

Reminder Regarding the Criteria for Inclusion in the List of Companies That Have Disclosed Information Regarding "Action to Implement Management That Is Conscious of Cost of Capital and Stock Price"

Tokyo Stock Exchange, Inc. Listing Department

March 29, 2024



For Newly Disclosing Companies

- ◆ In January 2024, TSE began publishing a list of companies that have disclosed information in accordance with the request. (<https://www.jpx.co.jp/english/equities/follow-up/02.html>)
- ◆ The list is compiled based on designated keywords found in companies' most recently submitted Corporate Governance Reports at the time of compilation.
- ◆ If newly disclosing initiatives, etc., please **correctly enter the following designated keywords according to your company's current status in the "Disclosure Based on Each Principle of the Corporate Governance Code" column or the "Reasons for Non-compliance with Principles of the Corporate Governance Code" column of the Corporate Governance Report**, along with the content.

● Keywords regarding disclosure status

Status	Keyword
“Disclosed”	【資本コストや株価を意識した経営の実現に向けた対応】 (Action to Implement Management That Is Conscious of Cost of Capital and Stock Price)
“Under Consideration”	【資本コストや株価を意識した経営の実現に向けた対応（検討中）】 (Action to Implement Management That Is Conscious of Cost of Capital and Stock Price (Under Consideration))

● Keyword regarding English disclosure status

Status	Keyword
“Available”	【英文開示有り】 (Disclosed in English) * Following the keywords regarding disclosure status
“Unavailable”	None (no additional keywords required)

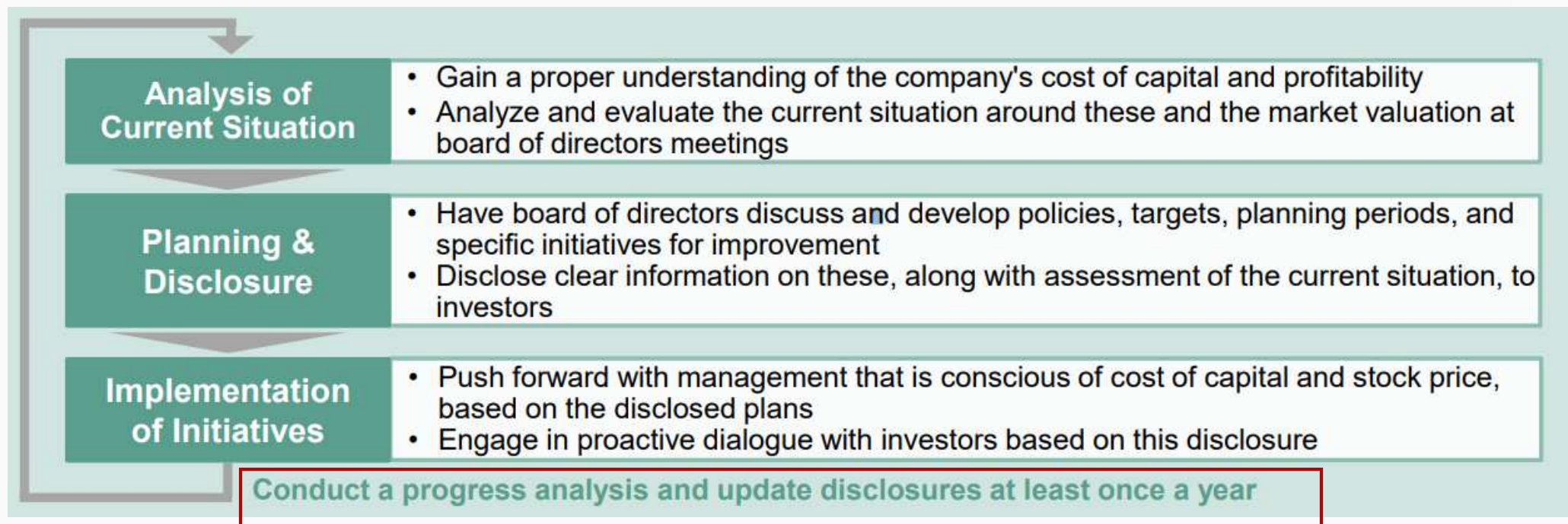
Note: If keywords are not included in the Corporate Governance Report, the company will not be reflected in the list.

Note: If a company submits a Corporate Governance Report with newly added keywords, it will be reflected in the list released on the 15th of the following month (the disclosure status as of the end of each month is released on the 15th of the following month).

For Companies That Have Already Disclosed

- ◆ In the request for Action to Implement Management That is Conscious of Cost of Capital and Stock Price, **companies are required to conduct a progress analysis and update their disclosures at least once a year**, even after they have made the initial disclosures.
- ◆ When updating disclosures and the Corporate Governance Report, **please double-check that the designated keywords provided on page 2 are correctly described**.
- In particular, please note that it is **necessary to update keywords** if **the disclosure status changes such as from “under consideration” to “disclosed,”** or if **English disclosure is newly made**.

(Ref.) Actions required to achieve Management That is Conscious of Cost of Capital and Stock Price



- ◆ Please also refer to the following documents when considering, disclosing, and updating initiatives.

a. Action to Implement Management that is Conscious of Cost of Capital and Stock Price

<https://www.jpx.co.jp/english/equities/follow-up/uorii50000004sse-att/uorii50000004tcv.pdf>

- Content of the request made in March 2023 to all listed companies in the Prime and Standard Markets.

b. Better Dialogue with Shareholders and Related Disclosure

<https://www.jpx.co.jp/english/equities/follow-up/uorii50000004s73-att/uorii50000004sri.pdf>

- Content of the request made in March 2023 to all listed companies in the Prime Market.

c. Key Points and Examples Considering The Investor's Point of View in Regard to Management Conscious of Cost of Capital and Stock Price

<https://www.jpx.co.jp/english/equities/follow-up/uorii50000004sse-att/240201en.pdf>

Appendix (Case Studies) <https://www.jpx.co.jp/english/equities/follow-up/uorii50000004sse-att/240201en2.pdf>

- Content compiled in February 2024 for listed companies to use as a reference for their consideration.
- The report is based on interviews with many investors in Japan and overseas, including a summary of the key points of initiatives that investors expect from companies, and also examples of initiatives that investors deemed as fulfilling these expectations.

d. Disclosure Status as of February 29, 2024

<https://www.jpx.co.jp/english/equities/follow-up/b5b4pj000004yqcc-att/dh3otn0000002r3q.pdf>

- Document showing the disclosure status of the Prime and Standard Markets as of February 29, 2024.