

## **Nomura Group Sustainability Statement**

### **1. Nomura Group's social mission since its foundation**

As a leading company in Japan's financial industry, since its foundation in 1925 the Nomura Group (hereinafter referred to as "we") has contributed to economic growth and social value creation by supporting the development of capital markets and facilitating the flow of capital. At the core of these efforts is our social mission to help enrich society through our expertise in capital markets, based on "Our Founder's Principles", a set of guiding principles laid out by the Group's founder, Tokushichi Nomura, and ingrained in the Group's Corporate Philosophy. We strive to fulfill our mission in line with our management vision to "Achieve sustainable growth by helping solve social issues".

A rich natural environment and healthy society are the foundation of economic and business development and people's lives. Without such a foundation, it is not possible to fulfill Nomura Group's social mission of helping to enrich society. We are expanding our products and services globally, and strengthening our corporate governance structures based on the recognition that the protection of the global environment and the promotion of various initiatives are essential for the maintenance and development of both the economy and society.

### **2. The purpose of this statement**

The purpose of this statement is to further promote the realization of a sustainable environment and society by informing stakeholders of our approach to sustainability related activities and our envisaged response to environmental and social risks.

The financial system - the driving force of the economy - is essential in creating financial flows that help to prevent environmental and social damage. We recognize that we play an important role as a leading global financial institution conducting securities and investment banking business. Through our core business, we will create a better future by addressing sustainability related issues, including combatting climate change.

These initiatives are in line with our social mission and contribute to the sustainable development of society, our clients, and are important for maintaining and increasing our corporate value. Following the Nomura Group Materiality statement affirmed by our Sustainability Committee, we have and will continue to utilize our financial industry experience and knowledge in cooperation with our stakeholders to further promote relevant initiatives and realize a more sustainable and truly prosperous society.

A Wholesale ESG Sectoral Appetite Statement acts as an Annex to this document, sets forth approaches by sector and approaches to ESG screening and due diligence in the Wholesale Division, and strives to identify, evaluate, and manage the environmental and social impacts of business activities.

### **3. Current trends**

The Sustainable Development Goals (SDGs) adopted by the United Nations in September 2015 set goals to achieve a better and more sustainable future for all, including the eradication of poverty, elimination of inequality and the protection of the Earth and the conservation of its natural resources. The Paris Agreement adopted in December 2015 targets a temperature increase of well below 2°C\*, and provides a guide towards decarbonization of the global economy with further details on how to deliver this transition provided in the Glasgow Climate Pact, adopted in November 2021. As a result, it is essential for economic growth to incorporate environmental and social considerations. Furthermore, in addition to environmental changes such as climate change and large-scale natural disasters, epidemics and educational inequalities pose significant risks to robust global economic growth.

In response to these trends, companies are taking initiative to address environmental and social issues, anticipating further strengthening of the regulatory framework, changes in the energy situation, and developing new markets in a decarbonized society. ESG (Environmental, Social, and Governance) investments, which takes into consideration companies' ESG performance have become increasingly popular in the hope that they will contribute to sustainable corporate value. New initiatives such as disclosure of climate-related risk are expanding.

\* 2°C target: A goal set by an international agreement on climate change adopted at the 15th Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change in Copenhagen, Denmark in December 2009 (COP15) and strengthened in the Paris Agreement in 2015 and the Glasgow Climate Pact in 2021. It is a long-term goal shared globally to keep the global average temperature increase sufficiently below 2°C and make further efforts to limit it to 1.5°C compared to pre-industrial levels in the Paris Agreement.

### **4. Our Business Activities**

Nomura Group promotes the circulation of resources, such as funds, capital, human resources, and technology, to businesses which contribute to resolve sustainability issues.

We provide solutions group wide for solving environmental and social issues through support for sustainable finance for corporate clients, M&A advisory services in the areas related to sustainability and infrastructure, support for business succession, promotion of innovation in local revitalization, agriculture, medical care, and ESG / sustainability related research.

In our asset management business, we aim to achieve a balance between creation of economic value and creation of social value by supporting corporate initiatives aimed at improving enterprise value and realizing a sustainable and prosperous society, through engagement with portfolio companies.

In addition to providing ESG products to investors, we will work to expand the investment base by promoting financial and economic education for a wide range of generations.

We will contribute to resolve the environmental and social issues through our business activities, and realize a sustainable society. We believe it is important to raise awareness of the significance of sustainability and the contribution financial institutions can make to that end.

## **5. Climate change**

We recognize that a healthy environment provides the foundation of a stable economy and society for both current and future generations. In accordance with our "Environmental Statement" and "Environmental Policy" established in 2009, we are always striving to fulfill our duty to protect the environment when possible.

<https://www.nomuraholdings.com/sustainability/environment/index.html>

Among environmental issues, climate change is becoming increasingly important. As a step toward the realization of a sustainable society, Nomura Group announced, in September 2021, a commitment to align its commercial activities with the objectives agreed in the Paris Agreement, and that it has joined the "Net-Zero Banking Alliance" convened by the United Nations Environment Programme Finance Initiative. To support the transition towards a decarbonized economy, Nomura commits to achieve net zero greenhouse gas (GHG) emissions for its own operations by 2030, and to transition attributable GHG emissions from its lending and investment portfolios to align with pathways achieving net zero by 2050.

## **6. Natural capital**

We recognize that the conservation of natural capital along with climate change are fundamental issues. Natural resources on Earth such as living organisms, water, air, soil and forests are finite and are dangerously at risk of decrease and depletion due to industrialization and increases in the global population. Maintenance and protection of the biodiversity which supports our society is the foundation for the realization of a sustainable society. Nomura supports businesses that protect biodiversity through the provision of products and services. We aim to take appropriate measures to prevent negative impacts on biodiversity associated with our products and services. We contribute to the realization of a sustainable environment and society by conserving natural capital throughout our business activities related to sustainability and reducing emissions for our own operations.

## **7. Human rights and other social issues**

We recognize that not only our own business activities, but also the activities of our stakeholders have potential to negatively impact human rights and other social issues. To mitigate such impacts we will strive to respond responsibly and respect not only the laws and regulations of each country concerned, but also international human rights standards. In particular, we will not provide finance to business activities related to cluster bombs, due to concerns over their characterization as inhumane, and business activities utilizing child and forced labor.

The "Nomura Group Code of Conduct" demonstrates our determination to respect human rights and endorses the following human rights standards:

- UN Universal Declaration of Human Rights
- The OECD Guidelines for Multinational Enterprises
- The ILO's International Labor Standards
- UN Guiding Principles on Business and Human Rights

[https://www.nomuraholdings.com/sustainability/stakeholder/humanrights\\_initiatives.html](https://www.nomuraholdings.com/sustainability/stakeholder/humanrights_initiatives.html)

Human resources are the source of Nomura Group's sustainable growth. Nomura provides equal opportunities, builds a healthy work environment, provides advanced education and training opportunities and, under the Nomura Group Code of Conduct, forbids discrimination based on nationality, ethnic origin, gender, gender identity, gender preference, beliefs, social standing, disability or any other attribute, so that each and every employee can be active and successful in utilizing her or his capabilities and personal strengths. We have also established a declaration on Diversity & Inclusion to further promote diversity management.

## **8. Governance and management systems**

For Nomura Group to be sustainable, enhancing corporate governance is one of our top priorities with various initiatives already implemented.

<https://www.nomuraholdings.com/company/cg/measures.html>

The Sustainability Committee, which is chaired by the Group CEO and comprises the same members as the Executive Management Board, deliberates on matters concerning sustainability strategies. The Sustainability Committee, which was previously the CSR Committee established in 2008, has increased the number of meetings and developed discussions. The Sustainability Committee has oversight responsibility for formulating, approving and, making decisions regarding group level sustainability risks and opportunities, sustainability policies and activities. The Sustainability Committee reports about its activities to the Board of Directors and the Executive Management Board as necessary. This statement was approved by the Sustainability Committee based on the opinions of the Board of Directors.

## **9. Participation in international initiatives**

We endorse and participate in the following environmental and social initiatives in order to fulfill our social responsibilities as a corporate citizen.

- Net-Zero Banking Alliance (NZBA)
- UN Global Compact (The United Nations Global Compact)
- UNEP Financial Initiative (The United Nations Environment Programme Finance Initiative)
- UN PRB (The United Nations Principles for Responsible Banking)
- TCFD (Task Force on Climate-related Financial Disclosures)
- CDP (formerly the Carbon Disclosure Project)
- The Principles for Financial Action towards a Sustainable Society
- ISO26000

- 30% Club Japan
- Net Zero Asset Managers Initiative (NZAMI)\*
- UN PRI (The United Nations Principles for Responsible Investment) \*
- Partnership for Carbon Accounting Financials (PCAF)\*

\*Initiatives which only Nomura Asset Management participates

(Please refer to our website for the latest information)

<https://www.nomuraholdings.com/sustainability/stakeholder/initiatives.html>

## **10. Stakeholders engagement**

Nomura Group values regular dialogue with our respective stakeholders (including shareholders, investors, clients, business partners, employees and NGOs) and actively engages stakeholders based on their individual interests. We believe that dialogue with various stakeholders will help minimize sustainability-related risks and enable early identification of problem-solving opportunities. To this effect we organize events and participate in working groups on the theme of sustainability, in addition to regular IR activities and shareholders' meetings.

<https://www.nomuraholdings.com/sustainability/stakeholder/index.html>

## **11. Revision**

To reflect changes in the external environment and stakeholder engagement we will review this statement at least annually, and revise as necessary.

End of the document

(Established on January 25, 2019)

(Revised on February 17, 2020)

(Revised on December 16, 2021)