

# Nurturing Human Resources with a Respect for Diversity

## Fundamental Approach

Today persons of more than 70 nationalities work in Nomura Group. Human resources development respecting diversity is one of the most-important issues. This diverse workforce is the Group's greatest asset. Nomura believes that through letting employees respect various backgrounds and many sets of values of the others and all the employees work harmoniously, Nomura will be able to better satisfy a wide variety of needs of its customers and offer more value-added services. For each and every one of the employees to be active and successful utilizing her/his capabilities and personal strengths, Nomura Group provides equal opportunities. In addition, the Code of Ethics of Nomura Group forbids discrimination in any way at all on the basis of nationality, ethnic origin, race, gender, age, religion, beliefs, social standing, gender preference, gender identity, physical impairments, or other criteria in case of hiring, evaluation, and determining remuneration. From FY2015/16, to enhance the development of human resources, Nomura Group appointed a new Senior Managing Director dedicated to HR development.

## Personnel Development

The Retail Division encourages the personal growth of its employees through various educational programs that create a basis of necessary abilities and action requirements to develop capabilities for independent thinking, acting, and delivering results. The Group provides training for the first three years of employment and training at given career milestones (new hires, appointment, and promotion). Training for managerial-level personnel, in addition to instruction in developing leadership skills, also provides the specific knowledge and skills required while also reinforcing personal qualities and strengthening compliance awareness.

The Wholesale Division offers training to personnel to meet the standards needed to enable them to become leaders in the Group's global operations and to satisfy the needs of the division. Training aims to develop especially personnel who have capabilities for taking action and developing creative solutions. Specifically, training programs offer a selection of courses aimed at developing individual abilities and identifying personnel with leadership potential as well as mentoring programs that are offered selectively to develop the next generation of leaders.

Furthermore, we have Company-wide training programs aimed at raising the awareness of workplace ethics, programs to support employees in obtaining licenses or other certifications, and similar support for training that will

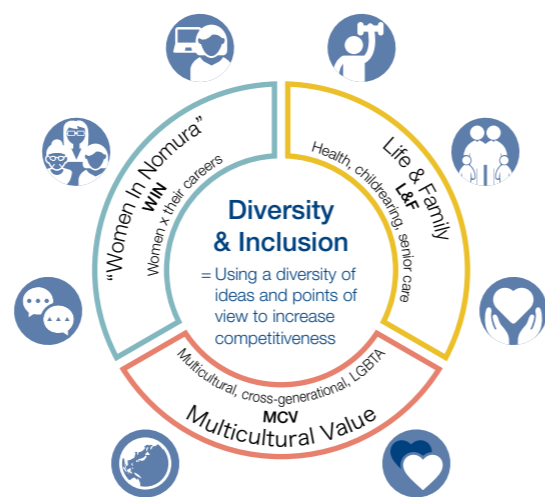
assist personnel in attaining their career objectives. We are also helping to build internal networks by enabling employees from different divisions and geographic regions to take part in the same training programs.

## Diversity and Inclusion at Nomura

Our aim for Diversity and Inclusion at Nomura is simple—it is essential that we encourage various points of view and ways of thinking among our people to win the trust of increasingly diverse and complex needs of clients and to offer highly value-added services to them.

Nomura's three autonomously operated employee networks provide a range of information that supports the work-life management of female employees and promotes understanding of diverse cultures as well as LGBT\* issues. In addition, through the planning and holding of related events, the networks provide opportunities for interchange internal and external to the Company. Also, by including training on diversity management in all managerial-level courses, Nomura is promoting the reform of the awareness of middle managers, and is placing emphasis on developing corporate cultures where a diversity of human resources can contribute actively.

\* LGBT: Lesbian, gay, bisexual, transgender, and other gender minorities



### Supporting Women through Their Career

Nomura offers opportunities for a wide range of activities to support female employees. In addition to introducing systems that go beyond minimum legal requirements, Nomura has adopted an employment system that allows general career type B Employees (who are not subject to relocation to other regions) to relocate (For further details, refer to page 58) and to switch to category A (employees who can be relocated) and vice versa.

To support women's career development, Nomura provides a variety of training and mentoring programs

along with their career stages, namely, for "Continuous Employment," for "Stepping Up," and for "Rising Higher." These initiatives are designed to create an environment where female employees feel motivated to work to the best of their abilities. Nomura has set a quantitative target to have 550 female managers in Nomura Securities by 2020. Nomura Group will further enhance its approaches for women's career growth and development.

The Keidanren (Japan Business Federation) established the Planning Sub-Committee of the Committee on Gender Diversity, where Junko Nakagawa, an Executive Officer of Nomura Holdings, chairs the sub-committee. In line with Keidanren's "Action Plan for Women's Activities: Enhancing Corporate Competitiveness and Achieving Sustainable Economic Growth,"<sup>\*1</sup> which was prepared in July 2014, Nomura posted a voluntary action plan on the Keidanren website<sup>\*2</sup> regarding the appointment of women as Directors and to other managerial positions.

\*1 <https://www.keidanren.or.jp/en/policy/2014/029.html>

\*2 <https://www.keidanren.or.jp/policy/woman/ap12461.html>



Staff members of the "Women In Nomura (WIN)"

### Employment of Handicapped Persons

Nomura Group offers a wide range of employment opportunities for the handicapped. To motivate handicapped personnel, their assignments are decided flexibly through ongoing discussions with the workplaces where they will be assigned, and, by placing them in positions suited to their capabilities, Nomura encourages them to be autonomous in their work and aims to provide them with a stable work life. At Nomura Securities, each year, employment opportunities offered to handicapped persons exceed the legal requirements, and handicapped persons are contributing actively in a wide range of departments.

## Employee-Friendly Work Environments

We support working conditions that allow each employee to fully concentrate on his or her work in a healthy condition, with both good physical and mental health. We have shifted our emphasis to early discovery and intervention. Our occupational health physicians periodically visit our worksites for health monitoring and conduct face-to-face interviews with supervising managers. Improvement measures are being introduced to departments where many employees work long hours, and employees who work such extended hours are recommended to consult with and receive the guidance of physicians. Based on the Industrial Safety and Health Act, Nomura Group has formed a Health Committee, which meets once a month. This committee discusses issues related to the status of the workplace environment and health and gives its attention to preventing all employees, including temporary and contract workers, from injuring their health.

### Mental Healthcare

To safeguard the mental health of employees, we provide access to psychiatrists and an employee counseling room staffed by a dedicated professional. We also offer consultation services provided by medical staff at our Health Management Center. Furthermore, we are committed to helping employees who have overcome mental illnesses return to the workplace.

### Initiatives in FY2014/15

1. For employees who have been ill and are returning to work, Nomura Securities prepared a return-to-work program to assist them in continuing their jobs. This initiative aims to create a workplace environment where employees are able to work without anxiety by clearly showing the process for returning to work and setting up an internal advisory service.
2. At the employees cafeteria in the head office in the Nihonbashi district of Tokyo, Nomura Securities provides a "Helsapo" lunch to assist employees in keeping themselves in good health. Nomura's proactive firm-wide efforts to promote employee health were highly appreciated and last year Nomura won the "2014 Ministry of Health, Labour and Welfare Award Given for Excellent Meal Facilities."

\* Helsapo is an abbreviation of "health support." The Helsapo lunch is a healthy menu designed to promote employee health. Under the "TABLE FOR TWO" program, a portion of the price of the meal is donated to provide school meals to children in developing countries.

## Nomura at 90. The Road Ahead

### Promotion of Diversity and Inclusion

There are three diversity and inclusion networks within Nomura. These are WIN, or Women In Nomura, which engages, supports, and retains women through their career development at Nomura; L&F, or Life & Family, which promotes a culture of good health, well-being, and work-life balance; and MCV, or the multicultural value network. MCV is a network that promotes values of diversity through cross-cultural understanding, inter-generational communication, and support for gender minorities such as lesbian, gay, bisexual, and transgender (LGBT) individuals and the straight "Allies" who support the LGBT community. These networks are operated on a global collaboration basis by Group offices and offer an environment in the workplace for promoting the activities of a diversity of employees.

**Relationships with Labor Unions**

More than half of the employees of Nomura Securities are members of the Nomura Securities Employees Union, and Nomura Securities has standing labor agreements with the union. To maintain sound and healthy relationships between labor and management, discussions are conducted with the union on a wide range of topics, not only when changes are to be made in various systems, such as employee welfare benefits and personnel management, but also on day-to-day issues, including respect for employee rights and management issues. Through these discussions, management and labor share views, and employees in the workplace have the opportunity to make their views known.

**Realizing Work Practices that Allow for Flexibility and Diversity**

**Reducing Long Working Hours and Providing for Flexibility in Work Styles**

Management and labor are monitoring hours that employees work to reduce excessively long hours and, thereby, maintain the physical and mental health of employees and enable them to conduct work efficiently. Specific initiatives include not only abiding by the provisions of the Japanese Labor Standards Act but also setting the joint management and labor objectives of having employees leave work at the set time on Wednesday and no later than 8 pm on other weekdays. Also, in some departments, since the nature of the work may require working into the night hours and on holidays, Nomura is working to optimize total hours worked by giving consideration to the actual conditions in each department and having managerial staff exercise flexibility regarding hours worked, including such measures as adopting a work shift system and encouraging employees to use their allotted vacation days. Moreover, Nomura provides for flexibility in work styles to provide employees with work security for the long term. In specific terms, Nomura has endeavored to provide improved arrangements that allow employees to take half day paid vacation time, take leaves for childbirth and rearing children, and time off for providing nursing care for seniors and others. In fact, all of the benefits provided by Nomura are above the legally requirement minimum. These include leave for giving birth to children and aftercare, leave time for rearing children, time off when a dependent gives birth to children, time off for childrearing, time for nursing sick children, supplements for child day care center expenses, and time off as well as leaves for nursing family members back to health.

**Introduction of a New Job Category and System for Changing Work Location**

To provide employee-friendly workplace environments where employees can continue to work for a longer number of years, Nomura extended the retirement age for the existing financial advisors in the Retail Division (“FA Shain”) until the age of 65 and introduced a new employee category called “FA Shoku” with the same retirement age. Nomura made a further amendment which allows employees, subject to permission, to work until the age of 70. Nomura Securities expects that these arrangements will enable employees to make better contributions based on their sophisticated skills and abundant experience.

Also, Nomura introduced the “Work Location Change” regime whereby general career type B Employees may, upon request and subject to approval, change their place of work within the branch network and continue to work for Nomura. General career type B Employees, who were not supposed to transfer among different regions under their employment contracts previously, were obliged to leave their jobs against their wishes if, due to personal reasons, such as marriage, transfer of their spouses, or need to care for family members, they were required to move out of the area where they were able to commute to their offices. The new regime makes it possible for such employees to continue their careers without conflict with their personal life events. In addition, Nomura has made more flexible the reemployment process of ex-employees who hope to come back to Nomura.

**Respecting Human Rights**

We have established various mechanisms to prevent discrimination and harassment, in accordance with the Code of Ethics of Nomura Group. Specifically, we set up the Nomura Group Human Rights Committee to debate and determine human rights initiatives as well as to share information across the Group from its secretariat. In addition, we continue to hold human rights training for all Nomura people, including members of the Board of Directors, to create greater awareness about human rights issues and make everyone aware of our consultation contacts for these matters.

All types of consultation contacts are available both within and outside the Company through our Sexual Harassment/Power Harassment Hotline to help prevent all types of harassment in the workplace. In addition, the Human Rights Awareness Office provides similar advisory functions for other human rights issues.

Nomura Group instituted its overseas training program in FY2013/14 to train the personnel aiming for further sustained growth as Asia’s global investment bank. Thus far, 33 employees have been sent to 14 countries. We believe this training program will enable each employee to come into contact with diversified values, encourage them to confront the challenges, and will enable them to respond to changing client needs and offer high-value-added services.

**Contributing to the Development of Agribusiness in Japan and Vietnam**

**Kota Imai, dispatched to Hanoi, Vietnam**

To overcome the difficulties of language barriers and the lack of personal connections, I dived proactively into new experiences such as living on a farm, developing new sales channels for agricultural products, and other challenges. The results I had were to discover a company aiming for listing its shares, to arrange for the business matching of Vietnamese and Japanese companies, and to give a presentation at a government sponsored agricultural conference attended by government ministers. I believe that I could contribute to agribusiness development by these experiences. I felt strongly that the main sources of successful business are “trust” and “human relationships.” I also think that I want to be a person who can earn high trust regardless of different nationalities and ethnic origins.



**Shinji Momonoe  
Department Head, Human Resources  
Development Department  
Nomura Securities**

This program is a human resource development system for employees who are in their fourth year with Nomura Securities. Participants in the program select the countries where they stay as well as their research themes, and they decide self-direction in foreign countries around the world. By giving them the opportunity to think on their own and take action in foreign countries whose cultures and values differ, they will improve their language skills and get used to global thinking. Looking to the future, we hope they can contribute to economic growth not only in Japan but also in the world with our commitment to placing our clients at the heart of everything we do.



**Supporting the Development of an Indian Fair Trade Company**

**Ken Matsumoto, dispatched to Mumbai, India**

I encountered a fair trade company that tried to sell T-shirts in Japan while I was doing research on poverty in India. Although I had no particular knowledge of the apparel industry or special connections, I continued to contact Japanese corporations and was successful in establishing a business relationship with one company. By carrying on my activities in Mumbai where the culture and business environment are completely different from Japan, I was able to get a deep understanding about economic conditions in Mumbai.



**Aiming to Create a New Korea-Japan Relationship**

**Kota Yamanaka, dispatched to Seoul, Korea**

Since I hope to contribute to the development of both Japan and Korea, I organized job seminars for Korean students who are seeking jobs in Japanese companies while aiming to solve Korea’s job shortage problem. I also arranged networking events jointly sponsored with the KOREA-JAPAN New Future Project (officially recognized by Japan’s Ministry of Foreign Affairs) in order to establish a new era of Japan-Korea relations beginning with young generations by exceeding the framework of finding a job. I would like to continue activities for improving relationships between the two countries which are quite close in business, culture, and education.

