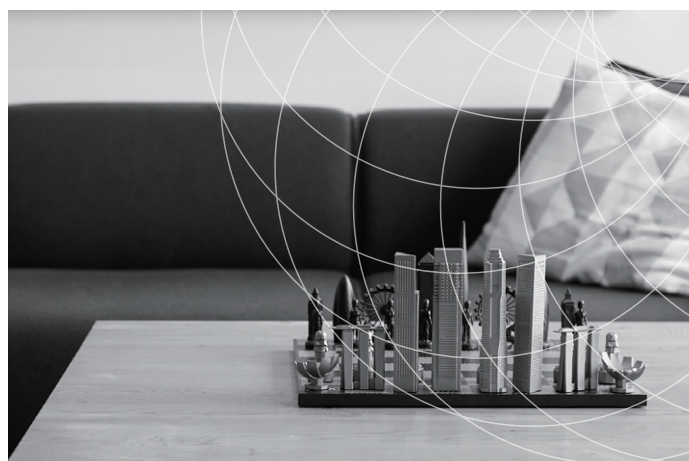


# JPX Report 2026

Integrated Report

# What is JPX?

## JPX's Vision

### The Origin of JPX

Japan's securities markets originated in 1878 with the establishment of Tokyo Stock Exchange by Shibusawa Eiichi and Osaka Stock Exchange by Godai Tomoatsu, underpinned by the need for exchange functions that facilitate corporate financing.

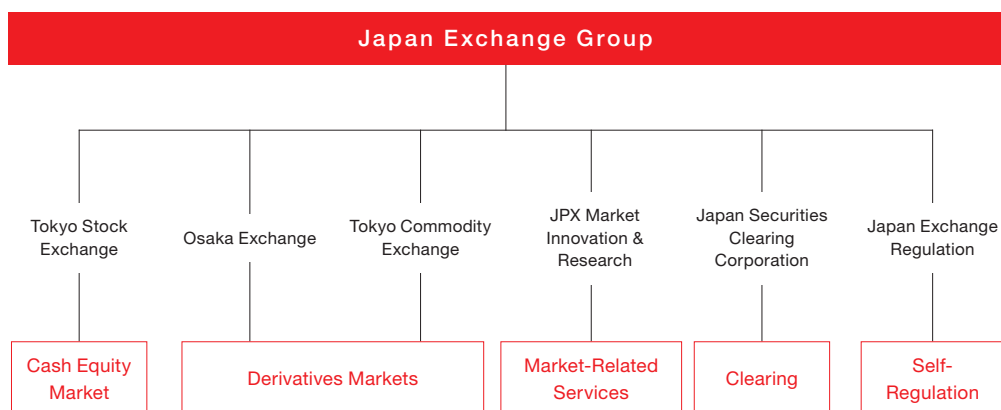
After World War II, both exchanges were re-established in 1949 as membership corporations. Since then, they have, from a financial perspective, supported industrial development alongside the growth of the Japanese economy.

In 2013, Japan Exchange Group (JPX) was established through the merger between Tokyo Stock Exchange Group and Osaka Securities Exchange in response to changes in the international competitive environment.

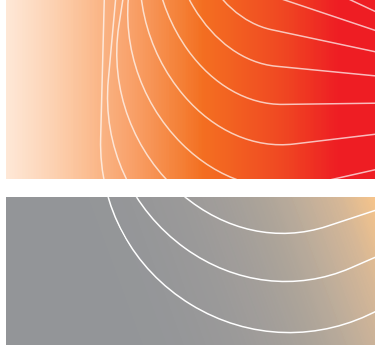


From the Shibusawa Eiichi Photograph Collection

### JPX Group's Structure



JPX Group Companies' Missions and Roles P. 19-20



## Corporate Philosophy

We shall **contribute to the realization of an affluent society by promoting sustainable development of the market** by ensuring reliability and public visibility, laying the foundation of a market which is highly convenient, efficient, and transparent, and providing creative and attractive services.

We believe that these efforts bring rewards in the form of profits resulting from the increased support and confidence of investors and other market users.

## Long-Term Vision

### Target 2030

Contribute to sustainable societal and economic development by evolving into a global, comprehensive finance and information platform which provides solutions for a wide range of societal issues, centered on the ability to raise and circulate capital

## Medium-Term Management Plan 2027 Basic Policy

### Exchange & beyond

- We will strictly maintain our customer-oriented, "market-in" approach based around societal issues and user needs, and will continue to actively venture into new fields while developing the foundations we have built in the first stage.
- As a core infrastructure of Japan's financial and capital markets, while enhancing trust in the market and JPX Group, we will aim to increase the value we provide to society through, for example, providing strong support for the promotion of Japan as a leading asset management center.

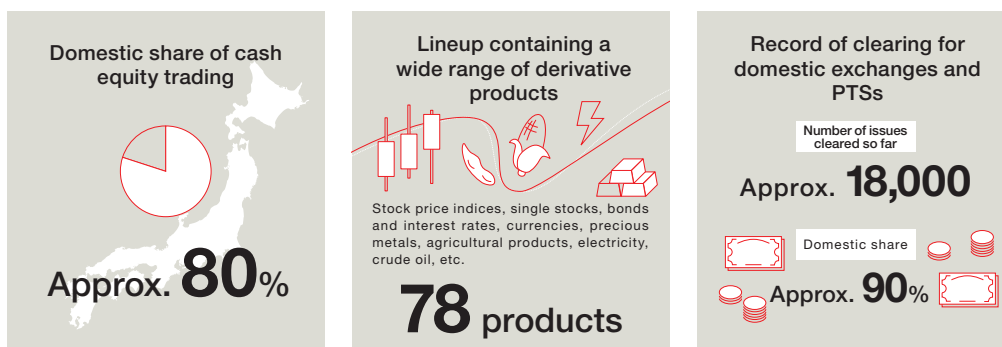


# What is JPX?

## Positioning JPX

### A Comprehensive Exchange Group That Plays a Central Role in Securities Trading in Japan

JPX is a comprehensive exchange group with subsidiaries that include Tokyo Stock Exchange (TSE), which is Japan's largest cash market; Osaka Exchange (OSE) and Tokyo Commodity Exchange (TOCOM), both of which offer a diverse lineup of derivative products; as well as a clearing house and a self-regulatory organization.



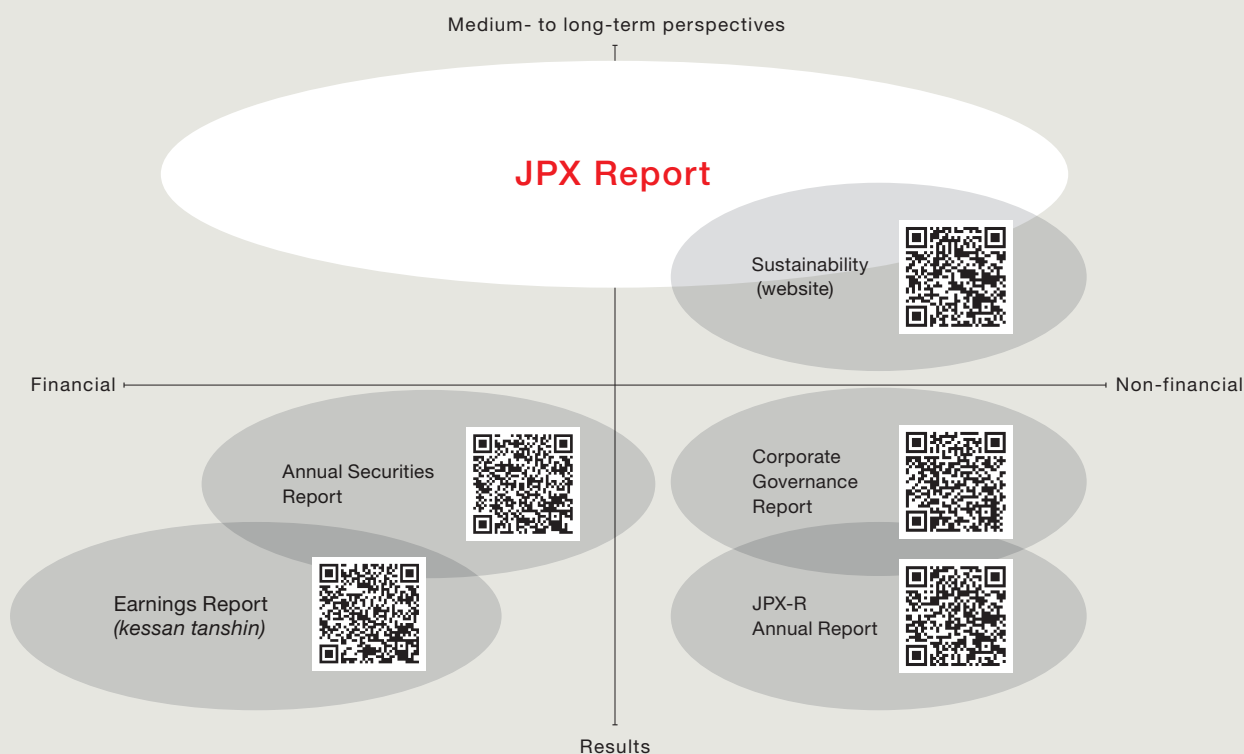
### Increasing Global Presence as the Key Market in Asia

JPX Group markets are global in nature: the companies listed on TSE have an aggregate market capitalization of JPY 1,213 trillion, making it the fifth-largest market in the world, and across the Group's markets, overseas investors account for over 60% of trading. In addition, the derivatives markets enable overseas investors to participate in real time, for example through night sessions and holiday trading.





## Positioning of Integrated Report



## Editorial Policy

The JPX Report has been published since the foundation of JPX in 2013. Currently, it is prepared as an integrated report designed to give an overview of JPX's value creation to a broad range of stakeholders by explaining the strategies and co-creation with stakeholders that contribute to realizing our corporate philosophy and considering these in relation to important financial and non-financial information.

This report has been compiled with reference to such materials as the IFRS Foundation's "Integrated Reporting Framework" and the "Guidance for Collaborative Value Creation" by the Ministry of Economy, Trade and Industry.



Information disclosure in line with the IFRS Foundation's SASB Standards  
<https://www.jpx.co.jp/english/corporate/sustainability/jpx-csg/sasb/index.html>

## Scope of Report and Other Information

### Scope of Report

Japan Exchange Group, Inc. and JPX Group companies

### Period Covered

April 1, 2025 to March 31, 2026

(This report may contain activities and data from before April 2025 or after March 2026.)

### Accounting Standards

Unless otherwise stated, the presentation of financial data follows the IFRS Accounting Standards.

### Disclaimer

This document is prepared solely for the purpose of providing information regarding JPX and does not constitute an offering or a solicitation of securities whether inside or outside Japan. JPX's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This document contains forward-looking statements. These statements are based on the information currently available to us as of the date of this document and our assumptions about uncertainties that may affect future results. There is no guarantee that such statements and assumptions will be realized in the future, and they may differ significantly from actual results. In addition, matters concerning the future outlook, including business strategy, reflect JPX's understanding at the date of this publication and contain certain risks and uncertainties. As a result, future outlooks and actual results do not always coincide. JPX disclaims any obligation to update any of the forward-looking statements contained in these materials to reflect actual future events or developments.

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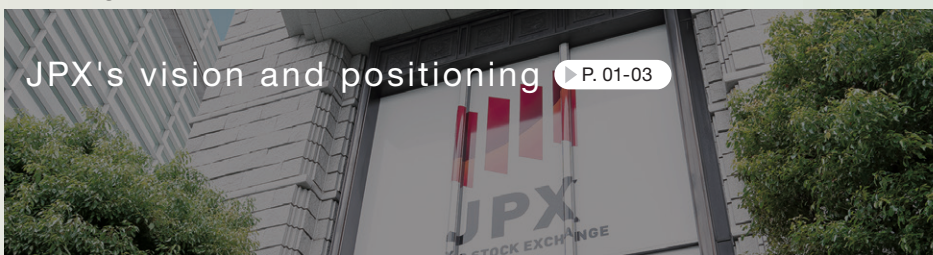
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## Key Points to Convey

### POINT 01



#### JPX's vision and positioning ▶ P. 01-03

We provide information in the introductory section to help readers understand JPX in areas such as its history, philosophy, future vision, and current positioning.

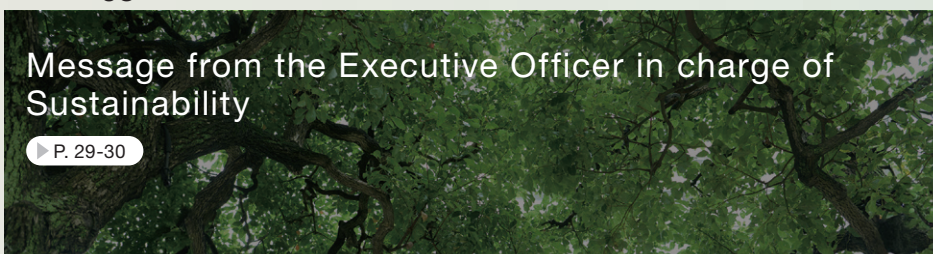
### POINT 02



#### Strengths of JPX as sources of value creation ▶ P. 15-16

We use specific data and other details to explain the various forms of capital that are both the source of corporate value generated by JPX and the strengths of JPX.

### POINT 03



#### Message from the Executive Officer in charge of Sustainability ▶ P. 29-30

The Senior Executive Officer in charge of Sustainability explains JPX Group's approach and policies regarding sustainability.

### POINT 04



#### Upward revision of the target in the Medium-Term Management Plan 2027 ▶ P. 34

Based on the ROE level of 23.1% achieved in FY2025, we have increased our financial target from "ROE of 18% or more in the final year of the Plan" to "ROE of 20.0% or more for three consecutive years." To achieve this target, we will promote initiatives for future growth while striving to diversify our business portfolio and stabilize our earnings base.

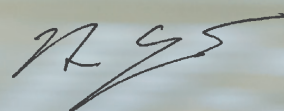


# Message From the CEO

Supporting a new phase of growth for Japan's financial and capital markets with a "market-in" approach, built on trust in the market

Director & Representative  
Executive Officer, Group CEO

Yamaji Hiromi



## KEY POINTS

- ① We will ensure equitable and fair market operations, especially in today's active market environment
- ② We will listen to feedback from market users and further advance the Medium-Term Management Plan 2027
- ③ We will promote operational efficiency and enhance market services by harnessing AI and data
- ④ We will maintain discipline by striking a balance between capital efficiency and shareholder returns
- ⑤ We will continue pursuing ongoing reform while balancing public visibility and growth

### JPX's unchanging mission

Japan's financial and capital markets are currently at a major turning point. Interest in Japan's markets among domestic and international investors is rising to new heights with an accelerating shift from savings to investment due to more widespread adoption of the new NISA and Japan transitioning to a positive-interest economy. These changes reflect the increasingly important role of the capital markets that constitute the investment chain.

JPX Group's mission is to provide fair and equitable trading opportunities and maintain stable market operations, regardless of the market environment. The true value of our market infrastructure is put to the test precisely when market prices are volatile and trading activity increases. I believe that continuing to fulfill our role as a market operator leads to greater support and trust from investors, which in turn is reflected in our stock price as an indicator of market valuation. For the first fiscal year of the Medium-Term Management Plan 2027, we achieved an ROE of 23.1%. At the same time, I find great significance in the fact that we have been steadily delivering on our mission in this environment.

The most significant change I have observed over the past year is the expanding investor base in the Japanese market. Overseas, we are seeing more contact not only with investors with experience in Japanese equity investment, but also with new investors who have not yet purchased Japanese equities but are currently learning about them. I sense that there is growing momentum in terms

of people reassessing the Japanese market as an investment option against the backdrop of factors that include signs of the Japanese economy emerging from deflation, improvements in Japanese corporate profitability, and expectations of progress in corporate governance reforms. In Japan, the growing adoption of the new NISA is expanding the investor base, particularly among younger age groups and working-age adults. Another important change with respect to the Japanese market is that companies as well as households are beginning to turn their attention to restructuring their business portfolios and harnessing their management resources.

These changes also provide tangible momentum toward the evolution into a global, comprehensive finance and information platform, as set forth in our Target 2030 long-term vision. I believe our role is to channel such momentum into sustainable growth, unencumbered by the ups and downs of short-term trends.

### Quality is what counts

In the Medium-Term Management Plan 2027, we have set the following three core themes: forge a new era for the Japanese stock market, strive to become a comprehensive platform, and collaborate for digital innovation. With the first fiscal year behind us, I believe these efforts are now entering a phase where we must further increase their effectiveness.

For the stock market, it is critical that we establish an environment that underpins the sustainable growth of listed companies. The key question going forward is whether each company is enhancing



its medium- to long-term corporate value while adopting a market perspective. This can also be seen as further improving the quality of listed companies. To such end, we continue to request listed companies, through TSE, to take "Action to Implement Management that is Conscious of Cost of Capital and Stock Price." Whereas progress has already been made with respect to initiatives among listed companies, in the next phase, we are asking companies to provide investors with explanations on the growth trajectories they envision and how they plan to allocate management resources to achieve such aims. Beyond disclosure, companies need to more extensively develop their unique approaches to enhancing corporate value through effective dialogue with investors.

From the perspective of becoming a comprehensive platform, the transition to a positive-interest economy is a major theme. JPX Group offers listed interest rate products such as Japanese Government Bond (JGB) Futures and 3-Month TONA Futures, as well as clearing services for interest rate swaps and over-the-counter (OTC) JGB transactions through Japan Securities Clearing Corporation (JSCC). These serve as both risk management tools and investment opportunities amid the changing interest rate environment.

A well-functioning secondary market underpins investor confidence and expectations in the primary market. Stimulation of interest rate-related markets broadens investment opportunities and enhances risk management tools for investors, and also leads to revenue opportunities for JPX Group.

In the digital domain, we will harness AI and data to provide greater value to market users. We will advance initiatives to elevate market credibility, convenience, and transparency through efforts that include developing more sophisticated examination/surveillance operations and other self-regulatory functions, enhancing information services for investors, and reducing the burden of disclosure operations for listed companies.

The three core themes are not intended solely to drive the growth of JPX Group. As a market operator, we seek to contribute to the further advancement of the government's initiative to promote Japan as a leading asset management center by enhancing market functions and supporting listed companies in their pursuit of growth. By heeding the feedback from market users and spurring the evolution of our services with a "market-in" approach, we will elevate the overall appeal of the Japanese market and establish market infrastructure that is the first choice for users in Japan and abroad.

---

## Changes driven by AI

There are two main reasons for our utilization of AI. One is the optimization of our own operations. The other is the enhancement of services for market

users, such as investors and listed companies.

Japan Exchange Regulation (JPX-R) has already begun utilizing AI in market surveillance and listing examination-related operations. Many transactions are executed in the market every day. In market surveillance operations, which entail investigation of market manipulation and other unfair transactions, the use of AI scoring has enabled staff to focus more on advanced analysis and surveillance. Harnessing AI in this way also leads to the overall development of more advanced and substantive self-regulatory functions that underpin market fairness and credibility.

Additionally, to achieve more widespread adoption of AI across the Group, we launched a company-wide AI promotion framework in FY2025. For instance, there are weekly "AI Monday" webinars open to all employees, where various departments share use cases and the outcomes achieved. AI does not automatically yield results just by being implemented. It is important that each employee initially has a clear sense of what aspects of their own work they want to improve and what kind of new value they are capable of creating. We have found that building on such practical AI applications has resulted in an average time saving of approximately 12 working hours per person per month, according to the results of an in-house survey.

On the other hand, services utilizing AI and data also contribute to providing value to investors and listed companies. For investors, we are enhancing access to the Japanese market and the convenience of obtaining information through services such as JPX Market Explorer, JPxData Portal, and J-LENS. For listed companies, we are considering the possibility



of offering new services through the next-generation TDnet, which supports the preparation and creation of disclosure materials. Enhancing convenience for market users ultimately leads to increased transparency and reliability of the entire market.

Going forward, it is important that we redirect the time savings and insights gained through the use of AI toward higher value-added tasks. We intend to enhance our reliability in serving as market infrastructure while also creating new services.

### Market accountability also applies to us

With respect to the financial target, we have increased our outlook from the initial Medium-Term Management Plan 2027 target of achieving "ROE of 18% or more in the final fiscal year" to a new target of achieving "ROE of 20% or more for three consecutive years." It demonstrates our commitment to continue efforts to enhance the appeal of the Japanese market.

To achieve this, it is important that we strike a balance between management that is conscious of capital efficiency and investment that supports future growth. As a listed company, we also need to implement management practices that meet the expectations of the market. From an investor's perspective, even if individual measures have been presented, it is difficult to evaluate the overall picture and to envision a trajectory for medium- to long-term growth unless a medium- to long-term strategy is clearly defined. Our capital policy lays out the overall framework for how best to allocate funds across IT investment, capital expenditure, R&D, M&A, human capital investment,

and shareholder returns, based on a three-year cash flow outlook.

Going forward, we intend to clearly articulate cash allocations and update them in response to changes in the business environment. Based on an expanded outlook for cash inflows, we have set a policy of increasing cumulative shareholder returns to around JPY 230.0 billion over the three years. However, in order to continue fulfilling our mission, investments for growth and strengthening the market infrastructure are also necessary. I believe it is possible to sustainably increase our corporate value by balancing capital efficiency with enhanced shareholder returns, while persisting with investments that underpin market credibility and resilience.

### Looking outward to look forward

The prospect of achieving sustainable growth and persistently venturing into new areas hinges on strengthening our human resources and corporate culture. Since assuming office as CEO, I have consistently emphasized internally the importance of listening to external feedback. As a company that provides market infrastructure, it is essential that we adopt a "market-in" mindset and leverage external feedback to improve our services.

The first step is to go out and engage directly with market users to obtain feedback and real-time information. The next step is to incorporate that external feedback into our efforts to improve our services and operations. In FY2025, we established the JPX Corporate Value Improvement Awards



Program to recognize initiatives for enhancing corporate value, such as improvements to operations and efficiency, challenges pursued from new perspectives, and cross-departmental efforts. JPX Group is an organization with substantial expertise in each of its business domains, including cash equities, derivatives, and clearing. It also maintains a strong commitment to stability in its day-to-day operations from the perspective of ensuring stable market operations. Although we were initially concerned about whether the awards could overcome these barriers, the initiatives submitted involved 36 teams and more than 350 employees and others, meaning that roughly one in four employees were involved in some way.

Above all, there were a significant number of projects rooted in day-to-day operations, such as those focusing on how to make our own work more efficient and how to enhance the services we provide to our customers.

These projects would not have materialized if employees had not approached their day-to-day work with an awareness that there might be room for improvement. Initiatives such as these awards go beyond simply boosting employee engagement in that they also foster the ability to identify challenges transcending departments and turn them into actual operational improvements and enhanced services. The goal is to raise service standards for market users and drive greater efficiency in our operations. I believe that these efforts will ultimately lead to increased profits and enhanced corporate value. I also believe that the foundation of our human capital lies in each employee taking ownership of this mindset, and that this will serve as a driving force that supports our future growth.

---

## Another leap forward as market infrastructure

As core infrastructure of Japan's financial and capital markets, JPX Group provides fair and equitable trading opportunities and stable market operations. This stands as the foundation of our public visibility and serves as a mission that remains unwavering no matter the environment.

At the same time, JPX is a listed company. We also have a responsibility to present our growth story and efforts to improve capital efficiency to our shareholders and investors. I believe that balancing public visibility and growth is what is required of our management. We have a diverse range of stakeholders. Our shareholders, domestic and international investors, listed companies, and securities companies all have diverse perspectives and needs. Precisely for this reason, the criterion we should ultimately return to is: What is best for the market? It is important to continue making decisions that contribute to the sustainable development of the entire market while listening to individual opinions.

There is no end to corporate governance reform at listed companies. It is essential to continuously strive to aim higher and maintain an attitude of endless improvement and enhancement. Such continuous reform is also required of us. As an entity responsible for market infrastructure, we aspire to be an inclusive and open organization where employees feel psychologically safe to express their views. Building on this organizational culture, we will contribute to the sustainable development of Japan's financial and capital markets by providing reliable market infrastructure and enhancing the appeal of the markets as we work toward evolving into a global, comprehensive finance and information platform, as set forth in the Target 2030.

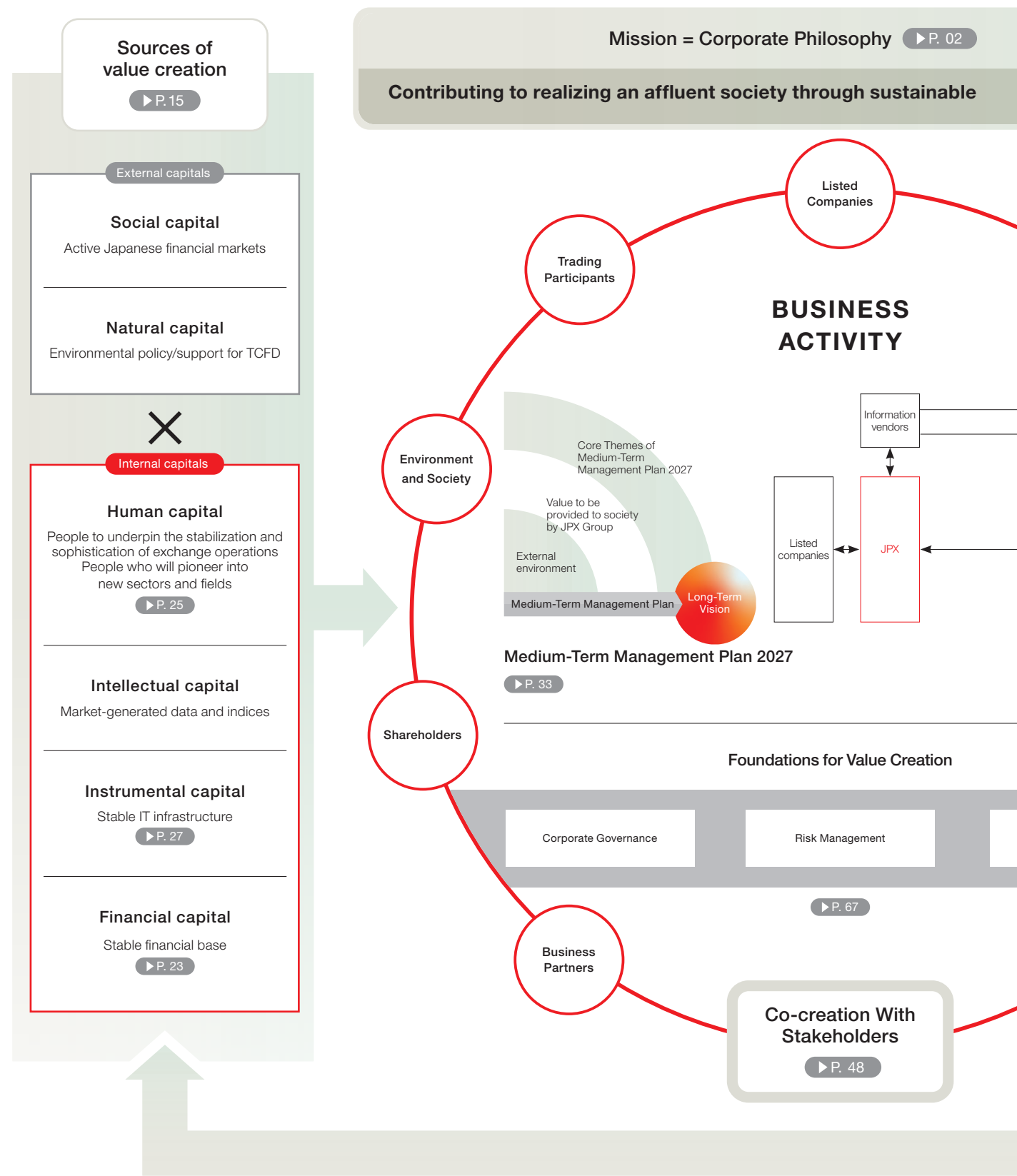


# Creating Value at JPX Group

In this chapter, we will present the overall picture of value creation through which JPX will achieve sustainable growth by leveraging its capitals and unique business model based on its Corporate Philosophy.

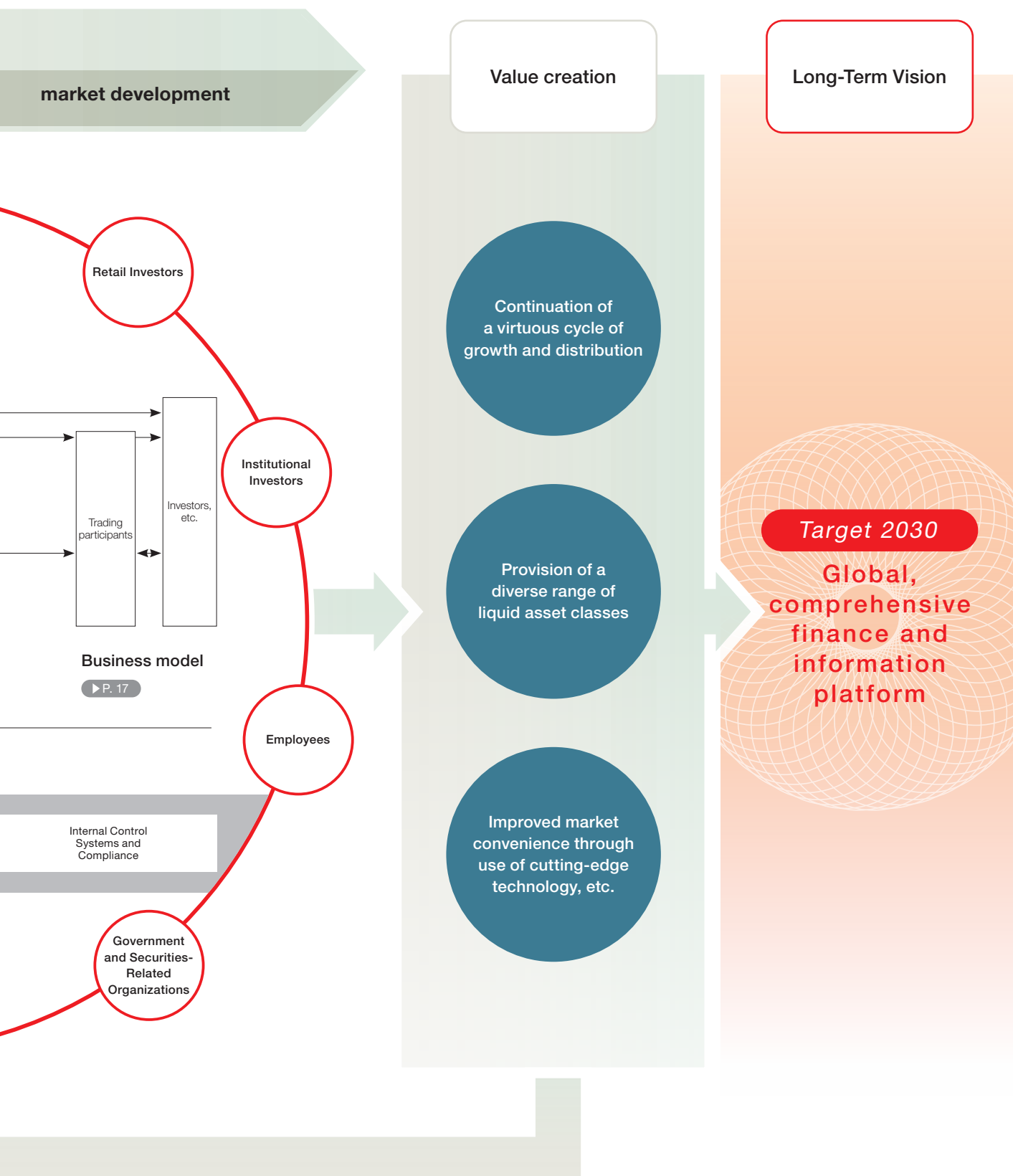


# Value Creation Process for Achieving Our Long-Term Vision





Building on the trust in the securities market developed over many years as a public institution, we will leverage our amassed capitals and strengths to maximize value through our unique business model and co-creation with diverse stakeholders.



# Sources and Strengths of Value Creation

The corporate value of JPX is created from a combination of internal capitals amassed through our distinctive business activities as social infrastructure with high public visibility—namely, financial and capital markets—and diverse external capitals originating from the environment and society.

JPX draws on the interrelationships among six types of capital to elevate market credibility, resilience, and competitiveness, thereby achieving fair and equitable market operations and long-term enhancement of corporate value. These six types of capital consist of: (1) diverse and specialized human capital that supports stable market functions while taking on challenges in new sectors and fields, (2) intellectual capital that includes data and indices generated through market operations, (3) instrumental capital that includes sophisticated trading systems underpinning stable public social infrastructure, (4) financial capital amassed through stable market operations, (5) social capital that includes listed companies and investors that support a vibrant Japanese economy, and (6) natural capital that now covers the system operations accounting for the majority of energy used in our business activities.



## External capitals

### Social capital

Active Japanese financial markets

IPOs in FY2025

**99**

Household financial assets

JPY **2,386** trillion

### Natural capital

Environmental policy/support for TCFD

Group-wide electricity consumption in FY2025

**30.53** million kWh

Ratio of renewable energy usage

**100%**

## Internal capitals

### Human capital

People to underpin the stabilization and sophistication of exchange operations  
People who will pioneer into new sectors and fields

Ratio of female employees

**30.9%** (1,252)

Work Engagement score

**64.5** points

### Instrumental capital

Stable and reliable IT infrastructure

Trading system uptime ratio in FY2025

**100%**

Average number of orders processed on arrowhead

**152** million per day

### Intellectual capital

Market-generated data and indices

Information services revenue

JPY **33,669** million

Assets under management linked to TOPIX

Approx. JPY **140** trillion  
(JPX's estimate)

### Financial capital

Stable financial base

Operating revenue

JPY **198,735** million

Net income

JPY **79,139** million

Fusing our superior market infrastructure with our unique intellectual capital

***Exchange & beyond***

Unique expertise in exchange operations  
fostered over our long history

New challenges that we can tackle as  
Japan's only comprehensive exchange



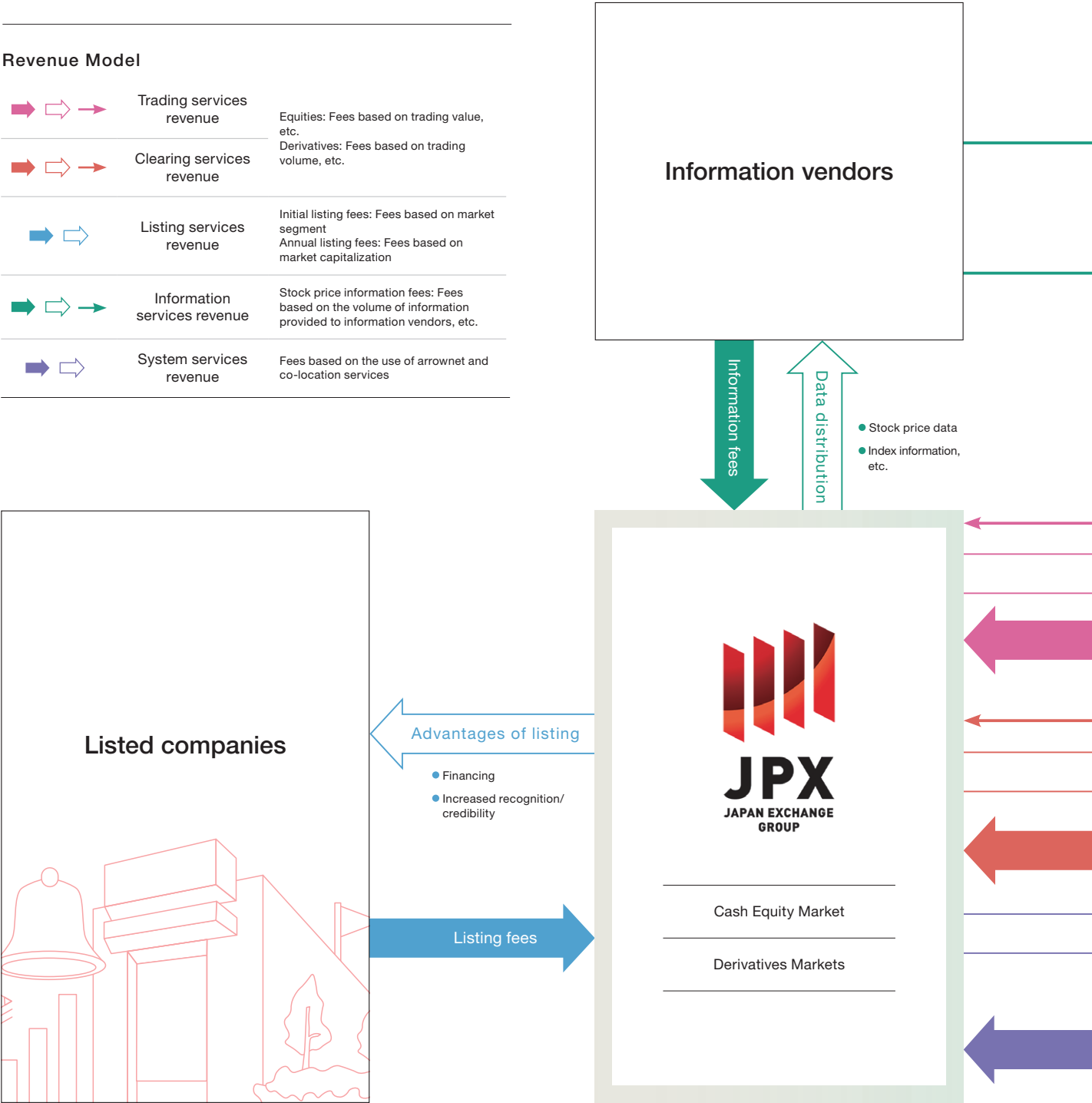
# JPX Group's Business Model

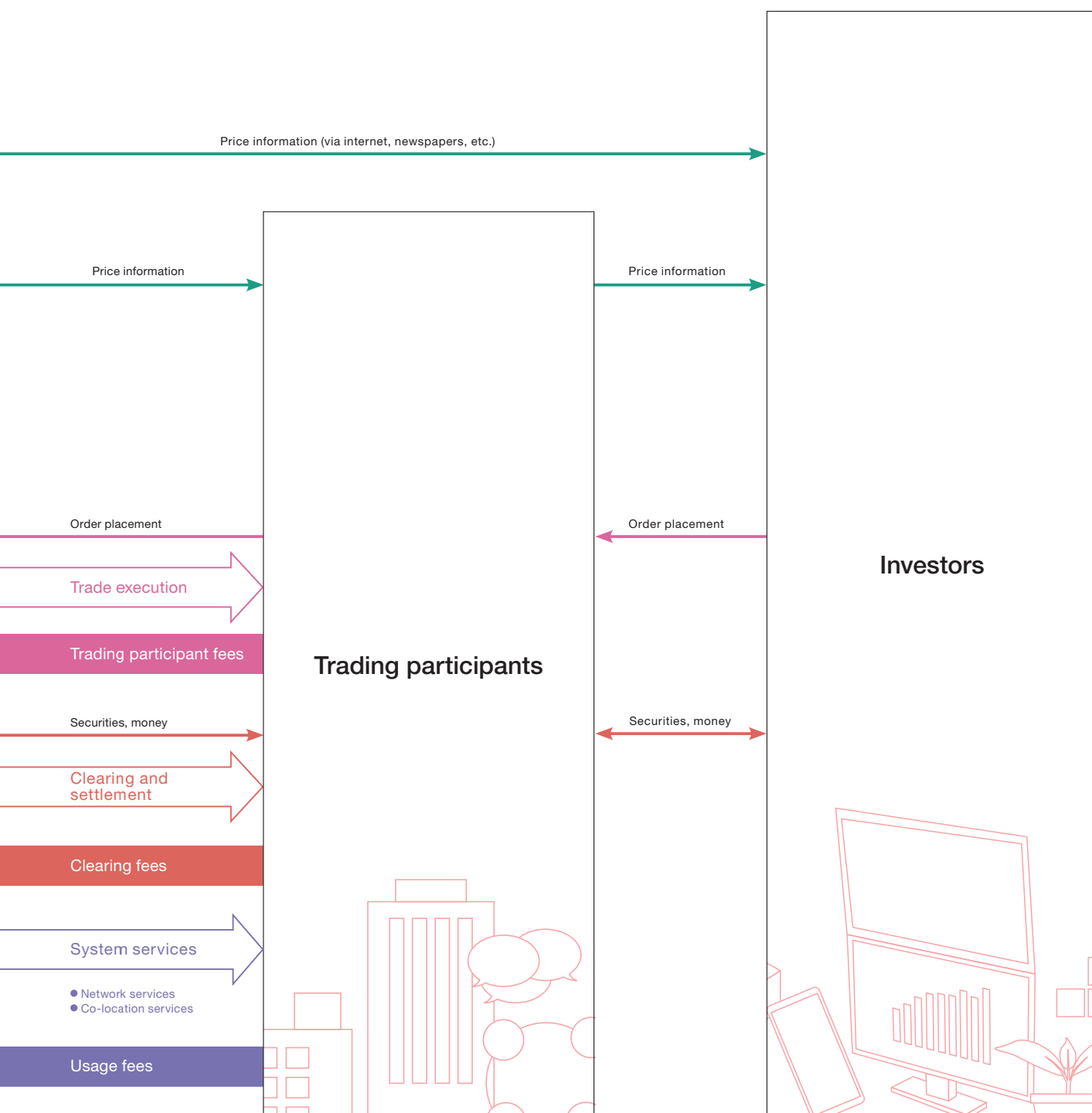
JPX Group provides fair, secure, and reliable market infrastructure, and in return receives fees from securities firms and other trading participants, listed companies, information vendors, and other market users. Specifically, our sources of income are mainly composed of (1) trading services revenue, (2) clearing services revenue, (3) listing services revenue, (4) information services revenue, and (5) system services revenue.

Operating Revenue in FY2025 ▶ P. 90

## Revenue Model

|                                                                                     |                              |                                                                                                                |
|-------------------------------------------------------------------------------------|------------------------------|----------------------------------------------------------------------------------------------------------------|
|    | Trading services revenue     | Equities: Fees based on trading value, etc.<br>Derivatives: Fees based on trading volume, etc.                 |
|    | Clearing services revenue    |                                                                                                                |
|    | Listing services revenue     | Initial listing fees: Fees based on market segment<br>Annual listing fees: Fees based on market capitalization |
|  | Information services revenue | Stock price information fees: Fees based on the volume of information provided to information vendors, etc.    |
|  | System services revenue      | Fees based on the use of arrownet and co-location services                                                     |





# JPX Group Companies' Missions and Roles

## Cash Equity Market

### Tokyo Stock Exchange

#### Mission

- We will realize an affluent society by promoting improvements in corporate value at listed companies, thereby contributing to the building of a sustainable and strong economic and social infrastructure, and asset formation by the public
- We will contribute to the protection of investors and the sound development of the national economy by using trading to enable fair and smooth price formation in the markets
- In addition to stable market operations, we will improve market convenience and reliability through various measures that contribute to improving market functions

#### Perceived Strengths

- Listing of many companies representing the Japanese economy and providing funding opportunities to leading start-ups
- One of the world's largest markets, with a diverse investor base that includes retail investors as well as Japanese and overseas institutional investors
- Trust from and cooperation with market participants built over time
- Safe and reliable cash equity trading system

#### Perceived Risks

- Diminishing trading volume, decreasing supply of investment funds, and stagnating economic activity among listed companies (and start-ups) associated with a deteriorating market environment due to factors such as economic downturns in Japan and abroad
- Risk of no progress in enhancing quality of capital markets
- Reduced liquidity due to a higher share of off-exchange trading

## Derivatives Markets

### Osaka Exchange / Tokyo Commodity Exchange

#### Mission

- Through the proper operation of a convenient and transparent listed derivatives market, we will provide domestic and overseas market participants with efficient and effective hedging and asset management opportunities, provide solutions in response to societal issues and economic conditions in Japan and abroad, and sustainably develop the market.

#### Perceived Strengths

- Our reliability as a market operator that we have built over time as both a traditional securities exchange and a pioneering derivatives exchange
- A comprehensive exchange handling a wide range of derivatives products whose underlying assets are equities, interest rates, commodities, and energy products
- A diverse base of market participants and resulting high market liquidity

#### Perceived Risks

- Risk of reduced liquidity due to a decrease in trading volume caused by diminished demand for the use of hedging against price fluctuation risks prompted by changes in society, monetary policies, industrial structures, or other aspects in Japan or abroad, or a decrease in the number of trading participants who handle customer orders and deliveries
- Risk of reduced liquidity due to competition with Japanese and overseas exchanges/alternative markets that handle similar products





## Market-Related Services

### JPX Market Innovation & Research

#### Mission

- Through collaboration with partner companies and the proactive introduction of cutting-edge technologies such as AI, we will strive to further improve the investment environment by expanding the coverage and improving the flow of data related to listed companies and markets as well as providing services that enhance analytical efficiency, thereby contributing to stimulation of the securities market and enhancement of JPX Group's corporate value.

#### Perceived Strengths

- A strong client base centered on TOPIX and a highly fair, transparent, and neutral index management system
- Ability to develop matching services built on foundations and know-how cultivated as market infrastructure
- Extensive experience in using AI, blockchain, cloud, and other digital technologies and increased experience in collaborating with external partners
- In-house development capabilities to provide services speedily and to respond quickly to customer needs and societal changes

#### Perceived Risks

- Intensifying international competition in the data business field
- Declining appeal of services due to lagging behind the rapid changes in customer needs and the pace of technological innovation
- Decline in the number of service users due to diminishing appeal of Japan's financial and capital markets

## Clearing

### Japan Securities Clearing Corporation

#### Mission

- We will contribute to sustainable development of the market economy by providing the foundations for abundant liquidity and smooth price formation for diverse markets, whether on exchange or over the counter, through improving settlement efficiency and ensuring trade security.

#### Perceived Strengths

- Over 20 years of experience in providing clearing functions to various markets in Japan
- High-level risk management with an awareness of global standards
- Providing centralized clearing services for various markets and trades
- Highly trustworthy and convenient clearing services based on close communications with clearing participants and investors in Japan and abroad

#### Perceived Risks

- Risk of inability to complete an appropriate default settlement of a clearing participant, which has a significant impact on other clearing participants and in turn the entire market, due to inadequate or inappropriate operation of risk management systems
- Risk of difficulty continuing operations as the social infrastructure that supports the market economy due to events such as system failures and natural disasters

## Self-Regulatory Function

### Japan Exchange Regulation

#### Mission

- We will contribute to facilitating the cycle of sustainable corporate growth and asset formation among the public by supporting sustainable development of markets through self-regulatory functions, including maintaining listed company eligibility, preventing unfair trading, and ensuring soundness of securities companies and other trading participants.

#### Perceived Strengths

- Organizational structure that enables management and operations from a neutral position
- Substantial expertise based on familiarity with market functions and characteristics

#### Perceived Risks

- Emergence of new types of unfair trading accompanying shift to more sophisticated and rapid trading methods
- Impairment of market credibility due to incidents of fraudulent accounting among listed companies and companies applying for listing

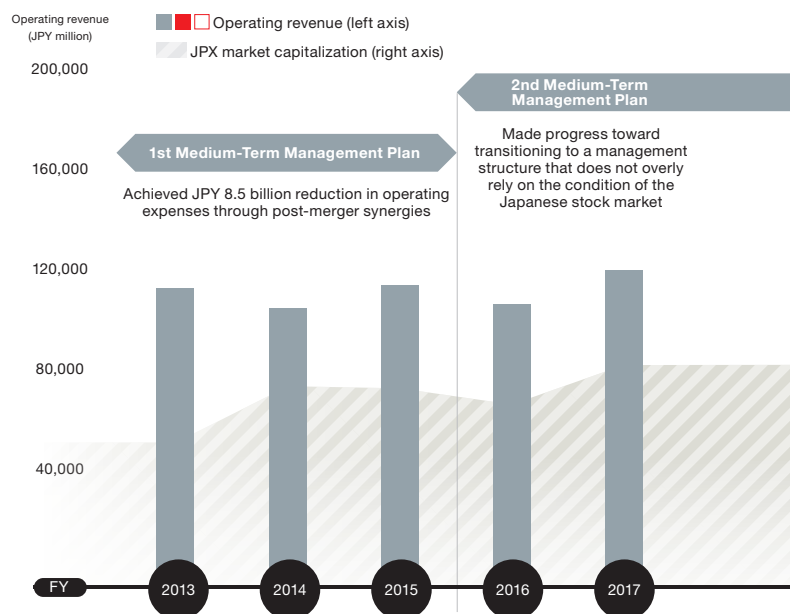
# Strategies and Initiatives for Creating Value



## History of Value Creation

JPX is a financial instruments exchange holding company group that was established through the merger between Tokyo Stock Exchange Group and Osaka Securities Exchange on January 1, 2013.

Since its establishment, while working to realize post-merger synergies and transform its management structure, JPX has engaged in initiatives to expand its business fields such as welcoming TOCOM as a partner



### 1 2013

- JPX formed through the merger between TSE Group and OSE



- Expansion of OTC clearing business through clearing house merger

Japan Securities Clearing Corporation (JSCC) and Japan Government Bond Clearing Corporation (JGBCC) merged. The clearing operations related to OTC Japanese government bonds that had been carried out by JGBCC were taken over by JSCC, making JSCC a clearing house that handles a wide range of yen interest rate instruments in addition to clearing operations for Japanese government bond futures trading and interest rate swap trading.

### 2 2019

- TOCOM acquired as a subsidiary

JPX merged with TOCOM to create a comprehensive exchange that enables one-stop trading for a wide range of instruments from financial instruments to commodities. Futures and options on precious metals, rubber, and agricultural commodities that were listed on TOCOM were transferred to OSE in 2020. In conjunction with this, JSCC and Japan Commodity Clearing House Co., Ltd. (JCCH) completed their merger, and the comprehensive exchange commenced full operations.



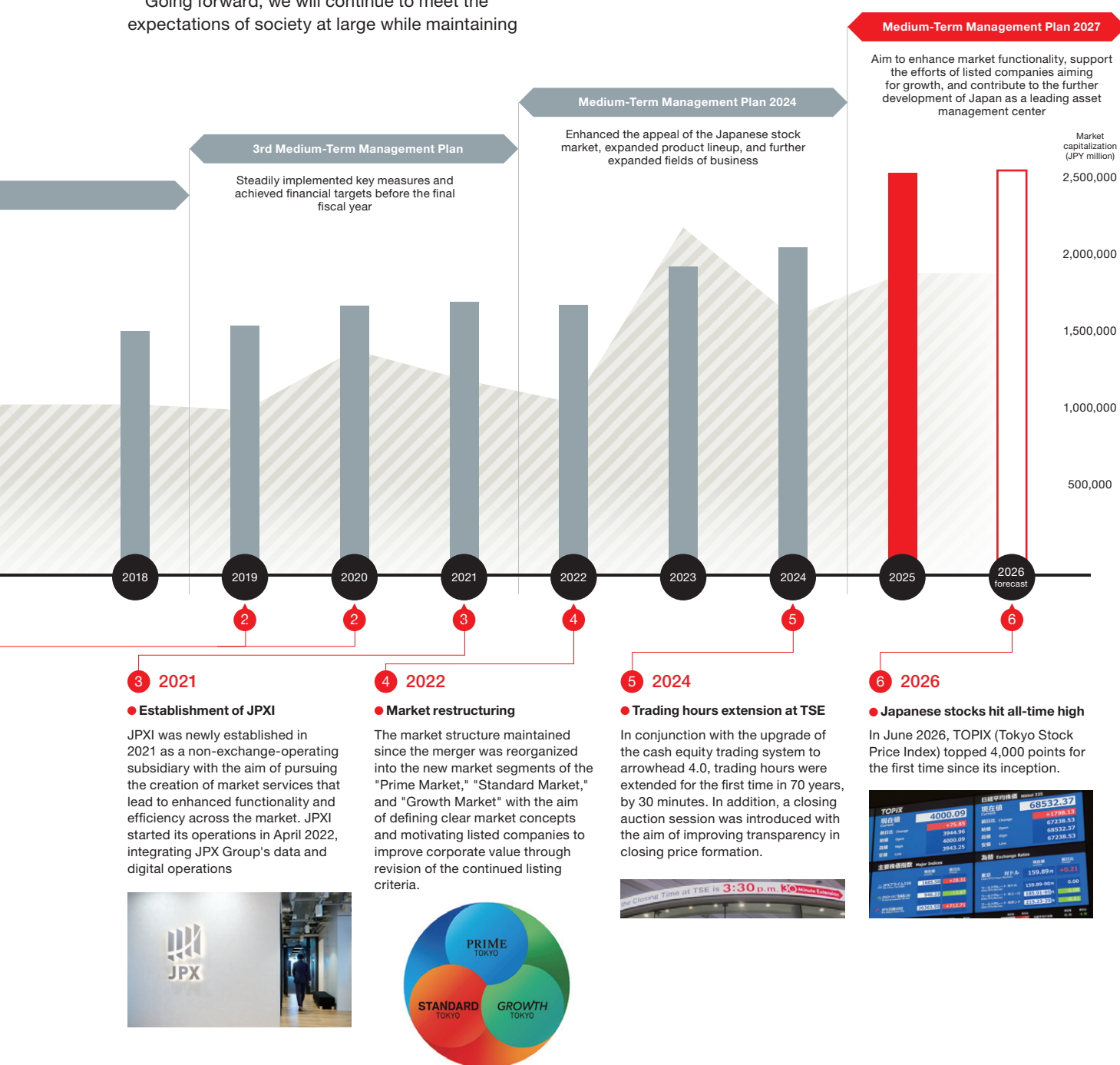
to create a comprehensive exchange and establishing JPX Market Innovation & Research to handle market data and digital operations.

JPX is further reinforcing the stable operation of the markets that serve as the foundation of its exchange, while also actively venturing into new fields.

Going forward, we will continue to meet the expectations of society at large while maintaining

both our public visibility as market infrastructure and our growth potential as a business entity, thereby contributing to sustainable improvements in corporate value and the development of Japan's capital markets.

For the history of JPX, please view the following webpage  
<https://www.jpx.co.jp/english/corporate/about-jpx/history/index.html>



# Financial Strategy

Senior Executive  
Officer & CFO

Kawai Hiroki



## Message from the CFO

# Supporting sustainable market development by promoting future-focused investments while keeping a balance between shareholder returns and financial resilience

### Review of FY2025

In FY2025, the Japanese stock market maintained a strong upward trajectory, with TOPIX reaching 3,938 points and the Nikkei 225 setting a new record high of JPY 58,850. The markets remained active throughout the year against this backdrop of strong stock prices, with average daily trading value of cash equities amounting to JPY 7.5 trillion, a record high for the sixth consecutive year.

Underpinned by this market environment, we steadily advanced various initiatives in the first year of the Medium-Term Management Plan 2027. In addition to continued progress in corporate governance reforms at listed companies, JPX Group has also been expanding its businesses beyond Japanese equities, with a particular focus on interest rate- and data-related businesses.

As a result, JPX marked record highs across the board in FY2025, with operating revenue of JPY 198.7 billion, operating income of JPY 116.2 billion, and net income (attributable to owners of the parent company) of JPY 79.1 billion, resulting in ROE of 23.1%.

### Financial targets and capital policy for the Medium-Term Management Plan 2027

#### Financial targets

In the Medium-Term Management Plan 2027, we set "ROE of 18.0% or more" in the final fiscal year as a financial target from the perspective of promoting greater capital efficiency in management. In the update announced in April 2026, we revised the target to "ROE of 20.0% or more for three consecutive years," taking into account the ROE level achieved in FY2025 and our belief that a consistently high ROE should be achieved even amid the heightened uncertainty surrounding the future outlook. This target level significantly exceeds the figures for cost of shareholders' equity that we estimated using standard calculation methods. Meanwhile, we will aim not only to achieve this target but to exceed it. To that end, we will promote initiatives for future growth while diversifying our business portfolio and stabilizing our earnings base.



## Capital policy

JPX formulates and advances its capital policy based on its basic policy to "support the sustainable development and evolution of the market by making constant investment while keeping a balance between shareholder returns and financial resilience for stable market operations."

From the standpoint that maintaining a robust financial base is essential for stable market operations, we estimate that the minimum required equity capital level is approximately JPY 270.0 billion as of April 2026. Although this level is trending upward due to factors including the expansion of our clearing business, we will work toward optimizing the equity capital level by first prioritizing investment for growth, while taking into account the business environment and maintaining the minimum required equity capital level, and implementing shareholder returns.

In the Medium-Term Management Plan 2027, we have disclosed our three-year cash allocation plan to share with our shareholders and investors our approach to securing a robust financial base, making future-focused investments for market development, and enhancing shareholder returns, with the aim of facilitating future dialogue. In the updated plan that was published in April 2026, we raised our three-year operating cash flow outlook and increased our target for shareholder returns for the three years of the Plan. We based this on FY2025 results and FY2026 earnings forecasts, and it is in line with our ongoing commitment to promote future-focused investments while enhancing shareholder returns.

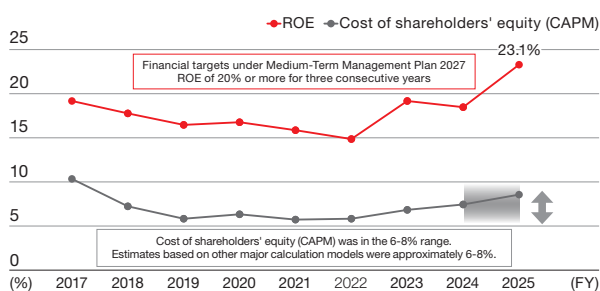
For future-focused investments, we will focus on three pillars: "investment for growth" in the fields of interest rates, data, and digital technology; "strengthening market foundations" to strengthen our self-regulatory

function and enhance system reliability and resilience; and "human capital investment," which includes developing an environment where all employees can demonstrate their abilities. With respect to future investment for growth, we will also consider the use of loans and other forms of debt financing while maintaining financial soundness.

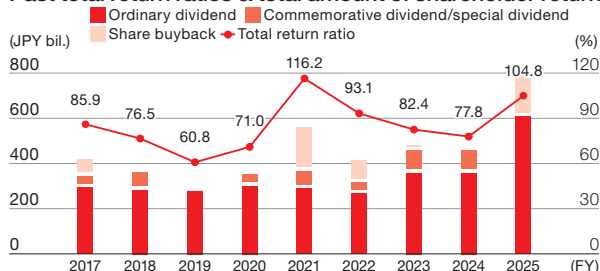
Regarding shareholder returns, we have set our dividend payout ratio policy for ordinary dividends to "at least 60%" and plan to return a total of approximately JPY 230.0 billion over three years (including approximately JPY 60.0 billion for acquisition of own shares). In FY2025, we acquired approximately JPY 20.0 billion of our own shares and paid dividends of JPY 61 per share (JPY 25 per share at the end of the second quarter; JPY 36 per share at the end of the fiscal year), resulting in a total return ratio of 104.8%. We will continue to flexibly consider further shareholder returns while taking into account the financial situation and other factors.

Through these initiatives, we seek to maintain capital profitability that exceeds capital cost over the medium to long term, irrespective of market conditions. Going forward, I will continue to take the lead as CFO with respect to engaging in dialogue with a broad range of stakeholders to further their understanding of JPX's growth strategy and its financial and capital strategy. At the same time, I will ensure that feedback received through such dialogue is properly reflected in our management, thereby giving rise to the sustainable enhancement of our corporate value and the development of Japan's capital markets.

## ROE and cost of shareholders' equity



## Past total return ratios & total amount of shareholder returns



## Cash allocation for three years of Medium-Term Management Plan 2027

| Cash In                                                                                                                                                                                                                                                                                                                                                      | Cash Out                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Operating cash flows, etc.<br/>Approx. JPY <b>340.0</b> bil.</p> <p>(Note 1) Including cash on hand; excluding working capital.<br/>(Note 2) Calculated based on the assumption that average daily trading value of stocks, etc. over the three years is JPY 7.5 trillion. May increase or decrease depending on market conditions and other reasons.</p> | <p>Redemption of corporate bonds<br/>JPY <b>20.0</b> bil.</p>                                                                                                                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                              | <p>System investment<br/>Approx. JPY <b>45.0</b> bil.<br/>(Note) May increase/decrease depending on schedule of system upgrades, etc.</p>                                                                                                             |
|                                                                                                                                                                                                                                                                                                                                                              | <p>Returns to shareholders<br/>Approx. JPY <b>230.0</b> bil.<br/>(including acquisition of approx. JPY 60.0 bil. of own shares)<br/>(Note) May increase/decrease depending on market conditions, future investment for growth, and other reasons.</p> |
| Financing cash flows                                                                                                                                                                                                                                                                                                                                         | Investment for growth                                                                                                                                                                                                                                 |

# Human Resources Strategy



Executive Vice President  
Human Resources

**Ao Katsumi**

## Message from an Executive Officer

### Achieving sustainable growth and enhanced corporate value by investing in human resources and fostering our corporate culture

#### Our long-term vision will be achieved through human resources

The driving force behind JPX Group is our employees. Based on the idea that the growth of individual employees leads to the growth of the company, we are moving forward with various initiatives in accordance with our approach to human capital management.

We focus at all times on the principles of contributing to the realization of an affluent society, which is stated in our corporate philosophy, and of contributing to sustainable societal and economic development, as stated in the Target 2030 long-term vision. In parallel with these, our basic policy for the Medium-Term Management Plan 2027 is "Exchange & beyond," which expresses our determination to strengthen stable market operations while also advancing in new sectors and fields, a goal toward which we work every day.

In order to realize this corporate philosophy while focusing on the future of the economy and society, it is extremely important to achieve the balanced development of the three objectives of ensuring reliability and public visibility, laying the foundation of a market

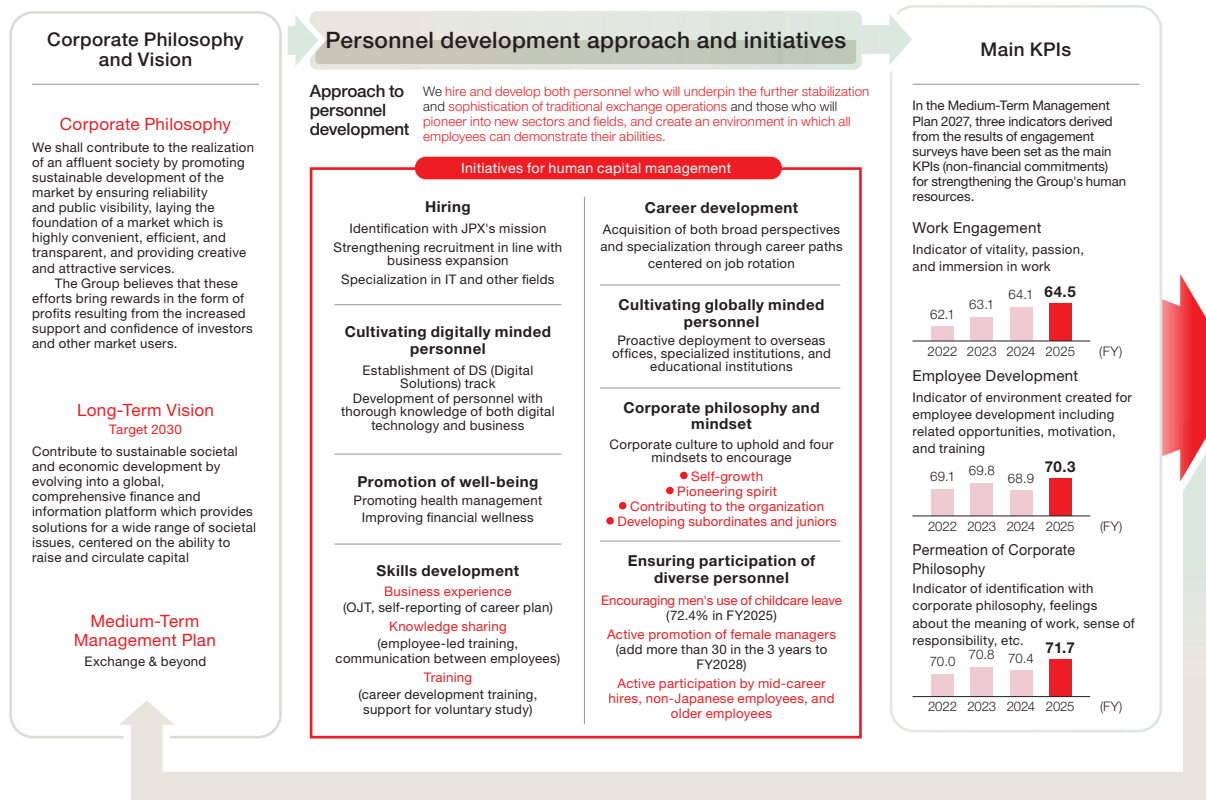
which is highly convenient, efficient, and transparent, and providing creative and attractive services. We value each of the employees who are the driving force behind realizing this vision.

#### Basic approach to personnel development and developing the right environment

In accordance with this thinking, the Group's basic approach to personnel development is to (1) hire and develop not only people who will underpin the further stabilization and sophistication of traditional exchange operations but also those who will pioneer into new sectors and fields, and (2) create an environment in which all employees can demonstrate their abilities. In this way, the Group seeks to promote a unified approach to recruitment, development, and the creation of an appropriate environment for employees in order to facilitate the realization of the JPX vision.

In (1), particularly from the perspective of personnel development, the Group promotes a systematic program of skills development based on the three pillars of business experience, knowledge sharing, and

## Initiatives and KPIs for personnel development and human capital management



training. In addition to programs such as job rotation, internal recruitment, secondments overseas, and in-house side jobs, we strive to create an environment that helps employees absorb specialist knowledge and the latest information to acquire a broader perspective and the ability to think more openly, for example through supporting voluntary study. In FY2025, a total of 713 employees took advantage of programs supporting voluntary studies, significantly exceeding the target of 500. For (2), with the aim of creating an environment in which employees find it easy to work, to enable all employees to continue playing an active role, we have established support systems for childcare, nursing care, and illness, as well as creating an environment that allows for career advancement even when facing various life events.

In addition, in order to ensure that employees are physically and mentally healthy and can work with passion and vitality, we are using initiatives related to health management, the dissemination of information internally, and other means to provide an environment in which employees can fully demonstrate their abilities.

### Ongoing initiatives to foster our corporate culture

As the foundation for employee activity, corporate culture is also important. JPX Group believes that the strengths of its corporate culture include strong resonance with the above-mentioned corporate philosophy, a sense of duty for the operation of securities markets, and a climate of openness. In order to provide an even more reliable market foundation going forward while continuing to

value this corporate culture, we will emphasize the importance of each employee strongly identifying with the Group's corporate philosophy, finding meaning in their own work, and continuing to carry out their duties with a sense of responsibility. We are working continuously to foster a corporate culture in which the philosophy is not only understood but can also be embodied in day-to-day communication and operations.

### Steady progress toward achieving our commitment

In terms of the outcomes of these initiatives, the Company achieved a "work engagement" score of 64.5 in FY2025 (64.1 in the previous fiscal year), an "employee development" score of 70.3 (previously 68.9), and a "permeation of corporate philosophy" score of 71.7 (previously 70.4). This constitutes steady progress toward attaining high scores in each of these indicators, in line with the non-financial commitment made in the Medium-Term Management Plan 2027.

Going forward, in the midst of significant changes in the business environment, we will work to ensure that each employee remains aware of self-growth and the need to take on challenges, enabling us to generate new value as an organization. While valuing each and every employee, as well as the corporate culture we have nurtured to date, JPX Group will raise the quality of human capital by creating an environment in which employees can study voluntarily under their own motivation, then demonstrate the obtained capabilities to the fullest, thereby enabling the whole organization to work as one to further improve JPX's corporate value.

# IT Strategy

## Message from the CIO

### Pioneering JPX Group's transformation and value creation with an IT strategy based on high reliability



Senior Executive Officer & CIO

**Takura Satoshi**

#### Update of the IT Master Plan

JPX has formulated the IT Master Plan to help achieve its Medium-Term Management Plan by aligning efforts on IT with business strategy. In FY2026, the second year of the Medium-Term Management Plan 2027, we updated the IT Master Plan to reflect changes in the external environment and advances in technology. In this update, from the perspective of accelerating value creation through IT, we set out "enhancement of market operations" and "development of the next generation of data services" as priority areas to achieve through utilizing AI and data. For enhancement of market operations, we will further increase the fairness and reliability of the markets by bringing further sophistication to the detection of unfair trading and to investigations and monitoring. For development of the next generation of data services, we will leverage external data in addition to JPX's own diverse data assets to create new value propositions and expand customer contact points.

#### Further utilization of AI and data

As a core technology to support these initiatives, we are promoting the utilization of AI across the Group. In FY2025, our employees saved an average of approximately 12 working hours per month as a result of efforts to enhance operational efficiency. Now, we will widen the scope of these measures beyond efficiency to include JPX's core operations, looking to enhance market monitoring and increase value added to data services, thereby creating new value.

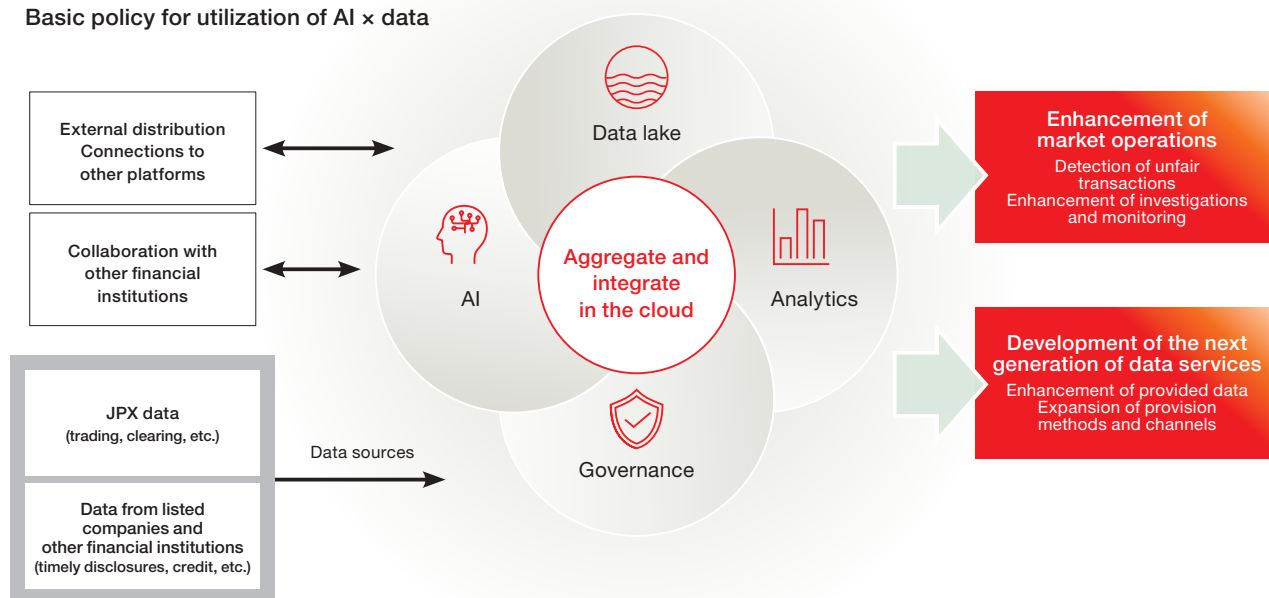
To contribute to the increased efficiency and sophistication of the overall securities industry, we are conducting research into a common data platform to consolidate and distribute securities-related information. In this way, we will contribute to resolving issues in the industry and enhancing the convenience of the market.

#### Steady progress on core system upgrades

JPX's core operations are supported by the derivatives trading system, which we plan to upgrade around the second half of 2028. Our aims are to secure the high level



### Basic policy for utilization of AI × data



of reliability and availability required of financial market infrastructure, and to build a system infrastructure that can adapt flexibly to future expansion in trading and changes in the environment.

Moreover, in our upgrade of the Timely Disclosure Network (TDnet), we will utilize cloud computing to secure high reliability and availability, while enhancing cyber security measures. In addition, we plan to introduce disclosure support tools that use generative AI, and we are working to provide new services that help to improve the disclosure operations of listed companies.

### Actions on cybersecurity

As cyberattacks grow increasingly sophisticated and complex, ensuring cybersecurity has become a priority issue for JPX Group as part of the infrastructure of the financial markets. With the arrival of the AI era in particular, systems for both attacks and defense have been advancing and accelerating, creating the need for even more effective countermeasures.

Led by management, JPX Group is making use of cutting-edge technologies such as cloud computing and AI to advance multilevel security countermeasures on an ongoing basis. We are also working to strengthen our responsiveness and resilience to incidents through cooperation with relevant institutions and practical drills.

Looking ahead, we will make continuous revisions and improvements in light of environmental changes as we strive to ensure the high level of reliability required of financial market infrastructure.

### IT driving reliability and growth

For JPX Group, IT serves as the foundation supporting market fairness and reliability, as well as an important source of competitive advantage for achieving new value creation. Going forward, while strictly maintaining stable market operations, we will go on breaking new ground using data and digital technologies to contribute to the achievement of the Medium-Term Management Plan 2027 and the long-term vision, Target 2030.



Supporting stable market operations through system monitoring

# Approach to Sustainability

## Message from an Executive Officer

### Achieving a sustainable society through the development of trusted markets

Given that an exchange is not merely a business entity but supports society by serving as infrastructure that underpins the very foundation of capital markets, we are keenly aware of the gravity of this responsibility. Accordingly, sustainability is not the purview of a single department, but is an important issue that must be incorporated into management itself. We consider it our mission to contribute to addressing social issues through market mechanisms.

#### Corporate value enhancement initiatives based on the Medium-Term Management Plan

We are working to enhance corporate value across six key areas set forth in the Medium-Term Management Plan 2027. These consist of "stable asset formation for households," "stable market operations," "promoting sustainable finance," "addressing climate change," "human capital management," and "actions on cybersecurity."

Funds provided by investors to companies support corporate sustainable growth and value creation. This value then allows households to build up their assets, in turn leading to further investment. To achieve such outcomes, we help drive the sustainable growth of listed companies by reforming listing rules, promoting corporate governance, and facilitating engagement with investors. At the same time, we encourage a diverse range of investors to participate in the market by continually improving trading rules, enhancing financial and economic education, and other such initiatives. Market operations, too, constitute a cornerstone of our credibility. By achieving stable operation of market infrastructure and enhancing our BCP system, we strive to improve resilience in order to maintain market functions in both normal times and during emergencies. In addition, we recognize that the foundations of capital markets are underpinned by the market transparency and fairness that come from ongoing reinforcement of self-regulatory functions and their appropriate execution. We also recognize that ensuring market credibility in itself plays an important role in stabilizing society and driving economic growth. Furthermore, promoting sustainable finance is essential if we are to simultaneously address social issues and achieve market development. We are working to encourage the



Senior Executive Officer  
Sustainability

**Yoshida Masanori**

#### Management philosophy centered on sustainability

At JPX Group, we place sustainability at the core of our management, guided by our corporate philosophy, which is to "contribute to the realization of an affluent society by promoting sustainable development of the market."

spread of sustainable finance by enhancing sustainability disclosure by listed companies and establishing an environment that enables investors to appropriately evaluate companies. In addition, by establishing an information platform for ESG bonds and taking part in international discussions, we will shape mechanisms that channel capital to areas of high social value, thereby helping to build a sustainable society.

We are making steady progress toward addressing climate change, which we consider a key management issue. Since FY2024, we have been carbon neutral for Scope 1 and Scope 2 GHG emissions through efforts that include switching to renewable energy sources for the electricity that powers our exchange operations. We are also using market functions to contribute to the transition to a decarbonized society, for example through the provision of a market for emissions trading. This reflects our role in not only reducing our own environmental impact but also helping to address social issues across the entire market.

### Sustainability governance and risk management

What underpins these initiatives is our governance and risk management systems. Under the supervision of the board of directors, we have built a company-wide framework for driving sustainability that is centered

on the Sustainability Committee, the Risk Policy Committee, and the Risk Management Committee. With sustainability-related risks and opportunities classified as significant business risks, we take an integrated approach to formulating strategy, managing risk, and disclosing information, which involves regularly monitoring such risks and ensuring that such findings are reflected in management.

### Future vision for sustainable value creation

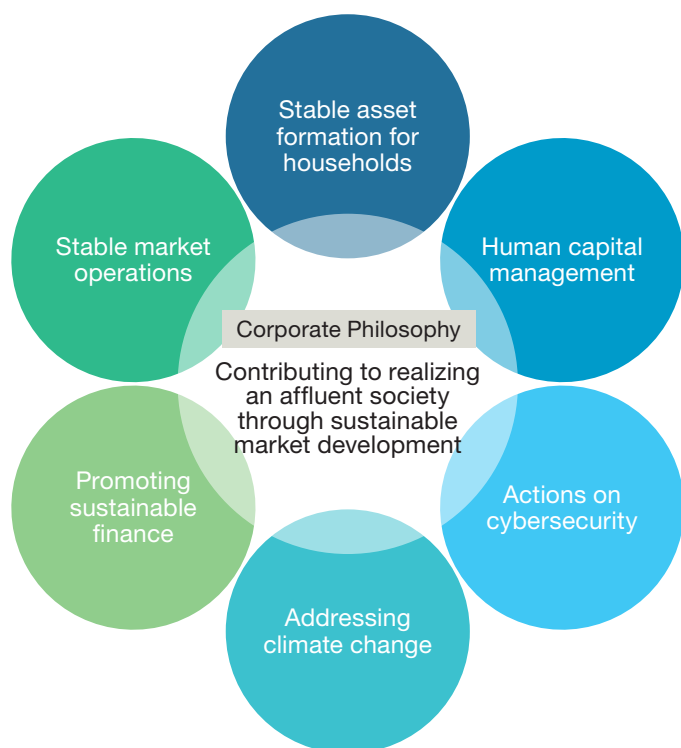
Finally, we view sustainability as a source of medium- to long-term corporate value. Building on a base of trust in the market, we facilitate solutions to social issues through the circulation of capital, consequently enhancing the appeal and value of the market itself. I believe that achieving this virtuous cycle is exactly the future JPX envisions. Rather than passively responding to the diverse changes that lie ahead, we will develop more substantive initiatives through ongoing dialogue with stakeholders, positioning ourselves as a driving force in the market's evolution. We seek to bridge society and the economy through the capital markets in order to continue contributing to the realization of a sustainable and affluent society.



Senior Executive Officer Yoshida giving the opening address at the ceremony to mark the 20th anniversary of the Principles for Responsible Investment (PRI)



# Key Areas From The Perspective Of Sustainability



As set out in its Corporate Philosophy, JPX Group aims to contribute to the realization of an affluent society by providing market functions and services that ensure public visibility and reliability. To achieve this, the Group works on initiatives to improve its corporate value with attention to the surrounding environment and societal issues and its relationship to them.

The core themes in the Medium-Term Management Plan 2027 were set after taking into account the results of the Medium-Term Management Plan 2024 and an increasingly uncertain external environment. While continuing to focus on laying the foundation of a market that is highly convenient, efficient, and transparent and providing creative and attractive services, in order to effectively execute these, we will take a broader approach to sustainability and aim for the creation of a sustainable society.

This section presents specific actions taken in the key areas from the perspective of sustainability that were determined during the process of formulating the Medium-Term Management Plan 2027.

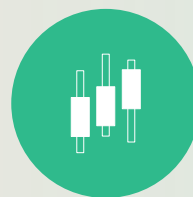
## Stable asset formation for households



### Key Related Actions

- Encouraging management that is conscious of cost of capital and stock price
- Reduction of investment units
- Expanding the ETF product lineup and broadening the investor base
- Smooth transition to the next-generation TOPIX
- Improving financial literacy through investor education and promoting the appeal of Japanese equities

## Stable market operations



### Key Related Actions

- Stable operation and ongoing improvement of current core systems
- Strengthening failure tolerance and the BCP across the market through ongoing initiatives such as drills in collaboration with market participants
- Reinforcing self-regulatory functions by enhancing the functionality of the market surveillance system and implementing measures to prevent unfair trading, etc.
- Pursuing operational efficiency and creating new value through the use of AI and other cutting-edge technologies





## Promoting sustainable finance



### Key Related Actions

- Promotion of action and information disclosure on sustainability issues at listed companies through Japan's Corporate Governance Code
- Provision of websites that aggregate information on publicly offered ESG bonds and ESG-related disclosures by listed companies
- Participation in discussions in Japan and abroad (Financial Services Agency's Expert Panel on Sustainable Finance, Sustainable Stock Exchanges Initiative, etc.)

## Human capital management



### Key Related Actions

- Permeation of the JPX Corporate Philosophy among employees and recruitment of staff who empathize with the Corporate Philosophy
- An HR system designed to suit diverse workstyle needs and training and education tailored to different career stages
- Systems that enable employees to be healthy in body and mind and continue to work with passion and vitality

## Addressing climate change



### Key Related Actions

#### As a Market Operator

- Provision of market for emissions trading
- Calculation of ESG indices and listing of related ETFs/futures
- Support for climate-related disclosure at listed companies

#### As a Business Corporation

- Calculation and management of GHG emissions
- 100% of electricity consumed switched to renewable energy

## Actions on cybersecurity



### Key Related Actions

- Securing specialized personnel through internal training and the utilization of external resources
- Education and drills for all employees
- Raising awareness throughout the supply chain and conducting joint drills with relevant organizations

# Medium-Term Management Plan 2027

Update for FY2026

Basic policy

## Exchange & beyond

Medium-Term Management Plan 2027 ▶ P. 2

Policy updates

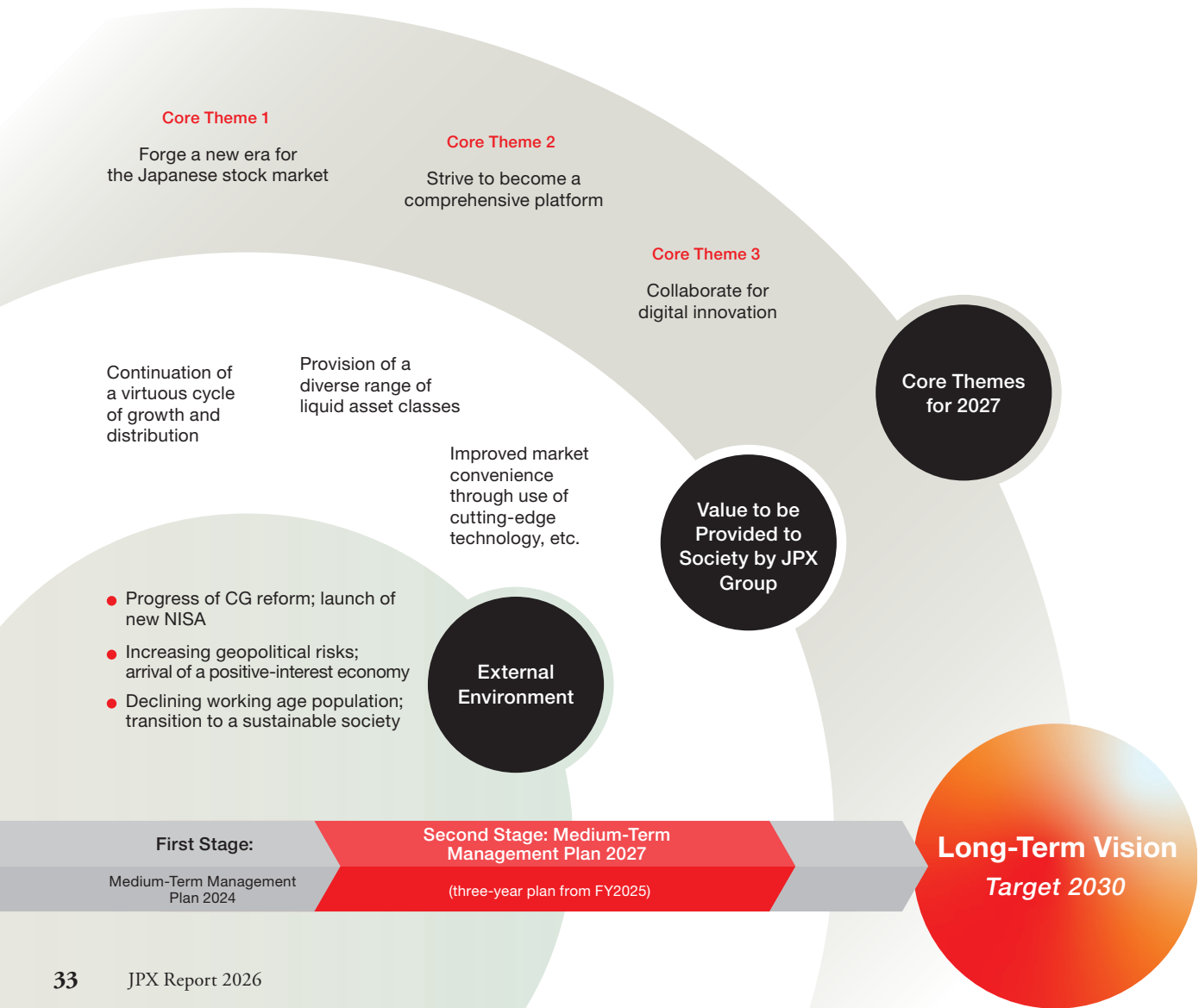
- In the first year of the plan, in addition to continued progress in corporate governance reforms at listed companies—driven by the spread of "management that is conscious of cost of capital and stock price" and advancements in Growth Market reform—businesses other than Japanese stocks expanded, centered on interest rate and data-related businesses.
- As operator of the market infrastructure that forms part of the investment chain, we aim to enhance market functionality, support the efforts of listed companies aiming for growth, and contribute to the further development of Japan as a leading asset management center. To this end, from the second year of the plan, we will work under the following policy:

Taking into account changes in the business environment as well as the progress and results of our initiatives to date, we will maintain the overall direction of the Medium-Term Management Plan 2027 while steadily implementing initiatives under each Core Theme to advance the diversification of our business portfolio and the stabilization of our revenue base.

We will reliably fulfill our role as market infrastructure, continuing in step with the government's initiatives toward promoting Japan as a leading asset management center.

At the same time, we will contribute to the sustainable growth of Japan's capital markets as a whole by supporting listed companies' efforts to have meaningful dialogue with investors through consideration and disclosure of allocation of management resources.

While accelerating discussions on future-focused investments, among other things, and working to ensure stable operation of the market, we will also work to improve the convenience of the market by meeting newly arising needs and proactively utilizing new technologies in response to changes in the business environment such as rising interest rates and advancements in AI.

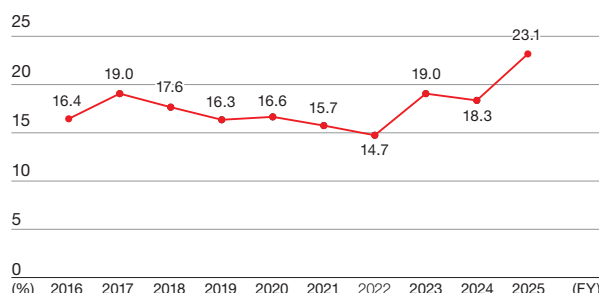


## Management Targets

### Financial Target



### ROE



### Non-financial Commitments

## Strengthening human resources through ongoing investment in human capital

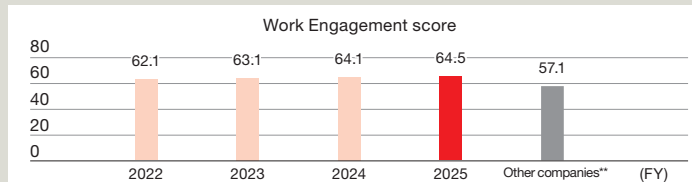
#### Key KPIs

Monitor the following three indicators from the results of the engagement survey and aim to achieve a consistently high level

1

#### "Work Engagement"

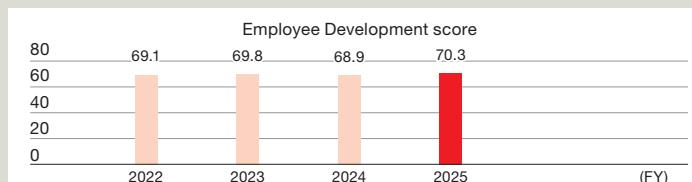
Indicator of vitality, passion, and immersion in work



2

#### "Employee Development"

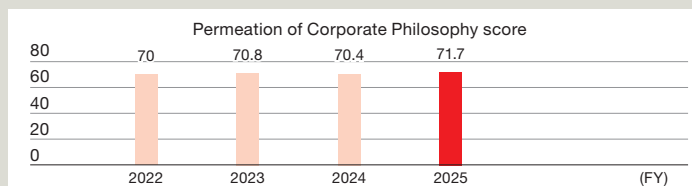
Indicator of environment created for employee development including related opportunities, motivation, and training



3

#### "Permeation of Corporate Philosophy"

Indicator of identification with corporate philosophy, feelings about the meaning of work, sense of responsibility, etc.



\*Unique JPX indicators that score questions selected from the overall survey to measure employee development and permeation of the corporate philosophy

\*\*An average value of other companies calculated by the engagement survey contractor used by JPX.

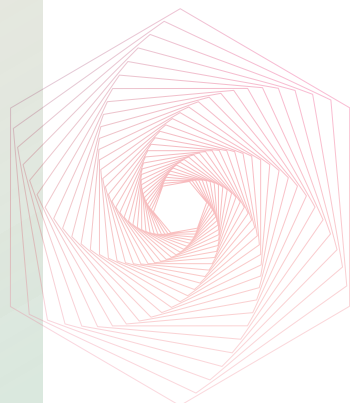
## Stable provision of core systems and demonstration of resilience

#### Core systems

Refers to the cash equity trading system (arrowhead, ToSTNeT), derivatives trading system (J-GATE), clearing system, and integrated network (arrownet).

#### Resilience

Even when there is no choice but to suspend operations due to system failure or other reasons, minimize the impact on market users by quickly and smoothly resuming operations, including through back-up operations.



## Core Theme 1

# Forge a new era for the Japanese stock market

As a core infrastructure of Japan's financial and capital markets, we will continue to support the growth of listed companies and advance the development of platforms where anyone can invest with confidence to further boost Japan as a leading asset management center.

## Strategic Direction in Medium-Term Management Plan 2027

By continuing to work on measures to enhance the Japanese stock market, we will aim for its sustainable growth and expansion as well as wide usage and development of the Japanese equity options market, while aiming to broaden the investor base both in Japan and overseas.

### Initiative 01

#### Promote self-led corporate value improvement at listed companies

- Encouraging management that is conscious of cost of capital and stock price
- Encouraging consideration and disclosure by listed companies on appropriate allocation of management resources UPDATED
- Promoting meaningful dialogue between listed companies and investors
- Promoting growth of startup companies after IPO

### Initiative 02

#### Make investment environment more convenient and efficient

- Improving convenience such as lowering trading unit
- Working on minority shareholder protection
- Expanding product lineup and investor base in ETF market
- Smooth transition to the next-generation TOPIX
- Improving financial literacy through investor education and promoting the appeal of Japanese equities
- Strengthening information provision and promotion aimed at overseas investors

### Initiative 03

#### Invigorate Japanese equity options market

- Promoting usage of index options market by diversifying expiration cycles, etc.
- Revitalizing securities options market through improving market access and increasing liquidity
- Creating more awareness of options market and promoting investment strategies that utilize options

 Specific details of each initiative  P. 36-38





#### Initiative 01

### Promote self-led corporate value improvement at listed companies

#### Enhancing the appeal of the Japanese market by supporting corporate value improvements at listed companies

President & CEO  
Tokyo Stock Exchange, Inc.

**Yokoyama Ryusuke**

TSE is advancing various initiatives aimed at enhancing the corporate value of listed companies, and through that, improving the attractiveness of Japan's securities markets for a wide range of domestic and international investors.

A prime example of these efforts is the initiative launched in March 2023, in which all listed companies on the Prime and Standard Markets were requested to promote "management that is conscious of cost of capital and stock price." Regarding the issues around profitability and market valuation of Japanese listed companies, as reflected in low ROE and PBR, this request has served as a catalyst for many listed companies to recognize these as important issues, and steady progress is being made in the consideration and disclosure of plans for improvement.

We have entered a stage where both domestic and overseas investors demand not just disclosure, but also greater effectiveness. In light of these circumstances, TSE is providing and regularly updating case studies showcasing best practices to serve as reference material for companies considering their own initiatives, and published "Case Studies of Companies' Initiatives Toward Issue Resolution" in December 2025. Furthermore, in April 2026, we updated our request, setting out key points on investor expectations and initiatives with a focus on the appropriate allocation of management resources.

We are also concentrating our efforts on initiatives to support listed companies. I have been visiting locations nationwide to explain the background and intentions of these initiatives and to engage in two-way dialogue. Additionally, for listed companies particularly struggling with investor relations (IR), we are focusing on providing programs to enhance the IR skills of staff in charge and creating opportunities for interaction with institutional investors.

In parallel with these, we are also reforming the Growth Market, with the aim of fostering the emergence of startups that will drive the future growth of the Japanese economy. With the aim of encouraging companies listed on the Growth Market to pursue high growth, we have decided to revise the Growth Market's continued listing criteria so that, from 2030, a company's market capitalization must be JPY 10 billion or more when the company has been listed for five or more years. Additionally, in September 2025, we requested all listed companies on the Growth Market to adopt "management that strives for high growth." Looking ahead, we will continue to take the views of both companies and investors into account as we explore measures to support post-listing growth and provide support to companies that are actively pursuing such initiatives.



Explaining JPX Group's initiatives to company executives nationwide



**Initiative 02**

**Make investment environment more convenient and efficient**

**Responding to diverse investment needs:  
reforming TOPIX and developing new indices**

Executive Officer  
Index Business  
JPX Market Innovation & Research, Inc.

**Kagiwada Hiroshi**

TOPIX is a stock price index widely used as a market benchmark with functionality as an investable index, covering an extensive proportion of the Japanese stock market. Following the market restructuring in 2022, we have been revising the index to enhance representativeness of the market and functionality as an investable index while ensuring the continuity of the index. The first phase of these revisions was completed in January 2025. The second phase of the TOPIX revisions will begin in October 2026, with the aim of further enhancing the functionality of the index.

By expanding the TOPIX-eligible markets to include the Prime, Standard, and Growth segments and emphasizing liquidity in constituent selection, we seek to evolve the index into one that offers broader coverage and easier investment opportunities. TOPIX holds approximately JPY 140 trillion in linked assets. To minimize the impact on the market, we are undertaking a phased transition over approximately two years to ensure a smooth transition to the next-generation TOPIX. We will work steadily to ensure that TOPIX benefits all investors who use it.

In addition, amid diversifying investor needs regarding indices, we are focusing not only on TOPIX but also on developing new indices while adapting to changes in the market environment. Most recently, in March 2026, in conjunction with TSE's efforts to reform the Growth Market, we began calculating the "JPX Start-Up

Acceleration 100 Index," which comprises 100 of Japan's leading high-growth startups. By selecting startups demonstrating high growth, we aim to foster a virtuous cycle: promoting management practices more focused on growth within startups and expanding investment in startups that achieve growth.

Furthermore, we have begun calculating new indices such as the "TOPIX High Dividend Growth Index" and the "Tokyo Stock Exchange REIT High Yield 30 Index." ETFs linked to these indices are now listed. In the future, we will continue to strengthen our revenue base by responding to diverse investment needs.

Alongside the development of new indices, we are also working to expand the use of the indices we already calculate. The use of our indices has steadily expanded since 2025, with 10 ETFs that track our indices being listed both in Japan and overseas. In addition, in April 2026, the "JPX Prime 150 Index" was added to the list of eligible indices for the NISA investment program, expanding the options available for long-term, installment-based investing.

Looking ahead, we will continue to engage in close communication with investors and management companies, pursuing both the development of new indices and the promotion of the use of our indices—including TOPIX—as the two pillars of our approach, while also striving to further enhance the information we provide to investors.

**TOPIX**

TOPIX (Tokyo Stock Price Index, TPX)

**JPX  
Startup  
100**

JPX Start-Up Acceleration 100 Index



## Initiative 03

## Invigorate Japanese equity options market

A new form of stock investment:  
the expanding market for securities options

Executive Officer  
Derivatives Business Development  
Osaka Exchange, Inc.

**Kakizaki Kazuhisa**

Securities options, such as those available from OSE, are financial instruments that, when used in combination with cash equity investments—a common strategy—offer a "third source of returns" in the form of option premiums, in addition to capital gains and investment income. Already widely used in the U.S. market, particularly among retail investors, they have become established as an effective means of asset management.

In recent years, securities options have steadily gained traction among investors in the Japanese market as a "new approach to stock investing," and transaction volumes are on the rise. We believe this is the outcome not only of changes in the market environment, but also of our ongoing efforts to enhance the convenience and awareness of this product through collaboration with market stakeholders and the implementation of improvements to the rules, sales activities, and promotional measures designed to create an environment that facilitates trading.

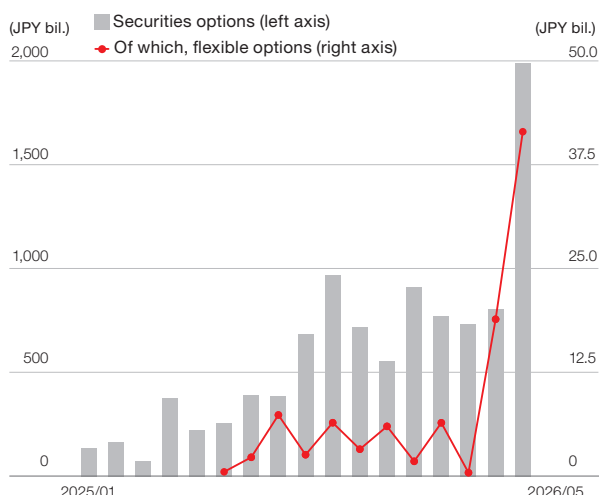
Specifically, in FY2024, we made 12 securities eligible for continuous quotes (under the Market Making

Scheme). The following year, in FY2025, we expanded the scope of the scheme to cover 32 securities. As a result of this and our efforts to provide information to investors, awareness of the utility of this product is gradually growing. In addition, the use of stock options as flexible options, which offer flexibility in setting maturity dates, exercise prices, and other terms, has been on the rise, primarily among institutional investors. As a result of this broadening investor base, the notional amount traded in May 2026 reached approximately JPY 198.8 billion, significantly exceeding the previous record high.

Furthermore, in August 2026, we expanded the list of securities eligible for market making to 50, which we expect to further improve investor convenience.

Through such initiatives, we will continue to support both the depth and breadth of the market, promote the further adoption of securities options among investors, and work to improve the market environment as our way of contributing to improving the appeal of Japan's securities market.

## Notional amount of securities option transactions



Kaba-ko, the official mascot of Osaka Exchange, promoting securities options at an investor event



## Core Theme 2

# Strive to become a comprehensive platform

In this era of rapid change and in order to contribute to the promotion of Japan as a leading asset management center, we will aim for optimization of risk allocation across society by providing internationalized and diversified market functions.

## Strategic Direction in Medium-Term Management Plan 2027

We will expand the market\* through active investment in the development of various derivatives products, focusing on interest rate-related products, while aiming for further diversification and internationalization as a platform.

\* Expecting interest rate-related revenue to grow at an average annual rate of approximately 12% (excluding the portion of JSCC's revenue from deposited collateral assets which is passed on to clearing participants)

### Initiative 01

#### Develop further as the central market in Asia

- Developing environment to facilitate listing of high-growth Asian companies
- Expanding trading flow from overseas by listing currency futures
- Entering into new asset classes in response to needs across society

### Initiative 02

#### Expand interest rate-related products and services

- Invigorating listed interest rate derivatives products to respond to diverse interest rate risk management needs, from short- to ultra-long-term UPDATED
- Promoting expanded usage of OTC clearing services, such as expansion of interest rate swap clearing services for U.S. customers UPDATED
- Expanding investor base in light of positive-interest economy

### Initiative 03

#### Stimulate energy-related products

- Invigorating electricity futures market through initiatives such as adding new products and improving market access for a range of participants
- Increasing convenience by strengthening partnership with electricity spot market
- Research and study aimed at expanding trading of LNG futures and enhancing energy-related derivatives

 Specific details of each initiative  P. 40-42





#### Initiative 01

### Develop further as the central market in Asia

#### Meeting a variety of investment needs and bringing a diverse lineup of products to the market

President & CEO  
Osaka Exchange, Inc.

**Tagaya Akira**

OSE already offers derivative products covering various asset classes from equities to interest rates and commodities. By introducing more new products and making additional improvements to the rules, we aim to achieve a highly convenient one-stop market catering to a wide range of needs.

In the area of equities, Nikkei 225 micro Futures, which were launched in 2023, have gained recognition and traction as an entry-level product for retail investors. They recorded annual trading volume of 130 million contracts in 2025, growing to rank among the top 10 equity index futures worldwide. We are working to further promote their use in conjunction with Nikkei 225 mini Options, another small-lot product launched on the same day. Although Nikkei 225 mini Options are currently structured to expire twice a week, on Wednesdays and Fridays, we seek to make them more useful in terms of enabling more precise and efficient hedging by revising the rules so that, effective April 2027, there are contracts that expire each business day.

The area of interest rates has been attracting attention from domestic and international investors against the backdrop of the Bank of Japan's ongoing rate hikes. Trading in 20-year JGB Futures has continued to increase after having resumed in July 2025 for the first time in three years. These, in conjunction with 10-year JGB Futures, which serve as a benchmark for JPY interest rates, and 3-Month TONA Futures, have made it possible to offer a market encompassing both long- and short-term instruments, thereby significantly improving convenience for institutional investors seeking one-stop trading of interest rate products across various maturities.

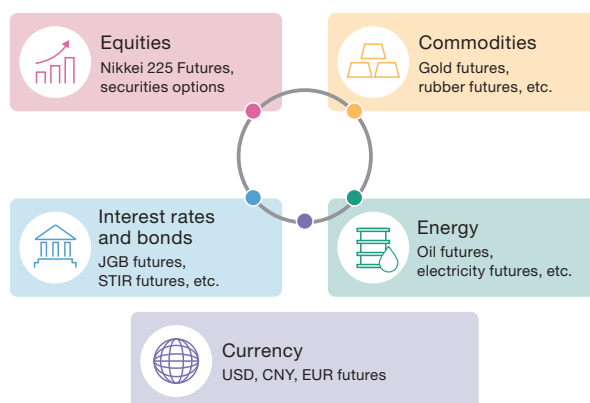
In commodities, we listed two new products in April 2026: Pocket Gold 100 Futures and Pocket Platinum 100 Futures. These are cash-settled futures with small-lot contract units designed to be accessible to retail investors, even amid the recent surge in precious

metals prices, particularly gold. The easy-to-understand "Pocket" product name, selected from a large number of entries received to a public call for suggestions, has been well received by investors.

We also listed currency futures in April 2026, enabling overseas investors to hedge JPY foreign exchange risk incurred when trading OSE products. They have been well received as a product suited to the positive interest rate era as they are expected to improve capital efficiency due to them being eligible for margin offsetting with Nikkei 225 Futures and other equity products. We view currency futures as a product that will significantly contribute to enhancing convenience as JPX Group pursues its goal of becoming a comprehensive platform spanning diverse asset classes.

As described above, we will promote market development by introducing products and rules aligned with the needs of a wide range of investors, thereby contributing to the development of Japan's capital and commodities markets as a whole.

#### One-stop trading across diverse asset classes





## Initiative 02

### Expand interest rate-related products and services

#### Evolution of clearing operations based on global best practices and utilization of advanced IT technologies

President & CEO  
Japan Securities Clearing Corporation

Hasegawa Isao

Japan Securities Clearing Corporation (JSCC) plays a fundamental role in supporting market development by providing clearing services that improve settlement efficiency and ensuring transaction security. As part of JPX Group, we see it as JSCC's key mission to contribute to sustainable value creation by offering highly trustworthy and convenient clearing services to more markets while steadily enhancing risk management grounded in global best practices.

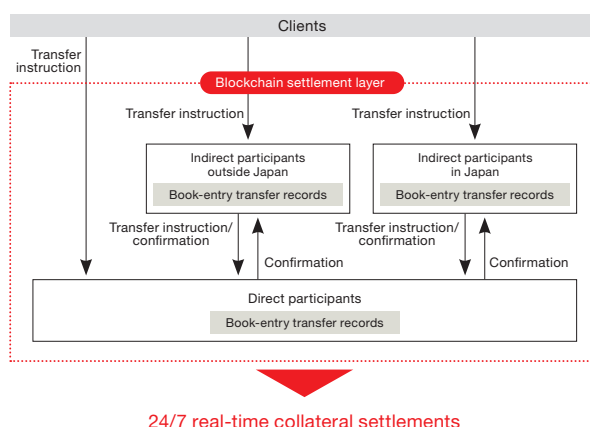
#### Evolution of clearing operations based on global best practices

Clearing value for interest rate swaps and other over-the-counter (OTC) derivative transactions has grown significantly against the backdrop of changes in the interest rate environment. As this OTC derivatives clearing business operates in a globally competitive environment among clearing houses, we view the acquisition of new users as a priority, as well as the retention of existing users. In September 2025, JSCC obtained approval from the U.S. Commodity Futures Trading Commission (CFTC), making it possible to offer JPY interest rate swap clearing services to U.S. customers under certain conditions. In order to facilitate the further development of JPY interest rate-related markets, we will further enhance our efforts to engage with financial institutions in Japan and abroad, while strengthening cooperation not only with our in-house OTC JGB clearing sections but also with Osaka Exchange, which offers listed interest rate derivatives products.

#### Utilization of advanced technologies

We also actively utilize advanced technologies in our clearing operations. Specifically, we are looking to amass insights and experience through cooperation and information exchange with external institutions, such as conducting a proof-of-concept trial for distributed ledger technology (DLT) with a view toward accepting tokenized JGBs as collateral. Through these initiatives, we seek to upgrade our services to improve convenience for clearing participants and investors by utilizing new technologies and mechanisms.

#### PoC Architecture



As Japan's flagship clearing house, JSCC's mission is to meet the expectations of clearing participants as well as a wide range of investors while continuing to uphold its responsibilities as market infrastructure. Therefore, building on the track record and competitiveness we have cultivated thus far, we will further enhance and refine our clearing services, offering both security and convenience, through initiatives such as these.



## Initiative 03

## Stimulate energy-related products

## Enhancing readiness for addressing growing concerns over energy-related risks

Representative Director, President  
Tokyo Commodity Exchange, Inc.

Ishizaki Takashi

The escalation of geopolitical risks such as the recent conflict in Iran, the increasing use of weather-dependent renewable energy sources, and other factors have led to rising volatility in electricity and energy prices. As a result, electricity and energy futures markets are becoming increasingly important as a means of hedging these risks.

Tokyo Commodity Exchange (TOCOM) established its electricity futures market in 2019. The number of market participants has grown to 200 following events such as surging prices stemming from the war in Ukraine. Trading volume has also increased significantly, growing fivefold in 2025 compared to the previous year, with creditworthiness markedly enhanced by the entry of major financial institutions.

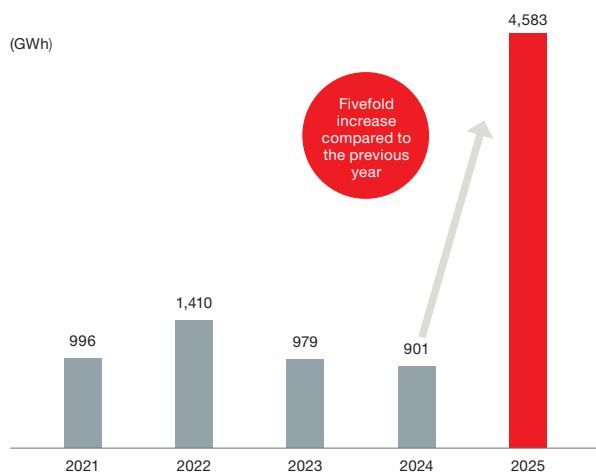
We are also strengthening ties between the futures markets and cash equity market. Starting in August 2026, JJ-Link, which is jointly provided with Japan Electric Power Exchange (JEPX), will enable the execution of spot trading corresponding to futures

positions. This is equivalent to the Future-To-Spot service (forward contract service that utilizes the futures market) found overseas. It will enable the supply and procurement of physical electricity with clearing house-backed credit guarantees.

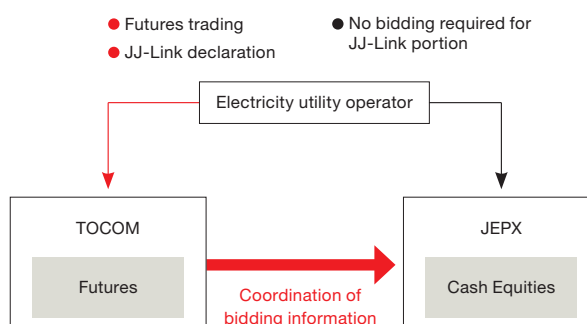
In addition, we are also working to expand trading in LNG futures. This will make it possible to lock in business revenue through spark spreads (combinations of electricity futures and LNG futures). In the future, we will aim to achieve integrated risk hedging for both energy and environmental costs through clean spark spreads (spark spreads with the inclusion of carbon).

With respect to hydrogen, which is regarded as the key to achieving carbon neutrality in Japan by 2050, the Tokyo Metropolitan Government entrusted TOCOM to serve as the market operator in the project for trial trading of green hydrogen starting in 2024. Through this initiative, TOCOM will contribute to the development of an advanced decarbonized society.

## Trading volume of TOCOM electricity futures



## JJ-Link Phase 2



## Core Theme 3

# Collaborate for digital innovation

By actively utilizing rapidly evolving digital technologies, we will improve the convenience of our data and other services as well as seeking solutions to cross-industry issues such as labor shortages caused by the declining population in Japan.

## Strategic Direction in Medium-Term Management Plan 2027

We will aim to strengthen the resources dedicated to developing data-related businesses\* and increase added value utilizing, among other things, investment and collaboration with external parties, as well as increasing efficiency across the market by utilizing digital technologies.

\* Expecting data service revenue to grow at an average annual rate of approximately 8%

### Initiative 01

## Develop the next generation of data services

- Enhancing data, including by utilizing collaboration with partner companies
- Increasing added value such as by increasing the frequency of data dissemination
- Diversifying service provision methods including distribution via external platforms such as that provided by Snowflake

### Initiative 02

## Proactively adopt cutting-edge technologies such as AI

- Utilizing AI and other technologies in listed company services
- Developing the next-generation TDnet with listed company disclosure operation support functions utilizing AI UPDATED
- Advancing new value creation through utilizing AI and other technologies
- Applying blockchain technology to further improve settlement efficiency, for example

### Initiative 03

## Contribute to solving industry-wide issues

- Study on building industry-wide common data platform UPDATED
- Discussion of shortening settlement cycles, taking account of international trends

 Specific details of each initiative ▶ P. 44-45





#### Initiative 01

### Develop the next generation of data services

#### Initiative 02

### Proactively adopt cutting-edge technologies such as AI

## Delivering new value to financial markets through next-generation data platforms and AI

President & CEO  
JPX Market Innovation & Research, Inc.

**Futagi Satoshi**

Over the past year, JPX Group has been focusing on developing more sophisticated business infrastructure by positioning as key measures the development of the next generation of data services and the introduction of cutting-edge technologies such as AI.

First, the Group's efforts to develop the next generation of data services have involved transitioning to a data cloud environment by leveraging its data lake "J-LAKE" and integrating it with the external Snowflake platform, with the aim of further enhancing the value delivered through JPX Group's financial market data. Specifically, in addition to conventional datasets such as Index Data Service and timely disclosure information, we have established a framework that makes a wide range of datasets available on Snowflake, including stock prices, financial information, and detailed trading breakdowns provided through our J-Quants Pro financial data distribution service for corporate users. This has resulted in a service model that makes it possible for users to analyze data directly on the cloud in addition to conventional API-based data retrieval.

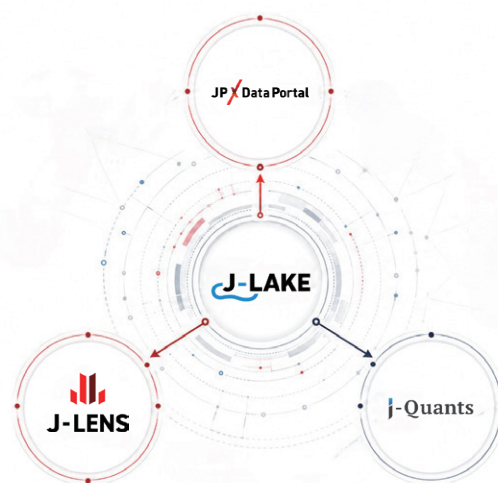
These initiatives have enabled users to process and analyze data in the same environment as their own analytics platforms, enhancing efficiency for sophisticated analysis and application development involving large datasets. The use of an external platform has also allowed greater flexibility in offering trial data access and providing proof-of-concept data, which has led to the creation of new datasets (including historical order book information) through dialogue with users. Through these efforts, JPX Group is transforming its data delivery model and steadily developing infrastructure tailored to data utilization in the cloud era.

Next, the Group's efforts to introduce AI and other cutting-edge technologies have involved highlighting the active use of AI in its Medium-Term Management Plan and rolling out various generative AI-based services. Specifically, these services include JPX Market Explorer, which enables organization and visualization of disclosure

materials and corporate information; JPxData Portal, which allows cross-searching of various types of data and disclosure documents; and J-LENS, which enables natural language searches of disclosure materials. These services are provided with the intention of easing workloads associated with searching through and comprehending large volumes of disclosed information, while providing investors with faster and more accurate access to the information they need.

Our use of AI naturally extends beyond external service offerings. In addition to using AI to detect unfair transactions and upgrade listing examination operations, the active in-house use of generative AI has steadily increased productivity in part by improving operational efficiency and facilitating knowledge sharing.

JPX Group will continue to take on the challenge of generating substantial amounts of new value in the financial markets by drawing out the full potential of financial market data through the combination of its evolving data platform and AI.





## Initiative 03

## Contribute to solving industry-wide issues

## Expansion of the J-Quants series and contribution to the industry through a common data platform

Senior Executive Officer  
Frontier Development  
JPX Market Innovation & Research, Inc.

Hirano Takeshi

JPX Market Innovation & Research (JPXI) has been working on the development of the next generation of data services amid growing interest in data-driven decision-making across a wide audience, including individual investors, driven by recent advances in generative AI and other technologies. These efforts have involved expanding both the retail and corporate datasets in the J-Quants series, which distributes financial data including historical stock prices and corporate financial information via APIs and other channels.

In FY2025, JPXI began offering CSV-format data delivery through the J-Quants API service for individuals and added new datasets including minute bar and tick data (for equities) and the margin trading outstanding (issues subject to daily publication) dataset. In addition, JPXI has launched its official Model Context Protocol (MCP) server, which complies with the J-Quants API specifications, in response to increasing demand for generative AI-assisted development. The MCP server streamlines users' development work related to data retrieval and analysis by providing generative AI with API specification information, while providing related explanations and sample code. As of March 31, 2026, the service had over 13,000 users, including those under the free plan, helping to expand the use of financial data among individual investors.

JPXI has also enhanced the datasets available with the J-Quants Pro corporate service by adding information such as listed shares flash data, share buyback information, earnings announcement dates & times, and corporate action information.

Moreover, we have revamped the JPX Data Cloud service, which offers a one-time purchase model for individual and corporate users, relaunching it as J-Quants DataCube. Through these services, we provide a flexible data usage environment through both subscription-based and one-time purchase models.

Going forward, we will continue to strengthen our role in providing infrastructure that supports advanced data utilization by market stakeholders through ongoing functional improvements and data expansion.

We have also launched a study on building an industry-wide common data platform as an initiative to address industry-wide challenges.

Firms in the securities industry collect, manually enter, and verify data such as listing information, corporate actions, and trading regulations from multiple sources, resulting in heavy workloads, risks of data entry errors, and challenges in training new staff. To address these issues, we are advancing the development of a common data platform that comprehensively aggregates corporate, transaction-related, and other types of information and provides it in a format suitable for automated processing, with the aim of launching the service in FY2027. In partnership with relevant institutions such as Japan Securities Finance Co., Ltd. (JSF) and Japan Securities Depository Center, Inc. (JASDEC), we aim to contribute to productivity improvements and business process reforms across the industry.

## Overview of J-Quants Series



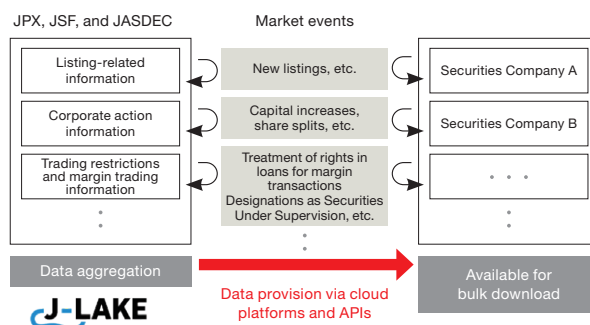
## Diverse market data

- Delivery of a wide range of data including margin trading flow/balance data and ToSTNeT execution information, in addition to traditional data such as stock prices and financial information

## Machine-friendly delivery methods and formats

- Data delivery via API (JSON) and SFTP (CSV) facilitates data retrieval and utilization by machines

## Overview of Common Data Platform



# JPX Group's Future-Focused Investments

## Main Initiatives

### Growth investment

Expansion of market functionality and service areas

- Development of entire interest rate-related ecosystem through linkage with external partners
- Acceleration of investments and external collaborations to drive the development of data services and other businesses
- Discussion of approach to next-generation trading system and start of development

### Growth investment

Research & development to pioneer the next generation of market infrastructure

- R&D on a variety of instruments including digital securities
- Streamlining of post-trade operations using DLT
- Enhancing the functionality of the carbon credit market to work toward a decarbonized society

### Strengthening market foundations

Strengthening of self-regulatory function to further improve trust in the market

- Strengthening measures to respond to misconduct and scandals at listed companies and to enhance confidence in the IPO market
- Strengthening the functionality of the market surveillance system and provision of information to prevent unfair trading
- Enhancement of all types of self-regulatory operations using AI

### Strengthening market foundations

Further pursuit of reliability and resilience of system infrastructure\*

- Stable operation and ongoing improvement of current core systems
- Strengthening failure tolerance and BCPs across the market through ongoing initiatives such as drills in collaboration with market participants
- Strengthening cybersecurity measures

### Human capital investment

Ongoing buildup of human capital through ambitious investment\*

- Initiatives to improve our competitive edge in human resources and development/maintenance of an environment where all staff can demonstrate their abilities
- Expansion of recruitment of specialized talent in fields such as digital technology to adapt to changes in the business environment
- Strengthening staff education for more thorough implementation of professional ethics

\*Related matters are set as non-financial commitments



Initiative

**Strengthening of self-regulatory function to further improve trust in the market**

**We will safeguard the quality of the securities market so that investors can participate with confidence**

President  
Japan Exchange Regulation

**Nakajima Junichi**

Japan Exchange Regulation (JPX-R) is a corporate body that is established under Japan Exchange Group (JPX) to specialize in self-regulatory operations of financial instruments exchanges under the Financial Instruments and Exchange Act of Japan. It is entrusted by Tokyo Stock Exchange (TSE) and Osaka Exchange (OSE) to take on their self-regulatory operations. These operations are performed by four departments. The Listing Examination Department examines the eligibility of prospective listed companies, the Listed Company Compliance Department monitors the information disclosures and corporate conduct of listed companies, the Trading Participants Examination & Inspection Department ensures the reliability of the business operations of securities companies and other trading participants, and the Market Surveillance & Compliance Department monitors the market for unfair trading.

Our mission is to ensure the fairness and transparency of financial instruments exchanges through self-regulatory operations, thereby increasing society's trust in the market. In order to continue fulfilling this mission, we must respond appropriately to various changes surrounding the market.

FY2025 saw several cases of improper accounting that had the potential to undermine market confidence, such as that involving alt Inc. at the time of its initial listing and Nidec Corporation. Along with its investigations into the alt Inc. case, JPX-R held joint discussions with other players in the IPO space aimed at preventing recurrences and ensuring confidence in the IPO market, resulting in the publication of "The Exchange's Measures in Response to Accounting Fraud Cases at the Time of IPO." We will work in close collaboration with related parties within the industry to implement measures tailored to the level of fraud risk, including efforts to enhance information gathering and analysis capabilities through the use of AI. In addition, to serve as a reference for listed companies seeking to strengthen their internal controls, we have published the "Handbook

for Enhancing Internal Control and Preventing Misconduct" (Japanese only), which presents key points from recurrence prevention measures formulated in past cases, organized according to the causes of the misconduct and objectives of the prevention measures.

In addition, in response to cases of losses resulting from fraudulent access and transactions in online trading services, we worked closely with trading participants and relevant authorities and coordinated with the relevant departments of Japan Exchange Group to implement market surveillance measures. Moreover, as part of the COMLEC Trade Surveillance Course, a compliance training program for trading participants, we held a seminar focusing primarily on cases of fraudulent access and transactions.

Going forward, JPX-R aims to better engage in self-regulatory operations that gain the confidence of market users by working closely with market operators as well as government authorities and related organizations in Japan and abroad.

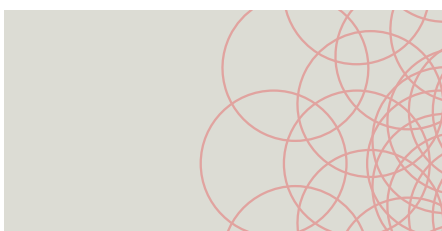


Handbook for Enhancing Internal Control and Preventing Misconduct, January 2026, Japan Exchange Regulation

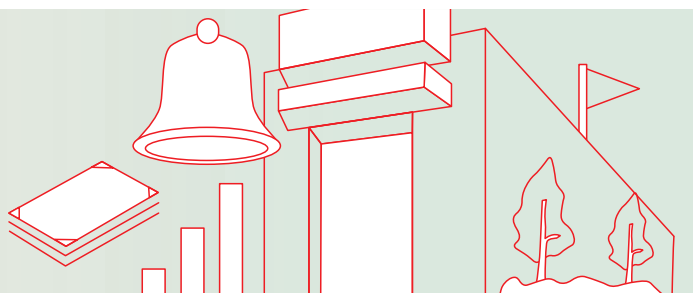


## Co-creation With Stakeholders

Through dialogue with market users such as listed companies and investors, as well as other diverse stakeholders, JPX Group aims to address corporate management with an understanding of social changes from diverse perspectives, thereby contributing to bringing about a sustainable society and economy together with our stakeholders by providing solutions for a wide range of societal issues.



# Listed Companies



## Approach

In order to achieve JPX Group's long-term vision of realizing a sustainable society and economic development, it is essential that we create a virtuous cycle in which we promote the innovation and growth of the listed companies that support society and the economy, the fruits of which lead to asset formation for the people of Japan and generate further innovation and growth. JPX Group supports listed companies' efforts to enhance their corporate value by providing a smooth supply of funds and by developing a foundation for dialogue with investors.

### Promoting Management That is Conscious of Cost of Capital and Stock Price, and Growth Market Reforms

In March 2023, we requested all companies listed on the Prime Market and Standard Market adopt "Management That is Conscious of Cost of Capital and Stock Price." As of May 2026, 94% of Prime Market companies and 54% of Standard Market companies have made disclosures based on this request. TSE has been providing companies with case studies to use as reference in their considerations since 2024. Meanwhile, TSE updated the request in April 2026 to encourage more effective initiatives and presented companies with investor expectations and key points for taking action, centered on appropriately allocating management resources.

In the Growth Market, we are carrying out reforms to encourage high growth after listing in seeking to make the market truly worthy of the "Growth" name. From

2030, we will raise the market capitalization-based continued listing criteria from "JPY 4.0 billion or more after 10 years of listing" to "JPY 10.0 billion or more after 5 years of listing." In September 2025, we also encouraged all listed companies on the Growth Market to pursue "management that aims for high growth." Going forward, we will continue to examine measures that facilitate post-listing growth and provide support to companies actively taking on these challenges, taking into account feedback from both companies and investors.

### Mandating the Establishment of IR Frameworks

There is a growing need for listed companies to work on enhancing corporate value with a focus on shareholders and investors, as outlined by the March 2023 request for "Management That is Conscious of Cost of Capital and Stock Price." Whereas many listed companies actively work on IR, building relationships with shareholders and investors as part of their efforts to enhance corporate value, some companies apparently do not engage in IR activities at all and have not even established the necessary frameworks. In July 2025, TSE mandated the development of IR systems for all listed companies on the Prime, Standard, and Growth Markets in light of this

situation. Meanwhile, to encourage companies not just to develop IR systems but also to carry out effective, investor-oriented IR activities, TSE published "Investors' Views on IR Systems and Activities," which compiles key points and examples of investor expectations, expected improvements, and well-received improvements.

We will continue to follow up on the progress of development of IR systems going forward while also enhancing the corporate value of the Japanese market as a whole by facilitating effective IR activities and encouraging constructive dialogue between listed companies and investors.

## End of Transitional Measures for the Continued Listing Criteria

In light of the partial raising of the continued listing criteria with the market restructuring in April 2022, relaxed criteria were applied as a transitional measure for companies that listed prior to the restructuring. However, with these transitional measures having expired, since March 2026 some companies have been designated to delist for not complying with the regular continued listing criteria.

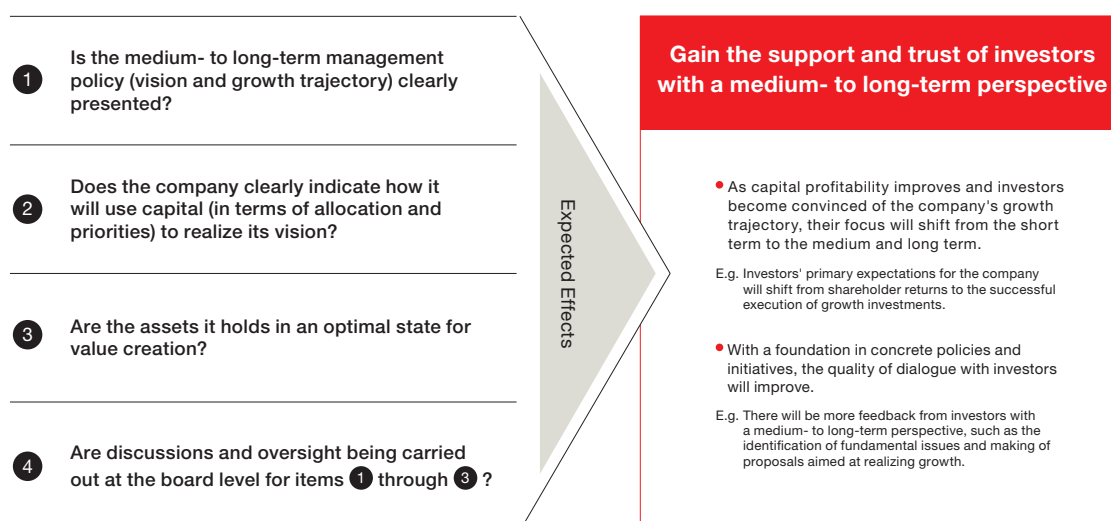
Among listed companies whose fiscal year ended on March 31, 2026, 12 companies have become subject to delisting and designated as Securities to Be Delisted. These companies will be delisted six months from the day following their fiscal year-end (October 1, 2026 for companies with a March 31 fiscal year-end).

Although negotiated transactions are still permitted in

the event of delisting, trading through TSE will no longer be possible. As a result, liquidity is expected to diminish significantly, making it more difficult for shareholders to buy or sell shares at their desired timing or price. (If such a company is dual listed on another domestic exchange, trading will continue on that exchange.)

TSE has set up a dedicated page on the JPX website to provide information such as upcoming schedules and links to lists of Securities Under Supervision and Securities to Be Delisted. In addition, TSE is focusing on keeping shareholders and investors informed in part by asking securities companies to cooperate in sharing information with their clients.

### Key Points for Actions to Advance Initiatives



Naturally, companies differ in their growth strategies, challenges, and the initiatives they need to undertake. Accordingly, the points set out here are not intended to demand uniform responses from all companies. We ask that companies consider what actions are necessary to achieve enhanced corporate value while gaining the support and trust of medium- to long-term investors.

# Retail Investors



## Approach

To successfully "forge a new era for the Japanese stock market," a core strategy of the Medium-Term Management Plan 2027, JPX Group works to generate social value by providing financial and economic education focused on investing for a broad audience, from elementary school students to senior citizens, thereby resolving the national challenge of improving financial literacy. Furthermore, we contribute to expanding the investor base and developing the Japanese stock market through the promotion of activities that communicate the appeal of Japanese stocks, and aim to improve JPX Group's economic value by encouraging a virtuous cycle of growth and distribution.

## Role of Financial and Economic Education

In Japan, the amount of household financial assets continues to increase year by year, totaling more than JPY 2.386 quadrillion at the end of FY2025, the highest ever level. However, these assets are still not being fully utilized. The composition of these assets indicate that cash and deposits account for a high proportion, approximately 48.5% of the total, while stocks, investment trusts, and similar investment instruments account for only approximately 23.0%.

Japan faces the problems of a shrinking workforce and the limits of its social security system. How to use its assets as efficiently as possible to generate economic

growth for the next generation and advance further as a leading asset management center is a major issue. We believe it is important to resolve the national challenge of improving financial literacy as it will enable funds raised through investment to support corporate innovation and growth, the fruits of which will lead to asset formation among citizens, creating a cycle of further innovation and growth.

JPX Group provides accurate financial knowledge from its impartial, neutral position as a capital market operator, helping to resolve these challenges by improving the financial literacy of all individuals.



A lecturer from Tokyo Stock Exchange speaks at a high school in the Kanto region



A lecturer from Osaka Exchange speaks at an elementary school in the Kansai region



Children learn about finance and economics at a temporary pavilion at KidZania Tokyo

## Developing Programs for All Ages Under the JPX Manebu Lab Brand

In view of the importance of financial and economic education, JPX Group has been providing a variety of educational programs to provide support for the promotion of asset formation by individuals that is tailored to a range of different needs.

Recent years have seen significant changes in the environment surrounding retail investors. Asset formation has become more familiar with the spread of the new NISA scheme, growing awareness of SDGs and ESG investment, the spread of financial technology,

and the popularization of information sharing through social media. Amid such developments, it has become increasingly important to acquire the right knowledge and make independent decisions for stable asset formation. Additionally, in order to acquire the right knowledge, it is necessary to have an environment where each individual can choose a learning method that suits them from among a variety of systematically organized programs.

Out of recognition of these issues, the Group has launched "JPX Manebu Lab," a single brand for financial



and economic education. From its impartial, neutral position as a capital market operator, it has continued to strengthen and improve its financial and economic education activities to provide accurate information. These efforts have succeeded in reaching a wide audience.

In addition, as part of its efforts to promote Japanese stocks, JPX Group collaborates with financial institutions and regional stock exchanges to host seminars, as well as providing information through online articles, books, and audio media. With growing interest in investing, these resources are being used by large numbers of retail investors.

■ "JPX Manebu Lab" Report 2026  
[https://www.jpx.co.jp/corporate/learning/resources/manebu\\_report.pdf](https://www.jpx.co.jp/corporate/learning/resources/manebu_report.pdf)  
 (Japanese only)



Seminar promoting investment education for working adults



TSE booth at a large-scale finance event

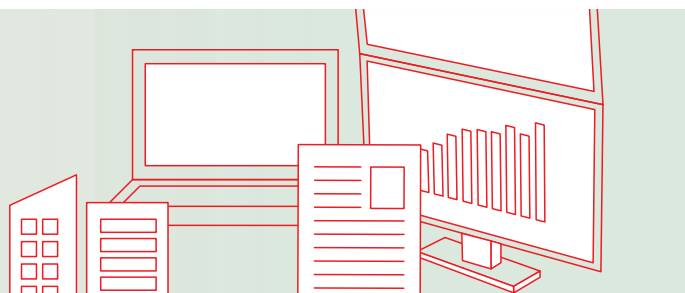
## The Six Manebu of JPX Manebu Lab (JPX Group's Financial and Economic Education)<sup>1,2</sup> (Japanese only)

| Category           | Outline                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Learning format                                                                                                                                                                                                                                                                                                                                                                                                                                                     | FY2025 Results                                                                                                                                                                                                                                                                                                                       |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| For students       | <b>School Manebu</b><br>A program designed to help students develop life skills while learning about the economy and stock company system and reflecting on how these relate to society. In addition to offering lectures for elementary, middle, and high school students and economics lectures for parents and children, we also conduct training for teachers.                                                                                                                                | <ul style="list-style-type: none"> <li>● Economics lectures for parents and children led by mascot "Professor Share" ㊦</li> <li>● Lectures and tours at TSE ㊦</li> <li>● School outreach program (dispatching lecturers to schools) ㊦</li> <li>● Economics lectures for teachers ㊦</li> <li>● Provision of teaching materials to schools ㊦</li> <li>● Entrepreneur experience program ㊦</li> <li>● Website: Naruhodo! [I get it!] TSE Economics School ㊦</li> </ul> | <ul style="list-style-type: none"> <li>■ Lessons for elementary school through high school<br/>Approx. 9,800 participants (211 sessions)</li> <li>■ Economics lectures for parents and children<br/>Approx. 1,200 participants (31 sessions)</li> <li>■ Lessons for teachers<br/>Approx. 1,000 participants (14 sessions)</li> </ul> |
|                    | <b>Campus Manebu</b><br>We hold lectures and events for those who are about to enter the workforce so that they can learn the fundamentals of asset formation and the roles of corporations and the securities market.                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>● Face-to-face/online lectures ㊦</li> <li>● Lectures and tours at TSE ㊦</li> </ul>                                                                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>■ Attendees Approx. 9,000 (120 sessions)</li> <li>■ Sponsored courses Three schools</li> </ul>                                                                                                                                                                                                |
| For working adults | <b>TSE Manebu</b><br>We provide easy-to-understand explanations that incorporate expert insights on financial matters ranging from familiar topics about money to the fundamentals of investing and asset formation. We provide learning opportunities through a variety of channels, including articles, videos, and audio.                                                                                                                                                                      | <ul style="list-style-type: none"> <li>● Website: TSE Manebu ㊦</li> <li>● Book: <i>Tōshō Manebu! Okane no Cho Baiburu</i> [TSE Manebu! The Super Bible of Money] ㊦</li> <li>● Book: <i>ETF no Jōshiki</i> [General Knowledge About ETFs] ㊦</li> <li>● Book: <i>ETF, ETN Meikan</i> [ETF and ETN Directory] ㊦</li> <li>● Radio program: TSE Manebu Talk ㊦</li> </ul>                                                                                                 | <ul style="list-style-type: none"> <li>■ Website Approx. 1.16 million PVs/month</li> </ul>                                                                                                                                                                                                                                           |
|                    | <b>Seminar Manebu</b><br>We hold seminars and events on a variety of topics, from the basics of asset formation to the appeal of Japanese stocks and ETFs. We provide learning opportunities through online video streaming and other means.                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>● Face-to-face/online seminars ㊦</li> <li>● Video streaming ㊦</li> </ul>                                                                                                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>■ Video viewers Approx. 1.38 million</li> <li>■ Face-to-face seminars/events<br/>Approx. 10,000 attendees</li> </ul>                                                                                                                                                                          |
|                    | <b>Training Manebu</b><br>We provide training on finance, the securities market, and asset formation for employees of companies and organizations to help improve their financial literacy.                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>● Face-to-face/online lectures ㊦</li> <li>● Lectures and tours at TSE ㊦</li> </ul>                                                                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>■ Attendees Approx. 5,300 (101 sessions)</li> </ul>                                                                                                                                                                                                                                           |
|                    | <b>Facility Tour Manebu</b><br>To spark interest in and provide an entry point for learning about finance and economics, we offer guided tours of Tokyo Stock Exchange's TSE Arrows and Osaka Exchange's OSE Gallery. We also offer a stock investment simulation area where visitors can experience asset management in a virtual securities market, as well as audio guides for self-guided tours and online content. We make learning about the roles of securities markets and exchanges fun. | <ul style="list-style-type: none"> <li>● TSE Arrows tours ㊦</li> <li>● Osaka Exchange OSE Gallery tours ㊦</li> <li>● Online content: TSE facility tours ㊦</li> <li>● Online content: Osaka Exchange facility tours ㊦</li> <li>● Online content: Second chance at investment simulation ㊦</li> </ul>                                                                                                                                                                 | <ul style="list-style-type: none"> <li>■ Tour participants Approx. 55,000</li> </ul>                                                                                                                                                                                                                                                 |

Notes: 1. For specific details of activities, please see "JPX Manebu Lab" Report 2026.

2. In addition to the above, together with the Ministry of Economy, Trade and Industry (METI), each year we select and announce listed companies that are engaged in superior efforts with regard to specific themes such as digital transformation (DX) and women's empowerment in order to provide individuals with an opportunity to consider stock investing.

# Institutional Investors



## Approach

Japanese and overseas institutional investors are important players in the Japanese market, accounting for approximately 70% of the trading value on Tokyo Stock Exchange (TSE). In order for the Japanese market to become even more convenient, and also for JPX Group to realize its long-term vision of becoming a "global, comprehensive finance and information platform," it is important to promptly reflect the unfiltered voices of institutional investors—the main users of the market—in the development of JPX Group market rules and operational improvements. For this reason, we are committed to proactive communication with these investors.

### Improving Market Convenience Through Ongoing Dialogue With Japanese Institutional Investors

We continuously exchange ideas with Japanese institutional investors to improve market convenience from the investor perspective, using the issues and needs identified in this way to revise the market rules and improve system functions.

In the area of Exchange-Traded Funds (ETF), for example, we conduct an annual ETF Institutional Investor Survey to get a picture of overall needs, while engaging in dialogue through direct visits to further explore the needs of individual institutions. We also encourage both service development and promotion on an ongoing basis through providing information in online seminars and feedback to management companies. Through these initiatives, the number of listed ETFs and their trading value are steadily increasing. In addition, the Request for Quote (RFQ) platform "CONNEQTOR," provided by TSE with the aim of increasing the liquidity of the ETF market, is used

by more than 300 Japanese and overseas financial institutions and other institutional investors, and total monthly trading value surpassed JPY 500 billion in January 2026.

We also reflect the views of institutional investors in our product design and market operations in the derivatives market. With changes in the market environment amid a positive-interest economy, as well as increasingly sophisticated asset management by institutional investors, we have exchanged a broad range of ideas with these investors when designing products and market frameworks in order to respond to demand for utilizing interest rate derivatives, such as 20-year JGB Futures and 3-Month TONA Futures, and securities options on equity derivatives. For example, in promoting the flex trading market in securities options, we teamed up with personnel in charge of shares and ETFs to jointly visit institutional investors



ETF seminar for institutional investors



Yen interest rate seminar for institutional investors

throughout Japan and exchange opinions as part of a Group-wide unified approach.

In addition, we have operated the "Kitahama Investment Academy Professional" since October 2022 as a platform for providing information to derivative market stakeholders. In addition to information on JPX Group's overall initiatives, by covering equities, interest

rate-related products, and commodities, we provide market overviews and information on market trends. We also provide timely information using social media, as well as working actively to provide information through face-to-face and online seminars. We aim to further energize the derivatives market through these activities.

## Active Engagement With Overseas Institutional Investors

Through its offices in Japan and overseas, JPX Group gives explanations to and exchanges ideas with overseas investors about its market rules. These investors account for approximately 60% of the trading value of its markets. There are many types of overseas institutional investors who use a variety of trading strategies, including long-term, quantitative, and market making strategies. We communicate with these investors on a regular basis through various means of engagement including one-on-one interviews, group meetings, newsletters, and seminars, as well as information dissemination via LinkedIn. Any market-related requests from or issues faced by investors that we obtain through these activities are managed centrally through our client management system. We report such matters to management and work in partnership with the relevant internal departments so that improvements can be made. We work with the aim of improving the overall appeal of Japan's financial and capital markets, in the context of global competition, by considering convenient new products and new data services based on these investor needs and launching these as actual services where appropriate. In April 2026, we launched "Investor's Voice," a series of videos in which JPX Group interviews major Japanese and overseas institutional investors. As well as providing information about Japanese companies to overseas institutional investors, the series aims to promote communication

between listed companies and institutional investors (both domestic and overseas) by introducing investors' evaluations and expectations of Japanese companies and effective methods of engagement.

In addition, JPX Group actively hosts and co-hosts events for investors overseas and makes a coordinated effort, centered around its overseas offices, to network and exchange opinions with investors worldwide.

In the field of derivatives, to answer demand from overseas institutional investors for foreign currency risk hedging on JPX Group's markets, we listed currency futures as a new asset class in April 2026. This enables investors to trade instruments listed on JPX Group markets and perform foreign exchange hedging using currency futures, all in one place. In addition, it enhances convenience for investors by enabling margin offsetting with equity derivative products.

We believe that our efforts at JPX Group to communicate with institutional investors on a regular basis and to incorporate the unfiltered opinions of investors into market operations are essential to creating a market that is preferred by investors both in Japan and abroad. We believe that these efforts will contribute to the further stimulation of the Japanese market and ultimately to the improvement of Japan's international standing.

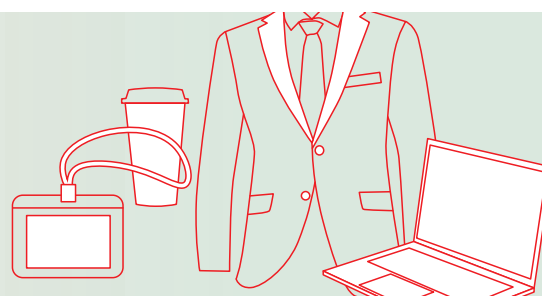
 About Investor's Voice  
<https://www.jpx.co.jp/english/equities/listed-co/investor-interview/index.html>



Event for local investors in Singapore



# Employees



## Approach

The notions of serving the public interest and contributing to society are indicated in the corporate philosophy of JPX Group and constitute major characteristics of its business. As such, the Group attracts personnel who are drawn to these characteristics. At the same time, resonance with the corporate philosophy serves as a key driver of its high levels of employee retention and engagement.

Under this corporate philosophy, the Medium-Term Management Plan 2027 includes three indicators (Work Engagement, Employee Development, and Permeation of Corporate Philosophy) as the main KPIs (non-financial commitments) for strengthening the Group's human resources. By continuing to aim to maintain high levels on an ongoing basis as we take our initiatives forward, we will strengthen our human resources in a true sense and ultimately realize our medium- to long-term vision.

## Recruitment and Development of Human Resources

The JPX markets' values of reliability, convenience, and transparency are sustained not only by our rule frameworks and systems, but also by the individual employees in charge of these.

For this reason, JPX Group positions investment in human capital as an indispensable element for enhancing corporate value over the medium to long term.

JPX Group does not view investment in human resources as merely providing educational opportunities. We emphasize building a framework that leads to value creation by taking an integrated approach encompassing recruitment, training (skills development), and the creation of an environment that enables all employees to perform to their full potential. We aim to create a virtuous cycle in which employees learn autonomously and apply the knowledge and experience they have cultivated to their daily work, thereby enhancing our services and improving the quality of our operations. The results of these efforts will then translate into improved corporate value by delivering value to market users.

Our skills development revolves around three pillars: business experience, knowledge sharing, and training. Diverse business experience gained through job rotations, internal recruitment programs, and overseas assignments not only deepen expertise but also help employees gain a broad perspective on the capital markets as a whole. In addition, knowledge sharing through mutual learning among employees helps build cross-departmental relationships and plays a role in transforming the growth of individuals into value for the whole organization. Furthermore, as part of our career design support program, we encourage employees to study voluntarily, such as through an annual subsidy of up to JPY 300,000 per employee to cover the cost of education or training courses to acquire the techniques, knowledge, or other skills needed for JPX Group's operations, as well as through support for acquiring qualifications.



Compliance training session led by an outside director



## Human Resource Development Programs

|                     |                                   | Staff                                                                                                                                                                                    |                                                                                 |                         | Management/Executive management |                                                |
|---------------------|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------|---------------------------------|------------------------------------------------|
|                     |                                   | New graduates                                                                                                                                                                            | Younger employees to pre-management                                             |                         | New managers                    | Mid-level managers/Executives                  |
| Business experience | General                           | Introductory and on-the-job training                                                                                                                                                     |                                                                                 |                         |                                 |                                                |
|                     | Finance                           |                                                                                                                                                                                          | Secondment to domestic/overseas financial institutions                          |                         |                                 |                                                |
|                     | IT                                |                                                                                                                                                                                          | Secondment to system vendors, IT consulting firms, etc.                         |                         |                                 |                                                |
|                     | Global                            |                                                                                                                                                                                          | Secondment to overseas representative offices and related overseas institutions |                         |                                 |                                                |
|                     |                                   |                                                                                                                                                                                          | JPX Career Plus (internal side job scheme)                                      |                         |                                 |                                                |
| Knowledge sharing   | Career nurturing Self-improvement | JPX College (community where employees mutually teach and learn)<br>Career support training,* employee-led training on specific topics, mentorship program, discussion community,** etc. |                                                                                 |                         |                                 |                                                |
|                     |                                   | *Career design support" program (up to JPY 300,000 annually), incentive program for acquiring qualifications, Udemy Business                                                             |                                                                                 |                         |                                 |                                                |
| Training            | Career development training       | Graduate training                                                                                                                                                                        | Younger employee training                                                       | Pre-management training | New manager training            | Mid-level manager training/ executive training |
|                     |                                   | Training for SS track employees                                                                                                                                                          |                                                                                 |                         |                                 |                                                |
|                     | Compliance Diversity              | Information security training                                                                                                                                                            |                                                                                 |                         |                                 |                                                |
|                     |                                   | Training on harassment and bullying, the JPX Code of Conduct, compliance, and insider trading regulations                                                                                |                                                                                 |                         |                                 |                                                |
|                     | Securities                        | Support for acquisition of securities analyst certification                                                                                                                              |                                                                                 |                         |                                 |                                                |
|                     | IT                                | Online training, qualification maintenance training, training for new IT staff, training within IT divisions                                                                             |                                                                                 |                         |                                 |                                                |
|                     |                                   | Group training                                                                                                                                                                           | Quality control training, IT professional training                              |                         |                                 |                                                |
|                     |                                   |                                                                                                                                                                                          | Training for DX/digital personnel development                                   |                         |                                 |                                                |
|                     | Global                            | Intensive language learning programs, support for TOEIC exams                                                                                                                            |                                                                                 |                         |                                 |                                                |
|                     | Studying abroad                   | Sponsored MBAs at domestic and overseas universities                                                                                                                                     |                                                                                 |                         |                                 |                                                |
|                     | Others                            | Healthcare seminars (sleep, diet, exercise, etc.)                                                                                                                                        |                                                                                 |                         |                                 |                                                |
|                     |                                   | Self-care training                                                                                                                                                                       |                                                                                 |                         | Career/life planning seminars   |                                                |

\*Career support training: training in which employees serve as instructors and share the missions and overview of operations of each department, as well as the instructor's career path to date and other relevant topics.

\*\*Discussion community: a community where employees can comfortably discuss with other employees about their past experiences on certain projects, how they approach work, or other topics, and gain insights while interacting with other employees.

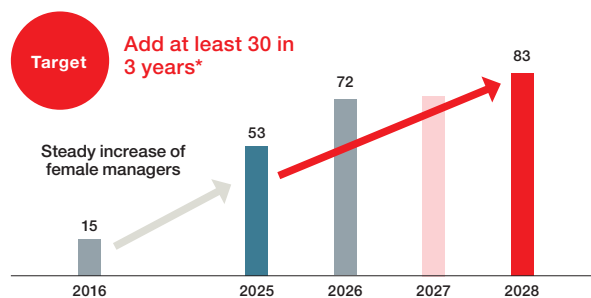
## Enabling All Employees to Demonstrate Their Abilities

We are also focusing on fostering an environment where employees demonstrate their abilities with confidence. We practice health management to support the contributions of each employee, rooted in physical and mental wellbeing, by building support networks in collaboration with occupational physicians and public health nurses. In addition, we provide support to help employees balance

work with childcare and family care, maintain flexible work arrangements, and promote the participation of a diverse range of personnel. Particularly with respect to encouraging the active participation of women in the workplace, we have set promotion targets. FY2022 saw the first internal promotion of a female employee of JPX Group to the position of executive officer. In FY2025,

two female employees were also promoted to department/section director level positions, and as of March 31, 2026, the ratio of female employees in management positions was 10.4%, with 58 female managers. In addition, to increase the pool of candidates for officers and department/section directors, JPX Group has set a target of increasing the number of female managers responsible for leading and training non-managers by at least 30 over three years, starting from 53 in April 2025. As of April 2026, that number stands at 72. We will continue to focus on promoting women to management positions as we work toward achieving this target.

### Female Employees in Management Positions



\*Female managers responsible for leading and training non-managers

## Corporate Culture and Mindset

We are continuously working to foster our corporate culture and mindset. The Group believes that, in addition to a shared commitment to its corporate philosophy and sense of mission, it is essential to hold a "market-in" mindset that prioritizes the perspective of market users. When each employee recognizes that their work contributes to the value of the market as a whole and proactively seeks to improve and take on new challenges, this becomes the source of new value creation.

As a measure to promote such proactive initiatives, we established the "JPX Corporate Value Improvement Awards Program," presented by the CEO, in FY2025. This program recognizes activities that contribute to enhancing corporate value, such as improvements to operations and efficiency, challenges pursued from new perspectives, and cross-departmental efforts. In the inaugural fiscal year, initiatives submitted involved over 350 people from 36 teams, corresponding to approximately one out of every four employees.

Every project originated from challenges identified in day-to-day operations and achieved concrete results that contribute to more sophisticated services and greater operational efficiency. We believe that these activities promote employee autonomy and cross-departmental collaboration, improving the organization's ability to solve problems and drive transformation.



Award ceremony for the JPX Corporate Value Improvement Awards Program

## Creating Sustainable Value

These investments in human capital and the cumulative realization of each employee's capabilities contribute to raising the value of our market infrastructure through improved service quality and enhanced operational capabilities, which in turn contribute to the sustainable growth of JPX Group's corporate value.

Going forward, by fostering an environment where each employee can grow independently and fully leverage their abilities, we will further deepen our value co-creation with stakeholders and contribute to the development of capital markets and the creation of societal value.

 Toward the Success of All Employees  
<https://www.jpx.co.jp/english/corporate/sustainability/jpx-csg/employee/index.html>

## Employee-Related Data

|                                | FY2021         | FY2022         | FY2023         | FY2024         | FY2025         |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|
| No. of employees*, **, ***     |                |                |                |                |                |
| Total                          | 1,199          | 1,224          | 1,236          | 1,248          | 1,252          |
| Male                           | 849<br>(70.8%) | 861<br>(70.3%) | 863<br>(69.8%) | 872<br>(69.9%) | 865<br>(69.1%) |
| Female                         | 350<br>(29.2%) | 363<br>(29.7%) | 373<br>(30.2%) | 376<br>(30.1%) | 387<br>(30.9%) |
| Non-Japanese                   | 16<br>(1.3%)   | 17<br>(1.4%)   | 16<br>(1.3%)   | 15<br>(1.2%)   | 15<br>(1.2%)   |
| Mid-career hires               | 371<br>(30.9%) | 389<br>(31.8%) | 388<br>(31.4%) | 393<br>(31.5%) | 403<br>(32.2%) |
| No. of hires**                 |                |                |                |                |                |
| New graduates                  | 25             | 27             | 30             | 30             | 28             |
| Female                         | 11             | 12             | 12             | 12             | 16             |
| Non-Japanese                   | 0              | 0              | 0              | 0              | 0              |
| Mid-career hires               | 18             | 26             | 13             | 18             | 27             |
| Female                         | 5              | 10             | 3              | 5              | 9              |
| Non-Japanese                   | 0              | 0              | 1              | 0              | 1              |
| No. of voluntary resignations  |                |                |                |                |                |
| All (% of all employees)       | 18<br>(1.5%)   | 9<br>(0.7%)    | 21<br>(1.7%)   | 16<br>(1.3%)   | 13<br>(1.0%)   |
| Male                           | 14             | 7              | 16             | 11             | 11             |
| Female                         | 4              | 2              | 5              | 5              | 2              |
| Average years of service*, *** |                |                |                |                |                |
| All                            | 17.5           | 17.6           | 17.7           | 17.9           | 17.8           |
| Male                           | 17.0           | 17.3           | 17.5           | 17.8           | 17.9           |
| Female                         | 18.6           | 18.3           | 18.2           | 18.0           | 17.7           |

(This data pertains to JPX and its core subsidiaries (excluding persons such as those temporarily assigned by JPX or any of its core subsidiaries to outside entities and those dispatched from temporary staffing agencies, but including persons temporarily assigned by outside entities to JPX or any of its core subsidiaries, employees on non-regular contracts such as those rehired after mandatory retirement, and persons on maternity/childcare leave).)

\*All figures are as of the respective ends of the fiscal year.

\*\*Some employees may be counted in more than one category.

\*\*\*Figures for FY2021 include employees of Tosho System Service Co., Ltd. (which merged with JPX Group company JPX Market Innovation & Research, Inc. in FY2022).

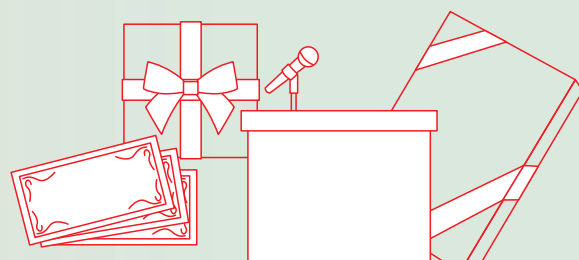
## Health Management-Related Data

|                                                         | FY2021                     | FY2022                     | FY2023                     | FY2024                     | FY2025                     |
|---------------------------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Ratio of employees undergoing annual health check       | 92.3%                      | 96.5%                      | 94.0%                      | 95.3%                      | 96.5%                      |
| Ratio of employees who smoke                            | 9.8%                       | 10.6%                      | 9.5%                       | 8.1%                       | 7.7%                       |
| Ratio of employees answering annual stress check survey | 90.6%                      | 95.2%                      | 97.2%                      | 95.2%                      | 98.5%                      |
| Number of sick or injured employees                     | 3                          | 1                          | 9                          | 11                         | 17                         |
| Average overtime hours                                  | 28 hours and<br>15 minutes | 27 hours and<br>46 minutes | 24 hours and<br>55 minutes | 23 hours and<br>27 minutes | 23 hours and<br>15 minutes |
| Average days of paid leave taken (usage rate)****       | 12.2 days<br>(61%)         | 12.6 days<br>(63%)         | 14.0 days<br>(70%)         | 13.6 days<br>(68%)         | 13.6 days<br>(68%)         |

(This data pertains to JPX and its core subsidiaries (including persons such as those temporarily assigned by JPX or any of its core subsidiaries to outside entities and employees on non-regular contracts such as those rehired after mandatory retirement, but excluding persons temporarily assigned by outside entities to JPX or any of its core subsidiaries and those dispatched from temporary staffing agencies).)

\*\*\*\*Denominator includes persons on long-term leave.

# Shareholders



## Approach

JPX actively conducts dialogue with shareholders and investors, aiming to ensure long-term relationships of trust. JPX pursues the development of a fair, transparent, and highly convenient market by actively providing investors with the corporate information necessary for their investment decisions and sharing views obtained from shareholders and investors with the board of directors and all employees, thereby further enhancing our corporate value.

## Constructive Dialogue With Shareholders and Investors Is the Key to Long-Term Corporate Value Enhancement

As a market operator and a listed company, JPX believes that engaging in constructive dialogue with a broad range of stakeholders, including shareholders, institutional and individual investors, and analysts, is important for realizing long-term enhancement of corporate value. Recognizing this, we pay careful attention to the suggestions and opinions that we receive through this dialogue. We reflect them in our management by reporting and sharing them at board of directors' meetings, with the aim of using them to guide sustainable growth in corporate value. We also use dialogue to enable deeper understanding of JPX Group's management policy and growth strategy, placing an emphasis on building even stronger trust with the capital

markets.

Based on this approach, as a structure for effectively conducting dialogue with shareholders and investors, IR meetings are conducted with either the CEO, CFO, a director (including outside directors), an executive officer, or the department in charge of IR, depending on the purpose of the meeting. In particular, we look to promote understanding of our management policy and build trust with stakeholders by having top executives personally provide explanations and engage in dialogue at financial results briefings and one-on-one meetings. To help improve the quality of dialogue, we check the topics of interest to the investor in advance and focus on having a two-way exchange of opinions.

## Further Expansion of Opportunities for Dialogue With Shareholders and Investors

Specifically, in FY2025 we hosted two financial results briefings and a Medium-Term Management Plan briefing

presented by the CEO, as well as a business briefing (JPX Investor Day) that included presentations by the



Financial results briefing



JPX Investor Day 2025



presidents of group subsidiaries and outside directors. We post explanatory materials and transcripts for IR briefings on the JPX website in both Japanese and English, thereby ensuring fair distribution of information by providing the same information to investors who were unable to attend the briefing on the day.

In addition, through participation in institutional investor conferences, overseas business trips (United States, Europe, Asia, etc.), and one-on-one meetings, we held discussions with a total of 250 overseas investors (97 of which met with the CEO or CFO), 26 domestic investors (eight of which met with the CFO), and 23 analysts (eight of which met with the CFO). In addition, we held an online company briefing session for individual investors, attended by approximately 1,100 individuals. In our presentations for individual investors, we emphasize clearly explaining our business and earnings model.

■ Dialogue with shareholders  
<https://www.jpx.co.jp/english/corporate/investor-relations/shareholders/dialogue/index.html>

■ For retail investors (Japanese only)  
<https://www.jpx.co.jp/corporate/investor-relations/individual/index.html>

■ IR Email Distribution Service (Japanese only)  
<https://www.jpx.co.jp/corporate/investor-relations/ir-mail/index.html>

Through these initiatives, we are enhancing our dialogue with a wide range of investor types.



Briefing session for individual investors

## Reflection of Dialogue in Management Through Feedback

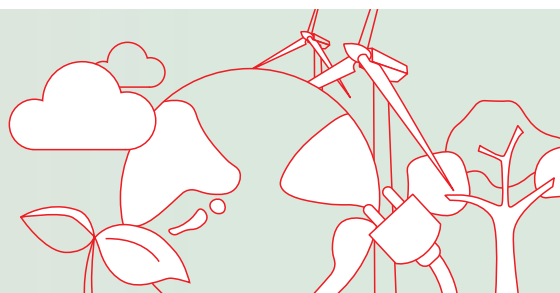
We have received a large number of questions and opinions from shareholders and investors expressing their expectations and concerns. The main topics of dialogue included additional initiatives to improve the effectiveness of "Action to Implement Management That Is Conscious of Cost of Capital and Stock Price" requested by Tokyo Stock Exchange, the impact of rising interest rates on JPX Group businesses (including JSCC's deposited collateral management), growth strategies and M&A opportunities for expanding revenues, and the company's approach to necessary capital and shareholder returns (including share repurchases). This dialogue has given us a multifaceted understanding of evaluations of JPX and issues to be addressed.

Opinions and feedback from shareholders and investors are reported twice a year to the JPX board of directors and shared quarterly throughout the whole company, including management. We aim to

enhance corporate value by utilizing this feedback in our future growth and financial strategies. In FY2025, we instituted some improvements based on dialogue and other feedback. These included outside directors' participation at business briefings and in one-on-one meetings, and improvement of supplementary materials for financial results and company briefing materials. In addition, we continuously revise our disclosures and explanations to clarify and enhance them, and work to improve the quality of our dialogue with, and disclosures to, shareholders and investors.

Going forward, we will keep working to improve the quality of our dialogue even further, taking into account the diverse needs of shareholders and investors and changes in the market environment. We will continue to deepen dialogue and reflect the opinions we receive in our management as we work to sustainably increase corporate value and contribute to the development of the market.

# Environment and Society



## Approach

### Responses to Environmental Issues

Recognizing that resources are limited, JPX Group has formulated an Environmental Vision and Environmental Policy aimed at creating a sustainable society that balances economic development with environmental conservation. JPX Group contributes to the realization of a sustainable society through dialogue with our stakeholders by clarifying our response policy to environmental issues including climate change.

### Respect for Human Rights

With the recognition that respect for human rights is an important factor in achieving our Corporate Philosophy, JPX Group has formulated a Human Rights Policy based on international norms, including the International Bill of Human Rights and the UN Guiding Principles on Business and Human Rights. By publishing this basic policy, we look to fulfill our social responsibility to respect internationally recognized human rights.

## Environmental Initiatives

Recognizing climate change as a critical environmental issue, JPX Group is promoting the transition to a decarbonized society through efforts with a dual focus on reducing environmental impact and leveraging capital market functions.

Regarding the reduction of greenhouse gas (GHG) emissions, the Group is using renewable energy, especially for the electricity consumed in the core systems and data centers that are essential for providing market infrastructure. We achieved carbon neutrality for direct and indirect emissions (Scopes 1 and 2) in FY2024, which we will maintain beyond FY2025 as well.

Concerning further reductions in emissions from stakeholders connected to our businesses (Scope 3), our approach of sharing JPX's environmental philosophy through engagement with partners, including affiliates and counterparties, has resulted in cases where the use of renewable energy has progressed among these business partners as well. Going forward, we will continue to promote efforts to curb emissions across the entire supply chain in order to achieve the provision of stable market infrastructure while reducing GHG emissions.

 Environmental Policy  
<https://www.jpjx.co.jp/english/corporate/sustainability/jpx-csg/environment/index.html>

## JPX Group's GHG Emissions (Scopes 1 and 2)

JPX Group's direct (Scope 1) and indirect (Scope 2) emissions are as follows (rounded off to the nearest unit used).\*, \*\*

| Market-based                                                           | FY2020 (base year) | FY2023        | FY2024  | FY2025  |
|------------------------------------------------------------------------|--------------------|---------------|---------|---------|
| Scope 1 (direct CO <sub>2</sub> emissions) (t-CO <sub>2</sub> e)***    | 688                | 0 (697)       | 0 (608) | 0 (519) |
| Scope 2 (indirect CO <sub>2</sub> emissions) (t-CO <sub>2</sub> e)***  | 13,500             | 2,279 (2,402) | 0 (105) | 0 (21)  |
| Total (Scopes 1 and 2) (t-CO <sub>2</sub> e)                           | 14,188             | 2,279         | 0       | 0       |
| Total emissions per FTE (Scopes 1 and 2) (t-CO <sub>2</sub> e/FTE)**** | 10.7               | 1.7           | 0.0     | 0.0     |

\* Calculated using the most recent Japan Ministry of the Environment's Emissions Intensity Database for Calculating GHG Emissions in Supply Chains at the point of calculation each fiscal year.

\*\* Emissions from overseas offices are excluded from the calculation due to restrictions in collecting the data and the fact that they constitute an extremely small proportion of the Group's overall emissions.

\*\*\* Figures in parentheses are pre-offset emissions. Some emissions that cannot be reduced by switching consumed electricity to renewable energy (emissions from usage of city gas, gasoline, steam/cooling, etc.) have been offset using carbon credits.

\*\*\*\* FTE refers to "Full-Time Equivalent." It does not include employees on secondment or others not directly employed by JPX.

## Initiatives Related to Human Rights

JPX Group has formulated its Human Rights Policy, clarifying our responsibility to respect human rights. This policy is shared with employees through internal training as well as with trading and clearing participants and major business partners, and we ensure its effectiveness by maintaining a supervisory framework that incorporates reporting to the board of directors and integration into risk management processes.

In particular, we recognize the importance of respecting human rights at our business partners, especially the vendors that underpin the infrastructure underlying our core systems, and we are working to enhance and improve such efforts through dialogue.

 Human Rights Policy  
<https://www.jpx.co.jp/english/corporate/sustainability/jpx-esg/humanrights/index.html>

## Contributing to Environmental Sustainability Through Market Infrastructure

JPX Group contributes to environmental sustainability through provision of market infrastructure. Prime examples of such initiatives include TSE's Carbon Credit Market and TOCOM's Green Hydrogen Trial Trading Project carried out in partnership with the Tokyo Metropolitan Government. Both of these initiatives aim to leverage market mechanisms to improve liquidity and make prices transparent as part of the transition to a decarbonized society.

In October 2023, TSE launched its Carbon Credit Market. In Japan, Phase 1 (voluntary pilot program) of the GX-ETS (emissions trading system) began in FY2023. Understanding and utilizing carbon pricing has become a key challenge for companies, and this market provides a price discovery function through the trading of J-Credits. As prices fluctuate in response to the progression of the emissions trading scheme and policy developments, the system functions as a price signal that influences companies' investment decisions and emissions reduction efforts.

Since the launch of the market, the cumulative trading volume has exceeded 1.1 million t-CO<sub>2</sub>, the trade execution rate on a business-day basis has been approximately 75%, and the number of participants has grown to over 350. We believe this is the outcome of standardizing contracts and settlement procedures by developing a settlement system (in which the exchange acts as an escrow agent to eliminate principal risk), thereby enabling a diverse range of companies and organizations to participate, as well as ensuring liquidity and stable trading through the introduction of the market maker scheme.

Moreover, as the achievement of GHG emissions targets becomes mandatory under the GX-ETS, which became fully operational in FY2026 with the start of Phase 2, J-Credits are recognized as valid credits to offset emissions. Going forward, while meeting the rising expectations for the market's functionality, we will also fulfill our role as market infrastructure that connects

In addition, elements regarding respect for human rights have been included in the checklist used for potential new business partners in order to prevent and mitigate negative impacts through our business partner evaluation process.

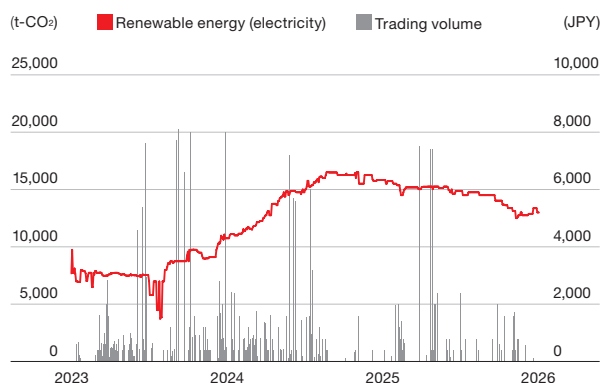
Furthermore, we have established an anonymous reporting channel to enable early awareness of issues and prompt action. In the event of an incident, we will work with related parties to pursue appropriate remedies. We continuously review these initiatives using the PDCA cycle and respect the human rights of everyone involved as we carry out our corporate activities.

companies complying with the GX-ETS scheme with those generating credits.

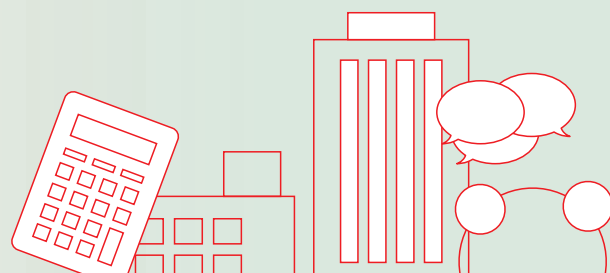
Additionally, since FY2024, TOCOM has been a partner organization in the Green Hydrogen Trial Trading Project, which is operated by the Tokyo Metropolitan Government. The initiative is a world-first pilot designed to test market-based trading of green hydrogen, with the goal of making hydrogen prices transparent and establishing trading benchmarks. The Tokyo Metropolitan Government positions green hydrogen as one of the keys to achieving a decarbonized society, but the scarcity of pricing and trading data has been a barrier to its widespread adoption. Through this trial trading program, JPX Group will make its own contribution to the wider adoption of green hydrogen by creating a market that connects producers and users and disclosing pricing information.

Through these initiatives, which leverage market mechanisms to stimulate changes in corporate behavior, JPX Group will promote efforts to address climate change and support the transition toward decarbonization.

### Prices and Trading Volumes of J-Credits (Renewable Energy (Electricity)) on the TSE Carbon Credit Market



# Trading Participants



## Approach

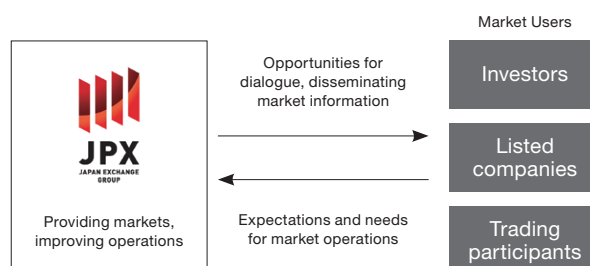
Through "Forge a new era for the Japanese stock market," a core theme in the Medium-Term Management Plan 2027, we will strive to enhance the attractiveness and global competitiveness of the Japanese market and conduct sustainable market operations. Toward this end, it is essential to build trust-based cooperative relationships with trading participants.

JPX Group creates various opportunities to engage in dialogue with trading participants for the purpose of ensuring market transparency and further improving convenience.

## Market Operating Committees

JPX Group has established a Market Operating Committee for each respective market operator—TSE, OSE, and TOCOM—as an advisory committee to the board of directors composed of experts such as academics, trading participants, and institutional investors. By seeking external opinions in decision-making, for example on important aspects of listing new products, establishing new markets, and revising rule frameworks, the Group aims to create even more convenient markets.

## Mutual Understanding Through Dialogue



## Revising Trading Rules To Further Strengthen Market Functions

With the aim of further improving the convenience and transparency of the cash market, TSE established the Working Group on Trading Rules to evaluate and verify the effectiveness of trading rule changes implemented in recent years. Discussions with market stakeholders were held from October 2025 to March 2026, and the findings were published on April 22, 2026.

Specifically, with regard to the closing auction session introduced in November 2024, the Working Group settled on a policy of introducing random closing, whereby the time of the afternoon close Itayose is randomly determined within a certain period on each business day with a view

to further enhancing the transparency and reliability of price formation at the close of the afternoon session. The Working Group also discussed matters regarding the optimization of tick sizes. It settled on a policy of setting tick sizes based on the liquidity of individual issues, rather than based on index classifications as under the current framework, with the aims of curbing volatility at order execution and reducing execution costs incurred by investors.

Going forward, we will continue to steadily implement these measures through dialogue with market stakeholders to improve the attractiveness of the cash market.

 Public Release of the Report From the Working Group on Trading Rules  
<https://www.jpx.co.jp/english/corporate/news/news-releases/1030/20260422-01.html>



# Business Partners

## Approach

We will improve the efficiency of the overall market and generate and share data that will contribute to the development of the market by utilizing digital technologies in order to improve the convenience of our data and other services and to provide solutions for cross-industry issues. Utilizing investment, collaborations, and other structures, we co-create digital innovations with a wide range of business partners who possess highly convenient platforms and the necessary skills and expertise.

## Value Creation Through Enhancement of Data Distribution Infrastructure

JPX Group aims to exercise its market functions through more efficient and sophisticated information dissemination and data provision, while actively promoting co-creation with its business partners. Cooperation with business partners that already operate platforms with large numbers of users is especially critical to achieving expansion of data distribution and creation of new value.

J-LAKE, JPX Group's data lake, has been built with the support of AWS's advanced cloud technology. It serves as highly secure and scalable data infrastructure that makes it possible to store, manage, and distribute enormous volumes of market data.

Through coordination with AWS, the Group has established a stable cloud environment while also enhancing the reliability and usability of its data.

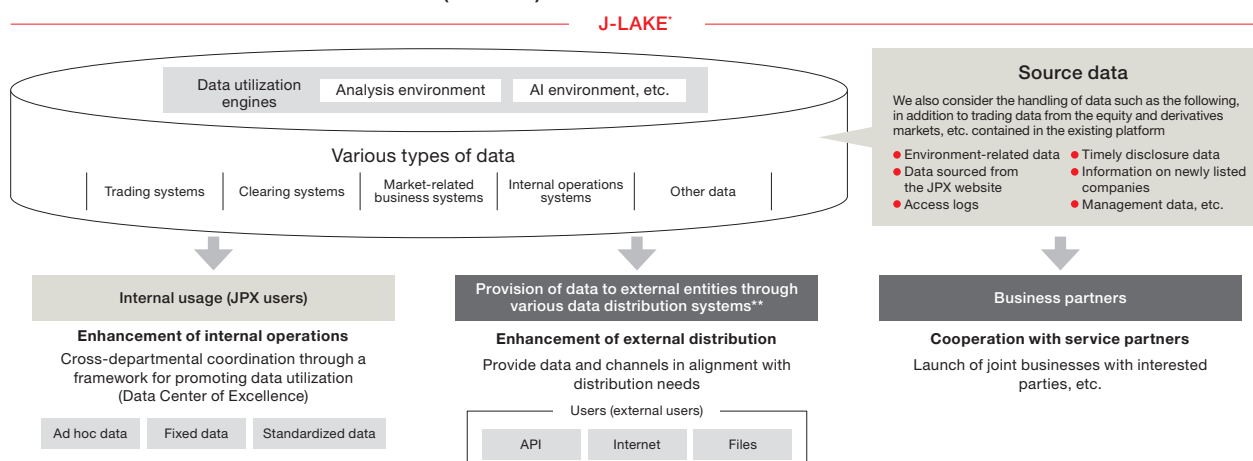
JPX Group also works with Snowflake as a sales channel for data stored in J-LAKE. By utilizing Snowflake's AI data platform, the Group provides an environment where financial institution clients, in particular, are able

to efficiently and securely access JPX Group's data. This encourages data distribution and makes it possible to address users' diverse needs.

Furthermore, JPX Group has made use of Salesforce in developing the JPxData Portal website, thereby enabling it to provide highly convenient one-stop services encompassing everything from data discovery to contracts. JPxData Portal significantly expands the potential data use cases by enabling users to seamlessly search for the data they need, make comparisons, and complete contractual procedures.

Co-creation with such business partners makes it possible for JPX Group to promptly and flexibly address the needs of market participants, thereby maximizing data value and facilitating the creation of new businesses. Going forward, JPX Group will achieve sustainable growth and innovation by continuing to work with its business partners in seeking to enhance data distribution and reinforce market functions.

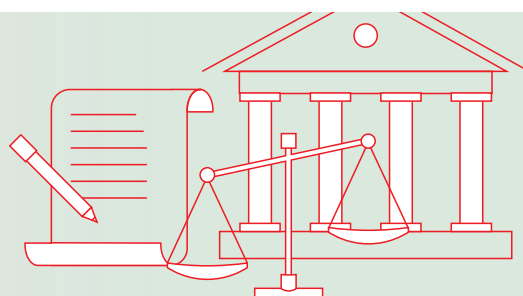
## Common Platform for Data Utilization (J-LAKE)



\* Built on the AWS platform

\*\* In addition to existing distribution channels such as TMI and J-Quants, we anticipate providing data in formats tailored to user needs

# Government and Securities-Related Organizations



## Approach

JPX Group is working with government and securities-related organizations in Japan and abroad to address a wide range of social issues. In addition, we are strengthening dialogue with investors and members of the community through events in and outside of Japan. These activities encourage people to trust the Japanese market and discover its appeal. Looking ahead, we will continue to cooperate with government and securities-related organizations to realize a sustainable society and economic development.

## Active Promotion of the Japanese Market

JPX Group holds and participates in events to communicate the appeal of the Japanese market in cooperation with government agencies and related organizations.

Interest in the Japanese market both domestically and overseas is higher than ever before. An increasing number of investors are also seriously considering investing in Japanese equity and interest-rate related markets. Sometimes, these investors have questions regarding aspects such as the end of deflation, interest rate rises, the shift from savings to investment, and progress on corporate governance reforms. Therefore, through various events, we actively disseminate information on the current situation and the Group's initiatives from our perspective as a market operator. Through these activities, we aim to project the appeal of the Japanese market to a wide range of investors who have not yet noticed the positive changes occurring in Japan.

Together with the Japan Securities Dealers Association (JSDA), we hold the annual Japan Securities Summit, bringing together market stakeholders and investors. We held the 15th Japan Securities Summit in London, UK, in February 2026 (co-hosted by the International Capital Markets Association (ICMA)).

Applications streamed in right up to the start of the event, which was so lively that some of the approximately 350 participants were obliged to stand. JPX CEO Yamaji gave a keynote speech, introducing JPX Group's initiatives and other information. In the panel on interest rates, the Ministry of Finance outlined the current state of Japan's government bond market and its future direction, followed by a fireside chat with Executive Officer Yoshida of JPX. In other parts of the summit, the panel on equities saw a lively exchange of opinions between a strategist from Nomura Securities and the CEO of the International Corporate Governance Network (ICGN) regarding progress on governance reform in Japan and changes in corporate behavior. A powerful message was sent from Japan, with a video message from Minister of Finance Katayama and speeches from Chairman Nakaso of the Organization of Global Financial City Tokyo (FinCity Tokyo) and Vice Minister for International Affairs Miyoshi of Japan's Financial Services Agency (FSA).

We collaborate on various events with FinCity.Tokyo in Europe, the United States, and Asia, including an appearance by Executive Officer Yoshida at the Investor Roundtable in London.



15th Japan Securities Summit (Left) Keynote speech by JPX CEO Yamaji (Right) Fireside chat with JPX Executive Officer Yoshida

## Increasing Familiarity With Securities Investment

JPX Group is working in cooperation with related organizations to help individuals feel a familiarity with securities investment and utilize investments for future asset formation.

The number of individual shareholders in Japan is increasing year by year. The rate of increase has been particularly sharp in the 20-40 age bracket, as the younger generation starts to invest actively in securities. The share of trading carried out by individual investors in the equity market (by trading value) has also reached a historically high level. Since January 2024, there has also been a steady rise in purchases under the new NISA scheme (a tax exemption program for small investments that was radically expanded and made permanent), as the shift from saving to investment becomes more established.

To stimulate interest and engagement in asset formation and securities investing, JPX Group has held various events together with the FSA, Japan Securities Dealers Association (JSDA), the Investment Trusts Association, Japan (currently the Investment Management Association of Japan), and others.

October 4 has been designated "Securities Investment Day" based on a pun made by combining 10 (tō in Japanese) and 4 (shi in Japanese), where tōshi translates

into English as the term "investment." On Securities Investment Day in 2025, we held the "Securities Investment Day Future Investment Quest — Talk & Puzzle-Solving Event," with 100 university students coming together with TV personality Yuchami to learn about securities investment (co-sponsors: JSDA, Investment Trusts Association, Japan). The event also featured an appearance by "Tōshi-kun," with a closing address from CEO Yamaji of JPX.



Tōshi-kun, the official mascot of the securities industry

## Cooperation With International Organizations

JPX Group gathers information and expresses its opinion in relation to global regulatory trends through international organizations, including the World Federation of Exchanges (WFE), the International Organization of Securities Commissions (IOSCO), and the Sustainable Stock Exchanges (SSE) Initiative.

The WFE is an industry association composed of members from exchanges and clearing houses around the world and is engaged in making policy recommendations and conducting surveys and research about capital markets. Recently, the core themes have been the impact of technological innovation on financial market infrastructure and sustainable finance-related issues. JPX Group actively participates in these activities as a member of the Board of Directors.

Furthermore, every year since 2018, JPX has held a "Ring the Bell for Gender Equality" ceremony, co-hosted by the WFE, SSE, and others in conjunction with the UN-designated March 8 International Women's Day. This year, once again, many relevant international organizations participated in the ceremony.

In Asia, JPX Group has served as the Secretariat for the Asian and Oceanian Stock Exchanges Federation (AOSEF) since its establishment as a regional federation of 18 stock exchanges in the Asia-Oceania region. Through this federation, JPX Group promotes dialogue between the exchanges and strengthens their mutual

commitment by conducting survey research and general meetings as well as holding various events throughout Asia. This year, we have facilitated online discussions and held webinars focusing on themes of high interest for members, such as cybersecurity measures at exchanges. Moreover, we provide technology support/training programs to the employees of securities exchanges and regulatory authorities in developing countries to support the development of overseas capital markets.

Through such initiatives, we aim to fulfill our social responsibilities as a company and to create long-term business synergies while promoting cooperation with relevant overseas institutions.



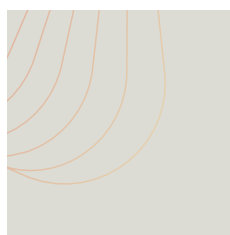
AOSEF General Assembly in Hong Kong





## Foundations for Value Creation

JPX Group is committed to fulfilling its social mission as a core infrastructure of Japan by developing a management foundation that supports value creation, encompassing corporate governance and risk management systems.



# Corporate Governance

JPX Group is committed to developing its corporate governance system appropriately to fulfill its social mission as a core infrastructure of the Japanese market.

## Fundamental Views

In order to implement management in line with its corporate philosophy, JPX Group is aware of the importance of having its stakeholders understand its corporate philosophy and corporate activities. Therefore, it has established fundamental views on corporate governance from the following four perspectives. Based on these fundamental views, JPX Group is committed to developing its corporate governance system appropriately based on each principle in Japan's Corporate Governance Code.

1

### Corporate Philosophy and Social Mission

JPX Group operates markets that are public assets, and its social mission is to pursue sustainable development of its markets.

2

### Market Operations

JPX Group operates markets with the view that garnering support for and fostering confidence in the markets it establishes are in the common interest of all investors and market users, and that maintaining and enhancing such support and confidence will build the foundations for sustainable development of its markets.

3

### Enhanced Corporate Value

In pursuing sustainable development of its markets, JPX Group must continue to accommodate the diverse needs of shareholders and other stakeholders, and through these the Group will enhance its corporate value over the medium to long term.

4

### Effective Corporate Governance

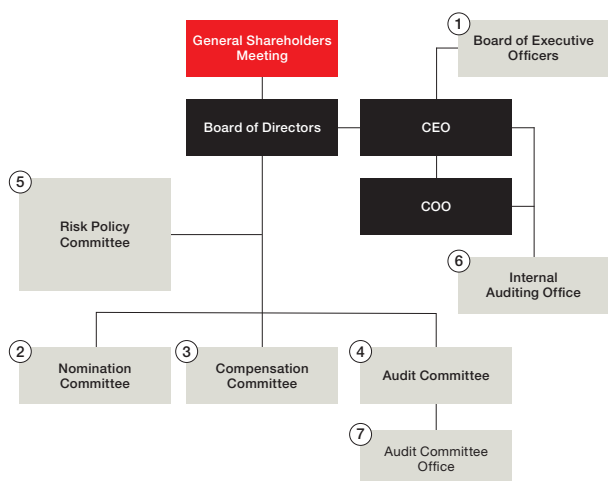
JPX Group strives to constantly improve its corporate governance system to facilitate more effective and properly functioning systems, so as to support the sustainable development of its markets.



## Corporate Governance System

JPX clearly segregates the management oversight and supervision functions from the business execution functions, and adopts the structure of a Company

Corporate Governance System Diagram



with Three Committees to strengthen oversight and supervision functions and raise the transparency of management.

- ① Discusses important matters regarding aspects including business strategy, management, and finances concerning JPX Group
- ② Composed of 5 directors, including 4 outside directors  
Decides on proposals regarding the appointment and removal of directors to be submitted at general shareholders' meetings
- ③ Composed of 5 directors, including 4 outside directors  
Determines the compensation, etc. for each director and executive officer
- ④ Composed of 5 directors, including 4 outside directors  
Conducts audits on the execution of director and executive officer duties, prepares audit reports, and decides on proposals regarding the election and dismissal of the accounting auditor to be submitted at general shareholders' meetings, as well as the disengagement of the accounting auditor
- ⑤ Composed of 5 directors, including 4 outside directors  
Examines/discusses important risks, compiles the reports of such deliberations, and submits recommendations to the board of directors in the form of a Comprehensive Risk Management Statement
- ⑥ Reports directly to the CEO and COO and conducts internal audits
- ⑦ Composed of dedicated staff to support members of the Audit Committee and perform work related to the committee

## Supervisory Matters of the Board of Directors

In addition to making decisions on basic management policies and important matters, the board of directors is composed of a majority of outside directors in order to improve management transparency and accountability and enhance supervision of the appropriateness of business execution, and is mainly responsible for the following supervisory functions.

### ① Management Strategy

The board of directors monitors whether the Group's management strategies, including the Medium-Term Management Plan, are consistent with the goal of increasing corporate value while fulfilling its social mission as a core infrastructure of the Japanese market based on JPX's corporate philosophy. In order to enhance the effectiveness of this, the board of directors discusses updates to the Medium-Term Management Plan for each fiscal year, monitors progress, and holds regular discussions with the Group CEO, as well as the president & CEOs of major business subsidiaries.

### ② Risk Management

The board of directors supervises JPX's risk management in recognition that maintaining sound and stable business operations is crucial for JPX Group to continue raising corporate value while fulfilling its

public role as a market operator. In order to enhance the effectiveness of this, the Risk Policy Committee, which consists primarily of outside directors, identifies the significant risks, such as system risk and accident/disaster (BCP) risk, for each fiscal year and establishes basic policies for responses to each significant risk in a Comprehensive Risk Management Statement. This is then brought to a resolution by the board of directors. In addition, JPX receives reports on the status of company-wide risk management through the Risk Management Committee, which has been established on the executive side.

### ③ ESG (sustainability)

The board of directors monitors the status of initiatives regarding ESG (sustainability) based on the belief that, in addition to responding to JPX Group's own ESG issues, by supporting the initiatives of the listed companies and investors that are its stakeholders from the perspective of financial and capital markets, the Group is contributing to the sustainable development of the market and the realization of a prosperous society. Specifically, the board of directors passes resolutions on environmental policies and human rights policies and receives reports on the status of responses and important matters in line with those policies.

## Composition of the Board of Directors

In order to reflect the opinions of diverse stakeholders in management and market operations, JPX has a basic policy of appointing directors with a diversity of expertise and experience, and in addition to appointing a majority of independent directors, striving to increase its proportion of female directors to at least 30%.

In addition, considering JPX's management strategy and the characteristics of its business as a core infrastructure of the Japanese market, JPX identifies the following as expertise required of its directors: experience as a corporate manager; knowledge of JPX Group's business (finance, technology, etc.); expertise in financial accounting or auditing; expertise in law or risk management; and advanced academic experience or knowledge of government agencies, etc.

From the viewpoint of fully exercising the management oversight and business supervisory functions and ensuring appropriate and efficient operations, the board of directors consists of 12 members, of whom four are women and ten are independent.

The breakdown of the ten independent directors of JPX is as follows: five corporate managers, one legal expert, one certified public accountant, and four researchers or former officials of administrative bodies. Each director has considerable experience and insight in their respective field and contributes to a structure that allows for multifaceted external perspectives to be readily incorporated into the management of JPX. Please refer to the following for details on the expertise of directors and their attendance at board and committee meetings.

### Areas of Expertise of Directors and Attendance at Board and Committee Meetings

Ⓒ Chairperson

| Name                | Corporate Management | Finance | Accounting, Audit | Legal Affairs, Risk Management | Researcher, Government Agencies | Technology | Board of Directors | Committees |              |            |             |                      |
|---------------------|----------------------|---------|-------------------|--------------------------------|---------------------------------|------------|--------------------|------------|--------------|------------|-------------|----------------------|
|                     |                      |         |                   |                                |                                 |            |                    | Nomination | Compensation | Audit      | Risk Policy | Independent Director |
| Kinoshita Yasushi   | ○                    | ○       |                   |                                | ○                               |            | 11/11              |            |              |            |             |                      |
| Yamaji Hiromi       | ○                    | ○       |                   |                                |                                 |            | 11/11              | ○<br>9/9   | ○<br>3/3     |            | ○           |                      |
| Philippe Avril      | ○                    | ○       |                   |                                |                                 |            | 11/11              | ○<br>8/9   | ○<br>3/3     |            |             | ○                    |
| Ota Hiroko          |                      | ○       |                   |                                | ○                               |            | 11/11              |            | ○<br>3/3     | Ⓒ<br>13/13 |             | ○                    |
| Kama Kazuaki        | ○                    |         | ○                 |                                |                                 |            | 11/11              |            | Ⓒ<br>3/3     | 3/3        |             | Ⓒ                    |
| Sawada Jun          | ○                    |         |                   |                                |                                 | ○          | New                | ○          |              |            |             | ○                    |
| Sumida Sayaka       |                      |         | ○                 |                                |                                 |            | 11/11              |            |              | ○<br>13/13 | ○           | ○                    |
| Takeno Yasuzo       |                      |         |                   | ○                              |                                 |            | 11/11              | Ⓒ<br>9/9   |              |            | ○           | ○                    |
| Tanaka Yayoi        |                      |         | ○                 |                                | ○                               |            | 9/9                |            |              | ○<br>10/10 | ○           | ○                    |
| Teshirogi Isao      | ○                    |         |                   |                                |                                 |            | 10/11              | ○<br>9/9   | ○<br>3/3     |            |             | ○                    |
| Matsumoto Mitsuhiro |                      |         |                   | ○                              | ○                               |            | 11/11              |            |              | ○<br>13/13 | Ⓒ           | ○                    |
| Lin Kay             |                      | ○       |                   |                                |                                 |            | 11/11              |            |              | ○<br>13/13 |             |                      |

Note: The figures in the table show meetings attended/meetings held in FY2025.

Time Spent in Deliberation

**1,048** minutes

Number of Items Approved

**26**

## Expertise and Our Views

| Expertise                       | Our Views                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Corporate Management            | We believe that in order to practice management oversight of JPX Group with a high degree of sensitivity, it is necessary to have directors with experience as corporate managers. Since listed companies in particular are among the Group's key stakeholders, we believe it is necessary for the board of directors to include directors who have experience in the management of listed companies. |
| Finance                         | We believe that directors with broad financial expertise are necessary to oversee the management of JPX Group, whose business is the operation of the core infrastructure of financial and capital markets.                                                                                                                                                                                           |
| Accounting, Audit               | We believe that directors with expertise in financial accounting and auditing are necessary to oversee the proper and efficient execution of the Group's business.                                                                                                                                                                                                                                    |
| Legal Affairs, Risk Management  | Within the rapidly changing business environment surrounding JPX Group, we believe that directors with expertise in law and risk management are necessary to oversee appropriate risk management.                                                                                                                                                                                                     |
| Researcher, Government Agencies | We believe that directors with advanced academic experience or knowledge of government agencies or similar organizations are necessary to oversee the management of the Group, in aiming to create new services and achieve more sophisticated use of information while operating financial and capital markets in consideration of public visibility and public interest.                            |
| Technology                      | We believe that the stability and reliability of trading systems and other systems are essential for the stable operation of financial and capital markets, and that directors with broad knowledge of technology are necessary to oversee the management of the Group, which is oriented toward the expansion of data and digital businesses.                                                        |

## Nomination, Compensation, and Audit Committees

As required by law, JPX has a Nomination Committee and a Compensation Committee for the purpose of ensuring transparency and objectivity in the appointment/removal and compensation of directors and executive officers. Outside directors are in the majority for both of these committees. The appointment and removal of directors and executive officers is thoroughly deliberated and determined by the Nomination Committee and put forth for approval at general shareholders' meetings, and the compensation of directors and executive officers is determined by the Compensation Committee. JPX also has an Audit Committee, as required by law, to perform the audit function. This committee is made up of five directors (including one full-time Audit Committee member), of which four, including a certified public accountant, are outside directors. Additionally, there is an Audit Committee Office to assist the committee members in the performance of their duties.

## Risk Policy Committee

JPX has a Risk Policy Committee consisting mainly of outside directors with the aim of further improving its corporate governance by bringing an outside perspective to risk management. For further information on JPX's risk management systems, including information on the activities of the Risk Policy Committee, please refer to "Risk Management" on page 75.

Independent Directors Committee

JPX has an Independent Directors Committee as a corporate organ composed exclusively of part-time independent directors to allow them to exchange information and form consensus among themselves. The committee helps independent directors to better perform management oversight and facilitates active discussion at board of directors meetings.

|                       |                                                                                                                                                                                                                                                                                                                        |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Objectives            | For part-time independent directors to exchange information and form consensus<br>(The chairperson of the board, the Group CEO, and other members of management may participate upon the request of the committee.)                                                                                                    |
| Frequency of meetings | In principle, at least twice a year<br>(The committee chairperson convenes meetings as needed.)                                                                                                                                                                                                                        |
| Committee chairperson | The committee chairperson convenes meetings and presides over them.<br>When the committee deems it necessary for ensuring smooth communication, the committee chairperson may report the details of discussions at committee meetings to the chairperson of the board, the Group CEO, and other members of management. |

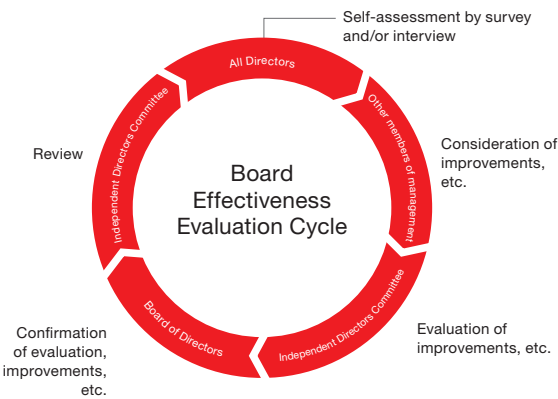


Evaluating the Effectiveness of the Board of Directors

As an annual process, JPX carries out a cycle of analysis and evaluation of the board of directors' effectiveness, as well as that of the Nomination, Compensation, and Audit Committees. To increase the objectivity and transparency of the evaluation process, we utilize the Independent Directors Committee, enabling us to actively incorporate the opinions of independent directors in our efforts to improve governance.

■ Evaluation process, an overview of evaluation results, and other related matters: JPX's Corporate Governance Report  
<https://www.jpx.co.jp/english/corporate/governance/policy/>

Board Effectiveness Evaluation Cycle



Development of Outside Directors

Each of the JPX outside directors has sufficient knowledge in regard to management and corporate governance thanks to their expert knowledge and experience. With the goal of helping these outside directors deepen their understanding of JPX Group's business, the Group holds lectures based on rulebooks and other resources, as well as observation sessions at its offices and data centers. In light of the increasing complexity of the exchange business, the Group also holds discussion workshops where outside directors can keep up to date on knowledge and information regarding the exchange business, as well as events to exchange views with external experts on subjects such as the global financial landscape, risk management, and fintech.



## Succession Plan

The Representative Executive Officer, Group CEO of JPX is selected by a resolution of the board of directors based on a proposal by the Nomination Committee, which is in accordance with predetermined CEO Personnel Requirements. In terms of the actual selection process, the Nomination Committee makes its selection in accordance with the Succession Plan, which is based on the CEO Personnel Requirements. In implementing

the Succession Plan, the Nomination Committee members monitor multiple candidates for succession, narrow down the list of candidates, and make a final decision on the candidate to be nominated as the next CEO. JPX's policy is for the Nomination Committee to work with the board of directors on an ongoing basis to consider how to make the Succession Plan more appropriate.

## Director and Executive Officer Compensation and Factors for Determining Compensation

### 1. Basic policy of compensation for directors and executive officers

In order to contribute to the sustainable growth of JPX and the improvement of corporate value over the medium to long term, compensation for directors and executive officers shall be determined in accordance with the following policy.

It should be appropriate for the duties and responsibilities of the directors and executive officers, etc.

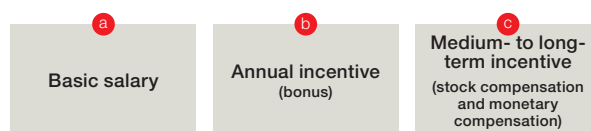
It should provide motivation for achieving the long-term vision and management plan

It should maintain enough competitiveness to secure the personnel necessary to steadily implement JPX's corporate philosophy

In view of our responsibility as a part of social infrastructure, it should be appropriate in light of social conditions, and ensure that decision-making procedures, etc. are objective and transparent

Based on the above "basic policy of compensation for directors and executive officers," compensation is composed of **a** basic salary, **b** annual incentive (bonus), and **c** medium- to long-term incentive (stock compensation and monetary compensation).

### Components of Compensation for Directors and Executive Officers



Note: The ratio of the components of the CEO and executive officers' compensation package is as indicated in 2: Ratio of the components of the CEO and executive officers' compensation package.

Note that compensation awarded to directors who do not concurrently serve as executive officers is limited to **a** basic salary. The details of each type of compensation are as follows.

#### **a** Basic Salary

The basic salary is determined in accordance with each executive's position and duties as consideration for their participation in management and business execution, and with reference to the level of executive compensation at other companies, based on research by external expert organizations and other sources.

#### **b** Annual incentive (bonus)

The annual incentive (bonus) is awarded to executive officers in proportion to net income (for the purposes of this section, "net income" refers to net income attributable to owners of the parent company as indicated in the consolidated statement of income). Net income is used as the metric as it is the source of investment aimed at increasing corporate value as well as the capital used in the payment of dividends to shareholders. It is also because it is appropriate to base the annual incentive (bonus), which is an incentive for each fiscal year, on the net income reported in the relevant fiscal year. Also, to evaluate the performance of each executive officer in each fiscal year, a bonus is awarded based on evaluation of that officer's individual performance.

The annual incentive (bonus) will not be paid if consolidated ROE falls below the cost of shareholders' equity (CAPM).

**c Medium- to long-term incentive (stock compensation and monetary compensation)**

**Medium- to long-term incentive (stock compensation)**

The medium- to long-term incentive (stock compensation) is paid to executive officers with the aim of aligning the interests of executives closer to those of shareholders, providing motivation for corporate value enhancement over the medium to long term, and strengthening the link between performance and compensation. JPX stock compensation utilizes a share delivery trust framework and is composed of a fixed amount and a performance-linked amount.

For the fixed amount, executives are issued points in accordance with their position and other aspects for each fiscal year, and are awarded shares corresponding to these points three years later.

For the performance-linked amount, all executives are assigned base points each fiscal year. Three years later, shares are awarded for the number of shares calculated by multiplying the base points by a coefficient based on the degree of achievement of certain performance conditions.\*,\*\*

**Medium- to long-term incentive (monetary compensation)**

The medium- to long-term incentive (monetary compensation) is awarded to executive officers in line with the performance of consolidated ROE and sustainability measures set out in the Medium-Term Management Plan 2027.

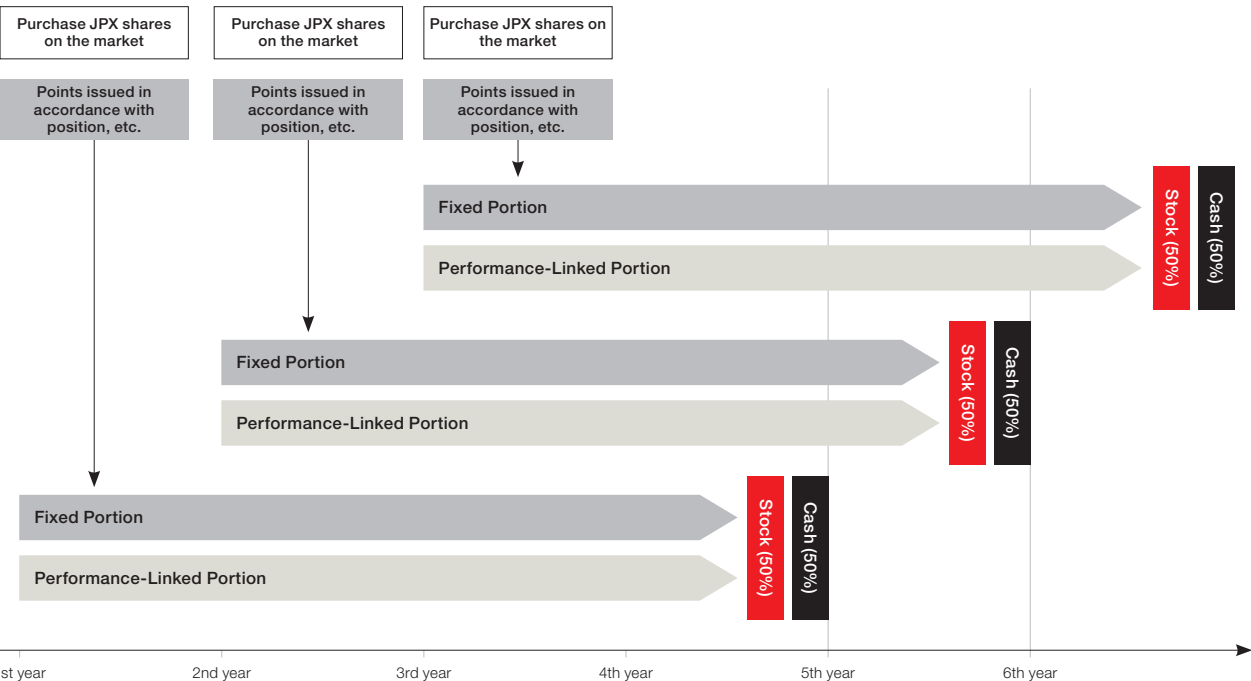
With respect to consolidated ROE, the amount paid was set to reach a maximum if consolidated ROE reached 18% or more in any of the three years of the Medium-Term Management Plan. However, given the consolidated ROE achieved in FY2025 and the updated financial targets for the Medium-Term Management Plan 2027, this has been changed to the amount reaching a maximum if consolidated ROE reaches 20% or more for three consecutive years. The amount of incentive for each executive officer will be decided in accordance with their respective positions.

In addition, with respect to sustainability measures, based on the non-financial commitments set in the Medium-Term Management Plan 2027, the amount paid will reach the maximum if the three indicators from the results of the engagement survey (Work Engagement, Employee Development, and Permeation of Corporate Philosophy) hit their targets.

\* All executives are given performance-linked base points each fiscal year. Three years later, shares are awarded corresponding to the final tally of performance-linked points, which is calculated by multiplying the performance-linked base points with a performance-linked coefficient based on the degree of achievement of certain performance conditions. The performance-linked coefficient is set within a 0–200% range, based on the conditions outlined in the table on page 74: (i) JPX's consolidated ROE exactly three years from the issuance date of the performance-linked base points and (ii) a comparative assessment of Total Shareholder Return (TSR) and the performance of the JPX-Nikkei Index 400 (total return index) for the three-year period from the end of the fiscal year before the performance-linked base points were issued. Consolidated ROE is used as an indicator from the perspective of improving capital efficiency, while TSR is used from the perspective of improving value for shareholders.

\*\*In accordance with JPX's rules for executive officers, in principle, shares in JPX acquired through stock compensation, etc. may not be sold until one year has elapsed from the time of departure from JPX. Furthermore, based on the share delivery regulations, in the event of any misconduct on the part of the officer to whom the stock compensation is granted, delivery of shares, etc. not yet delivered shall be canceled, and in the case where delivery has been made, a request for the return of the amount equivalent to the delivery may be made to the officer.

**Stock Compensation Plan**



## Terms and conditions regarding performance pertaining to performance-linked portion of medium- to long-term incentive (stock compensation)

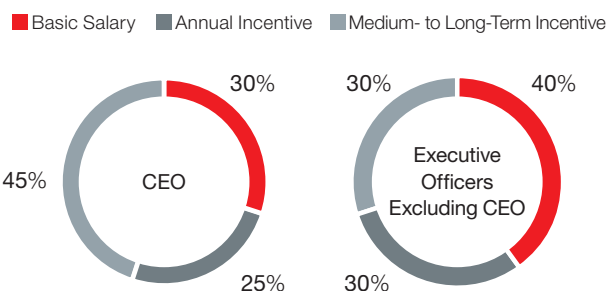
| Total Shareholder Returns (TSR) VS JPX-Nikkei 400 (total return) |                              | Consolidated ROE |                  |               |
|------------------------------------------------------------------|------------------------------|------------------|------------------|---------------|
|                                                                  |                              | Below 15%        | 15% to under 18% | 18% and above |
|                                                                  | Outperform by 150% or more   | 100%             | 150%             | 200%          |
|                                                                  | Outperform by less than 150% | 50%              | 100%             | 150%          |
|                                                                  | Underperform                 | 0%               | 50%              | 100%          |

## 2. Ratio of the components of the CEO and executive officers' compensation package

Compensation for the CEO and executive officers consists of basic salary, annual incentive (bonus), and medium- to long-term incentive. The charts on the right show the ratio of the components of the CEO's and executive officers' compensation packages, assuming the most recently announced earnings forecast.

Note: Percentages are based on the assumption that the performance-linked coefficient for stock compensation is 100% and that one year's worth of medium- to long-term incentive related to achievement of the Medium-Term Management Plan has been included.

### Ratio of the components of the executive officers' compensation package



### Compensation paid to directors and executive officers

| Director/Executive Classification       | Total Compensation (JPY million) | Total Compensation by Category (JPY million) |                               |                                |                            |                                                                                  | Eligible Number of Executives |
|-----------------------------------------|----------------------------------|----------------------------------------------|-------------------------------|--------------------------------|----------------------------|----------------------------------------------------------------------------------|-------------------------------|
|                                         |                                  | Basic Salary                                 | Annual Incentive              | Medium- to Long-Term Incentive |                            |                                                                                  |                               |
|                                         |                                  | Monetary Compensation                        | Monetary Compensation (Bonus) | Stock Compensation             |                            | Monetary Compensation (Degree of Achievement of the Medium-Term Management Plan) |                               |
|                                         |                                  |                                              |                               | Fixed Portion                  | Performance-Linked Portion |                                                                                  |                               |
| Directors (excluding Outside Directors) | 45                               | 45                                           | —                             | —                              | —                          | —                                                                                | 1                             |
| Executive Officers                      | 506                              | 170                                          | 207                           | 88                             | 40                         | —                                                                                | 5                             |
| Outside Directors                       | 217                              | 217                                          | —                             | —                              | —                          | —                                                                                | 10                            |

#### Notes:

- JPX does not pay director compensation to directors who concurrently serve as executive officers.
- Of the executive officers, those who also serve as representative directors of Tokyo Stock Exchange, Inc., Osaka Exchange, Inc., JPX Market Innovation & Research, Inc., Tokyo Commodity Exchange, Inc., and Japan Securities Clearing Corporation are not included in the number of eligible executive officers because they are not paid compensation as executive officers.
- It is JPX policy that outside directors purchase shares of the company from their basic salary through the Officers' Shareholding Association.
- Annual incentives (bonuses) will not be paid if consolidated ROE falls below the cost of shareholders' equity (CAPM). As consolidated ROE exceeded the CAPM in FY2025, the requirement for payment has been satisfied.
- Concerning the indicators used for the performance-linked portion of stock compensation, consolidated ROE and TSR are used, and the performance-linked coefficient changes depending on the level of the targets achieved. Consolidated ROE comprises a two-tier target of 10% or more and 14% or more. For FY2025 and beyond, in light of JPX's recent performance trends, the target levels have been raised to 15% or more and 18% or more, respectively. Concerning TSR, the target is for TSR to exceed the growth rate of the JPX-Nikkei Index 400 (total return index). Starting in FY2025, evaluations consist of two tiers: one for outperforming and another for achieving an outperformance rate of 150% or higher. The amount of the aforementioned stock compensation is the amount among the stock compensation for FY2022 to FY2025 that is recorded as an expense in the fiscal year. Of that, the indicators for stock compensation granted in FY2022 were as follows: consolidated ROE was 18.3%, and the three-year TSR of the company's shares underperformed the growth rate of the JPX-Nikkei Index 400 (total return index) over the same period. Accordingly, the performance-linked coefficient was 100%.
- The bonus, the performance-linked portion of the stock compensation, and the monetary compensation related to the degree of achievement of the Medium-Term Management Plan fall under "performance-linked compensation, etc." provided for by the Regulations for Enforcement of the Companies Act, and stock compensation falls under "non-monetary compensation, etc." provided for by the same Regulations.

# Risk Management

In its approach to risk management, JPX Group recognizes the importance of maintaining sound and stable business operations to fulfill its public role as a market operator and continue raising corporate value.

## Risk Management System

JPX Group faces numerous risks in the course of its operations, including risks associated with system glitches, compensation in the event of defaults by clearing participants, and administrative matters. The Group has established a Risk Policy Committee and a Risk Management Committee to address risk. In line with the Group's Risk Management Policy, these committees are responsible for identifying risks as well as developing and implementing measures to prevent such risks. The Group also has a system in place to ensure a swift and appropriate response when risks do or are likely to materialize.

The Risk Policy Committee consists of at least five members, the majority of whom are outside directors. As a rule, the committee is chaired by an outside director. The Risk Management Committee is composed of core members and project members who oversee the risks of specific projects. The Group CEO (who serves as chairperson), COO, full-time audit committee members, the executive officer overseeing the General Administration Department, and the director of the department make up the core members, while the chairperson of the committee assigns project members to specific cases as they arise.

The Risk Management Policy serves to prevent risks by indicating and classifying the risks JPX Group faces. Departments or sections are assigned to handle the classified risks, and information on the assessments of operations and issues to be addressed are periodically brought before the Risk Policy Committee and Risk Management Committee. Each fiscal year, the Risk Policy Committee identifies the significant risks requiring priority action for JPX Group and establishes basic policies for responses to each significant risk. The results of this process are submitted to the board of directors as recommendations in the form of a Comprehensive Risk Management Statement.

Based on the Comprehensive Risk Management Statement it has formulated, JPX Group responds to significant risks and other risks in advance, thereby reducing the likelihood of risks materializing and enabling flexible responses when risks do materialize. In the event of a major issue, the role of the Risk Management Committee is to assemble a comprehensive understanding of the situation and give directions for solving the issue as quickly as possible, and a system has been established to ensure that all necessary information is reported to management promptly and without fail.

## Significant Risks

Each fiscal year, we identify the significant risks on a Group basis. We control the possibility of the materialization of these risks by implementing necessary preventive measures. We also implement measures to ensure that we are able to respond flexibly in the event that risks materialize.

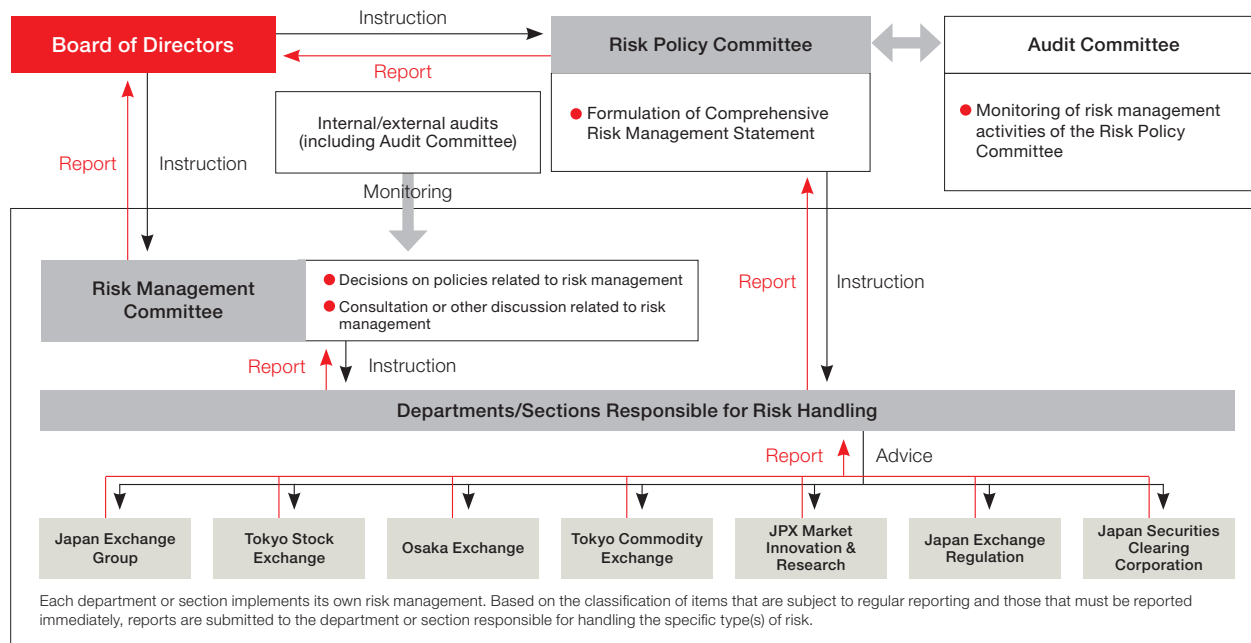
JPX Group approaches risk management on two levels: first, JPX Group as a whole works to identify risks in the internal environment, and second, we hold wide-ranging discussions involving the management team

about potential risk factors in the external environment, such as geopolitical risks. Based on the results of these discussions, we then consider which are significant risks. Many risks are detected at the discussion stage. We examine these in detail to identify the risks that require the greatest attention in each fiscal year, on the basis of the potential impact on the whole Group if the risk materializes and the frequency with which such risks are likely to arise. We then take preventive measures targeting specific significant risks.



## Risk Management System

→ Flow of regular reports and reports submitted when risks occur → Flow of instructions and advice on response



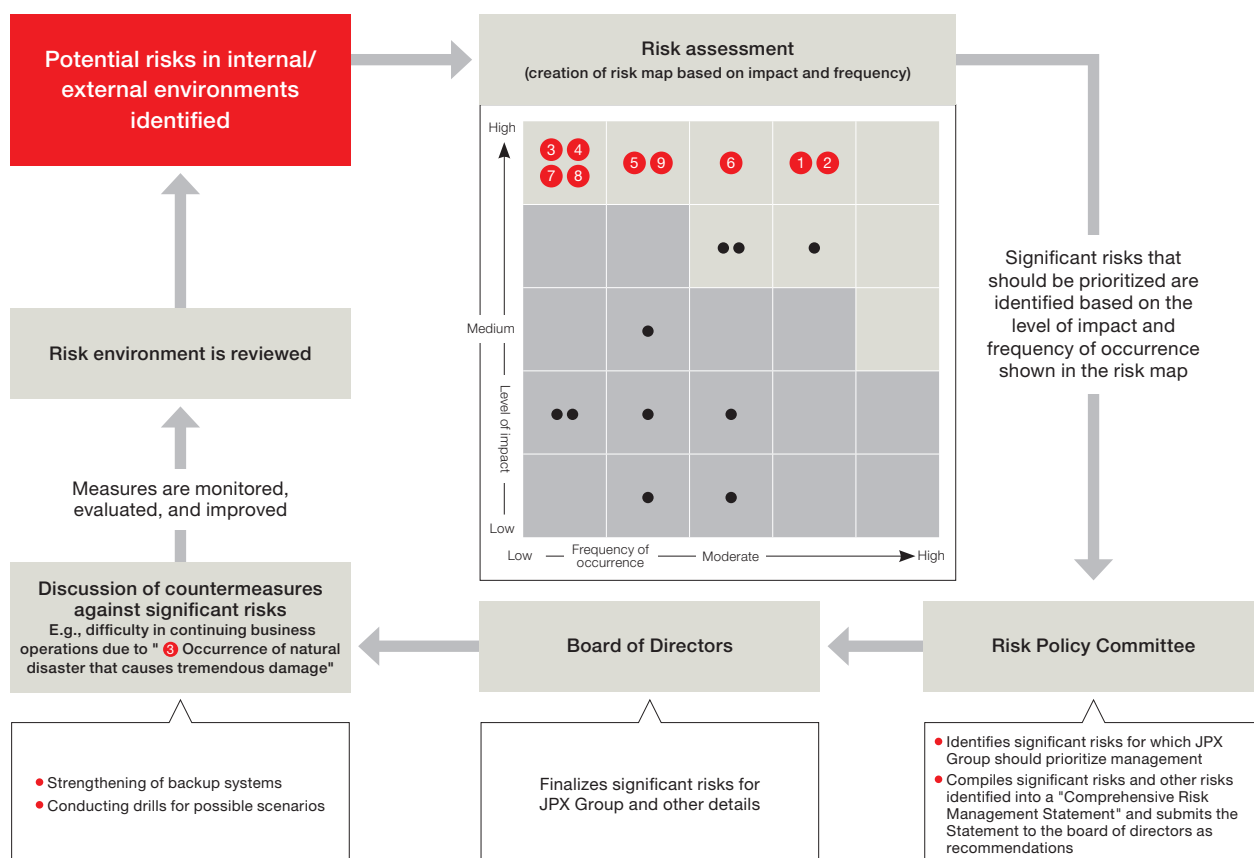
## Risk Classification

| Types of Risk                                                                 | Examples                                                                                                                                                                                 |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Business strategy/<br>environment risk                                        | Economic fluctuations, legal and regulatory matters, demographic changes, technological innovation, investor trends, public opinion, and failed business choices                         |
| Accidents and disaster risk                                                   | Major earthquakes, typhoons, tsunamis, epidemics, terrorism, failure/stoppage of social infrastructure, fires, and accidents                                                             |
| System risk                                                                   | Inadequate hardware capacity and application errors                                                                                                                                      |
| Legal risk                                                                    | Violations of laws and regulations in the course of business, business partner's failure to perform on contracts, and the possibilities of having a relationship with anti-social forces |
| Financial risk                                                                | Undermined reliability of financial reporting, lack of funds, and loss or damage to assets, including deposits                                                                           |
| Human risk                                                                    | Personnel shortage, industrial accidents, and occupational hazards                                                                                                                       |
| Information security risk                                                     | Information leakage, unauthorized access, and computer viruses                                                                                                                           |
| Operational risk                                                              | Mistakes in operational procedures and misjudgments                                                                                                                                      |
| Risk of associated companies                                                  | Emergence of risk in group companies                                                                                                                                                     |
| Reputational risk                                                             | Decline in public reputation due to acts and statements by employees and/or third parties                                                                                                |
| Credit risk and liquidity risk arising<br>from obligation assumption business | Losses incurred or failure to perform clearing obligations resulting from default or other causes instigated by clearing participants                                                    |
| Other risks                                                                   | Risks other than those mentioned above                                                                                                                                                   |

## Major Significant Risks and Our Responses to Them

| Types of Risk                                                              | Risk Phenomena                                                                                                                                                                     | Responses to Risk Phenomena                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| System risk                                                                | ① System failures                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Implementing standardized development methods and adequate operational tests</li> <li>Maintaining thorough quality control pertaining to development and operations</li> <li>Implementing regular drills for system failure</li> <li>Implementing recurrence prevention measures in response to system failure (strengthening resilience)</li> </ul>                                                                                                                                                                                                                                                            |
| Information security risk                                                  | ② Cyberattacks                                                                                                                                                                     | <ul style="list-style-type: none"> <li>Implementing regular information security diagnostics by external vendors</li> <li>Implementing regular drills</li> <li>Implementing e-learning</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Business continuity risks                                                  | ③ Occurrence of natural disaster that causes tremendous damage<br>④ Occurrence of terrorist attack<br>⑤ Occurrence of pandemic                                                     | <ul style="list-style-type: none"> <li>Building of eastern and western backup capabilities (for both business operations and systems)</li> <li>Implementing regular drills (for disaster and terrorism responses)</li> <li>Reviewing contingency plans, etc.</li> <li>Recommending and adopting telework and staggered working hours</li> <li>Using nearby backup offices, etc.</li> </ul>                                                                                                                                                                                                                                                             |
| Operational risk                                                           | ⑥ Administrative or similar errors in business operations related to market operations (system operations, etc.), listing services, or clearing services                           | <ul style="list-style-type: none"> <li>Implementing regular operation drills</li> <li>Continuous review of operational manuals and processes (including promotion of automation and AI utilization)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Credit risk and liquidity risk arising from obligation assumption business | ⑦ Default, etc. by clearing participants                                                                                                                                           | <ul style="list-style-type: none"> <li>Ensuring adequacy of margin and other sources of funds</li> <li>Daily monitoring of clearing participants and regular holding of drills in case of participant bankruptcy</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Business strategy/environment risk                                         | ⑧ Changes in operating environment (impact on market from changes in regulations or rules due to laws, etc.)<br><br>⑨ Delayed or insufficient response to promoting sustainability | <ul style="list-style-type: none"> <li>Performing regular monitoring of progress of business strategies and changes in the business environment, etc., and reviewing priority strategies corresponding to proper budgetary operation and changes in the operating environment</li> <li>Reviewing market rules and structures in fitting with discussion and debate among market stakeholders, etc. (strengthening of market functions, provision of fair and highly convenient trading services, etc.)</li> <li>Formulating Environmental Vision and Environmental Policy</li> <li>Disclosing information based on the TCFD Recommendations</li> </ul> |

## System for Identifying Significant Risks



## Business Continuity in Emergencies

JPX Group's core responsibility as a market operator within the social infrastructure is to provide reliable markets for market users to trade with confidence. Therefore, even when major risks do materialize, such as in the form of natural disasters or terrorist acts, the Group must be prepared to answer the call of society and continue operations. To be ready for such situations, JPX Group established our Business Continuity Plan (BCP) to define our response to materialized risks.

The basic concept of the BCP is to continue operations as far as possible even in times of emergency. If suspension is unavoidable, then the affected operations should be resumed as soon as possible. For instance, even if a serious incident, such as a major earthquake, occurs and operations are suspended, in principle, JPX Group aims to resume clearing operations in about two hours and trading operations within 24 hours to prevent the loss of a trading day to the greatest extent possible.

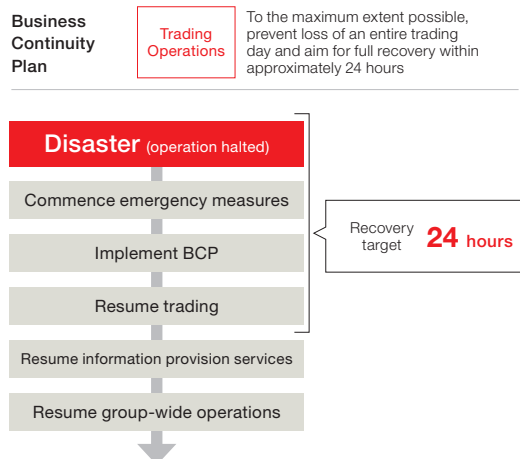
To achieve said targets, in addition to its primary data center where operations normally take place, the Group also maintains a secondary (backup) center, which is located in a different area to avoid having both centers be simultaneously affected. If the primary center is

affected by a disaster and cannot continue operations, operations are switched over to trading and other core systems in the backup center to allow trading to resume as quickly as possible. In a bid to help further enhance the reliability of the Japanese market, we have constructed a secondary (backup) center in the Kansai region away from Tokyo, where there would be little to no fear of shortages of electricity and other essential services in the event that a major large-scale earthquake or other disaster occurred in the Tokyo Metropolitan area and caused damage to its social infrastructure.

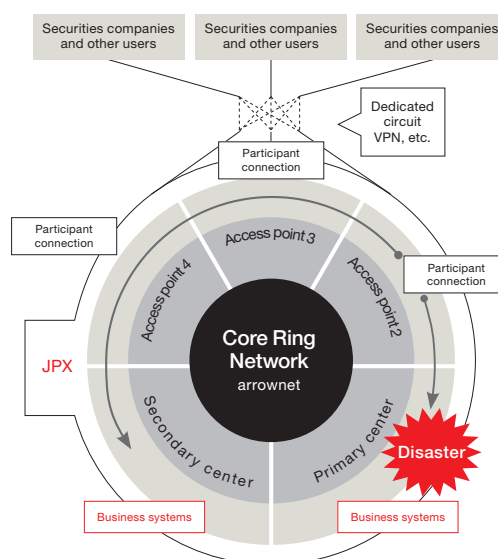
Furthermore, in preparation for a large-scale earthquake and other wide-area disasters, the core telecommunications network, arrownet, is designed as an optical ring network that surrounds the Tokyo Metropolitan area. Even if a part of the network is severed by a disaster, transmissions will be re-routed immediately, ensuring that connections are maintained. The BCP also defines the response policy for each type of identified risk, as well as detailed plans for establishing the BCP emergency headquarters and securing personnel and communication methods. JPX Group reviews its BCP at least once a year and revises it accordingly in light of changes in the environment.

 Business Continuity Plan  
<https://www.jpx.co.jp/english/corporate/governance/risk/bcp/index.html>

## Procedures for Restoring Trading Operations Based on BCP After Disaster Occurs



## System for Responding When BCP is Implemented



## Contingency Plan

Alongside the need for exchanges to provide opportunities for trading, in order to maintain fair price formation in the market, it is also necessary for securities companies and other market participants who place orders to the exchange market to maintain a certain level of preparedness. JPX Group formulates contingency plans for disseminating and publishing its basic response policies when it becomes difficult to continue trading, such as when there is a glitch in an internal or external system, a natural disaster or terrorist act, or when parts of the social infrastructure cease to function. For example, in the case of a natural disaster, we consider the necessity of trading suspension after taking fully into account the past trading value share of trading participants that are unable to participate in trading (generally above 50% of overall trading value), the extent of the disaster and the state of system failure (including the number of participants that are unable to participate in trading, their attributes, and the status of the entire financial market), and societal demands.

## Systems Capacity Management

In recent years, with faster systems and the growing prevalence of co-location services, there has been an increase in the number of orders processed by JPX Group trading systems. In view of these changes, JPX Group is monitoring market trends and system usage and working to manage overall system capacity across the corporate group by utilizing projections to prepare for and prevent any system capacity issues that may arise. Capacity management is not conducted by IT departments alone, but also by the Capacity Management Committee chaired by the CIO. The cross-divisional committee is made up of executive officers and departments involved in market operations.

Geared toward realizing even better systems, the committee monitors, analyzes, and assesses system operation conditions, works on improvements for current systems, and provides feedback on the design and development of next-generation systems. The committee employs the PDCA cycle in its activities, while reporting to management periodically and on an as-needed basis to make swift and appropriate decisions on priority or emergency issues related to system capacity.

## Actions on Cybersecurity

As JPX Group holds responsibility for key financial market infrastructure, it views cybersecurity as a significant management risk, and accordingly, actively advances cybersecurity measures, as well as implementing a variety of measures to provide safe and secure services to investors and other market users under the "Basic Policy on Cybersecurity."

We maintain cybersecurity standards based on domestic and international guidelines, clearly defining the responsible departments, and realize governance that responds to a changing environment by enabling the PDCA cycle of risk assessment, monitoring, and improvement to function under a company-wide communication framework that includes the board of directors. As part of our incident response framework, we have established JPX-CSIRT, which monitors and addresses threats 24 hours a day, 365 days a year. Through regular drills, we maintain a system that enables swift and accurate response in the event of an emergency. In the event of an incident, we have set business continuity resumption targets based on our Business Continuity Plan (BCP).

Additionally, as part of our efforts in cybersecurity measures, we implement measures at each stage, from system and service development to delivery, based on our "Security by Design" philosophy. In terms of human resources, we have built an effective team by securing specialized personnel through internal training and the utilization of external resources. Furthermore, we promote an understanding of the importance of cybersecurity through education and drills for all employees. In addition, through the issuance of cautions throughout the entire supply chain surrounding JPX Group and through conducting collaborative training with relevant organizations, we strive to enhance the reliability of the entire financial market.

 Basic Policy on Cybersecurity  
<https://www.jpx.co.jp/english/corporate/governance/security/cybersecurity/index.html>



# Internal Control Systems and Compliance

Besides maintaining well-designed business operating systems for stable and appropriate execution of business, all officers and employees observe laws and regulations and demonstrate a strong sense of ethics in the performance of their daily tasks.

## Internal Control Systems

JPX Group has a Basic Policy on Establishment of Internal Control System and develops and maintains internal control systems based on this policy. To ensure the proper operation of business processes throughout the Group, we create systems for ensuring compliance with laws and regulations, safeguarding and managing information, managing risk of loss, ensuring efficient operations, and for internal controls. To ensure that these systems are functioning properly, the Internal Auditing Office, an independent unit that reports directly to the Group CEO and COO, periodically confirms and assesses the status of internal controls.

■ Basic Policy on Establishment of Internal Control System  
<https://www.jpx.co.jp/english/corporate/governance/internal-control/index.html>



## Compliance Program

JPX Group has a Charter of Corporate Behavior in place as a set of standards for ethics and morals, which clearly states the expected corporate behavior. In order to ensure the effectiveness of internal controls, the Group continues to increase awareness of compliance among management and employees by continually renewing internal systems, as well as through education and training.

■ Compliance Program  
<https://www.jpx.co.jp/english/corporate/governance/compliance/index.html>

### Charter of Corporate Behavior

The Charter of Corporate Behavior serves to make clear JPX Group's social responsibilities as an open and transparent corporation positioned in harmony with society. The Charter states the basic policies for corporate behavior in terms of ethics and morals. It also clearly indicates the Group's investor-centric stance and reflects our commitment to being an open company.

### Organizational System

The Group CEO assumes responsibility for compliance and oversees all compliance-related matters. The Group CEO is assisted by the executive officer responsible for compliance and the Compliance Secretariat. The Group has a Compliance Hotline in place to provide a channel for reporting information and making inquiries regarding clear or suspected violations of laws and internal rules, including against the Charter of Corporate Behavior. When certain behavior involving Group officers or employees is suspected to be in violation of compliance, the hotline makes it possible to detect such acts promptly from an incoming call and introduce measures and frameworks to address them.

### Activities for Continued Awareness

JPX Group engages in a number of activities to maintain awareness of compliance issues. These include cross-divisional meetings among all staff in charge of compliance matters, distributing compliance handbooks, communicating knowledge on compliance through the intranet, and holding e-learning courses.

# Discussion Between Independent Directors

## Strengthening the governance that upholds trust in the market and value creation

With a revised management structure from FY2026, how should JPX's corporate governance evolve? We asked the independent directors chairing the three board committees for their individual perspectives.

**What roles are expected of JPX's board of directors and its independent directors?**

**Ota** JPX is distinct from other companies in two ways. The first is that JPX's business of stable market operations has a profoundly significant impact on society, extending far beyond the scope of the products and services typically offered by companies. The role of market operator is JPX's reason for being, so issues related to market operations carry just as much weight on the board of directors as JPX's own management challenges. I myself only truly came to recognize JPX as a *company* when I took part in a training session for newly appointed directors. The second characteristic is the significantly limited scope of work that the company can undertake.

While this is also true for other regulated sectors, JPX is unique in that it has no domestic competitors. It must explore new areas to heighten the appeal of the Japanese market, while at the same time complying with regulations. JPX is both a private entity and a public institution, and must also maintain a keen focus on creating customer value. This distinct characteristic brings a unique tension to its management. Fully sharing this understanding, the board of directors engages in vigorous discussions that go beyond conventional boundaries. I have no business experience, so I cannot speak from the perspective of a listed company, but as an independent director, I intend to continue exploring what JPX should do to enhance the appeal of the Japanese market and raise the value of Japanese companies.

Chairperson of the  
Compensation Committee

**Kama Kazuaki**

Chairperson of the  
Audit Committee

**Ota Hiroko**

Chairperson of the  
Nomination Committee

**Takeno Yasuzo**



**Kama** JPX is a Company with Three Committees. As such, its board of directors is expected to function as a "monitoring board" that supervises the management team on behalf of stakeholders with regard to the status of execution, corporate governance, and other matters. The matters requiring oversight are complex and wide-ranging. It is therefore preferable for the board of directors to be composed primarily of outside directors with a variety of skills and backgrounds, and the disclosure of a skills matrix is helpful to stakeholders. Even within this increasingly uncertain and volatile business environment, outside directors, who are members of this monitoring board, are expected to fulfill both "offensive" and "defensive" governance roles: the former involves supporting management decisions and initiatives that foster JPX's sustainable growth and enhance its corporate value, while the latter involves verifying compliance in the execution of operations and assessing risks and internal controls. I myself would like to make sure I always keep this idea of offensive and defensive governance in mind as I participate in the board's discussions.

**Takeno** Corporate governance is a framework by which listed companies can make fair and prompt decisions that take into account the interests of shareholders, customers, local communities, and other stakeholders. With exchanges as subsidiaries, which act as public institutions in Japanese society and operate critical systems, JPX's key corporate objective is to ensure the smooth and sustainable operation of these exchanges. At the same time, since JPX itself is also a listed company, it must work to deliver medium- to long-term profits for its shareholders. The board of directors is therefore expected to formulate management plans that strike a balance between these two requests and to monitor their execution. As Ms. Ota just mentioned, JPX is unique in that it has no domestic competitors of comparable size. To serve the interests of its stakeholders over the medium to long term, JPX must take a broad perspective as it considers the path before it—including what actions to take and to what extent to pursue them—and independently seek the optimal solution. That is why it is particularly important for outside directors with diverse backgrounds to voice their opinions at meetings of the board of directors. To give a specific example, when pursuing minority investments or acquisitions to fulfill the "beyond" aspect of "Exchange & beyond," it is extremely valuable to have outside directors offer perspectives from their diverse experiences and backgrounds in areas such as the management of listed companies, market operations, accounting and legal affairs, and government agencies as JPX weighs the balance between maintaining its role as an exchange and pursuing growth as a company. As an attorney myself, I understand that I am expected to contribute to the discussion based on my legal expertise.

### How do you view the management challenges and future prospects of JPX?

**Takeno** JPX is in the position of operating the market, a vital piece of social infrastructure, and at the same time



holds a vast amount of information about the Japanese market. The primary challenge for management is how to operate this social infrastructure in a stable and sustainable manner while leveraging this unique position to realize further value creation. We believe that JPX has been addressing this key challenge and producing results by measures such as formulating and implementing medium-term management plans aimed at creating value and acquiring information-related companies via JPX Market Innovation & Research. Going forward, we will need to further develop this approach of "defensive" and "offensive" management.

**Kama** CEO Yamaji has cited three factors as key to strengthening JPX's global competitiveness: the quality and quantity of listed products, the number and breadth of investors participating in the market, and the user-friendliness of systems and rule frameworks. With regard to the quality and quantity of products and the investor base, measures such as the market restructuring and encouraging "Action to Implement Management that is Conscious of Cost of Capital and Stock Price" are beginning to yield results, as evidenced by improvements in the ROE of listed companies and more comprehensive related disclosures. In terms of systems and rule frameworks, JPX has strengthened its systems by learning from past system failures and has enhanced resilience with measures such as changes to trading hours. JPX will need to continue making improvements while remaining attentive to the needs of its stakeholders. Furthermore, JPX's human capital management operates on the principle that people are the driving force behind our business and that the growth of individual employees leads to the growth of the company. JPX is also making progress in initiatives to secure IT talent and leveraging AI, and while there are high hopes for their application in areas such as product design in the future, we must also remain mindful of the risks associated with these advancements.



**Ota** One of the strengths of the Japanese economy is the massive amount of household financial assets. It would be beneficial to channel these into the development of industries and companies. That was why I took the lead in the discussions on the "comprehensive exchange" 20 years ago, when I served as Minister of State for Economic and Fiscal Policy. However, the process took time, and Japan was unable to fully capitalize on the opportunities for growth in commodity derivatives. At the time, household financial assets amounted to JPY 1,500 trillion. These have now increased to JPY 2,351 trillion. As the operator of Japan's financial and capital markets, JPX's role is to channel these resources into growth in Japan and Asia and create new value. We are now transitioning to a positive-interest economy, stock prices are recovering from a prolonged period of stagnation, and the energy market is once again gaining importance. The new NISA has also significantly expanded the investor base. As we stand at this major turning point, the two themes outlined in the Medium-Term Management Plan—to "Forge a new era for the Japanese stock market" and "Strive to become a comprehensive platform"—clearly articulate the challenges JPX must address. I want to pour everything we've got, and perhaps even more, into this effort to unlock Japan's massive household financial assets and harness them to fuel the growth of Japanese companies, including startups, and create new value. I believe that opportunity now lies before us.



**Under the revised management structure, what expectations do you have for JPX in terms of enhancing corporate governance and increasing corporate value?**

**Kama** These latest changes, namely, the reduction in the number of internal directors and the increase in the proportion of outside directors, can be considered a further step toward the transition to a monitoring board. In order for this effort to achieve results, it is necessary to continuously improve how the board of directors operates and deepen communication between the management team and outside directors. With regard to the former, the effectiveness of the board of directors is evaluated every year and improvements are made based on the results. A third-party evaluation is also planned this fiscal year. Regarding the latter as well, communication has deepened through communication meetings, off-site tours, and study sessions, and I hope these activities will continue in the future. JPX is not merely a business corporation. It is a public institution that underpins the operation of the capitalist system. We prioritize public visibility and the public interest above all else, for it is only when we earn the support and trust of our stakeholders that we can generate revenue and profits. In order to achieve this, it is extremely important to ensure transparency and reliability in management. I therefore hope we will learn from past system failures and incidents of insider trading and make every effort to prevent such incidents from recurring.

**Ota** JPX is a key driver of corporate governance, and I am impressed by the way it immediately implements any measures it can to strengthen governance. The operation of the board of directors is carefully designed to ensure that discussions are efficient and productive. However, it is also a fact that the uncertainty of the business environment has increased. In addition to the rapid advancement of AI, geopolitical risks, and frequent major disasters, there are also potential financial risks, such as sudden hikes in interest rates. Although we have long been meticulously mapping out risk scenarios, formulating business continuity plans (BCPs), and making every effort to ensure that the market can continue to operate under any circumstances, there is always room for the unexpected to occur. I believe it is necessary to keep our guard up and conduct thought experiments that consider a wide range of possible scenarios.

**Takeno** JPX has served as a role model for listed companies by taking the lead in implementing Japan's Corporate Governance Code, such as by increasing the proportion of outside directors on its board from this fiscal year. We outside directors must continue our efforts to deepen our understanding of JPX and the securities market. While JPX maintains a competitive relationship with foreign markets such as in Singapore, I feel that JPX possesses an asset in the form of "confidence in Japanese society." For example, Japanese companies have earned a strong reputation for their work in industrial products such as automobiles and in infrastructure projects overseas, and I believe this reputation contributes to confidence in the Japanese market. I hope JPX will wield this confidence as a powerful tool to continue taking on new challenges





as it expands its scope of activities in the future, and as an outside director, I would like to support these efforts by identifying risks and providing encouragement.

#### Under what approaches will each committee support JPX's governance?

**Ota** The Audit Committee's priority audit items for this fiscal year are: ① efforts to ensure stable market operations with an eye on volatility and unpredictability in economic and social circumstances; ② efforts toward measures to contribute to further growth and the proactive fulfillment of the Group's role as a core infrastructure of the financial and capital markets; ③ efforts to strengthen the foundations of the Group; and ④ management practices that enhance corporate value as well as engagement in proactive information dissemination and dialogue as a listed company. We formulated these based on the environment and risks surrounding JPX, as well as the core themes outlined in the Medium-Term Management Plan. The Audit Committee consists of one full-time member and four outside directors. We meet once or twice a month to receive reports on day-to-day audit activities as well as reports from the accounting auditor and internal audit departments, and to hold meetings with the CEO and other executive officers. We outside directors often have difficulty grasping the situation on the ground, but with the full-time Audit Committee member taking the lead in conducting detailed interviews with department directors across each division and receiving their reports, we have an important opportunity to learn about the situation and challenges on the ground. While we were deeply shocked by the violation of the Financial Instruments and Exchange Act by a former employee in

2024, we have reviewed and comprehensively verified the implementation of the various recurrence prevention measures and have confirmed that efforts are being made to ensure thorough control of internal information and to raise compliance awareness. I hope to continue fulfilling my role while making every effort to gain a detailed understanding of the current situation.

**Kama** The role of the Compensation Committee is to establish a compensation system that uses appropriate incentives to motivate executives to achieve JPX's management vision, policies, and Medium-Term Management Plan. We operate in accordance with JPX's policy of compensation for directors and executive officers, which stipulates that compensation must be "appropriate for the duties and responsibilities," "motivate the achievement of the long-term vision and management plan," "maintain enough competitiveness to secure the human resources necessary to steadily implement JPX's corporate philosophy," and "be appropriate in view of our responsibility as a part of social infrastructure, and ensure objectivity and transparency of decision-making procedures." The committee typically meets three times between March and June to make decisions regarding basic salaries, performance evaluations, bonuses, and other matters, and also holds study sessions as needed. Although we held extensive discussions during the formulation of the current Medium-Term Management Plan, we have made three revisions to the framework for FY2026 and beyond based on the changes made in the first year of the plan. We pride ourselves on conducting committee discussions in an open and fair manner. There have been occasions when draft proposals were amended based on the day's discussion, and the introduction of a new evaluation grade in this round of individual performance evaluations was the result of a committee member's suggestion. I intend to continue monitoring trends in the executive compensation systems and structures of listed companies in Japan.

**Takeno** The Nomination Committee considers the appointment of JPX's senior management and planning for leadership succession to be matters of great importance. Considering JPX's special role, management must address unprecedented challenges in order to support the company's future growth and secure a strong position in the global market. I believe the fundamental qualities required of members of the management team are a deep understanding and foresight regarding the business and the market, and the kind of character that inspires employees to rally behind the management and drive the development of JPX. Furthermore, as evidenced by the current proportion of overseas investors, there is a particular need to enhance our ability to reach an international audience. As chairperson of the Nomination Committee starting this fiscal year, I believe it is important to listen carefully to the valuable opinions of the other committee members—particularly those with experience as corporate managers—and digest them, as well as to listen closely to employees and proactively gather information with the support of the Nomination Committee secretariat.

# Directors

JPX has appointed 12 directors in accordance with the resolution of the General Shareholders Meeting. Please refer to [▶ P.69](#) for directors' expertise, the status of operation of the board of directors, and other related information.

Chairperson of the Board of Directors

**Kinoshita Yasushi**

No. of JPX shares held 5,200 shares



Mr. Kinoshita's election as outside director was proposed at the General Shareholders Meeting as he has a deep understanding of JPX's corporate philosophy and social mission, and is deemed capable of reflecting in the management of JPX Group his abundant experience and insight in corporate management and government institutions as well as insight in financial policy, financing, and economics in general.

Director & Representative Executive Officer, Group CEO

**Yamaji Hiromi**

No. of JPX shares held 219,475 shares



Mr. Yamaji was appointed as a director in June 2013 as his abundant experience in and insight into the securities markets, acquired through working at a securities company, could be reflected in the management of JPX Group. Since then, he has managed and overseen the overall business and operations of JPX Group's core subsidiaries as President & CEO of Osaka Exchange, Inc.; Representative Director & Chair, Chairperson of the Board of Tokyo Commodity Exchange, Inc.; and President & CEO of Tokyo Stock Exchange, Inc., and has also served as Representative Executive Officer, Group COO of JPX. He has been appointed as Director & Representative Executive Officer, Group CEO since April 2023 because he is considered the best person for the position in light of his experience and accomplishments with JPX Group and the ideal image for the CEO. Based on his experience and accomplishments with JPX Group, he was deemed appropriate as a member of the board of directors, and his election was proposed at the General Shareholders Meeting.

## Significant Concurrent Position(s)

Director, Tokyo Stock Exchange, Inc.



Independent Director

**Philippe Avril**

No. of JPX shares held 1,600 shares

Mr. Avril's election as outside director was proposed at the General Shareholders Meeting as he has a deep understanding of JPX's corporate philosophy and social mission, and is deemed capable of reflecting in the management of JPX Group his abundant experience and insight in domestic and international financial and capital markets as well as his experience in holding key posts at financial institutions and industry associations in various countries.



Independent Director

**Ota Hiroko**

No. of JPX shares held 6,300 shares

Ms. Ota's election as outside director was proposed at the General Shareholders Meeting as she has a deep understanding of JPX's corporate philosophy and social mission, and is deemed capable of reflecting in the management of JPX Group her abundant experience in government agencies and insight in the economy and finance. Although Ms. Ota has never been involved in corporate management other than in the capacity of an outside director, based on the above reasons, it was determined that she will be able to appropriately conduct the duties of an outside director.

## Significant Concurrent Position(s)

President, National Graduate Institute for Policy Studies

Independent Director

**Kama Kazuaki**

No. of JPX shares held 8,600 shares



Mr. Kama's election as outside director was proposed at the General Shareholders Meeting as he has a deep understanding of JPX's corporate philosophy and social mission, and is deemed capable of reflecting in the management of JPX Group his abundant experience and insight in corporate management and financial auditing.

## Significant Concurrent Position(s)

Honorary Advisor, IHI Corporation

Independent Director

**New Sawada Jun**

No. of JPX shares held 0 shares



Mr. Sawada's election as outside director was proposed at the General Shareholders Meeting as he has a deep understanding of JPX's corporate philosophy and social mission, and is deemed capable of reflecting in the management of JPX Group his abundant experience and insight in corporate management and the telecommunications industry. Although Mr. Sawada concurrently holds executive positions at three other listed companies, it has been determined that there are no issues with his ability to perform his duties as the scheduled dates for the meetings of JPX's board of directors and Nomination Committee in FY2026 have already been adjusted.

## Significant Concurrent Position(s)

Chairman and Member of the Board, NTT, Inc. / Co-chairperson, Kyoto Institute of Philosophy / Outside Director, Sumitomo Mitsui Financial Group, Inc. / Outside Director, NIPPON STEEL CORPORATION

■ Biographies of Directors  
<https://www.jpx.co.jp/english/corporate/about-jpx/officer/00-01.html>

■ Information on the composition of the Nomination, Compensation and Audit Committees and JPX Group's business execution structure (list of executive officers)  
<https://www.jpx.co.jp/english/corporate/about-jpx/officer/index.html>

Independent Director

## Sumida Sayaka

No. of JPX shares held 1,600 shares



Ms. Sumida's election as outside director was proposed at the General Shareholders Meeting as she has a deep understanding of JPX's corporate philosophy and social mission, and is deemed capable of reflecting in the management of JPX Group her insight in accounting and auditing from her perspective as a financial accounting professional. Although Ms. Sumida has never been involved in corporate management other than in the capacity of an outside director or outside corporate auditor, based on the above reasons, it was determined that she will be able to appropriately conduct the duties of an outside director.

### Significant Concurrent Position(s)

Outside Director, Audit and Supervisory Committee Member, Advantest Corporation / Outside Director, Audit and Supervisory Committee Member, Furukawa Electric Co., Ltd.

Independent Director

## Takeno Yasuzo

No. of JPX shares held 17,200 shares



Mr. Takeno's election as outside director was proposed at the General Shareholders Meeting as he has a deep understanding of JPX's corporate philosophy and social mission, and is deemed capable of reflecting in the management of JPX Group his insight in corporate legal affairs from a technical perspective as a legal professional. Although Mr. Takeno has never been involved in corporate management other than in the capacity of an outside director, based on the above reasons, it was determined that he will be able to appropriately conduct the duties of an outside director.

### Significant Concurrent Position(s)

Attorney-at-Law



Independent Director

## Tanaka Yayoi

No. of JPX shares held 600 shares

Ms. Tanaka's election as outside director was proposed at the General Shareholders Meeting as she has a deep understanding of JPX's corporate philosophy and social mission, and is deemed capable of reflecting in the management of JPX Group her high level of expertise developed at various universities and educational institutions and her abundant experience and insight gained at the Board of Audit of Japan and government committees. Although Ms. Tanaka has never been involved in corporate management other than in the capacity of an outside director, based on the above reasons, it was determined that she will be able to appropriately conduct the duties of an outside director.

### Significant Concurrent Position(s)

Visiting Professor, Graduate School of Public Policy, The University of Tokyo / Independent Director, IHI Corporation



Independent Director

## Teshirogi Isao

No. of JPX shares held 1,600 shares

Mr. Teshirogi's election as outside director was proposed at the General Shareholders Meeting as he has a deep understanding of JPX's corporate philosophy and social mission, and is deemed capable of reflecting in the management of JPX Group his abundant experience and insight in corporate management. Although Mr. Teshirogi concurrently holds executive positions at three other listed companies, it has been determined that there are no issues with his ability to perform his duties based on his attendance and statements at meetings of JPX's board of directors, Nomination Committee, and Compensation Committee.

### Significant Concurrent Position(s)

Representative Director, President and CEO, Shionogi & Co., Ltd. / Outside Director, AGC Inc. / Outside Director, Sumitomo Mitsui Financial Group, Inc.

Independent Director

## Matsumoto Mitsuhiro

No. of JPX shares held 2,600 shares



Mr. Matsumoto's election as outside director was proposed at the General Shareholders Meeting as he has a deep understanding of JPX's corporate philosophy and social mission, and is deemed capable of reflecting in the management of JPX Group his abundant experience and insight in law enforcement. Although Mr. Matsumoto has never been involved in corporate management other than in the capacity of an outside director or outside corporate auditor, based on the above reasons, it was determined that he will be able to appropriately conduct the duties of an outside director.

### Significant Concurrent Position(s)

Outside Director, TOBU RAILWAY CO., LTD.

Director

## Lin Kay

No. of JPX shares held 25,200 shares



Ms. Lin joined Tokyo Stock Exchange, Inc. in 2009 after working at financial institutions in Japan and overseas, and took charge of operations related to clearing and settlement, as well as the stock market. Ms. Lin previously served as the section director responsible for client relations in the Equities Department of Tokyo Stock Exchange, Inc. and as Director of the Corporate Communications Department of JPX. In April 2022, she assumed office as an Executive Officer and Director of the Corporate Communications Department of JPX. Her election as director was proposed at the General Shareholders Meeting as she will be able to leverage her abundant knowledge and experience regarding the exchange business in general and her experience working at other companies to benefit the monitoring and supervision of the execution of business at JPX.

## Financial and Corporate Data



## Key Financial Data

|                                                                                        | FY2015     | FY2016     |
|----------------------------------------------------------------------------------------|------------|------------|
| <b>Profit &amp; loss items (JPY million)</b>                                           |            |            |
| Operating revenue                                                                      | 114,776    | 107,885    |
| Operating expenses                                                                     | 50,925     | 50,185     |
| Operating income                                                                       | 66,271     | 59,377     |
| Net income attributable to owners of the parent company                                | 44,877     | 42,124     |
| EBITDA                                                                                 | 77,791     | 71,595     |
| <b>Balance sheet items (JPY million)</b>                                               |            |            |
| Total assets <sup>1</sup>                                                              | 29,546,776 | 41,288,932 |
| Adjusted total assets <sup>2</sup>                                                     | 313,351    | 330,089    |
| Equity attributable to owners of the parent company                                    | 257,194    | 257,955    |
| <b>Cash flows (JPY million)</b>                                                        |            |            |
| Cash flows from operating activities                                                   | 61,069     | 47,462     |
| Cash flows from investing activities                                                   | (33,591)   | (19,330)   |
| Cash flows from financing activities                                                   | (21,030)   | (21,119)   |
| Cash and cash equivalents at the end of the year                                       | 66,547     | 73,553     |
| Capital expenditures (JPY billion)                                                     | 130        | 103        |
| <b>Key financial indicators (%)</b>                                                    |            |            |
| ROE (return on equity attributable to owners of the parent company)                    | 18.2       | 16.4       |
| ROA (ratio of income before income tax to total assets)                                | 0.2        | 0.2        |
| ROA using adjusted total assets                                                        | 22.5       | 18.8       |
| EPS (basic earnings per share) (JPY) <sup>3</sup>                                      | 40.87      | 38.50      |
| BPS (equity attributable to owners of the parent company per share) (JPY) <sup>3</sup> | 234.22     | 238.66     |
| Dividends per share (JPY) <sup>4</sup>                                                 | 25.0       | 23.5       |
| Dividend payout ratio                                                                  | 61.2       | 61.0       |



| FY2017     | FY2018     | FY2019     | FY2020     | FY2021     | FY2022     | FY2023     | FY2024     | FY2025            |
|------------|------------|------------|------------|------------|------------|------------|------------|-------------------|
| 120,711    | 121,134    | 123,688    | 133,343    | 135,432    | 133,991    | 152,871    | 162,230    | <b>198,735</b>    |
| 50,902     | 54,111     | 58,532     | 61,394     | 63,220     | 67,502     | 71,554     | 75,071     | <b>83,598</b>     |
| 71,791     | 69,535     | 68,533     | 74,565     | 73,473     | 68,253     | 87,444     | 90,122     | <b>116,289</b>    |
| 50,484     | 49,057     | 47,609     | 51,389     | 49,955     | 46,342     | 60,822     | 61,092     | <b>79,139</b>     |
| 82,505     | 82,568     | 85,683     | 91,594     | 91,025     | 87,275     | 105,811    | 108,812    | <b>135,249</b>    |
| 41,316,341 | 54,069,405 | 67,286,302 | 60,075,678 | 71,463,434 | 82,187,392 | 80,682,627 | 85,396,761 | <b>71,599,566</b> |
| 354,618    | 359,502    | 378,820    | 401,132    | 387,168    | 395,064    | 421,823    | 428,497    | <b>453,661</b>    |
| 273,771    | 285,009    | 298,228    | 321,391    | 315,653    | 312,734    | 328,359    | 340,823    | <b>345,015</b>    |
| 66,018     | 52,778     | 56,881     | 71,750     | 58,191     | 66,878     | 79,566     | 86,136     | <b>107,749</b>    |
| (26,164)   | (30,066)   | (9,434)    | (1,513)    | (13,299)   | (8,522)    | (7,166)    | (61,223)   | <b>(15,244)</b>   |
| (34,393)   | (37,809)   | (39,411)   | (33,932)   | (59,747)   | (52,898)   | (43,195)   | 54,498)    | <b>(80,480)</b>   |
| 78,999     | 63,891     | 71,883     | 108,209    | 93,354     | 98,812     | 128,019    | 98,428     | <b>110,471</b>    |
| 136        | 131        | 151        | 132        | 153        | 131        | 131        | 157        | <b>91</b>         |
| 19.0       | 17.6       | 16.3       | 16.6       | 15.7       | 14.7       | 19.0       | 18.3       | <b>23.1</b>       |
| 0.2        | 0.1        | 0.1        | 0.1        | 0.1        | 0.1        | 0.1        | 0.1        | <b>0.1</b>        |
| 21.3       | 19.8       | 18.7       | 19.2       | 18.6       | 17.4       | 21.4       | 21.2       | <b>26.5</b>       |
| 47.09      | 45.79      | 44.46      | 48.00      | 47.17      | 44.02      | 58.45      | 58.72      | <b>76.81</b>      |
| 255.50     | 266.05     | 278.49     | 300.19     | 299.17     | 299.73     | 315.54     | 327.57     | <b>335.64</b>     |
| 33.5       | 35.0       | 27.0       | 34.0       | 36.0       | 31.5       | 45.5       | 45.5       | <b>61.0</b>       |
| 71.2       | 76.4       | 60.7       | 70.8       | 76.3       | 71.6       | 77.8       | 77.5       | <b>79.4</b>       |

1 JPX Group records "clearing business financial assets" and "deposits from clearing participants" from Japan Securities Clearing Corporation (JSCC). These are substantial and fluctuate daily based on the positions of clearing participants, significantly impacting the amount of assets held by the Group.

2 "Clearing business financial assets," "deposits from clearing participants," "legal guarantee funds," and "default compensation reserve funds" are deducted from total assets.

3 Based on the number of shares retrospectively adjusted to reflect the share splits (2-for-1) effective on October 1, 2015, and October 1, 2024.

4 Amounts take into account the share splits (2-for-1) effective on October 1, 2015, and October 1, 2024. Also includes commemorative and special dividends.

# Review of Operations and Financial Condition

## Adoption of the IFRS Accounting Standards

JPX Group has adopted the IFRS Accounting Standards to facilitate comparisons of financial results of the Group with those of other exchanges located overseas and to increase investor convenience.

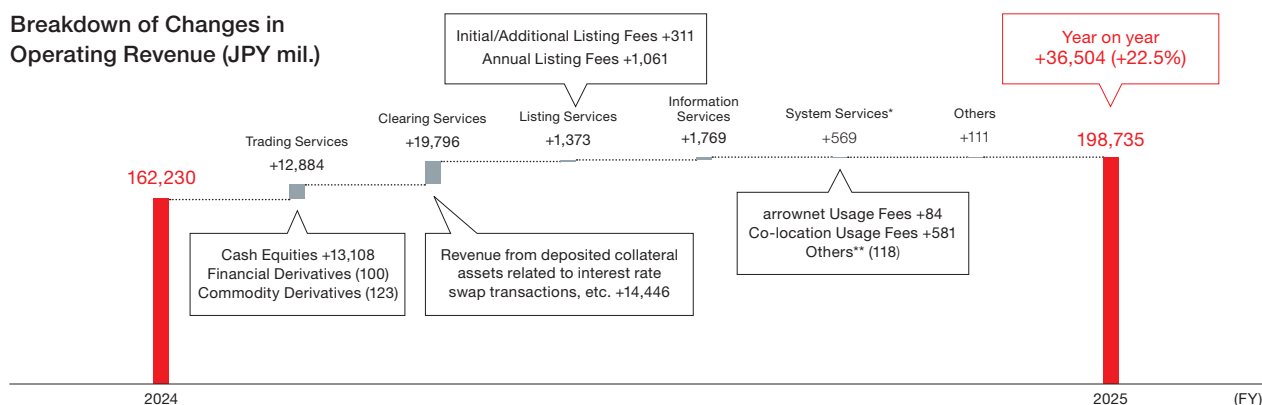
## Overview of Operating Results for FY2025

In FY2025, JPX Group recorded operating revenue of JPY 198,735 million (up 22.5% year on year) and operating expenses were JPY 83,598 million (up 11.4% year on year). As a result, the Group recorded operating income of JPY 116,289 million (up 29.0% year on year) and income before income tax of JPY 116,918 million (up 29.5% year on year).

In addition, net income attributable to owners of the parent company after income tax was JPY 79,139 million (up 29.5% year on year).

## Operating Revenue

### Breakdown of Changes in Operating Revenue (JPY mil.)



\*In FY2025, the breakdown of operating revenue was revised to six categories with the addition of "System Services," "arrownet Usage Fees," "Co-location Usage Fees," and a portion of "Others," which were included under "Other Operating Revenue" until FY2024, are now displayed under "System Services."

\*\*Revenue from system development and operations, etc.

## Operating Revenue

(JPY mil.)

|                                      | FY2021  | FY2022  | FY2023  | FY2024  | FY2025  |        |
|--------------------------------------|---------|---------|---------|---------|---------|--------|
|                                      |         |         |         |         | Amount  | Ratio  |
| Trading Services Revenue             | 53,196  | 53,089  | 61,585  | 64,515  | 77,399  | 38.9%  |
| Transaction Fees                     | 43,298  | 43,143  | 51,477  | 53,887  | 65,825  |        |
| Cash Equities                        | 31,563  | 31,414  | 39,163  | 43,117  | 55,265  | 84.0%* |
| Financial Derivatives                | 10,168  | 10,361  | 10,838  | 9,374   | 9,279   | 14.1%* |
| TOPIX Futures                        | 1,885   | 2,027   | 2,135   | 1,731   | 1,780   |        |
| Nikkei 225 Futures**                 | 4,071   | 4,306   | 4,316   | 3,904   | 3,480   |        |
| Nikkei 225 Options                   | 2,460   | 2,291   | 2,395   | 1,939   | 2,375   |        |
| 10-year JGB Futures                  | 1,544   | 1,498   | 1,934   | 2,237   | 2,099   |        |
| Others                               | 205     | 237     | 55      | (438)   | (456)   |        |
| Commodity Derivatives                | 1,567   | 1,366   | 1,476   | 1,394   | 1,280   | 1.9%*  |
| Basic Fees                           | 1,000   | 986     | 978     | 965     | 956     |        |
| Access Fees                          | 5,141   | 5,165   | 5,269   | 5,657   | 6,438   |        |
| Trading System Facilities Usage Fees | 3,647   | 3,691   | 3,746   | 3,895   | 4,075   |        |
| Others                               | 108     | 103     | 113     | 109     | 103     |        |
| Clearing Services Revenue            | 27,945  | 28,008  | 32,885  | 34,445  | 54,242  | 27.3%  |
| Listing Services Revenue             | 15,736  | 13,666  | 15,590  | 17,309  | 18,682  | 9.4%   |
| Initial/Additional Listing Fees      | 4,171   | 2,021   | 3,499   | 4,284   | 4,595   |        |
| Annual Listing Fees                  | 11,565  | 11,644  | 12,090  | 13,025  | 14,087  |        |
| Information Services Revenue         | 27,175  | 27,597  | 29,763  | 31,899  | 33,669  | 16.9%  |
| System Services Revenue              | 10,819  | 10,915  | 12,066  | 13,269  | 13,838  | 7.0%   |
| Others                               | 559     | 715     | 981     | 791     | 902     | 0.5%   |
| Total                                | 135,432 | 133,991 | 152,871 | 162,230 | 198,735 | 100.0% |

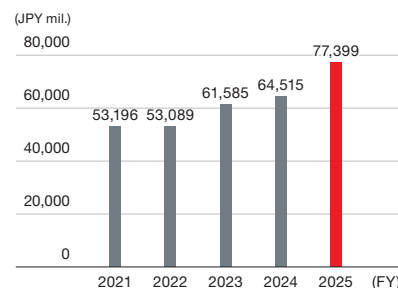
\*Figures indicate percentage of Transaction Fees \*\*Includes Nikkei 225 mini. Since FY2024, also includes Nikkei 225 micro Futures transactions.

## Operating Revenue in FY2025

### 1 Trading services revenue

Trading services revenue comprises "transaction fees" based on the value of cash equities traded or volume of financial and commodity derivatives traded, "basic fees" based on the types of the trading participant's trading qualification, "access fees" based on the number of orders, "trading system facilities usage fees" based on the types of trading system facilities used, and other similar fees.

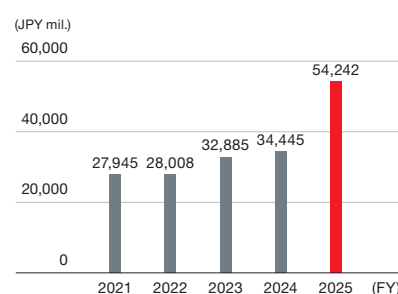
For the fiscal year ended March 31, 2026, JPX Group recorded trading services revenue of JPY 77,399 million (up 20.0% year on year) due mainly to increased transaction fees with the value of securities traded surpassing the levels of the previous fiscal year.



### 2 Clearing services revenue

Clearing services revenue comprises clearing fees related to the provision of financial instruments obligation assumption services carried out by Japan Securities Clearing Corporation, and other similar fees.

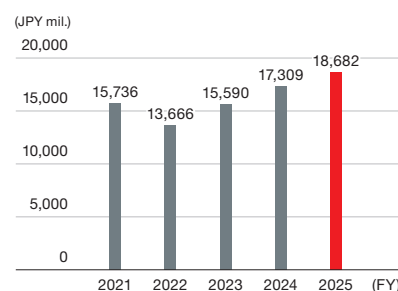
For the fiscal year ended March 31, 2026, JPX Group recorded clearing services revenue of JPY 54,242 million (up 57.5% year on year).



### 3 Listing services revenue

Listing services revenue comprises "initial/additional listing fees" that are mainly received based on the issue amount when a company initially lists or when a listed company issues additional shares, and "annual listing fees" that are mainly received from listed companies based on their market capitalization.

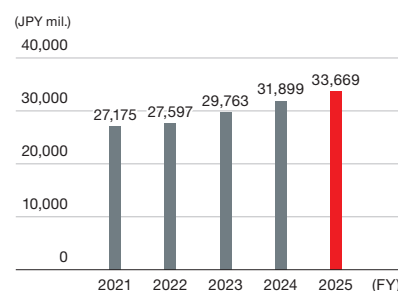
For the fiscal year ended March 31, 2026, JPX Group recorded listing services revenue of JPY 18,682 million (up 7.9% year on year) due to increases in revenue from initial and additional listing fees as well as annual listing fees.



### 4 Information services revenue

Information services revenue comprises mainly market information fees, which consist of revenue related to the provision of market information to information vendors, etc., and revenue related to the index business.

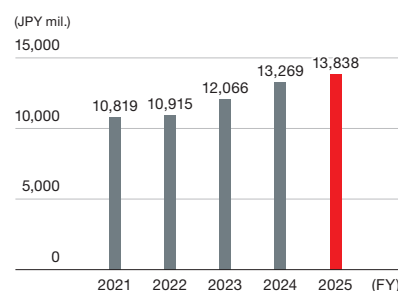
For the fiscal year ended March 31, 2026, JPX Group recorded information services revenue of JPY 33,669 million (up 5.5% year on year) due mainly to increases in revenue from market information fees and the index business.



### 5 System services revenue

System services revenue comprises mainly usage fees for arrownet, which connects trading, market information, and other systems to trading participants and other users, and usage fees related to co-location services that allow trading participants, information vendors, and other users to install devices in the system center for the purpose of improving trade execution efficiency by shortening order transmission time.

For the fiscal year ended March 31, 2026, JPX Group recorded system services revenue of JPY 13,838 million (up 4.3% year on year).



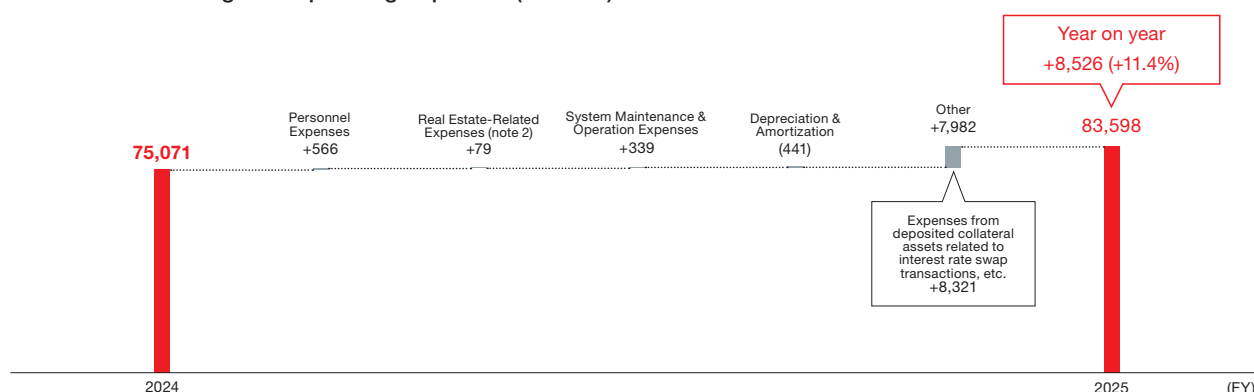
## Operating Expenses

### Operating Expenses in FY2025

During the fiscal year ended March 31, 2026, personnel expenses increased to JPY 24,307 million (up 2.4% year on year). System maintenance and operation expenses include expenses related to maintenance and operation management of various systems including the cash equities and derivatives trading systems. System

maintenance and operation expenses increased to JPY 20,832 million (up 1.7% year on year). Depreciation and amortization decreased to JPY 18,036 million (down 1.8% year on year). Other operating expenses increased to JPY 20,422 million (up 63.7% year on year).

### Breakdown of Changes in Operating Expenses (JPY mil.)



#### Notes:

1. The amount of revenue from deposited collateral assets related to interest rate swap transactions, etc. that has been returned to clearing participants is recorded under other operating expenses.
2. A portion of real estate-related expenses recorded under depreciation based on IFRS 16 "Leases" has been restated and presented under Real Estate-Related Expenses.

### Operating Expenses

(JPY mil.)

|                                           | FY2021        | FY2022        | FY2023        | FY2024        | FY2025        |
|-------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Personnel Expenses                        | 19,048        | 19,599        | 22,396        | 23,740        | 24,307        |
| System Maintenance and Operation Expenses | 14,984        | 16,931        | 19,099        | 20,492        | 20,832        |
| Depreciation and Amortization             | 14,364        | 15,557        | 14,562        | 14,625        | 14,183        |
| Real Estate-Related Expenses              | 4,391         | 4,687         | 4,871         | 4,792         | 4,872         |
| Other                                     | 10,431        | 10,727        | 10,624        | 11,420        | 19,402        |
| <b>Total</b>                              | <b>63,220</b> | <b>67,502</b> | <b>71,554</b> | <b>75,071</b> | <b>83,598</b> |

#### Notes:

1. A portion of real estate-related expenses recorded under depreciation based on IFRS 16 "Leases" has been restated and presented under Real Estate-Related Expenses.
2. With the establishment of JPX Market Innovation & Research, there have been partial changes to expense classifications effective from the financial results for FY2022. (System development-related costs previously recorded in "Other" under operating expenses are now recorded under Personnel Expenses and System Maintenance and Operation Expenses.)

### Basic Policy for Allocation of Profit

JPX Group adopts a dividend policy with a target payout ratio of at least 60%, tied to business performance while giving due consideration to the importance of internal reserves for the following purposes:

- Maintaining sound financial health as a financial instruments exchange group;
- Preparing for risks as a clearing organization; and

- Enabling the group to pursue investment opportunities as they arise in order to raise the competitiveness of its markets.

In line with this policy, the dividend for FY2026 is expected to be JPY 77 per share (JPY 38 per share at the end of the second quarter; JPY 39 per share at the end of the fiscal year). (As of August 2026)



## Overview of Business

|                                                                             | FY2021      | FY2022      | FY2023        | FY2024      | FY2025        |
|-----------------------------------------------------------------------------|-------------|-------------|---------------|-------------|---------------|
| Average Daily Trading Value of Cash Equities (JPY million) <sup>1</sup>     | 3,757,706   | 3,836,877   | 4,997,324     | 5,703,166   | 7,524,316     |
| Average Daily Trading Value of ETFs, ETNs, etc.                             | 261,059     | 251,948     | 244,621       | 280,102     | 323,122       |
| Average Daily Trading Value/Volume of Financial Derivatives (contracts)     |             |             |               |             |               |
| TOPIX Futures (trading volume)                                              | 96,293      | 104,415     | 111,051       | 88,182      | 89,529        |
| Total of Nikkei 225 Futures, mini, and micro (trading volume) <sup>2</sup>  | 174,933     | 192,187     | 192,001       | 164,642     | 137,175       |
| Nikkei 225 Options (trading value) (JPY thousand) <sup>3</sup>              | 23,561,064  | 25,728,414  | 26,345,116    | 21,392,947  | 28,827,267    |
| 10-year JGB Futures (trading volume)                                        | 33,320      | 32,191      | 41,737        | 48,267      | 45,286        |
| Securities Options (trading value) (JPY thousand)                           | 8,515       | 7,486       | 14,207        | 13,383      | 102,845       |
| Commodity Derivatives Average Daily Trading Volume (contracts) <sup>4</sup> |             |             |               |             |               |
| Gold Futures (total standard, mini, rolling-spot) <sup>5</sup>              | 28,459      | 29,785      | 34,685        | 38,214      | 36,146        |
| Platinum Futures (total standard, mini, rolling-spot) <sup>6</sup>          | 10,743      | 10,650      | 11,425        | 11,396      | 10,877        |
| Crude Oil Futures                                                           | 14,825      | 8,550       | 7,122         | 5,380       | 4,373         |
| Rubber Futures (RSS3)                                                       | 2,755       | 2,383       | 2,565         | 1,420       | 824           |
| Market Capitalization of TSE-Listed Companies (JPY million)                 | 730,360,259 | 743,876,721 | 1,007,704,962 | 947,316,384 | 1,213,165,267 |
| Number of Newly Listed Companies                                            | 133         | 110         | 131           | 121         | 99            |
| Financing by Listed Companies and REITs (JPY million)                       | 2,187,507   | 699,595     | 1,245,702     | 1,102,614   | 1,327,070     |
| AUM of ETFs (excluding BOJ holdings) (JPY million)                          | 10,672,399  | 10,385,986  | 15,442,985    | 16,484,004  | 21,637,384    |
| Cash Equity Trading System (arrowhead)                                      |             |             |               |             |               |
| Average Daily Number of Orders Processed                                    | 66,811,199  | 66,271,001  | 100,005,577   | 118,622,044 | 152,472,692   |
| Average Daily Number of Executions Completed                                | 7,218,769   | 7,209,151   | 9,358,417     | 10,989,799  | 12,815,067    |

1 Average daily trading value of common stock on Prime, Standard and Growth Markets (FY2021: TSE 1st/2nd Sections, Mothers, and JASDAQ), TOKYO PRO Market, and ETFs/ETNs, REITs, etc. in auction and off-auction trading.

2 Nikkei 225 mini contracts and Nikkei 225 micro contracts are calculated using factors of 1/10 and 1/100, respectively.

3 Excludes weekly options.

4 Excludes cash-settled contracts.

5 Mini and rolling spot contracts are calculated using a factor of 1/10.

6 Mini and rolling spot contracts are calculated using a factor of 1/5.

# Corporate Data (as of June 19, 2026)

## Corporate Information

|                                                   |                                                                                                                         |                                                          |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
| <b>Company Name</b>                               | Japan Exchange Group, Inc.                                                                                              |                                                          |
| <b>Number of Directors</b>                        | 12 directors, 6 executive officers                                                                                      |                                                          |
| <b>Location of Head Office</b>                    | Head Office                                                                                                             | 2-1 Nihombashi-kabutocho, Chuo-ku, Tokyo 103-8224, Japan |
|                                                   | Osaka Head Office                                                                                                       | 8-16, Kitahama 1-chome, Chuo-ku, Osaka 541-0041, Japan   |
| <b>Foundation</b>                                 | January 1, 2013                                                                                                         |                                                          |
| <b>Amount of Capital</b>                          | JPY 11.5 billion                                                                                                        |                                                          |
| <b>Number of Employees (as of March 31, 2026)</b> | 1,252 (consolidated)                                                                                                    |                                                          |
|                                                   | Japan Exchange Group, Inc.                                                                                              | 223                                                      |
|                                                   | Tokyo Stock Exchange, Inc.                                                                                              | 305                                                      |
|                                                   | Osaka Exchange, Inc.                                                                                                    | 162                                                      |
|                                                   | Tokyo Commodity Exchange, Inc.                                                                                          | 7                                                        |
|                                                   | JPX Market Innovation & Research, Inc.                                                                                  | 263                                                      |
|                                                   | Japan Exchange Regulation                                                                                               | 187                                                      |
|                                                   | Japan Securities Clearing Corporation                                                                                   | 105                                                      |
| <b>Business Description</b>                       | Management and administration of a financial instruments exchange holding company group, and other ancillary businesses |                                                          |

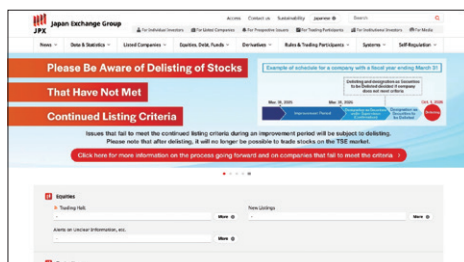
## Stock Information

|                                                      |                                                |                      |
|------------------------------------------------------|------------------------------------------------|----------------------|
| <b>Stock Code</b>                                    | 8697                                           |                      |
| <b>Listed Market</b>                                 | Tokyo Stock Exchange Prime Market              |                      |
| <b>Business Year</b>                                 | April 1 to March 31                            |                      |
| <b>Annual General Shareholders Meeting</b>           | June                                           |                      |
|                                                      | Annual General Shareholders Meeting            | March 31             |
| <b>Record Dates</b>                                  | Year-end dividend                              | March 31             |
|                                                      | Interim dividend                               | September 30         |
| <b>Number of Shares per Share Unit</b>               | 100 shares                                     |                      |
| <b>Number of Shares (as of March 31, 2026)</b>       | Total number of shares authorized to be issued | 4,170,000,000 shares |
|                                                      | Total number of shares issued                  | 1,031,785,336 shares |
| <b>Number of Shareholders (as of March 31, 2026)</b> | 114,538                                        |                      |

## Website

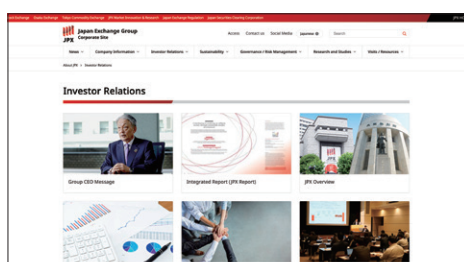
### Japan Exchange Group

|          |                                                                             |
|----------|-----------------------------------------------------------------------------|
| Japanese | <a href="https://www.jpx.co.jp/">https://www.jpx.co.jp/</a>                 |
| English  | <a href="https://www.jpx.co.jp/english/">https://www.jpx.co.jp/english/</a> |



### Investor Relations

|          |                                                                                                                                       |
|----------|---------------------------------------------------------------------------------------------------------------------------------------|
| Japanese | <a href="https://www.jpx.co.jp/corporate/investor-relations/">https://www.jpx.co.jp/corporate/investor-relations/</a>                 |
| English  | <a href="https://www.jpx.co.jp/english/corporate/investor-relations/">https://www.jpx.co.jp/english/corporate/investor-relations/</a> |



## Sustainability-Related Initiatives in Which JPX Participates or Has Joined

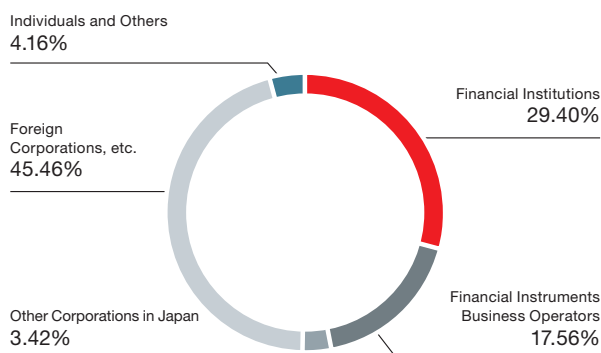
As an infrastructure operator that supports Japan's financial and capital markets, JPX Group recognizes the importance of actively contributing to building a sustainable society and believes that this also serves as a source of its corporate value. Based on this concept, JPX Group supports the following initiatives:



# JPX's Shareholders

(as of March 31, 2026)

## Distribution of Shareholders



## Major Shareholders

|    |                                                                 | No. of Shares Held | Shareholding Ratio (%) |
|----|-----------------------------------------------------------------|--------------------|------------------------|
| 1  | The Master Trust Bank of Japan, Ltd. (Trust Account)            | 175,830,900        | 17.04                  |
| 2  | Custody Bank of Japan, Ltd. (Trust Account)                     | 56,970,300         | 5.52                   |
| 3  | State Street Bank and Trust Company 505001                      | 26,685,763         | 2.59                   |
| 4  | State Street Bank and Trust Company 505301                      | 17,838,928         | 1.73                   |
| 5  | JPMorgan Securities Japan Co., Ltd.                             | 15,316,973         | 1.48                   |
| 6  | JP Morgan Chase Bank 385781                                     | 15,139,442         | 1.47                   |
| 7  | MUFG Bank, Ltd.                                                 | 15,114,000         | 1.46                   |
| 8  | State Street Bank and Trust Company 505103                      | 14,996,165         | 1.45                   |
| 9  | HSBC Hong Kong Treasury Services A/C Asian Equities Derivatives | 14,484,498         | 1.40                   |
| 10 | J.P. Morgan Bank Luxembourg S.A. 384513                         | 14,035,480         | 1.36                   |

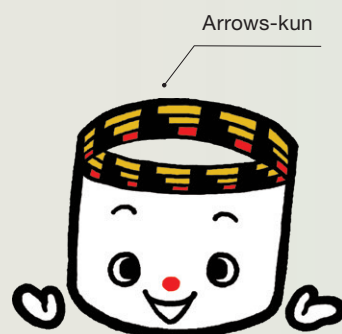
## JPX Group Logo

The logo expresses our aspirations toward dynamic and international growth in our ambition to become Asia's No. 1 market.

The four rising bars represent the four Cs of our creed: adopting a "Customer First" approach of prioritizing customer needs, pursuing "Creativity" in innovative solutions, building "Credibility" and public confidence, and achieving "Competency" by harnessing employee potential.



## JPX Original Characters



"Arrows-kun," the official mascot of Tokyo Stock Exchange (the cylindrical design is a visual reference to TSE's Market Center)



"Kaba-ko," the official mascot of Osaka Exchange (the name is a play on "covered call," a type of stock option strategy, and "kaba" being the word for "hippo" in Japanese)



## JAPAN EXCHANGE GROUP

TOKYO STOCK EXCHANGE

OSAKA EXCHANGE

TOKYO COMMODITY EXCHANGE

JPX MARKET INNOVATION & RESEARCH

JAPAN EXCHANGE REGULATION

JAPAN SECURITIES CLEARING CORPORATION

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### JAPAN EXCHANGE GROUP, INC.

2-1 Nihombashi-kabutocho, Chuo-ku, Tokyo 103-8224, Japan  
Corporate Communications Tel: +81-3-3666-1361 (Operator)