The Value Creation Process

Nomura group conducts business on a daily basis with the social mission to “Enrich society through our expertise in capital markets”. In a rapidly changing environment, we will create a prosperous society through our core businesses and provide value to all stakeholders by providing solutions that best meet the diversifying needs of our clients by leveraging the group’s strengths.

**Strength**

- **Trust from clients, Japan’s leading client base**
  - Retail client assets ¥125.0trn* 1
  - Assets under management ¥64.7trn* 2
  - Lead underwriter ratio of domestic listed companies Approx. 45% / Underwriter ratio of domestic listed companies Approx. 65%* 3
  - Trading share in Japan stock No.1* 4
  - Yoe Rates client share No.1* 5
  - Corporate access provider No.1* 6
  - Call center 5 star authentication* 7
  - Japan investor satisfaction study (full-service securities category)* 8

- **Research strength based on deep analysis and foresight**
  - Consolidated group research functions into a single organization (Content Company established in July 2020)
  - Coverage of macroeconomy of 33 countries and regions
  - Digital/research distribution platform

- **Presence related to sustainability**
  - Multinational talent structure - approx. 90 nationalities
  - Advanced training program and appropriate personnel evaluation system
  - Excellent and deep human resources with diversity
  - Expertise and ability to propose solutions in sustainability-related businesses
  - Investment Bank of the Year (Sustainable Corporate Finance)**
  - Highest rating in Principles for Responsible Investment (PRI) annual assessment**
  - Inclusion in ESG indices - MSCI, FTSE, etc.

- **Full-fledged global business foundation**
  - Japan’s best global investment banking platform
  - Global M&A league table
  - Investment Management Division

- **Synergies with business partners**
  - Foundation to develop new areas of financial services
  - Strong relationships with regional financial institutions and other business partners
  - Services utilizing new digital technologies
  - Alliance with business partners

- **Strong financial base**
  - Consoladated Common Equity Tier1 (“CET1”) capital ratio 15.8%* 1
  - Liquidity portfolio ¥5.7trn* 1

**Output**

- **Foundation to support value creation**

**Strategies for Sustainable Growth**

<table>
<thead>
<tr>
<th>KGI</th>
<th>FY2022/23 Target</th>
<th>FY2024/25 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROE</td>
<td>8% or more</td>
<td>8.10%</td>
</tr>
<tr>
<td>Sustainable Finance</td>
<td>¥8,480.3bn</td>
<td>54.8% reduction</td>
</tr>
<tr>
<td>Financial and Economic Education</td>
<td>More than ¥910,000</td>
<td>Participation</td>
</tr>
</tbody>
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**Business Model**

- Contributing to Society
  - Services related to asset management and business succession for individual and corporate clients
  - Contributing to clients’ prosperous future and creation of innovation
  - Maximize total shareholder returns through improving enterprise value and appropriate dividends and share buyback

- Contributing to the development of employees’ careers and the realization of a prosperous future
  - Explore new areas in financial services
  - Accelerate business expansion by combining the strengths of both companies

- Supporting corporate growth strategies and capital funding

- Climate change
  - Development of social infrastructure
  - Development of social infrastructure

- Social Issues / External Environment
  - Widening of social disparities
  - Economic growth and job creation

- Contributing to Society
  - Services related to the investment and market intermediation for institutional investors and corporations

- Diversifying investment needs under low interest rates
- Advances in digital technology
- Spread of Covid-19
- Declining birthrate and aging population and decreasing working-age population

**Foundation for the realization of a sustainable society through our core businesses**

-nomura-report/2021/