

Outline of Specification for Nikkei 225 Climate Change 1.5°C Target Index Futures

As of December 5, 2022

Osaka Exchange, Inc

Item	Details	Remarks
<p>I . Outline of Trading</p> <p>1. Underlying Index</p> <p>2. Trading Method</p> <p>a. Trading Sessions and Trading Hours</p> <p>b. Trading Method</p>	<ul style="list-style-type: none"> • The underlying index is the Nikkei 225 Climate Change 1.5°C Target Index (hereinafter referred to as " Nikkei Climate Index "). • Trading on the regular market will be divided into a day session and a night session, the trading hours of which will be as follows. <ul style="list-style-type: none"> (1) Day Session <ul style="list-style-type: none"> Opening auction: 8:45 a.m. Regular session (Zaraba): 8:45 a.m. - 3:10 p.m. Closing auction: 3:15 p.m. (2) Night Session <ul style="list-style-type: none"> Opening auction: 4:30 p.m. Regular session (Zaraba): 4:30 p.m. to 5:55 a.m. the next day Closing auction: 6:00 a.m. the next day • Nikkei Climate Index Futures trading will be conducted by individual auction through the trading system. 	<ul style="list-style-type: none"> • In this Specification, said index futures will be referred to as "Nikkei Climate Index Futures." • The same applies to index futures such as Nikkei 225 Futures (Large Contracts) (hereinafter referred to as "other index futures"). • The trading system will be J-GATE 3.0.

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3. Contract Months	<ul style="list-style-type: none"> • There will be 3 contract months out of March, June, September and December. • The last trading day will be the business day preceding the second Friday of each contract month (if the second Friday is a non-business day, it shall be the business day preceding the last business day before the second Friday.). • Trading in a new contract month will begin on the business day following the last trading day of the most recent contract month. 	<ul style="list-style-type: none"> • The trading period is 9 months. • Flexible futures trading will not be available.
4. Contract Unit and Rules on Bids and Offers, etc. a. Contract Unit b. Bids and Offers c. Tick Size d. Price Limits	<ul style="list-style-type: none"> • One contract unit will be JPY 1,000 multiplied by the value of the Nikkei Climate Index. • Market Orders and Limit Orders will be available with conditions for validity period and executed volume determined by OSE. • The tick size will be JPY 10. • Bids and offers may not be made at prices exceeding the price limit range calculated by multiplying the reference price for price limits (as a general rule, the settlement price on the previous trading day) by 8% up and down. • When a Circuit Breaker is triggered, the upper or lower price limit range will be expanded to the price calculated by multiplying the reference price for price limits by 12% (1st expansion) and 16% (2nd expansion). 	<ul style="list-style-type: none"> • Conditions for validity period and executed volume will be the same as that of other index futures.

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<p>6. Restrictions on Trading</p> <p>7. Strategy Trading</p> <p>8. J-NET Trading</p> <p>9. Give-up</p> <p>10. Trading Participants</p>	Session	DCB Reference Price	DCB Price Range	Temporary Trading Halt	<ul style="list-style-type: none"> Only calendar spread trading will be available.
	Opening auction	Last Price or BBO mid-price	±3.0%	30 seconds	
	Regular session		±0.8%		
	Closing auction	Last Price or BBO mid-price	±1.5%	— (trades only executed within price range)	
	<ul style="list-style-type: none"> In cases where OSE deems that trading conditions are, or are likely to be, abnormal, OSE may implement, among the regulatory measures specified by OSE, necessary restrictions on trading or accepting orders from customers. 	<ul style="list-style-type: none"> Strategy trading of Nikkei Climate Index Futures will be available to trading participants as specified by OSE. The tick size for strategy trading will be JPY 1. 	<ul style="list-style-type: none"> J-NET trading of Nikkei Climate Index Futures will be available to trading participants as specified by OSE. The tick size for J-NET trading will be JPY 0.0001. 	<ul style="list-style-type: none"> Give-up will be available for Nikkei Climate Index Futures. 	

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II. Clearing and Settlement	<ul style="list-style-type: none"> Clearing and settlement of Nikkei Climate Index Futures will be conducted in accordance with the methods prescribed by Japan Securities Clearing Corporation (JSCC). 	<ul style="list-style-type: none"> The same rules as for other index futures will apply. The final settlement price is calculated based on the opening prices of each component issue underlying the contract on the business day following the day on which the last trading day ends.
III. Other 1. Trading Fees 2. Market Maker Scheme 3. Holiday Trading 4. Disclosure of Information a. Market Information	<ul style="list-style-type: none"> To be determined. A market maker scheme will be introduced to complement market liquidity. Nikkei Climate Index Futures will be eligible for derivatives holiday trading. Market information, namely opening/high/low/closing price data, trading volume, and open interest will be published separately from other index futures. 	<ul style="list-style-type: none"> Details will be announced at a later date. Handling under the trading rules for holiday trading will be the same as that of other index futures.

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b. Transaction Information by Investor Type	<ul style="list-style-type: none"> Buy and sell trading volume and trading value by investor type will not be disclosed. 	
IV. Listing Date	<ul style="list-style-type: none"> Nikkei Climate Index Futures will be listed on May 29, 2023 (planned). 	