




ESG STATEMENT

We seek to realize a sustainable, prosperous society in which the rich natural environment is preserved, diverse human capital is utilized, economy development is driven by technological innovation, human rights are respected, and well-being is promoted. It is a society in which ESG issues are addressed and the SDGs are achieved.

In March 2019, Nomura Asset Management announced our “ESG Statement”. In this statement, we expressed the future direction of our ESG activities and how we will respond to environmental (E) and social (S) risks. Also, by sharing the details of our plans with stakeholders, we aim to realize a sustainable and prosperous society.

Nomura Asset Management seeks to realize a sustainable, prosperous society in which the rich natural environment is preserved, human capital possessing diverse values are utilized, economic development is driven by technological innovation, human rights are respected, and well-being is promoted. It is a society in which ESG issues are addressed and the SDGs (Sustainable Development Goals) are achieved. In addition, we recognize that efforts to solve ESG issues in order to realize this kind of society are important for supporting a virtuous cycle in the investment chain. We believe that a critical factor for both sustainable corporate value improvement and higher investment returns is for a company to appropriately manage risks related to ESG issues, view solutions to ESG issues as new business opportunities, and properly incorporate them into management strategies.

Furthermore, as a responsible investor, we encourage our portfolio companies to practice what we view as desirable management, while we ourselves will also continue to operate with a focus on ESG.

Core ESG Initiatives

Principles for Responsible Investment PRI

Signature Timing March 2011

PRI (Principles for Responsible Investment) are a set of principles formulated in April 2006 that require investors to incorporate ESG into actual investment analysis and decision-making processes.

Signatory of: PRI PRINCIPLES FOR RESPONSIBLE INVESTMENT

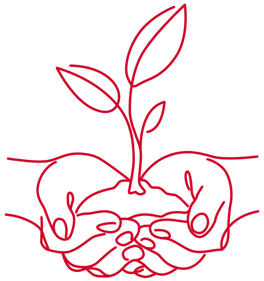
PRI Japan Advisory Committee member	Support for educating the public about and energizing PRI’s activities in Japan (became committee member in 2023)
PRI Advance Signatory Advisory Committee member	Collaborative engagement for human rights (started in 2022)
PRI Spring Signatory Advisory Committee member	Collaborative engagement for nature and bio diversity (started in 2023)

High Priority ESG issues

While the importance of each ESG issue differs depending on the specific characteristics of the business in question, we identify the following 6 issues as common ESG issues that are particularly important across many businesses. We also partner with a variety of initiatives to work to solve each issue.

E Climate Change

P.15



E Natural Capital

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S Human Rights

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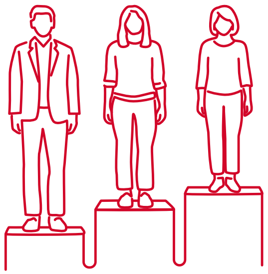

S Diversity Equity Inclusion & Belonging (DEI&B)

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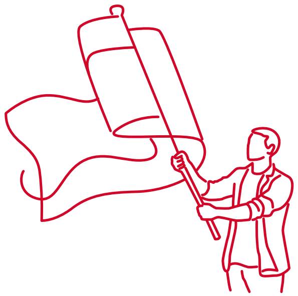

S Value Creation to Realize Well-Being Within Society

P.17

G Corporate governance

P.17

E Climate Change

The Paris Agreement, which was concluded in 2015, stipulates that efforts shall be made to limit the increase in the global average temperature to 1.5˚C since before the Industrial Revolution based on scientific evidence. To achieve this goal, it is necessary to reach net zero global greenhouse gas emissions by 2050. We believe that companies must address climate change issues from the perspective of both risk management and the pursuit of business opportunities in order to achieve sustainable improvement of corporate value.

CDP Signature Timing: November 2021

Established in 2000. This is a global project in which institutional investors around the world encourage companies to disclose their strategies to combat climate change as well as their specific greenhouse gas emissions. Current areas of focus include climate change, water and forests.

TCFD (Task Force on Climate - Related Financial Disclosures)

Signature Timing: June 2018 N /Signature Timing: March 2019

A private-sector led task force launched in December 2015 by the Financial Stability Board (FSB) that advocated for the disclosure of climate change-related information and proposed a standardized framework. It garnered support from approximately 5,000 companies and organizations worldwide, but announced its dissolution in October 2023, with its activities being taken over by the International Sustainability Standards Board (ISSB), which operates under the IFRS Foundation. The ISSB standards are expected to serve as disclosure guidelines for non-financial information, including climate change.

CA100+ Signature Timing: December 2019

An investor initiative in which institutional investors collaborate (group engagement) to encourage the world's largest corporate greenhouse gas emitters to disclose information related to climate change and respond accordingly.

PCAF (Partnership for Carbon Accounting Financials)

Signature Timing: August 2021 / Signature Timing: March 2022 N

An international initiative established in the Netherlands in 2015 to create a standard method for measuring and disclosing greenhouse gas emissions. The PCAF Japan Coalition was established in November 2021, and Nomura Asset Management has been a member since its inception.

NZAM (Net Zero Asset Managers initiative) Signature Timing: August 2021

A global initiative established in December 2020 comprising asset managers which aim for net-zero emissions of greenhouse gases (GHGs) from portfolio companies by 2050, in line with the goals of the Paris Agreement.

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E Natural Capital

Companies benefit from biodiversity through the utilization of forests, water sources, and other natural capital in their business activities. In 2021, the Taskforce on Nature-related Financial Disclosures, an international organization that builds frameworks for appropriately assessing and disclosing risks and opportunities related to natural capital and biodiversity ("TNFD"), was launched. In September 2023, the TNFD issued its final recommendations regarding the disclosure framework, and companies are increasingly disclosing information in accordance with that framework. In order to respond to such changes in the environment surrounding natural capital, we believe that companies must exercise proper risk management in relation to activities that could negatively impact natural capital and biodiversity, as well as pursue business opportunities that solve social issues, such as the preservation of natural capital and biodiversity.

FAIRR (Farm Animal Investment Risk and Return)

Signature Timing: June 2019

A livestock industry-related institutional investor initiative launched in 2015 by Jeremy Coller, the founder of Coller Capital (U.K.). The initiative educates people about livestock and fisheries industry risks, including the impact on the environment, as well as food safety (antibiotics) issues.

TNFD Forum Signature Timing: July 2023 / Signature Timing: October 2023 N

As a collection of stakeholders supporting the TNFD debate, the TNFD Forum enables discussion of the TNFD framework and raising awareness of the risks and opportunities associated with natural capital and biodiversity.

Sustainable Blue Economy Finance Principles (SBEFP)

Signature Timing: July 2019

These finance principles were developed in 2018 by the European Commission and others to support the realization of a sustainable blue economy. Aimed at advancing the achievement of SDG 14, "Life Below Water," these principles promote the mainstreaming of sustainability in ocean-related sectors within the finance industry by setting ocean-specific standards.

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S Human Rights

Corporate business activities involve a large number of people including employees and local residents, which is even broader when the supply chain is considered. Companies are expected to exercise proper risk management to ensure that their activities do not infringe upon human rights. We believe that companies must exercise human rights due diligence and other forms of proper human rights risk management in order to achieve sustainable improvement of corporate value.

WE SUPPORT UN GLOBAL COMPACT

UNGC (The United Nations Global Compact)
Signature Timing: June 2015 N

Non-binding action principles advocated by then UN Secretary-General, Kofi Annan, at the Davos Forum in 1999. It encourages businesses and groups worldwide to take actions in the areas of human rights, labor, the environment and preventing corruption.

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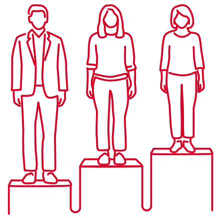


S Diversity, Equity, Inclusion & Belonging (DEI&B)

In order to realize sustainable improvement in corporate value, we believe that it is necessary for companies' human capital to be comprised of people with diverse values without regard to factors such as gender, nationality, race or age, and for companies to create a corporate culture that provides equal opportunities to employees and that welcomes diversity and inclusion. In addition, we feel that it is critical for companies to foster a sense of unity under which senior management and employees share a sense of purpose to sustainably improve corporate value.

30%+ Club PATH TO PARITY

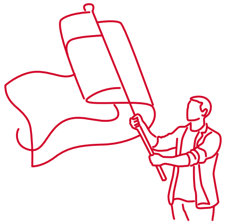
30% Club Japan (Investor Group) Signature Timing: December 2019

A group of asset owners and asset managers that engages in constructive dialogue with the boards of directors and senior management of portfolio companies, with the aim of highlighting the importance of gender diversity within senior management and realizing such gender diversity.

WE WOMEN IN ETFs

Women in ETFs Signature Timing: April 2022

"Women in ETFs" advocates for the goal of bringing together people from the ETF industry around the world to actively promote equality, diversity and inclusiveness. Its mission is to develop and sponsor human resources, recognize women's achievements in the ETF industry, and advance and grow the ETF community.



S Well-Being

Well-being refers to a state in which all people can seek happiness and live healthy lives. Well-being in society is realized by solving social issues in a variety of fields. Specific examples include health and safety (access to medicines, health and nutrition, drug resistance, animal welfare, etc.) and regional revitalization. In our view, the development and provision of products and services that contribute to addressing these social issues represent important business opportunities for companies, and could lead to sustainable improvement of corporate value.

Access to Medicine Index (Access to Medicine Foundation)

Signature Timing: July 2019

Founded in 2003 by Dutch entrepreneur Wim Leereveld. The organization encourages the pharmaceutical industry to do more to help low- and middle-income countries who have limited access to medicine. Signatories support the foundation's index.

Access to Nutrition Initiative (Access to Medicine Foundation)

Signature Timing: May 2021

Founded in 2013 by Dutch businesswoman Inge Kauer. Using proprietary analytical tools, the Initiative evaluates the level of response by the food and beverage industry to the two global nutritional issues of overnutrition and undernutrition, and urges the food and beverage industry to improve the dietary habits of adults and children around the world.

Impact Investment Initiative for Global Health (Triple I for GH)

Signature Timing: September 2023

©Impact Investment Initiative for Global Health

The aim of this initiative is to promote the flow of public and private funds towards the field of global health and contribute to achieving universal health coverage* and the SDGs, primarily in developing countries. An additional goal is to contribute to solving international social issues by sharing impact reporting and good practices in the global health field.

* A state in which all people can receive appropriate health care services such as prevention, treatment, and rehabilitation, at an affordable cost.

G Corporate governance

Corporate governance is a structure for transparent, fair, timely and decisive decision-making by companies. From this perspective, the board of directors is responsible for the supervision of management, while nominations, compensation, and audits are the means to ensure the board fulfills its role. We believe that companies must strengthen corporate governance so that their management can properly manage various risks including the ESG issues mentioned above, while pursuing business opportunities to achieve sustainable improvement of corporate value.

ICGN (The International Corporate Governance Network)

Signature Timing: December 2018

Established in 1995 to promote effective corporate governance standards and foster responsible investment to advance efficient markets and sustainable economies worldwide.

ACGA (The Asian Corporate Governance Association)

Signature Timing: November 2018

Established in 1999 to engage in research and provide corporate support and education related to corporate governance in order to promote corporate governance in Asia.

JSI (Japan Stewardship Initiative) Signature Timing: November 2019

Aims to identify practical issues between asset owners and asset managers and to support efficient transmission of information aimed at advancing and deepening stewardship activities.

Other ESG Related Initiatives

GRESB

Signature Timing: March 2021

Measures the environmental, social, and governance (ESG) of individual companies and investment funds in the real estate sector. GRESB was launched in 2009, mainly by European pension funds, as a source of information to use when selecting investments and during dialogue with portfolio companies and investment funds.
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Principles for Financial Action for the 21st Century

Signature Timing: January 2012

Formulated in October 2011 based on a proposal by the Ministry of the Environment's Central Environmental Council as action guidelines for financial institutions that wish to fulfill their responsibilities and roles as required for the formation of a sustainable society.

Environment Programme –Finance Initiative UNEP FI

Signature Timing: January 2019 N

UNEP FI is a partnership established between the United Nations Environment Program (UNEP) and financial institutions worldwide. Since its establishment in 1992, UNEP FI has been cooperating with financial institutions and regulatory authorities to promote a shift to a financial system that integrates economic development with ESG considerations.

ICMA Principles Membership

Signature Timing: June 2023

An international initiative that establishes standards, including the Green Bond Principles, the Social Bond Principles, and the Sustainability-Linked Bond Principles. The initiative aims to promote the healthy development of the global bond market by ensuring market transparency and through information disclosure and reporting.

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Our Activities

Stewardship Activities

Through our activities, including proxy voting and constructive dialogue (engagement), we encourage the management of portfolio companies to manage risks and pursue business opportunities that are associated with ESG issues and also to disclose information in accordance with relevant global initiatives.

Investment Decisions

We assess our portfolio companies' initiatives to address ESG issues based on our own standards from the perspectives of both risks and opportunities and incorporate the results in our investment decisions where applicable. If we assess a company's initiatives as insufficient, or if we determine that the issues cannot be solved through engagement, it may result in divestment or exclusion from our investment universe.

Our Business Activities

We recognize that business activities that take into account social value creation are important elements for realizing a sustainable and prosperous society. We strive to contribute to asset formation by offering investment products and services that help to address ESG issues and through efforts to expand the investment base through measures such as financial education.

Business Opportunities

We place particular focus on the realization of well-being within society when viewing business opportunities associated with ESG issues. We encourage portfolio companies to properly incorporate the realization of well-being within society into their management strategies and to quantify outcomes and disclose them along with the relevant targets.

Monitoring

We conduct monitoring based on global initiatives, including the Task Force on Climate-related Financial Disclosures (TCFD), in order to ascertain the status of ESG issues in our investment portfolio. Specifically, we monitor greenhouse gas emissions and other factors.

Initiatives

We participate in international initiatives and actively embrace accepted standards and norms. Through these initiatives, we conduct engagement jointly with other institutional investors and share best practices by actively cooperating with a wide range of stakeholders.

For information regarding our activities related to 'sustainability,' please refer to the 'Sustainability Report'.
https://global.nomura-am.co.jp/special/sustainability/#report

Governance and Disclosure to Promote ESG

At Nomura Asset Management, important decisions on management execution including this Statement are made by the Executive Management Committee, which consists of senior executives, to whom the proper authority has been delegated by the board of directors. We have established the Investment Policy Committee and the Responsible Investment Committee as the highest decision-making bodies in investment decisions and responsible investment to address ESG issues within a proactive framework. We have also established the Conflict of Interest Management Policy as well as a Responsible Investment Council and a Fund Business Operation Council, which have oversight for our responsible investment activities and products to ensure their appropriateness and validity. In addition, in order to properly fulfill our accountability, we will actively work on information disclosure regarding the abovementioned "our activities".

Nomura Asset Management's initiatives on PRI

Signatory of: PRI Principles for Responsible Investment

As a responsible institutional investor, we emphasize not only contributing to our clients' asset formation through the asset management business but also creating a "virtuous cycle of investment" through stewardship activities, thereby supporting the creation of social value in the companies we invest in.

The PRI (Principles for Responsible Investment) is a set of investment principles proposed by UN Secretary-General Kofi Annan in 2006 and designed to reflect environmental, social and governance (ESG) in investment analysis and the decision-making processes. Believing that advancing initiatives in line with the investment principles espoused in the PRI is important in terms of fulfilling our fiduciary duty, Nomura Asset Management signed PRI in March 2011 and is strengthening its activities related to responsible investment. As of March end, 2026, there are over 5,000 signatories globally, of which about 150 are Japanese signatories.

Nomura Asset Management has been proactively contributing to PRI's activities. We play a leading role as a member of the Japan Advisory Committee, which helps raise the profile of PRI in Japan, as well as the advisory committees of PRI's collaborative initiatives related to human rights and social issues (Advance) and natural capital and biodiversity (Spring).

Results of the 2025 PRI Assessment

We participate in PRI's annual evaluation, which helps us to improve our responsible investment activities. Nomura Asset Management was awarded the highest rating of "Five Stars" in eight modules in the 2025 PRI Assessment. This assessment involved Nomura Asset Management's initiatives in 2024 spanning a total of 10 modules.

The PRI secretariat assesses the implementation status of responsible investment on a five-star scale for each module based on reports that PRI signatories submit. Continuing from last year, Nomura Asset Management received the highest rating of "Five Stars" in Policy Governance and Strategy, three modules for Direct Listed Equity, two modules for Direct Fixed Income, and one module each for Indirect Listed Equity and Indirect Fixed Income. Even amid a rise in median scores overall, we outperformed the median value in nine out of 10 categories.

* In the PRI Assessment Report, Nomura Asset Management was assessed on a total of 10 modules. Please refer to the reports listed below for more information on all assessments, including indirect modules.

PRI Assessment Report 2025
https://www.nomura-am.co.jp/news/Assessment_Report_2025.pdf

PRI Public Transparency Report 2025
https://www.nomura-am.co.jp/news/Public_Transparency_Report_2025.pdf

Appointed Chair of the PRI Japan Advisory Committee and organized a human rights webinar

Since 2023, Senior ESG Specialist Fuyumi Takeuchi has served as a member of the PRI Japan Advisory Committee, and was appointed Chair for fiscal 2025. The committee includes a dozen responsible investment experts from diverse fields including asset management firms, asset owners, private equity, and real estate. As Chair, she oversees quarterly meetings and encourages active discussions.

In collaboration with PRI, the committee plans a variety of events and workshops. In February 2026, Nomura Asset Management took the lead in hosting the second human rights webinar, "Serious Investor Action on Human Rights Vol. 2: Expectations for the New National Action Plan (NAP) on Business and Human Rights and Examples of Corporate Human Rights Initiatives." Senior ESG Specialist Madoka Minagoshi spoke at the event and delivered the message that human rights risks can never be reduced to zero, no matter much action is taken, and therefore prevention, early detection, and early response are essential, and companies should implement a PDCA cycle for that purpose. More than 80% of participants responded that they were "satisfied" and that the session helped them understand the current state of corporate actions to address business and human rights as well as investor expectations. It has also been decided that Fuyumi Takeuchi will continue to serve as a chair in fiscal 2026, and we will keep working to further advance responsible investment in Japan.

2025 PRI Assessment results

			Module score	Module median	Star score	AUM coverage
Policy Governance and Strategy			97	66	★★★★★	
Direct	Listed equity	Active quantitative	100	76	★★★★★	<10%
Direct	Listed equity	Active fundamental	100	78	★★★★★	<10%
Direct	Listed equity	Passive	100	56	★★★★★	≧10 and ≦50%
Direct	Fixed income	SSA	95	70	★★★★★	≧10 and ≦50%
Direct	Fixed income	Corporate	97	75	★★★★★	<10%
Direct	Hedge funds	Long/short credit	0	58	★☆☆☆☆	<10%
Indirect	Listed equity	Active	94	66	★★★★★	<10%
Indirect	Fixed income	Active	100	66	★★★★★	<10%
Confidence building measures			86	80	★★★★☆	

Nomura Asset Management's initiatives on PRI

Participated in the PRI in Person 2025 held in São Paulo, Brazil

Nomura Asset Management participated in the 17th PRI in Person 2025 held in São Paulo, Brazil, in November 2025. PRI in Person is the world's largest ESG conference, held annually. Over 1,200 participants attended the São Paulo event in person, including over 40 attendees from Japan.

The thematic focus was "Global challenges, resilient strategies, investable opportunities." Sessions covered global trends in responsible investment, and we discussed the latest topics and issues with many overseas investors.

At the session, Brazil's Minister of the Environment and the President of Latvia delivered remarks. In addition to existing themes such as the integration of climate, nature, and biodiversity, and system-level risks and opportunities such as climate change, inequality, and nature loss, lively discussions were also held on emerging topics including responding to anti-ESG sentiment, geopolitical risks, and the use of AI.

During the event, the official launch of Brazil's sustainable taxonomy drew particular attention. The conference also focused on Brazil- and region-specific issues such as preventing deforestation and restoring forests, and promoting investment in emerging markets. As PRI will mark its 20th anniversary in 2026, this edition of PRI in Person, held at such a milestone moment, offered all participants an opportunity to reflect deeply on the changing role of PRI and the future of responsible investment.

Spoke at side events on physical climate risks and collaborative initiatives

At PRI in Person 2025, Jason Mortimer, Head of Sustainable Investment for Fixed Income (pictured on right), and Senior ESG Specialist Fuyumi Takeuchi (pictured on left) each spoke at side events.

Jason Mortimer participated in a roundtable hosted by the MSCI Institute on the theme of "Corporate Resilience to Physical Climate Risks." He discussed how companies are responding to the realities of rising physical climate risks, as well as the opportunities for investors and the implications for policymakers. He advised investors to collect data, integrate it into the investment process, and make sure resilience is factored into prices.

Fuyumi Takeuchi spoke at a side event on collaborative stewardship activities hosted by PRI. In addition to PRI's initiatives on natural capital and human rights, Nomura Asset Management also participates in international initiatives such as Access to Medicine, which works to improve access to medicines in low- and middle income countries, and we engage collaboratively with multiple investors. We serve as lead investor in many collaborative engagements, and the discussion focused on the significance of taking on that major role, our motivations, the outcomes achieved, and the challenges we face.

In recent years, the importance of international collaborative engagement has increased, and the trend toward initiatives including Japanese companies in their scope has also become stronger. She explained that the presence of Japanese asset management firms acting as a bridge between global investors and Japanese companies is growing. She also talked about how Nomura Asset Management believes that having a strong presence in international initiatives also contributes to bolstering the firm's investment capabilities and this is why we are stepping up our efforts.

Visited the Brazilian tropical savanna, the Cerrado, on a field trip hosted by PRI Spring

We participated in an investor field trip hosted by PRI Spring, in which we serve as an Advisory Committee member and a lead investor in engagements with two Japanese automobile manufacturers (pictured below). Together with investors from around the world, we observed initiatives aimed at forest conservation and improving the rights of Indigenous peoples in the Cerrado, a tropical savanna region spanning central-western Brazil. Once described as barren land, the Cerrado has been transformed through land improvement into one of the world's major soybean and beef-producing regions. While this has created economic value, more than 50% of the original vegetation has already been lost, and deforestation has become a major threat. How to balance rising demand for grains with preventing deforestation is one of the major themes in responsible investment.

On the first day, we observed and took part in the collection and planting of native seeds, one of the projects to restore the Cerrado's native vegetation. On the second day, we held discussions with community leaders in the Kalunga territory, which was established by formerly enslaved people of African descent, and visited the area which is rich in nature with the guidance of an Indigenous guide. Biodiversity and human rights are closely intertwined, and as investors, we felt even more strongly the need to encourage corporate activities that take the lives of local communities and the environment into account. We will apply the lessons learned from this trip into our day-to-day engagement activities.