



Nomura Research Institute Group



January 27, 2021

Company name	Nomura Research Institute, Ltd. (Code:4307 TSE First Section)
Representative	Shingo Konomoto Chairman and President & CEO, Representative Director, Member of the Board

Nomura Research Institute to Readopt the E-Ship® Trust-type Employee Stock Ownership Incentive Plan

Nomura Research Institute, Ltd. (NRI) announced today that its Board of Directors has decided to readopt the E-Ship® Trust-type Employee Stock Ownership Incentive Plan in a meeting held today. Details are as follows.

1. Purpose of Readopting the Plan

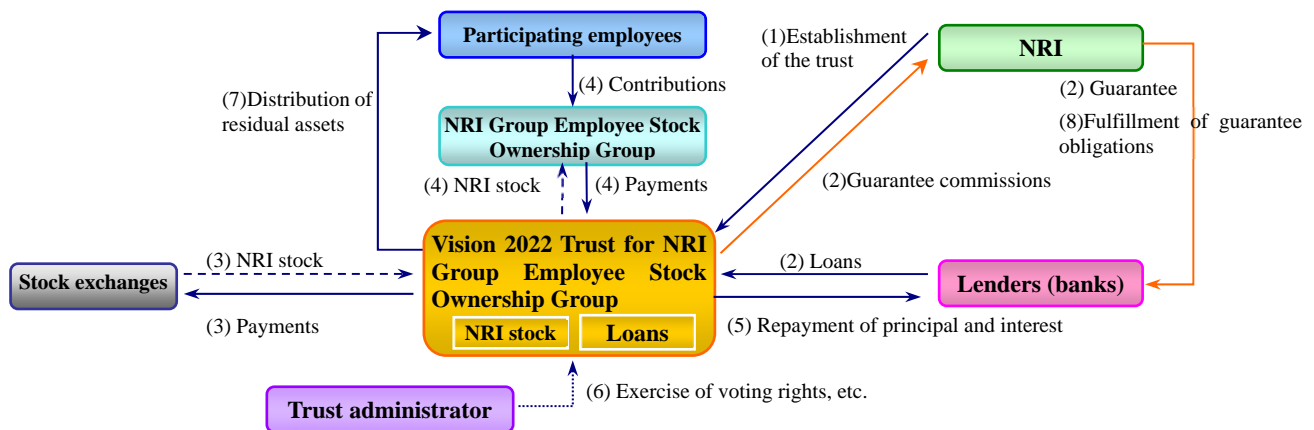
The purpose of readopting the Plan is to promote sustainable growth of the Company and further expand employee benefit packages in order to provide incentives for raising NRI's corporate value over the medium and long terms. This, in turn, will help the Company as a whole to achieve the objectives of its Vision 2022 long-term management strategy. The framework of the Plan is the same as one NRI has already adopted in March 8, 2019.

2. Overview of the Plan

The Plan is an incentive plan for all of NRI's employees (including employees of its consolidated subsidiaries) participating in NRI Group Employee Stock Ownership Group (the ESOP Group). For the Plan, NRI has set up the Vision 2022 Trust for NRI Group Employee Stock Ownership Group (the ESOP Trust) with a trust bank. The ESOP Trust will take out loans to purchase in advance the amount of NRI's stock that is expected to be purchased by the ESOP Group over the following two years. After that, the ESOP Trust will continuously sell the NRI stock to the ESOP Group. If a substantial amount of funds from the sale of NRI stock remains in the ESOP Trust at the time it is terminated, the funds will be distributed to qualified beneficiaries as residual assets. Furthermore, NRI will guarantee the loans obtained by the ESOP Trust to purchase NRI stock. Accordingly, based on the guarantee agreement, NRI will repay any remaining liabilities in the event that the ESOP Trust has outstanding loans at the time it is terminated, or has accumulated substantial losses from the sale of NRI stock as a result of declining stock prices.

3. Framework of the Plan

Trust-type Employee Stock Ownership Incentive Plan (E-Ship®)



- (1) NRI will establish the ESOP Trust as a third-party-beneficiary trust with qualified members of the ESOP Group as beneficiaries.
- (2) The ESOP Trust will borrow the amount of funds from banks necessary for acquiring NRI's stock. NRI will guarantee the borrowed amount, and receive loan guarantee commissions in accordance with the amount from the ESOP Trust. The lenders of the funds shall be financial institutions having no capital ties with NRI.
- (3) The ESOP Trust will purchase the amount of NRI's stock from stock markets that is expected to be purchased by the ESOP Group during the trust period.
- (4) Throughout the trust period, the ESOP Trust will continuously sell the NRI stock acquired, as described in (3), above, to the ESOP Group at the market price and in accordance with previously planned terms and methods.
- (5) The ESOP Trust will use proceeds from the sale of NRI's stock to the ESOP Group and from dividends received from the stock it holds to repay the interest and principal of the loans.
- (6) The trust administrator selected to serve the beneficiaries will provide them with instructions on exercising voting rights and other related matters in connection with the NRI stock held by the ESOP Trust.
- (7) In the event that residual assets are held by the ESOP Trust at the time of its termination, these assets will be distributed to qualified beneficiaries.
- (8) In the event that the ESOP Trust has outstanding loans at the time of its termination, NRI will fulfill its loan guarantee obligations, as described in (2), above, and repay the loans.

4. Overview of the ESOP Trust

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| (1) Name: | Vision 2022 Trust for NRI Group Employee Stock Ownership Group |
| (2) Trustor: | NRI |
| (3) Trustee: | The Nomura Trust and Banking Co., Ltd. |
| (4) Beneficiaries: | Individuals who meet the requirements to be beneficiaries (individuals must complete the prescribed procedures after being confirmed as eligible |

- beneficiaries)
- (5) Trust contract date: March 5, 2021
- (6) Trust period: March 5, 2021 to March 14, 2023 (If the trust has cancelled its acquisition of shares, liabilities will be immediately repaid, and the trust will be terminated.)
- (7) Purpose of the trust: To provide a steady and continuous supply of NRI stock to the ESOP Group and distribute trust assets to beneficiaries
- (8) Requirements to be beneficiaries: To be qualified, a beneficiary must be alive on the date when procedures for confirming qualified beneficiaries begin (as of that date, the trust period must have terminated, all trust assets must have been converted to cash, and all NRI stock held as trust assets must have been sold to the ESOP Group), and be a member of the ESOP Group (or a former member who had to withdraw membership because of loss of eligibility due to being appointed as an executive manager, being transferred, or reaching mandatory retirement age on or after the trust contract signing date and up to the date when procedures for confirming qualified beneficiaries begin).

5. The content of acquisition of the Company's shares by the trust

- (1) Type of stock acquired: NRI's common stock
- (2) Total acquisition price: Maximum 10.0 billion yen
- (3) Acquisition period: March 11, 2021 to March 31, 2021
- (4) Method of share acquisition: Purchase from stock markets
- (5) Cancellation of share acquisition: Acquisition of shares will be cancelled on March 10, 2021 if the termination agreement of the NRI Group Employee Stock Ownership Group Vision 2022 Trust set up by NRI on March 8, 2019 is not concluded.

Additional information:

E-Ship® is a registered trademark of Nomura Securities Co., Ltd.

E-Ship® (an abbreviation of Employee Shareholding Incentive Plan) is an incentive plan for employees modeled after employee stock ownership plans widely used in the United States. It was jointly developed by Nomura Securities Co., Ltd., and The Nomura Trust and Banking Co., Ltd., for use as an employee stock ownership plan.

【General Inquiries】

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