

【NEWS RELEASE】

April 7, 2020  
SMBC Nikko Securities Inc.

**Summary of the remarks made by President Kondo**  
**in the Spring 2020 Meeting of Department Heads and Branch Managers**

I would like to express my sincere gratitude to all employees, department heads and branch managers for your extraordinary efforts in managing our daily business during the volatile markets while maintaining split operations and telework. We have in the past overcome many challenges by transforming ourselves. Right now, we are witnessing a dramatic change as we face the new corona virus pandemic.

This fiscal year we start a new medium-term management plan (MTMP), and the theme is to “realize sustainable growth by evolving into a creative company”. In the new MTMP, we will drastically increase investments in digitization, leverage AI in order to diversify client touch points and build out non-face-to-face channels. That said, I do not think this alone will be sufficient in realizing sustainable growth.


In my view, in realizing sustainable growth it is important to address client emotions. Because it is client actions based on their positive and proactive emotions that enable us to grow sustainably. Hence it is important to make efforts to establish an empathic connection with clients, listening to and addressing client concerns as if they were our own, and maintaining and open dialogue with them.

Also, innovativeness will become more important than ever. As an integrated securities company of the SMBC Group it is essential to provide high quality solutions always with the client in the center.

In the March reorganization, we newly established the Nikko Open Innovation Lab. The objectives of this new organization are to realize the new business plans under the Nikko Ventures initiative launched last year and to collaborate with various companies in order to leverage digital technology for the creation of new levels of customer experience.

In conclusion, I have a few requests to ask all department heads and branch managers: Thoroughly understand Nikko’s management philosophy and social mission and communicate these to your staff in your own words. Actively listen to your staff and establish an emphatic relationship. Our social mission is to ensure that the “healthy development of capital markets contributes to the realization of fulfilled livelihoods and a prosperous society”. Let us grow together and aim to become indispensable to the world as a foundation to supporting prosperous lives and society.

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