

June 8, 2022

To all parties concerned

Company: Fujitec Co., Ltd.
(Stock Code 6406)
Representative: Takakazu Uchiyama
President and CEO
Contact: Masashi Tsuchihata
Director, Senior Executive Operating Officer,
General Manager of Finance HQ
(TEL 072-622-8151)

Notice Concerning Board of Directors' Resolution in relation to measures for the Strengthening of the Company's Corporate Governance System

Firstly, we have caused great concerns to our shareholders and other stakeholders.

In the "Notice Concerning Board of Directors' Resolution in relation to Shareholder's Assertion" dated May 30, 2022, the board of directors of Fujitec Co., Ltd. (the "**Company**") has stated that as a result of investigations led by the Company's outside directors, "there are no legal or corporate governance issues" in relation to all of mentioned related party transaction and other actions, and that the Company, "under the initiative of the Company's outside directors, intend to implement further improvements to the overall corporate governance system, not limited to the management and supervision of related party transactions, as soon as possible." Accordingly, the Company's board of directors has, today, made a resolution in relation to the measures for the future strengthening of the Company's corporate governance system.

The Company has, in its recent years, engaged in various corporate governance reforms including the establishment of a Nomination and Compensation Advisory Committee and appointment of outside directors and auditors, equipped with diversity and specific skills, whilst strengthening the engagement with the shareholders and other stakeholders.

Nonetheless, the Company's board of directors takes very seriously the fact that the Company caused the shareholders to have certain suspicions, and has therefore reconfirmed the basic policy that "the Company will not conduct related party transactions in principle."

Further, at the ordinary shareholders meeting scheduled on June 23, 2022, assuming that such resolution is met with approval, the following measures to strengthen the corporate governance system will be put into place to increase the board of directors' independence and transparency:

- appointment of an outside director as the chair of the board of directors;
- increase of one outside director which will raise the ratio of outside directors in the board of directors from approx. 56% to 60%; and
- further enhancement of the board of directors' skillsets by the appointment of new director candidates.

Additionally, to realize improvement of the Company's corporate value for the Company's shareholders and other stakeholders, the Company's board of directors proactively engages in the following items:

- enhancing the function of the risk control system, and improving its appropriate operation;
- strengthening the corporate governance system by the leadership of the Nomination and Compensation Advisory Committee; and
- further enhancement of stakeholder communications.

Specific actions and measures for the above will be promptly disclosed from time to time, once considered and decided at the board of directors meeting.

End