

Basic Policy on Allocation of Shares to Public Offering Customers

JPMorgan Securities Co., Ltd.

JPMorgan Securities Co., Ltd. (hereinafter referred to as the "Company") conducts underwriting business to address the diverse funding needs of issuer companies, while at the same time providing appropriate and diverse products in accordance with market mechanisms by accurately identifying the diverse investment needs of customers.

The Company does not allocate to individuals as our business model focuses on financial institutions, listed companies or similar entities in Japan and overseas ("customers"). As such we do not allocate by lottery.

In order to reflect customer demand in price determination when underwriting shares, the Company's basic policy is to ascertain customer demand trends in advance, handle appropriate offerings, etc., and strive for fair and equitable allocations.

Allocation to customers will be conducted by the following methods, while giving sufficient consideration to the market environment and needs at the time of allocation. In order to conduct a demand survey for public offerings, the Company summarizes customer needs, determines appropriate conditions, adjusts the size, and determines the allocation by Equity Capital Markets. Specific allocations at the Company are made by comprehensively taking into consideration the customer's needs, as well as "suitability principles" such as the knowledge and experience of securities investment, as well as the degree of response to customer applications and demand forecasts, the degree of participation, the degree of recognition of risks associated with the products, the status of transactions with the Company (frequency of transactions, transaction period, new customers, etc.), the number of allocations made thus far, and the customer's investment stance (whether or not it is for long-term ownership and whether or not it can contribute to the formation of a smooth secondary market).

In addition, we will try to allocate to a broad range of customers the stocks (hot issue stocks) whose demand exceeds the total number of applications in demand surveys or book buildings.

If Equity Capital Markets determines that it is necessary to allocate shares for public offerings, etc. other than demand trend surveys, it will determine the specific allocation policy and method after consulting with the relevant departments, etc. Furthermore, the Company not only complies with the Financial Instruments and

Exchange Act and the rules of self-regulatory organizations, such as not allocating shares for the purpose of compensating for customer losses or producing profits, but also (1) persons designated by the issuing company (including those substantially related to the issuing company, such as those suggested by the issuing company ; provided, however, that this does not apply in exceptional cases where Preferential Allotment is permitted pursuant to the provisions of the internal rules), (2) is unjust, such as giving inappropriate benefits to the Company, and (3) not allocate shares to organized crime groups and other groups that are outside the interests of the public (4) We will make every effort to comply with our internal rules and regulations, including the prohibition of excessive and concentrated allocation to our customers.

Based on the basic policy of allocation described above, we believe that our mission is to contribute to the development of the securities market through fair allocation while contributing to the smooth fund-raising activities of companies.