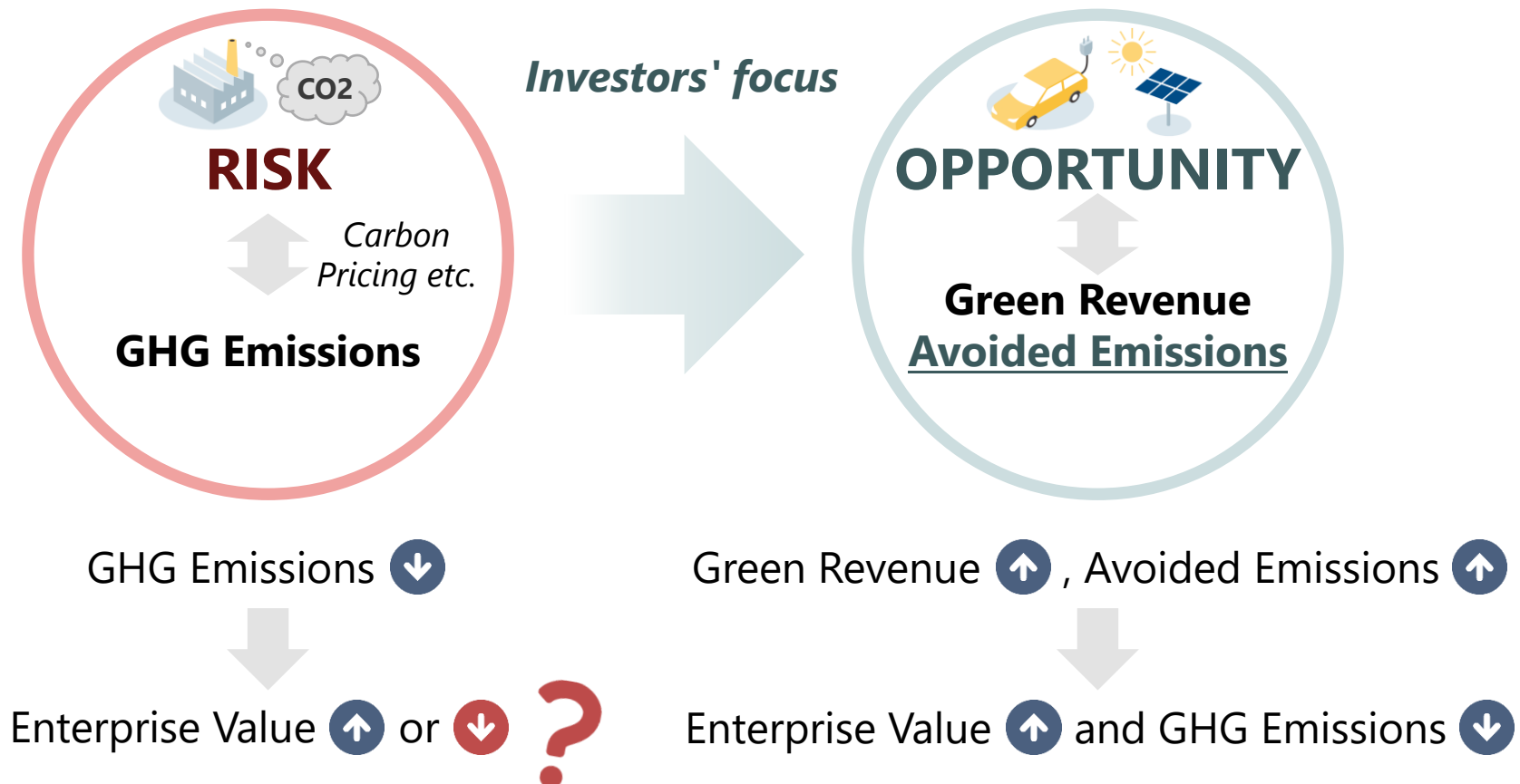


Need for Assessment of Climate-related Opportunities




Expectation for Investors toward Carbon Neutrality by 2050

- Properly assess climate-related risks and opportunities of investee companies
- Provide enormous amount of funds needed to achieve CN by 2050
- Reduce “financed emissions” in portfolio through engagement with companies



Assessment of Climate-related Opportunities in ESG Scores of Nomura Asset Management

Nomura Asset Management ESG Scoring Framework for Japanese Equities

| Main category | Sub-category |
|---|---|
| Environment  | E1: Environmental strategy, senior management's initiatives E2: Climate change E3: Natural capital, other environmental issues |
| Social  | S1: Social strategy, senior management's initiatives S2: Working environment, human capital S3: Human rights, other social issues |
| Governance  | G1: Top management (evaluation of senior management) G2: Evaluation of board of directors G3: Other governance items |
| SDGs | Business and resources contributing to SDGs |



| Sub-items |
|--------------------------------------|
| Trends in GHG emissions |
| Transition risks (financial impacts) |
| Climate-related opportunities |



Quantitatively reflected

- Avoided Emissions
- Removal
- Carbon offset