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Securities Code: 5803

June 4, 2025

Start date of measures for electronic provision: May 26, 2025

To our shareholders:

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

## **Notice of Convocation of Fujikura's 177th Annual General Meeting of Shareholders**

We hereby inform you of the 177th Annual General Meeting of Shareholders of Fujikura Ltd. (the "Company"), which will be held as indicated below.

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

The Company's website:

<https://www.fujikura.co.jp/ir/shareholder/> (in Japanese)

(Access the Company's website by using the Internet address shown above and the information is posted as Notice of Convocation of Fujikura's 177th Annual General Meeting of Shareholders.)

TSE website:

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

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

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

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

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

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

In the event that you are unable to attend this General Meeting of Shareholders, please exercise your voting rights beforehand via the Internet, etc. or in writing. Please review the Reference Document for the General Meeting of Shareholders provided below as well as the Instruction on Exercising Your Voting Rights on page 3 of this notice, and exercise your voting rights no later than June 26, 2025 (Thursday) at 5:45 p.m. (JST).

- 1. Date and time:** June 27, 2025 (Friday) at 10:00 a.m. (JST)  
**2. Place:** Assembly Hall, the Company's head office  
5-1, Kiba 1-chome, Koto-ku, Tokyo, Japan

**3. Purpose of the meeting**

**Matters to be reported:**

1. Details of the business report, the consolidated financial statements, and the reports by the Accounting Auditor and the Audit and Supervisory Committee on the audit results of consolidated financial statements for the Company's 177th business year (from April 1, 2024 to March 31, 2025).
2. Details of non-consolidated financial statements for the Company's 177th business year (from April 1, 2024 to March 31, 2025).

**Matters to be resolved:**

**Proposal No. 1** Appropriation of Surplus

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

**Proposal No. 3** Election of Four Directors, Members of the Audit and Supervisory Committee

**Proposal No. 4** Revision of the Amount of Compensation to Directors Not Serving as Audit and Supervisory Committee Members

**Proposal No. 5** Partial Revision of the Stock-based Compensation Plan for Directors Not Serving as Audit and Supervisory Committee Members

**4. Matters decided for convocation**

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

## Instruction on Exercising Your Voting Rights

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

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

### Voting deadline:

No later than June 26, 2025 (Thursday) at 5:45 p.m. (JST)

In case of exercising the voting rights by post:

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

### Voting deadline:

It must be received by the Company by no later than June 26, 2025 (Thursday) at 5:45 p.m. (JST)

In case of attending the General Meeting of Shareholders:

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

**Date and time:** June 27, 2025 (Friday) at 10:00 a.m. (JST)

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

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

- (i) Please note that your online vote via the Internet, etc. will prevail should you exercise your voting rights both via the Internet, etc. and in writing.
- (ii) If you exercise your voting rights more than once via the Internet, etc., only the last vote shall be deemed effective.
- (iii) Each shareholder shall bear any fees for accessing the voting website (Internet connection fees, telephone charges, etc.).
- (iv) Voting rights to be exercised via the Internet, etc. are accepted until Thursday, June 26, 2025 at 5:45 p.m. (JST). However, we request that you vote as early as possible.  
If you have any inquiries, please contact the dedicated phone line for web support shown below.

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

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

## Instruction on Exercising Your Voting Rights via the Internet

**Internet voting deadline: June 26, 2025 (Thursday) at 5:45 p.m. (JST)**

### 1. Exercising voting rights using a smartphone, etc.

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

### 2. Exercising voting rights using a PC, etc.

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

#### **URL of General Meeting of Shareholders portal site**

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

You may also continue to use the website for exercising voting rights.

<https://www.web54.net> (in Japanese)

### 3. Accepting advance questions

**Deadline for accepting advance questions: No later than June 19, 2025 (Thursday) at 5:45 p.m. (JST)**

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

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

### Points to Note

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

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

### Proposal and Reference Items

#### Proposal No. 1 Appropriation of Surplus

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

For the fiscal year under review, the Company recorded net sales of ¥979.4 billion, operating profit of ¥135.5 billion, ordinary profit of ¥137.2 billion, and profit attributable to owners of parent of ¥91.1 billion. Net sales, operating profit, ordinary profit, and profit attributable to owners of parent recorded the highest figures ever, with ordinary profit hitting a record high for the third consecutive year and profit attributable to owners of parent setting a record high for the fourth consecutive fiscal year.

In consideration of the above, the Company proposes distributing a year-end dividend of ¥66.5 per share for the fiscal year under review. This dividend, combined with the interim dividend of ¥33.5 per share paid in December 2024, will result in an annual dividend of ¥100.0 per share, an increase of ¥45.0 compared to the previous fiscal year.

- (i) Kind of dividend property:  
Cash
- (ii) Matters concerning allocation of dividend property to shareholders and the total amount thereof:  
¥66.5 per share of common shares of the Company  
Total amount: ¥18,380,774,430
- (iii) Effective date for distribution of dividends:  
June 30, 2025

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

The term of office of all the current three Directors not serving as Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, in addition to these three Directors, the Company proposes the election of three new Outside Directors who are independent of the Company's management, for a total of six Directors.

Having largely achieved its goals for the 2025 MTMP already in fiscal year 2024, the Company regards fiscal year 2025 as an important fiscal year for the Group to make a new leap forward. Therefore, in addition to completion of the 2025 MTMP, we have decided to formulate and implement the next Mid-term Management Plan under a new management system with the aims of ensuring sustainable growth of the Company's businesses and further enhancing corporate value. Under this new system, executive Directors will continue to operate under a three-person structure consisting of the CEO, CTO, and CFO,\*<sup>1</sup> while Outside Directors will be divided into two groups primarily based on supervisory function consisting of those who are Director not serving as Audit and Supervisory Committee Member and those who are Director, Member of the Audit and Supervisory Committee. The Company believes that this approach will enable both groups of Outside Directors to make the most of their respective insights and specialized knowledge, with the former focusing on furnishing supervision and advice with respect to the next Mid-term Management Plan based on their management insight, and the latter concentrating on auditing and supervising business execution drawing on diverse areas of expertise.

If this proposal enlisting the considerations above and Proposal No. 3 is approved as proposed, the total number of Directors of the Company will increase by two to ten, of which six, a majority thereof, are to be Outside Directors who are independent of the Company's management.


No.	Name of candidate		Age * <sup>2</sup>	Current position and responsibilities at the Company	Attendance rate for the Board of Directors Meetings during Fiscal Year 2024	Tenure as Director * <sup>4</sup>
1	Naoki Okada	(Re-election)	61	Representative Director, President & CEO, Internal Audit Department, Corporate Strategy Unit, Corporate Governance Unit, Corporate Staff Unit, Telecommunication Systems Business Unit, Electronic Components & Connector Business Unit, Automotive Products Business Unit, Production Engineering Unit, and Independent Business Companies* <sup>3</sup> , etc.	(100.0%)	4 years
2	Tatsuya Banno	(Re-election)	60	Representative Director, Director & CTO, Research and New Business Development Unit, and Corporate Quality Management Unit	(100.0%)	3 years
3	Kazuhito Iijima	(Re-election)	59	Director & CFO, Corporate Management Unit, and Real Estate Business Unit	(100.0%)	2 years
4	Keiji Yoshikawa	(New candidate)	74	Outside Director serving as Audit and Supervisory Committee Member, Member of Nominating Advisory Committee, and Chair of Remuneration Advisory Committee	(100.0%)* <sup>4</sup>	4 years* <sup>4</sup>
5	Toshikazu Koike	(New candidate)	69	—	—	—
6	Hideki Yanase	(New candidate)	68	—	—	—

\*<sup>1</sup> CEO stands for Chief Executive Officer; CTO stands for Chief Technology Officer; and CFO stands for Chief Financial Officer.

\*<sup>2</sup> Age indicates candidates' ages as of June 27, 2025.


\*<sup>3</sup> Independent Business Companies refers to Fujikura Printed Circuits Ltd. (FPC business), Fujikura Dia Cable Ltd. (industrial electric wires business) and Fujikura Energy Systems Ltd. (transmission and metal cables business).


- \*4 Mr. Keiji Yoshikawa was newly elected as a Director, Member of the Audit and Supervisory Committee at the 173rd Annual General Meeting of Shareholders held on June 30, 2021, and remains in the position of Director, Member of the Audit and Supervisory Committee of the Company to the present. His attendance at Board of Directors meetings during the fiscal year 2024 and his tenure are given for him in his role as a Director, Member of the Audit and Supervisory Committee. His attendance rate at Audit and Supervisory Committee meetings during the fiscal year 2024 was 94.1% (16/17).
- \*5 In accordance with Article 427, paragraph (1) of the Companies Act, the Company has entered into a limited liability contract (an agreement that limits liability to the minimum amount prescribed by laws and regulations) with Mr. Keiji Yoshikawa, and if he is elected, he will continue to be covered by the contract. If Mr. Toshikazu Koike and Mr. Hideki Yanase are elected, the Company will enter into the same limited liability contract with each of them.
- \*6 The Company has entered into a directors and officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. This policy covers the insureds for their legal liability for compensation for damages and litigation expenses arising from the execution of their duties. Moreover, among the insured persons, the Directors (including Directors serving as Audit and Supervisory Committee Members) of the Company personally cover 5% of their insurance premiums. If each candidate is elected and assumes the office as Director not serving as Audit and Supervisory Committee Member, each candidate will be included as an insured in the policy.


Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions	
1	 <p><b>Naoki Okada</b> (January 28, 1964, 61 years old)</p> <p>[Re-election]</p> <p>Number of the Company's shares owned 18,686</p> <p>Tenure as Director 4 years</p> <p>Attendance at the Board of Directors Meetings 100% (15/15)</p>	Apr. 1986	Joined the Company
		Apr. 2008	General Manager of the Optical Cable Research and Development Department
		June 2012	General Manager of the Optical Cable Research and Development Department and General Manager of the Optical Cable Manufacturing Department
		Apr. 2013	General Manager of the Cable and Equipment R&D Center
		Mar. 2014	General Manager of the New Optical Fiber Cable Business Development Department
		Apr. 2018	General Manager, Head of the Optical Cable Systems Division
		Apr. 2020	Managing Corporate Officer, General Manager of the Corporate Strategy Planning Division
		Apr. 2021	Corporate Officer & COO, and Chief of the Telecommunication Systems Business Unit, Chief of the Printed Circuit Business Unit, Chief of the Connector Business Unit, Chief of the Automotive Products Business Unit, Chief of the Electronic Components Business Unit, and Chief of the Production Engineering Unit
		June 2021	Representative Director and COO, and Chief of the Telecommunication Systems Business Unit, Chief of the Printed Circuit Business Unit, Chief of the Connector Business Unit, Chief of the Automotive Products Business Unit, Chief of the Electronic Components Business Unit, and Chief of the Production Engineering Unit
		Apr. 2022	Representative Director, President & CEO, Chief of Internal Audit Department, Chief of Corporate Quality Management Unit, Chief of Corporate Governance Unit, Chief of the Corporate Staff Unit, Chief of the Production Engineering Unit, Chief of the Telecommunication Systems Business Unit, Chief of the Electronic Components & Connector Business Unit, Chief of the Automotive Products Business Unit, and Chief of the Printed Circuit Business Unit
		Apr. 2023	Representative Director, President & CEO, Chief of Internal Audit Department, Chief of Corporate Strategy Unit, Chief of Corporate Governance Unit, Chief of the Corporate Staff Unit, Chief of the Telecommunication Systems Business Unit, Chief of the Electronic Components & Connector Business Unit, Chief of the Automotive Products Business Unit, Chief of the Production Engineering Unit, and Chief of Independent Business Companies, etc. (to present)




Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
		<p><b>Reason for nomination as a Director</b></p> <p>Mr. Naoki Okada has worked in the optical fiber cable-related business right through since he joined the Company. In particular, he played a central role in product development and promotion strategy proposals for the Company's innovative strategic optical fiber products "Spider Web Ribbon® / Wrapping Tube Cable®" (hereinafter referred to as "SWR®/WTC®"), and paved the way for a strategic pivot of the Company's telecommunications business from the business focused on the supply of optical fiber to a total solutions business centered on high-value-added optical cable. In 2020, he was appointed Managing Corporate Officer, General Manager of the Corporate Strategy Planning Division, where he experienced planning, proposal, and execution of company-wide management strategies. Through this experience, he has developed the "ability to accurately understand the issues from a company-wide perspective," which is necessary for managing the Company given its diverse business fields, as well as the "ability to make decisions with a sense of urgency" and "strong leadership."</p> <p>In the proposal of the operational turnaround plan named 100-Day Plan, which was formulated in response to the rapid and significant deterioration in fiscal year 2019, he demonstrated aptitude as a leader for promoting new business, suggesting radical reforms of the management and business structures and leading efforts to cultivate awareness of business structure reforms inside the Company. From April 2021 onward, Mr. Okada vigorously promoted the Company's core businesses as COO during the operational turnaround phase, and assumed a major role in the transition to the sustainable growth phase. Since his appointment as Director, President &amp; CEO in April 2022, he has achieved a significant recovery in business results in the first fiscal year of the sustainable growth phase. He has fully demonstrated his abilities through the formulation and promotion of the 2025 MTMP, which is currently in progress, with the Company having mostly achieved the targets set forth under the 2025 MTMP in fiscal year 2024, one year ahead of schedule. In addition, the Company deems that outcomes of business strategies spearheaded by Mr. Okada have been favorably received to some extent by stock market investors, in part given that during the fiscal year 2024 the Company's share price reached the highest level ever since listing of such shares. The Company has determined that Mr. Okada's strategic vision, ability to execute transformation, and his aptitude for drawing in others by leading from the front will be essential for steering the Company, including achieving business goals in fiscal year 2025, as well as deciding on medium- to long-term management strategies and formulating business portfolios from fiscal year 2026 onwards. For these reasons, the Company nominates him as a candidate for Director.</p> <p><b>Special interest between the Company and the candidate</b> None</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
2	 <p><b>Tatsuya Banno</b> (August 22, 1964, 60 years old)</p> <p>[Re-election]</p> <p>Number of the Company's shares owned 23,489</p> <p>Tenure as Director 3 years</p> <p>Attendance at the Board of Directors Meetings 100% (15/15)</p>	<p>Apr. 1987      Joined the Company</p> <p>May 2009      General Manager of the Optical Production Engineering Department, Optical Fiber &amp; Cable Systems Division</p> <p>Apr. 2013      General Manager of the Optical Fiber Production Engineering Department, Optical Business Division, Optical Business Unit</p> <p>Apr. 2015      General Manager, Head of the Optical Cable Division, Optical Business Unit</p> <p>Oct. 2015      Deputy General Manager of the Optical Cable Systems Division</p> <p>Apr. 2018      Deputy General Manager of the Optical Fiber Division</p> <p>Apr. 2020      Corporate Officer, General Manager, Head of the Optical Fiber Division</p> <p>Apr. 2021      Corporate Officer, Head of the Telecommunication Systems Business Unit</p> <p>Apr. 2022      Corporate Officer &amp; CTO, Chief of the Research and New Business Development Unit</p> <p>June 2022      Director &amp; CTO, Chief of the Research and New Business Development Unit</p> <p>Apr. 2023      Director &amp; CTO, Chief of the Research and New Business Development Unit, and Chief of the Corporate Quality Management Unit</p> <p>June 2023      Representative Director, Director &amp; CTO, Chief of the Research and New Business Development Unit, and Chief of the Corporate Quality Management Unit (to present)</p> <p><b>Reason for nomination as a Director</b>  Since he first joined the Company Mr. Tatsuya Banno has been involved exclusively in development, engineering, and manufacturing technology for optical fiber cable. In addition to extensive experience over many years in the optical business, he has a high degree of specialized knowledge in matters related to optical fiber. Since April 2021, as the person in charge of the telecommunication systems business, he has employed a strategy backed by his technological insight to expand the optical cable total solutions business centered on SWR®/WTC®, the Company's strategic products, to the point that it can now be described as the Company's growth business field. Since his appointment as CTO in April 2022, he has demonstrated his abilities by strengthening the foundation for maintaining and enhancing Fujikura's position as a technology leader in the long term. Given the substantial achievements attained by the Company as a result of having developed new technologies and products based on its Technology Platform formulated in the 2025 MTMP, the Company has determined that these efforts serve as a key factor underpinning its recent advances as well as its prospects for furthermore achieving sustainable growth going forward.  The Company has determined that Mr. Banno's experience in the telecommunications systems business, which is one of the core areas of its operations, his abundant specialized knowledge, along with his capability to make effective strategic proposals for attaining performance targets and his business execution capabilities, based on a strong belief in the importance of what he is doing, are necessary in relation to achieving business goals in fiscal year 2025, as well as deciding on medium- to long-term management strategies and formulating business portfolios from fiscal year 2026 onwards. For these reasons, the Company nominates him as a candidate for Director.</p> <p><b>Special interest between the Company and the candidate</b>  None</p>


Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions	
3	 <b>Kazuhito Iijima</b> (February 22, 1966, 59 years old)  [Re-election]  Number of the Company's shares owned 7,989  Tenure as Director 2 years  Attendance at the Board of Directors Meetings 100% (15/15)	Apr. 1989      Joined the Company Apr. 2006      Senior Manager of the Finance & Accounting Division Feb. 2008      Vice President & CFO of Fujikura Automotive Europe S.A.U Aug. 2009      Senior Manager of the Finance & Accounting Division June 2012      Vice President & CFO of Nistica Inc. Apr. 2013      Senior Manager of the Finance & Accounting Division June 2014      Deputy General Manager of the Finance & Accounting Division Apr. 2016      General Manager of the Finance & Accounting Division Apr. 2021      Corporate Officer, Head of the Finance & Accounting Department Apr. 2022      General Manager of the Corporate Finance & Accounting Unit June 2023      Director & CFO, Chief of the Corporate Management Unit, Chief of the Real Estate Business Unit, and General Manager of the Finance & Accounting Department Apr. 2024      Director & CFO, Chief of the Business Management Unit, and Chief of the Real Estate Business Unit (to present)	
		<b>Reason for nomination as a Director</b> Mr. Kazuhito Iijima has expert knowledge of finance and accounting from his many years of experience in the Company's Finance & Accounting units. He has been in the Finance & Accounting units consistently since joining the Company, and has abundant knowledge not only of finance and accounting but also of fund procurement and tax, and has accumulated experience in these areas. In particular, he also has the ability to take action in an emergency, having demonstrated his ability to rebuild multiple overseas subsidiaries when posted to them as CFO. In the 2025 MTMP, Mr. Iijima played a central role in the formulation of the new mid-term capital allocation policy, which has a significant impact on enhancing corporate value as the core of the financial strategy during the growth phase. Furthermore, given that the Company is expected to be able to roughly achieve the 50% equity ratio target set under the 2025 MTMP in fiscal year 2024, he has made major contributions to ensuring the Company's financial soundness and strengthening its financial position. The Company has determined that Mr. Iijima's extensive experience and deep knowledge of finance and accounting are necessary in relation to formulating and implementing company-wide management and financial strategies designed to enhance corporate value in the course of achieving business goals in fiscal year 2025, as well as deciding on medium- to long-term management strategies and formulating business portfolios from fiscal year 2026 onwards. For these reasons, the Company nominates him as a candidate for Director.	
		<b>Special interest between the Company and the candidate</b> None	

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
4	 <p><b>Keiji Yoshikawa</b> (July 6, 1950, 74 years old)</p> <p>[New candidate] [Outside Director] [Independent Officer]</p> <p>Number of the Company's shares owned 0</p> <p>Tenure as Director 4 years*</p> <p>Attendance at the Board of Directors Meetings 100% (15/15)</p>	<p>Apr. 1973      Joined Nippon Sheet Glass Co., Ltd.</p> <p>June 2008      Director, Executive Officer and Head of Specialty Glass SBU of Nippon Sheet Glass Co., Ltd.</p> <p>Feb. 2012      Director, Representative Executive Officer, Executive Vice President and CPMO (Chief Project Management Officer) of Nippon Sheet Glass Co., Ltd.</p> <p>Apr. 2012      Representative Executive Officer, President and CEO of Nippon Sheet Glass Co., Ltd.</p> <p>June 2015      Adviser of Nippon Sheet Glass Co., Ltd.</p> <p>Aug. 2017      Advisor of ARK INNOVATION CO., LTD.</p> <p>June 2018      Outside Board Director of Kansai Paint Co., Ltd.</p> <p>May 2021      Outside Director of AEON DELIGHT CO., LTD. (to present)</p> <p>June 2021      Director, Member of the Audit and Supervisory Committee of the Company (to present)</p> <p><b>Reason for nomination as an Outside Director and expected role</b> As the CEO of a global company, Mr. Keiji Yoshikawa has extensive experience and knowledge regarding corporate management and strengthening corporate governance systems, having led a management restructure and built one of Japan's best corporate governance systems. Moreover, he also has experience as a supervisor of management, having served as an Outside Director of Kansai Paint Co., Ltd. since 2018 and AEON DELIGHT CO., LTD. since 2021. Furthermore, Mr. Yoshikawa consistently provides accurate advice and supervision from a management perspective at meetings of the Company's Board of Directors and other such forums, thereby offering insight into topics such as the business portfolio, marketing, supply chains, and effective use of corporate management benchmarks.</p> <p>Given the above, the Company has determined that his contribution is necessary as an Outside Director for strengthening corporate governance of the Company, as well as in discussion of important management issues at meetings of the Board of Directors of the Company and for the supervision of management. For these reasons, the Company nominates him as a candidate for Director not serving as Audit and Supervisory Committee Member.</p> <p>Given that he was elected as Director, Audit and Supervisory Committee Member of the Company effective from June 2021, based on factors such as his aforementioned achievements, the Company has nominated Mr. Yoshikawa as a new Outside Director not serving as Audit and Supervisory Committee Member in expectation that he will fully demonstrate his skills in providing advisory and supervisory function from a managerial perspective, particularly in terms of furnishing advice and proposals regarding achievement of the 2025 MTMP objectives, as well as decisions on medium-to long-term management strategies and revision of the business portfolio from the fiscal year 2026 onwards.</p> <p><b>Independence</b> There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes he is qualified to serve as an outside director, which requires an independent standpoint. Although he has in the past served in executive roles at Nippon Sheet Glass Co., Ltd, both sales and purchasing transactions between the Company and this company account for less than 1% of their respective consolidated net sales, and it does not correspond to a major business partner as prescribed in the Company's standards for independence. Currently, he is registered as an Independent Officer with the Tokyo Stock Exchange. If he is elected as Director not serving as Audit and Supervisory Committee Member, the Company will register him again as an independent officer with the Tokyo Stock Exchange.</p> <p><b>Special interest between the Company and the candidate</b> None</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
		<p>* Mr. Keiji Yoshikawa was newly elected as a Director, Member of the Audit and Supervisory Committee at the 173rd Annual General Meeting of Shareholders held on June 29, 2021, and remains in the position of Director, Member of the Audit and Supervisory Committee of the Company to the present. His attendance at Board of Directors meetings during the fiscal year 2024 and his tenure are given for him in his role as a Director, Member of the Audit and Supervisory Committee. He attended 16 out of 17 Audit and Supervisory Committee meetings during the fiscal year 2024 (94.1%).</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
5	 <p><b>Toshikazu Koike</b> (October 14, 1955, 69 years old)</p> <p>[New candidate] [Outside Director] [Independent Officer]</p> <p>Number of the Company's shares owned 0</p> <p>Tenure as Director —</p> <p>Attendance at the Board of Directors Meetings —</p>	<p>Apr. 1979      Joined BROTHER INDUSTRIES, LTD.</p> <p>Aug. 1982      Seconded to Brother International Corporation (U.S.A.)</p> <p>Oct. 1992      Director of Brother International Corporation (U.S.A.)</p> <p>Jan. 2000      Director &amp; President of Brother International Corporation (U.S.A.)</p> <p>June 2004      Director of BROTHER INDUSTRIES, LTD.</p> <p>Jan. 2005      Director &amp; Chairman of Brother International Corporation (U.S.A.)</p> <p>Apr. 2005      Director &amp; Managing Executive Officer of BROTHER INDUSTRIES, LTD.</p> <p>Apr. 2006      Director &amp; Senior Managing Executive Officer of BROTHER INDUSTRIES, LTD.</p> <p>June 2006      Representative Director &amp; Senior Managing Executive Officer of BROTHER INDUSTRIES, LTD.</p> <p>June 2007      Representative Director &amp; President of BROTHER INDUSTRIES, LTD.</p> <p>June 2018      Representative Director &amp; Chairman of BROTHER INDUSTRIES, LTD.</p> <p>June 2020      Outside Director of Toyo Seikan Group Holdings, Ltd.</p> <p>May 2021      Outside Director (Member of the Audit and Supervisory Committee) of YASKAWA Electric Corporation</p> <p>June 2022      Director &amp; Chairman of BROTHER INDUSTRIES, LTD. (to present)</p> <p>June 2024      Outside Director of IBIDEN CO., LTD. (to present)</p> <p><b>Reason for nomination as an Outside Director and expected role</b> Mr. Koike has served across an extensive range of positions spanning everything from sales and marketing to product planning, IT, finance, logistics, and services at a global company with a high ratio of overseas sales and products that hold the top share in worldwide markets. In particular, he has long been involved in that company's U.S. operations where he substantially contributed to rebuilding and expanding the business. He also led that company's management in serving as its Representative Director &amp; President, thereby gaining extensive experience in overall global management and operational expertise, which in part entailed successfully navigating numerous crises including the global financial shock associated with the bankruptcy of Lehman Brothers.</p> <p>Furthermore, Mr. Koike also has sufficient experience as a supervisor of management, including efforts to promote stronger corporate governance through president and chairmanship roles at a global company, and also serving as an outside director at multiple listed companies. He also has significant insight into sustainability, having served as Vice-Chairman and Chairman at the Environmental Partnership Organizing Club (EPOC).</p> <p>Given the above, the Company has determined that his contribution is necessary for further strengthening corporate governance of the Company, as well as in discussion of important management issues at meetings of the Board of Directors and for the supervision of management. For these reasons, the Company nominates Mr. Koike as a candidate for Director not serving as Audit and Supervisory Committee Member. The Company expects Mr. Koike to leverage such wide-ranging insight in exercising the supervisory function over the Company's business execution from a multifaceted perspective unbound by the industry to which the Company belongs, and also expects him to furnish advice and proposals regarding achievement of the 2025 MTMP objectives, as well as decisions on medium- to long-term management strategies, and revision of the business portfolio from fiscal year 2026 onwards.</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
		<p><b>Independence</b>  There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes he is qualified to serve as an outside director, which requires an independent standpoint. Although he currently serves in executive roles at BROTHER INDUSTRIES, LTD., both sales and purchasing transactions between the Company and this company account for less than 1% of their respective consolidated net sales, and it does not correspond to a major business partner as prescribed in the Company's standards for independence. If he is newly elected as Director not serving as Audit and Supervisory Committee Member, the Company will register him as an independent officer with the Tokyo Stock Exchange.</p> <p><b>Special interest between the Company and the candidate</b>  None</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
6	 <p><b>Hideki Yanase</b> (October 2, 1956, 68 years old)</p> <p>[New candidate] [Outside Director] [Independent Officer]</p> <p>Number of the Company's shares owned 0</p> <p>Tenure as Director —</p> <p>Attendance at the Board of Directors Meetings —</p>	<p>Apr. 1979      Joined Toyota Tsusho Corporation</p> <p>June 2013      Managing Director of Toyota Tsusho Corporation</p> <p>Apr. 2017      Member of the Board, Senior Managing Executive Officer of Toyota Tsusho Corporation</p> <p>June 2019      Member of the Board, Executive Vice President of Toyota Tsusho Corporation</p> <p>June 2020      Representative Director, Executive Vice President of Toyota Tsusho Corporation</p> <p>June 2023      Outside Director of New Japan Chemical Co., Ltd. (to present)</p>
		<p><b>Reason for nomination as an Outside Director and expected role</b> Having served as Representative Director, Executive Vice President at one of Japan's leading general trading companies that operates globally, Mr. Yanase has extensive experience and operational expertise in overall global management, having spearheaded efforts to rejuvenate business and propel earnings growth. Moreover, he also has experience as a supervisor of management, having served as an Outside Director of New Japan Chemical Co., Ltd. since June 2023. He also has a broad range of insight that goes beyond the activities of a single enterprise, having served on committees of the Japan Association of Corporate Executives (Keizai Doyukai), and as a member of the Administrative Council and the President Nomination Council of Nagoya Institute of Technology, and as Honorary Consul of Kazakhstan.</p> <p>Given the above, the Company has determined that his contribution is necessary as an Outside Director for strengthening corporate governance of the Company, as well as in discussion of important management issues at meetings of the Board of Directors of the Company and for the supervision of management. For these reasons, the Company nominates him as a candidate for Director not serving as Audit and Supervisory Committee Member.</p> <p>The Company expects Mr. Yanase to leverage such wide-ranging insight in exercising the supervisory function over the Company's business execution from a multifaceted perspective unbound by the industry to which the Company belongs, and also expects him to furnish advice and proposals regarding achievement of the 2025 MTMP objectives, as well as decisions on medium- to long-term management strategies and revision of the business portfolio from fiscal year 2026 onwards.</p>
		<p><b>Independence</b> There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes he is qualified to serve as an outside director, which requires an independent standpoint. Although he has in the past served in executive roles at Toyota Tsusho Corporation, both sales and purchasing transactions between the Company and this company account for less than 1% of their respective consolidated net sales, and it does not correspond to a major business partner as prescribed in the Company's standards for independence. If he is newly elected as Director not serving as Audit and Supervisory Committee Member, the Company will register him as an independent officer with the Tokyo Stock Exchange.</p>
		<p><b>Special interest between the Company and the candidate</b> None</p>



### Proposal No. 3 Election of Four Directors, Members of the Audit and Supervisory Committee

The term of office of all the current five Directors, Members of the Audit and Supervisory Committee will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests the election of four Directors, Members of the Audit and Supervisory Committee. As for the reasons for the organizational changes within the Company, please refer to Proposal No. 2.

This proposal has obtained the approval of the Audit and Supervisory Committee.

No.	Name of candidate		Age *1	Current position and responsibilities at the Company	Attendance rate for the Fiscal Year 2024 (Board of Directors Meetings and Audit and Supervisory Committee Meetings)	Tenure as Director
1	Koji Naruke	(Re-election)	61	Director, Full-time Audit and Supervisory Committee Member, Chair of the Board of Directors	(100.0%, 100.0%)	2 years*2
2	Yasuhiro Yamada	(New candidate)	67	—	(—, —)	—
3	Rumiko Tanabe	(New candidate)	55	—	(—, —)	—
4	Asuka Nakamura	(New candidate)	51	—	(—, —)	—


\*1 Age indicates candidates' ages as of June 27, 2025.


\*2 Tenure as Director, Member of the Audit and Supervisory Committee as of the conclusion of this General Meeting of Shareholders.


\*3 In accordance with Article 427, paragraph (1) of the Companies Act, the Company has entered into a limited liability contract (an agreement that limits liability to the minimum amount prescribed by laws and regulations) with Mr. Koji Naruke, and if he is elected, he will continue to be covered by the contract. If Mr. Yasuhiro Yamada, Ms. Rumiko Tanabe, and Ms. Asuka Nakamura are elected, the Company will enter into the same limited liability contract with each of them.


\*4 The Company has entered into a directors and officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. This policy covers the insureds for their legal liability for compensation for damages and litigation expenses arising from the execution of their duties. Moreover, among the insured persons, the Directors (including Directors serving as Audit and Supervisory Committee Members) of the Company personally cover 5% of their insurance premiums. If each candidate is elected and assumes the office as Director, Audit and Supervisory Committee Member, each candidate will be included as an insured in the policy.

\*5 If the election of Mr. Yasuhiro Yamada, Ms. Rumiko Tanabe, and Ms. Asuka Nakamura is approved, the Company will register them as independent officers with the Tokyo Stock Exchange.

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
1	 <p><b>Koji Naruke</b> (January 30, 1964, 61 years old)</p> <p>[Re-election]</p> <p>Number of the Company's shares owned 3,497</p> <p>Tenure as Director 2 years</p> <p>Attendance at the Board of Directors Meetings 100% (15/15)</p>	<p>Apr. 1986      Joined the Company</p> <p>July 2004      Senior Manager of the Finance &amp; Accounting Division</p> <p>July 2008      Senior Member of the Corporate Strategy Planning Division</p> <p>Apr. 2010      General Manager of Fujikura Electronics (Thailand) Ltd.</p> <p>Apr. 2013      General Manager of the Corporate Strategy Planning Division, Power &amp; Telecommunication Systems Company of the Company</p> <p>Apr. 2017      CFO of ProCable Energia e Telecomunicacoes Ltd.</p> <p>Apr. 2019      General Manager of the Business Strategy Planning Division, Power &amp; Telecommunication Systems Company of the Company</p> <p>Apr. 2020      President of Fujikura Fiber Optics Vietnam Ltd.</p> <p>June 2023      Director, Full-time Audit and Supervisory Committee Member of the Company</p> <p>June 2024      Director, Full-time Audit and Supervisory Committee Member, and Chair of the Board of Directors (to present)</p> <p><b>Reason for nomination as a Director</b> Mr. Koji Naruke has expert knowledge of finance and accounting from his many years of experience in the Company's Finance &amp; Accounting units. He has served in important positions, including in the corporate strategy planning units of the Company's business, and has experience as President of multiple overseas subsidiaries, giving him insight into a wide range of business areas. Mr. Naruke's specialist knowledge of accounting and finance and deep insight into the Company's overall business will enable him to monitor the wide-ranging business interests of the Company accurately, and he has the experience and track record to analyze them from both a financial and business perspective. Given that he was elected as Full-time Audit and Supervisory Committee Member of the Company effective from June 2023 based on such experience and accomplishments, the Company has determined that his contribution is necessary to ensure the supervision of the Board of Directors with respect to achievement of the 2025 MTMP objectives and the next phase of growth from fiscal year 2026 onwards. For these reasons, the Company nominates him as a candidate for Director, Member of the Audit and Supervisory Committee. The Company selects a full-time Member of the Audit and Supervisory Committee to ensure the effectiveness of the activities of the Audit and Supervisory Committee, among other reasons, and if he is elected as Director, Member of the Audit and Supervisory Committee, the Company plans to appoint him as the full-time Member of the Audit and Supervisory Committee at the Audit and Supervisory Committee meeting scheduled to be held after the conclusion of this General Meeting of Shareholders.</p> <p><b>Special interest between the Company and the candidate</b> None</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
2	 <p><b>Yasuhiro Yamada</b> (April 8, 1958, 67 years old)</p> <p>[New candidate] [Outside Director] [Independent Officer]</p> <p>Number of the Company's shares owned 0</p> <p>Tenure as Director —</p> <p>Attendance at the Board of Directors Meetings —</p>	<p>Apr. 1983      Joined Mitsubishi Corporation</p> <p>June 2007      Director of Hokuetsu Paper Mills, Ltd. (current Hokuetsu Corporation)</p> <p>Apr. 2013      General Manager of Paper &amp; Packaging Dept. of Mitsubishi Corporation</p> <p>Apr. 2015      Senior Vice President, Division COO of Living Essential Products Division of Mitsubishi Corporation</p> <p>Apr. 2018      Adviser (full-time) to Toyo Tire &amp; Rubber Co., Ltd. (current Toyo Tire Corporation)</p> <p>Mar. 2019      Director, Chairman of the Board of Toyo Tire Corporation (to present)</p> <p><b>Reason for nomination as an Outside Director and expected role</b> Mr. Yamada has longstanding experience in business operations at a leading general trading company that operates globally. He also has wide-ranging experience that includes making improvements to governance and investor relations. Moreover, he also has sufficient experience as a supervisor of management, having chaired meetings of the Board of Directors as Chairman of the Board at a global manufacturer. Given the above, the Company has determined that his contribution is necessary as an Outside Director for the discussion of important management issues at meetings of the Board of Directors of the Company and for the supervision of business execution. For these reasons, the Company nominates him as a candidate for Director, Member of the Audit and Supervisory Committee. The Company expects Mr. Yamada to provide supervision and advice given his wide-ranging experience, professional expertise of corporate management, enlisting an objective perspective independent from business executives.</p>
		<p><b>Independence</b> There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes he is qualified to serve as an outside director, which requires an independent standpoint. Although he has in the past served in executive roles at Mitsubishi Corporation and Hokuetsu Corporation, Ltd., and he currently serves in executive roles at Toyo Tire Corporation, both sales and purchasing transactions between the Company and these companies account for less than 1% of the respective consolidated net sales at any of those involved, and none correspond to a major business partner as prescribed in the Company's standards for independence. If he is newly elected as Director, Member of the Audit and Supervisory Committee, the Company will register him as an independent officer with the Tokyo Stock Exchange.</p>
		<p><b>Special interest between the Company and the candidate</b> None</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions	
3	 <b>Rumiko Tanabe</b> (December 5, 1969, 55 years old)  [New candidate] [Outside Director] [Independent Officer]  Number of the Company's shares owned 0  Tenure as Director –  Attendance at the Board of Directors Meetings –	Apr. 1992      Joined Asahi Shinwa Audit Corporation (current KPMG AZSA LLC)  Apr. 1995      Registered as a Certified Public Accountant  Jan. 2003      Assistant Controller of American Home Assurance Company, Ltd. (current American Home Assurance Co., Ltd., American International Group, Inc. (AIG Inc.))  Dec. 2004      General Manager of Accounts and Finance Division and Controller of American Home Assurance Company, Ltd.  Mar. 2006      Leader of Group Consolidated Accounts Team of FAST RETAILING CO., LTD.  Jan. 2007      Consolidated Group Leader of HOYA CORPORATION  Oct. 2014      Accounting General Manager of Finance Division of HOYA CORPORATION  July 2018      Senior Manager of Vision Care Company Global Headquarters of HOYA CORPORATION  June 2020      Outside Director (Audit & Supervisory Committee Member) of Fast Fitness Japan Incorporated  July 2020      Founded Tanabe Accounting Office (to present)  Sept. 2020      Outside Audit & Supervisory Board Member of TechnoPro Holdings, Inc.  Oct. 2020      Audit & Supervisory Board Member of Credit Engine Group, Inc.  Sept. 2022      Outside Director (Audit & Supervisory Committee Member) of TechnoPro Holdings, Inc. (to present)  May 2023      Auditor of AEON MALL Co., Ltd. External Audit & Supervisory Board Member of TSI HOLDINGS CO., LTD.  May 2025      Outside Director of TSI HOLDINGS CO., LTD. (to present)	<p><b>Reason for nomination as an Outside Director and expected role</b></p> <p>Ms. Tanabe has sophisticated expertise, having long worked as a certified public accountant. Moreover, she also has extensive experience and expertise in areas such as audits in general, finance, accounting, corporate management, and governance, through her experience at multiple global companies in roles that include accounting and finance manager, outside director (audit &amp; supervisory committee member), and audit &amp; supervisory board member.</p> <p>Given the above, the Company has determined that her contribution is necessary as an Outside Director for the discussion of important management issues at meetings of the Board of Directors of the Company and for the supervision of business execution. For these reasons, the Company nominates her as a candidate for Director, Member of the Audit and Supervisory Committee.</p> <p>The Company expects Ms. Tanabe to provide supervision and advice given her professional expertise and insights particularly in accounting and finance, enlisting an objective perspective independent from business executives.</p>
		<p><b>Independence</b></p> <p>There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes she is qualified to serve as an outside director, which requires an independent standpoint. Furthermore, as a certified public accountant she is affiliated with Tanabe Accounting Office, but the Company has no dealings with this office. Although she has in the past served in executive roles at several companies, including HOYA CORPORATION, both sales and purchasing transactions between the Company and these companies account for less than 1% of the respective consolidated net sales at any of those involved, and none correspond to a major business partner as prescribed in the Company's standards for independence.</p> <p>If she is newly elected as Director, Member of the Audit and Supervisory Committee, the Company will register her as an independent officer with the Tokyo Stock Exchange.</p>	
		<p><b>Special interest between the Company and the candidate</b></p> <p>None</p>	

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
4	 <p><b>Asuka Nakamura</b> (December 15, 1973, 51 years old)</p> <p>[New candidate] [Outside Director] [Independent Officer]</p> <p>Number of the Company's shares owned 0</p> <p>Tenure as Director —</p> <p>Attendance at the Board of Directors Meetings —</p>	<p>Oct. 1997      Joined Asahi &amp; Co. (current KPMG AZSA LLC)</p> <p>Apr. 2000      Registered as a Certified Public Accountant</p> <p>Jan. 2001      Joined PricewaterhouseCoopers Financial Advisory Services Company, Ltd. (current PwC Advisory LLC)</p> <p>Nov. 2007      Joined Houlihan Lokey, Inc.</p> <p>Jan. 2012      Joined Tokyo Kyodo Accounting Office Co., Ltd.</p> <p>Oct. 2013      Joined Ernst &amp; Young ShinNihon LLC Japan (current Ernst &amp; Young ShinNihon LLC)</p> <p>Jan. 2015      Joined KPMG AZSA LLC</p> <p>June 2016      Partner of KPMG AZSA LLC</p> <p>Dec. 2022      President and Representative Director of Asumirai Research Institute, Inc. (to present)</p> <p>Outside Audit &amp; Supervisory Board Member of Mynavi Corporation (to present)</p> <p>June 2023      Outside Director (Member of the Audit and Supervisory Committee) of Polaris Holdings Co., Ltd. (to present)</p> <p>Dec. 2024      Outside Audit &amp; Supervisory Board Member of KATO SANGYO CO., LTD. (to present)</p> <p><b>Reason for nomination as an Outside Director and expected role</b> Ms. Nakamura has sophisticated expertise, having long worked as a certified public accountant. As an accounting expert, she has been involved in advisory work particularly from the perspective of fraud prevention and governance enhancement, including development of internal control systems. She also has a track record of supporting sustainability-related management issues such as TCFD disclosure and materiality analysis, in addition to M&amp;A support. Given the above, the Company has determined that her contribution is necessary as an Outside Director for the discussion of important management issues at meetings of the Board of Directors of the Company and for the supervision of business execution. For these reasons, the Company nominates her as a candidate for Director, Member of the Audit and Supervisory Committee. The Company expects Ms. Nakamura to provide supervision and advice on Directors' execution of duties, given her professional expertise and insights particularly in accounting and finance, as well as her professional viewpoints on sustainability, enlisting an objective perspective independent from business executives.</p> <p><b>Independence</b> There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes she is qualified to serve as an outside director, which requires an independent standpoint. Although Ms. Nakamura has served as a business executive of KPMG AZSA LLC and other corporations or companies in the past and currently serves as a business executive of Asumirai Research Institute, Inc., both sales and purchasing transactions between the Company and these corporations or companies account for less than 1% of the respective consolidated net sales at any of those involved, and none correspond to a major business partner as prescribed in the Company's standards for independence. If she is elected as Director, Member of the Audit and Supervisory Committee, the Company will register her as an independent officer with the Tokyo Stock Exchange.</p> <p><b>Special interest between the Company and the candidate</b> None</p>

**Proposal No. 4      Revision of the Amount of Compensation to Directors Not Serving as Audit and Supervisory Committee Members**

At the 169th Annual General Meeting of Shareholders held on June 29, 2017, it was resolved that the amount of compensation to Directors not serving as Audit and Supervisory Committee Members of the Company should not exceed ¥600 million per year (Outside Directors are not eligible), separate from the stock-based compensation plan provided for separately. That amount has remained in effect to this day.

Whereas the Company has not elected any Outside Directors as Directors not serving as Audit and Supervisory Committee Members thus far, three Outside Directors shall assume the office as Director not serving as Audit and Supervisory Committee Member if Proposal No. 2 is approved as proposed. Accordingly, the Company proposes revising the amount of compensation to Directors not serving as Audit and Supervisory Committee Members to an amount not exceeding ¥700 million per year (of which, not exceeding ¥100 million for Outside Directors), separately from compensation provided for in the stock-based compensation plan. For Directors concurrently serving as employees, the employee portion of their salaries shall not be included. If Proposal No. 2 is approved as proposed, there will be six Directors not serving as Audit and Supervisory Committee Members (of which, three are Outside Directors).

The Company shall set compensation to Directors not serving as Audit and Supervisory Committee Members of the Company taking into account the fact that not only the Company deals with a variety of products, but also it operates globally and the duties of its directors are sophisticated and diverse. Such compensation shall accordingly be set in reference to surveys that target mainly listed companies conducted by multiple research agencies, with the standard for such compensation established at a level appropriate for highly qualified people capable of fulfilling such duties. Whereas compensation to Directors not serving as Audit and Supervisory Committee Members shall encompass three categories consisting of a fixed amount as “basic compensation,” a variable amount as “short-term performance-based compensation,” and “stock-based compensation.” Meanwhile, compensation provided to non-executive Directors shall consist exclusively of a fixed amount of basic compensation. The Board of Directors has determined that this proposal is appropriate given that it aligns with the policy for decisions on compensation of Directors of the Company.

Additionally, a report stating that the decision-making process is fair and reasonable has been furnished by the Remuneration Advisory Committee (the majority of the members shall be Outside Directors, and the chair shall be an Outside Director.), which serves as an advisory body to the Board of Directors.

This proposal shall go into effect on the condition that Proposal No. 2 goes into effect.

## **Proposal No. 5      Partial Revision of the Stock-based Compensation Plan for Directors Not Serving as Audit and Supervisory Committee Members**

### **1. Reasons for proposal and reasons why the stock-based compensation plan is appropriate**

The Company's stock-based compensation plan for Directors not serving as Audit and Supervisory Committee Members of the Company (hereinafter referred to as the "Plan") was approved at the 169th Annual General Meeting of Shareholders held on June 29, 2017 (hereinafter referred to as the "Original Resolution"), and remains in effect to this day. This proposal seeks approval to revise the previously approved stock-based compensation—authorized in the original resolution to be within ¥120 million and 285,000 shares of the Company's common stock per fiscal year—to a new limit of up to ¥500 million and 285,000 shares per fiscal year, as a separate framework from the compensation amount for Directors not serving as Audit and Supervisory Committee Members proposed in Proposal No. 4. There will be six Directors not serving as Audit and Supervisory Committee Members of the Company (of which, three are Outside Directors) if Proposal No. 2 is approved as proposed, with three Directors eligible under the Plan as this system does not apply to non-executive Directors.

The main purpose of the Plan is to heighten awareness among Directors of their contributions toward increasing corporate value by ensuring that interests of the Directors align with those of shareholders in terms of both benefits and risks associated with changes in the share price. The current compensation plan for Directors not serving as Audit and Supervisory Committee Members of the Company consists of the following three components: (1) basic compensation, constituting a fixed amount as the portion corresponding to the monitoring and supervisory functions of each Director; (2) short-term performance-based compensation, which varies based on certain indicators against a base amount determined according to the company's performance, etc. for a single fiscal year, and; (3) stock-based compensation, which varies based on long-term corporate value. A maximum of roughly 60% of the entire compensation is subject to vary depending on performance and share price (short-term performance-based compensation and stock compensation).

The Company shall continue examining its compensation design with the aim of ensuring that its compensation for Directors functions soundly as an incentive in terms of ensuring sustainable growth of the Company, with such review to include the possibility of increasing the proportion of variable compensation relative to overall compensation. The Company has determined that this proposal is appropriate given that its content is consistent with the Company's compensation policy and aligns with the thinking behind Section "4.2 Ideal Approaches to Executive Compensation" in "Practical Guidelines for Corporate Governance Systems" (July 2022, Ministry of Economy, Trade and Industry) and other prevailing guidelines on executive compensation.

Additionally, a report stating that the decision-making process is fair and reasonable has been furnished by the Remuneration Advisory Committee (the majority of the members shall be Outside Directors, and the chair shall be an Outside Director.), which serves as an advisory body to the Board of Directors.

### **2. Amount and details, etc. of compensation, etc. under the Plan after the revision**

Compensation for Directors under the Plan shall involve granting points to Directors each fiscal year in accordance with the Stock Distribution Regulations stipulated by the Board of Directors as compensation to Directors, with common shares of the Company corresponding to the cumulative number of such points distributed to the Directors upon their retirement.

#### **(1) Eligible persons for the Plan**

Directors not serving as Audit and Supervisory Committee Members (excluding Outside Directors)

#### **(2) Details and amount of compensation**

The common shares of the Company, which shall not exceed ¥500 million and 285,000 shares per fiscal year.

#### **(3) The number of common shares of the Company which Directors shall acquire**

Upon having granted Directors points determined based on rank each fiscal year, the Company shall distribute upon their retirement the number of common shares of the Company calculated by multiplying the cumulative number of points accrued up to their retirement by 1.0 (provided,

however, that adjustments will be made as appropriate under certain circumstances). A certain portion of these common shares of the Company may be sold and converted into cash, which will then be distributed in lieu of such common shares.

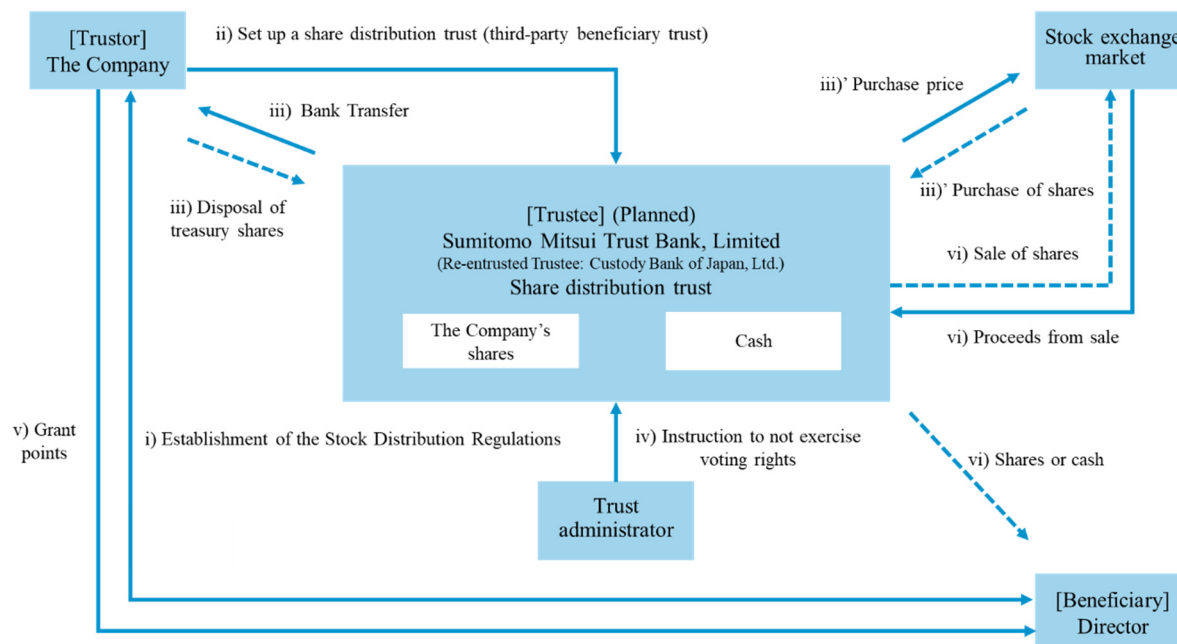
The specific number of points granted to Directors per fiscal year shall be determined in accordance with the Stock Distribution Regulations.

#### <Reference> Overview of the structure of the Plan

The Company shall entrust funds to a trust set up for the Plan (hereinafter referred to as the “Trust”). The Trust shall then acquire common shares of the Company for distribution to Directors (beneficiaries under the Trust) as compensation through the Trust.

Specifically, the Company shall contribute an amount of money up to an equivalent of one year’s amount of compensation for a single fiscal year during the trust period of the Trust (encompassing one year from August 2025), and the Trust shall then use this contribution as funds to acquire common shares of the Company either through a stock exchange market or by means of subscribing to the disposal of the Company’s treasury shares. Beneficiaries of the Trust shall be Directors of the Company who are in office during the one-year period from the fiscal year ending March 2026 to the fiscal year ending March 2027 (the “Applicable Period”) and who meet the criteria set forth in Stock Distribution Regulations.

Upon expiration of the trust period, the trust period may be extended to continue the Plan per decision of the Company’s Board of Directors. In that case, the Company shall contribute to the Trust additional funds up to an amount equal to the number of years by which the trust period has been extended multiplied by ¥500 million, as additional funds required for the acquisition of the Company’s shares to be distributed to Directors under the Plan. With the Applicable Period extended accordingly, the Company shall then continue granting points and distributing common shares of the Company to the Directors serving during the extended trust period.



- i) The Company establishes the Stock Distribution Regulations applicable to Directors.
- ii) The Company sets up a share distribution trust (third-party beneficiary trust) with Directors as the beneficiaries. In so doing, the Company entrusts the trustee with an amount of cash equivalent to the funds required for the acquisition of shares (provided, however, that the amount shall not exceed the amount approved by the General Meeting of Shareholders).
- iii) The trustee acquires, in a single tranche, a number of the Company’s shares equivalent to the number expected to be distributed in the future (the acquisition shall be conducted by means of disposal of



treasury shares or by means of acquiring shares from a stock exchange market (including off-auction trading)).

- iv) A trust administrator (a person who is independent from the Company and its officers) is appointed to protect the interests of the beneficiaries who are subject to the Stock Distribution Regulations and to supervise the trustee throughout the trust period.

Voting rights for the Company's shares held within the Trust will not be exercised at any point during the trust period.

- v) Points are granted to Directors in accordance with the Stock Distribution Regulations.
- vi) Directors who have satisfied the requirements set forth in the Stock Distribution Regulations and in the trust agreement associated with the Trust will, as a beneficiary under the Trust, be distributed a number of the Company's shares equivalent to the number of accumulated points at the time of their retirement.

Moreover, in the event falling under certain cases set out in advance in the Stock Distribution Regulations and the trust agreement, a portion of the Company's shares to be delivered will be sold on a stock exchange and the cash will be delivered.

The Company will designate Sumitomo Mitsui Trust Bank, Limited as trustee under the Plan, and the trustee will re-entrust the administration of trust assets to Custody Bank of Japan, Ltd.

## **(Reference)**

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

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

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

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

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

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

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

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

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

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

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

The skill matrix below maps the main skills the Company considers necessary to achieve the targets in the 2025 MTMP, and to formulate and implement the next mid-term management plan, against the skills possessed by each candidate for Director and Corporate Officer who is not serving as a Director. This will be the Company's management team if Proposal No. 2 and Proposal No. 3 are approved as originally proposed.

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

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

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

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

“T”: Information Infrastructure

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

“S”: Information Storage

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

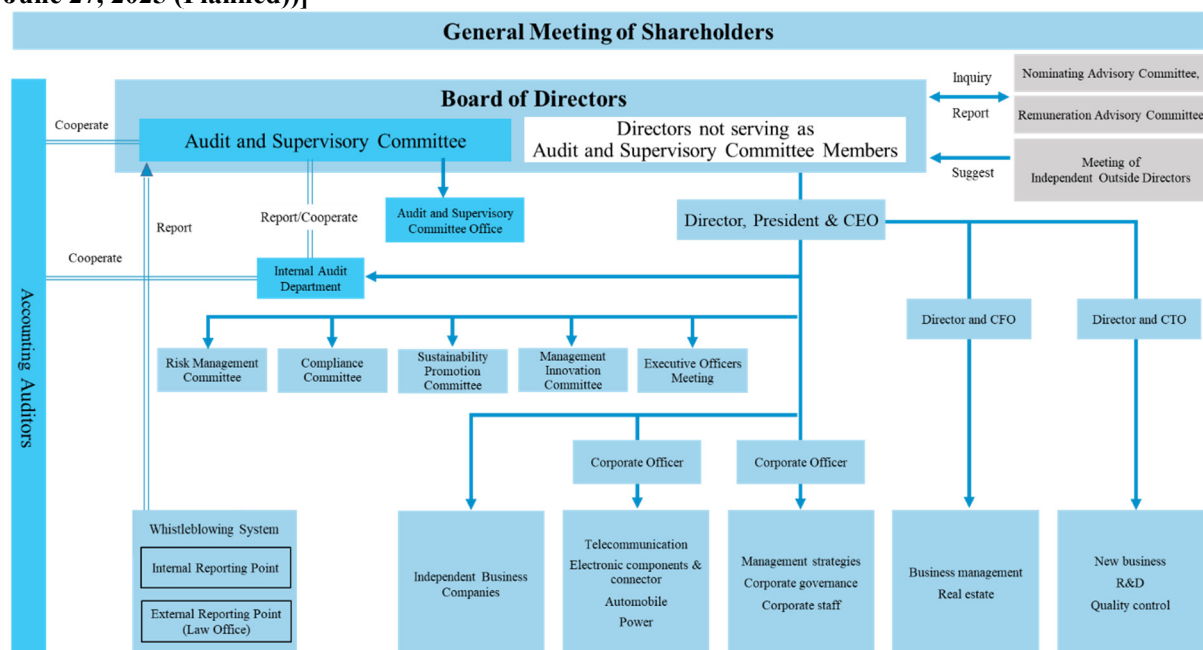
“T”: Information Terminal

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

“C”: Carbon neutrality

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

**[The Company's Corporate Governance Structure (After the General Meeting of Shareholders on June 27, 2025 (Planned))]**



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

## **Business Report** (from April 1, 2024 to March 31, 2025)

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

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

##### **(i) Financial overview for fiscal year 2024**

In the fiscal year 2024, the Group's net sales increased by 22.5% year-on-year to ¥979.4 billion, and operating profit increased by 95.0% year-on-year to ¥135.5 billion. In a continuation of developments from the previous fiscal year, sales and profits both increased significantly due to such factors as demand from data centers, which grew on the back of the spread and expansion of generative AI, and the impact of foreign exchange rates. Both net sales and operating profit achieved the highest figures ever.

By business units, sales and profits in the Telecommunication Systems Business Unit increased significantly due to such factors as strengthening demand from data centers, driven by the spread and expansion of generative AI, and the impact of foreign exchange rates. As a result, net sales increased by 51.8% year-on-year to ¥451.3 billion, and operating profit increased by 135.2% year-on-year to ¥92.2 billion. In the Electronics Business Unit, our strategy of concentrating on highly profitable products bore fruit which, together with rising demand for data centers and the tailwind from foreign exchange rates, led to net sales increasing by 12.9% year-on-year to ¥185.9 billion, and operating profit increasing by 37.7% year-on-year to ¥22.9 billion. In the Automotive Products Business Unit, net sales were flat year-on-year at ¥177.1 billion, but operating profit grew by 395.6% year-on-year to ¥5.8 billion, due to productivity improvements, gaining the understanding of customers regarding the increased cost burden caused by demand fluctuations, and other factors. In the Power Systems Business Unit, continued strong demand for urban redevelopment and new factory construction, etc. in Japan led to net sales growing by 4.4% year-on-year to ¥145.2 billion, while operating profit increased by 37.2% year-on-year to ¥11.9 billion. In the Real Estate Business Unit, net sales were ¥10.8 billion, and operating profit was ¥4.9 billion.

As for ordinary profit, as a result of recording ¥10.4 billion in non-operating income and ¥8.6 billion in non-operating expenses, the Company achieved ordinary profit of ¥137.2 billion, a year-on-year increase of 96.8%, marking the third year in a row of setting record highs.

In addition to this, a total of ¥3.0 billion was recorded as extraordinary income, consisting of gains on sale of investment securities, and a total of ¥18.9 billion was posted as extraordinary losses, which included the recording of impairment losses of ¥7.9 billion in production facilities related to the FPC (flexible printed circuit board) business, expenses associated with structural reforms of ¥5.0 billion in the Automotive Products business and other businesses, and settlement payments related to a compensation claim of ¥4.8 billion caused by a malfunction of special power supply cables.

As a result, profit attributable to owners of parent was ¥91.1 billion, up 78.6% year-on-year, and set a record high for four consecutive periods.

Business performance in the fiscal year 2024 was as described above, and resulted in the targets set for fiscal 2025 (please refer to page 33), which is the final year of the 2025 Mid-term Management Plan (hereinafter "2025 MTMP"), mostly being achieved one year ahead of schedule.

[Financial Highlights]

(Billions of yen)

	176th period FY2023	177th period FY2024	Variation
Net sales	799.8	979.4	179.6
Telecommunication Systems	297.2	451.3	154.0
Electronics business	164.7	185.9	21.2
Automotive Products	179.5	177.1	(2.5)
Power Systems	139.1	145.2	6.1
Real Estate	10.5	10.8	0.3
Other	8.7	9.1	0.4
Operating profit	69.5	135.5	66.0
Telecommunication Systems	39.2	92.2	53.0
Electronics business	16.6	22.9	6.3
Automotive Products	1.2	5.8	4.6
Power Systems	8.7	11.9	3.2
Real Estate	4.9	4.9	0.0
Other	(1.1)	(2.2)	(1.1)
Ordinary profit	69.7	137.2	67.5
Profit attributable to owners of parent	51.0	91.1	40.1
Net assets	366.6	435.3	68.7
Total assets	723.9	830.3	106.4

**(ii) Business plan for fiscal year 2025**

In the business plan for the fiscal year 2025 on a consolidated basis, the Group forecasted a reduction in both revenues and profits, with net sales of ¥957.0 billion (down 2.3% from FY2024), operating profit of ¥122.0 billion (down 10.0%), ordinary profit of ¥126.0 billion (down 8.2%), and profit attributable to owners of the parent of ¥90.0 billion (down 1.2%).

In addition to an expected acceleration of further data center investment in fiscal year 2025 on the back of the spread and expansion of generative AI, there is an anticipation of a recovery in capital investment by telecommunication carriers in the U.S. and Europe. On the other hand, we expect a progression of appreciation of the yen, with an assumed rate of ¥140 to the dollar in fiscal year 2025 compared to ¥152.62 to the dollar in fiscal year 2024. Furthermore, the outlook is becoming increasingly uncertain due to concerns that moves by the U.S. administration in relation to mutual tariffs on various countries and regions around the world could trigger a recession, etc., resulting in the forecast above.

In terms of shareholder returns, although we forecasted lower revenues and profits in fiscal year 2025 compared to fiscal year 2024, we have decided to aim for a dividend payout ratio of 40% in fiscal year 2025, instead of the current target of 30%, in light of the fact that our earning capacity has greatly improved and our financial position has been considerably strengthened through our efforts to date in the 2025 MTMP. As a result of the above, we plan for the full-year dividend for fiscal year 2025 to be ¥130 per share (¥65 per share for both the interim and year-end dividends), an increase of ¥30 from the previous fiscal year.

	Fiscal year 2023		Fiscal year 2024 (current period)		Fiscal year 2025	
	Mid-term plan	Results	Mid-term plan	Results	Mid-term plan	Forecasts
Consolidated net sales	¥770.0 billion	¥799.8 billion	¥800.0 billion	¥979.4 billion	¥825.0 billion	¥957.0 billion
Consolidated operating profit	¥60.0 billion (7.8%)	¥69.5 billion (8.7%)	¥70.0 billion (8.8%)	¥135.5 billion (13.8%)	¥85.0 billion (10.3%)	¥122.0 billion (12.7%)
Consolidated rate of return on equity (ROE)	14.4%	16.7%	14.5%	24.4%	16.5%	20.7%

	Fiscal year 2023		Fiscal year 2024 (current period)		Fiscal year 2025	
	Mid-term plan	Results	Mid-term plan	Results	Mid-term plan	Forecasts
Consolidated return on invested capital (ROIC)	10.7%	11.1%	10.6%	19.0%	12.8%	15.7%
Consolidated capital adequacy ratio	44.6%	47.1%	47.2%	49.1%	51.7%	53.3%



## (2) Issues Facing the Fujikura Group

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

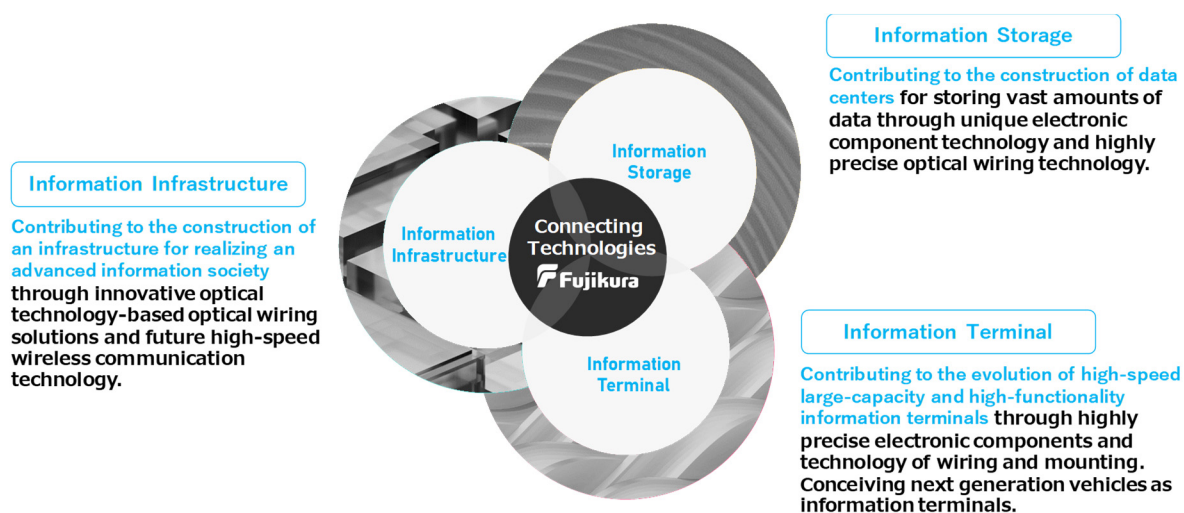
With the aim of achieving sustainable growth for the Group and further enhancing its corporate value, the Company formulated and announced in May 2023 its three-year 2025 MTMP, the first year of which was the fiscal year 2023.

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

Under the 2025 MTMP, looking beyond the fiscal year 2025, the Company has decided to leverage its technological capabilities to advance technology and product development in three promising fields—superconductors, fiber lasers, and EVs (electric vehicles)—which offer new business opportunities that contribute to carbon neutrality.

At the same time, we have formulated a mid-term capital allocation policy to improve capital efficiency, stipulating the execution of business and strategic investments for future growth, ensuring financial soundness and payment of shareholder returns.

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



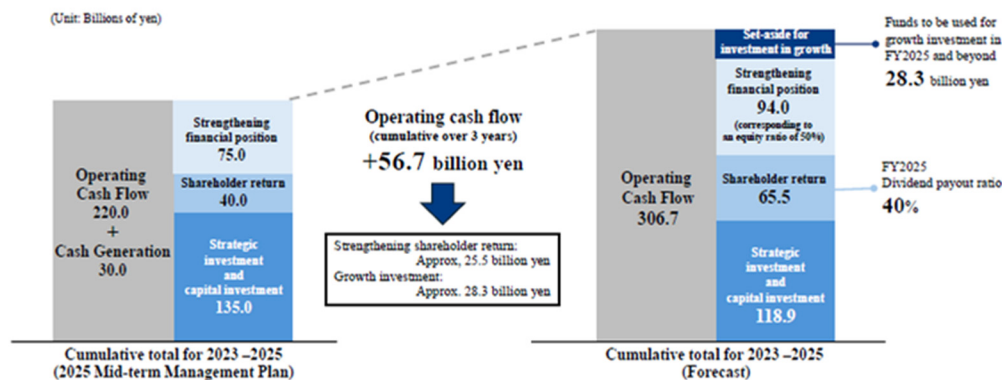
### (ii) Business plan for fiscal year 2025 and issues

Considering that we have mostly achieved the targets for the 2025 MTMP one year ahead of scheduled, as described in (1) above, we will implement growth investments and other measures in fiscal year 2025, while basically maintaining the business direction set out in the 2025 MTMP, to achieve further progress from the next fiscal year onward, when the new mid-term management plan will start.

#### a. Capital Policy

As a result of the initiatives to date, our earning power has improved significantly and our ability to generate cash has enhanced significantly. Whereas the 2025 MTMP was initially planned to have a cumulative cash flow of ¥250.0 billion over its three-year period, the cumulative cash flow for 2025 MTMP is expected to increase by ¥56.7 billion to ¥306.7 billion, although changes in the external environment will require close monitoring in fiscal year 2025. In addition, considering that we have made considerable progress in improving our financial position through our efforts, we have revised our capital allocation policy in fiscal year 2025 to raise the dividend payout ratio—the return of profits to shareholders—to 40% and to increase the amount allocated to investments for future growth.

## FY2023 – FY2025: Capital Allocation



### b. Priority business issues

#### (a) Expanding business for data centers

Our objective is to expand further share in business related to hyperscale data centers in the U.S. In hyperscale data centers that process and store significantly large amounts of data, we will focus our efforts on expanding sales of optical fiber products Spider Web Ribbon® / Wrapping Tube Cable® (hereinafter, “SWR®/WTC®”) that support highly precise optical wiring and fiber optic cables Air Blown Wrapping Tube Cable™ (hereinafter, “ABWTC™”) that are compatible with the air-blown feeding method\* that enables optical fiber cables to be efficiently pulled into buildings from trunk lines and laid between buildings. Furthermore, in addition to expanding production capacity for next-generation small multi-core optical connectors, we will promote the development of products that help save space and cut down on installation time.

Data center-related demand is expected to grow in regions outside the U.S. as well. We will therefore focus on strengthening our proposing ability as total solutions that leverage the Company’s wide-ranging product lineup and building sales channels to capture demand in Japan, Europe, Southeast Asia, and other regions.

In order to respond to robust data center-related demand, we will also invest in production capacity increases for hard disk drive actuators.

\* The air-blown feeding method is a method of passing optical fiber cables underground or in conduits using compressed air, improving the efficiency of laying work.

#### (b) Expanding business for telecommunications carriers

We will work to strengthen the business foundation for SWR®/WTC®, and to expand its market.

In the U.S., we received WTC® certification from Verizon Communications Inc., the largest telecommunications carrier in the world. In response, we will strengthen our production system for SWR®/WTC® in the U.S. market.

For overseas markets besides the U.S., we will take steps to strengthen supply structures for SWR®/WTC® with an eye on the business aimed at telecommunications carriers in Europe, where demand is expected to recover, and on the expansion of business with telecommunication carriers in the Middle East and Africa. Specifically, to allow the prompt supply of SWR®/WTC® to customers in these regions, we will build a WTC® production line at our Automotive Products Business Unit site in Morocco. We will proactively engage in initiatives aimed at developing the business in Taiwan, Southeast Asia, South America, and others.

For the Japanese market, we will focus our efforts on promoting the spread of AB-WTC™. The air-blown feeding method, in which AB-WTC™ demonstrates its effectiveness, is widely used in Europe and the U.S., but is yet to be widely adopted in Japan. We aim to develop a new market for AB-WTC™ by launching this as a business for telecommunications carriers in Japan.

Moreover, we will proceed with considerations to build new plants for optical fibers and SWR® to further increase production capacity and improve productivity.

### **c. Beyond 2025**

#### **(a) Superconductivity**

We will focus on the nuclear fusion power generation business. Coils using our world-leading superconducting wire rods are one of the key components in nuclear fusion power generation. Demand is expected to increase due to the advancement of demonstration research for nuclear fusion power generation. Therefore, in addition to investing in increased production of superconducting wire rods, we will promote cost reduction measures such as improving productivity by developing manufacturing technologies.

#### **(b) Fiber lasers**

We will focus on developing the superconductor processing market to enable higher levels of integration for semiconductors. In addition to deepening our collaboration with EX-Fusion Inc., which is researching a wide range of application of lasers, including nuclear fusion, we will establish a CFRP (carbon fiber reinforced plastic) cutting business and considering a laser nuclear fusion business.

#### **(c) EVs (electric vehicles)**

One of the obstacles impeding the spread of EVs is the issue of how to quickly recharge the batteries. As a business addressing this issue, we will be to meet the CHAdeMO standard within the fiscal year 2025 and will promote the development of liquid-cooled cables with fast recharging connectors that are thin, lightweight, and enable ultra-fast recharging.

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

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

In the field of next-generation optical communications, faster information networks with greater capacity are required since innovative digital technologies represented by generative AI are leading to exponential growth in the volume of communications data. In addition, response to a power consumption increase across entire networks, which include data centers, is also required. To solve these issues, we are forging ahead with the development of multicore fibers (MCF) and their connecting technologies. For the practical application of MCFs, it is also extremely important to ensure connection compatibility with existing single-core optical fibers, and we will accelerate their development, including peripheral technologies such as input/output devices and connectors.

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

In the field of millimeter wave applications, as a high-speed wireless communications technology with greater capacity and lower latency, we have promoted the development of 28 GHz millimeter wave ICs and modules used for 5G mobile base stations, as well as 60 GHz millimeter wave communications modules used for industrial wireless video transmission systems. Millimeter wave and other high-frequency technologies have a wide range of applications, and we will deploy the core technologies we have acquired in our existing businesses as well as apply them to other fields.

### **(iii) ESG**

The Fujikura Group has established the five-year activity plan "Sustainability Targets 2025 (FY2021 to FY2025)," aiming to contribute to a sustainable society and improve the Group's corporate value. For these targets, the Company has set targets to be achieved for fiscal year 2025 on four themes, F (Finance & Future), E (Environment), S (Society), and G (Governance), making reference to social issues, international guidelines, evaluation items established by ESG Ratings Agencies, and comments from stakeholders. We have established priority measures categorized by theme in line with the

Group's long-term vision, and will engage in activities to realize sustainable corporate management and a sustainable society.

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

The Company announced its support for the TCFD (Task Force on Climate-related Financial Disclosures), an international initiative to promote disclosure of climate change risks in September 2019, and joined the international organization RE100, which aims for the use of 100% renewable energy in October 2019. In addition, we participated in the GX League\*<sup>1</sup>, an initiative led by the Ministry of Economy, Trade and Industry in April 2023. Furthermore, our current greenhouse gas reduction targets have been certified by the SBTi (Science Based Targets initiative)\*<sup>2</sup>.

The Fujikura Group will continue to promote its climate change initiatives going forward.

\*<sup>1</sup> The GX League, which is focused on transforming society to realize carbon neutrality by 2050, is a venue for companies to collaborate with others engaged in similar initiatives, and to work with government and academia to take on the challenges of GX with the aim of achieving sustainable growth for society today and in the future. It was established based on the GX League Basic Concept announced by the Ministry of Economy, Trade and Industry in 2022.

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

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

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

Using the HR development total system based on "Fujikura Group HRM Vision," we are working to build a culture and an environment optimized for the nurturing of outstanding personnel who can work anywhere in the world.

We primarily engage in the following activities.

##### **i) Recruitment**

As our business expands, the personnel shortages become more apparent, especially in light of the intensifying competition for human resources amid the decline in the overall labor force in Japan. We are therefore focusing on strengthening and enhancing our recruitment activities and employee retention measures.

In particular, we are promoting measures to increase the Company's name recognition so that people know more about us. Our goal is to attract new personnel by expanding and enhancing points of contact with the Company through increased exposure in newspapers, television, social media, and other media, as well as by actively participating in recruitment events outside Japan. We recognize that these initiatives for external outreach also have a positive impact on the engagement and retention of existing employees.

##### **ii) Human resources development**

The sustainability of the management structure is also important for sustainable growth.

Therefore, in fiscal year 2017, we introduced a system to select and train future management personnel. The Nominating Advisory Committee continuously monitors our efforts to select and develop management personnel, and we are working to improve our training system and brush up our framework based on feedback from the committee.

In addition, as an initiative aimed at producing entrepreneurs, we have been gathering ideas for new businesses and strengthening existing businesses from young employees since fiscal year 2020. For outstanding ideas, we appoint passionate proposers as leaders and assign them the necessary resources to develop their ideas into businesses. In fiscal year 2024, we launched special projects to commercialize several proposals.

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

##### **(a) Strengthening corporate governance**

In 2017, the Company transitioned to an Audit and Supervisory Committee system with the aim of separating management supervision and execution to speed up management decision making.

Since then, we have continued our efforts to strengthen corporate governance by overhauling our managerial system and strengthening the supervisory function of the Board of Directors.

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

Furthermore, although the new management structure for fiscal year 2025 and beyond will continue to have executive Directors (CEO, CTO, and CFO), the role of Outside Directors, who are primarily responsible for management supervision, will be significantly revised, and Outside Directors will be divided into two groups: Directors who are not members of the Audit and Supervisory Committee and Directors who are members of the Audit and Supervisory Committee. We believe that the former will be able to more effectively demonstrate their knowledge and expertise by concentrating on supervising and advising on the next mid-term management plan based on their knowledge of management, and the latter on auditing and supervising business execution based on their various specialized knowledge. Regarding the structure for fiscal year 2025 and beyond, the Company has presented a proposal for the election of directors based on this change at the 177th Ordinary General Meeting of Shareholders scheduled to be held in June 2025. If this proposal is approved and passed as proposed, the Company’s Board of Directors will have a total of 10 members, including six Outside Directors who are independent of the Company’s management, which we believe will further strengthen the Company’s corporate governance.

**(b) Strengthening Group governance**

In order to promote stronger governance in the Group, we established the “Group Governance Basic Policy” to serve as a guideline in January 2024. This is intended to systematically establish rules and regulations for the entire Group, strengthen overall governance, and create an environment in which the Group can operate as though it were a single company. In terms of business operations, each business unit will reinforce the system to directly control group companies under its control according to their size and function, while in terms of monitoring, the Company’s departments with corporate functions will directly monitor group companies.

Given that we have already achieved a certain level of effectiveness in improving and strengthening governance in response to an inappropriate incident at a consolidated subsidiary located in the U.S., we will continue to work to further strengthen Group governance by promoting the clarification and codification of approval authority within our globally operating Group companies—aligned with the Company’s own authority approval chart—and by establishing and reinforcing an appropriate control framework led by their parent company, the Company.

**(3) Fujikura Group Capital Investment**

The total amount of capital investments for the 177th period was ¥30.7 billion, under the basic idea of taking a balanced approach of allocating resources mainly to growth sectors.

[Telecommunication Systems Business Unit]

In order to respond to the increased demand from the data center market against the backdrop of the spread and expansion of generative AI, we made investments to triple production capacity for MT ferules, which are an important component of multi-core optical connectors. In the same way, we took steps to increase production capacity of assembled optical connectors and optical cable products in Mexico, Poland, and Vietnam.

Construction of a new factory for our strategic SWR® product had been underway at the Sakura Works, which was completed in February 2025, and has begun operation. This has resulted in an increase in SWR® production volume of approximately 30%.

[Other]

The Company manufactures superconducting wire rods for the superconducting coils that are a key part in nuclear fusion power generation, also called dream energy. In response to increasingly active nuclear fusion power generation development in the U.S. and the United Kingdom, etc., we are moving forward with facilities investment to increase production within the Sakura Works. By fiscal 2027, we aim to increase production to approximately four times the level of fiscal 2024.

#### (4) Fujikura Group Fund Procurement

##### (i) Fund procurement

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

The Company also resolved to issue its first green bond on February 10, 2025. The bonds were issued as the 18th series of unsecured corporate bonds on March 17, 2025. The Company has formulated a Fujikura Group's Environmental Long-term Vision 2050, and is engaging in initiatives aimed at minimizing environmental impacts. The funds raised through the issue of this green bond have been used to construct a new SWR® factory at the Sakura Works, which is positioned as the Company's first carbon-neutral plant, and to take energy-saving measures at the Fukagawa Gatharia complex.

##### (ii) Principal lenders and loan amounts (As of March 31, 2025)

(Millions of yen)	
Lender	Loan balance
Sumitomo Mitsui Banking Corporation	7,643
Mizuho Bank, Ltd.	5,485
Sumitomo Mitsui Trust Bank, Limited	4,746
MUFG Bank, Ltd.	4,442
The Shizuoka Bank, Ltd.	3,950
Syndicated loan*	50,000
Hybrid loan*	40,000

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

#### (5) Financial Position and Business Performance

(Millions of yen)				
Category	174th period (FY2021)	175th period (FY2022)	176th period (FY2023)	177th period (current period) (FY2024)
Net sales	670,350	806,453	799,760	979,375
Operating profit	38,288	70,163	69,483	135,519
Ordinary profit	34,089	67,897	69,733	137,240
Profit attributable to owners of parent	39,101	40,891	51,011	91,123
EPS (yen)	141.85	148.27	184.96	330.32
Net assets	243,657	294,384	366,582	435,329
Total assets	611,526	656,785	723,867	830,307

#### (6) Major Lines of Business of the Fujikura Group (As of March 31, 2025)

##### (i) Telecommunication Systems Business Unit

[Major lines of business]

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

[Main products]

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

**(ii) Electronics Business Unit**

[Major lines of business]

This segment provides components of electronic equipment for mobile devices, storage equipment, industrial machinery, in-vehicle equipment and medical equipment

[Main products]

FPCs, connectors, electronic wires, actuators for HDD, sensors, membrane switches and thermal solutions products

**(iii) Automotive Products Business Unit**

[Major lines of business]

This segment provides various components for automobiles, etc.

[Main products]

Wire harnesses for automobiles and automotive components

**(iv) Power Systems Business Unit**

[Major lines of business]

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

[Main products]

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

**(v) Real Estate Business Unit**

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

**(7) Principal Business Locations of the Fujikura Group (As of March 31, 2025)**

**(i) The Company**

Head office: Koto-ku, Tokyo

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

**(ii) Subsidiaries**

America Fujikura Ltd. (U.S.), Fujikura Printed Circuits Ltd. (Tokyo), Fujikura Electronics (Thailand) Ltd. (the Kingdom of Thailand), Fujikura Electronic Components (Thailand) Ltd. (the Kingdom of Thailand), DDK (Thailand) Ltd. (the Kingdom of Thailand), Fujikura Automotive Asia Ltd. (Yamagata Prefecture), Fujikura Automotive Europe S.A.U. (Spain), Fujikura Automotive America LLC (U.S.), Fujikura Dia Cable Ltd. (Tokyo), and Nishi Nippon Electric Wire & Cable Co., Ltd. (Oita Prefecture)

**(8) Employees of the Fujikura Group (As of March 31, 2025)**

(Persons)

Segments, etc.	Number of employees	
Telecommunication Systems Business Unit	13,052	(536)
Electronics Business Unit	11,507	(5,581)
Automotive Products Business Unit	24,112	(1,780)
Power Systems Business Unit	1,600	(326)
Real Estate Business Unit	22	(8)
Head office and other	969	(239)
Total	51,262	(8,470)

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

**(9) Principal Subsidiaries (As of March 31, 2025)**

The outline of principal subsidiaries of the Company is as follows. Each subsidiary manufactures and sells the products listed in the right column. The Company has 92 consolidated subsidiaries (decreased by 3 compared to the previous fiscal year) and 10 subsidiaries (same as the end of the previous fiscal year) under the equity method.

Company name, etc.	Share capital Ownership percentage	Major lines of business
America Fujikura Ltd.	202 million U.S. dollars 100.0%	Optical cables, optical fusion splicers, optical connection parts, OPGW and telecommunications-related work
Fujikura Printed Circuits Ltd.	¥1,000 million 100.0%	FPCs
Fujikura Electronics (Thailand) Ltd.	11,552 million Thai baht 100.0%	FPCs
Fujikura Electronic Components (Thailand) Ltd.	3,068 million Thai baht 100.0%	Electronic components
DDK (Thailand) Ltd. *	1,730 million Thai baht 100.0%	Connectors
Fujikura Automotive Asia Ltd.	¥1,773 million 100.0%	Wire harnesses for automobiles
Fujikura Automotive Europe S.A.U.	60,000 euros 100.0%	Wire harnesses for automobiles
Fujikura Automotive America LLC	3 million U.S. dollars 100.0%	Wire harnesses for automobiles
Fujikura Dia Cable Ltd.	¥5,400 million 70.7%	Electric wires and cables
Nishi Nippon Electric Wire & Cable Co., Ltd.	¥960 million 60.8%	Electric wires and cables

\* Trade name changed to Fujikura Conec (Thailand) Ltd. on May 1, 2025.

**(10) Other**

- (i) DDK Ltd., the Company's wholly-owned subsidiary, conducted a simplified absorption-type company split of the business of connectors for specialized equipment and industrial equipment, which is based at the Numazu Works, into Fujikura Energy Systems Ltd., the Company's wholly-owned subsidiary, with an effective date of May 1, 2025.
- (ii) After the aforementioned absorption-type company split, the Company conducted a simplified absorption-type merger with DDK Ltd. in which the Company is the surviving company, with an effective date of May 1, 2025.



## 2. Company's Stock (As of March 31, 2025)

- (1) **Number of Authorized Shares** 1,190,000,000 shares  
(2) **Number of Shares Issued** 295,863,421 shares (including 19,460,798 shares of treasury shares)  
(3) **Number of Shareholders** 82,317 (up 52,917 from the previous fiscal year end)  
(4) **Major Shareholders**

(Thousand shares; %)

Name	Number of shares held	Percentage of total shares issued
The Master Trust Bank of Japan, Ltd. (Trust Account)	49,688	17.98
Custody Bank of Japan, Ltd. (Trust Account)	26,976	9.76
Taiju Life Insurance Company Limited	10,192	3.69
Sumitomo Mitsui Banking Corporation	7,000	2.53
Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank, Limited Retirement Benefit Trust Account)	6,777	2.45
The Shizuoka Bank, Ltd.	5,789	2.09
STATE STREET BANK WEST CLIENT - TREATY 505234	4,918	1.78
STATE STREET BANK AND TRUST COMPANY 505001	3,879	1.40
JP MORGAN CHASE BANK 385781	3,791	1.37
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	3,319	1.20

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

\*2 Although the Company owns 19,460,798 shares of treasury shares, this is excluded from the above table. 19,460,798 shares of treasury shares do not include 414,458 shares held by the trust account relating to the stock distribution trust established for the stock-based compensation plan for Directors (excluding Outside Directors) not serving as Audit and Supervisory Committee Members and Corporate Officers.

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

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

	Number of shares	Number of subject Directors
Directors not serving as Audit and Supervisory Committee Members	80,530	1

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

## 3. Share Acquisition Rights (As of March 31, 2025)

Not applicable.

#### 4. Company's Officers (As of March 31, 2025)

##### (1) Directors

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

\*1. Representative Directors are underlined.

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

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

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

\*5. Significant concurrent positions are as follows.

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

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

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

\*7. As of April 1, 2025, Corporate Officers who are not serving as Directors are as follows.

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

\*8. The term of office of Mr. Masahiko Ito, who is Chairman of the Board of Directors, expired at the conclusion of the 176th Annual General Meeting of Shareholders.

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

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

Audit and Supervisory Committee Members) of the Company personally cover 5% of their insurance premiums.

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

The Company and non-executive Directors have entered into a contract to limit their liability to damages in Article 423, paragraph (1) of the Companies Act, in accordance with the provisions of Article 427, paragraph (1) of the said act. The maximum amount of liability for damages under this contract is defined as the maximum liability amount provided for by Article 425, paragraph (1) of the said act.

### (4) Outside Directors

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

Main activities during the 177th Period

	Overview of attendance and remarks at meetings, as well as of the duties relating to the role expected for outside directors
Director, Member of the Audit and Supervisory Committee Hamako Hanazaki	<p>The Company expects Ms. Hamako Hanazaki to utilize her expertise and practical experience as an attorney, to provide opinions and suggestions, and to demonstrate the audit function of company management from an objective perspective that is independent from executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, she uses her experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company's management. She serves as a member of the Nominating Advisory Committee.</p> <p><b>Attendance at:</b>  Board of Directors Meetings: 100% (15/15)  Audit and Supervisory Committee Meetings 100% (17/17)  Nominating Advisory Committee Meetings 100% (8/8)</p>
Director, Member of the Audit and Supervisory Committee Keiji Yoshikawa	<p>The Company expects Mr. Keiji Yoshikawa to utilize the abundant experience and knowledge that he has accumulated in corporate management over many years, to provide opinions and suggestions, and to demonstrate the supervisory function of company management from an objective position that is independent from executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, he uses his experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company's management. He serves as chair of the Remuneration Advisory Committee, and serves as member of the Nominating Advisory Committee.</p> <p><b>Attendance at:</b>  Board of Directors Meetings: 100% (15/15)  Audit and Supervisory Committee Meetings 94.1% (16/17)  Nominating Advisory Committee Meetings 100% (8/8)  Remuneration Advisory Committee Meetings 100% (7/7)</p>
Director, Member of the Audit and Supervisory Committee Yoji Yamaguchi	<p>The Company expects Mr. Yoji Yamaguchi to utilize the experience and knowledge that he has accumulated in important positions in a major city bank over many years, to provide opinions and suggestions, and to demonstrate the supervisory function of company management from an objective position that is independent from executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, he uses his experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company's management. He serves as chair of the Nominating Advisory Committee and member of the Remuneration Advisory Committee.</p> <p><b>Attendance at:</b>  Board of Directors Meetings: 100% (15/15)  Audit and Supervisory Committee Meetings 100% (17/17)  Nominating Advisory Committee Meetings 100% (8/8)  Remuneration Advisory Committee Meetings 100% (7/7)</p>

	Overview of attendance and remarks at meetings, as well as of the duties relating to the role expected for outside directors
Director, Member of the Audit and Supervisory Committee Kozo Meguro	<p>The Company expects Mr. Kozo Meguro to utilize his expertise and practical experience as a certified public accountant, to provide opinions and suggestions, and to demonstrate the supervisory function of company management from an objective position that is independent from business executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, he uses his experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an independent and objective standpoint, and fulfills the supervisory function of the Company's management. He serves as a member of the Remuneration Advisory Committee.</p> <p><b>Attendance at:</b></p> <p>Board of Directors Meetings: 100% (15/15)</p> <p>Audit and Supervisory Committee Meetings 100% (17/17)</p> <p>Remuneration Advisory Committee Meetings 100% (7/7)</p>

## **(5) Compensation, etc. to Directors**

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

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

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

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

#### **(a) Basic compensation**

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

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

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

- (i) The consolidated plan for the fiscal year ended March 2024 that was resolved by the Board of Directors at the end of the fiscal year ended March 2023
- (ii) Consolidated results for the fiscal year ended March 2023

Short-term performance-linked remuneration payments for the fiscal year under review have been decided by comparing each indicator calculated from these standard values with the same indicators calculated from the consolidated fiscal year results for the fiscal year ended March 31, 2024, from the following two perspectives.

- ✓ The degree of achievement against the consolidated plan for the fiscal year ended March 2024 (corresponding standard value: above (i))

- ✓ The degree of growth from the consolidated results for the fiscal year ended March 2023  
(corresponding standard value: above (ii))

**(c) Stock-based compensation**

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

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

Roughly 60% of the entire compensation shall be represented by the portion subject to fluctuations at a maximum, depending on performance and share price (short-term performance-based compensation and stock compensation).

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

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

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

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

Category	Total amount of compensation, etc.	Total amount of compensation, etc. by type			Number of recipients
		Basic compensation	Performance-based compensation	Stock-based compensation	
Directors not serving as Audit and Supervisory Committee Members	304	153	64	87	4
Directors serving as Audit and Supervisory Committee Members (excluding Outside Directors)	30	30	—	—	1
Directors serving as Audit and Supervisory Committee Members (Outside Directors)	58	58	—	—	4

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

\*2. The standard value and performances for indicators relating to "short-term performance-based compensation" in the fiscal year under review are as follows.

(Performance-linked coefficient)

The degree of achievement against the consolidated plan for the fiscal year ended March 2024

(%)

Type of indicator	Plan for fiscal year ended March 2024	Performance for fiscal year ended March 2024
Consolidated operating profit ratio	7.8	8.7
Consolidated rate of return on equity (ROE)	14.4	16.7

The degree of growth from the consolidated results for the fiscal year ended March 2023

(%)

Type of indicator	Performance for fiscal year ended March 2023	Performance for fiscal year ended March 2024
Consolidated operating profit ratio	8.7	8.7
Consolidated rate of return on equity (ROE)	16.7	16.7

(Note) In addition to the consolidated performance-linked indexes mentioned above, the amount of performance-linked remuneration for each executive Director is determined based on the degree of achievement of targets set based on the operating profit margin and return on invested capital (ROIC) of the responsible division.

\*3. Total amount, etc. of compensation, etc. for those whose total amount of compensation, etc. is ¥100 million or more

(Millions of yen)

Name	Total amount of compensation paid by group	Total amount of compensation by type		
Naoki Okada	136	Basic compensation	Performance-based compensation	Stock-based compensation
		59	32	45

\*4. The Board of Directors, in regard to the individual compensation for Directors not serving as Audit and Supervisory Committee Members in the fiscal year under review, has determined that as individual compensation amounts for Directors are determined through the procedures described in “(i) Policy on Determining Compensation to Directors” above, the content of this conforms with such policy. In determining the compensation, etc. of Directors not serving as Audit and Supervisory Committee Members, the Remuneration Advisory Committee verifies the fairness and appropriateness of the decision-making process regarding the performance evaluation of each Director, the compensation standards in line with the market, the compensation system, and the specific amount of compensation. The Board of Directors has received a report from the Remuneration Advisory Committee that the decision-making process is fair and reasonable.

\*5. The Audit and Supervisory Committee received a report regarding the individual compensation of Directors not serving as Audit and Supervisory Committee Members in the fiscal year under review from the Audit and Supervisory Committee Members who attended a meeting of the Remuneration Advisory Committee. As a result of the report and consultations, the Audit and Supervisory Committee reached the conclusion that the Remuneration Advisory Committee’s decision-making process for the compensation, etc., of Directors not serving as Audit and Supervisory Committee Members is appropriate, and that there are no special matters that should be stated at a General Meeting of Shareholders under the provisions of the Companies Act.

\*6. Matters concerning the resolution at the General Meeting of Shareholders on compensation, etc. of Directors

(1) It was resolved that the amount of compensation to Directors not serving as Audit and Supervisory Committee Members should not exceed ¥600 million per year at the 169th Annual General Meeting of Shareholders held on June 29, 2017. In addition, separate from such monetary compensation, a resolution was passed at said Annual General Meeting of Shareholders to restrict the amount of stock-based compensation to up to ¥120 million per year and the maximum number of shares to 285,000 shares per year (Outside Directors are not eligible). The number of Directors not serving as Audit and Supervisory Committee Members as of the conclusion of said Annual General Meeting of Shareholders was nine, and none of them were Outside Directors.

(2) It was resolved that the amount of compensation to Directors serving as Audit and Supervisory Committee Members should not exceed ¥150 million per year (of which not exceeding ¥100 million for Outside Directors) at the 174th Annual General Meeting of Shareholders held on June 29, 2022. The number of Directors serving as Audit and Supervisory Committee Members as of the conclusion of said Annual General Meeting of Shareholders was six (of which five were Outside Directors).

## 5. Accounting Auditor

### (1) Name of Accounting Auditor

PricewaterhouseCoopers Japan LLC

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

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

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

(Millions of yen)	
	Amount
(i) Compensation as Accounting Auditor of the Company for the 177th period	130
(ii) Sum of the amount the Company and its subsidiaries owe to Accounting Auditor (including the amount set forth in (i))	205

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

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

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

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

## **Consolidated Balance Sheets**

(As of March 31, 2025)

(Millions of yen)

Item	Amount	Item	Amount
<b>ASSETS</b>		<b>LIABILITIES</b>	
<b>Current assets</b>	<b>561,343</b>	<b>Current liabilities</b>	<b>281,102</b>
Cash and deposits	184,991	Notes and accounts payable - trade	104,866
Notes receivable - trade	15,005	Short-term borrowings	76,886
Accounts receivable - trade	173,177	Income taxes payable	18,907
Contract assets	15,338	Contract liabilities	9,880
Merchandise and finished goods	50,896	Other provisions	1,856
Work in process	33,328	Other	68,708
Raw materials and supplies	62,981	<b>Non-current liabilities</b>	<b>113,875</b>
Other	26,681	Bonds payable	20,000
Allowance for doubtful accounts	(1,055)	Long-term borrowings	50,250
<b>Non-current assets</b>	<b>268,964</b>	Other provisions	418
<b>Property, plant and equipment</b>	<b>171,364</b>	Lease liabilities	16,230
Buildings and structures	79,319	Retirement benefit liability	10,592
Machinery, equipment and vehicles	33,788	Other	16,385
Land	15,190	<b>Total liabilities</b>	<b>394,978</b>
Leased assets	21,612	<b>NET ASSETS</b>	
Construction in progress	15,968	<b>Shareholders' equity</b>	<b>339,755</b>
Other	5,487	Share capital	53,076
<b>Intangible assets</b>	<b>18,274</b>	Capital surplus	24,290
Goodwill	8,534	Retained earnings	272,764
Other	9,740	Treasury shares	(10,375)
<b>Investments and other assets</b>	<b>79,325</b>	<b>Accumulated other comprehensive income</b>	<b>67,739</b>
Investment securities	34,348	Valuation difference on available-for-sale securities	5,960
Retirement benefit asset	1,980	Deferred gains or losses on hedges	342
Deferred tax assets	22,483	Foreign currency translation adjustment	59,463
Other	20,624	Remeasurements of defined benefit plans	1,974
Allowance for doubtful accounts	(111)	<b>Non-controlling interests</b>	<b>27,836</b>
<b>Total assets</b>	<b>830,307</b>	<b>Total net assets</b>	<b>435,329</b>
		<b>Total liabilities and net assets</b>	<b>830,307</b>



**Consolidated Statements of Income**  
(From April 1, 2024 through March 31, 2025)

(Millions of yen)

Item	Amount	
Net sales		979,375
Cost of sales		718,931
Gross profit		260,444
Selling, general and administrative expenses		124,925
Operating profit		135,519
Non-operating income		
Interest income	1,569	
Dividend income	957	
Share of profit of entities accounted for using equity method	5,739	
Other	2,088	10,354
Non-operating expenses		
Interest expenses	3,213	
Foreign exchange losses	1,296	
Product repair costs due to customers' claims	1,113	
Other	3,011	8,633
Ordinary profit		137,240
Extraordinary income		
Gain on sale of non-current assets	705	
Gain on sale of investment securities	1,444	
Gain on sale of other investments	662	
Other	210	3,022
Extraordinary losses		
Impairment losses	7,930	
Business restructuring expenses	4,970	
Litigation settlement	4,800	
Other	1,162	18,861
Profit before income taxes		121,400
Income taxes - current	34,014	
Income taxes - deferred	(7,084)	26,930
Profit		94,470
Profit attributable to non-controlling interests		3,347
Profit attributable to owners of parent		91,123

**Non-consolidated Balance Sheets**  
(As of March 31, 2025)

(Millions of yen)

Item	Amount	Item	Amount
<b>ASSETS</b>		<b>LIABILITIES</b>	
<b>Current assets</b>	<b>152,645</b>	<b>Current liabilities</b>	<b>150,431</b>
Cash and deposits	73,232	Notes payable - trade	50
Notes receivable - trade	795	Accounts payable - trade	15,778
Accounts receivable - trade	42,189	Short-term borrowings	70,120
Merchandise and finished goods	5,185	Accrued expenses	7,096
Work in process	8,401	Deposits received	31,953
Raw materials and supplies	2,763	Provision for loss on business of subsidiaries and associates	604
Accounts receivable - other	12,384	Other	24,829
Short-term loans receivable	6,672	<b>Non-current liabilities</b>	<b>81,358</b>
Other	1,024	Bonds payable	20,000
<b>Non-current assets</b>	<b>229,711</b>	Long-term borrowings	50,250
<b>Property, plant and equipment</b>	<b>78,137</b>	Long-term leasehold and guarantee deposits received	7,747
Buildings	54,804	Provision for retirement benefits	1,752
Structures	2,258	Other provisions	389
Machinery and equipment	5,252	Other	1,220
Land	9,469	<b>Total liabilities</b>	<b>231,789</b>
Construction in progress	5,241	<b>NET ASSETS</b>	
Other	1,113	<b>Shareholders' equity</b>	<b>144,653</b>
<b>Intangible assets</b>	<b>2,646</b>	Share capital	53,076
Software	1,898	Capital surplus	28,303
Other	748	Legal capital surplus	13,269
<b>Investments and other assets</b>	<b>148,929</b>	Other capital surplus	15,034
Investment securities	12,530	Retained earnings	73,622
Shares of subsidiaries and associates	117,540	Other retained earnings	73,622
Investments in capital of subsidiaries and associates	12,973	Reserve for tax purpose reduction entry of non-current assets	938
Long-term loans receivable	8,762	Retained earnings brought forward	72,684
Deferred tax assets	4,566	Treasury shares	(10,348)
Other	569	<b>Valuation and translation adjustments</b>	<b>5,915</b>
Allowance for doubtful accounts	(8,012)	Valuation difference on available-for-sale securities	5,781
		Deferred gains or losses on hedges	134
		<b>Total net assets</b>	<b>150,568</b>
<b>Total assets</b>	<b>382,357</b>	<b>Total liabilities and net assets</b>	<b>382,357</b>

**Non-consolidated Statements of Income**  
(From April 1, 2024 through March 31, 2025)

(Millions of yen)

Item	Amount	
Net sales		190,899
Cost of sales		140,869
Gross profit		50,030
Selling, general and administrative expenses		25,711
Operating profit		24,319
Non-operating income		
Interest and dividend income	18,494	
Other	857	19,351
Non-operating expenses		
Interest expenses	1,776	
Interest on bonds	46	
Foreign exchange losses	298	
Removal expenses of non-current assets	477	
Financing expenses	243	
Other	835	3,675
Ordinary profit		39,996
Extraordinary income		
Gain on sale of non-current assets	705	
Gain on sale of shares of subsidiaries and associates	3,746	
Gain on sale of investment securities	1,400	
Other	1	5,853
Extraordinary losses		
Impairment losses	198	
Litigation settlement	4,800	
Loss on sale of investment securities	250	
Other	88	5,335
Profit before income taxes		40,514
Income taxes - current	6,565	
Income taxes - deferred	(2,457)	4,107
Profit		36,406

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

The Audit and Supervisory Committee of Fujikura Ltd. (hereafter, "the Company") conducted an audit regarding the execution of the duties of the directors for the 177th business year (April 1, 2024 to March 31, 2025). Methods and results of the audit are as follows.

### **1. Method and Contents of the audit**

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

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

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

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

### **2. Results of the audit**

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

- iii) We confirm that the details of the resolution made by the Board of Directors concerning the internal control system is proper. Furthermore, we confirm that there are no matters on which to remark with regard to performance of duties of the Directors and content of the Business Report concerning the aforementioned internal control system.  
We recognize that in response to an inappropriate incident that was discovered at the Company's consolidated U.S. subsidiary in 2023, corrective measures were undertaken and governance systems were developed at the subsidiary.  
We will continue to monitor the status of establishment and reinforcement of the control framework at group companies.
- (2) Results of audit of the non-consolidated financial statements and the annexed detailed statements  
We found the method and the results of the audit by the Accounting Auditor, PricewaterhouseCoopers Japan LLC, to be appropriate.
- (3) Results of audit of the consolidated financial statements  
We found the method and the results of the audit by the Accounting Auditor, PricewaterhouseCoopers Japan LLC, to be appropriate.

May 21, 2025

Audit and Supervisory Committee of Fujikura Ltd.

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

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