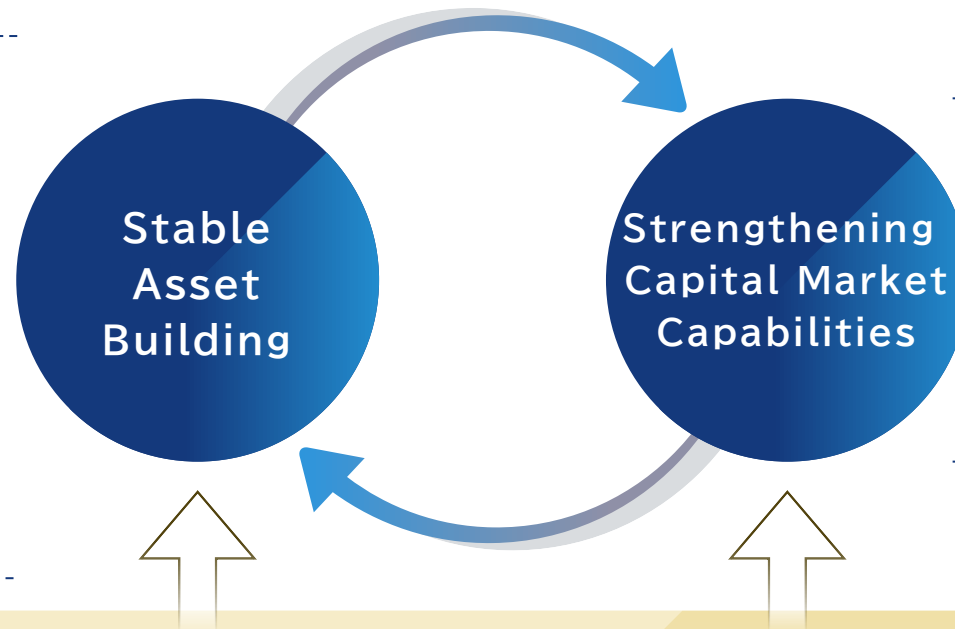


The Shift from Savings to Investment and Beyond

Driving the growth of Japan's economy
by accelerating the shift and supplying risk capital

- Further develop and promote NISA and defined contribution pension system
- Work with J-FLEC to promote financial literacy and change investment behaviors
- Provide secure and reliable securities services (eg, addressing unauthorized access/fraudulent transaction issues, and supporting elderly customers)



- Promote fundraising for startups, (such as J-Ships and other means for investing in unlisted shares)
- Expand the corporate bond market
- Promote sustainable finance

Uplifting the Securities Industry to Support the Capital Flow

Improving professional ethics and expertise

Enhancing cyber security measures

Driving operational efficiency in middle and back-office

Pursue digital transformation and use of AI to improve operational efficiency and customer services

Public	Work to achieve households' stable asset formation through promotion and refinements of asset-building support programs	1. Undertake initiatives to promote households' stable asset formation and to further ensure the "shift from savings to investment" 2. Support and cooperate with J-FLEC to enhance the financial literacy of the public 3. Improve asset-building support programs and its usability	4. Undertake initiatives aimed at promoting asset utilization for elderly people and enabling smooth intergenerational asset transfer 5. Respond to unauthorized access and fraudulent transaction issues targeting online accounts 6. Prevent fraud related to securities investments 7. Undertake initiatives to enhance the investment environment for retail investors
Market Intermediaries (Members)	Promote customer-oriented business conduct and improve market intermediaries' functions and credibility	1. Undertake initiatives to further enhance professional ethics and credibility among members' officers and employees 2. Enhance support for members' compliance efforts 3. Support members to enhance cybersecurity measures 4. Promote appropriate use of AI 5. Ensure effective self-regulatory functions • Conduct agile and effective inspections on association members	• Post-inspection follow-up • Continue efforts to prevent insider trading 6. Undertake initiatives to improve the efficiency of middle and back-office operations at securities firms 7. Support members' efforts to tackle various contemporary challenges 8. Undertake initiatives to review and streamline/enhance self-regulations 9. Respond to increased diversification of sales channels
Market (Infrastructure)	Strengthen functions and competitiveness of Japanese capital markets, including advancing financial innovation	1. Respond diligently to the progress in financial innovation 2. Undertake initiatives to increase the use of private placement scheme with professional investors 3. Foster an environment to facilitate provision of growth capital to startups	4. Undertake initiatives for vitalizing the corporate bond market 5. Conduct BCP drills to safeguard market functions 6. Gather information regarding T+1
Global Capital Markets	Enhance global outreach and cooperation including the promotion of sustainable finance	1. Conduct overseas PR Activities, including the Japan Securities Summit, to attract investment to Japanese capital markets 2. Conduct outreach to overseas regarding Initiatives on Japanese capital markets to encourage better understanding 3. Conduct outreach to market participants regarding initiatives on sustainable finance, including transition finance, to encourage better understanding	4. Follow and respond to developments in the global securities regulatory agenda 5. Strengthen collaboration and cooperation with overseas partner organizations
Social Engagement	Engage with society at large by promoting sustainability amongst the securities industry	1. Undertake initiatives to further support economically vulnerable children 2. Enhance public awareness regarding the function and role of securities market and firms, and strengthen cooperation with various stakeholders	3. Undertake initiatives to create an inclusive, fulfilling work environment and promote better work-life balance
JSDA	Work to further revitalize the functionality of the JSDA secretariat to achieve various challenges listed above	1. Improve efficiency through restructuring operations and use of DX 2. Sustain and improve business continuity planning, including cybersecurity measures	3. Further enhancement of employee's capabilities 4. Create a fulfilling and conducive work environment



日本証券業協会
Japan Securities Dealers Association



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10/4は
証券投資の日

JSDA's Major Work Plans (2025 – 2026)

July 1, 2025

1. Undertake initiatives to promote households' stable asset formation and to further ensure the "shift from savings to investment"

- Work to further promote the use of the NISA system.
- Disseminate information on the use of NISA and other asset formation support systems in a timely and proper manner. Integrates a data-driven approach into the strategic planning by utilizing survey results to develop effective measures for each target segments, including workplaces.
- Publicize NISA system through a feature website, brochures, and promotional videos.

2. Support and cooperate with the Japan Financial Literacy and Education Corporation (J-FLEC) to enhance the financial literacy of the public

- Provide ongoing support for the J-FLEC through manpower and funding.
- Carry out the local initiatives entrusted by J-FLEC to the JSDA district offices.
- Reach out to stakeholders such as the national and local government(s), and the business community in collaboration with related organizations, including J-FLEC and the Council for Financial Services Information to boost the financial capability building activities in the local areas and the workplace.
- Work with key stakeholders in order to extend the learning areas in financial education defined by National Curriculum Standards for expanded financial education opportunities.

3. Improve asset-building support programs and its usability

- **Undertake initiatives to improve usability of the NISA system**

Work with related parties to expand the NISA system (expanding target age and target products, etc.) and to further improve usability.

- **Work toward reform of the defined contribution (DC) pension system (Corporate DC, iDeCo)**

Work with related parties to improve the system/operations of the DC pension (Corporate DC, iDeCo) for promoting use of the DC pension.

4. Undertake initiatives aimed at promoting asset utilization for elderly people and enabling smooth intergenerational asset transfer

- Support members to facilitate seamless use of “Family Support Securities Account” and grasp the status of usage after the start of the system.
- Work with related parties to support the intergenerational transfer of financial assets by discussing the tax incentives related to inheritance tax on listed stocks, etc., and the inheritance tax valuation.

5. Respond to unauthorized access and fraudulent transaction issues targeting online accounts

- Review the "Guidelines for Preventing Unauthorized Access, etc. in Internet Transactions" introducing mandatory multi-factor authentication, etc. for log-in online customers' accounts, in response to recent cases of unauthorized access and transactions using phishing and malware.

6. Prevent fraud related to securities investments

- Prevent fraud related to securities investments by issuing investor alerts and operating call centers, etc.

7. Undertake initiatives to enhance the investment environment for retail investors

- Work with related parties for the integration of taxation on financial income and gains (i.e., Aggregation of profits and losses between cash and derivatives transactions).

Market Intermediaries (Members)

Promote customer-oriented business conduct and improve market intermediaries' functions and credibility

1. Undertake initiatives to further enhance professional ethics and credibility among members' officers and employees

- Provide training programs on the professional ethics, by rank and job responsibilities of officers and employees of the association members and promote their participation.
- Discuss initiatives to enhance credibility based on the Fraud Triangle and other factors.

2. Enhance support for members' compliance efforts

- Enhance training program related to the self-regulatory rules (JSDA Compliance Training) with richer content and easier access.
- Support compliance systems of members through operating compliance consulting desk.

3. Support members to enhance cybersecurity measures

- Share information on cyber incident from members, provide information on cybersecurity from the government, coordinate members' participation in the government's cybersecurity exercises, and enrich training resources for members.

Market Intermediaries (Members)

Promote customer-oriented business conduct and improve market intermediaries' functions and credibility

4. Promote appropriate use of AI

- Consider initiatives to promote appropriate use of AI by leveraging insights and information obtained through the AI Public-Private Forum.

5. Ensure effective self-regulatory functions

- **Conduct agile and effective inspections on association members**

Continue to conduct agile and effective inspections on association members according to their business operations, status of assets, and other information, in order to check their compliance status with laws and self-regulatory rules, as well as the appropriateness of their internal administration.

- **Post-inspection follow-up**

Follow-up on the progress of appropriate internal administrations based on the results of inspections on the association members.

- **Continue efforts to prevent insider trading**

Continue to collaborate with market-related entities and deliberate on and implement further initiatives to prevent insider trading, as well as consider how to provide related information more efficiently and effectively.

6. Undertake initiatives to improve the efficiency of middle and back-office operations at securities firms

- Integrate efforts and provide support to enhance the efficiency of middle and back-office operations at securities firms.
- Continue discussion on measures to improve efficiency at the “Council for Improving the Efficiency of Middle and Back Office Operations in the Securities Industry”.

7. Support members' efforts to tackle various contemporary challenges

- Consider issues that should be addressed by the securities industry and each company to handle customer-harassment at the “Study Group on Responding to Customer-harassment”.
- Provide videos on various topics (i.e., laws and regulations, research, business skill, IT/DX, cybersecurity measures, SDGs, elderly customer service) through the “JSDA Training Hub,” a training website for the executives and employees of members to encourage them to acquire knowledge relevant to their businesses.
- Organize training programs for member firm employees for networking opportunities and information sharing to build deeper ties in the industry.
- Support members to develop human resources, targeting new staff members, through organizing training program to systematically learn the relevant regulation, including the Financial Instruments and Exchange Act, contributing to the smooth acquisition of basic knowledge and their retention in the workplace.
- Respond sincerely to consultations from members on their operational improvement initiatives during the inspection.

8. Undertake initiatives to review and streamline/enhance self-regulations

- Continue to work on regulatory reform through elimination and reconstruction, such as regulations that place excessive emphasis on formality at the expense of flexibility, taking the situation into account that each member strives to inspire creativity and ingenuity in practicing customer-oriented business conduct.

9. Respond to increased diversification of sales channels

- Discuss initiatives based on the result of the survey over sales channel diversification.
- Provide and promote training programs for financial instruments intermediary service providers and entrusting association members in order to raise the compliance awareness.
- Directly check with the entrusted financial instruments intermediary service providers as necessary when examining the implementation status of entrusting management during inspection on association members.

*As stated in the "Inspection Plan (FY 2025)" (approved by the Self Regulation Board in March 2025).

Market (Infrastructure)

Strengthen functions and competitiveness of Japanese capital markets, including advancing financial innovation

1. Respond diligently to the progress in financial innovation

- Deliberate on and take measures on tokenized securities (i.e., stocks and bonds that utilize blockchain technology) to protect investor and promote sound market development.
- Further promote the digitalization of procedures for receiving dividend, dividend receipts, in response to the scheduled termination of bill and check exchanges at Tokyo Clearing House.

2. Undertake initiatives to increase the use of private placement scheme with professional investors

- Discuss additional system improvement and conduct PR activities on JSDA shares and investment trusts for professionals (J-Ships) to promote investment from professional investors.

3. Foster an environment to facilitate provision of growth capital to startups

- Develop measures to promote the supply of growth capital to startups, based on the discussion at the “Council to Facilitate Provision of Growth Capital to Startups,” which is co-organized with the Financial Services Agency.
- Enhance PR activities to raise awareness of the unlisted stock trading system.

Market (Infrastructure)

Strengthen functions and competitiveness of Japanese capital markets, including advancing financial innovation

4. Undertake initiatives for vitalizing the corporate bond market

- Develop the measures to vitalize the corporate bond market, based on the discussion for revising the Companies Act and the current status of the corporate bond market.
- Smoothly implement expansion of the number of issues to be disseminated on the post trade transparency system, which is scheduled for November this year. Continue to discuss improvements and enhancements of the system while closely monitoring the status after the expansion.

5. Conduct BCP drills to safeguard market functions

- Conduct business continuity planning (BCP) drills for the entire securities market to ensure that the communication network covering the entire industry functions well in the event of a large-scale disaster.

6. Gather information regarding the shortening of stock settlement cycle (T+1)

- Gather information on the issues towards shortening the stock settlement cycle in Japan in cooperation with the relevant organizations, given the global shift toward implementing T+1 in major markets.

1. Conduct overseas PR activities, including the Japan Securities Summit, to attract investment to Japanese capital markets

- Actively promote investment and entry into the Japanese capital markets through PR activities such as Japan Securities Summits overseas and cooperation with related parties.

2. Conduct outreach to overseas regarding initiatives on Japanese capital markets to encourage better understanding

- Leverage opportunities to present Japanese capital market initiatives to overseas stakeholders with the aim of fostering their further understanding.
- Enhance information provision that aligns with the interests and needs of overseas stakeholders, by enriching contents on the English website and other resources.

3. Conduct outreach to market participants regarding initiatives on sustainable finance, including transition finance, to encourage better understanding

- Deliberate on and implement support measures to promote awareness and understanding among market participants regarding Japanese initiatives in Green Transformation (GX) and transition finance, including organizing factory tours related to GX technologies.
- Discuss and implement measures to promote the cutting-edge global practices in sustainable finance market, through co-hosting the Annual Conference of the Principles with the International Capital Market Association (ICMA).

4. Follow and respond to developments in the global securities regulatory agenda

- Follow the regulatory trends to properly respond, in light of the changes in the market and regulatory landscape and global discussion on new emerging issues, including discussion at the International Organization of Securities Commissions (IOSCO).
- Facilitate the discussion and information sharing regarding the sustainability disclosure standards within the securities industry, and issue opinions to relevant parties, as necessary.

5. Strengthen collaboration and cooperation with overseas partner organizations

- Lead in promoting information exchange and collaboration among related organizations in the Asian regions through Asia Securities Forum (ASF), to actively contribute to addressing common issues and support emerging markets.
- Actively contribute to addressing common challenges through information exchange via International Council of Securities Associations (ICSA) and with overseas organizations, while providing feedback to domestic market as needed.

Social Engagement

Engage with society at large by promoting sustainability amongst the securities industry

1. Undertake initiatives to further support economically vulnerable children

- Support children in cooperation with NPOs and related parties, and those working to solve social issues such as poverty problems among children and young people by shareholder benefits—recognizing the growing concerns over poverty among children and young people in recent years.

2. Enhance public awareness regarding the function and role of securities market and firms, and strengthen cooperation with various stakeholders

- Discuss and advance initiatives to further enhance awareness of the functions and importance of capital market, and the securities firms among the public, by introducing their businesses and initiatives via media platforms.
- Participate in discussion on the reshaping capital markets that are progressing both domestically and internationally.

3. Undertake initiatives to create an inclusive, fulfilling work environment and promote better work-life balance

- Advance initiatives in the securities industry and promote an inclusive work style that enables everyone—regardless of gender or age—to bring out their full potential and capabilities while achieving a harmonious balance between work and private life.

1. Improve efficiency through restructuring operations and use of digital transformation (DX)

- Promote and further advance the efficiency of tasks through introducing Robotic Process Automation (RPA) and secure cloud services as well as by restructuring operations.

2. Sustain and improve business continuity planning, including cybersecurity measures

- Enhance the JSDA's cyber resilience in order to cope with cyber-attacks properly. Continue to endeavor to sustain/improve effectiveness of the BCP, such as the response to events of the disaster, through the PDCA cycle (Plan, Do, Check and Act).

3. Further enhancement of employee's capabilities

- Continue to develop the personnel system for strengthening organizational dynamics.
- Further improve employee competencies and qualities through training in order to enhance operational capabilities.

4. Create a fulfilling and conducive work environment

- Improve JSDA employee competencies and qualities by achieving a balance between work and life and allowing them to work with peace of minds to enable employees to bring their strengths to the workplace.