As of July 17, 2025

Roadmap on Sustainability Disclosure and Assurance

Application of Disclosure Standards

- Prime market-listed companies, promoting constructive dialogue with global investors, will be required to prepare annual securities reports in accordance with the SSBJ Standards, starting from companies with larger market capitalization.
- Application schedule based on market capitalization of prime market-listed companies:
  - i. ¥3 trillion or more: Fiscal year ending March 2027
  - ii. Between ¥1 trillion and ¥3 trillion: Fiscal year ending March 2028
  - iii. Between ¥500 billion and ¥1 trillion: Fiscal year ending March 2029

  The timing for companies in category iii. may be further discussed, while considering domestic and international developments.

  (Note1) Application for other prime market-listed companies will be determined later, based on disclosure practice and investor needs.

  (Note2) Market capitalization will be determined including the average of the last five fiscal year-ends, subject to further review.
- As a transition relief, an entity is allowed to report sustainability disclosures after the financial statements for two years.
- The extension of the submission deadline for annual securities reports will continue to be discussed at the working group.

Assurance

- Mandatory assurance will begin one year after the mandatory application of the sustainability disclosure standards.
- Assurance level: limited assurance (possibility of transitioning to reasonable assurance will no longer be considered).
- Assurance scope (first two years): Scope 1 & 2, Governance, and Risk Management

  → Expansion of the assurance scope after the third year will be considered based on international practices.
- The assurance providers will continue to be discussed by the working group.