



While the global turmoil caused by the pandemic's onset in 2020 is in the process of abating, we face prolonged turmoil of a different form due to Russia's invasion of Ukraine.

In recent years, we have become more aware of various social issues facing society, including those many daily life issues triggered by the pandemic, regional or country-based issues, and those on a global scale. Moreover, in addition to our awareness, we also realize that immediate action is required to address these issues.

For example, during the pandemic, issues related to the distribution of vaccines to medium- and low-income nations became a point of focus. We are involved in an initiative related to the distribution of medicines that conducts ongoing engagement with investee companies, and we have observed a certain level of success in improving vaccine distribution to these countries. This once again highlighted the importance of engagement with investee companies.

However, the sharp rise in energy prices caused by the emergence of geopolitical risks has called attention to issues like what to do about our dependence on fossil fuels and how to build a sustainable society.

I believe we face the question of how to reduce our high level of dependence on fossil fuels over the medium- to long-

term. It is clear that we must further advance the transition to renewable energy in order to address severe climate change caused by greenhouse gas emissions.

Going forward, we expect a wide range of stakeholders will advance efforts to reduce this long-term dependence on fossil fuels.

As a responsible investor, we are working to address the global issue of climate change, both through investment in transition bonds*¹ (bonds that finance the construction of new renewable energy facilities), as well as via engagement (constructive dialogue) with investee companies, which includes encouraging them to obtain approval from the SBT*² Initiative to achieve a net-zero goal. Our goal is to realize both social and economic value through our asset management business.

In order to realize this value, a proper understanding of ESG-related regulations is critical. Europe is the global leader in terms of sustainability-related regulations. In order to offer the best ESG products to our clients, we must keep a close watch on global ESG regulatory trends and be aligned with those levels.

In addition to having an investment office in the UK, as a Japanese asset management firm we are also certified

CEO Message

Striving to be an asset management firm that makes the world a better place.

Hiroyasu Koike

President & CEO
Nomura Asset Management Co., Ltd.

My message to everyone

As a responsible investor, we work to solve social issues facing the world, countries and regions

We will realize both social and economic value through the asset management business.

We aim to realize a sustainable and prosperous society through the investment chain (virtuous cycle of investment).

by FRC*³ under the UK Stewardship Code. On top of this, our UK office manages impact funds, and offers them to customers in both Europe and Japan as ESG products. We are able to provide ESG products compliant with rigorous standards by sharing the knowledge aligned with global standards within the company.

Meanwhile, as a responsible investor, in addition to issues on a global scale, we must also take action to solve social issues set forth in the SDGs that are closely linked to our daily lives, including health and human rights issues. The core idea to solving these social issues is the investment chain (virtuous cycle of investment). As an asset management firm, we aim to realize a sustainable and prosperous society by connecting investors and companies through investment. Companies that generate economic profits are fully capable of contributing to a sustainable and prosperous society.

This is the core of our investment chain philosophy.

Creating a virtuous cycle of sustainable investment is necessary in order to solve various social issues. In order to support this virtuous cycle, engagement (constructive dialogue) between asset management firms and investee companies is essential. Based on this kind of dialogue, we

want to help companies realize what we view as desirable management and enhance their corporate value, as well as encourage them to undertake ESG/SDG-related initiatives.

When Nomura Group was founded more than 90 years ago, one of the founding principles was “To enrich the nation through the securities business.” This principle is proof of Nomura’s unwavering commitment to realize a more prosperous society, and it is present in Nomura Asset Management’s efforts to solve social issues and thereby realize a sustainable society.

Amid dramatic changes in the situations of our customers and other stakeholders and in approaches to social issues, Nomura Asset Management itself will endeavor to embrace change, provide the best ESG products, enhance corporate value and build a sustainable society, not only as a responsible institutional investor, but as an asset management firm that strives to contribute to the world.

*1 Bonds that support a company’s effort to achieve its decarbonization goals

*2 Greenhouse gas (GHG) emission reduction targets with a scientific basis

*3 Financial Reporting Council: The UK body that regulates auditors, accountants and actuaries, and sets the UK’s Stewardship Code