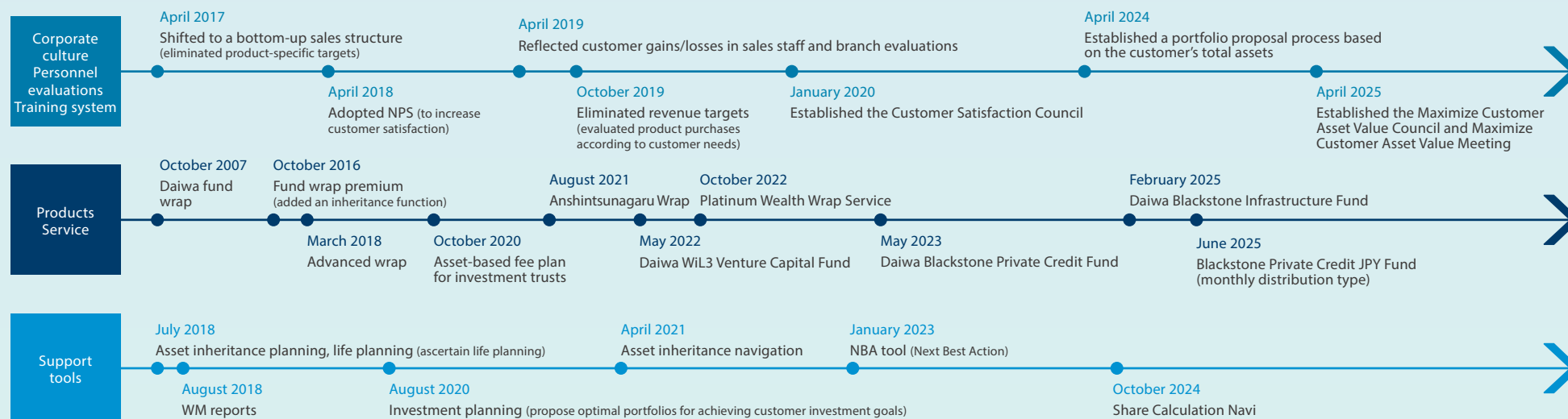


Sales reform focused on improving customer satisfaction

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)

			Group-wide	WM	AM	GM&IB
Basic Group Management Policy						
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 ₂ /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.