JPX's Responses to Financial Instruments and Exchange Act Violation by Former Employee

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Japan Exchange Group, Inc.

Japan Exchange Group, Inc. (JPX) would once again like to deeply apologize for the significant inconvenience and concern caused to investors, listed companies, and all other related parties by the incident involving a violation of the Financial Instruments and Exchange Act (insider trading regulations) by a former employee of the Group (hereinafter referred to as "the Incident").

In order to fulfill its mission to contribute to Japan's capital markets and economic development as a financial and capital market infrastructure, all executives and employees of JPX will work tirelessly in unison to restore trust from investors, listed companies, and all other related parties by thoroughly implementing recurrence prevention measures related to the Incident, thereby ensuring that all executives and employees have a strong awareness of compliance with laws and regulations and further strengthening internal control systems. Please see below for details of JPX's recurrence prevention measures related to the Incident and their implementation.

1. JPX's Responses to the Incident So Far

As disclosed on October 29, 2024, in response to an investigation by the Securities and Exchange Surveillance Commission based on suspicion of a violation of insider trading regulations by a now former employee of Tokyo Stock Exchange, JPX established an Independent Directors' Investigation Committee (hereinafter referred to as "the Committee") on September 27, 2024. The Committee investigated JPX's education and training systems, business processes, and information management systems, among other things, as well as evaluating its recurrence prevention measures, and published an Investigation Report on January 30, 2025.[1]

In addition, on January 30, 2025, as well as submitting a report in response to a reporting order from the Financial Services Agency, as an indication that it takes the occurrence of the Incident and the receipt of a reporting order with the utmost seriousness, JPX clarified the locus of responsibility through disciplinary actions including a reduction in compensation (50% reduction in monthly compensation for two months) for Director & Representative Executive Officer, Group CEO Yamaji Hiromi.[2]

By thoroughly implementing the recurrence prevention measures outlined in the Committee's Investigation Report, JPX aims to ensure that all executives and employees have a strong awareness of compliance with laws and regulations and to further strengthen its internal control systems.

(Please see the Appendix for details on the implementation status of the recurrence prevention measures.)

2. Formulation of the Medium-Term Management Plan 2027

JPX published its "Medium-Term Management Plan 2027" on March 26, 2025 as the second stage toward achieving its long-term vision "Target 2030."[3] The plan states that JPX will continue to actively venture into new

[1] "Publication of Report from Independent Directors' Investigation Committee"
https://www.jpx.co.jp/english/corporate/news/news-releases/0063/sjcobq000000ammn-att/E_20250130_1.pdf
[2] "Submission of Report in Response to Reporting Order from Financial Services Agency and Clarification of Locus of Responsibility"
https://www.jpx.co.jp/english/corporate/news/news-releases/0063/sjcobq000000amq1-att/E_20250130_2.pdf
[3] "Medium-Term Management Plan 2027"
https://www.jpx.co.jp/english/corporate/investor-relations/management/mid-business-plan/tvdivq0000008p9w-

fields while also aiming to increase the value it provides to society. It also sets out a new non-financial commitment to “strengthen human resources through ongoing investment in human capital,” to be achieved through thorough implementation of policies such as permeation of the corporate philosophy. All JPX’s group companies will strive as one to keep awareness of the Incident alive and improve corporate value by ensuring all executives and employees have a strong awareness of compliance with laws and regulations and further strengthening internal control systems.

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Appendix: Progress and Implementation Status of Recurrence Prevention Measures

JPX would like to report on the status of recurrence prevention measures related to the Incident as of February 28, 2026.

The recurrence prevention measures presented in the Committee's Investigation Report are as listed in 1 through 6 below. As of February 28, 2026, all actions have been implemented for the recurrence prevention measures. JPX will continue to make ongoing efforts in relation to these measures to ensure that the Incident will not be forgotten.

Summary of Status of Actions on Recurrence Prevention Measures

Improvement Measure	Actions	Contents
Measure 1: Tighter Information Management	Narrowing the scope of information sharing for timely disclosure operations	・Narrowing the scope of recipients of unpublished information to the minimum number of staff necessary
	Narrowing the scope of sharing for related operations	
	Narrowing the scope of sharing with related departments	
	Tightening information management within the Listing Department	・Formulating new Listing Department rules for the handling of unpublished information within the department
Measure 2: Clarification of Internal Rules	Revising internal rules	・Clarifying the fact that insider trading regardless of the name used, including those of family members or acquaintances, is subject to regulations and that this also applies to cases where an employee transmits information or recommends stocks for trading to others
	Revising written pledge	・Clarifying the fact that cases where an employee transmits information or recommends stocks for trading to others are subject to regulations ・Requesting submission from all employees on an annual basis
Measure 3: Implementation and Strengthening of Education for Employees and Listing Department Members	Education for all JPX employees	・Implementation of training and understanding tests specific to insider trading regulations by the Market Surveillance & Compliance Department ・Implementing additional training on insider trading regulations for employees joining the company ・Distributing booklet on insider trading regulations
	Education for Listing Department members	・Strengthening awareness of compliance with insider trading regulations (implementation of training for Listing Department members) ・Fostering ethics and norms (instruction from Department Director and submission of written pledge from Listing Department members)
	Hiring and transferring employees	・Implementing stricter criteria in terms of compliance awareness in the hiring process ・Thorough enforcement of JPX's policy of not allowing employees who have financial problems after joining the company to engage in work that involves the handling of

Improvement Measure	Actions	Contents
		unpublished information or money, depending on the details of said problems
Measure 4: Promotion of Communication	Promoting the use of the mentor system	・Assigning more experienced employees from the same department as mentors for younger employees for a certain period of time
	Holding small group meetings	・Establishing opportunities for employees to discuss in small groups the meaning of working for JPX Group, the legal and ethical standards expected of employees, and other matters
Measure 5: JPX's Approach to Lessons Learned	Establishing "JPX's Corporate Philosophy Confirmation Month"	・Holding discussions between employees and the CEO ・Holding lectures by experts with the aim of fostering a sense of mission and compliance awareness as an employee of JPX Group ・Recognizing employees' efforts to improve JPX's corporate value
Measure 6: Implementation Status of Recurrence Prevention Measures and Ongoing Checks of Appropriateness	Confirming status of implementation of recurrence prevention measures	・Periodic checks by related departments, results reporting to the Risk Management Committee secretariat, and check of appropriateness by said secretariat ・Implementing internal audits and reporting to the Board of Directors and Audit Committee ・Considering further analysis of the causes of the Incident and recurrence prevention measures as necessary if any new facts come to light in the course of the criminal proceedings