

Compliance

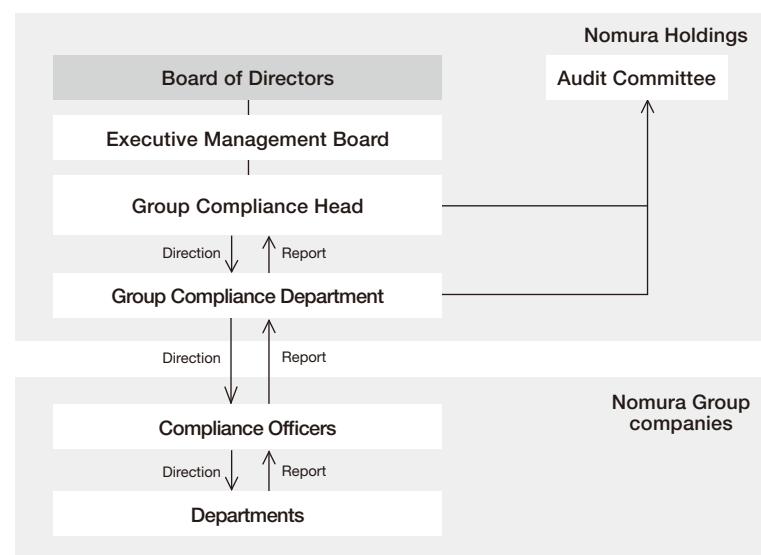
Fundamental Approach

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 annually to 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 development, 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.



Legal compliance measures

- Maintenance of compliance framework and enhancement of management systems
- Compliance Hotline
- Carrying out compliance training

In all Group companies and departments, Nomura Group complies with applicable laws and regulations and endeavors to prevent the

occurrence of activities that may be construed as illegal by establishing effective control measures. In the event that such issues arise, they are reported in full to management-level officers without delay, and organizations and systems are structured to respond appropriately.

Nomura employees who have become aware of potential legal or regulatory violations are able to report their concerns to persons designated by Nomura Holdings, including Outside Directors, through the

Compliance Hotline (informants have the option of remaining anonymous). In FY2017, there were 42 calls received via the Compliance Hotline, and in all cases the status of related matters was confirmed and appropriate measures were taken.

Nomura Securities conducts comprehensive compliance training for all Executive Officers and employees on topics such as the prevention of money laundering and insider trading, firewall regulations, and guidelines for managing customer information.

Offering high-quality financial services

Nomura Securities seeks to enhance the quality of financial products and services offered to customers through the following initiatives under the Guidelines for Supervision of Financial Instruments Business Operators, etc.

Nomura Securities' Primary Initiative

- Appointing officers to oversee internal controls,

compliance, etc., and developing systems to ensure compliance and the appropriateness of operations

- Thoroughly screening account openings and conducting proper examinations when underwriting securities. For further information, please refer to our website.

Nomura Securities' Primary Initiatives
<http://www.nomuraholdings.com/company/compliance/>

Ensuring fair financial business practices

- Prohibition of transactions with anti-social forces
- Prevention of bribery
- Management of conflicts of interest and prevention of insider trading

Nomura Group works to prohibit transactions with anti-social forces and to prevent money laundering. Nomura Group has established guidelines related to gifts and entertainment of public officials and private-

sector groups and disseminates the guidelines throughout the Company and works to ensure fair business practices to prevent bribery. We manage conflicts of interest and insider information on a global basis by concentrating the information in the Group Compliance Department.

Fair Financial Business Practices
<http://www.nomuraholdings.com/company/compliance/>

Customer protection and information security

- Appropriate segregation of customer assets
- Effective protection of clients' personal information and other information assets of the Group

Under applicable laws and regulations, including the Financial Instruments and Exchange Act and the Personal Information Protection Act, Nomura Group works to properly protect customers' assets and information.

In accord with applicable laws and regulations, including the Financial Instruments and Exchange Act, Nomura Securities properly segregates the assets of its customers from the assets of Nomura Securities itself.

Nomura Group Information Security Policy is the basic document governing the effective protection of clients' personal information and other information assets. Customer-related personal information is handled under stringent standards set out in Nomura Group Privacy Policy and other information security related rules, and in full compliance with personal information-related laws and regulations. For further information, please refer to our website.

Privacy Policy
<http://www.nomuraholdings.com/policy/privacy.html>