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Corporate Governance Report

CORPORATE GOVERNANCE

FUJIMI INCORPORATED

Last Update: June 24, 2026
FUJIMI INCORPORATED

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The corporate governance of FUJIMI INCORPORATED (the “Company”) is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

Fujimi believes that increasing corporate value by improving management efficiency, speeding up decision-making, and increasing mobility will lead to greater satisfaction of all stakeholders. We believe that achieving this will require enhancing management soundness and transparency, and are advancing initiatives to emphasize thorough compliance and improve the management monitoring function.

We also believe that, as a corporate entity, complying with all laws and regulations is a minimum requirement. Our Code of Ethics sets standards for all company Directors and employees, and we maintain our reputation of “Fujimi—a company to trust” by ensuring that all Directors and employees follow the Code and carry out their duties with fairness.

Directors and managers understand the vital role they play in achieving adherence to the Code of Ethics, and lead by example to demonstrate the importance of acting in accordance with the Code. Should an ethics violation occur, we take action as an organization to resolve the issue, identify the cause, and prevent recurrence.

Reasons for Non-compliance with the Principles of the Corporate Governance Code

The Company implements all principles of the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code

Update

[Principle 1.4: Cross-shareholdings (strategic shareholdings)]

1. Policy on Strategic Shareholdings

(1) The Company’s main objective for strategically holding shares of other companies is to maintain and strengthen business relationships with the issuing companies. The Company intends to reduce holdings of such shares, through divestment or other means, for which it is determined that maintaining the shares does not serve a significant purpose.

(2) With respect to the rationale for holding such shares, the Board of Directors makes decisions concerning maintaining or reducing specific strategic shareholdings at its June meeting each year from a a medium- to long-term perspective, taking into account the purpose of the holdings, , and whether the dividends, other benefits, and stock price fluctuation risk are commensurate with the cost of capital.

2. Standard for exercising voting rights to strategic shareholdings

The Board of Directors carefully examines the content of each proposal and exercises voting rights appropriately after determining whether or not it will contribute to the improvement of shareholder value. The Board of Directors will not approve any proposal that could damage shareholder value, regardless of whether it is a company proposal or a shareholder proposal.

[Principle 1.7: Related party transactions]

For any transaction by directors with a conflict of interest, the Company requires approval by the Board of Directors. In addition, the Board of Directors receives reports regarding transactions with major shareholders as needed. In addition to the above, the

Company annually conducts an after-the-fact check with officers of the Company and subsidiaries by obtaining confirmation letter with regard to whether or not there were any related party transactions.

[Supplementary Principle 2.4.1: Ensuring workforce diversity]

<Approach to Increasing Diversity, human resource development policy, and internal environment improvement policy>

Our policy for selecting new employees is to “hire people who have enthusiasm and integrity in a globally diverse and innovative environment, and who can use their creativity and problem-solving skills to take on challenges.” We actively hire people who meet these standards without consideration of gender, race, nationality, beliefs, physical ability, religion, or age. We seek to create a safe and secure environment free of discrimination for all employees through our internal training programs and by ensuring no disparity in treatment for people holding the same positions. We are expanding our education and personnel structures, which respect the right of all employees to grow in their work and have opportunities for success.

We also believe that, as a corporate entity, complying with all laws and regulations is a minimum requirement. Our Code of Ethics sets standards, including for respecting human rights, for all company Directors and employees, and we conduct annual compliance training sessions to ensure full understanding of the Code throughout the Company. Based on the above principles, we are actively conducting recruitment, promotion, and talent utilization of diverse backgrounds, particularly in the areas of "women," "foreigners," and "mid-career workers," in order to leverage these diverse backgrounds as a driving force for our sustainable growth.

[Women]

Since FY2016, the company has been promoting initiatives to expand opportunities for women based on a 10-year action plan. Starting from FY2027, the company will re-formulate and announce a new 10-year action plan, which establishes a continuous foundation and promotes further advanced initiatives (training and studying sessions to improve career awareness, implementation on mentoring system, etc.) to achieve sustainable corporate growth. Please refer to the following website.

(<https://www.fujimiinc.co.jp/csr/women/plan.html>)

[Nationality]

In FY2026, the Company has one employee from its overseas subsidiary who is in a managerial position, and also promotes business operations and execution led primarily by local senior management at its overseas subsidiaries. Within the group as a whole, FUJIMI CORPORATION (U.S.) and FUJIMI TAIWAN LIMITED (Taiwan) play central roles in the manufacture, development, and sale of CMP products, which are the group's core business, while FUJIMI-MICRO TECHNOLOGY SDN.BHD. (Malaysia) is also an indispensable entity in group integrated operations such as locally manufacturing and selling of products developed at the Company.

Currently, the Company has standardized the job grade system across the group, and among local senior management, there are 10 individuals holding positions - including two women serving as presidents - equivalent to or above the level of the Company's general manager position responsible for the Company's business operations. Going forward, the Company will continue to strengthen collaboration with its overseas subsidiaries and promote integrated group management.

[Mid-career workers]

In order to flexibly respond to intensifying global competition and increasingly sophisticated customer needs, our group is actively recruiting and promoting talent from diverse backgrounds. Approximately 61% of our employees and 52% of our management positions are mid-career workers. The advanced expertise and diverse perspectives cultivated in different industries, combined with our unique technologies, are accelerating the creation of new value. Going forward, we will strive to further improve our recruitment competitiveness to secure talent with diverse experiences. We will also strengthen our onboarding measures to ensure that newly hired employees can quickly demonstrate their abilities, creating an environment where even those transitioning from different industries can smoothly adapt to the organization and thrive sustainably.

[Principle 2.6: Demonstration of functions as a corporate pension fund asset owner]

The Company has adopted a contract-type defined benefit corporate pension plan that entrusts the operational management services, covering the management of pension assets as well as the payment of benefits, to an investment management agency. The Corporate's pension department monitors the state of management of pension assets provided by the investment management agency regularly, based on the fact that the management of pension assets affects the stable asset formation of employees and the financial condition of the Company. Furthermore, when selecting the investment management agency, the Company takes into consideration whether the agency endorses the Principles for Responsible Institutional Investors (Japan's Stewardship Code) and

has declared its acceptance of those principles.

[Principle 3.1: Enrichment of information disclosure]

(1) The Company has disclosed its corporate philosophy, corporate vision, and mid to long-term business plan on its website.

(2) The Company discloses its corporate governance basic policy in this report.

The details of this section are described on the following website.

(<https://www.fujimiinc.co.jp/ir/governance/index.html>)

(3) The policies and procedures for the Board of Directors to determine the remuneration of Directors are as described in the following sections, “Incentives” and “Director remuneration.”

(4) Candidates nominated for Directors and Outside Corporate Directors are selected by the Selection Committee, comprised of internal Directors and chaired by the Chairman. Selected candidates are recommended to the Advisory Committee, which is comprised of the President, other Directors with titles, and Outside Corporate Directors and chaired by the Chairman. The Advisory Committee considers nominees for Director based on their ability as a manager and their ability to apply their knowledge and experience to the management of the Company. Nominees or Outside Corporate Director are considered based on the extent of their experience and knowledge in their field and ability to provide a professional and objective perspective to their roles and responsibilities, including the ability to provide advice on the long-term enhancement of corporate value and on management oversight. The Board of Directors deliberates on the candidates, including on whether they fulfill the Company’s standard for appointment, and makes a final decision based on the reports provided by the Advisory Committee.

The Company appoints Standing Corporate Auditors who have extensive knowledge of the Company’s business and financial condition, and Outside Corporate Auditors have extensive experience and knowledge in their respective fields. Individuals who are appointed are considered capable of monitoring overall management, increasing the Board of Directors transparency, and contributing to enhancing corporate value. Upon approval by the Audit & Supervisory Board, the Board of Directors deliberates on the candidates, including on whether they fulfill the Company’s standard for appointment, and makes a final decision on appointment.

In the event a Director or Outside Corporate Director is found to have a socially reprehensible relationship with antisocial forces, or has violated laws and regulations, caused significant losses or hindered business operations of the Group, caused significant hindrance to the execution of duties, or engaged in any other activity that violates the appointment standard established by the Company, the Advisory Committee will submit a report to the President, who will use the report as the basis for submitting a proposal for dismissal to the Board of Directors. In the event that the Chairman or the President violates the appointment standard, the Chairman or the President is barred from participating in the Advisory Committee, and the acting chairman elected by the Advisory Committee, based on a report prepared by the Advisory Committee, will submit a proposal for dismissal of the Chairman or the President to the Board of Directors.

(5) When Directors and Corporate Auditors are appointed or dismissed by the Board of Directors, the Company clarifies the reasons for the appointment or dismissal, deliberates on the matter, and makes a resolution. The reasons are recorded in the reference documents for the General Shareholders’ Meeting.

[Supplementary Principle 3.1.3: Sustainability initiatives, etc.]

(1) Sustainability initiatives

The Company discloses its activities related to the reduction of environmental impacts and the social contribution activities, as well as its sustainability and CSR initiatives, on its website. (<https://www.fujimiinc.co.jp/csr/index.html>)

In addition, the Company has specified 18 material issues (“Materialities”) as important subjects/issues which the Company prioritizes for a sustainable society. Specifically, the Sustainability Promotion Committee oversees strategies related to environmental, social, and governance (ESG) issues. This committee is chaired by the Chairman and consists of the President, the Board of Directors, senior general managers, deputy senior general managers, and general managers.

The committee meets regularly once a year to oversee policies related to climate change and other policies related to sustainability and the status of ESG and value creation issues of materiality, and to consider improvements in accordance with TCFD recommendations and global warming countermeasures. The committee annually submits reports of the content of its discussions, which is then presented to the Board of Directors.

[Disclosure based on TCFD recommendations]

The Company is working on disclosure based on the TCFD framework. The Company discloses information on “Governance,” “Strategy,” “Risk Management,” and “Metrics and Targets” in line with TCFD recommendations on its website.

(2) Investment in human capital

Our policy for selecting new employees is to “hire people who have enthusiasm and integrity in a globally diverse and innovative environment, and who can use their creativity and problem-solving skills to take on challenges.” Based on the above ideas, we aim to leverage diverse backgrounds, particularly in the areas of “women,” “foreigners,” and “mid-career workers” to drive our company's sustainable growth.

Specifically, the Company is taking actions to promote women's career activities, securing and developing human resources with the ability to work globally and solve customer issues, actively recruiting mid-career employees, and implementing onboarding measures. Furthermore, we do not create disparities in our internal training system or treatment for employees in the same role, promoting the creation of a safe and secure environment free from discrimination for all employees. We also strive to expand our training and Human Resource systems, which respect the growth and opportunities for success of each and every employee. In addition, based on the belief that laws and regulations are the minimum that a company must abide by, we establish a “Code of Ethics,” which sets forth norms that all directors and employees must follow, including the “respect for human rights” mentioned above. To promote the internal dissemination of these norms, we conduct “compliance training” every year.

(3) Investment in Intellectual Property

As a technology-driven company, the Company positions intellectual property as a key source for securing competitive advantages for its products, and is continuously working to strengthen it. The Company is striving to secure proprietary technologies aimed at further technological differentiation, establish a more robust intellectual property portfolio, and conduct investigations and infringement prevention activities related to third-party intellectual property rights. To this end, the Company is working to develop intellectual property management and operating systems across the entire group, including overseas subsidiaries.

Furthermore, to respond promptly and effectively to any litigation or issues, the Company has established and is maintaining and strengthening a network of collaboration with intellectual property and legal experts in Japan and key countries worldwide.

[Supplementary Principle 4.1.1: Roles and responsibilities of the Board of Directors]

The Board of Directors deliberates and makes decisions on matters stipulated in laws and regulations, the Articles of Incorporation, and the Board of Directors Regulations. In addition, the Company has established job authority regulations to clarify the authority and responsibilities of each position related to the execution of duties, and the Company executes duties in accordance with the job authority regulations.

[Principle 4.9: Independence Standard and qualifications for independent Outside Directors]

When appointing Outside Directors, the Company establishes standard for independence based on the independence standards set forth in the Companies Act and by the Tokyo Stock Exchange. In addition to considering the business relationship between the Company and the candidate's previous employer, the Company also assesses the existence of personal relationships, capital ties, and other relationships of interest as standard for determining whether the candidate is an independent officer who will not give rise to a conflict of interest with the Company's general shareholders.

Furthermore, regarding qualifications, The Advisory Committee considers candidates for Outside Corporate Director based on the extent of their experience and knowledge in their field and ability to provide a professional and objective perspective to their roles and responsibilities, including the ability to provide advice on the long-term enhancement of corporate value and on management oversight.

The details of this section are described in the following website.

(<https://www.fujimiinc.co.jp/ir/governance/independence.html>)

[Supplementary Principle 4.10.1: Structure of voluntary Advisory Committees, etc.]

The Company has appointed four Independent Outside Directors. They possess the knowledge, experience, judgment, and insight required for management, and provide opinions to the Board of Directors or individual Directors, as well as advice when necessary. Furthermore, the Company has established an Advisory Committee composed of Independent Outside Directors, and obtains their appropriate involvement and advice on the consideration of particularly important matters such as the appointment and remuneration of Directors.

Furthermore, the Company has established internal regulations specifying the composition of the Advisory Committee as follows: “Chairperson:Chairman, Members: President, Directors with titles, and Outside Directors.” Currently, the committee consists of two Directors with titles (including the Chairman and the President) and four Outside Directors, constituting a majority of Outside Directors.

[Supplementary Principle 4.11.1: Views on the overall balance of knowledge, experience, and ability, as well as diversity and scale of the Board of Directors]

The Company's Board of Directors consists of the Chairman as chairperson, other Directors (including Outside Directors) as members, and Corporate Auditors (including Outside Corporate Auditors) as attendees. They strive to complement the overall functions of the Board of Directors with their diverse experience and insight and to enable the Company to fulfill its fiduciary duties.

In addition, the Company believes that the maximum number of members for the Board of Directors to be able to demonstrate its functions effectively and efficiently is 10 Directors and four Corporate Auditors, for a total of 14 members. As of the conclusion of the 74th Annual General Shareholders' Meeting, the Board of Directors consists of seven Directors (including four Outside Directors) and three Corporate Auditors (including two Outside Corporate Auditors), for a total of 10 members, which the Company considers to be a well-balanced composition.

The requirements for Directors and Corporate Auditors, as well as the procedures for their appointment, are stipulated in the “Standard for Director and Corporate Auditor appointment and dismissal (Internal Regulations)”. Furthermore, the Company has prepared a skill matrix for the skills (knowledge, experience, abilities) that we consider important for Directors and Corporate Auditors to possess in order for the Board of Directors to properly fulfill its decision-making and supervisory functions. The management experience of the four Outside Directors is from their careers at other companies.

Name	Corporate management	Global	Business development	Sales and marketing	Technology and R&D	Manufacturing and quality control	Finance and accounting/M&A	Legal affairs/Risk management	Personnel and human development	CSR/ESG
Keishi Seki [Director]	●	●		●			●	●		
Katsuhiro Suzuki [Director]	●	●		●	●	●				
Katsuyuki Hibi [Director]	●						●	●	●	●
Masami Kawashita [Director] [Outside]	●	●	●	●			●			
Atsuko Yoshimura [Director] [Outside]	●	●	●				●			
Naoko Yamazaki [Director] [Outside]	●						●		●	●
Shuhei Ishikawa [Director] [Outside]	●	●	●		●	●				
Yoshiaki Fujikawa [Corporate Auditor]								●	●	
Masaru Okano [Corporate Auditor] [Outside]	●		●		●	●			●	
Kazunori Shibata [Corporate Auditor] [Outside]							●			

[Supplementary Principle 4.11.2. Concurrent service by Directors]

The status of concurrent positions held by Directors and Corporate Auditors is disclosed in the Notice of Convocation of the General Shareholders' Meeting and the annual securities report.

Currently, two Directors are serving as officers of other listed companies, etc., however this is limited to reasonable number, and they are able to focus on their respective duties as Directors of the Company.

[Supplementary Principle 4.11.3. Summary of analysis and evaluation of the effectiveness of the Board of Directors]

The effectiveness of the Board of Directors is every year evaluated in order to create a more highly effectiveness of the Board of Directors and to achieve sustainable improvements in our corporate value.

The evaluation of the effectiveness of the Board of Directors in FY2025 was confirmed on the basis of the survey of composition, operations, topic of discussion, and structure supporting the Board of Directors, and we determined an appropriate level of effectiveness was achieved. However, we recognized the need to make improvement regarding the following point, and will take measures.

- Optimizing the content and volume of materials for Board of Directors meetings

[Supplementary Principle 4.14.2: Policy on training for Directors]

The Company takes steps to provide Directors and Corporate Auditors with the knowledge necessary to fulfill their roles and responsibilities. The Company provides sufficient explanations of Group business activities and regular opportunities to participate in training programs, including external educational programs, for which the Company subsidizes the cost. At the time of appointment, Outside Corporate Directors and Outside Corporate Auditors are fully briefed on basic information such as the Group's corporate profile, business strategies, and financial status. While serving their appointments, the Company continues to provide information on Company matters, including reports on business activities by managers in charge of each business, to ensure they have the knowledge necessary to fulfill their roles and responsibilities.

[Principle 5.1. Policies for constructive dialogue with shareholders]

- (1) The Company appoints two Representative Directors as IR executive officers and appoints the Chairman to oversee IR activities.
- (2) The Company designates the Chairman as a liaison to promote daily and positive cooperation and dialogue with Finance Division, such as Corporate Planning Department in charge of IR activities, and Legal Department.
- (3) The Company holds regular briefings on financial results for analysts and institutional investors twice a year, with the Chairman and the President as the presenters. The Company also participates in IR events hosted by the stock exchange and securities companies. Furthermore, the Company strives to respond thoughtfully to questions from shareholders at the General Shareholders' Meeting.
- (4) The Company conducts meetings with analysts and institutional investors after the release of financial result. In addition, the Company conducts factory tours for shareholders. The opinions gathered in these discussions are reported to the Board of Directors appropriately.
- (5) The Company has established internal regulations to control insider information. The Company adheres to the internal regulations when engaging in dialogue with investors.

Action to Implement Management That Is Conscious of Cost of Capital and Stock Price

Content of Disclosure	Update	Disclosure of Initiatives (Update)
Availability of English Disclosure	Update	Unavailable
Date of Disclosure Update	Update	June 24, 2026

Explanation of Actions	Update
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The Company calculates its cost of capital annually and reports it at a Management Meeting attended by Directors and Corporate

Auditors including Outside Officers, as well as senior general managers and above, and utilize it for purposes such as evaluating capital investments. The Company recognizes that its cost of capital was approximately 10% as of the end of the fiscal year ended March 31, 2026, while ROE for the same fiscal year was 11.3%, exceeding the cost of capital. Furthermore, the PBR (price-to-book ratio) as of the end of the fiscal year ended March 31, 2026 was 2.45x, exceeding 1.0x. The Company will continue to manage its business with a focus on the cost of capital and share price.

2. Capital Structure

Foreign Shareholding Ratio	20% or more but less than 30%
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Status of Major Shareholders

Update

Name or Company Name	Number of Shares Owned	Percentage (%)
Koma Co., Ltd.	13,381,980	17.73
The Master Trust Bank of Japan, Ltd. (Trust Account)	7,911,600	10.48
Custody Bank of Japan, Ltd. (Trust Account)	4,424,700	5.86
Fujimi suppliers' stock ownership program	1,960,660	2.59
STATE STREET BANK AND TRUST COMPANY505001	1,948,266	2.58
Nippon Life Insurance Company	1,918,740	2.54
The Koshiyama Science and Technology Foundation	1,800,000	2.38
HSBC – FUND SERVICES CLIENTS A/C 500	1,604,200	2.12
MUFG Bank, Ltd.	1,530,770	2.02
The Dai-ichi Life Insurance Company, Limited	1,417,200	1.87

Name of Controlling Shareholder, if applicable (excluding Parent Companies)

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Name of Parent Company, if applicable

None

Supplementary Explanation

Update

- The major shareholders are listed as of March 31, 2026.
- The shareholding ratio is calculated by excluding the number of shares of treasury shares (4,646,244 shares).
- Although the Change Reports of Large-Volume Holdings made available for public inspection on October 21, 2025 state that Sumitomo Mitsui Trust Asset Management Co., Ltd. and its joint holder, Amova Asset Management Co., Ltd. owned the shares listed below as of October 15, 2025, the Company was unable to confirm the actual number of shares beneficially owned as of the end of the current fiscal period. Accordingly, these shareholdings are not included in the list of major shareholders above.

The details of the aforementioned Change Reports of Large-Volume Holdings are as follows:

Name	Number of Shares Held (thousand shares)	Shareholding Ratio (%)
Sumitomo Mitsui Trust Asset Management Co., Ltd.	2,828	3.53
Amova Asset Management Co., Ltd.	788	0.98

3. Corporate Attributes

Listed Stock Exchange and Market Segment	TSE Prime Market, NSE Premier Market
Fiscal Year-End	March
Business Sector	Glass & Ceramics Products
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥10 billion or more but less than ¥100 billion

Number of Consolidated Subsidiaries as of the End
of the Previous Fiscal Year

Fewer than 10

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which May have a Material Impact on Corporate Governance

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II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System

Company with Audit and Supervisory Board*

*Referred to as "Company with *Kansayaku* Board" in the Corporate Governance Code reference translation

Directors

Number of Directors Stipulated in Articles of Incorporation	10
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board Update	Chairman (provided that the Chairman does not concurrently serve as President)
Number of Directors	7
Election of Outside Directors	Elected
Number of Outside Directors	4
Number of Independent Directors	4

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Masami Kawashita	From another company								△			
Atsuko Yoshimura	From another company											
Naoko Yamazaki	From another company											
Shuhei Ishikawa	From another company								△			

*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

- Person who executes business for the Company or its subsidiary
- Person who executes business for or a non-executive director of the Company's parent company
- Person who executes business for a fellow subsidiary
- Person/entity for which the Company is a major client or a person who executes business for said person/entity
- Major client of the Company or a person who executes business for said client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/Audit and Supervisory Board Member
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
- Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
- Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
- Other

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Masami Kawashita	○	Masami Kawashita was originally from NGK Spark Plug Co., Ltd., a customer of the Company, and was an Executive Vice President and Special Adviser to that company. In the past three years, transactions between the Company and NGK Spark Plug Co., Ltd. have accounted for less than 1% of consolidated net sales, and there have been no purchases.	Masami Kawashita has accumulated abundant knowledge and experience over many years as a manager. After being engaged in promoting business in Malaysia, Indonesia, China, and other countries at NGK Spark Plug Co., Ltd., he has been a Director of NGK Spark Plug Co., Ltd. since 2005 and supervised the management planning, general affairs, and procurement divisions as Executive Vice President. Currently, he actively provides opinions from a manager's perspective in the Board of Directors. He has been elected for Outside Director because he can be expected to continue to offer objective proposals regarding the Company's management and to strengthen the functions of the Board of Directors based on his abundant experience and achievements. In addition, the Company has designated him as an Independent Director because he satisfies the "Standard for Independence of Outside Directors" established by the Company and there is no risk of a conflict of interest between him and general shareholders.
Atsuko Yoshimura	○	—	Atsuko Yoshimura has accumulated judgment and insight as a manager. She worked for many years in the investment banking divisions of foreign securities companies, where she supported corporate growth and financial strategies, including M&A and capital procurement. She then joined The Roquette Group, a French company, where she was the Representative of its Japanese subsidiary and responsible for strategy of Asia. She subsequently founded VG-C Inc. and PhytoMol-Tech Inc. and currently serves as the Representative Director of those companies. She has been elected for Outside Director because she can be

			expected to continue to offer objective proposals and to strengthen the functions of the Board of Directors based on her wide knowledge and achievements. In addition, the Company has designated her as an Independent Director because she satisfies the “Standard for Independence of Outside Directors” established by the Company and there is no risk of a conflict of interest between her and general shareholders.
Naoko Yamazaki	○	—	Naoko Yamazaki has accumulated judgment and insight through her abundant experience in the finance industry. She has been engaged in individual asset management at a trust bank in Japan and has been a Cluster Head of the Wealth Management Division at a foreign financial institution. Currently, in addition to founding NOKs Labo LLC and engaging in coaching and organizational development, her life’s work over many years has been engaging in activities that contribute to society. She has been elected for Outside Director because she can be expected to offer objective proposals and to strengthen the functions of the Board of Directors based on her wide knowledge and achievements. In addition, the Company has designated her as an Independent Director because she satisfies the “Standard for Independence of Outside Directors” established by the Company and there is no risk of a conflict of interest between her and general shareholders.
Shuhei Ishikawa	○	Shuhei Ishikawa was originally from NGK Corporation, a customer of the Company, and was an executive officer and director of that company. In the past three years, transactions between the Company and NGK Corporation have accounted for less than 1% of consolidated net sales, and there have been no purchases.	Shuhei Ishikawa has accumulated abundant knowledge and experience through his career at NGK Corporation, where after being involved in production technology and new product development at that company’s New Metals Division, he began serving in positions of Executive Officer and higher, including Director, since 2010. He served as a corporate manager for many of those years, including being in charge of the Electronics Business Group and the Energy & Industry Business Group. He

			has been elected for Outside Director because he can be expected to continue to offer objective proposals regarding the Company's management and to strengthen the functions of the Board of Directors based on his abundant experience and achievements. In addition, the Company has designated him as an Independent Director because he satisfies the "Standard for Independence of Outside Directors" established by the Company and there is no risk of a conflict of interest between him and general shareholders.
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Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Established
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Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson [Update](#)

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Advisory Committee	6	0	2	4	0	0	Inside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Advisory Committee	6	0	2	4	0	0	Inside Director

Supplementary Explanation [Update](#)

The Company has established an Advisory Committee, a voluntary committee equivalent to the Nomination Committee and the Remuneration Committee, consisting of the Chairman serving as chairperson, the President, other Directors with titles, and Outside Directors.

The committee serves to enhance objectivity and transparency in the procedures for determining the appointment, dismissal, and compensation of the Company's senior management by deliberating upon matters related to the appointment, dismissal, and compensation of the Chairman, the President, Directors, and Outside Directors, and matters related to succession planning for the President and others, and also provides reports to the Board of Directors.

Audit and Supervisory Board Member*

*Referred to as "kansayaku" in Corporate Governance Code reference translation

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	4

Number of Audit and Supervisory Board Members

3

Cooperation among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments

[State of cooperation between the Corporate Auditors, Accounting Auditors, and Internal Audit Department]

The Accounting Auditors hold review meetings every quarter, and the Corporate Auditors and general manager of Internal Audit Department attend these meetings to exchange opinions.

[State of cooperation between the Corporate Auditors and Internal Audit Department]

The Corporate Auditors hold monthly the Board of Auditors meetings to exchange opinions on audit plans and results. The general manager of Internal Audit Department attends the Board of Auditors meetings as an assistant, exchanging information and reporting on internal audit results on an ongoing basis. Furthermore, the Standing Corporate Auditor and Internal Audit Department hold regular monthly information exchange meetings to share information on audit plans, the state of audits, and internal audit results. Other meetings are held as needed for information exchange.

Appointment of Outside Audit and Supervisory Board Members

Appointed

Number of Outside Audit and Supervisory Board Members

2

Number of Independent Audit and Supervisory Board Members

2

Outside Audit and Supervisory Board Members' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Masaru Okano	From another company										△			
Kazunori Shibata	From another company													

*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

- Person who executes business for the Company or its subsidiary
- A non-executive director or an accounting advisor of the Company or its subsidiaries
- Person who executes business for or a non-executive director of the Company's parent company
- An Audit and Supervisory Board Member of a parent company of the Company
- Person who executes business for a fellow subsidiary
- Person/entity for which the Company is a major client or a person who executes business for said person/entity
- Major client of the Company or a person who executes business for said client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/ Audit and Supervisory Board Member
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- Person who executes business for a client of the Company (excluding persons categorized as any of f, g, or h above) (applies to the auditor him/herself only)
- Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to the director/auditor him/herself only)
- Person who executes business for an entity receiving donations from the Company (applies to the person him/herself only)
- Other

Outside Audit and Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent Audit and Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Appointment
Masaru Okano	○	Masaru Okano was originally from Mitsubishi Electric Co., Ltd., a customer of the Company, and was President and CEO of Meiryō Denshi, an affiliate of Mitsubishi Electric Co., Ltd. In the past three years, transactions between the Company and Mitsubishi Electric Co., Ltd. have accounted for less than 1% of consolidated net sales, and there have been no purchases.	Masaru Okano has accumulated abundant knowledge and experience over many years as a management, such as involvement with the development and manufacturing front lines of MITSUBISHI ELECTRIC Co., Ltd., where was responsible for the core works of the Public-Use Systems business, and he also has been engaged in management of MEIRYO DENSHI as President and CEO since 2006. Currently, he attends meetings of the Company's Board of Directors as Outside Corporate Auditor, providing advice based on his abundant knowledge and experience, etc. He has been elected for Outside Corporate Auditor because he is expected to continue to appropriately execute his duties as an Outside Corporate Auditor. In addition, the Company has designated him as an Independent Corporate Auditor because he satisfies the "Standard for Independence of Outside Directors" established by the Company and there is no risk of a conflict of interest between him and general shareholders.
Kazunori Shibata	○	—	Kazunori Shibata is familiar with corporate financial accounting and tax accounting as a Certified Public Accountant. He has specialist insight based on his experience and achievements over his career, including his current role as General Manager and Representative Partner of Hokushin Tax Corporation. Accordingly, he has been elected for Outside Corporate Auditor because he is expected to continue to appropriately execute his duties as an Outside Corporate Auditor. In addition, the Company has designated

			him as an Independent Corporate Auditor because he satisfies the “Standard for Independence of Outside Directors” established by the Company and there is no risk of a conflict of interest between him and general shareholders.
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Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

Number of Independent Directors and Independent Audit and Supervisory Board Members

6

Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

The Company has designated all six Outside Officers who are qualified as Independent Officers.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors

Introduction of Performance-linked Remuneration Scheme, Other

Supplementary Explanation for Applicable Items

Update

The remuneration for the Directors consists of the followings.

- Monthly remuneration.
- Business performance-based remuneration including the executive bonuses as a short-term business performance-based remuneration and the Board Benefit Trust (BBT) as a long-term business performance-based remuneration.

The executive bonuses for the Directors is determined after the deliberation by the Board of Directors in consideration of the individual positions and responsibilities with the following calculation method, and is paid annually after the Annual General Shareholders' Meeting.

The calculation method of the executive bonuses is as follows;

- The total payment amount is calculated by multiplying the estimated profit attributable to owners of the parent company by a certain coefficient.
- The upper limit of the individual Directors' bonuses is set according to the position.

The share compensation is granted in accordance with the regulations on share compensation as follows;

- The points are granted to each the Directors in consideration of the individual positions and the achievement levels for business performance.
- The retired Directors who have the beneficiary rights are granted the Company's shares equivalent to their accumulated points granted by the time of retirement.

The details of this section are described in the 74th Annual Securities Report, which can be found at the following website.
(<https://www.fujimiinc.co.jp/ir/library/security.html>)

Persons Eligible for Stock Options

Supplementary Explanation for Applicable Items

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Director Remuneration

Status of Disclosure of Individual Director's Remuneration	No Disclosure for any Directors
Supplementary Explanation for Applicable Items	Update

There is no individual disclosure because there is no Director whose total amount of remuneration is 100 million yen or more. Remuneration for the Company's Directors for the fiscal year ended March 31, 2026 was 221 million yen.

Policy on Determining Remuneration Amounts and Calculation Methods	Established
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Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The system of remuneration for the Directors is linked to shareholders' profits and business performance so as to function as an incentive to continuously improve the corporate value. The remuneration for each the Directors is determined at an appropriate level based on the individual responsibilities.

The remuneration for the Directors consists of the followings.

- Monthly remuneration.
- Business performance-based remuneration including the executive bonuses as a short-term business performance-based remuneration and the Board Benefit Trust (BBT) as a long-term business performance-based remuneration.

The monthly remuneration for the Directors is determined through the deliberation at the Board of Directors meeting after the Annual General Shareholders' Meeting based on the individual positions and responsibilities. The proposal of monthly remuneration for the Chairman, the President, the Directors and the Outside Directors is submitted to the above-mentioned Board of Directors after being deliberated by the Advisory Board, which is chaired by the Chairman and consists of the President, the Senior Directors and the Outside Directors.

The calculation method of bonuses as a short-term business performance-based remuneration and the BBT as a long-term business performance-based remuneration is as described in [Incentives] above.

Support System for Outside Directors (and/or Outside Audit and Supervisory Board Members)

At the beginning of each fiscal year, the Company sets the schedule for important internal meetings, notifies Outside Directors and Outside Corporate Auditors, and strives to distribute materials in advance.

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) [Update](#)

(1) Corporate Governance Structure

Fujimi is a company with a Board of Auditors and appoints Outside Directors. The Company instituted a Board of Directors and a Board of Auditors as stipulated in the Companies Act.

- Board of Directors

The Board of Directors consists of seven Directors (including four Outside Directors), currently five male and two female Directors. The Board meets monthly to supervise business execution and make decisions on important management matters, and also holds extraordinary meetings when deemed necessary.

- Board of Auditors

The Board of Auditors consists of three Corporate Auditors (including two Outside Corporate Auditors), currently three male Corporate Auditors. Corporate Auditors attend meetings of the Board of Directors and other important meetings and hold regular meetings of the Board of Auditors as well as extraordinary meetings as necessary. Audits by the Corporate Auditors verify the

legality and appropriateness of business execution, and provide relevant advice and recommendations to management. An Alternate Corporate Auditor is also appointed to ensure that the number of Corporate Auditors complies with the number of Corporate Auditors stipulated by certain laws and regulations.

- Management Meeting

The Management Committee consists of seven Directors and nine senior general managers, currently 14 men and two women. The committee meets monthly to identify and address management issues and to review and deliberate other important management matters. Extraordinary meetings are also held when deemed necessary.

- Advisory Committee

The Advisory Committee consists of the Company Chairman, President, Directors with titles, and Outside Directors. The committee deliberates matters related to the appointment, dismissal, and compensation of the Chairman, the President, Directors, and Outside Directors, and matters related to succession planning for the President and others.

- Status of Internal Control System

Under the Companies Act, the Company maintains (constructs and operates) internal control systems, as well as internal control systems for financial reporting under the Financial Instruments and Exchange Law. We also have various internal regulations related to marketing, procurement, inventory management, and each business process, as well as checks and controls for financial reporting and compiling financial statements to ensure appropriate operation of business activities.

- Status of risk management systems

The Company has established regulations for risk management. On flushing out a particular risk, an appropriate department is selected to deal with, and efforts are made to reduce the risk. In addition, the Risk Management Committee meets periodically to confirm and review the status of the Company's response to various risks.

(2) Corporate Auditor and Internal Audits

The Board of Auditors consists of three Corporate Auditors, two of whom are Outside Corporate Auditors appointed as Independent Directors. Standing Corporate Auditors attend meetings of the Board of Directors, the Management Meeting, and other important meetings to provide advice, recommendations, and statements of opinion to management from the perspective of compliance. The Board of Auditors audits also verify the legality and appropriateness of business execution with the objective of strengthening compliance and corporate governance.

The Internal Audit Department, consisting of five members, reports directly to the Representative Director (Chairman). The department conducts operational audits of all departments in accordance with the internal audit plan and internal control audits with the objective of improving the quality of internal controls. Corporate Auditors and the Internal Audit Office Department coordinate with Accounting Auditors as appropriate.

(3) Accounting Audits

The Company provides all necessary information to Accounting Auditors and creates an environment in which audits can be conducted from a fair standpoint. Support staff provided to assist the accounting auditing activities include 14 certified public accountants and 26 other staff.

3. Reasons for Adoption of Current Corporate Governance System

The Company has chosen to adopt the system of a company with the Board of Auditors structure. The Board of Auditors consists of three members: one Standing Corporate Auditor who is familiar with internal operations, one Outside Corporate Auditor with a background in certified public accounting and tax accounting, and one Outside Corporate Auditor with a background in management. The Board of Auditors performs auditing and supervisory functions with regard to management.

Meanwhile, the Board of Directors includes Outside Directors with extensive experience and broad expertise as executives, who provide various advisory services to management while also fulfilling management and supervisory functions. Furthermore, all six Outside Officers are Independent Officers, and the Company believes that this structure ensures a healthy and transparent governance system that incorporates external perspectives in management decision-making and business operations.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

Update

	Supplementary Explanation
Early Posting of the Notice of the Annual General Meeting of Shareholders	The Notice of the 74th Annual General Shareholders Meeting (held on June 24, 2026) was dispatched on June 4, 2026. In addition, the notice was posted on the Company's website prior to disclosure.
Electronic Exercise of Voting Rights	The Company has adopted a system for exercising voting rights via the internet, etc.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Company participates in the voting platform for institutional investors.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	The notice of convocation in English is provided on the Company's website (https://www.fujimiinc.co.jp/index.html), TSE and NSE.

2. Status of IR-related Activities

Update

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Regular Investor Briefings held for Individual Investors	The corporate website includes a page providing information about the Company so individual investors can better understand the company. (https://www.fujimiinc.co.jp/english/ir/index.html) The Company also participates in briefings for individual investors organized by stock exchanges and securities companies.	Not Held
Regular Investor Briefings held for Analysts and Institutional Investors	The Chairman and the President hold regular briefings on financial results for analysts and institutional investors after the announcements of first-half and full-year performance results.	Held
Online Disclosure of IR Information	Financial results announcement and meeting materials, presentation materials, and supplementary materials; shareholder newsletters; and integrated reports are posted in a timely manner.	
Establishment of Department and/or Placement of a Manager in Charge of IR	(1) Department in charge of IR: Corporate Planning Department (2) Officer in charge of IR: Chairman Keishi Seki President Katsuhiro Suzuki (3) IR liaison officer: Toshihiro Kawashima, Senior General Manager, Finance Division	

3. Status of Measures to Ensure Due Respect for Stakeholders

Update

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	In addition to complying with laws and regulations related to company management, the Company has established a Code of Ethics as a guideline for conducting sound business activities and company operations.

Implementation of Environmental Preservation Activities and CSR Activities, etc.

With regard to environmental conservation activities, the Company has obtained ISO 14001 certification, has established environmental policies and internal regulations related to environmental management and energy reduction, and is working on these issues company-wide.

Furthermore, in terms of CSR activities, we are participating positively in social activities to fulfill our corporate mission “We will develop new, innovative technologies and applications with a commitment to environmental sustainability, thereby enabling the advancement of technology for the betterment of humanity,” and striving to be recognized as “Fujimi - a company to trust” that is widely recognized and valued by society.

The Company has specified 18 material issues (“Materialities”) as important subjects/issues which the Company prioritizes for a sustainable society. Specifically, the Sustainability Promotion Committee oversees strategies related to environmental, social, and governance (ESG) issues. This committee is chaired by the Chairman and consists of the President, the Board of Directors, senior general managers, deputy senior general managers, and general managers.

The committee meets regularly once a year to oversee policies related to climate change and other policies related to sustainability and the status of ESG and value creation issues of materiality, and to consider improvements in accordance with TCFD recommendations and global warming countermeasures.

The details of this section are described in the 74th Annual Securities Report, which can be found at the following website.

(<https://www.fujimiinc.co.jp/ir/library/security.html>)

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development

[1] The Company's basic approach to and maintenance of internal control systems are set out below.

1.To ensure business functions carried out by Directors and employees are in accordance with all laws and the Articles of Incorporation:

- (1) A Code of Ethics is used by the Company as a model for all Directors and employees for behavior under laws and other items specified in the Articles of Incorporation.
- (2) The Company aims to make the Code of Ethics familiar to all employees.
- (3) The Compliance department controls compliance with the Code of Ethics across the Company.
- (4) The internal audit department and legal department will inspect adherence to the Code of Ethics and report their findings to the Board of Directors and the Auditing Committee.
- (5) The Company maintains and operates an internal support and communication system to prevent violations of its Code of Ethics.

2.Storage of and management information systems for duties performed by Directors

In accordance with laws and internal regulations, the Company records in written form the duties performed by Directors, and stores and manages this information. The Company's Corporate Auditors have access to these documents at all times.

3.Regulations to manage the risk of loss and other systems

- (1) The Company's Risk Management Committee has chosen departments to deal with relevant risks based on the Company's risk management policies, the risks associated with carrying out the Company's business, and the policies in place to avoid these risks.
- (2) The Human Resources & General Affairs Department manages all risks for the Company and all of the subsidiaries making up the Group.
- (3) The Internal Auditing department inspects risk management for all departments and reports its findings to the Board of Directors.

4.Systems to ensure the efficient execution of the duties of Directors

- (1) A meeting of the Board of Directors is held on a regular basis once a month to decide important issues and supervise execution of the obligations of the Directors.
- (2) Management meetings with Directors and senior general managers are held to ensure flexible decision making.
- (3) The Directors compile the Medium to Long-term Plan and Annual Plan for the Company as well as set the strategic goals for each business. The progress for each business area is reported to the Board of Directors.

5.Systems to maintain the appropriateness of operations for a corporate organization

- (1) The Company builds systems to ensure that the Group companies introduce rules and regulations for compliance with the Code of Ethics, laws, and regulations and that the Directors and employees of the aforementioned companies act in compliance with laws, regulations, and the Articles of Incorporation.
- (2) The Company builds systems to ensure that the Group companies introduce rules and regulations for decision-making and other organizational matters and that the Directors and employees of the aforementioned companies can perform efficient business operations.
- (3) The Company obliges the Group companies to regularly report important management information.
- (4) The Internal Audit department oversees the Group's internal controls.
- (5) The Internal Audit department builds internal control systems for Group companies and provides the guidance and support needed by Group companies to make these systems more efficient.
- (6) The Internal Audit department performs internal audits of Group companies and periodically reports its findings to the Board of Directors.

6.Maintaining the independence of employees assisting Corporate Auditors

- (1) Corporate Auditors are able to request the assistance of employees in carrying out the auditing function. The nomination,

transfer, or dismissal of the employee requires approval of the Corporate Auditor.

(2) As a general rule, employees, etc. who assist the Board of Corporate Auditors should not concurrently serve as employees, etc. of other departments and shall follow the directions and instructions of Corporate Auditors. However, if dedicated employees, etc. cannot be allocated due to a legitimate reason such as duty-related matters, employees, etc. who are assigned to assist Corporate Auditors in performing their duties shall prioritize their directions and instructions over other matters.

7. Systems for reporting to Corporate Auditors by Directors and employees and other reporting systems for Corporate Auditors

(1) The Board of Directors, employees, etc. and those of the Group companies, in accordance with internal rules, shall report the following matters to Corporate Auditors.

1-1 Items they are concerned could have a significant impact on the Company or its related subsidiaries

1-2 Violations of important laws or the Articles of Incorporation

1-3 The status of internal audits

1-4 The status of discussions or notifications under the Code of Ethics

1-5 The status of other important business matters

(2) The Company does not unreasonably treat those who make the aforementioned reports just because of that reason.

8. Systems to ensure effective auditing conducted by Corporate Auditors

(1) Auditors will perform the following tasks:

1-1 In addition to the Board of Directors meeting, attend other internal meetings they deem important.

1-2 Read ringisho (internal approval memorandums) and legal contracts that are important to carrying out the business.

1-3 Receive explanation of business operations from Directors and employees.

1-4 Periodically exchange opinions with the President.

1-5 Receive accounting related audit reports from the Accounting Auditor and exchange opinions.

(2) The Company shall bear costs necessary for the execution of the duties of Corporate Auditors.

9. Basic policy on anti-social forces elimination

We establish the internal regulations with regards to anti-social forces and act based on the following fundamental principles.

(1) Institutional response.

(2) Association with outside professional organizations.

(3) Sever all relations and business transactions.

(4) Respond by taking civil and criminal legal action.

(5) Prohibition on clandestine deals and any exchange of funds.

[2] Outline of the Operation of the System to Ensure the Suitability of Business is set out below.

1. System to Ensure that the Execution of Duties by Directors and Employees is in accordance with all Laws and the Articles of Incorporation (Compliance System)

(1) The Company conducts compliance training for all employees to ensure that Directors and employees share and are thoroughly familiar with the Code of Ethics, Company Philosophy, and Corporate Vision, which are the standards of conduct required to ensure compliance with laws, regulations, and the Articles of Incorporation. Upon completion of the training, the Company receives written confirmation of participation from all employees (including senior management).

(2) The Company has established “Whistleblower Protection Regulations” based on the Whistleblower Protection Act, and reports the details of reports to the Awards and Disciplinary Committee and the Corporate Auditors.

2. System of Storage and Preservation of Information for Duties Performed by Directors (Information Storage Management System)

The Company records relevant information as important documents in accordance with the document management rule, and stores and manages them for a specified period of time.

3. System of Risk Management Regulations and Others (Risk Management System)

In order to reduce risks associated with business execution, the Company holds Risk Management Committee meetings twice a

year in accordance with the Risk Management Regulations. With regard to cyber security, the Company has established a new information security management system structure by revising information security-related rules and utilizing third-party professional organizations.

4. System to Ensure the Efficient Execution of the Duties of Directors (Efficient Directors Duty Execution System)

In accordance with the aforementioned “Basic policy regarding the development of internal control systems”, the Company holds regular meeting of Board of Directors once a month and extraordinary meeting of Board of Directors meetings if necessary, and a total of 19 meetings were held during the current business year. Matters to be discussed at the Board of Directors meetings are deliberated in advance by the Management meeting.

5. System to Maintain the Adequacy of Operations of the Group Companies Comprised of the Company and its Subsidiaries (Group Companies Management System)

(1) The Company’s senior management, the Human Resources & General Affairs Department and the Compliance Department conduct training for all employees in order to share the “Code of Ethics, Corporate Philosophy, and Corporate Vision” with Directors and employees of each subsidiary and to ensure that all employees are thoroughly familiar with the Code.

(2) The Company and each subsidiary hold a Global Risk Management Committee meeting twice a year to discuss diversified risks and ensure that global based risk management works well.

(3) The Company's senior management receives reports from each subsidiary on a monthly and timely basis regarding the appropriateness of business and confirms the status.

6. Matter regarding Employees and Others Assisting the Corporate Auditors, and Matters to Assure its Independence from the Directors and to Assure Effectiveness of its Operations

During the current business year, the Company did not receive any request from the Corporate Auditors that it is necessary to have an employee to assist the Corporate Auditors.

7. System of Reporting to the Corporate Auditors by the Directors and Employees of the Company and each Subsidiary and Other Reporting System for the Corporate Auditors

(1) The Corporate Auditors attend meetings of the Board of Directors and other important meetings, check monthly reports and other documents by each subsidiary, and request explanations from the executives of each subsidiary as necessary. The Corporate Auditors also hold regular meetings with the Internal Audit Department and the Accounting Auditor to exchange information and cooperate with them.

(2) The Directors timely report to the Corporate Auditors on matters that have a material impact on the Company and the subsidiaries.

8. System to Ensure Effective Audit by the Corporate Auditors:

In accordance with the aforementioned “Basic policy regarding the development of internal control systems”, the Corporate Auditors have access to documents and other information related to the execution of the duties of Directors as necessary. And, the Company ensures that audits by the Corporate Auditors are effective through threefold audits by the Corporate Auditors, the Accounting Auditor, and the Internal Audit Department.

9. Basic Policy Against Anti-Social Forces:

The Company has established “Code of Ethics” and “Corporate Philosophy” with basic policy of taking a firm stand against anti-social forces and never offering any benefits to them and ensures that all employees comply with this basic policy. The Company cooperates with external professional organizations such as police, police-related agencies, and attorneys, and actively exchange information with them. And anti-social forces exclusion clauses are included in the Company’s basic transaction agreements.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

Actions of the Company are based on the policies described below.

1. Institutional response

Intimidation and demands made by anti-social elements that are a threat to society will be handled by the overall institution below the Director level to ensure the safety of employees and not left to the responsibility of any single employee or department.

2. Association with outside professional organizations

On-going relations with external organizations such as the police and legal offices will be established to prepare for inappropriate demands made by anti-social elements.

3. Sever all relations and business transactions

We will not have any relations including business relations with anti-social elements. In addition, we will refuse any improper demands made by anti-social elements.

4. Respond by taking civil and criminal legal action

We will take both civil and criminal legal action in response to inappropriate demands made by anti-social elements.

5. Prohibition on clandestine deals and any exchange of funds

Under no circumstances will we carry out clandestine deals in the event of improper demands by anti-social elements, even in the event of an operational scandal or an employee-related scandal. In addition, under no circumstances will we provide anti-social elements with funds.

The Company is a member of the Council for Corporate Defense and regularly meets with police and other council members to exchange information and receive appropriate advice.

The Company also meets regularly with legal advisers including three lawyers which it has close contact with and has set up support infrastructure to receive appropriate advice.

The Company has a code of ethics and ethical guidelines and maintains contact with police and other related organizations. It is resolute in its treatment and will not contribute or in any way be related to the profit of anti-social elements. We aim to make all of the Company's Directors and employees aware of such policies.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Adopted
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Supplementary Explanation for Applicable Items	Update
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The Company's shares are listed on a financial instruments exchange, and we believe they must be transacted in a free and open manner in the market, and thus we have no objection in principle to large-scale purchases and are of the view that purchase or sale should ultimately be made at the discretion of shareholders. In addition, we will not refuse any large-scale purchase activity that contributes to corporate value or the profit of our shareholders.

However, depending on the nature of the party taking control of the Company's financial resources and business policies, the Company will block a party deemed inappropriate from taking control, and the Company recognizes the necessity of maintaining corporate value and the profit of our shareholders.

The effective period of these policies will be until the close of the Annual meeting of stockholders scheduled in June 2028.

Concerning details of the Policy, please refer to the news release "Renewal of Policy for Measures against Large-Scale Acquisitions of Share Certificates, Etc. of the Company (Policy for Measures against Takeovers)" dated May 14, 2026 on the Company's website (<https://www.fujimiinc.co.jp>).

2. Other Matters Concerning the Corporate Governance System

Update

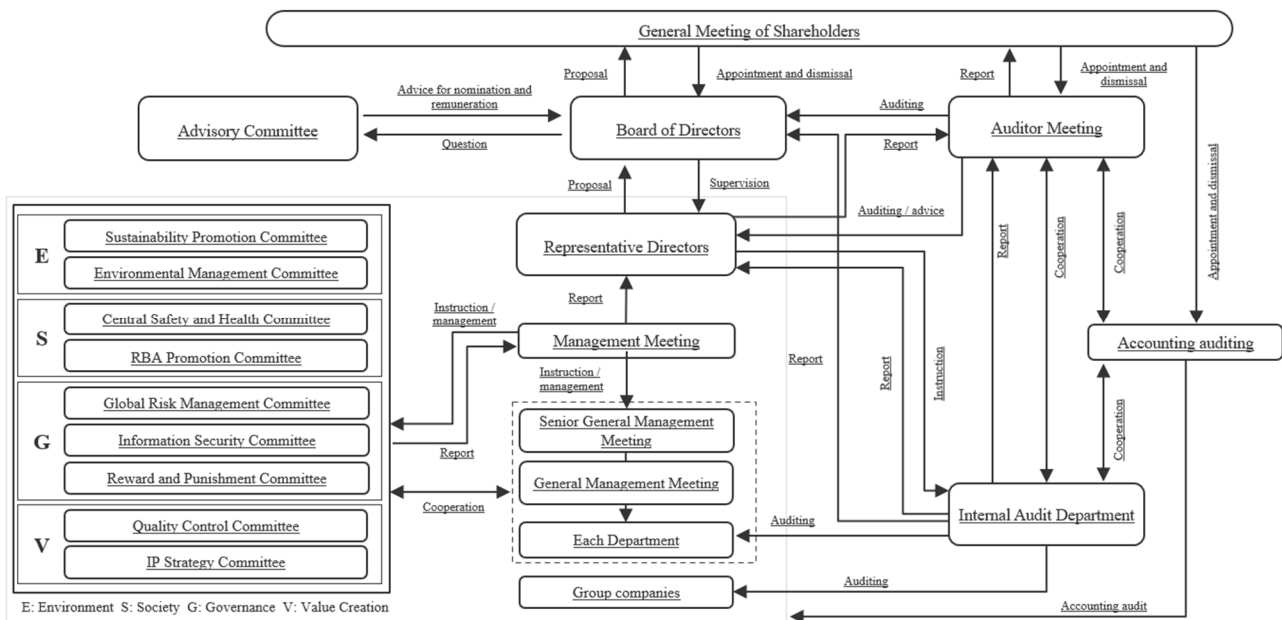
1. Basic Views

The Company strives to improve corporate governance with the goal of becoming a company trusted by shareholders, clients, and social communities by securing the transparency and effectiveness of its management through appropriate corporate activities in compliance with laws and ordinances and by aiming to enhance the corporate value under a governance system in which management supervision and business execution function effectively.

2. Timely disclosure system

The senior general manager in charge of the Finance Division is responsible for information disclosure, and the Corporate Planning Department is made up of IR and a section responsible for information disclosure. All organizational units of the Company, except for those reporting directly to the Chairman or the President, are placed under the one of the Company's divisions. The Company controls important information by having the head of each department including those reporting directly to the Chairman or the President responsible for maintaining the safety of information.

The Company has clearly established regulations for internal transactions and security measures to prevent leaks and improper use of corporate information, as well as to meet the regulations for timely disclosure related to having listed securities on a Financial Instruments Exchange. The responsible party in each department ensures that information is appropriately managed within the respective department, and the disclosure section confirms the legality and appropriateness of information that must be disclosed. In addition, regular disclosures require the approval of the Board of Directors, and the information disclosure section performs disclosure of the prescribed information.



END