

Materiality

There are many issues in society to be addressed. Among the various social issues, Nomura has identified “Nomura Group Priority Initiatives (Materiality)” as priority themes to focus on for solutions and responses. We review the Materiality every year based on the environment and Nomura’s business developments. We will use related items to monitor the progress of our efforts on each issue, and make steady progress on these initiatives.

STEP 1

List the issues

We make a list of issues based on domestic and overseas non-financial information disclosure guidelines such as the GRI Guidelines and SDGs, etc.

STEP 2

Evaluate importance

We evaluate the importance to stakeholders based on the matters to be evaluated as provided by ESG research organizations* in Japan and overseas and based on opinions from external stakeholders. In addition, we evaluate the importance to Nomura, referencing our Management Vision, Corporate Philosophy and the Nomura Group Code of Conduct, as well as based on interviews of key internal departments.

* DJSI(S&P Global/SAM), Vigeo Eiris, MSCI, ISS-oekom, Sustainalytics

STEP 3

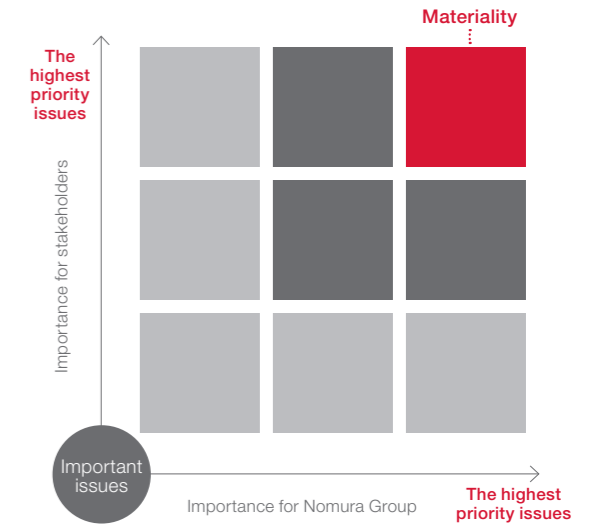
Formulate draft Materiality

Based on the evaluation of importance (see 2 left), we formulate a Nomura Group Materiality draft following verification by the Group Strategy Department, Group Secretariat and Regulatory Affairs Department and Sustainability Development Department.

STEP 4

Senior management discusses and makes final decision

The Sustainability Committee, chaired by the Group CEO, makes a final decision after reviewing the validity of the Nomura Group Materiality.



| Priority social issues to address | Related social issues | Nomura Group | Priority Initiatives (Materiality) | Reference page | Metrics | Contributing to Society |
|---|--|--|--|---|--|---|
| <p>A Sound development of capital markets</p> <p>B Mitigation of climate change and response to natural disasters</p> <p>C Response to the pandemic</p> <p>D Response to the declining birthrate and increasing longevity</p> <p>E Rectification of regional and individual disparities</p> <p>F Countermeasures against cyberattacks, money laundering and other financial crimes</p> <p>G Suppression and prevention of inappropriate/unjust actions by companies</p> <p>H Promotion of diverse human resources</p> | <p>Efforts to address social issues through business activities</p> <p>Efforts to strengthen the management platform</p> | <p>A D E</p> <p>Provision of financial services according to clients' situations and diversification of access points to financial services</p> | <ul style="list-style-type: none"> Enhance the level of asset management advice Diversification of consulting services Provision of financial services using digital platforms Provision of financial services to a wide range of customers through collaboration with business partners Provision of various means of raising funds | <p>P26</p> <p>P33</p> | <ul style="list-style-type: none"> Discretionary investment assets under management Consulting-related income Retail client assets Alternative assets under management | <p>4 QUALITY EDUCATION</p> <p>5 GENDER EQUALITY</p> <p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>10 REDUCED INEQUALITIES</p> <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>13 CLIMATE ACTION</p> <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> |
| | | <p>B C</p> <p>Provision of financial services to support the realization of a sustainable society</p> | <ul style="list-style-type: none"> Various financial transactions including issuance support and underwriting of sustainability bonds (green bonds, social bonds) that contribute to solving social issues and realizing a decarbonized society Expansion of advisory business (provision of M&A, consulting services, research capabilities, etc.) Support for venture companies, including healthcare, nursing care, agriculture, etc. Development and provision of ESG/SDGs investment products Practice responsible investment Advancement of initiatives based on the GFANZ framework (Net Zero Asset Managers initiative, Net-Zero Banking Alliance) | <p>P27-28</p> <p>P31-32</p> | <ul style="list-style-type: none"> Value of sustainable finance we support Sustainable investment ratio | |
| | | <p>D</p> <p>Development and provision of services in response to the declining birthrate and increasing longevity</p> | <ul style="list-style-type: none"> Strengthening of services supporting smooth asset/business succession Measures in response to the lengthening of asset lifespans Heartful partners specializing in working with elderly clients | <p>P53</p> | <ul style="list-style-type: none"> Track record of training received from Japan Financial Gerontology Association aimed at improving customer service for elderly clients Percentage of branches with heartful partners (specialist team for elderly clients) | |
| | | <p>A D E</p> <p>Provision of opportunities to deepen understanding of finance/economics and asset-building</p> | <ul style="list-style-type: none"> Support for financial and economics education Provision of opportunities for people of all ages to acquire knowledge about asset building Diversification of access points to financial and economics knowledge | <p>P57-58</p> | <ul style="list-style-type: none"> Number of students (all levels) we provide financial and economics education to Number of learning materials provided Status of implementation of financial and economics education for company employees | |
| | | <p>B</p> <p>Nomura's own efforts to reduce environmental impact</p> | <ul style="list-style-type: none"> Achieve net zero GHG emissions from Nomura offices by 2030 Switching to renewable energy Implementation of environmental management system | <p>P55-56</p> | <ul style="list-style-type: none"> GHG emissions Amount and ratio of renewable energy purchased | |
| | | <p>A F</p> <p>Strengthening of governance including enhancement of risk management</p> | <ul style="list-style-type: none"> Bolstering the risk management framework Ensuring diversity of Board of Directors members Advancement of information disclosure Strengthening IT security, including response to cyber risks Building a global business continuity system Setting policies and developing a management framework to combat money laundering and the financing of terrorism | <p>P64</p> <p>P75-76</p> <p>P81-82</p> | <ul style="list-style-type: none"> Diversity of Board of Directors Discussions at Board of Directors meetings (frequency of meetings, participation by each director, and details of discussions) Training on risk management and cybersecurity | |
| | | <p>G</p> <p>Promotion of appropriate conduct and compliance</p> | <ul style="list-style-type: none"> Thorough compliance with laws and regulations Foster widespread compliance with Nomura Group Code of Conduct Responding to human rights issues (raise awareness of human rights and manage human rights risks in the supply chain) | <p>P69-70</p> <p>P71-72</p> | <ul style="list-style-type: none"> Client satisfaction level Number of complaints Status of compliance with Code of Conduct (employee survey) Compliance and human rights training conducted Number of whistle-blowing reports Signing of Supplier CSR Guideline | |
| | | <p>H</p> <p>Enhancement of human capital, initiatives for Diversity, Equity & Inclusion</p> | <ul style="list-style-type: none"> Recruitment/appointment/promotion of diverse human resources Improvement in employee engagement (develop and inform employees about personnel system enabling diverse working styles, and foster active communication between management and employees) Enhancement of education and training programs, and provision of recurrent educational opportunities | <p>P59-60</p> <p>P77-80</p> | <ul style="list-style-type: none"> Manager ratio and hiring ratio by gender, title and region Employment ratio of persons with disabilities Employee survey Usage of childcare and nursing care support systems Training track record (hours, attendance, cost) | |
| <p>B C E</p> <p>Carry out global social contribution activities</p> | <ul style="list-style-type: none"> Formulation of policies for social contribution activities Carry out social contribution activities at each branch/office | <p>P94</p> | <ul style="list-style-type: none"> Social contribution expenditure Number of participants in social contribution activities | | | |