

European Institutional Investor Chooses Nomura's ETF (NF-Japan ESG Core ETF)

Tokyo, April 25, 2022 - Nomura Asset Management Co., Ltd. (NAM), the core company within the Investment Management Division of Nomura Group, today announces that Varma Mutual Pension Insurance Company (Varma), has chosen "NEXT FUNDS¹ Solactive Japan ESG Core Index ETF (code:2850, NF-Japan ESG Core ETF)" as their responsible investment for Japanese equities. Varma is a leading European pension insurance company based in Finland that proactively addresses ESG issues through their investment.

The ETF was listed on the Tokyo Stock Exchange (TSE) on April 8, 2022 and raised JPY 42.2bil (€ 302mil) in the market as of April 20, 2022.² The ETF is designed to invest in about 100 Japanese companies from multiple sectors with medium to long term growth potential and sustainable-related developments that include a de-carbonization target.

Mr. Timo Sallinen, Head of Listed Securities, Varma, commented: *"We wanted to make an ESG investment that takes sustainability aspects into account also in the Japanese market. This is a systematic continuation of our ESG investments tailored to the US, European and emerging markets. For Japanese market Nomura was a natural choice since they know the market very well."*

Kiyoshi Agata, Senior Managing Director and Head of Institutional Client Unit, NAM, commented: *"We are honored that Varma, a major European pension insurer, has recognized our ETF as a means of strengthening their exposure. Encouraged by this opportunity, we plan to further promote ESG investment in Japanese equities through ETFs to international investors."*

NAM is one of Japan's largest asset management companies that listed its first ETF in Japan in May 1995. Today, the company manages over JPY27.2tril (\$222bil) in ETFs, which makes NAM the dominant player in Japan's ETF market with 43% market share and hence the largest in Asia.³

NAM will continue to connect global investors and Japanese companies through its "Project BRIDGE"⁴, an initiative aimed at invigorating the Japanese equity and capital markets by strengthening stewardship activities to improve the corporate value of Japanese companies. In these activities, NAM is committed to enhancing Japan's functions and presence as an international financial market and will focus on providing solutions to ESG investment needs of a wide range of investors.

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Notes to Editors:



¹ "NEXT FUNDS" is the brand name for the ETF product range of Nomura Asset Management Co., Ltd., representing "Nomura **Exchange Traded Funds**". For details, please check <https://nextfunds.jp/en/>

² As of April 20, 2022. Converted JPY139.73 to EUR1.

³ As of end of March, 2022. Converted JPY122.39 to USD1.

⁴ Please refer to the news release "Nomura Asset Management to Launch "Project BRIDGE" to Link Investors and Japanese Corporations" issued on March 8, 2022. https://global.nomura-am.co.jp/media/pdf/20220308_JX6Q4GXY.pdf

About Nomura

Nomura is a global financial services group with an integrated network spanning over 30 countries and regions. By connecting markets East & West, Nomura services the needs of individuals, institutions, corporates and governments through its three business divisions: Retail, Wholesale (Global Markets and Investment Banking), and Investment Management. 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.

About Varma Mutual Pension Insurance Company

Varma Mutual Pension Insurance Company is a Finnish responsible and solvent investor of pension funds. The company is responsible for the statutory earnings-related pension cover of some 917,000 people in the private sector. Premiums written totalled EUR 5.6 billion in 2021 and pension payments stood at EUR 6.2 billion. Varma's investment portfolio amounted to EUR 59.0 billion at the end of 2021.

Disclaimer of "Solactive Japan ESG Core Index"

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The contents of this material are based on an English translation of a Japanese announcement made on April 25, 2022 by Nomura Asset Management Co., Ltd. Whilst every effort has been made to translate the Japanese document into English, the accuracy and correctness of this translation are not guaranteed, therefore please refer to the original Japanese document.

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Furthermore, none of the shares of the Fund have been or will be registered under the United States Securities Act of 1933, as amended ("1933 Act"), or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "United States"). The Fund has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws.

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Disclosures required in Japan

ETF Investment Risks

Since the Fund invests primarily in securities and futures contracts, there is a risk that the market price of such securities or the NAV per unit of the Fund could decline and cause an investment loss due to a decline in the index, a price decline in securities comprising the index, the bankruptcy of a security issuer, or deterioration in the financial conditions of an issuer, in addition to other market factors.

Also, because some securities in the Fund are influenced by exchange rates, the NAV may fall due to fluctuations in the foreign exchange rate. An investor's principal is therefore not guaranteed.

Furthermore, investment trusts are different from deposits and savings.

*ETF risks are not limited to the above.

Before investing in the Fund, prospective investors should carefully read the summary prospectus and base decisions on their own judgement.

ETF Investment Costs

An investor shall bear the following costs when investing in the Fund.

Trading Fee:

Trading of the Fund incurs brokerage commission fees set by a Type-1 financial instruments business provider (securities firm) that handles the transaction. These commissions are separate from the actual transaction value. (Because the commissions charged by each securities firm differ, it is not possible to specify a maximum amount.)

Management Fees:

The total management fee is obtained by adding the amount determined in (2) below to the amount determined in (1) below. Management fees are paid from the trust assets, and therefore are charged indirectly according to the period that the ETF is held.

(1) The amount obtained by multiplying the total net assets by a rate determined by the Management Company not to exceed 1.045% annually* (0.95% exclusive of taxes).

*The maximum management fee of each ETF is indicated above. For some ETFs, the management fees are calculated based on the Fund's principal.

(2) If the securities belonging to the trust assets have been loaned, an amount no more than 55%* (50% exclusive of taxes) of the loan fees.*

*The highest loan fee of the ETFs is indicated.

Other Fees:

ETF-related taxes, expenses necessary for trust administrative procedures (including various expenses necessary for safekeeping of overseas assets), interest on advances provided by the trustee, sales consignment fees incurred when securities included in the fund are traded, audit fees, other expenses (including expenses relating to listing of Beneficiary Interests and fees for the use of trademarks to subject indexes), and consumption taxes on these fees are incurred, when applicable, during the trust period. These expenses are paid from the trust assets and are charged indirectly during the period that the ETF is held. Other expenses will vary according to investment circumstances, and consequently, rates and maximum amounts cannot be specified in advance.

The total amount of the above fees and expenses will vary according to investment duration, so they cannot be specified ahead of time.

For further details, please refer to the "Fund Expense and Taxes" section of the summary prospectus.

Notes

Nomura Asset Management Co., Ltd. does not directly handle order requests for the Fund from investors. To invest in the Fund it is necessary to open an account with a nearby Type-1 financial instruments business provider (securities firm) that handles ETFs and make a request to the broker.

Registered Company Name: Nomura Asset Management Co., Ltd.

Registration Number: Director of the Kanto Local Financial Bureau (Financial instruments firms) No. 373

Member Associations: The Investment Trusts Association, Japan; Japan Securities Investment Advisers Association; Type II Financial Instruments Firms Association