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February 9, 2024

To whom it may concern:

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 Name of representative: Minoru Nakatogawa,  
 President and Representative Director  
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### Notice Concerning Establishment of Target for Reducing Strategic Shareholdings

At the meeting held today (February 9, 2024), the Board of Directors of Furukawa Co., Ltd., resolved to set a target for reducing the Company's strategic shareholdings\*.

Under Medium-Term Business Plan 2025, announced in May 2023, the Furukawa Company Group is expanding and strengthening efforts to realize management that is conscious of cost of capital and stock price. As part of these efforts, we established our policies on reducing strategic shareholdings. Specifically, we examine the purpose of our holdings, whether the benefits and risks associated with each holding are commensurate with the cost of capital. At the same time, we conduct a comprehensive review that includes both qualitative and quantitative aspects, and strive to reduce holdings by selling of shares deemed to be no longer necessary by selling them as appropriate.

By setting a reduction target for strategic shareholdings, we will further accelerate the reduction of such shareholdings and improve capital efficiency. At the same time, we will strive to achieve sustainable growth and increase corporate value over the mid-to long-term.

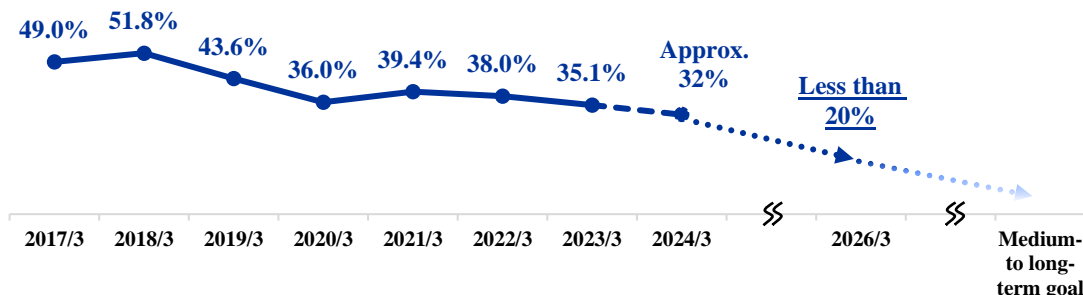
#### 1. Reduction Target

Ratio of strategic shareholdings to consolidated net assets: Reduce the ratio to less than 20% by March 31, 2026

#### 2. Use of Funds Generated by Reduction

To increase corporate value over the medium to long term while being conscious of capital efficiency, the Company will use funds generated by strategic shareholding reduction for investments in discontinuous growth, which include M&As, investments in non-financial capital (R&D, intellectual property, human capital, and digital transformation), as well as shareholder returns (dividend payments and share buybacks).

#### 3. Reduction of Strategic Shareholdings



The ratio of strategic shareholdings to consolidated net assets was 51.8% on March 31, 2018, and 35.1% on March 31, 2023. In fiscal 2023, we plan to sell shareholdings in eight companies (¥3 billion total value), which we expect will reduce the ratio to approx. 32% by March 31, 2024. Thereafter, we will strive to reduce the ratio to less than 20% by March 31, 2026.

#### \*Strategic shareholdings

Total amount of investment shares (in the Consolidated Balance Sheets) held for purposes other than pure investment (includes unlisted shares, but excludes shares in nonconsolidated subsidiaries and affiliates) + Shares deemed to be held for such purposes