

Promoting the Code of Conduct and Reducing Conduct Risk

Nomura Group has important values (Corporate Philosophy) that have defined us since our founding. The Nomura Group Code of Conduct reflects the core values we hold dear as a diverse group, and serves as our guide for ethical conduct and responsible decision-making.

Nomura Group believes that compliance is not limited to legal compliance, but is also a means of satisfying society's expectations and engaging in common-sense behavior. We continuously work to strengthen our internal control system in order to achieve a level of compliance and conduct risk management surpassing legal compliance alone.



Representative Executive Officer,
Deputy President
Chief Compliance Officer (CCO)
Tomoyuki Teraguchi

Review of Last Year

The Nomura Group Code of Conduct was established in December 2019, and last year we worked to instill the Code.

Under the governance of the Group Conduct Committee, Nomura Group has promoted initiatives to promote the Code of Conduct and activities to reduce and manage conduct risk. Promoting widespread awareness and understanding of the Code of Conduct is an initiative that aims to enable each and every person to understand the role required of them and to change their daily behaviors, and daily communication is important in this effort. Accordingly, in addition to periodic training for all officers and employees and for specific training for each rank and training by individual theme, we continuously deliver messages from top management, division heads, and Group company heads. Through a wide range of awareness-raising activities, we are working to establish a culture of pursuing appropriate business conduct.

In Japan, each division was at the forefront of formulating an annual conduct plan and has been promoting initiatives based on this plan. Efforts are also being made overseas in each region. We also created a system and framework for reporting the progress and results of these efforts to the Group Conduct Committee.

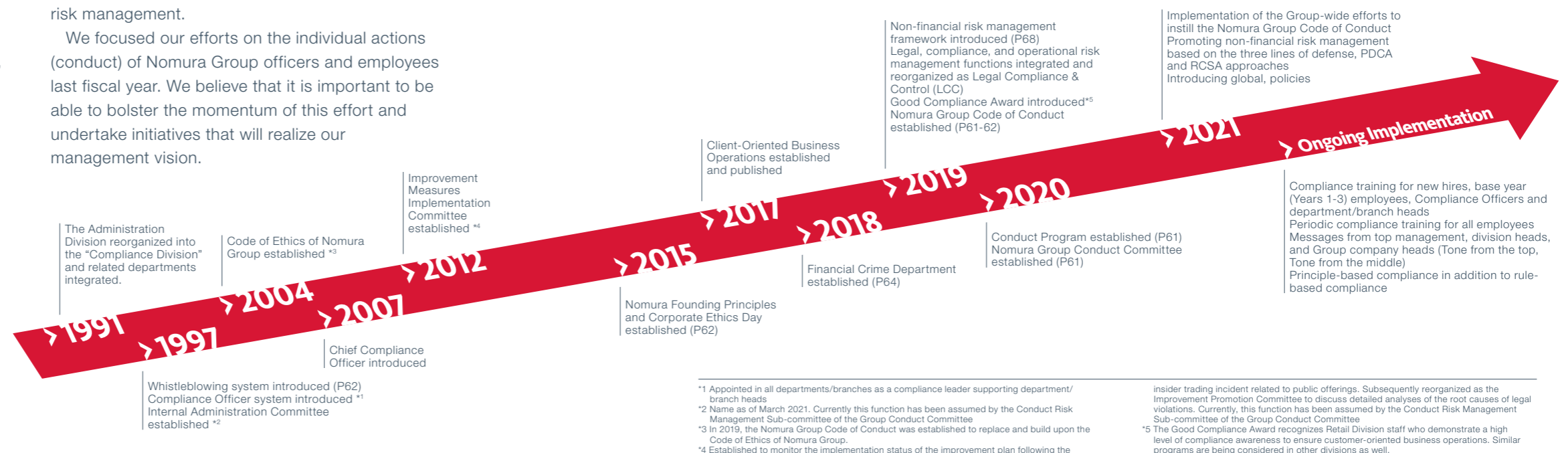
Conduct Risk Management Going Forward

Nomura Group has made significant progress in building this framework. On the other hand, there is no end to efforts to promote widespread awareness and understanding of the Code of Conduct among our people. Nomura Group will continue to strive to create a forward-looking management structure that emphasizes prevention by further raising awareness of conduct risk and improving the level of conduct risk management.

We focused our efforts on the individual actions (conduct) of Nomura Group officers and employees last fiscal year. We believe that it is important to be able to bolster the momentum of this effort and undertake initiatives that will realize our management vision.

The internal and external environment surrounding Nomura Group is rapidly changing. In this environment, we are keenly aware of the importance of understanding the needs of society, gaining the trust of stakeholders, and of being a company our people are proud of. Nomura Group will continue to promote efforts to foster a culture in which each and

every person considers what is required from society and stakeholders, and what is correct in light of the Corporate Philosophy and the Code of Conduct, and then acts based on such consideration. We will also work tirelessly to strengthen the relevant systems and framework.



^{*1} Appointed in all departments/branches as a compliance leader supporting department/branch heads
^{*2} Name as of March 2021. Currently this function has been assumed by the Conduct Risk Management Sub-committee of the Group Conduct Committee
^{*3} In 2019, the Nomura Group Code of Conduct was established to replace and build upon the Code of Ethics of Nomura Group.
^{*4} Established to monitor the implementation status of the improvement plan following the

insider trading incident related to public offerings. Subsequently reorganized as the Improvement Promotion Committee to discuss detailed analyses of the root causes of legal violations. Currently, this function has been assumed by the Conduct Risk Management Sub-committee of the Group Conduct Committee
^{*5} The Good Compliance Award recognizes Retail Division staff who demonstrate a high level of compliance awareness to ensure customer-oriented business operations. Similar programs are being considered in other divisions as well.