



# JPX Report 2025

Integrated Report  
JPX Report 2025

#### Corporate Philosophy

## Contributing to realizing an affluent society through sustainable market development

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.



## 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.



## Scope of Report and Other Information

### Scope of Report

Japan Exchange Group, Inc. and JPX Group companies

### Period Covered

April 1, 2024 to March 31, 2025

(This report may contain activities and data from before April 2024 or after March 2025.)

### 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.



Information disclosure in line with the IFRS Foundation's SASB Standards

<https://www.jpx.co.jp/english/corporate/sustainability/jpx-esg/sasb/index.html>

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## Message From the CEO

Apply a "market-in" approach to support the promotion of Japan as a leading asset management center and increase the value we provide to society as a core infrastructure of Japan's financial and capital markets

Director & Representative Executive Officer, Group CEO

Yamaji Hiromi





### **Strengthening the international competitiveness of our exchanges and evolving into a comprehensive finance and information platform**

At the end of March 2022, JPX announced its long-term vision "Target 2030." The goal is to evolve into a global, comprehensive finance and information platform by 2030. This means contributing to sustainable societal and economic development by providing solutions for a wide range of societal issues, centered on the ability to raise and circulate capital.

The central pillar of our mission is to help create an affluent society through the provision of fair trading opportunities and stable market operations. This will never change. With that in mind, in today's world, where information and capital move easily between countries, JPX is also engaged in a struggle with other markets and exchanges around the world for investment funds. In order to prevail against such competition, JPX must be an attractive market that is preferred by investors.

I think there are three elements to the competitiveness of an exchange. The first element is the quality and quantity of listed products. In the cash market, for example, you have listed companies. Our focus is not on

increasing the number of listed companies. Rather, what makes a market attractive for investors around the world is whether listed companies are increasing corporate value enough to meet their expectations. I believe that this is what constitutes quality. Progress in corporate governance reforms and other efforts has advanced sustainable growth initiatives by Japanese companies. At JPX, we are working to put in place an environment that is supportive of listed company initiatives and conducive to constructive dialogue between them and investors. By contrast, in the listed derivatives market, we are increasing the quantity of such products as commodities (commodity futures) and financial derivatives. The second element is the number and breadth of investors participating in the market. To support abundant liquidity, it is necessary to have participation by various types of investors. The market gains depth of liquidity through the presence of diverse participants with different investment strategies, including institutional investors, retail investors, hedge funds, HFTs, and engagement funds. The blending of these respective strategies draws in buy and sell orders whatever the market situation, which is a strength of the Japanese market. The third element is the user-friendliness of systems and rule frameworks. In addition to the robustness and resilience of trading systems, it is important that trading rules and related frameworks are easy to understand and use from the participant's perspective. We are strengthening these elements to enhance our international competitiveness. In addition, I intend for us to drive the sustainable growth of the Japanese market by expanding our information services business and other areas, thereby evolving into a global, comprehensive finance and information platform.

### **Tackling issues for the future, having essentially achieved the targets in the Medium-Term Management Plan 2024**

The Medium-Term Management Plan 2024 was the first stage in our preparations for achieving the long-term vision, Target 2030. Working under the slogan "Exchange & beyond," we achieved the financial targets ahead of schedule in FY2023 and came close to fully achieving all our goals.

In terms of cash market operations, we have continued to support listed company initiatives, including through the market restructuring in April 2022 and the request for action to implement management that is conscious of cost of capital and stock price in 2023. In November 2024, we began operation of the arrowhead 4.0 cash equity trading system, which enhanced the convenience and resilience of the market. Furthermore,

## Message From the CEO

in conjunction with the system upgrade, we extended trading time by 30 minutes. In the derivatives market, we broadened the product lineup by listing electricity futures, Nikkei 225 micro Futures and mini Options, 3-month TONA Futures, and other products. In September 2022, we began holiday trading. Originally, we had forecast that trading volume would be around 20% of that on a normal weekday, but so far, average trading volume has exceeded 40% of the weekday average. We also took a proactive approach to meetings with both domestic and overseas investors by holding online and offline seminars in Japan and other countries. The number of investors starting to trade has increased, and I feel that the investor base has become significantly broader and deeper.

One of the issues we are tackling is promoting the digitalization of the securities market. In June 2022, JPX issued a digital bond using blockchain technology. The primary market for the issuance of securities using new technologies like this is still in its infancy. Furthermore, the market will not be able to properly take shape until trading gathers momentum not only in the primary market but in the secondary market as well. The background to this is that Japan has a deeply rooted culture of continuing to hold bonds after purchasing them, so it has been difficult for a secondary market for bonds to develop. It is in this context that we should consider the issue of how to nurture a digital securities market, and we intend to continue taking up the challenge going forward.

Environmental strategy is another major issue. There has been a reconsideration of environmental policy in the U.S., while in the EU, environmental policy appears to be balancing between efforts to address climate change and the need to maintain economic competitiveness. Having said that, you can say that the U.S. and Europe have achieved a certain level of progress. On reflection, environmental policies in Japan are still a work in progress. I believe it is important for JPX to steadily pursue our key initiatives in this area such as the electricity futures market and the carbon credit market.

### **Starting the Medium-Term Management Plan 2027 with commitment to our customer-oriented, "market-in" approach**

The Medium-Term Management Plan 2027 is the second stage in our preparations for achieving the Target 2030 long-term vision. Carrying over the slogan of "Exchange & beyond," we will continue to actively take on challenges in new areas while listening to feedback from related parties and market users. Specifically, we have established 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.

During the second stage, we plan to strictly maintain our customer-oriented, "market-in" approach. This approach has long been a focus for us. For example, to broaden the investor base for the ETF market, we launched the CONNEQTOR trading platform in February 2021, reflecting feedback from users and other market participants. This is currently used by over 290 companies, including institutional investors in both Japan and overseas, and that has been achieved through the sober, steady work of those in charge of marketing at the exchange, who have continued to listen to the needs of financial institutions across the country. During the Medium-Term Management Plan 2027, I want us to build on the various foundations that we put in place during the first stage. To provide more usable markets and services, I think it is important to be unstinting in our



efforts to acquire feedback from users.

### **Balancing investments for growth and return to shareholders to pursue ROE of 18.0% or more**

The Medium-Term Management Plan 2027 focuses on maintaining capital profitability that exceeds the cost of capital over the medium to long term, and narrows the financial target for the final year of the plan to ROE. In terms of non-financial commitments, we are putting the highest priority on "strengthening human resources through ongoing investment in human capital" and "stable provision of core systems and demonstration of resilience" in order to ensure trust in the market while working for sustainable market development. As for capital policy, in order to share our approach with shareholders and investors, the Plan unveiled for the first time a cash allocation policy that also takes into account investments for growth. In terms of dividend policy, we have shifted from a dividend payout ratio of "approximately 60%" to one of "at least 60%," and are planning cumulative shareholder returns of around JPY 170.0 billion over the three years. Our policy is to allocate about

JPY 60.0 billion of this to the acquisition of own shares. While maintaining public visibility, we will aim for a balance between investments for growth and returns to shareholders, and although our 18.0% ROE target will be a challenge, we will make every effort to achieve it.

### **Working to strengthen corporate governance with pride in our role as a market operator**

With regard to the case involving a violation of insider trading regulations by a former JPX Group employee, which came to light in 2024, we recognize the significant inconvenience caused to investors and are making every effort to restore the trust of investors, listed companies, and all other related parties. Immediately after the matter was discovered, an Independent Directors' Investigation Committee was established to investigate the causes of the incident and to assess and evaluate measures to

prevent recurrence. The investigation report published in January 2025 summarizes the assessment of recurrence prevention measures, along with reviews of education and training structures, operational processes, and information management systems. In considering recurrence prevention, some saw it as a choice between placing trust in human nature or taking a more skeptical stance, but I do not think it is as black-and-white as that. If we judge only by that measure, we are thoroughly implementing recurrence prevention measures that are grounded in the latter view. However, it is not enough to merely strengthen education and implement stricter information management. My view is that initiatives need to be implemented from the deeper perspective of ensuring that all employees empathize with and internalize the Corporate Philosophy.

Taking a passive or reactive stance focused solely on preventing violations of laws and regulations, or internal rules, is not sufficient. It is important that employees themselves adopt an active and dynamic role, taking pride and motivation in being part of the team that protects the market. In order to share these ideas with new graduates and mid-career hires who are just entering the Group, April is now designated as JPX Philosophy Confirmation Month, during which, every year, we will provide value-based training infused with our core beliefs. This year, in my role as CEO, I held 14 "roundtable meetings" with employees, 11 in Tokyo and three in Osaka, which took the form of open Q&A sessions. To ensure that awareness of this case never fades, I will take the lead and set an example by spearheading the implementation of various measures.

We are also working to strengthen the corporate governance system. From June 2025, the JPX board of directors has three internal directors and ten outside directors, for a total of thirteen members. There are four female directors, bringing the ratio of women to around 31%. Both of these satisfy the criteria in the Corporate Governance Code for companies listed on the Prime Market. However, substance is more important than form. The objective of strengthening the independence and diversity of the JPX board of directors is to enable candid discussions from diverse perspectives that contribute to enhancing corporate value over the medium to long term. At the JPX board of directors, discussions held at each meeting get lively enough that we sometimes overrun the scheduled time. Directors with diverse experience express their opinions from specialist viewpoints, ensuring that the supervisory function is fulfilled. Because the points raised can sometimes be critical, it is a space that makes me, as CEO, consider the direction of management more deeply. To enhance the quality of discussions at

## Message From the CEO

meetings of the JPX board of directors, we hold study sessions for board members that are also attended by outside directors. Presentations and Q&A sessions led by personnel in charge of actual operations help deepen understanding of how the company operates.

### **Listening to external feedback to foster talent that enhances corporate value**

Our stakeholders constitute a diverse group. Our direct counterparties are listed companies as well as trading and clearing participants such as securities companies, but there are also other stakeholders such as shareholders and all other kinds of investors, regulatory authorities, and researchers. Officers and employees of JPX Group are also included. Whatever the topic, there will be differences in agreement among related parties, so all we can do is continue to engage in dialogue. Our ultimate criterion for decision-making is this: "What is best for the market?" I believe that one of our strengths is the fact that our employees sincerely face up to feedback from market stakeholders and carry out their duties with this firmly in mind. Although global trends were a factor in our success in achieving the targets of the Medium-Term Management Plan 2024, I think that it was also the result of having consistently played to our strengths in this regard.

The driving force behind our business is people. 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. For many years we have worked to nurture people who contribute to stable market operations. Going forward, in line with this policy, we must 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. In addition to recruiting and developing such people, we are putting in place an environment within the Group that enables all employees to demonstrate their abilities, including internal training schemes and a career formation system with abundant options. The most valuable training, though, comes from actual frontline operations. By increasing opportunities for employees to achieve personal growth through the various businesses of the exchange, we aim to develop human resources whose actions will lead to sustainable improvements in corporate value.

Since being appointed CEO, I have consistently made the case for listening to external feedback. That means looking beyond your own department, beyond the Group, and beyond Japan to seek out information and listen to external voices. We have accumulated

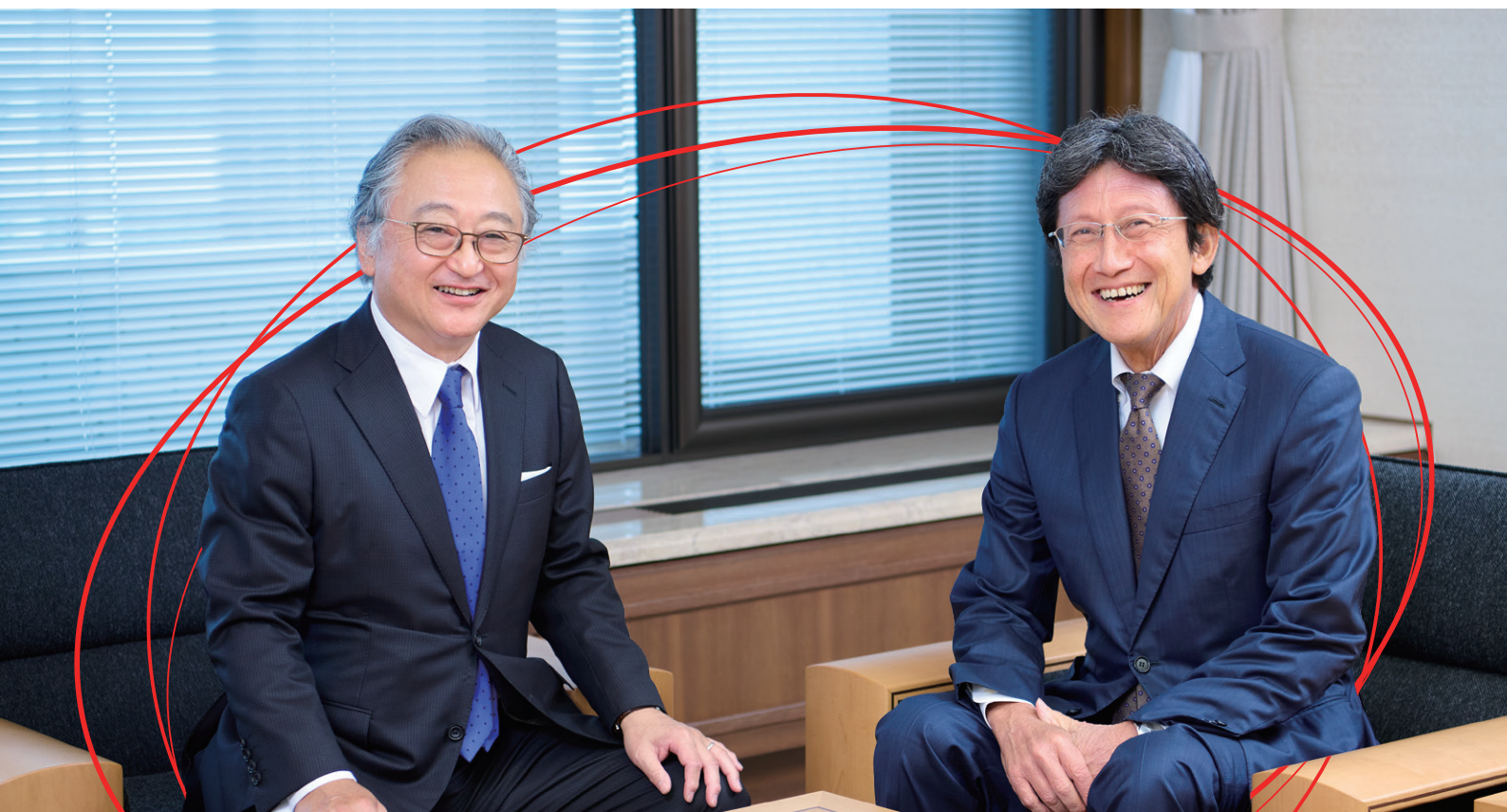
considerable skill in the planning and management of listing and trading rules, and in the operation of trading systems. If, in addition to this, we can actively incorporate information from outside the Group and leverage it in our initiatives, we should be able to make ourselves an even stronger organization.

We also have intellectual capital such as the unique know-how we have accumulated through our market infrastructure operations, as well as market-generated data and indices. To maximize this, we established JPX Market Innovation & Research in April 2022. We will not get the answers about what data should be used and how it should be used by thinking on our own, in isolation from others. We will gather useful information by listening to the needs of users and through our interactions with external partners. I imagine the process to be like beginning to open up a previously closed environment to the outside world, and casting off our shell so that the sunshine can come streaming in. We are creating new services while sincerely listening to the wishes of investors, listed companies, and users, and using these to decide priorities. In terms of data services, we are developing more than 20 new business lines, including "J-Quants," "JPX Market Explorer," and "JPxData Portal," and almost 600 entities have newly started using them.

### **Providing fair, impartial market operations and attractive services to listed companies and investors in Japan and overseas**

There has been no change in our mission. By continuing to provide fair, equitable trading opportunities and ensuring stable market operations, we aim to contribute to the realization of a more affluent society in Japan. The long era of deflation has finally ended, giving way to a new age of inflation. With the shift from savings to investment taking root among the Japanese people, as evidenced by the spread of the new NISA, for example, I see our role becoming increasingly important. Our duty is to support fundraising by listed companies and asset building by domestic investors, while also providing an attractive market for investors around the world. To that end, as the market operator, we will enhance the competitiveness of the Japanese market going forward. We will not only continue to fulfill our mission at a high level but also proactively open up new areas of business, providing highly convenient, attractive services to all participants. It is through such initiatives that we will achieve growth ourselves, and we kindly ask for your continued support.





## Conversation Between Independent Directors

Corporate Governance at JPX

Aiming to win further support and trust from market users by fulfilling our social mission under our Corporate Philosophy

Independent Director  
Chairperson of the Board of Directors

Kinoshita Yasushi



Independent Director

Takeno Yasuzo

### JPX's vision for corporate governance

**Kinoshita** JPX stands at the center of Japan's capital markets and can be considered their spiritual home. It serves as the foundation that provides market infrastructure and acts as a key driver of corporate governance reforms among Japanese companies. Corporate governance should be pursued with an awareness of a wide range of stakeholders, including shareholders, aiming to achieve a high level of public visibility, a strong sense of public interest, and profitability. This is exactly why the JPX board of directors has welcomed people from diverse fields.

## Conversation Between Independent Directors

**Takeno** This overlaps slightly with what Chairperson Kinoshita just said, but if I were to describe what makes JPX unique, it would be the fact that it pursues growth as a private company while also operating market infrastructure vital to Japan as a whole. To add further, JPX is unique in the industry in terms of its businesses, not only listing and facilitating the trading of securities but also offering a comprehensive range of services from clearing and settlement to information dissemination. We must determine for ourselves what kind of management best serves the interests of our diverse stakeholders. JPX's corporate governance relies on outside directors with expertise in areas such as corporate management, legal affairs, accounting, and risk management, who provide advice and carry out monitoring from diverse perspectives to help identify the best course of action. In this sense, this role is of great importance.

### Board of directors— A forum for substantive discussion

**Kinoshita** We strive to make board meetings a forum for candid and substantive discussions, free from precedent or formality, and appropriate for a company responsible for market infrastructure. When setting the agenda, we delegate minor matters to CEO Yamaji's judgment as much as possible, while ensuring that ample time is devoted to important topics such as management strategy, risk management, sustainability, and follow-ups on forward-looking initiatives.

**Takeno** JPX operates as a financial instruments exchange holding company in a regulated sector under the Financial Instruments and Exchange Act. We must achieve growth over the medium to long term within the constraints of these regulations. For example, when stepping into a new field of business, the JPX board of directors must engage in careful discussion while also ensuring timely decision-making. Maintaining a careful balance between offense and defense is essential, and I believe Chairperson Kinoshita does an excellent job of bringing everything together while listening to, at times, critical opinions from outside directors with long-standing experience in corporate management.

**Kinoshita** Outside directors act as a kind of external pressure,

expected to challenge internal conventions. Although I make an effort to ensure everyone speaks during meetings, directors actively participate without being prompted, and I strive to maintain that open atmosphere. I place importance on encouraging members to actively express their views on all important matters based on what is required of JPX from a medium- to long-term perspective.

**Takeno** I always feel that our discussions are ones of substance rather than procedural.

**Kinoshita** Executives and outside directors must work to ensure sufficient communication on a regular basis. Explanations by executives are kept to a minimum during meetings to maximize time for discussion.

**Takeno** Another major element is study groups for the JPX board of directors during which younger managers give explanations about recent initiatives and how they will develop these going forward. Rather than merely providing an opportunity to input knowledge, these sessions also offer a valuable opportunity to gain insight into the internal situation of the company, thereby deepening our understanding of JPX.

### Priorities for the Medium-Term Management Plan 2027

**Kinoshita** During the previous Medium-Term Management Plan 2024, we achieved a great deal in



terms of measures related to the stock market, including requests for action to implement management that is conscious of cost of capital and stock price and for companies to consider reducing investment units, as well as the development of the JPX Prime 150 Index, the extension of trading hours, and the introduction of closing auction sessions. I believe we have seen these efforts bear fruit in the form of the record levels of trading on the Prime Market. In addition to that, we began holiday trading in derivatives markets and made progress in expanding our areas of business through means such as M&A following the establishment of JPX Market Innovation & Research. For the Medium-Term Management Plan 2027, the outside directors share a common vision of JPX achieving growth in such markets as stocks, financial derivatives, electricity futures, and carbon credits in order to become a genuinely global, comprehensive finance and information platform. In the stock market, for example, listing-related issues that we consider important include following up on the progress of efforts requested of companies listed on the Prime and Standard Markets, and moving forward with the restructuring of the Growth Market.

**Takeno** In particular, going forward, I think it will become extremely important to stimulate the Japanese economy through private-sector initiatives. As Chairperson Kinoshita noted, one key issue in invigorating Japanese companies and supporting innovation is ensuring the sound development of the Growth Market.

## Maintaining awareness of our social mission

**Kinoshita** As mentioned earlier, JPX's Corporate Philosophy is based on the idea that pursuing a high level of public visibility and a strong sense of public interest, and ensuring the sustainable development of the market, will lead to the support and trust of market users, and ultimately result in revenue and profit. Because JPX holds a position of significant influence as the core infrastructure of the Japanese market, it bears heavy social responsibilities and must remain humble. As I see it, three things are essential to maintaining constant awareness of our social mission. First is to engage in thorough discussions about the role JPX should fulfill in society and the services it should provide. By having regular discussions with senior employees, peers, and junior staff, we are sure to uncover valuable insights. The second is engaging with external parties. Interacting with external stakeholders helps clarify where the company stands. The third is studying the fundamentals. I believe that we are entering a time in which everyone will need to, for example, use cutting-edge technologies like AI and foreign languages, especially English.

**Takeno** As we are entering a time of extraordinary

change, JPX is also expected to anticipate future developments and act accordingly, making it all the more important to accurately understand the changes of the times. As Chairperson Kinoshita also said, we need to be sensitive to new developments and absorb a variety of information. While it goes without saying that we should follow mainstream media, I believe it is equally important to engage with a wide range of media sources, such as international ones, and a wide range of opinions.

## Ensuring transparency and regaining trust in JPX

**Takeno** As JPX reaffirms its social mission, ensuring transparency and trust is of paramount importance. With regard to the recent case involving a former JPX Group employee's violation of insider trading regulations, the Independent Directors' Investigation Committee discussed numerous measures to prevent recurrence. The investigation report disclosed which recurrence prevention measures had been implemented and which were in progress, along with the reasons behind those decisions.

**Kinoshita** I believe that, under the leadership of Director Takeno, all possible recurrence prevention measures have been compiled. Every officer and employee of the company, including executives, takes this incident very seriously. Ultimately, this is a matter of personal integrity, and we must continually instill the lesson in both heart and mind. I also believe it is important to foster healthy peer pressure within the organization.

**Takeno** JPX is a workplace that makes a significant contribution to the Japanese economy. When I passed the national bar examination, I too felt attracted to the role of public prosecutor due to the significant contribution it makes to society. I believe the key to deterring such behavior is for all officers and employees to think about the ideas of JPX's Corporate Philosophy and social mission, and to go about their daily duties with their supervisors, peers, and junior staff in mind. The only way to instill JPX's Corporate Philosophy and social mission in employees is to continue initiatives such as roundtable discussions, mentoring systems, and other initiatives. What is most effective is to work on improving communication while mutually checking with others whether the message has really been internalized. There is a saying: "Spend time with good people and you'll grow better; with bad people, worse." I believe that encountering someone with remarkable qualities can awaken a similar strength within, which, when nurtured, can become a personal asset. This is then likely to spread throughout the organization. JPX has many supervisors worthy of respect, starting with CEO Yamaji. There are many inspiring senior employees, peers, and junior staff at JPX, and I hope to see more opportunities for people to connect with them.





**Kinoshita** If we only treat people sternly, they will gradually withdraw. It's also important to foster a more open and relaxed atmosphere, so I hope everyone will carry out their duties while keeping that balance in mind.

### Expectations for JPX

**Kinoshita** I hope the employees who will shape JPX's future will actively discuss the company's direction with senior employees, peers, and junior staff, and turn those conversations into concrete actions. The Japanese government has also made promoting Japan as a leading asset management center a policy priority. With that in mind, it may even be worthwhile to engage in long-term discussions, such as envisioning what JPX should look like a hundred years from today. I believe Japan has the potential to become the model for fully developed Asian nations in the years ahead. Japan is experiencing a declining birthrate and an aging population, along with slower economic growth. However, by combining Asia's strong economic momentum with Japan's accumulated financial assets, advanced technology, refined culture, and highly skilled human capital, it may be possible to realize a virtuous cycle of growth and distribution that extends across the region.

**Takeno** Japan has a long-standing tradition of manufacturing excellence, built on advanced technology

and exceptional quality. The trust that the market demands lies in information disclosure and proper price discovery. I believe that trust in Japanese markets is strong thanks to the underlying strength of its tradition-backed industries, a transparent and free economic environment, and markets that enable proper price discovery.

**Kinoshita** A financial hub that incorporates manufacturing excellence is essential, and it aligns well with the value that JPX provides. Looking ahead, I hope to see further enhancement of the product lineup as JPX strives to become a global, comprehensive finance and information platform. Creating new markets is also part of JPX's mission. As Director Takeno also mentioned, infrastructure in the United States and Europe is financed not only by public funds but also extensively by private capital. Therefore, I believe Japan

needs not continue relying solely on the balance sheets of the national and local governments. I hope JPX will fully leverage its know-how and capabilities to further refine existing markets and pioneer new products and markets.

**Takeno** Participation by a diverse range of domestic and international investors ensures ample liquidity and enables proper price discovery. I believe it is essential for both Japan and the market to provide an optimal trading venue that offers high levels of fairness, safety, and trust across a wide range of products.

**Kinoshita** JPX is a highly specialized group of professionals dedicated to building markets. I hope to see them actively engage in discussions on how to deliver meaningful products and services to society, and share their ideas widely. There are still many fields with the potential to transform the world, and I look forward to bold challenges and significant leaps forward.

**Takeno** For JPX employees, who have both a social mission and specialized expertise, we must avoid overcorrection that stifles their potential.

As Chairperson Kinoshita remarked, I hope JPX will continue to take on expected challenges and move forward, thereby further strengthening the trust placed in it. With high public visibility, JPX should pay attention to external information while advancing with confidence.



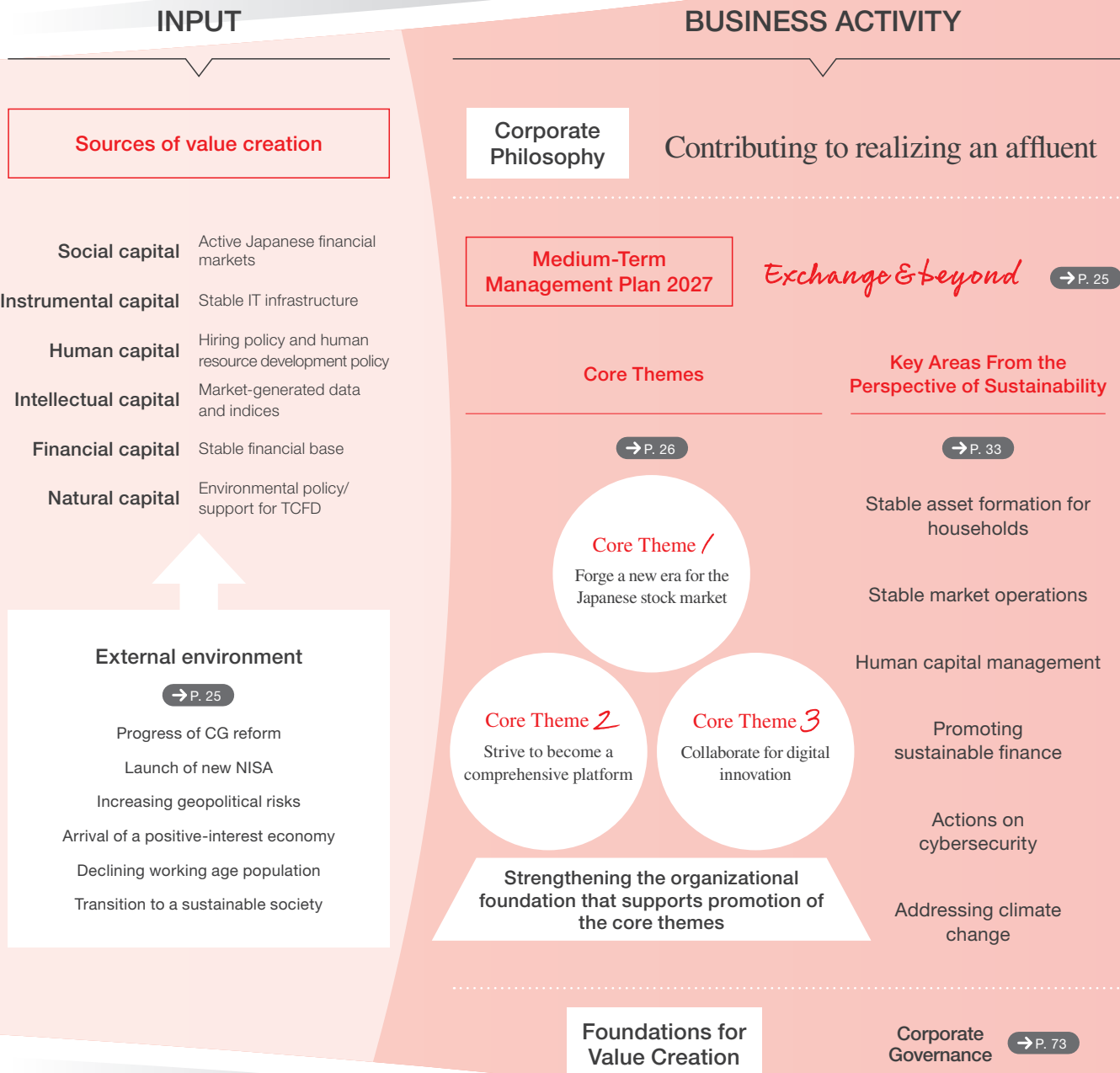
# Creating Value at JPX Group

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



# Value Creation Process for Achieving Our Long-Term Vision

Based on its Corporate Philosophy, JPX Group aims "to realize an affluent society" by utilizing capital including our unique human capital and intellectual capital, the source of our value creation, to contribute to the resolution of societal issues.





society through sustainable market development

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Co-creation With Stakeholders

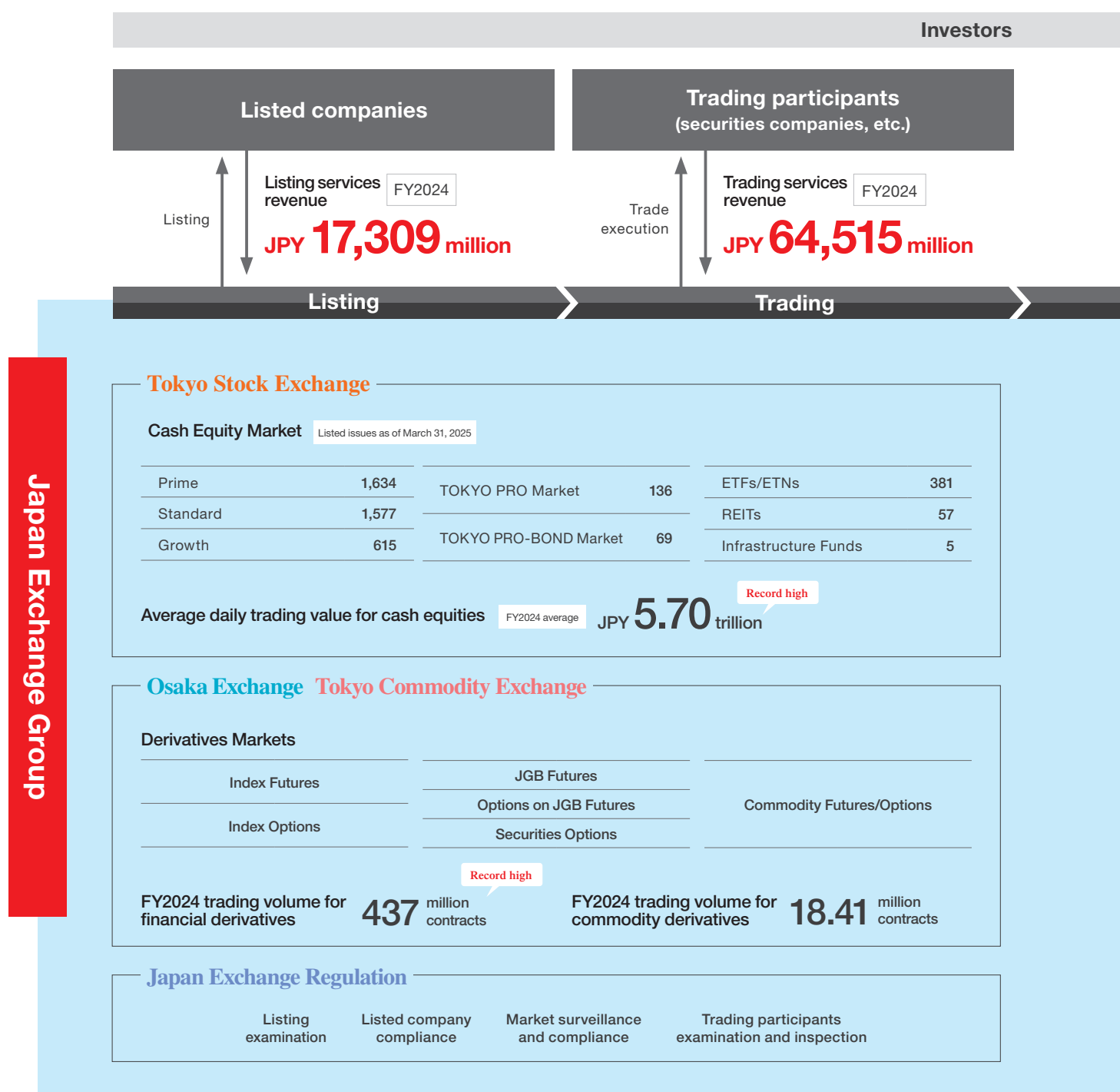
Target 2030

Global, comprehensive finance and information platform

# JPX Group's Business Model

In addition to TSE, which operates the cash equity market, and OSE and TOCOM, which operate derivatives markets, JPX Group also includes a self-regulatory subsidiary which carries out the examination and supervision processes needed to maintain market

quality. Our comprehensive services also include clearing and settlement functions. JPX Market Innovation & Research, Inc. (JPXI), which integrates JPX Group's index, data, and digital businesses and unifies provision of various market-related services, is working to advance

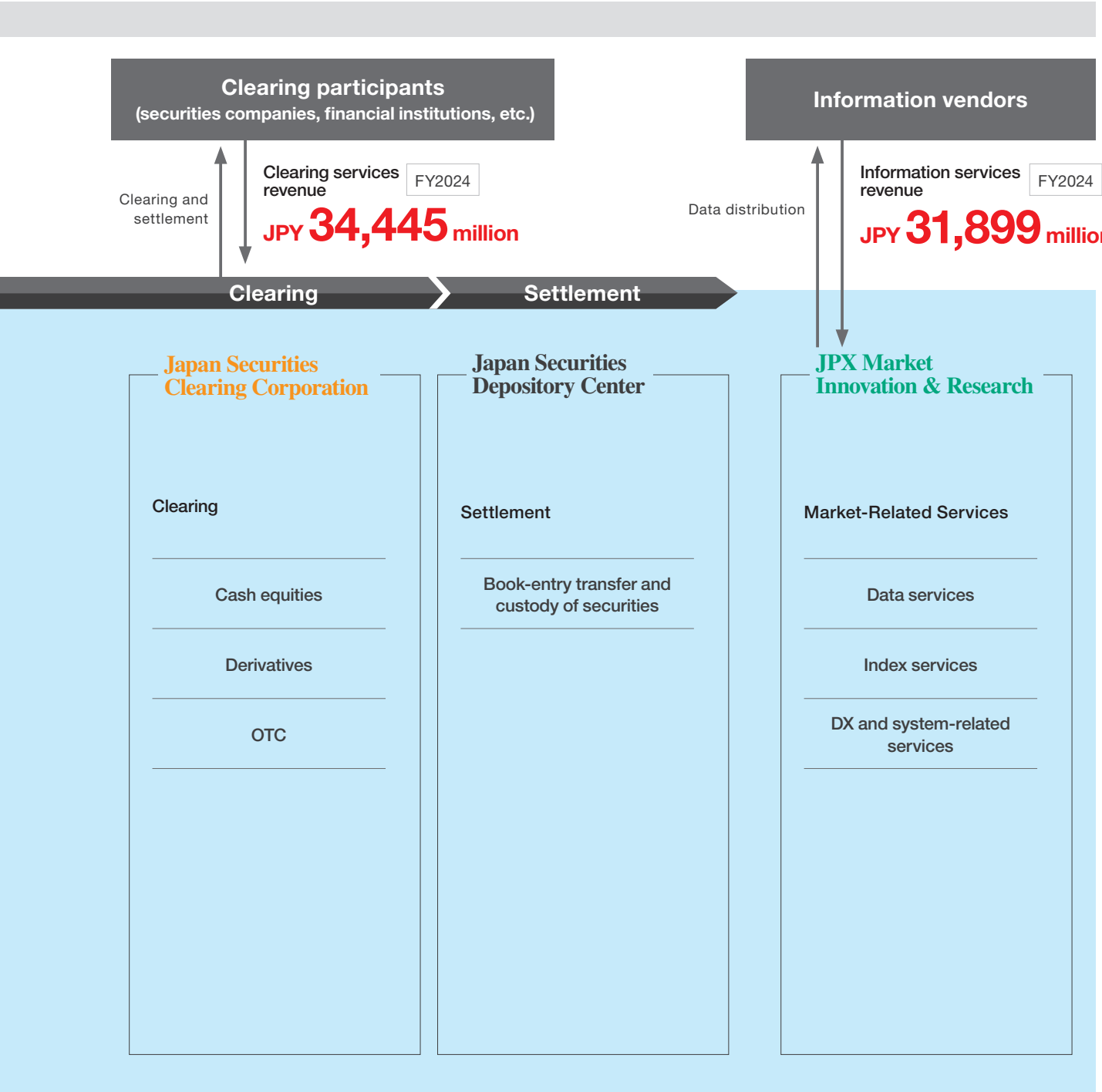


the diversification of businesses and sophistication of services by strengthening digital and network-related businesses that utilize data and technology.

As consideration for the services it provides, JPX Group receives various types of fees from market users, namely

securities companies and other trading participants, information vendors, and listed companies. Specifically, our sources of income are mainly composed of revenue from trading services, revenue from clearing services, revenue from information services, and revenue from listing services.

Corporate Data  
P.87



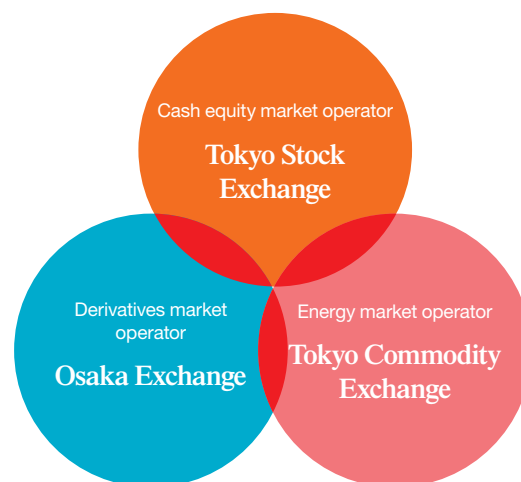


# Positioning JPX

## An exchange group that plays a central role in cash equities and derivatives in Japan

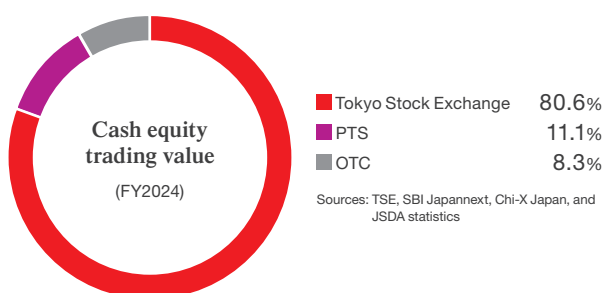
Currently, JPX operates three markets. Tokyo Stock Exchange (TSE) handles approximately 80% of the trading value for cash equities traded in Japan, and Osaka Exchange (OSE) handles approximately 81% of the Nikkei 225 Futures trading volume worldwide.

As the core market for cash equities and derivatives in Japan, JPX Group provides vibrant financial markets to users around the globe, based on stable business foundations that have steadily grown together with the Japanese economy.



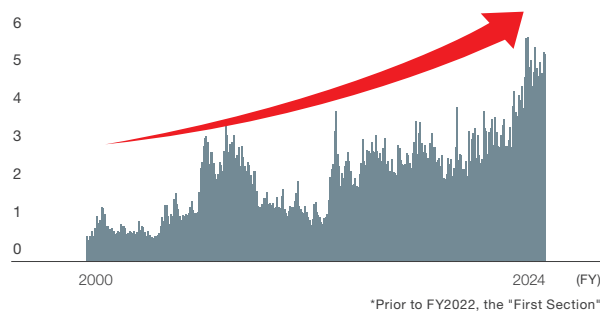
### Core market for cash equities and derivatives in Japan

Domestic share of cash equity trading

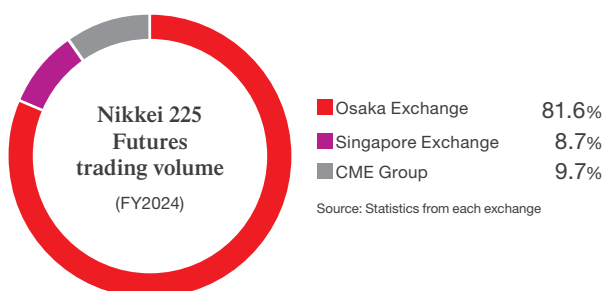


### Steady growth with the development of the Japanese economy

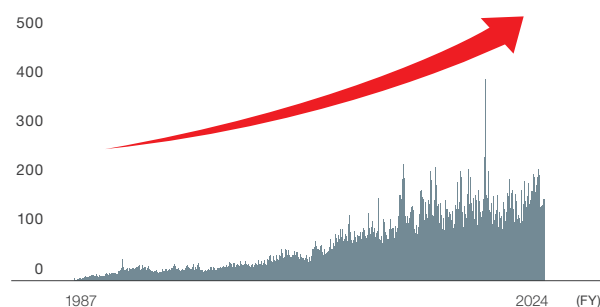
Prime Market\* average daily trading value (JPY tril.)



Global share of Nikkei 225 Futures trading



Derivatives markets average daily trading volume (million contracts)

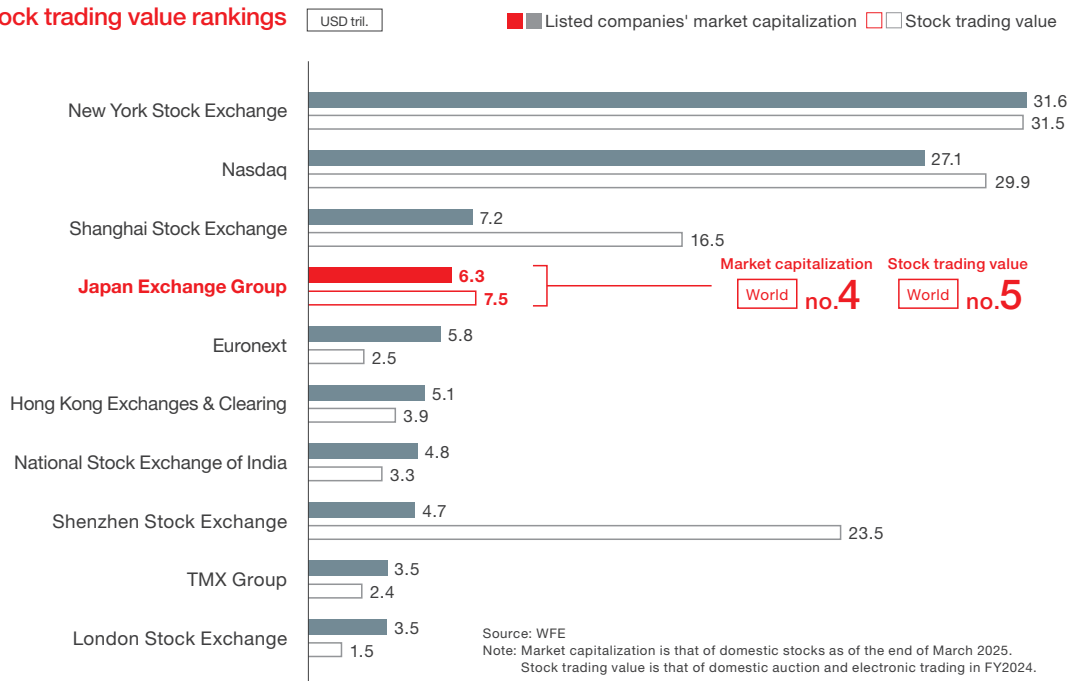


## Expanding our global presence

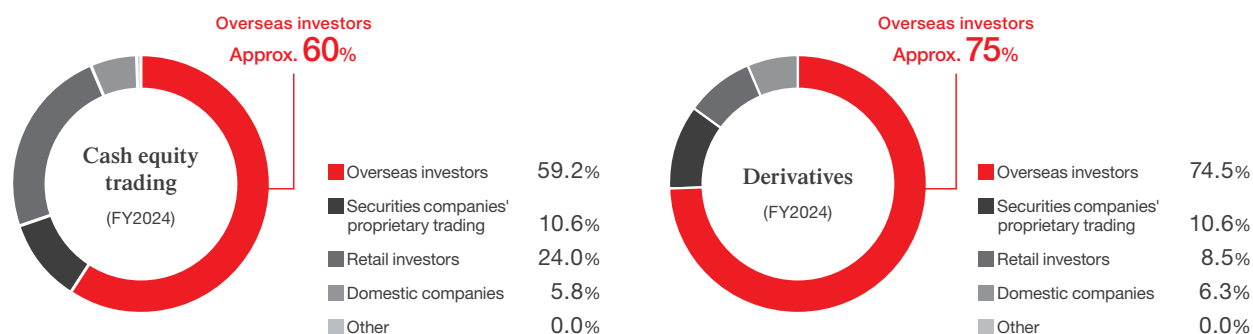
The market capitalization of companies listed on TSE was approximately USD 6.3 trillion as of March 31, 2025, ranking it number four among the exchanges around the world. In terms of trading value for FY2024, it was the market with the most participation by overseas investors, which made up approximately 60% of cash equity trading and 75% of derivatives trading. In all aspects of its current

business areas, JPX Group has been working with a view to strengthening its global competitiveness and improving the appeal of Japanese markets. In line with this, under the Medium-Term Management Plan 2027 that began in FY2025, the Group aims to further diversify and internationalize in its role as the central market in Asia, and will strive to further increase its global presence.

### Domestic listed market capitalization/ stock trading value rankings



### Trading by investor type



# JPX Group's Unique Points

Fusing our superior market infrastructure with our unique intellectual capital

## Exchange

### Unique expertise in exchange operations fostered over our long history

#### People to underpin the stabilization and sophistication of exchange operations

JPX Group's people cultivate expertise and know-how by working at the exchange and underpin the stabilization and sophistication of traditional exchange operations.

#### The diverse intellectual capital produced by the market

JPX Group provides a wide range of intellectual capital to numerous market users, including market data generated daily at exchange markets and indices that are developed and calculated through operations spanning many years.

#### Highly reliable market infrastructure platform

JPX Group possesses a highly reliable market infrastructure platform, including world-class systems with high-level processing capabilities, ample capacity, and diverse connectivity.

#### Sophisticated systems & market infrastructure

JPX Group provides comprehensive services, including listing, trading, clearing, and settlement functions.

## CLOSE UP

### Core infrastructure for the financial and capital markets

Every day in the Japanese financial instruments market, trades of financial instruments are established on a microsecond basis (one millionth of a second), and hundreds of millions of orders can be exchanged on a busy day. JPX Group's systems underpin Japanese society as part of its economic infrastructure. These systems include the cash equity trading system "arrowhead," the derivatives trading system "J-GATE," and the clearing systems responsible for clearing operations for a wide range of transactions, including off-exchange trading.

People tend to take the provision of stable market functions for granted. However, those functions are made up of many components, starting with thorough quality assurance measures in the system development phase, 24/7 system operation monitoring in the system activation and operation phase, and the creation of resilient systems and operations capable of responding swiftly in the event of an emergency. These systems have been established based on knowledge cultivated through a long history of exchange operations. We will continue to incorporate new technologies and emerging events, and rather than being content with the status quo, continue refining our systems to maintain and operate market infrastructure that allows our users to participate daily with peace of mind and trust.





# beyond

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

### People who will pioneer into new sectors and fields

Amid a strong need for innovation in terms of taking on bold challenges beyond the conventional wisdom of the exchange, we are developing people who will "pioneer into new sectors and fields" to meet diversifying market needs.

### Use of AI and other new technologies

We will enhance our operational efficiency and advance new value creation through the use of AI and other cutting-edge technologies. For example, we will streamline and enhance our listing examination and market surveillance and compliance processes with AI.

### Diversification of data and information, and provision methods for these, that can respond to latent needs

Through platforms like J-Quants, JPX Market Explorer, JPxData Portal, JPX ESG Link, and Snowflake, we provide the data demanded by users in diverse formats.

### Market creation

We are also working to create new markets, such as with the Carbon Credit Market and the Green Hydrogen Trial Trading Project in partnership with the Tokyo Metropolitan Government.

## CLOSE UP

### Aggressively and boldly tackling challenges in new fields and business sectors

Information services revenue has grown every year since JPX was launched, having doubled compared to FY2013.

In addition to stock price data for listed issues generated by the exchange market, the stock price indices calculated based on those stock prices represent intellectual capital unique to Japan's largest exchange and are an important element in increasing the value of the exchange. JPX Market Innovation & Research (JPXI) publishes TOPIX (Tokyo Stock Price Index), which is well established as a benchmark of the Japanese economy in Japan and overseas, as well as stock price indices categorized by industry, size, and diverse investment themes. It also capitalizes on its strengths as a comprehensive exchange to calculate and provide

various derivatives indices.

The indices calculated and provided by JPXI are used in listed ETFs and derivative products such as futures and options, contributing to the increased appeal of the exchange market.

In July 2025, in partnership with Nikkei Inc., JPXI began to calculate a new stock index focused on human capital, the JPX-Nikkei Index Human Capital 100. The approach of "human capital management," by which companies view their employees as a type of capital and look to improve medium- to long-term corporate value by maximizing the value they can provide, has gained interest in recent years. We will continue developing new indices necessary for the times.

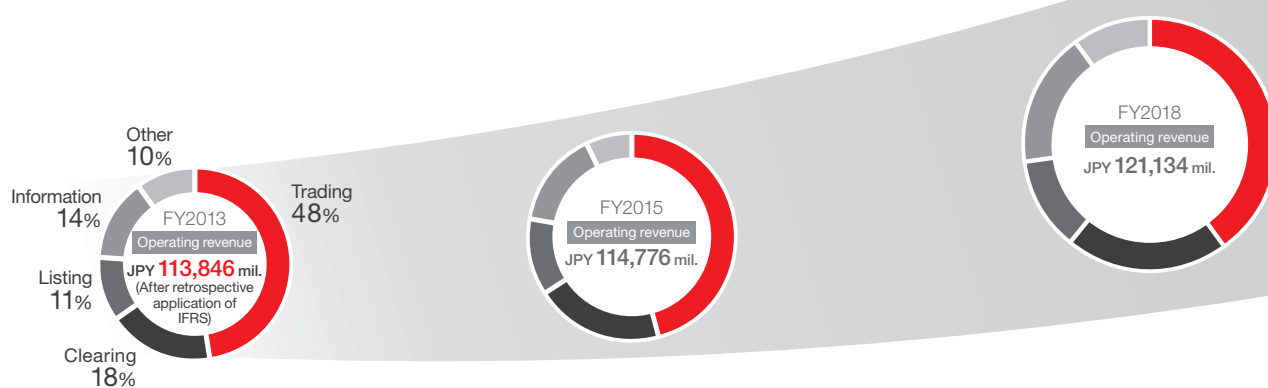


# Strategies and Initiatives for Creating Value

## History of Value Creation

In 1878, soon after the Meiji Restoration, Shibusawa Eiichi, who is known as the "father of modern Japanese capitalism," established Tokyo Stock Exchange, and Godai Tomoatsu, a businessman who was instrumental in the economic development of Osaka, established Osaka Stock Exchange. Since their establishment, the Tokyo and Osaka exchanges have consistently served as the driving force behind the Japanese economy, responding to the needs of the times for over 140 years.

JPX is a financial instruments exchange holding company that was established through the merger between Tokyo Stock Exchange Group and Osaka Securities Exchange on January 1, 2013. Since its establishment, JPX has engaged in initiatives to expand its business fields to create a comprehensive exchange while working to realize post-merger synergies and transform its management structure.



2013-2015

### 1st Medium-Term Management Plan

Achieved JPY 8.5 billion reduction in operating expenses through post-merger synergies

2016-2018

### 2nd Medium-Term Management Plan

Made progress toward transitioning to a management structure that does not overly rely on the condition of the Japanese stock market

2013

2014

2015

2016

2017

2018

2019

**2013** ■ JPX is formed through the merger between TSE Group and OSE



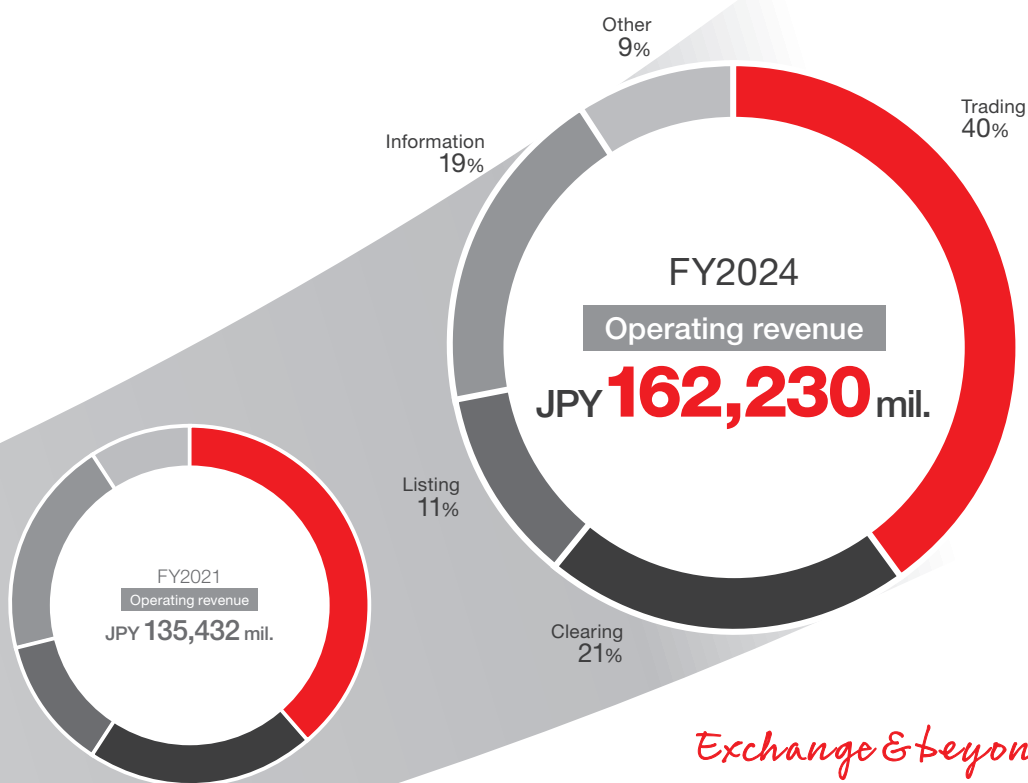
■ Expansion of OTC clearing business through clearing house merger

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.

**2019** ■ TOCOM acquired as a subsidiary

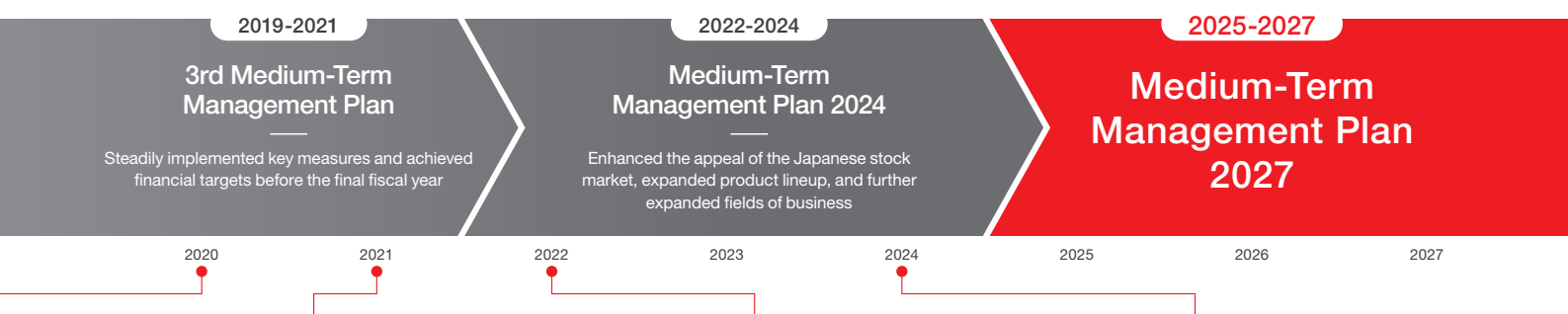
JPX merged with Tokyo Commodity Exchange (TOCOM) to create a Comprehensive Exchange that enables one-stop trading for a wide range of instruments from financial instruments to commodities. Futures and options on precious metals, rubber, and agricultural commodities that were listed on TOCOM were transferred 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.





*Exchange & beyond*

**Strengthening the traditional function of the exchange and actively taking on challenges in new areas**



#### 2021 ■ Establishment of JPXI

JPXI was newly established in 2021 as a non-exchange-operating subsidiary with the aim of pursuing the creation of market services that lead to enhanced functionality and efficiency across the market. JPXI started its operations in April 2022, integrating JPX's data and digital operations.



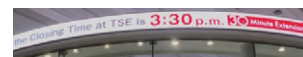
#### 2022 ■ Market restructuring

The market structure maintained since the merger was reorganized into the new market segments of the "Prime Market," "Standard Market," and "Growth Market" with the aim of defining clear market concepts and motivating listed companies to improve corporate value through revision of the continued listing criteria.



#### 2024 ■ Trading hours extension at TSE

In conjunction with the upgrade of the cash equity trading system to arrowhead 4.0, trading hours were extended for the first time in 70 years, by 30 minutes. In addition, a closing auction session was introduced with the aim of improving transparency in closing price formation.



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

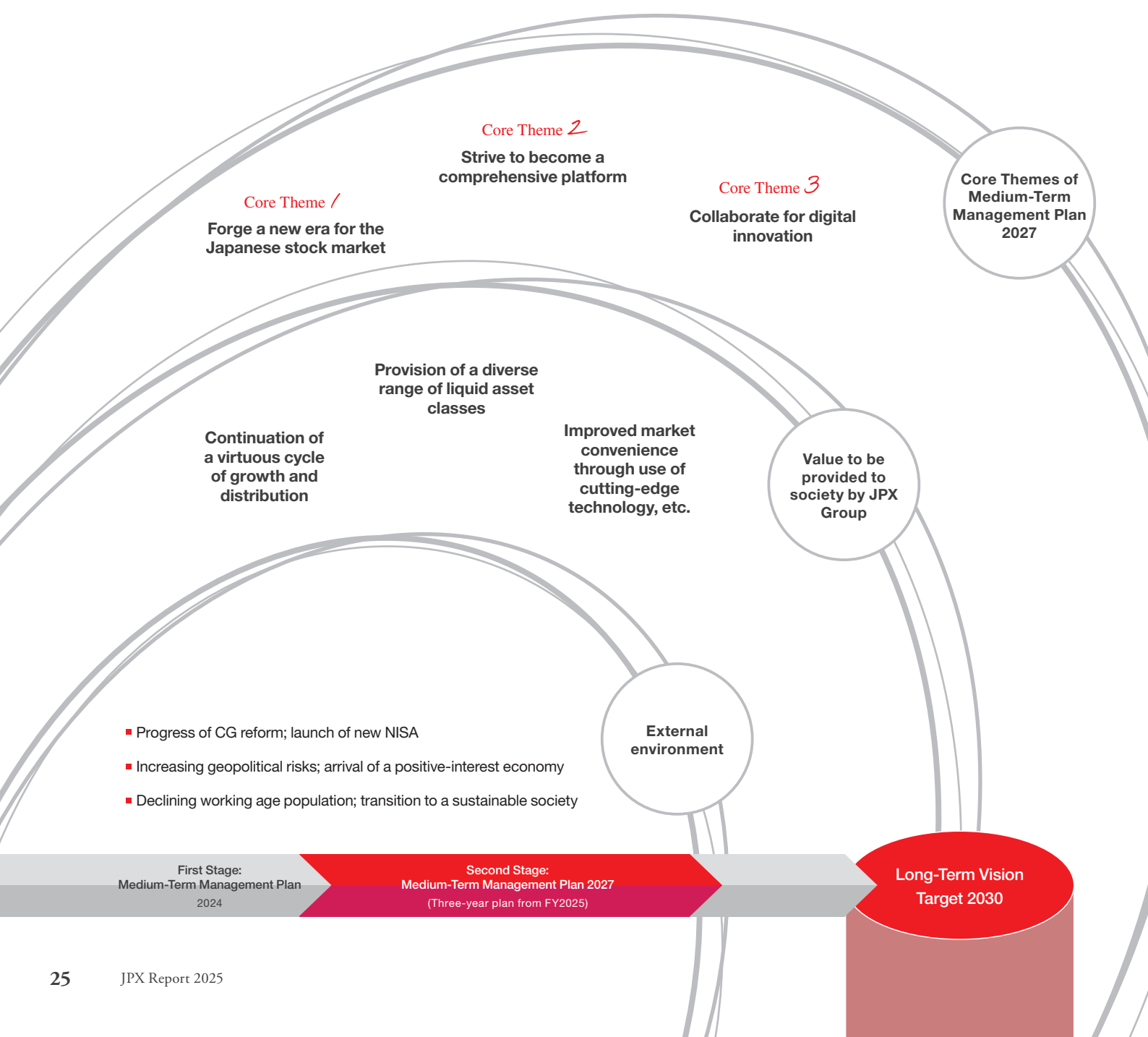
# Medium-Term Management Plan 2027

## Basic Policy

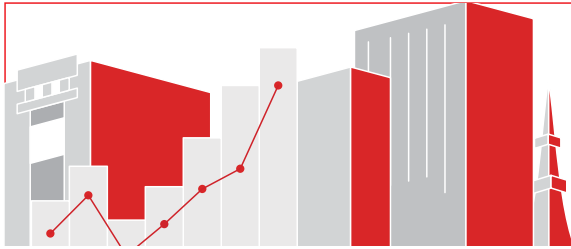
# Exchange & beyond

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. In addition, 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.







## Core Theme /

# Forge a new era for the Japanese stock market

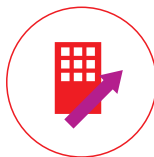
As a core infrastructure of Japan's financial and capital markets, we will continue to support the growth of listed companies and advance the development of platforms where anyone can invest with confidence to further boost the "virtuous cycle of growth and distribution."

## 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.

### Main Initiatives

#### Initiative 01



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

- Encouraging management that is conscious of cost of capital and stock price
- Promoting constructive dialogue between listed companies and investors
- Promoting growth of startup companies after IPO

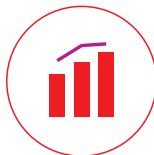
#### Initiative 02



#### 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.29





## 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 are passed on to clearing participants)

#### Main Initiatives

##### 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
- Promoting expanded usage of OTC clearing services
- Expanding investor base in light of positive-interest world

##### 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.30





## 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.

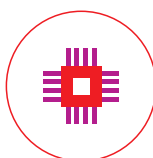
### Strategic Direction in Medium-Term Management Plan 2027

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%

## Main Initiatives

### 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
- Advancing operational efficiency and 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

- Considering solutions that combine data and knowledge to improve operational efficiency
- Discussion of shortening settlement cycles, taking account of international trends

 Specific details of each initiative  
P.31





## Specific initiatives under each core theme



### Forge a new era for the Japanese stock market



#### Initiative 01 Promoting constructive dialogue between listed companies and investors

In January 2024, TSE established a new dedicated group to support listed companies in addressing issues they face in improving their corporate value. Through support measures such as hosting various events, providing materials and tools, and sharing case studies from other companies, we aim to improve information disclosure and IR capabilities of listed companies, as well as promote constructive dialogue with investors, thereby contributing to enhancing their corporate value.



Dialogue meeting with institutional investors



#### Initiative 02 Improving financial literacy through investor education and promoting the appeal of Japanese equities

With an emphasis on providing fair and unbiased information, we offer a wide range of investment education programs for people of all ages, from elementary school students to senior citizens. In addition, we work together with the securities industry and others to promote the appeal of investing in Japanese stocks, taking advantage of the exchange's unique features and strengths, such as promotions using TSE Arrows and other exchange facilities, provision of information on stocks, ETFs, and other listed products, and explanations of TSE's initiatives.



Asset building with confidence — JPX seminar for new investors



#### Initiative 03 Making securities options a standard tool for Japanese stock investment

Stock options (securities options) are options on single securities such as stocks, ETFs, and REITs, and are highly popular derivative products worldwide. By enhancing the convenience of stock options, which provide a different way of investing in stocks, OSE will promote the further development of not only the options market but the Japanese stock market as a whole. This fiscal year, OSE aims to make stock options a standard tool for equity investment in Japan, such as by expanding the number of stocks eligible for market maker quotes to approximately 30, further increasing the number of securities companies

handling stock options, and disseminating easy-to-understand information on investment strategies that utilize them.



OSE's official mascot, "Kaba-ko"

The name "Kaba-ko" is a play on "covered call," a type of stock option strategy, and "kaba" being the word for "hippo" in Japanese.





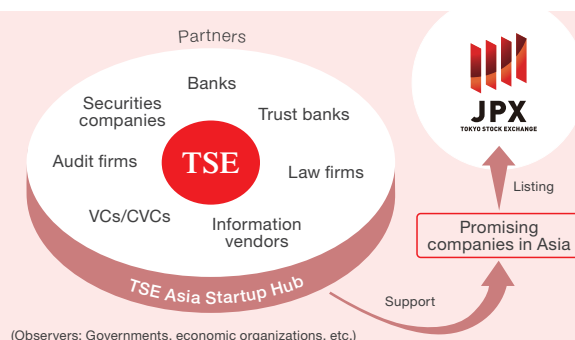
## Strive to become a comprehensive platform



### Initiative 01 Developing an environment to facilitate listings of high-growth Asian companies

In March 2024, we launched the "TSE Asia Startup Hub" as an ecosystem to encourage promising high-growth Asian companies to choose Tokyo Stock Exchange for their IPOs.

Together with our partners, we will work to provide an environment that facilitates listings of high-growth Asian companies by providing support tailored to the needs of each company, such as assistance with business development and fundraising in Japan and IPO preparation.



### Initiative 02 Expanding investor base in light of positive-interest world

In 2024, interest rates were hiked for the first time in 17 years and the yield curve control policy was abolished, leading to a rise in yen interest rates and an upward trend in volatility. In response to these changes in the environment surrounding yen interest rates, there is growing demand from both domestic and overseas market participants to hedge against yen interest rate fluctuation risks. In addition to 10-year JGB Futures, which serve as the benchmark for long-term interest rates, OSE launched short-term interest rate futures (3-Month TONA Futures) in 2023, enabling investors to

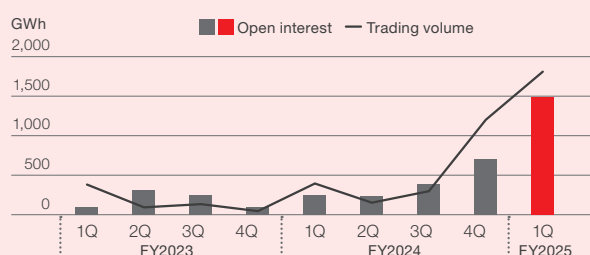
trade both long-term and short-term interest rates on a single platform. Furthermore, in 2024, JSCC expanded the scope of cross margining to include short-term interest rate futures, thereby improving capital efficiency by reducing collateral requirements in yen interest rate derivative transactions. Going forward, we will continue to work in various ways to build a yen interest rate market that is convenient for both domestic and overseas investors, thereby creating a market with the high liquidity that comes from a diverse investor base.



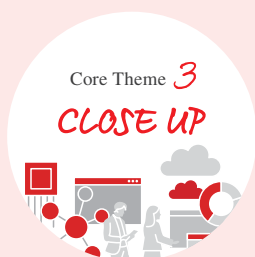
### Initiative 03 Invigorating the electricity futures market

In the energy market, trading volumes of electricity futures have begun to increase significantly. As we continue to aim for broader usage, we are steadily introducing new products, including fiscal year contracts that began trading in May 2025, and are also considering expanding JJ-Link, a service which links transactions to the spot market operated by our partner, the Japan Electric Power Exchange (JEPX). We will continue to pursue initiatives that align with the needs of a wide range of market participants and strive to further invigorate the market.

Trading volume/open interest of electricity futures



## Specific initiatives under each core theme



### Collaborate for digital innovation



#### Initiative 01 Increasing added value by enabling visualization of distributed data

We are advancing various initiatives to enhance the added value of distributed data.

By linking our data platform, J-LAKE, with analysis tools, we will be able to provide data that was previously distributed mainly in numerical or text form in a more visual format using graphs and other means, and enable quick analysis using intuitive dashboards.



Data analysis using dashboards



#### Initiative 02 Advancing operational efficiency and creating new value through the use of AI and other technologies

JPX is actively working to introduce technologies such as AI to promote the creation of new value both inside and outside the company.

First, for internal initiatives, we are promoting automation and labor-saving efforts to improve operational efficiency. Specifically, we are utilizing technologies such as RAG to support the rapid acquisition of internal information. Going forward, we plan to promote labor-saving in daily operations by combining AI and RPA, and to further advance automation through the introduction of AI agents. Furthermore, through the promotion of these

technologies, we aim to visualize tacit knowledge and standardize operations, thereby contributing to greater productivity across the organization.

Meanwhile, in terms of external initiatives, we are providing information utilizing generative AI through JPX Market Explorer and JPxData Portal, supporting market participants, including investors, in quickly accessing the information they need.

By developing new solutions leveraging AI and other technologies, we will deliver new value to both internal and external stakeholders, enhance the convenience of market participants, and improve market transparency and trust.



#### Initiative 03 Discussion of shortening settlement cycles, taking account of international trends

In Japan, settlement of stock transactions is usually carried out two business days after the trade date (T+2). The U.S. transitioned to T+1 in May 2024, along with other countries in the Americas such as Canada, Mexico, and Argentina. In response, discussions on shortening settlement periods have intensified in other regions. In the EU, draft regulations targeting a transition to T+1 by October 2027 have been published. The UK and Switzerland have also announced plans to transition to T+1 at the same time as the EU. In the Asia-Oceania

region, which shares a similar time zone with Japan, discussions are also underway in Hong Kong, Singapore, and Australia on whether to transition to T+1.

If Japan switches to T+1, major changes are expected across the securities industry as a whole. JPX will continue its discussions, taking into account international trends and the direction of discussions among market participants, to ensure it is able to take appropriate action at the appropriate time.

# Strengthening the organizational foundation that supports promotion of the core themes

## Main Initiatives

### Ongoing buildup of human capital through ambitious investment\*

- Strengthening staff acquisitions that respond to external changes
- Developing and maintaining an environment where all staff can demonstrate their abilities
- Strengthening training and other measures for more thorough implementation of professional ethics

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

- Strengthening functionality of market surveillance system
- Strengthening initiatives to prevent unfair trading and inappropriate disclosure

### Further pursuit of reliability and resilience of system infrastructure\*

- Stable operation and ongoing improvement of current core systems
- Discussing strategy for and starting development of next-generation trading systems
- Strengthening failure tolerance and the BCP across the market through ongoing initiatives such as drills in collaboration with market participants
- Strengthening cybersecurity measures

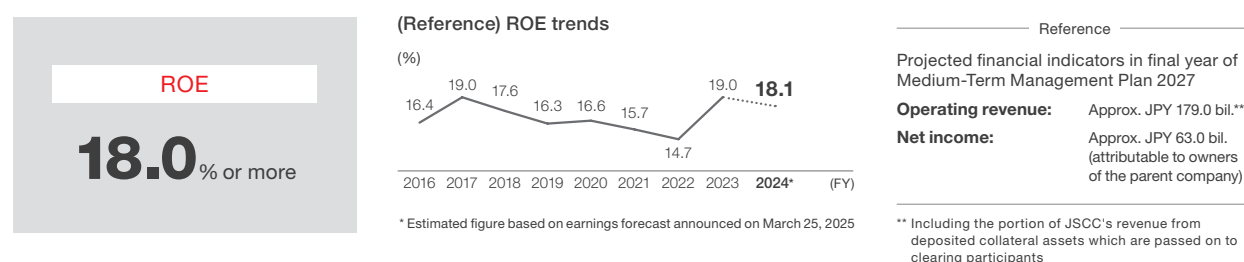
### Development and expansion of resources and operational structures that support new services, etc.

- Strengthening resources and structures to develop data services, etc.
- Strengthening resources and structures for providing information overseas
- Establishing resources and structures for actively utilizing AI
- Developing and maintaining resources and structures for effectively utilizing deposited collateral assets

\*Related matters are set as non-financial commitments

## Management Targets

### Financial Targets for Final Fiscal Year



## 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.
- \*\*\*\*A unique JPX indicator that scores questions selected from the overall survey to measure employee development and permeation of the corporate philosophy

### 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.

# Approach to Sustainability

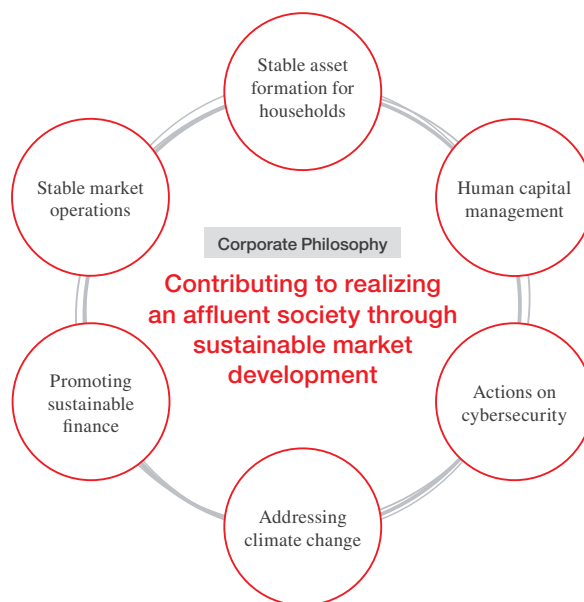
## Toward Realizing a Sustainable and Affluent Society

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.

Over the next few pages, we will present the key areas that were raised from the perspective of sustainability during the process of formulating the Medium-Term Management Plan 2027, as well as discussing the thinking behind and concrete initiatives related to each one.

Key areas from the perspective of sustainability



## Sustainability Promotion Frameworks

### Governance

We have established a Sustainability Committee, with the Group CEO as Chair and Group COO as Vice-Chair, that is addressing sustainability issues across the entire Group. Basic policies and important matters are reported to the board as required to ensure appropriate oversight by the board of directors. Sustainability-related risks are identified as a "significant risk" with respect to group-wide risk management and are reported to the board of directors from a risk management perspective on a quarterly basis. Moreover, an executive officer in charge of sustainability has been appointed and a dedicated department established to lead analysis and monitoring so that sustainability issues that pose risks to and provide opportunities for JPX Group's businesses can be identified and appropriately addressed.

### Risk Management

JPX has established a Risk Policy Committee chaired by an outside director, and a Risk Management Committee chaired by the Group CEO, in order to address the various risks faced by the Group. In line with the Group's Risk Management Policy, these committees are responsible for identifying risks as well as developing and implementing preventative measures, and also form a system that ensures a swift and appropriate response in the case that risks do or are likely to materialize. Under the Risk Management Policy, JPX identifies and classifies the risks faced by the company, each of which is managed by the department with jurisdiction. Information on assessments of these operations and issues to be addressed is periodically brought before the Risk Policy Committee (semiannually) and Risk Management Committee (quarterly) and reported to the board of directors.

The Risk Policy Committee has identified sustainability related risks as a significant risk under "business strategy and business environment risk." These risks are managed by the Sustainability Department.



## Key areas from the perspective of sustainability



### Stable asset formation for households







Supporting stable asset formation for households is an essential element of helping to achieve happiness and welfare for each and every citizen.

JPX considers giving back to society through the provision of market functions and services to be an important mission, such as promoting self-led corporate value improvement at listed companies to sustain a virtuous cycle of growth and distribution as well as putting in place platforms that facilitate investment by a broad base of investors, thereby bringing

together diverse investment decisions in pursuit of efficient and transparent price formation.

To this end, we are continuing to implement market and corporate governance reforms to support corporate value improvement efforts at listed companies, working to further expand the investor base through increased trading opportunities, such as by enabling small-size investments and extending trading hours, and striving to become a comprehensive platform.

#### Key Related Actions

- Encouraging management that is conscious of cost of capital and stock price  **Listed Companies**  
P.55
- Reduction of investment units  **Trading Participants**  
P.69
- Trading hours extension  **Aiming for an Attractive Stock Market**  
P.44
- Expanding the ETF product lineup and broadening the investor base  **Institutional Investors**  
P.59
- Smooth transition to the next-generation TOPIX  **Agile Development of Data and Digital Businesses**  
P.49
- Improving financial literacy through investor education and promoting the appeal of Japanese equities  **Retail Investors**  
P.57



### Stable market operations





In order to achieve sustainable market development by providing creative and attractive services, JPX Group has a duty to carry out stable provision of market infrastructure, including the day-to-day execution of its duties, and the enforcement of appropriate self-regulation. JPX believes that by fulfilling this duty, it can secure the trust of market users.

While providing resilient and highly reliable system infrastructure and fulfilling our public responsibility by exercising trade-monitoring and self-regulatory functions

during normal times, we are working hard to ensure the readiness of the entire Group for emergencies, such as building a BCP system and preparing for the unexpected.

With the objective of responding flexibly to changes in the environment in which the market operates, we will also work on communication and dialogue that takes into account the needs of market stakeholders, including investors, trading participants, and listed companies, to ensure fairness and transparency.

#### Key Related Actions

- Ensuring stable operation and continuous improvement of current core systems as well as discussing approaches to and starting development of next-generation trading systems  **IT Strategy**  
P.39
- Strengthening failure tolerance and the BCP across the market through ongoing initiatives such as drills in collaboration with market participants  **Risk Management (Business Continuity in Emergencies)**  
P.84
- Reinforcing self-regulatory functions by enhancing the functionality of the market surveillance system and implementing measures to prevent unfair trading, etc.  **Aiming for a Fair and Equitable Market**  
P.53
- Pursuing operational efficiency and creating new value through the use of AI and other cutting-edge technologies  **IT Strategy**  
P.39

## Key areas from the perspective of sustainability



### Human capital management

People are one of the most important assets we have for realizing our corporate philosophy and achieving sustainable improvements in corporate value. In order to strengthen the traditional function of the exchange, that is to maintain stable market operations, while also proactively taking on challenges in new fields without being overly bound by this framework,

JPX Group's fundamental human resources strategy entails hiring and developing both people who will underpin the further stabilization and sophistication of traditional exchange operations and those who will pioneer into new sectors and fields, as well as creating an environment in which all employees can demonstrate their abilities.

#### Key Related Actions

- Permeation of the JPX Corporate Philosophy among employees and recruitment of human resources 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



Human Resources Strategy  
P.37



Employees  
P.65



### Promoting sustainable finance

We believe that sustainable finance, which takes a longer perspective than the short-termism of traditional finance, has an important role to play in contributing to the realization of an affluent society through sustainable market development. To promote sustainability through the use of market mechanisms, JPX will provide sustainability-related information to listed companies and support them in disclosing

their own such information, while also concentrating on enhancing accessibility to sustainability-related information for investors. We also participate in discussions in Japan and globally concerning the role of finance in resolving societal and environmental issues as well as standards and other frameworks for disclosure of sustainability information.

#### Key Related Actions

- Promotion of action on sustainability issues and information disclosure 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 the Expert Panel on Sustainable Finance organized by the Financial Services Agency and holding of roundtable discussions pertaining to climate change data with the Net-Zero Data Public Utility



Sustainability | Japan Exchange Group

<https://www.jpx.co.jp/english/corporate/sustainability/index.html>

#### Promoting sustainability information disclosure: JPX Sustainability Information Search Tool

With the aim of promoting the disclosure of sustainability information by listed companies, since December 2024, JPX and JPX Market Innovation & Research have been providing the JPX Sustainability Information Search Tool (Beta Version) for companies listed on the Tokyo Stock Exchange. This tool allows companies to view, on a single screen, links to information included in publications by Prime Market-listed companies (annual securities reports, integrated reports, websites, etc.) relating to key environmental, social, and governance (ESG) topics. It is intended to make it easier for listed companies to gather relevant information in the process of deciding the content and other aspects of their own sustainability disclosure.



JPX Sustainability Information Search Tool (Beta Version)  
| JPX ESG Knowledge Hub | Japan Exchange Group  
<https://www.jpx.co.jp/corporate/sustainability/esgknowledgehub/search-tool/> (only in Japanese)

#### Enhancing accessibility of information: roundtable series on climate change data

JPX is working to promote sustainability-related initiatives and information disclosure by listed companies and constructive dialogue with investors and other stakeholders, and it considers improving access to data related to sustainability, including climate change, an important issue. In FY2024, JPX hosted a series of roundtable discussions with the Net-Zero Data Public Utility (NZDPU), an organization building a global and open data platform for climate change-related data, with the objective of understanding the needs of Japanese financial institutions and issuers and the problems they face and reflecting those opinions in global discussions.



JPX and NZDPU Publish Summary Paper of Japan  
Roundtable Series on Climate Transition-Related  
Data | Japan Exchange Group  
<https://www.jpx.co.jp/english/corporate/news/news-releases/0090/20250319-01.html>

CLOSE UP



## Actions on cybersecurity

As the organization responsible for financial market infrastructure, cybersecurity measures are extremely important for protecting the reliability and stability of the market and for providing safe and secure services to market users. For this reason, JPX Group considers them to be an essential element of stable market operations.

JPX Group has designated cyberattacks a significant

management risk. Under a company-wide communication framework that includes the board of directors, it has established a dedicated team for cybersecurity (JPX-CSIRT), built a management system involving internal and external experts, and has been working to strengthen its resilience through continual review of its measures in line with the Basic Policy 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



**Risk Management (Actions on Cybersecurity)**  
P.85



## Addressing climate change

When maintaining and strengthening its IT infrastructure to ensure the safety and fairness of transactions, or taking on challenges in new business areas, including digital transformation, JPX Group considers the efficient use and streamlining of energy, which could otherwise have an impact on climate change, to be an important mission.

JPX also sets out a commitment to contributing to a decarbonized economy in the Environmental Policy that it

formulated recognizing that resources are limited, and is working on initiatives toward achieving carbon neutrality for Japan as a whole. Even in areas where there are limits to what it can contribute as a company, JPX Group provides support for the transition to decarbonization by offering solutions that leverage market mechanisms, such as the development of a market for emissions trading and the raising and circulation of capital through the handling of related products.

### Key Related Actions

#### As a Market Operator

- Development 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



**Environment and Society**  
P.63

## Establishing a Carbon Credit Market

As part of "addressing climate change," JPX Group is developing its Carbon Credit Market in sight of the move to full-fledged emissions trading.

The Carbon Credit Market was opened in October 2023 by Tokyo Stock Exchange (TSE), based on knowledge gained from a demonstration project commissioned by the Ministry of Economy, Trade and Industry in FY2022. After the opening, TSE has implemented additional measures to enhance the functionality of the market based on feedback from market participants. As of June 2025, the market is steadily growing, with 331 participants from a wide range of sectors trading a cumulative total of over 820,000 tons since its opening.

Since FY2023, trials of the GX-ETS emissions trading system have been ongoing at the government-led GX League. JPX is a participant in the GX League, and in addition to working to achieve carbon neutrality for the Group itself, TSE's Carbon Credit Market will continue to contribute to the GX-ETS project commissioned by the Ministry of Economy,

Trade and Industry in FY2025 by operating a market maker scheme for J-Credits and planning to be the venue for trading GX credits.

Based on the development of the government's emissions trading system, we at JPX Group will continue contributing to the achievement of carbon neutrality by 2050 through the further development and functional enhancement of the Carbon Credit Market







# Human Resources Strategy

Message from an Executive Officer

Executive Vice President  
(General Administration and Human Resources)

Hasegawa Isao

## Aiming to further enhance the quality of our human resources, the source of JPX Group's corporate value, through ongoing investment

### Fundamental thinking behind our human resources strategy

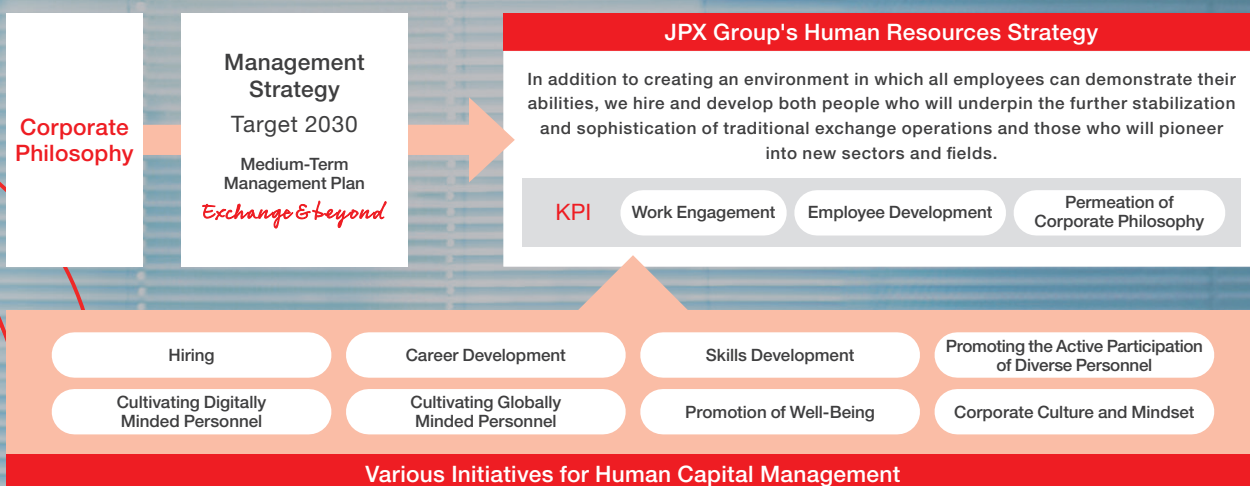
JPX Group's corporate philosophy states that we shall "ensure reliability and public visibility, lay the foundation of a market which is highly convenient, efficient, and transparent, and provide creative and attractive services." Based on this philosophy, our slogan is "Exchange & beyond," which expresses our determination to strengthen stable market operations while also advancing in new sectors and fields. The fundamental thinking behind our human resources strategy encompasses hiring and developing both people who will underpin the further stabilization and sophistication of traditional exchange operations and those who will pioneer into new sectors and fields, as well as creating an environment in which all employees can demonstrate their abilities.

At the start of our Medium-Term Management Plan 2027, the Group designated three indicators (Work Engagement, Employee Development, and Permeation of Corporate Philosophy) as the main KPIs (non-financial commitments) for the strengthening of human resources. These indicators stem from the results of the employee engagement survey that is conducted every year. By aiming to maintain high levels on an ongoing basis, we will build up the genuine strength of our human resources and ultimately realize our medium- to long-term vision.

### Recruitment and development of human resources

JPX Group hires new graduates and people in mid-career based on an awareness that it is important to hire diverse human resources to sustainably enhance corporate value. Our basic approach is to actively hire human resources with diverse perspectives, sensibilities, abilities, experience, and other attributes regardless of characteristics such as gender or nationality.

Based on the idea that each employee's growth leads to the company's growth, JPX Group encourages employees to pursue their interests and provides skill development programs that support employees in the well-balanced acquisition of the techniques, knowledge, and other skills necessary for their work and that are based on the three pillars of (1) practical experience, or opportunities to develop skills through work experience; (2) knowledge sharing, or opportunities to learn from the guidance and shared experiences of supervisors and senior employees; and (3) training, or opportunities to learn through training and other types of education.



Note: Individual initiatives for human capital management and data pertaining to human capital cover the parent company and its core subsidiaries.

## Enabling all employees to demonstrate their abilities

In addition to implementing these measures to hire and develop human resources, at JPX Group, we believe that it is important to create an organization where employees from various backgrounds can play an active role and have a high level of well-being.

In particular, in order to enable each employee to play an active role regardless of such characteristics as gender, nationality, and age, we have established a work-life balance support system that exceeds statutory requirements and promotes the creation of an environment that allows for career advancement even when facing various life events such as childcare, nursing care, and illness. In addition, in order to ensure that Group employees are physically and mentally healthy and can work with passion and vitality, we are strengthening our system for promoting health management through initiatives related to health management, the dissemination of information internally, and other means. We are committed to providing an environment in which all JPX Group employees can fully demonstrate their abilities.

## Creating an organizational climate that supports human resources

For every employee to demonstrate their abilities to the fullest and flourish, it is essential not only to quantify measurable aspects but also to foster the intangibles, namely a corporate culture and other shared values. At JPX Group, we share intangible values with our employees by increasing opportunities for management and younger employee dialogue and employee-to-employee communication and by conducting evaluations from multiple perspectives. We believe such an organization and corporate culture serve as a firm foundation for the sustainable growth of the company.

## In closing

As you can see, we value each of our employees and will continue to invest in human resources to further enhance the corporate value of JPX Group as a whole.







## IT Strategy

Message from the CIO

Senior Executive Officer & CIO

Takura Satoshi

# JPX Group's Medium-Term Management Plan 2027 and new IT Master Plan pave the way for transformation and collaborative creation

## New IT Master Plan

JPX formulates and publishes its IT Master Plan to clearly communicate the Group's direction and strategy on IT internally and externally and drive business by aligning management and IT policies in order to steadily progress toward the targets set out in medium-term management plans. Starting with FY2025, the Medium-Term Management Plan 2027 is positioned as the second stage toward realizing the long-term vision "Target 2030." The three years through 2027 are regarded as a crucial preparatory period for achieving G-HUB (a global comprehensive financial and information platform). To provide robust support from an IT perspective, we have redefined the roles expected of IT departments and formulated a new IT Master Plan.

## Becoming a comprehensive platform

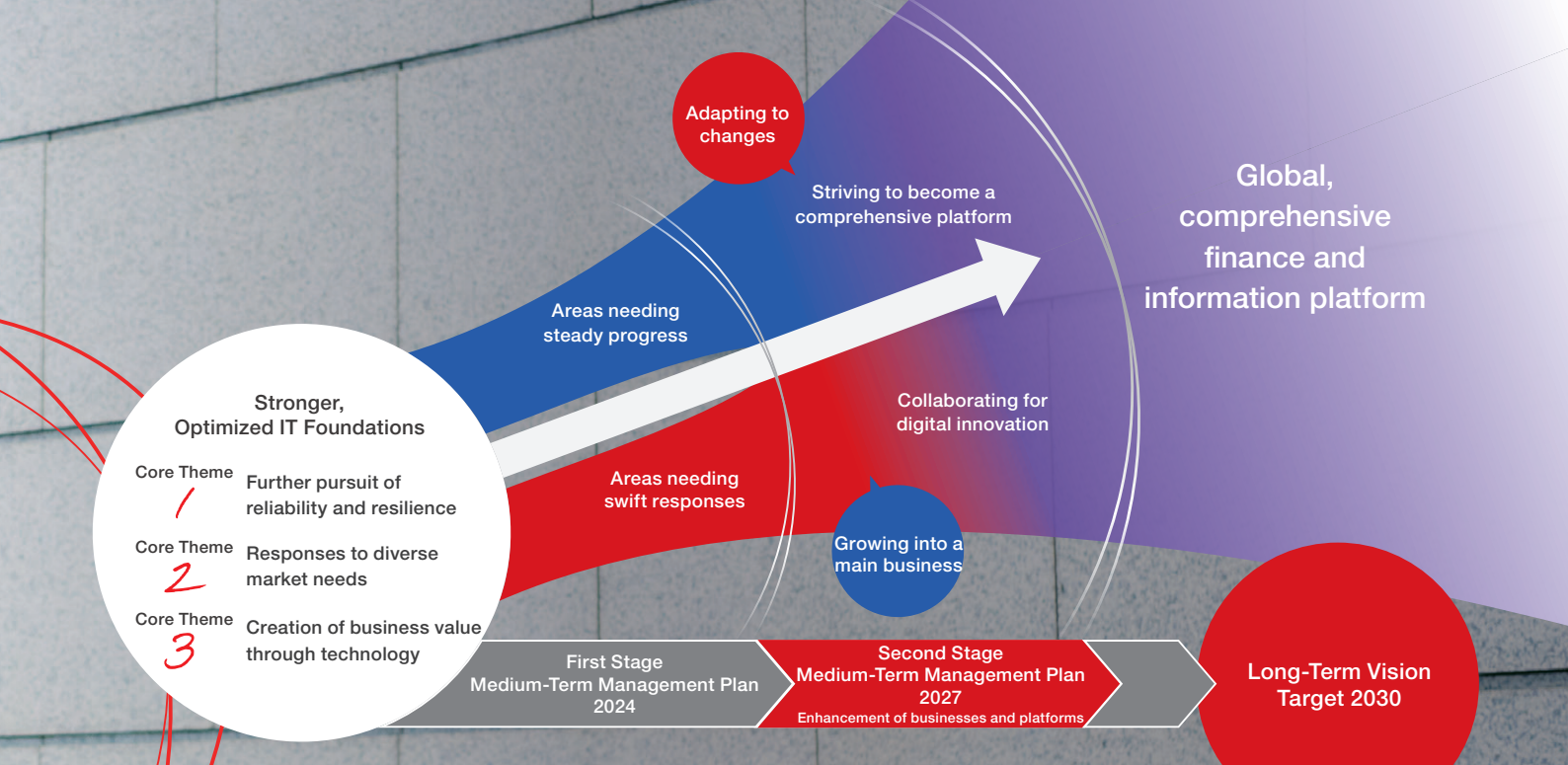
The systems supporting JPX Group's core operations are expected to be highly reliable as part of the social infrastructure and to maintain resilient capabilities for quickly and smoothly resuming operations in the event of a failure. However, the social environment continues to change rapidly, and today's optimal solution may no longer be optimal tomorrow. We believe that the ability to flexibly respond to change through continuous experimentation and refinement will be the driving force behind evolving our existing platforms into a comprehensive platform.

## Collaborating for digital innovation

In the data services business, which has been a focus in recent years, we have pursued initiatives on the premise of responding quickly to change. Encouragingly, the business has continued to grow in scale and holds the potential to become a key pillar alongside our core businesses. To realize this, we must maintain the momentum from its initial launch while balancing flexibility to meet diverse needs with stable service delivery. By leveraging alliances with other institutions and building a sustainable operational framework, we aim to collaborate for digital innovation.

## Building foundations for utilizing AI

JPX Group has launched an AI promotion project to drive further value creation and operational efficiency across the entire company through the use of generative AI. IT departments will support business innovation by establishing foundations that enable all employees to maximize the effective use of AI, while ensuring the governance required of financial institutions.

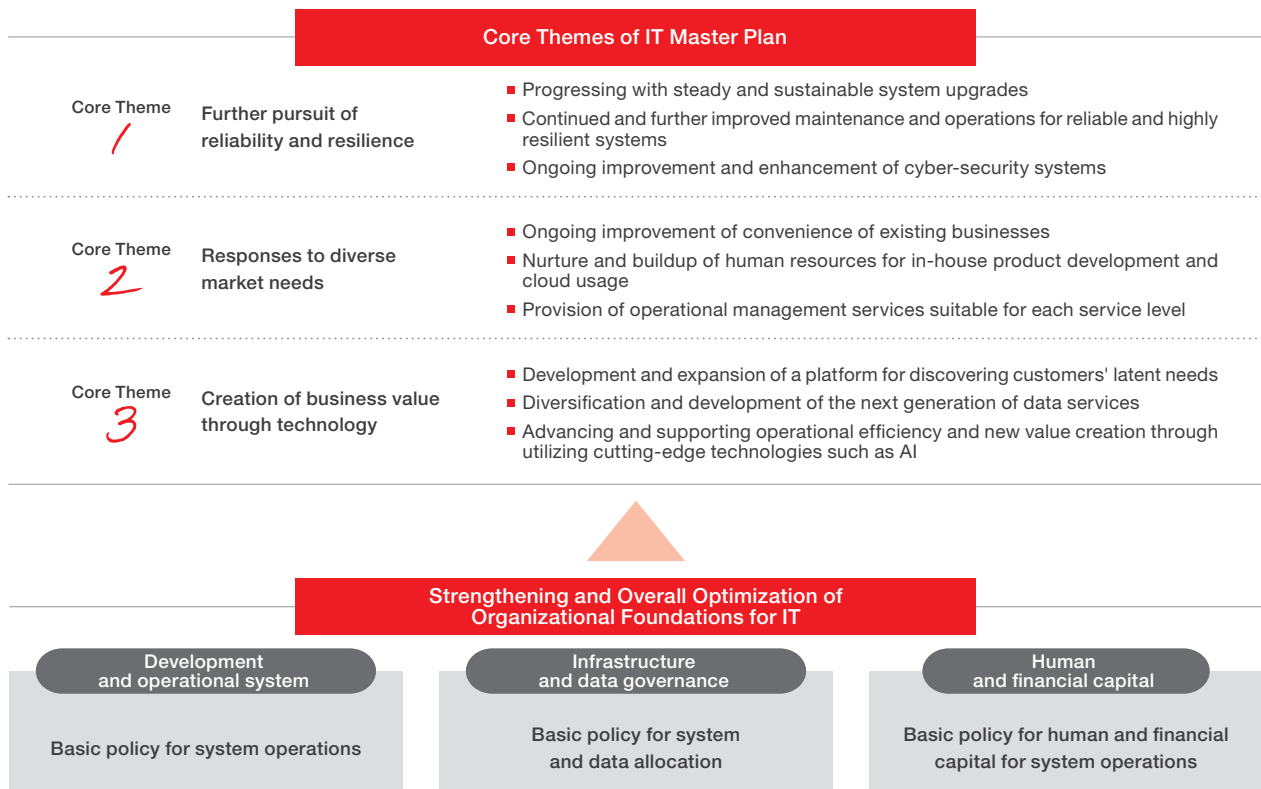


## IT that supports transformation

We view IT not merely as a tool for supporting business operations, but as a strategic asset that drives value creation at the Group. IT serves not only as the foundation for executing management strategies, but also as a source for generating new business opportunities by flexibly adapting to a changing social environment and technological innovations. "Data" and "AI" are the key factors that are emblematic

of this, and we are working to establish a company-wide framework to proactively and effectively leverage these assets.

Even in this era of rapid change, we will continue to take on new challenges to achieve the goals of our Medium-Term Management Plan 2027 and realize the Target 2030 long-term vision, thereby supporting the sustainable development of the market.







## Financial Strategy

Message from the CFO

Senior Executive Officer & CFO

Kawai Hiroki

# Building a robust financial base to support sustainable market development and driving progress under the Medium-Term Management Plan 2027

## On assuming the office of CFO

I assumed the position of CFO of JPX in April of this year. Until now, I have mainly been in charge of stock market operations, during which I have advanced various initiatives to enhance the market's competitiveness and convenience, as well as efforts to strengthen resilience in response to the system failure. Based on this experience, I believe that JPX Group's most important mission is to operate the market in a stable manner and ensure its sustainable development. As CFO, I will strive to achieve this mission by balancing the establishment of a robust financial base with investments in market development. As a result, I aim to achieve sustainable growth in corporate value and enhance shareholder returns, thereby fulfilling the trust placed in us by our shareholders.

## Review of Medium-Term Management Plan 2024

FY2024 was the final year of the Medium-Term Management Plan 2024 and the market was vibrant throughout the year, with average daily trading value of cash equities, a key indicator of market conditions, reaching a record high of JPY 5.7 trillion for the fifth consecutive year.

Supported by this favorable environment, JPX recorded operating revenue of JPY 162.2 billion, operating income of JPY 90.1 billion, and net income (attributable to owners of the parent company) of JPY 61.0 billion, all

marking record highs for the second year in a row.

As a result, ROE reached 18.3%, achieving the financial targets of the Medium-Term Management Plan 2024 for the second consecutive year.

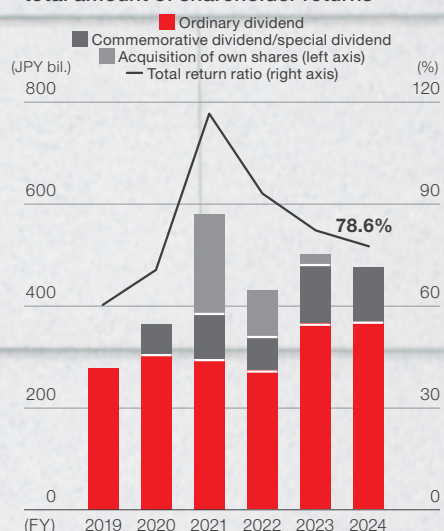
## Financial Targets for the Medium-Term Management Plan 2024

	Financial Target for the Final Fiscal Year Set Out at the Beginning of the Plan	FY2022	FY2023	FY2024
Operating Revenue	JPY 147.0 bil.	JPY 133.9 bil.	JPY 152.8 bil.	JPY 162.2 bil.
Net Income (Attributable to Owners of the Parent Company)	JPY 53.0 bil.	JPY 46.3 bil.	JPY 60.8 bil.	JPY 61.0 bil.
ROE	At least 15%	14.7%	19.0%	18.3%

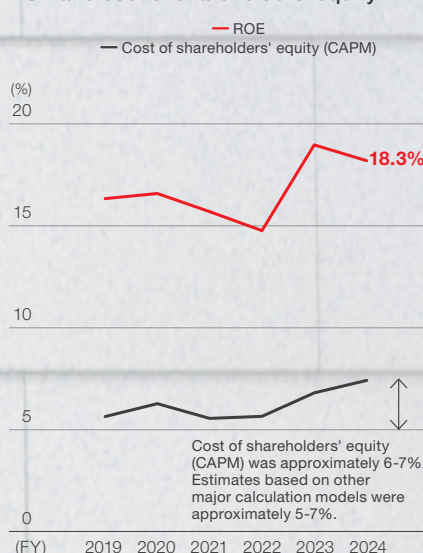
## Financial targets and capital policy for the Medium-Term Management Plan 2027

This fiscal year marks the start of our new medium-term management plan (Medium-Term Management Plan 2027). In this plan, we have carefully examined both our business plan and capital policy for the next three years. To promote more capital-efficient management, we have set a financial target of achieving ROE of 18.0% or more. This target significantly exceeds our estimated cost of shareholders' equity based on standard calculation methods. We aim not only to meet this target but to exceed it. We will continue to engage in dialogue with

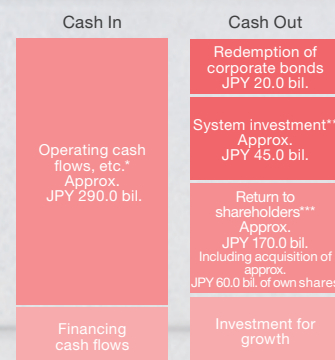
### Past total return ratios & total amount of shareholder returns



### ROE and cost of shareholders' equity



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



\* Including cash on hand; excluding working capital. Operating cash flows may increase/decrease depending on market conditions and other reasons.

\*\* May increase/decrease depending on schedule of system upgrades.

\*\*\* May increase/decrease depending on market conditions, future investment for growth, and other reasons.

our shareholders and investors to determine what is necessary to achieve this.

As part of the new Medium-Term Management Plan, we have disclosed a three-year cash allocation plan. This outlines how we intend to secure a solid financial base, invest in market development, and return profits to shareholders. By sharing this plan, we aim to foster more meaningful dialogue with our shareholders and investors.

In particular, with regard to shareholder returns, we have revised our dividend policy by raising the payout ratio from "around 60%" to "at least 60%." This enables us to provide higher dividends than before, with greater flexibility, based on our financial and capital conditions for each fiscal year. Additionally, we have set a target of acquiring approximately JPY 60.0 billion of our own shares over the three-year period. Combined with ordinary dividends, this brings our total planned shareholder returns to approximately JPY 170.0 billion, further enhancing the substance and transparency of our shareholder return policy.

To ensure stable market operations that consistently deliver high user satisfaction regardless of domestic or global economic conditions, monetary policy shifts, or geopolitical risks, we believe that maintaining a strong financial base is critical. Accordingly, at the time of the Medium-Term Management Plan 2027 announcement, we estimated that a minimum equity capital level of approximately JPY 250.0 billion would be necessary.

### Constructive dialogue with shareholders and investors to enhance long-term corporate value

As a market operator, JPX believes it is important to engage in constructive dialogue with a broad range of stakeholders, including shareholders, institutional and individual investors, and analysts. At JPX, meetings are conducted with either the CEO, CFO, a director, an executive officer, or the department in charge of IR, depending on the purpose of the meeting.

In FY2024, 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) attended by the presidents of group subsidiaries. These events attracted participants from 50 overseas investors, 19 domestic investors, and 29 securities analysts. In addition, through participation in institutional investor conferences, overseas business trips, and one-on-one meetings, we held discussions with a total of 309 overseas investors, 25 domestic investors, and 14 analysts. Approximately 1,390 individuals attended the company briefing session for individual investors. 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," the impact of rising interest rates on JPX business, growth strategies and M&A opportunities for expanding revenues, and the company's approach to necessary capital and shareholder returns. We received many questions and comments on these topics.

The feedback we obtained is reported twice a year to the JPX board of directors and quarterly to the whole company, including management. We aim to enhance corporate value by utilizing the feedback in our future growth and financial strategies. Based on these dialogues, we have had JSCC speak at our business briefing session, disclosed cash allocation in our new Medium-Term Management Plan, and implemented additional return to shareholders.

As CFO starting this fiscal year, I will also actively engage in dialogue with many stakeholders and strive to build trust with all stakeholders to enhance understanding of JPX's growth strategy and other aspects. We ask for your continued understanding and support as we journey forward.



# Approach to Creating New Value

## JPX Group Companies' Value Creation Strategies

The entire JPX Group, including subsidiaries and affiliates, engages in business related to the establishment and operation of financial instruments exchange markets so that market users can trade securities with confidence at all times.

To evolve into a global, comprehensive finance and information platform as part of its long-term vision, the Group is committed to value creation by providing more secure and convenient trading platforms for all market participants, including expanding and enhancing the quality and appeal of listed products, further improving trading and clearing rules, and enriching data and information for investors.

### Aiming for an Attractive Stock Market

Tokyo Stock Exchange | P.44

### Providing a Wide Range of Derivative Products in a One-Stop Solution

Osaka Exchange/Tokyo Commodity Exchange | P. 47

### Agile Development of Data and Digital Businesses

JPX Market Innovation & Research | P. 49

### Further Enhancement of Clearing Functions

Japan Securities Clearing Corporation | P. 51

### Aiming for a Fair and Equitable Market

Japan Exchange Regulation | P. 53

# Aiming for an Attractive Stock Market

In our role as a core infrastructure supporting corporate fund raising and household asset formation, as well as promoting self-led corporate value improvement at listed companies, we will revise rule frameworks and disseminate information in order to develop platforms where anyone, whether local or international, amateur or professional, can invest with confidence.

President & CEO  
Tokyo Stock Exchange, Inc.  
Iwanaga Moriyuki



## Growth Strategy | Creating Value

Tokyo Stock Exchange (TSE) operates Japan's leading stock market and serves as a core infrastructure that supports Japan's capital market. In order to increase the value of JPX Group, it is essential to increase the value of TSE, which is the core of the Group. To this end, we will demonstrate our presence as a place to be listed and a place to trade stocks.

As a place to be listed, we are advancing measures to support the medium- to long-term enhancement of corporate value of listed companies centered around improving the effectiveness of dialogue with investors, such as promoting management that is conscious of cost of capital and stock price. In addition, since IPOs of investable startups and their subsequent growth are essential for the revitalization of the market, we will promote measures to enhance the functionality of the Growth Market as well as provide support to leading Asian companies for business development in Japan, fund raising, IPOs, and other purposes through the TSE Asia Startup Hub.

As a place to trade stocks, our essential mission is to provide liquidity so investors with various needs can buy and sell whenever necessary. In order to further promote the shift from savings to investment, it is necessary to create an environment where anyone can easily invest in Japanese stocks through measures such as lowering the minimum investment unit. Additionally, in November 2024, along with the upgrade of the cash equity trading system, we introduced extended trading hours and a closing auction session, and we will continue to strive to improve trading rules to meet investor needs after analyzing the effectiveness of these measures. Finally, we will also continue to work diligently toward enhancing TSE's resiliency as a market infrastructure, given its significant responsibility for providing consistently stable markets.

### 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 on the exchange due to a higher share of off-exchange trading

## Our Mission

- 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
- Realize fair and smooth price formation in the markets and contribute to the protection of investors and the sound development of the national economy through effective trading supervision
- In addition to stable market operations, improve market convenience and reliability through various measures that contribute to improving market functions



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

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." The issues around profitability and market valuation of Japanese listed companies, as reflected in low ROE and low PBR, have been pointed out for some time. However, against the backdrop of feedback from domestic and international investors, this initiative has caused many listed companies to recognize these as important issues and consider/disclose plans for improvement.

On the other hand, investors have pointed out that there are many listed companies that, despite making disclosures, have further room for improvement in terms of specific initiatives. In response, TSE published examples of good practices along with "Cases Where Companies Are Not Aligned With Investors' Perspectives" in November 2024, to serve as reference materials for listed companies when reviewing and refining their own initiatives. In addition, with a view toward further supporting listed companies that are proactively taking action, from January 2025, TSE has revised the list of disclosing companies (published since January 2024) such as by indicating companies that wish to be contacted by institutional investors.

Also, starting from January 2024, we established a dedicated team called the "Listed Company Support Group" to further enhance our support initiatives for listed companies. The President & CEO of TSE has 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.

Furthermore, in collaboration with the Financial Services Agency, we are advancing initiatives aimed at achieving more effective engagement with institutional investors.

In parallel with these, we are also implementing measures to enhance the functionality of the Growth Market, with the aim of fostering the emergence of start-ups that will drive the future growth of the Japanese economy. We aim to make the Growth Market "a market where companies aiming for high growth gather" and will work on various measures to encourage each company to continually work toward high growth, both before and after listing, in order to pursue "growth" as the intrinsic characteristic of the market.



## Toward further improvement of market resilience and convenience

TSE is implementing various initiatives to respond to changes in the external environment and diversifying investor needs, as well as enhance convenience for market users through maintenance of globally equivalent rule frameworks, and further strengthen the resilience of the market itself.

On November 5, 2024, in tandem with the upgrade of the cash equity trading system (arrowhead), TSE extended trading hours and introduced a closing auction session to enhance the functionality of the cash market.

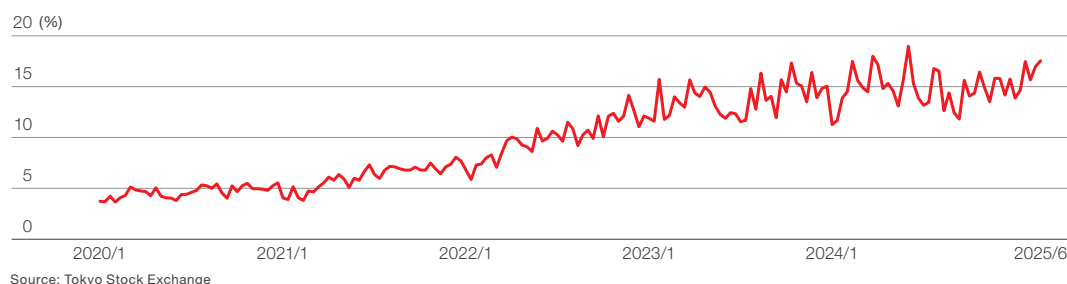
Regarding the extension of trading hours, following the system failure in October 2020 that resulted in a trading halt for an entire day, we have pushed back the closing time of the cash market session from 3:00 p.m. to 3:30 p.m. (a 30-minute extension) in order to enhance resilience by ensuring trading opportunities to the greatest extent possible on the day of a failure.

Additionally, the importance of ensuring smooth trading at the close of the afternoon session had been growing. For example, amid a long-term trend of increasing trading value at the close of the afternoon session due to the growth of passive investing (Graph 1), at the time of periodic reviews of the constituent

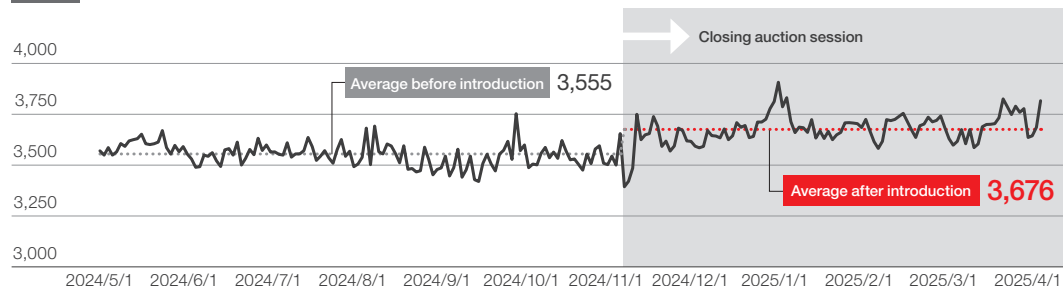
stocks and weightings of major stock indices such as TOPIX, trading linked to these reviews tended to concentrate near the close of the afternoon session, leading to an imbalance of orders that prevented the *itayose* from balancing. Specific issues included that it was impossible to accurately assess the supply-demand situation at the close of the afternoon session taking into account orders with closing conditions, and that it was difficult to confirm the most recent price before placing orders. To address these challenges, we have introduced a closing auction session, which is widely adopted by overseas exchanges, where a certain order acceptance period (five minutes from 3:25 p.m. to 3:30 p.m.) is held prior to the close of the afternoon session, rather than immediately transitioning to the close after the end of the regular session (*zaraba*). This has made it easier for investors to predict the execution price and has led to an increase in the number of issues being traded at the close of the afternoon session (Graph 2), allowing for smoother formation of closing prices.

Going forward, TSE will continue to implement various measures to create a more attractive market.

Graph 1 Ratio of value traded at end of session (TSE First Section/Prime Market)



Graph 2 Number of issues with executed trades at close of afternoon session





Osaka Exchange Tokyo Commodity Exchange

## Providing a Wide Range of Derivative Products in a One-Stop Solution

Through the development and provision of products and services related to diverse asset classes such as equities, interest rates, commodities, and energy, we offer a highly convenient market to domestic and international investors, thereby contributing to a bigger international presence for the Japanese market.

President & CEO, Osaka Exchange, Inc.

Representative Director & Chair, Tokyo Commodity Exchange, Inc.

Yokoyama Ryusuke

Representative Director, President

Tokyo Commodity Exchange, Inc.

Ishizaki Takashi

### 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
- Competition with domestic and overseas exchanges and/or alternative markets that handle similar products

### Our 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.

### Growth Strategy | Creating Value

Osaka Exchange (OSE) and Tokyo Commodity Exchange (TOCOM) operate JPX Group's derivatives markets in an integrated manner as a "Comprehensive Exchange" for the one-stop trading of a wide range of listed derivatives whose underliers are equities, interest rates, commodities, and energy products. In our newly announced "Medium-Term Management Plan 2027," we have outlined market promotion measures aimed at the medium- to long-term development of the market. Among these, we intend to place particular emphasis on promoting the equity options market in line with the promotion of Japan as a leading asset management center. In particular, we see significant potential for growth in the single stock options market, given trading trends in the U.S. market and said options' affinity with the cash equity market, and we have high expectations that these products will become widespread and develop further. Additionally, as monetary policy normalization progresses and yen interest rates begin to move, we anticipate that the role of derivative products will become increasingly important. Therefore, we will also prioritize strengthening and expanding our interest rate-related products and services. Furthermore, we will work to invigorate the comprehensive energy market, which plays an important role as industrial infrastructure and is closely linked to the industrial policies promoted by the government.

Going forward, OSE and TOCOM will continue their efforts to revitalize existing markets by providing new trading opportunities and improving convenience to meet the diverse needs of investors while proactively developing new asset classes that synergize with existing markets. Through these efforts, they will sustainably grow JPX Group's derivatives markets.



## Expanding business opportunities by venturing into various fields

OSE and TOCOM are promoting specific measures targeting equities, interest rates, commodities, and energy.

In the area of equities, we are prioritizing promoting trading in the single stock options market. Given the size of said market in the U.S., this is a product with room for further growth, and last fiscal year, we expanded the number of issues eligible for market making as well as the number of securities companies handling single stock options, resulting in an increase in transactions — for example, the notional amount traded has exceeded JPY 20.0 billion. We have also added contracts with Wednesday expiry dates to Nikkei 225 mini Options, making the market even more convenient. We will continue to endeavor to expand trading, including considering the further diversification of expiry dates based on market demand.

In the interest rate area, in addition to 10-year JGB Futures, which serve as a benchmark for yen interest rates, short-term interest rate futures (3-Month TONA Futures) were listed in 2023, enabling investors to trade both long-term and short-term interest rates in a single market. In 2024, Japan Securities Clearing Corporation expanded the scope of its cross margining to include short-term interest rate futures, thereby enabling improved capital efficiency through reduced collateral requirements for yen interest rate derivative transactions.

Regarding commodities, electricity futures have seen a significant increase in the number of participants since their listing in 2022, rising

from 13 companies to approximately 190, and the entry of a major broker has led to a sharp increase in trading volume. Furthermore, trading of fiscal year futures contracts was launched in May 2025, and plans are underway to add futures products for the Chūbu area to the existing East and West baseload contracts in the coming fiscal year. We have also begun jointly providing a service (JJ-Link) with the Japan Electric Power Exchange that links spot and futures trading, and we expect the market to expand further.

As stated in the Medium-Term Management Plan 2027, we are also working on adding new products and expanding new asset classes, and in May 2025, we listed new Shanghai Natural Rubber Futures. This is expected to meet hedging needs for natural rubber inventories located in China, create arbitrage trading opportunities with existing RSS futures, and further improve liquidity. We also plan to list currency futures in 2026. This will enable us to meet demand for hedging with existing products within the OSE market, which we hope will make it a highly convenient market. We will continue to proactively consider expanding asset classes in line with investor demand, not limited to currency futures.

As described above, we will promote well-balanced market development in each field while incorporating the needs of various investor groups and work as one Group to contribute to the expansion of the derivatives market and the Japanese market as a whole.



Shanghai Natural Rubber Futures listing ceremony







## Agile Expansion of Data and Digital Business

In an environment where digital technologies and user needs are rapidly changing and diversifying, we will actively promote flexible and agile business development, including venturing into new domains, to contribute to solving industry-wide issues and strengthening the competitiveness and status of Japan's financial and capital markets.

President & CEO  
JPX Market Innovation & Research, Inc.

Futagi Satoshi

### Perceived **Strengths**

- A strong client base centered on TOPIX and a highly fair, transparent, and neutral index management system
- Ability to develop market services built on foundations and know-how cultivated as a 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

### **Our 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.

### Growth Strategy | Creating Value

JPX Market Innovation & Research (JPXI) consolidates expertise in data and digital fields, leveraging new technologies to develop new businesses, promote DX and digitalization both internally and externally, manage stock price indices and data services, and provide IT solutions.

JPXI will continue to solidly operate the Group's long-established businesses of calculating and distributing TOPIX and other indices, furnishing various forms of data, and providing infrastructure such as network and information systems, as these are crucial businesses that can be said to underpin the reliability of JPX Group's overall market operations and also form a large proportion of its revenue.

Meanwhile, user needs are rapidly changing and becoming more complex due to the increase and diversification of investment-related data driven by technological advancements, as well as environmental changes such as population decline. In order to respond to these user needs and continue to provide new value, we will advance business development with flexibility and agility.

Specifically, we will capture changing user needs through JPxData Portal, which promotes digital marketing based on customer behavior analysis, and will work to enhance added value, such as increasing the frequency of data distribution, and diversify service delivery methods.

We will advance these initiatives while proactively researching and utilizing new technologies such as AI. Furthermore, through collaboration with external partners, including M&A and capital tie-ups, and in-house development that leverages highly skilled professionals, we will strive to realize innovative services that meet user needs.

## The power of data and technology to pioneer the future of the market

Recently, the Japanese government has announced its Policy Plan for Promoting Japan as a Leading Asset Management Center, which includes initiatives such as the Doubling Asset-based Income Plan for households and financial institutions, corporate governance reforms, and asset management industry and asset ownership reforms. The utilization of "investment-related data" is essential to advancing these initiatives. JPXI will build systems that enable market stakeholders to effectively utilize data through the creation of diverse markets and services, including new domains not previously addressed by the Group.

Starting in January 2025, JPX Group began building the JPX Integrated Data Service Platform "J-LAKE," which will serve as a centralized management and analysis platform for various data held by the Group, including market data as well as information on market participants, listed companies, and customers. Additionally, to create new value by leveraging high-demand data, JPX Group has formed a cross-functional organization called the "Data CoE (Center of Excellence)" to connect data managers and users. Through these initiatives, we aim to maximize the power of data and provide opportunities for efficient data utilization.

We are also proactively utilizing cutting-edge technologies such as AI. For example, in March 2024, we launched a proof of concept (PoC) for "JPX Market Explorer," which enables users to access information and analyses on listed companies in multiple languages, in

collaboration with Bridgewise, a generative AI provider. By leveraging generative AI, we are able to quickly analyze and provide large amounts of information that would be impossible for humans to process, thereby strengthening information dissemination in the Japanese market.

In addition, we believe that the role of indices will become even more important in light of the expansion of the investment base due to the aforementioned asset ownership reform efforts and the fundamental expansion of NISA.

JPXI is partway through revisions of its flagship index, TOPIX, which were devised in view of the market restructuring. The first phase of the revisions, aimed at improving investment functionality, was completed at the end of January 2025.

For the second phase, we have decided to expand the scope of TOPIX to include all markets (Prime, Standard, and Growth) and prioritize liquidity in constituent selection, starting in October 2026, with the aim of making it more representative of the market and enhancing its investment functionality. We will steadily implement the transition to the next-generation TOPIX in a manner that benefits all investors, including the passive investors and index investors who utilize TOPIX.

Furthermore, we will continue to contribute to the development of the Japanese market through initiatives such as the development of new indices to address diverse investment needs and the promotion of effective utilization of existing indices.



Japan Securities Clearing Corporation

## Further Enhancement of Clearing Functions

By utilizing our track record and competitiveness as the leading clearing house in Japan to offer more efficient and trustworthy clearing services to a diverse market, we provide an environment where clearing participants, and therefore investors, can trade securely and smoothly.

President & CEO  
Japan Securities Clearing Corporation  
Konuma Yasuyuki

### 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

### Our Mission

- To 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

### Growth Strategy | Creating Value

By providing clearing services to the market, Japan Securities Clearing Corporation (JSCC) plays an important role behind the scenes, supporting market development by improving settlement efficiency and ensuring transaction security. In order for JSCC to contribute to JPX Group's value creation through the development of markets, we believe it is important to strive to continuously improve risk management with an awareness of global best practices, in addition to providing highly trustworthy and convenient clearing services to more markets.

The launch of the Clearing Fund Sponsored Scheme, which enables the use of Money Reserve Funds (MRF) for clearing of over-the-counter JGB transactions, in June this year is part of this initiative.

As a social infrastructure that provides services to various markets, the strengthening of JSCC's business continuity framework for emergencies holds even greater significance for JPX Group's value creation in view of future expansion of services.

We are also working to implement new technologies such as distributed ledger technology (DLT) and artificial intelligence (AI) in fields where JSCC provides services. By utilizing these new technologies, we believe that we can contribute to improving convenience for clearing participants and other market stakeholders, as well as to revitalizing the market.

Leveraging our track record and competitiveness as Japan's leading clearing house, JSCC will continue to strive to meet the expectations of clearing participants, as well as a broad spectrum of investors, by augmenting and improving secure and convenient clearing services.

## Improved convenience in clearing yen-denominated interest rate-related products

JSCC clears exchange-traded products, including JGB futures and short-term interest rate futures, as well as over-the-counter (OTC) products, including interest rate swaps and OTC JGB transactions.

Recent monetary policy and other factors have stimulated trading in this variety of yen-denominated interest rate-related products. In particular, clearing volumes for interest rate swaps reached JPY 4,866 trillion and OTC JGB transactions reached JPY 31,960 trillion in FY2024, setting new record highs for both.

In order to stimulate further trading, JSCC will focus its sales activities on financial institutions in Japan and abroad in cooperation with Osaka Exchange and work to improve the

rule frameworks to further expand the user base of JGB OTC transaction clearing. In addition, in order to further improve the efficiency of margin deposited with JSCC, we expanded cross margining for interest rate swap clearing operations in March 2024. This allows for the offsetting of risks between interest rate swaps and short-term interest rate futures and improves the efficiency of margin management. By continuing these efforts to improve convenience, we will further stimulate the market for yen-denominated interest rate-related commodities.

## Effective utilization of deposited collateral assets

JSCC provides clearing functions for a variety of products such as listed products, OTC derivatives, and OTC JGBs. Due to a large amount of collateral (cash, securities, etc.) being deposited to cover the risks that arise from holding positions in the respective categories, we recognize that the effective utilization of deposited collateral and improvement to the convenience of clearing participants and investors when depositing collateral are major issues.

A management method using reverse-repo

transactions was introduced from last year for OTC derivatives and from this summer for exchange-traded products.

In addition, advances have been made worldwide recently in the tokenization of various financial assets using DLT, with attempts for quick and easy transferability. JSCC is also continuing to research every day on the possibility of further improving the convenience for collateral deposits of clearing participants and investors using new technologies and schemes.

## Recipient of the "Clearing House of the Year" award at the Asia Risk Awards 2024

JSCC won the "Clearing House of the Year" award at the Asia Risk Awards 2024, sponsored by Asia Risk magazine. The prize is given to a clearing house recognized as pursuing innovative initiatives in risk management and services for derivatives markets, and this is the fourth time for JSCC to be a recipient.

The award acknowledges JSCC's improved risk management through, as well as smooth transition to, the new margin calculation method, the "VaR Method," introduced in November 2023, along with the mitigation of collateral burden achieved through the aforementioned expansion of cross margining.



**WINNER**

Clearing house of the year  
Japan Securities  
Clearing Corporation





Japan Exchange Regulation

## Aiming for a Fair and Equitable Market

In order to ensure and enhance credibility with respect to markets, as well as market fairness and transparency, we aim to better engage in self-regulatory operations that instill trust in market users by closely cooperating with government authorities and relevant organizations in Japan and abroad, and also by appropriately addressing environmental changes.

President  
Japan Exchange Regulation

Nakajima Junichi

### Growth Strategy | Creating Value

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.

In FY2024, JPX-R's Listing Examination Department established the IPO Liaison Meeting together with TSE's Listing Department and New Listings Department and began discussions on various issues related to IPO preparation. JPX-R's Listed Company Compliance Department began enforcing the Rules for Securities on Special Alert. It requested listed companies that were designated as Securities on Special Alert to promptly develop their internal management systems. It also took steps to ensure effective improvements. JPX-R's Trading Participants Examination and Inspection Department continued to monitor trading participants that had made significant changes to their executive structures or business models. JPX-R's Market Surveillance & Compliance Department proceeded to update its market surveillance-related systems in order to enhance and streamline its operations. Also, in response to a growing awareness of compliance, it held more seminars on insider trading regulations and dispatched instructors to more company in-house training sessions than in the previous fiscal year. 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.

#### 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

### Our Mission

- To 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

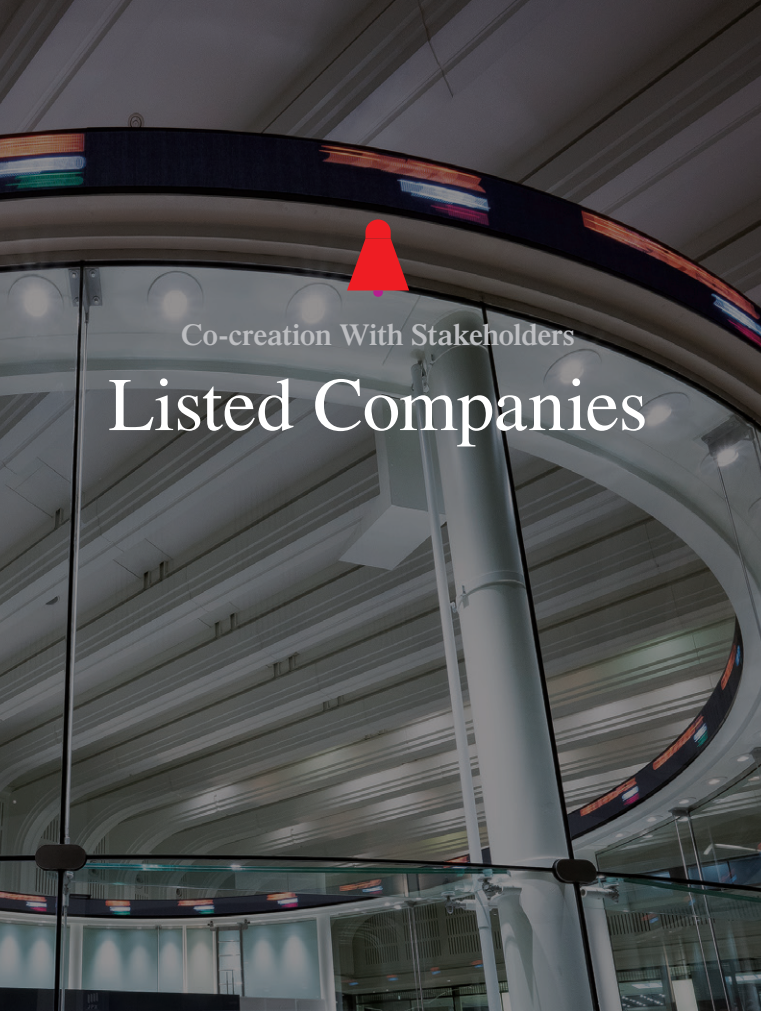
## Chapter 3

# 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.







Co-creation With Stakeholders

# 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.

## Initiatives

### Promotion of Management That Is Conscious of Cost of Capital and Stock Price and the Functionality of the Growth Market

In March 2023, we requested all listed companies in the Prime and Standard Markets to implement "Management that is Conscious of Cost of Capital and Stock Price." As of June 2025, 91% of companies in the Prime Market and 49% of companies in the Standard Market have made disclosures based on this request. To encourage more efficient efforts, TSE published "Cases Where Companies Are Not Aligned With Investors' Perspectives" in November 2024, and has been identifying companies wanting contact from institutional investors since January 2025.

In addition, we aim to make the Growth Market "a market where companies aiming for high growth gather" and are advancing measures to encourage each company to continually work toward high growth, both before and after listing, in order to pursue "growth" as the intrinsic characteristic of the market. Specifically, we plan to advance initiatives for generating IPOs that lead to high growth after listing, in collaboration with securities companies and other industry players, and encourage listed companies to improve their growth strategies after analyzing their growth status. In addition, we intend to revise the continued listing criteria to foster quick growth in listed companies in the Growth Market to a size that institutional investors can target for investment as well as from the perspective of stimulating the Japanese economy through M&A and newly founded companies.

### Considerations/Information Disclosure on Approach to Group Management in Parent-Subsidiary Listings

For capital markets to fully function, it is vital to create an environment that fosters trust in the fairness of the market and where investors, including minority shareholders, can participate with confidence. It is also extremely important to properly protect minority shareholders, particularly in relation to companies in a parent-subsidiary relationship. Furthermore, demand for management that is conscious of shareholders and investors has intensified in recent years. With progress in initiatives such as business portfolio revisions at listed companies, investors are also calling for consideration to be given from a group management perspective, such as whether a structure like a parent-subsidiary listing is the best way of improving medium- to long-term corporate value.

In view of this situation, TSE is calling on listed companies in parent-subsidiary relationships and quasi-controlling/quasi-controlled relationships to enhance initiatives and disclosure relating to group management and the protection of minority shareholders. We

published "The Investor's Perspective on Such Matters as Parent-Subsidiary Listings" in February 2025 as a reference for listed companies' initiatives and disclosures.

We will continue to follow up on the status of initiatives and disclosures relating to group management and the protection of minority shareholders. We will also continue considering necessary improvements to the listing rules from the perspective of protecting minority shareholders, such as ensuring the independence of subsidiaries' independent directors.

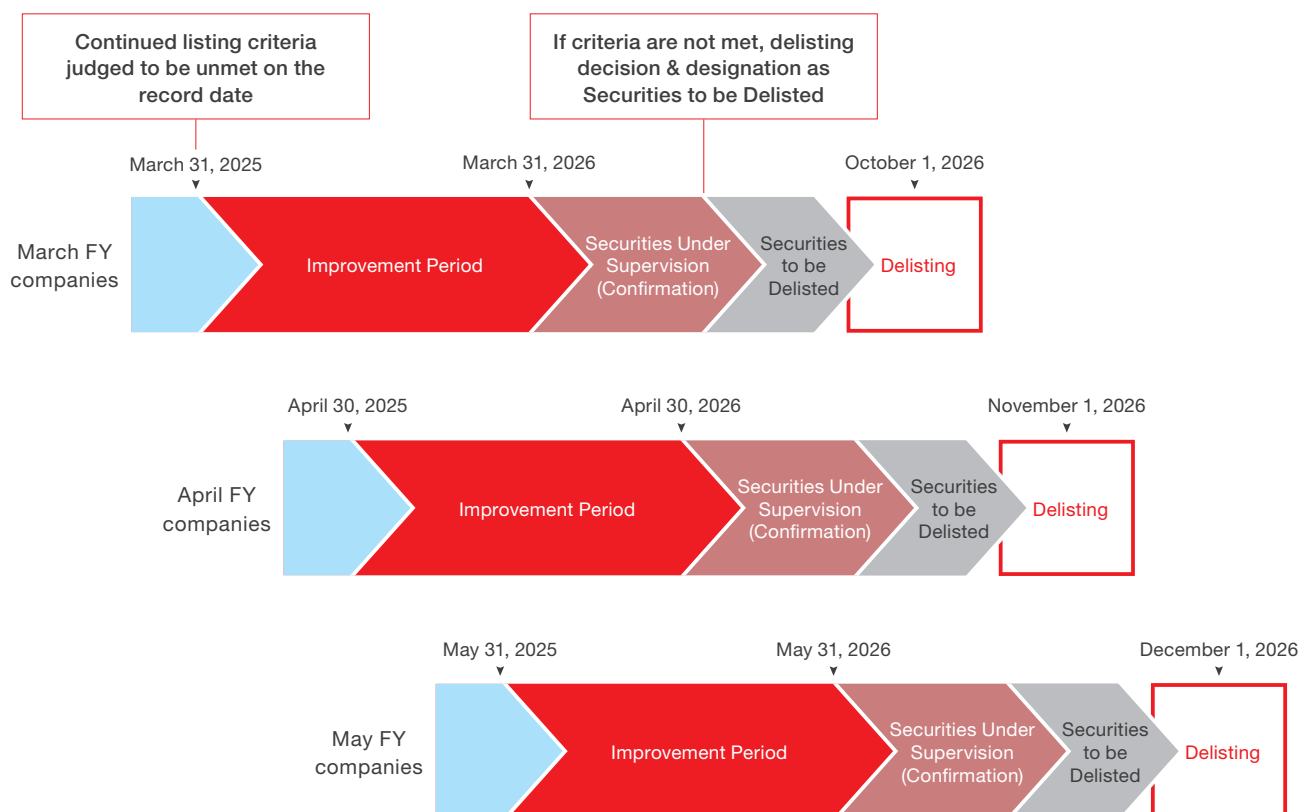
## End of Transitional Measures for the Continued Listing Criteria

In light of the partial revision of the continued listing criteria with the market restructuring in April 2022, relaxed criteria have been applied as a transitional measure for companies that listed prior to the restructuring. However, these transitional measures expired in March 2025. From the record dates falling on or after March 1, 2025, if a listed company does not meet

the continued listing criteria, it will enter an improvement period of one year, and if it fails to meet the criteria within the improvement period, it will be delisted.

Since the expiration of transitional measures could lead to delisting, TSE has requested listed companies in an improvement period to utilize financial results announcements, general shareholders' meetings, and other opportunities to thoroughly explain to their shareholders and investors matters including the progress of initiatives for meeting the criteria and the risk of delisting. In addition, TSE will continue to encourage companies expected to be unable to meet the criteria that, as the next best option, they should give necessary consideration to matters including an M&A with another company or change of market segment. We have also set up a dedicated page on the JPX website that provides a guide on matters including the schedule for the expiration of transitional measures and a list of companies in an improvement period. We will take appropriate measures to ensure investors are also aware, such as by asking securities companies to cooperate in informing their clients.

### Examples of schedules for improvement periods following the expiration of transitional measures







Co-creation With Stakeholders

# Retail Investors

Financial and Economic  
Education for Retail Investors

## Approach

To achieve "Forge a new era for the Japanese stock market," a core strategy of the Medium-Term Management Plan 2027, JPX Group seeks to generate social value by resolving the national challenge of improving financial literacy through the provision of financial and economic education focused on investing for a broad audience, from elementary school students to senior citizens. Furthermore, we contribute to expanding the investor stock 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.

## Initiatives

### Role of Financial and Economic Education

In Japan, the amount of household financial assets continues to increase year by year, totaling more than JPY 2.23 quadrillion at the end of 2024, the highest ever level. However, these assets are still not being fully utilized. Statistics on the composition of Japanese household financial assets indicate that cash and deposits account for a high proportion, approximately 50.9% of the total, while stocks, investment trusts, and similar investment instruments account for only approximately 19.5%.

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 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, and the fruits of this innovation and growth 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 challenges by improving the financial literacy of all individuals.

In its "Doubling Asset-Based Incomes Plan" that it announced in November 2022, the Japanese government has also stated a "shift from savings to investment" as one of its goals and has specified "enhancing financial and economic education" as one of the pillars by which to achieve it. Financial education is being promoted for the entire country by the public and private sectors in tandem.



## 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.

The environment surrounding retail investors has changed dramatically in recent years. While asset formation has become more familiar with the spread of the new NISA scheme, the growing awareness of SDGs and ESG investments, the spread of financial technology, and the popularization of information sharing through social media, it is becoming increasingly important for the stable asset formation of all citizens that they build accurate knowledge and make their own independent decisions.

Out of recognition of these issues, and from its impartial, neutral position as a capital market operator, JPX Group has chosen to strengthen and improve its financial and economic education activities, efforts symbolized by the April 2022 launch of the new "JPX Manebu Lab" brand. Various programs are being developed under this brand in a unified and systematic manner to provide accurate financial knowledge that aids in an individual's money and life planning.



### "JPX Manebu Lab" Report 2025

[https://www.jpx.co.jp/corporate/learning/resources/manebu\\_report.pdf](https://www.jpx.co.jp/corporate/learning/resources/manebu_report.pdf)  
(only in Japanese)

## JPX Manebu Lab (JPX Group's Financial and Economic Education)

	Category	Outline	FY2024 Results
For working adults	Seminar Manebu	Seminars for all ages on a variety of themes	<ul style="list-style-type: none"> <li>■ Online seminar viewers <b>Approx. 580,000</b></li> <li>■ Attendees at face-to-face seminars/events <b>Approx. 6,800</b></li> </ul>
	TSE Manebu	JPX's owned media service, launched in December 2016. Articles planned by the editorial team, as well as a wide range of contributions from securities companies, asset management companies, and others	<ul style="list-style-type: none"> <li>■ <b>Approx. 1.40 million PVs/month (average)</b></li> </ul>
	Training Manebu (Formerly Workplace Manebu)	A lecturer dispatch service, launched in August 2017. Dispatch of lecturers well-versed in finance and capital markets to provide support in asset formation for everyone in an organization from a fair and impartial standpoint	<ul style="list-style-type: none"> <li>■ Attendees <b>Approx. 6,500</b></li> <li>■ Number of lectures held <b>Approx. 110</b></li> </ul>
For students	School Manebu	Provision of diverse content for children and students, and teachers	<ul style="list-style-type: none"> <li>■ Lessons for elementary school through high school <b>Approx. 9,500 participants (156 sessions)</b></li> <li>■ Economics lectures for parents and children <b>Approx. 1,300 participants (37 sessions)</b></li> <li>■ Lessons for teachers <b>Approx. 770 participants (13 sessions)</b></li> </ul>
	Campus Manebu	Provision of lectures and events for undergraduate and graduate university students	<ul style="list-style-type: none"> <li>■ Attendees <b>Approx. 8,200 (approx. 130 sessions)</b></li> <li>■ Sponsored courses <b>Six schools</b></li> </ul>
Facility tours	Tours	Provision of self-guided tours and guided tours	<ul style="list-style-type: none"> <li>■ TSE Arrows <b>Approx. 49,000 participants</b></li> <li>■ OSE Gallery</li> </ul>

Notes: 1. For specific details of activities, please see "JPX Manebu Lab" Report 2025.

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.





Co-creation With Stakeholders

# Institutional Investors

Japanese and Overseas Institutional Investors

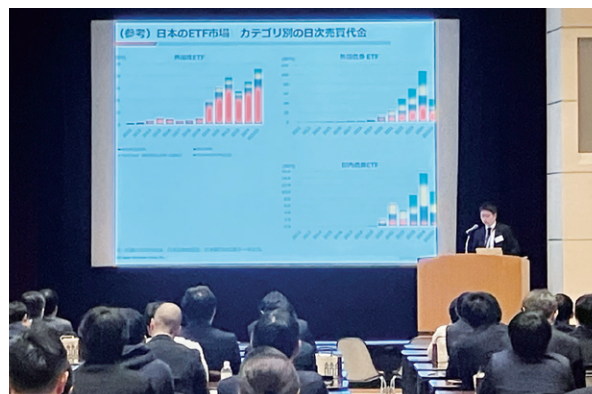
## Initiatives

### Japanese Institutional Investors

In order to improve market convenience for investors, we exchange ideas with Japanese institutional investors on a regular basis and use those ideas to revise the market rules and improve system functions. For example, in order to promote the ETF market, we exchange ideas with domestic financial institutions, hold institutional investor seminars every other month, conduct an annual ETF institutional investor survey, and carry out other activities. Through these, we not only introduce the ETF market, but also conduct interviews about product needs and requests to improve the rules to suit the market environment. Reflecting the needs of institutional investors through such activities, the number and trading value of listed ETF issues continue to increase. 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 300 billion in April 2025.

## Approach

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



ETF seminar for institutional investors

We also utilize the views of institutional investors in our product design and market operations in the derivatives field. With asset management by institutional investors becoming more sophisticated due to changes in the market environment toward the normalization of interest rates, there is more and more demand for utilizing interest rate derivatives such as 3-Month TONA Futures as well as flex contracts on equity derivatives such as securities options. When designing products and the market in these areas, we exchanged ideas with a broad range of investors and have reflected the opinions received. Furthermore, in May 2025, in response to demand from Japanese and overseas investors, we revised the contracts for TOPIX Futures (added more and longer-term contracts), added Wednesday expirations for Nikkei 225 mini Options, and carried out other initiatives.

In addition, we established the new "Kitahama Investment Academy Professional" in October 2022 as a platform for providing information to market stakeholders. Through its establishment, we have created an environment where users can systematically learn not only about our initiatives but gain a broad overview of derivatives trading and characteristics of market trends from financial to commodity derivatives. We are also engaged in the timely provision of information through the utilization of social media. We intend to further invigorate the derivatives market through these activities.

## Overseas Institutional Investors

Overseas investors account for 60% of the trading value of JPX Group's markets. JPX Group gives explanations to and exchanges ideas with them about its market rules at both its Japanese and overseas offices. 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 1-on-1 interviews, group meetings and seminars, and information dissemination via LinkedIn, a mainstream social networking service among overseas market stakeholders. 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. In light of such investor needs, we make every effort to improve the overall appeal of Japan's financial and capital markets vis-à-vis the world's markets by developing new highly convenient products and considering and launching new data services.

In addition, when striving to "Promote self-led

corporate value improvement at listed companies," a main initiative in JPX's Medium-Term Management Plan 2027, we believe that constructive dialogue between companies and Japanese and overseas institutional investors is essential. To promote this, we are encouraging overseas institutional investors to actively engage with listed companies. Furthermore, by making the status of progress in improving corporate governance and capital efficiency awareness of listed companies widely known overseas, we aim to expand awareness of the Japanese market and arouse interest in investment, and in so doing, attract new investors and stimulate trading.

We believe that our efforts to communicate directly with institutional investors on a regular basis and to incorporate the actual opinions of investors into market operations are essential to creating a market that is preferred both in Japan and abroad. We also believe that the results of these steady efforts can contribute to revitalizing the Japanese market and, in addition, improve Japan's international standing.



Sharing via social media (LinkedIn)



European business trip to meet overseas institutional investors



Co-creation With Stakeholders

# 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.

## Initiatives

### Engagement with Institutional Investors and Analysts: IR Meetings and Conferences

JPX engages in dialogue with Japanese and overseas institutional investors and analysts through, for example, individual meetings conducted by members of management, including the CEO and CFO, and the division responsible for investor relations. In FY2024, we worked to increase opportunities for dialogue via both face-to-face and online meetings, including participation in IR conferences in Japan and abroad, which resulted in us being able to have dialogue with many more investors than in FY2023. Feedback obtained through such meetings and other dialogue is periodically presented to the board of directors, management, and employees, and helps shape the management decisions of JPX Group.



Dialogue with shareholders

<https://www.jpx.co.jp/english/corporate/investor-relations/shareholders/dialogue/>

### Engagement with Institutional Investors and Analysts: Financial Results Briefings, Medium-Term Management Plan Briefing, and Investor Day

In FY2024, in addition to two financial results briefings and a briefing on the Medium-Term Management Plan presented by the CEO, JPX held its Investor Day 2024 to create opportunities for dialogue between investors and senior management of JPX Group companies. Explanatory materials are posted on the website prior to each briefing and the details of Q&A sessions from each briefing are made available on the day or thereafter in both Japanese and English in order to enable investors in Japan and abroad to obtain information in a timely manner.

### Engagement with Retail Investors

In FY2024, we held an online outreach event for retail investors, which was attended by approximately 1,390 individuals. JPX also actively provides information to retail investors on its IR website, such as by posting documents, videos, and other content on IR events in a timely manner.



JPX Investor Day 2024 Cash Equity Market



For retail investors (only in Japanese)

<https://www.jpx.co.jp/corporate/investor-relations/individual/index.html>



IR Email Distribution Service (only in Japanese)

<https://www.jpx.co.jp/corporate/investor-relations/ir-mail/index.html>

## General Shareholders Meeting

### Policy on holding Annual General Shareholders Meeting

JPX considers the Annual General Shareholders Meeting (AGSM) to be a valuable opportunity to engage in constructive dialogue in order to deepen shareholders' understanding of JPX. For this reason, we normally hold our AGSM early, avoiding the dates that most other companies whose fiscal year ends in March hold their annual general meetings, making it easier for shareholders to attend. JPX held its AGSM for FY2024 on June 20, 2025.

The AGSM is attended in person not only by the directors and executive officers of JPX, but also those of its subsidiaries and affiliates. This is so that the broad range of shareholder questions, which cover the activities of JPX as a whole, can be answered appropriately by those in charge, including those from subsidiaries and affiliates.

In addition, we receive questions in advance regarding matters to be reported and matters to be resolved at the AGSM from shareholders via our website, and provide answers to questions that seem likely to be of high interest to shareholders on our website prior to the AGSM. Furthermore, we stream the AGSM live on our website so that shareholders who are unable to attend in person can also view the meeting. Shareholders are able to send messages to JPX while viewing the live stream. JPX posts its replies to these messages on its website within a few days following the meeting, and also offers on-demand video recordings of the AGSM on its website so that shareholders can view the meeting later on.

### Provision of information to shareholders when holding the AGSM

The notice of the AGSM is a legal document that we use to notify our shareholders about the holding of the AGSM. It plays an important role in providing shareholders with information concerning the agenda

for the AGSM. In creating the notice of the AGSM, we strive to enhance its content, such as by actively updating the Medium-Term Management Plan, corporate governance structure, and various other items, as well as endeavor to provide content that is easy to understand through the use of visual aids such as illustrations and charts.

In order to ensure that shareholders can promptly read the notice of the AGSM and have sufficient time to decide how to exercise their voting rights, the Japanese and English versions are published on the JPX website four weeks prior to the meeting and sent out in writing three weeks prior to the meeting. Furthermore, the Annual Securities Report is disclosed approximately one week before the day of the AGSM so that investors can check it in advance.

We further aim to enhance dialogue by simultaneously providing information concerning the AGSM to our foreign shareholders via the Electronic Voting Platform for Institutional Investors provided by Investor Communications Japan, Inc. (ICJ).

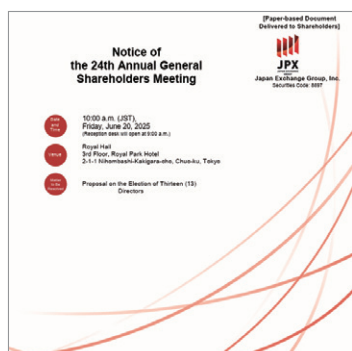
### Improvements to the environment for exercising voting rights

Shareholders can send in their votes via the internet or the electronic voting platform, as well as in writing (by mail).



#### General Shareholders Meeting

<https://www.jpx.co.jp/english/corporate/investor-relations/shareholders/meeting/index.html>



Notice of the Annual General Shareholders Meeting



Annual General Shareholders Meeting





Co-creation With Stakeholders

# Environment and Society

## Initiatives

### Response to Climate Change

In terms of the environment, we recognize our response to climate change as a key area from the perspective of sustainability.

To ensure the security and fairness of trading, even after abolishing the trading floor and transitioning to system-based trade execution, we have pursued efficient and highly transparent price formation, while continuously investing in systems that help acquire increased trading flow and improve convenience. As a result of these efforts, energy consumption by our trading systems and other system infrastructure, particularly electricity consumption, has continuously increased. Of the Group's overall annual electricity consumption of 30 million kWh in FY2020, 80%, or 24.37 million kWh, was consumed by our data centers.

Against this backdrop, given increasing societal demands including the Japanese government's pledge for Japan to become carbon neutral by 2050, in July 2021, JPX Group set a target of carbon neutrality by FY2024, covering direct and indirect emissions in its own operations (Scopes 1 and 2), and since then has worked toward reducing its greenhouse gas (GHG) emissions. For electricity consumption, which was the main source of its emissions, JPX Group has switched 100% of electricity consumed by the group to renewable energy through a combination of various procurement methods (switching electricity contracts, PPAs, etc.) depending on the electricity demand at each site. In addition to this, it is building a renewable energy portfolio with a longer-term outlook by incorporating procurement methods that minimize reliance on external factors, such as the use of JPX-specific renewable energy generation facilities. GHG emissions that cannot be reduced through renewable energy usage (Scope 1 and non-electricity-based Scope 2) have been offset through J-Credits, resulting in the Group achieving its carbon neutrality target in FY2024.

From FY2025, JPX Group will continue to maintain carbon neutrality for its direct and indirect emissions (Scopes 1 and 2), and while providing environmentally friendly market infrastructure, will continue to appropriately manage GHG emissions, including those from stakeholders connected to our businesses (Scope 3), and strive to use science-based methods to limit emissions. Because most of JPX's Scope 3 emissions are related to software development and investment in the system infrastructure that underpins market infrastructure (category 2: capital goods), we will carry out engagement with our partner vendors to consider how to reduce these, thereby contributing to the realization of a decarbonized society.

Furthermore, as part of the "strong management of environmental policy" set out in our Environmental Policy, JPX provides information disclosure in line with the recommendations of the Task Force on Climate-

## 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.



related Financial Disclosures (TCFD) (including scenario analysis) and discloses its transition plan.



#### TCFD Disclosure

<https://www.jpx.co.jp/english/corporate/sustainability/jpx-esg/environment/01.html>

#### GHG Emissions<sup>\*,\*\*,\*</sup>

	FY2020	FY2021	FY2022	FY2023	FY2024
Scope 1 (direct CO <sub>2</sub> emissions) (t-CO <sub>2</sub> e) <sup>***</sup>	688	774	824	0 (697)	0 (608)
Scope 2 (indirect CO <sub>2</sub> emissions) (t-CO <sub>2</sub> e) <sup>***</sup>	13,500	11,751	9,041	2,279 (2,402)	0 (105)
Total Scope 3 (t-CO <sub>2</sub> e)	24,733	44,110	27,916	32,693	38,276

\* 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 included in the totals for FY2021 and FY2022, but have been excluded from FY2023 due to restrictions in collecting the data and the fact that they constitute an extremely small proportion of overall emissions.

\*\*\* Calculated using the "market-based" approach defined in the GHG Protocol. 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 J-Credits.

\*\*\*\* For more information about Scope 3, please visit the following page on our website: <https://www.jpx.co.jp/english/corporate/sustainability/jpx-esg/environment/02.html>

## Human Rights Policy

With the recognition that respect for the human rights of all people connected to our business activities is essential in promoting continuous market development and the realization of a sustainable and affluent society, JPX Group respects the rights of all people connected to our business activities, in line with international norms and the UN Guiding Principles on Business and Human Rights. We will also prevent and mitigate any adverse impact on human rights connected to our business while taking every care to avoid complicity in human rights violations.



#### Human Rights Policy

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

## Implementing Human Rights Due Diligence

Since establishing the JPX Group Human Rights Policy in March 2022, we have worked to raise awareness of the policy through regular e-learning for all officers and employees, notifications to trading participants using the market, and dialogue with our main business partners and resident support staff (including their staffing agencies). Additionally, JPX Group incorporates human rights into its management system by providing at least one report annually to the board of directors and including it in the company-wide risk management process.

Moreover, for rights holders who may be negatively impacted by JPX Group, we conduct monitoring through interviews with employees and others, perform objective evaluations using third-party benchmarking tools, and identify and evaluate issues based on information

collected through a reporting line on the JPX website, where reporters can remain anonymous. Under JPX Group's business model, the vendors and other partners that support its system infrastructure are relatively important given their close relationship to its business operations and the scale of transactions, and there is a high possibility of appropriate cooperation based on factors such as the length and repeatability of contracts. For these reasons, JPX Group builds relationships with these companies that enable regular dialogue. Furthermore, the perspective of respect for human rights has also been included in the checklist used for potential new business partners, and we strive to prevent and mitigate negative impacts through our business partner evaluation process.

We work to refine this human rights due diligence process through a PDCA cycle, and if a human rights issue requiring a response by JPX Group is identified during the ongoing review process, we will appropriately disclose information on the status of our initiatives.

As Tokyo Stock Exchange and Osaka Exchange have offices in London, where they conduct research and promotional activities, JPX has published statements (English only) in compliance with the UK Modern Slavery Act since FY2022.

## Grievance Mechanism

JPX Group maintains a line of communication via its website, available to all people connected to its business activities. JPX Group accepts anonymous consultations and reports, prioritizing the protection of reporters' privacy. If it becomes clear that JPX Group has caused or contributed to an adverse impact on human rights, it will work with relevant departments to take appropriate remedial action.



Co-creation With Stakeholders

# Employees

## Approach

The propensity for creating public benefits and contributing to society is embodied in the corporate philosophy of JPX Group and is one of the hallmarks of the Group's business. As such, resonance with the Group's corporate philosophy is the source of its high retention rates and employee 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 aiming to maintain high levels on an ongoing basis as we take our initiatives forward, we will build up the genuine strength of our human resources and ultimately realize our medium- to long-term vision.

## Initiatives

### Recruitment and Development of Human Resources

When it comes to the human resources profile sought by JPX Group, we actively hire talent with our sights set on further stabilization and sophistication of traditional exchange operations with the aim of attaining our long-term vision to be achieved by 2030. As such, we hire people who identify with JPX Group's public mission and are capable of earnestly carrying out tasks necessary for stable market operations with a strong sense of duty and responsibility, people who demonstrate advanced communication skills and see themselves as connectors between the Group and its diverse stakeholders, and people who aim for higher achievements because they are not satisfied with the status quo. In furthermore seeking to address diversifying market needs accompanying advancements in digital technology, we are now actively hiring through our "Digital Solutions Track," established in FY2023, under which employees specialize in the digital networks field, particularly in terms of developing and operating core systems and information systems.

In addition to people who are to underpin further stabilization and sophistication of traditional exchange operations, we have a strong need for innovation in terms of taking on bold challenges beyond the conventional wisdom of the exchange so that we might contribute to improving the attractiveness of Japanese financial and capital markets as a whole. We value people who have the strength and toughness needed to take on leadership in developing new domains, making it possible to explore and build this new form of next-generation exchange. To make inroads into new sectors and fields, we need people who are well versed in both business and digital technology, capable of transforming our businesses enlisting such knowledge and experience, and people who will promote the automation of operations, process reform, and other advances to better allocate human resources to the task of discovering new sectors and fields. Through the Digital Solutions Track established in FY2023, JPX Group will add more people who want to build their careers in the IT divisions, mainly development and operation of core systems and information systems, thereby invigorating job rotations in operational and IT departments and enhancing the development of staff who can bring change through expertise in both business and digital technology. JPX Group intends for this to also lead to the hiring and development of personnel with the advanced expertise needed to respond to rapidly developing technology.

Also, in order for JPX to evolve into a global, comprehensive finance and information platform, we require people equipped not only with foreign language skills, but also with the skills and mindset

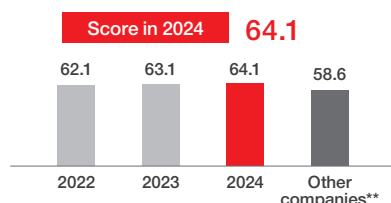
necessary to drive global business, for example by effectively sharing JPX's work with the outside world. We consider work experience in a global environment to be extremely important for acquiring such skills

and mindset, and will accordingly continue to actively recruit and develop employees equipped with such experience.

#### Main KPIs (non-financial commitments) for strengthening the Group's human resources

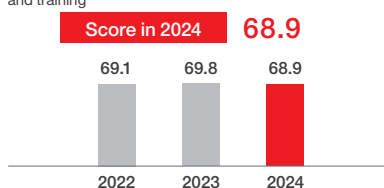
##### Work Engagement

Indicator of vitality, passion, and immersion in work



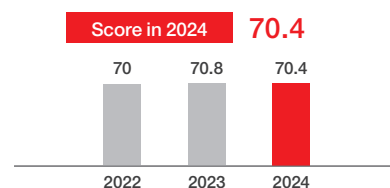
##### Employee Development\*

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



##### Permeation of Corporate Philosophy\*

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



\*A unique JPX Group indicator that scores questions selected from the overall survey to measure "employee development" and "permeation of corporate philosophy."

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

From the perspective of skills development, based on the belief that the growth of individual employees leads to the growth of the company, we provide skills development programs that support the well-balanced acquisition of the techniques, knowledge, and other skills necessary for JPX Group's operations, as shown in the diagram.

In particular, the use of programs that support

employees' voluntary learning reached a total of 530 users in FY2024, significantly exceeding the target of 350. Aiming to further develop an environment that allows employees to take the initiative to absorb specialized knowledge and the latest information to acquire a broader perspective and the ability to think more openly, the goal for FY2025 is to exceed 500 employees again.

		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	Experience in overseas offices				
		Secondment to related overseas institutions				
Knowledge sharing	Career nurturing Self-improvement	JPX College (community where employees mutually teach and learn) Career support training, employee-led training on specific topics, diagonal 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				
	Legal 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 an employee lectures on the missions and duties of a particular department and their own career path, for example.

\*\*Diagonal mentorship program: mentoring system designed to foster the building of "diagonal relationships" within the organization regardless of department.

\*\*\*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.

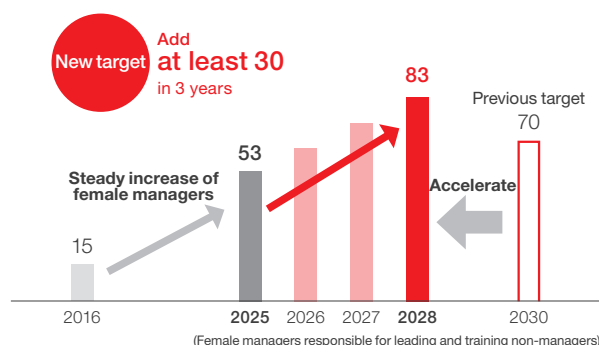


## Enabling All Employees to Demonstrate Their Abilities

JPX Group engages in various initiatives to ensure active participation of a wide range of employees regardless of gender, nationality, age, or other characteristics. With respect to encouraging 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 FY2024, three female employees have also been promoted to department/section director level positions. As of March 31, 2025, the Group had 48 female employees in managerial positions, comprising 9.0%. As of April 2025, we have exceeded our target of at least 50 female employees in management positions (a roughly 50% increase from FY2021), with 59 female employees in management positions (comprising 10.4%). Taking the above circumstances into account, we have set new targets for promoting female employees to management positions so as to increase the number of candidates for promotion to officer or department director

level. Specifically, our objective is to increase the number of female employees in management positions who lead and train non-management employees by at least 30 from the current level of 53 (as of April 2025) over the next three years.

Female Employees in Management Positions



## Employee Health and Safety

JPX Group's efforts to promote health management have mainly involved collaboration with occupational physicians, such as providing support for sick and injured employees to receive proper care and return to work as soon as possible. In FY2024, there were 11 sick or injured employees, and JPX Group achieved an overall health risk score of 82 on stress checks. Also, JPX Group has employed a public health nurse since FY2022 and has systems in place to facilitate consultation, discussion, education, information provision, and the like regarding physical and mental

health. Additionally, in FY2023, JPX Group established a cross-departmental Wellness Promotion Committee and a Wellness Promotion Group in the Human Resources Department to strengthen systems for promoting health management (e.g., health management initiatives, internal dissemination of information). In the future, we will focus on carrying out activities to prevent sickness and injury, in order to create an environment in which each and every employee can demonstrate their abilities to the fullest.

## Corporate Culture and Mindset

Premised on the notion that developing the corporate culture and other such underlying shared values is important in ensuring that all employees demonstrate their abilities to the fullest, JPX Group has identified the following elements as "key strengths of corporate culture to uphold going forward" and "mindsets to further encourage going forward."

Given that our corporate culture is one of our strengths, we make absolutely sure it is passed on through, for example, arranging opportunities for dialogue between

management and younger employees and promoting opportunities for communication among employees. While this corporate culture is passed on, we believe it is important to instill awareness of and further cultivate the mindsets of "self-growth," "pioneering," "contributing to the organization," and "developing subordinates and juniors," and we encourage the firm establishment and extension of these through the employee evaluation system, among other things.

Key strengths of corporate culture to uphold going forward
<ul style="list-style-type: none"> <li>■ Permeation and appeal of the corporate philosophy</li> <li>■ Sense of duty for stable market operations</li> <li>■ Openness</li> </ul>



Mindsets to further encourage going forward
<ul style="list-style-type: none"> <li>■ Self-growth</li> <li>■ Pioneering spirit</li> </ul>
<div>Personal mindsets</div>
<div>Organization/team mindsets</div>
<ul style="list-style-type: none"> <li>■ Contributing to the organization</li> <li>■ Developing subordinates and juniors</li> </ul>



Toward the Success of All Employees

<https://www.jpx.co.jp/english/corporate/sustainability/jpx-esg/employee/index.html>

## Employee-Related Data

	FY2020	FY2021	FY2022	FY2023	FY2024
<b>No. of employees<sup>*, **, ***</sup></b>					
Total	1,196	1,199	1,224	1,236	1,248
Male	859 (71.8%)	849 (70.8%)	861 (70.3%)	863 (69.8%)	872 (69.9%)
Female	337 (28.2%)	350 (29.2%)	363 (29.7%)	373 (30.2%)	376 (30.1%)
Non-Japanese	17 (1.4%)	16 (1.3%)	17 (1.4%)	16 (1.3%)	15 (1.2%)
Mid-career hires	331 (27.7%)	371 (30.9%)	389 (31.8%)	388 (31.4%)	393 (31.5%)
<b>No. of hires<sup>**</sup></b>					
New graduates	25	25	27	30	30
Female	11	11	12	12	12
Non-Japanese	1	0	0	0	0
Mid-career hires	14	18	26	13	18
Female	0	5	10	3	5
Non-Japanese	0	0	0	1	0
<b>No. of voluntary resignations</b>					
All (% of all employees)	10 (0.8%)	18 (1.5%)	9 (0.7%)	21 (1.7%)	16 (1.3%)
Male	8	14	7	16	11
Female	2	4	2	5	5
<b>Average years of service<sup>*, ***</sup></b>					
All	17.3	17.5	17.6	17.7	17.9
Male	16.8	17.0	17.3	17.5	17.8
Female	18.8	18.6	18.3	18.2	18.0

(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.

\*\*\*FY2020 and FY2021 include employees of Tocho System Service Co., Ltd., which merged in FY2022 with JPX Market Innovation & Research, Inc., a JPX subsidiary (however, for FY2020, they are excluded from the "Non-Japanese" and "Mid-career hires" subcategories under "No. of employees").

## Health Management-Related Data

	FY2020	FY2021	FY2022	FY2023	FY2024
Ratio of employees undergoing annual health check	65.1%	92.3%	96.5%	94.0%	95.3%
Ratio of employees who smoke	11.9%	9.8%	10.6%	9.5%	8.1%
Ratio of employees answering annual stress check survey	91.1%	90.6%	95.2%	97.2%	95.2%
Number of sick or injured employees	6	3	1	9	11
Average overtime hours	27 hours and 35 minutes	28 hours and 15 minutes	27 hours and 46 minutes	24 hours and 55 minutes	23 hours and 27 minutes
Average days of paid leave taken (usage rate)****	12.0 days (60%)	12.2 days (61%)	12.6 days (63%)	14.0 days (70%)	13.6 days (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.



Co-creation With Stakeholders

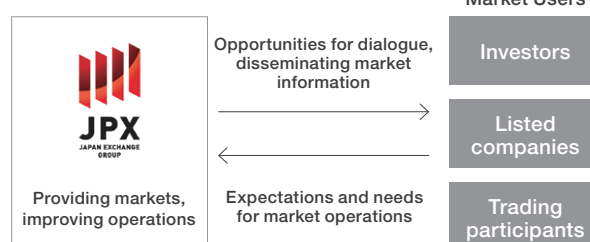
# Trading Participants

## Initiatives

### Market Operating Committee

JPX Group has established a market operating committee for each respective market operator, such as Tokyo Stock Exchange (TSE), as an advisory committee to the board of directors composed of academic experts, trading participants, institutional investors, and persons with other areas of expertise. With the aim of creating even more convenient markets, outside expert opinions are considered in decisions on important matters, such as listing new products, establishing new markets, and revising rules or frameworks.

### Mutual Understanding Through Dialogue



## 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.

## Reduction of Investment Units

TSE has been working to downsize investment units for some time now, but the investment unit for Japanese stocks has remained high compared to many countries. Amid the growing importance of promoting asset formation and expanding the investor base with the launch of the new NISA scheme and other developments, we established the "Study Group on Small-Size Investments" to create an environment that facilitates investment by retail investors and worked with market stakeholders, such as trading participants and institutional investors, from October 2024 to April 2025 to consider issues and measures toward the achievement of that goal.

Regarding the reduction of investment units, this study group reconfirmed the significance of matters including (i) the promotion of investment in Japanese stocks and (ii) the curbing of excessive price fluctuation and improvement of market liquidity. It also confirmed that it is important that each listed company voluntarily considers the investment unit level and measures for reducing it by taking into account the level sought by retail investors (around JPY 100,000 according to our survey of retail investors) after considering its ideal medium- to long-term capital policy.

TSE continues to promote and support listed companies' initiatives, such as by disseminating information, while striving to realize a more appealing market.





## Initiatives

### Expanding Access to Financial Market Data Through Partnership with Snowflake

In February 2025, JPX Market Innovation & Research, Inc. (JPXI) and Snowflake, an AI data cloud company operating a market-leading data analysis platform, announced a priority partnership in the data dissemination business. Accordingly, the sharing of J-Quants Pro datasets, which provide wide-ranging data on the Japanese market, commenced on the Snowflake data cloud platform from April 2025. This has enabled market participants to acquire data from the "golden source" of the Japanese financial market through a new channel and facilitated the cost-effective development of data analysis environments.

This initiative utilizes J-LAKE, JPX's integrated data services platform. J-LAKE centralizes data management within JPX Group, including JPX's market data, information on market participants, listed companies, and customers, and a wealth of alternative data and internal knowledge. Through J-LAKE, we will conduct multifaceted analysis on this data and develop and provide new services to meet diverse client needs. In providing new data distribution services, we will not only develop services within the existing framework of analyzing customer trends, conducting interviews, and collaborating with existing partner companies but will also seek to collaborate with new vendors, startups, and platform providers, with the aim of creating services that provide new value. The partnership with Snowflake is a representative example of the new value created by the J-LAKE platform.

Snowflake's Managing Director Ukita Ryuji also expressed expectations stating, "By combining JPXI's J-LAKE platform with Snowflake's AI Data Cloud, we believe that we can create an environment where more market participants can access varied data offerings with more ease, efficiency, and convenience, thereby expanding the potential for innovative data usage."

## 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.





Co-creation With Stakeholders

# 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 market-related needs and social issues. Recently, we have been communicating the appeal of the Japanese market and JPX to the world in addition to deepening dialogue with Japanese and overseas stakeholders. Promoting global understanding of the Japanese market also strengthens engagement. We will continue to ensure that there is trust in the Japanese market and contribute to a sustainable society.

## Initiatives

### 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.

With the Japanese economy at a turning point, the Japanese market is transitioning to the next phase and showing signs of further development. However, Japan's positive changes are not yet well known. Particularly overseas, there are many investors who have not realized the investment appeal of the Japanese market. Therefore, we are actively disseminating current events in real time and engaging in initiatives to widely convey such appeal.

Together with the Japan Securities Dealers Association (JSDA), we hold the annual Japan Securities Summit, bringing together market stakeholders and investors. We held the 14th Japan Securities Summit in New York in March 2025, with approximately 200 local investors and others in attendance (co-hosted by the Securities Industry and Financial Markets Association (SIFMA)). The appeal of the Japanese market and initiatives of the exchange were introduced in a keynote speech by CEO Yamaji, and expectations for the growth of Japanese companies were shared by institutional investors and economists in a panel discussion moderated by Executive Officer Yoshida. A powerful message was sent by Japan with a video message from Prime Minister Ishiba and an introduction of government initiatives from the Financial Services Agency (Vice Minister for International Affairs Ariizumi). Executive Officer Yoshida also gave a presentation to an Investor Roundtable convened by the Organization of Global Financial City Tokyo (FinCity.Tokyo) in New York around the same time. In this way, we are working on our own initiatives while cooperating with a wide range of government agencies and related organizations so as not to miss out on opportunities.

### Increasing Familiarity With Securities Investment

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

The new NISA scheme is a tax exemption program for small investments that was radically expanded and made permanent from January 2024. The cumulative amount purchased through new NISAs has already exceeded the government target of JPY 56 trillion in February 2025, indicating that the shift "from savings to investment" is becoming established. There are expectations that a "virtuous cycle of growth and distribution" will be realized, with household investment supporting corporate growth and the fruits of such growth being returned as household income.

To encourage this shift, JPX Group has held various



events together with the Financial Services Agency, JSDA, the Investment Trust Association, 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." In 2024, COO Iwanaga gave a presentation on the eve of the two-day Securities Investment Day event. In addition, February 13 has been designated "NISA Day" based on a pun made by combining "2 (ni in Japanese)" and "13 (isa in Japanese)." In 2025, we held an event titled "This year! Learn from scratch at the 'NISA classroom'" on February 12. The objective was to create opportunities to gain a deeper understanding of the new NISA scheme and think about the importance of asset formation and securities investment, with events such as talk shows with celebrity guests, field trips for elementary school students, and fun and hands-on learning booths.

Our current environment makes it easy for anyone to access an abundance of information. When forming assets, it is important to make decisions based on accurate knowledge and information. As a result, the importance of financial and economic education is increasing.

JPX Group is engaged in comprehensive financial and economic education for all ages under the "JPX Manebu Lab" brand, which was launched in 2022. Since 2024, we have focused on investment education and sharing the appeal of Japanese stocks in response to the need for exchange-specific activities and lecture themes. At Tokyo Sustainable Finance Week 2024, convened by FinCity.Tokyo, we co-hosted seminars for all ages under our "Seminar Manebu" program.

In addition, together with the Ministry of Economy, Trade and Industry and others, we select and publish lists of TSE listed companies based on specific themes and indicators. Specifically, these are "Nadeshiko Brands," focused on the theme of women's participation; "KENKO Investment for Health Stocks" for companies that carry out strategic management initiatives related to employee health and productivity; "DX Stocks" for companies that boldly reform their business models and management practices based on digital technologies, and "SX Brands" for progressive companies that are enhancing their ability to create a source of funds for growth in a sustainable manner, using sustainable transformation (SX) to improve their corporate value.

We will continue these initiatives with government and related organizations so that they become a catalyst for arousing interest in asset formation and securities investment.

## 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, and the Sustainable Stock Exchanges Initiative (hereinafter referred to as the "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 WFE's Board of Directors.

Furthermore, every year, JPX Group celebrates the UN-designated March 8 International Women's Day with a "Ring the Bell for Gender Equality" ceremony, co-hosted by the WFE, SSE Initiative, and others. This year, many relevant international organizations participated in the ceremony to disseminate these activities more widely overseas.

In Asia, JPX Group has aimed to strengthen its relationships with Asian exchanges by serving as the Secretariat for the Asian and Oceanian Stock Exchanges Federation since its establishment as a regional federation of 17 stock exchanges in the Asia-Oceania region. Through the activities of this federation, JPX Group has been responsible for conducting surveys and research and managing general meetings as well as holding various events throughout Asia. This year, we have provided opportunities for online discussion and held webinars, focusing on themes of high interest for members, such as initiatives to improve the corporate value of listed companies.

Lastly, JPX Group provides 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.



Securities Summit  
Panel discussion



NISA Day  
Investment promotion event



# 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, the 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

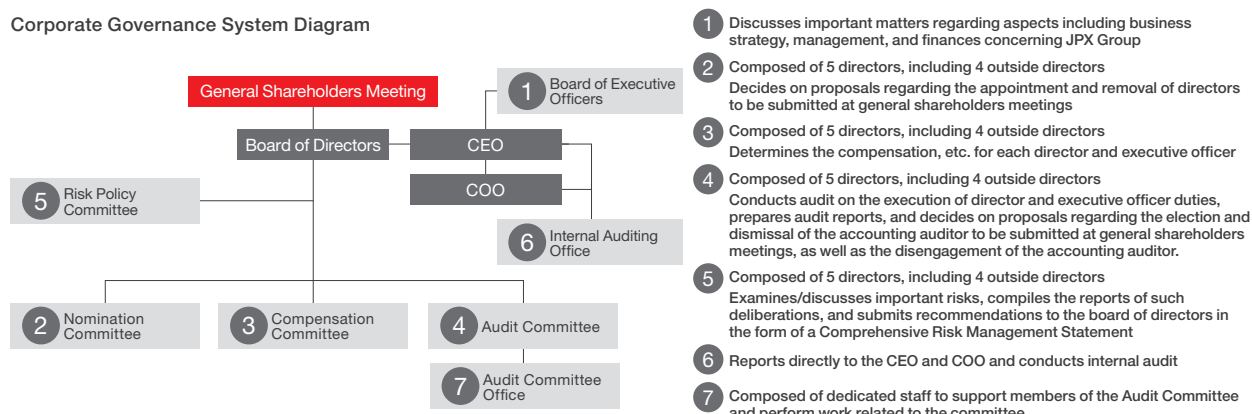
JPX Group strives to constantly improve its corporate governance system to facilitate more effective and properly functioning systems, so as to support the sustainable development of its markets.



## Corporate Governance System

JPX Group clearly segregates the management oversight and supervision functions from the business execution functions, and adopts the structure of a Company with Three Committees to strengthen oversight and supervision functions and raise the transparency of management.

Corporate Governance System Diagram



### 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.

#### (i) 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.

#### (ii) 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.

#### (iii) 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'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 execution functions and ensuring appropriate and efficient operations as a board of directors, the board of directors consists of 13 members, of whom four are women and ten are independent. The breakdown of the ten independent directors of JPX is as follows: four 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 P. 79 "Directors" for details on the directors and their expertise.

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.
Time Spent in Deliberation	
1,244 minutes	
Number of Items Approved	
28	

## 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 with the aim of further improving its corporate governance by bringing an outside perspective to risk management. The committee consists mainly of outside directors. For further information on JPX's risk management systems, including information on the details of activities of the Risk Policy Committee, please refer to "Risk Management" on page 81.


## Independent Directors Committee

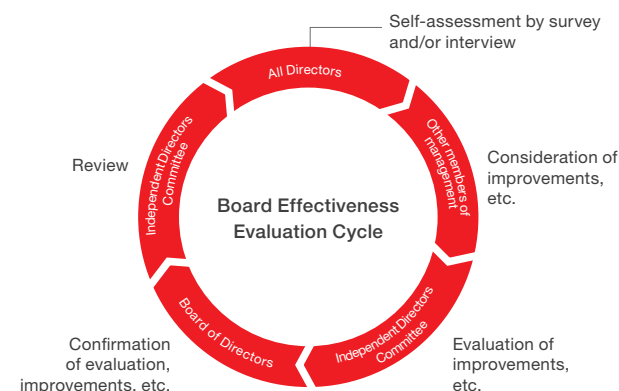
JPX has an Independent Directors Committee as a corporate organ composed exclusively of part-time independent directors to allow them to exchange information and form consensus among themselves. The committee helps independent directors to better perform management oversight and facilitates active discussion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

Objectives	For part-time independent directors to exchange information and form consensus (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 (The committee chairperson convenes meetings as needed.)
Committee chairperson	The committee chairperson convenes meetings and presides over them. 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/index.html>



## Training for 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 and observation sessions based on rulebooks and other resources, discussion workshops where they can keep up to date on knowledge and information regarding the exchange business, and 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 candidates for 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.

## 7 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 motivate the achievement of the long-term vision and management plan

It should maintain enough competitiveness to secure the human resources 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 objectivity and transparency of decision-making procedures, etc.

Based on the above basic policy of compensation for directors and executive officers, compensation is composed of **a** basic salary, **b** yearly 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** Yearly incentive (bonus)

The yearly 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 a yearly incentive (bonus) awarded every fiscal year on the net income reported in that 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.

It was previously stipulated that the yearly incentive (bonus) will not be awarded if net income is less than JPY 10 billion for a fiscal year. From FY2025, to facilitate consciousness of capital cost, this requirement has been revised to stipulate that the bonus will not be awarded if the ROE falls below the cost of capital.

### **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 every fiscal year in accordance with their position, etc., 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 2024.

This incentive will be maximized if either consolidated ROE for the last fiscal year of the Medium-Term Management Plan or the average consolidated ROE over the three years of the Plan is 15% or higher. In the event both are less than 15%, the amount paid shall be based on the average consolidated ROE over three years, provided that the consolidated ROE for each fiscal year is at least 10%. The amount of incentive for each executive officer will be decided based on their respective positions.

In addition, with respect to the sustainability

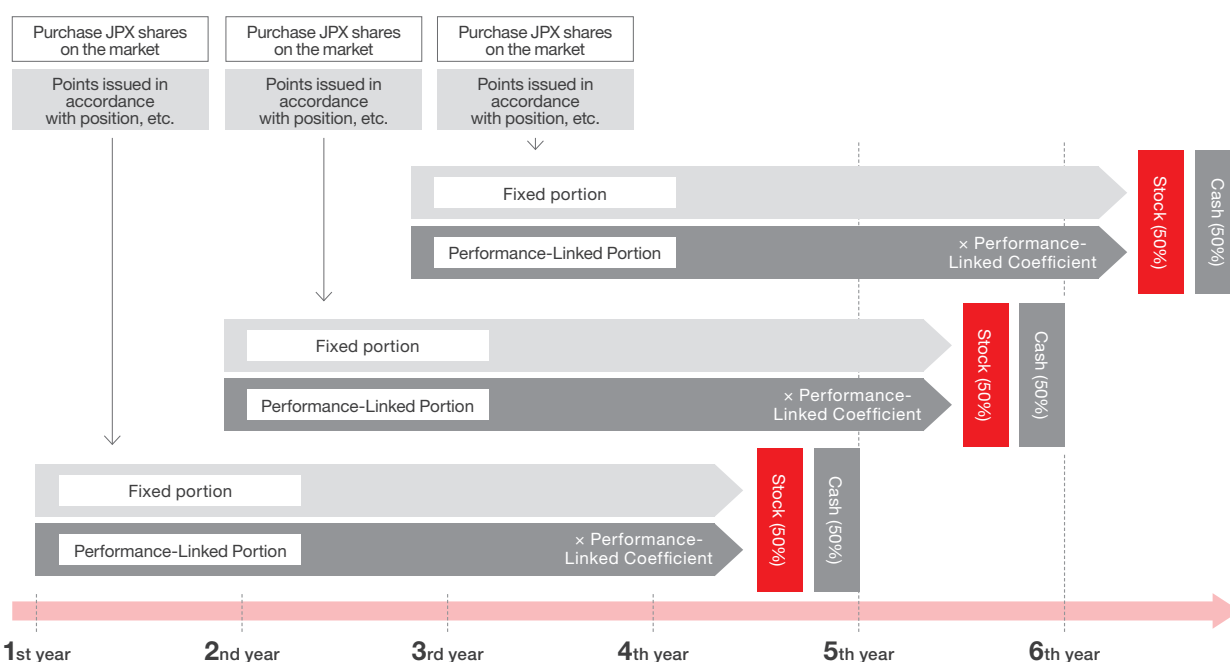
measures specified in the Medium-Term Management Plan 2024 (promoting sustainability using market mechanisms, achieving carbon neutrality as a corporation, achieving carbon neutrality in securities market operations by 2030, etc.), if the plan has been achieved by the end of the Medium-Term Management Plan 2024, the final incentive amount will be calculated by multiplying the incentive amount calculated based on the degree of achievement of the aforementioned consolidated ROE by a factor of 2 for the Group CEO and 1.5 for the other executive officers.

From FY2025, JPX has also revised the medium- to long-term incentive (monetary compensation) in accordance with the start of the new Medium-Term Management Plan 2027. With respect to consolidated ROE, in line with the financial targets set out in the Medium-Term Management Plan 2027, the amount paid will reach a maximum if consolidated ROE reaches 18% or more in any of the three years of the plan; and with respect to sustainability measures, the amount paid will reach a maximum if JPX's non-financial commitments, mainly the three indicators from the results of the engagement survey (Work Engagement, Employee Development, and Permeation of Corporate Philosophy) which are set out in the plan, hit their targets. To match this, the performance-linked portion of the medium- to long-term incentive (stock compensation) has also been revised.\*\*\*

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

		Consolidated ROE		
		Below 10%	10% to under 14%	14% and above
Total Shareholder Returns (TSR)	Outperform	Performance-Linked Coefficient 50%	Performance-Linked Coefficient 100%	Performance-Linked Coefficient 150%
VS JPX-Nikkei 400 (total return)	Underperform	Performance-Linked Coefficient 0%	Performance-Linked Coefficient 50%	Performance-Linked Coefficient 100%

#### Image of Stock Compensation Plan



JPX is a Company with Three Committees. It has established a statutory Compensation Committee for the purpose of ensuring transparency and objectivity concerning compensation paid to directors and executive officers. JPX's Compensation Committee is made up of a majority of independent directors and chaired by an independent director. Based on laws and regulations, the Compensation Committee has the authority to establish the policy concerning decisions on the details of compensation for each director and executive officer and the authority to decide the details of compensation for each director and executive officer based on said policy. For FY2024, the Compensation Committee decided the details of the compensation for each director and executive officer after appropriate discussion based on the above policy determined by the Compensation Committee. JPX considers the compensation to be in line with the above policy.

\* 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 0–150% range, based on the conditions outlined in the table on page 77: (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.

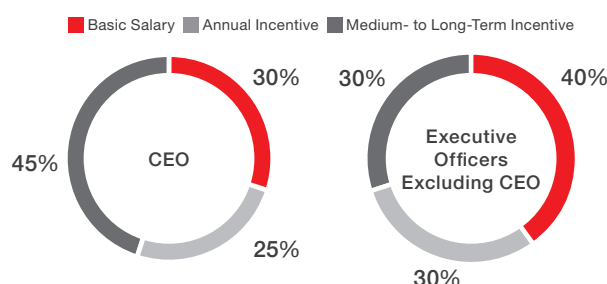
\*\*\* The performance-linked coefficient has been revised so that it will be a maximum of 200% if consolidated ROE three years from the point issuance date is at 18% or more and the comparative growth rate of the TSR of JPX's shares exceeds 150%.

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

Compensation for the CEO and executive officers consists of basic salary, yearly incentive (bonus), and medium- to long-term incentive. The right table shows the ratio of the components of the CEO's and executive officers' compensation packages, assuming the earnings forecast announced on April 28, 2025.

Note: Percentages are based on the assumption that the performance-linked coefficient for stock compensation is 100% and that one year's worth for FY2024 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)	43	43	-	-	-	-	2
Executive Officers	647	200	190	114	64	78	6
Outside Directors	196	196	-	-	-	-	13

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.
- The above table includes one director (excluding outside directors) and four outside directors who retired at the conclusion of the Annual General Shareholders Meeting held on June 19, 2024.
- It is JPX policy that outside directors purchase shares of the company from their basic salary through the Officers' Shareholding Association.
- Bonuses are paid at, mainly, an amount that is in correlation with JPX's net income for the year under review and are not paid if net income fails to reach JPY 10.0 billion. Net income for the year under review was JPY 61,092 million.
- Concerning the indicators used for the performance-linked portion of stock compensation, consolidated ROE comprises a two-tier target of 10% or more and 14% or more, and the performance-linked coefficient changes depending on the level of achievement. Concerning Total Shareholder Return (TSR), the target is for TSR to outperform the growth rate of the JPX-Nikkei Index 400 (total return index). The amount of the aforementioned stock compensation is the amount among the stock compensation for FY2021 to FY2024 that is recorded as an expense in the fiscal year. Of that, the indicators for stock compensation granted in FY2021 were as follows: consolidated ROE was 19.0%, and the three-year TSR of the company's shares outperformed the growth rate of the JPX-Nikkei Index 400 (total return index) over the same period. Accordingly, the performance-linked coefficient was 150%.
- With respect to monetary compensation related to the degree of achievement of the Medium-Term Management Plan, executive officers who retire on March 31, 2025 will be paid an amount commensurate with their tenure. Consolidated ROE of at least 10% is a condition for payment, and the amount paid based on consolidated ROE will reach a maximum if consolidated ROE reaches 15% or more during their term of office under the current Medium-Term Management Plan. Since consolidated ROE was 18.3% in FY2024, the maximum payment amount was reached. In addition, as the sustainability measures promoted under the Medium-Term Management Plan all made steady progress in FY2024, an additional amount will be added to reflect this.
- 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 Act.



# Directors

No. of JPX shares held

3,200 shares

Independent Director  
Chairperson of the  
Board of Directors

**Kinoshita Yasushi**

It has been deemed that Mr. Kinoshita can be expected to perform his role in a way in which his capacity to identify with JPX's corporate philosophy and social mission, as well as his abundant experience and insight in corporate management and government institutions and insight in financial policy, financing, and economics in general, are reflected in the management of JPX Group.



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

Corporate management	Finance	Accounting/Audit	Legal affairs/Risk management	Research/Government Agencies	Technology
----------------------	---------	------------------	-------------------------------	------------------------------	------------

◆ ◆ ◆ ◆ ◆

### FY2024 Meeting Attendance

Board of Directors 12/12

180,668 shares

Director and  
Representative Executive  
Officer, Group CEO

**Yamaji Hiromi**

It has been deemed that Mr. Yamaji can be expected to perform his role in a way in which his abundant experience of and insight into the securities markets, acquired through working at a securities company, and his experience and knowledge gained from leading JPX Group as Director and Representative Executive Officer, Group CEO are reflected in the management of JPX Group.



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### FY2024 Meeting Attendance

Board of Directors 12/12 Nomination Committee 8/8

Compensation Committee 4/4

Risk Policy Committee

124,586 shares

Director and  
Representative Executive  
Officer, Group COO

**Iwanaga Moriyouki**

It has been deemed that Mr. Iwanaga can be expected to perform his role in a way in which his experience and knowledge gained from leading JPX Group as Director and Representative Executive Officer, Group COO are reflected in the management of JPX Group.



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### FY2024 Meeting Attendance

Board of Directors 12/12

700 shares

Independent Director

**Philippe Avril**

It has been deemed that Mr. Avril can be expected to perform his role in a way in which his capacity to identify with JPX's corporate philosophy and social mission, as well as his experience and insight in domestic and international financial and capital markets, and his experience in holding key posts at financial institutions and industry associations in various countries, are reflected in the management of JPX Group.



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### FY2024 Meeting Attendance

Board of Directors 10/10 Nomination Committee 6/6

Compensation Committee 3/3

Independent Directors Committee

21,800 shares

Independent Director

**Endo Nobuhiro**

It has been deemed that Mr. Endo can be expected to perform his role in a way in which his capacity to identify with JPX's corporate philosophy and social mission, as well as his abundant experience and keen insight in corporate management and systems and networks, are reflected in the management of JPX Group.



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### FY2024 Meeting Attendance

Board of Directors 12/12 Nomination Committee 8/8

Independent Directors Committee

4,900 shares

Independent Director

**Ota Hiroko**

It has been deemed that Ms. Ota can be expected to perform her role in a way in which her capacity to identify with JPX's corporate philosophy and social mission, as well as her abundant experience in government agencies and keen insight in the economy and financial policy, are reflected in the management of JPX Group.



◆ ◆ ◆ ◆ ◆

### FY2024 Meeting Attendance

Board of Directors 12/12 Compensation Committee 4/4

Audit Committee 12/12

Independent Directors Committee

7,000 shares

Independent Director

**Kama Kazuaki**

It has been deemed that Mr. Kama can be expected to perform his role in a way in which his capacity to identify with JPX's corporate philosophy and social mission, as well as his abundant experience and keen insight in corporate management and finance and accounting are reflected in the management of JPX Group.



◆ ◆ ◆ ◆ ◆

### FY2024 Meeting Attendance

Board of Directors 12/12 Compensation Committee 4/4

Audit Committee 9/9

Independent Directors Committee

Committee chairperson						Committee member					
Corporate management	Finance	Accounting/Audit	Legal affairs/Risk management	Research/Government Agencies	Technology	Corporate management	Finance	Accounting/Audit	Legal affairs/Risk management	Research/Government Agencies	Technology
		◆									
<b>FY2024 Meeting Attendance</b>											
Board of Directors		10/10	Audit Committee		9/9	Risk Policy Committee		Independent Directors Committee			



No. of JPX shares held

700 shares

Independent Director **Sumida Sayaka**

It has been deemed that Ms. Sumida can be expected to perform her role in a way in which her capacity to identify with JPX's corporate philosophy and social mission, as well as her keen insight in accounting and auditing from the standpoint of a financial and accounting professional, are reflected in the management of JPX Group.

**Significant Concurrent Position(s)**

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

			◆								
<b>FY2024 Meeting Attendance</b>											
Board of Directors		12/12	Nomination Committee		8/8	Risk Policy Committee		Independent Directors Committee			



12,400 shares

Independent Director **Takeno Yasuzo**

It has been deemed that Mr. Takeno can be expected to perform his role in a way in which his capacity to identify with JPX's corporate philosophy and social mission, as well as his keen insight in corporate law from his expert perspective as legal professional, are reflected in the management of JPX Group.

**Significant Concurrent Position(s)**

Attorney-at-Law

		◆			◆						
FY2024 Meeting Attendance (New)											
Board of Directors		Audit Committee									
Risk Policy Committee		Independent Directors Committee									



0 shares

Independent Director **Tanaka Yayoi**

It has been deemed that Ms. Tanaka can be expected to perform her role in a way in which her capacity to identify with JPX's corporate philosophy and social mission, as well as her high level of expertise developed at university and educational institutions and her abundant experience and keen insight gained at the Board of Audit of Japan and government committees, are reflected in the management of JPX Group.

**Significant Concurrent Position(s)**

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

◆											
<b>FY2024 Meeting Attendance</b>											
Board of Directors		10/10	Nomination Committee		6/6	Compensation Committee		3/3	Independent Directors Committee		



700 shares

Independent Director **Teshirogi Isao**

It has been deemed that Mr. Teshirogi can be expected to perform his role in a way in which his capacity to identify with JPX's corporate philosophy and social mission, as well as his abundant experience and keen insight in corporate management, are reflected in the management of JPX Group.

**Significant Concurrent Position(s)**

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

			◆		◆						
<b>FY2024 Meeting Attendance</b>											
Board of Directors		12/12	Audit Committee		12/12	Risk Policy Committee		Independent Directors Committee			



1,700 shares

Independent Director **Matsumoto Mitsuhiro**

It has been deemed that Mr. Matsumoto can be expected to perform his role in a way in which his capacity to identify with JPX's corporate philosophy and social mission, as well as his abundant experience and keen insight in law enforcement, are reflected in the management of JPX Group.

**Significant Concurrent Position(s)**

Outside Audit & Supervisory Board Member, Daiichi Sankyo Company, Limited.

	◆										
<b>FY2024 Meeting Attendance</b>											
Board of Directors		10/10	Audit Committee		9/9						



24,300 shares

Director **Lin Kay**

It has been deemed that Ms. Lin's abundant knowledge and experience regarding all aspects of the exchange business and her experience working at other companies can be expected to benefit the monitoring and supervision of the execution of business at JPX Group.



**Biographies of Directors**

<https://www.jpj.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.jpj.co.jp/english/corporate/about-jpx/officer/index.html>

# 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

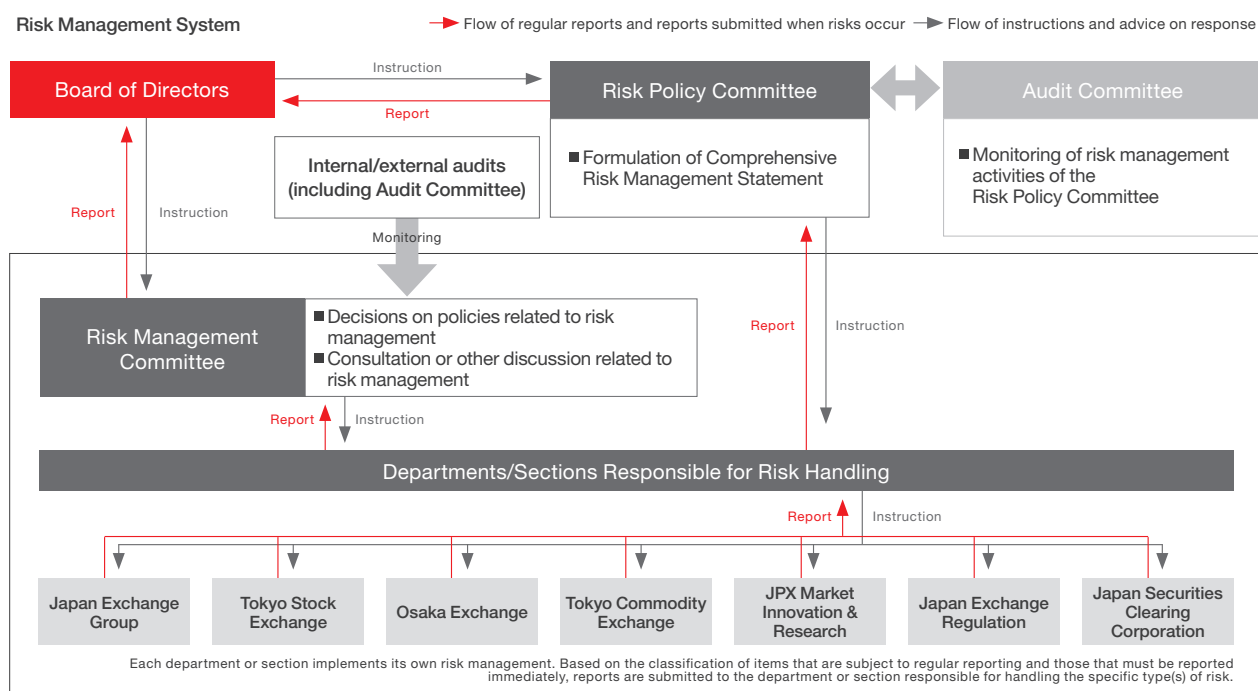
JPX Group faces numerous risks in the course of its operations, including risks associated with system glitches, compensation in the event of defaults by clearing participants, and administrative matters. The Group has established a Risk Policy Committee, chaired by an outside director, and a Risk Management Committee, chaired by the Group CEO, 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.

Risk Management System





## 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 discussion 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 Classification

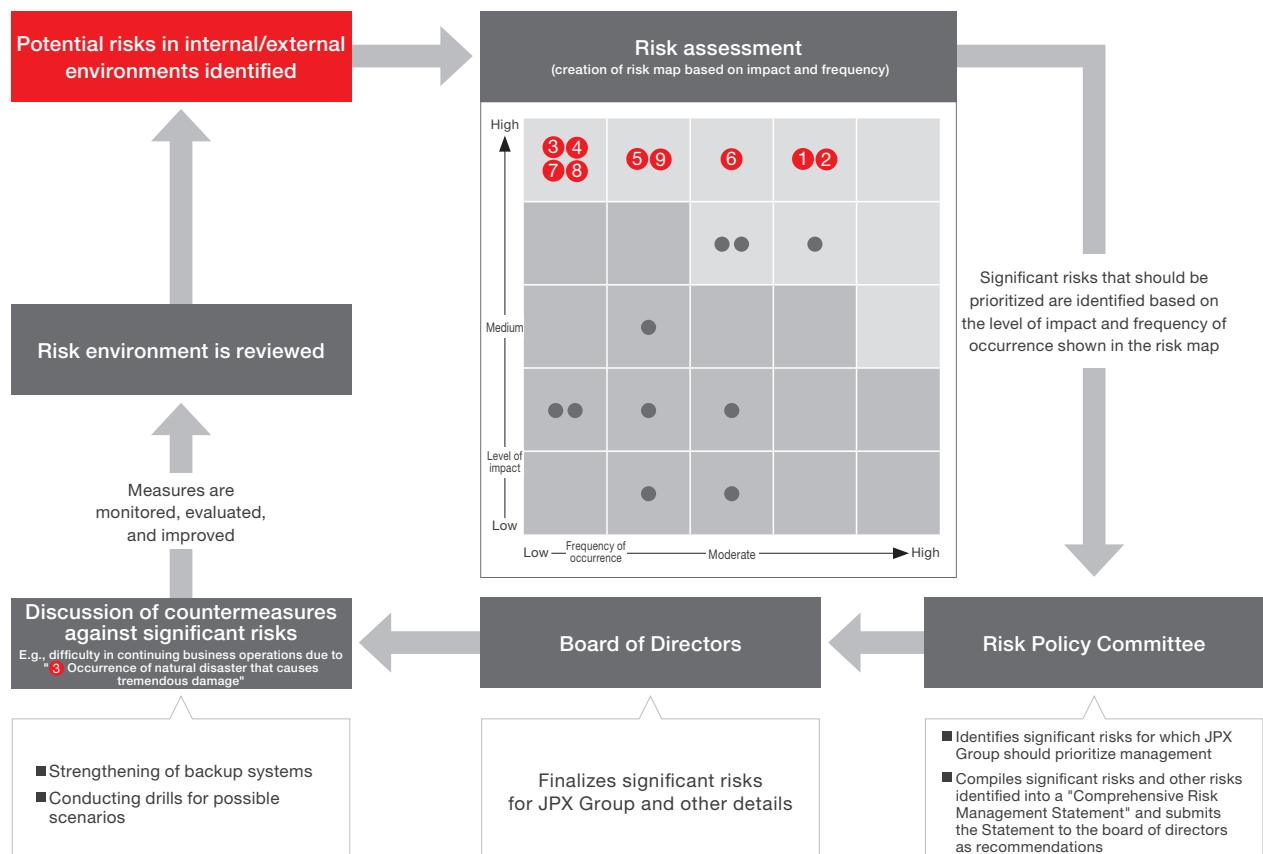
Types of Risk	Examples
Business strategy/ environment risk	Economic fluctuations, legal and regulatory matters, demographic changes, technological innovation, investor trends, public opinion, and failed business choices
Accidents and disaster risk	Major earthquakes, typhoons, tsunamis, epidemics, terrorism, 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 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

# Risk Management

## 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 ④ Occurrence of terrorist attack 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.) 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

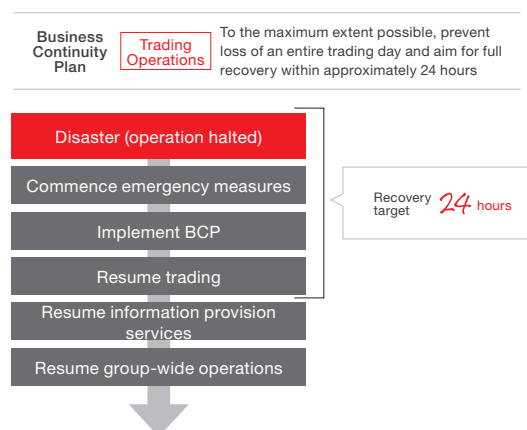
at least once a year and revises it accordingly in light of changes in the environment.



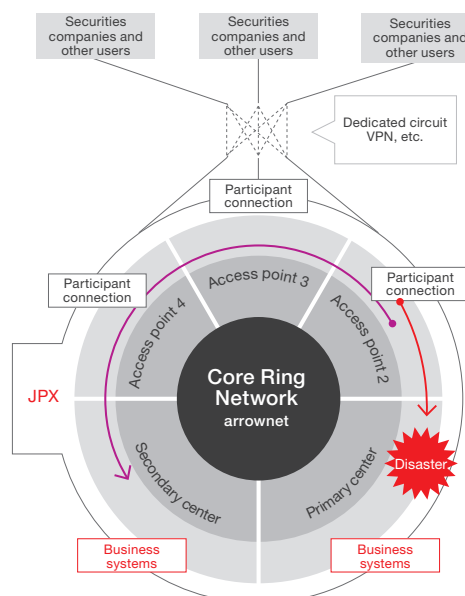
### Business Continuity Plan

<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 past market share based on the trading value of trading participants that are unable to participate in trading (generally above 50% of overall trading value), the extent of disasters and the state of system failure (including the number of trading participants, etc. that are unable to participate in trading, their attributes, and the status of the entire financial market), and social 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 Representative Executive Officer, 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.

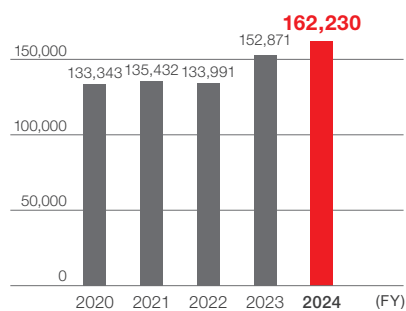
## Corporate Data

## Financial Highlights

## Operating Revenue

(JPY million)

200,000

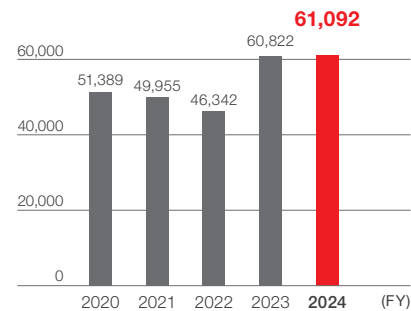


## Net Income

(attributable to owners of the parent company)

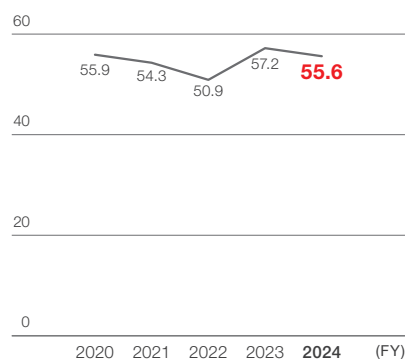
(JPY million)

80,000



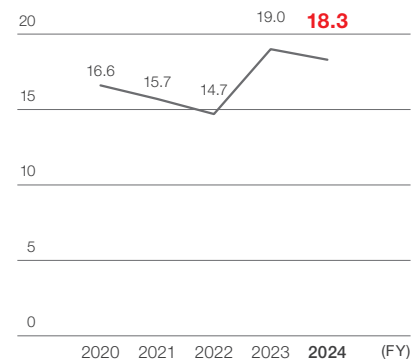
## Operating Profit Margin

(%)



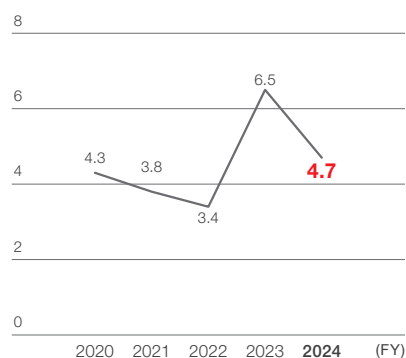
## ROE

(%)



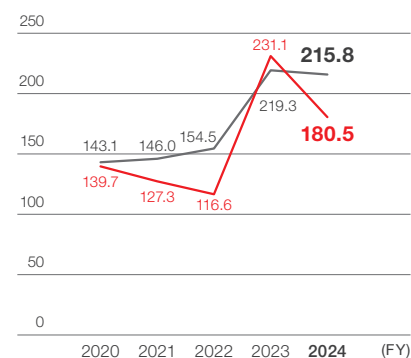
## PBR

(Times)



## TSR

(%)

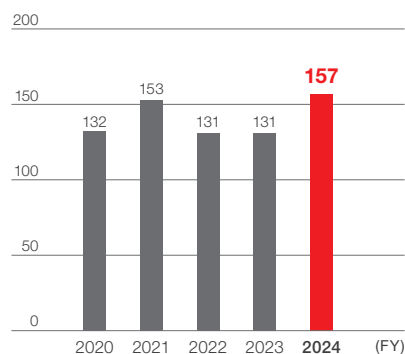




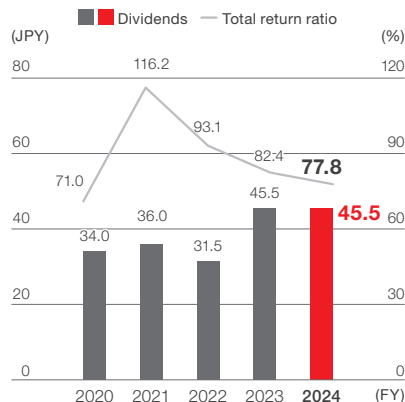
## Non-Financial Highlights

### Capital Expenditures

(JPY billion)



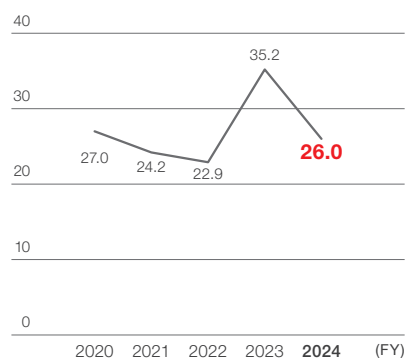
### Dividends, etc.\*



\*Amounts taking into account the share split (2-for-1) conducted with an effective date of October 1, 2024.

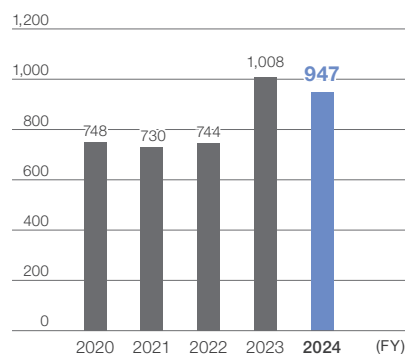
### PER

(Times)



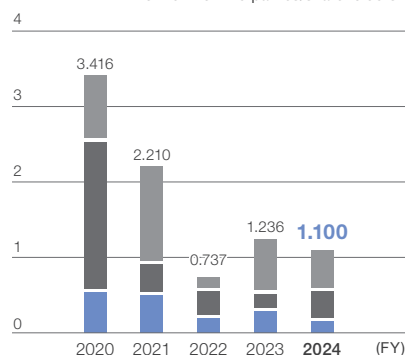
### Market Capitalization of TSE-Listed Companies (as of FY-end)

(JPY trillion)



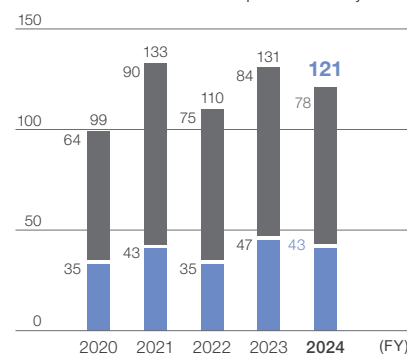
### Financing by Listed Companies and REITs

(JPY trillion)



### IPOs on TSE

(companies)



### Listed Companies (Prime) Appointing At Least One-Third Independent Directors

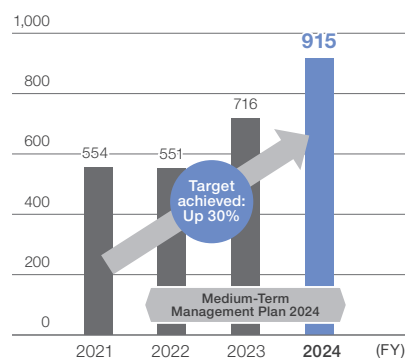


### Investors

Providing effective asset management opportunities

### Average Daily Trading Value of ETFs, etc. (excluding leveraged/inverse products)

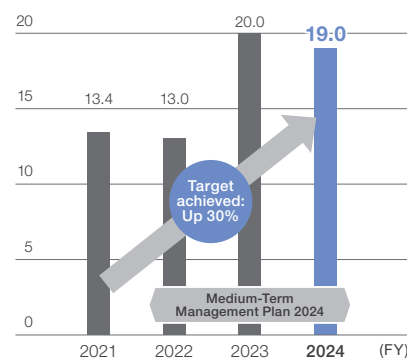
(JPY billion)



### Net Income

(attributable to owners of the parent company)

(JPY trillion)



# Review of Operations and Financial Condition

## Financial Highlights (IFRS Accounting Standards)

(JPY mil.)

	FY2020	FY2021	FY2022	FY2023	FY2024
Operating Revenue	133,343	135,432	133,991	152,871	162,230
Operating Expenses	61,394	63,220	67,502	71,554	75,071
Operating Income	74,565	73,473	68,253	87,444	90,122
Net Income Attributable to Owners of the Parent Company	51,389	49,955	46,342	60,822	61,092
EBITDA	91,594	91,025	87,275	105,811	108,812
Dividends per Share* ** (JPY)	34.0	36.0	31.5	45.5	45.5
ROE	16.6%	15.7%	14.7%	19.0%	18.3%

\*The dividend figures for FY2020, FY2021, FY2022, FY2023, and FY2024 include a special dividend of JPY 5 per share, a special dividend of JPY 7.5 per share, a commemorative dividend of JPY 5 per share, a special dividend of JPY 10 per share, and a special dividend of JPY 10 per share, respectively.

\*\*Amounts take into account the share split (2-for-1) conducted with an effective date of October 1, 2024.

## Average Daily Trading Value/Volume of Main Products

	FY2020	FY2021	FY2022	FY2023	FY2024
Cash Equities (trading value)*	JPY 3.48 trillion	JPY 3.76 trillion	JPY 3.84 trillion	JPY 5.00 trillion	JPY 5.70 trillion
TOPIX Futures (large)	102,000 contracts	96,000 contracts	104,000 contracts	111,000 contracts	88,000 contracts
Nikkei 225 Futures (large)	92,000 contracts	76,000 contracts	88,000 contracts	87,000 contracts	71,000 contracts
Nikkei 225 Futures (mini)	1,076,000 contracts	989,000 contracts	1,046,000 contracts	1,046,000 contracts	883,000 contracts
Nikkei 225 Options**	JPY 26.5 billion	JPY 23.6 billion	JPY 25.7 billion	JPY 26.3 billion	JPY 21.4 billion
10-year JGB Futures	29,000 contracts	33,000 contracts	32,000 contracts	42,000 contracts	48,000 contracts

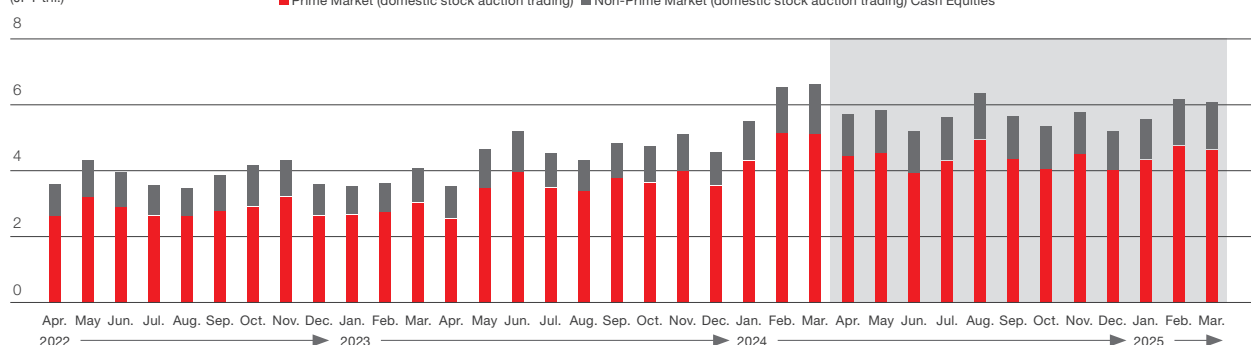
\*Average daily trading value of common stocks on Prime, Standard and Growth Markets (up to FY2021: TSE 1st/2nd Sections, Mothers, and JASDAQ), TOKYO PRO Market, and ETFs/ETNs, REITs, etc. in auction and off-auction trading.

\*\*Excludes weekly options.

## Average Daily Trading Value for Cash Equities (Apr. 2022 – Mar. 2025)

(JPY tril.)

■ Prime Market (domestic stock auction trading) ■ Non-Prime Market (domestic stock auction trading) Cash Equities

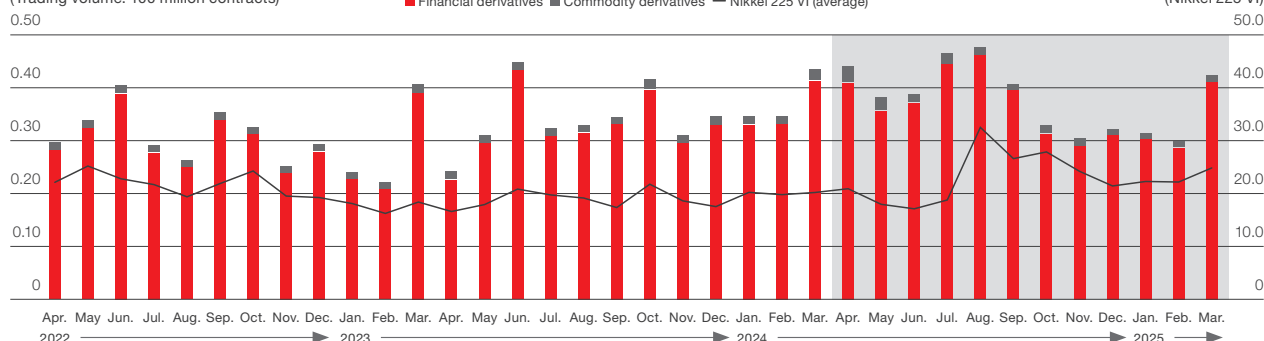


## Monthly Trading Volume for Derivatives (Apr. 2022 – Mar. 2025)

(Trading volume: 100 million contracts)

■ Financial derivatives ■ Commodity derivatives — Nikkei 225 VI (average)

(Nikkei 225 VI)



## 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 FY2024

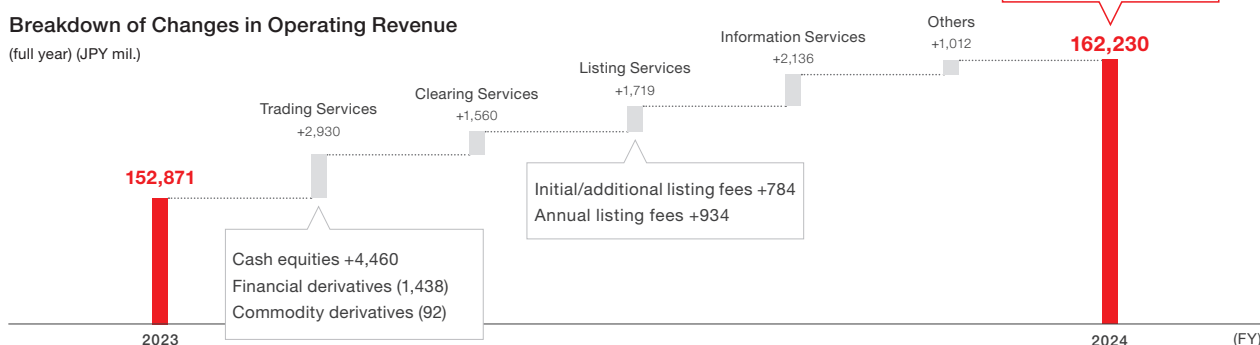
In FY2024, JPX Group recorded operating revenue of JPY 162,230 million (up 6.1% year on year) and operating expenses were JPY 75,071 million (up 4.9% year on year). As a result, the Group recorded operating income of JPY 90,122 million (up 3.1% year on year) and income before income tax of JPY 90,277 million (up 3.3% year on year).

In addition, net income attributable to owners of the parent company after income tax was JPY 61,092 million (up 0.4% year on year).

## Operating Revenue

### Breakdown of Changes in Operating Revenue

(full year) (JPY mil.)



### Operating Revenue

	FY2020	FY2021	FY2022	FY2023	FY2024	Ratio
	Amount (JPY mil.)	Amount (JPY mil.)	Amount (JPY mil.)	Amount (JPY mil.)	Amount (JPY mil.)	
Trading Services Revenue	53,171	53,196	53,089	61,585	64,515	39.8%
Trading Fees	43,463	43,298	43,143	51,477	53,887	
Cash Equities	31,056	31,563	31,414	39,163	43,117	80.0%*
Financial Derivatives	10,393	10,168	10,361	10,838	9,374	17.4%*
TOPIX Futures	1,933	1,885	2,027	2,135	1,731	
Nikkei 225 Futures (incl. Nikkei 225 mini)	4,380	4,071	4,306	4,316	3,704	
Nikkei 225 Options**	2,555	2,460	2,291	2,395	1,939	
10-year JGB Futures	1,353	1,544	1,498	1,934	2,237	
Others	170	205	237	55	(237)	
Commodity Derivatives	2,014	1,567	1,366	1,476	1,394	2.6%*
Basic Fees	1,018	1,000	986	978	965	
Access Fees	5,047	5,141	5,165	5,269	5,657	
Trading System Facilities Usage Fees	3,544	3,647	3,691	3,746	3,895	
Others	96	108	103	113	109	
Clearing Services Revenue	27,939	27,945	28,008	32,885	34,445	21.2%
Listing Services Revenue	16,660	15,736	13,666	15,590	17,309	10.7%
Initial/Additional Listing Fees	5,630	4,171	2,021	3,499	4,284	
Annual Listing Fees	11,029	11,565	11,644	12,090	13,025	
Information Services Revenue	24,128	27,175	27,597	29,763	31,899	19.7%
Others	11,443	11,378	11,630	13,047	14,060	8.7%
Total	133,343	135,432	133,991	152,871	162,230	100.0%

\*Figures indicate percentage of Trading Fees.

\*\*Excludes weekly options.



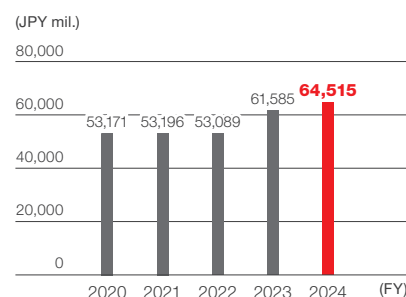
# Review of Operations and Financial Condition

## Operating Revenue in FY2024

### ① Trading services revenue

Trading services revenue consists of "Trading Fees" based on the value of securities traded and the volume of financial and commodity derivatives traded, "Basic Fees" based on the trading participant's type of 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.

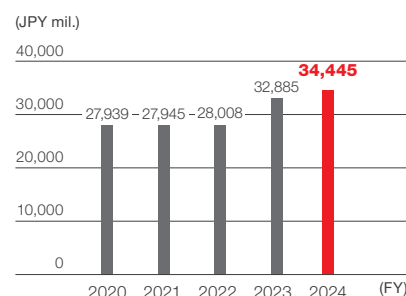
For the fiscal year ended March 31, 2025, JPX Group recorded trading services revenue of JPY 64,515 million (up 4.8% year on year) due mainly to increased trading fees with the value of securities traded surpassing the levels of the previous fiscal year.



### ② Clearing services revenue

Clearing services revenue is composed of mainly clearing fees related to the financial instruments obligation assumption business carried out by Japan Securities Clearing Corporation.

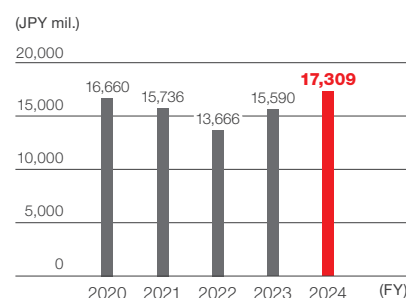
For the fiscal year ended March 31, 2025, JPX Group recorded clearing services revenue of JPY 34,445 million (up 4.7% year on year).



### ③ Listing services revenue

Listing services revenue is composed of "Initial/Additional Listing Fees" that are 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 made up of fees received from listed companies based on their market capitalization and other similar fees.

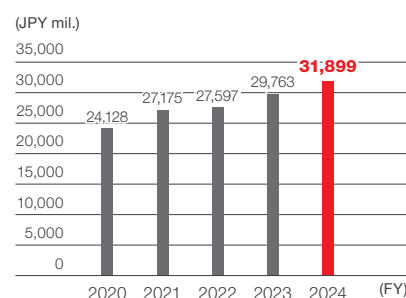
For the fiscal year ended March 31, 2025, JPX Group recorded listing services revenue of JPY 17,309 million (up 11.0% year on year) due to increases in revenue from initial and additional listing fees as well as annual listing fees.



### ④ Information services revenue

Information services revenue consists of market information fees, which are composed of revenue related to the provision of market information to information vendors, etc., as well as revenue related to the index business and others.

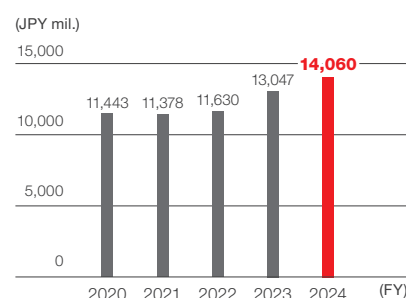
For the fiscal year ended March 31, 2025, JPX Group recorded information services revenue of JPY 31,899 million (up 7.2% year on year) due mainly to an increase in revenue related to the index business, in addition to an increase in revenue from market information fees.



### ⑤ Other operating revenue

Other operating revenue includes mainly usage fees for arrownets, 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 and other processes.

For the fiscal year ended March 31, 2025, JPX Group recorded other operating revenue of JPY 14,060 million (up 7.8% year on year).

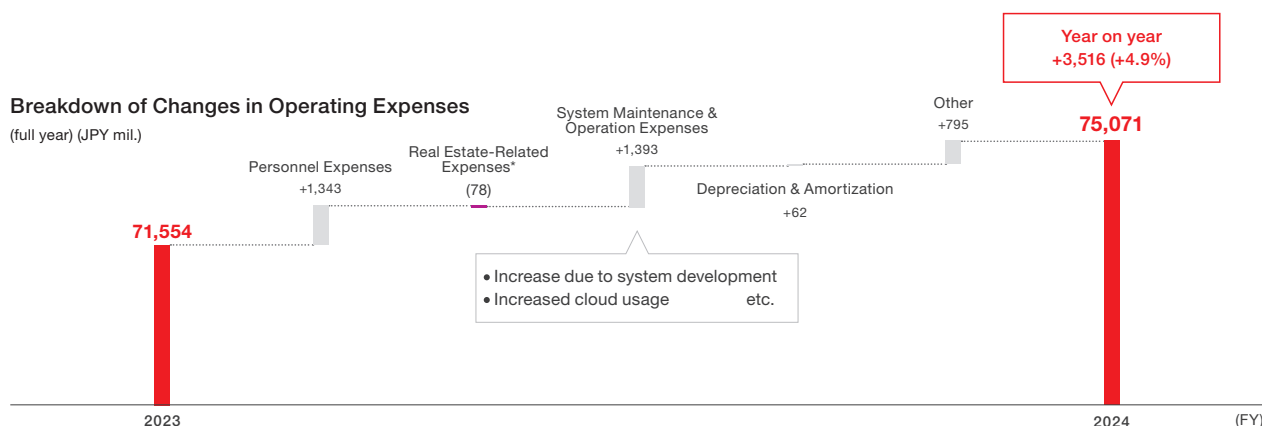


## Operating Expenses

### Operating Expenses in FY2024

During the fiscal year ended March 31, 2025, personnel expenses increased to JPY 23,740 million (up 6.0% 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 20,492 million (up 7.3% year on year). Depreciation and amortization increased to JPY 14,625 million (up 0.4% year on year). Other operating expenses increased to JPY 16,212 million (up 4.6% year on year).



\*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.)

	FY2020*	FY2021*	FY2022*: **	FY2023*: **	FY2024*: **
Personnel Expenses	19,255	19,048	19,599	22,396	23,740
System Maintenance and Operation Expenses	13,524	14,984	16,931	19,099	20,492
Depreciation and Amortization	13,632	14,364	15,557	14,562	14,625
Real Estate-Related Expenses	4,372	4,391	4,687	4,871	4,792
Other	10,609	10,431	10,727	10,624	11,420
<b>Total</b>	<b>61,394</b>	<b>63,220</b>	<b>67,502</b>	<b>71,554</b>	<b>75,071</b>

\*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.

\*\*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 FY2025 is expected to be JPY 43 per share (JPY 21 per share at the end of the second quarter; JPY 22 per share at the end of the fiscal year). (As of April 2025)



#### Performance and Financial Data

<https://www.jpx.co.jp/english/corporate/investor-relations/financials/data/index.html>

# Corporate Data (as of June 20, 2025)

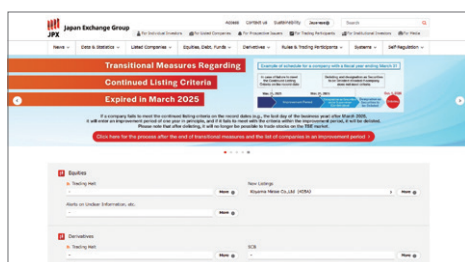
## Corporate Information

<b>Company Name</b>	Japan Exchange Group, Inc.	
<b>Number of Directors</b>	13 directors, 10 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, 2025)</b>	1,248 (consolidated)	
	Japan Exchange Group, Inc.	220
	Tokyo Stock Exchange, Inc.	308
	Osaka Exchange, Inc.	155
	Tokyo Commodity Exchange, Inc.	8
	JPX Market Innovation & Research, Inc.	261
	Japan Exchange Regulation	194
	Japan Securities Clearing Corporation	102
<b>Business Description</b>	Management and administration of a financial instruments exchange holding company group, and other ancillary businesses	

## Website

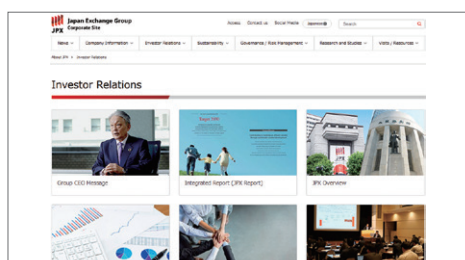
### About JPX

[Japanese] <https://www.jpx.co.jp/>  
 [English] <https://www.jpx.co.jp/english/>



### Investor Relations

[Japanese] <https://www.jpx.co.jp/corporate/investor-relations/>  
 [English] <https://www.jpx.co.jp/english/corporate/investor-relations/>



## 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	
<b>Record Dates</b>	March 31 for Annual General Shareholders Meeting and for year-end dividend and September 30 for interim dividend	
<b>Number of Shares per Share Unit</b>	100 shares	
<b>Number of Shares</b>	Total number of shares authorized to be issued	4,170,000,000 shares
	Total number of shares issued	1,044,578,366 shares
<b>Number of Shareholders (as of March 31, 2025)</b>	138,554	

## 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:



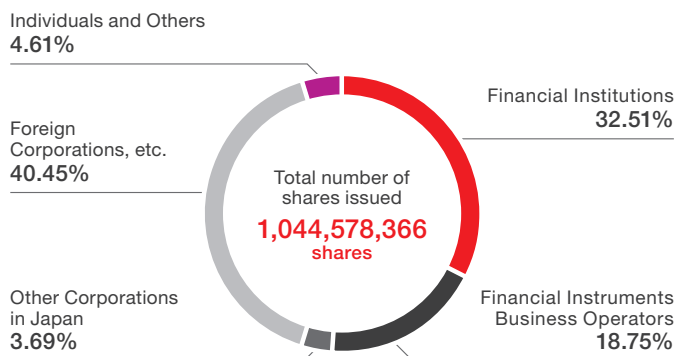
Net Zero Financial Service  
Providers Alliance (NZFSPA)





# JPX's Shareholders (as of March 31, 2025)

## Distribution of Shareholders



(Shareholding ratios are calculated excluding treasury shares (1,030 shares).)

## Major Shareholders

		No. of Shares Held	Shareholding Ratio (%)
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	199,333,500	19.08
2	Custody Bank of Japan, Ltd. (Trust Account)	67,057,900	6.42
3	SMBC Nikko Securities Inc.	24,521,954	2.35
4	State Street Bank and Trust Company 505001	23,363,846	2.24
5	J.P. Morgan Bank Luxembourg S.A. 384513	21,869,800	2.09
6	State Street Bank West Client – Treaty 505234	21,708,172	2.08
7	MUFG Bank, Ltd.	15,114,000	1.45
8	JP Morgan Chase Bank 385781	14,893,942	1.43
9	Tachibana Securities Co., Ltd.	13,777,900	1.32
10	BNYM AS AGT/CLTS Non Treaty JASDEC	12,979,552	1.24

## About the 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.





## JAPAN EXCHANGE GROUP

TOKYO STOCK EXCHANGE

OSAKA EXCHANGE

TOKYO COMMODITY EXCHANGE

JPX MARKET INNOVATION & RESEARCH

JAPAN EXCHANGE REGULATION

JAPAN SECURITIES CLEARING CORPORATION

## JAPAN EXCHANGE GROUP, INC.

2-1 Nihombashi-kabutocho, Chuo-ku, Tokyo 103-8224, Japan

Corporate Communications Tel: +81-33666-1361 (Operator)

