

Code of Conduct

Upholding our values into action

The Nomura Group Code of Conduct is a guide for all in Nomura to translate into actions the core values of entrepreneurial leadership, teamwork and integrity, set forth in Nomura Group's Corporate Philosophy. The Code represents the commitment by everyone at Nomura to adhere to the highest standards of ethics and integrity in their business activities with all clients and stakeholders. We implement various initiatives on an ongoing basis to ensure that our people clearly understand and abide by the Code, and to foster a robust corporate culture within the firm.



Nomura Group Code of Conduct - Our guide to proper conduct

The Code of Conduct provides 20 guidelines for specific actions relevant to our three stakeholders: clients, our people, and society. It covers a wide range of topics, including legal compliance, professional and social ethics, as well as our basic philosophy of putting clients first, respect for diversity and human rights, and our commitment to contribute to resolving social issues.

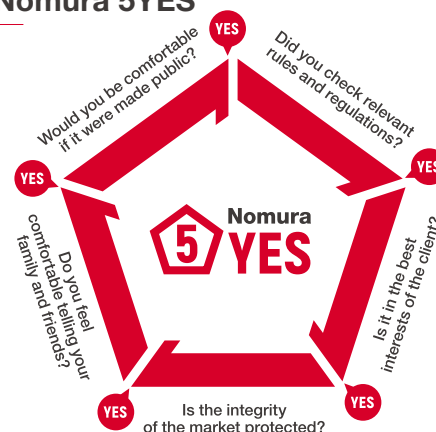
To firmly entrench the Code widely within the Group, and to reduce risks arising from inappropriate conduct (conduct risk), we have established a structure centered on the Nomura Group Conduct Committee, which consists of executives from each region and major divisions.

We regularly review the Code to ensure that it aligns with the society's norms.

20 guidelines for specific actions

	CONDUCT for CLIENTS	CONDUCT for OUR PEOPLE	CONDUCT for SOCIETY
Entrepreneurial Leadership	01 Pursue the best interests of our clients	07 Managing risks appropriately	
	02 Continually enhance our expertise and capabilities	08 Be passionate about achieving more	17 Move towards the future
		09 Support for mutual growth	
Teamwork	03 Leverage our collective strength	10 Promote teamwork	18 Contribute to a sustainable society
		11 Create a comfortable work environment	
Integrity	04 Be the most trusted partner for our clients	12 Never pursue self-interests	19 Respect diversity and human rights
	05 Uphold the highest standards of compliance	13 Control gifts and entertainment	20 Disclose information appropriately
	06 Handle information properly	14 Be responsible	
		15 Learn from mistakes	
		16 Speak up	

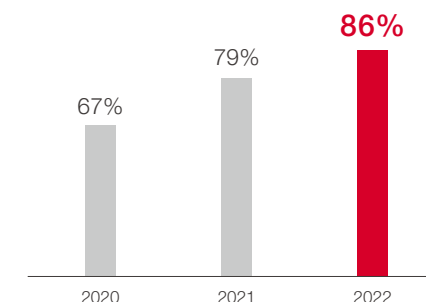
Nomura 5YES



The "Nomura 5YES", in the Nomura Group Code of Conduct, is five questions to guide employees to take the right action by asking themselves whenever they are in doubt.

The results of the Nomura Group Employee Survey show that the Nomura 5YES has steadily taken root within the Group since the establishment of the Code in December 2019.

Ratio of employees who answered "I have considered and discussed the Nomura 5YES in the Nomura Group Code of Conduct."



Embedding the Code of Conduct

We carry out varieties of initiatives to ensure that each and every one of our employees truly understand the Nomura Group Code of Conduct and puts it into practice in their daily actions. Group wide, regional, divisional, and grassroots-level activities to promote desirable conduct and to foster a robust corporate culture are becoming more widespread.



Embedding the Code of Conduct
<https://www.nomuraholdings.com/company/basic/coc/index.html>

column

Initiative to raise awareness of desirable conduct

~ CONDUCT Slogan ~

To further raise awareness, we accept submissions for an annual “CONDUCT Slogan” under two categories: Workplace Section and Family Section. In FY 2022/23, we received 15,153 entries from employees in Japan, and a total of 13 outstanding slogans were selected. The online award ceremony was attended by the winners and their managers, giving everyone involved a meaningful opportunity to share their joy and commitment to promote proper conduct.



Fostering a psychologically safe organization

Nomura Group recognizes that enhancing risk management is one of the most important management issues. In a psychologically safe workplace, there is a culture of speaking up when something is wrong and a culture of accepting that voice. This is essential in properly managing risks. In order to improve psychological safety, the Nomura Group Employee Survey is used to identify issues related to organizational culture, to have management-level discussions based on the results of the survey, to hold dialogue sessions between executives and employees, and to promote the use of the whistleblowing system.

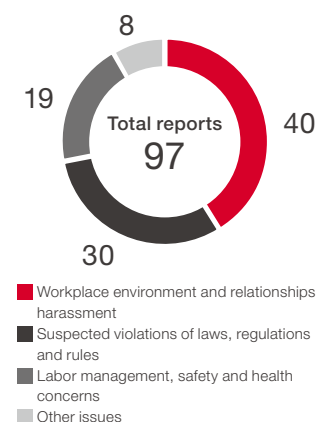
Whistleblowing System (Compliance Hotline)

Nomura Group companies have established whistleblowing systems (Compliance Hotline) that provide all executives and employees (including temporary employees) with the means to directly report any suspected violations of laws and regulations, breaches of the Nomura Group Code of Conduct, or suspicious accounting or auditing activities.

We are also working to raise awareness and promote the use of the hotline through internal distribution of management messages and the intranet, and to create a psychologically safe environment in which anyone can speak up when they feel something is wrong.

The hotlines can be contacted anonymously, and the information provided is then investigated as necessary under the direction of the information recipient, with priority placed on maintaining the confidentiality and anonymity of the whistleblower. If a problem is found after an investigation, appropriate corrective actions are taken and measures are carried out to ensure that the whistleblower does not receive disadvantageous treatment, such as dismissal, for having provided information.

The operating status of Group companies' hotlines are regularly reported to the Nomura Holdings Internal Controls Committee to ensure the legal compliance system for the entire Group is being maintained and is effective. In FY2022/23, a total of 97 reports were raised globally.



Compliance

Promoting compliance is one of the bedrocks supporting Nomura Group's businesses. Each company and department in Nomura Group conducts business in strict compliance with the laws and regulations, and with proper management systems to prevent suspicious activities that may violate or may appear to violate laws and regulations.

Initiatives to ensure appropriate business communication

In recent years, it has come to light that some employees of major financial institutions, including us, used unauthorized communication tools including personal mobile devices for business communication. As a result, significant fines were imposed on those financial institutions for violating the regulatory obligation to retain records of business communication. In light of these incidents and with recent technological advancements in A.I.,

a focus is being placed on "communication surveillance" to supervise and monitor business communication.

Nomura Group's compliance-related departments have been working from early on to prevent inappropriate business communication and are now enhancing communication surveillance in relevant business areas. In an effort to improve both business efficiency and the quality of surveillance,

As a gatekeeper of the capital markets

A healthy and highly-liquid securities market, with fair and reliable securities trading, and in which numerous stocks and other securities are traded by a diverse range of investors, is integral to the success and continued development of the Japanese economy.

Unfair and illegal trading activities such as market manipulation and insider trading, which are major impediments to sound markets, not only undermines the fairness of the market but also damages investors' trust in the market, leading to dysfunction such as the inability of listed companies to raise funds that they need. This type of situation is unacceptable.

All employees of Nomura Group conduct their daily business activities with an awareness of their role as gatekeepers of the securities market and as participants in the capital market, while compliance-related departments act as a second line of defense, taking necessary measures to prevent unfair trading which can cause market dysfunction.

The compliance-related departments work with the Securities and Exchange Surveillance Commission, the Japan Securities Dealers Association and other self-regulatory organizations of the markets to share information and awareness of issues, in order to



Nomura Group is pursuing further advances by introducing machine learning technology for text extraction on a trial basis, in addition to the traditional keyword search method.

accurately understand the market environment, such as regulatory trends and issues in the wake of incidents at other firms. The compliance-related departments also collaborate with the front-line departments and IT departments to capture business changes and trends in a timely manner and utilize information technologies such as cloud services, to establish a robust trade compliance screening system to effectively and efficiently conduct expert market surveillance. We will continue to fulfill our role as gatekeepers of the securities market that our clients rely on us to protect.



Compliance
<https://www.nomuraholdings.com/company/compliance/index.html>

Initiatives to combat money laundering and financing of terrorism

We believe that anti-money laundering and combating financing of terrorism (AML/CFT) initiatives are essential for maintaining and protecting financial and capital markets in which all clients feel secure making investments. We are committed to preventing criminal or terrorist groups from disguising themselves as clients and conducting transactions through the financial and capital markets.

To this end, Nomura has established the “Nomura Group Anti-Money Laundering and Combating the Financing of Terrorism Policy” that applies to the entire Group, and has built a framework for AML/CFT by implementing uniform management standards across all Group companies. Based on this policy, an officer responsible for AML/CFT management, the Group AML/CFT Head, has been appointed to report to the Executive Management Board on the status of the AML/CFT management framework in Japan, the Americas, Europe, and Asia each month. Furthermore, the Financial Crime Department has been established to assist the Group AML/CFT Head and to closely coordinate with the AML/CFT heads in each region, discuss measures to strengthen the governance framework of the Group, and promote and implement necessary measures across the Group. In addition, Nomura has appointed a AML/CFT Global Functional Lead in London, a role to facilitate coordination among the Group, as Nomura aims to promote further collaboration in each region.

Over the past few years, the external environment surrounding AML/CFT has undergone dramatic

changes. In Japan, the fourth round of mutual evaluation by the Financial Action Task Force (FATF) took place in 2019, and an action plan with a final deadline of spring 2024 has been issued. To comply with this, each financial institution is working to enhance its AML/CFT measures, and Nomura is leveraging the Group's expertise by introducing measures already implemented by overseas Group companies into Japan.

As economic sanctions and regulations have been rapidly tightened in response to recent developments, such as the conflict in Ukraine, Nomura requires each Group company to check the sanctions lists of Japan (the Ministry of Finance), the United States (OFAC), the United Kingdom (HMT), the European Union (EU), and the United Nations (UN).

Additionally, we place emphasis on client due diligence and the identification of unnatural transactions by front-line employees. As part of the above Group policy, Nomura Group companies are required to establish and provide training programs. Nomura Group strives to continuously enhance the AML/CFT awareness and competency of employees in Japan, the Americas, Europe, and Asia.

As a new business initiative, Nomura established Laser Digital in Switzerland in September 2022 to provide services related to digital assets. While there is strong demand for transactions involving digital assets, there are concerns that such assets could be used for money laundering as they could enhance the anonymity of asset holders and transactions. We believe it is important to meet clients' needs while controlling risks, rather than







Yosuke Inada

Chief Compliance Officer (CCO)
The Group AML/CFT Head

avoiding business due to potential risks. Therefore, we have established a robust risk control framework to prevent the fraudulent use of digital assets.

We will continue to work together as Group and strengthen our AML/CFT measures.

-  Nomura Group Privacy Policy
<https://www.nomuraholdings.com/policy/privacy.html>
-  Nomura's Segregation Management
<https://www.nomura.co.jp/guide/system/bunbetsu/> (Japanese only)
-  Ensuring Fair Financial Business Practices
<https://www.nomuraholdings.com/company/compliance/index.html#insider>
-  Global financial crime compliance framework
https://www.nomuraholdings.com/company/compliance/index.html#aml_cft

Risk Management

Basic philosophy

Nomura Group requires all staff, regardless of their positions, to proactively engage in risk management. The risk management activities in Nomura Group are based on the following principles.

- Identify and evaluate risks and classify them into risk categories based on their characteristics. Establish and operate appropriate risk management approaches and control frameworks.
- Develop and operate a framework for monitoring and reporting to manage risks appropriately within risk appetite.
- Establish and operate a robust governance system through risk management committees, appropriate organizational structures, and management systems based on three lines of defense.
- Develop policies and procedures on risk management and establish and operate an effective risk management framework.

Risk Appetite

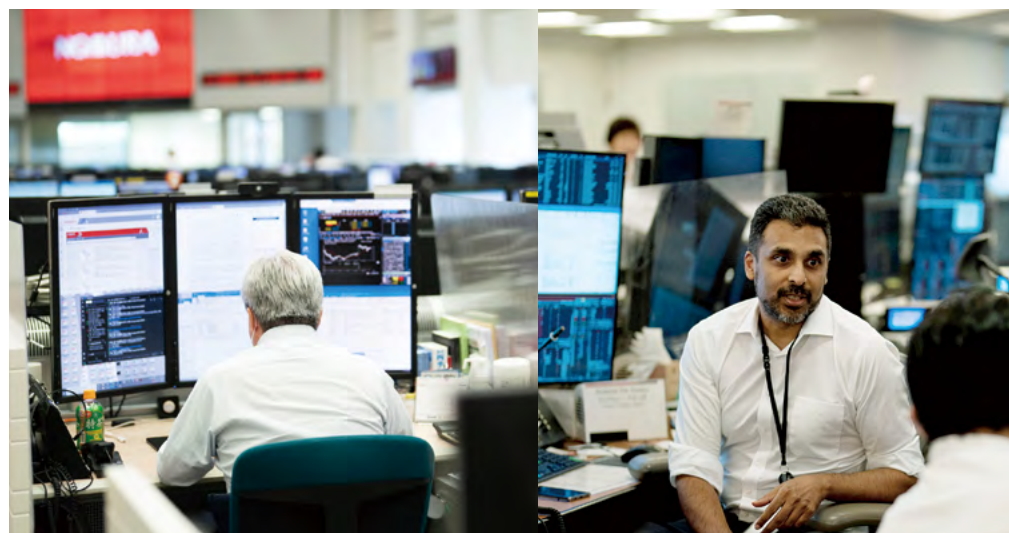
To promote integrated risk management, Nomura Group defines the types and levels of risks that are acceptable to achieve management strategies and business plans, taking into account constraints from regulatory capital, liquidity, business conditions and other factors, as Risk Appetite. Risk Appetite Statement, which documents that definition, is reviewed at least annually and is subject to the approval of the Executive Management Board and the consent of the Board Risk Committee. Risk Appetite is managed using various metrics. Nomura Group and all of its staff are responsible for conducting business in compliance with the Risk Appetite.

Risk Management

Nomura Group's business activities are exposed to various risks including market, credit, operational, and liquidity risks. To identify risks that could lead to significant losses, Nomura Group strives to understand the characteristics, impact, and likelihood of risks associated with daily operations and transactions. Furthermore, we recognize that, at present, unforeseen risks that have not been confirmed may already exist and we continue to implement various efforts, including cultivating a corporate culture where all staff face risks properly. Excess over Risk Appetite or limits can damage the soundness of Nomura Group and acts that hinder Nomura Group's risk management are addressed strictly, and may be reflected in personnel evaluations and may constitute grounds for disciplinary action.



For further details on Nomura Group's risk management framework, please refer to Item 11. Quantitative and Qualitative Disclosures about Market, Credit and Other Risk of 20-F filed by Nomura Holdings, Inc.
https://www.nomuraholdings.com/investor/library/sec/20f/230628/230628_e.pdf

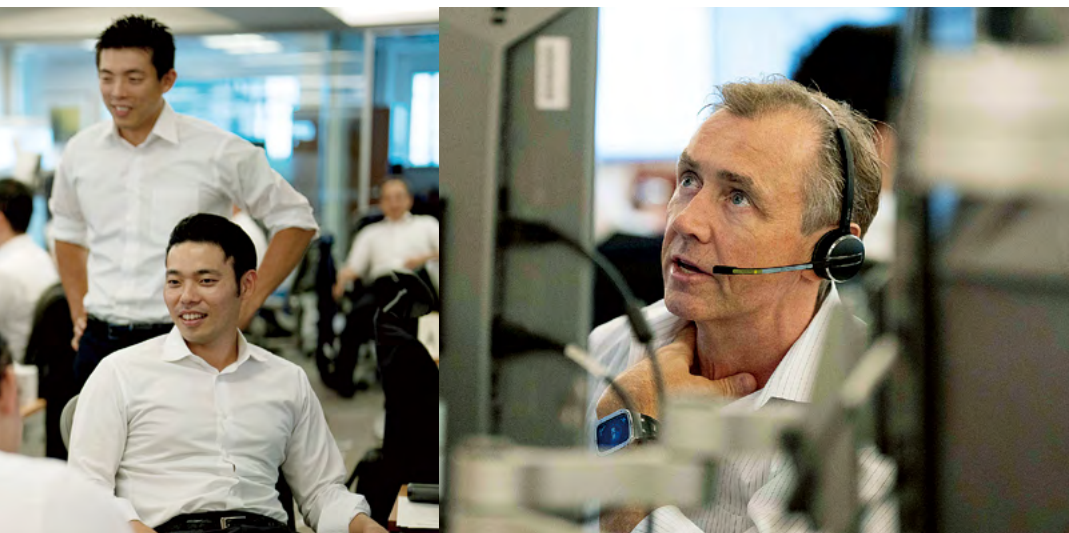


Global Collaboration

Due to increasing geopolitical risk, global inflation, and tightening monetary policies by major central banks, markets are experiencing significant fluctuations and the outlook for the world economy is becoming increasingly uncertain. In such an environment, advanced global risk management capabilities are essential.

Nomura Group has established risk management functions in major entities to manage region-specific risks in the world. At the same time, while analyzing the impact of those risks on other regions and cooperating and collaborating appropriately with various departments, countries and regions, Nomura Group is managing risk.

As a global financial services group, Nomura Group is enhancing its risk management expertise to provide sophisticated advice and financial products to clients.

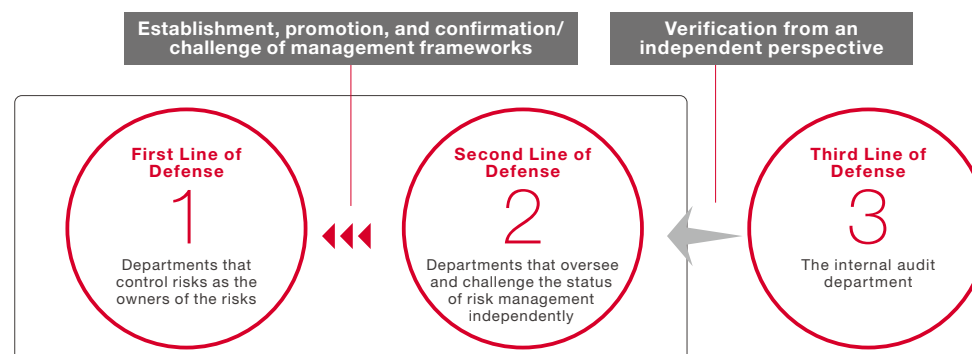


Individual Roles and Responsibility to Speak Up

Nomura Group recognizes that, beyond seeking advanced management of risks that include unexpected risks, and in addition to reinforcing a foundation of specialized assessment technology and personnel, the awareness and actions of front-line employees are extremely important. Under the policy that all staff actively engage in risk management, Nomura Group has established a multi-layered risk management system called “Three Lines of Defense.” The roles and responsibilities of each department, business unit and corporate executive officers are clearly defined by risk category in an effort to improve their effectiveness.

Furthermore, Nomura Group has established a cross-regional and functional committee and reporting system to aggregate multi-faceted risk information. Because a single manager may underestimate risks or take wrong actions, Nomura Group encourages its employees to promptly report and consult with their managers and relevant departments to make appropriate decisions as an organization. Nomura Group also fosters psychological safety to encourage its employees to proactively voice their risk management concerns and problems.

Management System Based on Three Lines of Defense



Initiatives to Enhance Risk Management

Following the occurrence of significant losses in 2021, we conducted a comprehensive review of our risk management framework to further enhance risk management. Through that review, we analyzed a number of areas, such as our business management, communications among related departments, mutual cooperation among departments, and even the allocation of management resources and have systematically reorganized, including revamping our organizational and personnel structures.



Please refer to the following link for details of the Nomura Group Code of Conduct.
<https://www.nomuraholdings.com/company/basic/coc.pdf>

Risk Culture

Nomura Group recognizes a risk culture as an essential foundation and source of competitiveness for maintaining and developing business.

In a series of intensive initiatives triggered by the occurrence of significant losses, we discussed our desired risk culture, developed a structure for constantly aiming to foster and embed a risk culture, and commenced our actions.

For the Future

Advancing the enhancement of our risk management framework will remain one of our key management issues over the medium to long term. In order to provide additional value to our clients and all other stakeholders, Nomura Group will appropriately manage risks under a robust and enhanced risk management framework and keep taking various measures to further embed a risk culture.

Defining and Promoting Our Target State

- In March 2022, “Managing risks appropriately” was added to the Nomura Group Code of Conduct as a new item
- Incorporated our emphasis on fostering a corporate culture that includes a risk culture into various projects and publications, and promoted internally and externally on various occasions
- Accelerated internal promotion globally with the key themes “Challenge, Escalate, Respect” to embed a sound risk culture

Initiatives to Embed the Concept

- In order for each individual to properly understand the documented aims, and to be able to implement them in their daily work, we conducted training to more deeply embed risk culture and events in which various opinions could be exchanged across departments and regions. Many officers and employees participated in those efforts.
- Incorporated risk culture's elements into existing frameworks such as hiring, objectives setting, and performance evaluation, and added mechanisms for continuous development including individual motivation

Confirmation of embeddedness and continued dialogue

- In the Nomura Group Employee Survey, questions related to risk culture were added to confirm the degree of embeddedness, and a framework for the associated comparisons over time was developed
- Added a mechanism to continue our efforts as a company to examine various types of information in a multifaceted manner and strive to understand our own culture through dialogues

CHALLENGE
建設的な牽制
ESCALATE
報連相の徹底
RESPECT
尊重しあえる関係



Business Continuity Management



Business Continuity Management
<https://www.nomuraholdings.com/company/risk/continuity.html>

Nomura Group considers natural disasters such as earthquakes and typhoons, man-made disasters such as fires and terrorism, infectious diseases, system failures, and information asset leaks to be crisis events that must be prepared for. In order to respond to such an event, we have built a comprehensive global business continuity framework and are working on a broad range of measures, including activities to raise awareness of such events among our employees.

Business continuity initiatives

Periodic drills and training

Nomura Group has created the Group Crisis Management Committee to continually strengthen the Group's business continuity capabilities both in Japan as well as in other countries. The Group Crisis Management Committee is chaired by a senior officer appointed by the Group CEO, and comprised of senior management members from Group companies. Resolutions passed by the Committee are reported to the Executive Management Board. In the event of a major disaster, the Committee establishes a command center and takes appropriate measures to ensure the safety of employees and their families, control the spread of damage, as well as to maintain the business continuity framework.

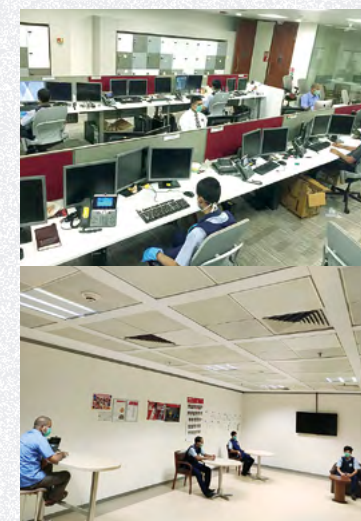
Business continuity initiatives during the COVID-19 pandemic

In response to the COVID-19 pandemic, we established a task force to respond to the ever-changing situation, and as an organization we made efforts to continue providing liquidity in the financial and capital markets. Under the state of emergency, each department maintained its execution system via phone, email, and online, while limiting employees working in the office.

During periods of peak Covid-19 infections in Japan, we continued operations under the unprecedented circumstances, such as temporarily suspending branch operations, introducing restrictions on client visits, business trips and overseas travel, expanding the use of mobile devices and introducing an online conference system to allow employees to work on staggered and rotating schedules, and reviewing the Infectious Disease Action Plan.

Overseas, while complying with all local regulations and obeying lockdowns and other orders, we worked to ensure the safety of our employees and continued to provide services to our clients, with plans to have employees spread out across our offices, suburban backup offices, and working from home.

The Group also contributed to social contribution activities, such as donating money to funds aimed at preventing virus outbreaks, as we undertook efforts to prevent infection in society at-large.



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IT Strategy

Message from Group CIO

Driving radical simplification, enabling impactful innovation and managing our risk profile

The CIO function oversees Group wide technology, operations and our data office. We are aligned to our key businesses across the group and operate enterprise wide functions for risk management, governance and controls, supply chain and infrastructure. Each function shares a common purpose; to support Nomura's business strategy and deliver consistent group wide services based on common operating principles.

Patrick Eltridge
Senior Managing Director
Group CIO



Our Strategic Vision and key objectives



Our Initiatives

- Strengthen cyber capabilities through enhanced tooling, employee awareness and senior management engagement**
 Building cyber security into everything we do, from technology to our employees and everything in-between; protecting our clients, investors and the wider financial system. Making compromising our systems difficult and making breaches easier to detect through group wide cyber security. Increasing the level of industry partnerships, being transparent in our approach to cyber and leading in the growth of a more cyber aware client base.
- Build our data & analytics capabilities**
 Use our data toolsets to collate and protect relevant data and drive process efficiency while leveraging our in house data scientist teams to derive insights that increase business value.
- Support the firm's drive for revenue growth and diversification with innovative and scalable IT solutions and processes that transform how we operate**
- Drive a strong risk culture through controls, conduct and compliance**
 The CIO function oversees three critical pillars of our business from the tools and technical solutions we provide, the efficient and seamless running of our core operational processes and the use of and oversight of our data. In all areas we strive to meet and maintain our control standards.
- Improve business resilience through systems, processes and recovery planning**
- Leverage the full talent and capability of a diverse and engaged global workforce**
 The Group CIO organization enjoys a diverse geographic distribution with an extensive cross industry experience profile. We are increasing our focus on ensuring our existing staff have the right skills for the future and are sourcing the most experienced and early career talent by adapting our training models and hiring processes to match this critical aspiration.
- Delivering efficiency and cost-control through strong architecture and focussed simplification**
 Group wide architecture principles allow greater scale and efficiency for the right solutions across the firm and help avoid costly duplication. Our efforts here will underpin the transformation journey we are on and help eliminate and reduce legacy solutions that can contribute to higher costs.