

Nomura and Shonaikomekobo Sign MOU to Drive Decarbonization and Enhance Agriculture Using Biochar

Tokyo, February 20, 2025—Nomura Securities Co., Ltd. today announced that it has signed a memorandum of understanding (MOU) with Shonaikomekobo Corporation for business collaboration aimed at promoting decarbonization and enhancing agriculture using biochar.

Shonaikomekobo is a group of farmers and agricultural successors from the Shonai region of Yamagata Prefecture in Japan engaged in rice cultivation and other agricultural activities on 780 hectares of farmland.

Starting in March 2025, the group will produce biochar by pyrolyzing biomass (rice husks) that had been previously discarded. The biochar will be spread on farmland to improve soil quality while aiming to sequester carbon in the soil and reduce greenhouse gas emissions through a carbon farming initiative.

Nomura will help expand the production and use of biochar throughout Japan in this model project by partnering with companies and agricultural corporations, promoting the use of biochar in other industries, and contributing to the creation and sale of J-Credits, a type of carbon credit.

Biochar is a negative emissions technology (NET) that helps remove CO₂ from the atmosphere by capturing, absorbing, and sequestering it. While the use of biochar is spreading beyond the agricultural sector, the limited number of biochar production facilities and associated costs present some challenges. As a result, a significant amount of rice husks, which serve as raw materials for biochar, is discarded and not fully utilized.

Shonaikomekobo is working on a localized model project to address these challenges by collecting rice husks within an approximately 30-kilometer radius of a newly operational biochar production facility. Shonaikomekobo will manufacture biochar and spread it on farmland within the same area, partially reducing the use of chemical fertilizers. This model project will not only contribute to decarbonization but also to the circular economy.

Since 2010, Nomura has been actively supporting the food and agriculture sectors and promoting regional revitalization. In April 2024, Nomura established the Sustainable Innovation Group to address social issues within sustainability, including the food and agriculture sectors.

In addition, multiple departments within Nomura are working together to promote decarbonization using carbon credits, as well as conducting research and developing solutions aimed at popularizing carbon dioxide removal (CDR) technologies.

Nomura is committed to creating a more sustainable future in line with its Group Purpose of "We aspire to create a better world by harnessing the power of financial markets".

Model Project Overview

Location	Tsuruoka-shi and Mikawa-machi, Yamagata Prefecture
Amount of biochar to be produced	300 to 400 tons per year

Raw materials for biochar	Approximately 1,200 to 1,600 tons of rice husks per year
Agricultural products to be produced	Rice and wheat
Start date	March 2025 (planned)
Installation of biochar production equipment	Tawara LLC, producer participating in the Shonaikomekobo
Company to be registered for J-Credit program	Shonaikomekobo Corporation (application under preparation)
Scheduled on-site inspection of biochar production equipment	March 28, 2025 (planned)

ends

Nomura

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