

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

(Securities Code: 3107)

June 5, 2024

To our shareholders:

Yukihiro Nishimura Representative Director, President  
**Daiwabo Holdings Co., Ltd.**  
2-4, Nakanoshima 3-chome, Kita-ku, Osaka

## NOTICE OF THE 114TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

This is to notify you of the 114th Annual General Meeting of Shareholders of Daiwabo Holdings Co., Ltd. (the “Company”), which will be held as described below.

With regard to convening this general meeting of shareholders, the Company takes measures for providing information in electronic format that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which the measures for providing information in electronic format will be taken) and posts this information on the following websites. Please access either website by using the Internet addresses shown below to review the information.

The Company’s website:

<https://www.daiwabo-holdings.com/> (in Japanese)

(From the above website, select “Investor Relations,” “Stock Information,” and then “General Meeting of Shareholders.”)

Website with posted informational materials for the general meeting of shareholders

<https://d.sokai.jp/3107/teiji/> (in Japanese)

If you are unable to attend the meeting, you can exercise your voting rights via the Internet or in writing (by mail). Please exercise your voting rights no later than 5:30 p.m. on June 26, 2024 (Wednesday) after reviewing the attached Reference Documents for the Annual General Meeting of Shareholders.

[For shareholders exercising voting rights via the Internet]

Please access the website for exercising voting rights designated by the Company (<https://evote.tr.mufg.jp/>) (in Japanese), use the “Login ID” and “Temporary Password” indicated on the voting form enclosed with this convocation notice, and follow the instructions on the screen to indicate your approval or disapproval for each proposal on the agenda by the deadline mentioned above.

When exercising your voting rights via the Internet, please refer to the “Procedures for Exercising Voting Rights via the Internet” on page 4 (in Japanese only).

[For shareholders exercising voting rights in writing (by mail)]

Please use the voting form to indicate your approval or disapproval for each proposal on the agenda and return the voting form so that it arrives by the deadline mentioned above.

- 1. Date and Time:** Thursday, June 27, 2024 at 10:00 a.m. (Japan Standard Time) (doors open at 8:45 a.m.)
- 2. Venue:** Obic Hall, Obic Midosuji Bldg. 2nd Floor  
4-2-3 Hiranomachi, Chuo-ku, Osaka

**3. Purposes:**

**Items to be reported:**

1. Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements for the 113th Term (from April 1, 2023 to March 31, 2024)
2. Results of audit of the Consolidated Financial Statements for the 113th Term by the Accounting Auditor and the Audit & Supervisory Board

**Items to be resolved:**

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Eight (8) Directors
- Proposal 3:** Election of One (1) Audit & Supervisory Board Member
- Proposal 4:** Election of One (1) Substitute Audit & Supervisory Board Member
- Proposal 5:** Revision of the Amount of Monetary Remuneration for Directors and Details Thereof
- Proposal 6:** Revision of Details of the Performance-Linked Share-Based Remuneration Plan for Directors

**4. Other Matters Regarding the Convocation of the Meeting (Guide to Exercising Voting Rights)**

- (1) If no indication of approval or disapproval of a proposal is made on a voting form exercised in writing (by mail), it will be treated as an indication of approval.
  - (2) If a voting right is exercised multiple times via the Internet, the last vote shall be deemed effective.
  - (3) If a voting right is exercised both via the Internet and in writing (by mail), the vote exercised via the Internet shall be deemed effective, regardless of the date of receipt.
  - (4) If exercising voting rights by proxy, one (1) other shareholder with voting rights may attend the meeting as your proxy. However, please note that you will be required to submit a document evidencing the authority of proxy.
  - (5) If diversely exercising voting rights, please notify the Company of your intention to do so and the reason thereof at least three (3) days prior to the date of the general meeting of shareholders.
- If revisions to the items for which the measures for providing information in electronic format will be taken arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the websites listed on page 1.
- Shareholders who have requested the delivery of paper-based documents will also receive paper-based documents stating the items for which the measures for providing information in electronic format will be taken. However, these paper-based documents will exclude the following items in accordance with laws and regulations and the Company's Articles of Incorporation.
- 1) Statement of Changes in Consolidated Shareholders' Equity, Etc. and Notes on the Consolidated Financial Statements in the Consolidated Financial Statements
  - 2) Statement of Changes in Shareholders' Equity, Etc. and Notes on the Non-Consolidated Financial Statements in the Non-Consolidated Financial Statements
- Accordingly, the Consolidated Financial Statements and Non-Consolidated Financial Statements included in these paper-based documents are part of the documents included in the scope of audits by the Accounting Auditor and the Audit & Supervisory Board in preparing their respective audit reports.

## Reference Documents for the Annual General Meeting of Shareholders

### Proposals and References

#### **Proposal 1:** Appropriation of Surplus

As our important task for the management is distribution of profits, our basic policy is to distribute profits to our shareholders continuously and stably while maintaining a necessary internal reserve based on performance.

With consideration to the actual results of current term, the distribution of the surplus is proposed as indicated below.

Matters related to year-end dividends

(1) Allocation of dividend property and total amount thereof

32 yen per common share of the Company

Total amount of dividends: 2,994,554,016 yen

Since we are paying an interim dividend of 32 yen per share, the annual dividend for the current fiscal year will be 64 yen per share.

(2) Effective date of distribution of dividends of surplus

June 28, 2024

**Proposal 2: Election of Eight (8) Directors**

As the terms of office of all eight (8) Directors will expire at the close of this Annual General Meeting of Shareholders, the Company proposes that eight (8) Directors be elected.

The candidates for Directors are as follows:

No.		Name	Gender	Age (tenure)	Position and responsibility
1	Reelection	Yukihiro Nishimura	Male	62 (7 years)	Representative Director, President Audit & Supervisory Board Member, DAIWABO INFORMATION SYSTEM CO., LTD. Audit & Supervisory Board Member, O-M Ltd.
2	Reelection	Tsukasa Igari	Male	60 (2 years)	Managing Director Representative, Corporate Strategy
3	New election	Takao Yamashita	Male	55 (-)	-
4	Reelection Outside Independent Officer	Kazuyuki Nakamura	Male	75 (6 years)	Director
5	Reelection Outside Independent Officer	Yukiko Yoshimaru	Female	64 (3 years)	Director
6	Reelection Outside Independent Officer	Takako Fujiki	Female	54 (3 years)	Director
7	Reelection Outside Independent Officer	Tetsuro Hori	Male	62 (1 year)	Director
8	New election Outside Independent Officer	Misawa Kishinami	Female	51 (-)	-

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
1	<p>Yukihiro Nishimura (June 14, 1961, 62 years old) Reelection</p> <p>Tenure: 7 years</p> <p>Attendance at meetings of the Board of Directors: 20 out of 20 (100%)</p>	<p>Apr. 1985      Joined DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2006      Director of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>Apr. 2012      Managing Director of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2012      Executive Managing Officer of the Company</p> <p>June 2017      Director, Executive Managing Officer and Representative, Group headquarters of the Company</p> <p>June 2018      Director, Senior Executive Managing Officer of the Company</p> <p>Apr. 2020      Representative Director, President of the Company (present position)</p> <p>Significant concurrent positions outside the Company Audit &amp; Supervisory Board Member, DAIWABO INFORMATION SYSTEM CO., LTD. Audit &amp; Supervisory Board Member, O-M Ltd.</p>	28,800 shares
<p>Reason for nominating as a candidate for Director</p> <p>Yukihiro Nishimura has extensive work experience through being involved mainly in the IT Infrastructure Distribution Business since he joined the Company. He has knowledge of business in general, global business management, and in administration and operations work as he has served as the Company's Director, Executive Managing Officer since 2017, Director, Senior Executive Managing Officer since 2018, and Representative Director, President since 2020. Therefore, the Company is re-nominating him as a candidate for Director.</p>			
2	<p>Tsukasa Igari (January 22, 1964, 60 years old) Reelection</p> <p>Tenure: 2 years</p> <p>Attendance at meetings of the Board of Directors: 20 out of 20 (100%)</p>	<p>Nov. 1994      Joined DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>Apr. 2020      Chief Member, Financial Management Department of the Company</p> <p>Oct. 2020      General Manager, IR/PR Department of the Company</p> <p>June 2021      Deputy Representative, Corporate Strategy and General Manager, IR/PR Department of the Company</p> <p>Apr. 2022      Deputy Representative, Corporate Strategy and General Manager, Corporate Strategy Department of the Company</p> <p>June 2022      Director, Representative, Corporate Strategy and General Manager, Corporate Strategy Department of the Company</p> <p>Apr. 2024      Managing Director, Representative, Corporate Strategy of the Company (present position)</p>	4,967 shares
<p>Reason for nominating as a candidate for Director</p> <p>Tsukasa Igari has experience and insights gained over a period of many years in the Sales, Purchasing, Planning, and Logistics departments after joining DAIWABO INFORMATION SYSTEM CO., LTD. He has knowledge of business in general and corporate strategy as he has served as the Company's General Manager of IR/PR Department since 2020, Deputy Representative of Corporate Strategy since 2021, Director and Representative of Corporate Strategy since June 2022, and Managing Director and Representative of Corporate Strategy since 2024. Therefore, the Company is re-nominating him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
3	Takao Yamashita (September 1, 1968, 55 years old) New election	<p>Mar. 1990    Joined DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>Oct. 2010    General Manager, Chu-Shikoku Sales Department of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>Apr. 2015    Deputy General Manager, West-Japan Sales Division and General Manager, Osaka Sales Department and General Manager, Kansai Sales Department of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2016    Director, Deputy General Manager, West-Japan Sales Division of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>July 2016    Director, General Manager, East-Japan Sales Division of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>Apr. 2020    Director, General Manager, Metropolitan Sales Division of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2020    Managing Director, General Manager, Metropolitan Sales Division of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>Apr. 2021    Managing Director, General Manager, Procurement &amp; Sales Promotion Division of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>Apr. 2024    Managing Director, Division General Manager, procurement and sales promotion operations of DAIWABO INFORMATION SYSTEM CO., LTD. (present position)</p> <p>Significant concurrent positions outside the Company Managing Director, Division General Manager, procurement and sales promotion operations of DAIWABO INFORMATION SYSTEM CO., LTD.</p>	8,825 shares
<p>Reason for nominating as a candidate for Director Takao Yamashita has extensive experience encompassing all businesses of DAIWABO INFORMATION SYSTEM CO., LTD gained over a period of many years in the Sales and Procurement &amp; Sales Promotion departments after joining the said company. Since 2016, he has served as Director of DAIWABO INFORMATION SYSTEM CO., LTD. As the Company has judged he will be able to apply his extensive experience and deep knowledge about all aspects of the Group's core businesses in the performance of duties at the Company, the Company is nominating him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
4	Kazuyuki Nakamura (June 28, 1948, 75 years old) Reelection Outside Independent Officer  Tenure: 6 years  Attendance at meetings of the Board of Directors: 20 out of 20 (100%)	Apr. 1971    Joined Mitsubishi Electric Corporation Apr. 2006    Executive Officer of Mitsubishi Electric Corporation Apr. 2009    Representative Executive Officer, Senior Vice President of Mitsubishi Electric Corporation Apr. 2010    Representative Executive Officer, Executive Vice President of Mitsubishi Electric Corporation June 2018    Outside Director of the Company (present position)	4,300 shares
Reason for nominating as a candidate for Outside Director, and overview of expected role Kazuyuki Nakamura has extensive knowledge and experience accumulated as manager of a listed ICT company, and the Company expects that he will contribute to the business and financial management of the Company by using such knowledge and experience. Therefore, the Company is re-nominating him as a candidate for Outside Director. Expectations for his role if elected as Outside Director will be that he makes particular use of his experience in the ICT industry, to supervise and advise the Board of Directors, etc. from an objective standpoint independent of management regarding formulation of and progress with management plans, selection and concentration of business aimed at sustainable growth for the Company, growth strategies and other issues.			
5	Yukiko Yoshimaru (February 1, 1960, 64 years old) Reelection Outside Independent Officer  Tenure: 3 years  Attendance at meetings of the Board of Directors: 20 out of 20 (100%)	Apr. 1982    Joined Oki Electric Industry Co., Ltd. Apr. 1998    Director of Oki America Inc. and Head of the New York office of Oki Electric Industry Co., Ltd. Oct. 2004    General Manager, Diversity Development Office of Nissan Motor Co., Ltd. Apr. 2008    Joined Nifco Inc. June 2011    Managing Director of Nifco Inc. Apr. 2018    Outside Director of Sekisui House, Ltd. (present position) June 2019    Outside Director of Mitsui Chemicals, Inc. (present position) June 2021    Outside Director of the Company (present position)  Significant concurrent positions outside the Company Outside Director of Sekisui House, Ltd. Outside Director of Mitsui Chemicals, Inc.	2,900 shares
Reason for nominating as a candidate for Outside Director, and overview of expected role Yukiko Yoshimaru, in addition to having experience in and knowledge of the diversity field through her experience as a corporate officer for companies in and outside Japan, has also accumulated deep insights in the course of conducting efforts to strengthen governance as outside director of listed companies, etc. The Company expects that she will contribute to the business and financial management of the Company through such insights. Therefore, the Company is re-nominating her as a candidate for Outside Director. Expectations for her role if elected as Outside Director will be that she makes use of her knowledge to supervise and provide advice, particularly to the Board of Directors from an objective standpoint independent of management to strengthen governance and promote diversity, which are essential to sustained enhancement of the Company's corporate value.			

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
6	<p>Takako Fujiki (January 30, 1970, 54 years old) Reelection Outside Independent Officer</p> <p>Tenure: 3 years</p> <p>Attendance at meetings of the Board of Directors: 20 out of 20 (100%)</p>	<p>Nov. 1993      Joined Intel Japan K.K.</p> <p>Oct. 2005      General Manager, Business Planning and Business Operations Group of Intel Japan K.K.</p> <p>Jan. 2013      Executive Officer, General Manager, Global Sales Division of Intel Japan K.K.</p> <p>May 2019      Executive Officer, General Manager, Sales Division of Google Japan G.K.</p> <p>June 2021      Outside Director of the Company (present position)</p> <p>Nov. 2022      Senior Executive Officer, General Manager, Sales Division of Google Japan G.K. (present position)</p> <p>Significant concurrent positions outside the Company Senior Executive Officer, General Manager, Sales Division of Google Japan G.K.</p>	1,400 shares
<p>Reason for nominating as a candidate for Outside Director, and overview of expected role</p> <p>Takako Fujiki has extensive knowledge and experience in companies that occupy a major position globally in the ICT industry. The Company expects that she will contribute to the business and financial management of the Company through the deep insights she has accumulated. Therefore, the Company is re-nominating her as a candidate for Outside Director. Expectations for her role if elected as Outside Director will be that she makes use of her knowledge to supervise and provide advice, particularly to the Board of Directors, etc. from an objective standpoint independent of management, regarding Group growth strategy centering on the Company's mainstay IT Infrastructure Distribution business, as well as the shift to ICT in business administration for the Group as a whole.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
7	<p style="text-align: center;">Tetsuro Hori (October 20, 1961, 62 years old) Reelection Outside Independent Officer</p> <p style="text-align: center;">Tenure: 1 year</p> <p style="text-align: center;">Attendance at meetings of the Board of Directors: 16 out of 16 (100%)</p>	<p>Apr. 1985      Joined Tokyo Electron Ltd.</p> <p>Apr. 2001      General Manager, Corporate Strategy Office of Tokyo Electron Ltd.</p> <p>June 2003      General Manager, Legal/Intellectual Property Department and General Manager, Corporate Strategy Office of Tokyo Electron Ltd.</p> <p>June 2013      Director, Vice President, General Manager, Legal/Intellectual Property of Tokyo Electron Ltd.</p> <p>June 2015      Director, Senior Vice President, General Manager, Corporate Administration Division of Tokyo Electron Ltd.</p> <p>June 2016      Representative Director, Executive Vice President, General Manager, Corporate Administration Division of Tokyo Electron Ltd.</p> <p>June 2017      Representative Director, CFO, Executive Vice President of Tokyo Electron Ltd.</p> <p>Apr. 2018      Director, Executive Vice President, Special Mission of Tokyo Electron Ltd.</p> <p>June 2019      Senior Vice President, General Manager, Subleader, Business Innovation Project of Tokyo Electron Ltd.</p> <p>July 2022      Senior Advisor of Tokyo Electron Ltd.</p> <p>Dec. 2022      Head of Operations, Legal/IP Advisor, Value Quest Partners Co., Ltd. (present position)</p> <p>June 2023      Outside Director of the Company (present position)</p> <p>Feb. 2024      Executive Advisor, Corporate Strategy Office of Tokyo Electron Ltd. (present position)</p> <p>Significant concurrent positions outside the Company Executive Advisor, Corporate Strategy Office of Tokyo Electron Ltd. Head of Operations, Legal/IP Advisor, Value Quest Partners Co., Ltd.</p>	200 shares
<p>Reason for nominating as a candidate for Outside Director, and overview of expected role</p> <p>Tetsuro Hori has extensive knowledge and experience in corporate planning, legal affairs, intellectual property, finance, accounting and financing as manager of a listed international company. The Company expects that he will contribute to the business and financial management of the Company through the deep insights and is therefore re-nominating him as a candidate for Outside Director. Expectations for his role if elected as Outside Director will be that he makes use of his knowledge to provide supervision and advice regarding formulation of and progress with management plans, selection and concentration of business, growth strategies, strengthening of governance, and ideal shareholder return policies with consideration to appropriate capital allocation, among others.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
8	Misawa Kishinami (November 4, 1972, 51 years old) New election Outside Independent Officer	Apr. 1995      Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) Aug. 2000      Joined Goldman Sachs Japan Co., Ltd. Dec. 2012      General Manager, Loan Syndication Department, Capital Market Headquarters, Investment Banking Division of Goldman Sachs Japan Co., Ltd Dec. 2018      Executive Director, Investment Banking Division of UBS Securities Japan Co., Ltd. June 2022      Outside Director of SHIBAURA ELECTRONICS CO., LTD. (present position) Significant concurrent positions outside the Company Outside Director of SHIBAURA ELECTRONICS CO., LTD.	0 shares
Reason for nominating as a candidate for Outside Director, and overview of expected role Misawa Kishinami has extensive experience at a large financial institution in supporting companies in terms of corporate strategy, and therefore has broad insight and highly specialized skills particularly in financing and capital markets. The Company expects that she will contribute to the business and financial management of the Company through the deep insights and is therefore nominating her as a candidate for Outside Director. Expectations for her role if elected as Outside Director will be that she makes use of her knowledge to supervise and provide advice from an objective standpoint independent of management, particularly regarding formulation of management plans, and ideal growth strategies and shareholder returns with consideration to appropriate capital allocation, among others.			

- Notes:
1. There is no special interest between any of the above candidates and the Company.
  2. Candidate for Director Takao Yamashita is expected to resign as Managing Director, Division General Manager, procurement and sales promotion operations of DAIWABO INFORMATION SYSTEM CO., LTD. on June 26, 2024.
  3. Candidate for Director Yukiko Yoshimaru is expected to resign as Outside Director of Mitsui Chemicals, Inc. on June 25, 2024.
  4. Candidate for Director Yukiko Yoshimaru is expected to assume the position of Outside Director of Nichirei Corporation on June 25, 2024.
  5. Kazuyuki Nakamura, Yukiko Yoshimaru, Takako Fujiki, Tetsuro Hori and Misawa Kishinami are all candidates for Outside Directors.
  6. The Company has assigned and registered Kazuyuki Nakamura, Yukiko Yoshimaru, Takako Fujiki and Tetsuro Hori as Independent Officers under the regulations of the Tokyo Stock Exchange. Each satisfies the Independence Standards for Independent Officers defined by the Company and has sufficient independence.
  7. The Company intends to assign and register Misawa Kishinami as Independent Officer under the regulations of the Tokyo Stock Exchange. She satisfies the Independence Standards for Independent Officers defined by the Company and has sufficient independence.
  8. Kazuyuki Nakamura will have served as Outside Director of the Company for six (6) years upon the close of this meeting.
  9. Both Yukiko Yoshimaru and Takako Fujiki will have served as Outside Director of the Company for three (3) years upon the close of this meeting.
  10. Tetsuro Hori will have served as Outside Director of the Company for one (1) year upon the close of this meeting.
  11. In order for Directors (excluding executive directors, etc.) to fully fulfill their expected roles, Article 24 of the Company's Articles of Incorporation provides that the Company may enter into an agreement with Directors (excluding executive directors, etc.) to limit their liability for damages to the Company caused by their negligence. The Company has entered into such agreements with Kazuyuki Nakamura, Yukiko Yoshimaru, Takako Fujiki and Tetsuro Hori to limit their liability up to the amount stipulated by applicable laws and regulations. If the reelections of Kazuyuki Nakamura, Yukiko Yoshimaru, Takako Fujiki and Tetsuro Hori are approved, the Company intends to continue the aforesaid liability limitation agreement with them. In addition, if Misawa Kishinami's election is approved, the Company intends to enter into the aforesaid liability limitation agreement with her.
  12. To ensure its officers can adequately fulfill the roles expected of them in the performance of their duties, and to ensure the Company can attract capable personnel, the Company has entered into contracts for Directors' and Officers' Liability Insurance (D&O Insurance) as stipulated in Article 430-3, paragraph (1) of the Companies Act, with the insured being the Directors and Audit & Supervisory Board Members of the Company and its primary subsidiaries. In the event this proposal is approved as originally proposed and the Directors appointed, the candidates will each become insured parties under said insurance contracts. Under the aforesaid contracts, any damages arising from the insured persons, including directors and officers being held liable with regards to the execution of their duties, or from claims received in relation to pursuit of said liability, shall be compensated. However, there are certain reasons for exemption under which compensation shall not be made, including not covering for damages arising from actions carried out while recognizing they were in violation of the

laws and regulations. The Company intends to renew the aforesaid contracts during the tenure of each candidate with same content.

**Proposal 3: Election of One (1) Audit & Supervisory Board Member**

The term of office of Audit & Supervisory Board Member Masaya Ono will expire at the close of this Annual General Meeting of Shareholders. Therefore, the Company proposes that one (1) Audit & Supervisory Board Member be elected.

In addition, the agreement of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position	Number of the Company's shares held
<p>Masaya Ono (March 30, 1963, 61 years old) Reelection</p> <p>Tenure: 4 years</p> <p>Attendance at meetings of the Board of Directors: 20 out of 20 (100%)</p> <p>Attendance at meetings of the Audit &amp; Supervisory Board: 15 out of 15 (100%)</p>	<p>May 1990      Joined DAIWABO INFORMATION SYSTEM CO., LTD. Dec. 2015      General Manager, Internal Auditing Department of DAIWABO INFORMATION SYSTEM CO., LTD. Apr. 2019      General Manager, Audit Room of the Company June 2020      Full-time Audit &amp; Supervisory Board Member of the Company (present position)</p>	<p>6,325 shares</p>
<p>Reason for nominating as a candidate for Audit &amp; Supervisory Board Member Masaya Ono has extensive work experience in a wide range of fields through his involvement mainly in IT Infrastructure Distribution Business since he joined DAIWABO INFORMATION SYSTEM CO., LTD. In addition, he has served as General Manager of Internal Auditing Department of DAIWABO INFORMATION SYSTEM CO., LTD. since 2015, the Company's General Manager of Audit Room since 2019, and full-time Audit &amp; Supervisory Board Member since 2020, having acquired abundant work experience in auditing. Therefore, the Company has judged he will appropriately fulfill his duties from an objective and fair standpoint and is re-nominating him as a candidate for Audit &amp; Supervisory Board Member.</p>		

- Notes:
1. There is no special interest between the above candidate and the Company.
  2. In order for Audit & Supervisory Board Members to fully fulfill their expected roles, Article 30 of the Company's Articles of Incorporation provides that the Company may enter into an agreement with Audit & Supervisory Board Members to limit their liability for damages to the Company caused by their negligence. The Company has entered into such agreement with Masaya Ono to limit his liability up to the amount stipulated by applicable laws and regulations. If Masaya Ono's reelection is approved, the Company intends to continue the aforesaid liability limitation agreement with him.
  3. To ensure its officers can adequately fulfill the roles expected of them in the performance of their duties, and to ensure the Company can attract capable personnel, the Company has entered into contracts for Directors' and Officers' Liability Insurance (D&O Insurance) as stipulated in Article 430-3, paragraph (1) of the Companies Act, with the insured being the Directors and Audit & Supervisory Board Members of the Company and its primary subsidiaries. In the event this proposal is approved as originally proposed and the Audit & Supervisory Board Member appointed, the candidate will become an insured party under said insurance contract. Under the aforesaid contracts, any damages arising from the insured persons, including directors and officers being held liable with regards to the execution of their duties, or from claims received in relation to pursuit of said liability, shall be compensated. However, there are certain reasons for exemption under which compensation shall not be made, including not covering for damages arising from actions carried out while recognizing they were in violation of the laws and regulations. The Company intends to renew the aforesaid contract during the tenure of the candidate with same content.

(Reference) Skills Matrix (If Proposal 2 and Proposal 3 are approved and passed as originally proposed)

Name	Position and responsibility	Overall corporate management	Corporate planning and corporate strategy	Legal affairs compliance and governance	Finance and accounting	Personnel, labor affairs, human resources development and diversity	ICT and DX-related	ESG and SDGs	Global business
Yukihiro Nishimura	Representative Director, President	●	●	●	●	●	●		
Tsukasa Igari	Managing Director, Representative of Corporate Strategy	●	●	●			●	●	
Takao Yamashita	Managing Director, Representative of Business Administration	●	●	●		●	●	●	
Kazuyuki Nakamura	Outside Director	●	●	●			●	●	
Yukiko Yoshimaru	Outside Director	●	●	●		●		●	●
Takako Fujiki	Outside Director	●	●			●	●		●
Tetsuro Hori	Outside Director	●	●	●	●		●		●
Misawa Kishinami	Outside Director	●	●		●	●		●	●
Masaya Ono	Full-time Audit & Supervisory Board Member			●	●				
Masuji Ueda	Outside Audit & Supervisory Board Member			●	●				
Saeko Kakuishi	Outside Audit & Supervisory Board Member			●					

<Details and reason for selection of each skill>

Skill	Details and reason for selection
Overall corporate management	Experience in corporate management enables candidates to make broader and higher-level decisions in the Group's management and across the entire range of medium- and long-term management strategies
Corporate planning and corporate strategy	For the growth of the Group as a whole, it is necessary to establish appropriate management strategies, such as business selection and concentration and business portfolio transformation, as well as knowledge and experience in business restructuring and M&A associated with such strategies
Legal affairs, compliance and governance	It is essential to strengthen the governance system and its implementation for the oversight of the Group, and knowledge and experience associated with this is necessary
Finance and accounting	Not only are skills related to finance and accounting necessary in overseeing the Group, but knowledge and experience in finance and capital markets and capital allocation are required to implement business restructuring, M&A and other activities
Personnel, labor affairs, human resources development and diversity	In addition to the utilization of human resources, the promotion of diversity is an important matter for the Group's growth and the resolution of social issues, and knowledge and experience to achieve these ends is necessary
ICT and DX-related	For the Group, in addition to the importance of promoting growth strategies in its IT infrastructure distribution business, the shift to ICT is also necessary for greater management efficiency in all businesses. Therefore, DX promotion is an issue that the Company should take the initiative in addressing for the expansion of its business, and knowledge and experience for this purpose are necessary

Skill	Details and reason for selection
ESG and SDGs	Knowledge and experience related to these is necessary to take actions to resolve these social issues that the Company must proactively tackle
Global business	Due to tie-ups with global companies in the suppliers of the IT infrastructure distribution business, and since it has business sites and sales offices overseas in the industrial machinery business, it is beneficial for the Group to utilize global knowledge in building the Group's medium-term management strategies

Note: The above list is not an exhaustive list of all the skills possessed by each candidate, but only of those for which the candidates are expected to demonstrate expertise, knowledge, experience and abilities.

**Proposal 4:** Election of One (1) Substitute Audit & Supervisory Board Member

In case the number of Audit & Supervisory Board Members stipulated in laws and regulations falls short, the Company proposes that one (1) substitute Audit & Supervisory Board Member be elected.

In addition, the agreement of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position	Number of the Company's shares held
<p>Motohiro Matsuyama (January 8, 1969, 55 years old) Outside Independent Officer</p>	<p>Oct. 1996      Joined Mitsuyuki Hayashi CPA Office (concurrently serving for Yamato Audit Corporation) Nov. 1999      Joined Mizuho Audit Corporation Feb. 2002      Joined Osaka Office of ChuoAoyama Audit Corporation July 2007      Joined Osaka Office of Kyoritsu Audit Corporation Oct. 2010      Joined Osaka Office of Kasumigaseki Audit Corporation Oct. 2013      Joined Grant Thornton Taiyo ASG LLC July 2015      Representative Partner of SCS Global LLC July 2018      Established Motohiro Matsuyama Office as Certified Public Accountant and Certified Public Tax Accountant (present position) July 2021      Joined Alt Tsukiji LLC July 2022      Representative Partner of Alt Tsukiji LLC (present position) Dec. 2023      General Manager, Hyogo Branch of Japan Institute of Management and Administration (present position)  Significant concurrent positions outside the Company Certified public accountant and certified public tax accountant</p>	<p>0 shares</p>
<p>Reason for nominating as a candidate for substitute Audit &amp; Supervisory Board Member Motohiro Matsuyama has many years of experience as certified public accountant and certified public tax accountant at audit corporations, with extensive work experience in statutory auditing and various relevant inspections. In addition, he also has a broad track record of providing advice for companies about verification and evaluation of operating systems and internal controls, among others, by leveraging his capacity as certified systems auditor. The Company has judged he will appropriately fulfill his duties as Outside Audit &amp; Supervisory Board Member from an objective and fair standpoint, utilizing such experience, knowledge and capacity for the Company's audit system, and is nominating him as a candidate for substitute Outside Audit &amp; Supervisory Board Member.</p>		

- Notes:
1. There is no special interest between the above candidate and the Company.
  2. Motohiro Matsuyama is a candidate for substitute Outside Audit & Supervisory Board Member.
  3. If Motohiro Matsuyama is appointed as Audit & Supervisory Board Member, the Company intends to assign and register him as Independent Officer under the regulations of the Tokyo Stock Exchange. He satisfies the Independence Standards for Independent Officers defined by the Company and has sufficient independence.
  4. In order for Audit & Supervisory Board Members to fully fulfill their expected roles, Article 30 of the Company's Articles of Incorporation provides that the Company may enter into an agreement with Audit & Supervisory Board Members to limit their liability for damages to the Company caused by their negligence. If Motohiro Matsuyama is appointed as Audit & Supervisory Board Member, the Company intends to enter into such agreement with him to limit his liability up to the amount stipulated by applicable laws and regulations.
  5. To ensure its officers can adequately fulfill the roles expected of them in the performance of their duties, and to ensure the Company can attract capable personnel, the Company has entered into contracts for Directors' and Officers' Liability Insurance (D&O Insurance) as stipulated in Article 430-3, paragraph (1) of the Companies Act, with the insured being the Directors and Audit & Supervisory Board Members of the Company and its primary subsidiaries. In the event this proposal is approved as originally proposed and Motohiro Matsuyama is appointed as Audit & Supervisory Board Member, the candidate will become an insured party under said insurance contract. The Company intends to renew the aforesaid contract during the tenure of the candidate with same content. Under the aforesaid contracts, any damages arising from the insured persons, including directors and officers being held liable with regards to the execution of their duties, or from claims received in relation to pursuit of said liability, shall be compensated. However, there are certain reasons for exemption under which compensation shall not be made, including not covering for damages arising from actions carried out while recognizing they were in violation of the laws and regulations.

#### (Reference) Determination of Independence

The Company's Corporate Governance Guidelines stipulate the following Independence Standards for Independent Officers.

#### Independence Standards for Independent Officers

The Company's basic requirements for appointing independent officers are: they have an excellent personality and knowledge; they are expected to fulfill such functions and roles as conducting objective and appropriate supervision and audit from a professional perspective; and they are unlikely to cause conflicts of interest with general shareholders.

The Company's Independence Standards for Independent Officers is as follows, and is based on the independence criteria established by the Tokyo Stock Exchange.

#### Independence Criteria

1. A person who has not served as a director (excluding an outside director), audit & supervisory board members (excluding an outside audit & supervisory board member), executive officer, or any other important employee of the Company and its subsidiary or affiliates (hereinafter referred to as the "Company Group") in the past or at present.
2. A person who is not a major shareholder of the Company (a person who directly or indirectly holds 10% or more of the total voting rights) or an executive thereof.
3. A person who is not an executive of an entity that the Company Group is a major shareholder of.
4. The person who is not a person whose amount of transactions with the Company Group exceeds 2% of the Company's consolidated net sales or an executive thereof.
5. A person who is not a consultant or an accounting and legal specialist who receives remuneration of 10 million yen or more from the Company Group other than executive remuneration.
6. A person who is not a recipient of donations from the Company Group in excess of 2% of the Company's consolidated net sales or an executive thereof.

**Proposal 5:** Revision of the Amount of Monetary Remuneration for Directors and Details Thereof

The maximum amount of monetary remuneration paid to Directors of the Company has been approved to date up to 350 million yen per year for basic remuneration (fixed remuneration) (of which up to 90 million yen per year for Outside Directors), at the 112th Annual General Meeting of Shareholders held on June 29, 2022, and up to 91 million yen per year for performance-linked remuneration (bonuses) (excluding Outside Directors), at the 110th Annual General Meeting of Shareholders held on June 26, 2020, together with an outline of the calculation method.

However, with the Company's recent announcement of the medium-term management plan starting from the fiscal year ending March 31, 2025, the Company is reviewing its executive remuneration plan, which is an incentive necessary to promote sustainable growth of corporate value based on business model reform aimed at sustainable growth. In light of the increased responsibilities of Directors, the Company proposes to revise the amount of monetary remuneration in consideration of recent economic conditions, market trends, and the level of remuneration at other companies to ensure that the Company will attract and retain future superior human resources.

Regarding the monetary remuneration paid to Directors of the Company, it has been approved to differentiate between basic remuneration (fixed remuneration) and performance-linked remuneration (bonuses). However, in order to design flexible incentives to provide incentive to continuously increase corporate value and also to have a remuneration plan responsive to the ever-changing business environment, the Company proposes a review of the method of calculating performance-linked remuneration (bonuses), abolishing the distinction between the maximum amount of base remuneration (fixed remuneration) and performance-linked remuneration (bonuses), and revising the maximum amount of monetary remuneration to 500 million yen per year (of which up to 90 million yen per year for Outside Directors). In addition, in the case of Directors serving concurrently as employees, it is proposed that, as was previously the case, the amount of remuneration for Directors shall not include the employee's portion of salaries.

The Company partially revised the policy for determining the details of the individual remuneration, etc. of Directors at the meeting of the Board of Directors held on June 29, 2022, the outline of which is shown in "3. (2) 4) Policy for Determining the Details of the Individual Remuneration, etc. of Directors" of the Business Report (in Japanese only). If this proposal and Proposal 6 are approved, changes will be made as described in "Reference: Policy on the Determination of the Details of Individual Remuneration, etc. for Directors (if Proposal 5 and Proposal 6 are approved)" on pages 21–22 of this convocation notice.

The content of this proposal has been deliberated by the Remuneration Committee, of which independent Outside Directors form a majority, and the Board of Directors. Therefore, we believe that it is reasonable.

The current number of Directors is eight (8) (of whom five (5) are Outside Directors). Subject to the approval of Proposal 2 "Election of Eight (8) Directors" as originally proposed, the number of Directors will also be eight (8) (of whom five (5) are Outside Directors).

**Proposal 6:** Revision of Details of the Performance-Linked Share-Based Remuneration Plan for Directors

1. Reasons for the proposal and why the partial revision of said remuneration is appropriate

With the approval of the shareholders at the 112th Annual General Meeting of Shareholders held on June 29, 2022, the Company has introduced a performance-linked share-based remuneration plan (hereinafter referred to as the “Plan”) for Directors (excluding Outside Directors, non-Executive Directors, and non-residents of Japan of the Company and its subsidiaries (hereinafter referred to as the “Covered Subsidiaries,” the Company and Covered Subsidiaries hereinafter referred to collectively as the “Covered Companies”). The same applies below. Hereinafter referred to as “Eligible Directors”) of the Covered Companies, under which the Company shares and an amount of money equivalent to the cash proceeds from the conversion (hereinafter referred to as the “Company Shares”) are delivered and paid out (hereinafter referred to as the “Delivery, etc.”) in accordance with the degree of achievement of the performance targets set out in the single-year plan. The Company now seeks the continuation of the Plan subject to partial revision.

The Company partially revised the policy for determining the details of the individual remuneration, etc. of Directors at the meeting of the Board of Directors held on June 29, 2022, the outline of which is shown in “3. (2) 4) Policy for Determining the Details of the Individual Remuneration, etc. of Directors” of the Business Report (in Japanese only). If Proposal 5 and this proposal are approved, changes will be made as described in “Reference: Policy on the Determination of the Details of Individual Remuneration, etc. for Directors (if Proposal 5 and Proposal 6 are approved)” on pages 21–22 of this convocation notice.

We believe that the revision of the Plan is reasonable given that its aim is to increase motivation to achieve the performance targets more than ever before and to further promote interests sharing with shareholders, in addition to further clarifying the linkage between the remuneration of Directors and the Company’s corporate value and providing incentives to improve performance over the medium to long-term. The content of this proposal has been deliberated by the Remuneration Committee, of which independent Outside Directors form a majority, and the Board of Directors.

The number of Eligible Directors of the Company is currently three (3). Subject to the approval of Proposal 2 “Election of Eight (8) Directors” as originally proposed, the number of Eligible Directors will also be three (3).

2. Revised details, etc. of the Plan

(1) Overview of the current Plan

The Plan covers the period subject to the medium-term management plan (hereinafter referred to as the “Covered Period”). This is a performance-linked share-based remuneration plan under which the Company shares will be acquired through a trust funded by the amount of remuneration for Eligible Directors contributed by the Covered Companies. The Delivery, etc. of the Company Shares, etc. will be made to Eligible Directors through the trust in accordance with the degree of achievement of performance targets, etc.

(2) Details of revision of the Plan

The revision of the Plan is intended to link the remuneration of Eligible Directors more closely to the Company’s performance and to increase an ever greater awareness of contributions to improving performance and increasing corporate value over the medium to long-term, which will lead to further deepening of the sharing of interests and value with shareholders.

Therefore, to continue the Plan, we will make partial revisions to the current Plan as follows:

1) Persons eligible for Delivery, etc. of the Company Shares, etc. under this proposal

Current	Proposed revision
Directors (excluding Outside Directors, non-Executive Directors, and non-residents of Japan) of the Company and <u>its three subsidiaries (DAIWABO INFORMATION SYSTEM CO., LTD., Daiwabo Co., Ltd., and O-M Ltd.)</u>	Directors (excluding Outside Directors, non-Executive Directors, and non-residents of Japan) of the Company and <u>its major subsidiaries</u>
Reason for revision of this item In order to take flexible action for future strategic restructuring of the business portfolio, such as organizational restructuring, the Plan will be introduced in companies positioned as major subsidiaries by the Company, without limiting the number of subsidiaries covered by the Plan. Furthermore, the eligible directors of the Company's major subsidiaries are to be included in the Plan to motivate the Group as a whole further to increase its corporate value.	

2) Maximum amount of money to be contributed by the Company

Current	Proposed revision
<ul style="list-style-type: none"> <li>The amount multiplied by the number of years of the Covered Period, where the upper limit per fiscal year is <u>126 million yen (of which, the upper limit for the Company's portion per fiscal year is 21 million yen)</u></li> <li><u>The maximum amount for the two fiscal years that constitute the original Covered Period is 252 million yen</u></li> </ul>	<ul style="list-style-type: none"> <li>The amount multiplied by the number of years of the Covered Period, where the upper limit per fiscal year is <u>96 million yen (excluding major subsidiaries)</u></li> </ul>
Reason for revision of this item Together with an ever greater awareness of contributions to improving performance and increasing corporate value over the medium to long-term, the maximum amount of performance-linked share-based remuneration will be increased based on a rise in the Company's stock price after the introduction of the Plan to ensure the medium- and long-term growth of the Company and to share interests and value with shareholders. In addition, in order to take flexible action in the future, the Company proposes to shareholders that the upper limits for the amount of money to be contributed by the Company and for the Company Shares, etc. subject to Delivery, etc. shall not include the portions of major subsidiaries, only including that of the Company. The maximum amount for the Covered Period covering the three fiscal years (the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2027) after revising the Plan is 288 million yen (excluding major subsidiaries).	

3) Maximum number of the Company Shares, etc. subject to Delivery, etc. to Eligible Directors

Current	Proposed revision
<ul style="list-style-type: none"> <li>The number of points multiplied by the number of years of the Covered Period, where the upper limit for the number of points to be granted per fiscal year is <u>79,000 points (of which, the upper limit for the number of points to be granted as the Company's portion per fiscal year is 13,000 points)</u></li> <li><u>The upper limit for the number of points to be granted over the two fiscal years that constitute the original Covered Period is 158,000 points</u></li> </ul>	<ul style="list-style-type: none"> <li>The number of points multiplied by the number of years of the Covered Period, where the upper limit for the number of points to be granted per fiscal year is <u>34,000 points (excluding major subsidiaries)</u></li> </ul>
Reason for revision of this item Together with an ever greater awareness of contributions to improving performance and increasing corporate value over the medium to long-term, the maximum number of the Company's shares to be delivered in performance-linked share-based remuneration will be increased to ensure the medium- and long-term growth of the Company and to share interests and value with shareholders. In addition, in order to take flexible action in the future, the Company proposes to shareholders that the upper limits for the amount of money to be contributed by the Company and for the Company Shares, etc. subject to Delivery, etc. shall not include the portions of major subsidiaries, only including that of the Company. The maximum number of points to be awarded for the Covered Period covering the three fiscal years (the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2027) after revising the Plan is 102,000 points. (excluding major subsidiaries). One point shall be one common share of the Company, and the ratio of the maximum number of shares corresponding to the number of points to be granted per fiscal year as stated above to the total number of shares outstanding is approximately 0.04% (as of March 31, 2024, net of treasury shares).	

#### 4) Details of performance achievement conditions

Current	Proposed revision
<ul style="list-style-type: none"> <li>Target values for <u>consolidated net sales</u>, consolidated operating profit, etc. are set as indicators for the <u>original</u> Covered Period, and their degree of achievement is calculated based on the previous fiscal year's performance</li> <li>The above indicators will be reviewed for each Covered Period</li> </ul>	<ul style="list-style-type: none"> <li>Target values for consolidated operating profit, etc. are set as indicators for the Covered Period <u>starting from the fiscal year ending March 31, 2025</u>, and their degree of achievement is calculated based on the previous fiscal year's performance.</li> <li>The above indicators will be reviewed for each Covered Period.</li> </ul>
<p>Reason for revision of this item</p> <p>The performance-linked targets for the Covered Period starting from the fiscal year ending March 31, 2025 will be “consolidated operating profit,” etc., which is an important indicator for the medium- and long-term growth of the Group companies as a whole.</p>	

#### (3) Other matters pertaining to revision of the Plan

There will be no change in other details, such as the timing of Delivery, etc. of the Company Shares, etc. to Eligible Directors (delivery upon retirement, in principle).

Reference:

Outline of the Plan approved by shareholders at the 112th Annual General Meeting of Shareholders

Item	Details
Persons eligible for the Plan	Directors (excluding Outside Directors, non-Executive Directors, and non-residents of Japan) of the Company and its three subsidiaries (DAIWABO INFORMATION SYSTEM CO., LTD., Daiwabo Co., Ltd., and O-M Ltd.)
Covered Period	Three fiscal years in accordance with the medium-term management plan (When first introduced, it was two consecutive fiscal years starting from the fiscal year ended March 31, 2023 to the fiscal year ended March 31, 2024)
Method of acquiring the Company shares	Acquired from the Company (disposal of treasury shares) or the stock market
Timing of Delivery, etc. of the Company Shares, etc. to Eligible Directors	In principle, at the time of retirement However, the Company shares acquired through the Plan will continue to be held until one year has passed after retirement

**Reference: Policy on the Determination of the Details of Individual Remuneration, etc. for Directors (if Proposal 5 and Proposal 6 are approved)**

The Company resolved “Policy on the Determination of the Details of Individual Remuneration, etc. for Directors” at the meeting of the Board of Directors held on May 9, 2024 as outlined below.

(1) Basic policy

The basic policy of the Company’s remuneration plan for Directors is to increase incentives for medium- and long-term performance improvement and higher corporate value, to maintain remuneration levels that will attract and retain superior human resources, and to maintain a high degree of transparency and objectivity. Specifically, remuneration for Executive Directors shall consist of (i) basic remuneration (fixed remuneration), (ii) performance-linked monetary remuneration, and (iii) performance-linked share-based remuneration in accordance with the basic policy above.

With regard to the remuneration of Outside Directors, taking into account their role of overseeing and providing advice to management from an objective and independent viewpoint, it has been decided to pay only basic remuneration (fixed remuneration).

The Board of Directors has established a Remuneration Committee consisting of the Representative Director, President and Outside Directors, with no fewer than three members. The Remuneration Committee submits reports and recommendations to the Board of Directors as to the determination of the amounts of performance-linked monetary remuneration and performance-linked share-based remuneration, etc.

(2) Policy on determining the amount of basic remuneration (fixed remuneration) for each individual (including policies on determining the timing or conditions for granting remuneration, etc.)

The amount of basic remuneration (fixed remuneration) will be set according to the position and responsibilities of each Director, and will be paid monthly as a fixed monetary remuneration.

The remuneration level shall be set each year by the Representative Director, President after a resolution of the Board of Director to delegate to the Representative Director, President, having first considered whether the level of remuneration for each position complies with the above basic policy, taking into account the economic and social situation and the Company’s business environment and business performance and making reference to objective remuneration survey data from external specialized institutions, etc.

(3) Policy on determining how to calculate the details and amount or number of performance-linked monetary remuneration and performance-linked share-based remuneration (including policies on determining the timing or conditions for granting remuneration, etc.)

Performance-linked monetary remuneration is paid at a fixed time every year.

The degree of achievement of target values such as consolidated operating profit, etc. are set as indicators, and the amount of such remuneration is calculated based on the previous fiscal year’s performance.

Performance-linked share-based remuneration is paid at the time of retirement as a reward linked to the achievement of performance targets and the improvement of corporate value over the medium to long-term. It consists of a performance-unlinked portion and a performance-linked portion. The non-performance-linked portion will be set to approximately 30% of the total share-based remuneration.

The maximum amount of the performance-linked portion will be set to approximately 70% of the total share-based remuneration. The degree of achievement of target values such as consolidated operating profit, etc. are set as indicators, and the amount of such remuneration is calculated within a range of 100% to 0% of the base amount based on the previous fiscal year’s performance.

To determine the performance-linked monetary remuneration and the amount of performance-linked share-based remuneration, etc., the Remuneration Committee, after a review, will submit its report and recommendations to the Board of Directors, who will make the determination in accordance with the contents of the report.

(4) Policy on determining the ratio of the amounts of basic remuneration (fixed remuneration), performance-linked monetary remuneration, performance-linked share-based remuneration, etc. for individual Directors

The respective remuneration ratios for (i) basic remuneration (fixed remuneration), (ii) performance-linked monetary remuneration, and (iii) performance-linked share-based remuneration for each type of Executive

Director shall be set to roughly 50 to 35 to 15, assuming maximum performance-linked monetary remuneration and performance-linked share-based remuneration, with the final determination made by the Board of Directors with reference to the objective remuneration survey data from external specialized institutions, etc.

- (5) Matters concerning the determination of the details of the remuneration, etc. of individual Directors  
Based on the resolution of the Board of Directors, the Representative Director, President is entrusted with the authority to decide the specific details regarding the amount of remuneration for each individual. This authority consists of the authority to (i) determine the amount of basic remuneration (fixed remuneration) of each Director, and (ii) to formulate a draft plan for the evaluation of Executive Directors in terms of performance-linked monetary remuneration and performance-linked share-based remuneration.

In order to properly exercise this authority, the Representative Director and President who have been delegated above formulate a draft plan for the evaluation of Executive Directors in terms of performance-linked monetary remuneration and performance-linked share-based remuneration, and the Board of Directors shall consult with the Remuneration Committee to obtain its report and recommendations and then determine the amount of performance-linked monetary remuneration and performance-linked share-based remuneration, etc. in accordance with the contents of the report and recommendations.