

IT Digital Strategy

Establishment of a Sustainable Service Delivery System Utilizing Digital Technology

Amid the evolution of digital technology, we aim to establish a sustainable service delivery system by enhancing the convenience of apps and online services, as well as by integrating the value of digital technology and our partners.

We have been adding functions to the smartphone-exclusive asset management app “NOMURA” to support a series of investment actions, such as assessing the current status of assets, gathering necessary information, and smoothly conducting buying and selling transactions, in order to enhance the convenience of the app. Most recently, we have been working with shareholders' associations to expand the use of the app among members by enhancing its convenience.

In order to respond optimally to the diverse needs of customers and their constantly changing situations, we are constructing a business model that provides services by combining digital technology and partners, enabling us to deliver services to a wide range of customers. In this way, we are advancing the establishment of a system to deliver services to many customers. (Refer to page 44)



Developing Digital Talent

In 2023, we established an in-house qualification for digital skills called Digital IQ University. Defining digital skills into 12 types of personas, such as data scientist, technology practitioner, and digital strategist, we have subdivided the required skill levels for each persona into beginner, intermediate, and advanced categories, linking them to relevant programs for online learning. Employees can choose a persona based on their career plans and job requirements. Approximately 3,000 employees have started online learning, accumulating over 35,000 hours of study.

In May 2024, we held a contest as a platform for employees to showcase their ideas and skills regarding the potential of generative AI. In the contest, teams proposed ideas for generative AI that could be utilized in business, and after regional qualifiers, a global final was held, with the winning idea subsequently implemented. Additionally, many employees participate in the “G Certification” exam held by the Japan Deep Learning Association (JDLA), a certification exam for personnel who can promote AI utilization. Currently, 393 employees have passed the exam. The cumulative pass rate for our employees since the first period the exam was offered is 75%, exceeding the overall average pass rate of 65% for the exam. Over a period of approximately two months leading up to the exam date, weekly study sessions are held for those interested, providing a platform for active exchange of ideas across departments where participants share useful books and websites that have been beneficial for their learning. We are actively committed to developing digital talent with the aim of firmly establishing a sustainable service delivery system utilizing digital technologies.

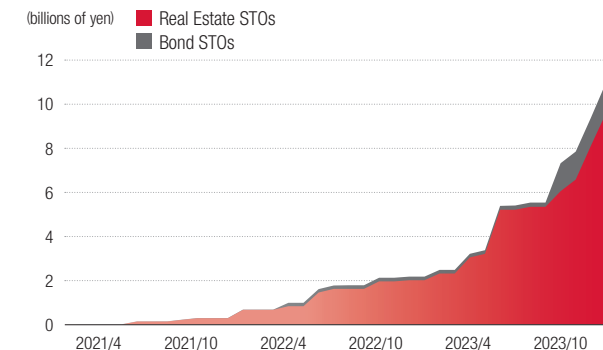
Offering New Products and Services Utilizing Digital Technology

We are utilizing digital technology to offer new products and services, aiming to provide clients with a higher level of satisfaction and to create new value going beyond traditional financial boundaries.

Security Token Offering

A security token is a type of tradable security issued and managed using proprietary technology infrastructure leveraging cutting-edge technologies such as blockchain. The fundraising method using security tokens is referred to

● Japan Public STO Market Size (Total Issuance)*1



*1 Nomura Securities, based on disclosure materials of names that had issued a Securities Report by March 31, 2024.

as Security Token Offering (STO). By introducing blockchain technology for managing the rights of security tokens, issuers are able to flexibly raise funds through the issuance of fractionalized securities targeting individual real estate properties or projects that were previously difficult to tokenize, thereby expanding the range of fundraising options. Investors can now invest relatively small amounts of money in a variety of products with limited investment opportunities, leading to diversification and access to a wide range of products. The market for security tokens with such new features is expected to grow significantly worldwide. Nomura Group established a subsidiary, BOOSTORY, in 2019 to develop an issuance and management platform for security tokens, and has been actively taking the lead in structuring and selling products since 2021. Since serving as lead manager for the issuance

of publicly offered real estate security tokens in Japan in July 2021, Nomura Group has been involved in the structuring and sale of real estate security tokens backed by hot spring inns and high-rise residences, and as of the end of March 2024, Nomura Group holds the top share in terms of transaction value for publicly offered STOs in Japan. By expanding the lineup of newly introduced private products such as security tokens and offering them appropriately in accordance with clients' needs, Nomura Group aims to provide financial services with even higher added value than before.

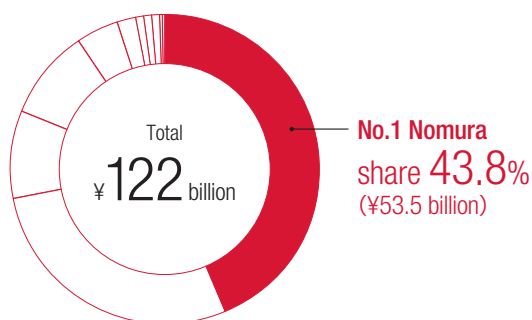
Digital Assets - Redefining the Frontier of Digital Finance

Recognizing the potential for distributed ledger technology used in cryptocurrencies and security tokens to serve as a catalyst for a paradigm shift in the financial business, Nomura Group established a subsidiary called Laser Digital in Switzerland in September 2022. Leveraging the expertise and platforms of Nomura Group, Laser Digital aims to create and monetize new businesses by providing digital asset-related services. Since its establishment, Laser Digital has established offices in Zurich, London, Dubai, Abu Dhabi, and Tokyo, focusing on secondary trading of digital assets, solutions, asset management, and venture capital businesses for institutional investors. Various initiatives are being pursued to further develop these businesses, such as obtaining the first license for a crypto asset business in the United Arab Emirates (UAE), where the world's first Virtual Asset Regulatory Authority (VARA) was established. Additionally, in July 2023, Laser Digital strengthened its services by acquiring Elysium, a post-trade software platform provider that enables settlements in

both digital and fiat currencies. Furthermore, in September, Laser Digital launched the first Bitcoin fund for institutional investors.

The market size of digital assets has already surpassed 1 trillion US dollar and is expected to continue growing. In this environment, Nomura is combining its extensive track record in businesses targeting institutional investors and strong client base with the expertise of the digital field professionals working at Laser Digital, thereby creating a highly unique group of experts in the digital asset field originating from a traditional financial group. Going forward, Nomura Group will deepen collaboration internally to actively create business opportunities in the digital asset field and contribute to the development of a healthy digital asset market.

● Amount Handled of Japan Public STO*2



*2 Nomura Securities, based on disclosure materials of names that had issued a Securities Report by March 31, 2024. Includes issuances where Nomura Securities was involved in sales or as financial advisor.