"Beyond Our Limits"

2nd Quarter, Fiscal Year Ending March 2027

Management Strategy Briefing

November 18, 2026

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TOKAI TOKYO FINANCIAL HOLDINGS, INC.

Key Messages for Today

In the Medium-Term Management Plan, we have pursued around four pillars:
Expanding the customer base, diversifying revenue sources, enhancing financial services capabilities and improving capital efficiency

Expanded services and products, built up recurring revenue, reduced strategic shareholdings

Steady results have been coming out, mainly on Assets Under Custody and stable revenue

Progress on KGIs/KPIs, profit growth track record, results in each business area

Continue to work on improving ordinary profit and ROE as well as monetizing the key measures to reach the "New World"

The partnerships with Powerful Partners, the shift from expansion phase to "selection and concentration" regarding the digital business and capturing new growth opportunities in response to environmental change

Strengthen the management foundation through human capital and AI, leading to sustainable growth in corporate value

Human capital (reforming HR system and developing talent) and AI (supporting sales and reforming operation)

Contents

1 Medium-Term Management Plan : Progress & Evaluation

2 Results and Growth Opportunities by Business Area

3 Strengthening the Management Foundation that Supports Growth

4 Toward Sustainable Growth

1

Medium-Term Management Plan : Progress & Evaluation

Issues Identified at the Time of Plan Formulation

Key Challenges at Plan Formulation	Target in the Current Plan
01 Expansion of the Customer Base	Expand the customer base by enhancing service quality and broadening product offerings, and pursuing alliances with other companies
02 Diversification of Revenue Sources	Expand stable revenue by building up recurring revenue
03 Enhancement of Financial Services Capabilities	Acquire banking functions and strengthen asset management capabilities
04 Improvement of Capital Efficiency	Improve ROE through investments in our growth strategies and unwinding of cross-shareholdings

Progress on KGIs and KPIs

		FYE Mar.2023 【Result】	FYE Mar.2024 【Result】	FYE Mar.2025 【Result】	FYE Mar.2026 【Result】	FYE Mar.2027 1H 【Result】	FYE Mar.2027 【Plan】
Group KGI	ROE	1.1%	6.2% *1	6.1%	8.8%	10.3%	12.0%
	Assets Under Custody	¥8.6trillion	¥10.9trillion	¥10.9trillion	¥13.4trillion	¥14.9trillion	¥12trillion
Financial KPI	Ordinary Profit (1) -Enhancement of Financial Services Capabilities-	¥9.19billion	¥21.56billion	¥18.74billion	¥23.07billion	¥13.64billion	¥30billion
	Tokai Tokyo Securities	¥3.0billion	¥17.0billion	¥13.7billion	¥16.4billion	¥10.2billion	¥25billion
	Stable Revenue/Fixed Cost Coverage Ratio	18.6%	21.0%	23.7%	28.0%	35.6%	20.0%
	Labor productivity per employee	¥16.5million	¥21.5million	¥19.8million	¥24.1million	¥27.5million	¥23.0million
	Ordinary Profit (2) -Deploying Key Measures to Reach the New World-	-¥2.85billion	-¥3.17billion	-¥3.62billion	-¥2.58billion	-¥6.8billion	¥6~10billion
Social Value & Justice KPI	CO_2 net emissions (Reduction by half compared with FYE Mar.2021)	2,539t-co2	2,242t-co2	1,704t-co2	1,460t-co2	-	1,474t-co_2
	Social contribution activities cost (Compared with ordinary profit in the previous year)	1.5%	4.6 %	1.7 %	2.2%	-	1.0%
	Customer-oriented (NPS*2 of Tokai Tokyo Securities) (Compared with FYE Mar.2021)	△1.8pt improvement	+6.5pt improvement	+13.4pt improvement	+13.3pt improvement	+15.5pt improvement	+20pt improvement
	Employee engagement	40%	41%	38%	41%	42%	63%
	Investment in training (Compared with ordinary profit in the previous year)	4.5%	8.4%	3.4%	3.9%	-	3.0%

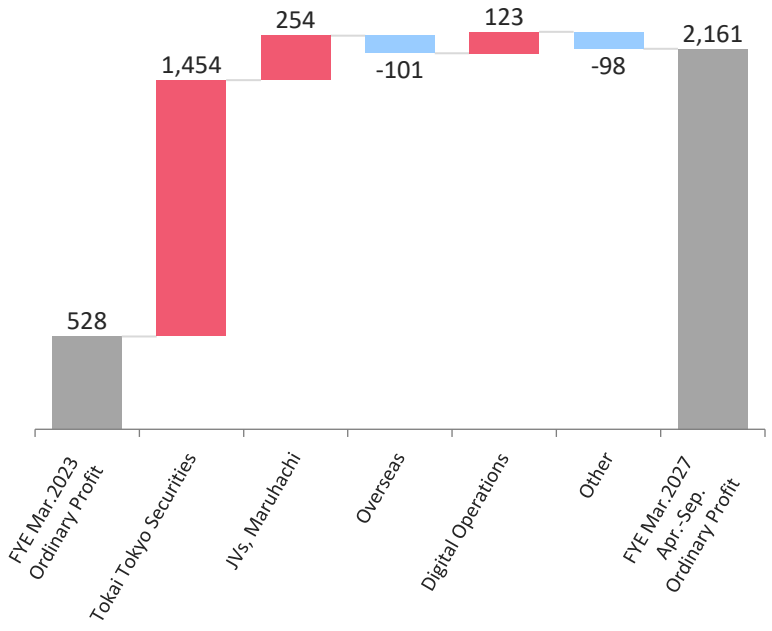
*1 ROE excluding UK corporate income taxes related to prior fiscal years
*2 NPS® is a registered trademark of Bain & Company, Fred Reichheld and Satmetrix Systems (now NICE Systems, Inc.). It stands for "Net Promoter Score®" and is a metric that quantifies customer loyalty (the degree of attachment to and trust in a company or brand).

Track Record of Profit Growth

Profit levels have recovered due to improvement of profitability in the existing businesses

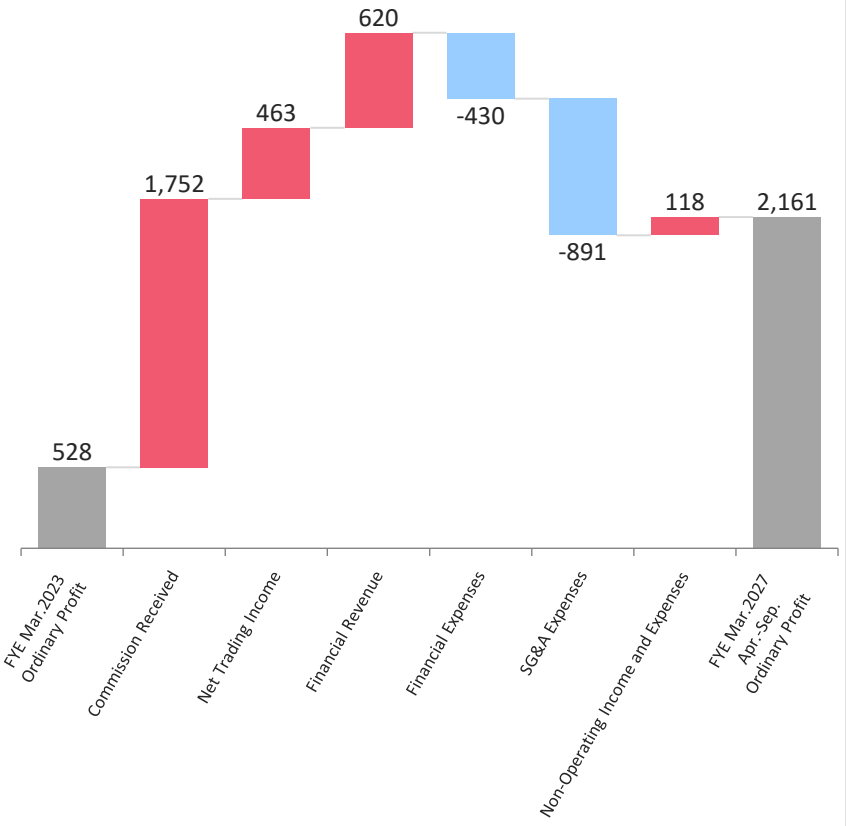
Ordinary Profit by Entity (Monthly Basis)

(¥mn)



Ordinary Profit by Account Item (Monthly Basis)

(¥mn)



Evaluation of the 4.5 Years of the Medium-Term Management Plan

	KGI/KPI	Rating	Results and Issues
Strategy	Enhancement of Financial Services Capabilities	○	**The deterioration of the business environment in FY2022 (the Medium-Term Management Plan's first year: shrinking structured-bond sales, eight rate hikes in the US, stock-market turmoil, etc.) was addressed through "upgrading our business framework (segment strategy + portfolio strategy)" and a "diverse product strategy (full-scale rollout of portfolio proposals, foreign-currency assets (international diversification), solutions for corporate clients)"** **① Sales strategy** **(Wealth)** Upgraded to the "Orque d'or 2.0 Strategy"; **(Semi-Wealth & Upper-Mass)** launched the "Clair Ciel Strategy" as a new initiative; **(Tokai region / corporate & individual)** rolling out the "monozukuri (manufacturing) company group" workplace business across the region; **(IFA's clients)** expanding alliances with IFA firms that have a solid customer base; **(Partner bank's clients)** strengthening collaboration with the "JV securities firms" **② Product strategy** **(Individuals)** Portfolio proposals, foreign-currency assets, fund wraps (discretionary investment), diversification of investment trust products (private assets), securities-backed loans, bonds (a higher-interest-rate environment), real estate and insurance brokerage, etc. **(Wholesale)** (i) GMC: Expanded product lineup toward establishing a ¥3 billion-per-month structure — **(Individuals)** foreign stocks, foreign bonds, domestic bonds; (**Corporates**) equity repo, EBOs, FX derivatives, structured bonds, structured loans, foreign bonds; **(Institutional investors / hedge funds**) improved Japanese-equity trading and research capabilities (higher broker ranking) ⇒ flow expansion continues (ii) Investment Banking: Organizational overhaul — added FA business (M&A) as a pillar of growth to a business model centered on fundraising (IPOs, bonds) (iii) Research: Recruited Mr. Kikuchi, Japan's top equity Strategist (August 2026) **③ Talent development (Expertise & Humanity)** ⇒ "Orque d'or Academy (Wealth)" and "Strengthening the talent development of corporate sales" **④ Productivity improvement (sales + back-office efficiency) ⇒ DB marketing, AI operators, centralized call reception, RPA, etc.**
	Deploying Key Measures to Reach the "New World"	△	① Expanding the customer base through the alliance with "Powerful Partners" — negotiations continue ② New Bonanza — Money Design (asset management function)'s business is on track Meanwhile, the digital business is moving to a "selection and concentration" stage (Announced on a policy to transfer CHEER Securities Inc.)
Indicators	AUC, Growth in Stable Revenue	◎	① AUC target achieved ahead of schedule ⇒ securities-backed loans as a hook drove continued net inflows from affluent clients and stronger IFA collaboration spread the BtoBtoC model, rapidly growing AUC ② Stable revenue / fixed-cost coverage ratio also achieved ahead of plan
	Ordinary Profit, ROE	△	Monetization of "Deploying Key Measures to Reach the 'New World'" lagged from the plan; but we are accelerating the review of strategies to improve ordinary profit and ROE
Policy	Capital Strategy	△～○	① Shareholder returns — dividends paid in line with policy ② Continuing to consider the shift from capital build-up to its use for growth strategy
	Customer-Oriented Approach	△	① Received the top "SS" rating for the second consecutive year in R&I's "Customer-First Financial Distributor Evaluation" (March 2026) ② Continued improvement in "NPS®" ③ In light of the misconduct cases, restarted efforts to embed the principle that "Social Value & Justice" comes first

Core Initiatives for 2H FY2026 to Achieve the Medium-Term Management Plan Targets

- **Convert growth in AUC and stable revenue into profit growth, and drive ROE improvement by strengthening earnings power in both individual and corporate businesses**
- **Reaffirm the principle that "Social Value & Justice" comes first through Integrity training and put right conduct into practice**

01 Individuals

①Strengthen Brand Value

- **Wealth (Orque d'or)** — Expand integrated corporate-individual sales to owner-operated companies (introduce corporate membership program); promote solution proposals for companies (asset management, business succession, M&A / use of GMC and IB functions)
- **Semi-Wealth / Upper Mass (Clair Ciel)** — Offer a sense of exclusivity by expanding membership (events and opportunities to join the community)

②Diversify Services and Products

- **Across segments** — Satellite strategy: capture needs for Japanese stock, foreign stock and bond flow trading; securities-backed loans; use of portfolio analysis tools
- **Wealth** — Expand adopters of Wealth Portfolio; private assets; STO (ability to respond to individual needs)
- **Retail (individuals)** — Core strategy: portfolio & thematic investment trusts and wraps (expanding stable revenue)
- **Workplace** — Start full-scale development of the "workplace and corporate" market built in 1H
- **IFA (individuals)** — Strengthen alliances with IFA firms in new industries; reinforce internal control systems

③Talent Development

- Further deepen the "Orque d'or Academy," launched in 1H to strengthen Wealth business talent

02 Wholesale

①GMC

- **Trading** — (Structured bonds) prompt introduction of new products in line with channel characteristics and client needs; (Foreign stocks) thorough, speedy information provision toward ¥1 trillion in foreign-stock balances and transformation of the business model with a view to 23-hour foreign-stock trading; (Derivatives) design structures tailored to client needs; (Equity solutions) strengthen EBO capabilities; (Institutional investors) strengthen Japanese-equity sales leveraging research
- **Corporate sales** — Strengthen yen-bond business (capture JGB needs, create target-deal opportunities for credit products, expand high-yield bond activity); refer corporates' bond-issuance needs to IBC; uncover needs for discretionary investment, investment trusts and repo and turn them into stable revenue; make use of seminars

②IB (Investment Banking)

- (M&A) Strengthen the sales structure centered on winning FA mandates; expand the pipeline
- (SB) Rebuild the underwriting structure to reach 6th in the league table
- (ECM) Thorough target strategy to win IPO lead-manager mandates; participate in secondary offerings seizing opportunities from companies unwinding strategic shareholdings
- (STO) Expand sales routes and eligible assets (beyond real estate)

Environmental Changes and New Growth Opportunities

External Environment

- Global Equity Market Rally
- A Higher-Interest-Rate Environment
- Shift to an Asset Management Nation
- New NISA
- Growth of the Wealth Market
- Restructuring of Regional Banks

Our Response

Advancing Individual Sales

Strengthen the recurring-revenue base through Orque d'or, Clair Ciel and IFAs

Strengthening Bank-Securities Collaboration

Enhance solutions for regional corporates through partner JV securities firms

Enhancing Global Markets capabilities

Diversify revenue sources through derivatives, equities, repo, etc.

Strengthening Investment Banking functions

Originate deals from management issues and strengthen sales and execution of large deals

Management Foundation & Capital Efficiency

Alliance with Powerful Partners, reduction of strategic shareholdings, human capital and AI use

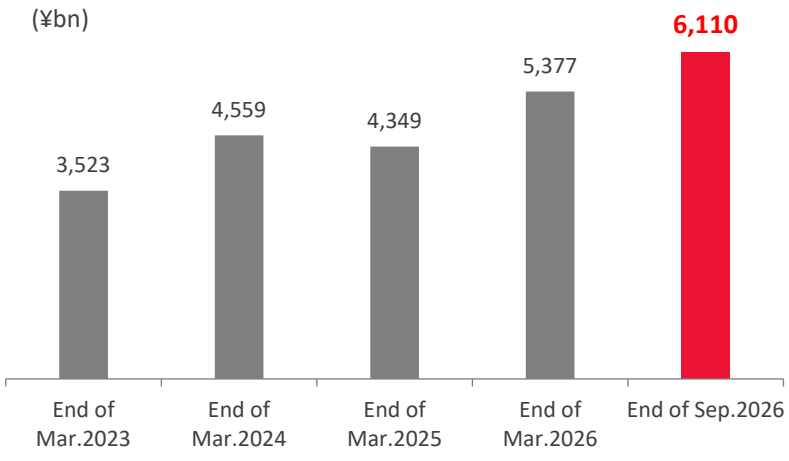
Results and Growth Opportunities by Business Area

2

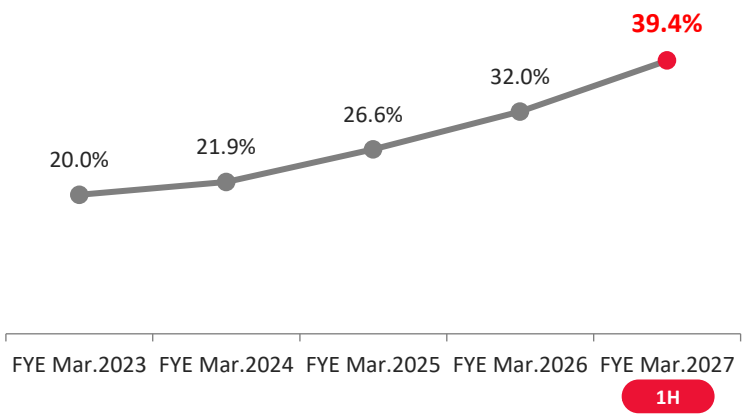
Tokai Tokyo Securities — Individual Sales Division

Assets under custody and stable revenue are growing

Assets Under Custody (Individual Clients)



Stable Revenue to Fixed-Cost Coverage Ratio (Tokai Tokyo Securities)



Shifting to proposals that take in the client's entire asset picture

01 Expand the customer base by upgrading services for Wealth, Semi-Wealth and Upper mass clients

02 Promote portfolio proposals for core assets under the core-satellite strategy

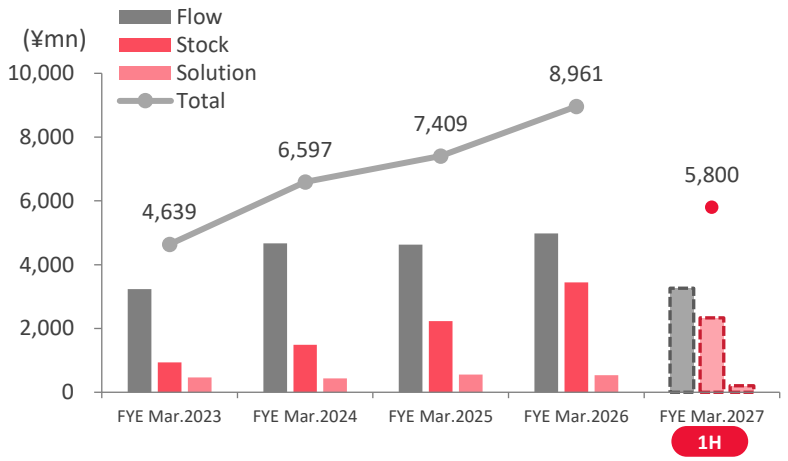
03 Expand the platform business (JVs, independent firms, IFAs) by consolidating flows into Tokai Tokyo Securities and converting them into trading revenue

04 Expand solutions such as securities-backed loans and asset succession

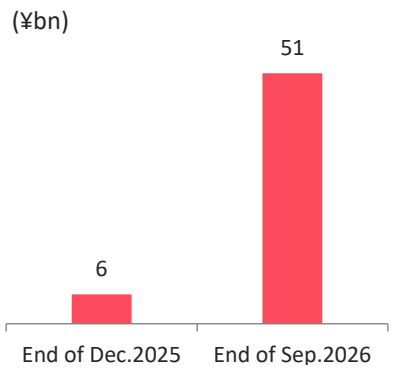
Individual Sales Division — Wealth Management Company

Expanding the wealth portfolio drives growth in stable earnings

Flow, Stock and Solution Revenue



Wealth Portfolio Balance



– Wealth Portfolio Features –

- Build portfolios for each customer's goals, risk tolerance and financial situation, targeting stable yield, diversification and long-term asset growth
- Customer-oriented asset management through ongoing monitoring

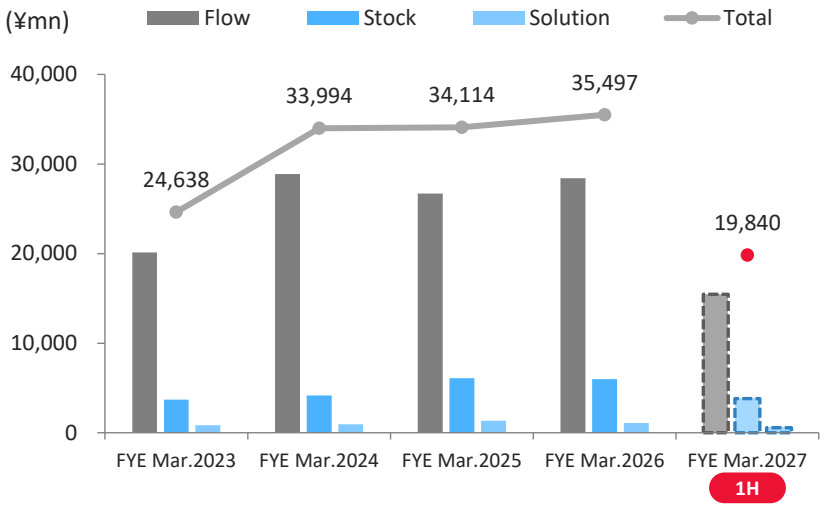
Integrated Strategy: Financial, Non-Financial and Human Capital

01	Provide tailor-made portfolios covering each customer's total assets
02	Expand proposals expanded beyond traditional assets to unlisted investments and alternatives
03	Deepen client relationships by combining Orque d' or experience with specialist staff
04	Broaden proposals tailored to customer needs by strengthening solutions sales

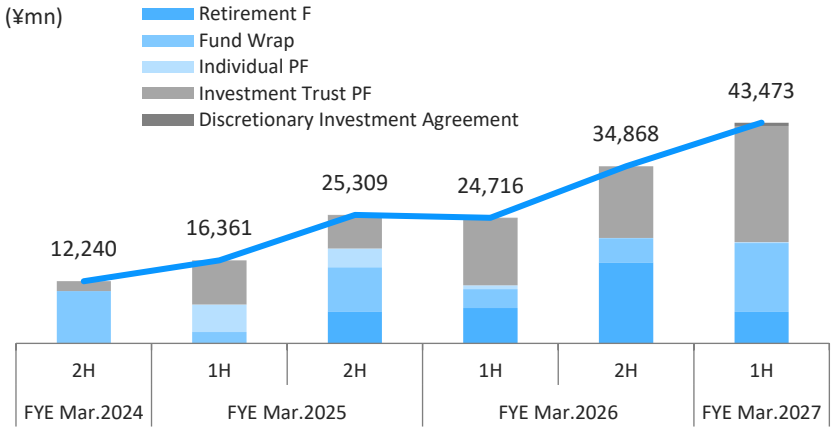


Individual Sales Division — Financial Wellness Company

Flow, Stock and Solution Revenue



Portfolio Asset Inflows



Full-scale rollout of portfolio sales for Semi-Wealth and Upper mass clients

01

・Strengthen the core-satellite strategy

・Propose portfolios under the core strategy using the portfolio analysis tool "Quantifeed"

02

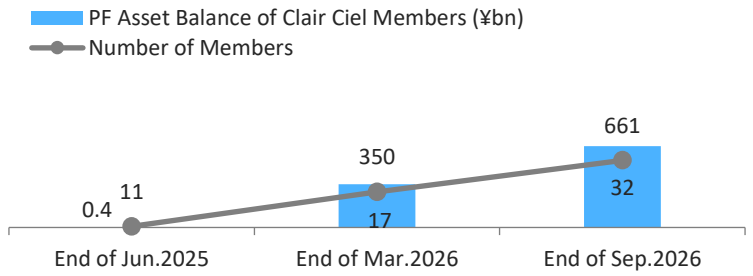
Launched Clair Ciel* leveraging Orque d'or know-how

03

Leverage our network in the Tokai region to build a customer base by deepening workplace business

* Membership for clients with individual portfolio (PF) assets of ¥30 million or more

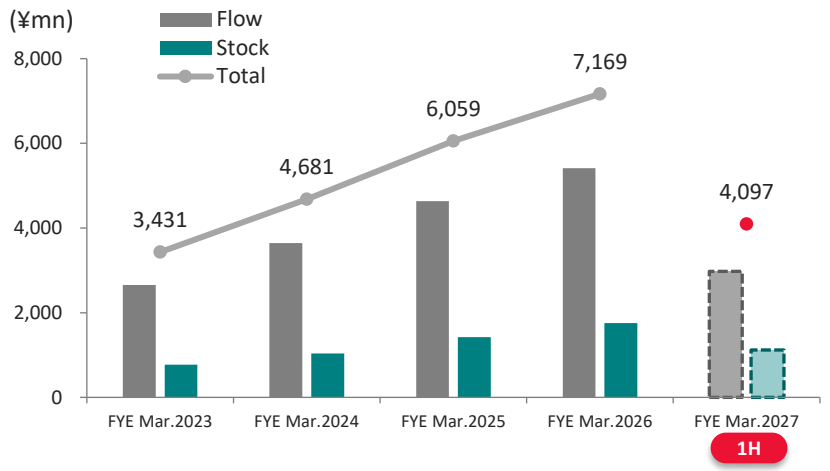
Clair Ciel



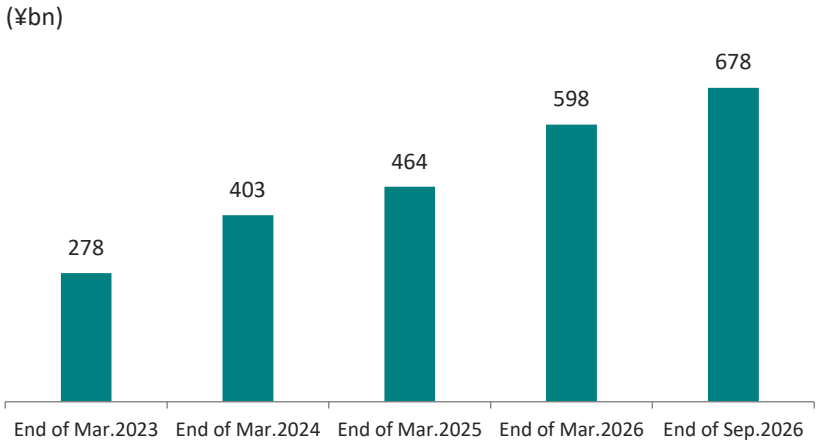
Individual Sales Division — IFA Company

Revenue sources are diversifying and the IFA sales base is expanding

Revenue Trend



Client Assets Trend



Diversifying product proposals and strengthening IFA support

01

- Clarify segment strategies by IFA firm
- Provide detailed support for each IFA firm's diverse product needs

02

- Strengthen agile product proposals
- Strengthen investment trust sales and expand stable revenue from fund agency services, securities-backed loans, etc.

03

- Expand active registered representatives to increase client touchpoints and asset-inflow opportunities
- The IFA Company supports both sales and internal control (including systemization and legal compliance)

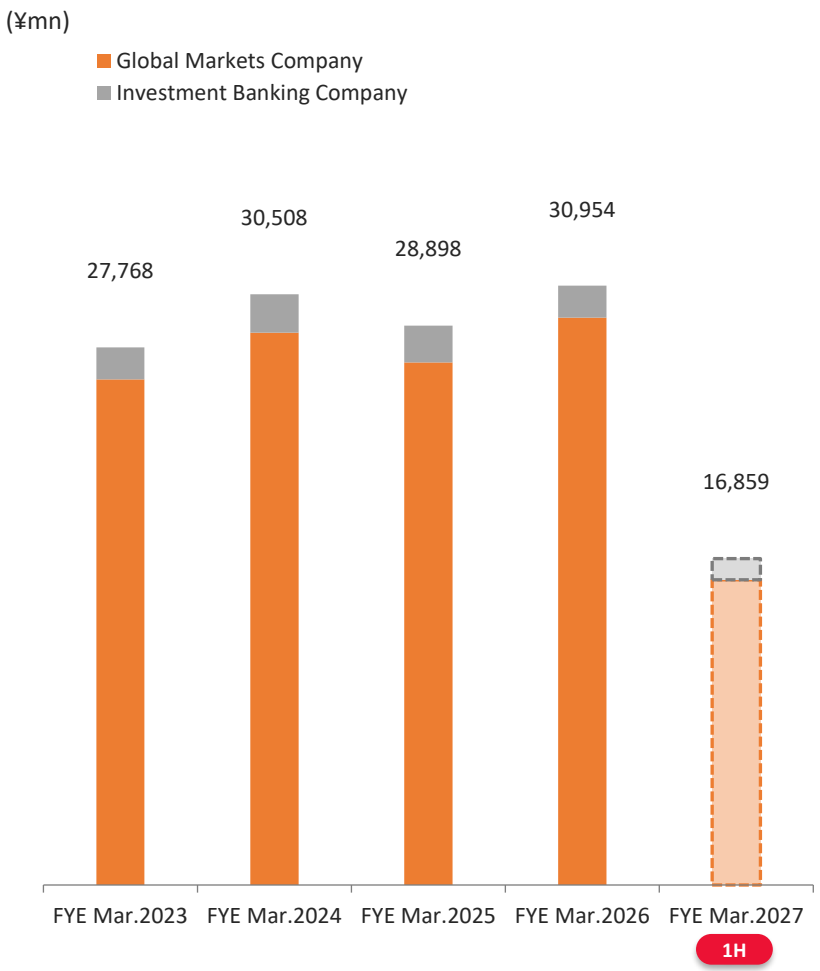
04

- Improve profitability through a support structure based on each IFA firm's profitability
- Expand recurring revenue and improve cost efficiency

Tokai Tokyo Securities — Wholesale Division

Strengthening the wholesale revenue base with two engines: a markets function that monetizes client transactions and an investment banking function that turns client's management challenges into deals

Wholesale Division Revenue Trend



Expanding client flows and strengthening the deal base

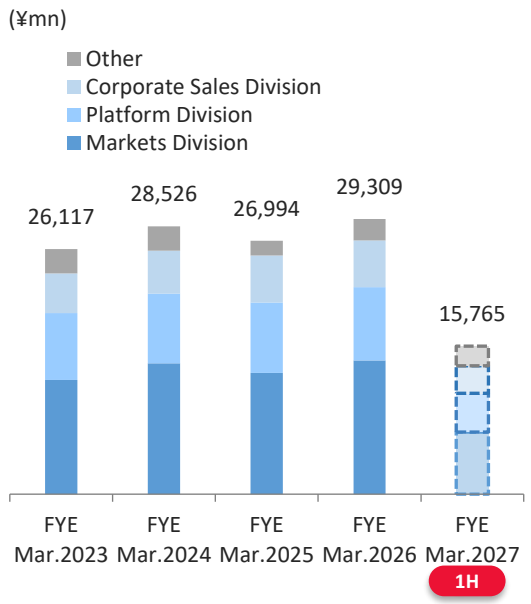
01 GMC: Expand product supply tailored to each segment and solution trades

02 Investment Banking: In addition to bond and stock underwriting, we have established a system to promote acquisition of FA and other deals as a new initiative.

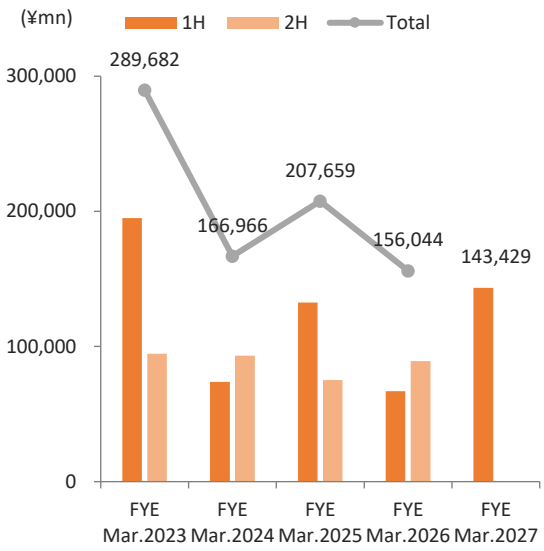
03 Enhance Research Capabilities
・Recruited Mr. Kikuchi, Japan's Top Strategist (August 2026)

Wholesale Division — Global Market Company

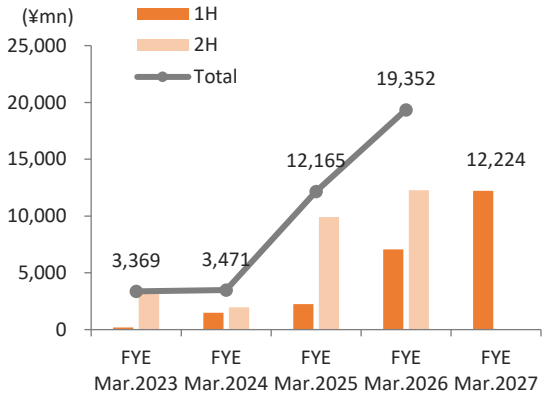
Division Revenue Trend



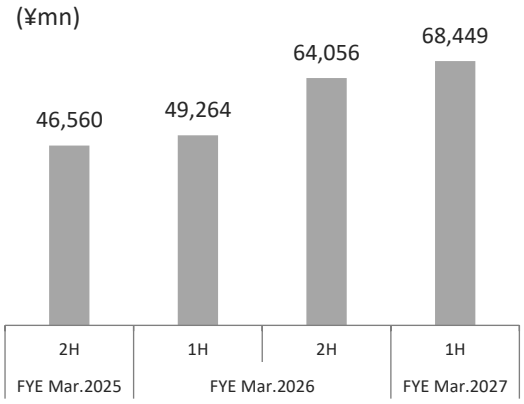
Interest-Rate and FX Derivatives Notional Amount



EBO Notional Amount



Equity Repo Average Collateral Balance



Needs-driven product supply and expansion of solution deals

01

- Expand the client base for interest-rate and FX derivatives through collaboration with sales divisions and corporate sales
- Improve trading performance in yen bonds and foreign equities (better risk control using client flows and hedging tools)

02

- Expand equity solutions transactions through large EBO deals
- Grow equity repo balances
- Aim to diversify client transactions by introducing new solutions such as foreign-bond repo

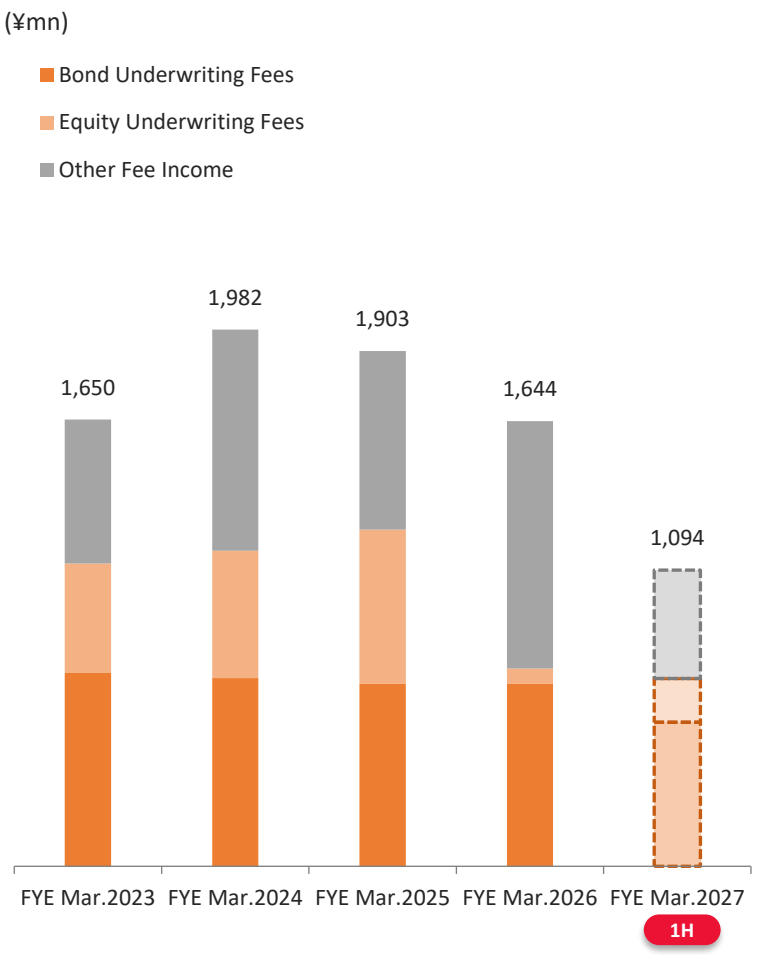
03

- Product supply to platform partners and JVs
- Strengthen the ability to meet corporate asset management needs
- Promote development of banks' corporate clients in collaboration with partner regional banks

Wholesale Division — Investment Banking Company

Recovery in underwriting revenue and a stronger deal base for expanding the FA business

Revenue Trend



Progress in underwriting and startup support

01 Built a business base centered on bond underwriting

02 For startup IPOs, leverage Orque d' or Salon Aoyama to grow the business and deliver results

03 Cultivate new revenue bases such as M&A advisory to broaden the business portfolio

Established the Tokai Regional Revitalization Fund (January 2026)

Fund Operator

東海東京証券

PrimePartners

Anchor Investors

東海東京インベストメント

Japan Post Bank etc.

↓Operation / Investment

↓Investment

NEX-T Tokai Innovation Fund

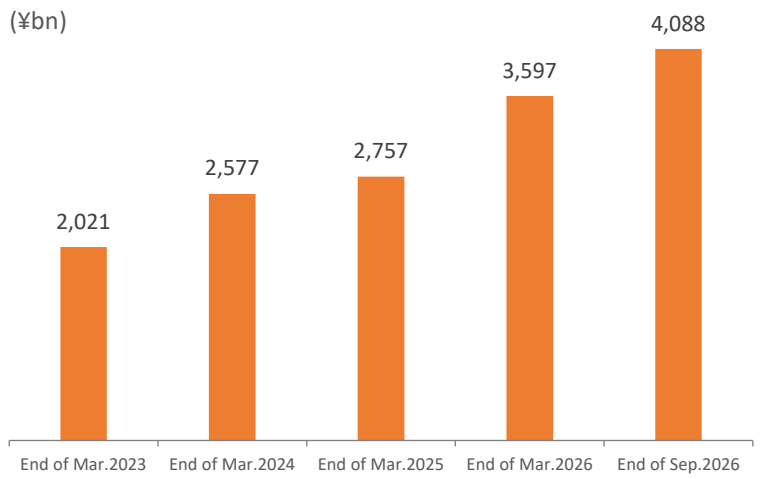
Fund I (Investment LPS)

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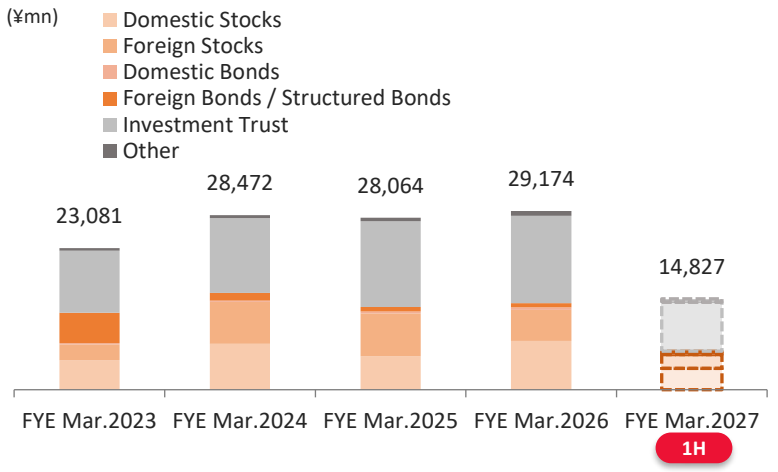
Seed, early and middle-stage
startups that help revitalize the Tokai region:
Contributing to the Tokai regional startup ecosystem by equity provision

Partner JV Securities

Assets Under Custody (Total of 7 Companies)



Revenue by Product (Total of 7 Companies)



Upgrading Partner JV Securities under the JV 2.0 Strategy

Strengthen proposal capabilities for Wealth and corporate clients by deploying our financial capabilities, talent and know-how to the customer bases of regional financial institutions and JVs.

Tokai Tokyo Securities

- Orque d'or Strategy
- Investment Banking
- Global Markets

\+

Research & Talent Development

||

Promoting the JV 2.0 Strategy

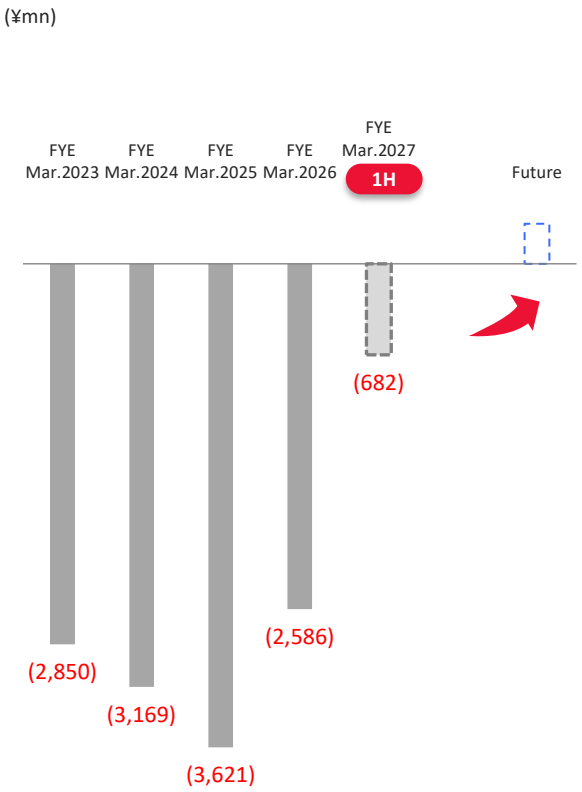
Keys to unlocking the JVs' customer bases: "rolling out the Orque d'or model" and "menus for corporate proposals"
"Talent" and "investment banking capabilities"

Key Initiatives | Started rolling out products and talent across JVs

- **Product diversification: Roll out Juroku TT Securities' STO sales case to JVs and partner banks**
- **Talent development: Upgrade Wealth sales training and roll it out to all JVs from 2H**

Digital Business

Digital Business Ordinary Loss* Trend



*Combined equity-method earnings/losses of CHEER Securities, Money Design, Digital Platformer and other equity-method affiliates.

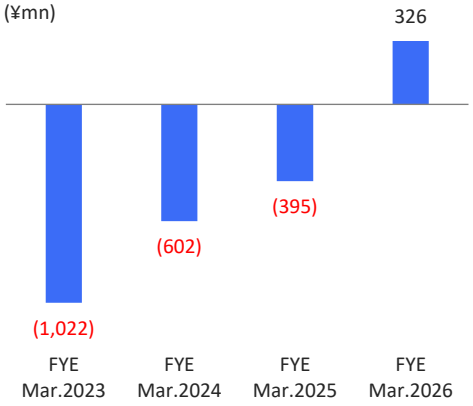
- Selection and Concentration in the Online Brokerage Business -

Decided a policy to transfer all shares of CHEER Securities to Toss Global Pte. Ltd., a consolidated subsidiary of Viva Republica Inc. (Oct 2026)

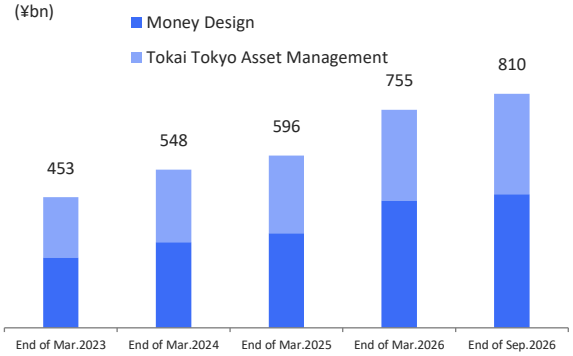
Money Design Status

Opening new sales channels — including the launch of a workplace service by Painter, an NEC Group company (March 2026), and expanded distribution through SBI Securities, Rakuten Securities and others — is contributing to growth in assets under management.

Ordinary Profit/Loss



Assets Under Management



* Figures for THEO, THEO+ and Investment Trust are calculated based on net asset value.
* Tokai Tokyo Asset Management Co., Ltd.'s assets under management consist of Fund Wrap, Privately Placed Investment Trust and Specified Money Trust ('tokkin') (Appraised value of assets under management)

Collaboration with Money Design, CHEER Securities and Habitto (Since April 2026)

<Target>
Expand outreach to wealth builders and sales channels by combining Money Design's investment management, online brokerage functions of CHEER Securities Inc. and Habitto 's digital touchpoints to wealth-building customers.

Money Design
- Product Setup & Management -

Set up and manages the "Money Design Digital Lending Fund," which diversifies investments across short-term loans to companies worldwide

CHEER Securities
- Offering & Sales -

As distributor, handle accounts, offering and sales; support both applications via Habitto and direct applications

Habitto
- Customer Touchpoint & Intermediary -

Offered through "Savings Window by Habitto," using the app and dedicated advisors as customer touchpoints

Initiatives for Further Growth ①

Sustainably expand recurring revenue through the shift to portfolio-based sales and a multi-layered customer base

Evolving Our Approach to Wealth Clients

Expand total asset balances with proposals optimized for each client
Deliver services as packages of financial and non-financial services

- Extend proposals to unlisted investments and alternative assets
- Shift from product-by-product transactions to ongoing management of the entire asset base
- Extend Orque d' or membership to corporate members
- Integrated operations for Corporate-Individual clients

Expected Benefits Growth in client assets and a stronger recurring-revenue base

Transforming to Portfolio-Based Sales

Standardize proposals based on each client's goals and total holdings

- Use the portfolio analysis tool "Quantifeed" to grasp total holdings, including those at other firms, and build the optimal portfolio
- Build up long-term holdings by combining investment trusts, fund wraps and margin trading

Expected Benefits Growth in client assets and recurring revenue

Multi-Layering the Customer Base

Expand customer segments to retirees and suppliers through the Monozukuri Network Promotion Headquarters as the contact point

- Extend individual relationships through post-retirement asset management and inheritance
- Offer business succession and M&A to suppliers and owners

Expected Benefits New client acquisition / growth in client assets and revenue

Strengthening Product and Solutions Supply

Strengthen product supply and marketing support from the Global Market Company to each company

- Promote proposals suited to a higher-interest-rate environment through yen-bond marketing
- Expand foreign-asset balances by providing information on foreign equities and bonds
- Support sales activities with broader product and investment information
- Strenghen Promotion of Segment-Specific Strategies

Expected Benefits Better proposal capabilities at the sales front and creation of revenue opportunities

Initiatives for Further Growth ②

Expand corporate business through deal origination from management issues and collaboration with regional banks

Companies are required both to raise corporate value in normal times and to prepare for emergencies such as takeover proposals and activist involvement

Changes in the External Environment

Rising Demands on Listed Companies

- The TSE requests management that is conscious of the cost of capital and share price
- Improvement plans must be formulated, disclosed, executed and regularly updated
- Share of companies with PBR below 1x (March 2026): Prime 27%, Standard 49%
- Boards are expected to explain resource allocation, including growth investment and cash holdings
- Low valuations can invite activist involvement and takeover proposals

Management Issues and Business Opportunities

Investment Banking Business Opportunities

- Review surplus cash, strategic shareholdings and real estate and improve capital efficiency
- Address listing maintenance standards and review the business portfolio
- Understand stand-alone value in normal times and prepare proposals
- Formulate resource allocation and capital policy that prioritize growth investment
- Prepare for and respond to takeover proposals and activist involvement

Change in the external environment
⇩
Regional-bank clients' issues become investment banking opportunities

Originating Investment Banking Deals from Management Challenges

1. Low PBR & Capital Efficiency Improvement
2. Compliance with Listing Maintenance Standards
3. Review of Business Portfolio
4. Responding to Takeover Proposals, MBOs and Going-Private
5. Responding to Activists

These issues lead to deals such as M&A, capital policy and debt/equity financing

Stronger Bank-Securities Collaboration | Partner JV Securities

- Combine regional banks' customer bases and information networks with our securities sales, products and investment banking capabilities
- Uncover corporate clients' issues through bank-securities collaboration
- Strengthen development of corporate sales talent

Enhance solutions for regional corporates through partner JV securities firms

Initiatives for Further Growth ③

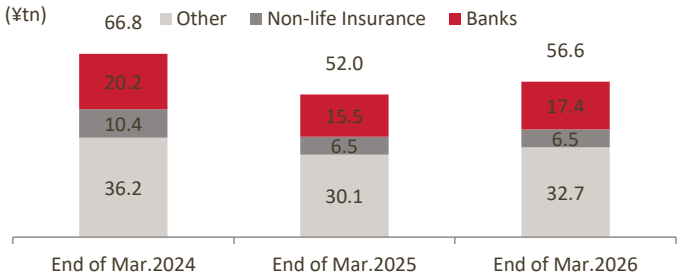
Further Promoting Japanese-Equity Business by Strengthening the Institutional Investor Business

Capturing Needs to Reduce Cross-Share holdings

Unwinding of cross-share holdings has progressed mainly in large, highly liquid stocks; large-lot sales of small-cap and low-liquidity stocks may increase going forward

Balance Trend of Strategic Shareholdings (Listed Shares) of TOPIX Constituents

The number of issues is falling through sales, but balances are rising on higher share prices



Source: Compiled by Tokai Tokyo Securities from Tokai Tokyo Intelligence Laboratory's tally of strategic shareholdings (listed shares) of TOPIX constituents (fiscal year-end, by industry type) and Daiwa Institute of Research's "Status of Reduction of Strategic Shareholdings (2024 Edition)"

- GMC captures corporate clients' needs to reduce cross-shareholdings and strengthens its ability to handle such large-lot sales
- In addition to EBOs, strengthen wholesale block offers (using overseas investors)
  - Use Tokai Tokyo Securities (Asia) Limited to build access points to overseas investors and secure distribution routes to institutional investors

Taking the Overseas Institutional Investor Business to the Next Level

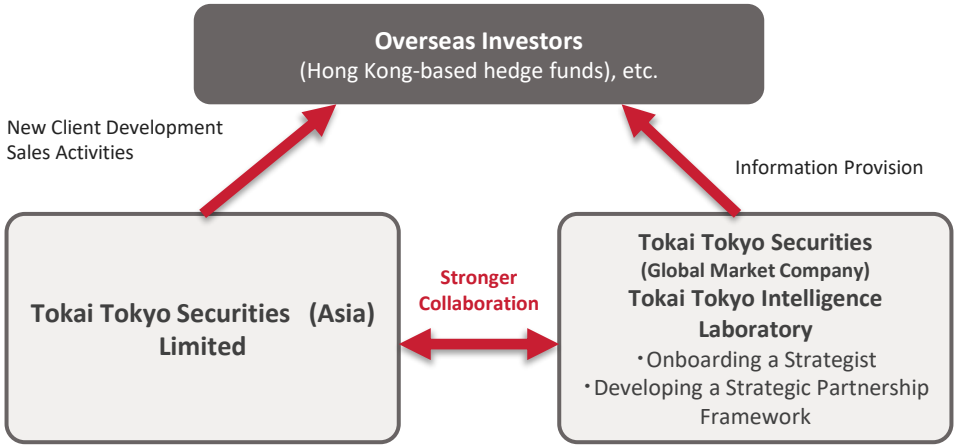
Overseas institutional investors have a strong interest in the Japanese equity market. Capturing their flows requires Global Markets' trade execution capability and strong research

✓ Appointment of a Chief Equity Strategist (press release of Aug. 3, 2026)

✓ Capital increase in consolidated subsidiary Tokai Tokyo Securities (Asia) Limited to accelerate domestic-overseas collaboration (press release of Jul. 27, 2026)

Target: improve external ratings and increase execution volume

Collaboration Structure for Strengthening Overseas Business



Priority Challenges

1 Challenges for Enhancement of Financial Services Capabilities

Effective use of newly acquired foundations (customer base, functions such as banking functions)

Enhance the ability to supply diverse services and products

Secure the major driving force needed to leverage the newly acquired foundations

Use AI and DX to optimize resource allocation

Strengthening Talent

Develop talent combining expertise and character

2 Challenges for Executing Key Measures in the Next Phase

Alliance with Powerful Partners

Alliance with Powerful Partners is the key to expanding the customer base and acquiring new functions (banking capabilities)

Digital Business

Having completed the restructuring through selection and concentration (transfer of CHEER Securities, growth of Money Design), we move to a new stage of deciding with whom to partner to advance DX-based businesses, rather than going it alone

Common Challenges to Both

ROE Improvement	Improve profitability, review low-margin businesses, identify growth areas to invest in and deploy capital
Further Improvement of Stable Revenue / Fixed-Cost Coverage Ratio	**(Numerator / growth of stable revenue) Expand the customer base (enrich "financial and non-financial services" trusted by Powerful Partners' customers too), strengthen financing functions by acquiring banking capabilities, raise sales productivity using AI/DX** **(Denominator / curbing fixed-cost growth) Promote back- and middle-office efficiency through AI and DX**
⇒ Business stabilization, higher credit ratings, lower funding costs	
Engagement	Create an environment where all employees work with high motivation (communication, fair evaluation and promotion, growth)

Strengthening the Management Foundation that Supports Growth

3

Human Resouces Strategy (HR System Reform) and (Talent Development)

HR System Reform (Outline)

Review of evaluation and compensation systems to attract and retain high-potential talent

~ Review to be completed in 2H FY2026 with external expert support

Purpose

- Attract high-potential talent (review compensation for new-graduate and mid-career hires)
- Further retain high-potential talent (review promotion, base-salary and bonus systems)

Key Points of the Initiative

- Shift promotion and bonuses to a framework that can fairly evaluate expertise and character
- Clarify how bonuses are allocated to organizations and individuals, and differentiate more clearly
- Establish compensation commensurate with the responsibilities of organization heads, and a flexible organization and grade structure that can accommodate specialist talent

Securities Talent Development Core Program

- Strengthen the expertise of division-specific hires
- Get general-track hires up to speed quickly
- Raise digital and AI skills across all employees
- Improve management and development skills
- Support employees' career autonomy

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Orque d'or Academy

Develop partners truly trusted by Wealth clients, built on combining "advanced expertise" with "personal dignity and character"

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Corporate Talent Development Program

With a view to developing future dedicated JV client specialists, systematically train secondees from banks and others

Leverage Artificial Intelligence

- Working with a specialized AI and DX company to develop and advance AI initiatives as "structured projects" across a wide range of business areas.

Strengthening Customer Touchpoints (for Wealth and Semi-Wealth Clients)

①

Enhancing Sales and Proposal Capabilities

An AI sales-support model enables anyone to make optimal proposals

②

Understanding Customer through Data Integration

Integrate transaction, asset and contact histories to build a data foundation for AI

③

Blending Face-to-Face and Digital

Link meetings, app, phone and email to deliver an advanced customer experience

Group Rollout

④

Providing AI Platform and Services to JVs and Alliance Partners

Provide JVs and alliance partners with an AI platform for sales support and operational efficiency

Strengthening the Management Foundation

⑤

AI-Based Reform of Headquarters Operations

Redesign business processes to improve productivity, reform the cost structure and shift talent to growth areas

Leverage Artificial Intelligence

- **We will advance our AI-driven business model transformation in stages, starting with improving operational efficiency (⑤) and building our data and operating foundation (②)**
- **We will then progressively expand into more sophisticated sales and client proposals (①), the integration of face-to-face and digital channels (③), and Group-wide and alliance rollout (④), with the aim of transitioning to an AI-first business and operating model from FY2030**

	Cost cuts via efficiency Building the AI foundation	Stock-type revenue shift via stronger proposals	Shift to AI-first operating model	
	Phase 1 (through FY2026) Foundation & efficiency	Phase 2 (FY2027–FY2029) Value creation & revenue	Phase 3 (FY2030 onward) Business transformation	Stock-based, AI-first business model
Strategy ① AI-enhanced sales and client proposals for HNW/mass-affluent clients	Validate feasibility of sales AI and begin partial rollout (HNW/mass-affluent and corporate clients)	Phased rollout of sales support AI for HNW and mass-affluent clients	Embed an AI-first, consultative sales model	• Stronger earnings power • Stable revenue structure • Business expansion • Stronger management foundation
Strategy ② Deeper customer insight and maximized revenue via data integration	Formulate policy for customer data integration	Build an integrated platform for CRM, customer and unstructured data	Operate as a cross-strategy data utilization platform	
Strategy ③ Establish a differentiated model integrating face-to-face and digital	Organize existing initiatives, set expansion policy and begin phased rollout	Expand select functions, starting with call and meeting records	Integrate into a seamless customer experience across in-person and remote channels	
Strategy ④ Provide AI platforms and services to JV and alliance partners	Identify candidate areas for subsequent rollout	Explore rollout of validated functions to JV/alliance partners *For Strategies ①, ③, ⑤	Define the service delivery model for the Group and partners	
Strategy ⑤ Strengthen the management foundation through AI-driven head-office transformation	Operational efficiency Reduce routine tasks through AI	Restructure operations and reallocate resources Redesign processes on an AI-first basis		

Toward Sustainable Growth

4

Strengthening Our Defenses

- **"Offense" and "Defense" in management are the two wheels of a car; if either is missing, the business will not run smoothly**
- **We recognize responding to the three key items as an important "management issue," and senior management will play a responsible, key role in these efforts**

Cyber Security

Attacks are growing in frequency and scope, putting customer defection and damage to corporate value at risk

- Minimize risk through multi-layered defense and raise awareness through regular training and targeted-email drills, while further improving security

(Further reinforcement measures)

- Started building a zero-trust foundation: trust nothing, inside or outside the company, and verify every access
- In response to the surge in damage originating from outsourcing partners, advance more sophisticated third-party risk management

Customer-First Operations

Our starting point is protecting "what is important to our customers." We are firmly committed to preventing misconduct

- Further strengthen fraud-prevention mechanisms and foster an organizational culture in which people understand right conduct in their hearts and put it into practice
- Addressed as a package: ① NPS®, ② improved engagement, ③ training and goals/evaluation, ④ stronger communication between management and staff

BCP

Prepare for natural disasters and cyberattacks beyond expectations and strengthen business continuity through stress tests

- Promote drills and measures premised on severe scenarios, not only back-testing
- Identify priority operations, operations requiring on-site attendance and available staff, and consider responses according to the stage of external infrastructure recovery
- Gather information through participation in external drills and continuously improve our readiness

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