

June 3, 2024

Company name: FIDEA Holdings Co. Ltd.

Representative: Masahiro Niino, President & CEO

(Securities code: 8713)

**Concerning Recommendation by ISS to Not Approve the Election of Three Candidates for Director of FIDEA Holdings (Expressed Opinion of FIDEA Holdings)**

The proxy advisory firm Institutional Shareholder Services (“ISS”) is recommending not to approve the three candidates for Director of FIDEA Holdings Co. Ltd. (the “Company”), Tomoko Nunoi, Jun Aoki and Kyoko Narita at the Ordinary General Meeting of Shareholders to be held on June 21, 2024 based on its independence criteria for outside directors.

The Company recognizes that ISS is recommending that shareholders do not approve the election of these three candidates for Outside Director because it regards them as non-independent based on its independence criteria for outside directors. This recommendation of ISS is based on the fact that as of March 31, 2024, BNP PARIBAS FINANCIAL MARKETS was the Company’s tenth largest shareholder, and Tomoko Nunoi, Jun Aoki and Kyoko Narita each have the experience of working for the BNP PARIBAS Group. Moreover, based on the aforementioned assumption, upon the conclusion of this general meeting of shareholders, the Board of Directors of the Company, which is a company with nominating committee, etc., would no longer have a majority of directors with independence status.

However, in response to the above, it is the expressed opinion of the Company that there is no problem with the independence status of all three of Tomoko Nunoi, Jun Aoki and Kyoko Narita as Outside Director for the following reasons.

- As described in the notice of the shareholders’ meeting, the Company has registered Tomoko Nunoi and Jun Aoki as Independent Directors based on the stipulations of Tokyo Stock Exchange, Inc. In addition, Kyoko Narita satisfies the requirements for Independent Director as provided for by Tokyo Stock Exchange, Inc., and if her election as a Director is approved at the meeting, the Company intends to register her as an Independent Director.
- The Company believes that BNP PARIBAS FINANCIAL MARKETS is holding the Company’s shares for the purpose of pure investment as an institutional investor, and there are no controlling ties, such as capital ties or personal ties, on a corporate governance level between the Company and the BNP PARIBAS Group and that there is no problem with the independence status of all three as Outside Director.

- Although these three candidates for Director have experience working for the BNP PARIBAS Group, the numbers of years that have passed upon leaving the Group are 8 years for Tomoko Nunoi, 19 years for Jun Aoki, and 14 years for Kyoko Narita. Since they left, they have been working in other corporate groups, non-profit organizations and incorporated foundations, and the Company believes there is no problem with the independence status of Tomoko Nunoi, Jun Aoki and Kyoko Narita as Outside Director.

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