**Sustainability**

The Sustainability Committee, which comprises Executive Management Board members, decides our initiatives with respect to sustainability. In addition, we have newly appointed a director in charge of strengthening our strategic sustainability efforts, promoting awareness within the Group, and accelerating information disclosure and external communication.

**Strategic Promotion of Customer Support and Nomura Group’s Initiatives to Realize a Sustainable Society**

Chie Toriumi
Senior Managing Director
Head of Content Company and Sustainability Development

The market perceptions and investment flows surrounding ESG have changed dramatically over the past year, as Japan and other countries have expressed their commitment to carbon neutrality, and companies have begun to take steps toward a decarbonized society. In addition to climate change, social issues such as widening social disparities, food and human rights issues, and the declining birthrate and aging population in Japan are piling up, and we recognize that the role of finance in supplying and circulating risk money will become increasingly important.

Nomura Group’s management vision for 2025 is to achieve sustainable growth by helping resolve social issues, and we have integrated sustainability into our management strategy. Sustainability promotion in Nomura has value in two ways. One is to support the sustainability efforts of our clients and various stakeholders through our business. The second is to promote risk management and environmental impact reduction in our own operations. As the head of Sustainability Development, I believe it is my role to further leverage the Group’s efforts by linking these two values as necessary.

Our core role as a financial services group is to support customers through the flow of funds and capital. We believe it is important to strengthen our functions to promote the sustainable circulation of capital by underwriting green bonds and social bonds issued by companies and financial institutions, providing strategic advisory services such as M&A advisory, and by developing ESG-related funds as investments and providing them to individual investors. In addition, we will take advantage of the Group’s comprehensive strengths in providing solutions to social issues by leveraging the functions we have cultivated over many years, including support for business succession, promoting innovation in the fields of regional revitalization, agriculture and medical care, and our expertise and knowledge in the field of research and analysis.

In addition, as a financial services group that supports customers, we sense the growing interest from customers, investors, and other stakeholders in our own sustainability efforts. Among the global CO₂ emissions reduction targets we set in FY2019/20, we have already achieved some medium-term target ahead of schedule. In addition to revising these targets, we will make strides as a Group in cooperation with initiatives such as the UN PRB and the TCFD, while keeping an eye on global trends.

At Nomura Group, we are making our decisions on sustainability issues at the management level, and therefore, we are responding to Nomura’s own sustainable development issues and other broad social issues in a timely manner.

The Board of Directors oversees Nomura Group’s sustainability initiatives. The Group Integrated Risk Management Committee and Sustainability Committee, chaired by the Group CEO and comprising members of the Executive Management Board, approve and decide business policies on risks and opportunities related to the environment, society, and governance (ESG), including climate change, for the entire Group.

The details of these activities are reported to the Board of Directors as appropriate. The Sustainability Committee has established five working groups, including the TCFD Group and the Environment Working Group. The contents of these discussions are shared with relevant working group members and reported to the Executive Management Board and the Board of Directors.

**Governance Structure for Realizing Sustainability**

Nomura Group participates in and endorses initiatives both in Japan and overseas to further promote the realization of a sustainable environment and society in cooperation with stakeholders regarding how we will address social issues.

Nomura Group’s “Drive Sustainability”

Nomura Group is promoting the concept of “Drive Sustainability,” both internally and externally.

**SDGs with Nomura**

The “SDGs with Nomura” section introduces Nomura Group’s ideas and initiatives on sustainability.
**Nomura Group's Value Creation**

**Aspirations (Outcome)**

Nomura Group is working to meet the needs of investors and clients by collaborating across the board based on each domain's expertise and maximizing the Group's comprehensive capabilities, while working to realize a sustainable society.

**Performance Highlights**

- **Sustainable Finance, capital raised**
  - 8,480.3 billion yen (as of March 31, 2021)

- **Sustainable Investment ratio**
  - 81% (as of March 31, 2021)

**Overview of Sustainability Services**

- **Finance**
  - Issuance support and underwriting of green bonds, social bonds, sustainability bonds, etc.
  - Supporting sustainable business with Infrastructure & Power Finance (IPF)

- **Consulting & Advisory**
  - M&A and advisory services in the area of sustainability
  - ESG research and consulting
  - Support for business succession
  - Consulting for medical corporations and nursing care providers
  - Consulting and advisory services centered on food and agriculture

- **Asset Management, New Products & Solutions**
  - Responsible investment
  - Development and provision of ESG/SDGs investment products
  - Index development

**Promotion of financial literacy and social contribution activities**

- **On-site classes in the form of active learning**
- **Support through donations**
- **Cooperation with NPOs and NGOs**

**Towards the Realization of a Sustainable Society**

Listening earnestly to stakeholders’ opinions and providing high-value-added solutions through our core business to realize our corporate philosophy.

**Japan**

We were co-lead underwriter for the Woven Planet bonds issued by Toyota Motor Corporation. The proceeds from the bonds will be allocated for disbursements for projects that contribute to the SDGs.

In May 2020, we were sole advisor to Neste, the world's largest producer of renewable diesel fuel and renewable jet fuel, in its strategic acquisition of Mahery Environmental.

**Americas**

In 2020, IPF conducted 42 transactions in seven sectors. It has completed a number of large and iconic projects, including financing the construction of a 180 MW solar PV and energy storage asset in Nevada.

In 2020, we helped bring to the market the first green Tier2 subordinated debt instrument from the Dutch bank de Volksbank, and the first sovereign green bond in Samurai format, selling Hungarian government debt in yen to Japanese investors.

**Europe**

In 2017, we established a dedicated team for sustainable finance, and in 2020, at the ESG Finance Awards, Japan hosted by Ministry of the Environment, we awarded the silver prize in the financial services (securities) category for having "Engaged in a wide range of financing methods and contributed to the expansion of ESG investment in Japan.

In May 2020, we were sole advisor to Neste, the world's largest producer of renewable diesel fuel and renewable jet fuel, in its strategic acquisition of Mahery Environmental.

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