



## CEO Message

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

The global turmoil caused by the COVID-19 pandemic has now subsided, and people are finally able to return to their normal daily lives. After experiencing the unusual circumstances of the past few years, I think it is important that we remember to appreciate the peaceful times we have, and approach all of our efforts with an extra sense of focus. Currently, in addition to the emergence of new geopolitical risks, various climate change-related disasters are occurring in Japan and other parts of the world. At the beginning of this year, the World Meteorological Organization (WMO) announced that the global average temperature in 2023 was the highest on record. Local, national and global issues are becoming increasingly serious and complex, which makes now the time to consider and implement actions to address the many social issues we face.

**Hiroyasu Koike**

President & CEO

Disruptions caused by geopolitical risks are causing significant volatility in energy prices. Significant price fluctuations impact the future balance of energy supply and demand through the issue of how to handle society's dependence on fossil fuels. This also affects companies' actual capital investment plans, leading to increased business uncertainty. Furthermore, the occurrence of disasters due to rising temperatures poses the question of how to build a sustainable society. For example, worsening climate change could result in a negative feedback loop, where water and food shortages lead to an increase in immigration, which could then spark new geopolitical risks. Issues that need to be addressed on a global scale, such as climate change, are also closely related to human rights and other social issues raised in the SDGs. In this way, we believe we must view climate

change not as a single issue, but as a multifaceted problem related to a variety of other issues.

As a responsible investor, we aim to realize both social and economic value through our asset management business. The core idea to solving these social issues is the investment chain (virtuous cycle of investment). Companies that generate economic profits are fully capable of contributing to a sustainable and prosperous society. As an asset management firm, we play an important role in creating a virtuous cycle of investment and realizing a sustainable and prosperous society by connecting investors and companies through investment. This is the core of our investment chain philosophy. 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.

In conclusion, I would like to emphasize that Nomura Asset Management will continue to embrace change, provide the best ESG products, enhance corporate value and build a sustainable society, not just as a responsible institutional investor, but also as an asset management firm that strives to make the world a better place. The essence of the asset management business is to provide products that meet customers' needs as well as the best performance and services. I also firmly believe that in the process of providing such products and services, it is our responsibility to create both economic value and social value.

Expertise to Exceed<sup>||</sup>

Using our expertise and foresight to stay ahead of change, we pursue exceptional performance and create cutting-edge solutions to exceed all expectations.