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To all parties concerned

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Our Position on the Proposing Shareholder's Open Letter Concerning the Interviews with Director Candidates Pertaining to the Shareholder Proposals

As Fujitec Co., Ltd. (the "Company" or "we") announced in the "Notice Concerning the Board of Directors' Position on Agenda Items to be Submitted by the Company and Agenda Items Proposed by a Shareholder for the Upcoming Annual Meeting of Shareholders" dated May 23, 2023 (the "Notice of Our Opinion"), the Company received a shareholder proposal regarding the agenda item for the election of directors (election of eight (8) directors) for the 76th Annual Meeting of Shareholders (the "General Meeting of Shareholders") from Uchiyama International Co., Ltd. (the "Proposing Shareholder"), a shareholder of the Company. As a result of serious consideration at the meeting of the Board of Directors held on May 23, 2023, a resolution was passed to propose the election of nine (9) directors as the Company's proposal and to oppose such shareholder proposal.

In response thereto, the Proposing Shareholder issued on May 29, 2023 the document titled "Open Letter to Fujitec Shareholders" (the "Proposing Shareholder's Open Letter") in response to the Notice of Our Opinion. In such document, while presenting some of the facts concerning the interviews by the Nomination and Compensation Advisory Committee of the Company of the candidates for directors pertaining to the shareholder proposal (the "Shareholder Proposal Candidates") (the "Interviews with Candidates"), the Proposing Shareholder alleges that there are factual misrepresentations and omissions in the reasons for our opposing all of the Shareholder Proposal Candidates that were stated in the Notice of Our Opinion.

Regarding the Notice of Our Opinion and Proposing Shareholder's Open Letter, we have received inquiries from some shareholders and stakeholders. As the Proposing Shareholder's Open Letter does not contain any material facts or background information regarding the Interviews with Candidates, we would like to provide the following explanation of the facts concerning the Interviews with Candidates.

It is claimed in the Proposing Shareholder's Open Letter that only four (4) out of the eight (8) Shareholder Proposal Candidates were interviewed. This fact itself is true, but **all communication between the Company and the Proposing Shareholder is done through the attorneys of both parties, and the Company had requested the Proposing Shareholder to arrange for the interviews to be conducted for all eight (8) Shareholder Proposal Candidates before the release of the Notice of Our Opinion. The reason that only four (4) candidates were able to be interviewed before the release of the Notice of Our Opinion was solely due to the availability and convenience of the Shareholder Proposal Candidates.** The Company has received the "Exercise of Shareholder's Right to Make Shareholder Proposals" dated April 25, 2023 from the Proposing Shareholder, and, in response thereto, on May 2, 2023, the Company made a request to the Proposing Shareholder to arrange for interviews with all eight (8) Shareholder Proposal Candidates. Thereafter, on May 8, we provided notice that the interviews were scheduled to be conducted at the Company's Nomination and Compensation Advisory Committee, as well as the interview schedule, and that we

desire to carry out the interviews no later than by May 19 (Friday), in order to discuss and resolve at the Board of Directors meeting on May 23 whether or not to submit them as proposals at the General Meeting of Shareholders. In response to this notice, the Proposing Shareholder replied on May 12 that only five (5) (Mr. Kimura, Mr. Okimoto, Mr. Tsuda, Mr. Uenishi and Mr. Sugihara) out of the eight (8) Shareholder Proposal Candidates were available for the interviews because the rest were on business trips or living abroad, and requested May 19 as the interview date, which was the very last day of the period which we requested to hold the interviews, and also unilaterally specified the start times of each interview, which were in 30-minute increments for each candidate. We had no choice but to give priority to these interviews with the foregoing five (5) candidates and make preparations by adjusting the schedule of our interviewers, but on May 17, two (2) days before the interview, Mr. Tsuda suddenly canceled attending the interview due to a change in circumstances, and on May 18, just a day before the interview, Mr. Kimura was replaced by another candidate, Mr. Nishikawa, because it became inconvenient for him.

In this manner, the Company had requested to arrange the interviews to be conducted with all the Shareholder Proposal Candidates before the release of the Notice of Our Opinion, but was able to conduct interviews with only four (4) candidates due to the availability and inconvenience of the Shareholder Proposal Candidates. **In order to seriously consider the shareholder proposals, the Company's Nomination and Compensation Advisory Committee intends to continue to conduct interviews with the remaining four (4) Shareholder Proposal Candidates (Mr. Kimura, Mr. Kotegawa, Ms. Hagiya and Mr. Tsuda) who have not yet been interviewed,** conduct additional deliberations, and report to the Board of Directors, and, therefore, **sent a written request to conduct and schedule interviews on May 24, the day following the release of the Notice of Our Opinion.** In the Proposing Shareholder's Open Letter, it is stated that all of the foregoing four (4) candidates declare their intention not to be interviewed on the grounds that questions were raised as to the extent and validity of the Company's Board of Directors' process and internal discussion regarding the Shareholder Proposal Candidates, but we requested to arrange for the interviews to be conducted with all the Shareholder Proposal Candidates from the beginning, asked for arrangement of the schedule ten (10) days or more in advance, gave priority to those who can be interviewed at the convenience of the Shareholder Proposal Candidates, and requested additional interviews for the remaining candidates who were not able to be put on the resolution of the Board of Directors in time. It is to our deepest regret that the foregoing four (4) candidates declared their intention not to be interviewed.

Next, it is claimed in the Proposing Shareholder's Open Letter that members of the Company's Nomination and Compensation Advisory Committee did not attend the interviews conducted with two (2) out of the four (4) Shareholder Proposal Candidates, but a director not on the said Committee attended the interviews. However, **as stated above, the reason that members of the Nomination and Compensation Advisory Committee were unable to attend the interviews is because the said Committee members were by no means able to adjust their schedule since the Proposing Shareholder specified the interview schedule to be set on the very last day (May 19) of the period which we requested to hold the interviews, and also unilaterally specified the start times of each interview, which were in 30-minute increments for each candidate, without providing any opportunity to adjust the schedule with the Company.** With respect to the interviews with two (2) candidates (Mr. Kimura and Mr. Okimoto) set on the morning of the same date, **the Company conducted the interviews through an independent outside director not on the said Committee as a substitute after notifying the Proposing Shareholder thereof in advance, and reported the details of the interviews to the said Committee.** On May 18, just a day before the interviews, the Proposing Shareholder approached the Company requesting to make another re-adjustment of the interview schedule. However, as stated above, since the Company had set the schedule based on the interview schedule specified by the Proposing Shareholder to be set on May 19 (Friday), the Company informed the Proposing Shareholder that a re-adjustment could not be made, then the interviews on May 19 were conducted without any problem.

In addition, it is claimed in the Proposing Shareholder's Open Letter that only outside experts asked questions to the Shareholder Proposal Candidates during the interviews, and such outside experts were

different from the outside experts who interviewed six (6) candidates for directors proposed by the Company. It points out that there was not sufficient explanation about the reasons therefor and about how the fairness in the procedure for the selection of directors was ensured. As notified in the Notice of Our Opinion, **the Nomination and Compensation Advisory Committee** that solely consists of independent outside directors **takes the lead in the selection of the candidates for directors of the Company**, in order to secure the independence, objectivity and transparency of its decisions. **Furthermore, in order to ensure further fairness and enhance the objectivity and transparency of the selection process, the said Committee has obtained help from outside experts. For the interviews with the four (4) Shareholder Proposal Candidates** conducted on May 19, **the Company had planned to obtain help from the same outside experts so that the consistency in the selection process could be ensured. However, as we were informed by the said outside experts that it would not be possible to adjust their schedule for the above interviews, we decided, as the second-best choice, to obtain help from other outside experts, after notifying the Proposing Shareholder in advance.** Furthermore, as a matter of course, the Nomination and Compensation Advisory Committee ensures the consistency in the evaluation of each candidate through sufficient deliberations, while appropriately collaborating with the outside director not on the said Committee and the two (2) agencies of outside experts, who conducted the interviews as substitutes, by sharing the purposes, etc. of the interviews, as well as providing feedback on the details and results of the interviews. Therefore, **the Company believes that there is no problem in ensuring the consistency and fairness in the procedure for the selection of directors.** The Company provided the same explanation as the above to the Proposing Shareholder on May 17 and 18 before the interviews.

Based on the abovementioned background, as notified in the Notice of Our Opinion, after receiving a report from the Nomination and Compensation Advisory Committee stating that it is unnecessary to elect the Shareholder Proposal Candidates as directors, based on the result of interviews conducted with the candidates after obtaining help from outside experts as well as the opinions of such outside experts, the Board of Directors deliberated and resolved to that effect.

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