



[TRANSLATION]

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Securities Code: 8697

May 26, 2022

Notice of the 21st Annual General Shareholders Meeting

Dear Shareholder,

We are pleased to inform you that the 21st Annual General Shareholders Meeting of Japan Exchange Group, Inc. (hereinafter the "Company") is scheduled to be held as described below.

If you are not attending in person, we encourage you to exercise your voting rights in writing, via the Internet, etc. Please review the items in the reference documents for the general shareholders meeting described in this Notice and indicate your approval or disapproval either by returning the enclosed form for exercise of voting rights or via electromagnetic means by accessing the website indicated in the form. Votes must be received by 4:45 p.m. (JST), Wednesday, June 15, 2022.

Sincerely yours,

Kiyota Akira

Director & Representative Executive Officer, Group CEO

Japan Exchange Group, Inc.

2-1, Nihombashi-Kabuto-cho,

Chuo-ku, Tokyo

Regarding exercise of voting rights

1. Exercise of voting rights in writing (postal mail)

Please indicate your approval or disapproval and return the enclosed form for exercise of voting rights by the deadline indicated above.

2. Exercise of voting rights by electromagnetic means (via the Internet)

Please access the website (<https://evote.tr.mufg.jp/>) designated by the Company and follow on-screen instructions to indicate your approval or disapproval by the deadline indicated above.

MEETING AGENDA

1.	Date and Time	10:00 a.m. (JST), Thursday, June 16, 2022 (Reception desk will open at 9:00 a.m.)
		Royal Hall 3rd Floor, Royal Park Hotel
2.	Venue	2-1-1 Nihombashi-Kakigara-cho, Chuo-ku, Tokyo * In order to place the seats sufficiently apart, the number of seats in the venue will continue to be considerably reduced this year. Please note that we may refuse entry into the venue if there are no vacant seats left.
3.	Objectives of Meeting	
	Matters to Be Reported	<p>1. The Business Report, the Consolidated Financial Statements, and the Reports on the audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit Committee for the 21st term (from April 1, 2021 to March 31, 2022)</p> <p>2. The Non-consolidated Financial Statements for the 21st term (from April 1, 2021 to March 31, 2022)</p>
	Matters to Be Resolved	<p>Proposal No. 1 Partial Amendments to the Articles of Incorporation</p> <p>Proposal No. 2 Election of Fourteen (14) Directors</p>

- In cases where a shareholder votes more than once by sending the form for exercise of voting rights via postal mail and via the Internet, etc., the vote cast via the Internet, etc. shall be considered the effective vote. In cases where a shareholder votes more than once via the Internet, etc., the final vote cast shall be considered the effective vote.
- When attending the general shareholders meeting in person, you are kindly requested to submit the enclosed form for exercise of voting rights at the reception desk. Please note that persons, such as proxies and accompanying persons, other than the shareholders who are eligible to vote will not be allowed entry to the meeting even if they bring the form for exercise of voting rights with them (however, an assisting person, guide dog, hearing dog, service dog, or other assistance animal will be allowed entry to assist a shareholder with physical disability).
- Of the documents that the Company is required to provide with this Notice, Status of Subscription Warrants (*shinkabu-yoyakuken*), etc., Matters Related to Development of Frameworks Designed to Ensure Appropriate Execution of Operations, Consolidated Statement of Changes in Equity, the "Notes Regarding Consolidated Financial Statements" part of the Consolidated Financial Statements, Non-consolidated Statement of Changes in Shareholders' Equity, and the "Notes Regarding Non-consolidated Financial Statements" part of the Non-consolidated Financial Statements have been posted on the Company's website and accordingly are not contained in the attached documents provided with this Notice. These matters are included in the scope of the respective audits by the Audit Committee or the Accounting Auditors when they created their audit reports.
- To ensure that information is furnished in a timely manner, the contents of this Notice were disclosed on the Company's website before this Notice was sent out.
- **If there are any changes to the holding of the general shareholders meeting due to the situation in the future, or if the need arises to amend the reference documents for the general shareholders meeting, Business Report, Non-consolidated Financial Statements, or Consolidated Financial Statements, the Company will make an announcement on its website.**
>> <https://www.jpx.co.jp/english/corporate/investor-relations/>

Partial Amendments to the Articles of Incorporation

1. Reasons for Proposed Amendments

Since the revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make changes to the provisions of Internet Disclosure and Deemed Provision of Reference Documents, etc. for the General Shareholders Meetings (Article 15 of the current Articles of Incorporation) in preparation for the introduction of the system for providing informational materials for the general shareholders meeting in electronic format. The Company will stipulate that it shall take measures for providing information that constitutes the content of reference documents for the general shareholders meeting, etc. in electronic format, and limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.

(Reference)

The system for providing informational materials in electronic format refers to a system that enables a company to post informational materials for a general shareholders meeting on its own website, etc., and to provide such informational materials to the shareholders by way of notifying the shareholders in writing of the URL, etc. of that website.

As the adoption of system for providing informational materials in electronic format will be mandatory for listed companies, the Company will apply this system at General Shareholders Meetings to be held in or after March 2023.

2. Details of Proposed Amendments

The details of the proposed amendments are as follows.

(Underlines denote amended parts.)

Current Provisions	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents, etc. for the General Shareholders Meetings)</u></p> <p><u>Article 15</u></p> <p><u>When the Company gives notice that a general shareholders meeting will be held, if the Company discloses information that is to be indicated in reference documents of the general shareholders meeting, business reports, accounting documents and/or consolidated accounting documents through the Internet in accordance with the provisions prescribed by the ordinance of the Ministry of Justice, it may be deemed that the Company has provided this information to shareholders.</u></p> <p>(New provision)</p>	<p><u>(Measures for Providing Information in Electronic Format, etc.)</u></p> <p><u>Article 15</u></p> <p>1. <u>When the Company convenes a general shareholders meeting, it shall take measures for providing information that constitutes the content of reference documents for the general shareholders meeting, etc. in electronic format.</u></p> <p>2. <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p>Supplementary Provisions</p> <p>1. <u>These amendments shall be implemented on September 1, 2022.</u></p>

Current Provisions	Proposed Amendments
	<u>2. Notwithstanding the provisions of the preceding paragraph, the convocation procedure for the general shareholders meeting held on a date within six months from the date of enforcement shall remain effective.</u>

Proposal No. 2 Election of Fourteen (14) Directors

The terms of office of all fourteen (14) Directors will expire upon the conclusion of this annual general shareholders meeting. Accordingly, based on the decision of the Nomination Committee, fourteen (14) Directors have been put forth for election. The candidates for Directors are as follows. Please refer to pages 9 to 22 for the brief biographies of the candidates for Directors.

Details on the Company's corporate governance system can also be found on pages 53 to 55, and the policies and procedures, etc. for nominating the candidates for Directors on pages 7 to 8.

Candidate No.	Name	Position and Responsibilities at the Company	Areas of Expertise (two at maximum)							
			Corporate Management	Finance	Financial Audit	Legal Affairs, Risk Management	Researcher Government Agencies	Technology		
										
Directors										
1	Tsuda Hiroki	Director Chairperson of the Board of Directors	Re-election Independent Director Candidate for Outside Director		●				●	
2	Kiyota Akira	Director and Representative Executive Officer, Group CEO Member of the Nomination Committee Member of the Compensation Committee Member of the Risk Policy Committee	Re-election	●	●					
3	Yamaji Hiromi	Director and Representative Executive Officer, Group COO Member of the Compensation Committee	Re-election	●	●					
4	Iwanaga Moriyuki	Director and Executive Officer	Re-election	●	●					
5	Shizuka Masaki	Director and Executive Officer	Re-election	●	●					
6	Endo Nobuhiro	Director Member of the Nomination Committee	Re-election Independent Director Candidate for Outside Director	●						●
7	Ota Hiroko	-	New Independent Director Candidate for Outside Director		●				●	
8	Ogita Hitoshi	Director Chairperson of the Nomination Committee Chairperson of the Independent Directors Committee	Re-election Independent Director Candidate for Outside Director	●						

Candidate No.	Name	Position and Responsibilities at the Company		Areas of Expertise (two at maximum)					
				Corporate Management	Finance	Financial Audit	Legal Affairs, Risk Management	Researcher Government Agencies	Technology
									
9	Kohda Main	Director Member of the Audit Committee Member of the Risk Policy Committee	Re-election Independent Director Candidate for Outside Director		●			●	
10	Kobayashi Eizo	Director Member of the Nomination Committee Chairperson of the Compensation Committee	Re-election Independent Director Candidate for Outside Director	●					
11	Suzuki Yasushi	-	New		●				
12	Takeno Yasuzo	Director Member of the Audit Committee Member of the Risk Policy Committee	Re-election Independent Director Candidate for Outside Director				●		
13	Mori Kimitaka	Director Member of the Compensation Committee Chairperson of the Audit Committee	Re-election Independent Director Candidate for Outside Director			●			
14	Yoneda Tsuyoshi	Director Member of the Nomination Committee Chairperson of the Risk Policy Committee	Re-election Independent Director Candidate for Outside Director				●	●	

• Policies and procedures for nominating the candidates for Directors

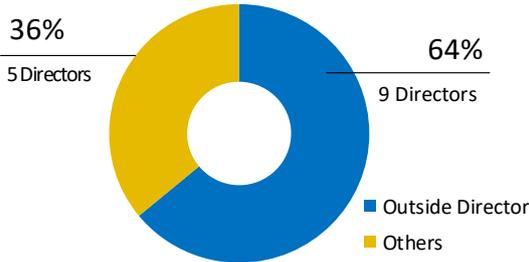
The Company is a Company with Three Committees (Nomination, Audit and Compensation). It has set up a statutory Nomination Committee for the purpose of ensuring transparency, timeliness, and objectivity concerning appointment and removal of Directors and Executive Officers. The Nomination Committee is composed of a majority of Independent Directors. Proposals for appointment and removal of Directors are thoroughly deliberated by the Nomination Committee and put forth for approval at general shareholders meetings. For nominating candidates for Directors, the Nomination Committee sets the following three qualities that compose the basic policies for selection:

- (1) Possession of professional knowledge of the Company's business, abundant experience as a corporate manager, or expertise in law, accounting, or finance,
- (2) Possession of the character and insight to make fair judgment on the Company's business as a Director, and
- (3) Absence of any health issues that could hinder performance of duties as a Director.

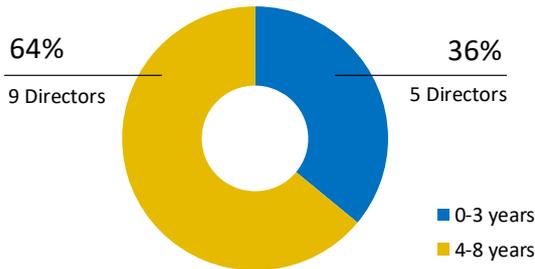
In addition, the Nomination Committee is composed of a majority of Independent Directors to raise the transparency of management and increase accountability, as well as strengthen its function to supervise the appropriateness of business execution. The Independent Directors in the committee are from a wide variety of fields. Each Director attends Board of Directors meetings, etc. to contribute expert knowledge and experience and participate in discussions. Based on this structure, the Company aims to realize the corporate philosophy.

Please refer to pages 25 to 26 for details on the independence standards and qualification for the Company's Independent Directors.

• If this proposal is approved, the ratio of Outside Directors on the Board of Directors will be as shown below.



• If this proposal is approved, each Director's tenure will be as shown below.



- In the event that this proposal is approved, the composition of each committee and the number of concurrent positions at other listed companies will be as shown below.

Name	Committee (Proposed)					No. of concurrent positions at other listed companies	
	Nomination	Compensation	Audit	Independent Directors	Risk Policy	Executive Officer	Director/Auditor
Tsuda Hiroki						0	0
Kiyota Akira	●	●			●	0	0
Yamaji Hiromi		●				0	0
Iwanaga Moriyuki						0	0
Shizuka Masaki						0	0
Endo Nobuhiro	●			●		0	3
Ota Hiroko		●	●	●		0	1
Ogita Hitoshi	◎			◎		0	0
Kohda Main			●	●	●	0	2
Kobayashi Eizo	●	◎		●		0	1
Suzuki Yasushi			●			0	0
Takeno Yasuzo			●	●	●	0	0
Mori Kimitaka		●	◎	●		0	2
Yoneda Tsuyoshi	●			●	◎	0	1

(Note) ◎ indicates a chairperson. Please refer to pages 53 to 55 for an outline of each committee. In addition, the number of concurrent positions at other listed companies reflects appointments and retirements from office that are expected to occur after the date of issuance of this Notice.

Candidate No. 1	Tsuda Hiroki	Date of birth Aug. 11, 1948	 
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FY2021
Meeting Attendance
Board of Directors
12/12 (100%)

Tenure as Outside Director	No. of Company shares held	No. of concurrent positions at other listed companies
7 years	3,000 shares	0

Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

Apr. 1972 Joined Ministry of Finance
 Aug. 2002 Director-General, Tokyo Customs
 Jan. 2003 Deputy Vice Minister for Policy Planning and Co-ordination
 Jul. 2004 Deputy Vice Minister
 Jul. 2006 Director-General of the Budget Bureau
 Jul. 2007 Administrative Vice Minister of Finance
 Jul. 2008 Retired
 Sep. 2008 Professor, Graduate School of Public Management, Waseda University
 Jun. 2015 Outside Director of the Company (current position)
 Chairperson of the Board of Directors of the Company (current position)

(Area(s) of Responsibility)

Chairperson of the Board of Directors

Re-election
Independent Director
Candidate for Outside Director

Reason for Nomination as Outside Director and Overview of Roles Expected to Be Performed

Mr. Tsuda Hiroki has been put forth as a candidate for Outside Director as he is expected to perform his role in a way in which his capacity to identify with the Company's corporate philosophy and social mission, as well as his abundant experience and insight in financial policy, are reflected in the management of the Company. Although Mr. Tsuda was not previously involved in corporate management other than in the capacity of Outside Director or Outside Corporate Auditor, based on the above reasons, it was determined that he will be able to appropriately conduct the duties of Outside Director.

Candidate No. 2	Kiyota Akira	Date of birth May 6, 1945	 
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FY2021
Meeting Attendance
Board of Directors
12/12 (100%)
Nomination Committee
7/7 (100%)
Compensation
Committee
4/4 (100%)

Re-election

Tenure as Director 9 years	No. of Company shares held 126,726 shares	No. of concurrent positions at other listed companies 0
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Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

Apr. 1969	Joined Daiwa Securities Co. Ltd. (currently Daiwa Securities Group Inc.)
Jun. 1994	Director, Head of Tobu Area Sales Division
May 1996	Director, Head of Bond & Finance Division
Jun. 1997	Managing Director, Head of Bond & Finance Division
Oct. 1997	Deputy President
Apr. 1999	President, Daiwa Securities SB Capital Markets Co. Ltd. (currently Daiwa Securities Co. Ltd.)
Jun. 2004	Deputy Chairman of the Board and Corporate Executive Officer, Daiwa Securities Group Inc. Chairman of the Institute, Daiwa Institute of Research Ltd.
Jun. 2008	Chairman of the Board and Corporate Executive Officer, Daiwa Securities Group Inc.
Apr. 2011	Director and Honorary Chairman
Jun. 2011	Honorary Chairman
Jun. 2013	Director of the Company (current position) President & CEO, Tokyo Stock Exchange, Inc.
Jun. 2015	Representative Executive Officer, Group CEO of the Company (current position) Director, Tokyo Stock Exchange, Inc.
Dec. 2020	President & CEO, Tokyo Stock Exchange, Inc.
Apr. 2021	Director (current position)

(Area(s) of Responsibility)

Group CEO
Member of the Nomination Committee
Member of the Compensation Committee
Member of the Risk Policy Committee

(Significant Concurrent Position(s))

Director, Tokyo Stock Exchange, Inc.

Reason for Nomination as Director

Mr. Kiyota Akira was appointed as a Director in June 2013 as his abundant experience and insight in securities markets acquired through working at a securities company could be reflected in the management of the Company. Afterwards, he has been managing the Company as Director & Representative Executive Officer, Group CEO since June 2015 as the best person for CEO and due to, among others, his experience and track record of leading the cash equity market for two years, which covered the promotion of the implementation of Japan's Corporate Governance Code. Based on his experience with JPX Group, he is deemed appropriate as a Member of the Board of Directors and has, therefore, been put forth as a candidate for Director.

Candidate No. 3	Yamaji Hiromi	Date of birth Mar. 8, 1955	 
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FY2021
Meeting Attendance

Board of Directors
12/12 (100%)

Compensation
Committee
2/2 (100%)

Re-election

Tenure as Director
9 years

No. of Company shares held
34,649 shares

No. of concurrent positions at other listed companies
0

Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

- Apr. 1977 Joined The Nomura Securities Co., Ltd. (currently Nomura Holdings, Inc.)
- Jun. 1997 General Manager, Personnel Department
- Jun. 1998 Member of the Board in charge of Investment Banking Products Division
- Jun. 2000 Managing Director, Head of Global Investment Banking Division
- Apr. 2002 President & CEO, Nomura Europe Holdings plc (London) and Chairman, Nomura Holding America Inc. (New York)
- Apr. 2007 Executive Vice President, Global Investment Banking, in charge of Corporate Finance Division, Nomura Securities Co., Ltd.
- Jun. 2013 Director of the Company (current position)
- President & CEO, Osaka Securities Exchange Co., Ltd. (currently Osaka Exchange, Inc.)
- Nov. 2015 Executive Officer of the Company
- Oct. 2019 Representative Executive Officer, Tokyo Commodity Exchange, Inc.
- Dec. 2019 Representative Director & Chair, Chairperson of the Board
- Jun. 2020 Representative Executive Officer & Group Co-COO of the Company
- Dec. 2020 Representative Executive Officer, Group COO (current position)
- Apr. 2021 President & CEO, Tokyo Stock Exchange, Inc. (current position)

(Area(s) of Responsibility)

Group COO
Member of the Compensation Committee

(Significant Concurrent Position(s))

President & CEO, Tokyo Stock Exchange, Inc.

Reason for Nomination as Director

Mr. Yamaji Hiromi was appointed as a Director in June 2013 as his abundant experience and insight acquired through working at a securities company could be reflected in the management of the Company. Afterwards, he managed and oversaw the overall business and operations of Osaka Exchange, Inc., a core subsidiary of JPX Group managing derivatives markets, as its President & CEO and as Representative Director & Chair, Chairperson of the Board, Tokyo Commodity Exchange, Inc. In addition, since April 2021, he has been managing and overseeing the business and operations of Tokyo Stock Exchange, Inc. as President & CEO. Based on his experience with JPX Group, he is deemed appropriate as a Member of the Board of Directors and has, therefore, been put forth as a candidate for Director.

Candidate No. 4	Iwanaga Moriyuki	Date of birth Nov. 8, 1961	 
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FY2021
Meeting Attendance
Board of Directors
10/10 (100%)

Re-election

Tenure as Director 1 year	No. of Company shares held 37,556 shares	No. of concurrent positions at other listed companies 0
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Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

- Apr. 1984 Joined Tokyo Stock Exchange
- Jun. 2007 Director, Corporate Strategy Department, Tokyo Stock Exchange, Inc.
- Aug. 2007 Director, Corporate Strategy Department, Tokyo Stock Exchange Group, Inc.
- Jun. 2008 Executive Officer & Director, Corporate Strategy Department
- Jun. 2009 Executive Officer & Director, Corporate Marketing Management Department, Tokyo Stock Exchange, Inc.
- Director, Japan Securities Clearing Corporation
- Jun. 2012 Executive Officer, Tokyo Stock Exchange Group, Inc.
- Jan. 2013 Executive Officer of the Company
- Jun. 2013 Senior Executive Officer
Senior Executive Officer, Tokyo Stock Exchange, Inc.
- Apr. 2017 Director and Senior Executive Officer, Tokyo Stock Exchange, Inc.
- Apr. 2018 Director and Executive Vice President
- Apr. 2019 Executive Vice President, Japan Securities Clearing Corporation
- Jun. 2019 Director
- Apr. 2020 Senior Executive Vice President
- Apr. 2021 Executive Officer of the Company (current position)
President & CEO, Osaka Exchange, Inc. (current position)
Representative Director & Chair, Chairperson of the Board, Tokyo Commodity Exchange, Inc. (current position)
- Jun. 2021 Director of the Company (current position)

(Significant Concurrent Position(s))

President & CEO, Osaka Exchange, Inc., Representative Director & Chair, Chairperson of the Board, Tokyo Commodity Exchange, Inc.

Reason for Nomination as Director

Mr. Iwanaga Moriyuki has served as CFO (Chief Financial Officer) of the Company and as the officer in charge of equities at Tokyo Stock Exchange Inc., making him extremely knowledgeable about the management and the practical operations of markets. As Senior Executive Vice President of Japan Securities Clearing Corporation, he achieved the integration of clearing organizations among other operations toward the creation of a comprehensive exchange. In addition, since April 2021, he has been overseeing the overall corporate management of Osaka Exchange, Inc. and Tokyo Commodity Exchange Inc., core subsidiaries of JPX Group managing derivatives markets, respectively as President & CEO and Representative Director & Chair, Chairperson of the Board. Based on his experience with JPX Group, he is deemed appropriate as a Member of the Board of Directors and has, therefore, been put forth as a candidate for Director.

Candidate No. 5	Shizuka Masaki	Date of birth Jul. 13, 1959	 
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FY2021
Meeting Attendance
Board of Directors
11/12 (92%)

Re-election

Tenure as Director
2 years

No. of Company shares held
35,724 shares

No. of concurrent positions at other listed companies
0

Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

- Apr. 1982 Joined Tokyo Stock Exchange
- Jun. 2004 Director, Treasury Department, Tokyo Stock Exchange, Inc.
- Jun. 2005 Director, Corporate Strategy Department
- Jun. 2007 Executive Officer
- Aug. 2007 Executive Officer, Tokyo Stock Exchange Group, Inc.
- Jun. 2008 Executive Officer, Tokyo Stock Exchange, Inc.
- Jun. 2011 Senior Executive Officer
- Jun. 2013 Managing Director
- Jun. 2014 Director and Senior Executive Officer
- Apr. 2016 Director and Executive Vice President
- Apr. 2017 Senior Executive Vice President, Japan Securities Clearing Corporation
- Jun. 2017 Director and Senior Executive Vice President
- Apr. 2020 Executive Officer of the Company (current position)
President & CEO, Japan Securities Clearing Corporation (current position)
- Jun. 2020 Director of the Company (current position)

(Significant Concurrent Position(s))

President & CEO, Japan Securities Clearing Corporation

Reason for Nomination as Director

Mr. Shizuka Masaki worked to reform the listing system, including Japan's Corporate Governance Code, after being appointed as an Executive Officer of Tokyo Stock Exchange, Inc. in June 2007. From April 2017, he held the position of Senior Executive Vice President of Japan Securities Clearing Corporation (JSCC), a core subsidiary of JPX Group engaging in clearing of listed products, etc., where he supported the management and oversight of the overall business and operations. In addition, since April 2020, he has been overseeing the management of JSCC as President & CEO. Based on his experience with JPX Group, he is deemed appropriate as a Member of the Board of Directors and has, therefore, been put forth as a candidate for Director.

Candidate No. 6	Endo Nobuhiro	Date of birth Nov. 8, 1953	 
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FY2021
Meeting Attendance
Board of Directors
12/12 (100%)
Nomination Committee
7/7 (100%)

Re-election
Independent Director
Candidate for Outside Director

Tenure as Outside Director	No. of Company shares held	No. of concurrent positions at other listed companies
4 years	5,500 shares	3

Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

Apr. 1981	Joined NEC Corporation
Apr. 2006	Associate Senior Vice President, Executive General Manager of Mobile Network Operations Unit
Apr. 2009	Executive Vice President
Jun. 2009	Executive Vice President and Member of the Board
Apr. 2010	President (Representative Director)
Apr. 2016	Chairman of the Board (Representative Director)
Jun. 2018	Outside Director of the Company (current position)
Jun. 2019	Member, Board of Directors (Outside), Sumitomo Dainippon Pharma Co., Ltd. (currently Sumitomo Pharma Co., Ltd.) (current position)
	Chairman of the Board, NEC Corporation (non-executive) (current position)
	Outside Director, Tokio Marine Holdings, Inc. (current position)
Jun. 2022	Executive Advisor, NEC Corporation (non-executive) (scheduled to resign as Chairman of the Board on June 22, 2022)
	Outside Director, Nisshin Seifun Group Inc. (expected to assume position on June 28, 2022)

(Area(s) of Responsibility)

Member of the Nomination Committee

(Significant Concurrent Position(s))

Executive Advisor, NEC Corporation (non-executive) (expected to assume position on June 22, 2022)
Member, Board of Directors (Outside), Sumitomo Pharma Co., Ltd.
Outside Director, Tokio Marine Holdings, Inc.
Outside Director, Nisshin Seifun Group Inc. (expected to assume position on June 28, 2022)

Reason for Nomination as Outside Director and Overview of Roles Expected to Be Performed

Mr. Endo Nobuhiro has been put forth as a candidate for Outside Director as he is expected to perform his role in a way in which his capacity to identify with the Company's corporate philosophy and social mission, as well as his abundant experience and insight in corporate management and system networks, are reflected in the management of the Company.

Candidate No. 7	Ota Hiroko	Date of birth Feb. 2, 1954	 
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Tenure as Outside Director	No. of Company shares held	No. of concurrent positions at other listed companies
-	0 shares	1

New
Independent Director
Candidate for Outside Director

Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

- May 1981 Research Fellow, Japan Institute of Life Insurance
- Apr. 1993 Visiting Associate Professor, Faculty of Economics, Osaka University
- Apr. 1996 Associate Professor, Saitama University
- Oct. 1997 Associate Professor, National Graduate Institute for Policy Studies
- Apr. 2001 Professor, National Graduate Institute for Policy Studies
- Apr. 2002 Director for Policy Analysis, Cabinet Office
- Mar. 2003 Deputy Director General for Economic Research, Cabinet Office
- Apr. 2004 Director General for Economic Research, Cabinet Office
- Aug. 2005 Professor, National Graduate Institute for Policy Studies
- Sep. 2006 Minister of State for Economic and Fiscal Policy
- Aug. 2008 Professor, National Graduate Institute for Policy Studies
- Jun. 2012 Outside Director, JX Holdings, Inc. (now ENEOS Holdings, Inc.) (current position)
- Jun. 2013 Outside Director, Panasonic Corporation (now Panasonic Holdings Corporation) (scheduled to resign on June 23, 2022)
- Apr. 2019 Senior Professor, National Graduate Institute for Policy Studies (current position)

(Significant Concurrent Position(s))

- Senior Professor, National Graduate Institute for Policy Studies
- Outside Director, ENEOS Holdings, Inc.
- Outside Director, Panasonic Holdings Corporation (scheduled to resign on June 23, 2022)

Reason for Nomination as Outside Director and Overview of Roles Expected to Be Performed

Ms. Ota Hiroko has been put forth as a candidate for Outside Director as she is expected to perform her role in a way in which her capacity to identify with the Company's corporate philosophy and social mission, as well as her abundant experience in government institutions and insight in economy and finance, are reflected in the management of the Company. Although Ms. Ota was not previously involved in corporate management other than in the capacity of Outside Director or Outside Corporate Auditor, based on the above reasons, it was determined that she will be able to appropriately conduct the duties of Outside Director.

Candidate No. 8	Ogita Hitoshi	Date of birth Jan. 1, 1942	
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FY2021
Meeting Attendance
Board of Directors
12/12 (100%)
Nomination Committee
7/7 (100%)

Re-election
Independent Director
Candidate for Outside Director

Tenure as Outside Director	No. of Company shares held	No. of concurrent positions at other listed companies
6 years	6,000 shares	0

Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

Apr. 1965 Joined Asahi Breweries, Ltd. (currently Asahi Group Holdings, Ltd.)
Mar. 1997 Director, General Manager of Fukuoka Branch
Mar. 2000 Managing Corporate Officer, Senior General Manager of Kyushu Regional Headquarters
Mar. 2002 Senior Managing Corporate Officer, Senior General Manager of Kanshin-etsu Regional Headquarters
Sep. 2002 Corporate Officer, Vice President, Asahi Soft Drinks Co., Ltd.
Mar. 2003 President and Representative Director
Mar. 2006 President and Representative Director, Asahi Breweries, Ltd.
Mar. 2010 Chairman of the Board and Representative Director
Mar. 2014 Senior Adviser, Asahi Group Holdings, Ltd.
Jun. 2016 Outside Director of the Company (current position)

(Area(s) of Responsibility)

Chairperson of the Nomination Committee
Chairperson of the Independent Directors Committee

Reason for Nomination as Outside Director and Overview of Roles Expected to Be Performed

Mr. Ogita Hitoshi has been put forth as a candidate for Outside Director as he is expected to perform his role in a way in which his capacity to identify with the Company's corporate philosophy and social mission, as well as his abundant experience and insight in corporate management, are reflected in the management of the Company.

Candidate No. 9	Kohda Main	Date of birth Apr. 25, 1951	 
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FY2021
Meeting Attendance
Board of Directors
12/12 (100%)
Audit Committee
11/11 (100%)

Re-election
Independent Director
Candidate for Outside Director

Tenure as Outside Director	No. of Company shares held	No. of concurrent positions at other listed companies
6 years	4,200 shares	2

Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

Sep. 1995 Started independently as Novelist, to the present
Jan. 2003 Member of Fiscal System Council, Ministry of Finance Japan
Apr. 2004 Visiting professor, Faculty of Economics, Shiga University
Mar. 2005 Member of the Council for Transport Policy, Ministry of Land, Infrastructure, Transport and Tourism
Nov. 2006 Member of the Tax Commission, Cabinet Office, Government of Japan
Jun. 2010 Member of the Board of Governors, Japan Broadcasting Corporation
Jun. 2012 Outside Director, Japan Tobacco Inc. (current position)
Jun. 2016 Outside Director of the Company (current position)
Jun. 2018 Outside Director, MITSUBISHI MOTORS CORPORATION (current position)

(Area(s) of Responsibility)

Member of the Audit Committee
Member of the Risk Policy Committee

(Significant Concurrent Position(s))

Novelist
Outside Director, Japan Tobacco Inc.
Outside Director, MITSUBISHI MOTORS CORPORATION

Reason for Nomination as Outside Director and Overview of Roles Expected to Be Performed

Ms. Kohda Main has been put forth as a candidate for Outside Director as she is expected to perform her role in a way in which her capacity to identify with the Company's corporate philosophy and social mission, as well as her creativity and perception as a novelist, her insight in finance, and her experience in serving as a university professor and a member of government advisory councils, are reflected in the management of the Company.

Candidate No. 10	Kobayashi Eizo	Date of birth Jan. 7, 1949	
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FY2021
Meeting Attendance
Board of Directors
12/12 (100%)
Nomination Committee
7/7 (100%)
Compensation
Committee
4/4 (100%)

Re-election
Independent Director
Candidate for Outside Director

Tenure as Outside Director	No. of Company shares held	No. of concurrent positions at other listed companies
6 years	8,000 shares	1

Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

Apr. 1972 Joined C. Itoh & Co. Ltd. (currently ITOCHU Corporation)
Jun. 2000 Executive Officer
Apr. 2002 Managing Executive Officer
Jun. 2003 Representative Director, Managing Director
Apr. 2004 Representative Director, Senior Managing Director
Jun. 2004 President & Chief Executive Officer
Apr. 2010 Representative Director, Chairman
Jun. 2011 Director, Chairman
Jun. 2013 Outside Director, OMRON Corporation (scheduled to resign on June 23, 2022)
Jun. 2015 External Director, Japan Airlines Co., Ltd. (current position)
Jun. 2016 Outside Director of the Company (current position)
Chairman, ITOCHU Corporation
Apr. 2018 Senior Representative for Business Community Relations
Apr. 2020 Director Emeritus (non-executive) (current position)

(Area(s) of Responsibility)

Member of the Nomination Committee
Chairperson of the Compensation Committee

(Significant Concurrent Position(s))

Director Emeritus (non-executive), ITOCHU Corporation
Outside Director, OMRON Corporation (scheduled to resign on June 23, 2022)
External Director, Japan Airlines Co., Ltd.
Outside Director, Nippon Venture Capital Co., Ltd.
Chairman, National Federation of Corporate Taxpayers Associations
Administrative Director, The Public Interest Incorporated Foundation Tohoren Mutual Benefit Association for Specific Retirement Allowance
Chairperson, Japan Overseas Educational Services

Reason for Nomination as Outside Director and Overview of Roles Expected to Be Performed

Mr. Kobayashi Eizo has been put forth as a candidate for Outside Director as he is expected to perform his role in a way in which his capacity to identify with the Company's corporate philosophy and social mission, as well as his abundant experience and insight in corporate management, are reflected in the management of the Company.

Candidate No. 11	Suzuki Yasushi	Date of birth Sept. 20, 1962	
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New

Tenure as Director	No. of Company shares held	No. of concurrent positions at other listed companies
–	21,486 shares	0

Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

Apr. 1985	Joined Tokyo Stock Exchange
Jun. 2008	Director, Listing Examination Department, Tokyo Stock Exchange Regulation (currently Japan Exchange Regulation)
Oct. 2010	Director, Corporate Strategy Department, Tokyo Stock Exchange Group, Inc.
Jun. 2011	Director, Japan Securities Clearing Corporation
Jun. 2015	Standing Governor, Japan Exchange Regulation
Apr. 2017	Managing Governor
Apr. 2020	Director and Senior Executive Officer, Japan Securities Clearing Corporation

Reason for Nomination as Director

Mr. Suzuki Yasushi joined Tokyo Stock Exchange in 1985. He subsequently engaged mainly in operations in relation to corporate strategy, clearing and settlement, and self-regulatory operations. From June 2011, he held the position as Director of Japan Securities Clearing Corporation (JSCC), a core subsidiary of JPX Group engaging in clearing of listed products, etc., where he contributed to that company's business expansion. In addition, from June 2015, he performed his examinational duties appropriately as the officer in charge of listing examination of Japan Exchange Regulation. He has been put forth as a candidate for Director as his abundant knowledge and experience regarding the exchange business in general can be expected to benefit the monitoring and supervision of the execution of business at the Company.

Candidate No. 12	Takeno Yasuzo	Date of birth Jun. 9, 1959	
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FY2021
Meeting Attendance
Board of Directors
10/10 (100%)
Audit Committee
9/9 (100%)

New
Independent Director
Candidate for Outside Director

Tenure as Outside Director	No. of Company shares held	No. of concurrent positions at other listed companies
1 year	800 shares	0

Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

Apr. 1987 Registered as attorney-at-law in Japan
Joined Hamada & Matsumoto (currently Mori Hamada & Matsumoto)

Mar. 1989 London Office

Jan. 1998 Partner

Dec. 2002 Partner, Mori Hamada & Matsumoto (current position)

Jan. 2007 Member of the Management Committee

Jun. 2021 Outside Director of the Company (current position)

(Area(s) of Responsibility)

Member of the Audit Committee
Member of the Risk Policy Committee

(Significant Concurrent Position(s))

Attorney-at-Law
Partner, Mori Hamada & Matsumoto

Reason for Nomination as Outside Director and Overview of Roles Expected to Be Performed

Mr. Takeno Yasuzo has been put forth as a candidate for Outside Director as he is expected to perform his role in a way in which his capacity to identify with the Company's corporate philosophy and social mission, as well as his insight in corporate legal affairs from a technical perspective as a legal professional are reflected in the management of the Company. Although Mr. Takeno Yasuzo has never been involved in corporate management other than in the capacity of Outside Director, based on the above reasons, it was determined that he will be able to appropriately conduct the duties of Outside Director.

Candidate No. 13	Mori Kimitaka	Date of birth Jun. 30, 1957	
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FY2021
Meeting Attendance
Board of Directors
12/12 (100%)
Compensation
Committee
4/4 (100%)
Audit Committee
11/11 (100%)

Re-election
Independent Director
Candidate for Outside Director

Tenure as Outside Director 5 years and 11 months	No. of Company shares held 6,000 shares	No. of concurrent positions at other listed companies 2
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Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

Apr. 1980 Joined Shinwa Accountants (currently KPMG AZSA LLC)
Jun. 2000 Representative Partner, Asahi & Co. (currently KPMG AZSA LLC)
Jun. 2004 Director of financial services, KPMG AZSA & Co. (currently KPMG AZSA LLC)
Jun. 2006 Board Member, KPMG AZSA & Co.
Jul. 2011 Chairman, KPMG FS Japan
Jun. 2013 Retired from KPMG AZSA LLC
Jul. 2013 Established Mori Certified Public Accountant Office
Chairman and President, The Japanese Institute of Certified Public Accountants
Jul. 2016 Advisor, The Japanese Institute of Certified Public Accountants (current position)
Outside Director of the Company (current position)
Jun. 2017 Outside Corporate Auditor, MITSUI & CO., LTD. (current position)
Outside Corporate Auditor, East Japan Railway Company (current position)
Jul. 2017 Outside Director, SUMITOMO LIFE INSURANCE COMPANY (current position)

(Area(s) of Responsibility)

Member of the Compensation Committee
Chairperson of the Audit Committee

(Significant Concurrent Position(s))

Certified Public Accountant
Advisor, The Japanese Institute of Certified Public Accountants
Outside Corporate Auditor, MITSUI & CO., LTD.
Outside Corporate Auditor, East Japan Railway Company
Outside Director, SUMITOMO LIFE INSURANCE COMPANY

Reason for Nomination as Outside Director and Overview of Roles Expected to Be Performed

Mr. Mori Kimitaka has been put forth as a candidate for Outside Director as he is expected to perform his role in a way in which his capacity to identify with the Company's corporate philosophy and social mission, as well as his insight in corporate accounting in his capacity as an accounting professional, are reflected in the management of the Company. Although Mr. Mori was not previously involved in corporate management other than in the capacity of Outside Director or Outside Corporate Auditor, based on the above reasons, it was determined that he will be able to appropriately conduct the duties of Outside Director.

Candidate No. 14	Yoneda Tsuyoshi	Date of birth Apr. 7, 1952	 
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FY2021
Meeting Attendance
Board of Directors
12/12 (100%)
Nomination Committee
6/6 (100%)
Audit Committee
2/2 (100%)

Re-election
Independent Director
Candidate for Outside Director

Tenure as Outside Director 7 years	No. of Company shares held 7,000 shares	No. of concurrent positions at other listed companies 1
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Brief Biography, Position, Area(s) of Responsibility, and Significant Concurrent Position(s)

Apr. 1976 Joined National Police Agency
 Sep. 2001 General Manager, Criminal Affairs Department, Metropolitan Police Department
 Aug. 2003 General Manager, Kyoto Prefectural Police Headquarters
 Sep. 2007 Commissioner, Criminal Affairs Bureau
 Jun. 2009 Commissioner-General's Secretariat
 Oct. 2011 Deputy Director-General
 Jan. 2013 Commissioner General
 Jan. 2015 Retired
 Jun. 2015 Outside Director of the Company (current position)
 Jun. 2017 External Audit & Supervisory Board Member, Marubeni Corporation (current position)
 Oct. 2020 Chief Director, Council for Public Policy (current position)

(Area(s) of Responsibility)

Member of the Nomination Committee
 Chairperson of the Risk Policy Committee

(Significant Concurrent Position(s))

External Audit & Supervisory Board Member, Marubeni Corporation
 Chief Director, Council for Public Policy

Reason for Nomination as Outside Director and Overview of Roles Expected to Be Performed

Mr. Yoneda Tsuyoshi has been put forth as a candidate for Outside Director as he is expected to perform his role in a way in which his capacity to identify with the Company's corporate philosophy and social mission, as well as his abundant experience and insight in law enforcement, are reflected in the management of the Company. Although Mr. Yoneda was not previously involved in corporate management other than in the capacity of Outside Director or Outside Corporate Auditor, based on the above reasons, it was determined that he will be able to appropriately conduct the duties of Outside Director.

- (Notes)
- The number of Company shares held by each candidate for Director includes the number of shares allocated to each candidate that are substantively held under the name of Japan Exchange Group, Inc. Officers' Shareholding Association rounded down to an integral multiple of the trading unit.
 - The number of Company shares held by each candidate for Director concurrently serving as Executive Officer includes the number of shares scheduled to be granted (as of March 31, 2022) in accordance with the stock compensation plan. The number of shares scheduled to be granted to each Executive Officer under said plan includes only the number of the Company shares pertaining to the "fixed portion" in the stock compensation plan described under "Policies Regarding Decisions on Compensation for Directors and Executive Officers" in the Business Report. Furthermore, 50% of the shares scheduled for grant are to be sold on the market to secure funds for tax payment, and the proceeds from the sales will be granted to each Executive Officer.
 - The number of listed companies where an officer position is concurrently held for each candidate for Director reflects appointments and retirement from office planned to occur subsequent to the date of issuance of this Notice.
 - The scheduled dates for holding the Company's regular Board of Directors meetings in FY2022 to be held after the date of the annual general shareholders meeting have already been adjusted to suit each candidate for Director, and the Company is working to ensure the attendance of the Directors.
 - Mr. Endo Nobuhiro is Chairman of the Board of NEC Corporation (expected to assume office as Executive Advisor from June 22, 2022) and its corporate group pays JPX Group fees of approximately JPY 14 million (mainly listing fees), while JPX Group pays the corporate group fees of approximately JPY 71 million (mainly for system-related expenses). Mr. Kobayashi Eizo is Director Emeritus at ITOCHU Corporation and its corporate group pays JPX Group fees of approximately JPY 20 million (mainly listing fees), while JPX Group pays the corporate group fees of approximately JPY 5 million (mainly for systems-related expenses). Mr. Takeno Yasuzo is Partner at Mori Hamada & Matsumoto Law Office, and the office pays JPX Group fees of less than JPY 1 million (mainly systems usage fees), while JPX Group pays the office fees of less than JPY 1 million (mainly legal advice fees). There is no consultation contract between the office and JPX Group. The amounts of such transactions in FY2021 were considerably small, accounting for less than 1% of the consolidated sales, etc. of the Company and those of said corporate groups, etc., or less than JPY 1 million.

Therefore, the Company deems that there are no concerns over the independence of the aforementioned persons. In addition, candidates for Director other than the aforementioned candidates do not have any particular conflicts of interest with the Company.

6. The following persons are candidates for Outside Director: Mr. Tsuda Hiroki, Mr. Endo Nobuhiro, Ms. Ota Hiroko, Mr. Ogita Hitoshi, Ms. Kohda Main, Mr. Kobayashi Eizo, Mr. Takeno Yasuzo, Mr. Mori Kimitaka, and Mr. Yoneda Tsuyoshi.
7. In light of their relationships with the Company and the status of their performance of duties, the following persons are designated Independent Directors, which Tokyo Stock Exchange, Inc. requires listed companies to secure in order to protect the interests of general shareholders: Mr. Tsuda Hiroki, Mr. Endo Nobuhiro, Mr. Ogita Hitoshi, Ms. Kohda Main, Mr. Kobayashi Eizo, Mr. Takeno Yasuzo, Mr. Mori Kimitaka, and Mr. Yoneda Tsuyoshi. Furthermore, the Company plans to notify said exchange of Ms. Ota Hiroko's status as an Independent Director.
8. Violations of laws and regulations or the Articles of Incorporation, as well as inappropriate business execution at other companies that occurred during the terms of office at such companies of candidates for Outside Director: Japan Post Insurance Co., Ltd., at which Mr. Endo Nobuhiro served as Outside Director until June 2018, was found by the Financial Services Agency to have committed inappropriate sales, etc. of insurance products, and received administrative sanctions based on the Insurance Business Act on December 27, 2019. Mr. Endo had already resigned as Outside Director at the time that the company became aware of this matter, but during his tenure as Outside Director, he appropriately fulfilled his responsibilities by regularly making recommendations from the viewpoint of legal compliance and ensuring thorough compliance awareness, among other things. Panasonic Corporation (now Panasonic Holdings Corporation), at which Ms. Ota Hiroko currently serves as Outside Director (scheduled to resign on June 23, 2022), and Panasonic Avionics Corporation, a subsidiary of the company in the U.S., were investigated on suspicion of violating the Foreign Corrupt Practices Act and other securities related laws in the U.S. concerning certain contracts of said subsidiary with airline customers and the use of sales agents and consultants pertaining to such contracts, and agreed with the United States Securities and Exchange Commission and the United States Department of Justice to pay a penalty to the U.S. government and implement measures to improve compliance in May 2018. Ms. Ota has been constantly offering advice from the perspective of compliance with laws and regulations at Panasonic Corporation's Board of Directors and other meetings, and after being made aware of the facts of the incident, she fulfilled her duty by advancing the thorough investigation of the facts and the formulation of measures to prevent a recurrence. Japan Airlines Co., Ltd., for which Mr. Kobayashi Eizo currently serves as External Director, received a business improvement order to ensure aviation safety from Japan's Ministry of Land, Infrastructure, Transport and Tourism on December 21, 2018, in response to serious violations that affect flight safety, such as issues around drinking among flight crews and decisions to change crew configurations. Furthermore, on January 11, 2019, Japan Airlines Co., Ltd. received a business improvement advisory to ensure aviation safety from the Ministry due to an incident of alcohol consumption by a cabin attendant. Moreover, while implementing measures to prevent a recurrence, Japan Airlines Co., Ltd. again received a business improvement order to ensure aviation safety from Japan's Ministry of Land, Infrastructure, Transport and Tourism on October 8, 2019 in response to a case of alcohol being detected as a result of pre-flight testing of flight crews. Mr. Kobayashi has been constantly offering advice from the perspective of compliance with laws and regulations at Japan Airlines Co., Ltd.'s Board of Directors and other meetings, and after being made aware of the facts of the incidents, Mr. Kobayashi fulfilled his duty by offering advice for thoroughly investigating the facts of the incidents and directing the formulation of measures to prevent a recurrence.
9. The Company has taken out a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act, which includes, among the Director candidates put forward in this proposal, the candidates for re-election as insureds. This insurance policy covers compensation for damages, litigation expenses, and other payments that an insured is liable for when subject to claims for indemnification arising from acts (including inaction) carried out by the insured pursuant with the position of officer, etc. in the company and the premiums for the insured are fully borne by the Company. If their re-elections are approved, they will continue to be included in the policy as insureds. Furthermore, the Company intends to resolve to renew the policy with details similar to the current policy at the Board of Directors meeting to be held directly following this annual general shareholders meeting. Note that the Company plans to include Ms. Ota Hiroko and Mr. Suzuki Yasushi as insureds in the policy, if they are elected as Directors.
10. Conclusion of Limited Liability Agreements with Directors (excluding executive directors, etc. under Article 427, Paragraph 1 of the Companies Act; hereinafter referred to as "Non-Executive Director(s)"): Under the current Articles of Incorporation, the Company stipulates provisions that allow it to enter into agreements with Non-Executive Directors that limit liability for damages of the Company to the minimum amount as specified by laws and regulations. Such limited liability agreements have been concluded with Mr. Tsuda Hiroki, Mr. Endo Nobuhiro, Mr. Ogita Hitoshi, Ms. Kohda Main, Mr. Kobayashi Eizo, Mr. Takeno Yasuzo, Mr. Mori Kimitaka, and Mr. Yoneda Tsuyoshi. If the re-elections of Mr. Tsuda Hiroki, Mr. Endo Nobuhiro, Mr. Ogita Hitoshi, Ms. Kohda Main, Mr. Kobayashi Eizo, Mr. Takeno Yasuzo, Mr. Mori Kimitaka, and Mr. Yoneda Tsuyoshi are approved, then the corresponding limited liability agreements with them will continue to remain effective. Moreover, the Company plans to conclude limited liability agreements with the same details with Ms. Ota Hiroko and Mr. Suzuki Yasushi, if they are elected as Directors. The summary of such agreements is as follows:

- If a Non-Executive Director becomes liable to the Company for damages arising from failure to carry out his/her duties, his/her liability shall be limited to the minimum amount of liability stipulated by Article 425, Paragraph 1 of the Companies Act.
- The above limit on liability shall be limited to cases where such Non-Executive Director was not grossly negligent in his/her performance in good faith of the duty that was the cause of liability.

(Reference) Independence Standards and Qualification for Independent Directors

The Company verifies the status of Outside Directors to the extent reasonably possible and judges that an Outside Director is independent if he/she satisfies all of Items 1 through 13 below.

1. Not being an executive director, etc. (Note 1) or employee of JPX Group (Note 2) in the last ten years;
2. Not being an officer executing business or employee of the Company's current major shareholders (Note 3) group or a company in which the Company is a current major shareholder in the last five years;
3. Not being an officer executing business or employee of a major business partner (Note 4) of JPX Group in the last fiscal year or during any of the three fiscal years prior to the last fiscal year
4. Not being an officer executing business or employee of an organization that receives a donation or subsidy exceeding the specified amount (Note 5) from JPX Group;
5. Not being an officer executing business of a corporate group that has appointed an executive director, etc. of JPX Group as an outside director;
6. Not being an officer executing business or employee of a group company of a major creditor, etc. (Note 6) of JPX Group in the last three years;
7. Not being a member, partner, or employee of the accounting auditor of JPX Group;
8. Not being a member, partner, or employee of the current accounting auditor of JPX Group who engaged in actual audit work of JPX Group (except for secondary involvement) in the last three years;
9. Not being an attorney-at-law, certified public accountant, certified public tax accountant, or other consultant who receives money and other economic benefits in an amount exceeding the specified amount (Note 7) other than compensation for directors, auditors, or executive officers from JPX Group;
10. Not being a member, partner, associate, or employee of a law firm, audit firm, tax accounting firm, consulting firm, or other professional advisory firm for which JPX Group is a major client (Note 8);
11. Not being the spouse, a relative within the second degree of kinship, or a relative residing in the same household of a person falling under any of the following items:
 - (i) An officer executing business or significant employee (Note 9) of JPX Group in the last five years;
 - (ii) A director, auditor, or executive officer of a company that is the Company's current major shareholder or of which the Company is a current major shareholder in the last five years;
 - (iii) An officer executing business or significant employee of a major business partner of JPX Group in the last fiscal year or during any of the three fiscal years prior to the last fiscal year;
 - (iv) An officer executing business or significant employee of an organization that receives from JPX Group a donation or subsidy exceeding the specified amount;
 - (v) An officer executing business or significant employee of a group company of a major creditor, etc., of JPX Group in the last three years;
 - (vi) A member, partner, or employee of the current accounting auditor of JPX Group in the last three years who engaged in actual audit work of JPX Group (except for secondary involvement) during said period;
 - (vii) An attorney-at-law, certified public accountant, certified public tax accountant, or other consultant who receives money and other economic benefits in an amount exceeding the specified amount from JPX Group; or
 - (viii) A member, partner, or associate of a law firm, audit firm, tax accounting firm, consulting firm, or other professional advisory firm for which JPX Group is a major client and who is directly engaged in services for JPX Group;
12. A person who has served as Outside Director of the Company for a period that does not exceed eight years in total;
13. Notwithstanding each of the preceding items, a person who is not likely to have constant and substantial conflict of interest with the Company's general shareholders;
14. Even if a person does not satisfy any of the above Items 2 to 11, the person may be appointed as an Independent Director of the Company on the condition that (1) the person satisfies the requirements of outside directors under the Companies Act and (2) the Company explains to external parties the reason why the person is considered appropriate as its Independent Director.

Note 1: "Executive director, etc." refers to an executive director, executive officer (*shikkoyaku* or *shikkoyakuin*), president (*rijicho*), or standing governor (*joninriji*).

Note 2: "JPX Group" refers to Japan Exchange Group, Inc., Tokyo Stock Exchange, Inc., Osaka Exchange, Inc., Tokyo Commodity Exchange, Inc., JPX Market Innovation & Research, Inc., Japan Exchange Regulation, and Japan Securities Clearing Corporation

Note 3: "Major shareholder" refers to a shareholder that holds 10% or more of the voting rights of the Company.

Note 4: "Major business partner" refers to a party for which JPX Group was a major client (a party that received payment from JPX Group accounting for 2% or more of the amount equivalent to its consolidated annual gross sales for the last fiscal year), a party that was a major client of JPX Group (a party that made a payment to the Company accounting for 2% or more of the amount equivalent to the consolidated annual gross sales of the Company for the last fiscal year among the fiscal years included), its parent company, or significant subsidiary.

- Note 5: "The specified amount" in Items 4 and 11 (iv) refers to JPY 10 million per year on average over the past three fiscal years or 30% of the average annual total expenses of the organization, whichever is greater.
- Note 6: "Major creditor, etc." refers to a financial institution or other major creditor that is essential for the Company's financing, which the Company is dependent on to the extent that it cannot be replaced with another party.
- Note 7: "The specified amount" in Items 9 and 11 (vii) refers to JPY 10 million or more per year on average over the past three fiscal years (excluding compensation for directors, auditors, or executive officers).
- Note 8: "Firm for which JPX Group is a major client" refers to a firm that received payment from JPX Group accounting for 2% or more on average over the past three fiscal years of its consolidated annual gross sales.
- Note 9: "Significant employee" refers to a person who executes business in a position of department/section director or higher in JPX Group or any person who is objectively and reasonably considered to be of equivalent significance.

Business Report

(From April 1, 2021 to March 31, 2022)

I. Overview of Current Status of Corporate Group

1. Business Report for The Fiscal Year

(1) Review and results of business operations

During the fiscal year, the stock market in Japan moved up and down amid a mix of expectations for normalization of the economy and solid corporate earnings and concerns about a resurgence of COVID-19. In September, heightened expectations for normalization of the economy due to the vaccine rollout and the new administration boosted the TOPIX to a 31-year closing high of 2,118.87 points. Subsequently, towards the end of the year, the market was weighed by concerns about global inflation and new variants. After the start of 2022, due to the progress in inflation and concerns about higher interest rates in addition to the rising tensions in Ukraine, the stock market saw a large drop from late February to early March. Towards the end of the fiscal year, however, as uncertainty about US monetary policy eased, the market quickly recovered. As a result, TOPIX was 1,946.40 points as of the end of March 2022 (down 7.60 points from the end of March 2021).

Under these circumstances, with this fiscal year being the final year of the 3rd Medium-Term Management Plan (FY2019-FY2021), JPX Group has steadily implemented various measures toward advancing its four core strategies: (i) pursue "the shape of the market" toward the next generation, (ii) invigorate and develop a comprehensive exchange, (iii) diversify and propel data services into the next generation, and (iv) develop a foundation to support the future of JPX Group's business and society. In this way, JPX Group pursues its goal of evolving into a total smart exchange, where everyone can trade any product in a secure and easy way, by further cooperating with stakeholders and entering into new partnerships amid changes in the global environment and technological innovation, as well as makes a more active contribution toward the "building a sustainable society" as a responsible infrastructure operator.

The consolidated results of JPX Group during the fiscal year ended March 31, 2022 included operating revenue of JPY 135,432 million (up 1.6% year on year), operating expenses of JPY 63,220 million (up 3.0% year on year), operating income of JPY 73,473 million (down 1.5% year on year), income before income tax of JPY 73,429 million (down 1.7% year on year), and net income attributable to owners of the parent company of JPY 49,955 million (down 2.8% year on year).

(a) Trading services revenue

Trading services revenue is comprised of "Transaction Fees" based on the value of securities traded or the volume of financial derivatives and commodity derivatives traded, "Basic Fees" based on the type of trading participant's trading qualification, "Access Fees" based on the number of orders, and "Trading System Facilities Usage Fees" based on the types of trading system facilities used.

The average daily trading value in the cash equity markets* during the fiscal year was JPY 3,757.8 billion. Also, total trading volume for financial derivatives reached 335.66 million contracts and total trading volume for commodity derivatives was 16.92 million contracts (including cash settlement).

During the fiscal year ended March 31, 2022, basic fees were JPY 1,000 million (down 1.8% year on year), transaction fees from cash equities were JPY 31,563 million (up 1.6% year on year), transaction fees from financial derivatives and commodity derivatives were JPY 10,168 million (down 2.2% year on year) and JPY 1,567 million (down 22.2% year on year) respectively, and other fees such as access fees and trading system facilities usage fees were JPY 8,897 million (up 2.4% year on year). As a result, trading services revenue came to JPY 53,196 million (up 0.0% year on year).

*Total trading value of auction trading on TSE 1st and 2nd Sections, Mothers, JASDAQ, and TOKYO PRO Market, off-auction trading of stocks, and auction and off-auction trading of ETFs/ETNs, REITs, infrastructure funds, and other securities, etc.

Core initiatives:

- Launched the new derivatives trading system (J-GATE3.0) (September 2021)
- Published the Action Program for Strengthening the Functions of Cash Equity Market (October 2021)



Launched J-GATE3.0

(b) Clearing services revenue

Clearing services revenue is comprised of clearing and other fees related to the assumption of obligations of financial instrument transactions carried out by Japan Securities Clearing Corporation.

Clearing services revenue for the fiscal year was JPY 27,945 million (up 0.0% year on year).

Core initiatives:

- Conducted bulk conversion of the LIBOR-referenced swap clearing contract to OIS as a response to the interest rate benchmark reform (December 2021)
- Replaced the JGB clearing system and transferred backup function to Kansai Data Center (January 2022)
- Won "Clearing House of the Year" at the Asia Risk Awards 2021 (September 2021)

Note: LIBOR (London Interbank Offered Rate): benchmark interest rate calculated in the London interbank market.

OIS (Overnight Index Swap): One type of interest rate swap transaction. This product involves the exchange of a floating interest rate calculated from a weighted average (compound interest calculation) from the overnight interest rate over a fixed period and a fixed interest rate determined at the time of the contract.

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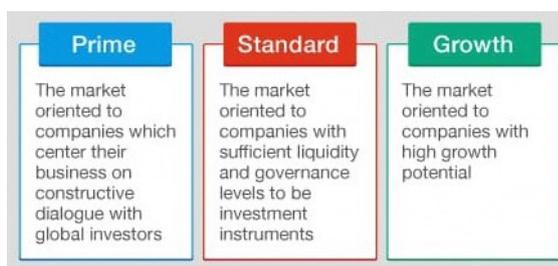
(c) Listing services revenue

Listing services revenue is comprised of "Annual Listing Fees" received from listed companies and other entities based on their market capitalization and "Initial/Additional Listing Fees" that are received when a company initially lists or issues additional shares, and so forth.

Listing services revenue for the fiscal year came to JPY 15,736 million (down 5.5% year on year), reflecting a decrease in revenue from initial/additional listing fees.

Core initiatives:

- Promoted support for IPOs and completed 133 IPOs
- Took action to realize smooth transition to new market segments
- Revised Japan's Corporate Governance Code in light of the transition to new market segments

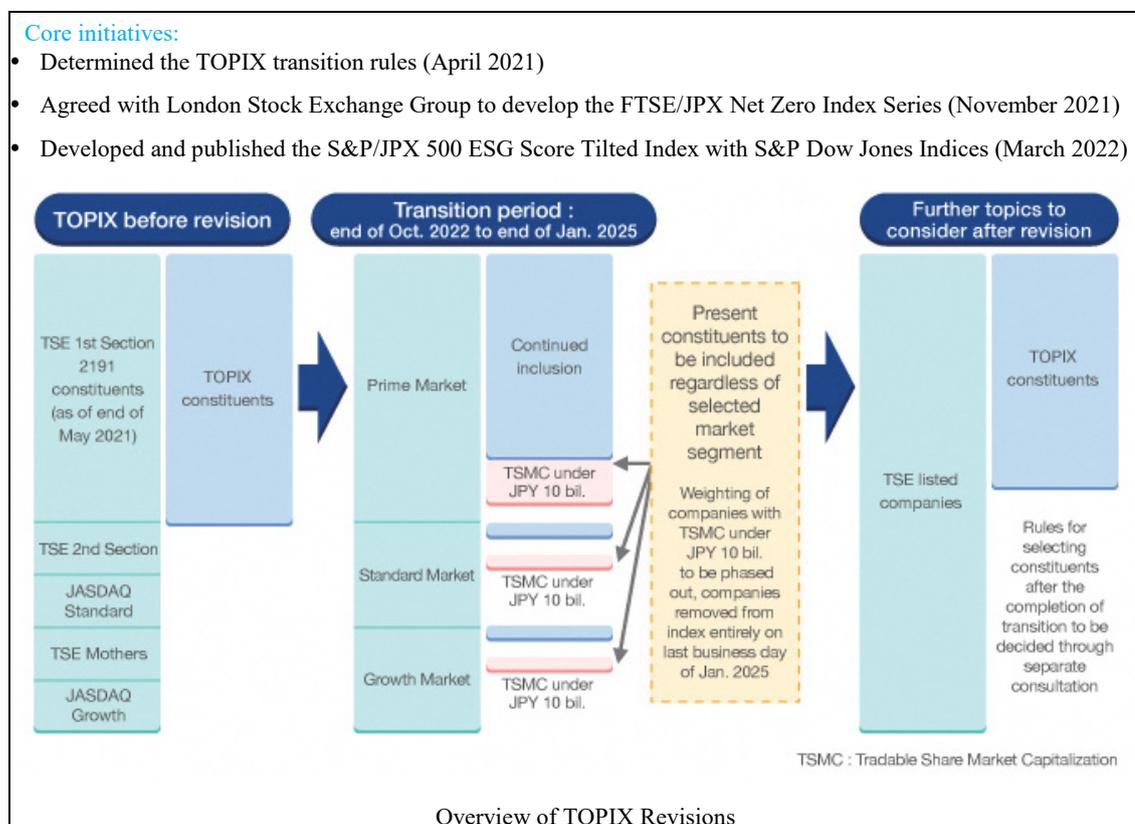


Operation of the new market segments started on April 4, 2022.

(d) Information services revenue

Information services revenue is comprised of market information fees, which consist of revenue related to the provision of market information to information vendors, etc., as well as revenue related to the index business, and revenue related to the provision of various kinds of information including corporate action information.

Information services revenue for the fiscal year was JPY 27,175 million (up 12.6% year on year), reflecting an increase in revenue from market information fees.



(e) Operating expenses

During the fiscal year, personnel expenses were JPY 19,048 million, system maintenance and operation expenses were JPY 14,984 million, and depreciation and amortization was JPY 17,493 million. As a result, operating expenses came to JPY 63,220 million (up 3.0% year on year).

(2) Capital investment

Overall capital investment, including investment for trading and clearing systems, was about JPY 15.3 billion.

(3) Financing

There are no matters to report.

(4) Business transfer, absorption-type company split or incorporation-type company split

There are no matters to report.

(5) Acquisition of other companies' businesses

There are no matters to report.

(6) Successions of rights or duties related to the businesses of other legal entities, etc. due to absorption-type merger or absorption-type company split

The Company established a new wholly-owned subsidiary, JPX Market Innovation & Research, Inc. (JPXI), on December 1, 2021. JPXI concluded an absorption-type company split agreement with the Company's subsidiaries

Tokyo Stock Exchange, Inc. and Osaka Exchange, Inc. on February 22, 2022, and on April 1, 2022, succeeded the rights and duties related to the information services business, information systems business and IT services business (excluding the information service business pertaining to market information provision) carried out by these two companies. Furthermore, JPXI concluded an absorption-type merger agreement with JPXI as the surviving company and the Company's subsidiary TOSHO SYSTEM SERVICE CO., LTD. as the dissolving company on February 22, 2022, and on April 1, 2022, succeeded the rights and duties related to all businesses carried out by TOSHO SYSTEM SERVICE CO., LTD.

(7) Acquisition or disposition of shares or equities in other companies, or subscription warrants, etc.

In relation to the shares of Singapore Exchange Limited (SGX) owned by the Company (53,051,000 shares), as a result of an evaluation considering the aims of Japan's Corporate Governance Code, we decided that owning the shares was not a necessary requirement to continue our cooperative relationship with SGX, and decided on March 30, 2018 that, in line with this decision, we would sequentially sell said shares. We completed the sale of all the shares by April 30, 2021.

2. Assets and Earnings in the Three Years Prior to This Year

JPX Group

(JPY million)

Classification	IFRS			
	FY2019 (Apr. 2018 to Mar. 2019)	FY2020 (Apr. 2019 to Mar. 2020)	FY2021 (Apr. 2020 to Mar. 2021)	FY2022 (Apr. 2021 to Mar. 2022)
Operating revenue	121,134	123,688	133,343	135,432
Income before income tax	70,786	69,095	74,732	73,429
Net income attributable to owners of the parent company	49,057	47,609	51,389	49,955
Basic earnings per share (JPY)	91.58	88.91	96.00	94.35
Total assets	54,069,405	67,286,302	60,075,678	71,463,434
Equity attributable to owners of the parent company	285,009	298,228	321,391	315,653
Equity attributable to owners of the parent company per share (JPY)	532.10	556.97	600.38	598.35

(Breakdown of operating revenue)

(JPY million)

Classification	IFRS			
	FY2019	FY2020	FY2021	FY2022
Trading services revenue	48,660	48,589	53,171	53,196
Clearing services revenue	24,788	26,427	27,939	27,945
Listing services revenue	14,025	14,322	16,660	15,736
Information services revenue	21,029	21,977	24,128	27,175
Other	12,630	12,371	11,443	11,378
Total	121,134	123,688	133,343	135,432

* The Company prepares consolidated financial statements in accordance with IFRS under the provision of Article 120, Paragraph 1 of the Ordinance on Accounting of Companies.

3. Information Concerning the Parent Company and Major Subsidiaries

(1) Relationship with parent company

There are no matters to report.

(2) Major subsidiaries

(a) Major subsidiaries

Company Name	Location	Share Capital	Holding Ratio of Voting Rights (indirect holding)	Principal Business
		(JPY million)	%	
Tokyo Stock Exchange, Inc.	Chuo-ku, Tokyo	11,500	100.0	Financial instruments exchange market operations
Osaka Exchange, Inc.	Chuo-ku, Osaka	4,723	100.0	Financial instruments exchange market operations
Tokyo Commodity Exchange, Inc.	Chuo-ku, Tokyo	1,989	100.0	Commodity exchange market operations
Japan Exchange Regulation	Chuo-ku, Tokyo	3,000 (Note 1)	100.0	Self-regulatory operations
Japan Securities Clearing Corporation	Chuo-ku, Tokyo	9,584	(Note 2)	Financial instruments obligation assumption services
TOSHO SYSTEM SERVICE CO., LTD. (Note 3)	Chuo-ku, Tokyo	100	100.0 [100.0]	System development, etc.

- (Notes) 1. Non-stock capital.
 2. The Company's holding ratios are 100.0% of Class-A stock, 100.0% of Class-B stock, 60.4% of Class-C stock, and 52.9% of Class-D stock.
 3. TOSHO SYSTEM SERVICE CO., LTD. merged with the Company's subsidiary JPX Market Innovation & Research, Inc. on April 1, 2022, and dissolved.

(b) Status of specified wholly-owned subsidiaries as of the end of the fiscal year

Company Name	Address	Book Value of Shares of Specified Wholly-Owned Subsidiary as of March 31, 2022
		(JPY million)
Tokyo Stock Exchange, Inc.	2-1, Nihombashi-Kabuto-cho, Chuo-ku, Tokyo	97,884

- (Note) Total assets of the Company as of March 31, 2022 amount to JPY 233,153 million.

4. Issues Requiring Action

In the markets that JPX Group operates, market conditions change with developments in the external environment including local and global economic conditions, financial policies, and geopolitical risks. As such, the greatest management challenge of JPX Group is providing market infrastructure that consistently and stably delivers a high level of satisfaction to users.

JPX Group provides fundraising opportunities for companies, asset management opportunities for investors, and price discovery functions for wider society. In future, we need to further strengthen these kinds of functions while also responding to trends in the global environment with the shift to a sustainable society and economy. In particular, action on ESG issues has become the most pressing priority. We consider that while taking action on JPX Group's own ESG issues, we should also work to encourage and support market participants such as listed companies and investors in their responses to ESG and various other societal issues, from a financial and capital markets perspective.

With that understanding, JPX Group set out a long-term vision to be achieved by 2030, 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."

As the first stage in achieving this long-term vision, we have formulated the Medium-Term Management Plan 2024 covering the three years from FY2022 to FY2024. Our determination to strengthen the traditional function of the exchange, stable market operations, while also advancing in new fields without being overly bound by this framework is expressed as "Exchange & beyond", and the basic policy is to take proactive action on building the foundations of a global, comprehensive finance and information platform. Based on this policy, we will implement initiatives in the following three focus areas.

Focus 1: Facilitating Cycle of Corporate Innovation/Growth and Asset Formation

- Develop an environment that supports sustainable growth at companies
- Develop products and rules to contribute to asset formation
- Further improve convenience and resilience as a market infrastructure

Focus 2: Achieving Market Transformation (MX)

- Strengthen functionality of interest rate-related markets
- Invigorate the derivatives market
- Advance digitization and enhance information usage

Focus 3: Promoting Sustainability that Connects Society and Economy

- Strengthen dissemination of sustainability-related information
- Calculate ESG indices and list related ETFs/futures
- Vitalize the energy market, advance the creation of an emissions trading market

Furthermore, in upholding its responsibility as a part of social infrastructure, JPX Group aims to ensure that market operations are not impacted by the spread of COVID-19 by making sure these operations are stable. To this end, as well as implementing various responses to prevent the spread of infections based on the government's Basic Policies for Novel Coronavirus Disease Control, JPX Group has established a BCP Emergency Headquarters, and is flexibly implementing measures needed to ensure the health of employees and continued operations.

Capital Policy

JPX Group's fundamental capital policy is to support sustainable development and evolution of the market with constant investment while striking a balance between return to shareholders and fiscal robustness for stable management of the market. Under this policy, JPX Group aims to maintain ROE of 10% in the medium to long term, which is above capital costs, under any market condition.

“Target 2030”: our long-term vision to be achieved by 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

*Named “G-HUB” (Heighten market integrity, Unlock opportunity, Benefit society)

Basic Policy of the Medium-Term Management Plan 2024

- A three-year plan from FY2022 has been developed as the first stage of progress towards Target 2030.
- We will utilize new frameworks including JPX Market Innovation & Research to take proactive action on building the foundations of the global, comprehensive finance and information platform “G-HUB”.

Exchange & beyond

To contribute to improving the attractiveness of the Japanese financial and capital markets as a whole and enhance their global competitiveness, we will prioritize initiatives in three specific “Focus” areas.

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graph TD; F1((Focus 1  
Facilitating cycle  
of corporate  
innovation/growth  
and asset  
formation)) --- F2((Focus 2  
Achieving  
market  
transformation  
(MX))); F1 --- F3((Focus 3  
Promoting  
sustainability  
that connects  
society and economy)); F2 --- F3;
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Reference

JPX Group's Approach and Initiatives for Sustainability

Promoting Sustainability that Connects Society and Economy

- We will assist the creation of a sustainable society by utilizing market mechanisms to provide solutions for a wide range of societal issues, through the provision of an environment where sustainability-related information, products, and services are easily accessible to all.



Core initiatives in FY2021

- As a market operator
 - To promote the spread of the Task Force on Climate-related Financial Disclosures (TCFD), requested enhancements to climate-related disclosure based on international frameworks such as the TCFD recommendations at Prime Market listed companies under the revised Japan's Corporate Governance Code
 - Published the "Survey of TCFD Disclosure in Japan", which surveyed and analyzed the status of TCFD disclosure for listed companies
 - Additionally, delivered contents concerning regulatory trends on human rights and ESG disclosure in the JPX ESG Knowledge Hub
 - Established the Sustainable Finance Platform Development Working Group and facilitated practical discussion on development of an information platform for green bonds and similar products
 - Listed ESG-related ETFs and similar products
 - With QUICK Corp., co-published an anthology of ESG issues which aims to support information disclosure among Japanese listed companies
- As a business corporation and listed company
 - Announced our Environmental Vision and Environmental Policy
 - Announced our Human Rights Policy
 - Declared an aim to achieve carbon neutrality by FY2024
 - Implemented measures at the Tokyo Stock Exchange Building and Osaka Securities Exchange Building including switching electricity contracts

Future actions

- Strengthen dissemination of sustainability-related information
 - Creation and enhancement of information platform
 - Support for sustainability information disclosure from issuers
 - Participation in international debate and standard-setting on sustainable finance, etc.
- Calculate ESG indices and list related ETFs/futures
 - Calculation of ESG indices, listing of related futures, etc.
- Vitalize the energy market, advance the creation of an emissions trading market
 - Expand trading of electricity and LNG futures
 - Contribution to the creation of a Japanese carbon credit market, etc.

5. Principal Business (as of March 31, 2022)

The Company is a stock corporation authorized as a financial instruments exchange holding company under the Financial Instruments and Exchange Act to engage in the administration and management of the corporate group, including subsidiaries Tokyo Stock Exchange, Inc. (TSE), Osaka Exchange, Inc. (OSE), Tokyo Commodity Exchange, Inc. (TOCOM), Japan Exchange Regulation, and Japan Securities Clearing Corporation. The principal business of JPX Group is the establishment and operation of financial instruments exchange markets provided by TSE and OSE, and of commodities exchange markets provided by TOCOM.

6. Main Offices (as of March 31, 2022)

The Company

Head Office	Chuo-ku, Tokyo
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Subsidiaries

Tokyo Stock Exchange, Inc.	Chuo-ku, Tokyo
Osaka Exchange, Inc.	Chuo-ku, Osaka
Tokyo Commodity Exchange, Inc.	Chuo-ku, Tokyo
Japan Exchange Regulation	Chuo-ku, Tokyo
Japan Securities Clearing Corporation	Chuo-ku, Tokyo
TOSHO SYSTEM SERVICE CO., LTD.	Chuo-ku, Tokyo

7. Employees (as of March 31, 2022)

JPX Group

No. of Employees	Compared to the Previous Fiscal Year	Average Age	Average Years of Employment
1,193	Decreased by 4 persons	43 years 9 months	17 years 5 months

(Note) The number of employees refers to persons working on a regular basis (excluding persons assigned by JPX Group temporarily to an entity outside JPX Group but including persons assigned by an entity outside JPX Group temporarily to JPX Group). Temporary employees (including part-time workers and persons dispatched from employment agencies) are not included.

8. Lenders and Outstanding Loans (as of March 31, 2022)

Creditor	Outstanding Loan (JPY million)
The 77 Bank, Ltd.	9,000
MUFG Bank, Ltd.	23,500

9. Other Important Items Related to the Corporate Group

There are no matters to report.

II. Status of Shares (as of March 31, 2022)

- (1) Total Authorized No. of Shares to Be Issued 2,180,000,000
- (2) Total No. of Shares Issued 528,578,441
 (Note) The total number of shares issued has decreased by 7,773,007 shares compared with March 31, 2021 due to the cancellation of treasury shares on February 10, 2022.
- (3) No. of Shareholders 63,638

(4) Major Shareholders

Rank	Name of Shareholder	No. of Shares Held	Shareholding Ratio
		shares	%
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	96,235,200	18.21
2	Custody Bank of Japan, Ltd. (Trust Account)	27,519,700	5.21
3	NORTHERN TRUST CO. (AVFC) SUB A/C NON TREATY	16,271,155	3.08
4	SMBC Nikko Securities Inc.	13,469,900	2.55
5	THE BANK OF NEW YORK 134104	11,269,700	2.13
6	STATE STREET BANK WEST CLIENT - TREATY 505234	9,149,336	1.73
7	MUFG Bank, Ltd.	7,557,000	1.43
8	JP MORGAN CHASE BANK 385781	6,896,386	1.30
9	TACHIBANA SECURITIES CO., LTD.	6,887,900	1.30
10	Okachi Securities Co., Ltd.	6,500,000	1.23

(Notes) 1. The Company does not hold treasury shares.

2. The distribution of shareholders of the Company by category is as follows:

Financial institutions: 169,768,582 shares (32.12%); financial instruments business operators: 110,145,600 shares (20.84%); other domestic corporations: 18,158,977 shares (3.44%); foreign corporations, etc.: 212,949,308 shares (40.29%); and individuals and others: 17,555,974 shares (3.32%)

(5) Status of Shares Delivered as Compensation for the Execution of Duties During the Fiscal Year

	Number of Shares	Number of Persons to Whom Shares Delivered
Directors (excluding Outside Directors) and Executive Officers	27,100	6
Outside Directors	–	–

(Note) For more information on the Company's stock compensation, please refer to "2. Policies Regarding Decisions on Compensation for Directors and Executive Officers" on pages 47 to 49.

(6) Other Important Items Related to Shares

• Stock Granting Plan for Employees

In FY2016, the Company introduced an employee incentive plan called Stock-Granting Employee Stock Ownership Plan (hereinafter the "Plan") to improve medium- to long-term corporate value by giving JPX Group employees (hereinafter "employees") a sense of participation in company management and further motivation toward improving corporate performance and increasing the price of the Company's stock.

(a) Outline of the Plan

The Plan is an employee incentive plan based on ESOP plans in the U.S. The Company stock acquired by a Stock-Granting Employee Stock Ownership Plan Trust (hereinafter the "ESOP Trust") shall be granted to employees upon

their retirement based on the level of achievement of management goals and productivity-related goals. The Company contributes all funding for acquisition of Company stock, to be conducted by the ESOP Trust, and employees do not bear any such costs. The Plan allows employees to receive economic benefits when the Company's stock price increases. As such, it encourages employees to adopt a stock price-conscious mindset in the performance of their duties, and it is also expected to boost employee morale.

(b) Total number of shares planned for acquisition by employees

586,800 shares (as of March 31, 2022)

(c) Eligible employees

Employees who meet the beneficiary requirements

- Stock Compensation Plan for JPX Group Executives

In August 2018, the Company introduced a trust-type stock compensation plan for executives (meaning executive officers and those equivalent thereto, excluding persons such as outside directors, directors who are members of the Audit Committee, and auditors; hereinafter the same) of the Company and its subsidiaries that provide core businesses of JPX Group (hereinafter the "core subsidiaries"; the Company and the core subsidiaries are hereinafter collectively referred to as the "implementing companies") (This plan shall hereinafter be referred to as the "Stock Compensation Plan"). The purpose of the Stock Compensation Plan is to further facilitate the alignment of interests with shareholders and enhance executives' desire to contribute to the sustainable improvement of corporate value.

(a) Outline of the Stock Compensation Plan

In designing the Stock Compensation Plan, the Company referred to performance share plans and restricted stock plans in the U.S. and Europe. Under the Stock Compensation Plan, the Company shall acquire shares through a trust and grant and/or deliver (hereinafter collectively "grant/deliver") shares and money equivalent to the Company shares converted into cash (hereinafter the "Company shares, etc.") as well as dividends arising from said Company shares to executives in accordance with factors such as an executive's position and performance.

Specifically, based on the resolution of the Compensation Committee, etc. held in March each year, points equivalent to the stock compensation base amount for each fiscal year shall be issued to executives. After three years, in principle, from the issuance of such points, the Company shares, etc. corresponding to the points issued as executive compensation shall be granted/delivered to executives.

The points shall be issued to executives in accordance with their position, etc. for each fiscal year. The points are comprised of a fixed portion that does not increase or decrease and a performance-linked portion that changes with the degree of achievement of the performance conditions after the issuance of the points.

The fixed portion is aimed mainly at strengthening the alignment of interests with shareholders, while the performance-linked portion is aimed mainly at increasing the motivation for medium- to-long term corporate value improvement as well as strengthening the link between performance and compensation.

(b) Amount of trust money

JPY 1.5 billion (for four years from FY2021 to FY2024; as of March 31, 2022)

(c) Eligible executives

Executives of the implementing companies who meet the beneficiary requirements

III. Directors and Executive Officers of the Company

1. Directors and Executive Officers (as of March 31, 2022)

(1) Directors

Position	Name	Area(s) of Responsibility	Significant Concurrent Position(s)
Director	Tsuda Hiroki	Chairperson of the Board of Directors	
Director & Representative Executive Officer, Group CEO	Kiyota Akira	Group CEO; Member of the Nomination Committee; Member of the Compensation Committee; Member of the Risk Policy Committee	Director, Tokyo Stock Exchange, Inc.
Director & Representative Executive Officer Group COO	Yamaji Hiromi	Group COO; Member of the Compensation Committee	President & CEO, Tokyo Stock Exchange, Inc.
Director & Executive Officer	Iwanaga Moriyuki		President & CEO, Osaka Exchange, Inc. Representative Director & Chair, Chairperson of the Board, Tokyo Commodity Exchange, Inc.
Director & Executive Officer	Shizuka Masaki		President & CEO, Japan Securities Clearing Corporation
Director	Christina Ahmadjian	Member of the Compensation Committee; Member of the Audit Committee	Professor, Graduate School of Business Administration, Hitotsubashi University Outside Director, Sumitomo Electric Industries, Ltd. Outside Director, Asahi Group Holdings, Ltd. Outside Director, NEC Corporation
Director	Endo Nobuhiro	Member of the Nomination Committee	Chairman of the Board, NEC Corporation (Non-Executive) Member, Board of Directors (Outside), Sumitomo Dainippon Pharma Co., Ltd. (currently Sumitomo Pharma Co., Ltd.) Outside Director, Tokio Marine Holdings, Inc.
Director	Ogita Hitoshi	Chairperson of the Nomination Committee; Chairperson of the Independent Directors Committee	
Director	Kohda Main	Member of the Audit Committee; Member of the Risk Policy Committee	Novelist Outside Director, Japan Tobacco Inc. Outside Director, MITSUBISHI MOTORS CORPORATION
Director	Kobayashi Eizo	Member of the Nomination Committee; Chairperson of the Compensation Committee	Director Emeritus (non-executive), ITOCHU Corporation Outside Director, OMRON Corporation External Director, Japan Airlines Co., Ltd. Outside Director, Nippon Venture Capital Co., Ltd. Chairman, National Federation of Corporate Taxpayers Associations Administrative Director, The Public Interest Incorporated Foundation Tohoren Mutual Benefit Association for Specific Retirement Allowance Chairperson, Japan Overseas Educational Services
Director	Takeno Yasuzo	Member of the Audit Committee; Member of the Risk Policy Committee	Attorney-at-Law Partner, Mori Hamada & Matsumoto

Position	Name	Area(s) of Responsibility	Significant Concurrent Position(s)
Director	Minoguchi Makoto	Member of the Audit Committee (Full-time)	
Director	Mori Kimitaka	Member of the Compensation Committee; Chairperson of the Audit Committee	Certified Public Accountant Advisor, The Japanese Institute of Certified Public Accountants Outside Corporate Auditor, MITSUI & CO., LTD. Outside Corporate Auditor, East Japan Railway Company Outside Director, SUMITOMO LIFE INSURANCE COMPANY
Director	Yoneda Tsuyoshi	Member of the Nomination Committee; Chairperson of the Risk Policy Committee	External Audit & Supervisory Board Member, Marubeni Corporation Chief Director, Council for Public Policy

- (Notes)
- The following persons are Outside Directors: Tsuda Hiroki, Christina Ahmadjian, Endo Nobuhiro, Ogita Hitoshi, Kohda Main, Kobayashi Eizo, Takeno Yasuzo, Mori Kimitaka, and Yoneda Tsuyoshi.
 - The following persons are Independent Directors, which Tokyo Stock Exchange, Inc. requires listed companies to secure in order to protect the interests of general shareholders: Tsuda Hiroki, Christina Ahmadjian, Endo Nobuhiro, Ogita Hitoshi, Kohda Main, Kobayashi Eizo, Takeno Yasuzo, Mori Kimitaka, and Yoneda Tsuyoshi.
 - There are no capital or transactional relationships to note between the Company and each of the companies at which the Company's Outside Directors hold concurrent positions.
 - Director and Chairperson of the Audit Committee Mori Kimitaka is a certified public accountant and holds a respectable degree of knowledge on finance and accounting.
 - On April 1, 2021, the title of Director Kiyota Akira at Tokyo Stock Exchange, Inc. changed from President & Representative Director to Director
On April 1, 2021, Director Yamaji Hiromi assumed office as President & Representative Director of Tokyo Stock Exchange, Inc. On June 16, 2021, he assumed the position of Member of the Compensation Committee of the Company.
On April 1, 2021, Director Iwanaga Moriyuki assumed office as Executive Officer of the Company, President & CEO of Osaka Exchange, Inc. and Representative Director & Chair, Chairperson of the Board of Tokyo Commodity Exchange, Inc.
On June 22, 2021, Director Christina Ahmadjian assumed office as Outside Director of NEC Corporation. On June 29, 2021, she retired from her position of Outside Director of Mitsubishi Heavy Industries, Ltd.
On March 25, 2022, Director Ogita Hitoshi retired from his position of Senior Adviser of Asahi Group Holdings, Ltd.
On June 11, 2021, Director Kobayashi Eizo retired from his position of Chairman of ITOCHU Foundation.
On June 16, 2021, Director Takeno Yasuzo assumed office as Member of the Audit Committee of the Company and Member of the Risk Policy Committee of the Company.
On June 16, 2021, Director Mori Kimitaka changed from Member of the Audit Committee of the Company to Chairperson of the Audit Committee of the Company.
On June 16, 2021, Director Yoneda Tsuyoshi retired from his position of Chairperson of the Audit Committee of the Company. On the same day, he assumed office as Member of the Nomination Committee. On the same day, he changed from Member of the Risk Policy Committee of the Company to Chairperson of the Risk Policy Committee of the Company.
 - To regularly maintain the audit environment, gather internal information, monitor and inspect the internal control system, and increase the effectiveness of discussions at the Audit Committee by sharing the results of these activities with other members of the Audit Committee, of the five members of the Audit Committee, the Company has appointed Director Minoguchi Makoto as a Standing Member of the Audit Committee due to his considerable knowledge and experience in the Company's business in general.

(2) Executive Officers

Position	Name	Area(s) of Responsibility	Significant Concurrent Position(s)
Director & Representative Executive Officer, Group CEO	Kiyota Akira	Group CEO	Refer to "(1) Directors"
Director & Representative Executive Officer, Group COO	Yamaji Hiromi	Group COO	Refer to "(1) Directors"
Senior Executive Officer	Yokoyama Ryusuke	CIO, IT Planning	Director and Senior Executive Officer, Tokyo Stock Exchange, Inc. Senior Executive Officer, Osaka Exchange, Inc. Director, TOSHO SYSTEM SERVICE CO., LTD. (Part-time)
Senior Executive Officer	Isaka Yoshihiro	Global Strategy	Senior Executive Officer, Tokyo Stock Exchange, Inc. Senior Executive Officer, Osaka Exchange, Inc. Representative Director, ICJ, Inc. (Part-time)
Senior Executive Officer	Hasegawa Isao	General Administration and Human Resources	Senior Executive Officer, Tokyo Stock Exchange, Inc. Senior Executive Officer, Osaka Exchange, Inc.
Senior Executive Officer	Futagi Satoshi	Corporate Strategy and Sustainability	Director, Japan Securities Clearing Corporation (Part-time) Outside Director, Japan Securities Depository Center, Incorporated
Director & Executive Officer	Iwanaga Moriyuki	Management of Osaka Exchange, Inc.	Refer to "(1) Directors"
Executive Officer	Ishizaki Takashi	Management of Tokyo Commodity Exchange, Inc.	Representative Director, President, Tokyo Commodity Exchange, Inc.
Director & Executive Officer	Shizuka Masaki	Management of Japan Securities Clearing Corporation	Refer to "(1) Directors"
Executive Officer	Tabata Atsushi	CFO, Treasury, Corporate Communications, and IR	

- (Notes)
1. On April 1, 2021, Mr. Yokoyama Ryusuke's position at TOSHO SYSTEM SERVICE CO., LTD changed from President & CEO to Director.
 2. The Company newly established a Sustainability Department on April 1, 2021. On the same day, Mr. Futagi Satoshi changed from being responsible for Corporate Strategy to being responsible for Corporate Strategy and Sustainability.

(Reference) Executive Officers as of April 1, 2022 and Reasons for Appointment

Position	Name	Area(s) of Responsibility	Significant Concurrent Position(s)
Director & Representative Executive Officer, Group CEO	Kiyota Akira	Group CEO	Director, Tokyo Stock Exchange, Inc. (Part-time)
<p><Reason for Appointment> Mr. Kiyota Akira has considerable experience and insight acquired through working at a securities company. After being appointed as President & CEO of Tokyo Stock Exchange, Inc. in 2013, he demonstrated leadership in the development of cash equity markets and the promotion of implementation of Japan's Corporate Governance Code. Since 2015, he has been responsible for the Company's management in his position as Director and Representative Executive Officer, Group CEO of the Company. As JPX Group's top manager, he promoted the transition to new market segments, strengthened resilience in the trading rules and systems, and recently set out JPX's long-term vision to be achieved by 2030, "Target 2030", formulating the Medium-Term Management Plan 2024 as the first stage of this. He has been appointed as Representative Executive Officer, Group CEO, because he is considered the best person for the position in light of his experience and accomplishments with JPX Group and the ideal image for the CEO.</p>			
Director & Representative Executive Officer, Group COO	Yamaji Hiromi	Group COO	President & CEO, Tokyo Stock Exchange, Inc.
<p><Reason for Appointment> Mr. Yamaji Hiromi was engaged in the fields of global securities and corporate finance for many years while working for a securities company. While at the Company, he has served as President & CEO of Osaka Exchange, Inc., and Representative Director & Chair of Tokyo Commodity Exchange, Inc., and he has overseen the derivatives market as Group COO of the Company. Since April 2021, he has served as President & CEO of Tokyo Stock Exchange, Inc., where he promoted the transition to new market segments. His management track record and extensive international experience are invaluable for the Company to steadily accomplish important tasks, including the enhancement of the attractiveness of the Japanese market such as the development of the ETF market. Due to this, he has been appointed as Representative Executive Officer, Group COO, the officer in charge of JPX Group's overall operations.</p>			
Executive Vice President	Yokoyama Ryusuke	CIO, IT Planning	Director and Executive Vice President, Tokyo Stock Exchange, Inc. Executive Vice President, Osaka Exchange, Inc. Director and Executive Vice President, JPX Market Innovation & Research, Inc.
<p><Reason for Appointment> Mr. Yokoyama Ryusuke joined Tokyo Stock Exchange in 1986. He subsequently engaged in operations within the JPX Group mainly related to IT planning and development. He assumed office as an Executive Officer of Tokyo Stock Exchange, Inc. in April 2011 and as a Senior Executive Officer in April 2017, from where he led an overall redesign of the clearing system for the purpose of enhancing clearing functions and accommodating various types of new derivatives products. This is to support the business portfolio diversification strategy, a pillar of the Company's Medium-Term Management Plan, by creating new fields of exchange business that encompass clearing and settlement and by stimulating growth of the derivatives market business. In addition, since assuming office as a Senior Executive Officer and CIO of the Company in April 2017, his role has been to manage, oversee, and promote JPX Group's IT strategies. He has been appointed as Executive Vice President in consideration of his experience and accomplishments with JPX Group.</p>			
Senior Executive Officer	Hasegawa Isao	General Administration and Human Resources	Senior Executive Officer, Tokyo Stock Exchange, Inc. Senior Executive Officer, Osaka Exchange, Inc. Director and Senior Executive Officer, JPX Market Innovation & Research, Inc.
<p><Reason for Appointment> Mr. Hasegawa Isao joined Tokyo Stock Exchange in 1987. He subsequently engaged in operations in relation to corporate strategy, general administration, and the stock market at JPX Group. Since assuming office in June 2014 as an Executive Officer of the Company, as the officer in charge of general administration and human resources, in addition to working on the appropriate development of corporate governance and compliance systems in the Company and the promotion of work style reforms, he has been working on ensuring stable business operations during the COVID-19 pandemic as the officer in charge of risk management. He has been appointed as Senior Executive Officer in consideration of his experience and accomplishments with JPX Group.</p>			

Position	Name	Area(s) of Responsibility	Significant Concurrent Position(s)
Senior Executive Officer	Futagi Satoshi	Corporate Strategy and Sustainability	Senior Executive Officer, JPX Market Innovation & Research, Inc. Director, Japan Securities Clearing Corporation (Part-time) Outside Director, Japan Securities Depository Center, Incorporated
<p><Reason for Appointment> Mr. Futagi Satoshi joined Tokyo Stock Exchange in 1988. He subsequently engaged in operations in relation to corporate strategy, treasury, corporate communications, systems, and the stock market at JPX Group. After assuming office in June 2015 as an Executive Officer of the Company, as the officer in charge of human resources and corporate communications, he primarily worked on policies to reform JPX Group's personnel system and improve the profile of the Company's brand. In addition, since assuming office in April 2017 as the officer in charge of corporate strategy, he has been working on formulating the Medium-Term Management Plan and promoting sustainability-related measures. He has been appointed as Senior Executive Officer in consideration of his experience and accomplishments with JPX Group.</p>			
Senior Executive Officer	Tabata Atsushi	CFO Treasury, Corporate Communications, and Investor Relations	
<p><Reason for Appointment> Mr. Tabata Atsushi joined Tokyo Stock Exchange in 1988. He subsequently engaged in operations at JPX Group related to, among other things, the secretaries' office, corporate strategy, and general administration. After assuming office in April 2016 as an Executive Officer of the Company, as the officer in charge of global strategy, he engaged in the provision of technical assistance to overseas exchanges and the promotion of cooperation with various overseas organizations. In addition, since assuming office in April 2017 as CFO of the Company, he has been managing, overseeing, and advancing JPX Group's financial strategies. He has been appointed as Senior Executive Officer in consideration of his experience and accomplishments with JPX Group.</p>			
Director & Executive Officer	Iwanaga Moriyuki	Management of Osaka Exchange, Inc.	President & CEO, Osaka Exchange, Inc. Representative Director & Chair, Chairperson of the Board, Tokyo Commodity Exchange, Inc.
<p><Reason for Appointment> Mr. Iwanaga Moriyuki joined Tokyo Stock Exchange in 1984. He subsequently engaged in operations at JPX Group in relation to corporate strategy, clearing and settlement, sales, and the stock market, among other things. As Senior Executive Vice President of Japan Securities Clearing Corporation, he carried out operations aimed at the creation of a comprehensive exchange such as the integration of clearing organizations, etc. He has served as CFO of the Company and the executive officer in charge of equities at Tokyo Stock Exchange Inc., making him extremely knowledgeable in management and the practical operations of markets. In addition, since April 2021, he has served as President & CEO of Osaka Exchange, Inc., and as Representative Director & Chair and Chairperson of the Board of Tokyo Commodity Exchange, Inc., where he has overseen the overall management of both companies. He has been appointed as Executive Officer in consideration of his experience and accomplishments with JPX Group.</p>			
Executive Officer	Ishizaki Takashi	Management of Tokyo Commodity Exchange, Inc.	Representative Director, President, Tokyo Commodity Exchange, Inc.
<p><Reason for Appointment> Mr. Ishizaki Takashi joined the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry) in 1990, and has been promoting Japan's energy policy for many years at the Ministry and the Agency for Natural Resources and Energy. He assumed office as Representative Director, President of Tokyo Commodity Exchange, Inc., a core subsidiary of JPX Group, in June 2020, and he manages and oversees the overall business and operations of the company. He has been appointed as Executive Officer in consideration of his experience and accomplishments with JPX Group.</p>			

Position	Name	Area(s) of Responsibility	Significant Concurrent Position(s)
Executive Officer	Miyahara Koichiro	Management of JPX Market Innovation & Research, Inc.	President & CEO of JPX Market Innovation & Research, Inc.
<p><Reason for Appointment> Mr. Miyahara Koichiro joined Tokyo Stock Exchange in 1988, and engaged in operations at JPX Group related to cash equity markets and the New York Representative Office, among other things. Later, as Director of the Information Services Department, he directed the launch of a company that provides an electronic voting platform (ICJ, Inc.) as a joint venture with a company from the U.S., and also served as President of that company. He assumed office as President & CEO of Tokyo Stock Exchange, Inc., a core subsidiary of JPX Group, in June 2015, and managed and oversaw the overall business and operations of the company for five years. Furthermore, from April 2021 he served as President of TOSHO SYSTEM SERVICE CO., LTD., which carries out system development and operations for JPX Group, and since April 2022 as President & CEO of JPX Market Innovation & Research, Inc., in which capacities he has managed and overseen the overall business and operations of the company. He has been appointed as Executive Officer in consideration of his experience and accomplishments with JPX Group.</p>			
Director & Executive Officer	Shizuka Masaki	Management of Japan Securities Clearing Corporation	President & CEO, Japan Securities Clearing Corporation
<p><Reason for Appointment> Mr. Shizuka Masaki joined Tokyo Stock Exchange in 1982. He mainly engaged in operations related to listing, corporate planning and finance. After being appointed to Executive Officer of Tokyo Stock Exchange, Inc. in June 2007, he worked to reform the listing system including Japan's Corporate Governance Code. As President & CEO of Japan Securities Clearing Corporation, a core subsidiary of JPX Group, he manages and oversees the overall business and operations of the company. He has been appointed as Executive Officer in consideration of his experience and accomplishments with JPX Group.</p>			
Executive Officer	Yoshida Masaki	Global Strategy	
<p><Reason for Appointment> Mr. Yoshida Masaki joined the Ministry of Finance in 1984 and progressed in the fields of taxation and international regulations. He has experience working inside international institutions, such as the IMF and the World Bank, and also has experience supporting and coordinating international conferences such as for the G7, G20 and OECD. He has a strong command of the English language as he has worked or studied in the U.K., the Philippines and the U.S. He has been appointed as Executive Officer as this experience will contribute to the planning and promotion of JPX's global strategy, cooperation with overseas institutions, and the handling of the taxation system for securities.</p>			
Executive Officer	Lin Kay	Corporate Communications and Investor Relations	
<p><Reason for Appointment> Ms. Lin Kay joined Tokyo Stock Exchange, Inc. after working at Nomura Securities Co., Ltd. and a Taiwanese securities settlement institution and studying in the U.S., among other experiences. For JPX Group, she has experienced operations related to clearing and settlement as well as the stock market, and proactively carried out the communication of information to domestic and overseas investors and market users, etc. as the section director responsible for client relations in the Equities Department and Director of the Corporate Communications Department. She is currently working on public relations to increase understanding and promote awareness related to the market restructuring. She has been appointed as Executive Officer as her sales, corporate communications and IR experience, international background and experience working at other companies will contribute to the Company's ability to communicate information globally and the promotion of diversity.</p>			

2. Policies Regarding Decisions on Compensation for Directors and Executive Officers

Compensation for Directors and Executive Officers of the Company is comprised of a. basic salary, b. annual incentive (bonus), and c. medium- to long-term incentive (stock compensation and monetary compensation) in accordance with "1) Basic Policy on Compensation for Directors and Executive Officers" below. Only a. basic salary is paid to Directors who are not concurrently serving as Executive Officers.

1) Basic Policy on Compensation for Directors and Executive Officers

In order to contribute to the sustainable growth of the Company 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, 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 the Company'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.

The details of each type of compensation are as follows.

a. Basic salary

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

b. Annual incentive (bonus)

Annual incentive (bonus) is paid to Executive Officers at an amount proportionate to net income (meaning net income attributable to owners of the parent company on the consolidated statement of income, hereinafter the same). Net income is used as the indicator for two major reasons. First, net income is a source of funds for dividends to shareholders and for investment aimed at the enhancement of corporate value. Second, it is also appropriate to base the payment of the annual incentive (bonus), which is an incentive for each fiscal year, on the net income recorded in the relevant fiscal year. Besides these, a bonus related to individual performance is paid in order to evaluate the achievement of each executive for each fiscal year.

However, an annual incentive (bonus) will not be paid if net income for the fiscal year fails to reach JPY 10.0 billion.

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

The medium- to long-term incentive (stock compensation) is paid to Executive Officers with the aim of strengthening the alignment of interests with shareholders, increasing the motivation for medium- to long term corporate value improvement, as well as strengthening the link between performance and compensation. The Company's stock compensation utilizes a stock-granting trust mechanism and is comprised of a fixed portion and a performance-linked portion.

For the fixed portion, points are issued to executives in accordance with their position, etc. for each fiscal year, and shares corresponding to the points issued are granted after three years from the issuance date of such points.

For the performance-linked portion, "Performance-linked Basic Points" are issued to executives for each fiscal year, and after three years from the point issuance date, "Performance-linked Points" are calculated by multiplying such Performance-linked Basic Points by a "Performance-linked Factor" in accordance with the degree of achievement of the Company's performance conditions, and then shares corresponding to the Performance-linked Points are granted. In accordance with the chart below, the Performance-linked Factor will be determined between 0–150% based on the relative evaluation of (i) the Company's consolidated ROE when three years have elapsed from the issuance date of such Performance-linked Basic Points and (ii) Total Shareholder Return (TSR) of the Company shares for the period from the

end of the last fiscal year before the issuance date of such points until three years have elapsed (in comparison with the growth rate of JPX-Nikkei 400 Total Return Index).

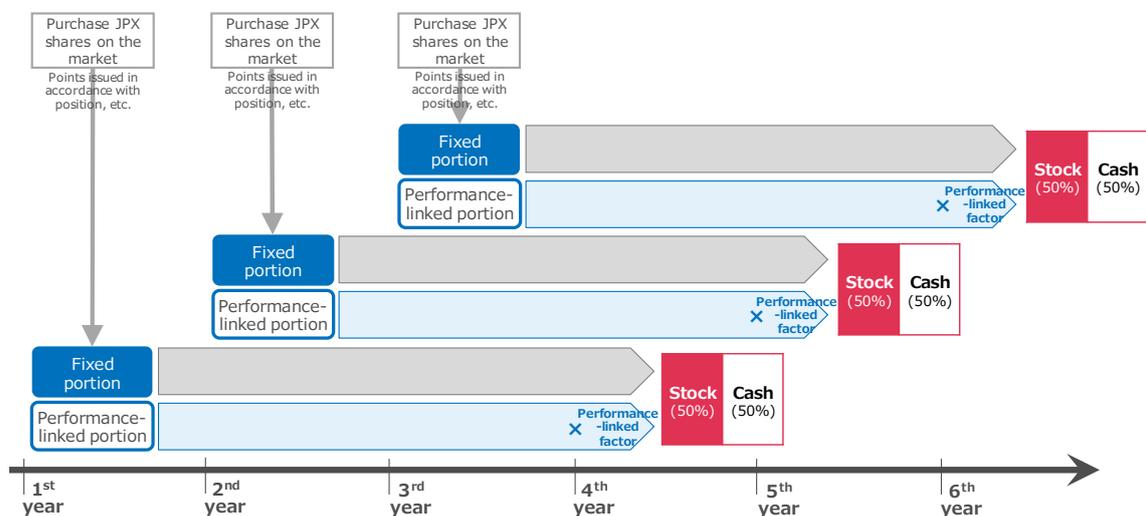
Consolidated ROE is used as an indicator from the perspective of improving capital efficiency, while Total Shareholder Return (TSR) is used from the perspective of enhancing shareholder value.

In accordance with the Company's rules for Executive Officers, in principle, shares in the Company acquired through stock compensation, etc. may not be sold until one year has elapsed from the time of departure from the Company. 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, in the case of issuance prior to the delivery of shares, etc., delivery 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.

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

		Consolidated ROE		
		Below 10%	10% to under 14%	14% and above
Total Shareholder Returns (TSR)	Outperform	Performance-linked Factor 50%	Performance-linked Factor 100%	Performance-linked Factor 150%
	Underperform	Performance-linked Factor 0%	Performance-linked Factor 50%	Performance-linked Factor 100%

Image of Stock Compensation Plan



The medium- to long-term incentive (monetary compensation) is paid to Executive Officers in accordance with the achievement level of consolidated ROE and sustainability measures specified in the Medium-Term Management Plan 2024.

With respect to consolidated ROE, the condition for payment is that consolidated ROE is 10% or more in each year during the period of the Medium-Term Management Plan (three years). The amount paid will reach a maximum if either of the consolidated ROE in the final year of the Medium-Term Management Plan or the average consolidated ROE

across the period of the Medium-Term Management Plan (three years) is 15% or more. The amount to be paid to each executive will be decided in accordance with the consolidated ROE figures and their respective positions.

In addition, in conjunction with the start of a new Medium-Term Management Plan in FY2022, in order to underline JPX Group's commitment to sustainability measures, we have decided to reflect the degree of achievement of sustainability measures in this incentive.

Specifically, with respect to the sustainability measures specified in the Medium-Term Management Plan 2024 (promoting sustainability using market mechanisms, achieving carbon neutrality in-house, achieving carbon neutrality in the operation of securities markets toward 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 consolidated ROE above by a factor of 2 for the Group CEO and 1.5 for the other Executive Officers.

The Company is a Company with Three Committees (Nomination, Audit and Compensation). It has established a statutory Compensation Committee for the purpose of ensuring transparency and objectivity concerning compensation paid to Directors and Executive Officers. The 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 this fiscal year, 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. The Company considers the compensation to be in line with the above policy.

2) Composition of Executive Officers' Compensation

Compensation for Executive Officers consists of basic salary, annual incentive (bonus) and medium- to long-term incentive.

In conjunction with the start of its new Medium-Term Management Plan in FY2022, JPX Group has decided to revise the composition ratio of the compensation of Executive Officers, with the goals of sharing more profit with shareholders than in the past and promoting medium- to long-term improvement of JPX Group's corporate value. As a result, assuming the profit level of the current fiscal year and assuming the Performance-linked Factor of the stock compensation to be 100%, the compensation composition ratio for the Company's Executive Officers is expected to be as follows:

	Basic Remuneration	Annual Incentive	Medium- to Long-term Incentive
CEO	30	25	45
Executive Officers Excluding CEO	40	30	30

3. 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 Monetary Compensation	Annual Incentive		Medium- to Long-term Incentive			
			Monetary Compensation (Bonus)	Fixed Portion	Stock Compensation			Monetary Compensation (Degree of Achievement of the Medium-Term Management Plan)
					Performance- linked Portion			
Directors (excluding Outside Directors)	28	28	—	—	—	—	1	
Executive Officers	528	200	157	84	36	49	6	
Outside Directors	164	164	—	—	—	—	10	

- (Notes)
- The Company 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., Tokyo Commodity Exchange, Inc., and Japan Securities Clearing Corporation are not included in the Eligible Number of Executives because they are not paid compensation as Executive Officers.
 - The above table includes one Outside Director who retired at the conclusion of the annual general shareholders meeting held on June 16, 2021.
 - Bonuses are paid at, mainly, an amount that is in correlation with the Company'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 49,955 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 the Total Shareholder Returns (TSR), the target is for TSR to outperform the growth rate of JPX-Nikkei Index 400 (total return index). The amount of the aforementioned stock compensation is the amount among the stock compensation for FY2018 to FY2021 that is recorded as an expense in the fiscal year. Of that, the indicators for stock compensation granted in FY2018 were as follows: consolidated ROE was 16.6%, 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 highest possible performance conditions were achieved.
 - With respect to monetary compensation related to the degree of achievement of the Medium-Term Management Plan, during the period of the Medium-Term Management Plan (three years), the consolidated ROE for each fiscal year must be at least 10% to be eligible for the payment, and if either the consolidated ROE for the final year of the Medium-Term Management Plan or the average consolidated ROE during the period of the Medium-Term Management Plan (three years) reaches 15% or more, the maximum amount will be paid. Since the consolidated ROE was 15.7% in FY2021, the maximum payment amount was reached.
 - 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 Regulation for Enforcement of the Companies Act, and stock compensation falls under "non-monetary compensation, etc." provided for by the same Act.

4. Summary of Limited Liability Agreements

The Company has concluded limited liability agreements with Non-Executive Directors Tsuda Hiroki, Christina Ahmadjian, Endo Nobuhiro, Ogita Hitoshi, Kohda Main, Kobayashi Eizo, Takeno Yasuzo, Minoguchi Makoto, Mori Kimitaka, and Yoneda Tsuyoshi pursuant to Article 423, Paragraph 1 of the Companies Act. The liability limit under such agreements is the prescribed minimum amount specified by laws and regulations.

5. Summary of Directors and Officers Liability Insurance Policy

(a) Scope of insureds

Directors, executive officers (*shikkoyaku* or *shikkoyakuin*), auditors (*kansayaku* or *kanji*), and governors (*riji*) of JPX Group

(b) Summary of insurance policy terms

The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance policy covers compensation for damages, litigation expenses, and other payments incurred by the insureds resulting from claims for damages arising from acts (including inaction) performed in the course of their duties as a company officer specified in (a) above. The full amount of the insurance premiums is borne by the Company.

6. Item Related to Outside Directors

Primary activities during the fiscal year

Position	Name	Attendance (times)	Overview of statements made and duties performed in relation to expected role
Director	Tsuda Hiroki	Board of Directors: 12/12	In the deliberation of agenda items at Board of Directors meetings, he made statements that were relevant to the management of the Company and contributed such statements in an appropriate way based mainly on his abundant experience and insight in financial administration.
Director	Christina Ahmadjian	Board of Directors: 12/12 Compensation Committee: 4/4 Audit Committee: 11/11	In the deliberation of agenda items at Board of Directors meetings, Compensation Committee meetings, and Audit Committee meetings, she made statements that were relevant to the management of the Company and contributed such statements in an appropriate way based mainly on her insight in corporate strategy from the perspective of an expert from the academia.
Director	Endo Nobuhiro	Board of Directors: 12/12 Nomination Committee: 7/7	In the deliberation of agenda items at Board of Directors meetings and Nomination Committee meetings, he made statements that were relevant to the management of the Company and contributed such statements in an appropriate way based mainly on his abundant experience and insight in corporate management and system networks.
Director	Ogita Hitoshi	Board of Directors: 12/12 Nomination Committee: 7/7	In the deliberation of agenda items at Board of Directors meetings and Nomination Committee meetings, he made statements that were relevant to the management of the Company and contributed such statements in an appropriate way based mainly on his abundant experience and insight in corporate management.
Director	Kohda Main	Board of Directors: 12/12 Audit Committee: 11/11	In the deliberation of agenda items at Board of Directors meetings and Audit Committee meetings, she made statements that were relevant to the management of the Company and contributed such statements in an appropriate way based mainly on her creativity and perception as a novelist, her insight in finance, and her experience in serving as a university professor and a member of government advisory councils.
Director	Kobayashi Eizo	Board of Directors: 12/12 Nomination Committee: 7/7 Compensation Committee: 4/4	In the deliberation of agenda items at Board of Directors meetings, Nomination Committee meetings, and Compensation Committee meetings, he made statements that were relevant to the management of the Company and contributed such statements in an appropriate way based mainly on his abundant experience and insight in corporate management.
Director	Takeno Yasuzo	Board of Directors: 10/10 Audit Committee: 9/9	In the deliberation of agenda items at Board of Directors meetings and Audit Committee meetings, he made statements that were relevant to the management of the Company and contributed such statements in an appropriate way based mainly on his insight in corporate legal affairs from the perspective as an expert from the legal profession.
Director	Mori Kimitaka	Board of Directors: 12/12 Compensation Committee: 4/4 Audit Committee: 11/11	In the deliberation of agenda items at Board of Directors meetings, Compensation Committee meetings, and Audit Committee meetings, he made statements that were relevant to the management of the Company and contributed such statements in an appropriate way based mainly on his insight in corporate accounting in his capacity as an accounting professional.
Director	Yoneda Tsuyoshi	Board of Directors: 12/12 Nomination Committee: 6/6 Audit Committee: 2/2	In the deliberation of agenda items at Board of Directors meetings, Nomination Committee meetings and Audit Committee meetings, he made statements that were relevant to the management of the Company and contributed such statements in an appropriate way based mainly on his abundant experience and insight in law enforcement.

Reference

Corporate Governance System

• Fundamental Views on Corporate Governance

In order to conduct management in line with its corporate philosophy, the Company is aware of the importance of having its stakeholders understand its corporate philosophy and corporate activities. Therefore, the Company has established its fundamental views on corporate governance from four perspectives, described below. Based on these fundamental views, the Company is committed to appropriately developing its corporate governance system in light of the intent of the individual principles of Japan's Corporate Governance Code.

Corporate Philosophy and Social Mission
 JPX Group operates markets that are a public asset and fulfills its social mission by pursuing the sustainable development of its markets.

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

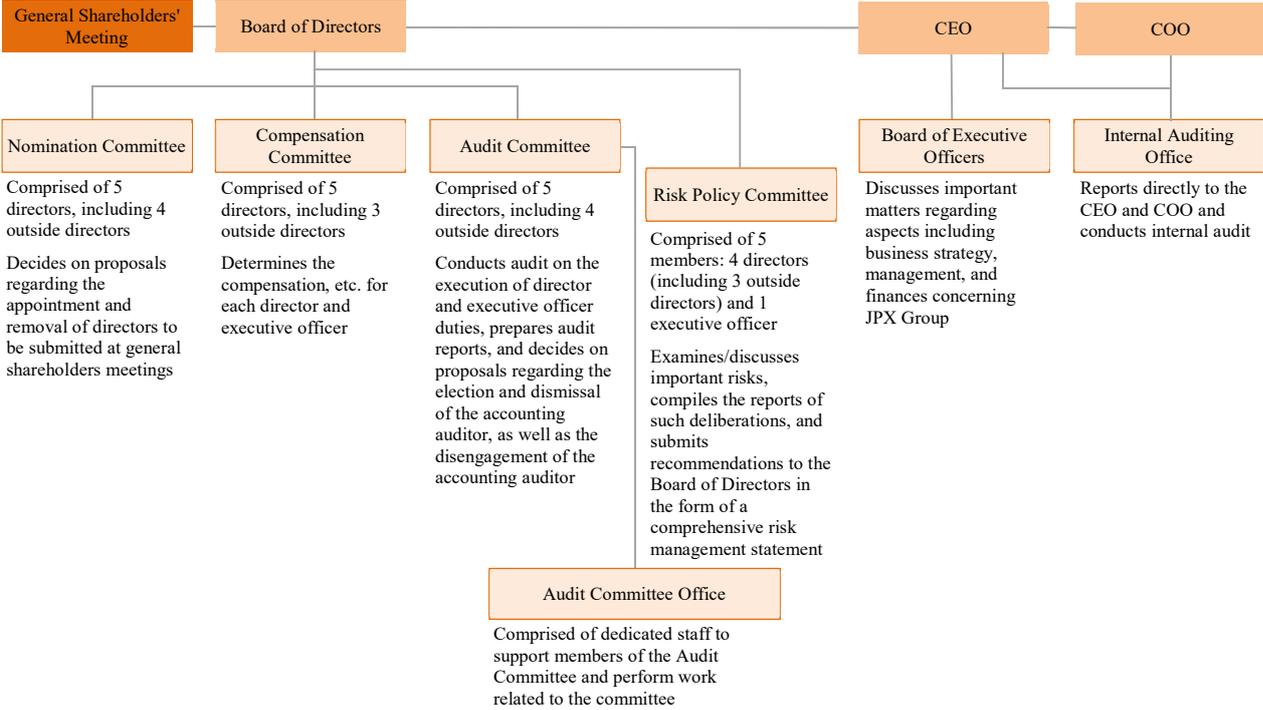
Market Operations
 JPX Group operates markets with the view that garnering support for and fostering confidence in the markets it establishes are in the common interest of all investors and market users, and maintaining and enhancing such support and confidence will build the foundations for sustainable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

Effective Corporate Governance
 JPX strives to constantly improve its corporate governance system to further facilitate effective and useful systems, so as to support the sustainable development of its markets.

• Corporate Governance System

The Company clearly segregates the management oversight and the business execution functions and adopts the structure of a Company with Three Committees (Nomination, Audit and Compensation) to strengthen oversight and raise the transparency of management.

Corporate Governance System Diagram



- **Composition of the Board of Directors**

The Company's Board of Directors is composed of 14 directors, including two women. The functions of the board include increasing the transparency and accountability of the management and enhancing the supervision of the appropriateness of business execution. To accomplish this, the composition of the board includes a non-executive Chairman, who is among nine Independent Directors that constitute a board majority. The breakdown of the nine Independent Directors is as follows: three corporate managers, one legal expert, one certified public accountant, and four researchers or former government officials. Each Director has considerable experience and insight in his/her respective field and contributes to a structure that allows for multifaceted external perspectives to be readily incorporated into the management of the Company.

- **Nomination, Compensation, and Audit Committees**

As required by law, the Company has set up 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 in both these committees. The appointment and removal of directors and executive officers are 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. The Company 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. The Company also has an Audit Committee Office to assist the Audit Committee members in the performance of their duties.

- **Independent Directors Committee**

The Company 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 part-time Independent Directors to better perform management oversight and facilitate active discussion at Board of Directors meetings.

Independent Directors Committee

Objectives	For part-time Independent Directors to exchange information and form consensus * The Chairman of the board, 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 Chairman convenes meetings as needed.
Committee Chairman	The Committee Chairman convenes meetings and presides over them. When the Committee deems it necessary for ensuring smooth communication, the contents of the discussions of the Committee can be reported to the Chairman of the board, CEO, and other members of management.

- **Risk Policy Committee**

The Company has a Risk Policy Committee, mainly composed of Outside Directors, with the aim of bringing in outside perspectives to risk management to further improve corporate governance. Every fiscal year, the Risk Policy Committee formulates a comprehensive risk management statement that contains the results of their identification of risks in internal and external environments that could have a particular impact on JPX Group. The statement is proposed to the Board of Directors. In response to this proposal, the Company implements measures to prevent the realization of such risks, and in doing so, is constructing systems designed to minimize the impact of such risks and respond flexibly toward issue resolution in the event that such risks are realized.

- Evaluating the Effectiveness of the Board of Directors

At the Company, the Board of Directors analyzes and evaluates its own effectiveness based on questionnaires and/or interviews with all board members. To increase the objectivity and transparency of the evaluation process, the Independent Directors Committee is tasked with conducting the evaluation.

For information on the evaluation process, an overview of the evaluation results and other related matters, please refer to the Company's Corporate Governance Report.

(<https://www.jpix.co.jp/english/corporate/governance/policy/>)

Board Effectiveness Evaluation Cycle



IV. Accounting Auditor

1. Name of Accounting Auditor

Deloitte Touche Tohmatsu LLC

2. Compensation, etc. Paid to Accounting Auditor

Compensation, etc. paid to Deloitte Touche Tohmatsu LLC

	Amount Paid
1) Total compensation, etc. paid to the Accounting Auditor by the Company and its subsidiaries	JPY 115 million
2) Of the total in 1), the total amount of compensation, etc. paid as a consideration for audit certification under Article 2, Paragraph 1 of the Certified Public Accountants Act	JPY 115 million
3) Of the total in 2), the amount of Accounting Auditor's compensation, etc. paid by the Company	JPY 45 million

(Note) The Company's Audit Committee reviewed the audits performed during the preceding fiscal year and the content of the audit plan for the fiscal year in accordance with "Practical Guidelines Regarding Cooperation with Accounting Auditors" published by the Japan Audit & Supervisory Board Members Association. It then considered the appropriateness of the estimated audit duration and compensation before granting the consent required pursuant to Article 399, Paragraphs 1 and 4 of the Companies Act for the compensation, etc. paid to the Accounting Auditor.

3. Non-audit Services

There are no matters to report.

4. Policy Regarding Decisions to Dismiss or Not to Reappoint the Accounting Auditor

The Audit Committee shall submit a proposal to the general shareholders meeting on the dismissal or non-reappointment of the Accounting Auditor in the event that the Committee determines that such action is necessary in light of a comprehensive assessment of the Accounting Auditor's independence, trustworthiness, and other conditions related to the performance of its duties.

In addition, if any of the provisions of the items of Article 340, Paragraph 1 of the Companies Act are deemed to apply to the Accounting Auditor, the Company shall dismiss the Accounting Auditor.

5. Matters Related to Limited Liability Agreement

There are no matters to report.

V. Policy Regarding Decisions on Dividends Paid Out of Retained Earnings, etc.

The Company adopts a dividend policy with a target payout ratio of about 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 JPX Group to pursue investment opportunities to raise the competitiveness of its markets as they arise.

Furthermore, the Company stipulates "Except as otherwise provided by laws and regulations, the Company shall decide on matters provided in each item of Article 459, Paragraph 1 of the Companies Act including dividends paid out of retained earnings by resolutions of the Board of Directors, but not by resolutions of the general shareholders meeting" in the Articles of Incorporation.

For the dividend whose record date falls on the end of the fiscal year (March 31, 2022), the Company will pay an ordinary dividend of JPY 31 per share. Concerning consolidated operating results for the fiscal year, JPX Group's results mostly exceeded the key financial targets (operating revenue of JPY 130.0 billion, net income attributable to owners of the parent company of JPY 50.0 billion, and ROE of 15% or more) set in the 3rd Medium-Term Management Plan (FY2019-FY2021) for the second consecutive period. Moreover, the core strategies presented in our 3rd Medium-Term Management Plan, including the transition to the new market segments of the stock market operated by Tokyo Stock Exchange, were steadily advanced with the support from shareholders. In order to express our gratitude, we will issue a special dividend of JPY 15 per share. Therefore, the dividend as of the end of the fiscal year will be JPY 46. As a result, including the interim dividend of JPY 26 (record date: September 30, 2021), the annual dividend will be JPY 72 per share (including the special dividend of JPY 15 per share), and the dividend payout ratio will be 76.3%.

VI. Basic Policy Regarding Control of the Company

The Company has not prescribed a basic policy or takeover defense measures related to entities controlling decisions on the Company's policy on finances or business. However, the following legal provisions exist regarding the acquisition/holding of a certain amount or more of the Company's stock.

(Reference) Excerpts from Related Laws

(a) Article 103-2, Paragraph 1 of the Financial Instruments and Exchange Act

It is prohibited for any person to acquire or hold a number of voting rights (excluding the voting rights that are specified by Cabinet Office Ordinance in consideration of the manner in which they are acquired or held and any other circumstances; hereinafter referred to as "Subject Voting Rights" in this Chapter) constituting 20 percent or more (or 15 percent or more, if a fact has occurred that is specified by Cabinet Office Ordinance as something that is presumed to have a material influence on decisions about financial and operational policies; hereinafter referred to as the "Threshold Holding Ratio" in this Chapter) of all shareholders' voting rights in a Stock Company-Operated Financial Instruments Exchange; provided, however, that this does not apply if an Authorized Financial Instruments Business Association, Financial Instruments Exchange, Financial Instruments Exchange Holding Company, Commodity Exchange, or Commodity Exchange Holding Company acquires or holds Subject Voting Rights.

(b) Article 106-14, Paragraph 1 of the Financial Instruments and Exchange Act

It is prohibited for any person to acquire or hold a number of Subject Voting Rights in a Financial Instruments Exchange Holding Company which is equal to or greater than the Threshold Holding Ratio of all shareholders' voting rights; provided, however, that this does not apply if an Authorized Financial Instruments Business Association, Financial Instruments Exchange, or Commodity Exchange acquires or holds Subject Voting Rights.

(c) Article 106-17, Paragraph 1 of the Financial Instruments and Exchange Act

Notwithstanding the provisions of Article 106-14, Paragraph 1, with the authorization of the Prime Minister, a Local Government, etc. may acquire or hold a number of Subject Voting Rights that is equal to or greater than the Threshold Holding Ratio, but no greater than 50 percent, of all shareholders' voting rights in a Financial Instruments Exchange Holding Company, pursuant to the provisions of Cabinet Office Ordinance.

(Regarding figures on operations presented in this report: monetary values and numbers of shares are rounded down to the nearest unit used; percentages and other figures are rounded off.)

Consolidated Statement of Financial Position

(As of March 31, 2022)

(JPY million)

Assets		Liabilities and Equity	
Current assets		Liabilities	
Cash and cash equivalents	93,354	Current liabilities	
Trade and other receivables	15,305	Trade and other payables	4,813
Clearing business financial assets	64,368,444	Bonds and loans payable	32,500
Specified assets for deposits from clearing participants	6,679,236	Clearing business financial liabilities	64,368,444
Specified assets for legal guarantee funds	637	Deposits from clearing participants	6,679,236
Income tax receivables	2,022	Legal guarantee funds	637
Other financial assets	118,000	Trading participant security money	8,731
Other current assets	2,910	Income tax payables	3,800
Total current assets	71,279,910	Other current liabilities	10,003
		Total current liabilities	71,108,167
Non-current assets		Non-current liabilities	
Property and equipment	13,029	Bonds and loans payable	19,967
Goodwill	67,374	Retirement benefit liabilities	8,985
Intangible assets	37,734	Other non-current liabilities	2,361
Retirement benefit assets	9,035	Deferred tax liabilities	101
Investments accounted for using the equity method	17,650	Total non-current liabilities	31,415
Specified assets for default compensation reserve funds	27,948	Total liabilities	71,139,582
Other financial assets	2,418	Equity	
Other non-current assets	6,030	Share capital	11,500
Deferred tax assets	2,303	Capital surplus	38,844
Total non-current assets	183,524	Treasury shares	(1,912)
		Other components of equity	445
		Retained earnings	266,776
		Total equity attributable to owners of the parent company	315,653
		Non-controlling interests	8,198
		Total equity	323,852
Total assets	71,463,434	Total liabilities and equity	71,463,434

Consolidated Statement of Income

(From April 1, 2021 to March 31, 2022)

	(JPY million)
Revenue	
Operating revenue	135,432
Other revenue	205
Total revenue	135,637
Expenses	
Operating expenses	63,220
Other expenses	11
Total expenses	63,232
Share of income of investments accounted for using the equity method	1,067
Operating income	73,473
Financial income	58
Financial expenses	103
Income before income tax	73,429
Income tax expense	22,598
Net income	50,830
Net income attributable to	
Owners of the parent company	49,955
Non-controlling interests	874

Non-consolidated Balance Sheet

(As of March 31, 2022)

(JPY million)

Assets		Liabilities	
Current assets	93,834	Current liabilities	89,939
Cash and deposits	82,725	Operating accounts payable	282
Operating accounts receivable	17	Short-term loans payable	32,500
Securities	2,000	Short-term loans payable to subsidiaries and associates	55,400
Prepaid expenses	151	Accounts payable - other	249
Other	8,940	Accrued expenses	225
Non-current assets	139,318	Deposits received	225
Property and equipment	30	Unearned revenue	118
Buildings	3	Provision for bonuses	543
Vehicles	19	Provision for directors' bonuses	204
Tools, furniture and fixtures	7	Other	190
Intangible assets	117	Non-current liabilities	21,418
Trademark right	9	Bonds	20,000
Software	108	Provision for retirement benefits	72
Investments and other assets	139,170	Provision for stock benefits	1,299
Investment securities	1,158	Other	46
Shares of subsidiaries and associates	123,784	Total liabilities	111,357
Investments in capital of subsidiaries and associates	3,000	Net assets	
Long-term prepaid expenses	4	Shareholders' equity	121,990
Prepaid pension cost	54	Share capital	11,500
Deferred tax assets	441	Capital surplus	3,000
Specified assets for default compensation reserve funds	10,580	Legal capital surplus	3,000
Other	146	Retained earnings	109,402
		Other retained earnings	109,402
		General reserve	5,302
		Retained earnings brought forward	104,100
		Treasury shares	(1,912)
		Valuation and translation adjustments	(194)
		Valuation difference on available-for-sale securities	(194)
		Total net assets	121,796
Total assets	233,153	Total liabilities and net assets	233,153

Non-consolidated Statement of Income

(From April 1, 2021 to March 31, 2022)

	(JPY million)
Operating revenue	52,727
Management fee income	7,926
Dividend income from subsidiaries and associates	44,798
Other	3
Operating expenses	6,388
Operating income	46,339
Non-operating income	209
Interest income	6
Dividend income	170
Other	32
Non-operating expenses	97
Interest expenses	9
Interest on bonds	71
Other	17
Ordinary income	46,451
Extraordinary income	780
Gain on sales of investment securities	780
Extraordinary losses	3,036
Loss on valuation of shares of subsidiaries and associates	3,036
Income before income taxes	44,195
Income taxes - current	700
Income taxes - deferred	129
Net income	43,365

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 10, 2022

To the Board of Directors of
Japan Exchange Group, Inc.

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:
Yoshiaki Kitamura

Designated Engagement Partner,
Certified Public Accountant:
Michiyuki Yamamoto

Designated Engagement Partner,
Certified Public Accountant:
Eriko Otokozawa

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of Japan Exchange Group, Inc. and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as of March 31, 2022, and the consolidated statement of income and consolidated statement of changes in equity for the fiscal year from April 1, 2021 to March 31, 2022, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2022, and its consolidated financial performance for the year then ended in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those

standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The Audit Committee is responsible for overseeing the Officers and Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards.

The Audit Committee is responsible for overseeing the Officers' and Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's

judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 10, 2022

To the Board of Directors of
Japan Exchange Group, Inc.

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:
Yoshiaki Kitamura

Designated Engagement Partner,
Certified Public Accountant:
Michiyuki Yamamoto

Designated Engagement Partner,
Certified Public Accountant:
Eriko Otokozawa

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of Japan Exchange Group, Inc. (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2022, and the nonconsolidated statement of income and nonconsolidated statement of changes in equity for the 21st fiscal year from April 1, 2021 to March 31, 2022, and a summary of significant accounting policies and other explanatory information, and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2022, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The Audit Committee is responsible for overseeing the Officers and Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Nonconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The Audit Committee is responsible for overseeing the Officers' and Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order

to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

■ Audit Report of Audit Committee

Audit Report

The Audit Committee of Japan Exchange Group, Inc. (the Company) has audited the execution of official duties by the directors and executive officers of the Company during its 21st business year, the period from April 1, 2021 to March 31, 2022. Our audit methods and results are as follows.

1. Auditing Methods and Content thereof

The Audit Committee monitored and inspected the resolutions of the Board of Directors and the status of establishment and operation of the system (Internal Control System) developed under such resolutions with regard to matters referred to in Article 416, Paragraph 1, Item 1, sub-items (b) and (c) of the Companies Act. At the same time, the Audit Committee performed audits by the following methods:

- (i) In accordance with auditing policies, auditing plans, etc. set by the Audit Committee, conforming to the auditing standards established by the Audit Committee, and in cooperation with the internal control divisions of the Company, the Audit Committee examined the Company's operational and financial condition through attending important meetings, receiving reports from directors, executive officers, etc. on the execution of their duties and asking for details when necessary, and examining important documents, etc. related to Company decisions. Regarding subsidiaries, the Committee maintained communication and exchanged information with directors, auditors, etc. of subsidiaries, and received business reports of subsidiaries when necessary.
- (ii) Furthermore, the Audit Committee monitored and inspected whether the Accounting Auditor performed proper audits while assuring said Auditor's independence, and received reports from the Accounting Auditor on the execution of said Auditor's duties, asking for details when necessary. The Audit Committee was also informed by the Accounting Auditor that the "system to ensure proper execution of its duties" (matters described in each item of Article 131 of the Ordinance on Accounting of Companies) has been developed in accordance with "Quality Control Standards for Audits" issued by the Business Accounting Council on October 28, 2005 and others, asking for details when necessary.

Through the above methods, the Audit Committee reviewed the business report and its supplementary statements, financial documents (nonconsolidated balance sheet, nonconsolidated statement of income, and nonconsolidated statement of changes in equity) and its supplementary statements, and consolidated financial documents (consolidated statement of financial position, consolidated statement of income, and consolidated statement of changes in equity that were prepared with omissions of part of the disclosure items required by International Financial Reporting Standards as prescribed in the second sentence of Paragraph 1 of Article 120 of the Ordinance on Accounting of Companies) for said business year.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

- (i) We certify that the business report and its supplementary statements fairly present the situation of the Company in accordance with laws and regulations as well as the Articles of Incorporation.
- (ii) We found no wrongful act or material fact in violation of laws, regulations, or the Articles of Incorporation with respect to the performance of duties by the directors and executive officers.
- (iii) We certify that the resolutions of the Board of Directors with respect to the internal control system are proper and correct. In addition, we found no matter that needed to be addressed regarding the performance of duties by the directors and executive officers with respect to the internal control system.

(2) Audit Results of Financial Documents and Supplementary Statements

We certify that the auditing method of Deloitte Touche Tohmatsu LLC, the Accounting Auditor, and the results of its audit are proper and correct.

(3) Audit Results of Consolidated Financial Documents

We certify that the auditing method of Deloitte Touche Tohmatsu LLC, the Accounting Auditor, and the results of its audit are proper and correct.

May 11, 2022

Audit Committee of Japan Exchange Group, Inc.

Member of the Audit Committee
Mori Kimitaka

Member of the Audit Committee
Takeno Yasuzo

Member of the Audit Committee
Christina Ahmadjian

Member of the Audit Committee
Kohda Main

Member of the Audit Committee (Full-time)
Minoguchi Makoto

(Note) Members of the Audit Committee Mori Kimitaka, Takeno Yasuzo, Christina Ahmadjian and Kohda Main are outside directors as stipulated in Article 2, Item 15, and Article 400, Paragraph 3 of the Companies Act.