

# Culture

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# Corporate Principles of Daiwa Securities Group

## Corporate Principles

Since the start of operations in 1902, each and every employee has been creating the history of the Group. The background to the compilation of the Corporate Principles was the Group taking another look back at its history, and its determination to reunite and rebuild the relationship of trust that had been built together with society.

### Building trust

The trust and approval of customers form the very foundation of the Daiwa Securities Group.

The Group will always place the needs of customers first, and strive to develop the advanced, specialized skills to offer them the most attractive products and services of any securities group.

### Placing importance on personnel

The source of the Group's competitiveness lies in the capabilities of its employees.

The Group will promote the creativity of employees by offering them a challenging and self-directed working environment that encourages their abilities and appropriately rewards their contributions.

### Contributing to society

The Daiwa Securities Group will seek to benefit the economy and society through the development of healthy financial markets.

In addition to scrupulously observing both regulations and internal policies, the Group will strive to maintain a high sense of morality and duty, endeavoring to continue contributing to the sustainable growth of the societies in which we operate.

### Maintaining healthy earnings results

The Group will always seek to develop healthy business operations and to increase corporate value for the benefit of shareholders.

By providing customers with attractive products and services, the Daiwa Securities Group will seek to generate strong profits and healthy returns for shareholders.

## Daiwa Spirit

We have nurtured our corporate culture since the foundation of our business. Based on our Corporate Principles, we have also taken steps to crystallize the basic philosophy and mindset of the Group inherent in our culture to be manifested as the Daiwa Spirit. The Daiwa Spirit enhances employees' sense of unity and togetherness and thus the Group's overall strength.

1. Exercises self-discipline and complies fully with the law, recognizing that sustainable growth hinges on winning the trust of customers, financial and capital markets, and society at large.
2. Secures sound profits by contributing to societal and economic development through its actions in financial and capital markets.
3. Exerts unflagging efforts to build strong, sustainable, trust-based customer relations.
4. Continues to pioneer products and services in financial and capital markets, with each employee fulfilling his/her mission with confidence and pride.
5. Cultivates unbeatable competitiveness to overcome challenges, underpinned by strong company-employee trust and solidarity between colleagues.
6. Aims to be the securities group with the highest ambitions, a positive attitude that turns hardships into opportunity, and unmatched speed.



# 123 Years of History — Principles and values that still stand today

## A History of Reliability and Progressiveness

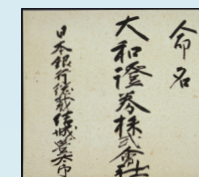
### The importance of credibility, recognition, and backing

In response to the impact of Dai-Nippon Sugar Co., Ltd.'s bankruptcy during the early years of the Group's history, Fujimoto Bill Broker Securities Co., Ltd. was forced to undergo a corporate restructuring in 1909. As the Chairman of the company at that time, Seibei Fujimoto invested his personal wealth to stave off losses among the company's customers, after which he stepped down. This move led to strong recognition of the value and honor possessed by Fujimoto Bill Broker, allowing it to keep "Fujimoto" as part of the company's name even after operations recommenced the following year.

### Recognition of Fujimoto Bill Broker at the time

- ◆ Full-scale introduction of the independent bill broker function required by Japan's economy
- ◆ Genuine debt disposal that did not impart losses on customers even in an emergency
- ◆ Robust management in areas besides loans to Dai-Nippon Sugar

1943 Daiwa Securities launched following a merger with Nippon Trust Bank



1959 Established Daiwa Asset Management Co. Ltd.



Founder of Fujimoto Bill Broker  
Seibei Fujimoto



1910 Corporate restructuring succeeded and operations recommenced

1909 Ceased making payments due to the bankruptcy of Dai-Nippon Sugar

1907 Renamed Fujimoto Bill Broker Bank

1917 Became the first company in Japan to import foreign currency government bonds, and commenced sales the next year

Fujimoto Bill Broker Bank company emblem



1933 Discontinued banking operations and renamed Fujimoto Bill Broker Securities



1954 Commenced the first installment-type investment services in Japan

1949 Became a member of the Tokyo, Osaka, and Nagoya Stock Exchanges

1948 Issued the first convertible bonds in Japan

1937 Formed Fujimoto Securities Investment Union (predecessor to the investment trust)

1942 Renamed Fujimoto Securities

1952 Launched the first open-end investment trust in Japan

1902 Fujimoto Bill Broker commenced operations in Osaka

1913 Commenced foreign exchange transactions



## A People-centric History

1925 Began publishing the "Fuji" company newsletter



1946 Formed the Daiwa Securities Employee Association

1960 Began publishing "Daiwa Life" as part of the company's new employee training endeavors

### Placing importance on personnel

Highly regarded for his efforts during his apprenticeship at Fujimoto Shoten, which included studying on his own to gain proficiency in English, Seibei Fujimoto was ultimately picked to take over the company. Amid the spinning boom that occurred thereafter, he provided financing to several spinning companies whose share prices had stagnated, thereby enhancing their corporate value and increasing profits through factory modernization and improved worker benefits. This was a clear indication of his character, rich in the concept of placing importance on personnel. Later on, Fujimoto Bill Broker Bank was one of the first financial institutions to establish an advanced research arrangement, and regularly published research reports on international affairs. Even amid the rapid growth and globalization of the 1960s and beyond, Daiwa Securities Group has remained committed to developing progressive talent and to its human resources system.

◆ P61 Human Capital

### Placing importance on stakeholders

The management policy laid out in 1960 by Chisato Fukuda, the president of Daiwa Securities at the time, was highly universal in that it prioritized each stakeholder and sought to fulfill corporate social responsibility.

◆ P24 Message from the CFO

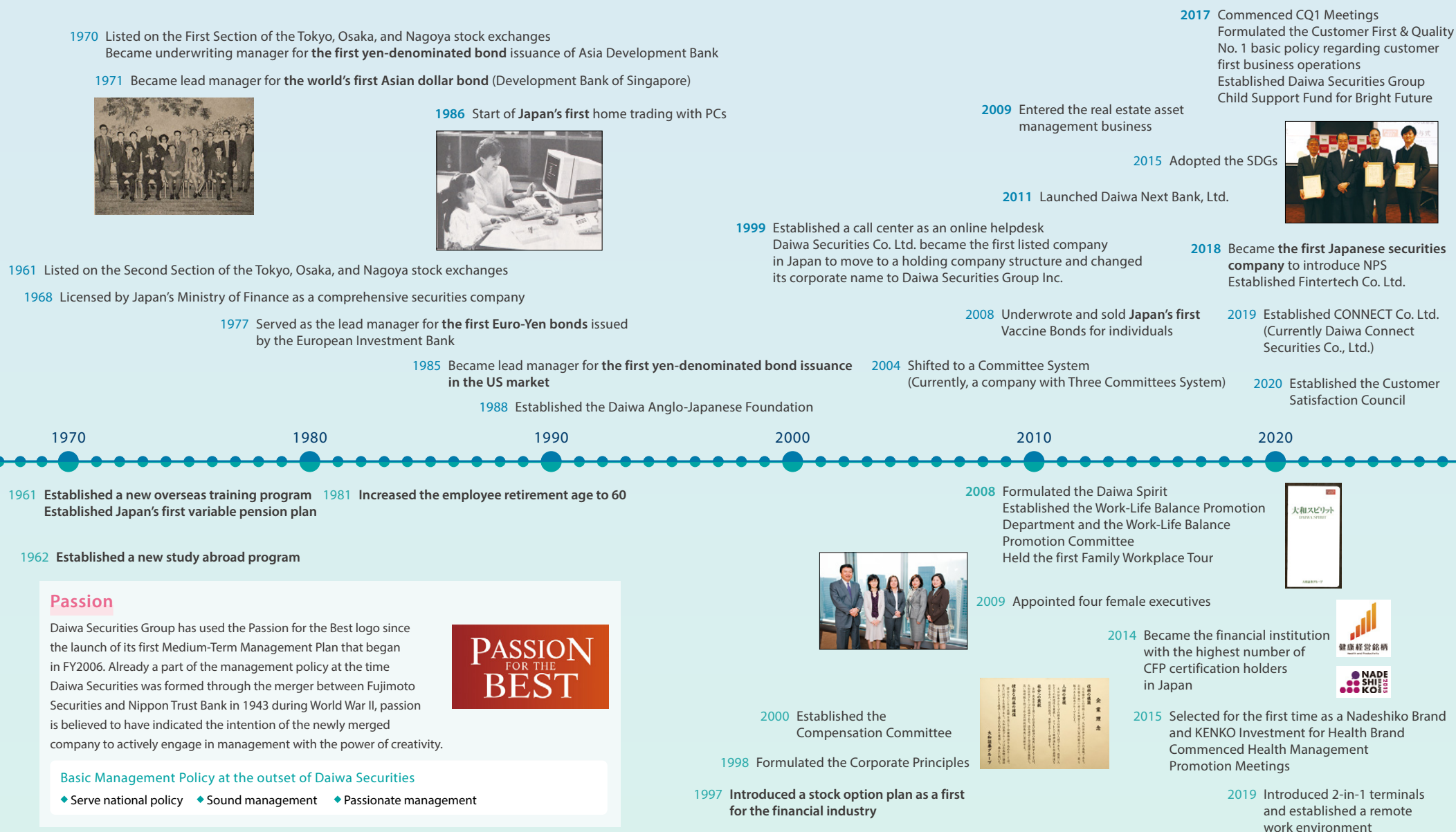
#### Management goal: Develop Daiwa Securities into an outstanding company

- ◆ A company that acts with vigor as the world advances
- ◆ A company that consistently grows
- ◆ A company that earns the trust of society
- ◆ A company that offers value to society

#### Management policy for achieving goals

- ◆ Daiwa Securities serves customers
- ◆ Daiwa Securities serves society
- ◆ Daiwa Securities rewards shareholders
- ◆ Daiwa Securities seeks to ensure a stable life for employees

## 123 Years of History



### Passion

Daiwa Securities Group has used the Passion for the Best logo since the launch of its first Medium-Term Management Plan that began in FY2006. Already a part of the management policy at the time Daiwa Securities was formed through the merger between Fujimoto Securities and Nippon Trust Bank in 1943 during World War II, passion is believed to have indicated the intention of the newly merged company to actively engage in management with the power of creativity.

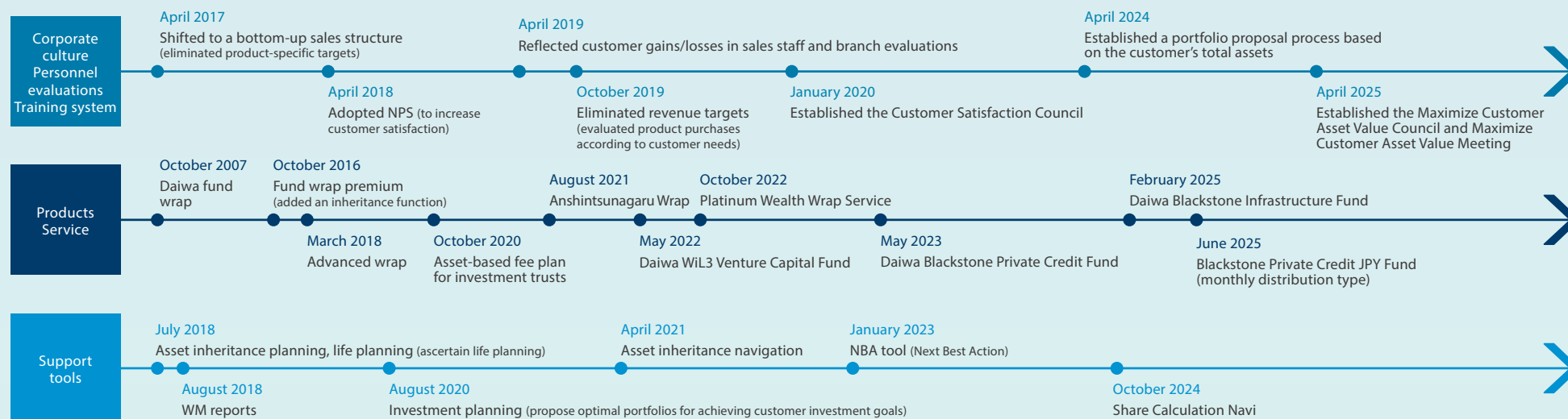


#### Basic Management Policy at the outset of Daiwa Securities

◆ Serve national policy ◆ Sound management ◆ Passionate management

## Sales reform focused on improving customer satisfaction

Daiwa Securities Group is undergoing a transition to a wealth management business model in order to better engage with the issues and uncertainties of its customers than ever before. Our customers possess all manner of assets, including securities, cash, and real estate, and have a strong interest that goes beyond asset management to include asset preservation and business succession. Against this backdrop, today's customers demand asset management services that take a comprehensive view of their assets. We have therefore reflected on our stance of maintaining our conventional flow revenue sales style centered on securities transactions despite this development, which meant we were unable to fully engage with the issues and uncertainties of our customers. This failure is precisely why we are now driving our transition with an unyielding determination toward a wealth management business model as a fundamental reform that reenvision our sales approach.



## Overview of the Medium-Term Management Plan “Passion for the Best” 2026 (formulated in April 2024)

Basic Group Management Policy		Group-wide			
Maximize Customer Asset Value					
Outline of the Group's Strategy					
1	Pursue added value for customers				
2	Enhance the asset management business and transform our business model				
3	Promote a disruptive growth strategy (external alliances, M&As, growth investments)				
4	Reallocate management resources and enhance management capabilities				
5	Pursue digital innovation				
Earnings	Ordinary income	¥240 billion or higher	●		
	ROE	Roughly 10%	●		
	Base Income*1	¥150 billion	●	●	
Customer assets	Assets on deposit*2	¥120 trillion	●		●
	Stock-related assets*3	¥13.6 trillion	●		
	AM Division AUM*4	¥44 trillion		●	
Digital	Number of value created digital projects*5	10 projects	●		
	Number of digital project trials*6	50 trials	●		
Sustainability	SDGs-related bond league table	In the top 2			●
	Engagement survey score	80% or higher	●		
	Our own GHG emissions*7	Net zero by FY2030	●		
	Investment funding portfolio GHG emissions*7	186 to 255g-CO <sub>2</sub> /kWh by FY2030	●		

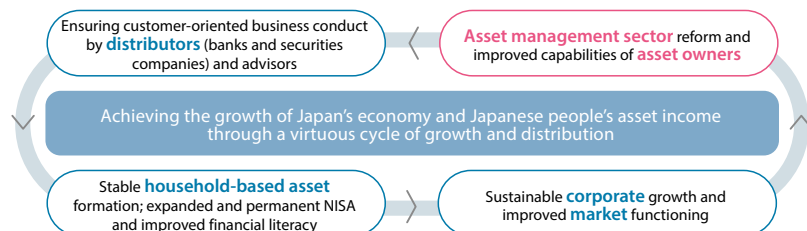
\*1 Base Income: Total ordinary income from the WM Division, Securities AM, and Real Estate AM. Of these, WM is the net total of ordinary income from (former) Retail, Daiwa Next Bank, Daiwa Connect Securities, and Fintertech. \*2 Balance of assets on deposit indicates Daiwa Securities assets under custody (AUC). \*3 Stock-related assets refers to investment trusts, fund wraps, and foreign currency deposits. \*4 AM Division AUM represents total AUM for Daiwa Asset Management, Daiwa Fund Consulting, Daiwa Real Estate Asset Management, Samty Residential Investment Corporation, Daiwa PI Partners, Daiwa Energy & Infrastructure, and Daiwa Corporate Investment. \*5 The number of value created digital projects is a count of projects that utilize new digital technology that incorporate new innovation or contribute to business transformation. \*6 The number of digital project trials is a count of trial projects for DX proposals and AI/data science projects. \*7 Our own greenhouse gas emissions is the total for Scope 1 and Scope 2 emissions. GHG emissions for our investment financing portfolio indicates project financing in the electricity sector. Includes some estimated figures.

# Realizing the Aim of Promoting Japan as a Leading Asset Management Center

**Daiwa Securities Group's mission:**  
Benefit the economy and society through  
the development of healthy financial markets

## The concept of Promoting Japan as a Leading Asset Management Center

Roughly three decades of deflation in Japan have come to an end and a full-fledged “era of interest rates” has dawned. Daiwa Securities Group believes that, in addition to the dramatic expansion of the NISA system and reforms to corporate governance, efforts to increase the sophistication of the asset management sector in Japan are crucial initiatives that will help bring vitality to the capital markets. To this end, having set the shift to a wealth management business model as the pillar of our management strategy, we will intensify our focus on the wealth management and asset management businesses. This management strategy aligns with the direction the Japanese government is taking, and the Group will actively contribute to realizing the aim of Promoting Japan as a Leading Asset Management Center.



## The shift “From savings to investment” is gaining momentum

Japan's stock market and household financial assets have expanded significantly compared to 2021. The NISA system in particular has grown tremendously, driven by the expansion of the tax-exempt limit, the removal of the holding period limit, and the permanent implementation of the system.

	2021	2025	Growth rate
Nikkei Average	¥28,771.07*1	¥35,617.56*4	+24%
Market capitalization of TSE	¥762 trillion*2	¥947 trillion*4	+24%
Household financial assets	¥2,042 trillion*3	¥2,230 trillion*5	+9%
Number of NISA accounts	17,650 thousand*3	25,600 thousand*5	+45%
NISA purchase amount (cumulative)	¥25.5 trillion*3	¥52.7 trillion*5	+107%

\*1 October 1 \*2 October 31 \*3 December 31 \*4 March 31 \*5 December 31, 2024

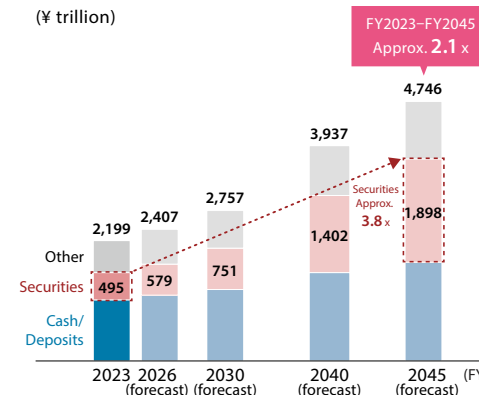
Sources: Market capitalization of TSE: Market Capitalization (Japan Exchange Group); household financial assets: Flow of Funds Accounts Statistics (Bank of Japan); number of NISA accounts, purchase value: (Financial Services Agency)

## Prospects for sustainable growth in the securities business

With inflation returning to Japan, the securities business has strong growth potential. As shown in the graph below, given certain assumptions, household financial assets are expected to more than double over the next 20 years—of these assets, securities are projected to increase nearly fourfold.

### Future predictions for household financial assets

(¥ trillion)



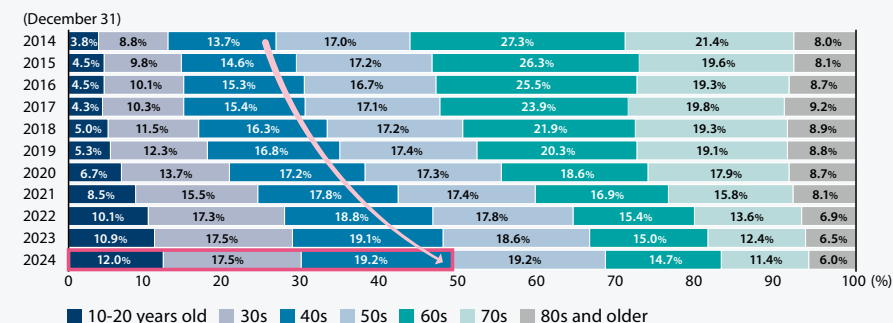
#### Estimate assumptions:

- Forecasts are made through FY2033 based on estimate values from the Daiwa Medium-term Macro Model by the Daiwa Institute of Research. From FY2034 onwards, we extend these values using the average growth rate in the Daiwa Medium-term Macro Model.
- The products comprising the chart provisionally sets the rate of household financial assets at the end of FY2023 as largely unchanged, while assuming that, from FY2025 onwards, securities grow at a total annual average rate of 5.68% (+3% vs. total financial assets) based on market price factors and net capital increase factors, and assumes an average annual shift from cash and deposits to securities of 0.5%.

(Source) Created by the Daiwa Institute of Research based on the following: “2019 National Household Structure Survey” by the MIC, “Household Projections for Japan (National Estimates)” (2024 Estimates) by the IPSS, “Flow of Funds Accounts” by the BOJ, and “Medium-term Forecast of the Japanese Economy” (2024) by the Daiwa Institute of Research.

## Age distribution of NISA account holders

At the end of December 2014, when the NISA system was launched, the majority of account holders were 60 years old or older. However, the proportion of younger people has increased year by year, with about half of account holders under 40 years old at the end of December 2024.



Source: Excerpt from the Financial Services Agency “Results of Survey on NISA Account Use” and the “White Paper on the New NISA System 2024” prepared by the Japan Securities Dealers Association.

## Realizing the Aim of Promoting Japan as a Leading Asset Management Center

### The asset management business of Daiwa Securities Group

The Group has set **maximizing customer asset value** as the Basic Group Management Policy in the Medium-Term Management Plan. We have positioned wealth management and asset management as our core businesses, and clarified our determination to strengthen these areas. By working together across the Group to speed implementation of the initiatives below, we will contribute to the growth of the Japanese economy and to higher asset income for people in this country.

#### Strategy 01: Approach to improving talent development and other asset management capabilities

##### 1 Expanding the lineup of investment products

The Group will enhance its asset management capabilities by expanding its product lineup to meet the needs of investors. Specifically, we will broaden our range of alternative investment products, such as the Daiwa Blackstone Private Credit Fund (BCRED), a publicly offered investment trust that invests in unlisted private credit funds, and the Daiwa Blackstone Infrastructure Fund (BXINFRA), which invests in infrastructure assets.

In addition, we established Global X Japan in 2019, the only asset management company in Japan specializing in ETFs, as a joint effort with US-based Global X. We are working to improve our asset management capabilities in structuring thematic ETFs by drawing on Global X's expertise in ETF management.

#### Publicly offered investment trusts providing access to alternative assets

May 2022	Daiwa WiL3 Venture Capital Fund
May 2023	Daiwa Blackstone Private Credit Fund
Feb. 2025	Daiwa Blackstone Infrastructure Fund
Apr. 2025	KKR Private Markets Equity Fund
Jun. 2025	Blackstone Private Credit JPY Fund (Monthly Distribution Type)

##### 2 Develop and retain talent to enhance asset management capabilities

##### 3 Reinforce the management framework



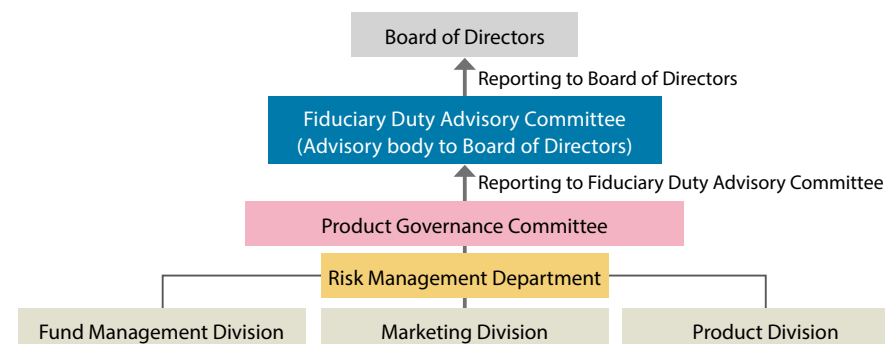
For details, please refer to the following press release.  
<https://ssl4.eir-parts.net/doc/8601/tdnet/2381531/00.pdf>

#### Strategy 02: Initiatives to improve governance and reinforce the governance framework

##### 1 Establishment of Product Governance Committee

Under the leadership of management, Daiwa Asset Management is committed to maintaining and strengthening a framework in which all products are properly structured and managed with a customer-first approach. To clarify this framework, we formulated a policy on product governance and established a Product Governance Committee.

Meeting Characteristics	Outline
Objective	<ul style="list-style-type: none"> <li>• Maintain, improve the quality of products managed by Daiwa Asset Management, including management status, product features, and disclosure</li> </ul>
Frequency	<ul style="list-style-type: none"> <li>• Quarterly</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• Identify unsuccessful funds</li> <li>• Encourage the redemption of small funds</li> <li>• Verify ESG funds</li> <li>• Clarify rules for drafting monthly fund reports, etc.</li> </ul>



##### 2 Reinforcing governance by inviting outside directors



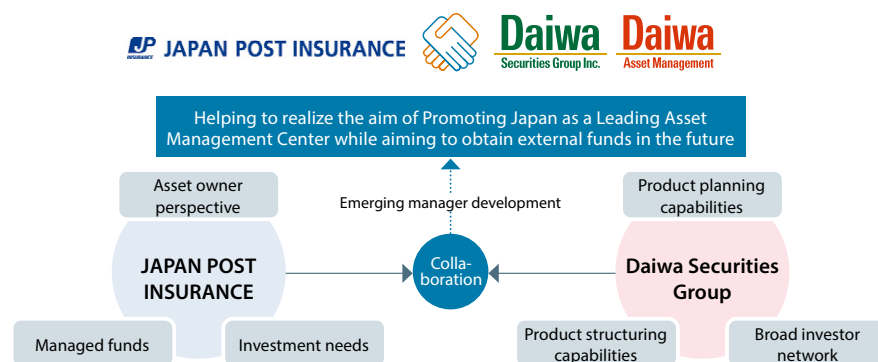
## Realizing the Aim of Promoting Japan as a Leading Asset Management Center

### Strategy 03: Efforts to support Emerging Managers Program (EMP)

In February 2025, in collaboration with JAPAN POST INSURANCE, the Group launched the Emerging Managers Program, which targets funds managed by emerging asset management firms and seeks to offer new investment opportunities and supply capital smoothly to companies. As the Group's own initiative, we established an EMP investment program to invest in the management strategies of emerging asset managers. Through activities like these, we hope to contribute to the development of emerging asset management firms in Japan and more broadly contribute to the government's aim of Promoting Japan as a Leading Asset Management Center by supplying growth capital to both startups and mature companies.

#### Initiative with JAPAN POST INSURANCE

JAPAN POST INSURANCE and Daiwa Securities Group are working together on the EMP, which seeks to invest in funds managed by emerging asset managers. Daiwa Asset Management will act as gatekeeper for the program, while JAPAN POST INSURANCE will invest approximately ¥50 billion in funds to be managed by emerging asset managers over a five-year period.



For details on initiatives with JAPAN POST INSURANCE, please refer to the following press release.  
<https://ssl4.eir-parts.net/doc/8601/announcement21/108129/00.pdf>

For details, please refer to the following press release.  
<https://ssl4.eir-parts.net/doc/8601/tdnet/2381531/00.pdf>

### NISA initiatives at Daiwa Securities Group

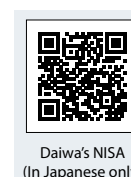
The Group is actively promoting NISA to a wide range of customers through seminars and campaigns by Daiwa Securities and Daiwa Connect Securities.

#### Daiwa Securities

- › Actively propose NISA to high-net-worth individuals as the basis of consulting
- › Promote NISA on a dedicated page of the website
- › Hold webinars and in-person seminars to broadly promote NISA, including to asset-building customers

#### Top purchase amounts in Daiwa Securities NISA accounts (Investment trusts, FY2024)

- iFree S&P500
- iFree Nikkei 225
- Daiwa Dynamic India Equity Fund
- AllianceBernstein US Growth Equity Fund



#### Daiwa Connect Securities

- › Through campaigns and TV commercials, we are promoting NISA to asset-building customers, focusing on Mainichi (Daily) Investment Trusts (installments starting from ¥100 per day) and Credit Card Tsumitate (installments of ¥1,000–¥100,000 per month)



#### Daiwa Asset Management ◆ P57 Offering attractive NISA-eligible funds

- › The amount of capital inflows into NISA-eligible funds in FY2024 was ¥1.03 trillion yen, ranking third in the industry\*
- › Published videos aimed at helping retail investors build assets

\* Excluding ETFs. According to a Daiwa Asset Management survey.



## Realizing the Aim of Promoting Japan as a Leading Asset Management Center

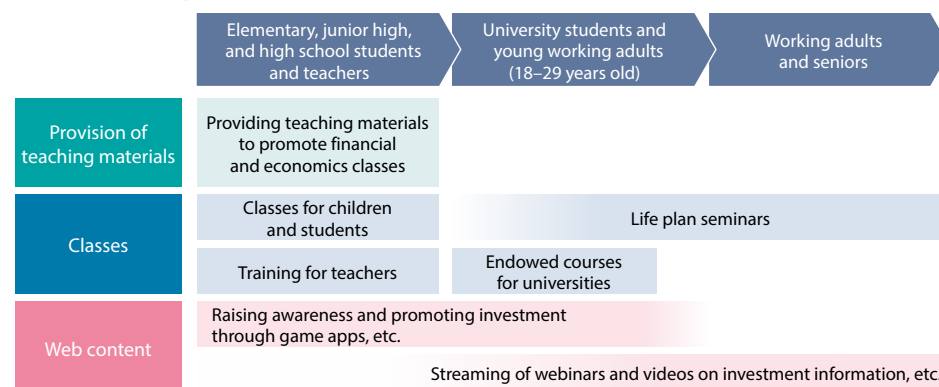
### Financial and economic education initiatives

Leveraging the knowledge and expertise cultivated through our securities business, the Group provides financial and economic education to people across generations, with the aim of helping them acquire the skills to manage assets and make informed financial decisions. We are reinforcing our promotion framework in cooperation with Daiwa Securities and other Group companies: Under the Head of Financial Education at Daiwa Securities Group Inc., we have established a Financial and Economic Education Promotion Office at Daiwa Institute of Research and an Asset Management Promotion Center at Daiwa Asset Management. We set a goal of providing financial and economic education to 2.5 million people between 2005 and FY2030; as of FY2024, we had provided such education to a total of 1.79 million people.



On-site classes

### Initiatives by target audience

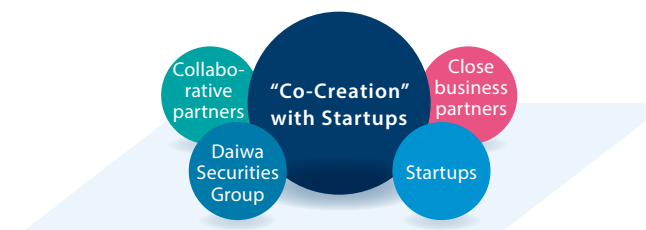


### Co-Creation with startups

The Group is actively addressing a wide range of societal challenges by co-creating value with startups that are generating new value and innovative businesses, in collaboration with external and strategic partners. By providing a startup support framework that leverages the Group's comprehensive strengths and partner networks, we aim to contribute to the growth of the Japanese economy.



For details on Co-Creation with startups, please refer to the following website.  
[https://www.daiwa-grp.jp/activities/20250401\\_700.html](https://www.daiwa-grp.jp/activities/20250401_700.html) (In Japanese only)



### Co-Creation programs

Support for growth	Listing support	Other support
Business matching	Listing procedures	M&As
Fundraising	Constructing equity stories	Intellectual property support
Support through collaboration	Introductions to IPO-related personnel	Providing secured loans

### Daiwa Innovation Network (DIN)\* (Daiwa Securities business matching event)

- ◆ Held: For more than 10 years
- ◆ 246 events in total
- ◆ Over 1,500 startup ventures featured on stage (as of February 28, 2025 / total number of events)



DIN venue  
(pitch session)

### Daiwa Innovation Network Summit (One of Japan's largest networking events for startup executives)



Opening remarks  
by CEO Ogino

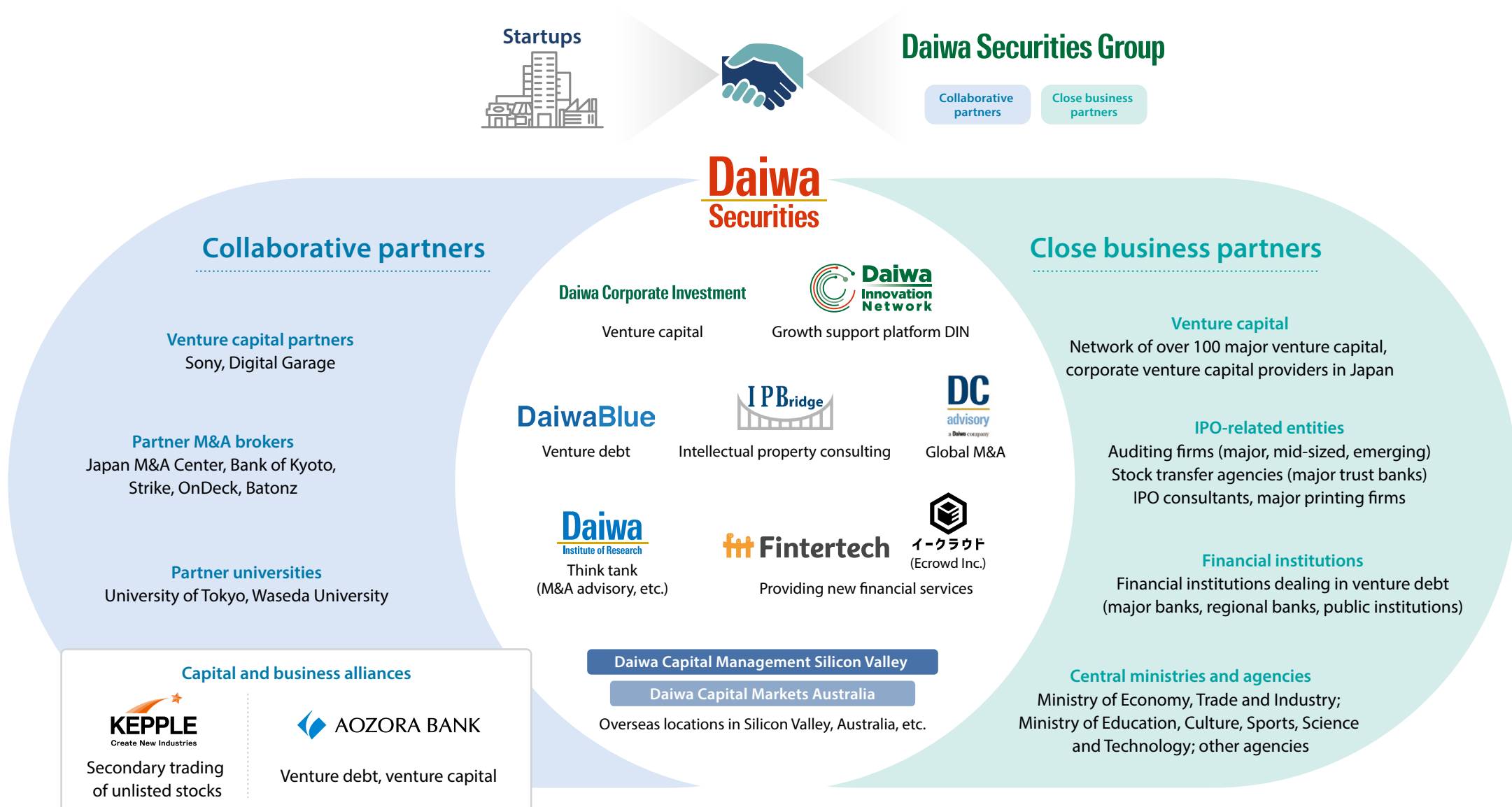


Time for conversation

\* Name given to business matching events between startups and large firms provided by Daiwa Securities.

## Realizing the Aim of Promoting Japan as a Leading Asset Management Center

### Daiwa Securities Group Co-Creation Partners



## Corporate Executive Officers

### Q: What is Daiwa Securities Group?



"A door to life"  
Bringing happiness to  
people of all generations!

**Akihiko Ogino\***  
President and CEO  
President,  
Daiwa Securities Co. Ltd.



Becoming a partner  
unlike any other

**Shinsuke Niizuma\***  
Deputy President and COO  
Head of Wealth Management  
Deputy President,  
Daiwa Securities Co. Ltd.



Proposing win-win capital  
cycles for the future  
sustainable society

**Keiko Tashiro\***  
Deputy President  
Head of Asset Management,  
Securities Asset Management,  
Sustainability, and Financial  
Education



Innovating the future  
of finance with talent  
and technology

**Tomoyuki Murase**  
Deputy President  
CIO and CDO  
Deputy President,  
Daiwa Securities Co. Ltd.



Weaving dreams, side by side  
— nurturing trust and shaping  
the future together

**Eiji Sato\***  
Senior Executive Managing Director  
Head of Corporate Planning,  
Deputy Head of Overseas Operations  
Senior Executive Managing Director  
Daiwa Securities Co. Ltd.



Wisdom Challenges  
Growth Collaborative spirit

**Hiroko Sakurai\***  
Senior Executive Managing Director  
Head of Compliance  
Senior Executive Managing Director,  
Daiwa Securities Co. Ltd.

\* Holds the position of Board member on a concurrent basis.

## Corporate Executive Officers

## Q: What is Daiwa Securities Group?



A company that pioneers  
the future with trust  
and value creation

#### Junichi Serizawa

Senior Executive Managing Director  
Deputy Head of Wealth Management  
Senior Executive Managing Director,  
Daiwa Securities Co. Ltd.



Offering a sturdy  
foundation to enter  
a new era together  
with customers

#### Tsutomu Kobayashi

Senior Executive Managing Director  
and CRO  
Senior Executive Managing Director,  
Daiwa Securities Co. Ltd.



Strong trust within the Group  
and close communication  
with our partners are  
our cornerstones

#### Kotaro Yoshida

Executive Managing Director  
and CFO  
Executive Managing Director,  
Daiwa Securities Co. Ltd.



Everything is always  
for our customers

#### Keiichi Ishikawa

Senior Managing Director  
Head of Internal Audit  
Senior Managing Director,  
Daiwa Securities Co. Ltd.



A team of colleagues who  
embrace new challenges  
with integrity as their motto

#### Seiji Nakata\*

Chairperson of the Board  
Chairperson,  
Daiwa Securities Co. Ltd.

\* Holds the position of Board member on a concurrent basis.