

Dear Mr Nagai,

**Open letter to Koji Nagai, CEO,  
Nomura Securities**

**Nomura Securities' climate leadership role**

I am writing to you about the lack of leadership your firm shows on climate change. As you know, the Task Force on Climate-related Financial Disclosures (TCFD) has carefully calibrated its asks to take account of corporate and investor concerns. Many independent commentators have said TCFD did not go far enough (e.g. by supporting voluntary rather than mandatory reporting) but the task force was keen to ensure widespread buy in from the for-profit world. The hope was, in the words of TCFD's Chair Michael Bloomberg, "We can start the process of making markets more efficient, economies more stable and businesses more resilient to systemic risks like climate change." Nomura is clearly operationally committed to taking a leadership role in tackling climate issues, evidenced by your firm's 32.4% reduction in CO2 emissions since 2009. This is a credit to your leadership.

At the Davos World Economic Forum (WEF) Marsh & McLennan produced the global risk report, setting out in no uncertain terms that "[environmental risks dominate the Global Risk Perception Survey for the second year running](#)", with all five environmental risks appearing – for the first time – in the top quadrant for impact and likelihood, highlighting that there is a growing level of awareness around the impacts that environmental risks can have on businesses and economies.

In light of the above, we find it very hard to understand why, when TCFD's final report was launched in June last year, your personal endorsement was noticeable by its absence. As you will know, other US CEOs did not hold back their support. And despite a change in its criteria for support – removing the requirement for CEO responsibility sign-off – we note that Nomura Securities' support is still missing. The firm is also notably absent in the list of twelve investment consultant signatories to the UKSIF's joint statement supporting the UK Pensions Regulator's latest guidance aimed at addressing the risks around long term sustainability, including environmental, social and governance issues.

[Of the ten largest investment consultants in the world only one – Willis Towers Watson – has signed up to the TCFD's recommendations.](#) In fact, there appears to be less climate advocacy and agency amongst investment consultancies compared with the top ten largest investment management firms – with six of the top ten largest by AUM signed up to TCFD.

Hence, we are writing to you to ask 2 things:

1. Expedite the sign off on TCFD by Nomura Securities to show that the corporation really backs the investment industry's commitment to tackling the climate crisis.
2. Investigate and share, at least with your own staff and your clients, why your firm has found it so hard to sign up despite your public profile on this issue. No doubt there will be factors that others need to act on, e.g. weak signals from even your climate aware clients, and which this investigation could usefully document. This could, arguably, be your biggest contribution yet to the sustainability debate.

As you know much better than I, investment consultants are very influential and able to substantially sway the opinions of fund managers and asset owners alike. That is why I am writing to the CEOs of the ten largest consultancies to challenge you and your fellow CEOs to take your share of responsibility for addressing the major systemic risks posed by the climate crisis. Even for those firms who have "[pockets of ESG excellence](#)" this is not enough. Consultants must support the changes we need to see in market structures and industry norms and TCFD is the obvious example. Without this, we will not address climate change in time. With clients that have fiduciary responsibilities for being long-term and demonstrating inter-generational equity, your organisation must do its bit to ensure the transition to a low carbon economy is as orderly as possible.

To conclude, it is now Nomura Securities' time to show leadership that mirrors the ambitions set out by the TCFD. Not to sign sends signals to fund managers and others, and we therefore hope you will take immediate corrective action.

Yours sincerely,

A handwritten signature in black ink that reads "David J. Murray". The signature is written in a cursive style with a large, sweeping flourish at the end.

David Murray, Chief Executive, Preventable Surprises