

(Reference Translation)

## **TSE Index Data Correction Policy**

As of April 4, 2022

JPX Market Innovation & Research, Inc.

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## 1. Introduction

JPX Market Innovation & Research, Inc. (hereinafter "JPXI") calculates and publishes its indices in accordance with the rules specified by the TSE Index Guidebook (hereinafter "methodologies") that is prepared and published by JPXI. TSE Index Data Correction Policy (hereinafter "Policy") specifies procedures in cases where JPXI calculates and publishes indices that are calculated based on the prices of stocks, REITs, or infrastructure funds, etc. listed on markets operated by Tokyo Stock Exchange, Inc. in manners inconsistent with the rules specified by the methodologies (hereinafter "error") and corrects such error.

However, in cases where any event that is not referred to in the Policy has occurred or JPXI deems it difficult to comply with the Policy, JPXI may handle the error in manners it deems appropriate.

## 2. Correction process

### (1) Public announcement method, etc.

If JPXI identifies and corrects the error, as a general rule, details of such correction will be notified to users of the Index Data Service (i.e., the JPXI reference data service) via such service.

However, if such correction entails correction of data published on the official website of Japan Exchange Group, Inc. (hereinafter "JPX official website"), details of such correction will be published on the JPX official website as well.

### (2) Correction method

In cases where JPXI identifies and corrects an error, it will, as a general rule, leave at least five business days between the day of notification of the correction (hereinafter "day of correction notification") and the day of reflecting the correction. Specifically, corrections will be made as follows in accordance with the details of the error.

If, before the error is reflected on the index, there are less than five business days between the day of correction notification and the day of adjustment specified in the index methodologies, the index will be calculated and published based on data before such correction, and then corrected as indicated below.

#### a. Correction of corporate action

If there are at least five business days between the day of correction notification and the last business day of the month of correction notification, index data will be corrected on such last business day of the month to which the day of correction notification belongs (hereinafter "current month"). If there are less than five business days between the day of

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correction notification and such last business day of the current month, index data will be corrected on the last business day of the following month.

However, if it is desirable that index data should be corrected early in such cases as a stock split and reverse stock split, such correction will be made as promptly as possible.

b. Correction of index constituent selection

JPXI will determine whether to make a correction by taking into comprehensive consideration matters such as the purpose of the index and the criteria for selecting index constituents specified by the index methodologies. If JPXI makes corrections to an index, it will, as a general rule, leave five business days between the day of correction notification and the day of correction.

c. Correction of FFW (Periodic Review)

An error related to the FFW (Free-Float Weight) of the relevant issue will be corrected at the time of the next periodic FFW review. JPXI will determine the FFW that will be adopted at the time of correction while taking into comprehensive consideration issues such as the impact on the market.

d. Correction of Estimated Dividend

An error related to estimated dividend will be corrected on the ex-dividend minor adjustment day (the day on which a minor adjustment will be made for the ex-dividend amount in relation to the difference between the estimated dividend used for the ex-dividend date and the dividend announced by the earnings report) together with such minor adjustment.

(3) Non-retroactive correction of index value

In consideration of the impact of the error, as a general rule, JPXI will not retroactively correct index value, except in cases deemed necessary by JPXI.

### 3. Disclaimer

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Stock Price Index (TOPIX) and other JPXI-calculated indices, changes to its calculation or publication method, the use of TOPIX and other JPXI-calculated indices or information included in this document, or other similar events.

#### **4. Contact**

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Revision History

Date of Publication	Details
May 1, 2019	– The first edition
April 4, 2022	– Made revisions in line with the business transfer to JPXI (applied on April 1, 2022 retroactively)