to attend important meetings where decisions are made on business execution of the company group comprising the Company and its subsidiaries, for distributing regular reports and important documents from executives and employees of the Company and its subsidiaries to Audit & Supervisory Board Members, and for making it possible for Audit & Supervisory Board Members to otherwise collect information on the performance of duties by executives and employees of the Company and its subsidiaries.

(9) System for ensuring that persons who report (8) above are not treated disadvantageously on the basis of making the report

The Company shall prohibit disadvantageous treatment of persons who report (8) above on the basis of making the report.

(10) Matters pertaining to procedures for advance payment or repayment of costs arising from the execution of duties by Audit & Supervisory Board Members and other matters pertaining to the policy for processing costs or liabilities arising from the execution of Audit & Supervisory Board Members' duties

When Audit & Supervisory Board Members request the Company to make advance payment of costs, etc. pertaining to the execution of their duties, the Company will promptly process the payment, etc. except when it is deemed unnecessary for the execution of duties by Audit & Supervisory Board Members.

(11) Other systems to ensure audits are conducted effectively by Audit & Supervisory Board Members

A committee comprising Audit & Supervisory Board Members from the Company and subsidiaries, which are large companies as defined by the Companies Act, and a committee comprising Audit & Supervisory Board Members, members of internal audit divisions, and accounting auditors work to strengthen communication among all auditing bodies and ensure the effectiveness of auditing practices for the entire company group comprising the Company and its subsidiaries.

2. Overview of operation of the internal controls system

An overview of the operation of the internal controls system for the Company in the current fiscal year is as provided below.

(1) System for ensuring that Directors and employees carry out their duties in accordance with laws, regulations, and the Articles of Incorporation

Regarding a compliance system, the Company holds the Compliance Promotion Committee chaired by the Representative Director twice a year. It deliberates on the operation of an internal reporting system as well as the implementation and implementation plan of a compliance program to make sure that there is no compliance violation that would have a material impact on the management of the Company and its subsidiaries.

In addition, the annual results and plans for the details deliberated at the Compliance Promotion Committee above are reported to the Board of Directors meeting once a year.

The Company conducts internal audits on organizational management, risk management, compliance management, business execution, and accounting of the entire company group comprising the Company and its subsidiaries. This is done based on an internal audit plan and from the perspectives of compliance with laws and regulations related to business activities, reliability of financial reporting, protection of assets, and effectiveness and efficiency of business.

(2) System for retaining and managing information pertaining to the performance of Directors

The Company appropriately retains and manages documents pertaining to the performance of Directors including minutes of the Board of Directors meetings and other related documents pursuant to the related laws and regulations as well as internal regulations.

(3) Regulations for managing loss-related risk and other systems

The Company systematically manages risks based on Fuji Electric Risk Management Rules. The Company strives to maximize the corporate value of the Company and its subsidiaries while minimizing the impact on management when risks materialize. It does so by fully and appropriately managing and addressing risks that may impact the management of the Company and its subsidiaries while preventing the materialization of risks (occurrence of critical situations) or reducing losses.

In preparation for the occurrence of major accidents, disasters, and other situations, the Company has established a business continuity plan (BCP), implemented drills based on the assumption of earthquakes and other disasters, and facilitated the dissemination, full enforcement, and increased efficiency of a BCP.

(4) System for ensuring effective execution of business by Directors

Matters deliberated on by the Board of Directors are deliberated on and reported at the Executive Committee comprising the Chairman of the Board and CEO, the President and COO and the Company's executive officers and other individuals prior to the Board of Directors meetings. In the current fiscal year, the Executive Committee met 24 times and business plans and important matters pertaining to the management of the Company and its subsidiaries were deliberated on and reported there appropriately based on the internal regulations that prescribe the duties and authority of the Chairman of the Board and CEO, the President and COO and executive officers and employees.

(5) System to ensure reliable financial reporting

Regarding the internal control evaluation pertaining to financial reporting, the Company evaluates the effectiveness of internal controls for financial reporting of the company group comprising the Company and its subsidiaries. It does so upon selecting the scope of evaluation pursuant to evaluation criteria generally deemed fair and appropriate. The results of the evaluation are reported to the Board of Directors meeting once a year.

(6) System for ensuring the appropriate administration of the company group comprising the Company and its subsidiaries

Based on internal regulations that prescribe authority and responsibilities pertaining to business execution of the Company and its subsidiaries, systematic and efficient management is ensured and important matters pertaining to business execution of subsidiaries are reported to the Company appropriately. Also, when needed, they are deliberated on and reported to Executive Committee or the Board of Directors meetings of the Company.

(7) Matters pertaining to employees assisting Audit & Supervisory Board Members, their independence from Directors, and ensuring the effectiveness of instructions to these employees

- (i) Employees assisting Audit & Supervisory Board Members shall be designated and the treatments for said employees shall respect opinions of Audit & Supervisory Board Members and require consents thereof.
- (ii) Employees carrying out assistance business based on requests from Audit & Supervisory Board Members are doing so independently of instructions or orders from Directors and prioritizing the business over other businesses.

(8) System for reporting to Audit & Supervisory Board Members by Directors and employees, system for reporting to Audit & Supervisory Board Members by subsidiaries' Directors, Audit & Supervisory Board Members, and employees or those who have received report from these persons, and other matters pertaining to reporting to Audit & Supervisory Board Members

Each Audit & Supervisory Board Member conducts audits by attending the Board of Directors and other important meetings, collecting information on the performance of duties by Directors, internal auditing divisions and others, viewing important approval forms and other documents, investigating the situation of business and assets at major offices, and if needed, requesting subsidiaries to report on their business.

(9) System for ensuring that persons who report (8) above are not treated disadvantageously on the basis of making the report

The Company makes executives and employees well aware of the fact that it is prohibited to treat persons who report to Audit & Supervisory Board Members disadvantageously.

(10) Matters pertaining to procedures for advance payment or repayment of costs arising from the execution of duties by Audit & Supervisory Board Members and other matters pertaining to the policy for processing costs or liabilities arising from the execution of Audit & Supervisory Board Members' duties

The Company promptly processes costs arising from the execution of duties by Audit & Supervisory Board Members based on requests from Audit & Supervisory Board Members.

(11) Other systems to ensure audits are conducted effectively by Audit & Supervisory Board Members

The Audit & Supervisory Board meetings of the Company were held nine times in the current fiscal year. The Audit & Supervisory Board receives reports, deliberates on, and resolves important matters pertaining to auditing.

A committee comprising Audit & Supervisory Board Members from the Company and subsidiaries, which are large companies as defined by the Companies Act, and a committee comprising Audit & Supervisory Board Members, members of internal audit divisions, and accounting auditors are working to strengthen communication among all auditing bodies thereby ensuring the effectiveness of auditing practices for the entire company group comprising the Company and its subsidiaries.

Basic Policy on Control of the Company

1. Details of the basic policy

In implementing the Corporate philosophy and continuing to improve corporate value, Fuji Electric amasses unique technologies, experience and know-how, and strives to develop and maintain good relations with various stakeholders, including customers, partners, communities, and employees.

These are the Fuji Electric's precious tangible and intangible assets, the Fuji Electric's DNA, and resources that support the creation of corporate value for Fuji Electric.

Based on that philosophy, the Company strives to manage in line with changes in the environment. The Company recognizes that the most effective countermeasures against share purchases that could damage the corporate value of Fuji Electric are increasing corporate value in the medium- to long-term vision and further raising the share of profits to shareholders, and strives to realize those aims.

Furthermore, the Company is actively engaging in a range of IR activities to ensure that the Fuji Electric's share value is properly understood. The Company will strive to further deepen understanding of Fuji Electric by issuing reports on its performance including quarterly financial reports and holding plant tour programs for the shareholders.

The Board of Directors recognizes that the free trade of shares by shareholders is a reality as a listed company, and believes that the question of whether or not large-scale purchases of shares in the Company by specific individuals should be permitted is a matter that should ultimately be delegated to the shareholders.

However, corporate acquisitions undertaken to profit unduly from selling a company's shares at the highest price do occur. The Board of Directors does not believe that any parties who engage in any such large-scale share purchases of the Company's shares or table proposals which do not contribute to the corporate value of Fuji Electric or the mutual benefit of the shareholders are suitable parties to control the Company's finances and the determination of its business policy.

At this point in time, no specific threat related to large-scale purchases of the Company's shares has emerged. Moreover, the Company has not yet put in place any specific preventative measures (so-called "poison pill") against the emergence of a takeover threat.

However, the Board of Directors will, as a managerial duty to the shareholders, establish an internal system to install measures against any large-scale purchases of the Company's shares that threaten the corporate value of Fuji Electric or the mutual benefit of the shareholders.

2. The Fuji Electric's measures to realize the basic policy

(1) Initiatives to improve corporate value of Fuji Electric

As our basic strategy for sustainable growth, Fuji Electric aims to create growth on the global market based on our power electronics technologies cultivated over many years, which handle electrical energy universally, backed by energy and environmental investments projected to take place in many countries.

To realize this, we will rapidly shift our managerial resources to the field of "energy and the environment," aiming to maximize our corporate value and contribute to the resolution of social and environmental issues as a "company that contributes to the global society through business."

(2) Measures to prevent control of the Company by undesirable parties as described in the basic policy

The Company will, based on 1. Details of the basic policy above, strive to establish an internal system in view of any potential or actual purchases of the Company's shares that threaten the corporate value of Fuji Electric or the mutual benefit of the shareholders.

Specifically, the Company will very carefully monitor daily trading movements and shareholder changes and at the same time put in place a first-response manual for contingencies, and establish a framework for collaboration with external experts. The Company will determine

specific preventative measures in a timely and appropriate manner, and strive towards the enhancement of internal systems.

Furthermore, the Company will continue to consider the introduction of a “poison pill,” from the viewpoints of ensuring and increasing the corporate value of Fuji Electric or the mutual benefit of the shareholders, based on the opinions and judgments of the legal system and the relevant authorities, social trends, and the opinions of our stakeholders.

3. The decisions and rationale of the Board of Directors regarding the measures above

Because the measures referred to in 2. (1) above mean: to maintain and enhance the corporate value of the Company over the medium-term, and ensure that the measures in 2. (2) establish internal systems to respond to large-scale purchases of the Company’s shares that threaten the corporate value of Fuji Electric or mutual benefits of shareholders, the Board of Directors confirmed and resolved at its meeting that these measures comply with the basic policy in 1. above, and neither measure represents a threat to the mutual benefits of the shareholders or is a means to maintain the members of the current top management team in their positions.

Further, the resolution was unanimously agreed upon at an Audit & Supervisory Board meeting, provided that the specific operations of the measures described in 2. above are conducted properly.

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- (Notes) 1. Amounts less than a unit are rounded to the nearest yen in the Business Report.
2. The number of shares shown in the Business Report are rounded down to the nearest whole unit.
3. As used in this Business Report, the expression “Fuji Electric” refers to the company group comprising the Company, its subsidiaries, and affiliates.
4. The business object in the future, stated in the Business Report is calculated based on given assumptions that we assess to be reasonable at the time of writing the Business Report. The description may differ from the actual results, and we cannot guarantee the accuracy of the content.

Consolidated Balance Sheets

(as of March 31, 2024)

(¥ Millions)

[Assets]		[Liabilities]	
Current assets	763,072	Current liabilities	475,342
Cash and deposits	66,186	Notes and accounts payable - trade	207,408
Notes receivable - trade	77,134	Short-term borrowings	40,259
Accounts receivable - trade	257,372	Commercial papers	36,000
Contract assets	95,622	Lease obligations	20,283
Merchandise and finished goods	77,539	Accrued expenses	55,859
Work in process	51,772	Income taxes payable	19,676
Raw materials and supplies	96,823	Contract liabilities	55,007
Other	50,958	Provision for product warranties	2,724
Allowance for doubtful accounts	-10,337	Other	38,122
Non-current assets	508,064	Non-current liabilities	134,359
Property, plant and equipment	311,456	Bonds payable	20,000
Buildings and structures	103,829	Long-term borrowings	15,100
Machinery, equipment and vehicles	73,555	Lease obligations	28,711
Tools, furniture and fixtures	11,696	Deferred tax liabilities	840
Land	35,870	Provision for retirement benefits for directors (and other officers)	79
Leased assets	41,552	Retirement benefit liability	63,803
Construction in progress	42,504	Other	5,824
Other	2,446		
Intangible assets	25,462	Total liabilities	609,701
Software	10,024		
Other	15,437	[Net assets]	
Investments and other assets	171,145	Shareholders' equity	509,278
Investment securities	118,427	Share capital	47,586
Long-term loans receivable	4,521	Capital surplus	45,954
Deferred tax assets	11,478	Retained earnings	423,135
Net defined benefit asset	25,401	Treasury shares	-7,397
Other	13,745	Accumulated other comprehensive income	93,237
Allowance for doubtful accounts	-2,429	Valuation difference on available-for-sale securities	54,717
Deferred assets	37	Deferred gains or losses on hedges	-35
Bond issuance costs	37	Foreign currency translation adjustment	37,772
		Remeasurements of defined benefit plans	782
		Non-controlling interests	58,956
Total assets	1,271,174	Total net assets	661,472
		Total liabilities and net assets	1,271,174

Consolidated Statements of Income

(from April 1, 2023 to March 31, 2024)

(¥ Millions)

Net sales		1,103,214
Cost of sales		799,925
Gross profit		303,289
Selling, general and administrative expenses		197,222
Operating profit		106,066
Non-operating income		
Interest and dividend income	3,346	
Miscellaneous income	4,557	7,903
Non-operating expenses		
Interest expenses	2,101	
Miscellaneous expenses	4,046	6,147
Ordinary profit		107,822
Extraordinary income		
Gain on sales of non-current assets	966	
Gain on sales of investment securities	7,587	8,554
Extraordinary losses		
Loss on disposal of non-current assets	1,441	
Loss on valuation of investment securities	171	
Loss on sale of investment securities	732	2,344
Profit before income taxes		114,032
Income taxes - current	32,118	
Income taxes - deferred	-156	31,961
Profit		82,070
Profit attributable to non-controlling interests		6,717
Profit attributable to owners of parent		75,353

Consolidated Statement of Changes in Equity

(from April 1, 2023 to March 31, 2024)

(¥ Millions)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at April 1, 2023	47,586	45,953	364,922	-7,370	451,091
Changes of items during the period					
Dividends of surplus			-17,139		-17,139
Profit attributable to owners of parent			75,353		75,353
Purchase of treasury shares				-26	-26
Disposal of treasury shares		0		0	0
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	0	58,213	-26	58,186
Balance at March 31, 2024	47,586	45,954	423,135	-7,397	509,278

(¥ Millions)

	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 April 1, 2023	45,550	241	22,222	-2,013	66,000	54,976	572,068
Changes of items during the period							
Dividends of surplus					-		-17,139
Profit attributable to owners of parent					-		75,353
Purchase of treasury shares					-		-26
Disposal of treasury shares					-		0
Net changes of items other than shareholders' equity	9,167	-277	15,550	2,796	27,236	3,979	31,216
Total changes of items during the period	9,167	-277	15,550	2,796	27,236	3,979	89,403
Balance at March 31, 2024	54,717	-35	37,772	782	93,237	58,956	661,472

Non-Consolidated Balance Sheet

(as of March 31, 2024)

(¥ Millions)

[Assets]		[Liabilities]	
Current assets	460,151	Current liabilities	352,507
Cash and deposits	5,035	Accounts payable - trade	139,209
Notes receivable - trade	47,690	Short-term borrowings	43,266
Accounts receivable - trade	178,486	Commercial papers	36,000
Contract assets	66,188	Current portion of long-term borrowings	28,500
Merchandise and finished goods	26,005	Lease obligations	15,635
Work in process	37,836	Accounts payable - other	5,057
Raw materials and supplies	54,924	Accrued expenses	34,392
Advance payments - trade	18,542	Income taxes payable	8,365
Accounts receivable - other	19,032	Contract liabilities	29,506
Other	7,132	Deposits received	8,950
Allowance for doubtful accounts	-724	Provision for product warranties	2,533
		Other	1,091
Non-current assets	382,319	Non-current liabilities	116,362
Property, plant and equipment	151,432	Bonds payable	20,000
Buildings	59,055	Long-term borrowings	15,100
Structures	2,334	Lease obligations	21,806
Machinery and equipment	21,066	Provision for retirement benefits	48,041
Vehicles	78	Asset retirement obligations	2,018
Tools, furniture and fixtures	5,088	Other	9,396
Land	24,199		
Leased assets	31,690		
Construction in progress	7,919		
		Total liabilities	468,869
Intangible assets	8,759	[Net assets]	
Software	6,302	Shareholders' equity	319,066
Other	2,456	Share capital	47,586
		Capital surplus	56,825
Investments and other assets	222,127	Legal capital surplus	56,777
Investment securities	96,336	Other capital surplus	47
Shares of subsidiaries and associates	97,275	Retained earnings	222,245
Investments in capital	383	Legal retained earnings	11,515
Long-term loans receivable	3,777	Other retained earnings	210,730
Prepaid pension costs	14,814	Reserve for promotion of open innovation	17
Deferred tax assets	8,316	Retained earnings brought forward	210,713
Other	3,210	Treasury shares	-7,590
Allowance for doubtful accounts	-1,986		
		Valuation and translation adjustments	54,571
Deferred assets	37	Valuation difference on available-for-sale securities	54,607
Bond issuance costs	37	Deferred gains or losses on hedges	-35
		Total net assets	373,638
Total assets	842,508	Total liabilities and net assets	842,508

Non-Consolidated Statements of Income

(from April 1, 2023 to March 31, 2024)

(¥ Millions)

Net sales		694,920
Cost of sales		531,066
Gross profit		163,854
Selling, general and administrative expenses		118,889
Operating profit		44,964
Non-operating income		
Interest and dividend income	20,986	
Other	2,378	23,365
Non-operating expenses		
Interest expenses	972	
Other	1,562	2,534
Ordinary profit		65,794
Extraordinary income		
Gain on sales of non-current assets	18	
Gain on sales of investment securities	6,103	
Gain on sale of shares of subsidiaries and associates	271	6,392
Extraordinary losses		
Loss on disposal of non-current assets	1,089	
Loss on sale of investment securities	12	
Loss on valuation of shares of subsidiaries and associates	1,529	
Loss on sale of shares of subsidiaries and associates	713	
Other	2,932	6,278
Profit before income taxes		65,908
Income taxes - current	12,459	
Income taxes - deferred	-37	12,422
Profit		53,486

Non-Consolidated Statement of Changes in Equity

(from April 1, 2023 to March 31, 2024)

(¥ Millions)

	Shareholders' equity									
	Share capital	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
						Reserve for promotion of open innovation	Retained earnings brought forward			
Balance at April 1, 2023	47,586	56,777	47	56,824	11,515	-	174,384	185,899	-7,563	282,746
Changes of items during the period										
Provision of reserve for promotion of open innovation				-		17	-17	-		-
Dividends of surplus				-			-17,139	-17,139		-17,139
Profit for the year				-			53,486	53,486		53,486
Purchase of treasury shares				-				-	-26	-26
Disposal of treasury shares			0	0				-	0	0
Net changes of items other than shareholders' equity										
Total changes of items during the period	-	-	0	0	-	17	36,329	36,346	-26	36,320
Balance at March 31, 2024	47,586	56,777	47	56,825	11,515	17	210,713	222,245	-7,590	319,066

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at April 1, 2023	45,275	241	45,517	328,263
Changes of items during the period				
Provision of reserve for promotion of open innovation			-	-
Dividends of surplus			-	-17,139
Profit for the year			-	53,486
Purchase of treasury shares			-	-26
Disposal of treasury shares			-	0
Net changes of items other than shareholders' equity	9,331	-277	9,054	9,054
Total changes of items during the period	9,331	-277	9,054	45,374
Balance at March 31, 2024	54,607	-35	54,571	373,638

Access to the Venue

Place: Galaxy Room, 2nd Basement, Westin Hotel Tokyo
4-1 Mita 1-chome, Meguro-ku, Tokyo
(within Yebisu Garden Place)
TEL: +81-3-5423-7000 (main number)

Access by Train (JR)

Take the train to JR Ebisu Station (East Exit). The venue is about twelve minutes from the station via the “Yebisu Skywalk” moving walkway.

Access by Subway

Take the Hibiya Line to Ebisu Station (Exit No. 1 in the JR direction). The venue is about fifteen minutes from the station via the “Yebisu Skywalk” moving walkway.

In the case of rain, note that you can reach the venue without having to use an umbrella by using the underground passageway that extends from the end of the “Yebisu Skywalk” moving walkway to the venue.

Access by Car

Please note that heavy traffic is expected near the venue on the day. Where possible, other forms of transport are recommended.