

Target of the MM Ver.2.0 scheme (1) (From December 2023)



- Quantity Obligation for MSCI ACWI was changed in light of the current market-making situation and the high demand by retail investors (other conditions remain unchanged).

Index	Obligation(Qty./Spread)	Monthly Incentive (Total of TSE and AM)		Max. no. of ETF
JPX Prime 150	JPY100 million/ 1tick or 30bps	Top 2 Market Makers	300,000 JPY /month	1 ETF
S&P500	JPY100 million/ 2ticks or 20bps		200,000 JPY /month	2 ETFs *1
NASDAQ100	JPY100 million/ 2ticks or 30bps		400,000 JPY /month	2 ETFs *1
Dow Jones Industrial	JPY100 million/ 2ticks or 30bps		400,000 JPY /month	2 ETFs *1
DAX	JPY100 million/ 2ticks or 30bps		200,000 JPY /month	2 ETFs *1
EURO STOXX 50	JPY100 million/ 2ticks or 30bps		200,000 JPY /month	2 ETFs *1
MSCI Kokusai	JPY100 million/ 2ticks or 20bps		200,000 JPY /month	2 ETFs *1
MSCI Emerging	JPY100 million/ 2ticks or 40bps		300,000 JPY /month	2 ETFs *1
MSCI ACWI	JPY15 million/ 2ticks or 40bps		300,000 JPY /month	2 ETFs *1
US Treasury 5-10 years	JPY500 million/ 2ticks or 20bps		500,000 JPY /month	2 ETFs *1
US Treasury 1-5 years	JPY100 million/ 2ticks or 15bps		200,000 JPY /month	2 ETFs *1
US Treasury over 10 years	JPY100 million/ 2ticks or 25bps		200,000 JPY /month	2 ETFs *1
German Government Bond 5-10Y	JPY100 million/ 2ticks or 25bps		200,000 JPY /month	2 ETFs *1
French Government Bond 5-10Y	JPY100 million/ 2ticks or 40bps		200,000 JPY /month	2 ETFs *1
FTSE WGBI	JPY100 million/ 2ticks or 40bps		300,000 JPY /month	2 ETFs *1

*1 Max. 1 issue with currency hedging, max. 1 issue without currency hedging.

*2 Obligation (spread) is a predetermined number of ticks or spread, whichever is wider. *3 AMs and TSE will contribute same amount.

*4 Quoting time period for "US Treasury 5-10 years" is 60%. 80% is applied to other indices. *5 If 3 or more MMs satisfy the Obligations, the ranking of MM is selected based on trading volume. If the trading volume is also the same, the MM with the longer quotation time is selected.

Target of the MM Ver.2.0 scheme (2) (From December 2023)

Index	Obligation (Qty./Spread)	Incentive (Monthly) (Total of TSE and AM)	Max. no. of ETF	
TOPIX-17 FOODS	JPY30 million/ 3ticks or 25bps	Top 1 Market Maker	150,000 JPY /month	1 ETF
TOPIX-17 ENERGY RESOURCES	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 CONSTRUCTION & MATERIALS	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 RAW MATERIALS & CHEMICALS	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 PHARMACEUTICAL	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 AUTOMOBILES & TRANSPORTATION EQUIPMENT	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 STEEL & NONFERROUS	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 MACHINERY	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 ELECTRIC APPLIANCES & PRECISION INSTRUMENTS	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 IT & SERVICES,OTHERS	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 ELECTRIC POWER & GAS	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 TRANSPORTATION & LOGISTICS	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 COMMERCIAL & WHOLESALE TRADE	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 RETAIL TRADE	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 BANKS	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 FINANCIALS (EX BANKS)	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF
TOPIX-17 REAL ESTATE	JPY30 million/ 3ticks or 25bps		150,000 JPY /month	1 ETF

Target of the MM Ver.2.0 scheme (3) (From December 2023)

Index	Obligation (Qty./Spread)	Incentive (Monthly) (Total of TSE and AM)	Max. no. of ETF	
TSE REIT Logistics Focus Index	JPY30 million/ 1tick or 25bps	Top 2 Market Makers	150,000 JPY /month	1 ETF
TSE REIT Office Focus Index	JPY30 million/ 1tick or 25bps		150,000 JPY /month	1 ETF
TSE REIT Residential Focus Index	JPY30 million/ 1tick or 25bps		150,000 JPY /month	1 ETF
TSE REIT Hotel & Retail Focus Index	JPY30 million/ 1tick or 25bps		150,000 JPY /month	1 ETF

(Actively managed ETFs)

Actively managed ETFs	JPY10 million/ (Spread is set by each ETF)	Top 2 Market Makers	200,000 JPY /month	10 ETFs
Actively managed ETFs targeting domestic public and corporate bonds (excluding only gov. bonds)	JPY100 million / (Spread is set by each ETF)		200,000 JPY /month	2 ETFs

How to apply for ETFMM Ver.2.0 scheme

- Asset Managers apply by filing out "Sponsored MM Application" (AT-4) (*1)
- For actively managed ETFs, the spread to be set for each ETF will be determined and announced by TSE after an application is submitted by AM

Application process for application from above onwards

- When setting conditions **from** the listing date -

(1) Each AM shall apply by "Sponsored MM Application" (AT-4).

*For actively managed ETFs, the application deadline is the later of "listing approval date" or "2 weeks prior to listing date," and for other ETFs, the application deadline is "1 week prior to listing date".

*In the application for actively managed ETFs, submit the period and spread as blanks.

*Accepted on a first-come, first-served basis after the listing approval date

(2) Start on the listing date after a one-week announcement period.

- When setting conditions **after** the listing date -

(1) Each AM shall apply by "Sponsored MM Application" (AT-4).

*For actively managed ETFs, the application deadline is 3 weeks prior to the first business day of the month in which you wish to set, and 2 weeks prior to the first business day of the month for other ETFs.

*In the application for actively managed ETFs, submit the period and spread as blanks.

*Accepted on a first-come, first-served basis after the listing approval date

(2) Start at the beginning of the earliest month after a two-week announcement period.

*1 Asset Manager has to conclude contract to usage sponsored scheme (AT-3).