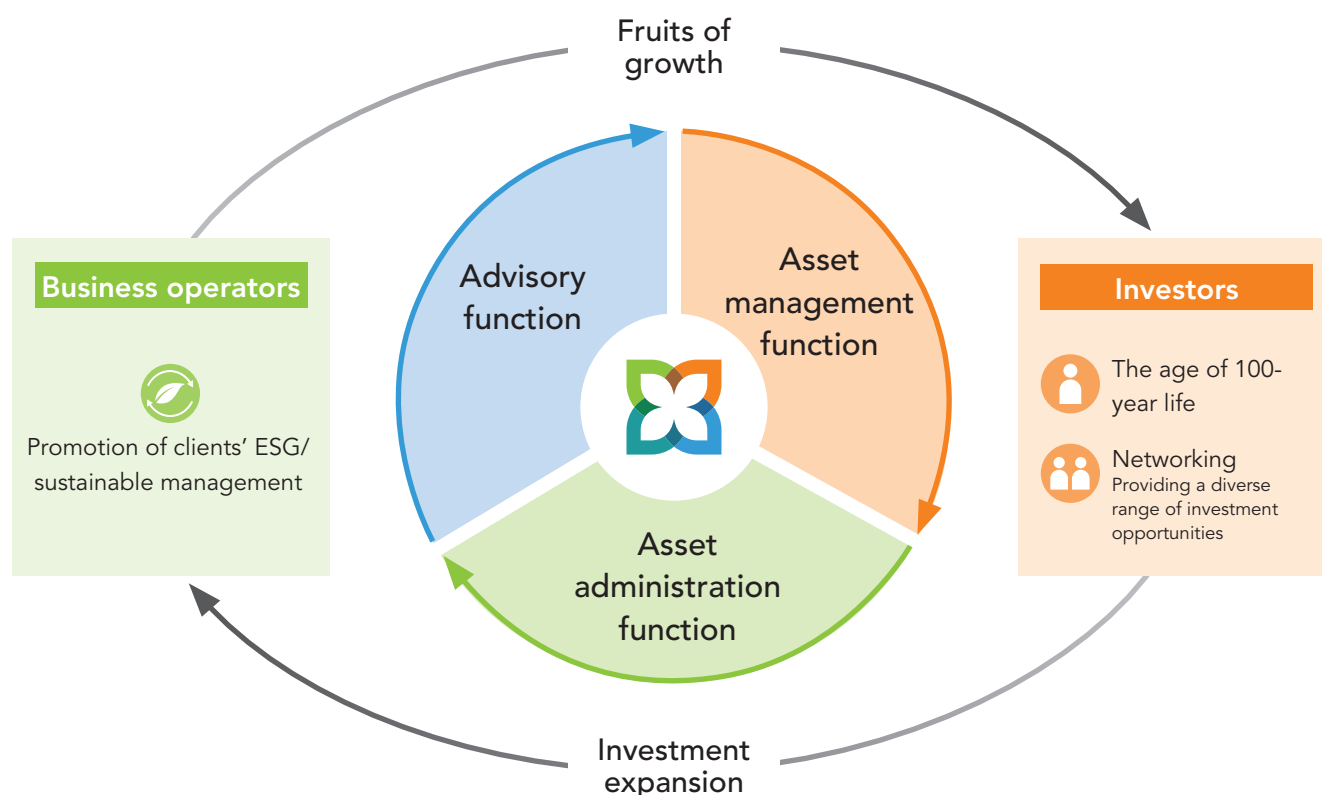





# Expansion of Assets Under Fiduciary through Virtuous Circulation

## 1 Virtuous Circulation of Funds, Assets and Capital

Creating and accelerating a virtuous circulation of funds, assets and capital by performing the functions built on the features of trust from the perspectives of both business operators and investors



## 2 Functions and Strengths Available from Our Group, and Initiatives to Further Strengthen Them

		Functions and strengths	Initiatives to further reinforce functions
	<b>Advisory function</b>	<b>Foundation of long-term relationships of trust with clients</b> <ul style="list-style-type: none"> <li>Extensive expertise and ability to propose (funds, pensions, real estate, inheritance, and so on)</li> <li>Engagement-driven decision support for clients</li> <li>Diverse contact points in the investment chain</li> </ul>	<ul style="list-style-type: none"> <li>Further refinement of the strengths and features of trust</li> <li>Create investment demand by proposing and providing optimal portfolios suited to the risk tolerance of clients</li> </ul>
	<b>Asset management function</b>	<b>Combination of diverse asset management capabilities</b> <ul style="list-style-type: none"> <li>Cooperative framework that utilizes the features of each asset management company</li> <li>Sales and distribution networks in growing markets</li> <li>Seed investments and origination deals that leverage banking capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Improvement of asset management, product, and sales capabilities within and outside our Group</li> <li>Establishment of Strategic Investment Facility for Asset Management (Up to ¥500bn to be invested by fiscal 2030)</li> </ul>
	<b>Asset administration function</b>	<b>Platforms supporting virtuous circulation</b> <ul style="list-style-type: none"> <li>Broad-ranging knowledge and operational skills in asset administration business</li> </ul>	<ul style="list-style-type: none"> <li>Challenging new areas such as private assets and digital assets, in addition to traditional assets</li> <li>Expansion of BPO services to outside our Group, including to emerging asset managers</li> </ul>

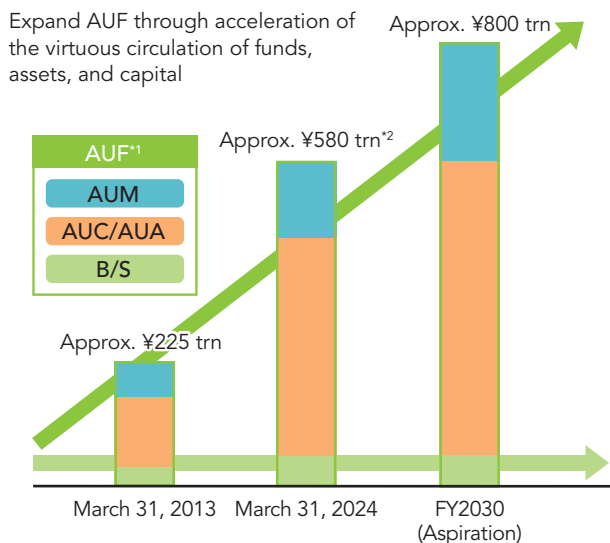
### 3 Assets Under Fiduciary (AUF)

Leveraging our long-term businesses based on a relationship of trust with our clients, our Group aims to achieve “balanced creation of both social value and economic value” through a business model unique to a trust group, which revolves around asset management and asset ad-

ministration. Having newly defined Assets Under Fiduciary (hereinafter “AUF”) as an indicator of the scale of our initiatives to contribute to solving social issues and creating and expanding markets, we are promoting the expansion of the AUF balance to ¥800trn by fiscal 2030.

#### AUF (Assets Under Fiduciary)

Indicator of the scale of our initiatives to contribute to solving social issues and creating and expanding markets



#### Asset Administration Business

Accelerate a virtuous circulation with a platform supporting the advisory and asset management functions

#### Asset Management Business

Strongly promote range broadening and quality enhancement of products and growth in the domestic retail market and overseas market for asset management companies by improving their asset management capabilities and making strategic investments in a substantial scale

#### Balance Sheet Business

Enhance asset sourcing and balance sheet business in consideration of distribution to investors by leveraging business operators' client bases and access to the global credit market

### 4 Growth Based on AUF

We will directly listen to the thoughts of both business operators and investors and refine our business model that connects the needs of both groups. We will efficiently utilize the balance sheet business and improve its profitability in

consideration of distribution to investors, and expand AUM and AUC in areas that bring profits to investors, thereby achieving our Group's continuous and stable profit growth both on and off the balance sheet (for the entirety of AUF).

#### Current status

- AUM and AUC have doubled over the past decade
- Downward pressure on fee ratios while AUM and AUC increased

#### Future direction

- AUM will continue to grow. Contribute to the achievement of Asset Management Nation
- Focus on areas that are useful and profitable for investors

#### Growth strategy

#### Asset Management Business Strategy

#### Efficient B/S Utilization

- Announced zero strategic shareholdings policy in May 2021
- Transition to a business model that does not depend on B/S
- Manage B/S volume in a restrained manner
- Focus on profitable areas that contribute to AUF expansion