

## Overview of Evaluation Results on the Effectiveness of the Board of Directors

Furukawa Electric Co., Ltd.

Our Company has conducted an annual analysis and evaluation on the effectiveness of the Board of Directors since FY2015, aiming at improving the Board's functions through a continuous process where we verify whether the Board is functioning adequately, and based on the results, we take necessary measures to remedy issues and reinforce its strengths.

As we completed our analysis and evaluation for FY2024, we hereby disclose the overview as follows:

Method of analysis and evaluation	Upon conducting a questionnaire survey targeting all Directors and Audit & Supervisory Board Members, the effectiveness of the Board of Directors was discussed based on aggregated results at meetings of outside officers and the Board of Directors. For the purpose of obtaining deeper understanding of the aggregated results, the Chairman of the Board had interviews with all Directors and Audit & Supervisory Board Members on an individual basis (while the lead outside officer interviewed with the Chairman), and shared the results at the above-mentioned Board of Directors meeting.
Category of survey questions	I. Roles and responsibilities of the Board of Directors (general matters, mid- to long-term management plan, business execution, risk management and compliance, sustainability, and Nominating/Compensation Committee) II. Operation of the Board of Directors III. System to support and cooperate with outside officers IV. Roles of and expectations for Audit & Supervisory Board Members V. Relationships with shareholders and other stakeholders VI. Other (Board of Directors overall, individual evaluations)
Overview of analysis and evaluation results	As a result of the analysis and evaluation, we reconfirmed that our Board of Directors has worked on initiatives to enhance its effectiveness in consideration of the results of the last year's evaluation; the Board of Directors as a whole has had positive and active discussions and carried out adequate oversight the business execution from the perspective of achieving sustainable growth of the entire Group and increasing corporate value over mid- to long-term; and useful recommendations/inputs based on a wealth of experience and advanced knowledge of outside officers were reflected on business execution. Consequently, we analyzed/evaluated that the Board of Directors maintained its effectiveness this year as well.

### **[Policy for Initiatives and Evaluation Results for FY2023 and Policy for Initiatives for FY2024]**

#### **1. Significant issues and priority initiatives for FY2024**

	FY2023		FY2024
	Policy for Initiatives	Evaluation Results	Policy for Initiatives
(1) Medium-term Management Plan (MTMP) and review of business portfolio	➤With respect to the business portfolio reform, we will ensure that the Board of Directors (BOD) will continue to receive regular reports on the implementation status as well as reports on initiatives for crystalizing portfolios of businesses/product families which the Company aims at realizing over mid- to long-term; and the BOD will have discussions for supporting the implementation of such initiatives.	➤The BOD has reviewed the business portfolio, and had fulfilling discussions on MTMP. Going forward, it is required to implement concrete and effective initiatives.	➤The BOD will discuss such matters as the enterprise strategy toward realizing “Furukawa Electric Group Vision 2030”, the implementation status of business portfolio management, and initiatives for crystallizing portfolios of businesses/product families for 2030. ➤BOD agenda plan will be formulated for the above-mentioned discussions, and the BOD will secure necessary time for deliberation.

	➤In accordance with the progress of MTMP, the BOD will receive reports on specific initiatives towards achieving financial targets, and have discussions for supporting the implementation of such initiatives.		
(2) Operation of the Board of Directors	➤The BOD will reinforce discussions on fundamental management issues, and create a venue where the members can freely and frankly discuss/exchange opinions on significant management matters.	➤With respect to significant management matters, board members have exchanged opinions and had discussions, both inside and outside the BOD, from time to time, and such efforts contributed to improving the quality of and deepening discussions at the BOD.	➤The BOD will continue to secure opportunities for exchange of opinions and discussions. In addition, BOD will increase opportunities for interaction and information sharing by inviting officers and staffs other than board members.

## 2. Other issues/initiatives to be continuously addressed

	FY2023		FY2024
	Policy for Initiatives	Evaluation Results	Policy for Initiatives
(1) Board composition, and Nominating/Compensation Committee	➤The board composition, and skills matrix, etc. will be incorporated into agenda of Nominating/Compensation Committee as mid- to long-term issues so that the Committee will discuss such matters.	➤Nominating/Compensation Committee has discussed the board composition and skills matrix, and provided the BOD with explanations on matters deliberated as necessary.	➤Continuous efforts will be made to deepen discussions at Nominating/Compensation Committee.
(2) Risk management	➤Continue to update our risk recognition in order to address changes in the external environment. ➤To prepare for any occurrence of risks in our priority areas, proactively formulate countermeasures.	➤Progress has been made in improving the system for risk management and compliance. ➤It is required to constantly update our assumption of risks and preparation for such risks.	➤Continuous update of risk recognition will be made in order to address changes in the external environment, such as geopolitical risk. ➤In order to enhance risk tolerance in focus areas, the BOD will design/prepare measures in case of risk occurrence.
(3) Sustainability (including ESG/SDGs)	➤Drive forward Purpose-setting and activities to familiarize employees with our Purpose and to ensure the penetration; and encourage discussions on other important sustainability issues. Ensure outcomes or status are reported to the BOD, which in turn discusses such matters.	➤The establishment of the Group's Purpose resulted in clarifying our philosophy system. ➤The BOD had active discussions on sustainability. ➤Sustainability initiatives should be further integrated with the management strategy to achieve sustainability targets.	The following items will be reported to the BOD for discussion: ➤Setting specific milestones for important areas related to sustainability to ensure proactive efforts. ➤Further integrating important sustainability issues into the management strategy, and reflecting them in business operation.