Message from the Chairperson of the Board of Directors

I was appointed as an independent outside director in 2021, and in my role as Chairperson of the Board of Directors, I have been looking at how the company approaches responsible investment from a governance perspective. Under the government's vision of "Promoting Japan as a Leading Asset Management Center" the social responsibility asset management companies are expected to fulfill has only become greater. Asset management companies are being asked to fulfill their fiduciary duty by standing independently, placing the long-term interests of beneficiaries first, and contributing to a sustainable society. Our purpose, "Realizing a prosperous society," serves as a guiding principle in carrying out that responsibility.

In recent years, global markets, including those in the United States, have become even more uncertain amid rising geopolitical tensions and growing debate over policy and regulation. At the same time, in Japan, efforts to strengthen corporate governance and a greater awareness of capital efficiency are steadily resulting in companies taking medium- to long-term value creation more seriously. I believe asset management companies, while carefully assessing global trends, have an important role to play by understanding the characteristics and growth potential of Japanese companies, and in acting as a bridge based on a long-term perspective.

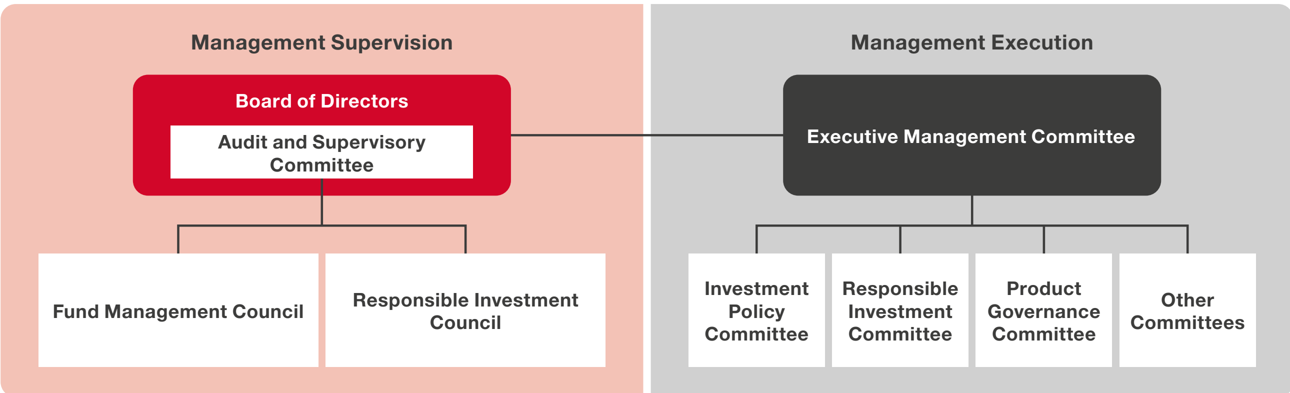
Stewardship activities are also entering a new phase. Engagement and proxy voting should not be treated as separate activities; rather, it is increasingly important to connect what we learn through dialogue to our proxy voting decisions, and to be used together to support positive change at companies.

ESG should not be viewed as a checklist of separate items to be evaluated. It should be seen as part of the management foundation that supports a company's medium- to long-term competitiveness and resilience, and asset management companies are expected to reflect that consistently in their investment decisions and dialogue with companies.

As one of Japan's leading asset management companies, I hope the firm will continue to stay true to its north star—the long-term interests of beneficiaries—and contribute both to sustainable investment returns and to the realization of a prosperous society through constructive dialogue and disciplined communication with companies.

Seiichiro Yamamoto
Outside Director
Appointed in 2021

Management Structure



Biography

April	1985	Joined the Yasuda Trust & Banking (Currently Mizuho Trust & Banking)
December	2006	Director, AllianceBernstein Japan
March	2012	President&CEO, AllianceBernstein Japan (Chairman from December 2018)
June	2014	Partner, AllianceBernstein L.P. (U.S. Headquarters)
April	2019	Founded Y-Labs, Inc.; specially-appointed professor, Sophia University (current)
July	2019	Board Member of the University of California at Berkeley Haas Business School (current)
April	2021	Chairperson of the Board of Directors, Nomura Asset Management Co., Ltd. (current)

Interview with the Chairperson of the Audit and Supervisory Committee

The Future Direction of Asset Management Companies

Ryoji Maeda

Outside Director, Chairperson of the Audit and Supervisory Committee
Appointed in 2021

Biography

April	1977	Joined Sumitomo Life Insurance Company
April	2002	Executive Officer, CIO of Investment Headquarters, Sumitomo Life Investment Co.,Ltd.
December	2002	Operating officer, Sumitomo Mitsui Asset Management Co.,Ltd.
June	2007	President and CEO, (Chairman of the company from April 2014), Sumitomo Mitsui Asset Management Co., Ltd.
April	2018	Permanent Audit & Supervisory Board Member, Allianz Global Investors Japan Co., Ltd.
June	2021	Outside Director, Nomura Asset Management Co., Ltd. (current)

Q: You previously led an asset management company. As corporate governance in Japanese companies is also changing, how do you see governance at asset management firms?

A: I was directly involved in managing an asset management company for seven years, from 2007 to 2014. At that time, governance at asset management firms was not discussed so often. When I joined Nomura Asset Management as an outside director in 2021, I acutely sensed that the public perception of asset management companies had changed significantly. There is now much greater emphasis on a firm's independence and its client-first approach. I also get the sense that ESG initiatives, stewardship activities, and corporate governance reforms are all moving forward at a very fast pace.

Q: As Chairperson of the Audit and Supervisory Committee, you oversee the governance of the company as a whole. How do you view our structure and initiatives?

A: Since Nomura Asset Management is part of the Nomura Group, I feel we have built a structure that places a strong emphasis on independence. For example, the Responsible Investment Council has a mechanism in place to rigorously review any matters where a conflict of interest may be suspected, from a fair and impartial perspective. In responsible investment, the company clearly defines its basic principles, such as what constitutes "desirable management practices," and has established proxy voting guidelines. For proposals that are difficult to make a judgment on, the Responsible Investment Committee brings together expert members to exchange views and discuss them thoroughly, and the company makes its decisions through a robust process. The proxy voting standards are also revised every year ahead of market developments, which gives me the impression that the company is striving to realize forward-looking management.

Q: In light of recent trends such as the shift toward Japan becoming a leading asset management center, what direction should Nomura Asset Management pursue, and what are your expectations for the company?

A: With government policy and the inflationary environment reinforcing each other, I believe the importance of asset management will continue to grow. With the launch of the new NISA system and other developments, asset management firms are becoming more visible in society. Nomura Asset Management should be fully aware of its responsibilities and continue to carry out its stewardship activities with real discipline. At the same time, companies are placing greater emphasis than ever on improving corporate value—through lowering capital costs, reducing strategically-held shareholdings, and improving price-to-book ratios. To help further drive these changes, I believe it is important to bolster engagement efforts. I also hope the company will place an even greater emphasis on reflecting these considerations in its investment decisions, so that it can deliver higher returns to clients.

Biography		
April	1996	Joined ASTRA AB (currently AstraZeneca PLC)
May	2000	Obtained MBA from New York University
August	2000	Joined Merrill Lynch & Co. (currently BofA Securities)
April	2002	Joined TIAA-CREF (currently Nuveen, a TIAA Company)
May	2023	CEO and Chief Advisor, Aglow Management Inc. (current)
August	2023	Outside Director, Nomura Holding America Inc. (current)
October	2023	Completed the Advanced Management Program (AMP) at Harvard Business School
November	2023	Outside Director, SHIFT Inc. (current)
March	2024	Outside Director and Audit & Supervisory Committee Member, SUMCO Corporation (current)
April	2025	Outside Director, Nomura Asset Management Co., Ltd.
June	2025	Audit & Supervisory Committee Member, Nomura Asset Management Co., Ltd. (current)

Interview with a Newly Appointed Audit and Supervisory Committee Member

Japanese Asset Management Companies from a U.S. Perspective

Amy Shigemi Hatta

**Outside Director,
Audit and Supervisory Committee Member
Appointed in 2025**

Q: You also have experience working at an asset management company in the United States. When it comes to governance at asset management firms, what differences do you see between the U.S. and Japan, including differences in culture?

A: I think the concept of fiduciary duty has a different history in the U.S. and Japan. For example, at the Nomura Group, we have designated a “Fiduciary Duty Day” and conduct reviews of various initiatives. In Japan as a whole, I believe we are still at a stage where more energy needs to be devoted to advancing this effort. In the United States, fiduciary duty is very deeply embedded already.

Q: As a newly appointed member of the Audit and Supervisory Committee, you’ve been looking at the company’s governance. What was your first impression when you joined?

A: My first impression was that this company takes things very seriously. When something needs to be done, from A to Z, the company follows through on it with real discipline. There’s a strong sense of drive and commitment here, and that gives the organization a kind of energy you don’t often see elsewhere.

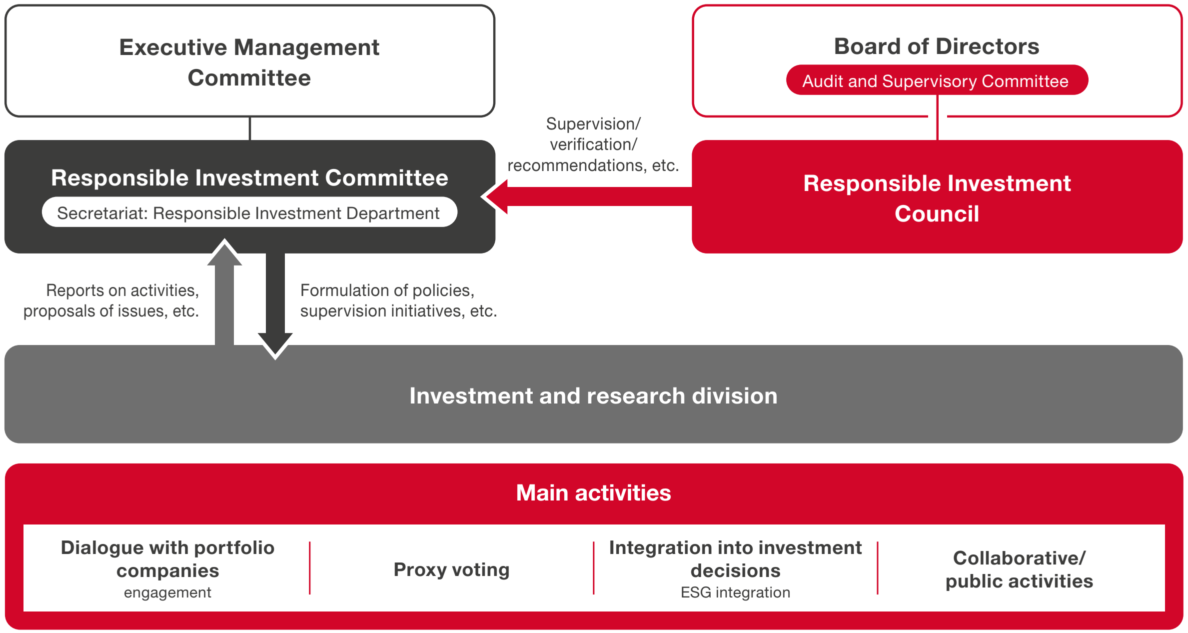
That said, I do think there’s room to think more carefully about how resources and efforts are allocated. For example, one question I’d raise is how we can make better use of ESG initiatives to strengthen Nomura Asset Management’s brand. As a leading company investing significant resources and producing high-quality ESG end products, it’s also important to think about how these efforts can contribute to stronger brand awareness.

Q: In the U.S., there has been some backlash against ESG. Taking these recent trends into account, what direction should Nomura Asset Management pursue, and what are your expectations for the company?

A: I don’t think ESG can be sustainable if it ignores economics. The real question is: What is ESG for? We should be thinking about what kind of business model can remain sustainable while still supporting a company’s profitability and growth.

As for Nomura Asset Management, I think the firm needs to take a broader view rather than seeing itself simply as “Nomura Asset Management in Japan.” With Nomura Holdings acquiring Macquarie Group’s U.S. subsidiary and other businesses, Nomura Asset Management now has an even greater responsibility to support the Investment Management Division with its global business. I believe it’s important for both senior management leaders and every employee to think in terms of how Nomura Asset Management can contribute on a global scale.

Organizational Structure for Responsible Investment



Member composition

The Responsible Investment Council comprises only the Chief Conflict Officer and persons in independent positions in Nomura Asset Management, including independent outside directors. Currently, the Responsible Investment Council has three members: one Chief Conflict Officer and two independent outside directors. (As of April 1, 2026)

About the Responsible Investment Council

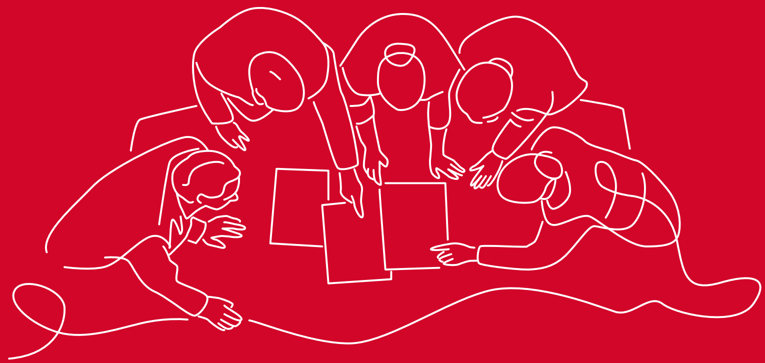
The Responsible Investment Council verifies the appropriateness and validity of stewardship activities, including the formulation of proxy voting guidelines, proxy voting decisions, the formulation of engagement policies and engagement activities, thereby aiming to prevent adverse impacts on clients' interests due to conflicts of interest or other issues, while also strengthening the governance of responsible investment.

Positioning

The Responsible Investment Council is positioned under the Audit and Supervisory Committee. As necessary, the Responsible Investment Council recommends improvements to the Executive Management Committee and/ or the Responsible Investment Committee, and reports such recommendations to the Board of Directors and the Audit and Supervisory Committee (Refer to "System to Manage Conflicts of Interest" on P.88).

Meetings held

Since its establishment in September 2016, the Responsible Investment Council has met a total of 65 times through December 31, 2025. The Responsible Investment Committee is attended by the members of the Responsible Investment Council, who promptly provide their opinions.



Results of Self-Evaluation of 2025 Stewardship Activities

We are actively engaged in stewardship activities in order to encourage investee companies to increase their corporate value and promote sustainable growth, and to increase medium- to long-term investment returns for clients and beneficiaries.
To further enhance our activities, we performed a self-evaluation of our stewardship activities in 2025 (January to December), the results of which are discussed in this section.
This self-evaluation corresponds to the self-evaluation required by Guideline 7-4 of the Japan Stewardship Code, which was revised for the third time on June 26, 2025.

Self-Evaluation Methodology

We conducted a survey mainly of members of the Responsible Investment Committee*, the highest decision-making body for our stewardship activities, and held discussions based on the results of the survey.
Members of the Responsible Investment Council, which monitors the Responsible Investment Committee, particularly with regards to matters related to conflicts of interest, also participated in the survey and in subsequent discussions.

*In addition to formulating a basic policy for responsible investment and proxy voting standards, the committee deliberates and decides on proposals that cannot be judged in accordance with these standards.

Survey Overview

People surveyed

The following people responded according to the questions.

Responsible Investment Committee members **6** (Comprises 6 members from the investment and research functions)	**Responsible Investment Council members** **3** (Comprises one Chief Conflict Officer and two independent outside directors)
Responsible Investment Committee Secretariat members **7**	

Survey timing

November 2025

Period covered

January to December 2025

Response format

- Signed
- Multiple choice (4 choices)
- Comments written freely

Results of self-assessment (overall) Future Actions

More than 90% of respondents indicated that stewardship activities in Nomura Asset Management were appropriate. The Responsible Investment Committee held discussions based on the results of the survey and comments received, and the final assessment was that the company was generally able to carry out appropriate stewardship activities, including addressing the points for improvement identified in the previous assessment.

The points for improvement identified in the previous assessment

- In light of the increasing complexity of proposals and the advancement of proxy voting standards, enhance the robustness of the proxy voting operations to ensure accurate assessments of proposals.
- Further enhance the processes, considering the rising standards required for engagement, such as the escalation to proxy voting.
- To fulfill our stewardship responsibilities, strengthen efforts to further develop and maximize the value of our human resources.

Among the 2025 stewardship activities, the following initiatives were highlighted for enhancing effectiveness:

01 **Strengthening the robustness of the proxy voting process.**

02 **Reviewing policies through appropriate processes, and further promoting the integration of engagement and proxy voting.**

03 **Enhancing human resource value and knowledge-sharing through participation in internal workshops and international initiatives.**

Future Actions

The following points were identified as areas that need to be bolstered to further enhance the effectiveness of our stewardship activities in 2026.

- Revisit the system for deliberation and information provision at the Stewardship Activities Committee and enhance its functions.
- Optimize the engagement process in response to an increase in opportunities for engagement and a rise in the level of engagement required.
- In order to fulfill stewardship responsibilities, strengthen human capital by further promoting the build-up of knowledge about sustainability issues and the deep entrenchment of action policies.

Please refer to the link below for the results of our self-evaluation of our activities corresponding to each principle in Japan's Stewardship Code.
https://global.nomura-am.co.jp/responsibility-investment/investors/stewardship.html

Nomura Asset Management's ESG Communication Activities

Nomura Asset Management is also focusing on delivering information related to ESG. Nomura Asset Management employees give presentations and participate as panelists at seminars to help people gain a better understanding of ESG. Also, we work with initiatives as well as public institutions to discuss ESG issues. Furthermore, by participating in efforts to establish standards for ESG reporting, we convey our knowledge and insights about ESG to various stakeholders in an easy-to-understand manner.

Collaboration with initiatives, domestic and overseas public institutions, etc.

- Steering Committee member and Chair of the Multistakeholder Working Group, Japan Stewardship Initiative (JSI)
- Member of the Industry Advisory Panel (IAP) and Co-chair of the Working Group on the ASEAN Taxonomy & Transition established by the ASEAN regulatory authority
- Committee member, Constructive Dialogue Promotion Working Group and Impact Investment Working Group, Committee on Financial and Capital Markets, Japan Business Federation (Keidanren)
- Advisory Committee member for "Advance," the PRI's collaborative initiative for human rights and social issues
- Advisory Committee member for "Spring," the PRI's collaborative initiative for nature
- PRI Japan Advisory Committee member
- PRI Sustainable Systems Investment Managers Reference Group (SSIMRG) member
- ICGN Global Policy Committee and Future Leaders Committee members
- Ministry of Economy, Trade and Industry: Skills Development and Responsible Business Conduct for Transition – Member of the project working group to develop business and human rights materials

Internal Seminars in Nomura AM

- Held an internal workshop on biodiversity led by Keisuke Ueda, chairperson of the Wild Bird Society of Japan and professor emeritus at Rikkyo University. (His title was at the time of his presentation on January 14, 2025.)
- An internal workshop on marine plastic issues was held by Mr. Maeda, deputy counselor and section chief of SDGs Strategy Division, Future Environment Department, Tsushima City, and students from Bilder, a content creation and dissemination group at Rikkyo University. (His title was at the time of his presentation on November 19, 2025.)
- An ESG-related briefing was held for our company's Investment Research Unit in August. Held internal workshops on "Risk Management and Risks in the Digital Society," "Human Rights and Human Capital," "Well-being," "Climate Change and Natural Capital," and "Integrating Engagement and Voting" in September.
- Held an internal workshop on revised proxy voting standards for our company in October.
- Held briefings and workshops for our Investment Research Unit on "PRI in Person," "Activist Research," "Research on Executive Compensation Systems and Skills Matrix", "GIIN Impact Forum and Human Rights Engagement" and the "ACGA (The Asian Corporate Governance Association) Seoul Conference" in December.

External Activities in 2025

Month	Activities
January	• Delivered explanatory video at ICJ about our proxy voting standards to issuer companies
February	• Delivered explanatory video about our proxy voting at listed company board members' governance forum • Participated in the United Nations Development Programme (UNDP) Human Rights DD (Due Diligence) Dialogue Panel Discussion • Participated in the International Labour Organization (ILO) Roundtable: Discussing Business and Human Rights Across Industries
March	• Spoke at a Mizuho Securities Seminar "2025 Proxy Voting Standards and Philosophies of Major Asset Managers" • Panelist in panel discussion at the ICGN 30th Anniversary Asia Conference • Panelist in the Asian Development Bank (ADB) seminar on "Sustainable Finance: The Key to Greening Business Ecosystems" in Colombo, Sri Lanka • Presenter and panelist at the Asian Development Bank (ADB) "Capacity Building Workshop Program" held by the Ministry of Economy and Finance in Phnom Penh, Cambodia
April	• Participated in panel discussion at AVPN Northeast Asia Summit 2025 (Triple I panel) • Panelist at Sustainable Debt EMEA 2025 Conference in London, U.K.
May	• Contributed to Asian Development Bank (ADB) report *Harnessing Digital Transformation For Good 2025 Policy Report* "Cybersecurity for Sustainable and Inclusive Digital Economic Transformation" • Panelist for Transition Pathway Initiative: Navigating the Coal Transition in Asia (online webinar) • Speaker at the Japan Society for Artificial Intelligence's "Analysis of Estimation of Directors' Skill Matrix and Corporate Characteristics" • Speaker at CFA Association Seminar Japan Investment Conference 2025 "Enhancing Operational Capabilities and Engagement Activities"
June	• Panelist at the World Bank's Government Borrowers Forum 2025 in Dublin, Ireland • Panelist at FT Live's Global Fixed Income Investors Forum 2025 in London, U.K. • Panelist at Sustainable Finance 2025 Event in Hong Kong (SAR) for corporate finance officers • Panelist on environmental finance panel at Sustainable Debt Asia 2025 Conference in Singapore
July	• Spoke at TSE and JPX joint seminar "Institutional Investors Deliver! From Investment Policies to How Companies Should Disclose Information to Investors" • Presented "Disclosure of Directors' Skill Matrix and Its Impact on Corporate Performance and ESG Scores: Evidence from Japan" at IIAI AAI CDEF
August	• Presented and participated in panel discussion at the Asian Development Bank (ADB) Asia Impact Webinar "Mobilizing Private Capital for Climate Action"
September	• Contributed to the transition finance section of the *Transition Finance, Policy and Technology Report to the 2025 ASEAN Summit Malaysia* produced by the Ministry of Economy, Trade and Industry/Asian Development Bank/Economic Research Centre for ASEAN and East Asia
October	• Panelist at WBA, BHRRC and Human Rights Now (HRN) Webinar "Promoting Human Rights Due Diligence in Japan" • Presented at Japan Weeks side event at Nomura Asset Management Seminar 2025 • Panelist at Reprisk Corporate Behavior Risk Management Seminar on Growth in Private Asset Investment and Lending (Tokyo)
November	• Participated in panel discussion on proxy voting at the Osaka Stock Conference • Presented at PRI in Person 2025 Climate Risk and Collaborative Stewardship Side Event in Sao Paulo, Brazil • Co-presented at the 7th Autumn Research Meeting of the Japan Institute of Finance on "ESG Risk Under Family Leadership: A Study of Japanese Firms with Family CEOs"
December	• Participated in the investor panel about the PRI Spring field trip in at the PRI Nature Forum • Presented at buy-side career event held by Women in ETFs and the Japan Stewardship Initiative (JSI) • Contributed to the Asian Development Bank's (ADB) "Capital Mobilization for Local Government Finance in the Asia-Pacific Region through Green Social Sustainability Bond Markets 2025" • Participated in the Net Zero Asset Managers' (NZAM) C-Suite Roundtable

(Note) IIAI AAI: International Institute of Applied Informatics - International Congress on Advanced Applied Informatics
CDEF: Data Sciences in Economics and Finance

Yosuke Uchida
Head of the Responsible Investment Department

2025

Review of 2025

2025 was a year in which we accelerated our efforts towards promoting Japan as a leading asset management center as envisioned by the Japanese government. We also played a leading role in the Asset Management Forum, and at its annual general meeting we participated in the publication of a statement that compiled recommendations and issues to be addressed. In addition, as reforms such as the review of Tokyo Stock Exchange (TSE) market segments moved forward, we considered what institutional investors could do to revitalize the market and, together with the TSE, held an engagement seminar for small- and mid-cap companies, including those listed on the Growth Market shortly after their initial listing. Following that, we organized CEO dialogues in a roundtable format with companies that participated in the seminar, and in principle, conducted SR meetings with all companies that requested meetings.

In addition, incidents related to personal data management and cyberattacks have been on the rise. From the perspective of strengthening risk management at the board level, we set “risk management in the digital society” as a priority theme and worked to address issues such as cybersecurity measures and AI ethics.

Regarding our proxy voting standards, although the trend toward stricter standards has shown signs of leveling off, we made progress in integrating proxy voting with engagement based on dialogue with individual companies. On the other hand, in cases where insufficient efforts or improvements were seen in engagement, we escalated matters to proxy voting.

2026

2026 and Beyond

Although anti-ESG movements were not seen to the extent initially feared last year, since the beginning of this year we have sensed growing concerns that momentum in sustainability—particularly in diversity and women’s advancement—may be losing momentum and stagnating. However, initiatives related to sustainability should not be swept along by temporary trends or fads; rather, they are efforts intended to strengthen and secure companies’ sustainable growth over the long term. This year marks the eighth year of publication of our Responsible Investment Report, and in looking back, we can trace a consistent path of gradual progress at roughly the same pace in our participation in investor initiatives and the resulting collaborative engagements, climate change initiatives, and monitoring board reforms. We take pride in this consistency and our commitment to sustained efforts.

This year in Japan, discussions on revisions to the Corporate Governance Code and amendments to the Companies Act are reaching a stage where opinions are being consolidated. There are concerns that shareholder rights may be curtailed in areas such as the system for identifying beneficial shareholders and the way general shareholder meetings are conducted. In M&A transactions accompanying business restructuring, and in the privatization of listed subsidiaries, there have also been cases where it is questionable whether the rights of minority shareholders have been adequately protected.

Progress has been made on corporate governance reforms, but “responsible investors” are now expected to act in ways that do not undermine this momentum.