

## Nomura Establishes Sustainability Research Center

**Tokyo, December 12, 2019**— Nomura Institute of Capital Markets Research (NICMR), a wholly owned subsidiary of Nomura Holdings, Inc., today announced that it has established the Nomura Research Center of Sustainability.

In light of the United Nations Sustainable Development Goals (SDGs) and international agreements such as the Paris Agreement, there is a growing need to accelerate the discussion on sustainability and adopt a more multifaceted approach.

Recent capital market trends show that the concept of integrating ESG factors (Environment, Social, and Governance) into the investment process has taken hold and SDG bond<sup>1</sup> issuances have increased. In addition, companies are encouraged to disclose information on their climate change initiatives<sup>2</sup> and financial authorities require financial institutions to pay more attention to climate change risk<sup>3</sup>. There is also the possibility that climate change could affect central and local governments' ability to obtain funds for infrastructure and public facilities.

As a result, investors, companies, governments and other economic entities are increasingly looking into scientific research, as well as the potential financial and non-financial impacts of sustainability issues. More clients are also looking for solutions in the financial and capital markets.

NICMR has been working to strengthen its sustainability initiatives. In addition to publishing research papers, in 2018 NICMR set up a dedicated, cross-collaborative research group comprising experts from industry, government and academia to focus on the sustainable development of ESG.

The new research center will focus on objective and practical research. The center will strategically identify and conduct research into areas of sustainability closely related to the financial and capital markets and provide value-added information and proposals to clients. Specifically, NICMR plans to create an open platform to connect people within Nomura Group with people outside, including through collaboration between external advisors and specialists at the firm. NICMR will also collaborate with relevant international organizations to determine the themes and scope of its research and what forms of information to disclose.

Nomura is committed to help to enrich society through our expertise in capital markets.

Established on April 1, 2004, NICMR builds on a tradition begun at the Nomura Research Institute in 1965 of studying financial and capital markets, as well as financial institution systems, structures, and trends. NICMR produces original research and policy proposals by specialists based upon actual business experience.

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<sup>1</sup> Green bonds, social bonds, sustainability bonds, etc. whose proceeds are used for projects that contribute to the SDGs.

<sup>2</sup> These include recommendations by the Task Force on Climate-related Financial Disclosures (TCFD), which was established by the Financial Stability Board (FSB).

<sup>3</sup> Stress tests related to climate change done on financial institutions by central banks in the UK and the Netherlands.

It is widely recognized that Japan must continue to establish a market-driven money flow in order for the country's economy to further develop. NICMR's core mission is to contribute to financial system and securities markets reforms in order to help establish a market-based financial system.

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#### Nomura

Nomura is an Asia-headquartered financial services group with an integrated global network spanning over 30 countries. By connecting markets East & West, Nomura services the needs of individuals, institutions, corporates and governments through its four business divisions: Retail, Asset Management, Wholesale (Global Markets and Investment Banking), and Merchant Banking. Founded in 1925, the firm is built on a tradition of disciplined entrepreneurship, serving clients with creative solutions and considered thought leadership. For further information about Nomura, visit [www.nomura.com/](http://www.nomura.com/).