

## The Founder's Thoughts

Mr. Ichibei Furukawa, the founder of Furukawa Group, said, based on his wish to “brighten Japan,” that we must

“value employees,  
value customers,  
value new technology, and  
contribute to society.”

Since its foundation in 1884, Furukawa Electric has inherited these words in its DNA and has grown.

## Contents

### About Furukawa Electric Group

- 02 Furukawa Electric Group/Philosophy System
- 04 Furukawa Electric Group/History of Innovation
- 06 Changes in the external environments concerning sustainability and the social issues surrounding Furukawa Electric Group
- 07 At a Glance, Furukawa Electric Group

### Management Strategy

- 08 President's Message
- 12 Message from the General Manager of the Strategy Division
- 15 Message from the General Manager of the Finance & Accounting Division
- 18 Furukawa Electric Group's Sustainability
- 26 Furukawa Electric Group Medium-term Management Plan 2022-2025 (2025 Mid-term Plan)
- 30 Business Overview/Review of Fiscal 2023
  - Communications Solutions
  - Energy Infrastructure
  - Automotive Products & Batteries
  - Electronics Component Materials
  - Functional Products
- 42 Creating businesses that solve social issues
- 44 Digital Transformation (DX) of Furukawa Electric Group
- 45 Intellectual Property
- 48 Stakeholders and Material Issues

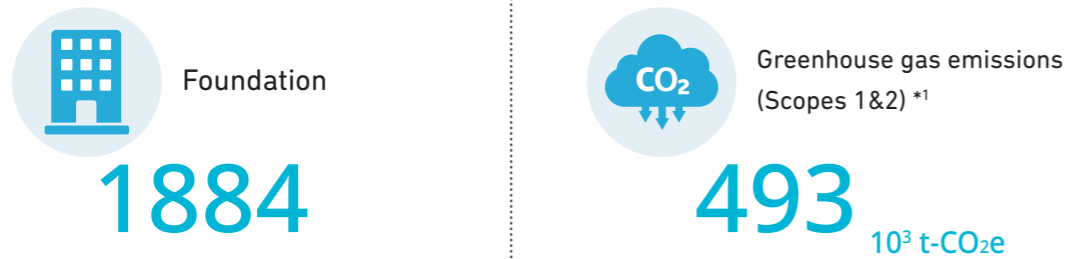
### Management Foundation

- 50 Furukawa Electric's Directors and other officers
- 54 Messages from Outside Directors
- 58 Corporate Governance
- 66 Group Governance
- 67 Risk Management
- 68 Supply Chain Management
- 70 Human Rights Management
- 72 Developing business activities that consider climate change
- 78 Strengthening Human Capital and Organizational Execution Abilities

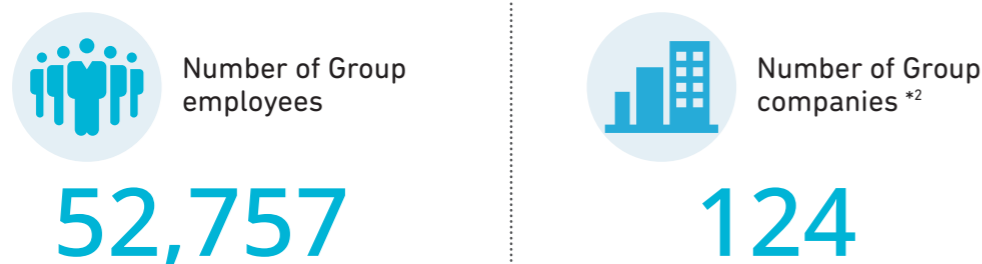
### Corporate Information/Data

- 84 Management Analysis of Operating Results and Financial Position
- 86 Main Financial and Non-Financial Data
- 90 Consolidated Financial Statements
- 92 Company Profile and Stock/Dividend Information
- 94 About the Furukawa Electric Group Integrated Report 2024

### At a Glance



\*1. Combined total amount for Furukawa Electric, 31 domestic and 60 overseas group companies



\*2. Combined total for Furukawa Electric, 109 consolidated subsidiaries and 14 equity-method affiliates

### External Evaluation

Furukawa Electric is included in the following ESG indices used by the Government Pension Investment Fund (GPIF) for ESG investment.

#### FTSE Blossom Japan Index / FTSE Blossom Japan Sector Relative Index (As of June 2024)

FTSE Blossom Japan Index Series  
<https://www.ftserussell.com/products/indices/blossom-japan>



#### MSCI Nihonkabu ESG Select Leaders Index (As of June 2024)

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2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

#### Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J) (As of December 2023)

#### S&P/JPX Carbon Efficient Index (As of June 2024)



Please visit our website “External Evaluation and Certification” for details.  
<https://furukawaelectric.disclosure.site/en/themes/109>

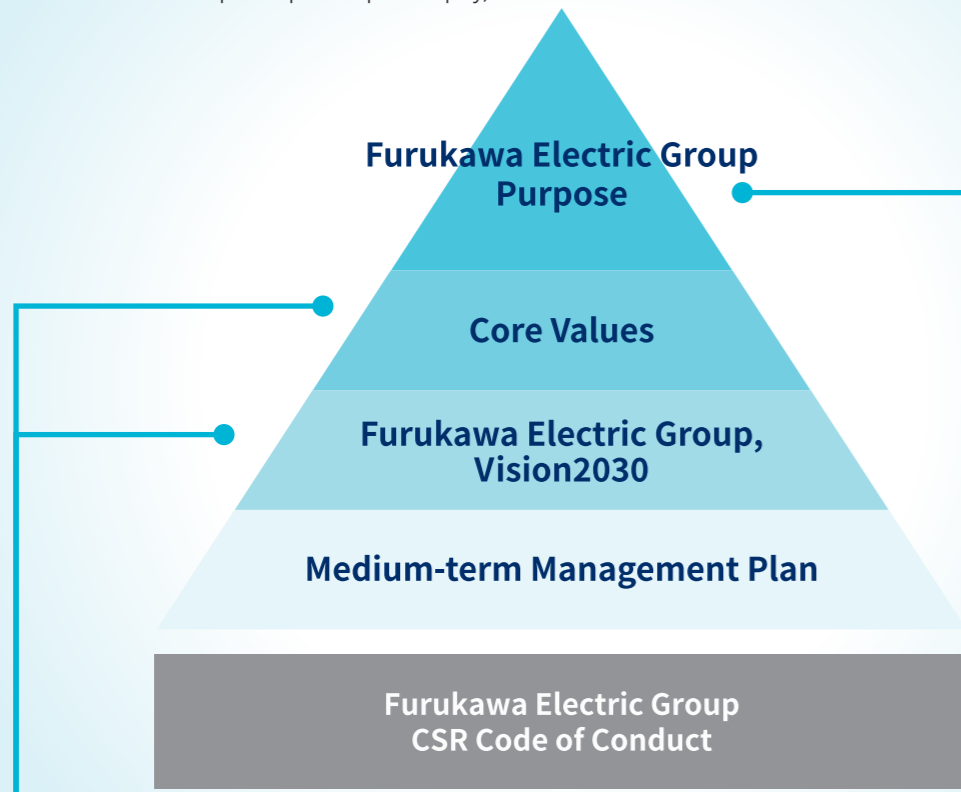
# Furukawa Electric Group/Philosophy System

Furukawa Electric Group established the Furukawa Electric Group Purpose in March 2024 and reviewed the structure of the Group's Corporate Philosophy.

The Furukawa Electric Group Purpose (hereinafter, the "Purpose") is a statement of the Group's raison d'être, which has been established to ensure that the Group is recognized by its diverse stakeholders as a corporate group that contributes to creating a truly prosperous and sustainable society, to serve as the basis for management decisions and to ensure that its employees continue to take on challenges with pride. With the Purpose at the top of structure of the Group's corporate philosophy, it is

composed of as follows: "Core Values," a set of values that each and every employee should value; "the Furukawa Electric Group Vision 2030," our ideal state in 2030; "the Medium-term Management Plan 2022-2025 (2025 Medium-term Plan)," a milestone for achieving the Vision 2030; and "the Furukawa Electric Group CSR Code of Conduct," which defines the basic code of conduct we should follow.

Under this new philosophy structure, our Group will contribute to the realization of a sustainable society as a member of society that creates the future.



## Core Values



## Furukawa Electric Group Vision 2030

In order to build a sustainable world and make people's life safe, peaceful and rewarding, Furukawa Electric Group will create solutions for the new generation of global infrastructure combining information, energy and mobility.



Please refer to these pages for details.

Furukawa Electric Group Purpose/Core Values: <https://www.furukawa.co.jp/en/purpose/>  
 Furukawa Electric Group Vision 2030: <https://www.furukawa.co.jp/en/vision2030/>  
 Medium-term Management Plan: pages 26-29 "Furukawa Electric Group/Medium-term Management Plan 2022-2025"  
 Furukawa Electric Group CSR Code of Conduct: <https://furukawaelectric.disclosure.site/en/themes/123>

## Furukawa Electric Group Purpose

FURUKAWA ELECTRIC GROUP PURPOSE

# Composing the core of a brighter world.

Maintaining reliability and comfort in our daily lives.  
 Facilitating social progress and development as a path toward a prosperous future.  
 Ensuring the happy coexistence of people and the Earth, today and tomorrow.

Creating and delivering these "indispensables" as the core of a better future.  
 That is our reason for being.

That is what drives us to approach various social issues with new ideas and take on a wide range of challenges in infrastructure and beyond.  
 We have diligently honed our technological and problem-solving capabilities since our foundation in 1884.

Through continuous innovation, we are uniquely positioned to achieve even more.  
 All to brighten the world.

## TOPICS

### Purpose Dissemination Activities to Enhance Corporate Value "My Purpose Workshop"

Our Group aims to improve employee engagement and organizational execution abilities through activities to disseminate the "Furukawa Electric Group Purpose" by helping each employee understand its nature and significance and by fostering empathy for our Purpose across the Group. In our dissemination activities, we consider and implement measures based on four steps: "awareness," "understanding," "empathy," and "action."

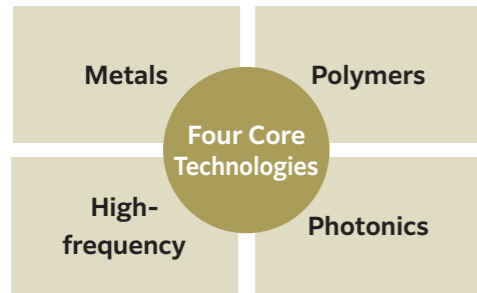
In FY2024, we announced our Purpose in May and have promoted its awareness both internally and externally through videos, posters and other media. We also launched "My Purpose Workshop" for our employees. This workshop is a program that helps each employee learn about and understand "Furukawa Electric Group Purpose" as well as to delve into their own values, while reflecting on their life and career to date, and verbalize "My Purpose." As of the end of September 2024, the workshop was held nine times for our corporate departments, research laboratories, and business sites, with a total of approximately 150 participants.

Going forward, we plan to broaden the scope of participants in this workshop and proactively consider new measures, such as communication from management and creation of opportunities for dialogue, in order to make the Group's Purpose more personal to employees and to foster empathy for it.



# Furukawa Electric Group/History of Innovation

## Four Core Technologies



Four technologies with superiority of metals, polymers, photonics and high-frequency that our Group has cultivated since its establishment in 1884, while expanding its business from copper smelting and electric wire manufacturing to a wide range of other fields



Started Japan's first electrodeposit copper trial operations

1884

1897

Opened Honjo Copper Smeltery and Yamada Cable Works



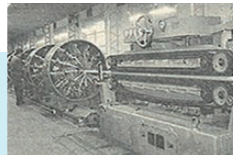
Installed an antenna and feed line on Tokyo Tower

1958



Installed a communications network in Bangkok, Thailand

1971



World's first successful commercialization of an optical fiber composite Oil Filled (OF) cable



Newly established an open lab "Fun Lab" within Yokohama Works

2016



Acquired SuperPower Inc., a high-temperature superconducting materials manufacturer in the US



Acquired Lucent Technologies' optical fiber division (US)

2011

2003

Received the Golden Hadron Award from CERN for superconducting wire materials

2001

1983



World's first successful field trial of optical fiber cable



Established company in Brazil manufacturing and selling aluminum power cables

1974



Developed a fully automatic high-precision six-high rolling mill

1964



Laid the world's first nonloaded carrier submarine cable in the Tsushima Strait

1937



Started manufacturing electric copper wires

1915



Manufactured Japan's first submarine electric cable

1897

1960~

### Expanding Overseas

From this period, Furukawa Electric launched its full-scale efforts to enter the global market with the hope of spreading its technical strength around the world. While building up a track record in the Middle East, Southeast Asia, and elsewhere, it established manufacturing plants from Southeast Asia all the way to Brazil, laying the foundations for today's globalization. In 1987, additionally, a new R&D laboratory was established at Yokohama, which is one of the funding places of Furukawa Electric. Since then, Yokohama R&D laboratory has created various new technologies and new products that lead the world.

2000~

### Continuing to support people and society by our Group's versatile technologies

For the advancement of technology and the global environment changes such as climate change, Furukawa Electric Group have continued to support people and society by our Group's versatile technologies centered on four core technologies — metals, polymers, photonics, and high-frequency.

2016~

### Strengthening the development of new technologies and new services that solve the social issues

Toward solving various social issues, based on Furukawa Electric Group Vision 2030, "In order to build a sustainable world and make people's life safe, peaceful and rewarding, Furukawa Electric Group will create solutions for the new generation of global infrastructure combining information, energy and mobility.", Furukawa Electric Group have carried out research and development through collaboration with various partners.

1884~

### Foundation & Dawning of a New Era

The origins of our company can be traced back to 1884, when Ichibei Furukawa first smelted copper in Honjo, Tokyo and Yamada Cable Works began manufacturing electrical cables in Takashimacho, Yokohama.

1900~

### Helping to Establish Japan's Social Infrastructure

Catering to demand for electricity and communications in the then undeveloped Japan, Furukawa Electric expanded production to include various rubber and cotton-covered wires, and in 1915 manufactured the nation's first submarine electric cable. The company continued to support the establishment of Japan's social infrastructure with its global quality technical capacity, such as by installing an antenna on Tokyo Tower, the country's largest radio tower at the time.



# Changes in the external environments concerning sustainability and the social issues surrounding Furukawa Electric Group

We consider that the business environment surrounding Furukawa Electric Group, which is a premise of the 2025 Medium-term Plan, will be changing in a discontinuous and irreversible manner. For example, expected changes include the following: ESG/SDGs will become a management challenge which is critical for the survival of companies; in the era of the 100-year life, a new lifestyle will emerge and become common; the domestic market will shrink due to a declining and aging population; and we will see the rapid progress of digital transformation (DX).

In such an environment, there will be growing expectations for addressing social issues, including the realization of B5G\*; realization of carbon neutrality; realization of the next-generation infrastructure enabling free flow of people and goods in a safe, secure and comfortable manner; an increase in healthy life span; and the realization of the circular economy.

\*B5G (Beyond 5G) is the next generation of mobile communication systems with such features as scalability (expansion of communication areas to sky, sea, and space), ultra-low power consumption, and ultra security and reliability, in addition to the further advancement of 5G's characteristic features (high speed and high capacity, low latency, and multiple simultaneous connections). It is also called 6G (the 6th generation mobile communication system).

The external environment is rapidly changing on many fronts, and although there is increasing risk that responding incorrectly may be fatal, the range of social issues Furukawa Electric Group can contribute to is growing

<p><b>Politics</b></p> <ul style="list-style-type: none"> <li>▶ <b>Increased awareness of ESG/SDGs as a core pillar of corporate management</b> Accelerated initiatives for realizing a carbon neutral society</li> <li>▶ <b>Globally increased political divisions</b> A growing impact of further confrontation between nations on global landscape Each country pursuing industrial policies that prioritize its own interests</li> </ul>	<p><b>Economy</b></p> <ul style="list-style-type: none"> <li>▶ <b>Shrinking markets in Japan</b> Zero growth and shrinking labor market due to the aging and declining population</li> <li>▶ <b>Growth in emerging markets such as Asia</b> Emerging countries will continue rapid growth, and the global south will rise</li> <li>▶ <b>Rapid and substantial interest hikes in the U.S.</b> Stubbornly high inflation, high labor market, and destabilized financial system</li> </ul>	<p><b>Social Issues</b></p> <ul style="list-style-type: none"> <li>Realize a B5G society</li> <li>Become carbon neutral</li> <li>Realize next generation infrastructure that enjoys universal mobility</li> <li>Realize longer healthy life expectancy</li> </ul> <p>Realize a circular economy</p>
<p><b>Society</b></p> <ul style="list-style-type: none"> <li>▶ <b>New lifestyles</b> Work style reforms and 100-year life expectancy</li> <li>▶ <b>More frequent natural disasters and increased damage</b> More severe natural disasters, and increased demand for renewing social capital</li> <li>▶ <b>Changing concept of "mobility"</b> Changing concept of mobility for people, goods and information by evolution of digital technology</li> </ul>	<p><b>Technology</b></p> <ul style="list-style-type: none"> <li>▶ <b>Rapid advances in DX</b> Level of engagement in DX will influence the competitive position of companies</li> <li>▶ <b>Widespread implementation of 5G, and advances in CASE based on that foundation</b> Ultra-high speed telecommunications enabled by 5G, multiple simultaneous connections and ultra-low latency</li> <li>▶ <b>Increased demand for electric power, and expansion of operations beyond traditional industry borders</b></li> </ul>	

## At a Glance, Furukawa Electric Group

Consolidated net sales	Greenhouse gas emissions *1 (Scopes 1&2)
<b>1,056.5</b> billion yen	<b>493</b> 10 <sup>3</sup> t-CO <sub>2</sub> e
Consolidated operating profit	Number of Group employees
<b>11.2</b> billion yen	<b>52,757</b>
Profit attributable to owners of parent	Number of Group companies *2
<b>6.5</b> billion yen	<b>124</b>

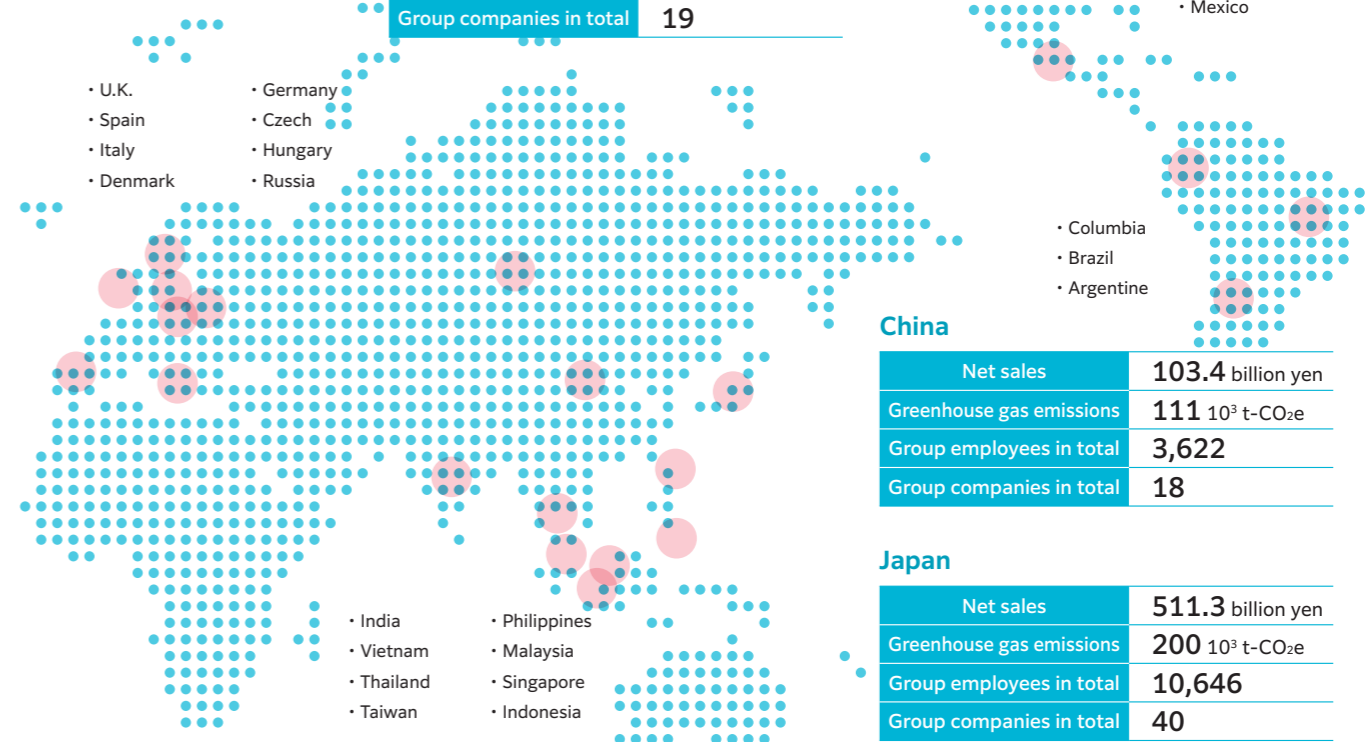
\*1. Combined total amount for Furukawa Electric, 31 domestic and 60 overseas group companies  
\*2. Combined total for Furukawa Electric, 109 consolidated subsidiaries and 14 equity-method affiliates

**North and Central America**

Net sales	120.6 billion yen
Greenhouse gas emissions	54 10 <sup>3</sup> t-CO <sub>2</sub> e
Group employees in total	5,294
Group companies in total	13

**South America, Europe, and others**

Net sales	78.4 billion yen
Greenhouse gas emissions	14 10 <sup>3</sup> t-CO <sub>2</sub> e
Group employees in total	2,800
Group companies in total	19



**China**

Net sales	103.4 billion yen
Greenhouse gas emissions	111 10 <sup>3</sup> t-CO <sub>2</sub> e
Group employees in total	3,622
Group companies in total	18

**Japan**

Net sales	511.3 billion yen
Greenhouse gas emissions	200 10 <sup>3</sup> t-CO <sub>2</sub> e
Group employees in total	10,646
Group companies in total	40

**Asia (ex. Japan and China)**

Net sales	242.8 billion yen
Greenhouse gas emissions	114 10 <sup>3</sup> t-CO <sub>2</sub> e
Group employees in total	30,395
Group companies in total	34

\* The number of group companies in Japan includes Furukawa Electric.  
\* Net sales by region are based on the location of customers and are classified by country or region.  
\* Greenhouse gas emissions by region are based on the location of the companies and are classified and calculated by country or region.