

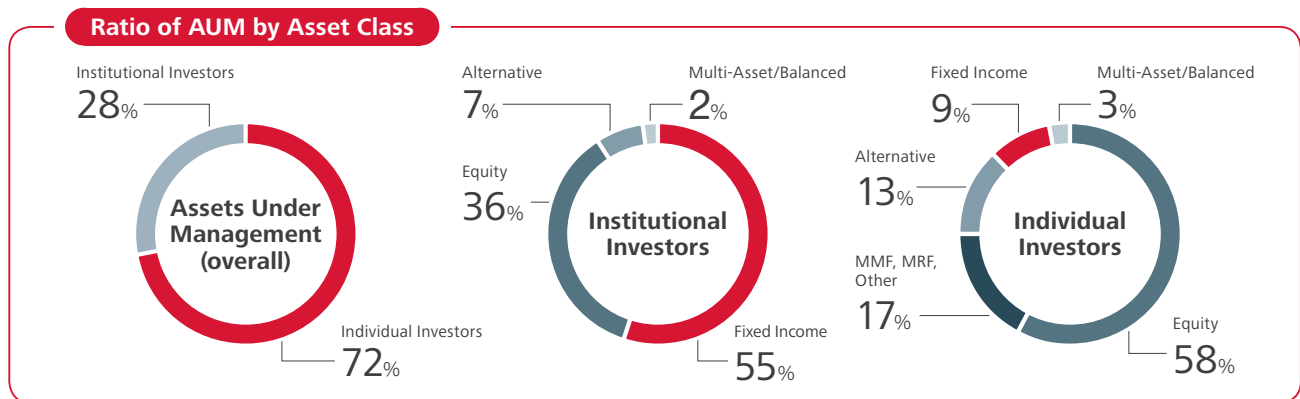


Responsible Investment Report 2019

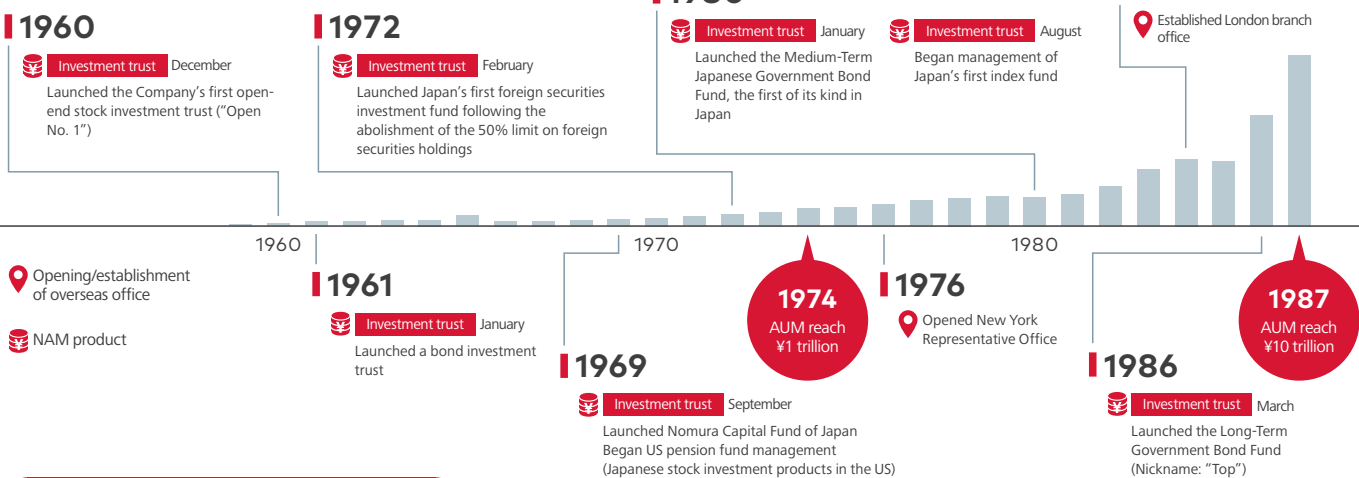


Nomura Asset Management

Nomura Asset Management celebrated its 60th anniversary on December 1, 2019. We meet the asset management needs of a diverse range of clients, from individual investors to institutional clients such as large pension funds and corporations. Based on our philosophy of "It's all about the client" our offices in Tokyo, New York, London, Singapore, Kuala Lumpur, Hong Kong and elsewhere collaborate to meet the expectations of our clients around the world.



Assets under management



NAM's History



NAM's Strengths by the Numbers

(As of December 2019)



Establishment 60th anniversary in December 2019

1959



Assets under management (Asset Management Division)

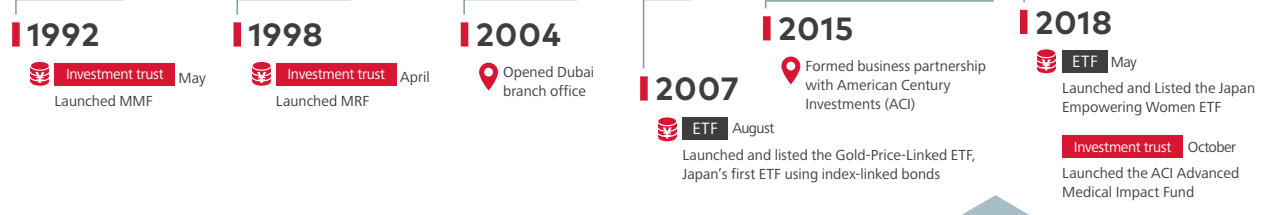
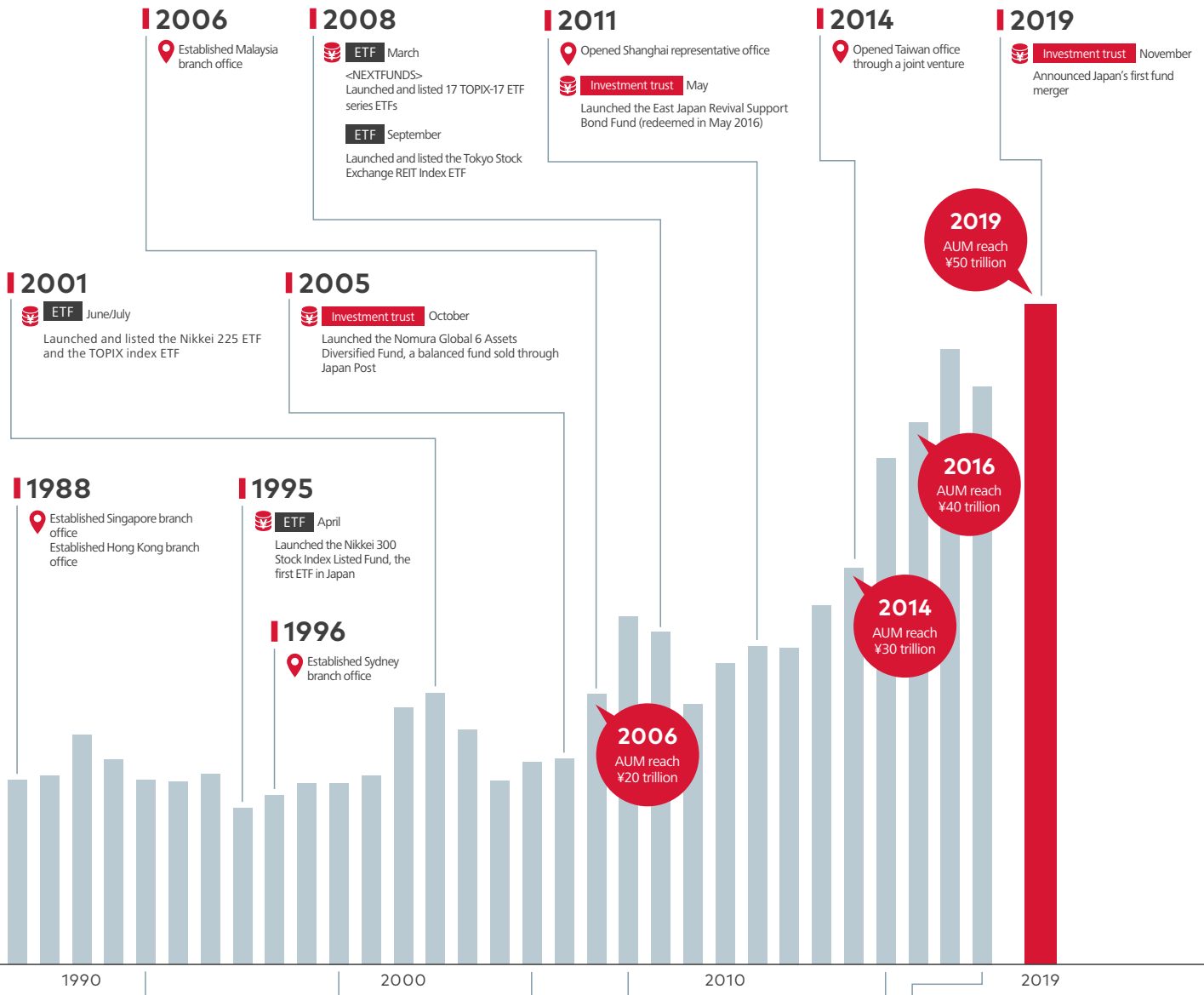
¥55.6trillion



Employees in head office/branch offices

13branch offices

1,472employees



1997
Established Nomura Asset Management Co., Ltd. merging functions of Nomura Securities Investment Trust Co., Ltd. and Nomura Investment Management Co., Ltd.

2019
December
60th anniversary

World's 5th largest ETF AUM
Domestic market share
45.0%

Market share in the ¥113 trillion domestic publicly-offered investment trust market
27.6% No. 1

Average years of experience among employees involved in investment and research-related operations (in Mar. 2019)
12.8 years

Nomura Asset Management

Responsible Investment Strengths



Long-term commitment to responsible investment

The first strength is our long history of engaging in responsible investment. The roots of the current Responsible Investment Committee lie in the Proxy Voting Committee established in 2001. Subsequently, the ESG Committee was established in 2011. The ESG Committee became the Responsible Investment Committee as part of a reorganization and an integration from 2014 to 2015. Based on many discussions over the years, and always remaining conscious of our mandate from clients, we have fostered a culture that is supportive of responsible investment, respects diverse opinions from a large number of professionals, and values lively discussion.

History of Responsible Investment		
2001	Proxy Voting Committee established	Responsible Investment Department established
2004	Management of SRI Index Fund commenced Management of governance fund commenced	
2010	UK Stewardship Code adopted	2016
2011	ESG Committee (now the Responsible Investment Committee) established United Nations-supported Principles for Responsible Investment (UN PRI) signed	
2014	Japanese version of the Stewardship Code adopted	2017
	ESG Committee reorganized into Responsible Investment Committee Proxy Voting Committee reorganized into Stewardship Committee	
2015	Responsible Investment Group and ESG specialists established	2018
	Stewardship Committee integrated into Responsible Investment Committee	
		2019
		2016
		2017
		2018
		2019

*UK FRC
Abbreviation for the Financial Reporting Council in the United Kingdom



Building a strong responsible investment platform

The second strength is our robust responsible investment platform. Our systems, processes and organization have undergone continuous reform to reflect and respond to the changing needs of investors and wider society. One example is the Responsible Investment Council, which was established in 2016 as an oversight body of the Responsible Investment Committee. Independent outside directors make up the majority of the Council, thus enhancing the management of conflicts of interest. Having the Council monitor Committee discussions in real time is an unprecedented initiative in the industry.

Organizational Structure for Responsible Investment





Global, diverse personnel and research capabilities with respect to responsible investment

The third strength is our global and diverse personnel and their research capabilities. A large number of portfolio managers, analysts and ESG specialists working in one of the largest active management institutions in Japan are committed to applying their analytical abilities and insights to responsible investment.



Emphasis on responsible investment discussion and debate

The fourth strength is the emphasis we place on exhaustive discussions. In 2019, the most heated debates in the Responsible Investment Committee were those concerning M&A as well as director election proposals made by shareholders. On many occasions, there were splits in opinion, or the Secretariat's plans were overturned. The members of the Responsible Investment Council were also present at Committee meetings and actively participated in discussions without limiting themselves to monitoring conflict of interest.

We believe that such rigorous monitoring structure and interactive discussions bring productive results, and consider this to be one of our key strengths.



Responsible Investment Committee Meetings January – December 2019

Responsible Investment Committee

18 times

Regular 4 times Ad hoc 14 times

Responsible Investment Council

4 times

Regular 4 times Ad hoc 0 times