

The top of the page features a large, stylized graphic of the letter 'N' in various shades of red. To the right of this graphic, the word 'NOMURA' is written in white, uppercase, sans-serif font.

NOMURA

Modern Slavery Act Statement

NOMURA CAPITAL MARKETS LIMITED

SEPTEMBER 2016

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INTRODUCTION

This statement applies to **Nomura Capital Markets Limited ("Nomura")**.

At Nomura, we believe we have a responsibility to ensure that our business is conducted in an ethical way and we actively address social issues.

As part of this process, we have in place a Modern Slavery and Human Trafficking Policy (the "**MSA Policy**"), which seeks to identify and manage slavery and human trafficking risk in our business and supply chains.

In addition to the MSA Policy, we have in place [Nomura's Corporate Social Responsibility](#) commitments, a [Code of Ethics Policy](#) and a Whistleblowing Policy, which consider our social and human rights responsibilities.

ORGANISATION'S STRUCTURE

Nomura acts as a global derivatives warehouse to facilitate the activities of other companies within the Nomura Group. Nomura Holdings, Inc. is the ultimate parent company of Nomura and has its head office in Tokyo, Japan.

Nomura has an annual turnover in excess of £36 million.

SUPPLY CHAIN AND SUPPLIER DUE DILIGENCE

Nomura's supply chains are relatively simple and the nature of goods and services provides limited opportunity for modern slavery and/or human trafficking practices. However, it is important that Nomura monitors this continually.

In order to support the MSA Policy, Nomura includes additional enquiries in its procurement processes for goods, services and locations that are assessed as having a high risk of modern slavery and/or human trafficking. Also, we will endeavour to include a clause relating to modern slavery and human trafficking in our terms with third parties for the supply of goods and services.

In addition, as part of our initiative to identify and manage slavery and human trafficking risk:

- we are looking to build and improve our systems to better (i) identify, assess and monitor potential higher risk areas in our supply chains; (ii) mitigate the risk of slavery and human trafficking occurring in our supply chains through enhanced contract term controls (to the extent appropriate and obtainable); (iii) train Nomura's company Directors and, if relevant, employees as to these risks and the need to manage them; and (iv) protect whistle blowers;
- we build relationships with reputable suppliers and ensure that expectations of business behaviour are both clear and consistent; and
- where appropriate, (i) we expect our direct suppliers to have suitable anti-slavery and human trafficking policies and processes; and (ii) we will communicate our expectation that those suppliers must prohibit modern slavery and human trafficking in the supply chain and that they should work with their suppliers at each stage up in their supply chains to manage slavery and human trafficking risk.

IMPLEMENTATION

Nomura's Board of Directors shall have overall responsibility for the MSA Policy and this statement. The senior management of Nomura International plc ("**NIP**"), a group company in the United Kingdom, ("**Nomura UK Management**") shall be responsible for implementing our MSA Policy and the objectives considered in this statement.

The Human Resources Department of Nomura International plc, a group company in the United Kingdom and the provider of all human resources-related services to Nomura, will monitor progress of our efforts and issues (should they arise) in this area and report back to Nomura UK Management directly.

EFFECTIVENESS

We use the following indicators to demonstrate how effective we are in dealing with the risk of slavery and human trafficking in our business or suppliers:

We will monitor our performance against the following:

- training on modern slavery (see below);
- implementation of the MSA Policy;
- developing a system for supply chain identification, including, where appropriate, adding slavery and human trafficking enquiries and controls to our procurement policies;
- if relevant, continuing to ensure that we pay employees above minimum wage/living wage plus benefits;
- where appropriate, asking specific questions on modern slavery as part of our procurement processes; and
- inclusion of a clause relating to modern slavery in our terms with third parties for the supply of goods and services.

TRAINING

Nomura will provide training to educate Nomura's Board of Directors and, if relevant employees, on the importance of implementing and enforcing effective systems to ensure slavery and human trafficking is not taking place within our suppliers or business.

MONITORING AND REPORTING

If issues are identified in relation to modern slavery and/or human trafficking, these will be reported in accordance with Nomura's Whistleblowing Policy.

More general issues in relation to the running of Nomura's MSA Policy will be reported back to the Human Resources Department or the Corporate Legal Department.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our group's slavery and human trafficking statement for the current financial year.



David Benson
Director

Date: 19 September 2016