

Contributing to Society

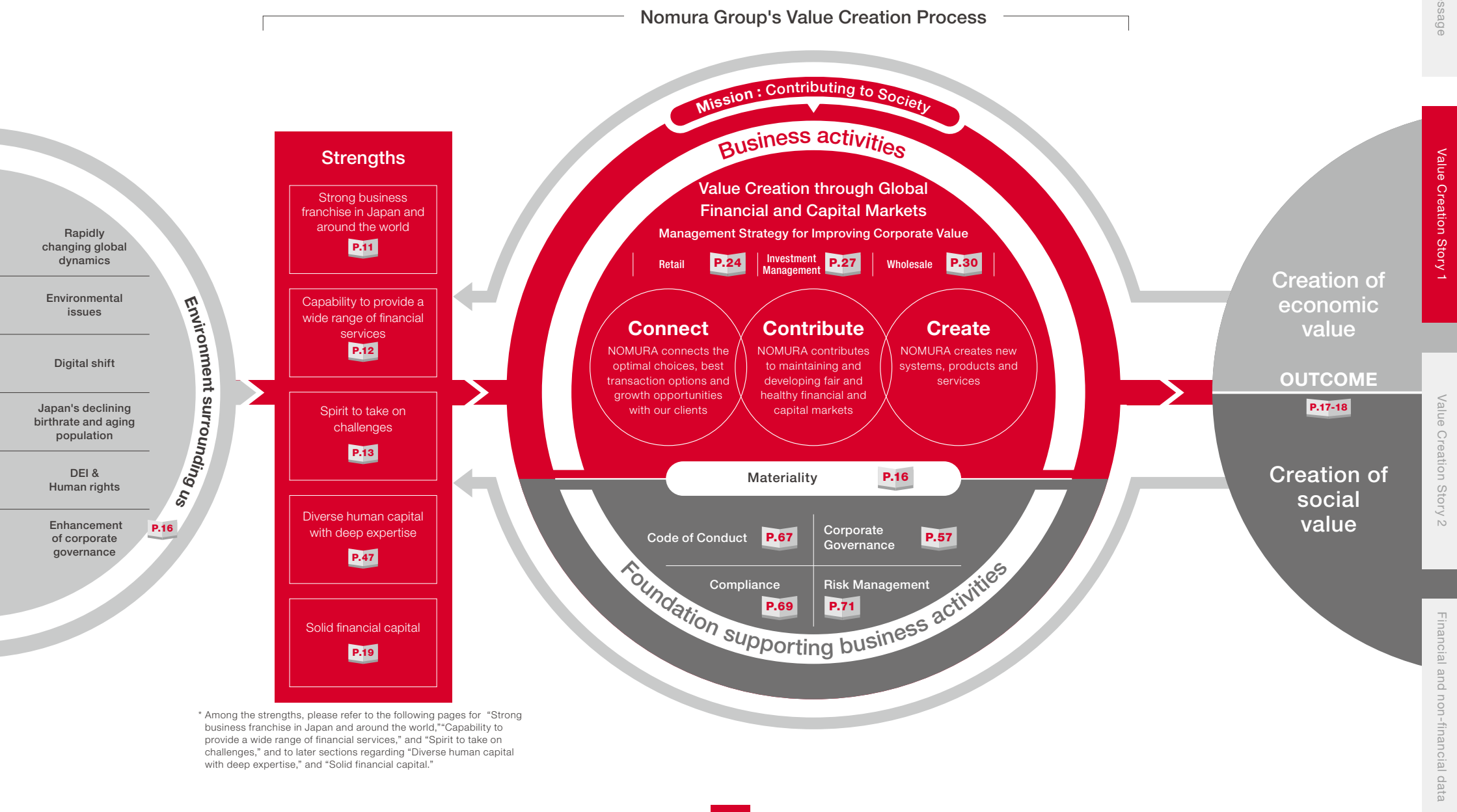
Nomura Group's Value Creation Process

In order to help enrich our society, Nomura is assuming the challenge of creating new value by leveraging the strengths we have cultivated over the years.

This section provides a bird's-eye view of our environment, our strengths, our risks and growth opportunities, and the challenges we need to address, as well as our processes for creating economic and social value.

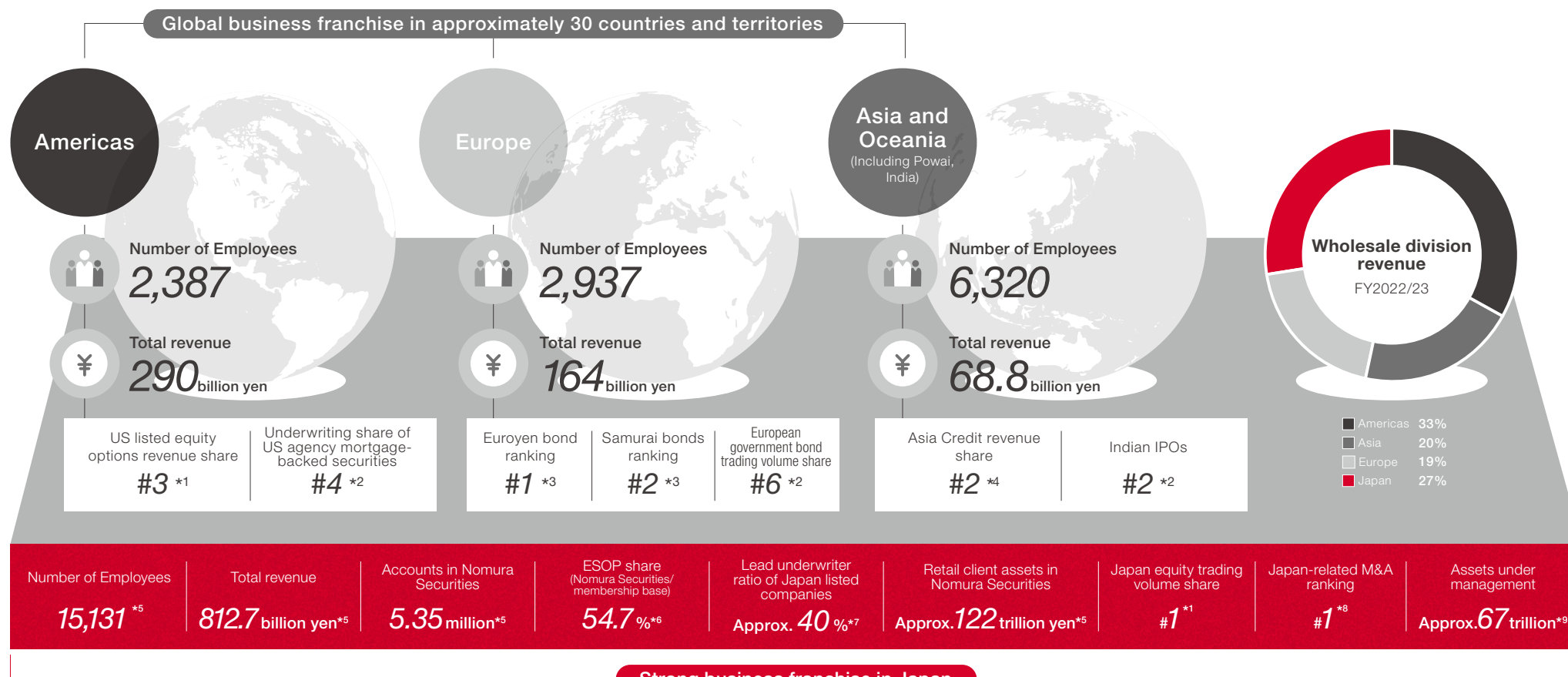


Nomura Group's Value Creation Process



Strong business franchise in Japan and around the world

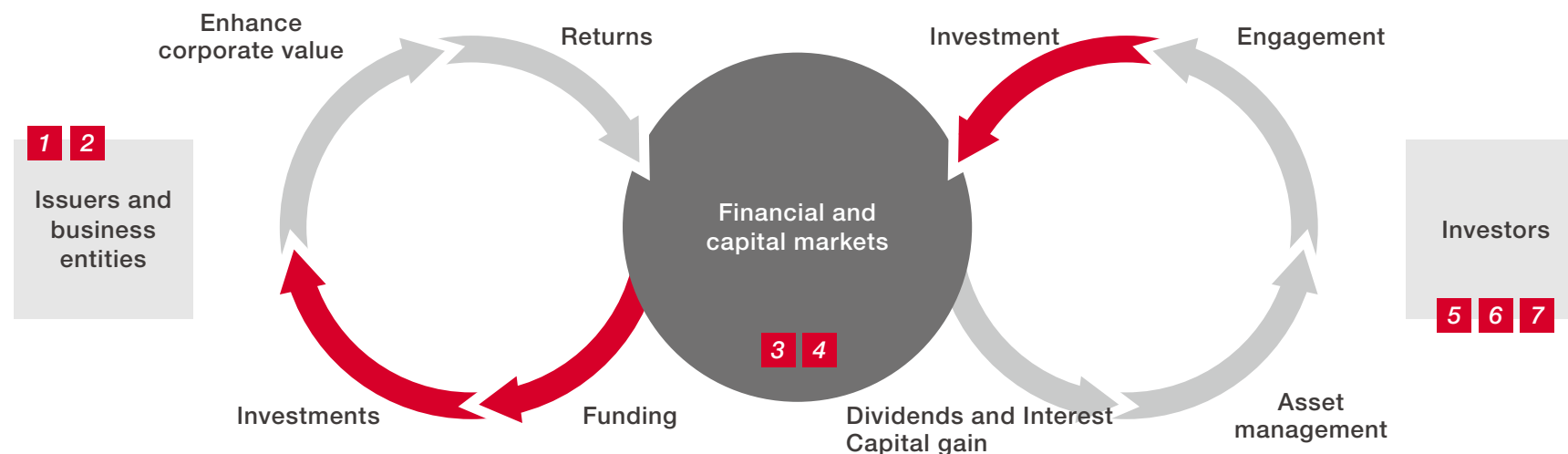
In addition to our strong business franchise in Japan, we aim to be a trusted partner for our clients based on our global network and track record.



^{*1} Source: Third party research, 2022 ^{*2} Source: Bloomberg, 2022 ^{*3} Source: Refinitiv, 2022 ^{*4} Source: Coalition Greenwich Competitor Analytics and Nomura ^{*5} As of March 31, 2023 ^{*6} As of March 31, 2022 / Source: Nomura based on Summary of 2021 Employee Stock Ownership Plan by Tokyo Stock Exchange ^{*7} Source: Nomura based on Kaisha Shikiho (volume 3 summer 2023) by Toyo Keizai ^{*8} Source: Dealogic, 2022 ^{*9} As of March 31, 2023, Investment Management Division

Capability to provide a wide range of financial services

Since its founding, Nomura Group has been engaged in the development of the financial and capital markets and the provision of optimal solutions to our clients by facilitating the circulation of risk money through the provision of a wide range of financial services. We will continue to promote these efforts going forward.



Value provided by Nomura Group

1 Support client financing, provide advisory services (M&A, etc.)

- Support issuers and business entities by leveraging our strong client base in Japan and selective global reach

2 Deliver expert services to issuers and business entities

- Provide documentation, regulatory expertise, and pricing capabilities

3 Provide liquidity in global financial markets and market-making

- Based on our knowledge of the financial and capital markets and our robust risk management system, support our clients in their investments and loans and facilitate smooth transactions in the markets

4 Structure tailor-made products

- Offer choices tailored to each client's needs

6 Provide expert consulting for all client assets

- Make proposals for investment products and services
- Provide solutions for inheritance and succession, real estate, etc.
- Support core businesses and provide advisory services
- Offer various types of loans (securities-backed loans, etc.)

5 Provide solutions addressing diverse financial needs

- Offer a wide-ranging product lineup, from traditional assets to alternative assets

7 Support for medium- to long-term asset building

- Provide unique and convenient non-face-to-face services
- Offer workplace solutions such as ESOP

8 Offer differentiated content

- Approximately 200 researchers cover politics, economics, foreign currency, interest rates, equities, credit and quants strategies in 10 regions around the world

Spirit to take on challenges

Since its founding in 1925, the Nomura Group has taken on a variety of challenges and made changes. This is Nomura's strength in continuing to change with a passion for growth.

International Expansion

1920	
1927	Opening of the New York Office
1930	
1940	
1950	
1960	
1967~	Expansion of overseas bases
1970	
1979	Implementation of the "Buy Japan" Campaign (Invitation of Overseas Investment Funds)
1987~	To top the Eurobond underwriting list for 5 consecutive years (Support for Issuance of Foreign Bonds by Japanese Companies)
1990	
2001	Listed on the New York Stock Exchange
2007	Acquisition of Instinet
2008	Succession to Lehman Brothers
2015	Investment in American Century Investments
2020	Acquisition of Greentech Capital Advisors
2023	Investment in New Forests

Aiming to become a global financial services group and contributing to the globalization of Japan's financial markets

Evolution of Investment Advisory etc

1920	
1930	
1938	Full-scale start of brokerage operations
1940	
1941	Commencement of Investment Trust Business
1950	
1953~	Distribution of "1 million ryo piggy bank" (Start of "Automatic Keizoku Investment")
1959	Nomura Securities Investment Trust Management (Currently, Nomura Asset Management Co., Ltd.)
1960	
1968	Development of the Employee Stock Ownership Plan
1970	
1980	
1980	Development of the Medium-Term Government Bond Fund
1993	The Nomura Trust and Banking Co., Ltd.
1998	Commencement of comprehensive securities services
2000	
1999	Start of financial education
2001	Start of operation and management of defined contribution pension plan
2008	The Nomura Trust and Banking's start of Nomura Web Loans*
2010	
2019	Start of comprehensive business alliances with regional banks
2020	

In the 2000s and beyond, we will continue to promote asset formation through the use of iDeCo and NISA, and strive to expand the base of investment.

NOMURA's new product & service innovation

1920	
1930	
1940	
1941	Sales of investment trusts (Japan first)
1949	Issuance of convertible bonds (Japan first)
1950	
1960	
1968	Issuance of new shares at market value (Japan first)
1970	
1980	
1995	ETF listing (Japan first)
2001	REIT listing (Japan first)
2007	Service launch of trust-type employee shareholding incentive plan (E-Ship) (Japan first)
2010	Service launch of discretionary treasury stock transactions VWAP alpha
2015	AA Type Class Shares Issued (Japan First)
2020	Service launch of restricted stock incentive program for employee stock ownership plan (Japan First)
2021	Sustainable FITs issued (world first)
2021	Real Estate STO issued (Japan first)
2020	

As a pioneer in the development and provision of innovative financial products, it also contributes to the expansion of financial markets.

column

New Challenges in the Digital Asset Field

Nomura aims to provide clients with new value in the area of digital assets by leveraging Nomura's track record in the institutional investor business and client base.

- In September 2022, Nomura launched a new subsidiary called Laser Digital, established in Dubai, London and Zurich, Switzerland.
- Laser Digital has three business lines dedicated to digital asset investment; Ventures, Trading and Asset Management. The Ventures team launched last year and the Trading and Asset Management teams are launching investment products and services over the coming months.



* (Web Loan) Borrowing service provided by The Nomura Trust and Banking Co., Ltd. The company can borrow from shares, investment trusts and government bonds held in Nomura Securities Account.

Focusing on the development of financial and capital markets by connecting the world to Japan

For more than half a century, Nomura Group has been promoting the strengths and benefits of Japanese and Asian stocks and bonds, and working to develop and internationalize Japan's financial and capital markets.

“Japan to the World”

Central Bankers Seminar

1980 – present



Events held
39 times
1980 – 2023

This event was first held in 1980 with the goal of increasing awareness of the Japanese economy, industries and bond markets in the context of the internationalizing the yen, and efforts in enhancing the role of the yen in Asia. Currently, government officials, central bankers and investors attend from all over the world.

Nomura Investment Forum

1999 – present



Events held
25 times
1999 – 2022

This event is currently Japan's longest-running institutional equity conference, and is one of the most largely attended events in the industry. This event is also known as “CEOForum” as it provides an opportunity for top management of Japanese companies and leading global institutional investors to connect directly and discuss emerging themes.

Nomura Investment Forum Asia

2004 – present



Events held
20 times
2004 – 2023

This event is the largest equity conference in APAC, connecting leading companies in Asia, including Japan, with leading global institutional investors.

Japanese Stock Caravan

From 1979

Buy Japan campaign

Launched sales of Japanese stocks and government bonds in the Middle East and Europe, targeting oil money in the wake of the oil crisis

2010s –

Japanese Stock Caravan (Abenomics)

Resumed the Japanese stock caravan against the backdrop of the “Abenomics Market” in an expectation of the end of deflation and interdimensional monetary easing

From 2022

Revisit Japan campaign

Resumed a face-to-face approach with foreign investors in an effort to convey the attractiveness of Japanese stocks after the COVID-19 pandemic

Proactively disseminating Japan-related content

(April 2022 – March 2023)

Investor interactions undertaken by Nomura's Japan Research team

14,000

English translated reports produced by Japan Research team

6,200

Focusing on the development of financial and capital markets by connecting the world to Japan

By taking advantage of its global network, Nomura is able to provide investment solutions that support growth opportunities and work towards global economic growth in Japan

“Global Growth to Japan”

Providing a variety of services to support globally diversified investment

Discretionary investment services



Wide range of investment trusts:

about **870** issues

ETF lineup:

NEXT FUNDS Total of **67**

Nomura Group offers a variety of globally diversified investment opportunities to help our clients benefit from a growing global economy. With a lineup of approximately 870 investment trusts, discretionary investment services such as SMA, Wrap Trust, and ETF products that boast the largest balance share in the industry, Nomura is able to support its clients to expand their assets to the highest capacity.

Connecting Global Green Projects with Japanese Institutional Investors



Nomura has arranged financing for Japanese institutional investors in a number of global green projects, mainly in North America. In addition, Nomura contributes to the supply of Japanese risk money for the green projects that require large amounts of capital, and encourages Japanese investors and financial institutions to invest in growth areas globally.

Providing investment opportunities in real assets



In addition to traditional assets such as stocks and bonds, Nomura offers investment opportunities in real assets such as real estate and forest assets. In March 2022, Japan began offering its first public investment trust, with the opportunity to invest in unlisted US REITs. In January 2023, Nomura acquired shares of New Forests, the world's second largest forest asset management company, expanding their offerings to include new asset class products.

Supporting clients' global growth strategy through M&A



Nomura supports cross-border M&A, an important part of Japanese companies' global growth strategies, at the forefront by working as a team and utilizing Nomura Group's global network.

Materiality

Changes in the environment surrounding us that will have a material impact on our value creation process, and themes that Nomura should focus on in each of these areas

STEP1

Organize the issues

Organize environmental and social issues based on non-financial information disclosure guidelines both in Japan and overseas, including the GRI Guidelines, SDGs, and stakeholder opinions, etc.

STEP2

Organize and integrate awareness

Based on the issues identified in Step 1, we analyzed the impact on our value creation process, and then listed themes and specific content that should be addressed in the sustainable growth and development of Nomura itself and that of our stakeholders, including clients, shareholders and investors, society and the environment, employees, and business partners.

STEP3

Discussion among executive officers

Based on the results of STEP2, the draft materiality was formulated based on the discussion among executive officers.

STEP4

Final decision

Based on the results of STEP3, the final decision was made after discussion and validity verification by the Sustainability Committee chaired by the Group CEO, referencing to the opinions of outside directors.

Understanding of the environment surrounding us and risks/opportunities

Rapidly changing global dynamics	Awareness	The global situation continues to change rapidly and is difficult to predict due to trends in monetary policies and markets in various countries and heightened geopolitical risks
	Risk	If our risk management is inadequate or if we are unable to meet the needs of our clients, we may incur losses or lose revenue opportunities
	Opportunity	Expansion of profit and business opportunities by offering products and alternative investment opportunities that correspond to the market environment, and by providing services to business companies that are rebuilding supply chains
Environmental issues	Awareness	Climate change and decarbonization are global trends
	Risk	Credit risk of business partners, risk of market fluctuations, risk of physical damage due to disasters, etc., reputational risk, etc
	Opportunity	Business opportunities (financial and capital markets, project finance, M&A, etc.) to supply the risk money needed for a decarbonized society
Digital shift	Awareness	Increased importance of digital transactions and online content
	Risk	Risk of lost trading opportunities and reduced revenue resulting from lower transaction fee levels due to online transactions throughout industry
	Opportunity	Improving operational efficiency, optimizing services including digitization of client contact points, and promoting digital asset-related businesses
Japan's declining birthrate and aging population	Awareness	Provide solutions aligned with changes in clients' business activities and needs due to structural changes in society
	Risk	Potential for a long-term contraction in demand for asset management from traditional retail investors
	Opportunity	Create new profit opportunities by providing solutions that meet clients' business activities and needs
DEI & Human rights	Awareness	Building a healthy work environment, promoting diversity, equity and inclusion, requesting consideration of human rights in business
	Risk	Human resource attrition risk, reputation risk when human rights are not sufficiently considered in our business activities, etc.
	Opportunity	Realization of competitiveness, innovation, and advanced risk management through diverse human resources
Enhancement of corporate governance	Awareness	Needs for sophistication of corporate governance and enhancement of functions of the Board of Director
	Risk	Governance dysfunction, reputation risk, etc. due to failure to demonstrate governance functions
	Opportunity	Improving corporate value by demonstrating advanced governance functions

Issues and details to work on

Reference page

Provision of differentiated financial products and services

We will be the most trusted partner for our clients by providing the right services for each and every client.

- Provision of various financial services and products, including private products and markets
- Strengthening of services supporting smooth asset/business succession
- Diversification of revenue source ■ Strengthen product governance

P.24

P.27

P.30

Realizing a decarbonized society

We will contribute to quickly decarbonizing society by decarbonizing our own operations and our clients' operations.

- Promotion of our own environmental activities
- Sustainable finance and advisory service for decarbonizing
- Initiatives targeting renewable energy projects

P.40 - P.43

Strategic and innovative service development using new technologies

We will work to enhance client convenience and expand our service domain by strengthening our digital strategy.

- Expansion of financial services using digital platforms
- Establishment of non-face-to-face business model ■ Ensuring cyber security
- Challenges in the Digital Asset Field

P.26

P.76

Supporting asset-building for people of all ages

We will contribute to improve financial literacy by promoting financial education.

- Dissemination and promotion of NISA ■ Promoting financial education
- Expanding the business for salaried employees ■ Asset Management Advice

P.26

P.28

P.45

Business activities that respect human rights

We will work to create a society where human rights are respected and diverse human resources can demonstrate their talent.

- Employee engagement ■ Promotion of health management
- Promotion of DEI ■ Efforts to address human rights issues related to transactions and suppliers
- Provision of educational training opportunities

P.44

P.47 - P.51

Further demonstration of corporate governance functions

We will work to improve our governance to be trusted by society.

- Diversity of Board of Directors ■ Thorough compliance with laws and regulations
- Enhancement of risk management ■ Advancement of information disclosure

P.57 - P.62

P.69

P.73

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