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Securities code: 9749

February 28, 2024

(Start date of measures for electronic provision: February 22, 2024)

**To Shareholders with Voting Rights:**

Satoyasu Sakashita  
President & Representative Director  
FUJI SOFT INCORPORATED  
1-1 Sakuragi-cho, Naka-ku, Yokohama-shi,  
Kanagawa

**NOTICE OF CONVOCATION OF  
THE 54TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

This is to notify you that the 54th Annual General Meeting of Shareholders of FUJI SOFT INCORPORATED (the “Company”) will be held for the purposes as described below.

When convening this General Meeting of Shareholders, the Company takes measures for electronic provision and posts the matters subject to electronic provision on the following website on the Internet as the “Notice of Convocation of the 54th Annual General Meeting of Shareholders.”

Company’s website <https://www.fsi.co.jp/ir/soukai/meeting.html>

In addition to the above, the information is also posted on the following website on the Internet.

Please access the Tokyo Stock Exchange website (Listed Company Search) listed below, perform a search by entering the Issue name (company name) “FUJI SOFT” or the securities code “9749,” select “Basic information” and “Documents for public inspection/PR information,” and view the information.

Tokyo Stock Exchange website <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do>

Instead of attending the meeting, you may exercise your voting rights by voting via the Internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders as described hereinafter and exercise your voting rights by no later than 5:30 p.m. on Thursday, March 14, 2024, Japan time, following the “Guidance for Exercising Your Voting Rights” as described on page 3.

**1. Date and Time:** Friday, March 15, 2024 at 3:00 p.m., Japan time (reception starts at 2:00 p.m.)

**2. Place:** FUJISOFT AKIBA HALL, 5F, FUJISOFT Akihabara Building,  
3 Kandane-ribe-cho, Chiyoda-ku, Tokyo

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 54th Fiscal Year (January 1, 2023 - December 31, 2023) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company’s 54th Fiscal Year (January 1, 2023 - December 31, 2023)

**Proposals to be resolved:**

**<Proposals by the Company>**

**Proposal 1:** Election of Twelve (12) Directors

**Proposal 2:** Decision on Remuneration for Granting Restricted Stocks to Directors  
(Excluding Outside Directors)

**Proposal 3:** Decision on Remuneration for Granting Subscription Rights to Shares as Stock  
Options to Directors (Excluding Outside Directors)

**Proposal 4:** Decision on Amount and Details of Performance-based Stock Compensation,

etc. for Directors (Excluding Outside Directors)

**<Proposals by Shareholders>**

**Proposal 5:** Election of One (1) Auditor

**Proposal 6:** Share Repurchase

**< Matters Decided upon Convocation >**

- (1) The following matters are not included in the paper copy to be sent to shareholders according to the provisions of laws and regulations and the Articles of Incorporation of the Company. The Auditors and the Accounting Auditor have audited the documents including the following matters.
  - “Development of the System for Ensuring Appropriateness of Operations” in the Business Report
  - The “Consolidated Statements of Changes in Net Assets” and the “Notes to Consolidated Financial Statements” in the Consolidated Financial Statements
  - The “Non-consolidated Statements of Changes in Net Assets” and the “Notes to the Non-consolidated Financial Statements” in the Non-consolidated Financial Statements
- (2) You can exercise your voting rights by attending the meeting, either via the Internet or in person, or in writing or by voting via the Internet in advance of the meeting.
- (3) If you submit a Voting Rights Exercise Form without indicating your approval or disapproval or abstention for any proposal, your vote for the proposal shall be counted as approval for the proposal by the Company and disapproval for the proposal by Shareholders.
- (4) If you exercise your voting rights in advance via the Internet more than once, only your final vote shall be counted as valid.
- (5) If you exercise your voting rights in advance both via the Internet and by submitting a Voting Rights Exercise Form, your votes via the Internet shall be counted as valid.
- (6) Please note that if you exercise your voting rights in advance by submitting a Voting Rights Exercise Form or via the Internet and attend the meeting, either via the Internet or in person, the voting rights you have exercised in advance shall be invalidated.
- (7) You may exercise your voting rights by appointing one other shareholder with voting rights of the Company as your proxy. In this case, please note that the proxy must submit to the Company a document certifying authority of representation.

- When you attend the meeting in person on the day of the meeting, we ask that you submit the enclosed Voting Rights Exercise Form at the reception desk.
- If there are any revisions to this notice or matters subject to electronic provision, revisions will be posted on the Company’s website and Tokyo Stock Exchange website on the Internet as stated above.
- Notice of resolutions and other information for shareholders will be posted on the Company’s website on the Internet as stated above. Please check our website for the latest information.

## Guidance for Exercising Your Voting Rights

### - If you exercise your voting rights in advance

#### **Voting via the Internet:**

Please enter your votes by no later than the voting deadline by following the instructions on the screen after reviewing the “Guidance for Exercising Your Voting Rights via the Internet” available in the Japanese version. Voting deadline: Your votes must be entered by no later than 5:30 p.m., Thursday, March 14, 2024, Japan time.

#### **Voting in writing:**

Please return the Voting Rights Exercise Form with your votes by mail.

Voting deadline: The completed form must reach us by 5:30 p.m., Thursday, March 14, 2024, Japan time.

### - If you attend the meeting

#### **If you attend the meeting in person**

When you attend the meeting in person on the day of the meeting, we ask that you bring this notice of convocation and submit the enclosed Voting Rights Exercise Form at the reception desk.

Date and time: Friday, March 15, 2024 at 3:00 p.m., Japan time

Please understand in advance that we do not prepare any souvenirs for attending shareholders.

#### **If you attend the meeting via the Internet (virtual attendance)**

Pre-registration is necessary. Please see pages 12 through 14 of the Japanese version.

Date and time: Friday, March 15, 2024 at 3:00 p.m., Japan time (log-in starts at 2:00 p.m.)

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Election of Twelve (12) Directors

The terms of office of all thirteen (13) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of twelve (12) Directors is proposed.

The candidates for Director are as follows.

No.	Name	Age	Gender	Current positions in the Company	Attendance at the Board of Directors meetings
1	Satoyasu Sakashita (Reappointment)	62	Male	President & Representative Director	100.0% (18/18)
2	Tateyuki Oosako (Reappointment)	48	Male	Director & Senior Executive Operating Officer	100.0% (18/18)
3	Tadashi Tsutsui (Reappointment)	58	Male	Director & Executive Operating Officer	100.0% (18/18)
4	Mari Morimoto (Reappointment)	50	Female	Director & Operating Officer	100.0% (18/18)
5	Masashi Umetsu (Reappointment)	49	Male	Director & Operating Officer	94.4% (17/18)
6	Tateki Oishi (Reappointment) <span style="border: 1px solid black; padding: 2px;">Outside</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>	68	Male	Director	100.0% (18/18)
7	Tomoko Aramaki (Reappointment) <span style="border: 1px solid black; padding: 2px;">Outside</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>	55	Female	Director	100.0% (18/18)
8	Takao Tsuji (Reappointment) <span style="border: 1px solid black; padding: 2px;">Outside</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>	74	Male	Director	100.0% (18/18)
9	Hidetaka Nishina (Reappointment) <span style="border: 1px solid black; padding: 2px;">Outside</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>	44	Male	Director	94.4% (17/18)
10	Hikari Imai (Reappointment) <span style="border: 1px solid black; padding: 2px;">Outside</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>	74	Male	Director	100.0% (18/18)
11	Yuya Shimizu (Reappointment) <span style="border: 1px solid black; padding: 2px;">Outside</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>	52	Male	Director	100.0% (18/18)
12	Shintaro Ishimaru (Reappointment) <span style="border: 1px solid black; padding: 2px;">Outside</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>	70	Male	Director	100.0% (18/18)

(Notes)

1. The age given for the candidates for Director represents their full age as of the conclusion of this General Meeting of Shareholders.
2. The attendance at the Board of Directors meetings indicates the attendance of those meetings held during the previous fiscal year (from January 1, 2023 to December 31, 2023).

No.	Name (Date of birth)	Career summary, positions and responsibilities (and significant concurrent positions)	Number of shares of the Company held
1	Satoyasu Sakashita (July 22, 1961)  Male  [Reappointment]	<p>April 1985      Joined Nomura Computer Systems Co., Ltd. (present Nomura Research Institute, Ltd.)</p> <p>April 2003      General Manager of 2nd Knowledge System Business Department, Nomura Research Institute, Ltd.</p> <p>April 2004      Joined the Company Assistant Director of Outsourcing Business Division</p> <p>May 2005      Deputy Director of IT Business Division</p> <p>June 2005      Director</p> <p>June 2007      Executive Director</p> <p>June 2009      Retired as Director</p> <p>June 2009      Executive Operating Officer</p> <p>June 2010      Executive Director</p> <p>September 2011   Representative Senior Executive Director</p> <p>October 2011    President &amp; Representative Director</p> <p>June 2012      President &amp; Representative Director (to the present)</p> <p>[Reasons for nomination] Mr. Satoyasu Sakashita, after experiencing and participating in the execution of business in various business divisions of the Company, has achieved experience in management as a President &amp; Representative Director since 2011. His experience and knowledge will continue to be indispensable for the management of the Company. Therefore, we nominate him as a candidate for Director.</p>	46,760
2	Tateyuki Oosako (October 8, 1975)  Male  [Reappointment]	<p>April 1999      Joined the Company</p> <p>April 2008      General Manager of Solution Service 2, Industrial System Business Department, IT Business Division</p> <p>April 2010      General Manager of Enterprise System Unit, System Development Business Group</p> <p>April 2011      General Manager of Cloud Business Management Group</p> <p>April 2014      General Manager of Information Business Department, Solution Business Division</p> <p>October 2015    Deputy Director of Solution Business Division</p> <p>April 2016      Operating Officer, Deputy Director of Solution Business Division</p> <p>March 2018    Vice President, iDEA Consulting Inc. (to the present)</p> <p>April 2019      Operating Officer, Director of Solution Business Division</p> <p>April 2021      Executive Operating Officer, Director of Solution Business Division</p> <p>January 2022   Senior Executive Operating Officer, Director of Solution Business Division</p> <p>March 2022    Director &amp; Senior Executive Operating Officer, Assistant of Representative Director in Corporate Management, Director of Solution Business Division</p> <p>April 2022    Director &amp; Senior Executive Operating Officer, Assistant of Representative Director in Corporate Management</p> <p>January 2023   Director &amp; Senior Executive Operating Officer, Assistant of Representative Director in Corporate Management, COO of Automotive Business (to the present)</p> <p>[Reasons for nomination] Mr. Tateyuki Oosako has a wealth of business experience in the IT system establishment field, the core of the Company's business. His experience and knowledge will be indispensable for the management of the Company to further expand its business in the information service industry. Therefore, we nominate him as a candidate for Director.</p>	7,358

No.	Name (Date of birth)	Career summary, positions and responsibilities (and significant concurrent positions)	Number of shares of the Company held
3	Tadashi Tsutsui (December 16, 1965)  Male  [Reappointment]	<p>April 1988      Joined the Company</p> <p>April 2009      General Manager of System Department 1, Regional Area Management Division, IT Development Business Group</p> <p>April 2012      General Manager of Business Planning Department, Regional Area Business Division</p> <p>July 2013        Deputy Director of Regional Area Business Division</p> <p>April 2016        Deputy Director of ASI Business Department</p> <p>October 2016    Deputy Director of Administration Division</p> <p>October 2017    General Manager of Administration Reform Supervision Department</p> <p>April 2018        Operating Officer, COO of Corporate Planning and Human Resources</p> <p>April 2019        Operating Officer, COO of Administration Division</p> <p>April 2020        Executive Operating Officer, COO of Administration Division</p> <p>March 2021      Executive Operating Officer, COO of Administration Division and Facility Business</p> <p>March 2022      Director &amp; Executive Operating Officer, COO of Administration Division, COO of Facility Business (to the present)</p> <p>[Reasons for nomination] After serving in various business divisions, Mr. Tadashi Tsutsui has demonstrated his outstanding capacity in promoting management reforms in the Company's Administration Division and contributed to reinforcing the Company's corporate governance and risk compliance system. His experience and knowledge will be indispensable for the management of the Company. Therefore, we nominate him as a candidate for Director.</p>	7,950
4	Mari Morimoto (January 1, 1974)  Female  [Reappointment]	<p>April 1996        Joined the Company</p> <p>April 2012        General Manager of MS Department, Solution Business Division</p> <p>October 2013    Director of MS Business Department</p> <p>April 2017        Deputy Director of Sales Division</p> <p>April 2018        Operating Officer and Deputy Director of Sales Division</p> <p>June 2019        Outside Director, ACE SECURITIES CO., LTD.</p> <p>March 2021      Director &amp; Operating Officer Director of Sales Division</p> <p>August 2021     Director &amp; Operating Officer, Director of Sales Division, COO of L Career Promotion Section (to the present)</p> <p>[Reasons for nomination] Ms. Mari Morimoto has promoted business as Director of Sales Division after serving in various business divisions and is currently demonstrating her skills as COO of Group Company Synergy. Her experience and knowledge will be indispensable for the management of the Company. Therefore, we nominate her as a candidate for Director.</p>	2,074

No.	Name (Date of birth)	Career summary, positions and responsibilities (and significant concurrent positions)	Number of shares of the Company held
5	<p>Masashi Umetsu (October 23, 1974)</p> <p>Male</p> <p>[Reappointment]</p>	<p>April 1997      Joined the Company</p> <p>April 2013      General Manager of Business Planning Department, Solution Business Division, and General Manager of Business Planning Department, Financial System Business Division</p> <p>October 2013    General Manager of Business Planning Department, Solution Business Division, General Manager of Business Planning Department, Financial System Business Division, and General Manager of MS Business Department</p> <p>October 2015    General Manager of Innovation Promotion Section</p> <p>April 2016      General Manager of Sales Supervision Department, Sales Division</p> <p>March 2017     Auditor, Tosho Computer Systems Co., Ltd.</p> <p>October 2017    General Manager of Sales Planning Department, Sales Division</p> <p>April 2018      General Manager of Corporate Planning Department</p> <p>April 2019      Deputy Director of Administration Reform Supervision Department, and General Manager of Corporate Planning Department</p> <p>April 2020      Operating Officer, COO of Finance and Public Relations</p> <p>March 2022     Director &amp; Operating Officer, COO of Finance and Public Relations</p> <p>April 2022      Director &amp; Operating Officer, COO of Corporate Planning and Finance and Public Relations (to the present)</p> <p>July 2022       Auditor, FUJISOFT CHINA Corp. (to the present)</p> <p>[Reasons for nomination] After serving in various business divisions, and involved in business planning and sales planning, Mr. Masashi Umetsu has demonstrated excellent skills and knowledge in the Company's Administration Division. His experience and knowledge will be indispensable for the management of the Company to plan and promote management strategies with the aim of expanding the Company's business under the diversifying business environment. Therefore, we nominate him as a candidate for Director.</p>	2,576
6	<p>Tateki Oishi (November 30, 1955)</p> <p>Male</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>April 1979      Joined CASIO COMPUTER CO., LTD.</p> <p>June 2002      Operating Officer and Deputy Director of Communications Department, CASIO COMPUTER CO., LTD.</p> <p>April 2004      President &amp; Representative Director, CASIO Hitachi Mobile Communications Co., Ltd.</p> <p>June 2010      Director &amp; Senior Executive Operating Officer, NEC CASIO Mobile Communications, Ltd.</p> <p>June 2015      Outside Director, Cyber Com Co., Ltd.</p> <p>                      Outside Director, VINX CORP</p> <p>March 2019     Outside Director (to the present)</p> <p>[Reasons for nomination and expected roles] Mr. Tateki Oishi has a wealth of business experience related to the industry and a wide range of knowledge in ICT. He has appropriately supervised and advised the Company in its business operations from a business perspective based on his deep understanding of the Company's business and his high level of knowledge of management issues in promoting strategies for product services, etc. As a member of the Nomination Committee, he has contributed to improving the corporate value of the Company by working on the appointment of the management team and the consideration of succession planning, and is expected to appropriately perform his duties as an Outside Director of the Company. Therefore, we nominate him as a candidate for Outside Director.</p>	1,700

No.	Name (Date of birth)	Career summary, positions and responsibilities (and significant concurrent positions)	Number of shares of the Company held
7	<p>Tomoko Aramaki (November 7, 1968)</p> <p>Female</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>October 1991    Joined Century Audit Corporation</p> <p>March 1995    Registered as Certified Public Accountant</p> <p>July 1999      Seconded to Regional Financial Cooperation Division, Trade Policy Bureau, Ministry of International Trade and Industry</p> <p>May 2002      Joined IBM Japan, Ltd.</p> <p>February 2006    Director, Aramaki CPA Office (to the present)</p> <p>April 2006      Registered as Certified Tax Accountant</p> <p>June 2008      Audit &amp; Supervisory Board Member, PARIS MIKI HOLDINGS Inc.</p> <p>June 2015      Director, in charge of Investor Relations, PARIS MIKI HOLDINGS Inc.</p> <p>December 2015    Audit &amp; Supervisory Board Member, SACOS CORPORATION</p> <p>January 2017     Member of Conference Committee on Asset Management by Japan Pension Service</p> <p>April 2018      Member of Outside Expert Committee, Organization for Postal Savings, Postal Life Insurance and Post Office Network (to the present)</p> <p>June 2018      Outside Audit &amp; Supervisory Board Member, EXEO Group, Inc.</p> <p>March 2022      Outside Director (to the present)</p> <p>January 2023     Information and Communications Council Member, Ministry of Internal Affairs and Communications (to the present) Telecommunications Business Policy Committee Member, Information and Communications Council (to the present) Postal Services Policy Committee Member, Information and Communications Council (to the present)</p> <p>June 2023      Outside Director, EXEO Group, Inc. (to the present) Outside Director (Audit &amp; Supervisory Committee Member), TRE HOLDINGS CORPORATION (to the present)</p> <p>October 2023     Member of Meeting for Telecommunications Market Validation, Ministry of Internal Affairs and Communications (to the present)</p> <p>November 2023    Member of Advisory Committee for Hydrogen Business, Japan Organization for Metals and Energy Security (to the present)</p> <p>[Reasons for nomination and expected roles] Ms. Tomoko Aramaki has expertise and a wealth of business experience as a Certified Public Accountant and a Certified Tax Accountant, as well as deep insight into corporate management gained through serving numerous positions as an auditor and a director at listed companies. She has appropriately supervised and advised the Company in its business operations from her unique perspective with a thorough knowledge of corporate finance/accounting. As a member of the Remuneration Committee, she has worked on enhancing stock compensation and incentives for the management team, and as a member of the Special Committee, she has been deeply involved in the consideration of various measures to improve the corporate value and secure or enhance the common interests of shareholders from an independent standpoint, which has contributed to improving the corporate value of the Company, and is expected to appropriately perform her duties as an Outside Director of the Company. Therefore, we nominate her as a candidate for Outside Director.</p>	0



No.	Name (Date of birth)	Career summary, positions and responsibilities (and significant concurrent positions)	Number of shares of the Company held
8	<p>Takao Tsuji (September 28, 1949)</p> <p>Male</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>April 1973      Joined Nissho Iwai Corporation (present Sojitz Corporation)</p> <p>June 1999      Director, NISSHO ELECTRONICS CORPORATION</p> <p>March 2000     Outside Director, Fusion Communications Corp. (present Rakuten Communications Corp.)</p> <p>June 2001      Managing Director, NISSHO ELECTRONICS CORPORATION</p> <p>June 2002      Representative Director and President, NISSHO ELECTRONICS CORPORATION</p> <p>June 2009      Director and Chairman, NISSHO ELECTRONICS CORPORATION</p> <p>September 2009      Final Selection Committee Member, Public Application for Universe Open Laboratory, Japan Aerospace Exploration Agency (JAXA)</p> <p>July 2010      Advisor, Machine Division, Sojitz Corporation</p> <p>June 2013      External Director of the Board, JVCKENWOOD Corporation</p> <p>May 2014      Representative Director of the Board, President, Chief Operating Officer (COO), Chief Innovation Officer (CIO), and Chief Risk Officer (CRO), JVCKENWOOD Corporation</p> <p>June 2016      Representative Director of the Board, President, and Chief Executive Officer (CEO), JVCKENWOOD Corporation</p> <p>April 2018      Representative Director of the Board, Chairman of the Board, and Chief Executive Officer (CEO), JVCKENWOOD Corporation</p> <p>April 2019      Representative Director of the Board and Chairman of the Board, JVCKENWOOD Corporation</p> <p>June 2019      Outside Director, DEXERIALS CORPORATION</p> <p>July 2021      Special Advisor, JVCKENWOOD Corporation</p> <p>December 2021      Chairman, Machine &amp; Metal Industry Subcommittee, The Yokohama Chamber of Commerce and Industry</p> <p>June 2022      Outside Director, FEED ONE CO., LTD. (to the present)</p> <p>June 2022      Outside Director (Audit &amp; Supervisory Committee Member), SNT Corporation (to the present)</p> <p>June 2022      Outside Director, TACHIBANA ELETECH CO., LTD. (to the present)</p> <p>December 2022      Outside Director (to the present)</p> <p>[Reasons for nomination and expected roles] Mr. Takao Tsuji has experience as a Representative Director and President of listed companies over 10 years in the aggregate, and assumed office as outside director at multiple listed companies. On the basis of his high level of knowledge and experience in management, he has appropriately supervised and advised the Company in its business operations from his unique perspective as a person with outstanding corporate management experience. As the Chairman of the Nomination Committee, he has worked on the appointment of the management team and the consideration of succession planning, and as a member of the Special Committee, he has been deeply involved in the consideration of various measures to improve the corporate value and secure or enhance the common interests of shareholders from an independent standpoint, which has contributed to improving the corporate value of the Company, and is expected to appropriately perform his duties as an Outside Director of the Company. Therefore, we nominate him as a candidate for Outside Director.</p>	200

No.	Name (Date of birth)	Career summary, positions and responsibilities (and significant concurrent positions)	Number of shares of the Company held
9	<p>Hidetaka Nishina (March 25, 1979)</p> <p>Male</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>October 2002 Registered as attorney-at-law</p> <p>April 2003 Operations Department, Bank of Japan</p> <p>May 2006 Counsellor Office, Civil Affairs Bureau, Ministry of Justice</p> <p>January 2011 Partner attorney-at-law, Nakamura, Tsunoda &amp; Matsumoto (to the present)</p> <p>June 2013 Outside Auditor, INES Corporation</p> <p>April 2014 Committee Member, JBA TIBOR Oversight Committee, Ippan Shadan Hojin (or General Incorporated Association) JBA TIBOR Administration</p> <p>March 2017 Outside Auditor, Nippon Aqua Co., Ltd.</p> <p>June 2017 Outside Director, KITAMURA Co., Ltd.</p> <p>March 2019 Outside Auditor, Vario Secure Inc.</p> <p>April 2019 Outside Director, KITAMURA HOLDINGS Co., Ltd. (unlisted company)</p> <p>June 2021 Outside Director (Audit and supervisory committee member), KITAMURA HOLDINGS Co., Ltd. (unlisted company) (to the present)</p> <p>November 2022 Outside Director (Audit and Supervisory Committee Member), Vario Secure Inc. (to the present)</p> <p>December 2022 Outside Director (to the present)</p> <p>March 2023 Outside Director (Audit and Supervisory Committee Member), Nippon Aqua Co., Ltd. (to the present)</p> <p>[Reasons for nomination and expected roles] Mr. Hidetaka Nishina has a wide range of insights and experience as an attorney-at-law. On the basis of his experience of participating in corporate management as an outside officer at multiple listed companies, he has appropriately supervised and advised the Company in its business operations from his insight based on his deep experience in legal affairs and the latest corporate governance of listed companies. As the Chairman of the Governance Committee, he has worked to strengthen the governance of the Company, and as a member of the Special Committee, he has been deeply involved in the consideration of various measures to improve the corporate value and secure or enhance the common interests of shareholders from an independent standpoint, which has contributed to improving the corporate value of the Company, and is expected to appropriately perform his duties as an Outside Director of the Company. Therefore, we nominate him as a candidate for Outside Director.</p>	600

No.	Name (Date of birth)	Career summary, positions and responsibilities (and significant concurrent positions)	Number of shares of the Company held
10	<p>Hikari Imai (July 23, 1949)</p> <p>Male</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>April 1974      Joined Yamaichi Securities Co., Ltd.</p> <p>January 1986      Joined Morgan Stanley Japan Securities (present Mitsubishi UFJ Morgan Stanley Securities)</p> <p>April 1993      Joined Merrill Lynch Securities Co., Ltd.</p> <p>January 1999      Deputy Chairman, Merrill Lynch Japan Securities Co., Ltd. (present BofA Securities Japan Co., Ltd.)</p> <p>November 2007      Director and Executive Vice President, RECOF Corporation</p> <p>April 2008      Representative Director and President, RECOF Corporation</p> <p>July 2010      Advisor, Ebara Foods Industry, Inc.</p> <p>April 2012      Outside Director, Olympus Corporation</p> <p>June 2015      Outside Director, CYBERDYNE, INC.</p> <p>June 2016      Director (Outsider), PACIFIC METALS CO., LTD. (to the present)</p> <p>December 2016      Director and Chairman, 3DOM Inc. (present 3DOM Alliance Inc.)</p> <p>January 2019      Outside Director, GPSS Holdings, Inc. (unlisted company) (to the present)</p> <p>November 2019      Outside Director (Audit &amp; Supervisory Board Member), SHIMACHU CO., LTD.</p> <p>December 2022      Outside Director (to the present)</p> <p>[Reasons for nomination and expected roles] Mr. Hikari Imai has extensive experience in investment banking services and deep knowledge in capital markets. On the basis of his experience of participating in corporate management as an Outside Director of multiple listed companies, he has appropriately supervised and advised the Company in its business operations. As the Chairman of the Remuneration Committee, he has worked on enhancing stock compensation and incentives for the management team, and as the Chairman of the Special Committee, he has been deeply involved in the consideration of various measures to improve the corporate value and secure or enhance the common interests of shareholders from an independent standpoint, which has contributed to improving the corporate value of the Company, and is expected to appropriately perform his duties as an Outside Director of the Company. Therefore, we nominate him as a candidate for Outside Director.</p>	0

No.	Name (Date of birth)	Career summary, positions and responsibilities (and significant concurrent positions)	Number of shares of the Company held
11	<p>Yuya Shimizu (November 8, 1971)</p> <p>Male</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>April 1994      Joined Tokyo Branch, Goldman Sachs Japan, Co., Ltd.</p> <p>May 2000        Joined MOORE STRATEGIC VALUE PARTNERS, LLC</p> <p>September 2003      Joined AC Capital, Inc.</p> <p>March 2004        Joined Asuka Asset Management Co., Ltd. (present Aizawa Asset Management Co., Ltd.)</p> <p>August 2005        Joined Jarmin Capital Co., Ltd.</p> <p>October 2007        Joined Dalton Investments Group</p> <p>February 2010        Representative Director, Dalton Advisory KK</p> <p>March 2011         Outside Director, SunTelephone Co., Ltd.</p> <p>January 2015        Founded OTS Capital Management Limited (Hong Kong) Cofounder &amp; Senior Portfolio Manager, OTS Capital Management Limited</p> <p>January 2016        Founded Hibiki Path Advisors Pte. Ltd. Representative Director &amp; Chief Investment Officer, Hibiki Path Advisors Pte. Ltd. (to the present)</p> <p>December 2022      Outside Director (to the present)</p> <p>* Hibiki Path Advisors Pte. Ltd., at which Mr. Yuya Shimizu serves as Representative, has concluded discretionary investment management agreements with Hibiki Path Value Fund and Hibiki Path Aoba Fund holding 0.13% (in total) of the Company's stock as of December 31, 2023.</p> <p>[Reasons for nomination and expected roles] Mr. Yuya Shimizu has engaged in a wide range of investment services for many years. On the basis of his extensive experience and deep knowledge in investment management services and capital markets, he has appropriately supervised and advised the Company in its business operations from the unique perspective of a representative of a fund that is also a shareholder of the Company. As a member of the Remuneration Committee, he has worked on enhancing stock compensation and incentives for the management team, and as a member of the Special Committee, he has been deeply involved in the consideration of various measures to improve the corporate value and ensure or enhance the common interests of shareholders from an independent standpoint, which has contributed to improving the corporate value of the Company, and is expected to appropriately perform his duties as an Outside Director of the Company. Therefore, we nominate him as a candidate for Outside Director.</p>	0

No.	Name (Date of birth)	Career summary, positions and responsibilities (and significant concurrent positions)	Number of shares of the Company held
12	Shintaro Ishimaru (January 15, 1954)  Male  [Reappointment] [Outside] [Independent]	<p>             April 1976    Joined Dai-Ichi Kangyo Bank, Ltd. (present Mizuho Bank, Ltd.)              February 1998    President &amp; CEO, DKB Data Services (NY)              August 2003    General Manager of Taipei Branch, Mizuho Corporate Bank, Ltd.              (present Mizuho Bank, Ltd.)              Chairman, The Japanese Chamber of Commerce &amp; Industry Taipei              June 2006    Executive Officer, ITOCHU Corporation              October 2006    General Manager of IT Planning Division, ITOCHU Corporation              Managing Executive Officer &amp; Executive Vice President of              April 2009    Financial Business, Real Estate, Insurance Business, &amp; Logistic              Company, ITOCHU Corporation              April 2011    Assistant to Officer in charge of Specific Services, ITOCHU              Corporation              May 2011    CIO &amp; Assistant to Officer in charge of Specific Services,              ITOCHU Corporation              April 2012    CIO &amp; Executive Vice President of General Products &amp; Realty and              ICT Company, ITOCHU Corporation              June 2013    Audit &amp; Supervisory Board Member, ITOCHU Techno-Solutions              Corporation              July 2019    Delegated Outside Advisor in charge of IT strategy of General              Products &amp; Realty Company, ITOCHU Corporation              December 2022    Outside Director (to the present)           </p> <p>             [Reasons for nomination and expected roles]              Mr. Shintaro Ishimaru has experience taking part in management as Chief              Information Officer (CIO) of a listed company. On the basis of his deep knowledge              in the industry in which the Company operates, he has appropriately supervised and              advised the Company in its business operations from a unique perspective based on              his deep insight into systems development and extensive knowledge of the              industry. As a member of the Nomination Committee, he has worked on the              appointment of the management team and the consideration of succession planning,              and as a member of the Special Committee, he has been deeply involved in the              consideration of various measures to improve the corporate value and secure or              enhance the common interests of shareholders from an independent standpoint,              which has contributed to improving the corporate value of the Company, and is              expected to appropriately perform his duties as an Outside Director of the              Company. Therefore, we nominate him as a candidate for Outside Director.           </p>	0

(Notes)

1. Figures for the “Number of shares of the Company held” are as of December 31, 2023.
2. There are no special interests between any of the candidates for Director and the Company other than those stated in the text.
3. Mr. Tateki Oishi will have served as Outside Director of the Company for five (5) years at the conclusion of this General Meeting of Shareholders.
4. Ms. Tomoko Aramaki will have served as Outside Director of the Company for two (2) years at the conclusion of this General Meeting of Shareholders.
5. Mr. Takao Tsuji, Mr. Hidetaka Nishina, Mr. Hikari Imai, Mr. Yuya Shimizu and Mr. Shintaro Ishimaru will have served as Outside Director of the Company for one (1) year and three (3) months at the conclusion of this General Meeting of Shareholders.
6. When the Company nominates the candidates for Director, the Nomination Committee, the majority of which is composed of Independent Outside Directors, deliberates in advance on the nomination pursuant to the Standard for Personnel Affairs of Officers.
7. The Company makes it a rule to nominate persons who can supervise and advise the Company from outside and impartial perspectives and who have high-level insight and a wealth of knowledge and experience in their particular areas, in addition to following the standards for independence of independent officers set forth in the regulations of the Tokyo Stock Exchange, as the standards for independence of an Outside Director.
8. Mr. Tateki Oishi, Ms. Tomoko Aramaki, Mr. Takao Tsuji, Mr. Hidetaka Nishina, Mr. Hikari Imai, Mr. Yuya Shimizu and Mr. Shintaro Ishimaru are the candidates for Outside Director. If they assume office as Outside Directors, they will become independent officers pursuant to the provisions of the Tokyo Stock Exchange.
9. The Company has entered into liability limitation agreements with Mr. Tateki Oishi, Ms. Tomoko Aramaki, Mr. Takao Tsuji, Mr. Hidetaka Nishina, Mr. Hikari Imai, Mr. Yuya Shimizu and Mr. Shintaro Ishimaru and will renew the agreements if their re-election is approved. The maximum liability limit under each agreement is 10 million yen or the amount provided by laws and regulations, whichever is greater, on the condition that they have respectively conducted their duties in good faith and without gross negligence.
10. The Company has entered into a directors and officers liability insurance (D & O Insurance) agreement stipulated in Article 430-3, Paragraph 1 of the Companies Act with all Directors as the insured to ensure that officers can fully perform their expected roles in the course of their duties and to allow the Company to obtain superior talent. If this proposal is approved as originally proposed and each candidate is appointed as Director, they will be the insured under the said insurance agreement. The said insurance agreement covers damage caused as a result of the insured Directors and officers assuming responsibilities regarding the execution of their duties or receiving claims pertaining to the pursuit of such responsibilities. Provided, however, that there are certain exemptions; for example, damage caused as a result of any conduct committed while knowing that the conduct is in violation of laws and regulations will not be covered. The insurance premiums, including those on riders, are fully borne by the Company and no substantial insurance premium is borne by the insured. The said insurance agreement provides for a deductible amount and damage up to the deductible amount shall not be covered. Also, the Company plans to renew the insurance agreement with the same terms and conditions at the time of the next renewal.
11. Director candidate Mari Morimoto’s name on the family registry is Mari Ishibashi.

In order to achieve sustainable growth and enhance corporate value over the medium to long term, the Board of Directors of the Company is composed of Directors and Auditors who are well versed in corporate management, business administration, industry knowledge, sales, finance/accounting, legal affairs, capital market, etc., taking into consideration the balance of the Board of Directors as a whole in terms of diversity and size. The following is a matrix of skills held by Directors and Auditors.

Position	Name	◎ Area of particular expertise									
		Corporate management	Business administration	Human resources	IT system development	Product services	New businesses	Sales	Finance / Accounting	Legal affairs	Capital market
President & Representative Director	Satoyasu Sakashita	◎	○	○	◎	◎	○	○	○	○	
Director & Senior Executive Operating Officer	Tateyuki Oosako	○	○	○	◎	◎	○	○			
Director & Executive Operating Officer	Tadashi Tsutsui	○	◎	◎	○			○		○	
Director & Operating Officer	Mari Morimoto	○				○	○	◎			
Director & Operating Officer	Masashi Umetsu	○	◎		○			○	○		
Outside Director	Tateki Oishi	○	○		○	◎	◎				
Outside Director	Tomoko Aramaki	○	○						◎		○
Outside Director	Takao Tsuji	◎	◎	○		○	◎	○	○	○	○
Outside Director	Hidetaka Nishina	○	○						○	◎	
Outside Director	Hikari Imai	○	○	○					◎	○	◎
Outside Director	Yuya Shimizu	○							◎		◎
Outside Director	Shintaro Ishimaru	○	○	○	◎	◎	○	○	○		
Standing Auditor	Hiroyuki Kimura	○	○		○	○	○	○	○	○	
Outside Auditor	Yukako Oshimi		○							◎	
Outside Auditor	Hiroshi Hirano		○						◎		

(Note) Positions will be officially determined at meetings of the Board of Directors after Proposal 1 “Election of Twelve (12) Directors” is approved as originally proposed.

**Proposal 2:** Decision on Remuneration for Granting Restricted Stocks to Directors (Excluding Outside Directors)

At the 52nd Annual General Meeting of Shareholders held on March 11, 2022, it was approved that restricted stocks shall be granted to Directors (excluding Outside Directors), and the total amount of monetary claims to be paid for this purpose shall be within 150 million yen per year (excluding employees' salaries for Directors who concurrently serve as employees), and the total number of shares of common stock of the Company to be issued or disposed of under the plan shall be within 30,000 shares per year.

For the purpose of providing an incentive to continuously improve the corporate value of the Company as well as promoting further sharing of value with our shareholders by directly holding the Company's shares from the beginning of the execution of duties until retirement, remuneration to be paid for granting restricted stocks to Directors (excluding Outside Directors) of the Company (the "Eligible Directors") shall continue to be monetary claims, and the total amount of such remuneration shall be within 300 million yen per year (excluding employees' salaries for Directors who concurrently serve as employees). The specific timing and allocation of payment to each Eligible Director shall be decided by the Board of Directors. The Company also plans to make payment in the same manner to Operating Officers after the resolution is made by the Board of Directors.

The amount of remuneration for granting restricted stocks in this Proposal is separate from the amount of remuneration, etc. for Directors approved at the 37th Annual General Meeting of Shareholders held on June 25, 2007, which shall be within 700 million yen per year (excluding employees' salaries for Directors who concurrently serve as employees), Proposal 3 (Stock Options) and Proposal 4 (Performance-based Stock Compensation, etc.).

If Proposal 1 "Election of Twelve (12) Directors" is approved and passed as originally proposed, the number of Directors will be twelve (12) (including seven (7) Outside Directors).

The Eligible Directors shall, based on a resolution of the Board of Directors of the Company, contribute all monetary claims provided in accordance with this proposal as assets contributed in kind, and receive the issuance or disposal of common shares of the Company. The total number of common shares of the Company to be thereby issued or disposed of shall not exceed 40,000 shares per year (provided, however, that, if a stock split of the Company's common shares (including gratis allotment of the Company's common shares) or a reverse stock split of the Company's common shares is carried out, or if any other event arises requiring adjustments of the total number of the Company's common shares to be issued or disposed of as restricted stocks after the date on which this proposal is approved and passed, such total number shall be adjusted to a reasonable extent).

The amount to be paid in per share will be decided by the Board of Directors based on the closing price of the common shares of the Company at the Tokyo Stock Exchange on the business day immediately before the date of the resolution of the Board of Directors (the closing price on the transaction date immediately preceding the said date if no transaction has been executed on the same day) to the extent that the amount is not particularly favorable to the Eligible Directors who subscribe to the common shares. The issuance or disposal of common shares of the Company and the payment of monetary claims as assets contributed in kind shall be subject to the execution of a restricted stock allotment agreement (the "Allotment Agreement") between the Company and the Eligible Directors with the following contents. The maximum amount of remuneration, the total number of common shares of the Company to be issued or disposed of and the terms and conditions of granting restricted stocks, etc. under this Proposal are to be determined by comprehensively taking into account various matters after deliberations at the Remuneration Committee.

The specific amount of remuneration and the number and conditions of the grant of restricted stocks, etc. to each individual Director will be determined by the Board of Directors after consulting with the Remuneration Committee. Therefore, the Company believes that the details of this Proposal are appropriate.

[Outline of the contents of the Allotment Agreement]

(1) Transfer Restriction Period

The Eligible Directors shall not transfer, pledge, or otherwise dispose of the common shares of the Company allotted to them under the Allotment Agreement (the "Allotted Shares") during the period from the date of allotment under the Allotment Agreement to the time immediately after retirement from the positions of officers or employees of the Company that are determined in advance by the Board of Directors of the Company (the "Transfer Restriction Period") (the "Transfer Restriction").

(2) Handling at the time of retirement

If the Eligible Directors retire from the positions of officers or employees of the Company that are determined in advance by the Board of Directors of the Company before the expiration of the period that



is determined in advance by the Board of Directors of the Company (the “Service Period”), the Company duly acquires the Allotted Shares without consideration, except in cases where there is a justifiable reason for such retirement, such as expiration of the term of office or death.

(3) Release of the Transfer Restriction

The Company releases the Transfer Restriction of all of the Allotted Shares upon expiration of the Transfer Restriction Period, provided that the Eligible Directors have continuously held the positions of officers or employees of the Company that are determined in advance by the Board of Directors of the Company during the Service Period. However, if (i) the Eligible Directors retire from the positions of officers or employees of the Company that are determined in advance by the Board of Directors of the Company before the expiration of the Service Period for a justifiable reason, or (ii) the Eligible Directors retire from the positions that are determined in advance by the Board of Directors of the Company after the expiration of the Service Period but before the expiration of the Transfer Restriction Period for a reason other than a justifiable reason, the number of the Allotted Shares for which the Transfer Restriction is released and the time of releasing the Transfer Restriction shall be reasonably adjusted as necessary. In addition, the Company duly acquires, without consideration, the Allotted Shares for which the Transfer Restriction has not yet been released at the time immediately after the Transfer Restriction is released in accordance with the above provisions.

(4) Treatment in organizational restructuring, etc.

Notwithstanding the provisions of (1) above, if, during the Transfer Restriction Period, a merger agreement in which the Company becomes an extinct company, a share exchange agreement or a share transfer plan in which the Company becomes a wholly owned subsidiary, or any other matter relating to organizational restructuring, etc. is approved at a general meeting of shareholders of the Company (or, if such organizational restructuring, etc. does not require approval at a general meeting of shareholders of the Company, by the Board of Directors of the Company), the Company, by a resolution of the Board of Directors of the Company, releases the Transfer Restriction of the Allotted Shares at a number reasonably determined based on the period from the commencement date of the Transfer Restriction Period to the date of approval of the organizational restructuring, etc. prior to the effective date of the organizational restructuring, etc. In the case specified above, the Company duly acquires, without consideration, the Allotted Shares for which the Transfer Restriction has not yet been released at the time immediately after the Transfer Restriction is released.

(5) Other matters

Other matters related to the Allotment Agreement shall be determined by the Board of Directors of the Company.

**Proposal 3:** Decision on Remuneration for Granting Subscription Rights to Shares as Stock Options to Directors (Excluding Outside Directors)

At the 52nd Annual General Meeting of Shareholders held on March 11, 2022, the amount of remuneration, etc. related to stock options for Directors (excluding Outside Directors) of the Company was approved to be within 100 million yen per year (excluding employees' salaries for Directors who concurrently serve as employees).

For the purpose of providing an incentive to continuously improve the corporate value of the Company as well as sharing the benefits and risk of stock price fluctuations with shareholders and further motivating contributions to stock price appreciation and corporate value enhancement, remuneration related to stock options shall continue to be paid to the Directors (excluding Outside Directors) of the Company (the "Eligible Directors") as stated below, and the total amount of such remuneration shall be within 150 million yen per year (excluding employees' salaries for Directors who concurrently serve as employees). The amount of subscription rights to shares to be issued as remuneration for stock options shall be the amount obtained by multiplying the fair value per unit of subscription right to shares calculated on the date of the allotment of subscription rights to shares, by the total number of the rights to be allotted. To calculate the fair value per unit of subscription right to shares, we use a commonly used method to calculate the fair value of the subscription rights to shares, based on various conditions including the Company's stock price and the exercise price on the allotment date.

The amount of remuneration related to this Proposal is separate from the amount of remuneration, etc. for Directors approved at the 37th Annual General Meeting of Shareholders held on June 25, 2007, which shall be within 700 million yen per year (excluding employees' salaries for Directors who concurrently serve as employees), Proposal 2 (Remuneration for Granting Restricted Stocks) and Proposal 4 (Performance-based Stock Compensation, etc.).

If Proposal 1 "Election of Twelve (12) Directors" is approved and passed as originally proposed, the number of Directors will be twelve (12) (including seven (7) Outside Directors). In addition to the Eligible Directors, we plan to allocate similar stock options to Operating Officers of the Company. The maximum amount of remuneration, the total number of subscription rights to shares to be issued and the terms and conditions of granting subscription rights to shares, etc. under this Proposal are to be determined by comprehensively taking into account various matters after deliberations at the Remuneration Committee.

The specific amount of remuneration and the number and conditions of the subscription rights to shares, etc. to each individual Director will be determined by the Board of Directors after consulting with the Remuneration Committee. Therefore, the Company believes that the details of this Proposal are appropriate.

[Details of remuneration, etc. (Details of remuneration for subscription rights to shares to be issued as stock options over one year)]

(1) Number of units of subscription rights to shares

The maximum number of units of subscription rights to shares to be issued within one year from the annual general meeting of shareholders for each fiscal year shall be 2,000.

(2) The class and number of shares underlying the subscription rights to shares

The maximum number of shares underlying the subscription rights to shares within one year from the annual general meeting of shareholders for each fiscal year shall be 200,000 shares. The class of shares underlying the subscription rights to shares shall be common shares, and the number of shares underlying each unit of subscription right to shares shall be 100 shares.

The Company shall make adjustments deemed necessary in circumstances that justify a change in the number of shares such as a stock split or a reverse stock split of its common shares.

(3) The amount paid in exchange for subscription rights to shares

No cash payment shall be required in exchange for subscription rights to shares.

(4) Value of assets to be contributed upon exercise of subscription rights to shares

The value of assets to be contributed upon exercise of a unit of subscription right to shares shall be the amount obtained by multiplying the amount to be paid in per share that may be delivered through the exercise of the subscription right to shares (the "Exercise Value") by the number of granted shares.

The Exercise Value shall be the amount obtained by multiplying the average closing price of the common shares of the Company at Tokyo Stock Exchange, Inc. on days (excluding days on which no transactions were made) of the month before the subscription right to shares is allotted, by 1.05 (with fractions of less than 1 yen rounded up). However, if the value falls below the closing price on the allotment date of the subscription right to shares, the Exercise Value shall be the closing price on the allotment date of the subscription right to shares (the closing price on the transaction date immediately before the said

date if no transactions were made on the allotment date).

The Company shall make adjustments deemed necessary in circumstances that justify a change in the Exercise Value such as a stock split or a reverse stock split of its common shares.

(5) Exercise period of subscription rights to shares

The exercise period of subscription rights to shares shall be a period determined by the Board of Directors within the period from the day on which two (2) years have passed from the date of the resolution granting subscription rights to shares to the day on which ten (10) years have passed after the date of the resolution.

(6) Restrictions on the acquisition of subscription rights to shares through transfer

The acquisition of subscription rights to shares through transfer must be approved by the Board of Directors.

(7) Conditions for the exercise of subscription rights to shares

1) When exercising subscription rights to shares, a person who received the allotment of subscription right to shares (the "share subscription right holder") is not required to be in either of the Company's position of Director, Auditor, Operating Officer and employee.

2) If the share subscription right holder ceases to be in either of the Company's position of Director, Auditor, Operating Officer or employee prior to the commencement of the exercise period of the subscription rights to shares, the share subscription right holder may not exercise the subscription rights to shares. However, this shall not apply in cases where the Board of Directors approves the retirement of an employee due to mandatory retirement age or for other justifiable reasons.

3) If the share subscription right holder falls under any of the following instances, the share subscription right holder cannot exercise the subscription rights to shares thereafter.

i. The share subscription right holder has received a ruling for commencement of assistance, conservatorship, or guardianship.

ii. The share subscription right holder has received a ruling for commencement of bankruptcy proceedings.

iii. The share subscription right holder is appointed as an officer or employee of a company in competitive relationship with the Company (excluding subsidiaries or affiliates of the Company) or any other company engaged in the same business as the Company (excluding subsidiaries or affiliates of the Company) or any company providing advisory or consulting services to such companies (including cases where the share subscription right holder is engaged in these businesses or services as an individual) unless approved in advance by the Board of Directors of the Company.

iv. A breach of trust against the Company has been recognized, such as a violation of laws and regulations or the Company's internal rules.

v. A violation of the share subscription right allotment agreement concluded between the Company and the person who receives the allotment of subscription rights to shares.

4) Other conditions for the exercise of subscription rights to shares shall be prescribed in a share subscription right allotment agreement to be concluded between the Company and the share subscription right holders.

5) Other conditions for the exercise of subscription rights to shares shall be determined by a resolution of the Board of Directors.

(8) Acquisition of subscription rights to shares

1) In the event that a merger agreement in which the Company becomes an extinct company, a company split agreement or a company split plan in which the Company becomes a split company, or a share exchange agreement or a share transfer plan in which the Company becomes a wholly owned subsidiary is approved at a general meeting of shareholders (or by a resolution of the Board of Directors if an approval of the general meeting of shareholders is not required), the Company may acquire all of the subscription rights to shares without consideration on a date separately determined by the Board of Directors of the Company.

2) In the event that, prior to the exercise of subscription rights to shares by the share subscription right holders, the subscription rights become unexercisable pursuant to the provisions set forth in (7) 2) or 3) above, the Company may acquire the subscription rights to shares without consideration on a date separately determined by the Board of Directors of the Company.

(9) Other terms and conditions for the offering of subscription rights to shares

Other details of the subscription rights to shares shall be determined at the meeting of the Board of Directors that determines the terms and conditions for the offering of subscription rights to shares.

**Proposal 4:** Decision on Amount and Details of Performance-based Stock Compensation, etc. for Directors (Excluding Outside Directors)

As part of the review of the remuneration system for officers of the Company, we propose to newly introduce a Performance-based Stock Compensation Plan (the “Plan”) for Directors (excluding Outside Directors) of the Company (the “Eligible Directors”), in addition to the remuneration limit for Directors to be proposed in Proposal 2 “Decision on Remuneration for Granting Restricted Stocks to Directors (Excluding Outside Directors)” (within 300 million yen per year) and the remuneration limit for Directors to be proposed in Proposal 3 “Decision on Remuneration for Granting Subscription Rights to Shares as Stock Options to Directors (Excluding Outside Directors)” (within 150 million yen per year).

The purpose of this Proposal is to enhance the Directors’ awareness of contribution to improving business performance and increasing corporate value over the medium to long term by clarifying the linkage between the remuneration of Directors and the Company’s business performance and stock value, and by allowing the Directors to share with shareholders the returns and risks of stock price fluctuations.

If Proposal 1 “Election of Twelve (12) Directors” is approved and passed as originally proposed, the number of Directors will be twelve (12) (including seven (7) Outside Directors). In addition to Directors, we plan to cover Operating Officers under this Plan. The maximum amount of remuneration, the total number of common shares of the Company to be issued or disposed of, timing of the delivery of shares and other conditions under this Proposal are to be determined by comprehensively taking into account various matters after deliberations at the Remuneration Committee.

The specific amount of remuneration and the number and conditions of the grant of common shares, etc. to each individual Director will be determined by the Board of Directors after consulting with the Remuneration Committee. Therefore, the Company believes that the details of this Proposal are appropriate.

[Amount and Details of Compensation under the Plan]

(1) Overview of the Plan

The Plan is a stock compensation plan, under which a trust acquires shares of the Company with money equivalent to the amount of remuneration for Directors contributed by the Company as the source of funds, and the Company’s shares and the money equivalent to the amount of cash proceeds from the conversion of the Company’s shares (the “Company’s shares, etc.”) are delivered and paid (the “delivery, etc.”) to the Directors through such trust, according to their positions and the degree of achievement of performance targets in the medium-term management plan, etc. ((2) and subsequent sections summarize the details.)

1) Persons eligible for the delivery, etc., of the Company’s shares, etc., under this Proposal	<ul style="list-style-type: none"> <li>• Directors (excluding Outside Directors of the Company)</li> </ul>
2) Impact of the Company’s shares under this Proposal	on the total number of shares issued
Maximum limit of money to be contributed by the Company (as described in (3) below)	<ul style="list-style-type: none"> <li>• Amount calculated by multiplying 200 million yen by the number of years of the covered period</li> <li>• Maximum limit for the five fiscal years of the initial covered period will be 1,000 million yen (The initial covered period shall be five fiscal years from the fiscal year ending December 31, 2024 to the fiscal year ending December 31, 2028.)</li> </ul>
Maximum limit of the number of the Company’s shares, etc. subject to delivery, etc. to Directors (as described in (4) below)	<ul style="list-style-type: none"> <li>• Number of shares calculated by multiplying 20,000 shares by the number of years of the covered period</li> <li>• Maximum limit for five fiscal years of the initial covered period will be 100,000 shares</li> </ul>
Method of acquisition of the Company’s shares (as described in (3) below)	<ul style="list-style-type: none"> <li>• The Company’s shares under the Plan will be acquired from the stock market or from the Company (disposal of treasury stock)</li> </ul>
3) Details of performance achievement conditions (as described in (4) below)	<ul style="list-style-type: none"> <li>• The performance-linked portion varies between 0% and 100% depending on the degree of achievement of performance against the target values set in the medium-term management plan, etc. during the covered period</li> </ul>
4) Timing of the delivery, etc., of the Company’s shares, etc., to Directors (as described in (5) below)	<ul style="list-style-type: none"> <li>• In principle, after the end of the covered period</li> </ul>

## (2) Trust period

In principle, the period covered by the Plan shall be the fiscal years covered by the Company's medium-term management plan (the "covered period"). The initial covered period shall be the five fiscal years from the fiscal year ending December 31, 2024 to the fiscal year ending December 31, 2028. However, at the expiration of the trust period, the trust period may be extended as described in (3) below. In the event that the target values set in the medium-term management plan are achieved ahead of schedule in any fiscal year during the covered period and a new medium-term management plan is formulated at that time, the covered period at that time may be brought forward and terminated, and the trust period may be extended with the fiscal years covered by the new medium-term management plan as the new covered period.

## (3) Maximum amount of money to be contributed by the Company

The Company shall set the maximum amount of trust money to be contributed in each covered period for the acquisition of Company's shares subject to delivery, etc. to Directors at 200 million yen multiplied by the number of years of the relevant covered period (1,000 million yen for the five fiscal years of the initial covered period), and then shall contribute such trust money to establish a trust (the "Trust") for the period corresponding to the covered period with Directors as beneficiaries. The Trust shall acquire the Company's shares from the stock market or the Company (disposition of treasury stock) using the trust money as the source of funds, in accordance with the instructions of the Trust Manager. The Company will grant points (as described in (4) below) to Directors during the covered period, and, after the end of the covered period, implement through the Trust the delivery, etc. of the Company's shares, etc. equivalent to the number of points granted.

The Trust may be continued at the expiration, etc., of the trust period of the Trust by way of amending the trust agreement or by additional entrustment. In such case, the trust period of the Trust shall be extended for the same period as the fiscal years covered by the medium-term management plan set forth by the Company at that time. For each extended period, the Company will make additional contributions within the maximum total amount of trust money to be contributed to the Trust, which will be approved at this General Meeting of Shareholders, and continue to grant points to Directors during the extended trust period, and the Trust will continue to implement the delivery, etc. of the Company's shares, etc. However, in the case of such additional contribution, if there are Company's shares (excluding the Company's shares equivalent to the points granted to Directors that have not yet been delivered, etc.) and money remaining in the trust assets at the end of the trust period before the extension (the "Remaining Shares, etc."), the total amount of the Remaining Shares, etc. and the trust money to be additionally contributed by the Company shall be within the range approved by this General Meeting of Shareholders. This extension of the Trust period is not limited to a one-time extension, and the Trust may be extended in the same manner thereafter.

## (4) Calculation method and maximum number of the Company's shares, etc. subject to delivery, etc. to Directors

The number of the Company's shares, etc. subject to delivery, etc. to Directors is determined at a certain time each year by the number of points granted in accordance with their position and the degree of achievement of performance against the target values set in the medium-term management plan, etc.

One (1) point shall equal one (1) share of the Company's common stock, and in the event of a stock split or reverse stock split of the Company's shares in the Trust during the trust period, the number of the Company's shares per point and the maximum number of the Company's shares subject to delivery, etc. from the Trust shall be adjusted according to the split ratio, reverse stock split ratio, etc. of the Company's shares.

The maximum number of points to be granted to Directors during the trust period of the Trust shall be 20,000 points multiplied by the number of years of the covered period, and the maximum number of shares of the Company's shares, etc. that Directors may receive from the Trust during the trust period shall be the number of shares equivalent to such maximum number of points (the "Maximum Number of Shares to be Delivered"). Therefore, the Maximum Number of Shares to be Delivered during the five fiscal years of the initial covered period will correspond to 100,000 shares.

If the Trust is continued as described in (3) above, the Maximum Number of Shares to be Delivered during the extended trust period shall be the number of shares equivalent to such maximum number per fiscal year multiplied by the number of years of the extended trust period. This Maximum Number of Shares to be Delivered is determined by reference to the most recent stock price, etc., taking into consideration the maximum amount of money to be contributed by the Company as described in (3) above.

## (5) Method and timing of the delivery, etc. of the Company's shares, etc. to the Directors

The Directors who satisfy the requirements for beneficiaries shall receive the delivery, etc. of the number of the Company's shares, etc. calculated in accordance with (4) after the end of the covered period. In such

cases, the Directors concerned, by completing the prescribed procedures to determine the beneficiary rights, shall receive the number of the Company's shares equivalent to 50% of the number of points and the number of the Company's shares equivalent to the remaining points shall be converted into cash in the Trust, and they shall receive the payment of cash equivalent to the amount of the conversion price.

(6) Exercise of voting rights with respect to the Company's shares in the Trust

The voting rights of the Company's shares held in the Trust shall be non-exercisable during the trust period in order to ensure neutrality toward the Company's management.

(7) Handling of dividends pertaining to the Company's shares in the Trust

The dividends pertaining to the Company's shares in the Trust will be received by the Trust and used as funds for trust fees and trust expenses related to the Trust. In the event that there is a residual amount of dividends at the final stage of termination of the Trust after being used for trust fees and trust expenses, this will belong to the Company to the extent of the amount retained in the Trust after deducting funds for share acquisition from the trust money, and the portion exceeding the amount retained in the Trust will be donated to organizations that have no interest in the Company and the Directors.

(8) Other details of the Plan

Other details of the Plan will be determined at the meeting of the Board of Directors each time the Trust is established, the trust agreement is amended, or additional contributions are made to the Trust.

### <Proposal by a Shareholder (Proposal 5)>

Proposal 5 is a proposal made by a shareholder.

The following details of the proposal (outline of the agenda) and reasons for the proposal are presented in their original form as submitted by the proposing shareholder in Japanese, although their format has been adjusted by the Company.

The Board of Directors of the Company **is opposed** to Proposal 5.

The reasons for opposition to Proposal 5 are stated below on pages 26 to 28.

### Proposal by a Shareholder

Proposal 5 was proposed by shareholder 3D OPPORTUNITY MASTER FUND (hereinafter referred to as “3D”).

### Proposal 5: Election of One (1) Auditor

#### Outline and Reason of the Proposal

##### (1) Outline of the Proposal

Mr. Stephen Givens shall be elected as Auditor.

##### (2) Reason for the Proposal

In August 2023, 3D called for proposals to increase the corporate value of FUJI SOFT and received unbinding proposals from three well-known private equity funds (the “Proposers”) to acquire FUJI SOFT at prices significantly higher than the stock price at that time. According to those proposals, the Proposers evaluated FUJI SOFT based solely on publicly available information, and it was suggested that if the Proposers could obtain information obtained through due diligence, the Proposers would be able to make a higher price proposal. As FUJI SOFT acknowledges<sup>1</sup>, these proposals had sufficient specificity, rationale of purpose, and feasibility, and constituted a “bona fide offer”<sup>2</sup> as described in the “Guidelines for Corporate Takeovers” recently released by the Ministry of Economy, Trade and Industry (the “Corporate Takeovers Guidelines”).

3D submitted these proposals to the Board of Directors of FUJI SOFT in September 2023. As 3D believed that these proposals should be given sincere consideration by the Board of Directors of FUJI SOFT in accordance with the Corporate Takeovers Guidelines<sup>3</sup>, we also asked the Board of Directors to engage constructively with each of the Proposers and other potential acquirers, provide comprehensive due diligence materials, and finally, do everything in its power to invite legally binding proposals as part of a formal process to maximize FUJI SOFT’s corporate value.

In this regard, according to the Corporate Takeovers Guidelines, the board of directors of the target company should give “sincere consideration” to a “bona fide offer.” In other words, it is required to submit a bona fide offer to the board of directors, obtain additional information about the proposal from the acquirer, and consider the appropriateness of the acquisition from the perspective of whether the acquisition will contribute to increasing corporate value<sup>4</sup>.

However, based on subsequent communications with FUJI SOFT, 3D believes that the Board of Directors has not fulfilled such duties and that FUJI SOFT has not walked through the consideration process in a way that would truly increase corporate value. As noted above, each of the acquisition proposals by the Proposers suggested the possibility of refining their proposals and re-proposing a higher acquisition price if the information obtained through due diligence was available. However, despite the existence of such a clear path to corporate value enhancement at hand, FUJI SOFT is attempting to consider the appropriateness of the acquisition without providing appropriate information, including due diligence opportunities, to each of the Proposers, i.e., without refining the acquisition proposals and maximizing the acquisition price. Furthermore, we understand that the Board of Directors, including Outside Directors, who play a leading role in considering the appropriateness of the acquisition, has not yet had a formal meeting with any of the Proposers.

In light of its past experience, 3D believes that a sound consideration process in accordance with the Corporate Takeovers Guidelines will maximize FUJI SOFT’s corporate value. Therefore, we believe that leaving the consideration process by FUJI SOFT incomplete and unfair would undermine the feasibility of a transaction that maximizes FUJI SOFT’s corporate value. Furthermore, as a result of such consideration process by FUJI SOFT, we believe that if the acquisition proposals are rejected, other potential acquirers may be hesitant to negotiate with FUJI SOFT in the future.

3D believes that the above consideration process by the Board of Directors of FUJI SOFT was a serious mistake in corporate governance. Although the Board of Directors of FUJI SOFT should engage in a sincere and constructive consideration process in good faith to ensure a full and fair strategic consideration process, the Board of Directors has been reluctant to accept proposals from well-known private equity

funds and has not called for privatization proposals from other potential acquirers. Therefore, it appears that the Board of Directors of FUJI SOFT is only concerned with fulfilling the minimum legal obligations required of a board of directors, and such corporate governance defects at FUJI SOFT are a serious obstacle to maximizing the company's corporate value.

FUJI SOFT recognized the need for constructive engagement with stakeholders and publicly announced its consideration of a bona fide offer on January 12, 2024. However, the content of the announcement was vague as to what specific activities the Special Committee had been involved in, and did not address 3D's concern that the review process would remain incomplete and unfair. 3D believes that FUJI SOFT should provide each of the Proposers with an opportunity to conduct due diligence to refine its acquisition proposal and maximize the acquisition price, including sharing its new medium-term management plan to be announced in February of this year, but FUJI SOFT has not disclosed such actions<sup>5</sup>.

Furthermore, in light of the fact that the Special Committee, which makes suggestions or recommendations to the Board of Directors on whether or not to approve the privatization proposal, and the Board of Directors, the majority of which are Outside Directors, which makes the final decision, have not yet held meetings with the Proposers since the privatization proposals were submitted in September 2023, we must question whether the Special Committee and the Board of Directors will take their responsibility to maximize corporate value seriously and will consider the proposal fairly and objectively.

3D believes that it is essential to improve corporate governance at FUJI SOFT in order to ensure the interests of its shareholders by strengthening the supervisory function of the Board of Directors of FUJI SOFT and complying with various guidelines issued by the Ministry of Economy, Trade and Industry of Japan. Therefore, 3D proposes that Mr. Stephen Givens ("Mr. Givens") be elected as an Outside Auditor.

The career summary of Mr. Givens is shown in (3) below. Mr. Givens is a leading expert in the fields of M&A and corporate governance in Japan. After becoming a partner at a major international law firm, he established his own law firm and has extensive experience in structuring, negotiating and closing various corporate transactions, including M&A deals. He has also advised both corporations and institutional investors on numerous corporate governance and voting matters, and has served as a member of special committees of listed companies.

In addition, Mr. Givens is independent of both FUJI SOFT and 3D, ensuring the interests of all FUJI SOFT shareholders.

3D is confident that Mr. Givens will not only provide a useful and unique perspective from an independent standpoint but will also bring his extensive knowledge of corporate governance and M&A to the Board of Directors of FUJI SOFT. Since Mr. Givens is an appropriate candidate to correct FUJI SOFT's corporate governance defects and ensure a sincere consideration process to increase corporate value, 3D proposes to elect Mr. Givens as an Outside Auditor.



## (3) Candidate's name and career summary

Candidate	Stephen Givens	Date of birth: July 18, 1954
		Number of shares of the Company held: 0 shares
<b>■ Career summary, positions, responsibilities and significant concurrent positions</b>		
1982 - 1987	Associate, Debevoise & Plimpton, New York City	
1987 - 1990	Associate, Gibson, Dunn & Crutcher	
1990 - 1996	Partner, Gibson, Dunn & Crutcher	
1996 - 2001	Special Counsel, Nishimura & Partners (present Nishimura & Asahi)	
2001 - present	Representative, Givens Gaikokuho Jimu Bengoshi Jimusho / JLX Partners	
<b>Education</b>		
1972 - 1976	University of North Carolina at Chapel Hill (A.B. in History and Classics)	
1976 - 1977	Kyoto University (Faculty of Law)	
1979 - 1982	Harvard Law School (J.D.)	
<b>Other Information</b>		
2004 - 2014	Adjunct Professor, Keio University Law School	
2005 - 2014	Professor, Faculty of Law, Aoyama Gakuin University	
2009 - 2013	Adjunct Professor, Faculty of Law, Sophia University	
2014	Adjunct Professor, Faculty of Business and Commerce, Keio University	
2014 - 2020	Professor, Law Faculty, Sophia University	
2015 - 2019	Member of Advisory Board of Dai-ichi Life Holdings, Inc.	
2017 - 2019	Advisor of Investment Strategy Division, Hitachi, Ltd.	
2018 - 2019	Advisory Board member of NAKANO REFRIGERATORS CO., LTD.	
2019 - 2023	Adjunct Professor, Keio University	
	(Significant concurrent positions)	
	Representative, Givens Gaikokuho Jimu Bengoshi Jimusho	
	Representative, JLX Partners	

○ **Opposition from the Board of Directors on Proposal 5 (Election of One (1) Auditor)**

[Opinion]

**The Board of Directors of the Company is opposed to Proposal 5.**

As described in the “Reason for the Proposal” of Proposal 5, the proposing shareholder has approached several private equity funds (the “PE Funds”) to have them submit a proposal to take the Company private (the “Privatization Proposal”). In addition, the proposing shareholder states that the Board of Directors of the Company has been considering the appropriateness of the acquisition without providing any of the proposers with comprehensive due diligence materials and inviting legally binding proposals, and concludes that such process was a “serious mistake in corporate governance” and states that Mr. Stephen Givens (“Mr. Givens”) should be elected as an Outside Auditor to improve the Company’s corporate governance.

However, the Board of Directors of the Company is opposed to Proposal 5 because the Company has been conducting sincere consideration of the privatization proposals, mainly by the Board of Directors and the Special Committee, in accordance with the “Guidelines for Corporate Takeovers,” and therefore, there is no mistake in corporate governance as concluded by the proposing shareholder (see 1 below), and we do not believe that Mr. Givens should be elected as an additional Auditor, considering the current structure of the Board of Directors and the Board of Auditors of the Company and Mr. Givens’ skill set, qualifications, and experience, etc. (see 2 below).

1. The Company has been sincerely considering the privatization proposals under a system that ensures fairness and transparency, and there is no mistake in corporate governance.

As stated in the “Notice Concerning the Progress of Consideration of the Measures to Enhance Corporate Value” released by the Company on January 12, 2024, in considering management options to enhance the Company’s corporate value, in order to enhance the fairness and transparency of the consideration process, the Company decided to ensure a system in which only independent outside directors would be involved in the consideration of such options. Accordingly, at the meeting of the Board of Directors held on July 25, 2023, the Company established the Independent Directors Working Group, consisting solely of independent outside directors, as a working group (“WG”) of the Corporate Value Committee. Subsequently, as the Company received the Privatization Proposals from several PE Funds that responded to the request of the proposing shareholder, the Company determined that it was necessary to ensure fairness and transparency in the consideration process and to conduct sincere consideration, and established a Special Committee consisting of only six independent outside directors as a committee with expanded authority, etc. over the Independent Directors WG at the meeting of the Board of Directors held on September 12, 2023. The members of the Special Committee also include Mr. Yuya Shimizu and Mr. Shintaro Ishimaru, who were elected as Outside Directors at the Extraordinary General Meeting of Shareholders of the Company held on December 4, 2022, as a proposal by the Company and a Shareholder, with the Board of Directors of the Company also agreeing to the shareholder proposal.

The matters entrusted to the Special Committee are as follows, and the Board of Directors of the Company has resolved to make decisions on such matters with the utmost respect for the decisions of the Special Committee on the matters entrusted below.

- (1) To compare and consider the measures to enhance corporate value developed by the Company and the measures to enhance corporate value in the Privatization Proposals submitted by the acquiring parties, from the perspective of ensuring or enhancing corporate value and, in turn, the common interests of shareholders, and to make suggestions or recommendations to the Board of Directors as to which of the two would be more desirable.
- (2) If it is determined in (1) above that the measures to enhance corporate value in the Privatization Proposal submitted by the acquiring party are more desirable than the measures to enhance corporate value developed by the Company, to examine the Privatization Proposal from the perspective of whether it will ensure or enhance the corporate value of the Company and, in turn, the common interests of shareholders, and to make suggestions or recommendations to the Board of Directors as to whether the Board of Directors of the Company should approve the Privatization Proposal.

The Special Committee has appointed as its own advisors a financial advisor, a legal advisor, and a consulting firm to perform business analysis.

Under the above structure, the Special Committee, while receiving advice from its own advisors and consultants, is proceeding with fair and appropriate evaluation and consideration of the above-mentioned matters entrusted to it, completely independent of the Company’s executive. In the process, the Special Committee itself met with each of the PE Funds and held Q&A sessions, etc. with each of the PE Funds.

On the other hand, the Company's executive has also been closely examining management options to maximize the corporate value of the Company by comparing and considering the measures to enhance the corporate value of the Company, etc. to be realized through the Privatization Proposal received from each PE Fund and the measures to enhance corporate value, etc. in the new medium-term management plan formulated by the Company as a listed company, based on the views of the Special Committee, advice from the Company's advisors, and other factors. In the process, the Company's executive has also deepened its understanding of each proposal and refined its evaluation of each proposal by holding Q&A sessions with each of the PE Funds regarding post-privatization management policies and business strategies, providing certain information as necessary, and holding discussions based on the results of such discussions.

As such, the Company is conducting a sincere consideration of the Privatization Proposals while providing the acquiring parties that submitted the Privatization Proposals with an opportunity to conduct certain due diligence. We believe that such consideration process is fair and appropriate in line with the "Guidelines for Corporate Takeovers" published by the Ministry of Economy, Trade and Industry on August 31, 2023, and that the criticism that there was a "mistake in corporate governance" is not at all applicable.

The proposing shareholder, quoting the "Guidelines for Corporate Takeovers," states that it is not a sound consideration process unless comprehensive due diligence materials are provided to potential acquiring parties and a legally binding proposal is invited. However, the Guidelines assume that the company's directors have broad discretion regarding the scope of information to be provided during due diligence and whether or not to seek other acquisition proposals, especially if the company's board of directors has not yet decided a policy of accepting any acquisition. As mentioned above, the Company is in the process of comparing and considering the measures to enhance corporate value, etc. from the viewpoint of maximizing corporate value, and has not yet decided a policy of accepting any acquisition. Therefore, the opinion that comprehensive due diligence and inviting legally binding proposals must be conducted at this stage is not in line with the Guidelines and may be said to be the sole assertion of the proposing shareholder.

2. The Company does not believe that Mr. Givens should be elected as an additional Auditor, considering the current structure of the Board of Directors and the Board of Auditors of the Company and skillsets, qualifications, and experience, etc. of the candidate for Proposal 5.

On the premise of a highly independent Board of Directors and Board of Auditors structure, with the Board of Directors where Independent Outside Directors form a majority and the Board of Auditors where Outside Auditors who are also independent officers form a majority, the Company has long sought to assign human resources with expertise in corporate management, business administration, industry knowledge, sales, finance/accounting, legal affairs, capital markets, etc. as directors and auditors in order to achieve sustainable growth and enhance corporate value over the medium to long term, taking into consideration the balance of the Board of Directors and Board of Auditors as a whole, such as diversity and size. The specific matrix of skills held by Directors and Auditors, subject to approval of Proposal 1 proposed by the Board of Directors of the Company at this General Meeting of Shareholders, is shown on page 15 and includes Mr. Yuya Shimizu and Mr. Shintaro Ishimaru, who were elected as Outside Directors at the Extraordinary General Meeting of Shareholders of the Company held on December 4, 2022, as a proposal by the Company and a Shareholder, of which the Board of Directors of the Company also agreed to the proposal by the proposing shareholder.

The proposing shareholder, without mentioning the fact that there are already two Outside Directors that it proposed, has now proposed a new candidate for Auditor, stating that there are defects in the Company's corporate governance and that these defects need to be corrected. The Company believes that such a proposal should be accepted if it is determined to be appropriate after assessing whether the candidate has the skillset required by the Company, etc., while also taking into consideration the composition of the Board of Directors and the Board of Auditors as a whole.

Therefore, the Board of Directors of the Company, in cooperation with the Board of Auditors and the Nomination Committee, interviewed the candidate and reviewed and deliberated the candidate from the perspective of his role and function in the overall composition of the Board of Directors and the Board of Auditors of the Company, in addition to his qualifications, experience, and expertise. As a result, it was concluded that Mr. Givens should not be considered as an additional Auditor due to his skillset, qualifications, and experience, as described below.

First, the Company has listed "legal affairs" as a necessary skill set for its Directors and Auditors. Mr. Hidetaka Nishina, an attorney-at-law, has already been appointed as an Outside Director, and Ms. Yukako Oshimi, an attorney-at-law, has been appointed as an Outside Auditor. Both of them provide appropriate supervision and advice on the Company's business operations based not only on their extensive insight and experience as attorneys-at-law under Japanese laws, but also on their involvement in corporate management as outside officers of several listed companies, and the skillset of "legal affairs" in the Board of Directors and

Board of Auditors of the Company is fully met by them. Therefore, there is no need to supplement the skillset of “legal affairs” by electing Mr. Givens. Rather, his election would result in a duplication of said skillset.

In addition, unlike Mr. Nishina and Ms. Oshimi, the career summary of Mr. Givens, which was sent to us by the proposing shareholder, shows that he has no experience as an outside officer of a listed company, and based on the content of the interview with Mr. Givens, we could not obtain assurance as to whether he could be expected to perform his duties as an Outside Auditor at the Company, which is in a complex management environment, in accordance with the Japanese Companies Act, the Corporate Governance Code, the “Guidelines for Corporate Takeovers,” and other rules, as well as the latest trends in corporate takeovers, etc.

The appropriateness of nominating Mr. Givens as a candidate for Auditor was discussed not only by the Board of Directors but also by the Board of Auditors, where Outside Auditors who are independent officers form a majority, and by the Nomination Committee, where independent Outside Directors form a majority. However, taking into consideration the various points above, it was concluded that Mr. Givens should not be an additional Auditor.

### 3. Conclusion

For the above reasons, the Board of Directors of the Company is opposed to Proposal 5.

### <Proposal by a Shareholder (Proposal 6)>

Proposal 6 is a proposal made by a shareholder.

The following details of the proposal (outline of the agenda) and reasons for the proposal are presented in their original form as submitted by the proposing shareholder in Japanese, although their format has been adjusted by the Company.

The Board of Directors of the Company **is opposed** to Proposal 6.

The reasons for opposition to Proposal 6 are stated below on page 31.

### Proposal by a Shareholders

Proposal 6 was proposed by shareholder 3D OPPORTUNITY MASTER FUND.

### Proposal 6: Share Repurchase

#### Outline and Reason of the Proposal

##### (1) Outline of the Proposal

If FUJI SOFT decides not to accept the acquisition proposals by the Proposers stated in the Reason for the Proposal of Proposal 5 as a result of the review by the Board of Directors of FUJI SOFT, FUJI SOFT shall acquire shares of FUJI SOFT's common stock by cash delivery as follows, pursuant to the provisions of Article 156, Paragraph 1 of the Companies Act.

- The number of shares to be acquired: 11,013,216 shares (6,810 yen per share)
- Total amount of money to be paid for the acquisition: 75,000,000,000 yen (However, if the total acquisition price permitted under the Companies Act (the "distributable amount" as defined in Article 461 of the Companies Act) is less than this amount, the total amount of money shall be the maximum acquisition price permitted under the Companies Act.)
- The period during which shares can be acquired: A one-year period after the conclusion of this Ordinary General Meeting of Shareholders

##### (2) Reason for the Proposal

Under the Corporate Governance Code, Directors are responsible for promoting the medium- to long-term improvement of corporate value. It is consistent with such an obligation for Directors to carefully and objectively consider bona fide offers from potential acquirers. Therefore, it is considered that the Board of Directors of FUJI SOFT has an obligation to compare the value of the proposed acquisition (purchase price and corporate value enhancement measures) with the risk-adjusted potential value that could be achieved through the continued implementation of FUJI SOFT's management plan.

If, as a result of such a comparison, the Board of Directors of FUJI SOFT determines that the potential value of FUJI SOFT is higher than the value of the acquisition proposals (the acquisition price which is almost certain to exceed the stock price) and rejects the acquisition proposals, it means that the Board of Directors believes that FUJI SOFT is undervalued in the market.

In such cases, the Board of Directors must take measures to eliminate the material discrepancy between the market valuation of FUJI SOFT and the potential value of FUJI SOFT considered by the Board of Directors. 3D believes that the most straightforward and direct way to eliminate such discrepancy is for FUJI SOFT to repurchase shares.

3D also believes that the share repurchase by FUJI SOFT will also resolve the excessive capitalization of FUJI SOFT. That is, FUJI SOFT is considered to be overcapitalized due to its real estate holdings and its unrealized gains. 3D estimates the value of FUJI SOFT's real estate to be approximately 195 billion yen. Based on this estimate, unrealized gains (after tax) as of December 31, 2023 would be approximately 78 billion yen, which, when added to net assets, would total approximately 240 billion yen<sup>6</sup>. According to this, the return on equity (ROE) at FUJI SOFT for the fiscal year ended December 31, 2023 is approximately 6%<sup>7</sup>, which is much lower than the recent industry average of approximately 16%<sup>8</sup>. Therefore, FUJI SOFT's excessive capitalization is reducing capital efficiency and, in turn, undermining corporate value growth.

3D believes that at FUJI SOFT, the ROE should be raised to the industry average level, which will support the medium- to long-term growth of corporate value. If FUJI SOFT were to raise its ROE to the industry average level by 2026, it would need to redeem 165 billion yen<sup>9</sup> in excess assets.

Based on the average daily trading volume of FUJI SOFT shares over the past six months and assuming a market participation rate of 35%<sup>10</sup>, the number of FUJI SOFT shares that can be repurchased within the next one year is approximately 11 million shares<sup>11</sup>.

Therefore, 3D proposes that FUJI SOFT repurchase about 11 million shares within the next one year. Assuming the stock price as of January 12, 2024 (6,810 yen), the amount of money required for such a

share repurchase would be approximately 75 billion yen. Given that the non-consolidated distributable amount of FUJI SOFT is approximately 77 billion yen<sup>12</sup>, the above amount proposed by 3D is a sufficiently feasible amount.

Footnotes:

<sup>1</sup> Press Release of FUJI SOFT dated January 12, 2024

<sup>2</sup> Guidelines for Corporate Takeovers 3.1.2

<sup>3</sup> Under the Corporate Takeovers Guidelines, upon receipt of a “bona fide offer” that includes sufficient information on the purchase price, management strategy, etc., the board of directors is required to give “sincere consideration” to the proposal and to take measures to maximize corporate value.

<sup>4</sup> Guidelines for Corporate Takeovers 3.1.2

<sup>5</sup> Press Release of FUJI SOFT dated January 12, 2024

<sup>6</sup> Calculated by a formula of net assets at the end of the fiscal year ended December 31, 2022 (152.7 billion yen) + assumed net profit for the fiscal year ended December 31, 2023 (14.0 billion yen) – assumed dividends (4.9 billion yen) + unrealized gains on real estate after tax (78.0 billion yen). Assumed net profit is calculated by multiplying the operating profit under the company plan by 70%. Assumed dividends are calculated by multiplying the assumed net profit by the dividend payout ratio of 35% under the company plan.

<sup>7</sup> Calculated by dividing assumed net profit (14.0 billion yen) by net assets taking into account unrealized gains on real estate (240.0 billion yen)

<sup>8</sup> Average of the most recent fiscal year for CTC, SCSK, TIS, BIPROGY, Net One Systems, NSSOL, Systema, ISID, NSD, and DTS

<sup>9</sup> Calculated based on assumed net assets after taking into account unrealized gains on real estate before the share repurchase for the fiscal year ending December 31, 2026, assuming that assumed net profit is calculated by multiplying the Bloomberg consensus operating profit for the period from the fiscal year ending December 31, 2024 to the fiscal year ending December 31, 2026 by 70%, and the assumed dividend payout ratio is 35%

<sup>10</sup> Based on examples of share repurchase by Citizen Watch Co., Ltd. and TOSHIBA CORPORATION, we assume that a market participation rate of 35% is feasible. Citizen Watch Co., Ltd. acquired approximately 17% of its outstanding shares (excluding treasury stock) between February 2023 and June 2023, with the average number of shares acquired per day at that time being about 36% of the average daily trading volume for the six months prior to the day the share repurchase was announced. TOSHIBA CORPORATION acquired approximately 30% of its total outstanding shares (excluding treasury stock) between November 2018 and November 2019, with the average number of shares acquired per day at that time being approximately 35% of the average daily trading volume for the six months prior to the day before the share repurchase was announced. (TOSHIBA CORPORATION used ToSTNET).

<sup>11</sup> Calculated by multiplying the average daily trading volume (126,600 shares) over the past six months by the number of trading days in 2024 (245 days) and the market participation rate (35%).

<sup>12</sup> Calculated by a formula of non-consolidated other capital surplus as of the fiscal year ended December 31, 2022 (0.5 billion yen) + non-consolidated other retained earnings as of the fiscal year ended December 31, 2022 (75.0 billion yen) - non-consolidated treasury stock as of the fiscal year ended December 31, 2022 (4.6 billion yen) + assumed non-consolidated net profit for the fiscal year ended December 31, 2023 (10.0 billion yen) - assumed total dividends for the fiscal year ended December 31, 2023 (3.9 billion yen). Assumed non-consolidated net profit is calculated by multiplying the ratio of non-consolidated net profit to the consolidated net profit for the fiscal year ended December 31, 2022, by the company’s assumed consolidated net profit. Estimated total dividends are calculated by multiplying the assumed non-consolidated net profit by the assumed non-consolidated dividend payout ratio announced by the Company.

○ **Opposition from the Board of Directors on Proposal 6 (Share Repurchase)**

[Opinion]

**The Board of Directors of the Company is opposed to Proposal 6.**

As stated in the “Medium-Term Management Plan 2028” announced by the Company on February 14, 2024, the Company plans to return approximately 140 billion yen to shareholders over the next five years through a share repurchase worth more than 100 billion yen and other measures, along with investments in growth such as strategic alliances, M&A, subsidiary management, human resources, research and development, etc.

This policy was carefully considered and decided by the Board of Directors from the viewpoint of maximizing the medium- to long-term corporate value of the Company and the common interests of shareholders. The Company believes that our policy of implementing flexible capital allocation at appropriate times while ensuring an optimal balance between shareholder returns and investments in growth, including the implementation of shareholder returns of approximately 140 billion yen over five years, will achieve both improved return on capital and sustainable growth, and will contribute to improving the medium- to long-term corporate value of the Company and the common interests of shareholders.

On the other hand, Proposal 6 proposed by the proposing shareholder requests a share repurchase on the scale of 75 billion yen in one year after the conclusion of this General Meeting of Shareholders. However, as stated in “Reason for Proposal” of Proposal 6, the scale and period of the share repurchase insisted upon by the proposing shareholder were merely calculated mechanically from the current level and trading volume of the Company’s stock, and have not been considered from the perspective of maximizing the medium to long term corporate value of the Company and the common interests of shareholders.

If the Company attempts to carry out such a share repurchase, there is a risk that it will undermine the mobility of future investment activities and the flexibility of management based on the Company’s medium-term management plan, and a significant portion of the cash that the Company plans to use over the next five years for investments in growth and shareholder returns, including dividends, will be used for the share repurchase within one year from the conclusion of this General Meeting of Shareholders. For these reasons, the Company will not be able to conduct investments in growth to improve the corporate value of the Company and shareholder returns for the medium to long term, and it may damage the medium to long term corporate value of the Company and the medium to long term interests of shareholders. In addition, the Company believes that the scale and duration of the proposed share repurchase are not feasible considering the liquidity of the Company’s shares in the market, and the fact that almost all of the Company’s current distributable amount (approximately 77 billion yen) will be used for the share repurchase in a single year makes the Company’s financial situation at the time of execution extremely unstable and may also make future shareholder returns, including dividends, difficult. Accordingly, the Company believes that this proposal is short-sighted.

Although the proposing shareholder states that if the Company rejects the privatization proposals, the Company’s shares will be undervalued in the market and the Company should repurchase shares to eliminate the discrepancy, the Company believes that implementing the above capital allocation, which includes returning approximately 140 billion yen to shareholders over five years, is what will improve the medium to long term corporate value of the Company and the common interests of shareholders, which will be reflected in the market share price.

For the above reasons, the Board of Directors of the Company is opposed to Proposal 6.