

**Furukawa Electric Co., Ltd.**

**Summary of Q&A Session at the 199<sup>th</sup> Annual Shareholders Meeting**

\* In disclosing this summary, we provided supplemental explanations in brackets to clarify the intent.

\* In this Annual Meeting, aside from questions taken at the meeting venue, we took questions online in advance, and answered questions of high interest at the venue.

Date & Time: June 24, 2021 (Thu.) 10:00-10:51

Q (Question submitted in advance): COVID-19 vaccinations for employees

A: From the perspective of preventing the spread of COVID-19, we consider it is desirable that more employees get vaccinated. Accordingly, employees can now take 1-day special leave to obtain a vaccination. By creating such an environment that encourages employees to get vaccinated, we continue to ensure the safety and health of the employees. As for the workplace vaccination program, we are preparing for the launch of the program, placing the priority on production locations in areas with higher infection rates.

Q (Question submitted in advance): DX (digital transformation) initiatives

A: First, in order to address social issues through DX, we have worked on such initiatives where our technologies/products provide support or are utilized.

Second, we have worked on DX initiatives within the Company. In the midst of COVID-19 state of emergency, the Company slashed the office attendance rate at its Head Office in Marunouchi, Tokyo to 6% when it reached the lowest level. Under such circumstances, remote working has been widely introduced, and the establishment of ICT infrastructure to support it has significantly changed our work styles, along with the advancement of DX.

In addition, last year, we established Digital Innovation Center, and concentrated relevant internal human resources there. At the Center, we work on the manufacturing innovation and creation of something new, as well as the development of human resources with digital skills.

Q: Changes in the atmosphere of Board of Directors and Management Committee as a result of appointing outside directors and female officers

A: Our Board of Directors consists of 12 members: 5 independent outside directors, and 7 inside directors, one of whom joined the Company as a mid-career professional. Among Corporate Vice President, 2 members joined the Company as mid-career professionals. For the growth of the Company, we hear various opinions from necessary human resources.

While we ensured that outside directors understand the Group's history and its DNA originated from Ichibei Furukawa, the Group founder, we requested them not to make a compromise but to express critical opinions based on their own experience. We have a belief that we should address such criticism seriously and continue to grow. Therefore, despite various critical opinions, we believe that our Board of Directors has a good atmosphere.

As for Management Committee, immediately after every meeting, we provide its members with an opportunity to exchange opinions about each other's behavior during the meeting and the proceedings of the meeting, in order to facilitate its development as a whole. Management Committee members

*[Translation for Reference Purpose Only]*

actively express their opinions and have a thorough discussions; and every member has a sense of ownership over decisions made, and acts accordingly. As such, we believe that they are successfully working as a team.

**Q: Pre-registration for Annual Shareholders Meeting**

A: Considering that a state of emergency was declared, we believed that it is not right to invite our shareholders to a closed and crowded place involving close contact, so we requested the shareholders to make a pre-registration so that participants were to be selected by a drawing lots system.

To prevent the spread of COVID-19, we kept distance between seats in the meeting venue, and the number of seats was limited to 50. If a larger number of shareholders enter the venue, it would become crowded and we may not be able to prevent COVID-19 infection. Therefore, we adopted a measure to select 50 shareholders who can physically attend the meeting by the drawing lots system.

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