

Nomura Group Governance

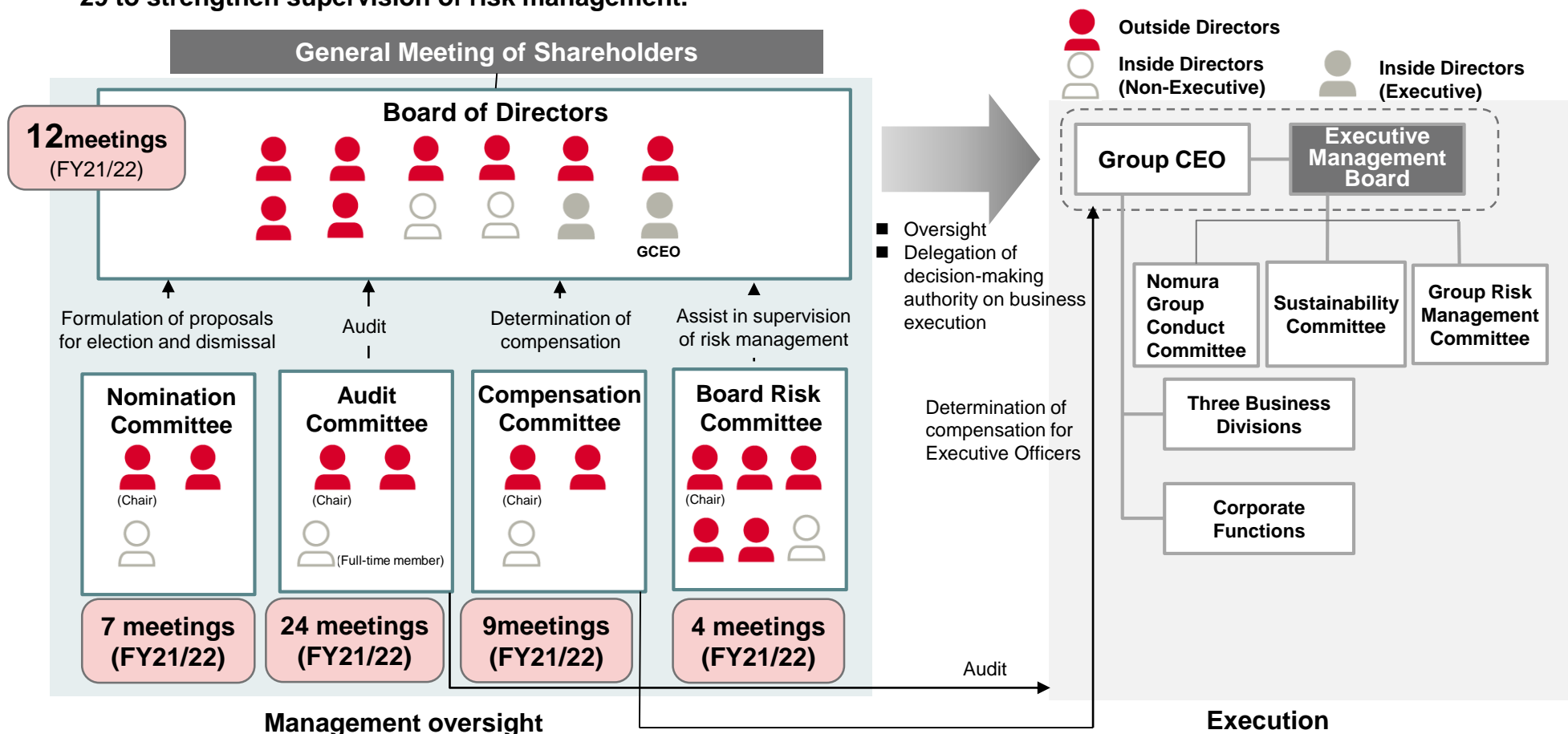
Nomura Holdings, Inc.

May 2022

Further enhancing our Corporate Governance

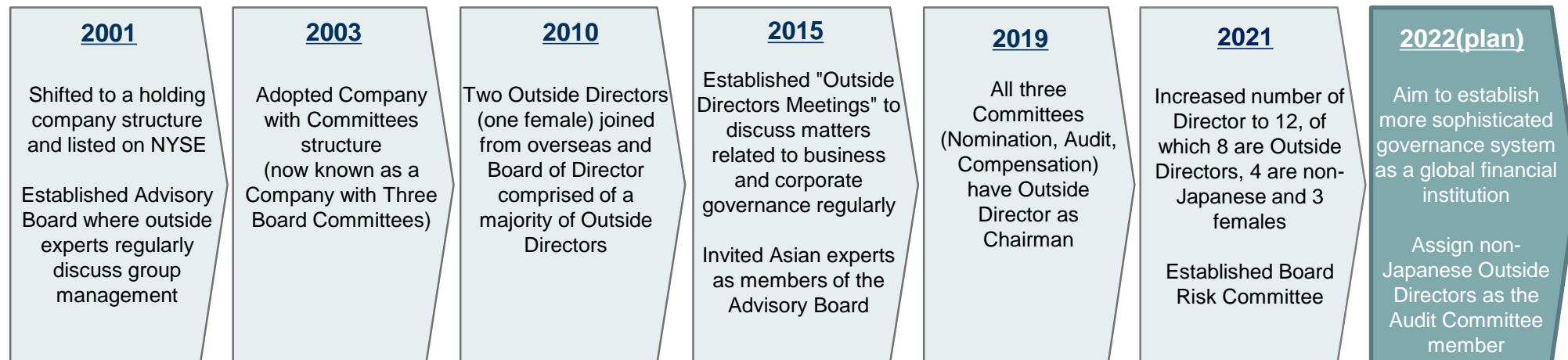
Corporate Governance Structure (as of May 2022)

- In 2001, Nomura became the first Japanese company to introduce Outside Directors structure, when it transitioned to a holding company structure and listed its shares on NYSE.
- In 2003, the transition to Company with Committees (currently referred as a Company with Three Board Committees) was made (Separation of management oversight from execution to reinforce supervision, Delegation of decision-making on business execution to Executive Directors for swift decisions)
- In 2021, four new Outside Directors (three of whom are non-Japanese Outside Directors) were assigned in accordance with the diversity perspective and the expansion of the Group business. The Board Risk Committee was established on October 29 to strengthen supervision of risk management.



Continued review of Governance Structure

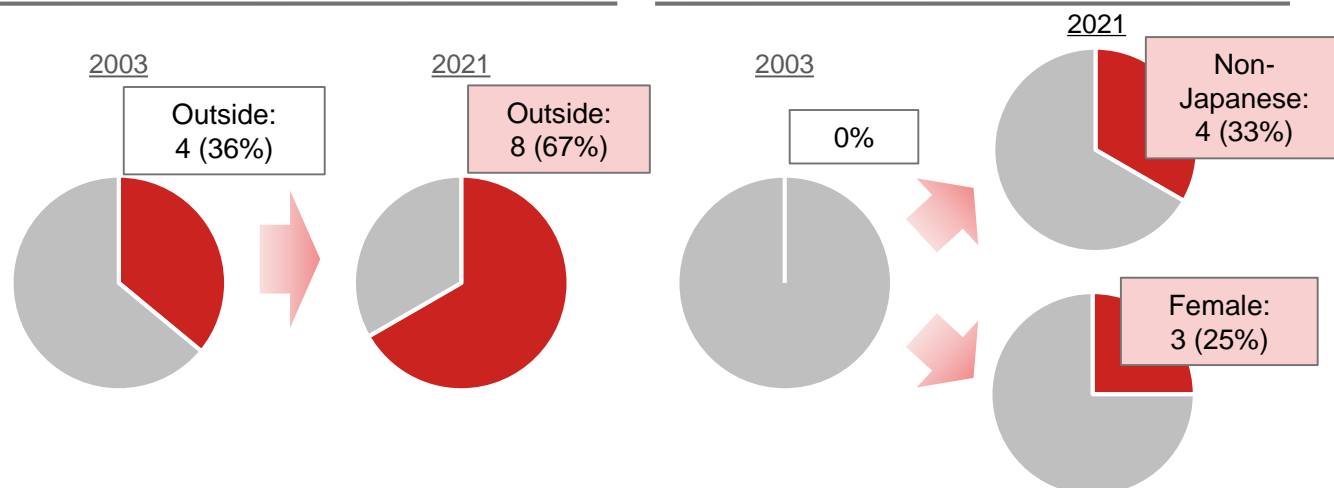
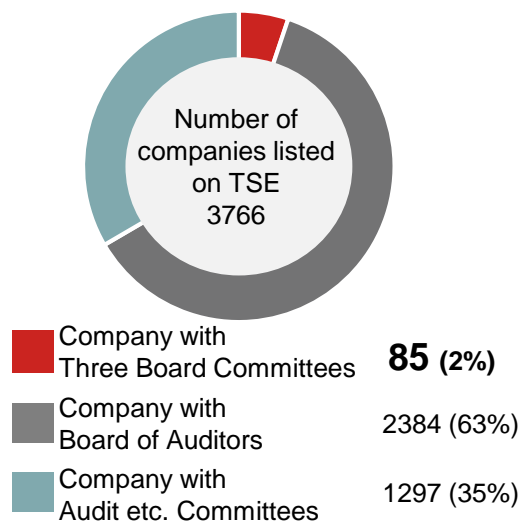
Reinforcing governance structure



Form of Corporate Governance of Japanese companies

Outside Directors

Non-Japanese and female directors



Director's profile and role (1) (after AGM in June 2022)

Name		Year of Appointment	Committee ¹				Experience								Background	No. of significant concurrent positions outside Nomura Group
			Nomination	Compensation	Audit	Risk	Corporate Management	International Business	Financial Industries	Accounting/ Finance	Legal systems/ Regulations	Internal Control (incl. risk mgmt.)	Digital (IT)	Sustainability		
Koji Nagai	Non-Executive (Chairman of the Board of Directors)	Jun. 2013	○	○			✓	✓	✓					✓	Mr. Nagai served as President and Group CEO of Nomura Holdings and President of Nomura Securities (relinquished executive duties for Nomura Holdings in April 20202 and for Nomura Securities in April 2017)	-
Kentaro Okuda	Executive Officer	Jun. 2020					✓	✓	✓					✓	President and Group CEO of Nomura Holdings, Representative Director, President of Nomura Securities	-
Tomoyuki Teraguchi	Executive Officer	Jun. 2021					✓	✓	✓		✓	✓			Representative Executive Officer, Deputy President of Nomura Holdings Representative Director, Deputy President of Nomura Securities	-
Shoji Ogawa	Non-Executive	Jun. 2021			○	○		✓	✓			✓			Mr. Ogawa has held positions including Head of Office of Audit Committee, Head of Office of Non-Executive Directors and Audit Committee and Senior Managing Director and Group Internal Audit of the Company, he has extensive experience and knowledge in the governance, internal control and internal audit field of the Nomura Group.	-
Kazuhiko Ishimura	Outside Director	Jun. 2018	◎	◎			✓	✓						✓	Mr. Ishimura has extensive experience with respect to corporate management and has held positions such as Representative Director and President and CEO, and Chairman of the Board of AGC	2 (To be appointed)
Takahisa Takahara	Outside Director	Jun. 2021	○	○			✓	✓						✓	Mr. Takahara has extensive experience with respect to corporate management, and currently holds the position as Representative Director, President & CEO of Unicharm Corporation	2

1. ◎: Chairman of the Committee, ○: Member of the Committee

Director's profile and role (2) (after AGM in June 2022)

Name		Year of Appointment	Committee ¹				Experience								Background	No. of significant concurrent positions outside Nomura Group
			Nomination	Compensation	Audit	Risk	Corporate Management	International Business	Financial Industries	Accounting/ Finance	Legal/ Regulations	Internal Control (incl. risk mgmt.)	Digitalization (IT)	Sustainability		
Noriaki Shimazaki	Outside Director	Jun. 2016			◎	○	✓	✓		✓		✓		✓	Mr. Shimazaki has extensive experience with respect to corporate management and a high degree of expertise with regard to international accounting systems corresponding to a Sarbanes-Oxley Act of 2002 financial expert. He has held positions such as Representative Director and Executive Vice President of Sumitomo Corporation, Member of the Business Accounting Council of the Financial Services Agency, Trustee of IASC Foundation, and Director of the Financial Accounting Standards Foundation	1
Mari Sono	Outside Director	Jun. 2017			○					✓	✓	✓			Ms. Sono has a high degree of expertise with respect to corporate accounting based on many years of experience as a Certified Public Accountant and has held positions such as External Comprehensive Auditor, Tokyo, and Member of "Business Accounting Council," Ministry of Finance. Further, after retiring from the Audit Firm, she served as Commissioner of the Securities and Exchange Surveillance Commission	1
Laura Simone Unger	Outside Director	Jun. 2018				◎		✓	✓		✓	✓			Ms. Unger is well-versed in finance-related legal systems/regulations, and including the holding in the past of positions such as a Commissioner and Acting Chairperson of the SEC, etc.	1
Victor Chu	Outside Director	Jun. 2021			○	○	✓	✓	✓		✓	✓		✓	Mr. Chu has extensive experience with respect to corporate management and the finance industry. He serves as Chairman and CEO of First Eastern Investment Group, and had key positions in Hong Kong financial circles such as at the Hong Kong Stock Exchange etc.	4
J.Christopher Giancarlo	Outside Director	Jun. 2021				○		✓	✓		✓	✓	✓		Mr. Giancarlo is well-versed in finance-related legal systems/regulations and advanced technologies such as blockchain, and served as the Chairman of the U.S. Commodity Futures Trading Commission etc.	3
Patricia Mosser	Outside Director	Jun. 2021				○		✓	✓		✓	✓			Ms. Mosser has many years of experience as an economist and central banker. In addition to her current position of Senior Research Scholar and Director of Central Banking at Columbia's School of International and Public Affairs, she has held past positions such as Senior Vice President of the FRBNY etc.	1

1. ◎: Chairman of the Committee, ○: Member of the Committee

Independence Criteria for Outside Directors and Measures to avoid Conflict of Interests

- Based on the independence criteria, the nomination committee, which is comprised of a majority of Outside Directors determines the director candidates
- Respective regulations of the Board and Committees articulate measures to avoid conflict of interests in its resolutions

Independence Criteria for Outside Directors (excerpt)

The person, currently, or within the last three years, shall not correspond to a person listed right

The person's spouse, relatives within the second degree of kinship or anyone who lives with the person shall not correspond to a person listed right (excl. persons in unimportant positions)

1. Person Related to the Company
 - Executive (*1) of another company where any Executive of the Company serves as a director or officer of that company;
 - Major shareholder of the Company (directly or indirectly holding more than 10% of the voting rights) or Executive of such major shareholder; or
 - Partner of the Company's accounting auditor or employee of such firm who works on the Company's audit.
2. A person who is a Major Lender (*2) of the Nomura Group (*3) or an executive of a Major Lender of the Nomura Group, or a person who is a person for whom the Nomura Group is a Major Lender or an executive of an organization for whom the Nomura Group is a Major Lender.
3. A person who is a Major Business Partner (*4) of the Nomura Group or an executive (including a partner of a professional services firm, etc.) of a Major Business Partner of the Nomura Group, or a person who is a person for whom the Nomura Group is a Major Business Partner or an executive (including a partner of a professional services firm, etc.) of an organization for whom the Nomura Group is a Major Business Partner.
4. A person receiving compensation from the Nomura Group of more than 10 million yen (an amount equivalent to US \$120,000 in the case of foreign currency) per year, excluding director/officer compensation.
5. An executive of an institution receiving more than a Certain Amount of Donation (*5) from the Company.

1. Executive of the Nomura Group; or
2. A person identified in any of subsections 1 ~ 5 above

*1: Executive shall mean Executive Directors (gyoumu shikkou torishimariyaku), Executive Officers (shikkouyaku) and important employees (jyuuou na shiyounin), including Senior Managing Directors (shikkouyakuin), etc.

*2: Major Lender shall mean a lender from which the borrower has borrowed an amount equal to or greater than 2% (excluding borrowings that are not material in terms of fungibility, repayment potential, etc.) of the consolidated total assets of the borrower.

*3: Nomura Group shall mean the Company and the Company's subsidiaries listed as significant subsidiaries in the Business Report of the Company.

*4: Major Business Partner shall mean a business partner whose transactions with the other party exceed 2% (excluding transactions that are not material, such as those conducted under general conditions) of such business partner's consolidated gross revenues in the last completed fiscal year.

*5: Certain Amount of Donation shall mean a donation that exceeds 10 million yen (an amount equivalent to US \$120,000 in the case of foreign currency) per year that is greater than 2% of the donee institution's gross revenues or ordinary income.

Countermeasures to conflict of interests in resolutions

Regulations of the Board of Directors, the Nomination Committee, the Audit Committee and the Compensation Committee

(Regulations of the Board of Directors) Article 9. (Resolutions)

1. The resolution of a meeting of the Board of Directors shall be adopted by an affirmative vote of a majority of the Directors present which Directors present shall constitute a majority of all Directors then in office who are entitled to participate in the voting.
2. No director who has a special interest in any matter requiring a resolution shall be entitled to participate in the voting on such matter.

Composition and Roles of the Nomination, Compensation and Audit Committees

- To ensure and improve the independence and transparency, the Chairs of all three committees are Outside Directors after AGM in June 2019
- To utilize the knowledge of non-Japanese directors, Mr. Victor Chu will be appointed as a member of the Audit Committee

Composition and Roles of the three committees

	Role	Main Agenda	Number of meetings (FY2022.3)
Nomination Committee	<ul style="list-style-type: none"> ● Determine the particulars of a proposal concerning the election and dismissal of Directors to be submitted to a general meeting of shareholders ● Determine the independence criteria for Outside Directors ● Determine the reasons why each person was designated as a Director nominee 	<ul style="list-style-type: none"> ● Candidates for the Director ● Revision of Independence Criteria for Outside Directors ● Succession plan ● Reason for the appointment of Directors to be specified in the Reference Materials of the Annual General Meeting of Shareholders 	7
Compensation Committee	<ul style="list-style-type: none"> ● Establish the policy with respect to the determination of the compensation and other remuneration of Directors and Executive Officers ● Determine the individual compensation and other remuneration of each Director and Executive Officers 	<ul style="list-style-type: none"> ● Bonus of each Director and Executive Officer ● Compensation (excluding annual bonus) of Directors/Executive Officers ● Re-consideration of the determination process of the Directors and Executive Officers compensation ● Revision of Compensation Policy 	9
Audit Committee	<ul style="list-style-type: none"> ● Audit the executions by the Directors and Executive Officers of their duties and prepare audit reports ● Determine the content of proposals concerning the election and dismissal of the accounting auditors to be submitted to a general meeting of shareholders 	<ul style="list-style-type: none"> ● Update on the investigation into US incident ● Report from Director, Executive Officer and Senior Managing Director (SMD), on the status of the execution of duties ● Report from SMD & Head of Group Internal Audit, on evaluation of internal controls ● Reports from a member of the Audit Committee and Audit Mission Directors on the status of audits conducted ● Report from Ernst & Young ShinNihon LLC ("E&Y") 	24

Main items discussed by the Board of Directors in FY2021/22

- In FY2021/22, Board of Directors met 12 times and discussed medium- to long-term business strategy, enhancement of risk management, sustainability initiatives, disclosure and cyber security etc.
- Held 4 Outside Directors meetings during the same period

FY2021/22 1H

	Main agenda	Content of the discussion
1Q	Dialogue with Shareholders	Report and discussion on points of appeal and responses of institutional investors in Shareholder Relation
	Business execution report	Report on future challenges and strategies of the three divisions: Retail, WS, IM (newly established)
	Update on US incident	Report on the background and the cause of the case in regard to a loss arising from transactions with a US client.
	Investor day and medium-to-long term business strategy	Report and discussion on our priorities, management vision, and business strategy
	Risk management report	Report and discussion on the progress of action plans to strengthen risk management in light of U.S. Prime Brokerage Event
	Enhancement of Disclosure	Report and discussion on considerations for enhancing statutory disclosure documents based on revisions of laws and regulations in Japan and overseas

2Q	Initiatives of Digital	Report and discussions on our concept of digital utilization, overview of digital assets, and specific examples of initiatives, including Komainu
	Business execution report	Report and discussions on the status of three divisions, current earnings and KPIs etc.
	Sustainability report	Report and discussions on the Nomura Group's sustainability initiatives and promotion structure
	Strategic Shareholding Review Committee report	Current status of strategic shareholdings and future measures
	Enhancement of Risk Management	Report and discussion on the progress of remediation plans in light of U.S. Prime Brokerage Event

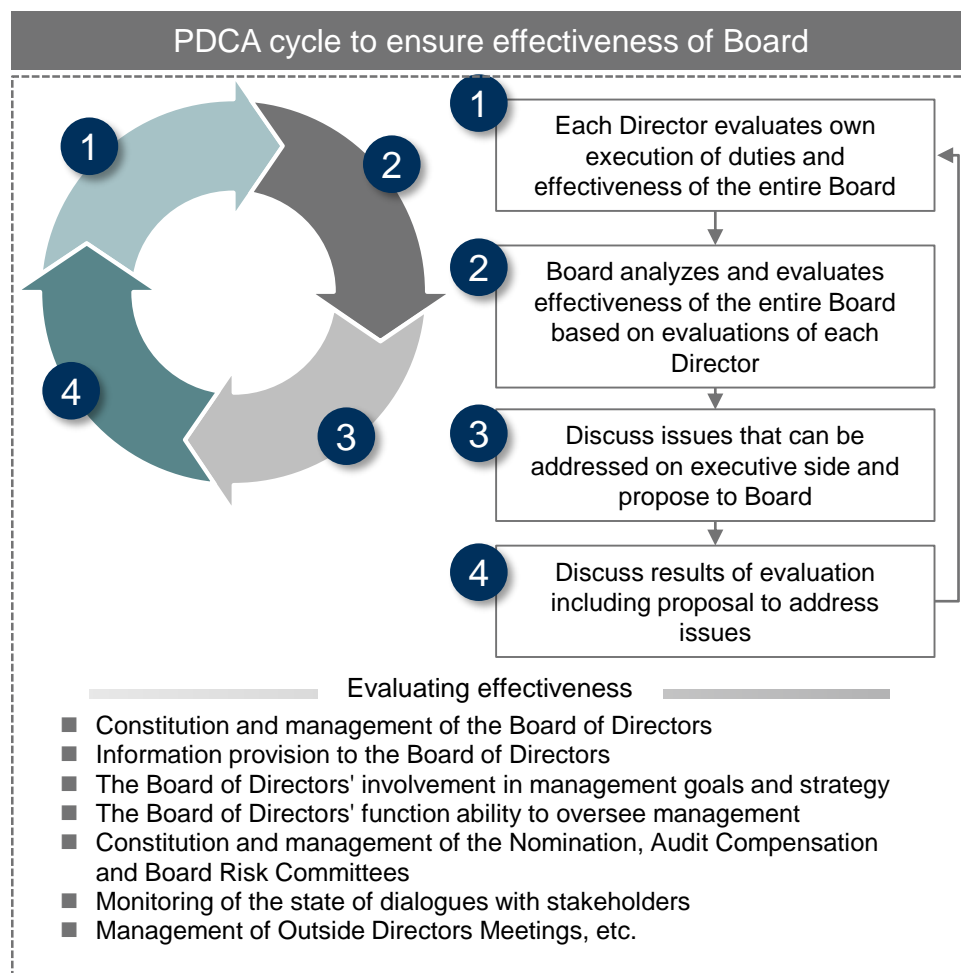
FY2021/22 2H

	Main agenda	Content of the discussion
3Q	Voting results of major institutional shareholders	Report and discussion on the status of the exercise of voting rights at AGM and the reasons for voting against or abstaining
	Business execution report	Report and discussion on future issues/strategies based on the mid-term review of three divisions, and on WS optimization in Europe
	Cyber security	Explanation and discussion of the results of the external vendor's assessment of our cyber security system, and cyber security initiatives
	Commitment to the Corporate Governance Code	Revision of CG Guidelines based on the revised CG Code. Report and discussion on Sustainability Statement, which set forth specific policies for sustainability
	Audit activity findings report	Report and discussion on reply from executive side in relation to proposals from Audit Committee to executive side
	Enhancement of Risk Management	Report and discussion on the progress of remediation plans and the update of the new Committees: Board Risk Committee, the Steering Committee for Enhancement of Risk Management

4Q	Important litigation	Report and discussion on the status of important litigation and negotiations
	Business execution report	Report and discussions on three divisions, current initiatives for medium- to long-term strategies, and the situation in Ukraine
	Initiatives for 100th Anniversary	Report and discussion on the 100th anniversary project structure and initiatives for this fiscal year
	Revision of Code of Conduct	Revision of the Code of Conduct, including the addition of a new section "Managing risks appropriately" with the aim of enhancing risk culture
	Enhancement of Risk Management	Report and discussion on the progress of various measures, key factors, structure to enhance risk management

Evaluation of effectiveness of Board

- Conducting evaluations on the effectiveness of the Board of Directors since FY2015/16
- Each Director assesses management of Board, including quantity and quality of information offered and discussions by Board, sharing findings at Board and learn from the results in order to continue strengthening their oversight function.



Response to results

- In FY2021/22, focused on strategic topics including medium- to long-term management strategy, enhancement of risk management, sustainability, and cyber securities, by reducing the time to discuss regular items
- As part of the enhancement of risk management, the Board Risk Committee (BRC) was newly established as a specialized supervisory body to oversight the Group risk. To ensure a high degree of independence, the BRC is chaired by a non-Japanese outside director and comprises six members, including five Outside Directors. Reports and discussions on enhancement of risk management, revision of Risk Appetite Statements, the situation in Ukraine, etc.
- Given the increasing proportion of international business in our business portfolio, a non-Japanese outside director will be appointed as a new member of the Audit Committee.

Future Challenges

- Continue to oversight the progress of measures to enhance risk management.
- Focus on more strategic agendas, including medium- to long-term management strategies, management goals, sustainability, digital and IT governance, etc. with appropriate monitoring

FY2021/22 Initiatives for Governance

Initiatives for Further Enhancement of Governance

Oversight	Establishment of the Board Risk Committee (BRC)	<ul style="list-style-type: none"> To deepen the oversight functions of the Board of Directors, the BRC was established as a specialized oversight body consisting of Outside Directors and an internal Non-Executive director..
Executive Side	Establishment of the Group Risk Management Committee (GRMC)	<ul style="list-style-type: none"> To strengthen senior management involvement in risk management , the GRMC was established as the highest body for risk management executive officers (reorganized from the Group Integrated Risk Management Committee)
	Strengthening and Expanding Business Management Structure in Wholesale Division	<ul style="list-style-type: none"> To enhance oversight of complex business activities carried out globally, key roles were hired as follows: <ul style="list-style-type: none"> ➢ Global Head of Front Office & Risk Control ➢ Global Head of Client Account Management
	Strengthening and Expanding Business Management Structure in Risk Management	<ul style="list-style-type: none"> To increase managers in the risk management function, and strengthen our global cooperation and controls, a new executive officer in charge of risk management at the Tokyo headquarters was assigned To supervise risk management enhancement initiatives and business management, and strengthen our implementation capabilities, the Group Risk Management Head Office was newly established Focused on hiring senior staff, including the Chief Risk Officer in Americas
Measures to Enhance Risk Management	Establishment of Steering Committee for Enhancement of Risk Management	<ul style="list-style-type: none"> To drive advanced risk management forward globally and strengthen group-wide collaboration, the Steering Committee for Enhancement of Risk Management was established
	Four areas to enhance risk management measures	<ul style="list-style-type: none"> Risk management measures have been categorized into four areas: business strategy, oversight, risk management, and risk culture Chief Transformation Officer oversees the overall implementation of risk management measures, and the Steering Committee reviews the details and consider additional measures as necessary.

Establishment of Board Risk Committee

- In order to further strengthen the oversight function of the Board of Directors, Nomura has established and commenced the operation of the Board Risk Committee, a specialized oversight organization consisting of Outside Directors and Non-Executive directors, as an important measure to further strengthen its risk management, following an incident in the US that resulted in a significant loss in March 2021.

Composition and Role of the BRC

Board Risk Committee	Members		Role
	Laura Unger	Outside Director (Chairperson)	<p>The BRC provides specialized oversight to deepen the oversight functions of the Board of Directors. The BRC contributes to more sophisticated Group risk management mainly in the areas outlined below:</p> <ol style="list-style-type: none">1. Consent to the Risk Appetite Statement2. Consent to the main design of the risk management framework3. Analysis of risk environment/verification results and future projections4. Supervision of overall execution of risk management and medium- to long-term risk strategies
	Noriaki Shimazaki	Outside Director	
	Victor Chu	Outside Director	
	Christopher Giancarlo	Outside Director	
	Patricia Mosser	Outside Director	
	Shoji Ogawa	Non-Executive Director	
	<p>To ensure a high degree of independence, the BRC is chaired by an outside director and comprises six members, including five Outside Directors and an internal Non-Executive director.</p>		

Main items discussed by the Board Risk Committee

Main agenda	Content of the discussion
The Revision of the Risk Appetite and the NHI Risk Appetite Statement	<ul style="list-style-type: none"> • The revision of Risk Management Policy, Capital Adequacy, and Liquidity, Financial/Non-Financial Risk Appetite and the NHI Risk Appetite Statement
Top Risk / Emerging Risk - 2022 Outlook and JPY Depreciation Scenario Analysis	<ul style="list-style-type: none"> • Top Risk and Emerging Risk 2022 outlook and JPY depreciation impact from inflation and interest rate hike
Russia / Ukraine Update	<ul style="list-style-type: none"> • Impact on Nomura from Russia/Ukraine crises (from Wholesale, Risk Management, and IT perspective)
ESG Strategic Risk	<ul style="list-style-type: none"> • Nomura's initiatives, strategies and associated risks/mitigations

Establishment of Steering Committee for Enhancement of Risk Management

- The Steering Committee for Enhancement of Risk Management was established to promote the implementation of measures to enhance risk management across the group.

Steering Committee for Enhancement of Risk Management

Committee Members

- Chair: Group CEO Kentaro Okuda
- Vice Chair: Deputy President Tomoyuki Teraguchi
- Members: Jonathan Lewis, Chief Transformation Officer (CTO), etc.

Purpose

- The Steering Committee deliberates on matters such as formulating and overseeing the execution of enhancement measures, securing necessary resources, and developing a global cooperation structure to ensure enhancements are achieved.

Implementation Structure

- Risk Management enhancement measures have been categorized into four areas: business strategy, oversight, risk management, and risk culture. CTO oversees the overall implementation of risk management measures, and the Steering Committee reviews the details and consider additional measures as necessary.



Key Progress

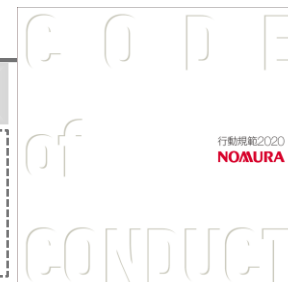
Business Strategy	<ul style="list-style-type: none"> • Clarified the business strategy of Global Markets and established a framework to regularly review the business portfolio in various forms • Ensured consistency between risk profile and our strategic direction, risk activity, resource allocation, etc.
Oversight	<ul style="list-style-type: none"> • Hired key roles (Global Head of Wholesale Front Office Risk and Control, Global Head of Client Account Management, etc.) • Revised Wholesale scorecards (strategy performance management metrics) for global consistency
Risk Management	<ul style="list-style-type: none"> • Increase of the headcount is being carried out for the risk control function in the first line, risk management function in the second line, and Internal Audit in the third line • Launched the new quantitative Risk Appetite Statement • Reviewing our business limit framework • Strengthening risk management governance structure (Establishment of BRC and GRMC)
Risk Culture	<ul style="list-style-type: none"> • Three key focus areas for Nomura's culture as Challenge, Respect and Escalation were articulated. • Added a new item "Managing risks appropriately" in the Code of Conduct • Continued management communication with employees on Risk Culture through various opportunities

Establishment of Code of Conduct and annual revision

Promote Code of Conduct established in December 2019 and further reinforce based on current circumstances

Aim

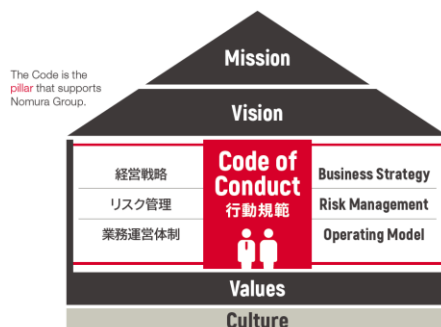
- As we work to realize our mission and vision, everyone at Nomura is expected to uphold the values of entrepreneurial leadership, teamwork and integrity that underpin us as a firm. This Code of Conduct sets out guidelines to help us translate our values into actions
- Declaration of Nomura's commitment to customers, society and ourselves



Outline

What does the Code mean?

Explanation of the positioning of the Code of Conduct



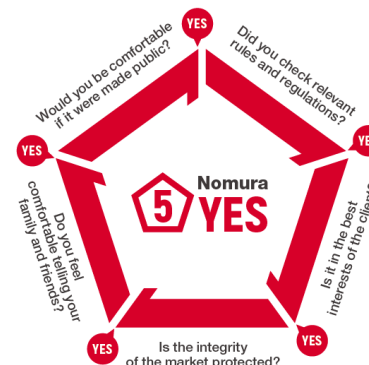
How do we implement the Code?

Responsibility of managers

Employees	Have a responsibility to follow the Code as a member of Nomura Group. By putting the Code into practice, meet the trust and expectations of our clients and contribute to ensuring market integrity.
Managers	In addition, all managers have the following responsibilities.
Lead by example	Managers are expected to lead their team in the right direction by adhering to the Code.
Embed the Code	Managers are expected to properly explain the content of the Code to their team and ensure each team member fully understands.
Provide an open environment	Managers should respect each member of their team and listen closely to their ideas to encourage an environment of open discussion.
Help your people grow	Managers should acknowledge the differences of each individual in their team and provide guidance and development opportunities as necessary.
Evaluate fairly	When evaluating their team members, managers should take into account each person's skill-set, attitude, awareness of compliance, and leadership.

Five questions to ask when in doubt

Basic questions to ask oneself



Our conducts

Each items in detail



Guidelines for translating the values of “entrepreneurial leadership”, “teamwork” and “integrity” into concrete actions

Key Revision Point in 2022

- Added a new item, “Managing risks appropriately”, aiming to further instill a risk culture within the firm



Training Programs for New Outside Directors

- Last year, training programs were provided for new Outside Directors.
- Executive Officers and Senior Managing Directors explained key matters related to their areas of responsibility (60 to 90 minutes for each session/ Approximately 20 hours in total)
- In addition, annual professional ethics training was provided for officers and Outside Directors to further enhance their awareness of professional ethics.
- Hold one-on-one meetings between Outside Directors and Executive officers once a month in principle

Key Themes of the Training Programs

- Points of Attention for Directors
- Nomura Group's Overview and Business, etc.
- Financial Results for FY 2020/21
- Finance
- Presentation of Investor Day
- Activities of the Audit Committee
- Activities of Internal Audit
- Points of Attention on Compliance/Corporate (including Rules Concerning Self-Investment)
- Litigation/Legal (including each Notifications)
- Risk Management
- Retail Division
- GM (Global Markets)
- IB (Investment Banking)
- Wholesale Division
- Invest Management Division
- Public policies and regulations, China business, and Health and productivity management

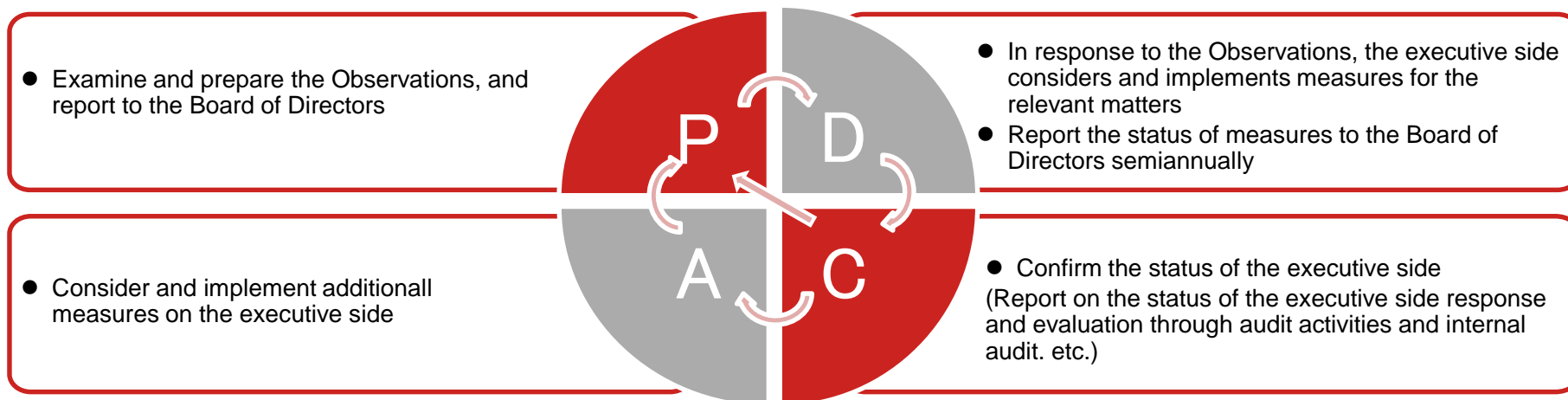
Response to Observations from Audit Activities

■ Overview of Audit Activities

- The Audit Committee (the Audit and Supervisory Committee, in Nomura Securities Co., Ltd) reports quarterly to the Board of Directors on matters that are deemed to be particularly important for internal control or business operations, which have been confirmed through audit activities, as Observations from Audit Activities.

■ Overview of PDCA Cycle

- In response to Observation from Audit Committee, the executive side considers and implements measures to deal with the relevant matters, and the CSO reports the status of measures to the Board of Directors every six months. The Audit Committee and the Audit and Supervisory Committee shall confirm the status of measures reported, prepare next Observations from Audit Activities based on subsequent audit activities, and reports them to the Boards of Directors.



Examples of Recent Measures

● Observations from Audit Activities

The threat of cyber attacks is increasing year by year, and regulators' interest in cyber security is high, with the publication of a review of the financial industry. There is also the risk that system troubles could have a major social impact. Strengthening IT security structure is an important challenge for Nomura Group. It is necessary to have a structure that can respond promptly in the event of a cyber attack or system failure, but it is also important to discuss and confirm IT security strategy at the Executive Management Board and the Board of Directors.

● Actions on the executive side

The executive side reported the status of our IT security initiatives and the status of third-party evaluations to the Board of Directors. Also, we have increased the number of opportunities to hear opinion on future initiatives. We will continue to plan to report our framework for the cyber security incident and systems failure to the Board of Directors as necessary

Topics

Compensation policy, framework for senior management

Compensation Policy

Compensation Governance

- As a company with three Board Committees structure, pursuant to Japanese corporate law, an independent statutory Compensation Committee has been established.
- The Committee considers and determines the details of individual compensation for Directors and Executive Officers.
- With respect to the relevant policies and total compensation funding for Nomura Group officers and employees other than NHI's Directors and Executive Officers, certain decisions regarding employment and remuneration matters are delegated to the "Human Resources Committee ("HRC")" by Executive Management Board of NHI.

Compensation Policies and Practices

- Nomura Group recognizes that its employees are key in contributing to society in line with our mission of "We help to enrich society through our expertise in capital markets".
- Compensation for Nomura Group employees is designed to support achieving below 1) – 3) key elements. In addition, in order to ensure that Nomura attracts, retains, motivates and develops talent, the level and structure of remuneration takes into account the roles and responsibilities of individuals as well as the market pay levels, relevant laws and regulations in Japan and overseas. In Addition, ESG is mentioned in "1) Sustainable corporate growth and increasing enterprise value over the medium and long-term".

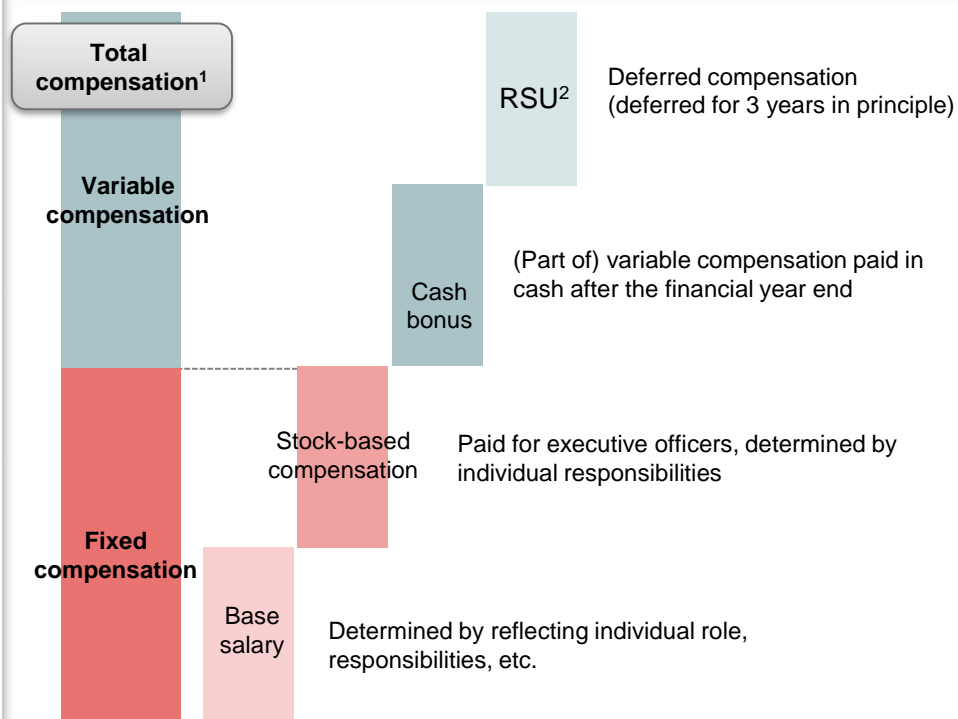
1) Sustainable corporate growth and increasing enterprise value over the medium and long-term

2) Sound and effective risk management

3) Alignment of interests with shareholders

Framework for compensation, determination for each component

- A portion of variable remuneration is paid as deferred remuneration to directors who receive a certain level of remuneration and bonuses. The higher the compensation and bonus, the lower the ratio of cash bonuses.
- Main way to provide RSU as deferred compensation is to link economic value of compensation to share price and have executive officers share the common target of raising corporate value over the medium to long term.
- Any voluntary resignation, material modification of the financial statements, material breach of Nomura's internal policies and regulations etc. are subject to forfeiture, reduction or clawback (Conclusion of individual contracts including "clawback clause")



1. This figure does not indicate the percentage of each remuneration, but shows the breakdown of remuneration.

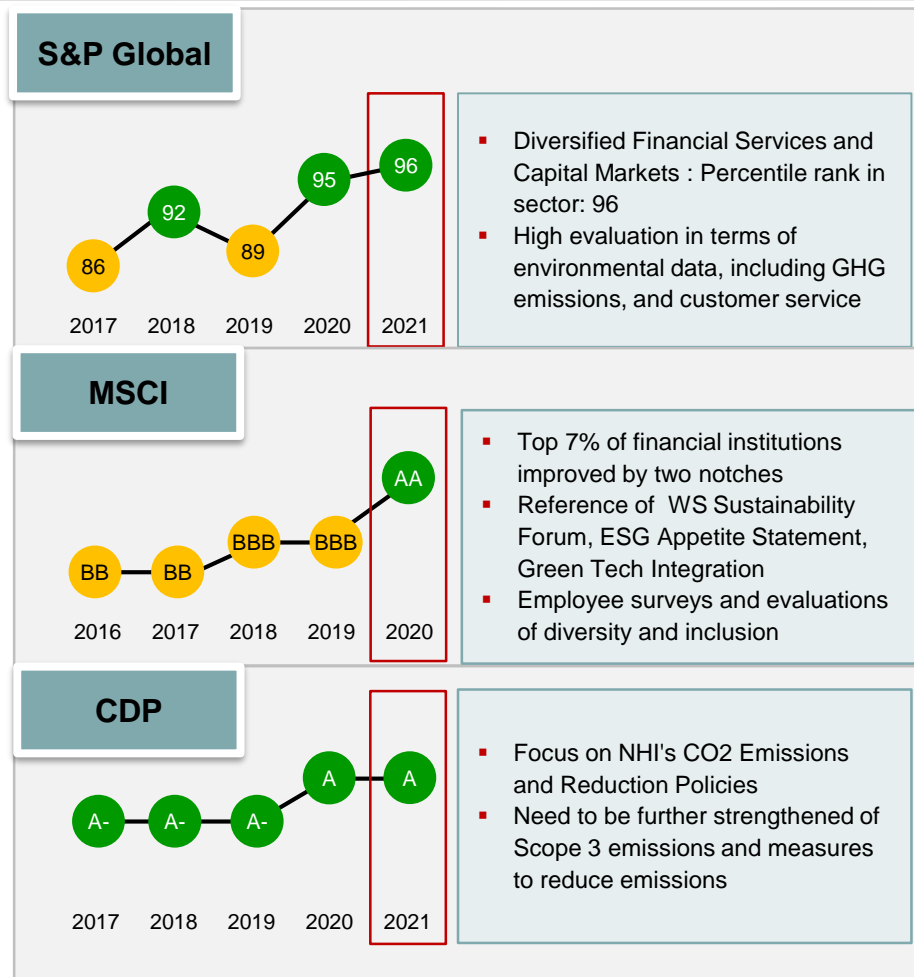
2. Restricted Stock Unit, Right to choose either RSU and phantom stock is given to certain individuals.

2021 Expand efforts toward sustainability

2021 Initiatives and achievements on Sustainability at Nomura

Jan	Awarded the Sustainable Innovation Award at “the 6th Sustainable Finance Awards” by Research Institute for Environmental Finance (RIEF)
Feb	Received Silver Award at “ESG Finance Awards” in the Japan Ministry of the Environment
Jul	Issued “Nomura Group TCFD Report 2021”
Sep	Declaring Net-Zero, joining the Net-Zero Banking Alliance, and setting a sustainable finance target (US \$125 billion)
Oct	<p>Awarded at “Investment Bank of the Year for Sustainable FIG Finance” by The Banker, British Financial Journal</p> <p>Served as Book Runner and green bond structuring agent in Japan's largest green bond issuance.</p>
Nov	Issued “Nomura Group PRB Report 2021”
Dec	Selected as Top-rated A List Company in CDP Survey on Climate Change (2 consecutive years)

Recognized through NHI ESG rating upgrades



Initiatives for the Early Realization of a Decarbonized Society

Drive Sustainability

The path to carbon neutrality

Joined the Net-Zero Banking Alliance¹, which aligns to the Paris Agreement objectives, to realize a sustainable global environment

- Net zero greenhouse gas emissions from lending and investment portfolio² by 2050
- Net greenhouse gas emissions for own³ operations by 2030

For our clients

- Risk money flows to achieve sustainable society
 - Sustainable financing target of \$125bn⁴
- Help resolve environmental issues through advisory services
- Demonstrate strengths as responsible investor
- Offer broad green investment product lineup to clients

Decarbonization of lending and investment portfolio

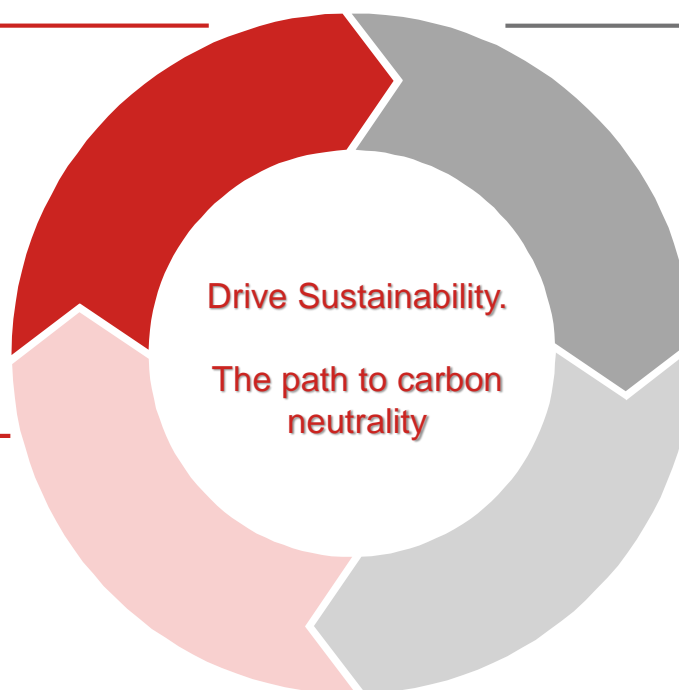
- Reductions in lending and investment portfolio
 - Clarify reduction target for high impact sectors by March 2023
 - Clarify reduction target for main sectors with large carbon emissions by September 2024
- Continuous revision of funding and policies taking sector-specific approach

Decarbonizing our own operations

- Use of renewable energy at global offices
 - Over 50% renewable energy use by FY2022/23
 - Over 70% renewable energy use by FY2025/26
- Promoting energy and resource saving
- Using carbon offsets

Driving carbon neutrality

- Sustainability Committee, which is made up of members of Executive Management Committee, has committed to carbon neutrality
 - Led by Head of Sustainability Development
- Directors with knowledge of sustainability

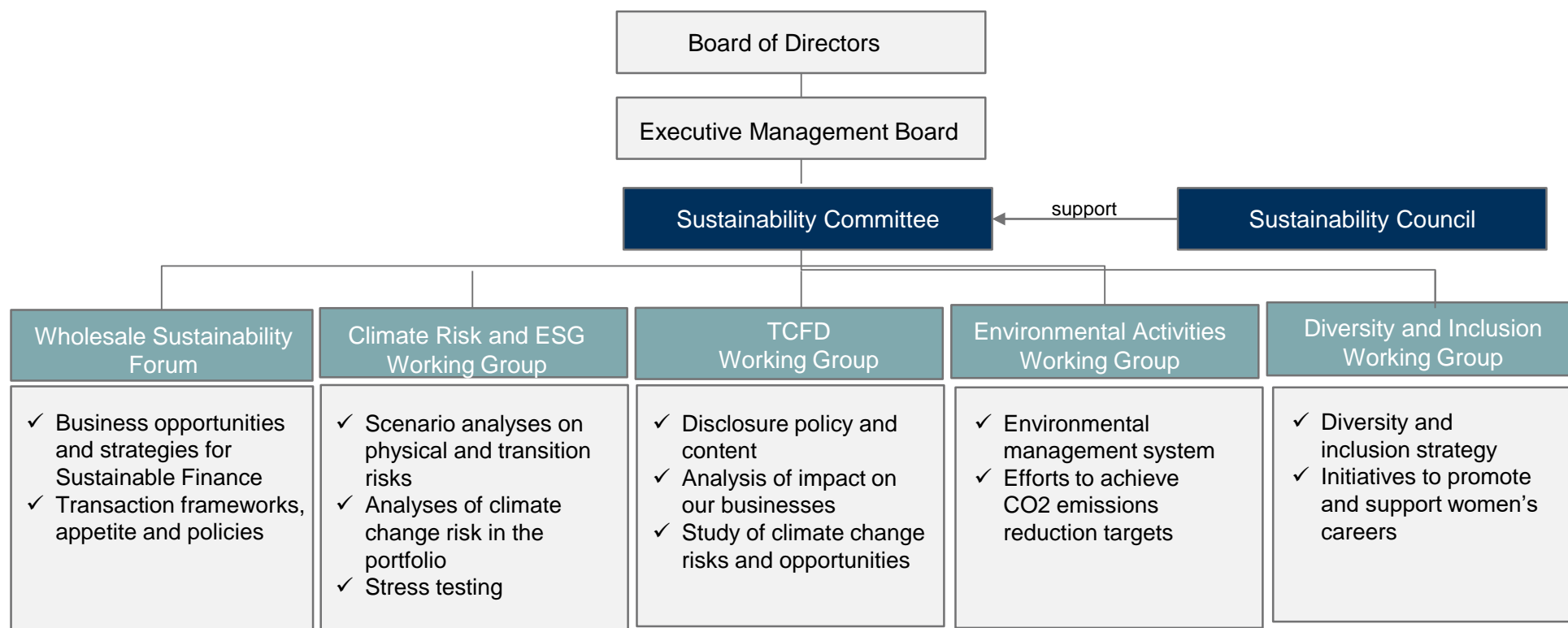


1. An initiative where banks commit to carbon neutrality in lending and investment portfolios by 2050 and one of the four initiatives for climate change and net zero greenhouse gases under the Glasgow Financial Alliance for Net Zero.
 2. Scope 3 of the Greenhouse Gas Protocol
 3. Scope 1 and 2 of the Greenhouse Gas Protocol
 4. Five year total for FY2021/22 ~ FY2025/26

Organization to promote sustainability

Establishment of Sustainability Committee

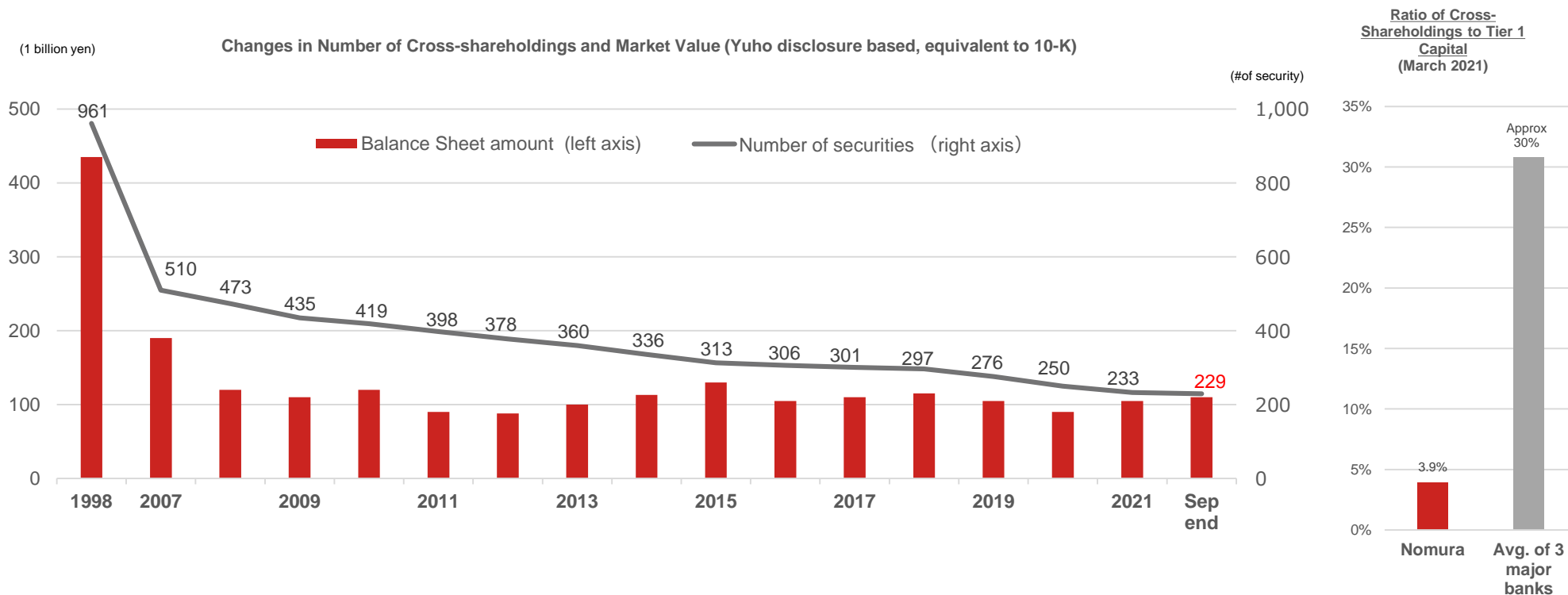
- Established Sustainability Committee to make decisions related to sustainability at senior management level and promote initiatives across the Group
- Chaired by Group CEO and comprised of same members as Executive Management Board
- Discusses and makes decisions on policies, action plans, and key issues related to sustainability
- Sustainability Council was established in 2021 to support the committee, comprising executives, including department heads.
- The activities of the Sustainability Committee are regularly reported to the Board of Directors.



Reduction of Cross-shareholdings

- Over the past 20 years, we have continuously reduced our cross-shareholdings. As of the end of September 2021, we held 229 investment securities with a total market value of 119.5 billion yen recorded on its balance sheet.
- As of March 31, 2021, cross-shareholdings accounted for 3.9% of Tier 1 capital.

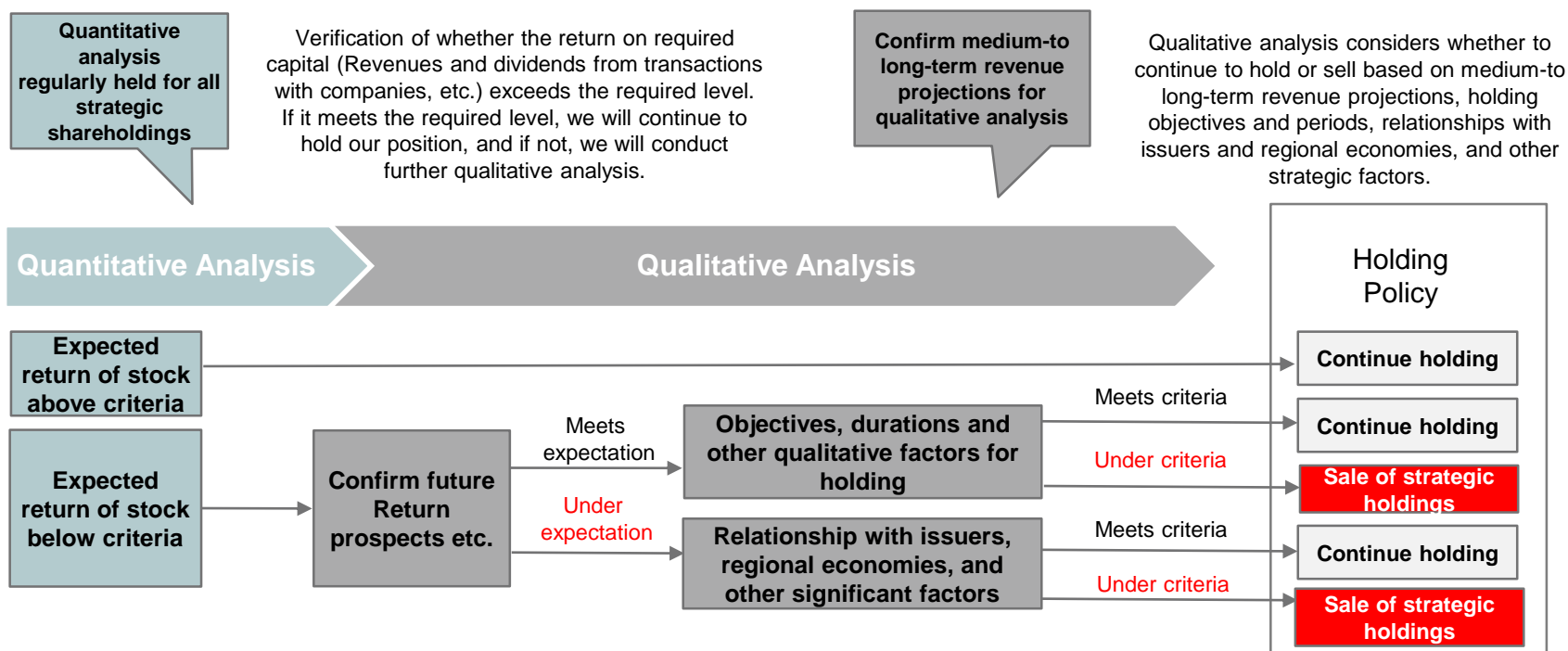
Trends in Cross-shareholdings



Reducing strategic shareholdings

- Based on the internal review process, the rationality of holding strategic shareholdings is verified. Quantitative analysis was performed on all the stocks. Stocks with returns above the expectation were allowed to be held continuously. Stocks with returns under expectation were subjected to qualitative analysis to determine whether to continue holding or selling.
- We have established an internal committee for reviewing strategic shareholdings, which conducts individual reviews, confirms, and discusses the significance of strategic shareholdings in accordance with the above process. The Board of Directors reviews the content of the review by the committee




Process for Reviewing the value of strategic shareholdings



Synergies with listed related companies

- NHI builds a strategic alliance/partnership with NRI/NREH, while NHI collaborates with Sugimura Warehouse in CRE and logistics field.

Company overview and synergies with NHI

		 NEW VALUE, REAL VALUE — N.R.E. Group NOMURA REAL ESTATE HOLDINGS	 SUGIMURA WAREHOUSE 株式会社 杉村倉庫
Ownership¹	■ 24.6%	■ 35.5%	■ 50.6%
Accounting treatments	■ Affiliated company	■ Affiliated company	■ Consolidated subsidiary
Latest stock price² : Market cap.	■ JPY 3,365: JPY 1.9 (Tn)	■ JPY 3,240: 5,708 (Oku)	■ JPY 659: 108 (Oku)
Revenue³ (JPY mn)	■ 550,490	■ 645,049	■ 10,191
Operating profit³ (JPY mn)	■ 86,502	■ 91,920	■ 1,175
Net income³ (JPY mn)	■ 68,120	■ 55,312	■ 800
Synergies with NHI group	<ul style="list-style-type: none"> ■ Builds strategic/partnership alliances as an important strategic company <ul style="list-style-type: none"> - Establishment of JV (Boostray) - Accepts secondees at IT related department (Talent sourcing) - Development and maintenance of core IT systems 	<ul style="list-style-type: none"> ■ Builds strategic/partnership alliances as an important strategic company <ul style="list-style-type: none"> - Establishment of JV providing real estate management - Real estate brokerage for NSC clients - Real estate related asset management (e.g. Develop and provide real estate products) - Support/maintenance/management of lease properties 	<ul style="list-style-type: none"> ■ Builds strategic/partnership alliances <ul style="list-style-type: none"> - Real estate lease for the Group - Logistics - Warehouse management

1. Nomura Real Estate HD and Sugimura Warehouse are as of Sep. ended 2021 / NRI is calculated after partial sale in Mar. 2022

2. As of May. 20th

3. Figures from latest fiscal year / J-GAAP figures for NRI

Source: Financial statements (annual, quarterly), Factset, Yahoo Finance

Topics about Outside Directors

- **Mr. Takahara concurrently holds the position of Representative Director, President & CEO of Unicharm Corporation, but attended all the meetings of the Board of Directors and committees.**
- **Ms. Sono's independence from her former employer is ensured.**

Takahisa Takahara

As Mr. Takahara is the Representative Director, President & CEO of Unicharm Corporation, some concern that due to time constraints, he will not be able to make sufficient commitments to our company.

In the previous fiscal year, he has attended all of the meetings of the Board of Directors (nine times), the meetings of the Outside Directors (four times), the Nomination Committee (six times) and the Compensation Committee (six times) held since his appointment as Director. He appropriately made statements utilizing experience gained from being a corporate manager. Based on the above, the Company believes that he is adequately fulfilling the roles expected of him as an Outside Director.

(Significant concurrent positions)
Representative Director, President & CEO of Unicharm Corporation
Outside Director of Calbee, Inc

(Reasons for designation as an outside director nominee and expected role)

Mr. Takahara has extensive experience with respect to corporate management, and currently holds the position as Representative Director, President & CEO of Unicharm Corporation, such achievements and related insights have been evaluated highly both within and outside of the Company. The Company has designated him as an outside director nominee with the expectation that he will apply his extensive experience and high level of independence to perform a full role as an outside director in determining important managerial matters and overseeing the business execution of the Company.

Mari Sono

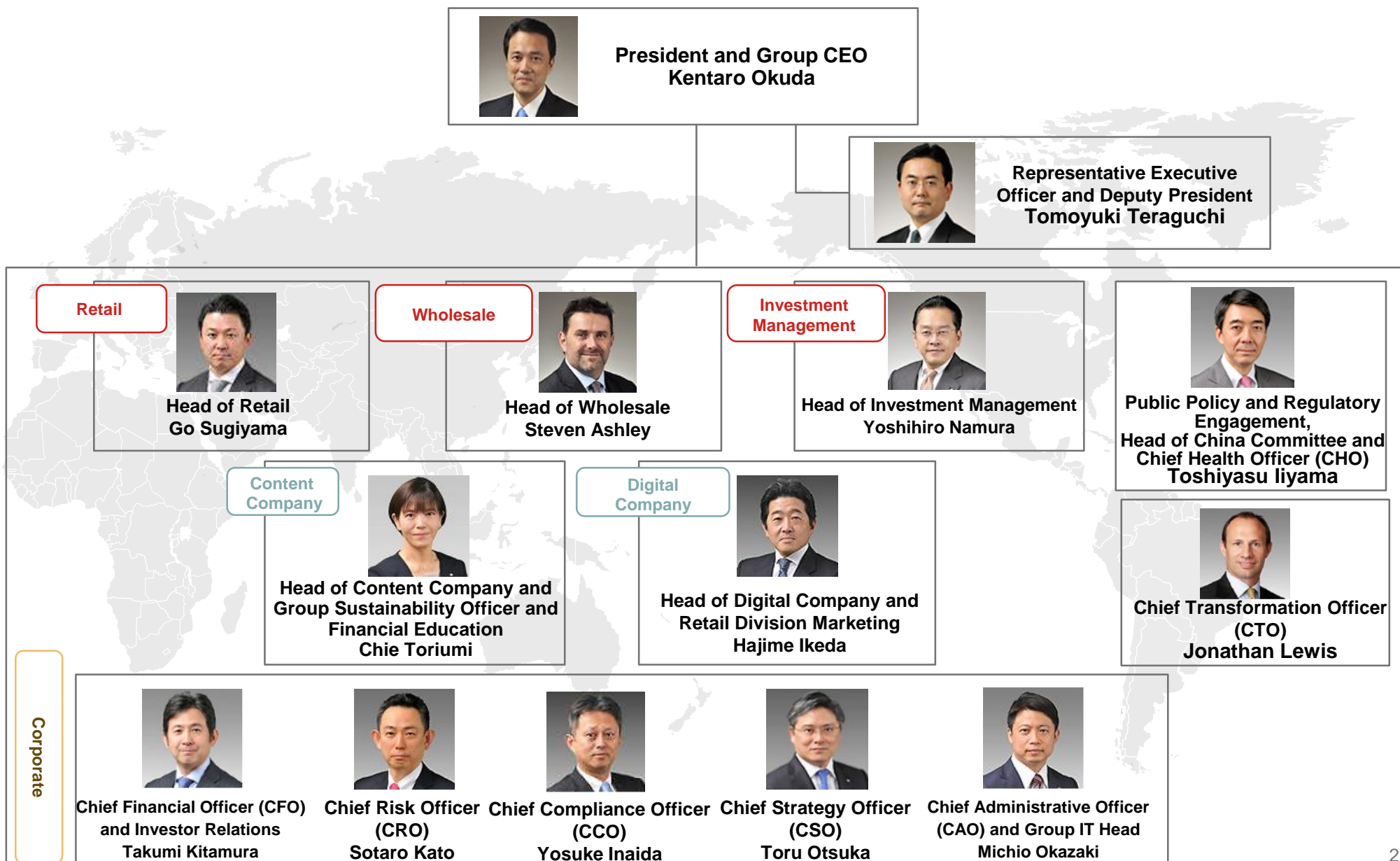
Although Ms. Sono was, in the past, a Senior Partner of Ernst & Young ShinNihon LLC ("E&Y"), the current accounting auditor of the Company, for the reasons set forth below, the Company believes that Ms. Sono's background does not compromise her independence as an Outside Director.

- The fact that just under ten years have passed since Ms. Sono retired from E&Y, after which she has had no involvement whatsoever in E&Y's management and financial policy.
 - The fact that Ms. Sono, during her tenure at E&Y, was never involved in an accounting audit of the Company and also never belonged to the Financial Division that is responsible for accounting audits of financial institutions.
- Further, in addition to satisfying the Company's Independence Criteria for Outside Directors and requirements for Independent Directors as established by the Tokyo Stock Exchange, Inc., Ms. Sono also satisfies independence requirements for an audit committee member of the Company as established by the New York Stock Exchange

(Reasons for designation as an outside director nominee and expected role)
Ms. Sono has a high degree of expertise with respect to corporate accounting based on many years of experience as a Certified Public Accountant and has held positions such as External Comprehensive Auditor, Tokyo, and Member of "Business Accounting Council," Ministry of Finance. Further, after retiring from the Audit Firm, she served as Commissioner of the Securities and Exchange Surveillance Commission, and such achievements and related insights have been evaluated highly both within and outside of the Company.
The Company has designated her as an outside director nominee with the expectation that she will apply her extensive experience and high degree of expertise and independence to perform a full role as an outside director in determining important managerial matters and overseeing the business execution of the Company.

Appendix

Nomura Group executive organization (from April 2022)



Outline of Nomura Holdings Corporate Governance Guidelines

- **Corporate Governance Guidelines established in November, 2015**
- **Aim to define and contribute to the realization of a framework of effective corporate governance as a structure for transparent/fair and timely/decisive decision-making**

Board of Directors

- Delegate its authority to execute business to Executive Officers and focus on management oversight
- Diversified composition
- Majority of members is Outside Directors to perform its management oversight functions appropriately
- Analyze and evaluate the effectiveness of the Board and disclose the results annually

Internal Controls System

- Oversee status of maintenance and operation of internal controls through audits by Audit Committee and activities by Internal Audit independent from the business execution functions
- Internal Controls Committee chaired by CEO and attended by Audit Committee members established for the purpose of strengthening and enhancing the Internal Controls System.
- Involvement of Audit Committee in implementation plans of the Internal Audit as well as in election and dismissal of Head of the Internal Audit

Risk Management

- 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
- The Board Risk Committee, as a non-statutory committee, established to assist the Board of Directors in supervising Nomura Group's risk management and to contribute to sophistication of the risk management.

Dialogue with Shareholders

- Treat shareholders equally and disclose information appropriately and timely to avoid information disparity
- Take necessary measures to ensure that shareholders are not unfairly precluded from exercising their rights
- Endeavor to enhance dialogue and provide explanations on general policies for allocation of management resources
- Share outcomes of such dialogue with the Board of Directors

Policy for Strategic Shareholdings

- Ongoing discussions concerning the purpose of strategic shareholdings
- Hold shares only if such shareholdings contribute to maintaining/enhancing the corporate value of Nomura Group
- As a result of the discussion, concerning stocks whose sale has been determined to be reasonable, we proceed with sale of such stocks while taking into consideration impact on the market and other circumstances

Fulfill Corporate Responsibilities

- Established "Nomura Group Code of Conduct" as guidelines for each director, officer, and employee of Nomura Group to comply with
- Enhance corporate value in long-term by respecting diversity and establishing a sound workplace to enable all directors, officers, and employees to perform at their full potential
- Together with contributing to the development of capital markets through various business activities, we actively engage in sustainability-related activities aimed at the Company's sustainable growth, solving social issues, and the realization of a sustainable society.

Instill Business Practices, Professionalism; Training programs for Employees

Compliance training

Nomura Securities provides officers and employees with training on compliance in a planned manner on such themes as anti-money laundering and terrorist financing, conflict of interest management, prevention of insider trading, compliance with firewall regulations, and thorough management of customer information. The purpose of this training is to raise the level of knowledge of relevant laws and regulations of officers and employees, to raise their awareness of compliance, and to foster a corporate culture that pursues appropriate business practices

Training required by the regulations of the Japan Securities Dealers Association	<ul style="list-style-type: none"> ■ Training for sales managers, internal control managers, and employees engaged in internal control activities ■ Training to improve the quality of sales representatives
Training mandated by the compliance program	<ul style="list-style-type: none"> ■ Training for branch managers, general affairs managers, new employees, new managers, etc. ■ Business Manager *1 Training ■ Compliance Hours at Sales Departments and Offices*2
Training to create a corporate culture that pursues appropriate conducts	<ul style="list-style-type: none"> ■ "Nomura 'Founding Philosophy and Corporate Ethics' Day" Initiatives <ul style="list-style-type: none"> ✓ Based on a deep remorse for the misconduct caused in the past, August 3 has been designated "Nomura 'Founding Philosophy and Corporate Ethics' Day" since 2015. ✓ Since then, in August every year, we have reconfirmed our corporate culture and corporate ethics based on spirit of our founding, and reaffirm the lessons learned from past scandals ✓ Implement the following measures to reaffirm our resolutions to prevent the recurrence of misconduct and to earn and maintain trust of society <ul style="list-style-type: none"> (1) Viewing of video materials (2) Holding of opinion exchange meetings (3) Submission of a statement of intent on preventing the weathering of scandals
Other Training	<ul style="list-style-type: none"> ■ Compliance training for all employees ■ Compliance training for Investment Banking, Global Markets, and Global Research ■ Regular training for head office managers and business managers ■ Knowledge Improvement Training for General Affairs Division of Branches ■ Lectures on compliance at various training and meetings

¹ The system was established after the second scandal involving an extortionist that was found to have provided profits and compensated for losses. This is a system unique to Nomura, and appointed by appointment.

² In order to ensure thorough compliance throughout all employees, we hold monthly seminars for Nomura Securities sales departments and branches.

Whistleblowing system

Whistleblowing system

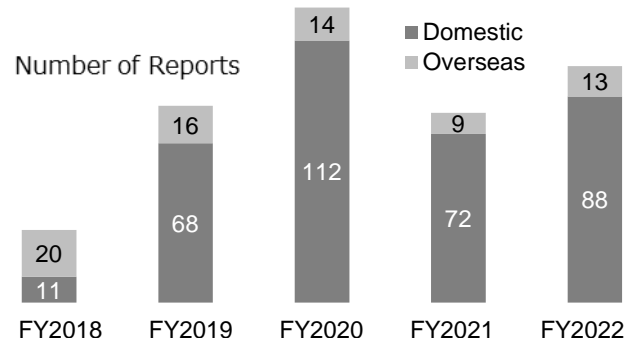
Objective

Provided to foster a sound corporate culture and ethics through early detection and correction of misconduct and violations.

Trend of number of reports

[Domestic]

- ✓ Significant increase in FY2020 is due to the introduction of services provided by external vendors, to strengthen anonymity, and initiatives to disseminate the whistleblowing system.
- ✓ Reports decreased towards FY2021 yearend due to COVID-19. But reports have returned to pre-pandemic level in FY2022.



Nomura Group Compliance Hotline

Structure

- ✓ Total four persons are designated to receive reports: two internal officers (Legal/IA) and two external attorneys.
- ✓ Two reporting methods available: Directly report to information recipients or provide information through services provided by external vendors.
- ✓ Whistleblowers can choose to whom and how to report the information.

Efforts to improve credibility

■ Certification System

- ✓ From Nov. 2019, NHI is a registered entity under the Consumer Affairs Agency's "Whistleblowing Compliance Management System Certification (Self-declaration of Conformity Registration System)" ¹



■ Distribution of messages to employees

- ✓ Regularly deliver messages to all employees to promote the use of Nomura Group Compliance Hotline
- ✓ Messages on strict confidentiality of report related Information, prohibition of detrimental treatment, etc., as well as procedures of information received and points in responding to investigations

■ Revision of the Whistleblower Protection Act (To be enforced June 2022)

- ✓ Strengthening the protection of whistleblowers
- ✓ Stricter management of information that enables identification of whistleblowers
- ✓ Expand the scope of whistleblower protection (Include former employees within one year of retirement and officers)

1. Whistleblowing Compliance Management System certification ("WCMS Certification") ("Self-declaration of conformity" registration system): Entities may evaluate its own whistleblowing system and apply for certification and registration as a designated WCMS Certification registered organization. If the entity verifies that their whistleblowing system conforms to certain standards set by the Consumer Affairs Agency (Established December 9, 2016), the entity can register for the WCMS Certification, and be permitted to use the prescribed WCMS Certification mark.

Response to spread of coronavirus

■ Respond to changes in society while playing role in financial and capital markets

Clients

■ Continuity of financial services

- Focused on providing liquidity to financial and capital markets amid market turmoil
- Retail closed branch offices temporarily following announcement of state of emergency in March 2020. Under the state of emergency declaration since then, the number of employees coming to office has been strictly limited, and continued to operate using phone, email, and online services

■ Using non-face-to-face channels

- Built out IT infrastructure to provide high quality remote services for online meetings and videoconferencing
- Retail enhanced delivery of information to clients via email

Crisis management

■ Response based on Infectious Disease Action Plan Guidelines

- Clarified process to enact business continuity plan and operations to prioritize
- Confirmed work approach under pandemic and remote access for working from home
- Set out rules regarding international travel

■ Steps to prevent spread of virus

- Conducted business using a mix of split teams and work from home
- Restricted and advisory messages around internal social gatherings and personal gatherings
- Enforced social distancing in offices and branches

Employees

■ Diversified work style

- Expanded work from home
- Introduced flextime system
- Considering office designs based on diverse work styles such as satellite offices

■ Ensured safety of our people

- Implemented wellbeing initiatives such as mental and health counselling predominantly in international offices

■ Promotion of workplace vaccination

- Leveraged online booking tool of workplace vaccination

Governance

■ Internal meetings in a hybrid format of online and physical

- Board of Directors
- Executive Management Board

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