

NRI's Corporate Philosophy

A Corporate Philosophy That Builds on the Founding Spirit

NRI offers integrated services ranging from consulting through to IT solutions. We were established through the merger of the former Nomura Research Institute, Ltd., Japan's first private-sector think tank, and Nomura Computer Systems Co., Ltd., Japan's first commercial user of computers. We summarize our commitment to creating a new society, business, and the future in our corporate philosophy. While succeeding NRI's founding spirit in these times of rapid change, we are working to develop new social values and resolve various social issues.

Corporate Philosophy



Corporate Statement

Dream up the future
未来創発

Our Founding Spirit Continues to Be Passed Down

Japan's First Full-Fledged Private Sector Think Tank

The origin of NRI's consulting business goes back to 1965 when Nomura Securities Co., Ltd., expanded the functions of its Research Division and established the former Nomura Research Institute, Ltd. The objective was to make a dramatic leap to develop into a high-quality research and investigation institution.

The founding prospectus, "Nomura Research Institute—Its Concept and Policies," describes the following as the aims of establishing the institute: "To be a new type of research institute that had never existed in Japan before," and "To promote industry and be of service to society through research studies."

This has been passed down to today in NRI's DNA, which makes it an organization with the primary goal of creating new social value and engaging in the resolution of social issues through its main business activities.



The founding prospectus of the former Nomura Research Institute (Produced by Nomura Securities in 1962)

Japan's First Commercial Use of Computers

The origin of NRI's IT solutions business is the Electronic Data Processing Division of Nomura Securities Co., Ltd., which was established in 1953. In 1955, the division adopted the use of a commercial computer (UNIVAC-120) that had just been developed in the United States, making headlines as the first instance in Japan of the commercial use of a computer. This is the result of the desire and passion to create new systems previously unseen in the world.

In 1966, the Electronic Data Processing Division spun off from Nomura Securities to become the Nomura Computing Center Co., Ltd.* The philosophy of its establishment was to take the varied expertise acquired through advanced system development as Nomura Securities and put it to use for management rationalization and other benefits of other companies. The philosophy indicates an attitude to be of service to society as well as create new value.



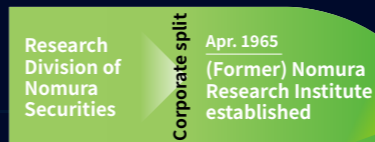
The commercial computer (UNIVAC-120) adopted by Nomura Securities

* The company name was changed to Nomura Computer Systems Co., Ltd., in 1972.

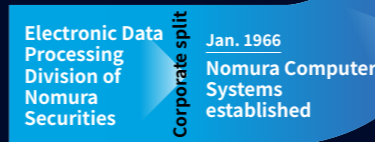
History and Mission of NRI

In a move that foresaw an ideal information services company, the former Nomura Research Institute, Ltd., and Nomura Computer Systems Co., Ltd., merged to become the new Nomura Research Institute, Ltd. (NRI), in 1988. The new NRI succeeded the spirit of the two companies from the time of their founding. It would do more than simply provide research, consulting, and IT services; the company would create new social value, making its mission the resolution of challenges faced by society and clients.

Research consulting



IT solutions



Jan. 1988
Launch of new NRI

Dec. 2001
Listed on the First Section of the Tokyo Stock Exchange

Apr. 2023
Long-Term Management Vision, "NRI Group Vision 2030" and vision statement released

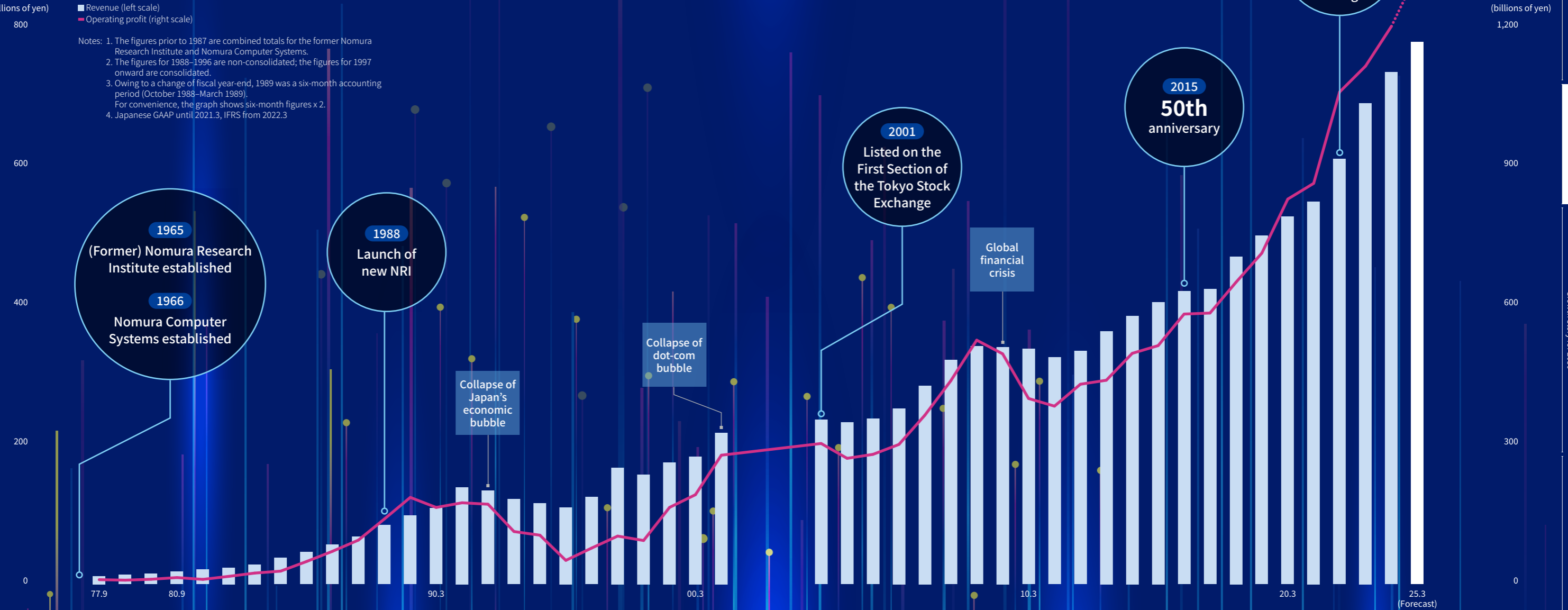
"When forecasting the advanced information society to come, there can be no think tank without a systems function, and there can be no systems company without a think tank function."
(From the press conference following the signing ceremony for the new NRI)

Foreseeing the arrival of a digital age in which business and information technology (IT) became one, the merger of the two companies was driven by the passion of the management team to create a company that was needed the most for Japan in the future to survive on the world stage.

A Path of Unchanging Value Co-Creation

(billions of yen) ■ Revenue (left scale) ■ Operating profit (right scale)

Notes: 1. The figures prior to 1987 are combined totals for the former Nomura Research Institute and Nomura Computer Systems.
 2. The figures for 1988-1996 are non-consolidated; the figures for 1997 onward are consolidated.
 3. Owing to a change of fiscal year-end, 1989 was a six-month accounting period (October 1988-March 1989). For convenience, the graph shows six-month figures x 2.
 4. Japanese GAAP until 2021.3, IFRS from 2022.3



Services Created in Response to Societal Demand

Consulting

- 1970** Forecasted the number of visitors to the Japan World Exposition held in Osaka (a pioneer in research and consulting business in Japan)
- 1984** System Clinic Service launched (a pioneer in system consulting business in Japan)
- 1988** Started recommendation activities of the world's five big think tanks, including NRI (thereafter annually through 1995)
- 1989** Organized Pension Management Study Group (affected Japan 401k scheme later)
- 1994** Became the sixth company in Japan to launch a corporate website
- 1995** Center for Cyber Communities Initiative established with Keio University
- 1997** Cyber Life Club cybermall launched (a pioneer in online shopping business in Japan)
- 1997** Conducted the first Survey of 10,000 Consumers (thereafter conducted every three years)
- 2000** Advocated the concept of Ubiquitous Networking (a new information technology paradigm)
- 2003** Started sending CIO aides to government organizations, including the Ministry of Health, Labour and Welfare, the Ministry of Agriculture, Forestry and Fisheries, etc.
- 2007** Established Tsinghua-NRI Chinese Research Center
- 2011** Launched Insight Signal, an advertising effectiveness measurement service
- 2011** Recommendation activities and others for Great East Japan Earthquake recovery efforts
- 2012** Provided comprehensive support, from designing the service to the system architecture, for Shiseido's integrated online beauty service "watashi+"
- 2014** Assisted in the rollout of "NISA" system, from design to system construction
- 2020** Proposals regarding coronavirus infection (COVID-19) measures
- 2023** Launched AI consulting service

IT Solutions

- 1970** Launched Nomura Securities' "Integrated Online System"
- 1974** Launched THE STAR, a shared online service for retail brokerage firms
- 1979** Launched a new ordering system for SEVEN-ELEVEN JAPAN CO., LTD.
- 1987** Launched I-STAR, a shared online system for wholesale brokerage firms
- 1987** Launched Famicon Trade System at Nomura Securities (a pioneer in contemporary home trading services)
- 1988** Launched international VAN service between Japan and United States
- 1993** Launched T-STAR, a shared online system for asset management firms
- 1997** Launched BESTWAY, an over-the-counter sales system for mutual funds
- 1999** Launched e-JIBAI, a compulsory automobile liability insurance system
- 1999** Launched online trading system for an online brokerage firm
- 2004** Launched e-JIBAI, a compulsory automobile liability insurance system
- 2012** Launched Value Direct (for online banking)
- 2016** Launched TRAINA, an AI solution
- 2017** Started provision of the identity verification service "e-NINSHO" using My Number
- 2018** Started provision of e-PO box, the first private-sector cloud linked with Mynaportal
- 2024** Launched NRI BaaS/CORE (banking account solution)

Message from the CEO

NRIの価値共創

V2030

Growth Story for 2030

MTPI2025

Value Creation

Value Creation Capital

Management Basis (ESG)

Corporate Information / Data

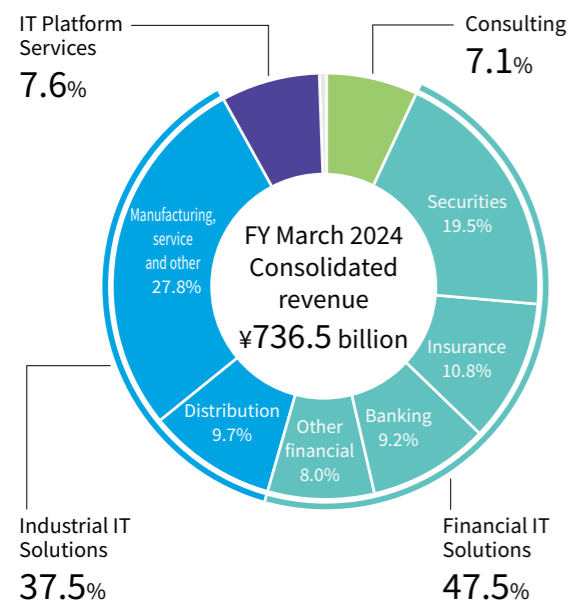
NRI at a Glance

FY March 2024 Consolidated

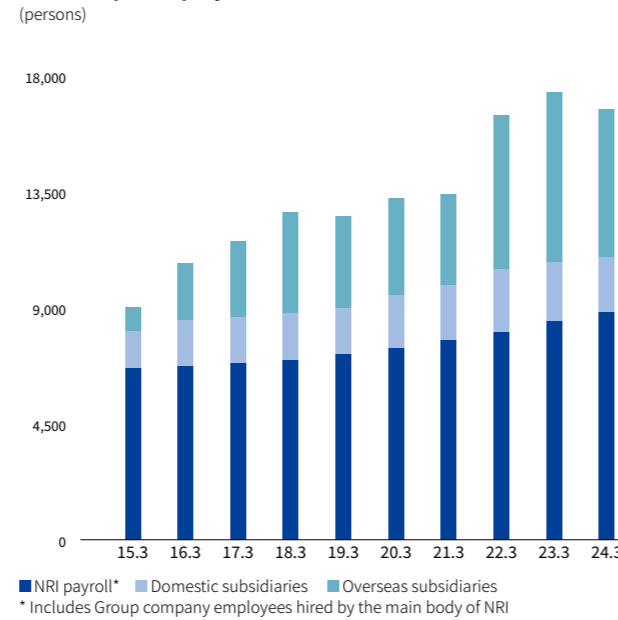
Consolidated revenue ¥736.5 billion	Consolidated operating profit ¥120.4 billion	ROE 19.9%
Cash flows from operating activities ¥142.2 billion	Number of employees (consolidated basis) 16,708 persons	Number of consultants Over 1,000 persons
Consolidated operating margin 16.3%	Revenue per employee ¥44.08 million	Operating profit per employee ¥7.20 million

Industry Top Level

External Revenue by Segment



NRI Group's Employees (persons)

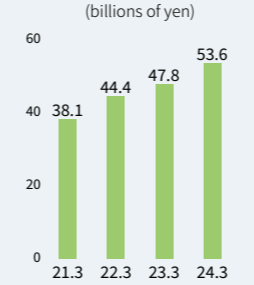


NRI's Four Business Segments

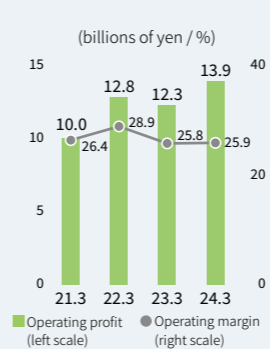
Consulting

This segment provides management consulting, operational consulting, and system consulting for enterprises and government agencies. This segment is also engaged in research, future projections, and recommendations related to society, economics, business, technology, etc.

Revenue Including Inter-Segment Revenue (billions of yen)



Operating Profit / Margin (billions of yen / %)



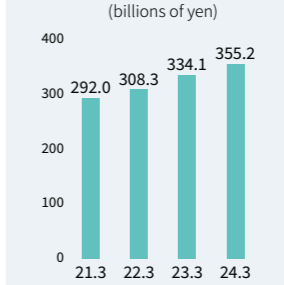
Financial IT Solutions

This segment provides system consulting, system development, and system management solutions, shared online services, and BPO services for financial institutions mainly in the securities, insurance, banking, asset management, and other financial sectors.

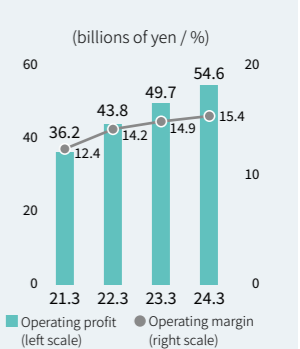
Major affiliated companies

NRI Process Innovation, DSB, DSB Information System, Nippon Securities Technology, Cutter Associates, Australian Investment Exchange Limited (AUSIEX)

Revenue Including Inter-Segment Revenue (billions of yen)



Operating Profit / Margin (billions of yen / %)



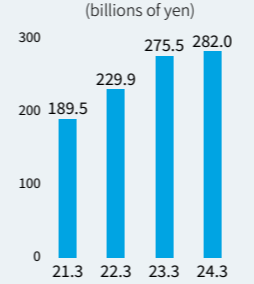
Industrial IT Solutions

This segment provides system consulting, system development and system management solutions, and shared online services mainly for the distribution, manufacturing, service, and public sectors.

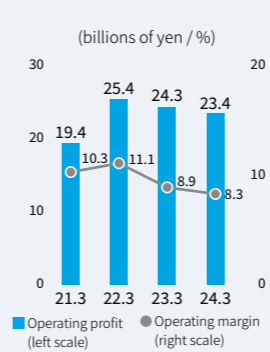
Major affiliated companies

NRI Netcom, NRI System Techno, NRI Digital, NRI Australia Limited, Planit Test Management Solutions Pty Limited, Core BTS, Incorporated

Revenue Including Inter-Segment Revenue (billions of yen)



Operating Profit / Margin (billions of yen / %)



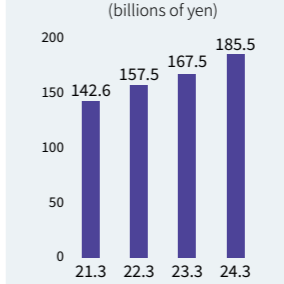
IT Platform Services

This segment provides data center operations and construction of IT platforms and networks that are provided to the Financial IT and Industrial IT Solutions segments. This segment also provides IT platform solutions and information security services to external clients. Furthermore, NRI conducts research related to advanced information technology, etc.

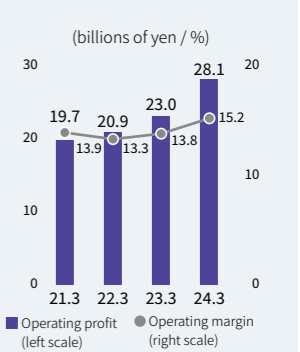
Major affiliated companies

NRI SecureTechnologies, NRI Data i Tech, NRI Digital

Revenue Including Inter-Segment Revenue (billions of yen)



Operating Profit / Margin (billions of yen / %)



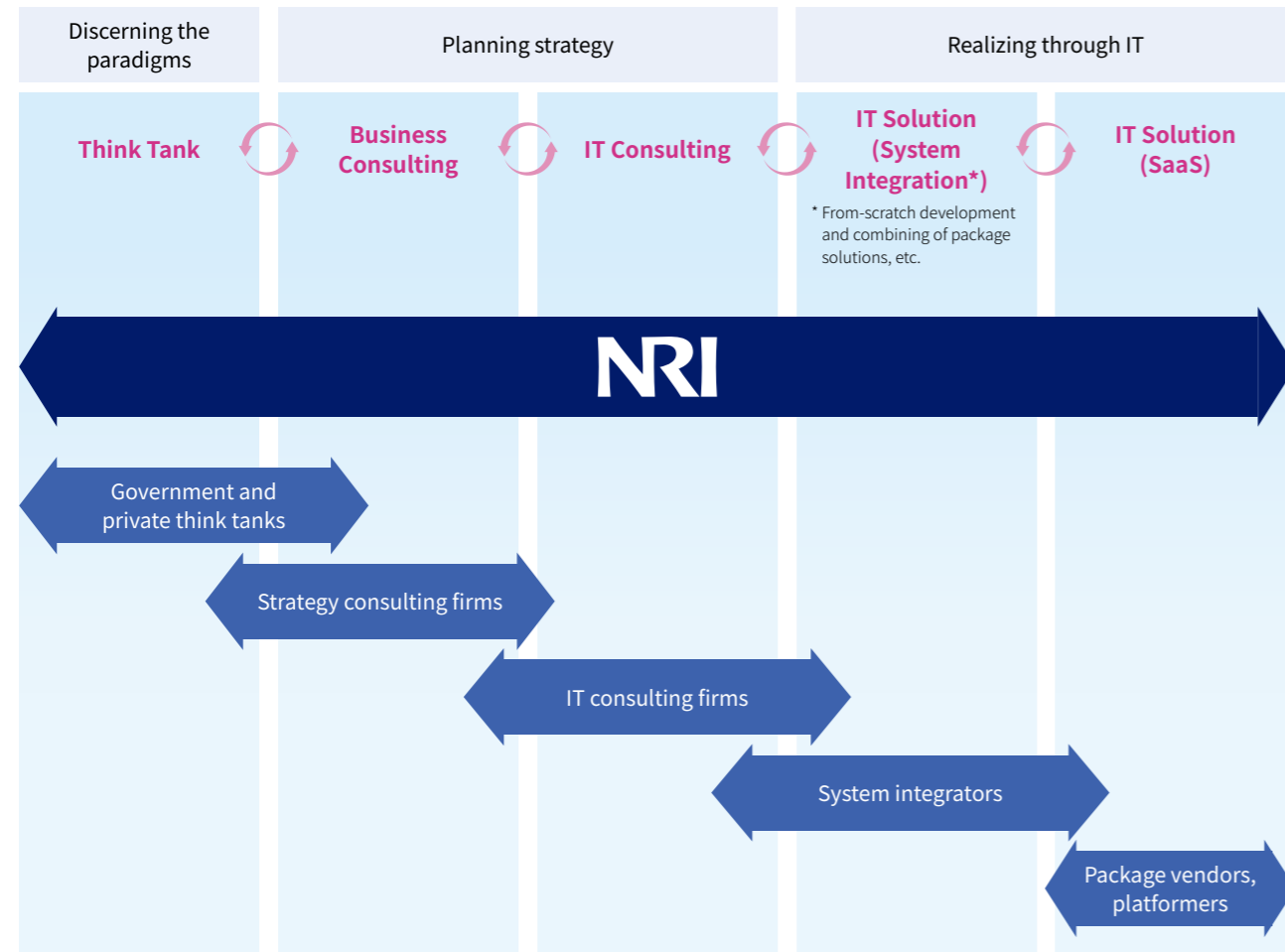
(Note) There was a partial revision to segment categorization for FY March 2024. Figures for FY March 2023 reflect this change in categorization.

NRI's Business Model

Characteristics and Advantages of NRI's Business

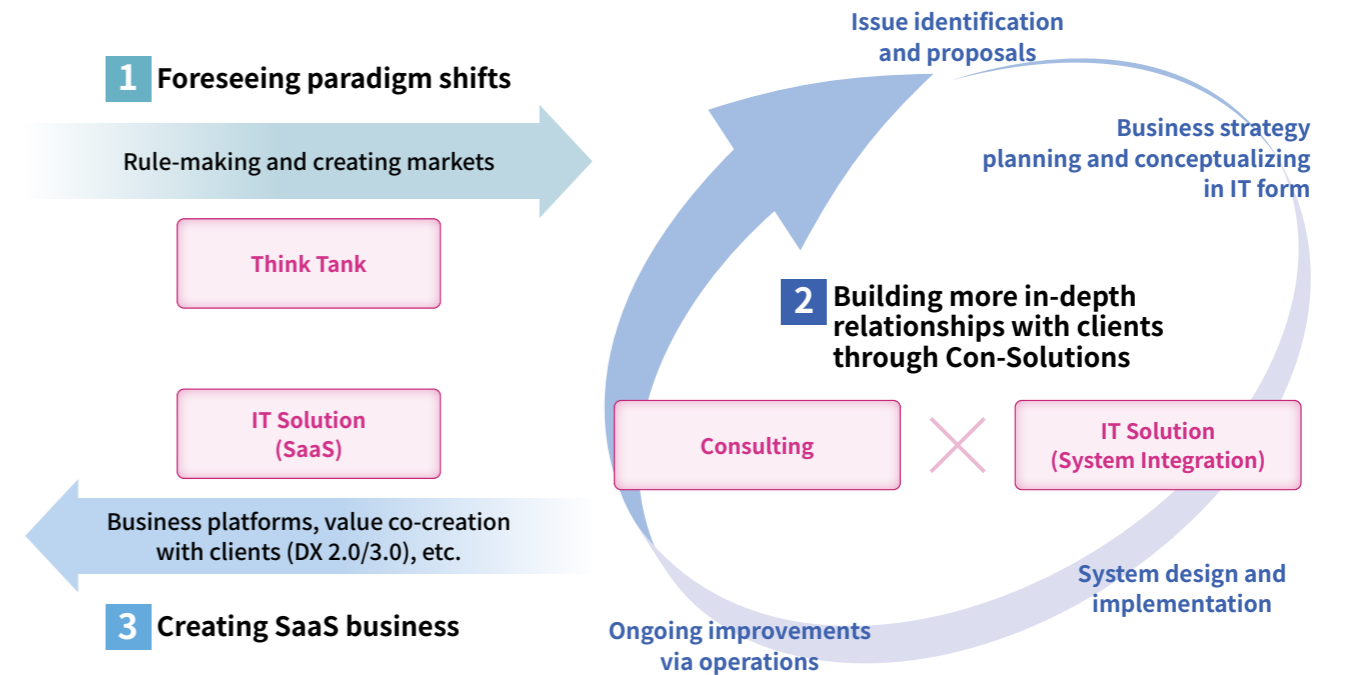
Over the years, NRI has accumulated a wide range of knowledge in areas ranging from think tanks to consulting and IT solutions. Armed with this know-how, our business is characterized by the seamless deployment of services from paradigm insight to client strategy planning and IT implementation.

NRI's consulting business originated at the former Nomura Research Institute, Ltd., which was established in 1965. The origin of our IT solutions business can be traced back to Nomura Computer System Co., Ltd., which originated from the Electronic Data Processing Division of Nomura Securities Co., Ltd., which was established in 1953. Founded in 1988 through the merger of these two companies, the current Nomura Research Institute, Ltd. has a history of nearly 60 years in both consulting and IT solutions. Our extensive experience and know-how cultivated through many years of business is one of NRI's advantages. NRI is the only company that possesses all the functions of think tank, consulting, and IT solutions services, and is able to provide those functions in combination.



NRI's Business Model

NRI's business model consists of using our think tank functions as a starting point for approaching clients. We then deepen relationships with clients through Con-Solution, in which we run consulting and IT solutions side-by-side with clients and repeatedly test hypotheses to increase value. Furthermore, by leveraging the trust we have built with clients and our accumulated know-how, NRI has achieved a highly sustainable business structure by creating service-based businesses such as business platforms and client co-creation.



1 Foreseeing paradigm shifts

NRI has an extensive track record of conducting highly reliable research and disseminating information. Our consultants have a wide range of expertise in areas including systems, policy, social issues, macro-economics, industry knowledge, and advanced technology. Consultants support the design of systems and the formation of rules by cooperating with committee members at government organizations, public offices and agencies, and public institutions.

2 Building more in-depth relationships with clients through Con-Solutions

At NRI, our Consulting Department appeals to clients' top management and develops themes based on management and business strategies. Our IT Solutions Department uses its extensive business knowledge and understanding of technology to form projects and build precise systems from upstream. Our company will deepen relationships with clients through Con-Solution, where consulting and IT solutions operate concurrently.

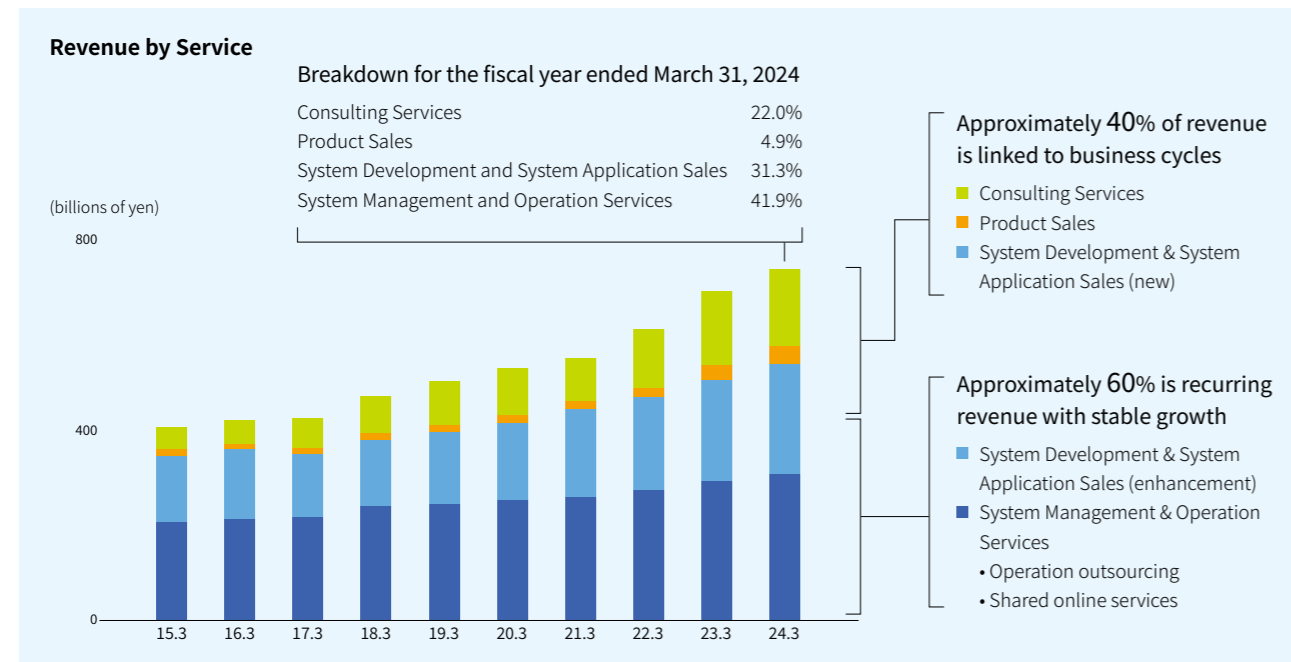
3 Creating SaaS business

By providing services to Tier 1 companies in the industry, NRI has cultivated deep industry knowledge and an understanding of client operations. We identify non-competitive and collaborative areas with complex requirements and create a variety of shared services. We fulfill the role of an enabler who designs and composes ecosystems while determining the interests of diverse players involved.

NRI's Strengths

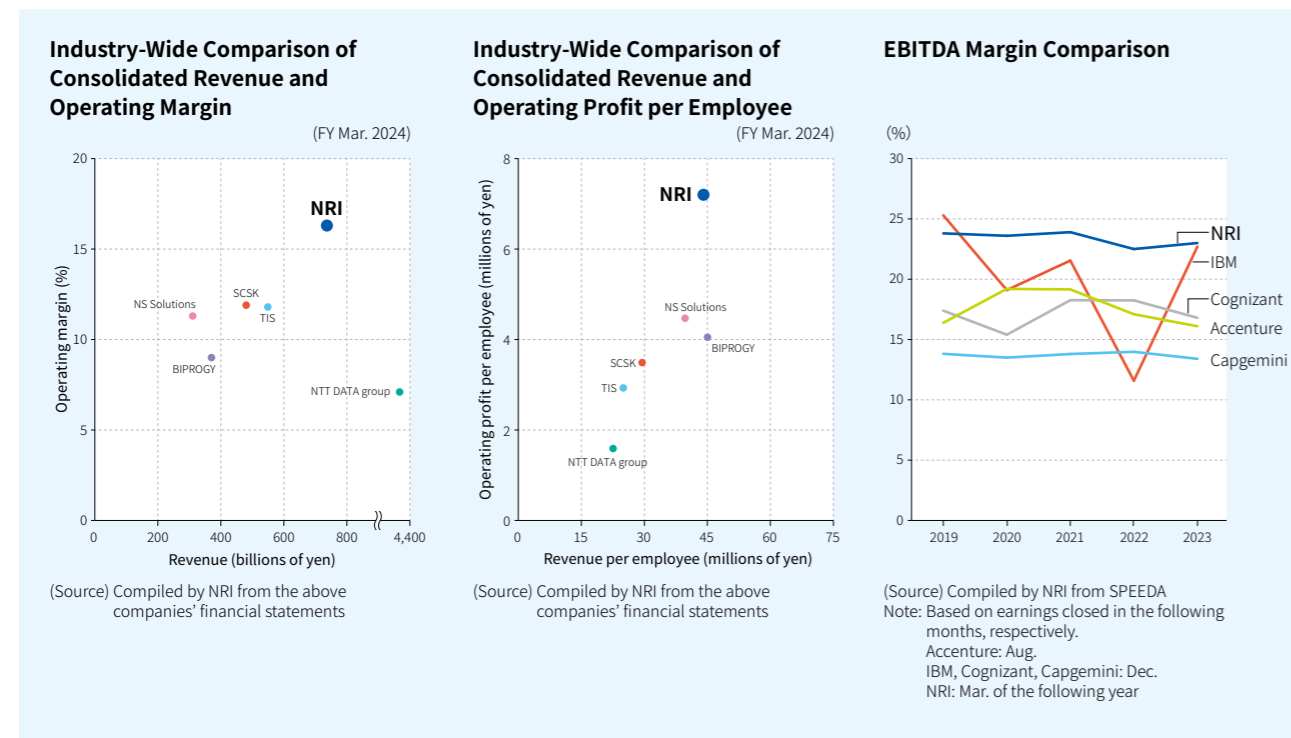
Stable Profit Structure

NRI has established a stable profit structure with sustainable businesses accounting for approximately 60%, such as shared online services, system management, and operation outsourcing, as well as enhancements in system development.



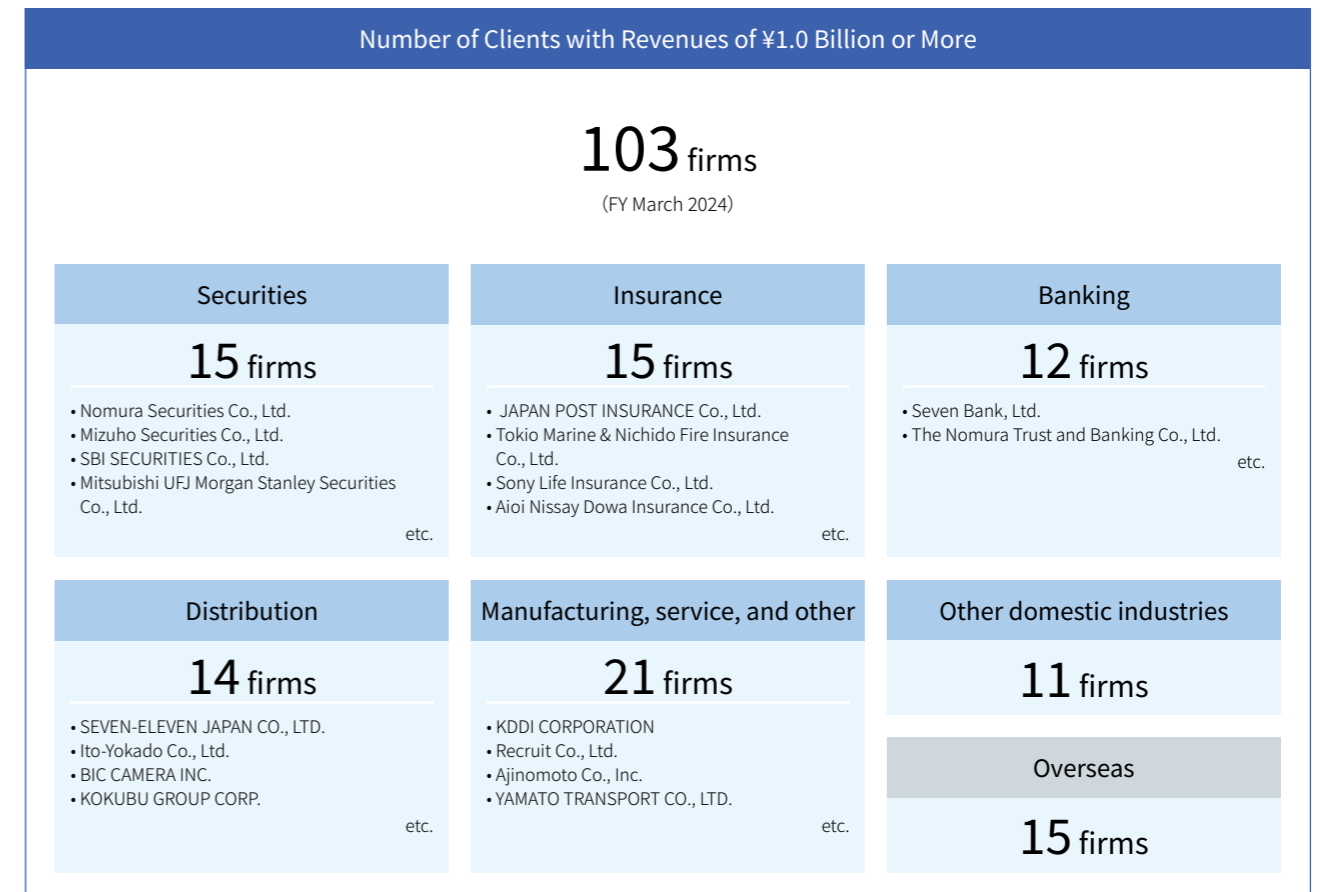
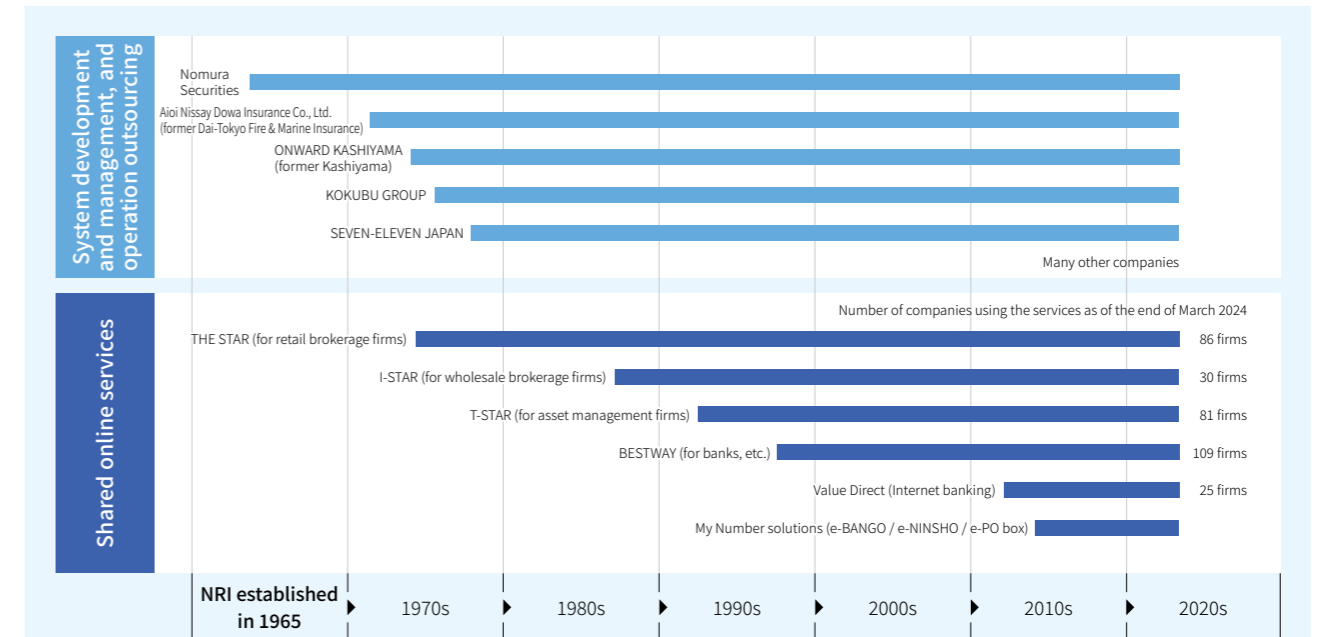
High Levels of Profitability and Productivity

NRI maintains top-level profitability (consolidated operating margin and EBITDA margin) as well as productivity (consolidated revenue and operating profit per employee) compared with competitors both in Japan and overseas.



Solid Client Base

NRI has accumulated experience and know-how related to various industries and operations, through long-term business relationships with industry leaders. We utilize our intellectual capital to create innovative solutions, such as shared online services. Furthermore, by continuing to provide high-quality services, we are working to strengthen relationships with clients and expand our client base.



Process of Value Co-Creation

Integrated pursuit of building a sustainable future society and realizing NRI growth strategies

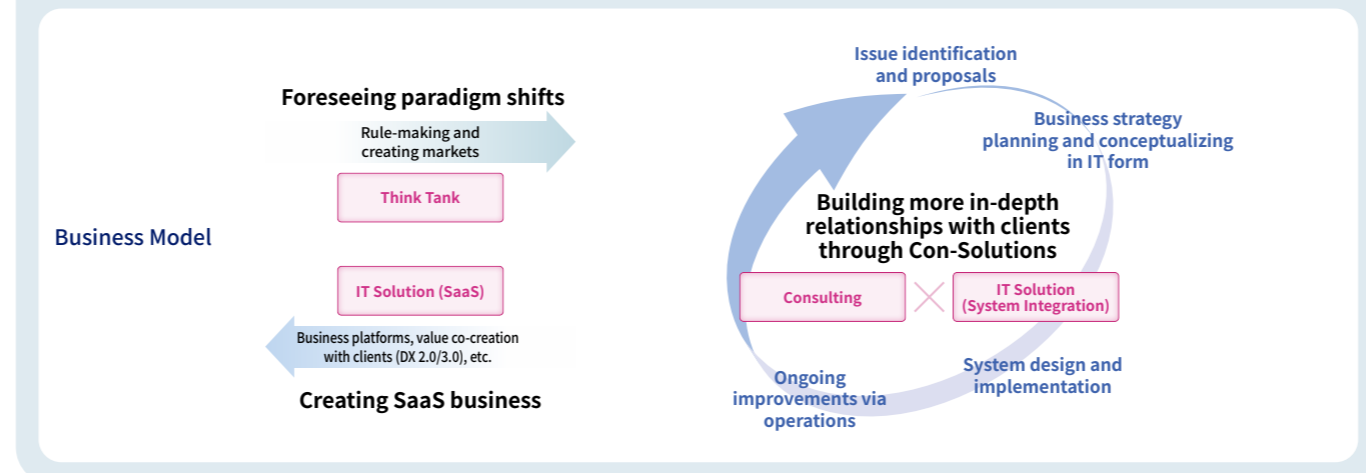
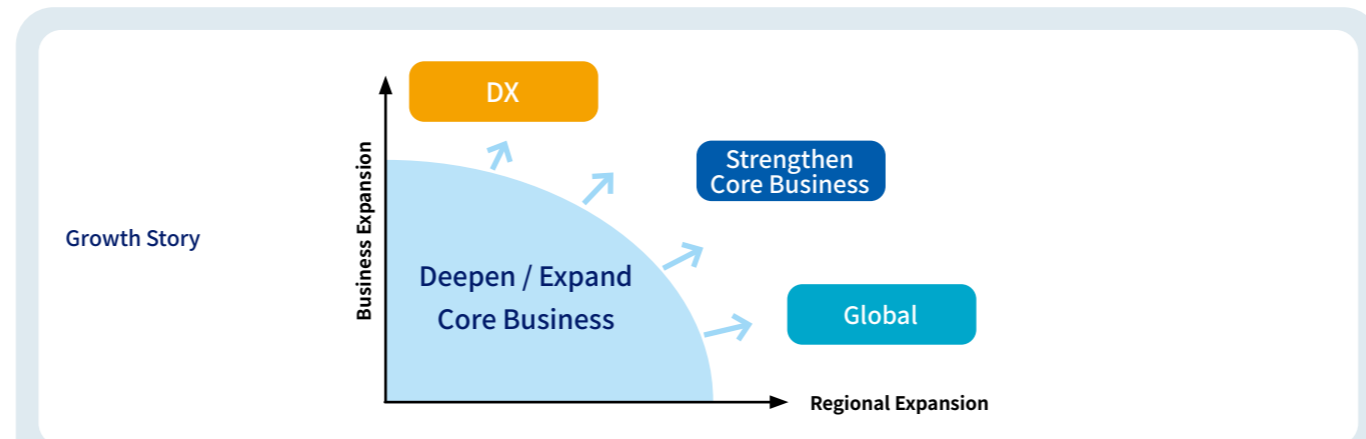
Corporate Philosophy

Mission	Society We Innovate	Values	Corporate Statement
<p>For Society: Envision and realize new paradigms</p> <p>For Customers: Be a trusted partner for mutual growth</p>	<p>Prosperous society that nourishes potential and brings dreams to life</p> <p>Sustainable society that connects knowledge to treat the planet wisely</p> <p>Resilient society that promotes safety and security</p>	<p>Foresight and thoroughness to exceed expectations</p> <p>Mutual respect to unite diverse individuals</p> <p>Passion and pride to pursue new challenges</p>	<p>Dream up the future. 未来創発</p>

Opportunities and Risks Due to Changes in the External Environment ⇒P.26

Value Creation Capital

- Advance human capital through bold actions and growth of diverse professionals ⇒P.58
- Accumulate intellectual capital through elevation of individual knowledge into organizational strength ⇒P.74
- List of Materialities ⇒P.52



Management Basis (ESG)

- Contribute to global environment through collaboration with business partners ⇒P.82
- Fulfill our social responsibilities through strengthening of relationships with stakeholders ⇒P.95
- Evolve governance through realization of strategic risk control ⇒P.106
- List of Materialities ⇒P.52

Value Creation

- Co-create a thriving future society through expansion of digital social capital ⇒P.54
- Co-create an optimal society through effective utilization of resources ⇒P.55
- Co-create a safe and secure society through sophistication of infrastructure ⇒P.56
- List of Materialities ⇒P.52

Financial Capital

Numerical Image of 2030

Revenue	Over ¥1 trillion
Overseas Revenue	Over ¥250 billion
Operating Margin	More than 20%

Messages from the CEO
NRI's Value Co-Creation
V2030 Growth Story for 2030
MTTP2025
Value Creation
Value Creation Capital
Materiality
Management Basis (ESG)
Corporate Information / Data

Opportunities and Risks Due to Changes in the External Environment

Main Changes to the External Environment	Opportunities	Risks	Related Initiatives	
Complex Social Issues	<ul style="list-style-type: none"> • Importance of decarbonization and other means of resolving social issues 	<ul style="list-style-type: none"> • Contribution to preserving the global environment <ul style="list-style-type: none"> • Reduction of client greenhouse gas emissions through shared online services • Business continuity in states of emergency <ul style="list-style-type: none"> • Need for data centers that possess advanced disaster prevention functions 	<ul style="list-style-type: none"> • Social responsibility <ul style="list-style-type: none"> • Insufficient efforts for human rights and labor practices • Business continuity <ul style="list-style-type: none"> • Ill-preparedness for COVID-19 and large-scale natural disasters 	<ul style="list-style-type: none"> Efforts to Respect Human Rights → P.96-98 Internal Controls, Corporate Ethics, and Compliance → P.126-129
	<ul style="list-style-type: none"> • Increase in cyberattacks that are coupled with the increased complexity of international political trends • Changes in global regulatory trends 	<ul style="list-style-type: none"> • Strengthening of information security <ul style="list-style-type: none"> • Need for information security services that manage data, such as personal information, safely and securely • Need for advisory services by experts due to lack of information security specialists • New products and new services in finance 	<ul style="list-style-type: none"> • Information security <ul style="list-style-type: none"> • Information leakage due to unauthorized external access • Group governance of rule violations at the NRI Group and business partners • Response to financial regulations and laws • Spillover to financial systemic risk 	<ul style="list-style-type: none"> Cooperation with Stakeholders → P.99-101 NRI's Quality Management → P.77-81
	<ul style="list-style-type: none"> • Relative expansion of the scale of overseas markets 	<ul style="list-style-type: none"> • Entry into overseas markets <ul style="list-style-type: none"> • Incorporation of IT investment needs in overseas markets • Overseas acquisition of competitive intellectual properties 	<ul style="list-style-type: none"> • Group governance <ul style="list-style-type: none"> • Insufficient synergistic effects of M&A and partnerships • Inadequate system for global strategy promotion 	<ul style="list-style-type: none"> MTP2025 Global Strategy → P.37-38 NRI's Corporate Governance → P.112-113
	<ul style="list-style-type: none"> • Growing importance of economic security 	<ul style="list-style-type: none"> • Reconstruction of supply chains <ul style="list-style-type: none"> • Need for advisory services for corporations constructing their global supply chains 	<ul style="list-style-type: none"> • Business partners <ul style="list-style-type: none"> • Tightening of regulations toward overseas offshore development, and degraded quality of efficiency 	<ul style="list-style-type: none"> Response to the Economic Security Promotion Act → P.127
	<ul style="list-style-type: none"> • Growing interest in contributing to the global environment 	<ul style="list-style-type: none"> • Management of greenhouse gas emissions <ul style="list-style-type: none"> • Consulting, IT solutions 	<ul style="list-style-type: none"> • Handling throughout the entire supply chain <ul style="list-style-type: none"> • Delay in achieving Scope 3 targets 	<ul style="list-style-type: none"> Contribute to Global Environment → P.82-94
	Increasingly Fluid Industrial Structure	<ul style="list-style-type: none"> • Melting of boundaries between business types and industries due to digitalization • Growth limits of existing revenue models 	<ul style="list-style-type: none"> • Redefinition of industry and business models, and integration of management and technology <ul style="list-style-type: none"> • Need for simultaneous transformation of both client business and IT through the combination of consulting and IT solutions 	<ul style="list-style-type: none"> • Quality <ul style="list-style-type: none"> • Occurrence of large-scale system failures • Unstable operation of the operating system
<ul style="list-style-type: none"> • Strengthening of the protection of rights 		<ul style="list-style-type: none"> • Prevention of legal violations and serious accidents <ul style="list-style-type: none"> • Need for advisory services for the practice and establishment of rights protection 	<ul style="list-style-type: none"> • Compliance <ul style="list-style-type: none"> • Infringement of third-party intellectual property rights • Violation of domestic and foreign laws and regulations 	<ul style="list-style-type: none"> Internal Controls, Corporate Ethics, and Compliance → P.126-129
Progress of Latest Technologies and Commoditization	<ul style="list-style-type: none"> • Evolution of advanced technology such as generative AI, cloud computing, and next-generation communications • Commoditization of no-code, low-code, etc. 	<ul style="list-style-type: none"> • Emergence of business through the use of AI • Productivity improvement through the use of AI • Emergence of DX-related business <ul style="list-style-type: none"> • R&D for advanced themes with a focus on DX-related business • Emergence of business by accumulating expertise through collaboration with clients 	<ul style="list-style-type: none"> • Adverse impact on social activities <ul style="list-style-type: none"> • Violation of human rights and intellectual property rights • Information leaks • Projects <ul style="list-style-type: none"> • Late delivery • Working hours exceeding the initial estimate 	<ul style="list-style-type: none"> AI Usage → P.44-45 AI Ethics → P.128-129 Accumulate Intellectual Capital → P.74-81 NRI's Quality Management → P.77-81
Diversification of Values and Work Styles	<ul style="list-style-type: none"> • Showing respect for individuals and new working styles 	<ul style="list-style-type: none"> • Expansion of the usage of IT services <ul style="list-style-type: none"> • Heightened needs for increasing business efficiency and improving productivity • Shift to shared online services • Modernization of systems using new technology • Variety of working styles and diverse human resources <ul style="list-style-type: none"> • Pursuit of optimal working styles for NRI, such as the utilization of telecommuting • Value creation through collaboration with business partners and external human resources 	<ul style="list-style-type: none"> • Securing / cultivating human resources <ul style="list-style-type: none"> • Insufficient securement and cultivation of human resources with expertise • Decline of labor productivity and loss of human resources 	<ul style="list-style-type: none"> Advance Human Capital → P.58-73
		<ul style="list-style-type: none"> • Business partners <ul style="list-style-type: none"> • Insufficient securement of business partners • Decline of productivity and quality in the NRI Group, including business partners 	<ul style="list-style-type: none"> Cooperation with Stakeholders → P.99-101 NRI's Quality Management → P.77-81 	