

— Could you please share your thoughts on Nomura's strategy of establishing a dominant position as Asia's global investment bank?

I believe Nomura rightly sees many opportunities as Asia's global investment bank. While transforming the business model in Japan, Nomura pursues opportunities for growth across Asia, but is also in a unique position to support global clients as the most solid financial bridge between East and West. The recent strategic changes in EMEA and the Americas are important initiatives in this regard, as they are geared to stabilizing the profitability of the global franchise, thereby improving the strength and resilience of the bridge.

As regulatory authorities in all global centers endeavor to secure a strong financial system, Nomura management has worked hard to build constructive relationships, in EMEA, for example, where regulatory reform has been particularly ambitious and demanding.

I believe and expect that this strategic bridge will sustain and invite increasing amounts of 'traffic' over the coming years and decades, delivering important financial services to Nomura's clients around the world.

— What role do you think diversity should play in global management?

One of my first invitations to speak within Nomura was from WIN (Women in Nomura) in London. I was inspired by their businesslike and inclusive approach, which welcomes all employees to regular events and open discussions. I discovered that Nomura has an impressive program to assist and support employees, with generous and sensitive initiatives during maternity and parental leave.

More recently, the Group COO has established a Diversity and Inclusion Committee, chaired by himself, to promote more active and diverse participation across the Company, consistent with one of the three arrows of the Abenomics Growth Strategy.

As more than 70 nationalities work for Nomura, I am pleased to see that diversity is embedded within the Company. Management is aware that this will help Nomura to deliver financial solutions to clients around the world. Nomura is committed to employee networks that support career opportunities across a wide range of nationalities, cultures, ages and levels of experience and for female employees and LGBT staff. I believe this is a source of strength that will help to drive future growth for the Company.



Meetings attended only by Outside Directors are periodically held.

Nomura Group is progressively working to enhance corporate governance.

Fundamental Approach

Nomura Holdings recognizes that the enhancement of corporate governance is one of the most important issues in terms of achieving management's goal of enhancing corporate value by deepening society's trust in the firm and increasing the satisfaction of stakeholders beginning with clients.

We are working to make the Group's decision-making process speedy and efficient, in conjunction with ensuring effective oversight of management and management transparency through the enhancement of corporate governance.

Addressing Japan's Corporate Governance Code

- Implemented all principles of Japan's Corporate Governance Code

In anticipation of the enforcement of Japan's Corporate Governance Code to all publicly listed companies from June 2015, Nomura Holdings has been taking various initiatives to reinforce corporate governance.

Additionally, we took new actions such as disclosing the "Reasons for designation as a director

nominee" for all internal director nominees in the Notice of Convocation of the 111th Annual Meeting of Shareholders (held in June 2015), along with undertaking an evaluation of the effectiveness of the Board of Directors as a whole. As a result, Nomura Holdings has implemented all principles of Japan's Corporate Governance Code at this time.

Establishing Corporate Governance Guidelines

- Structure for transparent/fair and timely/decisive decision-making

In November 2015, the Board of Directors of Nomura Holdings, recognizing the perspectives of various stakeholders beginning with shareholders and clients, established the Nomura Holdings Corporate Governance Guidelines, with the aim of defining and contributing to the realization of a framework of effective corporate governance as a structure for transparent/fair and timely/decisive decision-making.

An outline of the Corporate Governance Guidelines is provided on the next page.

Please visit our website to view the full text of the Corporate Governance Guidelines and the Corporate Governance Report, which discloses the status of our measures to address Japan's Corporate Governance Code.

Outline of the Nomura Holdings Corporate Governance Guidelines

Board of Directors (»p.42)

- The Board of Directors shall, as a general rule, delegate its authority to execute business to the Executive Officers. The main role of the Board of Directors shall be management oversight.
- The composition of the Board of Directors shall have a diversity that enables active discussions from diverse perspectives.
- As a general rule, the majority of the Board of Directors shall be Outside Directors, and Directors shall include experts in accounting, corporate management, and law, etc.
- Three (Nomination, Audit and Compensation) board committees shall be established, each comprised of a majority of Outside Directors.
- The Board of Directors shall, based on the evaluation by each Director, analyze and evaluate the effectiveness of the Board of Directors as a whole and disclose a summary of the results.

» Nomination Committee

- The Nomination Committee shall decide director nominees based on certain appointment standards, including personality, insight, ethics, in-depth knowledge and experience in his/her field of expertise.
- The Nomination Committee shall establish Independence Criteria for Outside Directors and shall, as a general rule, nominate Outside Director nominees who satisfy such criteria.
- In light of the responsibilities of the Nomination Committee, the Chairman of the Nomination Committee shall be a Director who is well-versed in the business of the Nomura Group and the practices of the securities industry.

» Compensation Committee

- On the basis of the general rule of paying compensation commensurate with business performance, the Compensation Committee shall decide the compensation of Directors and Executive Officers while seeking to enhance objectivity and transparency based on analysis performed by external evaluation institutions, etc.
- The Compensation Committee shall utilize deferred compensation, to seek alignment with the interests of shareholders and increase long-term incentives.
- In light of the responsibilities of the Compensation Committee, the Chairman of the Compensation Committee shall be a Director who is well-versed in the business of the Nomura Group and the practices of the securities industry.

» Audit Committee

- All members of the Audit Committee must satisfy the criteria for independence in accordance with the Sarbanes-Oxley Act of 2002.
- As a general rule, at least one member shall be a financial expert.
- As a general rule, the Chairman of the Audit Committee shall be an Outside Director in order to strengthen the independence of the Audit Committee from execution functions and to enhance the transparency of audit activities.
- In order to enhance the effectiveness of audits, the Board of Directors shall appoint an internal Director who does not concurrently serve as an Executive Officer and who is well-versed in the Nomura Group's business as a full-time member of the Audit Committee or an Audit Mission Director.

Internal Controls System (»p.43)

- The Board of Directors shall oversee the status of the maintenance and operation of internal controls through audits by the Audit Committee and activities by the Internal Audit division, which is independent from the business execution functions.
- An Internal Controls Committee attended by the Group CEO and the members of the Audit Committee shall be established for the purpose of further strengthening and enhancing the Internal Controls System.
- The involvement of the Audit Committee in the implementation plans of the Internal Audit Division as well as in the election and dismissal of the Head of the Internal Audit Division shall be assured.

Risk Management (»p.48)

- To ensure financial soundness and to maintain and improve corporate value, management shall establish a risk management framework and the Board of Directors shall oversee the effectiveness of the framework.

Dialogue with Shareholders

- The Company shall treat shareholders equally based on their shareholdings, and shall disclose information appropriately and timely to avoid information disparity.
- The Company, based on the importance of shareholder rights, shall take necessary measures to ensure that shareholders are not unfairly precluded from exercising their rights.
- The Company shall engage in a constructive dialogue with major shareholders for the purpose of sustainable growth of the Company and the mid- to long-term enhancement of corporate value.
- Regarding dialogue with stakeholders, the Company shall endeavor to enhance methods of dialogue and also provide explanations on general policies for the allocation of management resources.
- An officer in charge of IR shall endeavor to share the outcomes of such dialogue with the Board of Directors.

Basic Policy for Strategic Shareholdings

- Regarding strategic shareholdings, the Company and its core subsidiaries shall consider perspectives of business strategy, and shall hold such shares only if such shareholdings will contribute to maintaining/enhancing the corporate value of the Nomura Group.

Fulfillment of Corporate Responsibilities (»p.50-62)

- The Company established the "Code of Ethics of Nomura Group" as a code of conduct for each director, officer, and employee of the Nomura Group to comply with.
- The Company shall enhance corporate value in the long-term by respecting the diversity and different values among the directors, officers and employees of the Nomura Group, and establishing a sound workplace to enable all directors, officers, and employees to perform at their full potential.
- The Company shall actively engage in CSR activities, including educational activities in economics and finance, in addition to contributing to expanding securities markets through daily business.

Measures for Reinforcing Governance

- Establishment of the Advisory Board
- Adoption of the "Company with Three Board Committees" structure

Since 2001, when we adopted a holding company structure and listed on the New York Stock Exchange (NYSE), we have taken steps to ensure the transparency of management, including installing Outside Directors and establishing an Internal Controls Committee, a Compensation Committee (the majority of the members are Outside Directors), and an Advisory Board of distinguished persons from outside the Company, and further improved our

information disclosure system.

Moreover, in 2003, we further strengthened and increased the transparency of our oversight functions and expedited Nomura Group's decision-making process by adopting the "Company with Committees, etc." structure (now the "Company with Three Board Committees" structure), a governance structure under which management oversight and business execution functions are clearly separated.

Chronological Table

1994	Company with Board of Auditors	Appointed one Outside Statutory Auditor
1998		Established the whistle-blowing system "Compliance Hotline"
2001	Established the Compensation Committee (voluntary)	Appointed two Outside Directors Adopted a holding company structure and changed the Company's name to Nomura Holdings, Inc. (1) Strengthen corporate governance and ensure transparency (2) Election of two Outside Directors and two Outside Statutory Auditors (3) Established the Internal Controls Committee (4) Established the Executive Compensation Committee (one Representative Director and two Outside Directors) Listed on the New York Stock Exchange (NYSE)
2003	Company with Committees, etc. Established the Nomination, Audit and Compensation Committees	Adopted a "Company with Committees, etc." structure Passed resolution on the Internal Controls System
2004		Formulated the Code of Ethics of Nomura Group
2006	Company with Committees	Passed resolution on amending the Internal Controls System Began making pledges to abide by the Code of Ethics of Nomura Group
2010		Diversification of the composition of Directors (appointed two non-Japanese Directors and one female Director) Outside Directors became the majority of Directors
2012		Appointed an Outside Director who does not serve concurrently at Nomura Holdings to Nomura Securities Co., Ltd.
2013		Passed a resolution on amending the Internal Controls System Published the Independence Criteria for Outside Directors of Nomura Holdings, Inc.
2015	Company with Three Board Committees	Passed a resolution on amending the Internal Controls System Appointed an Outside Director from outside the Nomura Group to Nomura Asset Management Co., Ltd. Established the Nomura Holdings Corporate Governance Guidelines Established August 3 as Nomura Founding Principles and Corporate Ethics Day
2016		Established "office of Non-Executive Directors and Audit Committee" as an organization to support Directors' execution of duties by ensuring full provision of information to Outside Directors and so forth. Passed a resolution on amending the Internal Controls System

Board of Directors

- Outside Directors comprise a majority of the Board of Directors
- Emphasis on diversity within the Board of Directors to oversight from diverse perspectives
- Emphasis on the independence of Outside Directors


Nomura Holdings has made management oversight the main role of the Board of Directors. Based on supervision with an emphasis on an external perspective, we are aspiring to put in practice management with a high level of transparency, through such means as structuring the Board of Directors with a majority of Outside Directors. Moreover, in order to achieve effective oversight of business execution functions from multiple perspectives, we place importance on diversity within the Board of Directors. Each Director of Nomura Holdings has a diverse background in terms of nationality, gender, professional experience, etc., and by utilizing their extensive experience in their respective fields, such as accounting, corporate management and law, the Directors assist with the determination of important managerial matters and oversee business execution.

Additionally, 6 of the 11 Directors making up our Board of Directors are Outside Directors.

We emphasize the independence of Outside Directors from the Nomura Group, and in order to maintain such independence, we have established Independence Criteria for Outside Directors within the Nomination Committee. As none of the Outside Directors of Nomura Holdings fall under the categories for which independence is considered suspect, and since none of the Outside Directors have any conflicts of interests with the shareholders, we have reported that each of the six Outside Directors are independent Directors in our submission to the Tokyo Stock Exchange.

Board of Directors (As of July 1, 2016)

Outside Directors	55% (6 of 11)
Non-Japanese Directors	27% (3 of 11)
Female Directors	9% (1 of 11)

 **More information on the Company's Independence Criteria for Outside Directors**
<http://www.nomuraholdings.com/company/cg/data/criteria.pdf>

Management Structure



Business Execution

- Broadly delegate decision-making authority to the Executive Officers to ensure speedy and efficient business execution

The Board of Directors has broadly delegated decision-making authority for business execution functions to the Executive Officers to ensure that they can execute business with speed and efficiency. Furthermore, among the matters of business delegated to the Executive Officers by resolutions adopted by the Board of Directors, certain important matters must be deliberated and decided by specific management bodies within the Company, including the Executive Management Board, the Group Integrated Risk Management Committee, and

the Internal Controls Committee. These management bodies report to the Board of Directors on the status of their deliberations at least once every three months.

In order to further bolster our business execution framework for financial operations that are becoming increasingly sophisticated and specialized, we utilize a system whereby the Executive Officers delegate a part of their authority for business execution decisions to Senior Managing Directors, whose role is to focus on individual business and operations.

Internal Controls

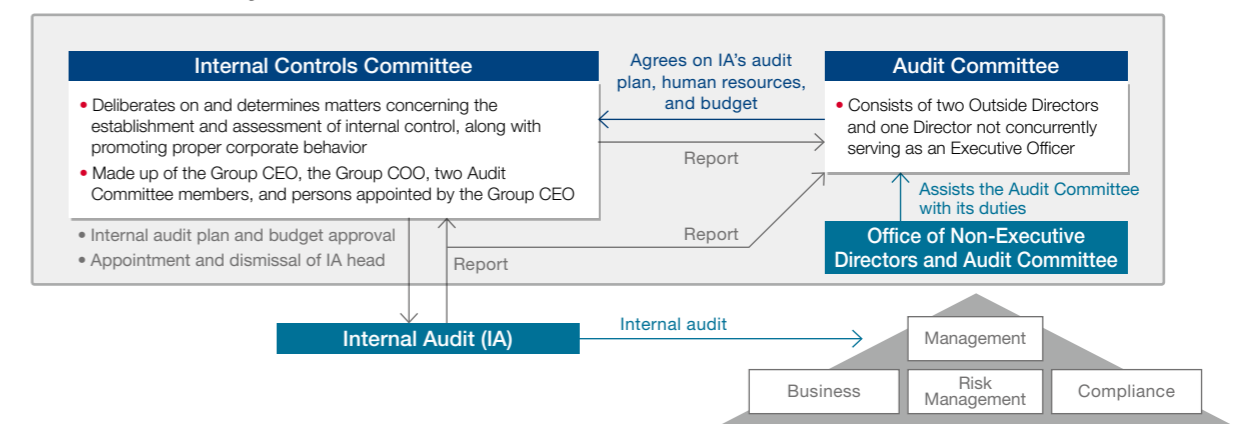
- Established the Group Internal Audit Department, which is independent from the business execution functions, and other similar audit sections in major subsidiaries

We are committed to strengthening and improving our internal controls system to promote proper corporate behavior throughout the Nomura Group, from the viewpoints of ensuring management transparency and efficiency, complying with laws and regulations, controlling risks, ensuring the reliability of business and financial reports, and fostering the timely and appropriate disclosure of information. Furthermore, in order to ensure effective and adequate internal controls, the Group Internal Audit Department, which is independent from the business execution functions, and other similar audit sections placed in major subsidiaries conduct internal audits of the Company

and its subsidiaries, in addition to the audits carried out by the Audit Committee. The implementation status of internal audits is also reported to the Board of Directors and the Audit Committee.

In addition, to strengthen the independence of the internal audit sections from the business execution functions, implementation plans and the formulation of the budget of the Internal Audit Division, as well as the election and dismissal of the Head of the Internal Audit Division require the consent of the Audit Committee. Audit Committee members may recommend changes to the implementation plan, etc., to Executive Officers.

Internal Controls System



Compensation for Directors and Executive Officers

As Nomura has adopted the “Company with Three Board Committees” structure, the Compensation Committee has prepared and approved the Compensation Policy of Nomura Group and Compensation Policy for Directors and Executive Officers of Nomura Holdings, Inc.

Compensation for Directors and Executive Officers
<http://www.nomuraholdings.com/company/cg/compensation.html>

Compensation Policy of Nomura Group

To enable us to achieve sustainable growth, realize a long-term increase in shareholder value, deliver added value to our clients, compete in the global market, and enhance our reputation, Nomura has developed the Compensation Policy of Nomura Group applicable to regular employees, including senior management. The policy is broadly divided into six key themes.

1. Align with Nomura values and strategies
2. Reflect firm, division, and individual performance
3. Establish appropriate performance measurement with a focus on risk
4. Align with employee and shareholder interests
5. Establish appropriate compensation structures
6. Ensure robust governance and control processes

Compensation Policy for Directors and Executive Officers of Nomura Holdings, Inc.

The compensation of Directors and Executive Officers comprises base salary, an annual bonus, and a long-term incentive plan. The Compensation Committee has approved the following matters related to the compensation of Directors and Executive Officers:

1. Base Salary

Base salary is determined based on factors such as professional background, career history, responsibilities, and compensation standards of related business fields. A portion of base salary may be paid in the form of equity-based compensation with a certain non-exercise period to ensure that the interests of Directors and Executive Officers are closely aligned with those of shareholders.

2. Annual Bonus

Annual bonuses of Directors and Executive Officers are determined by taking into account both quantitative and qualitative factors. Quantitative factors include performance of the Group and the division results, while qualitative factors include achievement of individual goals and subjective assessment of individual contributions. Depending on the level of bonus payment, a portion of payment in cash may be deferred. In addition, a portion of deferred bonus may be paid in equity-based compensation with a certain non-exercise period in lieu of cash. Such deferred bonus may be unpaid or forfeited under specific circumstances.

3. Long-Term Incentive Plans

Long-term incentive plans may be awarded to Directors and Executive Officers, depending on their individual responsibilities and performance. Payments under long-term incentive plans are made when a certain degree of achievements is accomplished. Payments are made in equity-linked awards with appropriate vesting periods to ensure that medium- to long-term interests of Directors and Executive Officers are closely aligned with those of shareholders.

Form 20-F
<http://www.nomuraholdings.com/investor/library/sec/>

Nomura Group has established an appropriate compliance framework, and insists on compliance with all applicable laws, rules and regulations in all Group companies and departments.

Fundamental Approach

Compliance is a top management priority for Nomura Group, and the Code of Ethics of Nomura Group defines our fundamental policy on compliance. The management and employees of the Group pledge to abide by the rules stated in this code once each

year. Also, we have established Nomura Founding Principles and Corporate Ethics Day, as a day for management and employees to annually reaffirm our corporate culture and corporate ethics, underpinned by Our Founder's Principles.

Compliance Framework

We have appointed a Group Compliance Head to oversee compliance for the Group as a whole along with a Group Compliance Department that provides support. In addition, Compliance Officers have been assigned to each Group company to strengthen our internal controls in response to global business, and to develop and maintain the respective compliance

structures of each Group company, including overseas offices.

In addition to Group-wide initiatives, Nomura Securities has established a Compliance Program as a detailed action plan, and put into place a compliance framework based on this program.

Nomura Securities' Compliance Structure

- A Compliance Committee chaired by the President oversees Company-wide initiatives and is in charge of establishing and deliberating on important issues related to internal controls.
- The Company has established the post of Internal Administration Supervisor to monitor compliance issues in line with Japan Securities Dealers Association's rule
- The Company has established the posts of Sales Officers, Internal Controls Officers and Compliance Officers
- The Compliance Division strengthens and improves legal and regulatory compliance as well as the internal controls system by formulating internal rules and disseminating them throughout the Company.

