

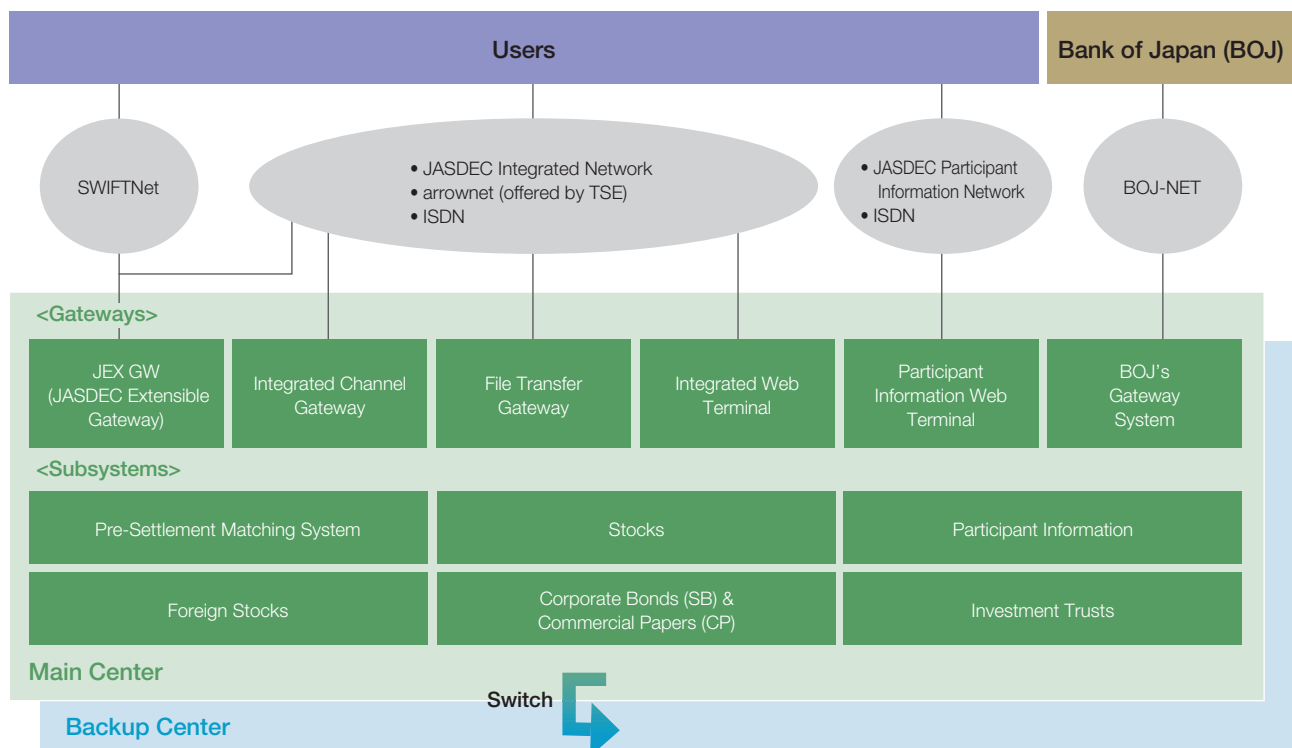
BUSINESS CONTINUITY PLAN OF JASDEC

Our Approach

JASDEC has regularly structured itself so that, in the event of a disaster or other emergency, it would be able to continue operations to the extent possible or promptly resume business operations according to its Basic BCP policy. This is to minimize the effect of such an emergency on JASDEC participants and related entities as a settlement infrastructure.

The specific measures taken by JASDEC include formulating concrete action plans in advance. JASDEC has defined actions to be taken in the event of a disaster or other emergency, such as establishing the BCP Countermeasure Office, delegated authority, organized emergency contact networks, and so on. Our IT systems are installed in a robust main center equipped with a private electrical generator, and our core systems are based on a redundant configuration. Furthermore, we have built a backup center in a remote location to be prepared in case the main center becomes unusable.

JASDEC SYSTEM



IT Backup System

Operations data of the main center is reflected at the backup center almost in real time. In cases where the main center becomes unusable due to a disaster, infrastructure failure (excluding software failure) or other such event, and the restoration task is deemed to be time-consuming, the systems will be switched over to the backup center. Switchover to backup systems will take about 90 minutes. Furthermore, to prepare for the prospect of the head office building becoming unusable, we have established an alternative office where we can execute operations as necessary.

Main Initiatives in FY2014

In FY2014 we took the following steps to reinforce our business continuity plan (BCP).

Formulation of Contingency Plans

We established the Basic Policy on Response to System Failure and released it on our website. This policy allows for the quick and efficient restoration of services in the event that processing is impeded due to a system failure or a line failure in the systems of JASDEC Group, Japan Securities Clearing Corporation, the Bank of Japan or participants.

BCP Exercises

We carried out several company-wide exercises, including an employee safety confirmation exercise, and an exercise involving the set-up of a BCP Countermeasure Office, as well as an employee contact exercise based on a scenario in which phone lines were congested. There were also activities aimed at mitigating the effects of disasters, including in-house seminars by invited outside

experts on topics such as the use of AEDs to perform cardiopulmonary resuscitations and the use of triangle bandages to stop bleeding.

We also carried out training exercises with market participants. For example, we carried out data center switching drills with system users and participated in the joint BCP exercise among three markets (securities, short-term money and forex market), which was conducted by the industry.

Survey and Study Concerning a Dual Site Structure

We have initiated a specific study concerning the establishment of an alternative base in a remote location. The aim is to prevent the entire JASDEC organization from being affected at the same time by a wide-area disaster, by basing our operations on a dual site structure in normal times.

SOCIAL CONTRIBUTION ACTIVITIES

As well as contributing to the economy through our daily business activities, we implement social contribution activities based on direct employee participation with the aim of improving people's lives and contributing to community revitalization.

Activities

- Recycling of plastic bottle caps as an Eco-friendly action and for charity
- Recycling of used stamps and spoiled postcards for charity
- Installation of vending machines with donation functions in offices
- Participation in the "Table for Two" program
- Participation in the Nihonbashi Bridge cleaning activity