

(Tokyo – 16<sup>th</sup> November 2023)

**Nomura Research Institute, Ltd.**  
**From the Press Conference on Appointment of  
the New President**

**Greeting from Chairman, President & CEO Shingo Konomoto**

Thank you all for gathering here today on such short notice.

I will begin today's proceedings by discussing the human resources movements announced today.

At today's Board of Directors meeting, resolution was passed that Senior Corporate Managing Director Kaga Yanagisawa will assume the role of President & CEO effective April 1, 2024, and that I will remain committed to the role of Chairman. Subsequently, by resolution at the General Meeting of Shareholders in June, Ms. Yanagisawa will become Representative Director, President & CEO, and I will assume the role of Chairman with no representative rights.

As the background behind these HR movements, NRI is embarking on both Medium-Term Management Plan 2025 and NRI Group Vision 2030 this fiscal year. We are off to a smooth start in the first fiscal year of the Medium-Term Management Plan. Thus, looking at the current situation, it seemed like a good time to hand over the reins of management to a new leader next April, which led to this decision.

After joining NRI as a systems engineer in 1991, Ms. Yanagisawa served as a consultant starting in 1996, mainly dealing with private sector clients. Since becoming an officer in 2019, she has strived toward enhancing our human capital as deputy head of HR and human resources development, and starting this year she has been managing company-wide business strategy while leading internal and external communication activities as the division manager of the Center for Corporate Planning.

Ms. Yanagisawa is defined by her outstanding communication skills and the way she ascertains the path forward and takes resolute action while thoroughly and open-mindedly listening to various opinions. Utilizing these distinctive qualities, she accurately comprehends the challenges throughout the company and cooperates with the related officers toward

resolving them. At the same time, she is engaged in ongoing activities to instill our corporate philosophy and vision while engaging in spirited dialogues with employees at our worksites.

For NRI in its current state, as our next president I think we can count on her ability to make the most of each employee's abilities and get them to work together, and her ability to coordinate with the management team and get them to work together to resolve issues on a company-wide level. I believe that NRI can achieve continuous growth by having a leader at the top who fully harnesses the abilities of the team as opposed to doing things in a top-down manner.

Based on that perspective, our Nomination Committee and Board of Directors decided that Ms. Yanagisawa would be ideal as the leader to spearhead management of the NRI Group. After more than two years engaged in many different discussions leading up to this decision, the Nomination Committee came to the unanimous conclusion that Ms. Yanagisawa is the appropriate person to serve as our next president.

In closing I would like to mention the many people who have provided tremendous support since I assumed the role of president in 2016. From our clients and business partners to investors, analysts, media personnel, and of course our own in-house experts, you have provided me with a wealth of inspiration and advice. I would like to take this opportunity to express my gratitude to you once more. Please look forward to great things from NRI under our new leadership. We hope for even more of your kind support.

## **Greeting from Senior Corporate Managing Director Kaga Yanagisawa**

This is Kaga Yanagisawa.

As explained by Mr. Konomoto, I will assume the role of President & CEO on April 1, 2024. It is tremendously humbling for me to receive the baton from Mr. Konomoto after his eight years leading the NRI Group. I will give it my all, and I look forward to your continued support.

Please allow me to introduce myself once more. In 1991, I joined NRI as a systems engineer in the Solutions Department. My career got started handling upstream processes in sales force management systems for the private sector.

Then, in 1996 I was transferred to the Consulting Department, where I drafted business strategies and supported initiatives such as organizational development primarily for private sector clients.

Since becoming an officer in 2019, I have been working on a project to reform our human resources system which has operated in virtually the same way for nearly two decades, and I have been striving to create work environments conducive to employees taking on a new level of challenges.

Starting this fiscal year I have been in charge of business strategy, and of both internal and external communication, including with all of you in the media as well as investors and analysts.

NRI is embarking on both Medium-Term Management Plan 2025 and NRI Group Vision 2030 (V2030) this fiscal year. To echo what was mentioned before by Mr. Konomoto, this initial year is off to a good start thus far. I have also been part of the considerations team for Medium-Term Plan 2025 and V2030, and have taken part in these considerations for two years. I see it as my mission to accelerate our growth in Medium-Term Plan 2025 and V2030 while maintaining the direction of our major strategies.

I believe that human capital is one of the keys to achieving the objectives of V2030.

One of the biggest keys will be to give our employees opportunities for growth and to challenge themselves. Another will be for employees to make the most of these opportunities to provide all the value they can to clients and also to society through our clients, inspiring each other while strengthening relationships that lead to growth for both employees and the company.

The year 2025 will mark the 60th anniversary of our founding. We look forward to your continued guidance and support as we proceed full speed ahead to achieve the objectives of Medium-Term Plan 2025 and subsequently V2030.

## **Question & Answer**

### **(First inquirer)**

Q1: This will be the first time Nomura Research Institute, Ltd. has appointed a female president. What is the significance of that, and what are your aspirations in that regard?

A1: [Yanagisawa] Although I will indeed be the first female president, throughout my time in the company I have never been particularly conscious of being a woman as opposed to being a man. For that reason, I do not have any specific aspirations related to being a female in this role. As for my hopes as president, I think it will be important for the management team to work together toward achieving the Medium-Term Management Plan and long-term management vision. Rather than doing things individually as a president, I will be working together with the responsible officers who comprise the management team.

Q2: Around when were you first approached about being appointed as president? When that happened, how was that expressed to you, and how did you receive it?

A2: [Yanagisawa] I remember first being approached about being appointed president in early October of this year. Honestly, I had not been expecting it at all and I was quite surprised, so I cannot remember the situation at the time very well. After that, I had various conversations with Mr. Konomoto and gradually made up my mind.

[Konomoto] When approaching her about being appointed president, I was very nervous that she might refuse. After a short pause she eventually agreed, and I remember breathing a sigh of relief.

**(Second inquirer)**

Q1: This question is for Mr. Konomoto. NRI had been predominately focused on financial IT, but in your eight years as president you have increased your proportion of industrial IT. You have also made progress in globalizing. Reflecting on this time, how would you evaluate your own performance? If possible, what grade would you give yourself?

A1: [Konomoto] In terms of an evaluation, I will leave that up to all of you. When I assumed the role of president, we also announced a long-term management vision. It feels like I was able to accomplish the things I wanted to work on, in my own way. My mind feels clear, I have no regrets. That being said, I am still president until next March, so I would like to properly handle everything that must be done before handing off the baton to Ms. Yanagisawa.

**(Third inquirer)**

Q1: When you were asked about the changing of the president in the financial results briefing (in October this year), you explained about changing out “each cabinet member” (member of management). Have you decided on the subsequent composition of your cabinet?

A1: [Konomoto] What we call “cabinet members” refers to the heads of each division. What to do about the next generation of cabinet members has been discussed in voluntary Nomination Committee meetings since two years prior. In the human resources movements on April 1 of this year, we decided the heads of the departments responsible for the Medium-Term Management Plan for the next three years. This management team has been established as the cabinet members to head up the next Medium-Term Management Plan. Ms. Yanagisawa is one of the members of that management team. This team has fully engaged in discussions on achieving the Medium-Term Management Plan and strategy thereafter. As such, their team-building is more or less in place. As to which member of this management team should be the leader, we decided on Ms. Yanagisawa. The cabinet is already in place, and Ms. Yanagisawa will begin leading it starting next fiscal year.

Q2: As of April 2023, had you already decided to appoint a new president?

A2: [Konomoto] My own feeling was that we should operate under new leadership next fiscal year if we are able to make the preparations over the course of this year.

**(Fourth inquirer)**

Q1: This question is for Ms. Yanagisawa. What do you particularly want to change or work on for enhancing your human capital?

A1: [Yanagisawa] We have been transitioning to a new human resources system since last fiscal year. From the time the system changes, it takes a while for the new system to operate in a way that reflects the ideas behind it. Based on the circumstances from last fiscal year through the first half of this one, I think it needs to be more firmly established. The new human resources system is a system for encouraging challenge. Since there are differences in the degrees to which each individual's talent comes to fruition, I would like to operate it in a way that accommodates human resources on an individual basis, such as those who are more deliberate in their progress, and those who advance more

quickly. This includes selecting personnel who we see as capable of fulfilling a role despite being young and relatively inexperienced. We engage in human resources development with the intention for everyone to thrive as professionals. I want to properly set things up to manage the path forward both for personnel who are on the organizational management path, and for personnel who will not be managing organizations but will serve as leaders who harness high levels of expertise in a variety of projects. I believe that will result in having more employees who take on challenges in ways that are suitable for themselves as individuals. We are also implementing various engagement-oriented measures, so I believe our employee engagement level will rise, and more of them will be harnessing their capabilities to the fullest to deliver higher added value.

**(Fifth inquirer)**

Q1: During Mr. Konomoto's term as president, your overseas sales grew from the tens of billions of yen to over 120 billion yen. I consider this to be one significant achievement. On the other hand, there was unexpected inflation, rising interest rates, and postponement of DX in North America. How to go about turning around business in North America will be a major topic during Ms. Yanagisawa's term, and it will likely be challenging to navigate. Could you comment on that?

A1: [Yanagisawa] Our business in North America has had some struggles over the past year and a half. We have made various moves internally to address those. Our officers handling global business and local management are taking measures while carefully observing both the external environment and our internal circumstances. Some aspects of the external environment are hard to see, but we are certain that the environment will change.

**(Sixth inquirer)**

Q1: This question is for Mr. Konomoto. This might overlap with a previous question, but what specific business endeavors and achievements do you remember most from these past seven and a half years? Also, I would like to ask a similar question to Ms. Yanagisawa. You started off as a systems engineer and then worked in consulting. Can you share any specific achievements over that time?

A1: [Konomoto] While it may not be a specific business, around the time when I became president in 2015 the expression “DX” did not yet exist. We referred to it as “business IT.” Along with the spread of smartphones and commodification of web-based technologies, this was a time of transitioning from building IT systems for conventional back office efficiency improvements, and toward transforming the front lines of business and the actual business itself through IT. Both the consulting team and the IT solutions team need to work together in order to make proposals with value to that end. Consulting and IT solutions could previously stay separate, but now those teams need to work together to help transform the front lines of business. We coined the term “Con-Solution” for this, and we made significant efforts toward it internally. Then, the massive wave of DX happened to come along after that. It became commonplace to integrate our internal organizations, and for people in consulting and system solutions to interact with each other and work as a team to make proposals to clients. Now, we can do that naturally. It brings me satisfaction to know that we made that happen.

[Yanagisawa] You asked about my time from being a systems engineer through consulting. Since being put in charge of human resources, I have been continuously working to instill our corporate philosophy. One job related to that was a three-year consulting engagement to help instill another company’s corporate philosophy. Each company has a different motivation for wanting to instill its own corporate philosophy, but I learned that the importance of that philosophy to management and the degree to which all employees can empathize with it have a major impact on that company’s organizational and competitive strengths. That lesson is connected to where we are now.