

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

A History of Reliability and Progressiveness

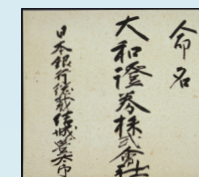
The importance of credibility, recognition, and backing

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

1902 Fujimoto Bill Broker commenced operations in Osaka

1913 Commenced foreign exchange transactions

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



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

1948 Issued the first convertible bonds in Japan

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

1954 Commenced the first installment-type investment services in Japan



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

1970 Listed on the First Section of the Tokyo, Osaka, and Nagoya stock exchanges
Became underwriting manager for the **first yen-denominated bond** issuance of Asia Development Bank

1971 Became lead manager for **the world's first Asian dollar bond** (Development Bank of Singapore)



1986 Start of **Japan's first** home trading with PCs



1961 Listed on the Second Section of the Tokyo, Osaka, and Nagoya stock exchanges

1968 Licensed by Japan's Ministry of Finance as a comprehensive securities company

1977 Served as the lead manager for the **first Euro-Yen bonds** issued by the European Investment Bank

1985 Became lead manager for the first yen-denominated bond issuance in the US market

1988 Established the Daiwa Anglo-Japanese Foundation

2004 Shifted to a Committee System
(Currently, a company with Three Committees System)

- m) **2020** Established the Customer Satisfaction Council

2009 Entered the real estate asset management business

2015 Adopted the SDGs

2011 Launched Daiwa Next Bank, Ltd.

1999 Established a call center as an online helpdesk
Daiwa Securities Co. Ltd. became the first listed company
in Japan to move to a holding company structure and changed
its corporate name to Daiwa Securities Group Inc.

2018 Became the first Japanese securities company to introduce NPS
Established Fintertech Co. Ltd.

2008 Underwrote and sold Japan's first Vaccine Bonds for individuals

2019 Established CONNECT Co. Ltd.
(Currently Daiwa Connect
Securities Co., Ltd.)

1961 Established a new overseas training program
Established Japan's first variable pension plan

1981 Increased the employee retirement age to 60

1962 Established a new study abroad program

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

1997 Introduced a stock option plan as a first for the financial industry

- 2000 Established the Compensation Committee

1998 Formulated the Corporate Principles

2008 Formulated the Daiwa Spirit
Established the Work-Life Balance Promotion
Department and the Work-Life Balance
Promotion Committee
Held the first Family Workplace Tour

2009 Appointed four female executives

2014 Became the financial institution with the highest number of CFP certification holders in Japan

2015 Selected for the first time as a Nadeshiko Brand and KENKO Investment for Health Brand Commenced Health Management Promotion Meetings

2019 Introduced 2-in-1 terminals and established a remote work environment

