



Fujikura Group
INTEGRATED
REPORT

“Tsunagu”
Technology™



2024

Foreword

Since it was founded in 1885, the Fujikura Group has contributed to the growth of society in the energy, telecommunications, electronics, automotive, and many other sectors through our enterprising spirit in taking on new challenges and our position as “Fujikura, a technology leader” in pursuing advanced technology as our DNA. A wide range of technological innovations will presumably take place as the world continues to undergo major changes. I think the purpose of the Fujikura Group is to create exceptional value for our customers around the world using “tsunagu” (connecting) technology™ as “Fujikura, technology leader.”

The Fujikura Group announced the three-year Mid-term Management Plan ending in FY2025 (“2025 Mid-term Plan”) in May 2023 with the aim of achieving sustainable growth and enhancing corporate value. The 2025 Mid-term Plan positions the three areas of Information Infrastructure, Information Storage, and Information Terminals as core business areas where we will utilize the “tsunagu” technology™ we take pride in. We will continue to strategically invest management resources in these areas with the aim of becoming a highly profitable corporate group. In the Beyond 2025 initiative aimed at the years beyond the 2025 Mid-term Management Plan, we are also aiming to create new businesses in the area of carbon neutrality. One such initiative we are exploring is the application of high-temperature superconducting technology to fusion energy, which is promising as a radical solution to energy and environmental issues. The Fujikura Group will continue to strive to achieve further business growth, solve social issues, and enhance sustainable corporate value through such initiatives.

Fujikura Integrated Report 2024 explains the strengths and business model of the Fujikura Group as well as our unique corporate culture and growth strategies aimed at medium and long-term growth and development. I hope this Integrated Report helps everyone to understand the Fujikura Group better and will provide an opportunity for dialog with our stakeholders.

Representative Director,
President and CEO

Naoki Okada



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Fujikura Group Corporate Philosophy (MVCV)

Since the start of our 3rd Erain 2005, we have striven to create new paths based on the Group Corporate Philosophy, MVCV. In a society that is undergoing dramatic transformation, the Fujikura Group resolves to create new paths with renewed strength, in order to become a company with the potential to continue long into the future.

- The only way to create these new paths is to provide a value experience exceeding our customers' imaginations.
- To exceed our customers' imaginations, we must be fully aware of the issues our customers face, and consider everything from their points of view.
- To be fully aware of the issues our customers face and consider everything from their points of view, we must strive to acquire a broad range of knowledge and information as highly-active, flexible, and open-minded teams.

Finally, the key factor in following this path is for each of us to proceed virtuously as a member of society.

Standards of Conduct

- 1

Show interest proactively



Let's proactively take an interest in social and market trends and reflect on our work
- 2

Exceed expectations



Let's always think about how to provide value that exceeds expectations
- 3

Embrace different opinions



Let's be open to diverse opinions and create new ideas
- 4

Drive change



Let's be bold in trying something different
- 5

Aspire first



Let's start with our aspirations and work back from those to calculate what the next action should be
- 6

Take ownership with integrity



Let's be professional and accountable for our own actions

Mission

The Fujikura Group's mission is to create exceptional value for our customers around the world using "tsunagu" (the Japanese word meaning "connecting") technologies.

"Tsunagu" technology refers to the Fujikura Group's unique set of capabilities (including skill and knowledge). Through the application of our technology, we create opportunities to connect people, information and power sources.

We dedicate ourselves to providing exceptional products and solutions, earning our customers' trust and contributing to society.

We proactively seek better ways to solve customer issues using our products, skills, and services. By doing so, we deliver value that fulfills customer needs and thus contributes to solving social issues and building a better society.

Vision

Fujikura's vision is to be the most trusted partner in our markets.

We want our customers to reach out to us first with their issues and concerns. We can ensure this by building trust through consistently fulfilling our promises and working together with our customers as their partner of choice. With credibility built over time, we can create a better tomorrow for our customers.

We strive to become the leading player in our markets by utilizing our "tsunagu" technologies, and tirelessly developing innovative and useful products and solutions.

We strive to always be the pioneers in our field and to have a positive impact on society. We realize this through being aware of changes in the world. In addition, we continuously develop products and solutions that meet the existing and potential needs of our customers.

Each individual within the company will endeavor to become an essential player, thus developing a team that can truly help Fujikura make its mark on the world stage.

Everyone in the Fujikura Group understands our common goal and plays his/her part in achieving it. With everyone working together as one, the Fujikura Group competes on the world stage.

Core Value

Customer Satisfaction "Are you doing enough to ensure customers are perfectly satisfied?"

Customer satisfaction refers not only to satisfying external customers and consumers, but also internal customers such as fellow employees. We consider internal and external customers' viewpoints, think about how to truly fulfill each need, and then reflect this in our products and services.

Change "Are you willing to take up challenges to drive progress?"

In order to respond to ever-changing social and customer needs, each of us will challenge current norms and values. By doing so, every one of us is accountable for creating changes for the better in people, organizations, products, and solutions.

Collaboration "As a Fujikura associate, are you driven to work together with others to deliver the best possible result for our company?"

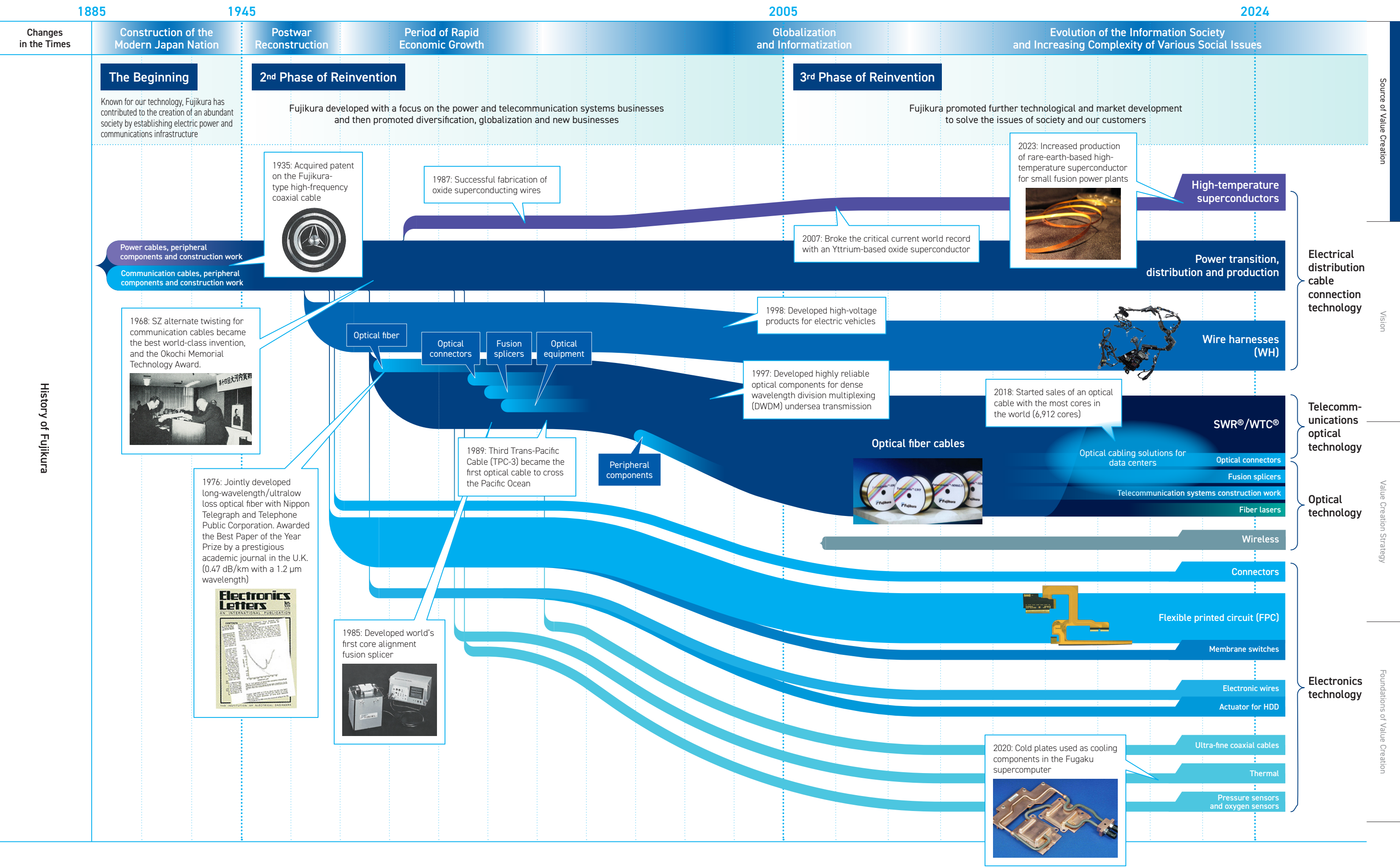
In the Fujikura Group, each one of us acknowledges individual differences and talents. We encourage and support one another's efforts. As a whole, we strive to create products and solutions that meet the existing and potential needs of customers through cross-organizational cooperation.

Activities to Spread Awareness of MVCV

We have been continuing to engage in activities to gradually spread awareness of the Fujikura Group corporate philosophy MVCV in each of our employees since we established it. Fujikura's initiatives in FY2023 included activities for MVCV Emphasis Month with the participation of all employees, cultivation of workplace evangelists to be able to put MVCV into practice in each workplace and training by grade level. We carried out activities to spread awareness of MVCV which can also be implemented in telecommuting and similar environments. For example, we asked each employee to consider and declare standards of conduct based on our standards of conduct. These activities allowed our employees to reaffirm (realize and empathize with) the values and approaches held dear by Fujikura.

History of “Fujikura, a technology leader”

Since our founding in 1885, the Fujikura Group has grown by providing value in response to the social challenges of each era and producing various technologies.



Three Competitive Advantages

The Fujikura Group has three competitive advantages for using its outstanding technologies and knowledge gained through “tsunagu” (connecting) technologies to successfully provide optimal solutions for social problems. These three advantages are 1) technological strengths, 2) long-term relationships of trust with customers, and 3) ability to respond to societal changes.

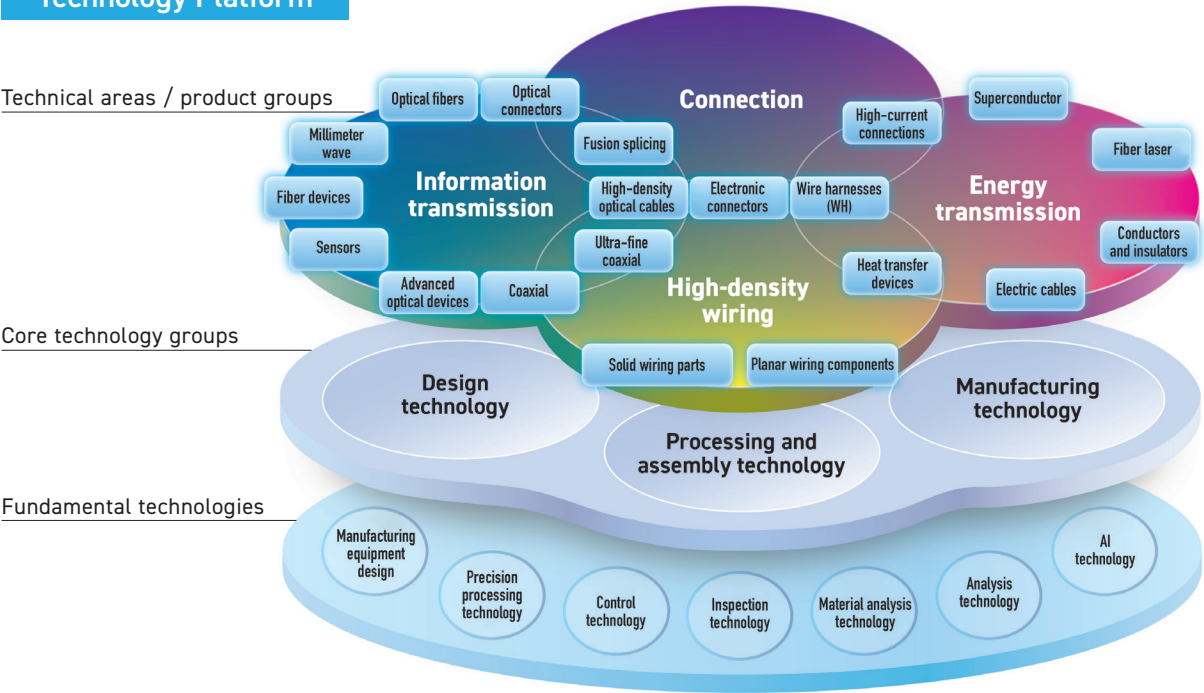


Technological Strengths

“Tsunagu” (connecting) technologies to solve social problems

The Fujikura Group is using its “tsunagu” (connecting) technology platform as a base for pursuing initiatives aimed at resolving social problems. We aim to develop our businesses by solving environmental problems, energy problems, and other social problems. Based on this aim, we are actively pursuing development of new technologies and new products, mainly in the energy, telecommunication system, electronics and automobile areas.

Technology Platform



The Fujikura Group's technological strengths have been highly praised



Our millimeter wave technology was awarded the APMC Prize at the 2022 Asia-Pacific Microwave Conference (APMC 2022), one of the major international conferences, for being one of the best papers at the conference (Dec. 2022)



Our fellow Dr.Yasuhiro Iijima was awarded the Dr. James Wong Award for superconductor materials technology from the Institute of Electrical and Electronics Engineers (IEEE), a technical standard organization that is one of the world's largest academic research organization and technological standardization institute (Nov. 2020)



Long-term Relationships of Trust with Customers

Working with customers as one team to provide solutions

The Fujikura Group integrates sales, business units, manufacturing, and development to provide products that meet the needs of customers. The Group builds strong relationships with customers and works with customers as one team to provide solutions by meeting the needs and exceeding the expectations of customers. We call this “customer value creation.” We are working to ensure sustainable growth of the Fujikura Group and to create a better society by finding solutions to issues experienced by customers and society. We accomplish this by making customer value creation part of the business activity cycle.

Fujikura's concept for building relationships of trust

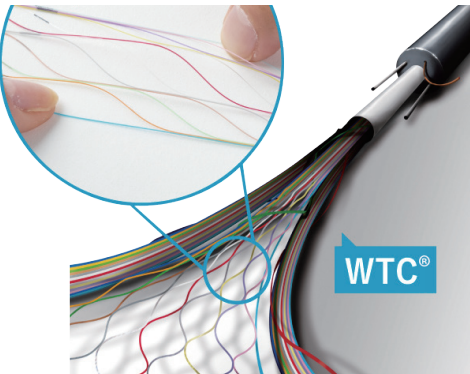


Ability to Respond to Societal Changes

Resilience to continue growing by changing the value we provide to suit the times

The Fujikura Group has grown by providing the technologies and products required in that era while changing our main products and customers over our approximately 140-year history. Fujikura, a leader of technology which continues to anticipate the times and develop new technologies, will keep on contributing to a sustainable society.

Fujikura's technologies respond to societal changes



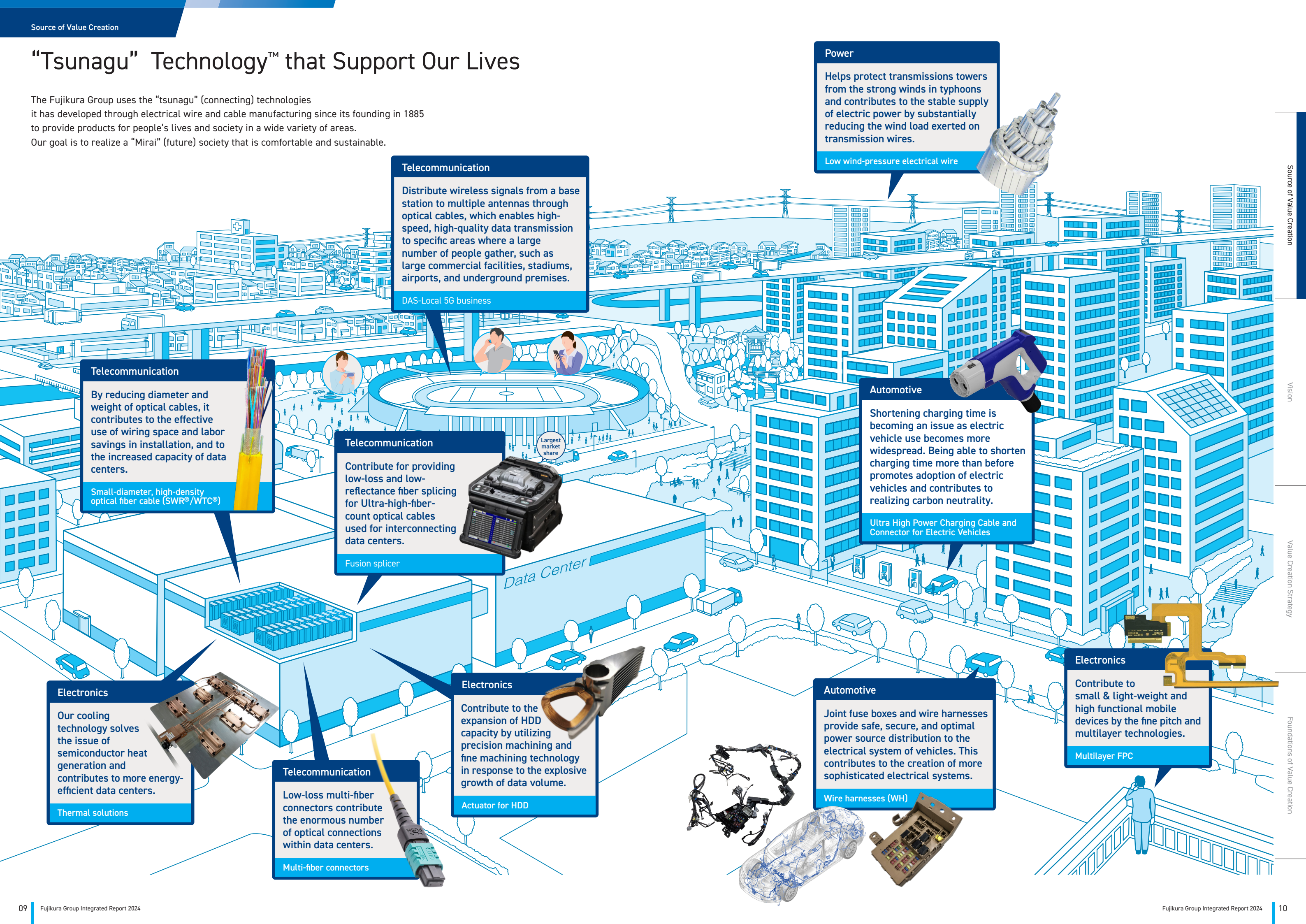
We are contributing to the creation of information networks for an advanced information society (SWR®/WTC®)



We are contributing to the shift to electric vehicles with our ultra-high power charging technology.

“Tsunagu” Technology™ that Support Our Lives

The Fujikura Group uses the “tsunagu” (connecting) technologies it has developed through electrical wire and cable manufacturing since its founding in 1885 to provide products for people’s lives and society in a wide variety of areas. Our goal is to realize a “Mirai” (future) society that is comfortable and sustainable.



Power

Helps protect transmissions towers from the strong winds in typhoons and contributes to the stable supply of electric power by substantially reducing the wind load exerted on transmission wires.

Low wind-pressure electrical wire

Telecommunication

Distribute wireless signals from a base station to multiple antennas through optical cables, which enables high-speed, high-quality data transmission to specific areas where a large number of people gather, such as large commercial facilities, stadiums, airports, and underground premises.

DAS-Local 5G business

Telecommunication

By reducing diameter and weight of optical cables, it contributes to the effective use of wiring space and labor savings in installation, and to the increased capacity of data centers.

Small-diameter, high-density optical fiber cable (SWR®/WTC®)

Telecommunication

Contribute for providing low-loss and low-reflectance fiber splicing for Ultra-high-fiber-count optical cables used for interconnecting data centers.

Fusion splicer

Automotive

Shortening charging time is becoming an issue as electric vehicle use becomes more widespread. Being able to shorten charging time more than before promotes adoption of electric vehicles and contributes to realizing carbon neutrality.

Ultra High Power Charging Cable and Connector for Electric Vehicles

Electronics

Our cooling technology solves the issue of semiconductor heat generation and contributes to more energy-efficient data centers.

Thermal solutions

Electronics

Contribute to the expansion of HDD capacity by utilizing precision machining and fine machining technology in response to the explosive growth of data volume.

Actuator for HDD

Telecommunication

Low-loss multi-fiber connectors contribute the enormous number of optical connections within data centers.

Multi-fiber connectors

Automotive

Joint fuse boxes and wire harnesses provide safe, secure, and optimal power source distribution to the electrical system of vehicles. This contributes to the creation of more sophisticated electrical systems.

Wire harnesses (WH)

Electronics

Contribute to small & light-weight and high functional mobile devices by the fine pitch and multilayer technologies.

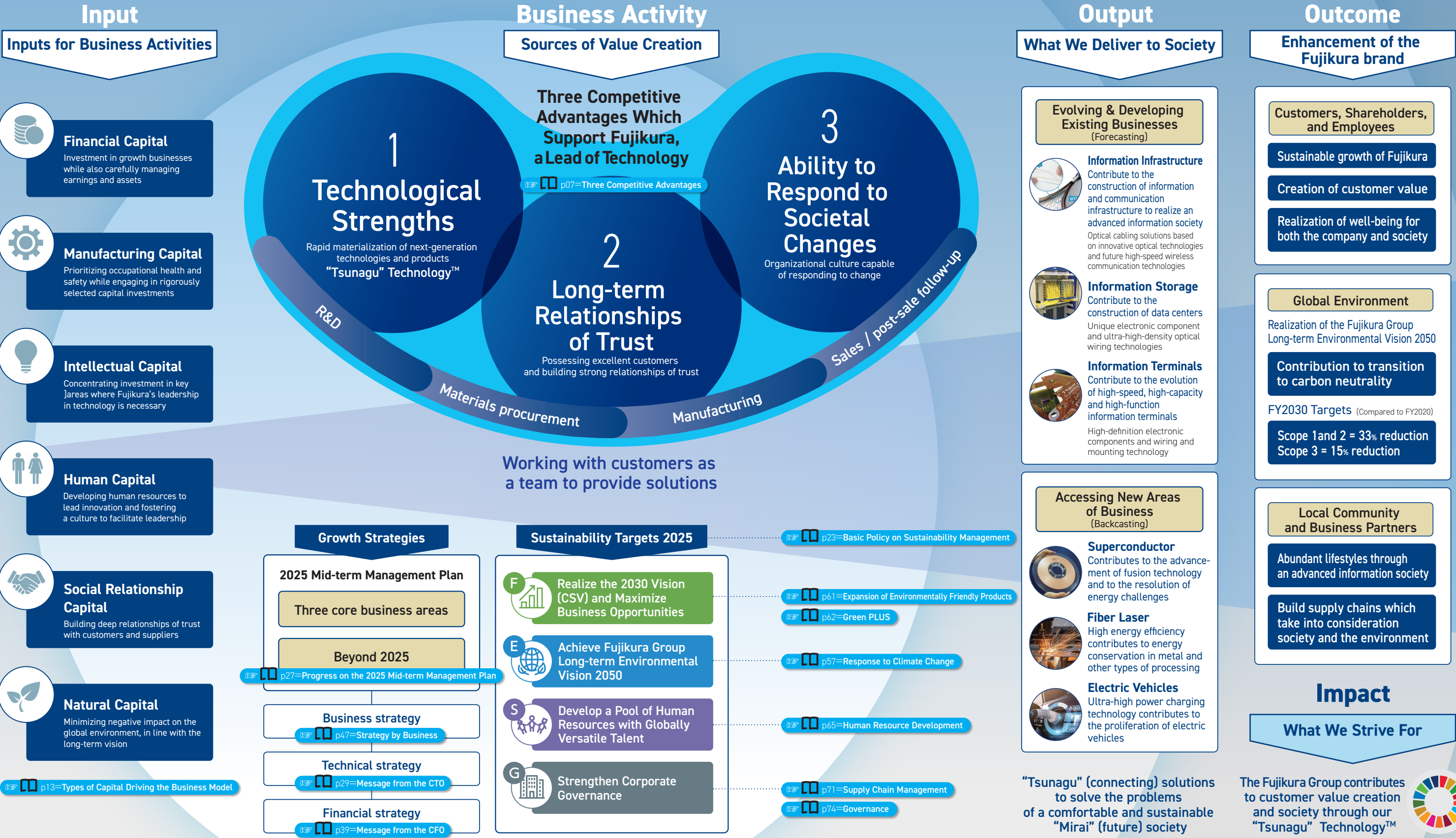
Multilayer FPC

Value Creation Model



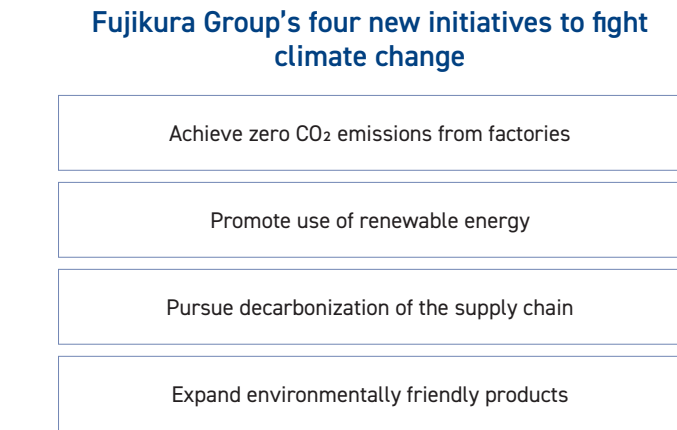
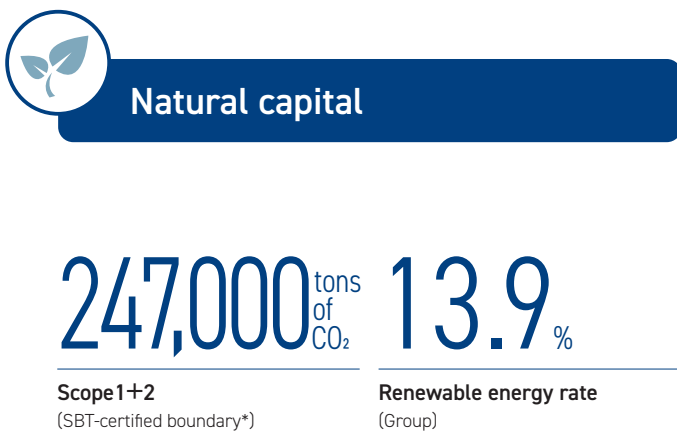
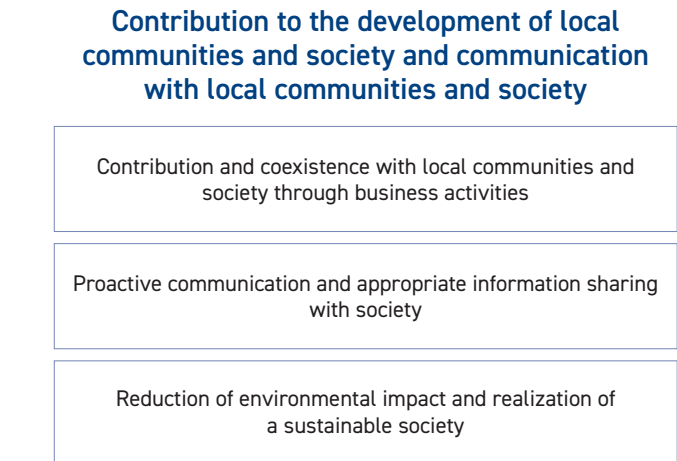
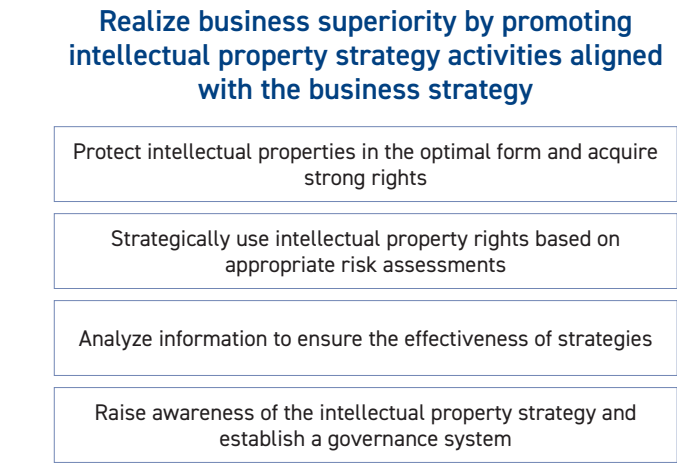
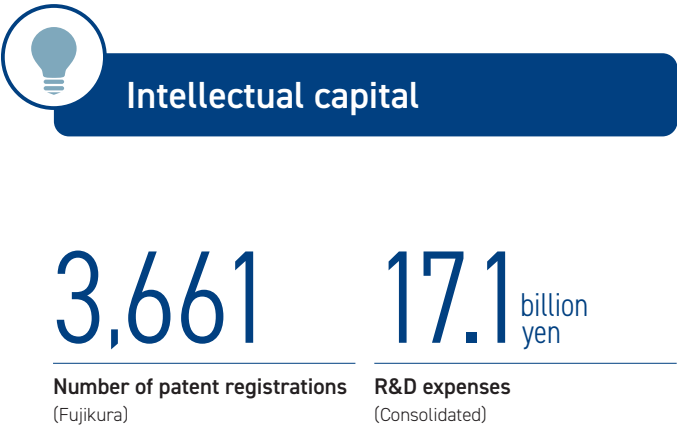
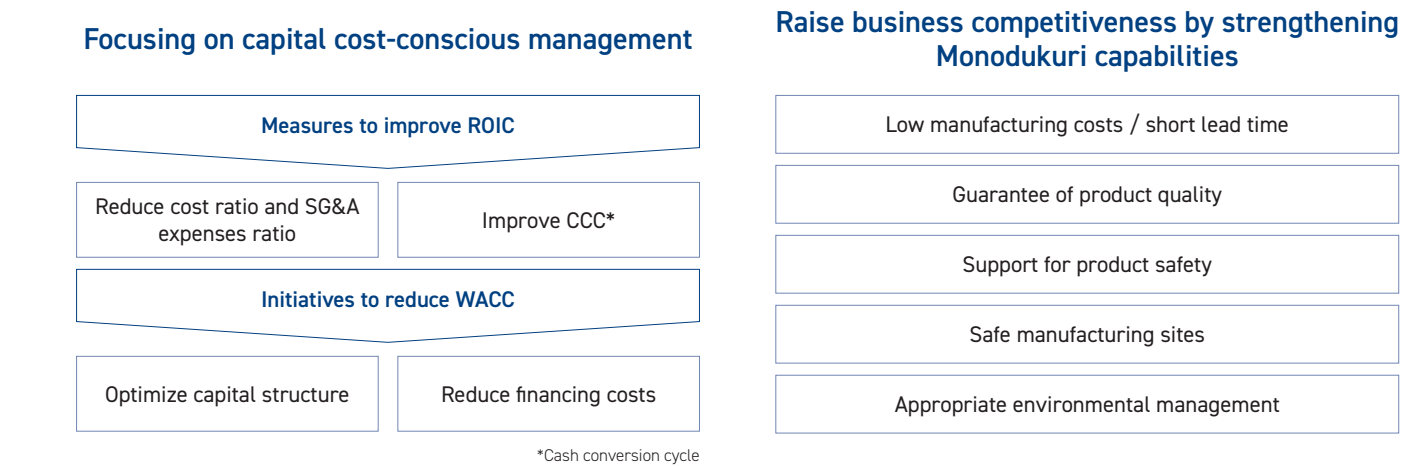
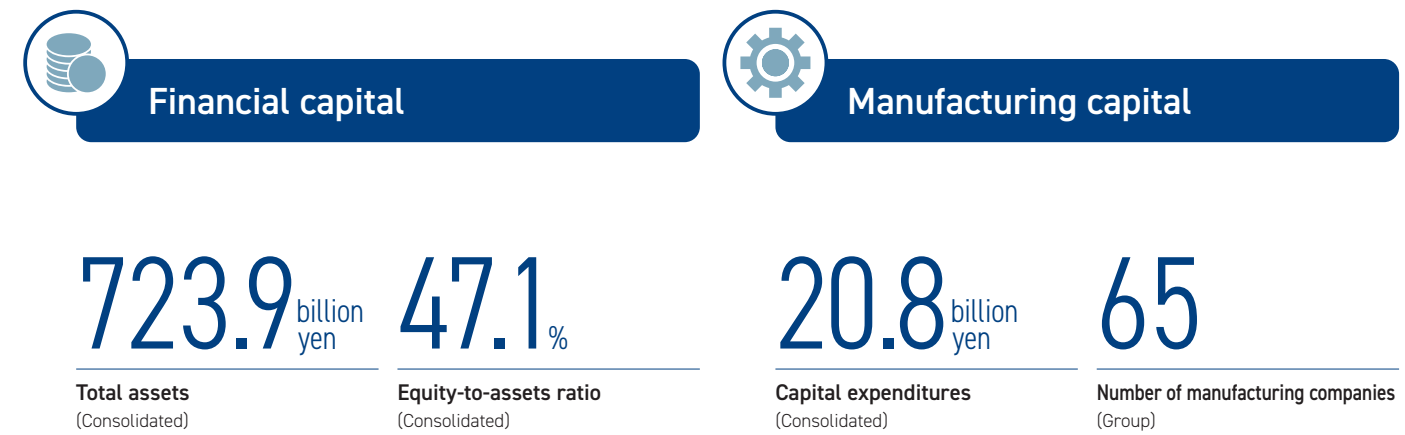
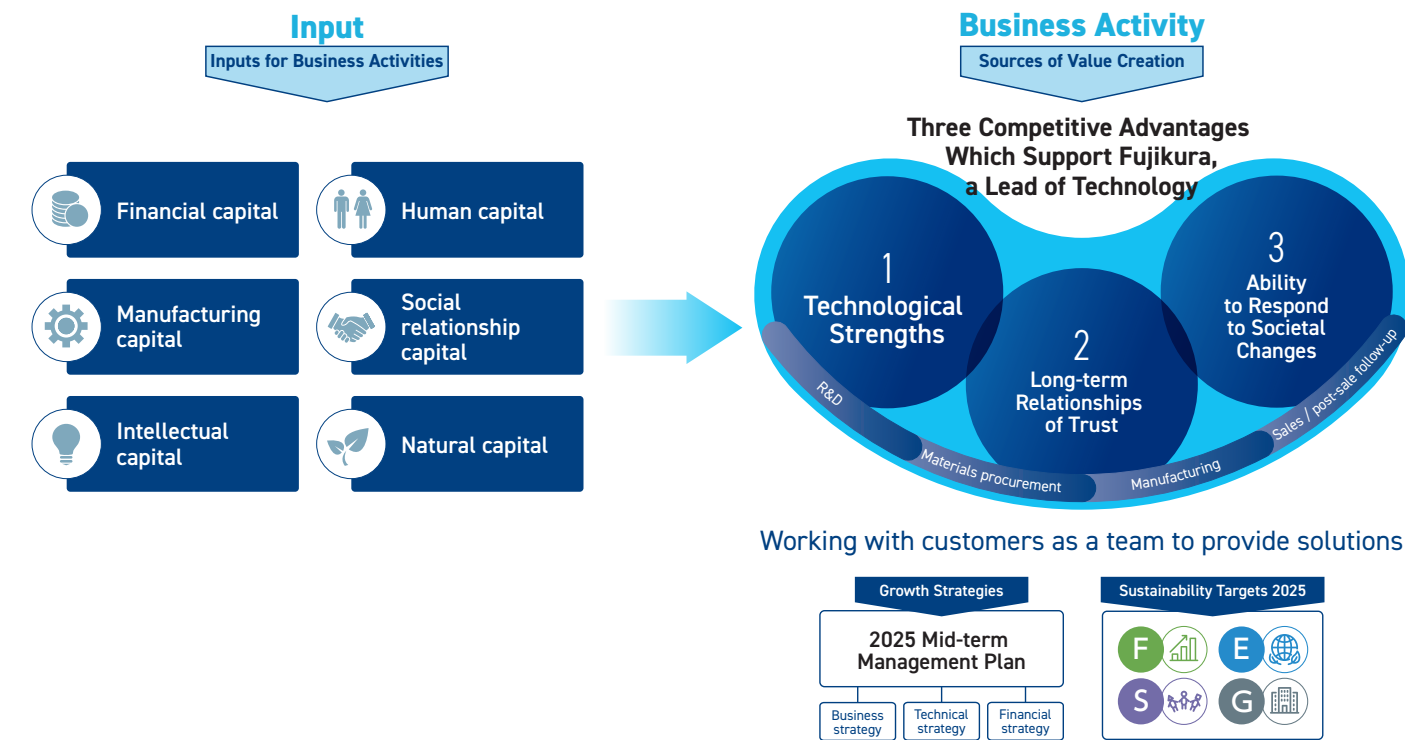
Fujikura Group Corporate Philosophy MVCV

Based on the Mission, Vision, and Core Values (MVCV), which constitute the corporate philosophy of the Fujikura Group, we will work to achieve sustainable growth of the Fujikura Group and a better society by using our “tsunagu” (connecting) technologies to work with our customers as one team and solve the problems of our customers and of society.



Types of Capital Driving the Business Model

The Fujikura Group will create various value with our own business model by using six types of capital based on the Fujikura Group corporate philosophy MVCV.



*Fujikura Group companies in Japan and overseas excluding American Fujikura Ltd. (AFL)

Co-creating Value with Stakeholders

The Fujikura Group recognizes the importance of collaborative value creation with various stakeholders to create value for our company and to realize a sustainable society. Placing importance on dialogue with our stakeholders, we will continue to engage in collaborative value creation with them by fulfilling our social responsibilities including to create safe and secure products and services, to respect human rights, and to carry out environmentally-friendly corporate activities.



Employees		
Requirements and Issues	Main Activities	Related Sustainability Targets
Respect for human rights Respect for diversity Equal employment opportunities Respect for work-life balance Human resource development Fair evaluation and treatment Health and safety Pleasant workplaces	Issuance of company and group newsletters Sharing information via the Intranet Dialogue between management and employees (town meetings and monthly CEO broadcasts) Provision of various training sessions Labor-management negotiations whistle-blowing system and inquiries desk Hosting children and family tours	 Develop a Pool of Human Resources with Globally Versatile Talent p65=Human Resource Development

Customers		
Requirements and Issues	Main Activities	Related Sustainability Targets
Safe and secure products and services Creation of products which support value creation for customers Guarantee of quality Provision of products which contribute to society	Joint development with customers Website (product and technical information) Surveys from customers and support for audits New product information magazines and new technology information magazines Showroom and exhibition participation	 Realize the 2030 Vision (CSV) and Maximize Business Opportunities p61=Expansion of Environmentally Friendly Products p69=Quality Assurance

Investors and shareholders		
Requirements and Issues	Main Activities	Related Sustainability Targets
Timely and appropriate information disclosure Dialogue with investors and shareholders Maximization of corporate value Sustainable growth Shareholder returns	General Meetings of Shareholders Financial results briefings Business briefings and small meetings, etc. Enhancement of information disclosures in integrated reports and websites	p70=IR Initiatives and Inclusion in Indices

Suppliers		
Requirements and Issues	Main Activities	Related Sustainability Targets
CSR Procurement Guidelines Fair and impartial trade Green procurement	Partners meetings Surveys on suppliers Websites (disaster investigations)	 Strengthen Corporate Governance p71=Supply Chain Management

Local communities and governments (global environment)		
Requirements and Issues	Main Activities	Related Sustainability Targets
Local social contribution Support for the fight against climate change Effective use of resources and resource cycle Compliance with laws, regulations and social norms Appropriate payment of taxes	Volunteer activities in the community Environmental conservation activities Support for various notifications and surveys Dialogue with NPOs and NGOs Participation in environmental initiatives	 Achieve Fujikura Group Long-term Environmental Vision 2050 p57=Response to Climate Change p64=Fujikura-Kiba Millennium Woods p73=Supporting Fujikura Gakuen

Message from the CEO

Fujikura's technologies are designed to create value for customers and contribute to society

Representative Director, President and CEO

Naoki Okada

“Fujikura, a Technology Leader” and “Enterprising Spirit” as Our DNA

In FY2023, the Fujikura Group reached the same level as the record high net sales and operating income achieved in the previous year. Ordinary income and profit attributable to owners of parent reached record highs for the second and third consecutive years, respectively. We formulated the three-year 2025 Mid-term Management Plan, which began in FY2023 to achieve sustainable growth and further enhance corporate value, and achieved the plan for net sales and all levels of profit in FY2023, the first year of the plan.

When this 2025 Mid-term Management Plan was announced last year, I began by emphasizing Fujikura's role as a technology leader. The DNA of the Fujikura Group, encoded over the course of our nearly 140-year history, is “Fujikura, a technology leader.”

While the expression of “Fujikura, a technology leader” is well-known today, I did not know why Fujikura was called that when I first joined the company. When I asked a senior colleague, he explained it as follows. Our company was created as a sole proprietorship, which was a small private company with clearly meager human and financial resources compared to competitors. The only way Fujikura could succeed against the competition was to win with technology. Our dedicated efforts at honing technologies resulted in the company becoming known as “Fujikura, a technology leader.”

Enterprising spirit was another element I emphasized in a briefing on the 2025 Mid-term Management Plan. Fujikura has survived many years by making it our business to create what the world and customers want. Creating new businesses is essential in managing our business portfolio through a continual process of metabolization of change, and our enterprising spirit, an element of our DNA, is important for business creation.

These two elements have never changed over the course of the Fujikura Group's history.

The Major Premise that Products Create Value for Customers and Contribute to Society

Our strengths as “Fujikura, a technology leader” can be divided into two broad categories. The first is new product development capabilities. We have a number of products that are industry firsts or are products that are strong in terms of being top-level in the industry, even on a global basis. This has resulted from our willingness to tackle the creation of new products with a strong awareness of differentiation.

Nevertheless, I think we will often become complacent and our products will end up lacking differentiation if we only obsess over Fujikura's unique technologies. There is a tendency to think that a product should be good, delight customers, and should sell and be profitable if it contains Fujikura's technology. However, a product is meaningless unless we differentiate it in a way that provides value to the customer. Differentiation is important for Fujikura's products to ultimately create value for customers and contribute to society.

The second strength is our technological capabilities in manufacturing, or in other words, our strong ability to create. We develop the manufacturing equipment for many of the Fujikura Group's competitive products ourselves. We also design and manufacture the dies that are essential for creating the even higher quality components. We also possess many the necessary elemental and basic technologies, including ultra-precision processing technology, precision analysis technology, and advanced simulation technology incorporating fluid mechanics. We have rapidly introduced AI for sophisticated quality inspection. We have built manufacturing technology capabilities that provide an extremely high competitive advantage by combining such wide-ranging technologies.

I am also talking about developing new products and new manufacturing technologies as a set. Other companies probably can produce products resembling our latest



Message from the CEO

products if they disassemble and analyze them. However, the manufacturing technology for such products is difficult to understand and is a so-called “black box.” Superior manufacturing technology is essential for the stable and efficient production of superior products and supports the foundation of Fujikura as a technology leader.

Information Infrastructure, Information Storage, and Information Terminals Designated as Core Business Areas

We designated Information Infrastructure, Information Storage, and Information Terminals as core business areas in the 2025 Mid-term Management Plan. I think we can use the fundamental and core “tsunagu” (connecting) technologies of the Fujikura Group extensively in these areas to realize a more sophisticated information society.

In the area of Information Infrastructure, many countries invested in communication infrastructure as remote working became widespread due to the spread of COVID-19. This resulted in growth in sales of Fujikura Group products. While optical fiber network penetration has exceeded 99% in Japan, such a good communication environment is rare globally, and we think that investment in communication

infrastructure will continue on a global scale.

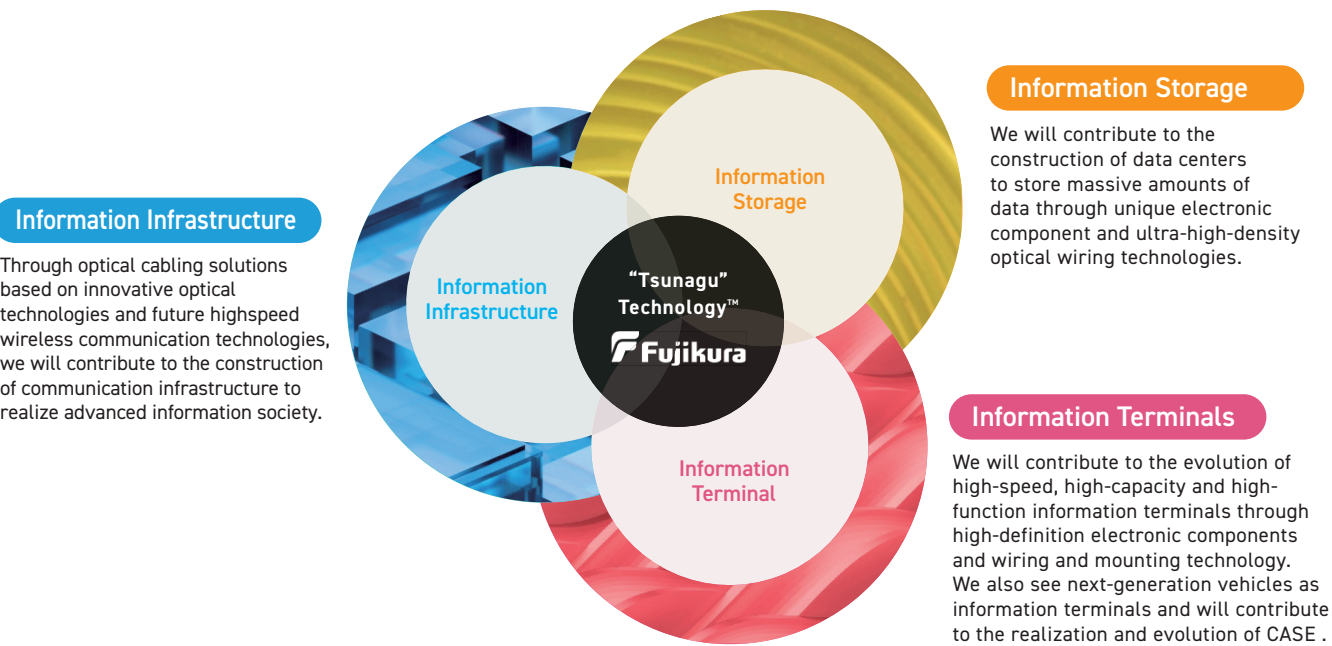
However, the surge in COVID-19 has receded somewhat and this has slightly lessened the urgency to invest in communication infrastructure. Together with inflation and rising interest rates, this has caused more communication carriers to postpone investment. In addition to this, delays in payment of subsidies for building broadband networks in the U.S. has also had a chilling effect, and has depressed carrier business in the area of Information Infrastructure.

In the area of Information Storage, a push to build data centers is occurring globally. Robust investment in data centers amid the rapid proliferation of generative AI is responsible for this push. Demand for optical fiber cables, optical connectors, and other optical cabling components, HDD components, and other products of the Fujikura Group is consequently increasing.

When the 2025 Mid-term Management Plan was formulated, we did not foresee the rapid growth of generative AI and investment in data centers, which has increased by an order of magnitude. In that sense, this can be called an unexpected windfall.

In the third area of Information Terminals, most of the business is directed at smartphones. However, this business is nearing saturation. We are currently looking ahead to



















Core Business Areas in the 2025 Mid-term Management Plan



Strive to create value for customers and contribute to society by being “Fujikura, a technology leader” using “tsunagu” technology in the areas of Information Infrastructure, Information Storage, and Information Terminals.

FY2024 Business Environment

While we need to keep a close eye on customer investment trends and changes in demand for communications carriers, smartphones, etc. in Europe and the U.S., steadily capturing demand through the advanced technological capabilities and productivity which are strengths of the Fujikura Group will lead to growth in profit.

Business Area		Fiscal Year			Awareness of External Environment
		2023	2024	2025 onward	
Information Infrastructure	Telecommunications in Europe and the U.S.				We expect broadband investment demand to increase in the future despite postponement of investments with an eye toward commencement of the Broadband Equity and Access Deployment (BEAD) program and due to rising interest rates
	For power transmission in North America				Firm demand for power transmission grid replacement
Information Storage	For HSDC				Accelerating infrastructure investment in hyper-scale data centers (HSDC) due to the explosive spread of generative AI
Information Terminals	For smartphones, tablets, and PCs				Firm demand despite concerns about intensifying competition for some products
	Wearable drones, etc.				Expanding use in various areas
	Automobile market				Rebound in auto production. Acceleration of CASE initiatives.

what will emerge as the next application after smartphones. CASE (Connected, Autonomous/Automated, Shared, Electric) is a representative example, and we have also positioned automobiles, where a once-in-a-century technological revolution is occurring, as information terminals in the 2025 Mid-term Management Plan. The synergies between the Telecommunication Systems and Electronics businesses look promising. Although the Automotive Products business has been in the red for many years, progress on various structural reforms enabled the business to record a profit last fiscal year for the first time in seven years.

Change in Employees' Mindset Along with More Sophisticated Business Management

Amid such extreme changes in demand and the market environment, some investors have pointed out that the Fujikura Group is susceptible to such changes in the business environment.

In the past, changes in the external environment certainly had a major impact on Group performance. However, we are responding to demand trends and market changes and are now able to control the impact from the

external environment through appropriate control of related costs. I think this shows the results achieved through initiatives to implement more sophisticated business management. To give an example, to manage profitability, we divide costs incurred into fixed costs and variable costs, consider ways to control variable costs according to demand, and implement measures to control costs.

Moreover, measures to improve profitability were previously implemented after deciding on a theme, and the idea was that implementing the measures should result in a certain amount of improvement. However, there were frequently instances in which measures were not ultimately reflected in the numbers and the points of focus and method of implementation were not appropriate. We therefore now set themes that are properly linked to profit and loss and have introduced a method of management in which we analyze the reasons for any profit that results from initiatives and determine whether it was due to growth in sales or reduction in the cost of materials and attribute specific amounts to each element. That approach has been successful. The reasons for improvement in profitability are visible at a glance and this has also succeeded in changing the mindset of employees, who now recognize

Message from the CEO

the importance of figuring out how to gain control over the factors they are not able to control themselves.

Business Opportunities Presented by Carbon Neutrality, a Global-scale Issue

We will continue to sow the seeds for new business creation to capture the opportunities presented by carbon neutrality as these initiatives after the 2025 Mid-term Management Plan. Carbon neutrality is a global-scale issue, and it is an extremely important theme from the perspective of realizing a sustainable society. While we will naturally reduce CO₂ emissions ourselves, I think Group businesses and products can also contribute to reduction of CO₂ emissions by other companies and groups outside of our Group.

We are currently undertaking such new business initiatives under the banner of Beyond 2025, and are taking on the challenges of creating new businesses under the three themes of superconductor, fiber laser, and electric vehicles. In the area of superconductor, in particular, we possess global top-level performance and mass production technology in rare-earth-based high temperature superconductors. Superconductors are essential components of fusion power generation technology, which is promising for solving environmental and energy issues. I think Fujikura will contribute to the realization of fusion power generation with these superconductors.

Realizing Green Transformation (GX) and Management and Monodukuri Digital Transformation (DX) Through Innovative Manufacturing Technology

We have established three measures for reducing CO₂ emissions in business activities; namely, energy conservation, in-house power generation, and purchasing renewable energy. Installing solar panels and generating solar power is the type of in-house power generation the Fujikura Group is currently capable of. We also purchase renewable energy for the shortfall in power generated from solar power.

As a manufacturer, energy conservation is important to further strengthen Fujikura's businesses, as well as in the sense of GX. That means energy conservation underpinned by technology. It is important to reduce energy consumption while also improving productivity through innovative manufacturing technology.

We are currently building a new next-generation SWR®*1 Plant at Sakura Works in Chiba Prefecture, and are pursuing comprehensive energy conservation along with extensive

use of innovative manufacturing technology in the new plant. We are positioning this as a carbon neutral plant, even if the shortfall is covered by purchasing renewable energy.

I understand that there are also two main types of DX. One is greater pursuit of data-driven management. In addition to more sophisticated business management, I want to be able to analyze the status of businesses and profitability faster and more precisely from multiple perspectives, such as by product, by region, and by customer.

The other important type is Monodukuri DX. At the new plant at Sakura Works mentioned above, the plan is to continually monitor manufacturing status according to various parameters to improve productivity and yield and reduce defects. As we accumulate data on top of that, there is also the possibility of being able to identify signs that occur before a malfunction occurs, for example. In other words, this means using big data to manage production. We are also considering using AI to automate detection of defects. We have made sufficient provisions for investment in GX and DX in the 2025 Mid-term Management Plan and will continue to pursue such initiatives.

Creating an Environment Where “Self-starter” Employees Can Contribute Actively and Creating New Businesses Based on Ideas Proposed by Employees

The human resources strategy is important for pursuing various such initiatives and creating new value. For any type of work, the ideal is for employees to think their work has value, contributes to the company and society, and pleases customers, rather than feeling that they are being made to do the work. I recognize how extremely important it is to figure out how to create an environment that enables each employee to work with high motivation.

Since I was appointed as CEO about two years ago, I have been soliciting ideas on creating new businesses and strengthening existing businesses. In the beginning, I promised to properly use ideas, invest resources, and leave it up to the person who proposed the idea. To accelerate the commercialization of such proposed ideas from this fiscal year onward, we have established an organization for special projects under the Corporate Strategy Planning Division.

This is actually based on my own experience. When the SWR®/WTC®*2 business was launched, an organization called the New Optical Fiber Cable Business Development Department was established as special project directly reporting the president. The adoption of this method enabled me to be concentrated on my new work and I was able to



develop a flourishing business.

“Fujikura, a technology leader” is an element of the Fujikura Group’s DNA. However, my latest view is that, whether it is because we are too technology-oriented, we end up being satisfied with creating good technology and there are times when that is consequently not linked to business. While creating excellent technology is amazing, I launched this initiative because I wanted to give more employees the experience of a world in which they are able to develop the technology or product they created themselves into a business, please customers, generate profit for the company, and contribute to society.

We are currently working to commercialize five themes and the leaders for each theme are highly motivated. I am now confident that this initiative will not only lead to creating new businesses, it will also lead to developing human resources who can become the next generation of management.

Using “Tsunagu” Technology to Create Better Businesses and a Better Company in the Next Generation

At this point, one year into the 2025 Mid-term Management Plan, the performance of the Fujikura Group is

good, and the stock price is also firm. That said, we will aim even higher, without being satisfied with the current status.

There are many things we have not yet been able to achieve. We are still midway on the road to pursuit of digitization and supply chain management, and improvement of the cash conversion cycle. However, I do not see this in a negative light, I think of it as stretching. We are still enjoying good performance even though there are still so many things to accomplish, so we will certainly be able to achieve even more sustainable growth once we are able to accomplish the things we have not yet accomplished.

About 20 years have passed since the Fujikura Group began using the phrase “tsunagu” (connecting) technology. It arose from the concept of cables connecting various things, and the meaning of connecting society and people was added to that. I want to transform it into a phrase that means connecting to better businesses and a better company in the next generation, and conveys sustainability.

We will continue to make the Fujikura Group a more profitable Group with high aspirations. Please look forward to this.

*1 Abbreviation for Spider Web Ribbon.

*2 Abbreviation for Wrapping Tube Cable. An optical cable Fujikura developed to achieve a slim structure in which optical fibers are inserted at a high density.

Basic Policy on Sustainability Management

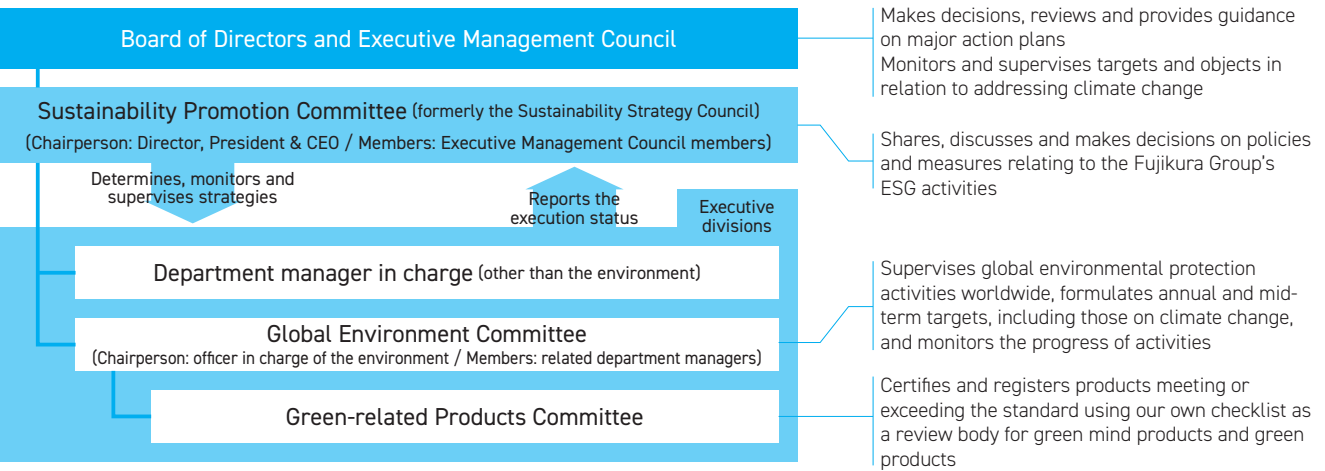
The Fujikura Group believes we need to engage in both activities necessary for sustainable corporate management and activities which help to build a sustainable society to realize sustainability based on the corporate philosophy of our group.

Sustainability Management Promotion Structure

The Fujikura Group is working to establish sustainability governance based on the rules of the Sustainability Promotion Committee (formerly the Sustainability Strategy Council).

The Sustainability Promotion Committee (hereinafter “the Committee”) reports, discusses and shares information to devise sustainability strategies incorporating ESG perspectives as requested by our stakeholders and to monitor and supervise the execution of those strategies. With the Director, President & CEO serving as the Chairperson, the Committee is comprised of the directors (excluding some directors and outside officers) and corporate officers.

Sustainability Management Structure Chart



Meetings and Contents Discussed in FY2023 (Held Three Times in FY2023)

	Meetings	Contents Discussed
Sustainability Promotion Committee (formerly the Sustainability Strategy Council)	Aug. 2023	Discussed the sustainability promotion structure and the procedure for the review of materialities
	Nov. 2023	Reported on the progress made on the consideration of the sustainability promotion structure and the review of materialities
	Feb. 2024	Discussed the review of materialities (to be continued in FY2024)

Sustainability Targets 2025 and Method of Identifying Those Targets

The Fujikura Group has set the Sustainability Targets 2025 (targets on the page on the right) as a strategy for sustainability. Adding F (finance or future) to ESG, we have established four themes and set 16 priority measures for these targets. We referred to domestic and foreign social issues, international guidelines, evaluation items of ESG rating organizations and feedback from stakeholders when setting those targets. At the same time, we have linked them to the Fujikura Group's long-term vision (2030 Vision and Fujikura Group's Long-term Environmental Vision 2050). We aim to contribute to an improvement in corporate value through the progress and achievement to these targets.

Reflections

- (1) Verification of the results of the Fujikura Group's CSR priority measures from 2015 to 2020
- (2) Six SDGs achievement targets

Latest Trends

Organization of the external environment such as governmental trends, and requests from ESG rating organizations and ESG investors

Main information sources

Dialogue with government offices, ESG rating organizations, the PRI, UN Global Compact and ESG institutional investors

Target Setting

Setting of important issues (materialities) and achievement target and KPI plans

Implementation by the responsible officers and progress reports in this meeting

Sustainability Target 2025 Themes and Main Results for FY2023

Sustainability Theme	Priority Measure	Main Results for FY2023 (Partial Excerpt)
F Realize the 2030 Vision (CSV) and Maximize Business Opportunities	Solve problems in a comfortable and sustainable "Mirai" (future) society by providing "tsunagu" (connecting) solutions and thereby continuously enhance corporate value	<ul style="list-style-type: none">Started collaboration with Kyoto Fusioneering Ltd. on a research promotion project in the field of high-temperature superconducting magnets for fusion power reactors for the United Kingdom Atomic Energy Authority (UKAEA)Participated in NTT East's IOWN Lab as a proof of concept (PoC) activity with customers using 60 GHz millimeter wave wireless communication modules
	Develop products which can be used with peace of mind that are kind on the global environment	<ul style="list-style-type: none">Green-related product sales as a percentage of total net sales in FY2023: 62% (Fujikura)Established the new Green PLUS certification system for products which have an impact on society in addition to the environment, Started the certification processEstablished a mechanism to be able to calculate the CO₂ reduction effect for registered green mind productLaunched a certification structure for environmentally friendly products in group companies in Japan
	Use data and digital technologies to improve the efficiency of existing businesses and create new business models	<ul style="list-style-type: none">Completed the introduction of AI inspections in the membrane circuit inspection processInstalled and started operating an AI model using Sim2Real and reinforcement learning into the collimate lens alignment process
E Achieve Fujikura Group Long-term Environmental Vision 2050	[Challenge 1] Zero CO ₂ emissions at plants by 2050	<ul style="list-style-type: none">Reduced CO₂ emissions (SBT certified boundary) [Scope 1+2] 247,000 tons of CO₂ (28.6% reduction compared to FY2020) [Scope 3] 17,879,000 tons of CO₂ (18.6% reduction compared to FY2020)*Scope 3 targets were added to the scope when we obtained approval of science-based targets (SBT) in July 2023
S Develop a Pool of Human Resources with Globally Versatile Talent	Develop human resources capable of active contribution globally	<ul style="list-style-type: none">Made career design seminars for those in their 30s a permanent part of our program to foster autonomous career awarenessIntroduced an online education platform to allow employees to independently learn IT skillsTotal number of employees who took voluntary training/exams (TOEIC and other exams, online English conversation/learning tools, external courses, and correspondence education, etc.): 1,327 (Fujikura)*1,233 employees in FY2022Promoted the use of AI to improve work efficiency and generate ideas and also avoided the risk of information leaks by introducing AI
	Diversity & inclusion	<ul style="list-style-type: none">Women as a percentage of new hires (corporate planning career track): 31% (administrative: 75% / technical: 15%) (Fujikura)Percentage of women in management positions: 4.5% (FY2022: 3.9%)Employment rate for handicapped people : 2.7% (domestic)
G Strengthen Corporate Governance	Manage with an awareness of transparency and value creation	<ul style="list-style-type: none">Restructured pools of managerial talent and re-selected human resources for the new poolOutside directors, CxOs and corporate officers attended training presentations by pools of managerial talent (three pools)
	Establish group governance	<ul style="list-style-type: none">Formulated Basic Policy for Group Governance in January 2024. This policy aims to strengthen group-wide governance by systematically establishing policies, guidelines and rules for management, business execution and other corporate activities throughout our group
	Supply chain management (including responsible sourcing of minerals)	<ul style="list-style-type: none">Held the Fujikura Group Partners Meeting in Tokyo and Shanghai (participated in by 146 companies and 221 people in FY2023)Explained the Fujikura Group's Management Plan, Procurement Policy and CSR Procurement GuidelinesProvided information on the importance of human rights due diligence on responsible sourcing of minerals and in the rest of the supply chain, and on response to climate changeImplemented a CSR procurement self-assessment questionnaire and procurement division survey

Roadmap to Medium and Long-term Growth of the Fujikura Group

2020 Mid-term Management Plan

Too much emphasis was put on expansion of business scale and the inability to respond to changes in the external environment and establish governance resulted in abandonment of the plan.

Targets	7.0%	900.0	10%	0.66
	Operating Profit margin	Net Sales billion yen	or higher ROE	times D/E Ratio

- Plan Framework
- Sound growth focused on profitability
 - Metabolism aimed at a company that creates value for customers
 - Establishment of corporate governance

Review

Initially, the Company worked to improve profit and strengthen the financial structure without pursuing business scale, but ultimately ended up focusing on expansion of business scale. This resulted a deterioration in financial performance due to the inability to respond to changes in the external environment and keep up with establishing governance

- Issues
- Strengthening business profitability to enable response to changes in the external environment
 - Creating new businesses to replace existing businesses
 - Strengthening corporate governance

Structural Reform under the 100-Day Plan

Transitioned to the recovery stage and concentrated on a rapid business recovery

- Main Measures
- The focus was narrowed to unreserved selection and concentration of existing businesses and strengthening Group governance, and we resolutely undertook structural reform of our businesses
 - Revision of business portfolio and business strategies
 - Reduction of fixed costs and sale of idle assets
 - Restructuring management and strengthening corporate governance

- Results
- Formulated and implemented a business recovery plan containing more than 100 items
 - Reduced fixed costs by more than 15 billion yen compared to FY2019 by the end of FY2022
 - Reduced the number of officers, increased the percentage of outside directors, and strengthened supervisory function of the Board of Directors

- Review
- The recovery plan was implemented and the benefits from internal organizational reforms emerged, but the severe external environment persisted
 - The parameters for problematic businesses were defined and preparations undertaken for moving to the growth stage

- Issues
- Investment in growth aimed at the growth stage
 - Sowing the seeds for new businesses

2025 Mid-term Management Plan

Aim to become a highly profitable company by implementing a strategy for the sustainable growth phase and portfolio management

Targets	10.3%	825.0	16.5%	12.8%	51.7%
	Operating Profit Margin	Net Sales billion yen	ROE	ROIC	Equity-to-assets Ratio

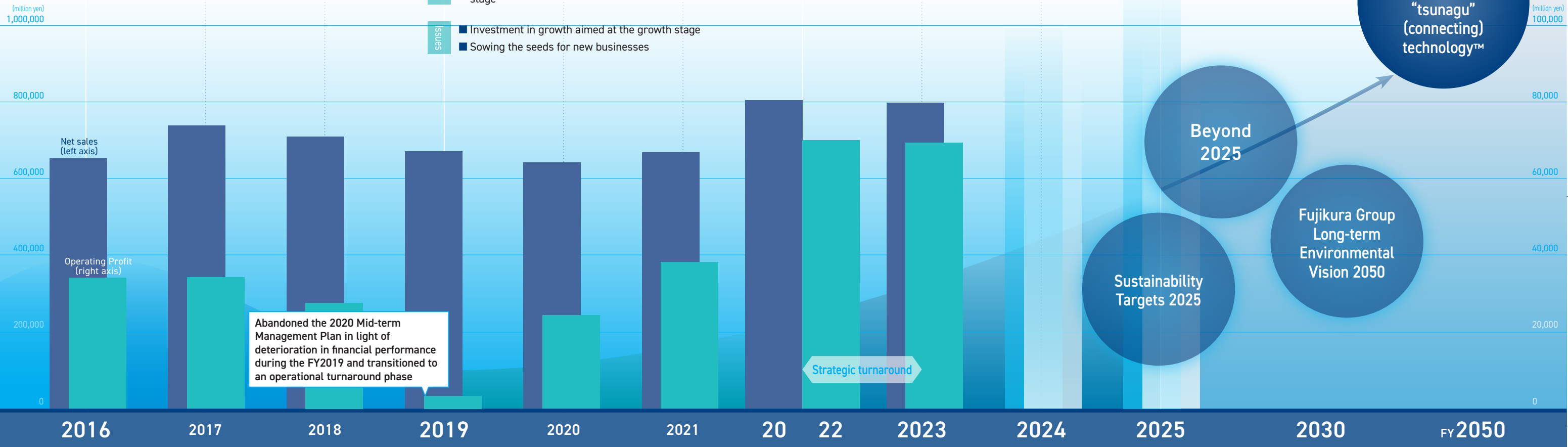
- Plan Framework
- Designated three core business areas and strategically invest resources in these areas where the Fujikura Group will utilize its technology to realize an advanced information society
 - Formulated a mid-term capital allocation plan based on cash flow over the three-year period

- Main Measures
- Expanding sales of optical cabling solutions
 - Initiatives in the data center market
 - Initiatives in the CASE (Connectivity, Autonomous, Sharing and Electrification) areas
 - Creating new businesses focused on Beyond 2025
 - Financial strategy that balances financial soundness and investment in growth

Beyond2025

Create businesses that contribute to carbon neutrality for a sustainable society

- Plan Framework
- Sow the seeds for using the opportunity presented by carbon neutrality to create new businesses aimed at Beyond 2025
- Main Measures
- Superconductors
 - Fiber laser
 - Electric vehicles



Progress on the 2025 Mid-term Management Plan

Overview of the 2025 Mid-term Management Plan

In May 2023, the Fujikura Group announced the three-year 2025 Mid-term Management Plan (2025 Mid-term Plan), ending in FY2025. In the 2025 Mid-term Management Plan, we will continue to place importance on our enterprising spirit of taking on new challenges and our position as “Fujikura, a technology leader” in pursuing advanced technologies cultivated as the DNA of Fujikura Group. we contributes to customer value creation and society through our “tsunagu” (connecting) technologies. We have positioned the three areas of Information Infrastructure, Information Terminals, and Information Storage as areas where the Fujikura Group will utilize the “tsunagu” (connecting)

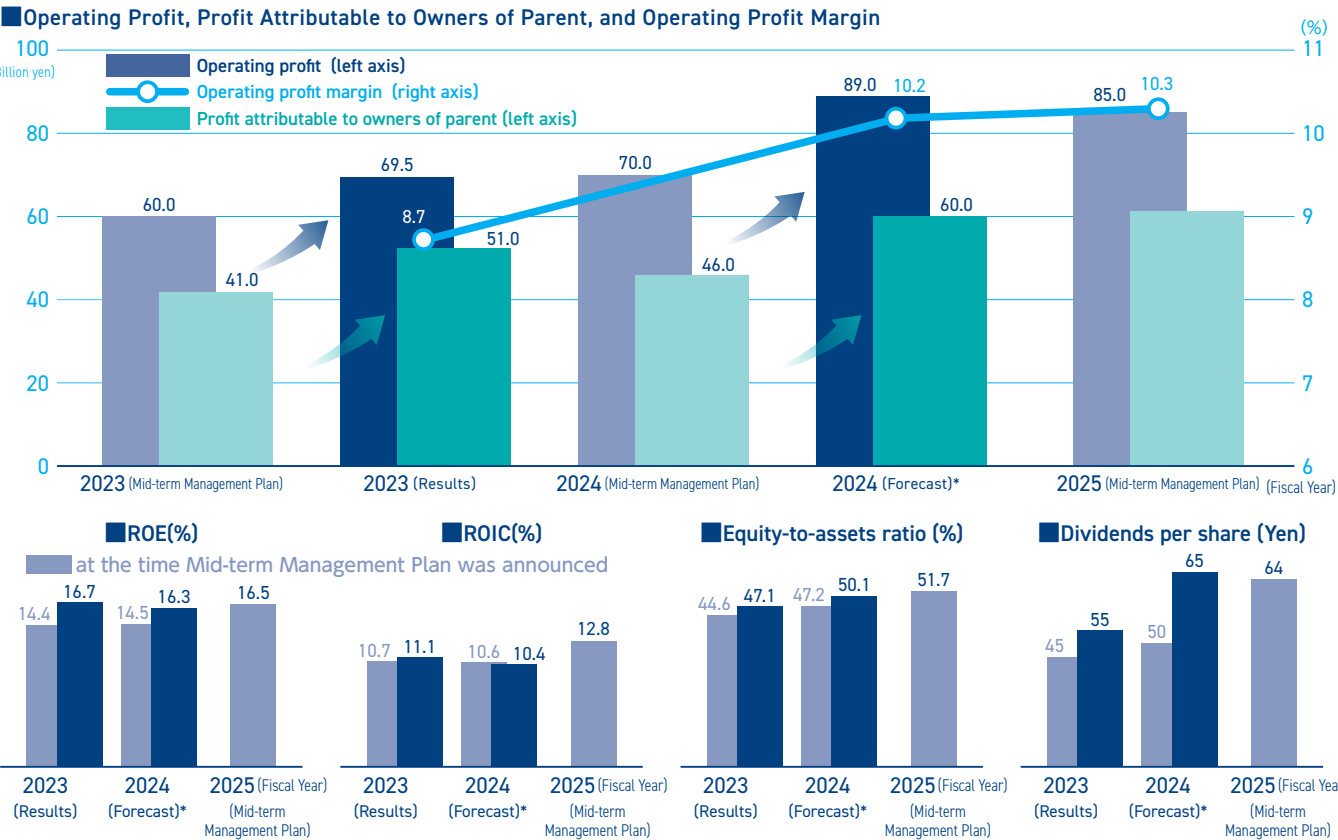
technologies we take pride in to realize a future advanced information society. We will continue to aim to become a highly profitable corporate group by strategically investing management resources in these areas. We are also pursuing Beyond 2025, an initiative focused on the years after the 2025 Mid-term Management Plan, to sow the seeds for the next generation. We think realizing a sustainable, carbon neutral society presents a good opportunity to create new businesses. The Fujikura Group also possesses outstanding technologies in this area and has high expectations for high-temperature superconducting technology, fiber laser, and super-fast charging technology.

Status of Progress in FY2023

In FY2023, net sales and every level of profit exceeded the targets set for first year of the 2025 Mid-term Management Plan and profit attributable to owners of parent reached a record high. The Group benefited from the boost provided by the positive impact of yen weakness, the recovery in demand for optical components for data centers due to the proliferation and expansion of generative AI, and good performance in the domestic energy business. However, the surrounding business environment certainly did not facilitate smooth sailing, owing to continued cutbacks in investment by communication carriers,

the subsiding of stay-at-home demand for electronic equipment, inventory adjustments for industrial equipment, and other factors. We think the reasons we were able to achieve the 2025 Mid-term Management Plan targets amid this were that we improved resilience to changes in the business environment through more sophisticated business management, in addition to our product development and technology development capabilities as a technology leader. We achieved the targets for ROE, ROIC, and the equity-to-assets ratio for the initial year of the 2025 Mid-term Management Plan.

Main Indicators for the 2025 Mid-term Management Plan



Main Initiatives in FY2023

In FY2023, we pursued various measures to create value for customers and contribute to society through our position as “Fujikura, a technology leader,” mainly in the core business areas.

Information Infrastructure

We are working to access new markets and new customers with our strategic product, SWR®/WTC®, and other optical cabling solutions. We obtained certification of WTC® from a major communication company in the U.S. and it was also used in building the broadband network of a major communication company in the Middle East in FY2023.

Information Storage

We are concentrating on expanding sales of Fujikura’s unique electronic component and ultra-high-density optical wiring technologies to support data centers. In FY2023, we completed expansion of the plant in Monterrey, Mexico and decided to invest in expanding MT ferrule production capacity in Japan to address the increase in demand for optical components for data centers due to the proliferation and expansion of generative AI.

Information Terminals

In addition to contributing to the evolution of high-speed, high-capacity, and high-functionality information terminals through the use of high-precision electronic components and wiring/mounting technology, we are also working to address CASE (Connected, Autonomous, Shared, Electric), including progress on technological innovations in vehicles in this area. Restructuring of our Automotive Products business was prioritized in FY2023 and we implemented initiatives to improve productivity at locations in North and South America, closed a plant in China, and terminated production in Moldova.

Beyond2025

We are pursuing initiatives in high-temperature superconducting technologies that provide important components for the realization of nuclear fusion technology, which is promising, especially as means to provide drastic solutions to energy and environmental issues. We expect the demand for superconductor to increase as initiatives in fusion power generation advance. In FY2023, we expanded production capacity as we began full-scale supply of superconductor to Commonwealth Fusion Systems, a company established in 2018 as a spin-off from the Massachusetts Institute of Technology (MIT).

Issues and Response to Achieve the 2025 Mid-term Management Plan

While net sales and every level of profit exceeded the plan in FY2023, the first year of the 2025 Mid-term Management Plan, the business environment surrounding the Fujikura Group is changing. Current high interest rates and inflation are causing companies to postpone the robust investment in information infrastructure that took place during the COVID-19 pandemic, and demand for information terminals is also plateauing due to inventory adjustments from the waning of robust stay-at-home demand. Meanwhile, the explosive spread of generative AI, which we could not foresee when formulating the 2025 Mid-term Management Plan, is leading to a resurgence in data center investments and demand for Fujikura Group products such as SWR®/WTC® small-diameter, high-density optical fiber cables, multi-fiber connectors, and HDD components. This trend is triggering further growth in information traffic and creation of new applications, and we expect it to also lead to expansion of information infrastructure and new information terminals, including next-generation vehicles. We will continue to aim even higher than achievement of the 2025

Mid-term Management Plan through additional investment to increase production capacity to catch up to robust demand and simultaneous generation of new business opportunities, while increasing our resilience to changes in the external environment due to fluctuations in demand.



Technology management to improve R&D and manufacturing capabilities and taking on the challenge of developing the core technologies for the future

Representative Director, Director and CTO
Tatsuya Banno

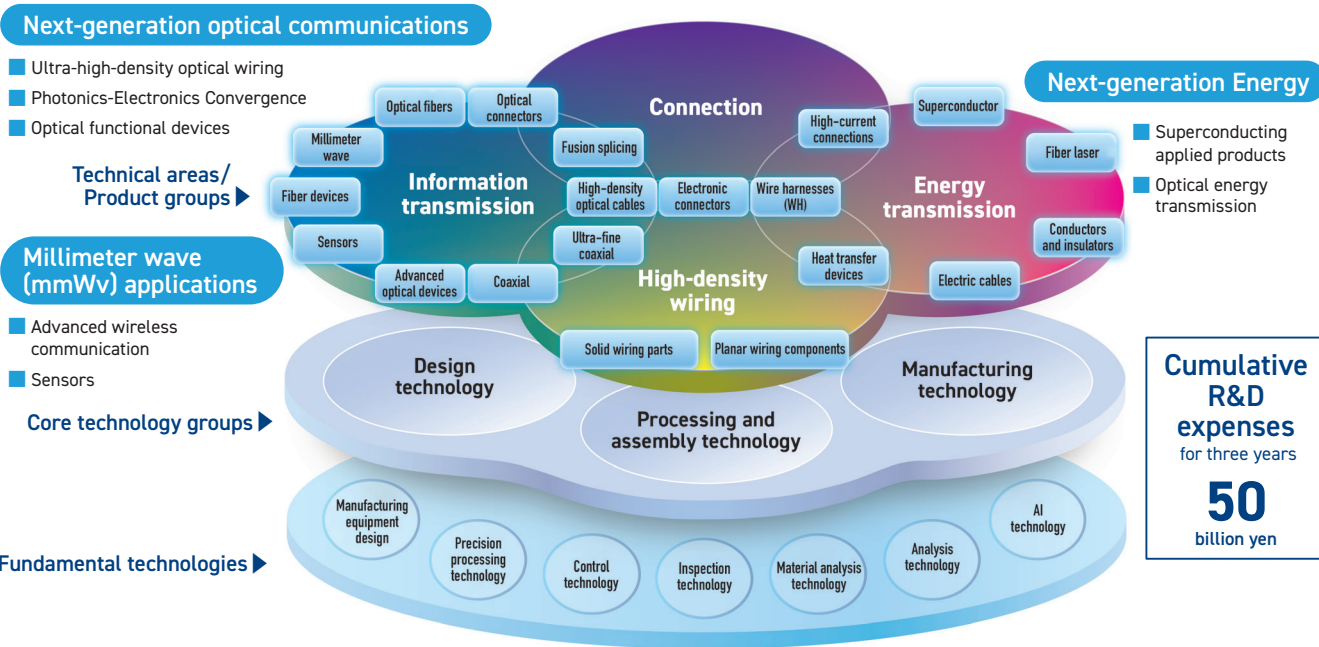
Developing Core and Fundamental Technologies Based on Our Technology Platform

When I assumed the position of CTO year before last, I outlined the key issues that R&D in Fujikura should tackle: 1) Management of technology for the Group as a whole, 2) Strengthening product development capabilities through collaboration between each business unit and the Production Engineering Unit, 3) Creating a framework for new technologies and new businesses, and 4) Building a governance structure for R&D and transforming the organizational culture. I have since proceeded to increase the sophistication of R&D activities. Today I would like to share with you these initiatives that I personally feel are effective.

The Fujikura Group began with electrical wire business and is now developing products in various business fields, including the Telecommunications Systems, Power Systems, Electronics, and Automotive Products businesses. Each products contain core technologies that support each business. Fujikura's technologies flow from the original electrical wire technology which, to be more specific, includes electrical wire design technology, extrusion, braiding, and other electrical wire processing technology, and electrical wire manufacturing technology. Fujikura invented these technologies and has developed them over time. We subsequently created the core technologies for each business as we expanded to business areas other than electrical wire. Glass synthesis technology and spinning technology are examples of this. We have also applied the materials

Technology Platform and R&D

New products and new businesses are continually created through development by the R&D departments in each business unit and the Research and New Business Development Unit. The key areas of R&D are next-generation optical communication, millimeter wave (mmWv) applications, and next-generation energy.



technology and manufacturing equipment development technology cultivated in electrical wire to new businesses other than electrical wire. The Technology Platform created in 2023 as a diagram of R&D at Fujikura organizes these technologies.

Fujikura's Technology Platform consists of three tiers. The top tier defines Technical areas/Product groups. In the top tier, we specified four technical areas that we should pursue, adding our latest strengths in 'Connection' and 'High Density Wiring' to our traditional technical areas of 'Information Transmission' and 'Energy Transmission'. The middle tier specifies Core technology groups where we should create new technologies through R&D activities and refine existing technologies. In this tier, we specified three types of technology: 'Design technology', 'Processing and assembly technology', and 'Manufacturing technology', and these technologies are intended to create innovative technologies as well as refine existing technologies. The bottom tier contains the basic technologies we have developed over the course of

Fujikura's history, including manufacturing equipment design technology and precision processing technology. These technologies are positioned as common technologies that are used in each business unit and R&D activities. The purpose of R&D in areas specified in the top tier is to create new businesses and products unique to Fujikura. To accomplish this, we refine the core technologies in Tier 2 and enhance our value for customers. We want to use the basic technologies in Tier 3 to increase the efficiency of R&D and thereby stimulate R&D activities.

It is also very important to use the technologies and knowledge cultivated in each business for other businesses and products to increase the efficiency of and effectiveness of R&D. To put that into practice, it is necessary to know about other business units, and the products and technologies of those businesses. When I reexamined the core technologies Fujikura possesses, I realized the core technologies were far more numerous than I had imagined. Moreover, there was a distinct story about the history and background on

Technical Strategy

Message from the CTO

creation or the struggles experienced during creation behind the development of each core technology and each product developed from a core technology. Researchers grapple with many problems and issues on a daily basis. Knowing such stories will provide a strong impetus and will always be useful in overcoming those problems and issues.

Last year, I launched a Technology Group Conference to provide an opportunity for engineers belonging to the Research and New Business Development Unit, each business unit, and the Production Engineering Unit to discuss and gain a mutual understanding of the technologies possessed by each. Thirty to forty of the core engineers in each department come together for discussion at this meeting. The Research and New Business Development Unit and each business unit often have similar core technologies, e.g., adhesive technology is widely used and key in many kinds of products. It is possible to gain a deeper understanding and make new discoveries when engineers from different departments discuss the properties of their materials, the way they use, and the problems they are facing.

As the CTO overseeing technology management, I'm going to organize the information discussed at the technology group conference and ultimately create a technology database that anyone in Fujikura can use. I also think this management of technology for the Group as a whole initiative will lead to

strengthening product development capabilities through collaboration between each business unit and the Production Engineering Unit.

New Technical Marketing Department Established to Strengthen Creation of Sellable Products

Last year, I introduced an ISO 56002-based innovation management system I thought would be useful for creating a framework for generating new technologies and new businesses and building a governance structure for R&D and transformation of organizational culture. In this system, we divided the R&D process into five stages and clarified what should be done at each stage including intellectual property strategy. Under this system, a project cannot proceed to the next stage until it has cleared the items that must be verified at each stage. I think this reduces risk incrementally and makes it possible to perform R&D without oversights and omissions. I also think discussing R&D subjects with management layer from the initial stage increases the likelihood of commercialization, which is the goal of R&D. In addition, we also think about and incorporate quality control from the initial stage of product development. By carefully considering how a certain product will meet the exact needs of customers and the market at each stage of development, we can make our R&D activities more efficient.

There are two types of 'Development': development that support the existing business and R&D, and development that aim at the future. Development to support the present situation always has a deadline, and there is no time wasted in meeting the deadline. In contrast to this, development aimed at the future does not have rigid time restrictions, but it is necessary to ascertain market needs at the time of commercialization. The important point is to think about what the market needs and how to use technology to meet those needs, rather than the technology itself and developing a product based on the technology. As a BtoB manufacturer, I would say that, in the past, Fujikura has tended to engage in technology-oriented development. However, my long experience in a business unit has given me a keen understanding of how hard it is to link development based on a technology-oriented concept of being able to create a certain product because we have a certain technology to a sellable product. In the future, we need to actively engage in user-oriented development. This is why I established the new Technical Marketing Department this year. The department is a team that specializes in marketing and will consider, for example, questions such as what sort of issues do data centers currently have, what are the issues that have not surfaced, what are the issues that will emerge in the future, how can they be solved, and does Fujikura have technologies to solve them? In that sense, I think the establishment of the new Technical Marketing Department can contribute to creating a framework for generating new

technologies and new businesses and I am confident that the department can enhance the benefits of introducing the innovation management system mentioned above.

Important R&D themes: Next-generation Optical Communication, Next-generation Energy, and mmWave Applications

We are working on multiple themes for development to support the present and future R&D and businesses. Among them, as the key themes, we have specified three themes of next-generation optical communication, next-generation energy, and mmWave applications.

In next-generation optical communication, we are developing multicore fiber that contains multiple cores in one optical fiber to address the rapidly expanding volume of data circulating around the world. Fujikura is already able to produce the multicore fibers themselves. However, optical fiber does not make up a system on its own, so we are also focusing on development of multicore fiber connection technology and peripheral technology, and are targeting the next phase in which it becomes usable as a solution. Moreover, the increase in electricity used by data centers and elsewhere accompanying the significant increase in data volume has become a global problem in the communication industry. Optoelectronic fusion is said to be essential for realizing an all-photon network, which is the key to drastically reducing electricity usage according to the Innovative Optical and Wireless Network (IOWN) concept NTT has proposed. Because optical connection technology is essential in this area, we plan to strategically pursue realization as we work together on IOWN.

Fusion power generation is a promising form of the next-generation energy. Fusion power generation is drawing interest as a clean power generation technology that does not generate CO₂ emissions. However, there are still high technical hurdles to overcome and practical application will take time. Fujikura's high-temperature superconductors are drawing interest as a coil to control the strong magnetic field, which is the key to practical implementation of fusion power generation. We are therefore collaborating with government agencies and research institutions in various countries as well as with Kyoto Fusioneering Ltd., a venture that originated from Kyoto University, and other entities. It is important to proceed while considering what we can do to hasten practical implementation.

In mmWave applications, we are working on the two R&D themes of the 28GHz band application for 5G and 60 GHz band application for industrial use. The 28GHz band has been slow to proliferate because of difficulties in some respects, but the technical specifications to resolve the difficulties are being developed. We are working on developing the technology and products to rapidly introduce an appropriate product for this. Meanwhile, a license is not necessary for the 60 GHz band and it looks promising for practical application as a remote

surveillance solution because it enables transmission of high-resolution images with lower latency and other properties. We view that as a possible application and are also participating in NTT's IOWN project as we perform R&D aimed at practical application.

Open innovation initiatives are effective for such advanced R&D. In R&D on next-generation optical communication, for example, we are developing core optical-related technology ourselves while collaborating with multiple universities in the U.S. to accelerate research on peripheral technology and applications. Another corporate responsibility is taking action to achieve carbon neutrality to combat the current issue of global warming. We will naturally reduce CO₂ emissions from Fujikura's business activities, but we also think it is important to reduce CO₂ emissions by having customers use our technology. For example, if we can realize fusion power generation, this would, grossly simplified, make it possible to generate power with zero emissions. In other words, Fujikura's high-temperature superconductor is a key contributor to the practical implementation of CO₂-free fusion power generation and we can contribute to society in this manner, so I want to actively pursue R&D through such opportunities.

Strengthening Development of Personnel Skilled in Technology

The strength of Fujikura as a technology leader is that we possess both product development technology and manufacturing technology as a set. Hiring and developing the human resources responsible for technology is the most important way to reinforce our strength. Because I think we must strengthen core technologies, in particular, on our own, we are also developing personnel who are skilled in core technology. While we are implementing a wide range of activities to enhance overall skill level, including hiring external human resources for AI, analysis, and other areas that require a high level of professional expertise to accomplish. Although we already have an internal organization for AI, we are also collaborating with universities on some themes and sometimes invite professors from those universities to present direct lectures to Fujikura researchers. The three mental qualities I want technically skilled personnel to have are curiosity about everything; the ability to listen carefully to others, including customers; and somewhat paradoxically, possessing a skeptical mindset.

There is always risk involved when we try to create new products, technologies, and businesses. We naturally cannot take on any new challenge if we are too afraid of risk. Nevertheless, we need to work to reduce such risk as far as possible in undertaking challenges as a company. I think the technology management I discussed above is important in that respect. As a technology leader, Fujikura will continue to take on the challenges of creating new technologies, products, and business, while always keeping that in mind.



Initiatives Aimed at Strengthening Technology to Support Sustainable Growth

“Fujikura, a technology leader” originated from ascertaining the new needs of society and taking on the challenge of developing new products in a continuous cycle of metabolizing change. Fujikura will continue to develop new technologies and products to differentiate ourselves from competitors, and improving new technologies that will become fundamental and core technologies. In this feature, we introduce initiatives for strengthening technology through internal and external cooperation to support the sustainable growth of Fujikura, as well as new systems aimed at strategically driving creation of new technologies and businesses.

External Cooperation

Co-creation with World-leading Academic Institutions

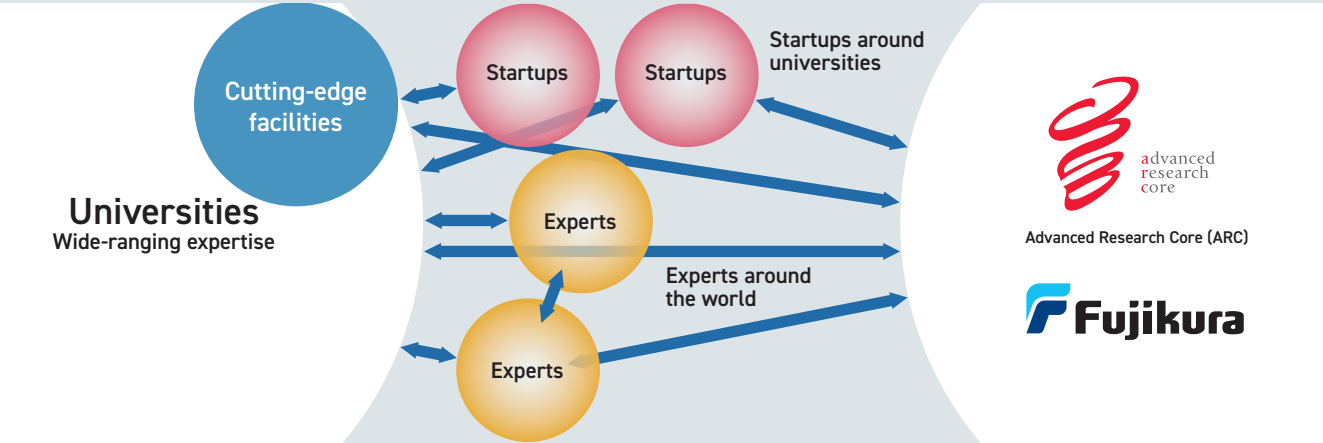
At Advanced Research Core (ARC) of Fujikura, we aim to create distinctive and innovative core technologies by leveraging the wide-ranging expertise of prestigious universities in the U.S. through joint research. We are currently pursuing joint research in 3D nano-fabrication technologies to manipulate light precisely at the nanoscale, leading to functional optical devices and other applications.

Joint research with world-leading academic institutions enables swift research progress utilizing the advanced knowledge and facilities of one university, as well as harnessing all the related research networks with deep knowledge in various fields worldwide. The environment also offers the advantage of continually obtaining the latest technological information and proceeding with development considering competing technologies. By cooperating with startups around universities, it is also expected to engage in fruitful business-oriented discussions and cooperation. Utilizing the license for important core patents owned by universities in various fields is also a big advantage. From the human resource development perspective, we also actively send Fujikura employees as visiting researchers to U.S. universities for joint research. We expect these researchers to become highly skilled personnel as they obtain new expertise through discussions and research with top researchers and experts in various fields.

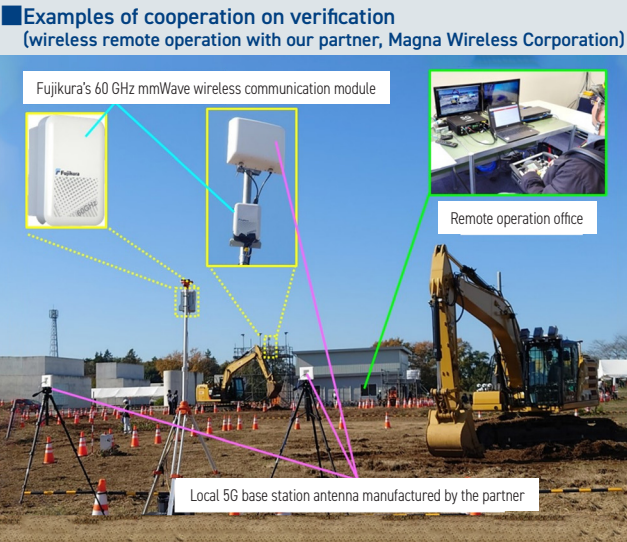
Developing Innovative Technologies and Accessing New Markets through an Ecosystem

Fujikura possesses competitive core technologies for designing and manufacturing cables, connectors, and other passive components. However, we might not accumulated sufficient technology in areas such as active components, system integration and applications. We therefore engage in external partners to supplement and enhance the insufficient technologies while utilizing our strength in proprietary technologies. For example, we are developing millimeter wave (mmWave) products by combining our proprietary fundamental technologies such as electromagnetic field analysis cultivated in optical fiber signal transmission and circuit design and manufacturing used in optical transceivers, with the mmWave IC design technology acquired through external cooperation or applications used by end customers.

(1) Acquisition of mmWave IC technology: Fujikura acquired the mmWave IC and module design technologies that are applicable to next-generation 5G mmWave base stations through technology transfer from and joint development with IBM Thomas J. Watson Research Center, a pioneer in this area. By combining the advanced design concepts absorbed from IBM with our fundamental technologies, we have developed ICs having world-class performance and are taking on the challenge of designing custom ICs to meet specific application requirements, such as low power consumption and higher output.



(2) Accessing applications: There are not many applications that Fujikura can completely access on its own and building an ecosystem with companies that possess various needs and seeds is essential. Fujikura is working to access industrial wireless video image transmission applications that utilize the high-speed, low-latency transmission of its 60 GHz mmWave wireless communication module, in cooperation with companies developing video image transmission and local 5G base stations. As part of this effort, Fujikura is participating in the IOWN Lab opened by Nippon Telegraph and Telephone East Corporation (NTT EAST). We are working with partner companies to verify the usefulness of systems that use 60 GHz wireless communication in IOWN last mile transmission through various use cases, and are working with customers to access new markets.



Internal Collaboration

Framework for Interdepartmental Cooperation through Company-wide Sharing of Fundamental Technologies and Core Technologies

Fujikura started with electrical wires and expanded its business to optical fiber, electronic components, and automotive products, developed unique technologies in each business domain, and formed distinctive core technologies and fundamental technologies. We consider efforts to organically integrate such diverse technologies to be important in promoting efficient and effective research and development, as well as facilitating the discovery of new value creation and business opportunities.

However, Fujikura encountered problems that the technologies within the Fujikura Group were only held within each business domain and were not being shared company-wide. We therefore launched Technology Group Meetings as a platform for engineers in different departments to engage in discussions and come into contact with technologies in other units. These meetings have already produced a number of results.

One example of our efforts is the utilization of AI technology, which has gained particular attention in recent years. Initially researched by one department, the application of AI image analysis to product quality inspection and facility control has produced verified benefits in improving the precision and speed of actual manufacturing processes. Based on this,

another unit has started working on Materials Informatics (MI), using AI technology in the field of material development. This consequently made it possible to improve development efficiency in material formulation studies.

This can be said to have produced major benefits in sharing among development departments company-wide, beyond a specific unit, not just in the case of such AI technology, but also in various development scenarios, such as useful core technologies. Material technology and adhesive technology are examples of this. At Technology Group Meetings, development managers in R&D departments and each business unit meet in one venue to share technical issues and discuss solutions, thereby deepening their mutual understanding and promoting interdepartmental cooperation. We will continue to share useful technologies through such efforts, apply them in different domains, improve them, and to contribute to all of Fujikura's businesses. Each business also shares its own core technologies in addition to basic technologies and we expect this to lead to solving problems in existing business domains and discovery of new business opportunities. We are also pursuing an initiative aimed at organizing the results of such discussions in a technology database, making it possible for everyone to use our fundamental technologies and core technologies.

IMS

Building a Framework to Reliably Connect Achievements in Technological Development to Businesses

Fujikura introduced the ISO 56002: Innovation Management System (IMS) as a framework for strategically strengthening Fujikura's technologies and connecting them to our business strategy. The goal of technological development is to clearly specify fostering innovation and connecting it to business results. Here, what is important is that our technology

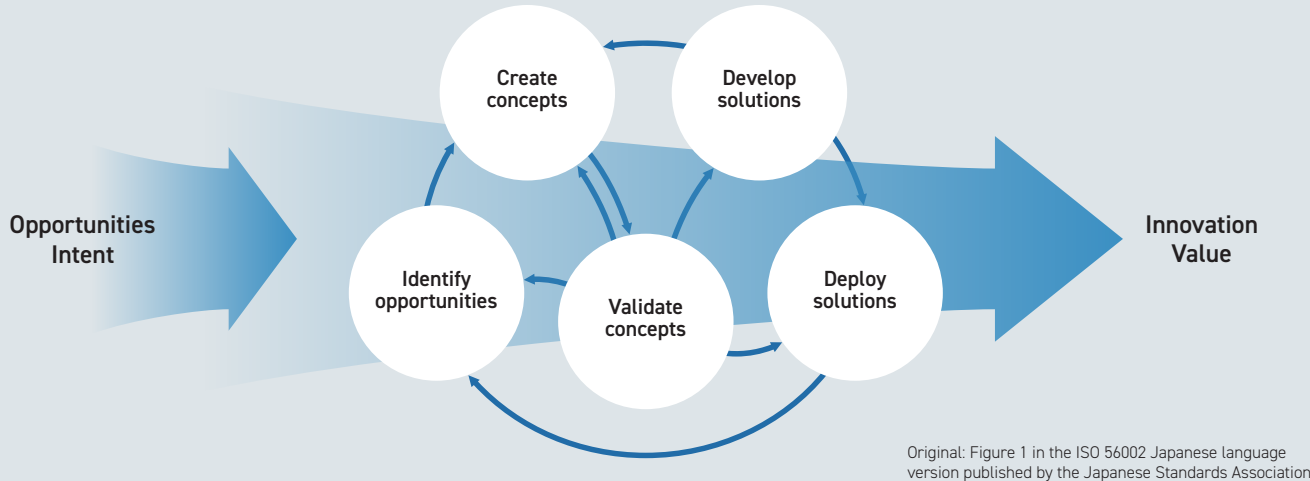
development goal is integrated with our business strategy in the areas of technology that we seek to strengthen. Structured similarly to well-known quality and environmental management systems, IMS has been enacted as an international standard for efficiently encouraging innovation as an organization. In the IMS, starting with the intentions concerning opportunities

as an input by management layer, there are five stages of management to the goal of the value creation through innovation. We will continue to mitigate risk in a step-by-step fashion through a repeated process of hypothesis and verification in each stage with going back and forth, aimed at the goal of no omissions.

At Fujikura, we will use this framework to make sure that management strategy is integrated with the strategic story of R&D themes through repeated discussions with management layer at each stage, not just in the initial input stage. We redefined the stage of previously introduced themes we are still

pursuing according to this framework and rebuilt the strategy through discussion of the requirements under this standard. Sufficient opportunities for discussions with management layer and business units will be provided from the proposal stage when selecting new themes, focused making our R&D vision and Technology Platform the foundation for intentions concerning opportunities. While this international standard has just been enacted, if it becomes widely used worldwide, we can expect it to become the common tool used with customers and external partners. We will continue to refine this framework and make it our own as we accumulate actual cases of use.

■ Excerpt from the Innovation Management System conceptual diagram

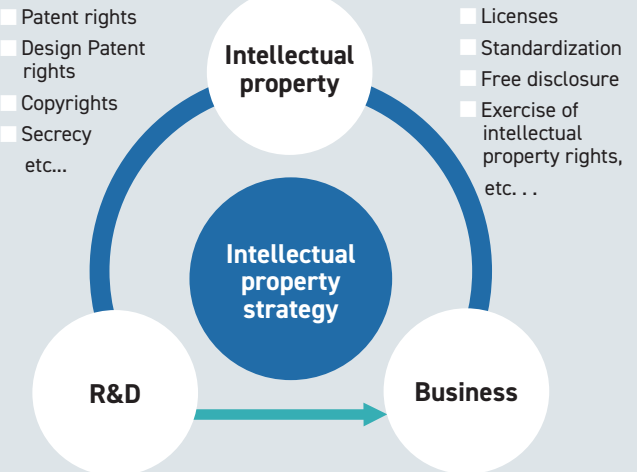


Intellectual Property

Pursuing Intellectual Property Activities in Line with Business Strategy

Opportunities where intellectual property could contribute to business have increased in recent years. At Fujikura, we are also pursuing intellectual property activities with a strong awareness of compatibility with business strategy to ensure a competitive advantage over other companies in future business.

From the perspective of intellectual property protection, we first determine the proper form of protection, such as acquiring rights or confidentiality, based on the properties and function of the technology developed. From the early stage of development, we are particularly conscious of differentiating technologies that can be keys to support our businesses and



■ Main activities of intellectual property activities in line with business strategy

01 Optimal form of protection of intellectual property / obtaining of strong rights	02 Strategic utilization of intellectual property rights with proper risk assessment
03 Analysis of information to ensure the effectiveness of the strategy	04 Enlightenment of intellectual property strategy and establishment of the governance system

proceed to secure the strong rights needed while thinking about the future scenarios of use. We think about the use of intellectual property rights we have obtained, while performing sufficient assessment of the risks out of the rights of others. In particular, we know the cases where later products out of companies in emerging countries have been introduced to the market to compete with our products recently, and measures to prepare are required. We strive to do optimal actions to handle such cases, consulting with external experts.

It is important to obtain accurate information on market trends, the competitive environment, the patents position of each player, and other factors, as the premise for proceeding with such activities. Fujikura is moving forward with IP landscape activities. We perform the requisite analysis while flexibly changing themes, share the results, and repeatedly discuss the strategy. Because people with diverse positions are involved in strategy consideration, we also put effort into company-wide educational activities about strategy formulation to make sure that effective use of intellectual property rights will be considered when strategy is formulated.

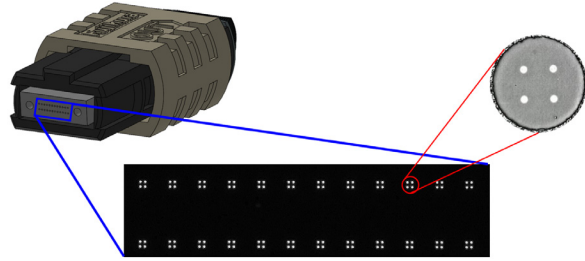
Technical Strategy R&D

This section introduces 3D nano-fabrication technology as an advanced initiative in generating the “seeds” for new core technologies. Some of the key R&D themes Fujikura is focusing on in the 2025 Mid-term Management Plan are multi-core fibers (next-generation optical communication solutions), mmWave communication modules (millimeter wave applications), and high-temperature superconductors (next-generation energy).

Next-generation Optical Communication Multi-core Fiber Solutions

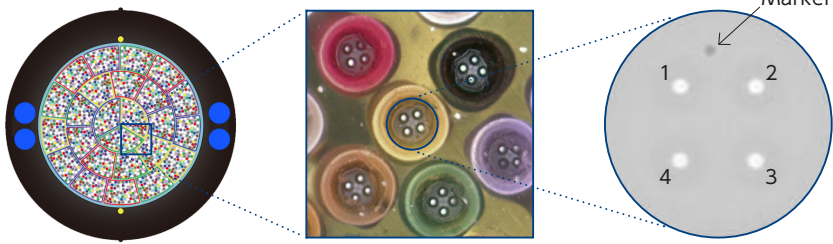
Development of information transmission using optical fibers began in the 1970s and is an essential element of our social infrastructure. With the recent spread of generative AI, data centers have continued to expand rapidly. The optical networks used inside them also must be high capacity, high density, and low latency. Multi-core fibers, which accommodates multiple cores into a single optical fiber, are regarded as a promising approach to meet the requirements for advanced communications.

Fujikura is working to develop four-core multi-core fibers (4c-MCF) with a standard cladding diameter of 125 μm, which is compatible with standard single-mode fibers, as a practical application. We developed a multi-fiber and multi-core fiber (MCF) connector to provide high-density MCF connections as related technology in addition to successfully developing the technology to increase the



End face photo of a 24f-MCF connector

size of preform for low-cost manufacturing of 4c-MCF, and presented the results at an academic conference. Fujikura will continue to develop technology towards practical use of MCF solutions and contribute to the realization of advance communication networks that make low-latency, high-capacity communication possible.

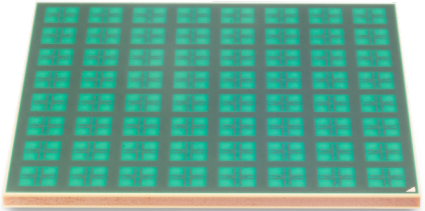


Cross-section of a high-density cable using four-core multi-core fiber with standard cladding diameter

mmWave Applications mmWave Wireless Technology

Communication carriers around the world are now adopting millimeter wave (mmWave) for their 5G networks. mmWave is being deployed in stadiums and other locations where many people gather, as well as for fixed wireless access to subscribers who have difficulty installing optical fiber, particularly in the U.S. market.

Fujikura is developing various mmWave products such as a 28 GHz phased array antenna module (PAAM), which is built into 5G base stations to transmit and control radio beams. Fujikura is also developing a 60 GHz mmWave wireless communications module and other wireless components. These are currently being provided as samples and are receiving favorable reviews from communication equipment manufacturers and business operators.



28 GHz phased array antenna module (PAAM)



60 GHz mmWave wireless communication module

Technical Strategy R&D

We are also participating in IOWN Lab, which NTT EAST opened on January 24, 2024 with the aim of creating use cases to realize the Innovative Optical and Wireless Network (IOWN) concept and conducted a joint proof-of-concept (PoC) trial with NTT EAST CORPORATION, NTT COMWARE CORPORATION, and Terapixel Technologies Inc. In the PoC trial, low-latency, high-capacity video transmission was achieved by combining an All-Photonics Network (APN) with Fujikura's 60 GHz mmWave wireless. This was applied to labor saving in data center operations achieved through

the use of robots and digital twins. We succeeded in transmitting video images of the automated robot patrolling the data center with higher resolution and lower latency than the current system.

Providing end-to-end ultra-low-latency transmission is one of the major benefits of IOWN. The combination of APN and our 60 GHz mmWave wireless in the PoC trial successfully confirmed how highly effective this is.

We will continue to expand use cases that employ mmWave and develop products aimed at proliferation.

■ Trial of remote robot operation via low-latency video transmission using 60GHz mmWave wireless



Next-generation Energy High temperature Superconductors

Fujikura is engaged in research and development, manufacture, and sale of rare-earth-based high temperature superconductors. Fujikura's high temperature superconductors have excellent mechanical properties and critical current characteristics in low temperatures and high magnetic fields, and is promising for use in various kinds of advanced equipment.

Recently, there has been ongoing discussion about development and establishment of laws for rapid realization of next-generation fusion energy reactor, mainly in Europe and the U.S. Unlike conventional power generation, fusion energy produces no CO₂ emissions, and the deuterium etc. used as fuel are abundant in the ocean. It is also said to be superior in safety because thermal runaway does not

occur in principle, and is such a promising technology that will provide a radical solution to energy and environmental issues. High temperature superconductors are used in the magnet to contain and control the plasma necessary for fusion energy. Development of this technology will lead to early practical application in fusion energy reactors.

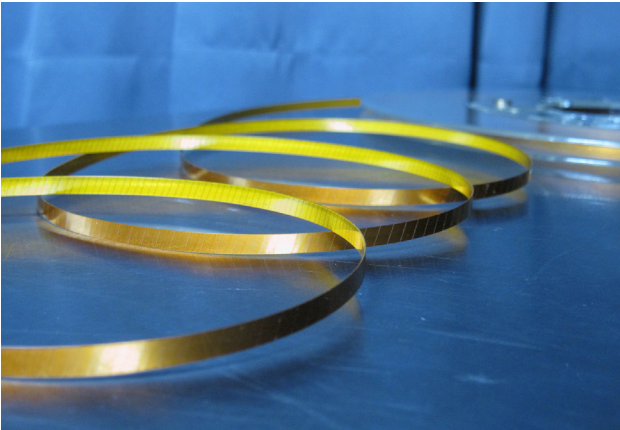
In February 2023, Fujikura supplied high temperature superconductors to Commonwealth Fusion Systems in the U.S. for proof of-concept testing of the world's first compact fusion energy reactor and announced that Fujikura will pursue expansion of production capacity for the future.

In April 2024, Fujikura invested in Kyoto Fusioneering Ltd., a startup which originated at Kyoto University, which possesses the most advanced technological capabilities

in fusion energy in the world. Kyoto Fusioneering is a startup established in 2019, based on the achievements in fusion energy research accumulated at Kyoto University and elsewhere in Japan over many years. This company is drawing a great deal of interest in this area and its customers include institutions and companies involved in R&D on fusion energy in various countries worldwide. Fujikura and Kyoto Fusioneering announced cooperation on a project to promote research in the area of high temperature superconducting magnets used in fusion energy reactors for UK Atomic Energy Authority (UKAEA) in December 2023.

Moreover, the Japan Fusion Energy Council (J-Fusion) was established in March 2024 as an organization for industry-government-academic cooperation, based on the Fusion Energy Innovation Strategy formulated by the Cabinet Office in Japan in 2023. Fujikura is the one of the founders of this council.

Fujikura will continue to pursue further innovation aimed at reducing environmental impact and realizing sustainable energy supply, and contribute to the realization of a carbon neutral society.



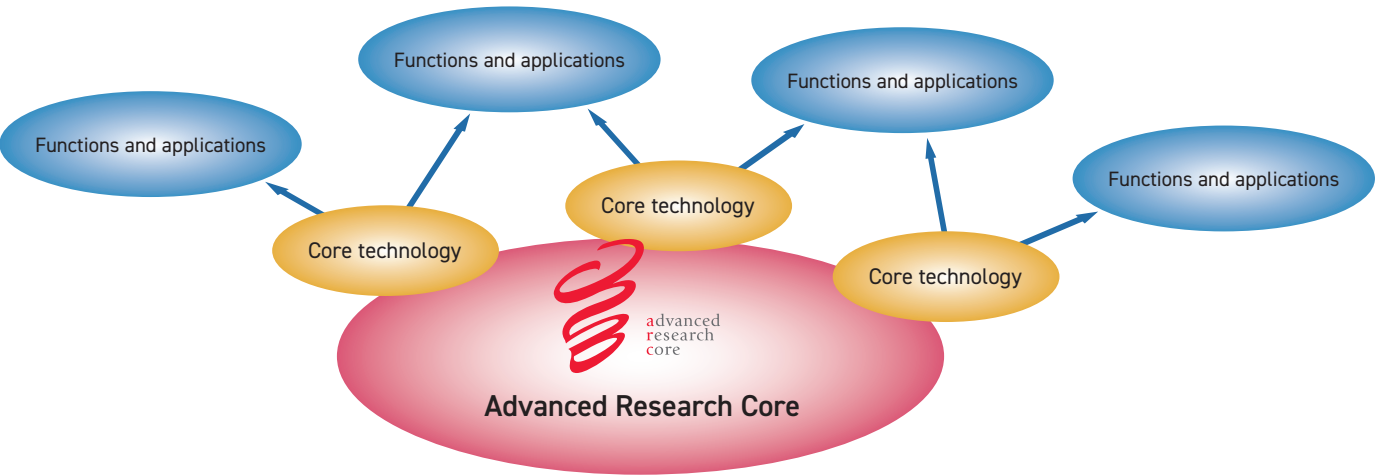
High temperature superconductor

3D Nano-fabrication Technology

The business areas of Fujikura Group span across various fields, and every product group has its own core technology that sustains each business. Fujikura established the Advanced Research Core (ARC) as a basic research laboratory in 2019 to continually propose "seeds" for new core technologies. At ARC, we cultivate the "seeds" that lead to future social value in collaboration with universities in the U.S., as well as top academic institutions worldwide. One example of such initiatives is 3D nano-fabrication technology, pursuing joint research with the Massachusetts Institute of Technology (MIT) in the U.S. Although this technology is based on the optical fabrication

method, it is capable of fabricating 3D structures freely with nano-scale resolution exceeding the diffraction limit of light. 3D structures fabricated at the nanoscale allow us precise control over the physical phenomena at the nanoscale; thus, those are expected to be used in many applications. In the optical information field (DX), for example, the technology to precisely manipulate the wavefront of light is promising for application to "functional" optical devices, and other devices. ARC will continue to put forward a various functions and applications based on the multiple core technologies and the synergies among them, contributing to society.

■ Diagram of multiple core technologies created at ARC and their applications



Continuing to achieve a good balance of investment in growth, financial soundness and various means of returns to shareholders

Director and CFO
Kazuhito Iijima

Initial Year of the 2025 Mid-term Management Plan Provided a Smooth Start Despite the Tough Environment

It has been one year since I assumed the position of Chief Financial Officer (CFO) in June of last year. While I previously served as the general manager of the Corporate Finance & Accounting Unit, the breadth of my official duties, extent of authority, and weight of responsibility as general manager of the Corporate Accounting & Finance Unit and as CFO naturally differ, so it has been a demanding year. I am now more focused on how to improve our businesses, and take care to be cognizant of the expectations of shareholders as I execute business. I am also keenly aware that I am expected to support the president as a financial professional.

I exercised extra care in financial operations last year, partially because it was the first year of the 2025 Mid-term Management Plan. Fortunately, net sales and all levels of profit outperformed the plan for the initial year. I am grateful to our employees and our many other stakeholders for the smooth start to the 2025 Mid-term Management Plan. At the same time, we must ensure that Fujikura can continue to grow sustainably and, as the person in charge of finance, I feel a renewed sense of the weight of my responsibility.

While we achieved a smooth start, a look at the detailed breakdown of net sales reveals the substantial impact from rapid yen weakening last fiscal year. When that impact is excluded, net sales declined by around 50 billion yen compared to the previous fiscal year. The Fujikura Group is a company with 800 billion yen in net sales so the decline of around 50 billion yen is a substantial one. This means that the business environment was quite severe, despite the good results.

Capital Cost-Conscious Management Takes Root with More Sophisticated Management

The business environment surrounding the Fujikura

Group is changing by the minute. The important point is to quickly identify the changes and mount a well-targeted response. In that sense, I think the substantial decline in net sales when fluctuation in the exchange rate is excluded has highlighted one of the issues faced by the Fujikura Group.

To solve that issue, we have improved the sophistication of management in addition to reducing fixed costs during the operational turnaround phase. As a result, control over variable expenses and other costs has given us the ability to respond quite rapidly compared to the past. We have also changed the process for making decisions on capital investment, and have added risk factors to discounted present value, as well as investment recovery time, and return on invested capital (ROIC) by subsegment for each project. We are now more attuned to changes and when we discuss investments, we are focusing on identifying changes and how we can control the cost side, or whether we can predict business revenues and profit based on the future environment when investing.

I feel these efforts are enabling capital cost-conscious management to steadily take root. Moreover, we are now able to secure profit to a certain extent even in a bad business environment due to more sophisticated business management. We will continue to further improve the cash conversion cycle and work to improve ROIC. We continue to improve profitability in relation to ROIC. We plan to improve the profit margin through an improved cost structure, active investment in growth businesses, and promoting metabolization of change in our businesses.

Steady Communication of Information Conveys Reliability of Investees

Looking at profit and investment by business, the Telecommunication Systems business, which is the source of profit for the Fujikura Group, saw a rebound in optical components for data centers from the second half of FY2023. Demand for products sold to North America electric power companies was also strong, and demand for fusion splicers

was firm. The reason why Fujikura was able to secure high revenues and profit in FY2023 was the contribution from a diverse profit structure in this business area.

However, communication carriers are still curbing investments and business for industrial equipment was sluggish in the Electronics business. The rebound in these two markets has been slower than expected and the business environment remains severe. Despite that, we anticipate a rebound in demand from communication carriers in FY2025 and beyond as provision of subsidies under the U.S. Build America Buy America (BABA) Act begins. We also expect a gradual rebound in demand for products for industrial equipment in the Electronics business to begin in the second half of FY2024, despite severe conditions that look like they will persist through the end of this fiscal year.

We were able to formulate a plan for FY2024 that

exceeds FY2023 in both net sales and operating profit. The results thus far are again exceeding the initial plan for this year, the second year of the 2025 Mid-term Management Plan. The fact that other companies in the industry are forecasting a faster resumption of investment by communication carriers and rebound in demand for products used in industrial equipment than we are also indicates that our forecast for FY2024 is conservative. However, I think we can proceed toward the final FY2025 goal for the 2025 Mid-term Management Plan without changing the initial plan. If our forecast is viewed as conservative, it also shows that we have learned from Fujikura's experience in recording a record loss in FY2019. Having endured the bitter experience of disappointing investors, I think we should communicate to the market our intent to reliably achieve the management plan we have presented to stakeholders. I intend to maintain this view in the future.



Financial Strategy Message from the CFO

Achieving an Equity-to-assets Ratio of 50% and Higher Despite Raising the Shareholder Return Ratio

In FY2023, we formulated a capital allocation policy as one medium-term financial target for the first time. This policy determined how much the Fujikura Group will earn in our businesses, how much capital will be invested, and returned to shareholders, and how much will be used to maintain financial soundness during the 2025 Mid-term Management Plan.

In the previous mid-term management plan, financial soundness was mainly evaluated by profit and loss forecasts. In comparison, we now have three years' worth of numerical data based on our current business portfolio for sales and profit, as well as reduction in operating capital, and how much cash was secured through operation of the cash conversion cycle. We determine the amount of investment in organic business growth and strategic investment based on that numerical data. Meanwhile we have formulated and disclosed a mid-term capital allocation policy which increases the dividend payout ratio from the former 20% to 30% and still raises the equity-to-assets ratio to 50% or more through financial improvement.

The policy was revised one year after it was formulated and we expect operating cash flow to exceed the mid-

term plan due to greater than planned progress on improving profit and asset efficiency. In terms of investing funds, however, we are slightly behind the plan due to postponement of some capital investments amid the severe business environment, the decision to take more time to carefully consider DX initiatives, and other factors.

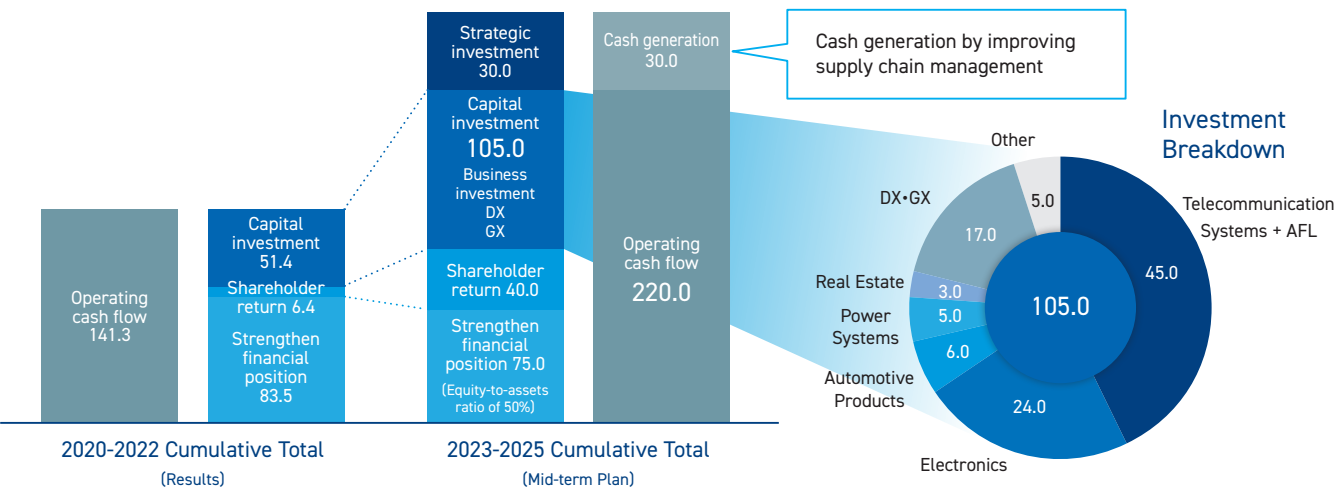
Despite this, we expect capital investment of 105.0 billion yen over the three years of the 2025 Mid-term Management Plan to proceed nearly according to the initial plan. We plan to decide where to make additional investment to achieve further growth during FY2024.

In regard to financial soundness, we now expect to achieve the equity-to-assets ratio of 50% or higher in FY2024, one year ahead of the initial plan. Moreover, for the indicator of net debt, calculated by subtracting cash and deposits from interest-bearing debt, we expect cash and deposits to exceed interest-bearing debt during the 2025 Mid-term Management Plan. In July 2024, Rating and Investment Information, Inc. (R&I) upgraded the rating for the Fujikura Group from A- (Positive) to A (Stable). We plan to continue to actively expand investment in future growth while also considering enhancement of shareholder return and will strive to maintain a good balance between investment in growth, financial soundness, and shareholder return as we work to build a solid financial foundation to support sustainable growth.

Mid-term Capital Allocation Policy

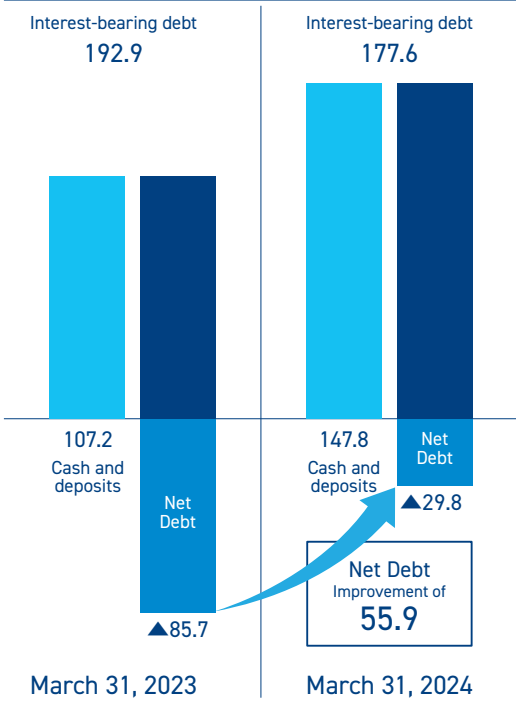
(Billions of yen)

- 1 Growth investment Invest strategically in three core areas of growth markets
- 2 Strategic investment Invest flexibly in new businesses
- 3 Shareholder Return Policy Secure a payout ratio of 30%
- 4 Ensuring financial soundness Maintain equity-to-assets ratio at 50% or higher

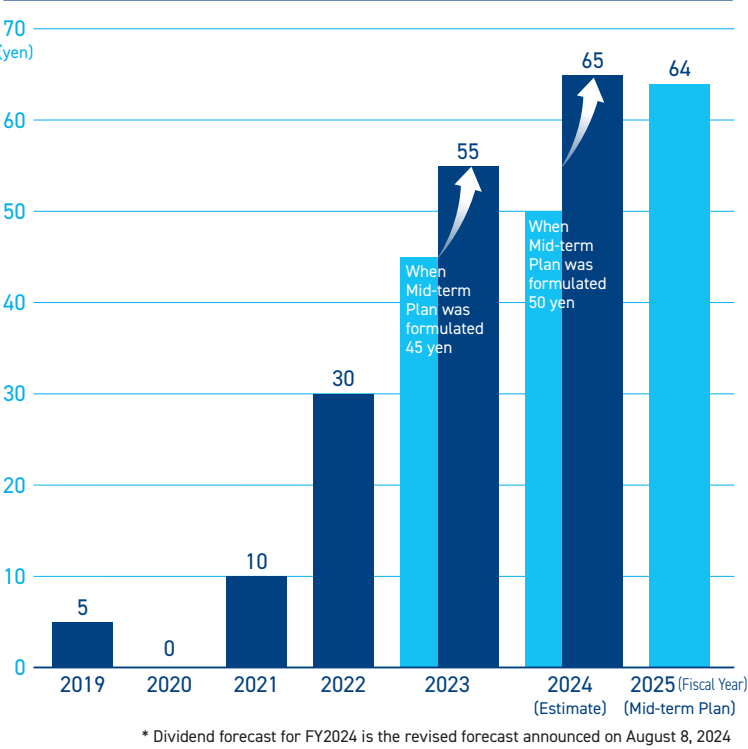


Strive to increase corporate value by balancing financial soundness with growth investments.

Interest-bearing Debt/Net Debt (Billions of yen)



Dividend Trend



Targeting 30 Billion Yen in Cash by Improving the Cash Conversion Cycle

We are also working to improve the invested capital turnover ratio. Compared to benchmark companies in the same industry, Fujikura's cash conversion cycle is certainly not short. I continue to work with each business unit to achieve improvement in problems such as how inventory is held and establishing appropriate settlement terms for accounts payable, one by one. I focused on raising awareness inside Fujikura during the first fiscal year and we have succeeded in combined reductions of around 13 billion yen from reduction of inventory, accounts payable, and other areas, when the impact from exchange rates is excluded.

We make sure that the overall level of inventory does not increase by clearly determining the appropriate inventory level for each product and shrinking lead time. We will continue a company-wide effort to further reinforce this in FY2024 and achieve the target of generating 30 billion yen in cash during the 2025 Mid-term Management Plan period.

We also plan to make the new plant currently being constructed at Sakura Works a carbon neutral plant. Dedicating this plant to production of SWR®/WTC® is expected to substantially reduce the amount of plastic and energy needed for production, compared to conventional production. We are considering obtaining an independent assessment of whether the plant qualifies for green bond issuance to finance the plant based on such environmental benefits, and expect this to be an attractive bond issue for

investors. Progress on such initiatives will also result in a stronger financial positions, improved rating, and lower financing cost.

Targeting PBR over 3.2x and PER over 19x*

We were able to exceed our targets for the initial year of the 2025 Mid-term Management Plan, partially because we have entered a new growth phrase. This enabled us to set even higher targets for the second year. As a result, the price-to-book ratio (PBR), which was previously around 1.0x, has exceeded 3.2x and the price-earnings ratio (PER) has exceeded 19x. I feel that the expectations of our investors and stakeholders are also increasing on a daily basis.

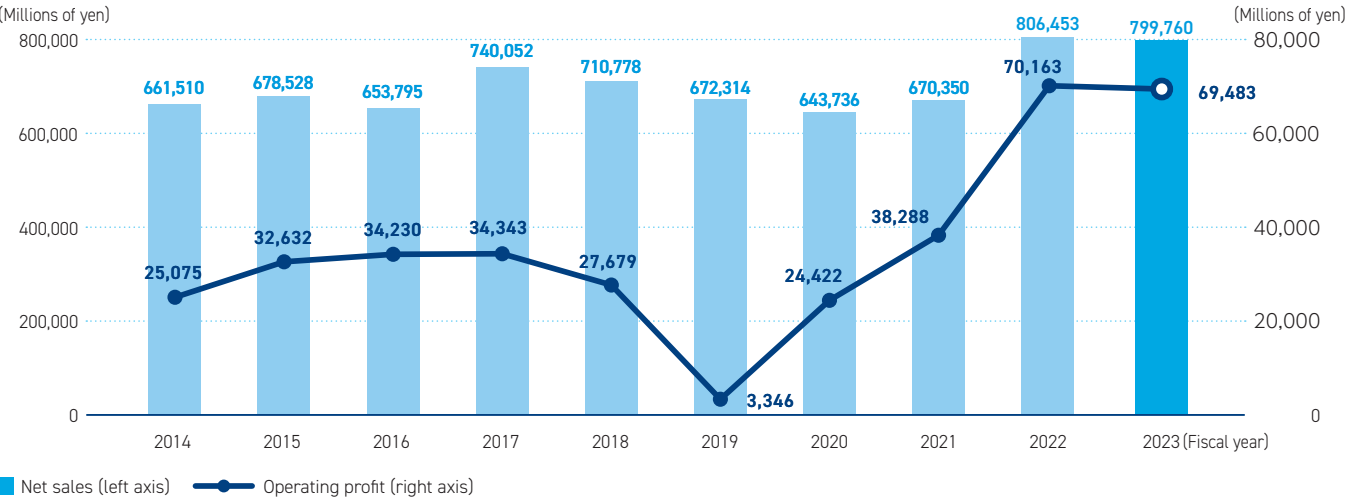
The next challenge is meeting those expectations. I will make every effort to actively invest in further growth and boost our reputation of being "Fujikura, a technology leader" even higher.

Since I became the CFO, I have had more opportunities to communicate the status of the Group and financial status to investors and shareholders. Thanks to such opportunities, I think that our stakeholders now have a much better understanding of Fujikura. I will continue to communicate clearly with investors and shareholders and listen to their individual opinions and views as I manage financial operations. I ask all of our stakeholders for your continued support.

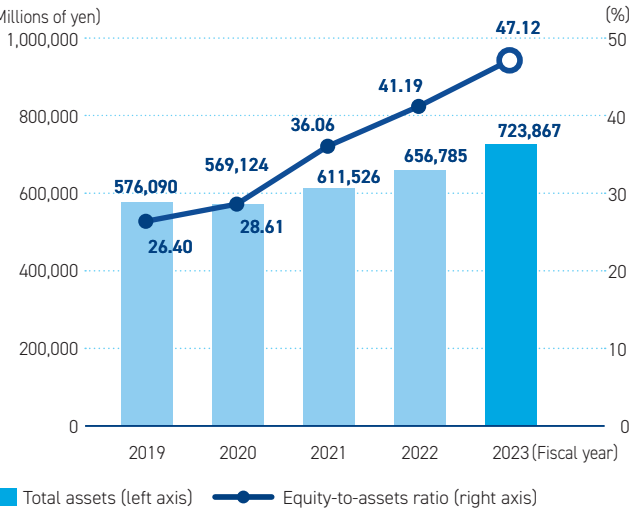
* As of August 31, 2024

Financial Strategy Financial Highlights

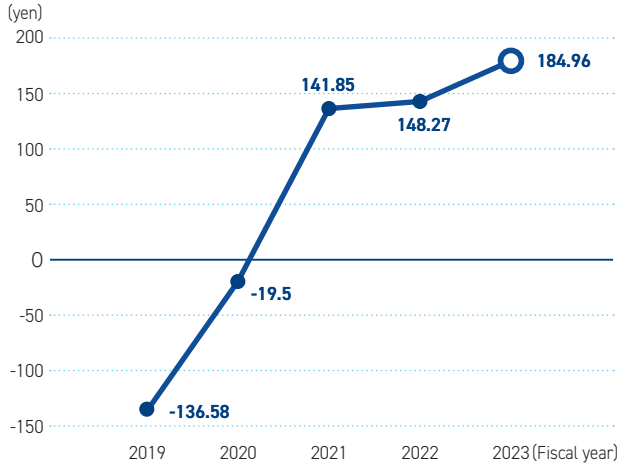
Net Sales / Operating profit



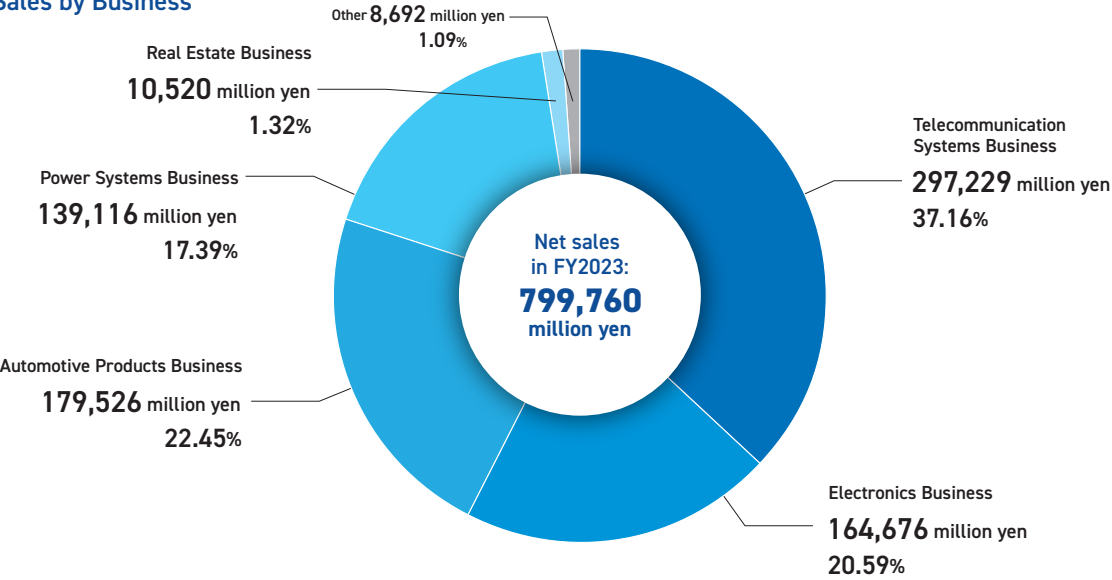
Total Assets / Equity-to-assets Ratio



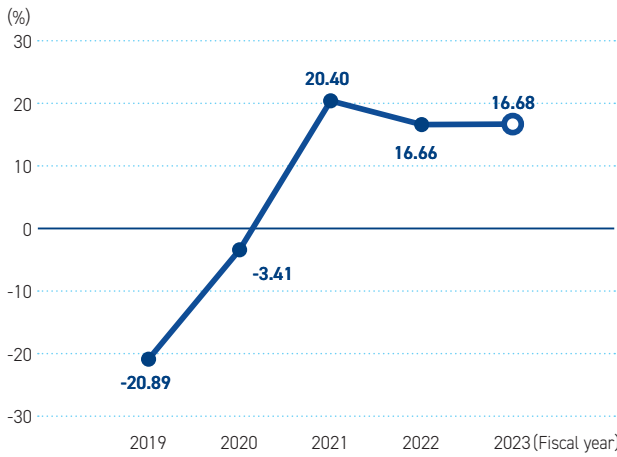
Net Income Per Share



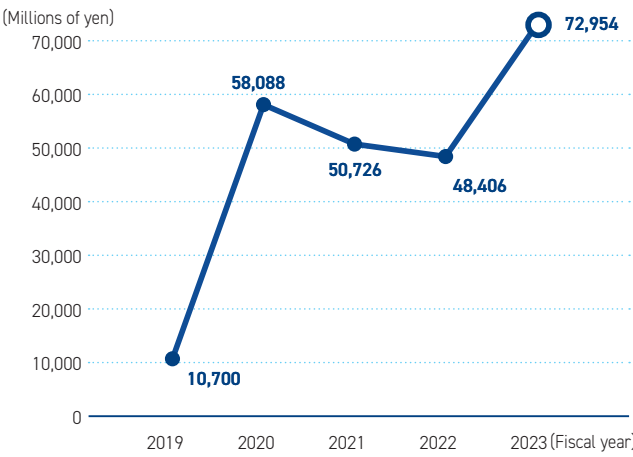
Net Sales by Business



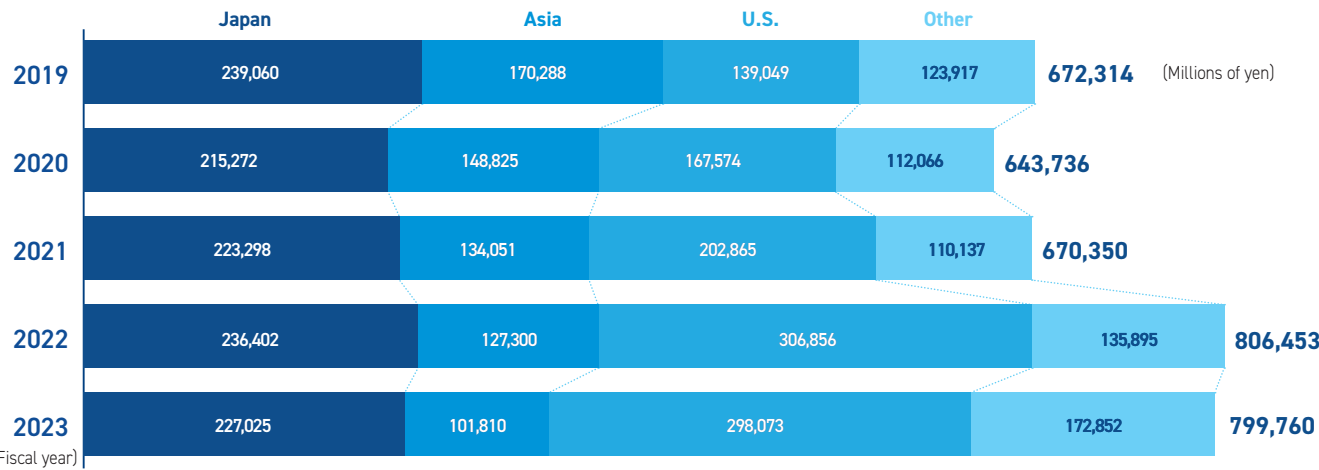
ROE



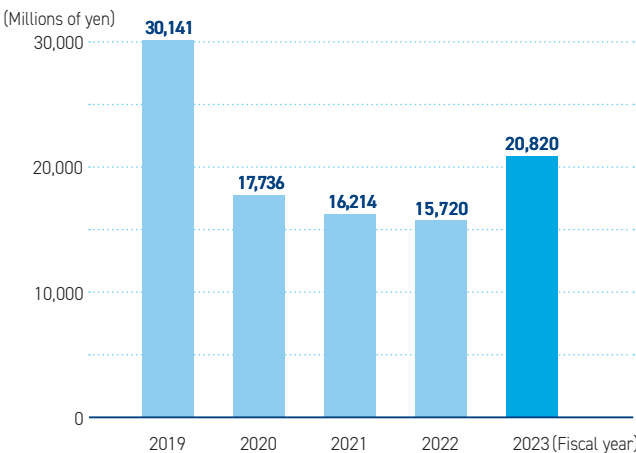
Free Cash Flow



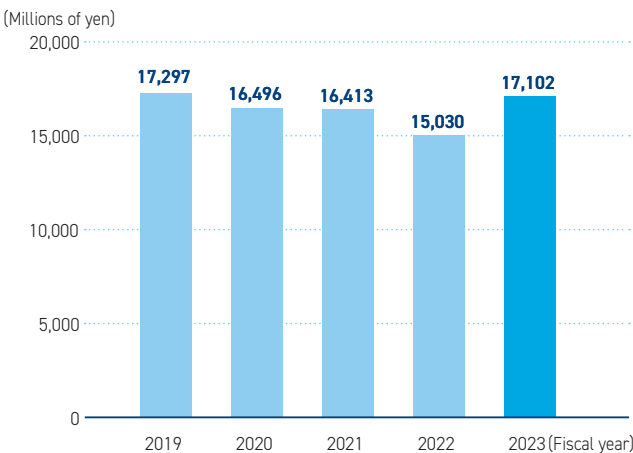
Net Sales by Region



Capital Expenditures

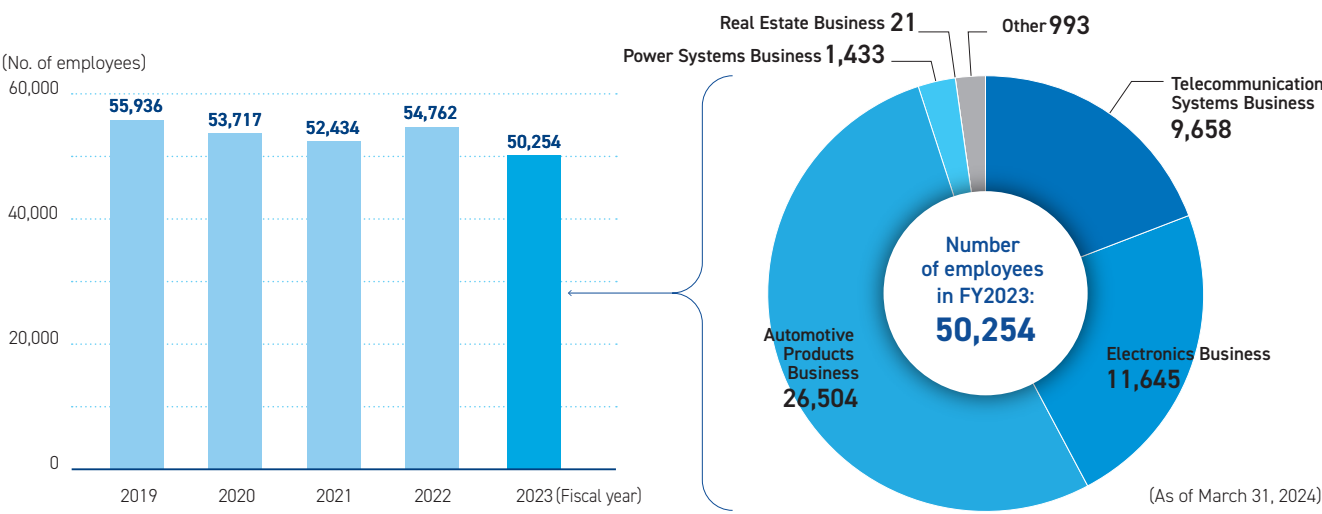


Research and development expenses

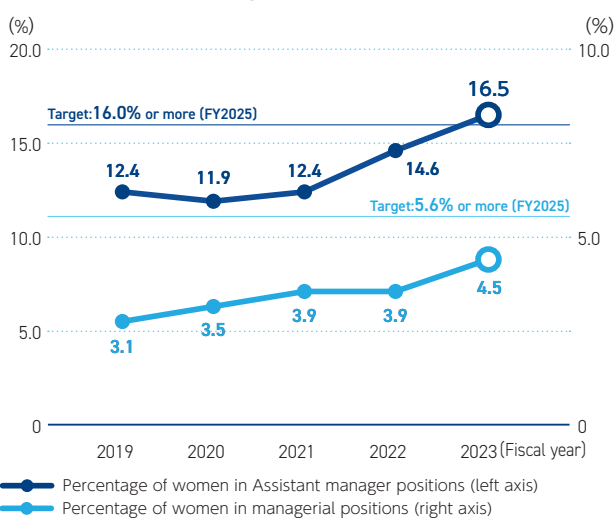


Financial Strategy Non-financial Highlights

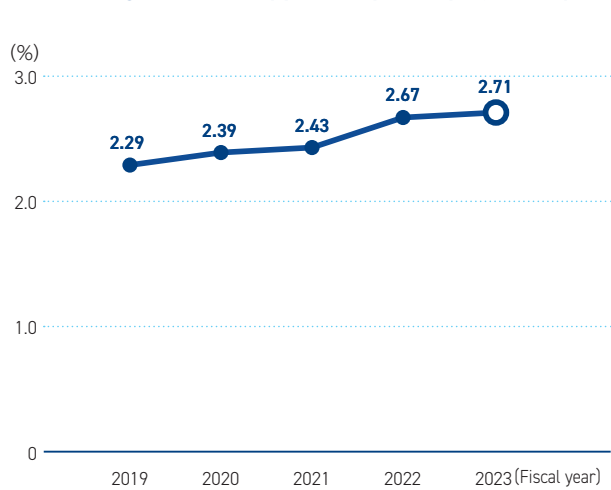
Number of Employees (Group)



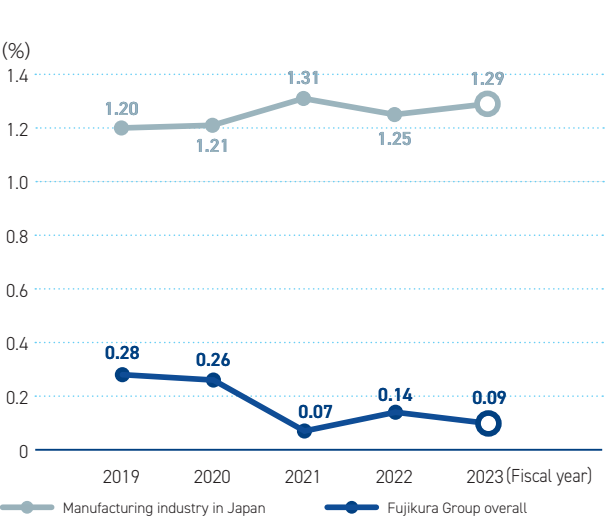
Percentage of Women in Managerial and Assistant Manager Positions (Fujikura)



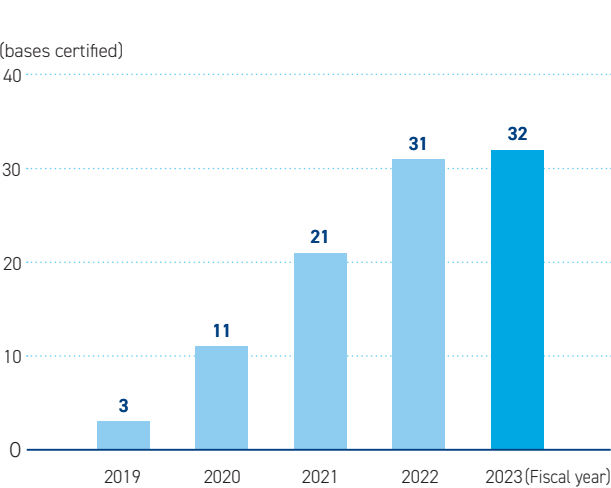
Percentage of handicapped People Employed (Japan)



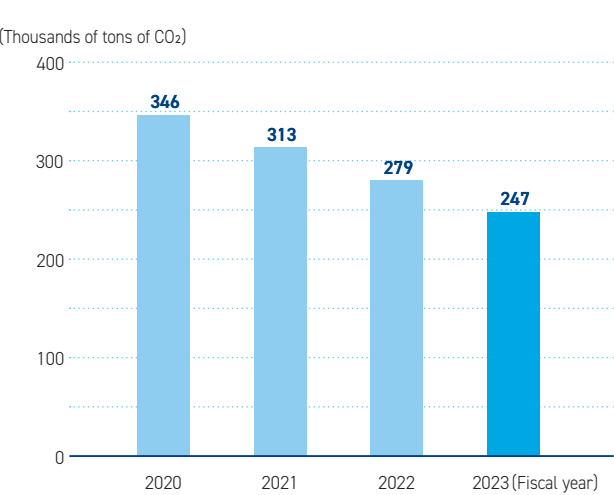
Lost time injury frequency (Group)



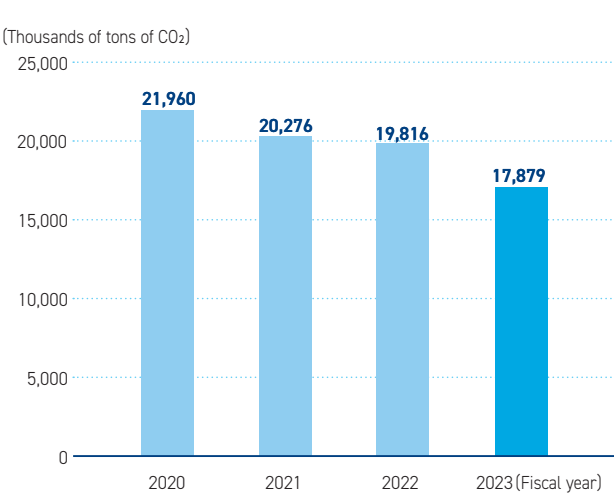
ISO45001-certified Bases (Group)



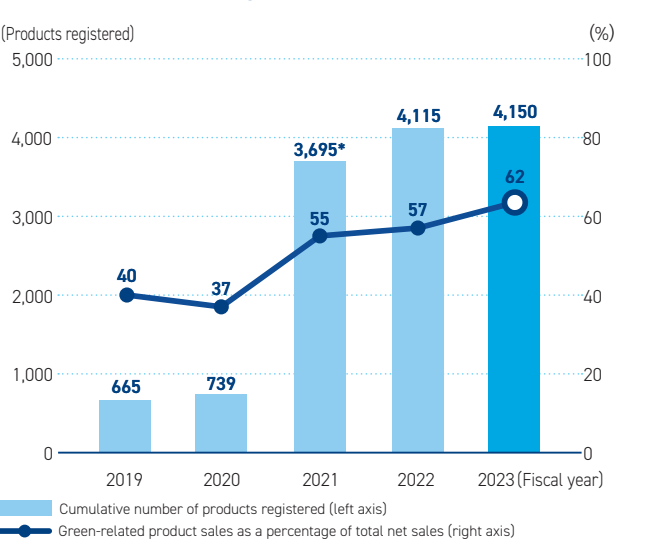
Scope 1 + 2 (SBT Certification Boundary)



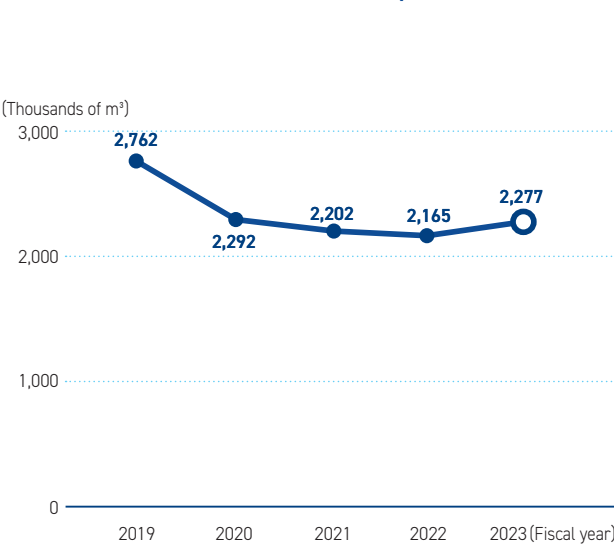
Scope 3 (SBT Certification Boundary)



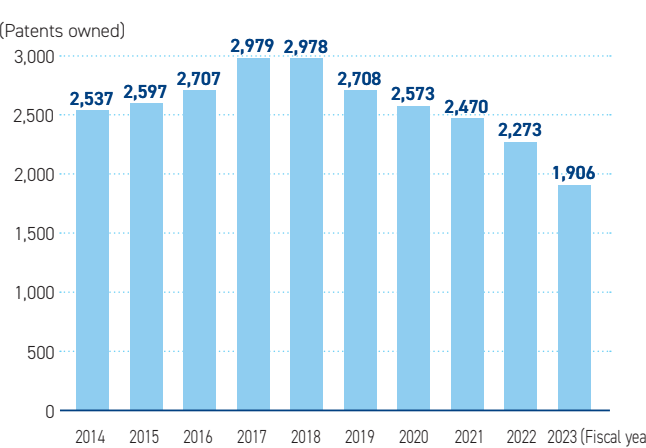
Cumulative Number of Products Registered as Green-related Products and Green-related Product Sales as a Percentage of Total Net Sales



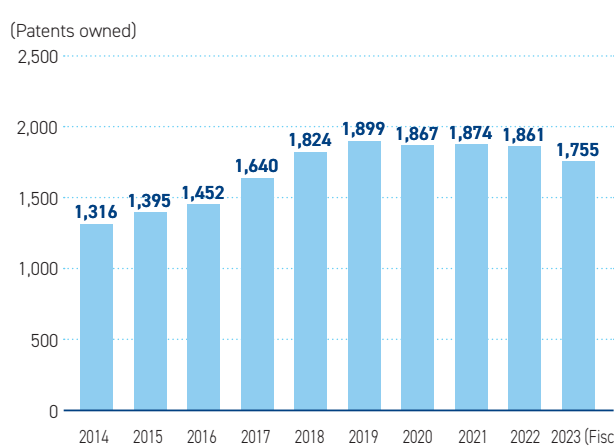
Total Amount of Water Intake (Japan)



Number of Patents Owned in Japan



Number of Patents Owned Overseas



*The number of patents owned in Japan is decreasing. This decrease is because we have been streamlining the patents we own and applying strict criteria to determine submissions in Japan as a result of the selection and focus of development themes since FY2019. Please see "Intellectual Property" on our ESG website for details.

Business Strategy Telecommunication Systems Business

Business Overview

Providing Solutions for Building Information Infrastructure Platforms

Networks continue to evolve in a quest for faster, higher capacity connections.

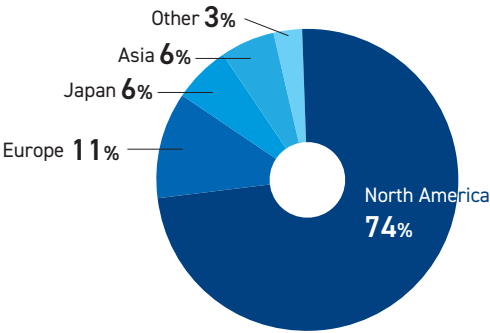
Optical fiber technology cultivated over many years, SWR®/WTC® optical cable with reduced diameter containing massive optical fiber cores, and optical components using high-precision multi-fiber connectors enable providing solutions which deliver efficient communication capacity expansion to meet the growing demand for generative AI. Fusion splicers are also used to joint optical fibers around the world.

The optical cabling solutions of the Fujikura Group are contributing to building optical network infrastructure.

Main Products

- Optical fiber
- Optical cable
- Optical connection equipment and components
- Optical components
- Fusion splicer
- Engineering

Net Sales by Region



SWOT Analysis

S Strengths

- SWR®/WTC® small-diameter high-density optical fiber cable
- Optical cabling solutions comprising of optical cables, optical connection equipment and components, fusion splicers, and engineering

W Weaknesses

- Expansion of sales to markets other than North America
- Building a global supply chain

O Opportunities

- Expansion of the data center and communication carrier markets to meet growing demand for generative AI
- Systems in each country that support expansion of information infrastructure

T Threats

- Stagnating investment in the communication carrier market
- Impact of supply chain disruption due to geopolitical risk

Business Data



* Due to some segmentation changes in FY2023, figures for Power & Telecommunication Systems are from FY2022 onward.

Role of Business in the 2025 Mid-term Management Plan

Information Infrastructure

By providing optical cabling solutions based on innovative technology, contributes for building information infrastructure needed for supporting high-capacity and high-speed communication.



Information Storage

Ultra-high-density optical wiring technologies contribute to realizing data centers that require mass data processing and storage for big data and generative AI.



Main Strategies and Issues/Initiatives for Accomplishing the 2025 Mid-term Management Plan

Information Infrastructure

North American Market

- Transferring some manufacturing equipment from Japan to the U.S. to achieve 100% U.S.-made products and sales to accommodate the need for optical cable requirements for manufacturing in the U.S.
- By leveraging our capability in cabling solutions, enter dark fiber business.

Other Markets

- Developing and expanding SWR®/WTC® optical cable, which enables to reduce total cost including construction cost.
- Continuing to provide and expand cabling solutions accommodating needs of each region and purpose of use.

Information Storage

Data Center Market

- Expanding the optical connection equipment and components production capacity of the plant in Mexico to approximately double the current capacity and building a new plant in Poland to meet the expansion in demand for generative AI.
- Investing in increasing multi-fiber optical connector ferrule production capacity in Japan.

New SWR® plant to increase competitiveness

- Construction of a new plant which incorporates innovative manufacturing technology, carbon neutrality, and digital transformation (DX) is underway.



New SWR® Plant at Sakura Works

Business Strategy Electronics Business

Business Overview

Aiming for Sustainable Growth in Core Business Areas

In the Electronics Business, aiming for sustainable growth through the unique technologies of the Fujikura Group. It is mainly in the areas of the Information Storage and the Information Terminals, which are the core business areas of Fujikura Group. As a partner of excellent customers, contributing to the creation of cutting-edge applications for customers and expanding business to respond to the requirement of high density, fine pitch, and multifunctionality with its advanced technologies in Electronic Components, Connector, and FPC. And we are also moving forward with electronic products in the rapidly evolving next-generation automobile market.

SWOT Analysis

Strengths

- Creating products utilizing high quality and fine pitch processing technology
- Proposals that capture customer needs and Contribution value creation for customer products
- Proposal of complex products combining various technologies
- Stable supply utilizing geographical advantages such as overseas base production

Weaknesses

- Difficulty in securing human resources due to the declining birthrate and aging population (Countermeasures)
 - _Strengthening cooperation with partner companies and overseas bases
 - _Personnel development through introduction of education systems

Opportunities

- Growth in wearable and medical markets due to miniaturization and increased density of devices
- Expansion of the market of electronic products for CASE
- Expansion of demand for the Information Storage and the Information Terminals in the digital society as AI evolves
- Recovery of industrial machinery market due to introduction of automation and robot operation

Threats

- Competitive entry of emerging countries
- Global supply chain issues
- Prolonged conflicts divide the international community
- Switch to bloc economy

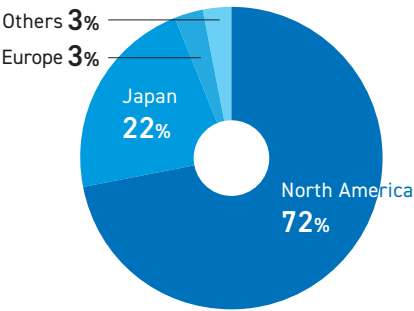
Business Data



Main Products

- Flexible Print Circuit (FPC)
 - Electronic Wire
 - Actuator for HDD
 - Sensor
- Thermal solution
 - Membrane Switch
 - Connector

Net Sales by Region



Role of Business in the 2025 Mid-term Management Plan

Information Storage

- Develop products for new magnetic recording methods for high-capacity HDD (hard disk drives), which storage capacity is increasing due to the growing demand for data centers with the spread of AI. And providing thermal solutions for semiconductors, which heat generation is increasing due to accelerating semiconductor processing speed increase.

Information Terminals

- Expand sales of the compact, fine pitch, and high-density products for the high-end information terminals where data communication speeds and capacities are increasing due to AI support.
- Propose solutions for customer issues through the Fujikura Group's various products in the automotive markets, which are evolving as information terminals connected to networks.

Main Strategies and Issues/Initiatives for Accomplishing the 2025 Mid-term Management Plan

Information Storage

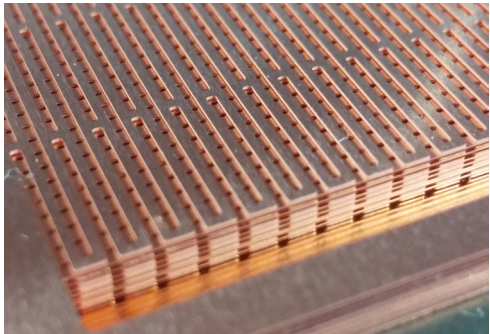
Development and Operationalization in the Information Storage Area

- Expanding our business with precision processing technologies and cooling technologies to the expanding datacenter market due to the spread of AI.



Contributing to increasing HDD capacity

The high precision components of the Fujikura Group are key to achieving increasing the capacity of HDD.



Thermal solutions

Multi-layer cold plates developed by the Fujikura Group are key to efficient cooling.

Information Terminals

Response to High-end Information Terminals and the Next-generation Automotive Market

- Expand sales of high-difficulty and high-value-added products through our high quality and high-density, fine pitch processing technologies, which are Fujikura Group strengths in the market of Information Terminals such as smartphones, wearable devices, and VR headsets, where products are becoming increasingly smaller and higher functional.
- Increases demand of Fujikura Group products for various applications in the next-generation automobile market, providing optimal solutions to customers with various electronics products.

Business Expansion in the Industrial Equipment and the Medical Equipment Markets

- In the industrial equipment market, aim to expand business with our sensors and connectors with our miniaturization technology and highly reliable connection technology.
- In the medical equipment market, provide the complex technologies of the Fujikura Group as solutions.

Business Strategy Automotive Products Business

Business Overview

Providing Solutions to an Automotive Industry Undergoing a Period of Transformation

The Automotive Products Business has a total of 36 facilities for manufacturing, R&D, and sales in 15 Countries in Asia, North & South America and Europe. We globally manufacture and sell wire harnesses and other electrical distribution systems which are analogous to a vehicle's neural network and blood vessels.

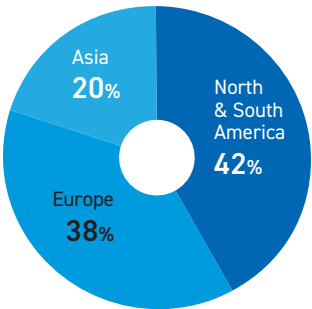
We give serious consideration to the design concepts of our customers, who are our partners, as we explore how to optimize electrical distribution systems and help to increase the value of customers' products by producing lighter weight and less circuits wire harnesses.

With the cooperation of other businesses, we are pursuing and developing new integrated products and/or solutions by marshalling all Fujikura Group elemental technologies and capabilities to meet our customers' needs and expectations during this once-in-a-century transformation period in the automotive industry.

Main Products

- Wire harnesses (WH)
- Electrical components
- High-voltage wire harnesses for electric vehicles
- EV charging cables

Net Sales by Region



SWOT Analysis

S Strengths

- A diverse range of core and elemental technology groups, including telecommunication, electronic components, and energy
- A worldwide design and development structure capable of meeting the needs of customers

W Weaknesses

- Creating new next-generation integrated products and value with customers
- Investment in automation of manufacturing to address the decline in the labor force

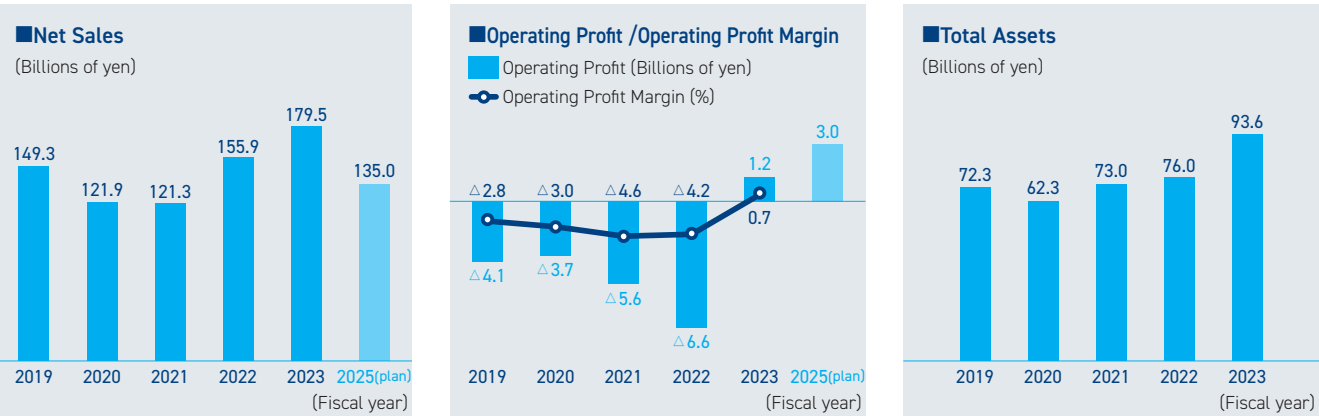
O Opportunities

- Innovation of vehicle specifications and equipment through CASE (Connectivity, Autonomous, Sharing and Electrification)
- Easy entrance into electric vehicles from different industries

T Threats

- Rising labor costs due to the decline in the working population and inflation
- Political instability and lack of transparency about taxes and customs duties in countries where we produce products

Business Data



Role of Business in the 2025 Mid-term Management Plan

Information Terminals

■ Next-generation vehicles in the era of CASE need to evolve and function as advanced information terminals. Continue to develop wire harness systems capable of high-speed communication and controlling electric power by integrating the elemental technologies we have cultivated in our Telecommunication Systems and Electronics businesses with technology in our Automotive Products business, and propose them for next-generation vehicles.

- Continue to contribute to the proliferation of electric vehicles by deploying charging cables that apply power cable technology in facilities that make up the charging infrastructure.
- Continue structural reform of the wire harness business, where profitability has deteriorated due to the COVID-19 pandemic and accompanying semiconductor shortage, achieve appropriate business scale, and implement improvements to achieve a rapid recovery in profitability.

Main Strategies and Issues/Initiatives for Accomplishing the 2025 Mid-term Management Plan

Structural Reform of the Wire Harness Business

- We are pursuing integration and consolidation of the wire harness business as a structural reform, and ended production at a total of three locations in FY2023, one location in China and two in Moldova in Eastern Europe.
- We will continue to build a structure that makes it possible to augment design, development, and manufacturing

globally, and implement improvements on the cost side by building a supply structure for overall optimization. At the same time, we will continue to improve the margin through an order acceptance strategy focused improving profitability.

Development of Connectors for Ultra High Power Charging Cable and Connector for Electric Vehicles

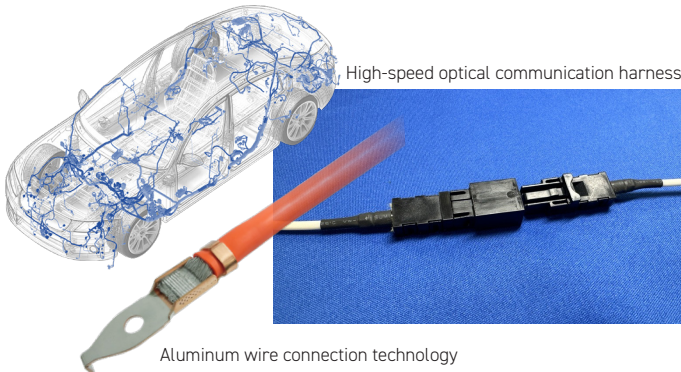
- The biggest weakness of electric vehicles is the length of the charging time compared to conventional internal combustion engines. Since charging time cannot compare to fueling time, we are working to develop ultra high power charging cable and connector for electric vehicles.
- We are already engaging in initiatives aimed at proliferation with a number of interested customers and have already begun installation. We will continue to contribute to realizing a carbon neutral society by playing a supporting role in the trend toward electric vehicles.



Ultra High Power Charging Cable and Connector for Electric Vehicles

Response to Next-generation Vehicles in the Era of CASE (Connectivity, Autonomous, Sharing and Electrification)

- We will continue to contribute to making vehicles lighter by expanding the use of aluminum wiring, while also achieving high-speed communication in vehicles for automated driving and driving-assist systems by pursuing development of next-generation wire harnesses integrated with optical fiber technology for next-generation vehicles in the era of CASE.
- We will continue to contribute to simplifying the assembly of next-generation vehicles to them lighter and achieving carbon neutrality.



Aluminum wire connection technology

Business Strategy Power Systems Business

Business Overview

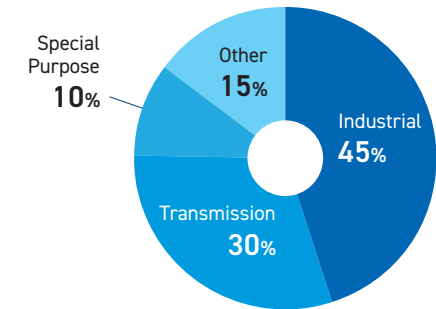
Proving a Stable Supply of Power Infrastructure Products to Support Social Infrastructure

Contributing to the stable supply of electric power to support social infrastructure was the starting point for the Fujikura Group, which has continued contributing to a stable supply since it was founded. However, this business has matured and entered the stable stage. We therefore pursued a process of business selection and concentration and decided to make this a Group company business focused mainly on industrial cables and overhead transmission wire. We are currently continuing to provide general purpose low-voltage cable, high voltage cable, overhead transmission wire, and other products that are essential components of electric power infrastructure. These products are highly valued by customers.

Main Products

- Power cables ■ Insulated electrical wire
- Hazardous substances free cable & wire
- Instrumentation cable ■ Overhead transmission wire
- Coaxial cable
- Diagnoser for medium voltage power cable

Percentage by Purpose



SWOT Analysis

Strengths

- Consistent product quality and degree of ability to meet delivery timeframes
- Differentiated technology for products for low wind-pressure wire and falling snow

Weaknesses

- Numerous general-purpose products and issues with expanding differentiated products
- Shortage of human resources for the next generation and obsolete manufacturing equipment

Opportunities

- Continuing investment in urban redevelopment projects, data centers, and other construction in Japan
- Replacement demand from aging power transmission cables and strengthening resilience
- Increase in demand for electrical cables to achieve energy and labor savings in construction

Threats

- Rapid fluctuation in copper prices and surging material prices
- Intense low-price competition in general-purpose electrical wires

Business Data



* Due to some segmentation changes in FY2023, figures for Power & Telecommunication Systems are from FY2022 onward.

Main Strategies and Issues/Initiatives for Accomplishing the 2025 Mid-term Management Plan

Industrial Cables

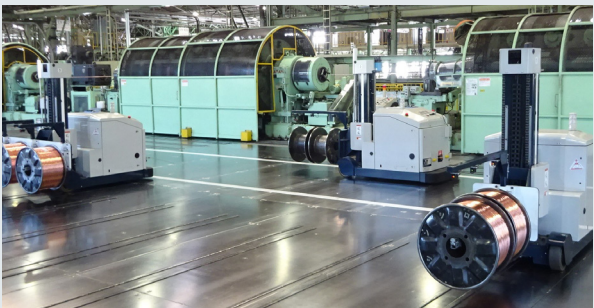
The Fujikura Group and other main manufacturing companies were forced to temporarily stop accepting new orders for low voltage and high voltage cables and other products due to the increase in large projects in Japan and temporary focus on ordering and procurement in the second half of FY2023. The Fujikura Group managed to extricate itself from the temporary suspension of order acceptance before other companies and resumed accepting new orders. The Fujikura Group's pursuit of DIGITAL MONOZUKURI* which

achieves high productivity and quality was instrumental in supporting the early resumption of order acceptance. The Fujikura Group aims to use digital manufacturing to achieve frontrunner status for the ability to meet delivery timeframes and for high quality.

* DIGITAL Monodukuri: A proprietary manufacturing system of the Fujikura Group that systematically utilizes enormous amounts of production data in a plant to use IT to link all processes from order acceptance to production, shipment, distribution warehouse, and logistics, devise ways to improve production conditions from this, control quality, and shorten lead time, or improve transportation efficiency in logistics.

Contribution to building safe, secure social infrastructure to address the increase in ground fault accidents, and other problems

We expanded our line-up of cables with improved water resistance and accident prevention functions in response to requests for an expanded line-up of products that are impervious to installation conditions. We will continue to connect this need to proposals for proper cable replacement using diagnostic and measuring equipment to measure partial electrical discharge, faults in live wire insulation, etc.



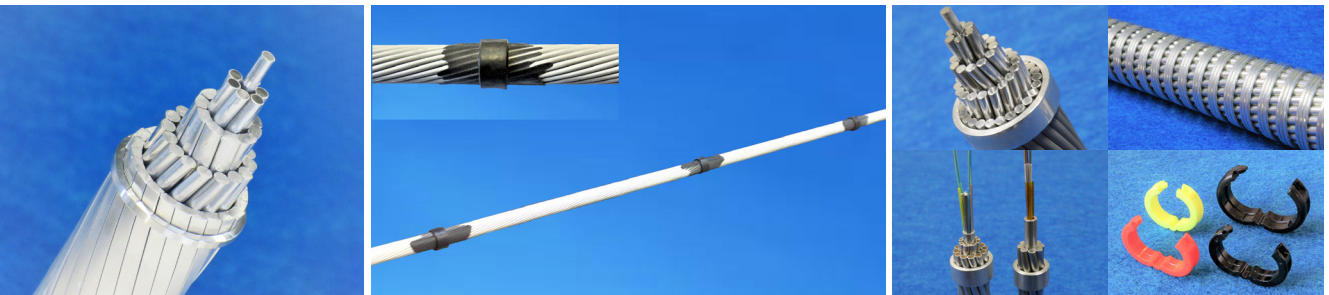
Example of introduction of DIGITAL Monodukuri: Automated operation of automated guided vehicles (AGV)



Aluminum Wire for Overhead Transmission

Demand is also increasing for electrical wire that can reduce the load on steel towers to improve the resilience of aging power transmission cables to increasingly intense typhoons and other natural disasters, in addition to the increase in demand for solar power, wind power, and other types of renewable energy. As the number of construction workers declines amid

that, we will continue to contribute to improving maintenance of electric power infrastructure by providing electrical wire with rings to prevent snow accumulation (SL wire) and low wind-pressure wire that is easy on steel towers. These products can shorten construction time, which is a business strategy in the 2025 Mid-term Management Plan.



Low wind-pressure electrical wire Electrical wire with rings to prevent snow accumulation Various kinds of electrical wires and accessories

Business Strategy Real Estate Business

Business Overview

Maximizing Use of Assets and Maintaining Stable Revenue

We are effectively utilizing the former plant site next to Fujikura headquarters to expand our real estate business. Redevelopment began in 1998, and we are operating a real estate leasing and management business, mainly for five office buildings and two commercial buildings. The office buildings have a total leasable office space of around 100,000 m2. This property offers the advantage of being located within 4 km of the Marunouchi district in central Tokyo, and has financial institutions and many other excellent tenants.

The basic policy of Fujikura's real estate business is to utilize long-held land effectively and increase revenues and profit. We plan to increase tenant satisfaction through



systematic investment and improvement to maintain and increase the value of currently owned buildings and facilities, and maintain a high occupancy rate for rental units over the medium and long term.

SWOT Analysis

Strengths

- Close to the city center (Otemachi and Marunouchi) and to the nearest station. A large area equipped with infrastructure.

Weaknesses

- It has been 20 years since the property was developed and signs of age and deterioration have begun to appear. Renovation costs are expected to increase in the future.

Opportunities

- Increasing the value of the entire area through construction of new buildings
- Increasing the value by improving disaster prevention and reducing CO₂ emissions

Threats

- Deterioration in profitability due to a decline in the level of rental rates

Business Data



Main Initiatives to Achieve the 2025 Mid-term Management Plan

Increase Value by Developing the Fukagawa Gatharia Commercial Building

- Fukagawa Gatharia is an urban regeneration space. We have re-developed it with the concept of establishing a new identity for the Fukagawa and Kiba regions. We will continue to promote the creation of a community loved by local residents and businesspeople in the future while coexisting with the surrounding downtown environment.
- One commercial building is currently being built at Fukagawa Gatharia and is scheduled for completion in FY2024. To maintain stable revenue and profit, continue increasing the value of existing office buildings and aim to contribute to our tenant's employees and the local community by constructing new buildings.



Conceptual Drawing of the Completed Project

Contributing to the Local Community in the Kiba Area

To engage in co-creation with the local community, Fujikura maintains and manages the Fujikura-Kiba Millennium Woods (see p. 64). This is a project which has both the functions of a biotope to protect nature and a garden to be used as a place for local residents to relax and to help children who will lead the future to learn about nature and the environment. We also help out with local events. We will continue to contribute to the local community through various initiatives in the future.



Bon Festival Dance



Christmas Lights

Environment Response to Climate Change

1 Governance

The Fujikura Group regards climate change and other environmental issues as important management issues. Directors and corporate officers attend Sustainability Promotion Committee (formerly the Sustainability Strategy Council) meetings where policies and action plans

are discussed. As the organization specializing in the environment, the Global Environment Committee oversees everything related to implementation of and management of progress on actual measures. Shown in the diagram on Page 23.

2 Strategy

The Fujikura Group specifies climate change risks that are highly likely to affect management strategy. We analyze what kind of impact climate change will have on growth of Fujikura Group businesses, based on the long-term forecasts of the Organisation for Economic Co-operation and Development (OECD) and the Intergovernmental Panel on Climate Change (IPCC), social concerns, and requests for response to climate change from customers.

In a world which conforms to the 2°C scenario, we expect innovation in a wide range of technologies will take place as the world continues to undergo major changes. We think there will always be opportunities to utilize the outstanding

technologies of the Fujikura Group in places where such societal changes and technological progress are taking place. We established a new category called Green PLUS and decided to communicate it to help everyone understand more about how Fujikura products contribute to such a society. In FY2023, SWR®/WTC® small-diameter high-density optical fiber cable and high-temperature superconductor were approved in this category. See PP. 62-63 for more information. We will continue to create products that meet the needs of a changing society and introduce them through Green PLUS.

Risks

Type	Climate Change Risk		Future Response
2°C Scenario (Migration risk) Short Term/ Medium Term	Policy/Legal Risk	<ul style="list-style-type: none">Stricter CO₂ emissions regulations in various countries through the introduction of a carbon tax, etc.Trial calculation of financial impact from a carbon taxDemands from customers and the countries Fujikura operates in and obligation to reduce greenhouse gas emissions and our carbon footprint	<div>Following the roadmap to 100% renewable energy, move forward with extensive use of energy savings, introduction of renewable energy, credits, and other tools based on Fujikura Group Environmental Long-term Vision 2050</div> <div>Pursuing use of renewable energy in business activities (at head office, plants, etc.)</div> <div>Strengthening response by joining the RE100 and affirming TCFD recommendations, and regularly monitoring and responding to ESG rating indicators</div> <div>RE100°C</div>
	Technology Risk	<ul style="list-style-type: none">Disruption of existing technologyDemand to minimize energy consumption during product manufacturing or use renewable energy	
	Market Risk	<ul style="list-style-type: none">Changes in demand for products and servicesTemporary increase in capital investment cost from climate change countermeasures requested by customers or the communityRising raw material prices and diversification of suppliers from climate change-related factors	
	Reputation Risk	Demands for information disclosure on and response to climate change by customers, investors, and various rating organizations	

Type	Climate Change Risk	
4°C Scenario (Physical risk) Medium Term/ Long-term	Acute Risk	<ul style="list-style-type: none">Impact on operations from flooding, a large typhoon, or other natural disasterImpact on business results if a production facility is damaged and this reduces operating capacity or requires equipment restoration, etc.Impact on production plans due to partial severance of the supply chain→ Fujikura Group companies suffered massive damage from flooding in Kingdom of Thailand in 2011, and it took five years to recover
	Chronic Risk	<ul style="list-style-type: none">Health considerations for employees who work in the area of operation due to a rise in the temperature, or other changesSecuring the safety of employees due to an increase in the amount of rainfallImpact on operations from a future rise in sea level

- Disaster preparedness/prevention response for affected locations
- We used the lessons learned from the damage caused by the 2011 flooding in Kingdom of Thailand and implemented measures such as diversifying locations and building a flood wall near the business, from the perspective of BCP
- Slope face maintenance around office sites and response to high tides and tsunami at plants near the ocean
- Domestic locations that will be affected by flooding or a rise in sea level are the head office, FUJIKURA HIGH OPT Co., Ltd. (Kiba, Koto-ku, Tokyo), Numazu Copper Refining and Rolling Co., Ltd. (Kanayaizumicho, Shimada City, Shizuoka Prefecture), and NISHI NIPPON ELECTRIC WIRE & CABLE CO., LTD. (Kasugaura, Oita City, Oita Prefecture)
- * Survey of government hazard maps

Opportunities

Individual Businesses	Social Trends	Opportunities
Telecommunication Systems	<ul style="list-style-type: none">Exponential growth in data distribution, storage, and analysis volume due to the advancement of digitalizationRapid expansion in new service businesses that use digital technologies such as big data, IoT, 5G, and AIAdvancement in CASE/MaaSMillimeter wave (mmWave) (wireless communication)Concerns over response to natural disasters under a 4° C scenario	<ul style="list-style-type: none">Roll out of solutions mainly for small-diameter, high density optical fiber cable (SWR®/WTC®)Expansion of Green-related productsProducts for highly efficient IT systemsPromotion of digital technology useStrengthening the resilience of communication lines as social infrastructure
Electronics	<ul style="list-style-type: none">Increase in industrial robotsEntrance into medical productsIncrease in automotive electronic componentsIncrease in mmWave-capable components	<ul style="list-style-type: none">Pursuit of R&D to respond to CASEPromotion of digital technology useExpansion of Green-related productsIncrease in demand for industrial and automotive connectors
Automotive Products	<div>CASE advances</div> <ul style="list-style-type: none">Increase in wire harnesses accompanying increase in electronic componentsAdvancement of move to electric vehicles under a 2° C scenarioIncrease in demand for lighter wire harnesses	<ul style="list-style-type: none">Lighter wire harnessesPursuit of R&D to respond to CASECombining knowledge of the Automotive Products business with the Telecommunication Systems, Power Systems, and other businesses to generate new businesses related to electric vehiclesStrengthening response to automotive components other than wire harnesses and electric vehiclesExpansion of Green-related products
Energy	<ul style="list-style-type: none">Increase in demand for power, especially electric power demand, mainly in developing countries due to economic growth, urbanization, population growth, and other factorsPower supply stabilization, increased efficiency, and progress on energy savings under the 2° C scenario through the use of digital technologyDiversification of both power supply and demand for companies, individuals, etc., and increase in renewable energy use under the 2° C scenarioConcern over the increase of natural disaster under the 4° C scenarioResponse to the Act on Promoting the Elimination of Utility Poles (disaster prevention, etc.)	<ul style="list-style-type: none">Proliferation and expansion of renewable energyExpansion of Green-related productsProducts related to highly efficient electrical power systemsPromotion of digital technology useStrengthening the resilience of social infrastructure such as electrical wire and cable
Real Estate	<div>Promotion of digital technology use</div> <ul style="list-style-type: none">Need to consider the positive environmental impact of ZEB and other measures, etc.	Securing and maintaining tenants that demand environmental friendliness

Environment Response to Climate Change

3 Risk Management

In the Fujikura Group, we categorize risks to be managed into risks related to business opportunities (strategic risks) and risks related to execution of business activities (operational risks). Strategic risks are managed by top-level executives from the Board of Directors Meeting and the Executive Management Council, while operational risks are managed by the Risk Management Committee based on the Fujikura Risk Management

Rules. The Fujikura Group specifies reduction in CO₂ emissions as a strategic risk owing to frequent climate-related hazards and the opinions of stakeholders. In FY2023, the Fujikura Group obtained approval of science-based targets (SBT) to obtain approval of the fact that our CO₂ emissions reduction targets are consistent with the levels sought in the Paris Agreement, based on a resolution of the Executive Management Council.

4 Indicators and Targets

The Fujikura Group established the Fujikura Group Global Environmental Charter in 1992 and Long-term Environmental Vision 2050 in 2016. We are pursuing the

Four Challenges, which are focused on the future in 2050 and aimed at minimizing environmental impact.

The Four Challenges in Fujikura Group Long-term Environmental Vision 2050

Challenge 1

Zero CO₂ emissions at plants by 2050

Challenge 3

Symbiosis between plant workers and nature

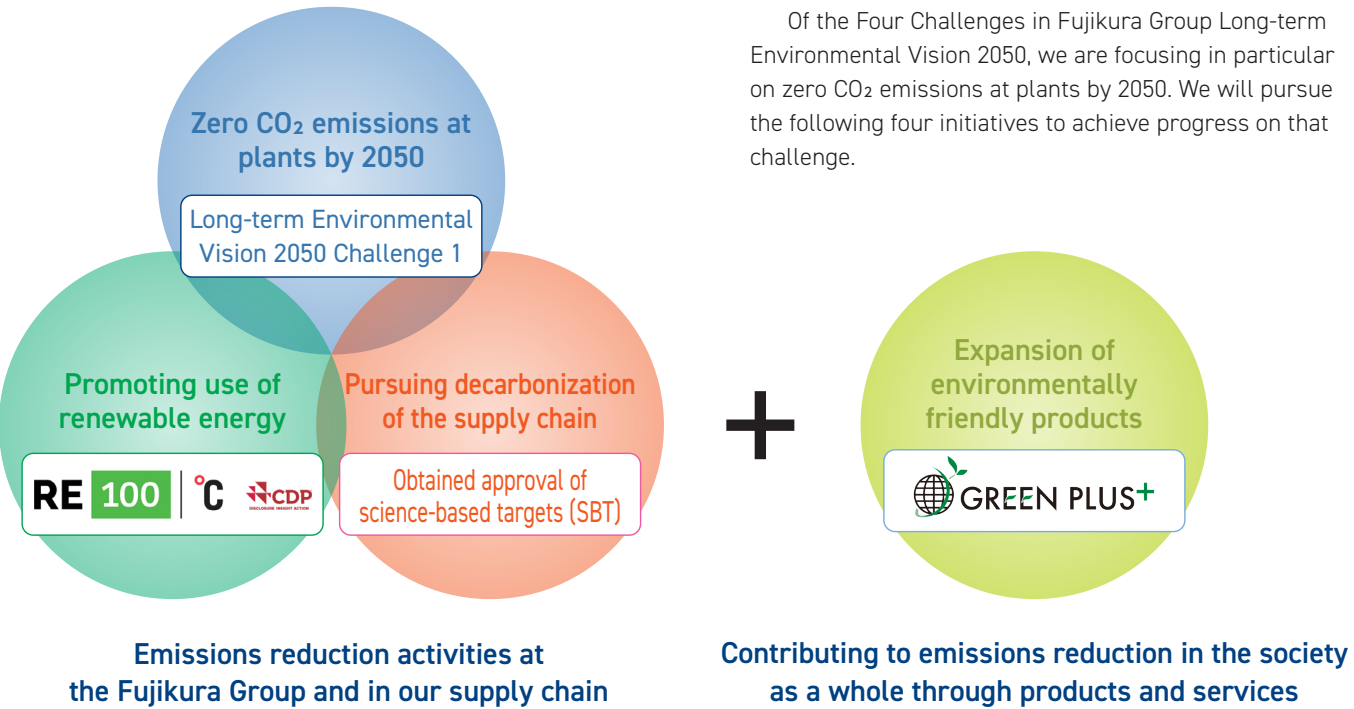
Challenge 2

Minimize use of water at plants and wastewater management

Challenge 4

Effective use of resources and resource cycle

Four New Fujikura Initiatives



Zero CO₂ emissions at plants

One of the challenges set in Fujikura Group Long-term Environmental Vision 2050 is net zero CO₂ emissions at plants by 2050. A roadmap toward reduction of CO₂ emissions was outlined to achieve that and we are pursuing concrete measures such as energy conservation and use of non-fossil fuels.

Pursuing decarbonization of the supply chain

To achieve carbon neutrality, we plan to expand initiatives to our supply chain in addition to pursuing initiatives in Fujikura and its Group companies. The Fujikura Group obtained approval of its science-based targets (SBT) in July 2023.

Promoting use of renewable energy

The Fujikura Group has joined the RE100 and is targeting use of renewable energy for 100% of electricity used in business activities. We aim to reach our target of 100% renewable energy use for electricity in 2050 by setting 45% in 2030 and 90% in 2040 as medium-term targets.

Expansion of environmentally friendly products

We evaluate the environmental friendliness over the entire product lifecycle and products that meet our standards are approved as Green-related Products. Products that are environmentally superior and contribute to solving social issues are approved as Green PLUS. We will continue to strive to expand such environmentally friendly products.

In FY2023, we also set the targets of a reduction of 33% or more in Scope 1 and Scope 2 emissions by 2030 and a reduction of 15% or more in Scope 3 emissions (compared to FY2020). We have obtained SBT approval of these targets. The main initiatives in FY2023 are listed at right.

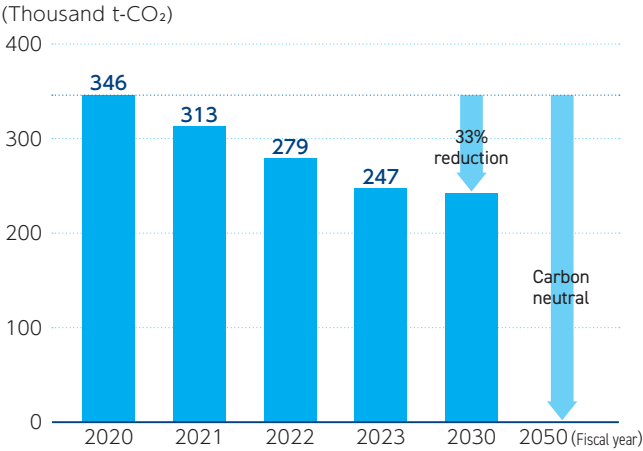


[Example of an initiative] New SWR® plant at Sakura Works

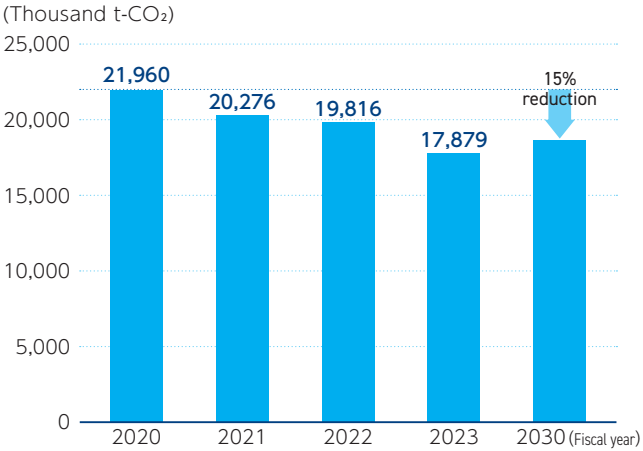
Main Initiatives in FY2023

(1) Zero CO ₂ emissions at plants	Energy conservation	Develop innovative manufacturing to increase productivity and business competitiveness, and actively expand existing energy conservation activities
(2) Promoting use of renewable energy	In-house power generation	Decided to introduce renewable energy from solar power generation (three locations)
	Purchasing energy	Appropriate environmental certificate that meets RE100 and other requirements and purchasing renewable energy
(3) Pursuing decarbonization of the supply chain	Pursuing resource reuse	
	Surveyed several main raw material manufacturers on CO ₂ emissions reduction	
(4) Expansion of Environmentally Friendly Products	Began lifecycle assessment of some products	
	Established Green PLUS and began communicating information	

Scopes 1 and 2 (SBT approval boundary)



Scope 3 (SBT approval boundary)



Achieved the Scope 3 reduction target in FY2023, due to the large impact from the decrease in Category 11. The reasons for the decrease were (1) a decrease in the emissions factor and (2) a decrease in production volume for some electrical distribution cable. However, we view this decrease as temporary due to the large impact of (2).

Environment Expansion of Environmentally Friendly Products

The Fujikura Group strives to improve the environmental performance of products. In addition to our conventional efforts in approval and registration of Green products and Green Mind products, we launched a new category, Green PLUS, in FY2023.

Green Products and Green Mind Products

Products that meet our standards, e.g., on reducing use of resins, metals, and other materials and reducing the amount of waste, energy consumption, etc. are approved as Green products or Green Mind products according to their score on our product environmental assessment.

In FY2023, 35 products in Fujikura and its Group companies, were newly approved as Green Mind products, and the sales of our environmentally friendly products reached 62% in the business divisions concerned.



Examples of Green Mind Product Registered in FY2023

Flame-retardant Indoor-Outdoor Wrapping Tube Cable™ (WTC™)

We reduced cable weight by using 200μm optical fibers, which are smaller in diameter than conventional 250μm optical fibers. Slimmer, lighter weight cables also reduced some constituent materials (external sheath resin, tension bars, etc.), enabling further reduction in resources used. This reduced the amount of materials used by 15% to 20%. In addition, it is just as easy to use because it remains compatible to be spliced with conventional 250μm fibers, and flame-retardant polyethylene is used for the cable sheathing to reduce damage when a fire occurs.



Automotive Wire Harness

Reduced weight and resource saving are realized by optimizing the thickness of the copper coating while maintaining the standard requirements for general-purpose electrical wire for automotive wire harnesses. We also proceeded to improve product transport efficiency by using a new packing method that increased the number of wire harness for airbags in one pack by +50%.

each process, such as preprocessing, fiber setting, and heating during fusion splicing. This contributed to energy conservation and improved workability so the fibers can be set with one hand. We simultaneously reduced the footprint by 40% to make the fusion splicer smaller, thereby contributing to resource conservation. The workability of fiber cutters was also improved to enable fiber insulation stripping before fusion splicing, jig fitting, and cutting two fibers at a time. The use of universal design enabled left/right component swapping, which made it possible for a worker to use the fiber cutter naturally whether they are left or right-handed.

Fusion Splicer and Fiber Cutter

We succeeded in reducing operation time by 30% compared to conventional fusion splicers by optimizing



Green PLUS

New category in Fujikura's Environmentally Friendly Products

Green PLUS is a new category in our environmentally friendly products that established from the perspectives of how using Fujikura products helps customers deal with the environment and various other social issues and how our products and services can provide new value to industry and lifestyle. Compared to our existing Green products and Green Mind products, which focus on the environmental friendliness of the products themselves, the

Green PLUS focuses on improvement in environmental and social issues by using Fujikura products. In this year, we engaged members of management in a several discussions as we approved two products as Green PLUS. As a BtoB manufacturer, Fujikura must contribute to society together with the customers who use our products. We will continue to focus on these perspectives as we pursue product development in the future.

Introduction of Green PLUS Approved Products

1 Small-diameter, High-density Optical Fiber Cable for Communication Infrastructure

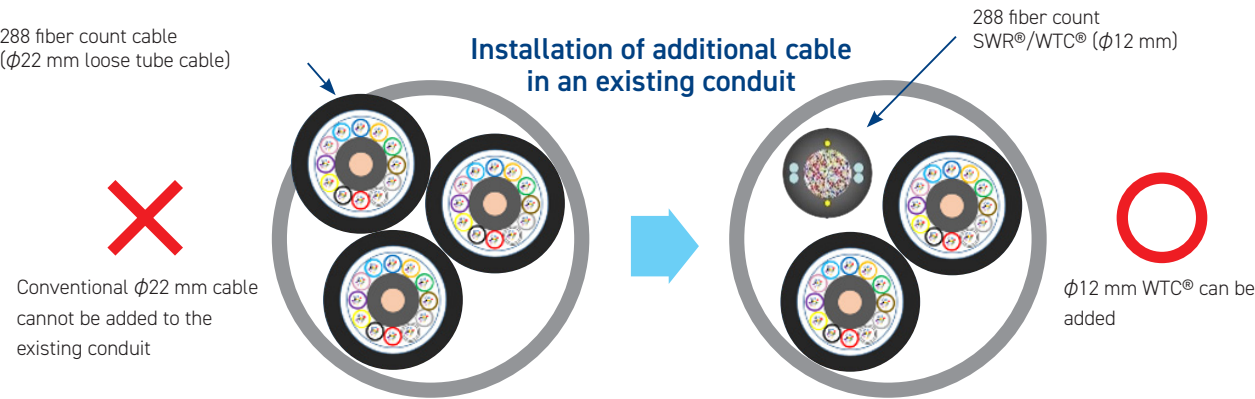
With the proliferation of 5G and DX technology in modern society, the volume of information is increasing dramatically and demand for installing more communication networks is expanding rapidly. While communication networks are already essential social infrastructure, construction work for installation and expansion needs to be performed rapidly, in a short amount of time, due to the heavy impact construction causes from the need to shut down transportation networks, coordinate detours, etc. Moreover, the underground conduits sometimes do not have enough space for installing additional cables, especially in cities, and additional conduits need to be built in such instances. However, building new conduits increases construction time as well as the cost and labor required.

that already contains cables, eliminating the need to build additional conduits. The properties of air-blown installation have also been improved in SWR®/WTC®. This enables cables to be installed efficiently, in a short amount of time, and the SWR® ribbon structure also enables mass fusion splicing. Thus, Fujikura's SWR®/WTC® has made optical fiber even higher density and lighter. It also makes optical fiber easy to install, shortens construction time, and enables efficient expansion of communication infrastructure without additional investment. In addition, from an environmental standpoint, small-diameter, higher density cables reduce the amount of resin and other materials used in optical cables, and our proprietary, efficient production process enables less energy to be used in production. Slimmer, lighter cables can also improve transport of a cable drum efficiency.

Fujikura developed small-diameter, high-density optical fiber cable (SWR®/WTC®) to address such issues. This optical cable is able to provide a slimmer outer cable diameter while containing the same number of cores as conventional optical cable. For example, optical fiber cable with a 288 fiber count, the typical number of fibers, has an outer diameter of 22 mm. In SWR®/WTC®, the outer diameter is substantially reduced down to 12 mm having the same fiber count. This characteristic makes it possible to install additional cables in the small space in a conduit

As explained above, Fujikura's SWR®/WTC® small-diameter, high-density optical fiber cable reduces the environmental impact of the product itself through the technology for creating cables that are slimmer and higher density, in addition to enabling substantial reduction in the labor, energy, and cost required to install optical cable, which is essential social infrastructure. The assessment of these advantages led us to approve it as a Green PLUS product.

Example of installation of additional optical cables in an existing conduit, using SWR®/WTC®



2 High-temperature Superconductor for Fusion Power Generation

Fossil fuels such as oil and coal have long been used as our energy sources. However, it has been pointed out that they also have a negative impact on the environment. For example, thermal power generation emits large amounts of CO₂ from the combustion of fossil fuels and nuclear power generation poses the risks of processing highly radioactive waste and accidents. The use of wind power, solar power, and other forms of renewable energy also presents issues due to the difficulty of achieving stability and control.

Fujikura is therefore interested in fusion power generation with the aim of securing a clean, stable energy source. Fusion power generation is a future power generation technology that does not emit CO₂ and is able to generate a large amount of energy. Fusion does not pose danger of thermal runaway because there is no chain reaction and it is relatively easy to control, compared to nuclear power generation. Moreover, while the fusion reaction does generate radioactive substances, the radioactivity of the waste is low and the processing burden is small. Fusion power generation also uses deuterium and tritium as fuel. These fuel sources exist abundantly in the ocean and elsewhere in nature so depletion is not a concern. This can be termed an advantageous technology for Japan, which is lacking resources.

Fujikura is interested in fusion power generation using the plasma generated from a high-magnetic field, called the magnetic confinement method. Using superconducting coil is said to be an effective method for generating a high-magnetic field. Because the properties of Fujikura's high-temperature superconductor demonstrates superior performance under a high-magnetic field, we can say that is suitable as coil for fusion power generation. In other words, we can say that Fujikura's high-temperature superconductor is a key component of fusion power generation and is promising as a means to enable the use of sustainable energy, without relying on oil, coal, and

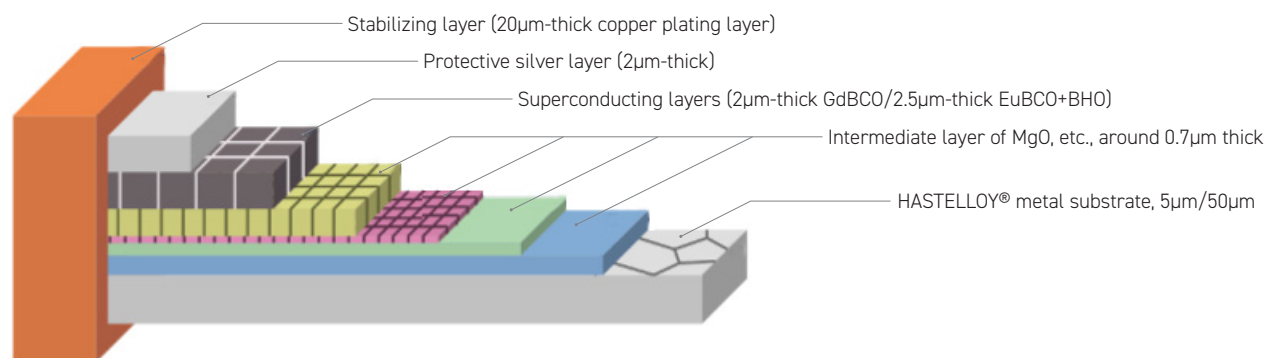


other fossil fuels in the future.

Having said that, there are many issues to solve in order to realize fusion power generation. Examples of such issues include the anticipated time it will take to achieve practical application that will solve technical issues such as plasma control and the economic issues involved in construction of facilities, etc. We are pursuing international joint research projects aimed at realizing fusion power generation to solve these issues. Because a large volume of high-temperature superconductors will be needed for fusion power generation, even in the development stage, Fujikura understands it is our mission to supply sufficient volume of high-temperature superconductors at a low cost, and we will improve the mass production technology to contribute to practical application.

We have approved high-temperature superconductors as a Green PLUS product because our assessments indicates that it is able to lead to solving energy issues in the future with less impact on the environment.

Schematic diagram of wire rod structure



Environment Fujikura-Kiba Millennium Woods

The Fujikura Group is keenly aware of the close relationship between its business activities and the global environment, and has set the goal of being a corporate group that is good for both people and the environment and strives to make every effort to protect the global environment. All living things live by mutually supporting one another either directly or indirectly, and our lives and lifestyles are supported by the many blessings generated through biodiversity. The Fujikura Group formulated "Roadmap 2030: A Long-Term Vision for Biodiversity" in January 2013 and is pursuing initiatives aimed at increasing awareness of protecting biodiversity.



See "Fujikura-Kiba Millennium Woods, a Symbol of Fujikura's Resolve to Protect Biodiversity and the Local Community" on our corporate website for more information.
<https://www.fujikura.co.jp/eng/esg/efforts/bio-garden.html>



"Fujikura-Kiba Millennium Woods" Created as a Symbol of the Local Community

When we redeveloped the grounds of our head office in November 2010, we opened a biotope and garden called Fujikura-Kiba Millennium Woods next to our head office in response to requests from local schools and citizens for more greenery and the increasing interest in biodiversity.

The name, Fujikura-Kiba Millennium Woods, incorporates the hope shared with everyone in the Kiba area of Koto-ku that the abundance of nature will persist in the future for 1,000 years.

Fujikura-Kiba Millennium Woods covers 2,200 m² and contains two ponds and a river that connects them, a floating island, walking paths, and other features. We gave preference to native species in designing it to replicate the abundant forests and woods that existed in the Musashino plateau

several hundred years ago, as a space dedicated to wildlife. The woods have now grown enough for the chicks of the spot-billed duck and the common kingfisher to fly out of their nests.

Wildlife and Plants in Fujikura-Kiba Millennium Woods

Plants	73 species native to the Kanto area; 500 tall and medium-sized trees, 2,000 shrubs
	35 grass, moss, and aquatic plant species; approx. 15,000 plants
Fish	Limited to fish, shrimp, and shellfish in the Arakawa watershed Approximately 800 fish of 10 different species were released; there are now around 1,300 fish
Birds	Around 20 species, including the common kingfisher, brown-eared bulbul, and spot-billed duck
Insects	Over 50 species of dragonflies, butterflies, and other insects spotted

Communication with Local Residents

At Fujikura-Kiba Millennium Woods, we place importance on active communication with employees and members of the community.

The woods are mainly used for educational activities to raise environmental awareness among employees, nature education for local preschools, kindergartens, and elementary schools, as well as for graduate school classes and government-sponsored ecological tours.



Use for nature education activities for local children

Use for graduate school classes

Fujikura - Kiba Millennium Woods Designated as a "Nationally Certified Sustainably Managed Natural Site" by the Ministry of the Environment in the Second Half of 2023

Fujikura - Kiba Millennium Woods has been designated as a "Nationally Certified Sustainably Managed Natural Site" by the Ministry of the Environment.

The Japanese government launched a program in FY2023 to designate areas which have biodiversity value and where biodiversity is being conserved through various initiatives by business operators, private organizations and individuals, and local governments as "Nationally Certified Managed Natural Sites."

Initiatives are being promoted to achieve the global target to effectively conserve at least 30% of land and oceans as

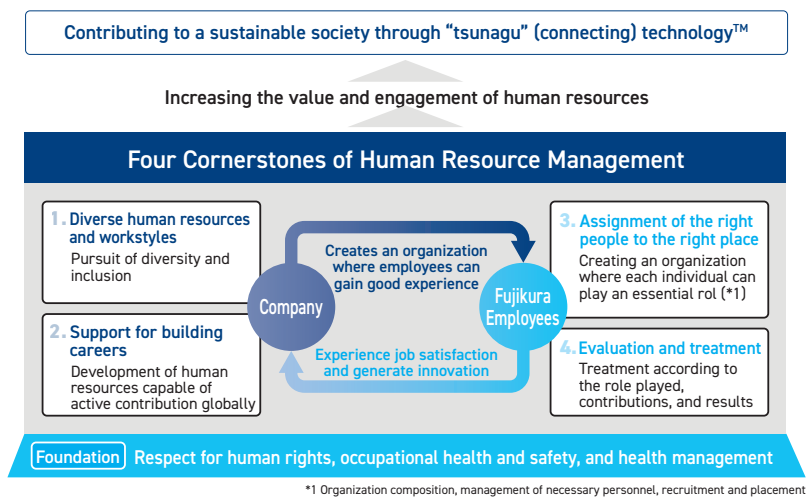


healthy ecosystems by 2030. Against this backdrop, the Japanese government has positioned the "Nationally Certified Managed Natural Sites" program as a key policy.

Society Human Resource Development

Basic View on Human Resource Management

The Fujikura Group firmly believes that increasing the value and engagement of human resources creates value for society and will lead to the maximization of corporate value. We will continue to create an organization where employees can gain good experience. Investing in human resources is theme we should make our top priority as the Fujikura Group achieves sustainable growth and we will strive to achieve well-being both for our company and our employees by implementing the measures and initiatives necessary in the four cornerstones of human resource management.



Diverse Human Resources and Workstyles

Fujikura strives to create an environment where employees can demonstrate their abilities while utilizing their individuality, regardless of differences in race, nationality, gender, sexual orientation, gender identity, age, disability, sense of values, faith, religion, or other attributes. We strive to provide a range of workstyles that respect the needs of our employees and pursue flexible workstyles to adapt to change in global conditions or circumstances specific to each country as we work to increase the value and engagement of our human resources.

Pursuing Flexible Workstyles

Fujikura is pursuing the development of a working environment that will allow us to secure and retain diverse human resources to grow sustainably and further increase our corporate value.

Working from Home system: We revised our existing working from Home system and expanded the scope of working from Home in FY2020. Usage rate of working from Home system in FY2023 was approximately 49%*1. A wide range of employees, regardless of whether they have childcare, nursing care or other reasons, use this system. This is leading to an improved work-life balance.

secondary employment: Employees can engage in secondary employment under certain conditions*2 provided they obtain permission from Fujikura in advance. In principle, employees who have been with Fujikura for four or more

years since graduating from university are eligible to use this system. In FY2023, 18 employees submitted requests to use this system. The main side jobs include consulting, creating and managing websites, work that utilizes the employee's qualifications and expertise, and family business. Our position is that employees take the initiative and responsibility for engaging in such work outside of working hours. We encourage employees to build their careers in diverse ways and are striving to foster an organizational culture which encourages employees to take on challenges.

*1. We calculate the working from Home usage rate using the number of working days of employees who can use the working from Home system as the denominator and the number of days on which those employees used the working from Home system as the numerator.

*2. Such work is not permitted when there is a need to avoid long working hours to fulfill the obligation to consider safety, and when it would make it difficult to fulfill the obligation to protect confidentiality, avoid competition, and faithfully fulfill work obligations.

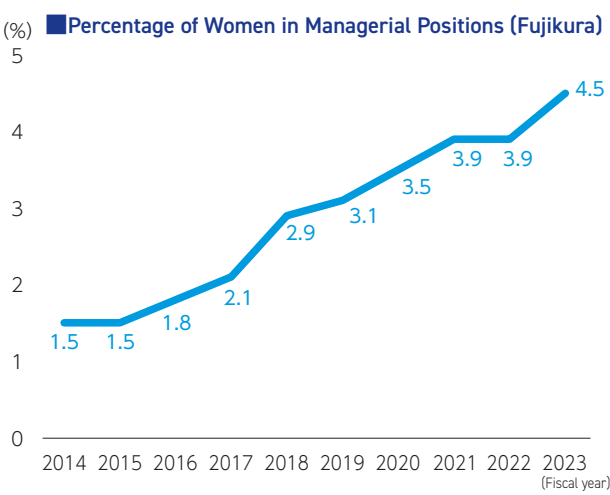
Strengthening Recruitment Competitiveness

There is an increasing need for the human resources necessary for business strategies in the sustainable growth phase. In response to this, Fujikura is pouring our efforts into recruitment activities with both new graduate and mid-career recruitment. Our mid-career recruitment ratio in FY2023 reached 65%. We are approaching a wide range of human resources through multifaceted initiatives. These initiatives include strengthening our recruitment structure, proactive public relations for recruitment using social media and other

means, promoting our employee introduction system (recruitment by referral), and direct recruiting. We are also enhancing our public relations activities to ensure our company itself becomes widely known. We are beginning to see an increase in the number of applicants for jobs with us and other effects from these initiatives. We are also considering re-employing former employees who have been working in different industries (alumni recruitment) to further strengthen our recruitment competitiveness.

Promoting the Advancement of Women

Fujikura has positioned promoting the advancement of women as key diversity and inclusion measure. To enhance corporate value, we strive to foster a culture in which all employees cooperate and work together while respecting one another, regardless of gender, and which welcomes new ideas and makes it easy to generate creative ideas. In FY2023, the percentage of women in managerial positions was 4.5% and the percentage of women at the assistant manager level was 16.5%. We are building a pool of candidates for managerial positions by proactively recruiting women and creating a pleasant working environment for them. In addition to eliminating the concerns of women themselves about their career development, changing management's way of thinking about women and systematically training and promoting women are issues we need to overcome to increase the percentage of women in managerial positions. We will continue to promote these initiatives in the future.



Targets and Results (Fujikura)

Indicator		Target*1	FY2023 Results
Percentage of employees who are women		—	15.5%
Average number of years of employment	Men:	—	18.3 years
	Women:		17.3 years
Percentage of new hires who are women (Corporate planning career track)*1	Administrative:	50% or more	75%
	Technical:	10% or more	15%
Percentage of women at the assistant manager level*1		16.0% or more*2	16.5%
Percentage of women in managerial positions*1		5.6% or more*2	4.5%
Paid leave take-up rate*		70.0%*2	69.6%

*1. Target formulated in the Action Plan for Promoting the Advancement of Women

*2. Target by FY2025

Initiatives in FY2023

We implemented a cross-industry exchange program mainly for women employees at the stage just before reaching the managerial level. This exchange program is comprised of a combination of external training sessions and in-house programs. The aim of the program is for women employees to actively map out their own careers through exchanges with female employees from other companies and external role models, life career design workshops, and meetings with superiors. We received comments such as the following from the participants: "I heard stories from role models who have overcome similar concerns as my own. That made me want to approach everything in a positive way." "I don't want to underestimate myself just because I have limitations while raising children. I hope to advance my career while increasing my strengths."

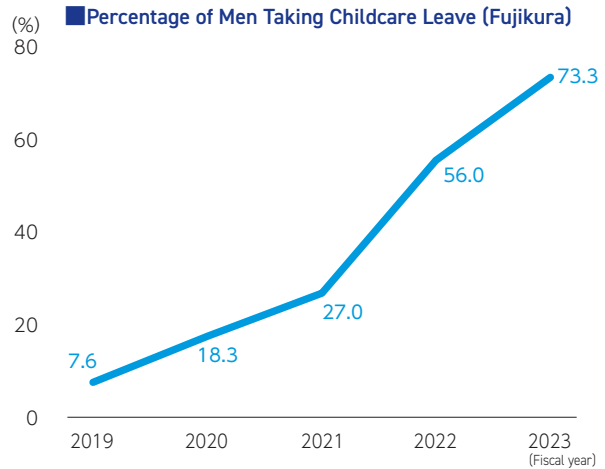
Encouraging Men to Take Childcare Leave

Fujikura strives to create a workplace that makes it easy for anyone to work and provide an even better environment for achieving a balance between childcare and work, regardless of one's gender. We are actively encouraging men to take childcare

leave, which will also help to solve social problems such as consciousness of gender roles, fewer children being born, and a decline in the working population. In FY2023, the percentage of men taking childcare leave was 73.3% (up 17.3% from the previous fiscal year) and the average number of days taken was 51 (up 17 days from the previous fiscal year). That meant there was a significant increase in both the percentage of men taking childcare leave and number of days taken. Moreover, in terms of the length of childcare leave taken, 90% of all those taking the leave took at least two weeks. The number of employees taking long-term childcare leave is increasing.

Main Initiatives

- Published childcare leave handbooks for male employees and managers
- Established a childcare leave inquiry desk
- Superiors held individual meetings with employees who reported that their spouse is pregnant
- HR personnel provide individual explanations to those taking childcare leave
- Held training to promote childcare leave for men (father classes and manager training)



Society Human Resource Development

Employing handicapped people

The Fujikura Group promotes the employment of handicapped people and continues to engage in initiatives to allow them to settle in and work enthusiastically from the perspective of fulfilling our social responsibilities and achieving normalization (mutual support together with handicapped people and the elderly). In addition, we established Fujikura Cube Ltd. on the grounds of our Sakura Works as a wholly owned subsidiary of Fujikura Ltd. in 2015 with the aim of it being a company where everyone can succeed. We are facilitating the employment of handicapped people group-wide and promoting their success.

Fujikura Cube Ltd., a special subsidiary of our company, has been recognized as a "Monisu Certified Business" under the Ministry of Health Labour and Welfare's "Certification System for SMEs with an Outstanding Record in Employing People with Disabilities" (Monisu Certification System).



Main Initiatives

Recruitment	Use a survey sheet during the recruitment process. Eliminate mismatches by understanding in advance the applicant's disability characteristics.
Before assignment	Provide advance training to superiors and coworkers at the employee with disabilities' assigned position.
Follow-up	HR personnel hold individual meetings about once a year with the employees with disabilities and their superiors.
Inquiries desk	Established an external inquiries desk which can be used by employees with disabilities and the superiors and coworkers in their workplace.

Support for Building a Career

We believe that the growth of each employee leads to the sustainable growth of our company and increased corporate value. Based on this belief, we are working to provide opportunities to support employees independently build their careers. The specific initiatives we are promoting include expanding the menu of self-development learning programs, providing career design training by grade level and holding meetings with members of the HR division for young employees who have been promoted.

Human Resource Development Results (Fujikura)

Indicator	FY2022 Results	FY2023 Results
Total number of employees who took voluntary training/exams*1	1,233	1,327
Number of employees who had meetings about their careers	85	51
Number of employees who took the managerial talent development program*2	107	125
Percentage of employees on the corporate planning career track who have worked overseas (number of employees with experience of working overseas)	21.1% (307)	20.6% (296)

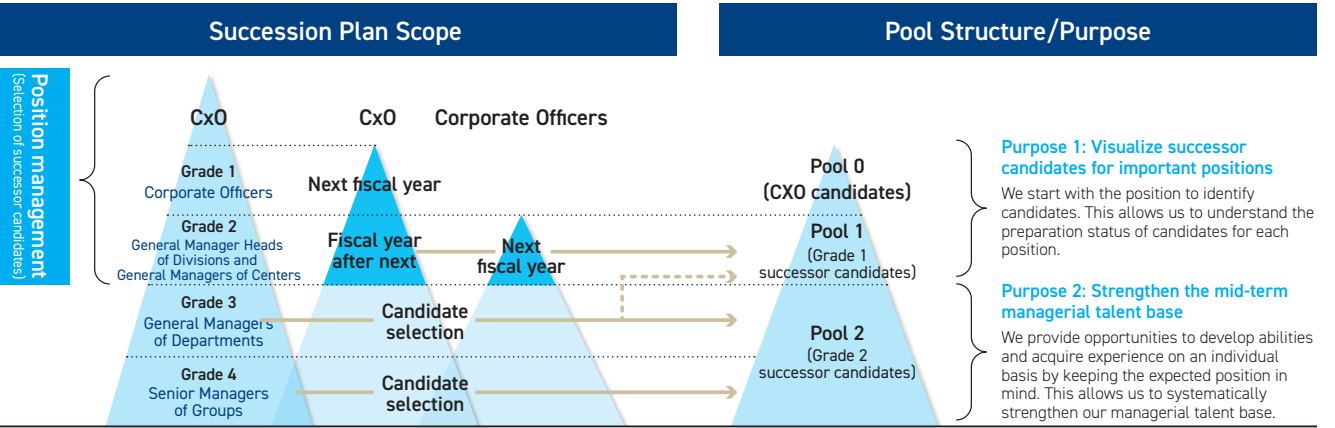
*1. TOEIC and other exams, online English conversation/learning tools, external courses, and correspondence education, etc.
*2. Cumulative number of employees who have taken this program since FY2020

	Training by Grade Level				Training for All Levels					
	Mandatory Training	Managerial Talent Development Training (Selection-based)	Career Design Training	Optional Menu-based Training	Global Human Resource Development		Training by Division		Other	
Managers	Training for new corporate officers	Managerial talent development program		Online training video service	Training for employees stationed overseas	TOEIC cost subsidization and online English conversation program	Japanese language training	Harassment prevention	Professional training within a division	External training
	Training for new Group company officers		Internal reporting (whistleblowing)							
	Training for new Group senior managers		Intellectual properties							
	New manager training		Quality							
Planning Professionals	Contracts and legal basics	Elective training	Training by age range					Export management		
	Compliance							Insider trading		
	Accounting							Corruption prevention		
	Training for second-year employees Training for new employees							Information security		
								Personal Data protection		
		Subcontracting Act								

Managerial Talent Development

Fujikura believes that continually producing managerial talent capable of becoming next-generation managers will contribute to the sustainable growth of our company and improved corporate value in the mid- to long-term. Based on

that idea, we have been operating an elective managerial talent development program since 2019. We provide training and give experience to participants to generate a stable supply of management candidates.



Assignment of the Right People to the Right Places

Fujikura has introduced a career challenge system. Under this system, an employee can take the initiative to apply for transfer to a specified position. We encourage each employee to exercise independence and expect the creation of an autonomous organization to lead to innovation. Moreover, because Fujikura operates its businesses globally, there is a

high need for employees well-versed in the local commercial practices in each country and region. We are providing an environment that enables employees to gain experience by being stationed overseas from an early point and are putting our efforts into developing human resources capable of actively contributing globally.

Evaluation and Treatment

In Fujikura's personnel system, we have introduced a system of evaluating and compensating employees according to type of job position and role. Nationality, gender, or being a new hire or mid-career professional play no role in promotion and treatment. We also emphasize equity in evaluating personnel to establish an environment where each employee can demonstrate their abilities to the fullest extent.

Initiatives to Improve Treatment

Fujikura is striving to realize fair treatment for our employees in light of the economic climate, price trends, market levels and our company's business conditions. As a result of the bargaining talks we had with the union in the spring of 2024, we raised wages by more than 6% (average for union members).

Promoting Health Management

We perceive a company's competitiveness to be based on the good health of its employees. Based on this perception, we recognize that the health of our employees is an important resource to continue being a company needed by society. Accordingly, we announced the Fujikura Group Health Management Declaration in 2014. We are aiming to improve the health literacy of each of our employees. Together with this, we are pouring our efforts into mental health measures and collaborations with health insurance associations so that our employees can work with peace

of mind and enthusiasm. Following on from the previous fiscal year, we were certified as a Health and Productivity Management Outstanding Organization 2024 (Large Enterprise Category).



2024 Health and Productivity Management Outstanding Organization

Society Quality Assurance

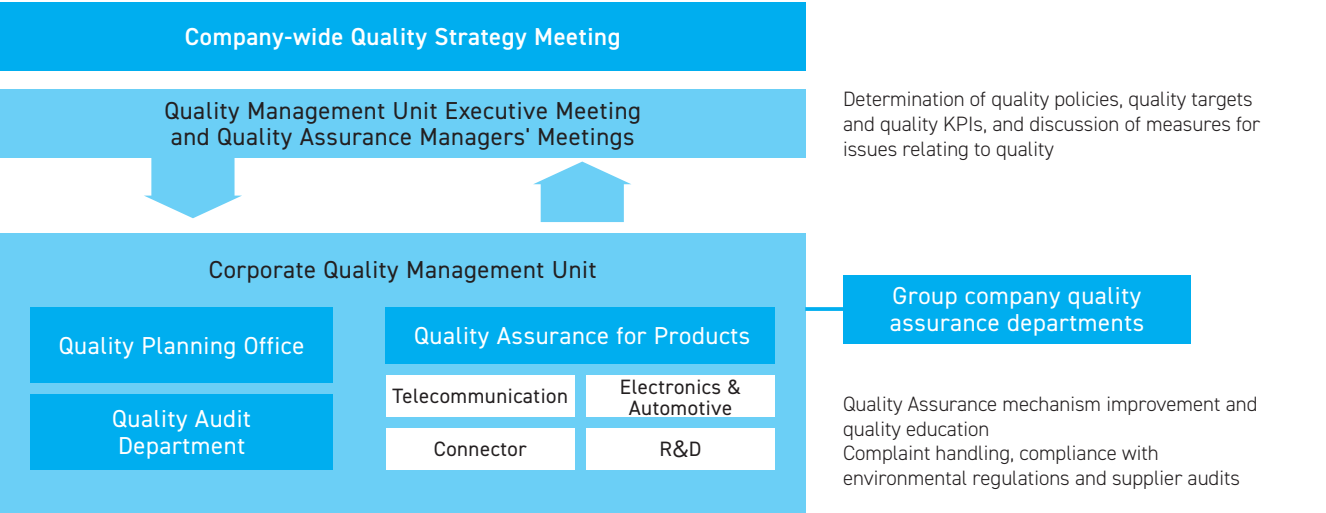
We formulated the ideal state of quality assurance for the independence of quality control and the digitization of quality data to prevent the recurrence of impropriety cases concerning quality. We are now working with the aim of realizing this ideal state. In addition, we have established a mechanism for the unlikely event of impropriety cases concerning quality to strive to prevent its recurrence. Under this structure, if there are impropriety cases concerning quality, we escalate information, report that information to our customers and then reliably take corrective action.

Quality Assurance Structure

Fujikura's business units and Japanese and overseas group companies carry out activities based on ISO9001 and other quality management systems (QMS) to earn the trust and meet the expectations of our customers.

The Corporate Quality Management Unit is an organization independent of business units. In addition, our group companies also employ a structure which allows them to reliably implement quality assurance as an organization independent from manufacturing and engineering units.

Officer in Charge of the Corporate Quality Management Unit



State of Progress on the Corrective Action Plan in Response to Impropriety Cases concerning Quality

We are striving to reform governance; appropriately understand manufacturing process and inspection capabilities, and verify customer requirement specifications; and improve awareness of quality compliance based on the recurrence measures we announced on April 25, 2019.

We started working on all the recurrence prevention measures in FY2019. We have been evaluating the effectiveness of those recurrence prevention measures every year. We believe that continuing to take and improving the recurrence prevention measures across our entire group is important to prevent impropriety cases concerning quality. Nevertheless, we have adopted a mechanism for the unlikely event we discover impropriety cases concerning quality. Under this mechanism, if there is an impropriety case concerning quality, we immediately communicate information, notify our customers and reliably take corrective action. We will then strive to regain trust by improving governance and strengthening our quality assurance structure.

Main Initiatives

(1) Reform Governance	Our Quality Assurance Unit formulates shipping inspection standards based on the contracts with our customers. We prohibit officers and employees concurrently holding duties with manufacturing and engineering to strengthen the independence of quality assurance.
(2) Digitize Quality Data Management	We promote automation from the collection of inspection results to the issuance of inspection results reports, prevent tampering and digitize quality assurance.
(3) Raise Quality Compliance Awareness	We provide quality compliance education and hold quality lectures and seminars. We provide information company-wide on serious complaints, including impropriety cases concerning quality

Society IR Initiatives and Inclusion in Indices

Fujikura has adopted the following three IR activity policies to sustainably improve our corporate value: fairly and continuously disclose information which contributes to investment decisions by shareholders and investors; engage in constructive dialogues with shareholders and investors; and contribute to an increase in sophistication of management by feeding back opinions obtained through those dialogues with management.

Dialogues with Shareholders and Investors

The Director, President & CEO; the Director & CFO; the Officer in Charge of IR; and others in charge of IR and sustainability engage in dialogues with shareholders and investors. In FY2023, in addition to engaging in individual dialogues in 227 cases over the course of the year, we held briefings on the 2025 Mid-term Management Plan and other business briefings to deepen understanding of the Fujikura Group.

Moreover, we summarize the opinions we obtain through those dialogues in the IR Integrated Report once a quarter. We distribute that report to directors, corporate officers and the heads of each business unit.

Main Activities in FY2023

Activity	FY2023 Results	Speaker
Financial results briefings	4	CEO, CFO
Business briefings etc.	2	Mid-term Management Plan briefings Business briefings
Small meetings etc.	4	CEO, Officer in Charge of IR, and others in charge of IR
SR meetings	10	Those in charge of legal affairs, IR and sustainability
Integrated report briefings	4	Those in charge of sustainability and IR
Dialogues with analysts and investors	227	CEO, CFO, Officer in Charge of IR, and others in charge of IR

External Evaluation and Inclusion in Index Composites



2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX



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*FY2024

Society Supply Chain Management

The businesses of the Fujikura Group are supported by all of our suppliers, who are the business partners that supply us with raw materials, components, and equipment. The Fujikura Group established the Fujikura Group Basic Procurement Policy to build strong relationships of trust with our suppliers through fair, impartial, and honest procurement activities. We also established the Fujikura Group Procurement Purchasing Division Code of Conduct to strictly control our own actions. In addition to this, each group company in Japan participates and regularly conducts educational sessions on the Subcontracting Act and is continuing compliance efforts.

Fujikura Group Basic Procurement Policy

(1) Fair and Impartial Trade

Fujikura Group companies open doors worldwide for suppliers. We will provide equal opportunity with potential suppliers and encourage free competition. We evaluate them through fair and sound assessment process for price, quality, delivery, stable supply, technological competence and reliability.

(2) Collaborative Relationship with Suppliers Based on Mutual Trust

Fujikura Group companies keep faith and honesty to suppliers. We always endeavor to develop collaborative, mutually-beneficial relationships with suppliers based on mutual trust. We do not disclose any information obtained through business with suppliers to third parties without prior consent.

(3) Compliance with Laws, Regulations and Social Norms

Fujikura Group companies comply with not only relevant laws and regulations but also conduct transactions in accordance with business ethics and social norms in the countries and regions where we are doing business.

(4) Environmental Preservation

Fujikura Group companies strive to maintain an environmental management program designed to minimize the impact on the environment together with our suppliers in order to contribute to preservation of global environment and realization of sustainable society.

Fujikura Group CSR Procurement Structure

As corporate globalization has accelerated in recent years, the corporate social responsibility (CSR) demanded in corporate procurement activities is becoming increasingly important. Fujikura and the Fujikura Group regularly hold internal meetings on CSR where they explain related laws and regulations and share information on compliance, supplier management, and other initiatives. They also consider themes that should be shared with all suppliers as ESG themes increase, including the importance of human rights due

diligence on conflict minerals and other aspects of the supply chain, and information relating to response to climate change. These meetings are strengthening the skills of staff members in charge of procurement. The Fujikura Group Partners Meeting is also held every year as a venue for engaging in direct dialog with our suppliers. We are working to maintain CSR procurement through the entire supply chain by communicating with suppliers directly to help them understand CSR procurement in the Fujikura Group.

CSR Supply Chain Surveys

The Fujikura Group regularly provides a CSR procurement self-assessment questionnaire and a procurement department survey to the main suppliers in our supply chain to ascertain the actual status of CSR activities in the supply chain. We share information on the results of the survey with our suppliers in the form of feedback.

Main Question Topics

- Corporate governance relating to CSR
- Human rights
- Labor
- Environment
- Fair corporate activities
- Quality and safety
- Information security
- Supply chain
- Coexisting harmoniously with local communities

Supplier Assessment System

The Fujikura Group introduced a supplier assessment system in FY2016 to establish an appropriate supplier structure by fairly and impartially evaluating suppliers from the standpoint of quality, cost, delivery, development, and

management. We are currently expanding the scope of our implementation, and are building deeper partnerships with highly rated suppliers.

Partners Meeting

The promotion and penetration of CSR procurement requires direct dialogue with suppliers. The Fujikura Group hosts the Fujikura Group Partners Meeting in Tokyo and Shanghai every year to obtain the understanding and cooperation of suppliers and work toward CSR procurement across the entire supply chain.

At the Partners Meeting, the Fujikura Group's management plan and procurement policy are explained to the suppliers who participate. Through the distribution of CSR procurement guidelines, suppliers are encouraged to participate in the Fujikura Group's procurement activities and we ask for their understanding and cooperation. In recent

years, we have shared the importance of responsible sourcing of minerals and other aspects of human rights due diligence in the supply chain, and information on response to climate change and other ESG themes with suppliers.

Tokyo Meeting

Fiscal Year	Number of Participating Companies	Number of Participants
2021	122	182
2022	132	192
2023	146	221

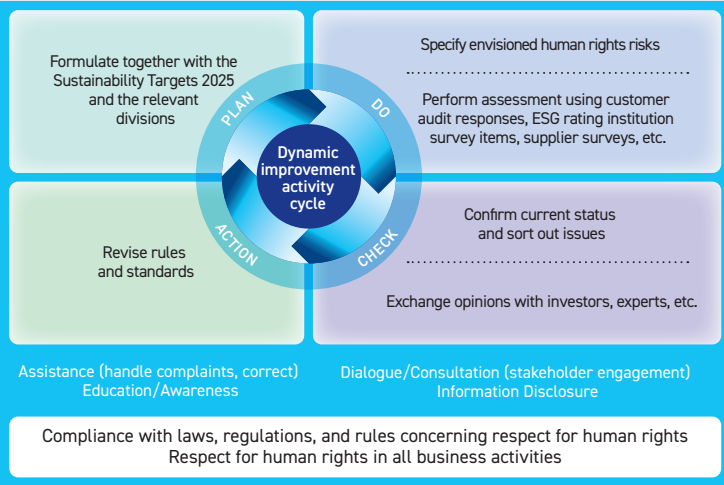
Respect for Human Rights

Practicing Human Rights Due Diligence

Based on the Fujikura Group Policy on Human Rights, the Fujikura Group takes steps internally to address human rights issues when they emerge through the company's whistle-blowing system and Partners Meetings with suppliers. We are building a human rights due diligence system according to the process described in the UN Guiding Principles on Business and Human Rights.

Specification of Envisioned Human Rights Risks and Regular Close Scrutiny

The Fujikura Group uses international guidance on human rights, customer surveys, and the questionnaires of ESG rating organizations to identify potential human rights risks in business activities and closely scrutinize them on a regular basis.



Envisioned Human Rights Risks Relating to Fujikura Group Business Activities

Business Activities	Procurement	Manufacturing	Sales
Human Rights Risks	Child labor, forced labor, abuse of power, discrimination, non-payment of wages, unfair dismissal, health and safety, etc.	Occupational health and safety, labor-management relations, foreign workers, freedom of association, harassment, etc.	Infringement of human rights due to product quality and safety or unintentional use, etc.
Stakeholders	Suppliers, local community	Group employees	Customers, local community
Impact on Businesses	Impact on stable procurement and risk of customer losses	Decline in engagement	Damage to brand value
Identifying Risks	Communication with suppliers or conducting surveys through Partners Meetings	Use of whistle-blowing system, internal audits by an expert division, and response to RBA audit from customers	Ascertaining trends in proposed legislation relating to human rights

Social Supporting Fujikura Gakuen

Fujikura Gakuen, a social welfare corporation, was founded on June 7, 1919 in the town of Motomachi in Izu Oshima. Harukichi Nakauchi, the blood brother of the founder Zenpachi Fujikura, donated a sizable amount of his personal assets (currently worth approximately two billion yen) and 40,000 tsubo of land (approx. 132,000 m2) in Izu Oshima and buildings to establish the school and residence for mentally handicapped children and adults. Today, Fujikura Gakuen has facilities on Izu Oshima and in the Tama area (Hachioji City). These facilities have around 100 workers who provide 24-hour care and education to approximately 130 individuals.

Since its inception, the Fujikura Group has made donations as a company and individual Fujikura employees have also donated their own money to support operation of the organization. The support provided to Fujikura Gakuen is considered the focal point of the Fujikura Group's social contribution activities, and this support will be sustained going forward.



Main Supporting Activities

Support is provided through fundraising donations, volunteer activities, and product sales, which also contribute to fostering the right mindset (thinking, action, and belief) for each individual employee.

Presenting Donations from the Works

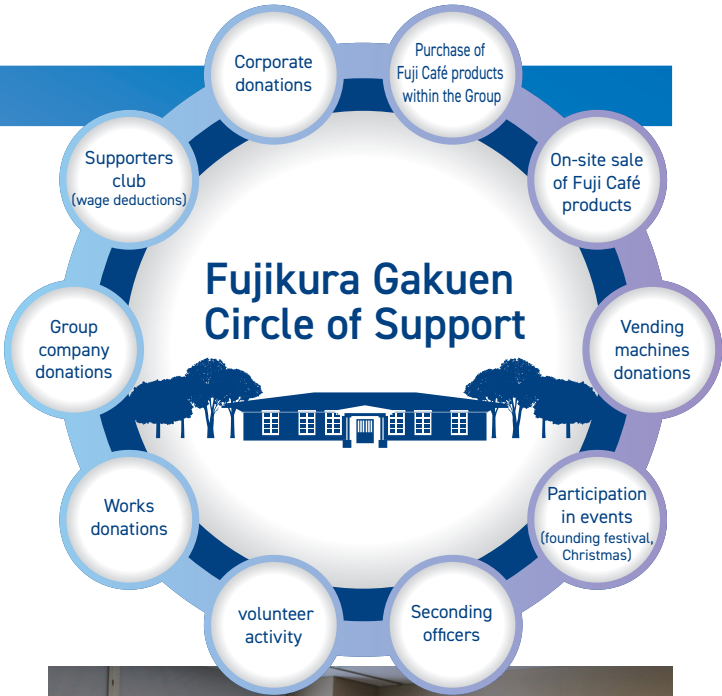
Fujikura Sakura Works conducts fundraising activities in support of Fujikura Gakuen. Sakura Works will continue its supporting activities in the future.

Group Company Donations

Many Fujikura Group companies, including Fujikura Ltd., make donations. The entire Fujikura Group considers the support provided to Fujikura Gakuen to be the focal point of our social contribution activities, and this support will be sustained going forward.

On-site Sale of Fuji Café Products

Located in Izu Oshima, Fuji Café is a living assistance center where students of Fujikura Gakuen undergo vocational training to gain independence. The Fuji Café exhibition and sale, which features products made by Fuji Café (pound cakes, cookies, etc.) for sale to employees, has been hosted at the Fujikura head office and Nishi Nippon Electric Wire & Cable with ongoing support.

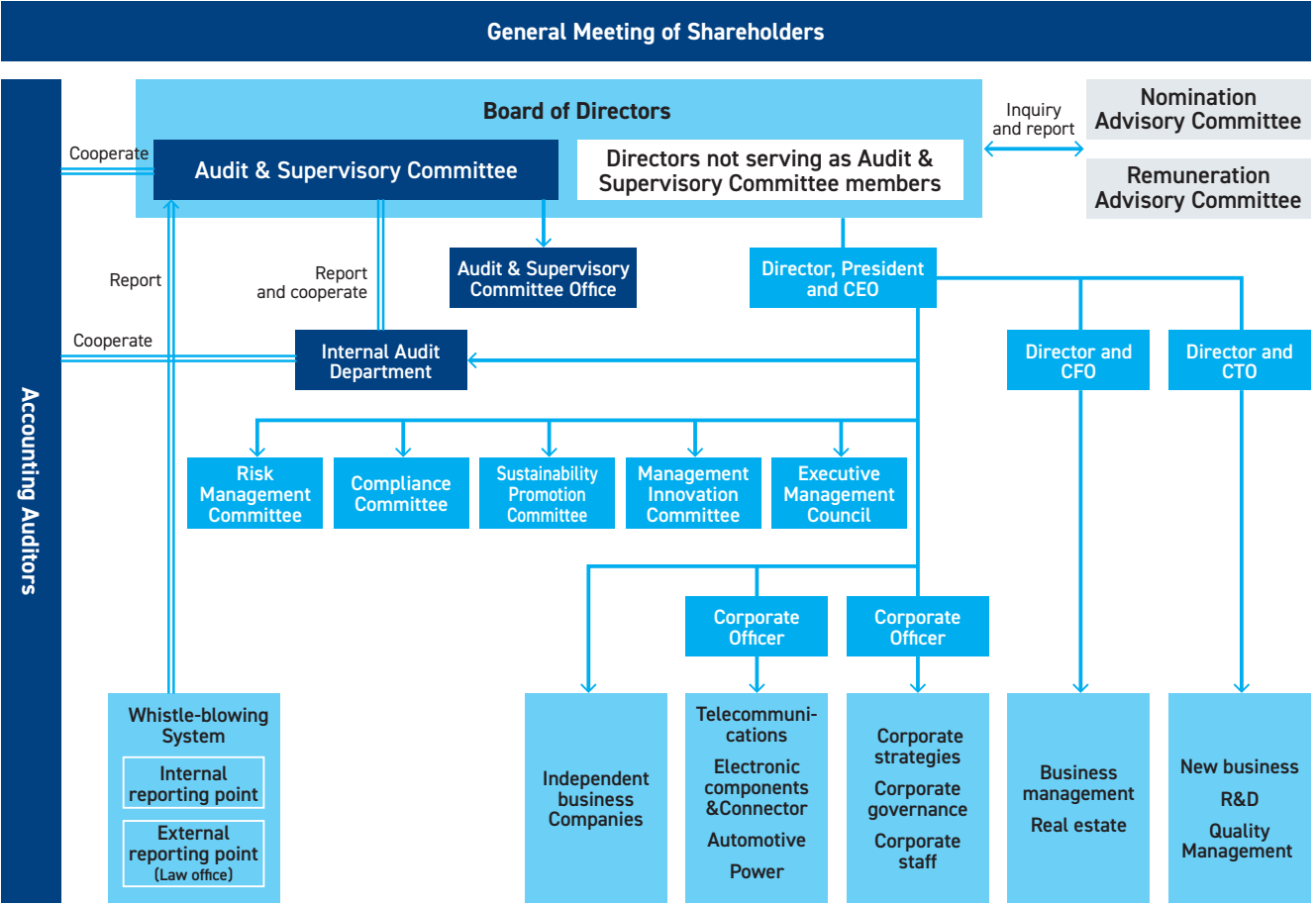


June, December: sale event of Fujikura Gakuen products at the head office

Governance Basic View on Corporate Governance

Fujikura adopted the organizational form of a company with an Audit & Supervisory Committee. We chose this organizational form to both establish an agile and effective business execution structure through the delegation of substantial authority from the Board of Directors to executive directors and to strengthen supervisory functions through thorough deliberation by multiple outside directors who are independent of company management and who possess advanced expertise in a wide range of areas. Reflecting the above view, the Fujikura Group's corporate governance system is as follows.

Governance System Chart (176th Annual General Meeting of Shareholders)



Board of Directors

The total number of directors after the Annual General Meeting of Shareholders for FY2023 is eight. Of these, half are outside directors (all of whom are Audit & Supervisory Committee members). All these outside directors are independent of our management (independent outside directors). Each of them possesses specialized knowledge in management, finance, accounting, legal matters, and other areas. These outside directors with diverse insights and expert knowledge thoroughly discuss important matters concerning the company's management (e.g., formulation of medium and long-term strategy, business portfolio restructuring) with internal directors at the Board of Directors meetings and make decisions based on such discussions.

Moreover, a full-time Audit & Supervisory Committee member who is a non-executive director chairs the Board of Directors. The Chair leads proceedings to thereby strengthen the supervisory functions.

The Board of Directors met 24 times in FY2023. Through ample discussions, including those with the independent outside directors, it discussed, determined and reported on matters relating to the nomination of candidates for director; compensation; formulation of quarterly and annual management plans and confirmation of the progress on them; formulation of the Mid-term Management Plan; reviews of the business portfolio; determination of important investment projects; restructuring of group companies; and other important management matters.

Governance Overview of the Governance System

Operational Execution Structure

Fujikura adopted a system of appointing a Chief Executive Officer (CEO), Chief Technology Officer (CTO) and Chief Financial Officer (CFO) based on resolutions of the Board of Directors. The CEO serves as the chief executive officer for the entire Fujikura Group. The CTO serves as the chief executive in the field of technological development. The CFO serves as the chief executive in the field of finance.

We have adopted a so-called "triumvirate structure." In this structure, the CEO is at the top while the CTO and CFO supplement and support the functions of the CEO in the fields of technological development and finance that require high levels of expertise. This structure enables Fujikura to operate our business based on more sophisticated and effective management decisions.

Audit & Supervisory Committee

The total number of directors serving as Audit & Supervisory Committee members is five as of the close of the Annual General Meeting of Shareholders held for the fiscal year ended March 31, 2024. This number consists of one full-time internal director and four outside directors who are independent of Fujikura's management.

Full-time Audit & Supervisory Committee members are able to attend and express their opinions at Executive Management Council and other important meetings related to the execution of business. We allow this from the perspective of improving the effectiveness of the Audit & Supervisory Committee in the performance of its duties. Moreover, we

guarantee the right of Audit & Supervisory Committee members to request opportunities to exchange opinions with those in charge of individual businesses. They meet on a regular and ad hoc basis. In addition, the Audit & Supervisory Committee Department was established and is staffed with exclusive, full-time personnel as the organization which supports the activities of the Audit & Supervisory Committee, at its direction.

The Audit & Supervisory Committee met 20 times during FY2023. It passed resolutions and held discussions on matters based on the audit plan and other matters necessary to supervise the execution of business by executive directors.

Message from the Chairperson of the Board of Directors

Deepening Substantive and Constructive Discussions to Further Enhance the Effectiveness of the Board of Directors

We continue to evaluate the effectiveness of the Board of Directors every year to improve it. In FY2023, we commissioned a third-party organization to conduct an effectiveness evaluation from the perspective of further enhancing the independence and objectivity of the evaluation. We then shared the results of that evaluation with the Board of Directors. The evaluation results recognized the improvement in the Board of Directors' monitoring functions which it has been striving to improve for some time. Nevertheless, the results also revealed issues for the Board of Directors to become even more effective. These include sharing awareness of the roles of the Board of Directors, organizing its agenda, upgrading its composition and reviewing its operation.

As the Board of Directors of a company with an audit & supervisory committee, we will hold and make substantive and constructive discussions and decisions focusing on mid- to long-term corporate strategies and important matters affecting those strategies. At the same time, we will monitor business operation and governance by

executive directors while receiving suggestions and advice from outside directors.

As the Chairperson of the Board of Directors, I will encourage lively discussions by all the directors while taking into account the issues identified in the evaluation of the effectiveness of the Board of Directors. I will also make the most of the knowledge of our outside directors to deepen discussions. I will then strive to lead those discussions to appropriate decision-making and strengthened monitoring functions.



Koji Naruke

Director
Member of the Audit
& Supervisory Committee
(Chairperson of the Audit
& Supervisory Committee)

Nomination and Remuneration of Directors

When making decisions on the following matters concerning the nomination of directors, the Nominating Advisory Committee, an advisory body to the Board of Directors (having an outside director as Chair and outside

directors as the majority of committee members), ensures objectivity and transparency in the Board of Directors' decision-making process.

Main Terms of Reference	Record for FY2023 (* indicates an outside director)		
■ Draft proposals for resolutions of the General Meeting of Shareholders concerning election and dismissal of directors ■ Criteria for election and dismissal of directors ■ Successor plans ■ Criteria for of independence for outside directors	Composition	Chairperson	Yoji Yamaguchi, Director*
		Members	Keiji Yoshikawa, Director*; Hamako Hanazaki, Director*; and Naoki Okada, CEO
	Number of meetings held	8	

When making decisions on the following matters concerning remuneration of directors, the Remuneration Advisory Committee, an advisory body to the Board of Directors (having an outside director as Chair and outside

directors as the majority of committee members), ensures objectivity and transparency in the Board of Directors' decision-making process.

Main Terms of Reference	Record for FY2023 (* indicates an outside director)		
■ Director remuneration and the system for determining the amount thereof ■ Amount of remuneration for each director	Composition	Chairperson	Keiji Yoshikawa, Director*
		Members	Yoji Yamaguchi, Director*; Kozo Meguro, Director*; and Naoki Okada, CEO
	Number of meetings held	9	

Other Major Activities

In addition to the above, the Fujikura Group has established and is operating the following main voluntary committees. Moreover, full-time Audit & Supervisory

Committee members attend these meetings and ask questions as appropriate from the standpoint of supervising the execution of business by the executive directors.

*The "Number of Meetings Held" column indicates the number of meetings held in FY2023

Name	Description	Composition	Number of Meetings Held
Executive Management Council	This body reports, discusses and shares information on important matters relating to business execution in the Fujikura Group.	Chairperson: Naoki Okada, CEO Comprised of all executive directors and corporate officers	44
Management Innovation Committee	Promotes the streamlining of the Fujikura Group's management resources, optimization of our business portfolio, improvement in efficiency through cost cutting, and improvement in profitability by enhancing sales and purchasing powers.		23
Risk Management Committee	Verifies the Fujikura Group's business execution structure and execution status from the perspective of our business risks to prevent and evaluate losses, to formulate policies, and to share the contents of the said policies.		3
Sustainability Promotion Committee	Discusses and promotes basic policies and individual measures relating to sustainability so that the Fujikura Group can achieve sustainable growth, the progress being made on these policies and measures, external announcements, and other important matters.		3
Compliance Committee	Shares information with management on compliance in the Fujikura Group, discusses issues, establishes, maintains and manages management systems, and promotes activities to raise and spread awareness.		2

Governance Group Governance

Basic View on Group Governance

Our goals are to raise the value of the entire Fujikura Group and to realize sustainable growth. To achieve those goals, we are aiming to develop frameworks and processes to allow the Fujikura Group to work together as though we

are one company. We are also aiming to establish a structure to be able to effectively and efficiently promote and manage those frameworks and processes.

Initiatives in FY2023

We established the Group Governance Basic Policy which reflects the Fujikura Group's basic view on group governance in FY2023. This systematically establishes rules throughout our entire group and sets up an effective and efficient governance system to strengthen governance overall. Specifically, in terms of business operations, we will strengthen the structure in which business segments directly control the group companies under them by their size and function. Meanwhile, in terms of monitoring, we will set up a structure to directly monitor group companies based on group rules established by our corporate departments and expert committees.

Improving Governance at AFL

We discovered that a CEO (hereinafter "former CEO") of two companies who also served as a Director of our company misappropriated corporate assets in consolidated subsidiaries in the U.S. (America Fujikura Ltd. (AFL) and AFL Telecommunications LLC (AFLT)) in 2023 (hereinafter "the

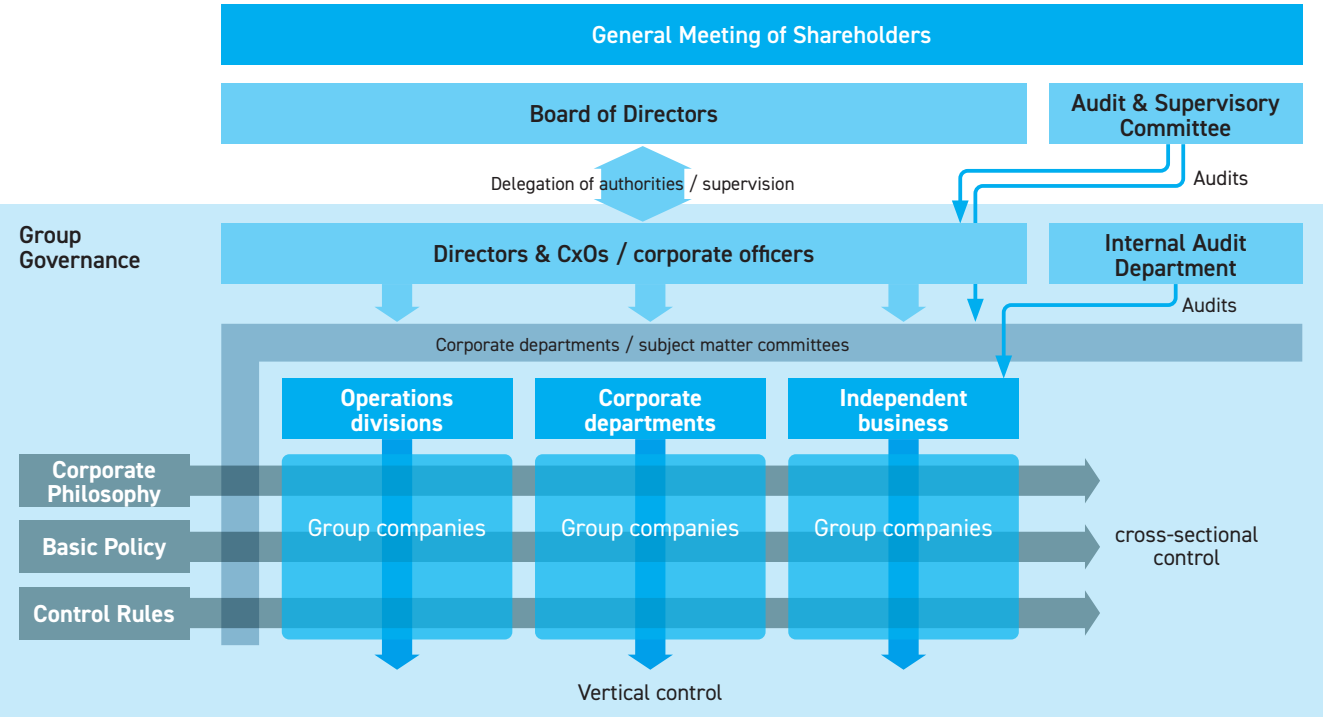
Incident"). We deeply regret that such an incident occurred. Fujikura will take the appropriate steps in accordance with the results of the investigation into the Incident and laws/ordinances.

Fujikura has been working to improve governance at AFL and AFLT based on our basic view on group governance since the occurrence of the Incident.

The main causes of the Incident were concentration of business authority in the hands of the Former CEO and ineffective checks and balances on the Former CEO's business execution. In light of this, we have clarified and regulated decision-making authority in AFL and AFLT and drastically reviewed and newly established various bodies. In addition to those measures, we are also monitoring AFL and AFLT such as by checking and auditing the content of their management committees.

We will aim to strengthen group governance in FY2024. We will roll out our Group Governance Basic Policy to major group companies based on our initiatives at AFL and AFLT.

Schematic Diagram of the Group Governance System



Governance Directors and Corporate Officers Skill Matrix

Directors and Corporate Officers Skill Matrix

		Management	Planning	Personnel	Governance	Global	Finance and Accounting	R&D	Engineering	Legal Affairs and Compliance	Business Experience*	Gender	Number of Board of Directors' Meetings Attended	Number of Audit & Supervisory Committee Meetings Attended
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Directors Not Serving as Audit & Supervisory Committee Members

*The number of Board of Directors' and Audit & Supervisory Committee meetings held is the actual number held in FY2023

Naoki Okada	CEO	○	○		○			○	○		I, S, C	Male	24/24	—
Tatsuya Banno	CTO							○	○		I, S, C	Male	24/24	—
Kazuhito Iijima	CFO					○	○					Male	19/19	—

Directors Serving as Audit & Supervisory Committee Members

Koji Naruke	Full-time					○	○				I, T	Male	19/19	13/13
Hamako Hanazaki	Independent and outside									○		Female	24/24	20/20
Keiji Yoshikawa	Independent and outside	○		○		○						Male	24/24	19/20
Yoji Yamaguchi	Independent and outside						○					Male	24/24	20/20
Kozo Meguro	Independent and outside						○					Male	24/24	20/20

Corporate Officers Not Serving as Directors

Toru Hamasuna	Management strategies		○		○	○					I, S, T	Male		
Keiko Shindo	Corporate governance				○					○		Female		
Yuki Mori	Corporate staff			○								Male		
Noriyuki Kawanishi	Telecommunication Systems							○	○		I, S	Male		
Junji Fukuhara	Electronic component & connectors					○					S, T	Male		
Shuichi Nasu	Automotive Products					○			○		T, C	Male		
Tetsuya Mangyoku	Production Engineering					○			○			Male		

* Skills that the Company currently considers important from among those possessed by each individual are indicated with ○.
* "Business Experience" denotes experience accumulated in the areas of business described in our 2025 Mid-term Management Plan.

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

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

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

C: Carbon Neutrality
Carbon neutrality initiatives are also an opportunity for business creation as we prepare for the realization of a sustainable society. Therefore, we will promote the commercialization of our superconductor and other technologies.

Policy on Determining Remuneration of Directors

When the Board of Directors determines the policy on remuneration and the amount of remuneration for directors not serving as Audit & Supervisory Committee members, it makes such decisions after these matters have been reported on by the Remuneration Advisory Committee, which is an advisory body to the Board of Directors (chaired by an outside director and comprised of the director in charge of human resources and three outside directors).

The policy on determining the specifics of remuneration for individual directors is explained below.

In addition to handling a large variety of products, the Fujikura Group operates business globally, and director duties are also highly complex and varied. Our basic policy is that director remuneration should be at a level appropriate for outstanding human resources who are capable of accomplishing such duties. In concrete terms, we have therefore classified director remuneration into the following three specific categories based on the survey results from multiple research groups, mainly on listed companies, and have established a system of remuneration based on objective indicators and evaluation, while also strengthening

the link to performance. Variable compensation linked to performance and stock prices (short-term performance-linked compensation and stock based compensation) is expected to be around 50% of total director remuneration, at maximum. Moreover, remuneration of non-executive directors shall consist only of basic compensation in a fixed amount, according to the role of each director. No short-term performance-linked compensation or stock-based compensation will be paid.

Meanwhile, the policy on determining remuneration of directors who are Audit & Supervisory Committee members and the amount of that remuneration is to set the basic compensation based on the market environment and the responsibilities they bear. The remuneration of individual directors who are Audit & Supervisory Committee members is determined through discussion by the directors who are Audit & Supervisory Committee members, within the scope of the maximum remuneration approved by the General Meeting of Shareholders. This policy is determined by directors who are Audit & Supervisory Committee members.

1 Basic Compensation

A fixed amount of compensation is allocated for the monitoring and supervision functions of each director, according to his/her rank and grade.

2 Short-term Performance-linked Compensation

Compensation ranges from 0% to 200% of the basic compensation set by rank and grade, according to corporate performance and performance of the division the director is in charge of, and performance is based on certain indicators (operating profit margin, ROE, ROIC). These indicators are used because they easily reflect management policy, strongly correspond to shareholder return, and are highly compatible with the Fujikura Group's growth strategy. The targets for indicators of short-term performance linked compensation in the fiscal year under review were the aforementioned indicators calculated from the consolidated fiscal year plan

for FY2022, which was approved by the Board of Directors at the end of FY2021. The degree to which these targets were achieved, compared to the indicators calculated from the consolidated fiscal year results for the same year, is measured to determine amount to be paid in short-term performance-linked compensation in the fiscal year under review.

We plan to use the degree of growth compared to results in the previous fiscal year as an indicator in addition to the degree of achievement against the plan for the current fiscal year from the next fiscal year (FY2024).

3 Stock-based Compensation

This is a system that provides compensation to directors in the form of our common shares separate to [1] and [2] above. This system is mainly intended to enhance the motivation of directors to contribute to an increase in corporate value of the Company by placing directors in a position to enjoy the advantage of a rising share price as well

as to bear the risk of a falling share price, thereby sharing the advantage and disadvantage of such fluctuations with shareholders. In principle, directors not serving as Audit & Supervisory Committee members receive the shares when they retire from the position of director.

Total Amount of Director Remuneration

Director Category	Total Amount of Remuneration	Total Amount of Compensation by Type			Number of Directors Remunerated
		Basic Compensation	Performance-linked Compensation	Stock-based Compensation	
Directors not serving as Audit & Supervisory Committee members	254 million yen	163 million yen	39 million yen	52 million yen	6
Directors serving as Audit & Supervisory Committee members (excluding outside directors)	26 million yen	25 million yen	1 million yen	—	2
Directors serving as Audit & Supervisory Committee members (outside directors)	59 million yen	59 million yen	—	—	5

*1. None of the directors not serving as Audit & Supervisory Committee members are outside directors.
*2. The above includes two directors not serving as Audit & Supervisory Committee members who resigned on May 26 and June 5, 2023 respectively; one director serving as Audit & Supervisory Committee member who retired with a resignation at the time of the adjournment of the 175th Annual General Meeting of Shareholders held on June 29, 2023; and one Director serving as Audit & Supervisory Committee member who retired with the expiration of the term of office at the conclusion of the 175th Annual General Meeting of Shareholders (continuation meeting) held on August 25, 2023.
*3. The targets and results for the main indicators of short-term performance-linked compensation in the fiscal year under review are shown below.

Performance-linked Coefficient		
Type of Indicator	Target (Consolidated Business Plan for FY2022)	Performance (Consolidated Business Results for FY2022)
Consolidated operating Profit Margin	6.0%	8.7%
Consolidated rate of return on equity (ROE)	9.8%	16.7%

*4. Total amount of remuneration of those whose total amount of remuneration is 100 million yen or more:

Name	Total Amount of Remuneration	Total Amount of Compensation by Type		
		Basic Compensation	Performance-linked Compensation	Stock-based Compensation
Naoki Okada	101 million yen	53 million yen	19 million yen	29 million yen

*5. Performance-linked compensation for directors serving as Audit & Supervisory Committee members was determined as directors serving as Audit & Supervisory Committee members, based on the performance results during the time period in FY2020 during which they were directors not serving as Audit & Supervisory Committee members.
*6. Because the remuneration of individual directors not serving as Audit & Supervisory Committee members is determined according to the procedure outlined in the Policy on Determining Remuneration of Directors mentioned in 1, above, the Board of Directors judges the determination made for the fiscal year under review to be in line with that procedure. The Board of Directors arrives at that judgment after receiving a report from the Remuneration Advisory Committee, which has verified the impartiality and appropriateness of the process for determining the performance of each director, the appropriateness of the level of remuneration based on the market, the remuneration structure, and the specific amount of remuneration.
*7. The Audit & Supervisory Committee receives the report from Audit & Supervisory Committee members who have attended the Remuneration Advisory Committee meeting on the remuneration of individual directors not serving as Audit & Supervisory Committee members for the fiscal year under review. After discussion, the Audit & Supervisory Committee concluded that the Remuneration Advisory Committee process for determining the remuneration of directors not serving as Audit & Supervisory Committee members was appropriate, and no special declarations needed to be made in the General Meeting of Shareholders, based on the provisions in the Companies Act.
*8. Matters concerning approval of director remuneration by the General Meeting of Shareholders:
(1) The amount of remuneration for directors not serving as Audit & Supervisory Committee members was set at a maximum of 600 million yen a year at the 169th Annual General Meeting of Shareholders held on June 29, 2017. Stock-based compensation, a separate allocation from cash remuneration, was set at maximum of 120 million yen a year and the number of shares was set at a maximum of 285,000 shares a year (outside directors are not eligible to receive shares) at the same Annual General Meeting of Shareholders. There were nine directors not serving as Audit & Supervisory Committee members (of which, none were outside directors) at the conclusion of this Annual General Meeting of Shareholders.
(2) The amount of remuneration for directors serving as Audit & Supervisory Committee members approved at the 174th Annual General Meeting of Shareholders held on June 29, 2022 is a maximum of 150 million yen a year (including compensation of outside directors of a maximum of 100 million yen a year). There were six directors serving as Audit & Supervisory Committee members (of which, five were outside directors) as of the conclusion of this Annual General Meeting of Shareholders.
*9. As stated in the "Notice of Reduction of Executive Remuneration" dated August 31, 2023, based on the results of investigation into the misappropriation of real estate at a consolidated U.S. subsidiary we announced in "Notice Regarding the Investigation Result for the Investigation Relating to an Improper Real Estate Acquisition and Similar Incidents at a U.S. Subsidiary" dated July 31, 2023, the Board of Directors resolved on August 13, 2023 to reduce the remuneration of directors not serving as Audit & Supervisory Committee Members as given in "(1) Details of the Reduction in Remuneration for Directors Not Serving as Audit & Supervisory Committee Members" below to clarify management responsibility for this incident of misappropriation. Moreover, discussions by the Audit & Supervisory Committee members resulted in the decision to reduce the remuneration of directors serving as Audit & Supervisory Committee members as given in "(2) Details of the Reduction in Remuneration for Directors Serving as Audit & Supervisory Committee Members" below.

(1) Details of the Reduction in Remuneration for Directors Not Serving as Audit & Supervisory Committee Members	
Position	Details of the Reduction in Remuneration
Chairperson of the Board of Directors	30% of monthly remuneration for 3 months
Director, President and CEO	30% of monthly remuneration for 3 months
Director and CTO	20% of monthly remuneration for 3 months
Director and CFO	20% of monthly remuneration for 3 months

(2) Details of the Reduction in Remuneration for Directors Serving as Audit & Supervisory Committee Members	
Position	Details of the Reduction in Remuneration
Director and full-time Audit & Supervisory Committee member	10% of monthly remuneration for 1 month
Director and Audit & Supervisory Committee members (5)	10% of monthly remuneration for 1 month

Governance

Analysis and Evaluation of the Effectiveness of the Board of Directors

Previous Initiatives

We conduct a survey of all our directors every year as an initiative to improve the effectiveness of the Board of Directors. We have been making continuous improvements to the main issues raised by this survey. We have been

working on improvements to set up a structure in which the Board of Directors can pour its efforts into discussions focused on mid- to long-term management strategies.

Method	Survey	
Targets	All directors	
Details of the survey	Adequacy of the Board meetings as a conference body (e.g., time, frequency, management of meeting proceedings, minutes), adequacy of its agenda items (e.g., timing, importance, volume of information), performance of the Board members (e.g., participation in discussions)	
Main improvements	1)	Improve various meeting materials and provide explanations to outside directors to enhance deliberations by the Board of Directors
	2)	Strengthen the structure to enable prediction, analysis, and investigation of risks, and rapid response when a risk materializes, to avoid or mitigate losses incurred in business operations
	3)	Review the agenda criteria for the Board of Directors' meetings

Initiatives in FY2023

We commissioned Board Advisors Japan, Inc., which has advanced knowledge and a strong track record in evaluating the effectiveness of boards of directors, to evaluate our Board of Directors to further improve its effectiveness in

FY2023.
We give below an overview of the method and results of the effectiveness evaluation.

Service provider	Board Advisors Japan, Inc.	
Evaluation method	<div>■ Survey questionnaire sent to all directors</div> <div>■ Interview with each member of the Board of Directors as well as with Board of Directors secretariat staff</div> <div>■ Review of minutes of Board of Directors meetings, etc.</div> <div>■ Attendance at Board of Directors' meetings</div>	
Evaluation results	1)	Fujikura's Board of Directors has generally ensured its effectiveness by making many improvements from before to exercise its monitoring functions. The following items are particularly strong initiatives which support its effectiveness. <div>■ Ample opportunities to provide information to the Board of Directors are ensured</div> <div>■ The Nomination and Remuneration Advisory Committees are operated effectively</div>
	2)	In addition to supervising the status of business execution, the Board of Directors in FY2023 was firmly required to exercise effective supervisory functions. For example, it had to respond to an incident of misappropriation at a subsidiary in the U.S. The roles played by the Board of Directors will further grow in importance to ensure sustainable growth while executives respond to changes in the environment in the future under the strong leadership of the CEO.
	30	It is expected that measures to deal with the following matters will be considered to further improve the effectiveness of the Board of Directors in the future. <div>■ Establish a shared perception about the roles of the Board of Directors</div> <div>■ Better organize an agenda for the Board of Directors</div> <div>■ Improve the composition of the Board of Directors</div> <div>■ Review the operation of the Board of Directors</div>

Initiatives for Future Improvements in Response to the Results of the Evaluation in FY2023

We will engage in the following initiatives based on the aforementioned issues.

Establish a shared perception about the roles of the Board of Directors	The members of the Board of Directors will ensure that they share the same perception about the roles expected of the Board of Directors, the scope of responsibility of the Audit and Supervisory Committee, a body undertaking the supervising function, and so forth.
Better organize an agenda for the Board of Directors	The policy for agenda setting and the criteria for referrals to the Board of Directors will be reviewed to delegate greater authority to the executive function, decrease the number of operating reports, increase the number of matters for deliberations, etc.
Improve the composition of the Board of Directors	The roles of the Board of Directors will be reexamined to make them more relevant in the phase of sustainable growth. The company will also seek to clarify the roles of and expectations on each director, and improve the composition of the Board of Directors.
Review the operation of the Board of Directors	Fujikura has been organizing various occasions to provide sufficient information to outside directors. Though proven effective to some extent, it is undeniable that this practice has been imposing an undue burden on both internal and outside directors. Therefore, Fujikura will implement measures to enable more efficient operation of the Board of Directors.

Training Policy for Directors

Fujikura provides the necessary training (internal and external training and seminars, etc.) and information so that directors and Audit & Supervisory Committee members can fully exercise their respective experience and knowledge to fulfill their roles and responsibilities. In particular, we describe an overview of our group, corporate philosophy,

business conditions and corporate governance-related matters for newly appointed outside directors. Moreover, we explain the details of our businesses, industry trends, business environment and other matters, and arrange for them to inspect overseas subsidiaries to deepen their understanding of our group.

Policy on Cross-shareholdings

Our policy is not to hold shares for investment purposes in principle. However, we do hold shares in companies as cross-shareholdings only in the following situation: when business strategy requires that we enter into a cooperative relationship and when that cooperative relationship will improve our mid- to long-term corporate value.

We regard these cross-shareholdings as part of the invested capital of each division undertaking business. We verify the appropriateness of these cross-shareholdings in accordance with our aforementioned cross-shareholdings

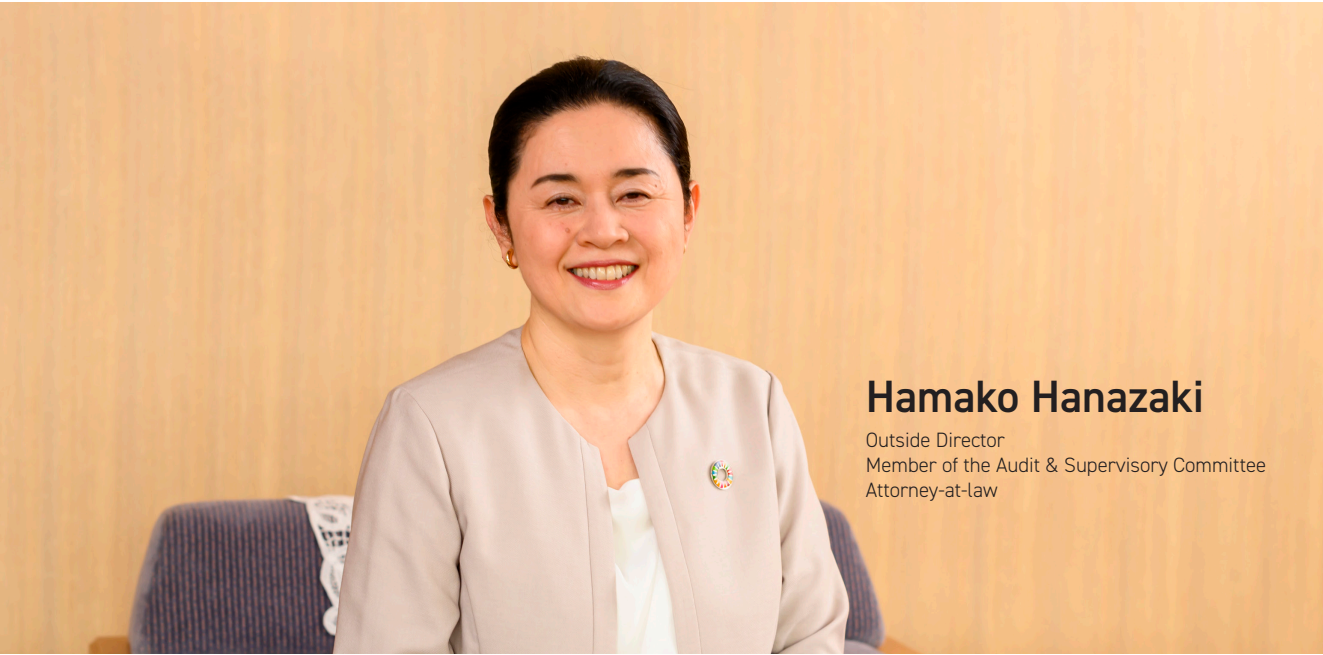
policy. The Board of Directors then determines whether or not to keep holding those shares. We report the progress we have made on selling the shares it has been decided we will no longer hold to the Board of Directors.

We have been actively selling our cross-shareholdings based on the aforementioned policy. We sold a total of 3,776,300 common shares in FUJIKURA COMPOSITES Inc., an equity method affiliate, during May and June 2024. As a result, the percentage of shares we hold in that company is 4.27%.

■ Cross-shareholdings

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Unlisted shares (number of stocks)	73	68	63	62	54	51
Listed shares (number of stocks)	25	21	19	18	16	13
Total on the balance sheet (percentage of net assets)	6.6%	5.0%	4.2%	2.9%	2.6%	2.9%

Governance Messages from Outside Directors



Hamako Hanazaki
Outside Director
Member of the Audit & Supervisory Committee
Attorney-at-law



Keiji Yoshikawa
Outside Director
Member of the Audit & Supervisory Committee

Assessment of the Progress Made on the 2025 Mid-term Management Plan and Issues

The Fujikura Group is making steady progress on its 2025 Mid-term Management Plan (hereinafter referred to as the “2025 Mid-term Plan”). The company achieved its targets in the initial year of the plan. In particular, the previous fiscal year was one in which Fujikura strengthened its group governance in response to an incident of misappropriation at its consolidated U.S. subsidiary America Fujikura Ltd. (AFL). That was an extremely regrettable incident. I offer my deepest apologies for its occurrence as a director. In response to this incident, business executives first quickly considered how to improve AFL’s governance. They shared information on that in a timely manner with the Board of Directors. We then held many discussions about it.

In addition, Jaxon Lang, who has become the president and CEO of AFL, frequently participated in the discussions as a briefer at Board of Directors’ meetings. That improved our level of insight into the AFL’s business. I hope Fujikura can solidify group governance by closely communicating with group companies in various forms in this way. If I may add, I think it would be a good idea for the Board of Directors to also more proactively discuss climate change, human capital and other sustainability topics. An awareness of this has also become ingrained in members of the Board of Directors. I feel that steady progress is being made on this issue.

Fujikura’s Strengths and Key Points to Mid- to Long-term Growth

The Fujikura Group’s strengths include its wide-ranging businesses and its global deployment of them. I feel that ensuring it is possible to steadily roll out the group governance Fujikura strengthened in the previous fiscal year to sites other than AFL is the challenge for the company to make even more use of its strengths in the future. It was, unfortunately, an incident of misappropriation that led to Fujikura strengthening its group governance. Nonetheless, I believe that all members in both Japan and the U.S. have shared a sense of crisis and have been carrying our reforms with enthusiasm in the response that followed this incident. I will strive to ensure this enthusiasm toward reforming governance is maintained. I will also make proposals with the aim of putting those reforms in motion to a certain extent during the 2025 Mid-term Plan. Fujikura’s technological strengths in a wide range of business areas is another strong point of the company. For

instance, there is a deep-rooted stance among Fujikura’s employees to personally customize and make improvements little by little on manufacturing equipment. This is a part of the wonderful culture cultivated by the company over its long history. I feel that Fujikura’s technological strengths are supported by each and every one of its employees in this way. I feel that improving engagement is essential to allow talented human resources to play an even greater role and develop in the future. To improve engagement, I believe it is important for management to convey to employees in a visible manner that the company is seriously attempting to change for the better. Finally, I will focus on strengthening governance for the further growth of the Fujikura Group and, as a member of the management team, strive to convey to stakeholders that the company is making steady progress.

Assessment of the Progress Made on the 2025 Mid-term Management Plan and Issues

Each theme of the 2025 Mid-term Plan is one with a high level of effectiveness based on solid supporting information. It is an ambitious plan. Nonetheless, the Fujikura Group has the ability to break down mid-term issues into short-term tasks to tackle them. In addition, The Fujikura Group is also attempting to take on themes with great social significance from a long-term perspective. These include superconductivity that is the ace up its sleeve to contribute to achieving the SDGs. Currently, the company is working on these issues with power concentrated in the hands of three internal directors: the CEO, CTO and CFO. This so-called “triumvirate structure” is functioning well. The Fujikura Group needs to strengthen its marketing abilities as a management strategy tool to aim even higher in the future. I believe it is important for Fujikura to enhance its

investigation and analytical capabilities to further solidify its strategies to raise competitiveness and profitability and to further strengthen its ability to incorporate those capabilities into its strategies in a market environment where risks and opportunities intermingle. Fujikura already has these capabilities, but I hope it further boosts them. I would like to closely analyze the business portfolio at a global level based on high-quality market information and to then have thorough discussions on the allocation of resources to give balance to it. Fujikura carefully takes the time to provide easy-to-understand information to us, the outside directors, in advance so that we can have discussions at the same level as those inside the company. I feel grateful for this consideration because it is useful to me as there is a vast amount of information on global and conglomerate management.

Fujikura’s Strengths and Key Points to Mid- to Long-term Growth

I have mentioned that one of Fujikura’s strengths is its ability to get things done. It is important to continuously develop the human resources who will support Fujikura as a technology leader in various positions to improve results in the mid- to long-term. I think that finding and developing “shining gems” from among the approximately 50,000 people working at the Fujikura Group around the world is an important job for management. I am extremely interested in how diversity from global human resources will affect the technologies built up by the company in its long history. One more thing I would like to mention is the change in Fujikura’s behavior to aggressive management. The Fujikura Group has steadily contributed to society in fields such as social infrastructure for nearly 140 years since its foundation. Unfortunately, however, its name recognition has not been great up to now. I have long wanted stakeholders and individual shareholders to know more about

Fujikura. I now feel that there has been a change recently. The Fujikura Group has begun to communicate information to a wide range of outside parties to make itself known. It is also possible to see changes within the company. As an example, General managers led by top-leveled executives have started to proactively visit distant sites. It is not possible to make the right judgments or decisions if you lack a sense of how things are on-site no matter how great the market information you receive is. The 2025 Mid-term Plan aims to shift the Fujikura Group toward aggressive management. Now, in the plan’s second year, it seems this is beginning to show in its actions. While business executives tackle various issues, we, the non-executive directors, will work with a focus on delving deeper into non-financial issues and monitoring executive activities to reinforce the foundations of management.

Governance Messages from Outside Directors



Yoji Yamaguchi
Outside Director
Member of the Audit & Supervisory Committee



Kozo Meguro
Outside Director
Member of the Audit & Supervisory Committee
Certified Public Accountant

Assessment of the Progress Made on the 2025 Mid-term Management Plan and Issues

I believe the Fujikura Group has made a good start in the initial year of its 2025 Mid-term Plan. Of course, there are some variations in the plan for each business division. Nevertheless, the weaker than expected yen covered for that in the previous fiscal year.

Many of the Fujikura Group's businesses are dependent on infrastructure demand. Therefore, I believe that flexibility and speed in responding to such demand will continue to be important in the future. We often discuss the external environment in Board of Directors' meetings. We actively exchange opinions. On the other hand, discussions have not proceeded as well as hoped on mid- to long-term issues such as how to change the business portfolio in the mid-to long-term. Accordingly, I would like us to hold more discussions from a mid- to long-term perspective going forward.

If it is possible to successfully accomplish this 2025 Mid-term Plan, I think that the Fujikura Group will become a

company with a strong financial structure. I believe a major issue for the future is how to utilize these resources to commercialize the technologies that will be the seeds of growth going forward. In addition, I think it is extremely important to align the timeline of the technology needed by society and the timing of commercialization for profitability. I want to continue holding appropriate and timely discussions in Board of Directors' meetings to avoid missing any good opportunities.

Moreover, there is an extremely good atmosphere in Board of Directors' meetings which allows both internal and outside officers to speak freely. The agenda is also solid. I particularly appreciate the fact that Masahiko Ito, Chairperson of the Board of Directors, paid attention to outside directors to ensure we can freely express our opinions in the previous fiscal year.

Fujikura's Strengths and Key Points to Mid- to Long-term Growth

I consider that, as a technology leader, Fujikura's strengths lie in its multi-layered and extensive technologies. I have also participated in Fujikura's internal research presentations. I have seen that all its engineers are diligently devoted to wide-ranging research in each division. There are many engineers in the Fujikura Group who want to use the technology they have cultivated to make the world a better place. I think that Fujikura is both a leader of technology and people. I expect that linking the seeds of technological development they produce to its business and managing its business while valuing its human resources will naturally lead to the creation of new businesses. The Fujikura Group's financial constitution has also improved. It is now able to select

from many options based on that capital. I believe Fujikura should proactively invest in M&As, partnerships and other measures in the future to effectively utilize external resources in the sense of productively using its time.

Many of the companies which the Fujikura Group does business with are at the forefront of the times. Fujikura's advanced technological strengths form the basis of that business. I would like Fujikura's employees to have more pride in their company. I also want to ask investors to support Fujikura, a company which has advanced technological strengths and potential in various areas, from a long-term perspective.

Assessment of the Progress Made on the 2025 Mid-term Management Plan and Issues

In FY2023, the initial year of the 2025 Mid-term Plan, the Fujikura Group achieved its basic numerical targets for sales, profits, capital and other areas. It also greatly improved group governance, especially in its U.S. subsidiary AFL, that was an issue in the previous year. Fujikura strengthened monitoring company-wide through the proactive use of financial analysis from a management perspective. That made it a commendable year.

Nevertheless, we cannot overlook the fact that those results were helped by factors in the external environment such as exchange rates and generative AI. Furthermore, not all the results were satisfactory for each business. Therefore, I believe there are many issues which need to be addressed. These include further rationalization to become more price competitive and measures to achieve the SDGs.

Assuming the rise in the stock price since the beginning of this

year reflects the strong expectations in Fujikura for the future from stakeholders, the number one challenge may be how to respond to them.

I recognize there are expectations in Fujikura to further raise the sophistication of its monitoring structure to efficiently and effectively deal with the many issues it is facing. I am focusing on the following three points in particular.

- (1) Expand the scope of monitoring to non-financial information including ESG and SDGs themes in addition to domestic and foreign financial information. I recognize that there is a lot of non-financial information which is important because it will have an impact on current and future finances.
- (2) Refine analysis of collected information and give feedback.
- (3) Automate the collection, analysis and feedback of information.

Fujikura's Strengths and Key Points to Mid- to Long-term Growth

Fujikura has the following three strengths. The first is that Fujikura is a manufacturer mainly involved with telecommunication that is at the core of the advanced information society. The company possesses next-generation technologies. For instance, it has fusion technology that is attracting attention in the energy field. The second is that approximately 70% of Fujikura's sales are from overseas. In addition to its customer base in Japan, it also has a strong customer base overseas, mainly in the U.S., built up over many years. The third is that Fujikura is a traditional company. It has had the ability to adapt to the changes in society and the times over the past century.

I believe that Fujikura's survival in 10 years' time and beyond will depend on successfully developing products compatible with next-generation technologies for mid- to long-term growth. It will be difficult to achieve business targets with natural growth on Fujikura's current foundations in a business environment where competition to develop new technologies is intensifying. Therefore,

I think the following will be the key points.

- (1) Shift in mindset from making improvements to creating innovation. Tough targets, imagination for the future and a broad vision: these are the elements which form the starting point for creating possibilities that transcend existing boundaries.
- (2) Price competitiveness. If Fujikura is not competitive on price, it may hinder its ability to enter markets and expand. Fujikura must give careful thought to how it will create high-quality products which ensure price competitiveness from the development stage. "Use wisdom before spending money." This saying is a requisite to efficient investment.
- (3) Supply of products which contribute to achieving the SDGs.

If it strengthens the aforementioned three points, the Fujikura Group will be able to become an outstanding company which contributes even more to society. I will continue to keep this perspective in mind when making recommendations to the Board of Directors.

Top Management

Directors



Naoki Okada

Representative Director, President and CEO

Apr. 1986: Joined Fujikura Ltd.
Apr. 2008: General Manager,
Optical Cable Research and Development Department
Apr. 2013: General Manager, Cable and Equipment R&D Center
Apr. 2014: General Manager,
New Optical Fiber Cable Business Development Department
Apr. 2018: General Manager, Head of Optical Cable Systems Division
Apr. 2020: Managing Corporate Officer
Apr. 2021: Corporate Officer and COO
Jun. 2021: Representative Director and COO
Apr. 2022: Representative Director, President and CEO (current position)



Kazuhito Iijima

Director and CFO
Responsible for Business Management Unit
Responsible for Real Estate Business Unit

Apr. 1989: Joined Fujikura Ltd.
Apr. 2006: Senior Manager, Finance & Accounting Division
Feb. 2008: Vice President and CFO, Fujikura Automotive Europe S.A.U.
Aug. 2009: Senior Manager, Finance & Accounting Division
Jun. 2012: Vice President and CFO, Nistica, Inc.
Apr. 2013: Senior Manager, Finance & Accounting Division
Apr. 2016: General Manager, Finance & Accounting Division
Apr. 2021: Corporate Officer
Apr. 2022: General Manager, Corporate Finance & Accounting Unit
Jun. 2023: Director and CFO (current position)



Tatsuya Banno

Representative Director, Director and CTO
Responsible for Research and New Business Development Unit
Responsible for Corporate Quality Management Unit

Apr. 1987: Joined Fujikura Ltd.
May 2009: General Manager, Optical Production Engineering Department,
Optical Fiber & Cable Systems Division
Apr. 2013: General Manager, Optical Fiber Production Engineering Department,
Optical Business Division, Optical Business Unit
Apr. 2015: General Manager, Head of Optical Cable Division,
Optical Business Unit
Oct. 2015: Deputy General Manager, Optical Cable Systems Division
Apr. 2018: Deputy General Manager, Optical Fiber Division
Apr. 2020: Corporate Officer
Apr. 2022: Corporate Officer and CTO
Jun. 2022: Director and CTO
Jun. 2023: Representative Director and CTO (current position)



Koji Naruke

Director and Member, Audit & Supervisory Committee

Apr. 1986: Joined Fujikura Ltd.
Jul. 2004: Senior Manager, Finance & Accounting Division
Jul. 2008: Senior Member, Corporate Strategy Planning Division
Apr. 2010: General Manager, Fujikura Electronics (Thailand) Ltd.
Apr. 2013: General Manager, Business Strategy Planning Division,
Power & Telecommunication Systems Company
Apr. 2017: CFO, ProCable Energia e Telecomunicacoes Ltd.
Apr. 2019: General Manager, Business Strategy Planning Division,
Power & Telecommunication Systems Company
Apr. 2020: President, Fujikura Fiber Optics Vietnam Ltd.
Jun. 2023: Director and Full-time Member,
Audit & Supervisory Committee (current position)

Directors (Outside and Independent Officers)



Hamako Hanazaki

Director and Member, Audit & Supervisory Committee

Apr. 1996: Registered as an attorney-at-law
Apr. 2004: Established Akao-Hanazaki Law Office (current Kita-Aoyama Law Office) (current position)
Apr. 2012: Member, Intermediary Committee of Nuclear Damage Compensation Dispute Resolution Center (current position)
Apr. 2015: Non-full-time Inspector, Secretariat of Reemployment Surveillance Commission, Cabinet Office (current position)
May 2016: Director, General Incorporated Foundation Jyutaku Kinyu Fukyu Kyokai (Housing Finance Popularization Association) (current position)
Jun. 2019: Outside Director and Member, Audit & Supervisory Committee (current position)



Keiji Yoshikawa

Director and Member, Audit & Supervisory Committee

Apr. 1973: Joined Nippon Sheet Glass Co., Ltd.
Jun. 2008: Director, Executive Officer and Head, Specialty Glass SBU, Nippon Sheet Glass Co., Ltd.
Feb. 2012: Director, Representative Executive Officer,
Executive Vice President and Chief Project Management Officer (CPMO), Nippon Sheet Glass Co., Ltd.
Apr. 2012: Representative Executive Officer, President and CEO, Nippon Sheet Glass Co., Ltd.
Jun. 2015: Adviser, Nippon Sheet Glass Co., Ltd. (retired)
Jun. 2018: Outside Board Director, Kansai Paint Co., Ltd. (retired)
May 2021: Outside Director, AEON DELIGHT CO., LTD. (current position)
Jun. 2021: Outside Director and Member, Audit & Supervisory Committee (current position)



Yoji Yamaguchi

Director and Member, Audit & Supervisory Committee

Apr. 1978: Joined The Mitsui Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
Apr. 2006: General Manager, Administrative Department, Sumitomo Mitsui Banking Corporation
Jun. 2008: Standing Corporate Auditor, Sumitomo Mitsui Financial Group, Inc. (retired in 2014)
Jun. 2021: Outside Director and Member, Audit & Supervisory Committee (current position)



Kozo Meguro

Director and Member, Audit & Supervisory Committee

Sep. 1984: Joined Chuo Accounting Office Audit Corporation
Oct. 1989: Registered as a certified public accountant
Jul. 2002: Representative Partner, Chuo Aoyama Audit Corporation
Sep. 2006: Representative Partner, PricewaterhouseCoopers Aarata (currently PricewaterhouseCoopers Japan LLC) (retired June 2013)
Jul. 2013: Established MEGURO & Co. (current position)
Jun. 2014: Outside Audit & Supervisory Board Member, KYOWA EXEO CORPORATION (retired)
Jun. 2021: Outside Director and Member, Audit & Supervisory Committee (current position)

Corporate Officers Other Than Members of the Board / Project Leader

Toru Hamasuna

General Manager, Head of Corporate Strategy Unit, General Manager, Head of Corporate Strategy Planning Division, and General Manager, Head of Corporate Communications Division

Keiko Shindo

General Manager, Head of Corporate Governance Unit and General Manager, Head of Legal Department

Yuki Mori

General Manager, Head of Corporate Staff Unit and General Manager, Head of Human Resources & General Affairs Division

Noriyuki Kawanishi

General Manager, Head of Telecommunication Systems Business Unit

Junji Fukuhara

General Manager, Head of Electronic Components & Connector Business Unit

Shuichi Nasu

General Manager, Head of Automotive Products Business Unit

Tetsuya Mangyoku

General Manager, Head of Production Engineering Unit

Masataka Mito

Project Leader and General Manager, Head of Power Systems Division

