

To all shareholders and other stakeholders of Fujitec Co., Ltd.:

May 16, 2023



Daisuke Kotegawa

### **Statement of Independence**

This document is created by me, Daisuke Kotegawa, a candidate for outside director at the 76th Annual Meeting of Shareholders of Fujitec Co., Ltd. (hereafter "Fujitec") scheduled to be held on June 21, 2023, for your review and consideration as evidence of my true independence. I agree that the contents of this document may be disclosed to shareholders and made public by Fujitec or other relevant parties.

**I hereby declare that all of the following matters are true and pledge to continue to comply with them if appointed as a director.**

#### **I am independent of the Uchiyama family.**

There are no monetary interests between me and the proposing shareholder, Uchiyama International Co., Ltd., its representative Mr. Takakazu Uchiyama, his close relatives or related companies, whether current or past, and there are no agreements, promises, instructions, or anything of that nature between us. The proposing shareholder expects me to act independently for the benefit of all shareholders, without showing favoritism to any specific shareholder, including the Uchiyama family and I fully intend to meet the expectation.

#### **I have not received any specific instructions from any shareholder.**

Regardless of whether it is verbal or written, explicit or implicit, and regardless of the attributes of the person or entity, I have not received any instructions from any specific shareholder, officer, organization, or any other person, nor do I represent the interests of any particular person.

#### **I will faithfully fulfill my duties for the company and its shareholders.**

As someone entrusted by all shareholders, I will carry out my duties faithfully for the common interests of all shareholders, with the aim of improving Fujitec's corporate value and maintaining good governance, without favoring any specific shareholder or other related parties.

**I meet the independence criteria stipulated by Fujitec, the Companies Act, the Tokyo Stock Exchange, and ICGN.**

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I satisfy not only the requirements for outside directors under the Companies Act (Japanese Corporate Law) but also the independence criteria for independent officers established by the Tokyo Stock Exchange and the selection criteria for independent officers established by Fujitec, and none of the criteria for lack of independence listed in the attached document apply to me. Additionally, I meet the Independence Criteria laid out by International Corporate Governance Network (ICGN)'s Global Governance Principles.

## Tokyo Stock Exchange

### Independence Criteria Excerpted from Practical matters to note on securing independent directors/auditors (September 2022 ed.)

An individual will not generally be considered to be an independent director or candidate if he/she is a:

- A. Person or business operator whose main trading partner is the listed company
- B. Main trading partner or business operator of the listed company
- C. Consultant, accounting professional, or legal professional who has received a large amount of money or other property from the listed company, excluding director remuneration (if the recipient is a corporation or a union, it refers to the person belonging to that organization)
- D. Person who falls under A, B, or C listed above
- E. Person who falls under any of the following (A) to (C) at any time within the 10 years prior to the appointment:
  - (A) Executive officer or non-executive director of the listed company's parent company
  - (B) Auditor of the listed company's parent company (limited to cases where an external auditor is appointed as an independent officer)
  - (C) Executive officer of the listed company's sibling company
- F. Relative of any person listed in (A) to (H) below (excluding unimportant persons):
  - (A) Person listed in A to E above
  - (B) Accounting participant of the listed company (including employees who should perform the duties of such accounting participant if the participant is a corporation and the same applies below) (limited to cases where an external auditor is appointed as an independent officer)
  - (C) Executive officer of the listed company's subsidiary
  - (D) Non-executive director or accounting participant of the listed company's subsidiary (limited to cases where an external auditor is appointed as an independent officer)
  - (E) Executive officer or non-executive director of the listed company's parent company
  - (F) Auditor of the listed company's parent company (limited to cases where an external auditor is appointed as an independent officer)
  - (G) Executive officer of the listed company's sibling company
  - (H) Person who falls under (B) to (D) listed above recently or an executive officer of the listed company (including non-executive directors if an external auditor is appointed as an independent officer)

## **Fujitec Corporate Governance Code : Independent Director Criteria**

[www.fujitec.com/common/fjhp/doc/top\\_global/document/irnews/3158/230410\\_6406cg\\_EN.pdf](http://www.fujitec.com/common/fjhp/doc/top_global/document/irnews/3158/230410_6406cg_EN.pdf)

The independent director exclusion criteria for Fujitec specifically, and factors to be considered when appointing independent directors, are as follows:

- (a) Individuals who are directors or employees of Fujitec or its subsidiaries, or who have held the same position in the past 10 years.
- (b) ① Shareholders of Fujitec with a voting rights ownership ratio of 10% or more, or if the shareholder is a corporation, the directors or employees of that shareholder, parent company, or important subsidiary, or those who have held the same position in the past five years. ② Directors or employees of companies in which Fujitec holds a voting rights ownership ratio of 10% or more.
- (c) ① Directors or employees of counterparties who have transactions with Fujitec and who have made payments to Fujitec of 2% or more of Fujitec's consolidated sales for the current fiscal year or more in the past three fiscal years, or those who have received equivalent payments. ② Directors or employees of counterparties who have transactions with Fujitec or its subsidiaries and who have received payments from Fujitec or its subsidiaries of 2% or more of their consolidated sales for the current fiscal year or more in the past three fiscal years, or those who have received equivalent payments. ③ Directors or employees of companies, parent companies, or important subsidiaries of counterparties under the above ① or ② who are corporations.
- (d) Directors or employees of public interest corporations, non-profit organizations, or other organizations that have received donations or grants from Fujitec or its subsidiaries.
- (e) Directors or employees of companies or their subsidiaries that have accepted directors from Fujitec or its subsidiaries.
- (f) Directors or employees of financial institutions or major creditors, or their parent companies or important subsidiaries, that are essential to Fujitec's fundraising and have no alternative, and on which Fujitec depends to a significant extent.
- (g) ① Employees, partners, or workers of certified public accountants, tax accountants, audit firms, or tax accountant corporations who are Fujitec's or its subsidiary's accounting auditors or accounting advisors, or those who have actually been involved in audit work in the past three years. ② Those who are lawyers, certified public accountants, tax accountants, or other consultants who are not covered by ① and have received monetary or other property benefits from Fujitec or its subsidiaries of an average of JPY 10 million or more per year in the past three years, excluding director compensation. ③ Employees, partners, associates, or workers of law firms, audit firms, tax accountant corporations, consulting firms, or other professional advisory firms who have received payments of 2% or more of their total sales from Fujitec or its subsidiaries on average in the past three years and are involved in the above ① or ② transactions.
- (h) Spouses, relatives within the second degree of kinship, or co-residing relatives of individuals who fall under any of the above (a) to (g) criteria.

(i) Individuals who may have a potential significant conflict of interest on a permanent basis for reasons other than those considered under the above (a) to (h) criteria, with respect to the general shareholders of Fujitec.

**International Corporate Governance Network (ICGN)  
Global Governance Principles (2021), Independence Criteria**

<https://www.icgn.org/sites/default/files/202204/ICGN%20Global%20Governance%20Principles%202021.pdf>

**2.6 Independence criteria**

The board should identify in the annual report the names of the directors considered by the board to be independent and who are able to exercise independent judgement free from any external influence. The conditions which might impair a director's independence include, whether a director:

- a)** is or has been employed in an executive capacity by the company or a subsidiary and there has not been an appropriate period between ceasing such employment and serving on the board;
- b)** is or has within an appropriate period been a significant shareholder, partner, director or senior employee of a provider of material professional or contractual services to the company or any of its subsidiaries;
- c)** receives or has received additional remuneration from the company apart from a director's fee, participates in the company's share option plan or a performance-related pay scheme, or is a member of the company's pension scheme;
- d)** has or had close family ties with any of the company's advisers, directors or senior management;
- e)** holds cross-directorships or has significant links with other directors through involvement in other companies or bodies;
- f)** is a significant shareholder of the company, or an officer of, or otherwise associated with, a significant shareholder of the company;
- g)** is or has been a nominee director as a representative of and appointed by minority shareholders or the state; and
- h)** has been a director of the company for such a period that his or her independence may have become compromised. There is no fixed date that automatically triggers lack of independence; the norm can differ in varying jurisdictions between 8-12 years after which a non-executive director may no longer be deemed independent. Companies should be guided by local norms, and directors with longer tenure should not be classified as independent in terms of committee appointments or other board functions requiring independence.