

Status of Disclosure on “Action to Implement Management that is Conscious of Cost of Capital and Stock Price”

(As of the end of December 2023)

Tokyo Stock Exchange, Inc. Listing Department

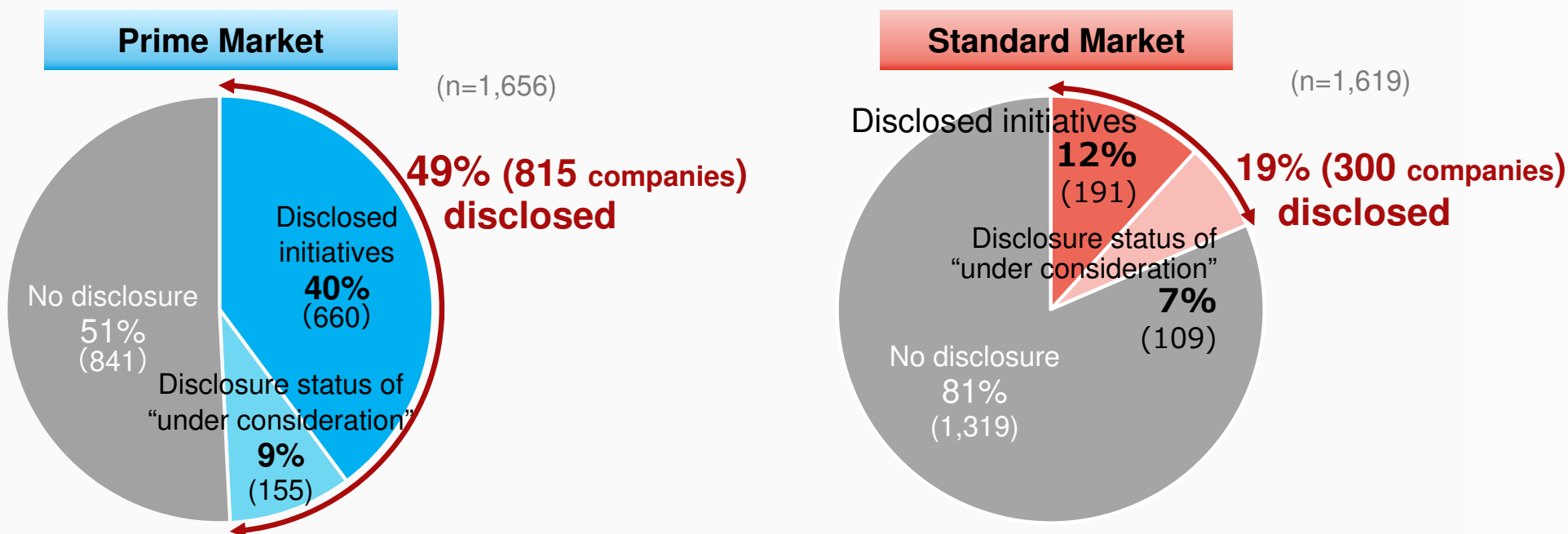
January 15, 2024



Status of Disclosure on “Action to Implement Management that is Conscious of Cost of Capital and Stock Price”

- ◆ As of **December 31, 2023**, **49% of Prime Market listed companies (815)** and **19% of Standard Market listed companies (300)** have disclosed information regarding “Action to Implement Management that is Conscious of Cost of Capital and Stock Price.” (Includes companies with a disclosure status of “under consideration”.)
 - Among Prime Market listed companies whose fiscal year ends in March, **59% of companies (673) have disclosed, nearly double from the 31% in July 2023.** (Includes companies with a disclosure status of “under consideration”.)

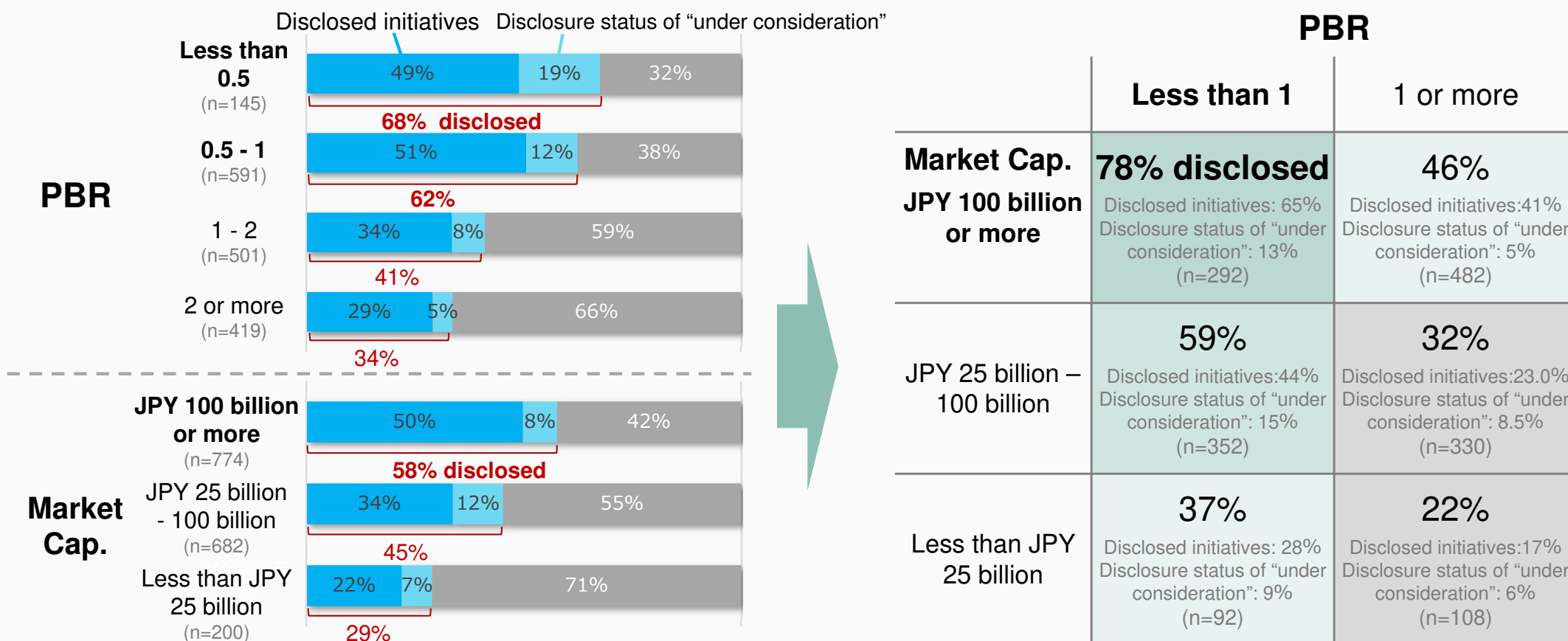
Note: Figures are based on the number of companies that have included the prescribed keywords in their most recently submitted corporate governance reports as of the end of December 2023.



- ⇒ There has been a certain amount of progress in the number of companies disclosing information, and TSE will continue to work on increasing the number of companies that consider and disclose information.
- ⇒ In addition, it is important that each company's initiatives are continuously improved based on the perspectives of shareholders and investors. Therefore, TSE will further promote the consideration and implementation of effective measures by listed companies by publishing key points* regarding company responses to investors' perspectives and examples* of initiatives that have been praised by investors.

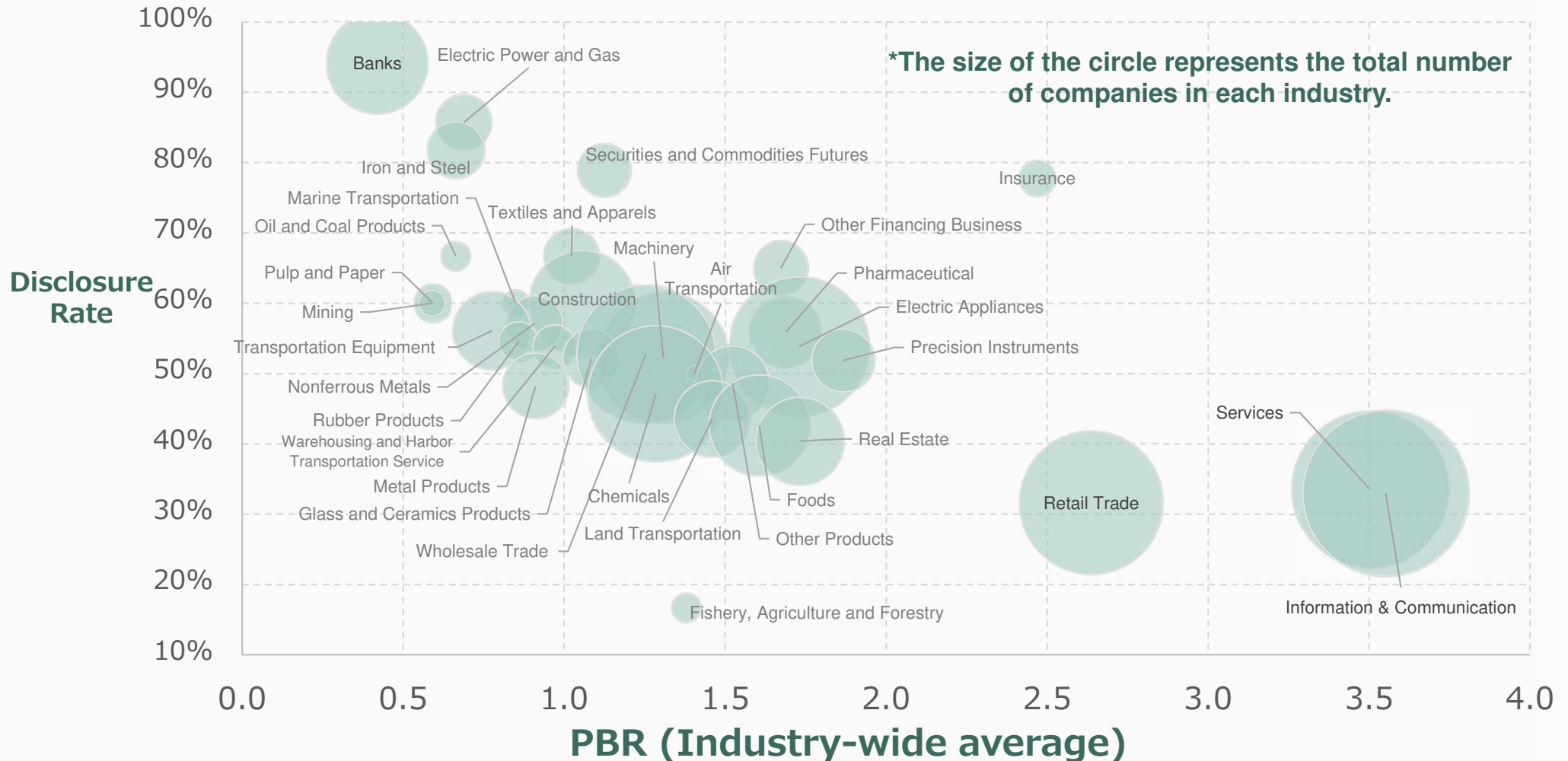
* Those documents will be published by late January or early February after discussion at the 14th Meeting of the Council of Experts Concerning the Follow-up of Market Restructuring, which is scheduled to be held on January 17 this year.

- ◆ As in the previous survey, **disclosure progress is further along among companies with low PBRs and large market capitalizations.**
 - **78% of Prime Market listed companies with PBRs below 1x and market capitalizations of JPY 100 billion or more have disclosed information.**
 - On the other hand, companies with high PBRs and small market capitalizations have made relatively little progress with disclosure, although some progress has been made since the previous survey.



Reference: Disclosure Status by Industry (Prime Market) (As of the End of December 2023)

- ◆ As in the previous survey, disclosure progress is further along in industries with lower average PBRs; in the banking industry, 94% of companies have disclosed. (Includes companies with a disclosure status of “under consideration”.)
- On the other hand, industries with higher average PBRs, such as Information & Communication, Services, and Retail Trade, have made relatively little progress in disclosure.



Note: Disclosure rate includes companies with disclosure statuses of “under consideration.”

◆ Of the companies that have already disclosed information regarding “Action to Implement Management that is Conscious of Cost of Capital and Stock Price,” **47% have disclosed the relevant information in English.**

Note: Figures are based on the number of companies that have included the prescribed keywords in their most recently submitted corporate governance reports as of the end of December 2023.

