

This document is a translation of the Japanese language original prepared solely for convenience of reference (certain portions of the Japanese language original applicable to voting procedures in Japan that are not applicable to shareholders outside Japan have been omitted). In the event of any discrepancy between this translated document and the Japanese language original, the Japanese language original shall prevail. Please note that certain portions of this document may not be applicable to shareholders outside Japan.

NOMURA

Notice of Convocation of the 117th Annual General Meeting of Shareholders

Nomura Holdings, Inc.

To Our Shareholders

I would like to take this opportunity to thank all of you for your ongoing support.

In the fiscal year ended March 31, 2021, despite the ongoing uncertainty surrounding our business environment due to COVID-19, we have made progress in our commitment to control costs and worked to establish an operating model that delivers sustainable profit on a global basis.

Total revenue of the three main business segments increased 11%, while income before income taxes increased 35%. As a result, the Group's net revenue totaled 1,401.9 billion yen, income before income taxes amounted to 230.7 billion yen, and net income came to 153.1 billion yen.

Based upon our dividend policy, we declared a year-end dividend of 15 yen per share to shareholders of record as of March 31, 2021. When combined with the interim dividend, this gives an annual dividend of 35 yen per share.

As we announced on March 29, an event occurred that resulted in a significant loss arising from transactions with a US client. Both Nomura Holdings and our US subsidiary maintain a robust financial position, and there are no issues related to the operations or financial soundness of Nomura Holdings or its subsidiaries. However, I would like to reiterate that the Group's leadership team including myself takes this event very seriously, and will work on further enhancing our risk management and management structure.

In addition, we have started initiatives to strengthen our corporate governance and ensure greater management transparency in line with the expansion of our business portfolio as a global financial services group. As part of our management vision of expanding our business into private areas in addition to public markets, we have established the Investment Management Division. In order to respond to the increasingly diverse asset management needs of our clients, we are bringing together the wide range of investment and asset management functions within the Group to provide products and services while ensuring independence.

As for the Nomura Group Code of Conduct established in December 2019, we review the content every year in order to maintain the trust our clients place in us. We reflect on our actions to ensure that they are in line with the Code, and have committed to carry out our business activities with the highest standards of ethics and integrity.

Again, thank you very much for your continued support.

June 2021

Kentaro Okuda
Director, President and Group CEO

To: Shareholders of Nomura Holdings, Inc.

Kentaro Okuda
Director, Representative Executive Officer,
President and Group CEO
Nomura Holdings, Inc.
1-13-1 Nihonbashi, Chuo-ku, Tokyo,
JAPAN

Notice of Convocation of the Annual General Meeting of Shareholders

Dear Shareholder,

I would like to take this opportunity to thank you, our shareholder, for your support of Nomura Holdings, Inc. (the “Company”). The 117th Annual General Meeting of Shareholders will be held as described below.

Details

- 1. Date and Time:** 10:00 a.m. on Monday, June 21, 2021 (JST)
- 2. Place:** Grand Nikko Tokyo Daiba, “Palais Royal” (first basement)
2-6-1, Daiba, Minato-ku, Tokyo, JAPAN
- 3. Agenda for the Meeting:**
Matters to be Reported:
 1. Report on the content of the business report and the consolidated financial statements and report on the results of the audits of the consolidated financial statements performed by the accounting auditor and the Audit Committee for the 117th fiscal year (covering the period from April 1, 2020 to March 31, 2021).
 2. Report on the financial statements for the 117th fiscal year (covering the period from April 1, 2020 to March 31, 2021).

Matter to be Resolved:

Proposal: Appointment of Twelve Directors

Matters regarding the exercise of voting rights:

If you exercise your voting rights through a proxy, only one proxy per shareholder will be permitted and such proxy must be a shareholder who holds voting rights at this General Meeting of Shareholders. Please also submit documentation evidencing the necessary power of attorney along with the proxy card.

End.

With regard to the following matters, pursuant to relevant laws/regulations and the provisions of Article 25 of the Company's Articles of Incorporation, they are not included in the materials annexed to this Notice of Convocation as they have been posted on the Company's website (<https://www.nomuraholdings.com/investor/shm/>). Therefore, the materials annexed to this Notice of Convocation, on the occasion of the preparation of the Audit Report, were a part of the objects that the audit committee and accounting auditor audited.

1. "The Content of the Resolution Adopted Regarding the Maintenance of Structures such as the Structure for Ensuring Appropriate Business Activities and the Summary of the Status of the Implementation of the Structure" in the business report; and
2. "The notes" to the consolidated financial statements
3. "The notes" to the financial statements.

In the event of any subsequent revisions to the reference materials for the general meeting of shareholders, the business report, the consolidated financial statements, or the financial statements, there will be a posting on the Company's website indicated above.

Regarding the Payment of the Year-end Dividend Distribution of the 117th Fiscal Year Surplus

At the Meeting of the Board of Directors of the Company held on April 27, 2021, a resolution was adopted for the payment, beginning on June 1, 2021, of the 15 yen per share year-end dividend distribution of the 117th fiscal year surplus.

Reference Materials for the General Meeting of Shareholders

Proposal and Reference Matters

Proposal: Appointment of Twelve Directors

As of the conclusion of this General Meeting, the term of office of all ten directors will expire. Therefore, based on the decision of the Nomination Committee, the Company requests the appointment of twelve directors, including six new director nominees. In addition, this year, aiming to further strengthen corporate governance, the number of outside director nominees has been increased by two. Of the twelve nominees, eight are outside director nominees, and the two director nominees who will concurrently serve as executive officers are Kentaro Okuda and Tomoyuki Teraguchi.

Twelve nominees are as follows:

| No. | Name | Positions in the Company | Attendance Record at Board of Directors |
|-----|--|--|---|
| 1 | Koji Nagai Non-Executive Director Reappointment | Chairman of the Board of Directors Member of the Nomination Committee Member of the Compensation Committee | 100% (11/11 meetings) |
| 2 | Kentaro Okuda Executive Officer Reappointment | Representative Executive Officer and President Group CEO | 100% (8/8 meetings) * Mr. Okuda attended all meetings of the Board of Directors that were held after his appointment as a director. |
| 3 | Tomoyuki Teraguchi Executive Officer New Appointment | Representative Executive Officer and Deputy President | (New Appointment) |
| 4 | Shoji Ogawa Non-Executive Director New Appointment | Member of the Audit Committee (Full-Time) (to be appointed) | (New Appointment) |
| 5 | Kazuhiko Ishimura Outside Director, Independent Director Reappointment | Chairman of the Nomination Committee (to be appointed) Chairman of the Compensation Committee (to be appointed) | 91% (10/11 meetings) |
| 6 | Takahisa Takahara Outside Director, Independent Director New Appointment | Member of the Nomination Committee (to be appointed) Member of the Compensation Committee (to be appointed) | (New Appointment) |
| 7 | Noriaki Shimazaki Outside Director, Independent Director Reappointment | Chairman of the Audit Committee | 100% (11/11 meetings) |
| 8 | Mari Sono Outside Director, Independent Director Reappointment | Member of the Audit Committee | 100% (11/11 meetings) |
| 9 | Laura Simone Unger Outside Director, Independent Director Reappointment | | 100% (11/11 meetings) |
| 10 | Victor Chu Outside Director, Independent Director New Appointment | | (New Appointment) |
| 11 | J. Christopher Giancarlo Outside Director, Independent Director New Appointment | | (New Appointment) |
| 12 | Patricia Mosser Outside Director, Independent Director New Appointment | | (New Appointment) |

*Three of the nominees are females.

| | | |
|---|--|--|
|  <p>Chairman of the Board of Directors</p> <p>Member of the Nomination Committee</p> <p>Member of the Compensation Committee</p> <p>Non-Executive Director Reappointment</p> <p>Attendance at Meetings of the Board of Directors: 11/11</p> <p>Attendance at Meetings of the Nomination Committee: 8/8</p> <p>Attendance at Meetings of the Compensation Committee: 7/7</p> <p>Number of shares held: 328,001 shares of common stock</p> | Apr. 1981 | Joined the Company |
| | Apr. 2003 | Director of Nomura Securities Co., Ltd. |
| | Jun. 2003 | Senior Managing Director of Nomura Securities Co., Ltd. |
| | Apr. 2007 | Executive Managing Director of Nomura Securities Co., Ltd. |
| | Oct. 2008 | Senior Corporate Managing Director of Nomura Securities Co., Ltd. |
| | Apr. 2009 | Executive Managing Director and Executive Vice President of Nomura Securities Co., Ltd. |
| | Apr. 2011 | Co-COO and Deputy President of Nomura Securities Co., Ltd. |
| | Apr. 2012 | Senior Managing Director of the Company (concurrently Director and President of Nomura Securities Co., Ltd.) |
| | Aug. 2012 | Representative Executive Officer & Group CEO of the Company (concurrently Director and President of Nomura Securities Co., Ltd.) |
| | Jun. 2013 | Director, Representative Executive Officer & Group CEO of the Company (concurrently Director and President of Nomura Securities Co., Ltd.) |
| | Apr. 2017 | Director, Representative Executive Officer, President & Group CEO of the Company (concurrently Director and Chairman of Nomura Securities Co., Ltd.) |
| Apr. 2020 | Chairman of the Board of Directors of the Company (concurrently Director and Chairman of Nomura Securities Co., Ltd.) (Current) | |
| | (Significant concurrent positions) | |
| | Director and Chairman of Nomura Securities Co., Ltd. | |
| | (Reasons for designation as a director nominee and expected role) | |
| | Mr. Nagai has held positions including Director, Representative Executive Officer & Group CEO of the Company and Director and President of Nomura Securities Co., Ltd., and has served as Director and Chairman of the Company since April 2020. The Company has designated Mr. Nagai, who is well-versed in the business of the Nomura Group, as a director nominee with the expectation that, by having Mr. Nagai chair meetings of the Board of Directors as Chairman of the Board of Directors, he will contribute to enhancing the quality of discussions at meetings of the Board of Directors and operate meetings of the Board of Directors effectively and efficiently. | |
| | If his reappointment is approved, he is slated to continue serving as a member of the Nomination Committee and a member of the Compensation Committee after this Annual General Meeting of Shareholders. | |
| | Mr. Nagai does not concurrently serve as an executive officer and is a non-executive director. | |

(Notes)

- In October 2001, the Company reorganized and became a holding company, changed the company name from, “The Nomura Securities Co., Ltd.” to “Nomura Holdings, Inc.” and Nomura Securities Co., Ltd., the subsidiary newly established by the company divestiture, succeeded the securities company operations. With regard to biographical information based on the Company prior to October 2001, the references are to positions and responsibilities at The Nomura Securities Co., Ltd.
- Since June 2003, the Company has put in place three committees (the nomination, compensation, and audit committees) and adopted a corporate governance structure that separates management’s oversight functions from business execution functions (Company with Three Board Committees). As the execution of the business of the Company, which is a Company with Three Board Committees, is performed by executive officers, directors who do not concurrently serve as executive officers (non-executive directors) do not perform such a function and perform mainly an oversight function.

2. Kentaro Okuda

(Nov. 7, 1963)



Representative Executive Officer and President

Group CEO

Executive Officer Reappointment

Attendance at Meetings of the Board of Directors: 8/8

(Mr. Okuda attended all meetings of the Board of Directors that were held after his appointment as a director.)

Number of shares held: 122,425 shares of common stock

- Apr. 1987 Joined the Company
- Apr. 2010 Senior Managing Director of Nomura Securities Co., Ltd.
- Apr. 2012 Senior Corporate Managing Director of Nomura Securities Co., Ltd.
- Aug. 2012 Senior Corporate Managing Director of the Company (concurrently Senior Corporate Managing Director of Nomura Securities Co., Ltd.)
- Apr. 2013 Senior Managing Director of the Company (concurrently Senior Corporate Managing Director of Nomura Securities Co., Ltd.)
- Apr. 2015 Senior Managing Director of the Company (concurrently Executive Vice President of Nomura Securities Co., Ltd.)
- Apr. 2016 Senior Managing Director of the Company (concurrently Executive Managing Director and Executive Vice President of Nomura Securities Co., Ltd.)
- Apr. 2017 Senior Managing Director of the Company (concurrently Executive Vice President of Nomura Securities Co., Ltd.)
- Apr. 2018 Executive Managing Director and Group Co-COO of the Company (concurrently Director, Executive Managing Director and Deputy President of Nomura Securities Co., Ltd.)
- Apr. 2019 Executive Managing Director and Deputy President, Group Co-COO of the Company
- Apr. 2020 Representative Executive Officer and President, Group CEO of the Company (concurrently Representative Director of Nomura Securities Co., Ltd.)
- Jun. 2020 Director, Representative Executive Officer, President & Group CEO of the Company (concurrently Representative Director of Nomura Securities Co., Ltd.) (Current)

(Significant concurrent positions)

Representative Director and President of Nomura Securities Co., Ltd. (to be appointed)

(Reasons for designation as a director nominee and expected role)

Mr. Okuda has held positions including Group Co-COO of the Company and Director, Executive Managing Director and Deputy President of Nomura Securities Co., Ltd., and currently serves as Director, Representative Executive Officer, President & Group CEO of the Company.

The majority of the Board of Directors of the Company, including Outside Directors, is made up of non-executive directors. The Company has designated him as a director nominee with the expectation that, by having a top executive concurrently serve as a director, the Board of Directors will be able to easily understand the business execution status and the status of the Company, and exercise the management oversight function more effectively.

3. Tomoyuki Teraguchi

(Aug. 4, 1962)



Representative Executive
Officer and Deputy
President

Executive Officer
New appointment

Number of shares held:
149,110 shares of common
stock

- Apr. 1986 Joined the Company
- Apr. 2009 Senior Managing Director and Global Equity Strategy Office of Nomura Securities Co., Ltd.,
- Apr. 2011 Senior Managing Director and Global Markets Joint COO of Nomura Securities Co., Ltd.
- Feb. 2013 Senior Managing Director and Global Markets COO of Nomura Securities Co., Ltd.
- Apr. 2013 Senior Managing Director, Global Markets COO and Global Research of Nomura Securities Co., Ltd.
- Apr. 2016 Senior Managing Director, Group Compliance Head and Operations of the Company (concurrently Representative Executive Officer, Compliance Division and Operations of Nomura Securities Co., Ltd., Internal Control Supervisory Manager)
- Apr. 2017 Senior Managing Director, Group Compliance Head and Operations of the Company (concurrently Representative Executive Officer, Senior Corporate Managing Director, Compliance Division and Operations of Nomura Securities Co., Ltd., Internal Control Supervisory Manager)
- May 2019 Executive Officer and Chief Compliance Officer (CCO) of the Company (concurrently Representative Director, Executive Vice President, Compliance and Legal of Nomura Securities Co., Ltd., Internal Control Supervisory Manager)
- Apr. 2020 Executive Officer, Chief of Staff and Chief Compliance Officer (CCO) of the Company (concurrently Representative Director and Deputy President, Compliance and Legal of Nomura Securities Co., Ltd., Internal Control Supervisory Manager)
- Apr. 2021 Representative Executive Officer, Deputy President, Chief of Staff and Chief Compliance Officer (CCO) of the Company (concurrently Representative Director and Deputy President and Chief of Staff of Nomura Securities Co., Ltd.) (Current)

(Significant concurrent positions)

Representative Director and Deputy President of Nomura Securities Co., Ltd.

(Reasons for designation as a director nominee and expected role)

Mr. Teraguchi has held positions including Internal Control Supervisory Manager of Nomura Securities Co., Ltd., and currently serves as Representative Executive Officer, Deputy President, Chief of Staff and Chief Compliance Officer (CCO) of the Company. The majority of the Board of Directors of the Company, including outside directors, is made up of non-executive directors. The Company has designated him as a director nominee with the expectation that, by having a top executive concurrently serve as a director, the Board of Directors will be able to easily understand the business execution status and the status of the Company, and exercise the management oversight function more effectively.

4. Shoji Ogawa

(Aug. 9, 1964)



Non-Executive Director

New appointment

Number of shares held:
27,167 shares of common
stock

- Apr. 1987 Joined the Company
- Apr. 2007 Head of Investment Banking Strategic Planning Dept of Nomura Securities Co., Ltd.
- Oct. 2008 Head of Capital Markets Dept. and Capital Solutions Dept. of Nomura Securities Co., Ltd.
- Jul. 2009 Head of Capital Markets Dept. of Nomura Securities Co., Ltd.
- Apr. 2012 Head of Investment Banking Strategic Planning Dept. of Nomura Securities Co., Ltd.
- Jul. 2013 Head of Office of Audit Committee of the Company (concurrently Head of Office of Audit Committee of Nomura Securities Co., Ltd.)
- Aug. 2016 Head of Office of Non-Executive Directors and Audit Committee of the Company (concurrently Head of Office of Non-Executive Directors and Audit Committee of Nomura Securities Co., Ltd.)
- Apr. 2017 Senior Managing Director and Group Internal Audit of the Company (concurrently Senior Managing Director and Internal Audit of Nomura Securities Co., Ltd.)
- Apr. 2021 Advisor of the Company (Current)

(Significant concurrent positions)

Statutory Auditor of Nomura Financial Products & Services, Inc. (to be appointed)

(Reasons for designation as a director nominee and expected role)

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.

If his appointment is approved, he is slated to serve as a full-time member of the Audit Committee after this Annual General Meeting of Shareholders. The Company has designated Mr. Ogawa, who is well-versed in the business of the Nomura Group, as a director nominee with the expectation that, by adding him to the Audit Committee, the effectiveness of audits by the Audit Committee will be enhanced.

Mr. Ogawa does not concurrently serve as an executive officer and is a non-executive director.

Outside Director Nominees (Nominee Numbers 5 to 12)

All eight Outside Director nominees satisfy the Independence Criteria established by the Company. Further, the Company has designated all Outside Director nominees as Independent Directors (an outside director who does not have any danger of having conflicts of interest with general shareholders in accordance with the rules of the Tokyo Stock Exchange, Inc.).

(Reference) “Independence Criteria” for Outside Directors of Nomura Holdings, Inc.

Outside Directors of Nomura Holdings, Inc. shall satisfy the requirements set forth below to maintain their independence from the Nomura Group.

1. The person, currently, or within the last three years, shall not correspond to a person listed below.
 - (1) Person Related to the Company
A person satisfying any of the following requirements shall be considered a 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) Executive of a Major Lender (*2) of the Company.
 - (3) Executive of a Major Business Partner (*3) of the Company (including Partners, etc.).
 - (4) A person receiving compensation from the Nomura Group of more than 10 million yen per year, excluding director/officer compensation.
 - (5) A person executing the business of an institution receiving more than a Certain Amount of Donation (*4) from the Company.
2. 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 below (excluding persons in unimportant positions):
 - (1) Executive of the Nomura Group; or
 - (2) A person identified in any of subsections (1) ~ (5) in Section 1 above.

(Notes)

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

*2: Major Lender shall mean a lender from whom the Company borrows an amount equal to or greater than 2% of the consolidated total assets of the Company.

*3: Major Business Partner shall mean a business partner whose transactions with the Company exceed 2% of such business partner’s consolidated gross revenues in the last completed fiscal year.

*4: Certain amount of donation shall mean, with respect to any given institution, any amount that exceeds 2% of the donee institution’s gross revenue or ordinary income, whichever is greater, or donations that exceed 10 million yen per year.

End.

5. Kazuhiko Ishimura

(Sep. 18, 1954)



Member of the Nomination Committee

Member of the Compensation Committee

Outside Director,
Independent Director
Reappointment

Number of years in office:
3 years

Attendance at Meetings of
the Board of Directors:
10/11

Attendance at Meetings of
the Nomination Committee:
8/8

Attendance at Meetings of
the Compensation
Committee:
7/7

Number of shares held:
0 shares of common stock

Apr. 1979 Joined Asahi Glass Co., Ltd. (currently, AGC Inc.) (“AGC”)
Jan. 2006 Executive Officer and GM of Kansai Plant of AGC
Jan. 2007 Senior Executive Officer and GM of Electronics & Energy General Division of AGC
Mar. 2008 Representative Director and President & COO of AGC
Jan. 2010 Representative Director and President & CEO of AGC
Jan. 2015 Representative Director & Chairman of AGC
Jan. 2018 Director & Chairman of AGC
Jun. 2018 Outside Director of the Company (Current)
Mar. 2020 Director of AGC
Apr. 2020 President of the National Institute of Advanced Industrial Science and Technology (Current)

(Significant concurrent positions)

President of the National Institute of Advanced Industrial Science and Technology
Outside Director of TDK Corporation
Outside Director of IHI Corporation

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

Mr. Ishimura has extensive experience with respect to corporate management, and including the holding in the past of positions such as Representative Director and President and CEO, and Chairman of the Board of AGC, 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 continue to 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.

If his reappointment is approved, he is slated to continue serving as a member of the Nomination Committee and a member of the Compensation Committee after this Annual General Meeting of Shareholders, and will serve as Chairman of both committees from this year.

6. Takahisa Takahara

(Jul. 12, 1961)



Outside Director,
Independent Director
New appointment

Number of shares held:
881 shares of common stock

- Apr. 1991 Joined Unicharm Corporation
- Jun. 1995 Director of Unicharm Corporation
- Apr. 1996 Director, General Manager of Procurement Division and Deputy General Manager of International Division of Unicharm Corporation
- Jun. 1997 Senior Director of Unicharm Corporation
- Apr. 1998 Senior Director, General Manager of Feminine Hygiene Business Division of Unicharm Corporation
- Oct. 2000 Senior Director, Responsible for Management Strategy of Unicharm Corporation
- Jun. 2001 Representative Director, President of Unicharm Corporation
- Jun. 2004 Representative Director, President & CEO of Unicharm Corporation (Current)

(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.

If his appointment is approved, he is slated to serve as a member of the Nomination Committee and a member of the Compensation Committee after this Annual General Meeting of Shareholders.



Chairman of the Audit
Committee

Outside Director,
Independent Director
Reappointment

Number of years in office:
5 years

Attendance at Meetings of
the Board of Directors:
11/11

Attendance at Meetings of
the Audit Committee:
15/15

Number of shares held:
20,100 shares of common
stock

Apr. 1969 Joined Sumitomo Corporation
Jun. 1998 Director of Sumitomo Corporation
Apr. 2002 Representative Director and Managing Director of Sumitomo Corporation
Jan. 2003 Member of the Business Accounting Council of the Financial Services Agency
Apr. 2004 Representative Director and Senior Managing Executive Officer of Sumitomo Corporation
Apr. 2005 Representative Director and Executive Vice President of Sumitomo Corporation
Jan. 2009 Trustee of the IASC Foundation (currently, IFRS Foundation)
Jul. 2009 Special Advisor of Sumitomo Corporation
Jun. 2011 Director of the Financial Accounting Standards Foundation
Jun. 2011 Chairman of Self-regulation Board and Public Governor of the Japan Securities Dealers Association
Sep. 2013 Advisor of the IFRS Foundation Asia-Oceania Office
Sep. 2013 Advisor of the Japanese Institute of Certified Public Accountants (Current)
Jun. 2016 Outside Director of the Company (concurrently Director of Nomura Securities Co., Ltd.) (Current)
Aug. 2019 Senior Advisor of the IFRS Foundation Asia-Oceania Office (Current)

(Significant concurrent positions)

Outside Director of Loginet Japan Co., Ltd.
Director of Nomura Securities Co., Ltd. (*)

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

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. Including the holding in the past of 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, 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 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.

If his reappointment is approved, he is slated to continue serving as a member of the Audit Committee (Chairman) after this Annual General Meeting of Shareholders.

*Mr. Shimazaki, at Nomura Securities Co., Ltd, is a non-executive director and serves as Chairman of the Audit and Supervisory Committee. Since he is an outside director of the Company, in accordance with Article 2, Item 15(c) of the Companies Act, he is not an outside director of Nomura Securities Co., Ltd. and is instead a director.



Member of the Audit Committee

Outside Director,
Independent Director
Reappointment

Number of years in office:
4 years

Attendance at Meetings of
the Board of Directors:
11/11

Attendance at Meetings of
the Audit Committee:
15/15

Number of shares held:
0 shares of common stock

- Oct. 1976 Joined NISSHIN Audit Corporation (*)
- Mar. 1979 Registered as Certified Public Accountant
- Nov. 1988 Partner of CENTURY Audit Corporation (*)
- Nov. 1990 Member of “Certified Public Accountant Examination System Subcommittee”, Certified Public Accountant Examination and Investigation Board, Ministry of Finance
- Apr. 1992 Member of “Business Accounting Council”, Ministry of Finance
- Dec. 1994 Senior Partner, CENTURY Audit Corporation (*)
- Oct. 2002 Member of Secretariat of the Information Disclosure, Cabinet Office (currently, Secretariat of the Information Disclosure and Personal Information Protection Review Board, Ministry of Internal Affairs and Communications)
- Apr. 2005 External Comprehensive Auditor, Tokyo
- Jul. 2008 Senior Partner of Ernst & Young ShinNihon LLC
- Aug. 2012 Retired from Ernst & Young ShinNihon LLC
- Dec. 2013 Commissioner of the Securities and Exchange Surveillance Commission
- Jun. 2017 Outside Director of the Company (Current)

(Significant concurrent positions)

Auditor of WASEDA University

(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.

If her reappointment is approved, she is slated to continue serving as a member of the Audit Committee after this Annual General Meeting of Shareholders.

(Supplementary note regarding independence)

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

The fact that just under nine 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.

*Each of the corporations is currently Ernst & Young ShinNihon LLC

9. Laura Simone Unger

(Jan. 8, 1961)



Outside Director,
Independent Director
Reappointment

Number of years in office:
3 years

Attendance at Meetings of
the Board of Directors:
11/11

Number of shares held:
(1,000 ADRs (*))

- Jan. 1988 Enforcement Attorney of the U.S. Securities and Exchange Commission (“SEC”)
- Oct. 1990 Counsel of the U.S. Senate Committee on Banking, Housing and Urban Affairs
- Nov. 1997 Commissioner of the SEC
- Feb. 2001 Acting Chairperson of the SEC
- Jul. 2002 Regulatory Expert of CNBC
- May 2003 Independent Consultant of JPMorgan Chase & Co.
- Aug. 2004 Independent Director of CA Inc.
- Jan. 2010 Special Advisor of Promontory Financial Group
- Dec. 2010 Independent Director of CIT Group Inc. (Current)
- Nov. 2014 Independent Director of Navient Corporation (Current)
- Jun. 2018 Outside Director of the Company (Current)

(Significant concurrent positions)

- Independent Director of CIT Group Inc.
- Independent Director of Navient Corporation
- Independent Director of Nomura Holding America Inc.
- Independent Director of Nomura Securities International, Inc.
- Independent Director of Nomura Global Financial Products Inc.

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

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., 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 continue to 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.

*American Depositary Receipts

10. Victor Chu

(Jun. 20, 1957)



Outside Director,
Independent Director
New appointment

Number of shares held:
0 shares of common stock

- Dec. 1982 Solicitor of the Supreme Court, Hong Kong
- Jan. 1988 Chairman and Chief Executive Officer of First Eastern Investment Group (Current)
- Oct. 1988 Director and Council Member of the Hong Kong Stock Exchange
- Jun. 1992 Advisory Committee Member of the Securities and Futures Commission, Hong Kong
- Aug. 2003 Foundation Board Member of the World Economic Forum
- Apr. 2018 Independent Director of Airbus SE (Current)

(Significant concurrent positions)

- Chairman and Chief Executive Officer of First Eastern Investment Group
- Chair of Council, University College London
- Co-Chair, International Business Council of the World Economic Forum
- Independent Director of Airbus SE

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

Mr. Chu has extensive experience with respect to corporate management and the finance industry, and a high degree of expertise with regard to legal, regulatory and corporate governance. He established First Eastern Investment Group, an international investment company, and has served as its Chairman and CEO for many years. His past positions included key positions in Hong Kong financial circles such as the Hong Kong Stock Exchange and Securities and Futures Commission, Hong Kong. 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 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.

11. J.Christopher Giancarlo

(May 12, 1959)



Outside Director,
Independent Director
New appointment

Number of shares held:
0 shares of common stock

| | |
|-----------|---|
| Sep. 1984 | Associate Attorney of Mudge Rose Guthrie Alexander & Ferdon |
| Oct. 1985 | Associate Attorney of Curtis, Mallet-Prevost, Colt & Mosle |
| Jan. 1992 | Attorney, Founding Partner of Giancarlo & Gleiberman |
| Sep. 1997 | Attorney, (Equity) Partner of Thelen Reid Brown Raysman & Steiner |
| Apr. 2000 | Vice President and Legal Counsel of Fenics Software |
| Apr. 2001 | Executive Vice President of GFI Group Inc. |
| Jun. 2014 | Commissioner of the U.S. Commodity Futures Trading Commission |
| Jan. 2017 | Chairman of the U.S. Commodity Futures Trading Commission |
| Oct. 2019 | Independent Director of the American Financial Exchange (Current) |
| Jan. 2020 | Senior Counsel of Willkie Farr & Gallagher LLP (Current) |

(Significant concurrent positions)

Senior Counsel of Willkie Farr & Gallagher LLP
 Independent Director of the American Financial Exchange
 Chairman of Common Securitization Solutions LLC
 Independent Director of BlockFi Inc.
 Principal of Digital Dollar Project

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

Mr. Giancarlo is well-versed in finance-related legal systems/regulations and advanced technologies such as blockchain, and including the holding in the past of positions such as Executive Vice President of GFI Group Inc., a U.S. securities brokerage company, and Chairman of the U.S. Commodity Futures Trading Commission, 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 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.

12. Patricia Mosser

(Feb. 14, 1956)



Outside Director,
Independent Director
New appointment

Number of shares held:
0 shares of common stock

- Jul. 1986 Assistant Professor, Economics Department, Columbia University
- Jan. 1991 Economist and Vice President of the Federal Reserve Bank of New York (FRBNY)
- Nov. 2006 Senior Vice President, FRBNY, Member of the FX Forum, Executive Meeting of East Asia and Pacific (EMEAP) Central Banks, Bank for International Settlements
- Jan. 2007 Board Member of the American Economic Association’s Committee on the Status of Women in the Economics Profession
- Jun. 2007 Member of the Markets Committee, Bank for International Settlements
- Jan. 2009 Acting Systemic Open Market Account Manager for the Federal Open Market Committee (FOMC)
- Oct. 2013 Deputy Director of the Office of Financial Research (OFR), U.S. Treasury Department
- Oct. 2013 Member of the Deputies Committee of the Financial Stability Oversight Council (FSOC)
- Jun. 2015 Senior Research Scholar and Director of Central Banking and Financial Policy at Columbia University’s School of International and Public Affairs (Current)

(Significant concurrent positions)

- Senior Research Scholar
- Director of the MPA Program in Economic Policy Management
- Director of Central Banking and Financial Policy
- *All positions at Columbia University, School of International and Public Affairs

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

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 Deputy Director of the Office of Financial Research at U.S. Treasury Department and Senior Vice President of the FRBNY. 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.

(Notes)

3. There are no particular conflicts of interest between the Company and each of the 12 nominees.
4. The Company has entered into agreements to limit Companies Act Article 423 Paragraph 1 liability for damages (limitation of liability agreements) with each of the following director nominees: Mr. Kazuhiko Ishimura, Mr. Noriaki Shimazaki, Ms. Mari Sono and Ms. Laura Simone Unger. Liability under each such agreement is limited to either 20 million yen or the amount prescribed by laws and regulations, whichever is greater. If Mr. Kazuhiko Ishimura, Mr. Noriaki Shimazaki, Ms. Mari Sono and Ms. Laura Simone Unger are each reappointed at this Annual General Meeting of Shareholders, the Company is planning to maintain the limitation of liability agreements stated above with each of them. Further, if the director nominees Mr. Shoji Ogawa, Mr. Takahisa Takahara, Mr. Victor Chu, Mr. J. Christopher Giancarlo and Ms. Patricia Mosser are appointed as directors, the Company is planning to enter into the limitation of liability agreement stated above with each of them.
5. Outside director nominee Mr. Noriaki Shimazaki had concurrently served as an outside director of UKC Holdings Corporation (currently, Restar Holdings Corporation) (“UKC”) until March 2019. UKC, for submitting annual securities reports and quarterly reports containing false statements concerning important matters during the period from June 2015 to February 2017, received an administrative monetary penalty payment order in accordance with the Financial Instruments and Exchange Act from the Financial Services Agency in December 2018. Mr. Noriaki Shimazaki, although not recognizing this until such facts became clear, on a regular basis had been carrying out activities such as making recommendations standing from the perspective of compliance with laws and regulations as an outside director, and further, after such facts became clear, by engaging in activities such as making recommendations regarding matters such as recurrence prevention measures to the board of directors as the Chairman of the “Committee to Consider the Third-Party Committee’s Report,” the duties as an outside director were performed.
6. The outside director nominee Mr. Kazuhiko Ishimura concurrently serves as outside directors of IHI Corporation (“IHI”) IHI, regarding its civil aero engine maintenance business, received an order in accordance with the Aircraft Manufacturing Industry Act in March 2019 to carry out repairs in accordance with the repair methods approved by the Ministry of Economy, Trade and Industry, and received a business improvement order in accordance with the Civil Aeronautics Act from the Ministry of Land, Infrastructure, Transport and Tourism in April 2019. Mr. Kazuhiko Ishimura, although not recognizing this until such facts became clear, on a regular basis had been carrying out activities such as making recommendations standing from the perspective of compliance with laws and regulations, and further, after such facts became clear, by engaging in activity such as asking for an investigation of the facts and appropriate recurrence prevention measures to be taken at meetings of the board of directors, the duties as outside directors were performed.
7. The outside director nominee Mr. Noriaki Shimazaki, concurrently serves as director of Nomura Securities Co., Ltd., a subsidiary of the Company. Nomura Securities Co., Ltd., received a business improvement order from the Financial Services Agency in May 2019, after Nomura Securities Co., Ltd. was found to have improperly handled information relating to the listing and delisting criteria for the upper market, which was under review by the Tokyo Stock Exchange, Inc. In response to this incident, Nomura Securities Co., Ltd. have reviewed the organizational structure of the equity business within the Wholesale division, and developed a system to strictly control non-public information that could have a material impact on investment decisions. In December 2019, Nomura Group established the “Nomura Group Code of Conduct” as guidelines for action to be taken in order to increase awareness of the importance of responding to the role expected from the society as a financial services group. At the same time, Nomura Group has developed an internal management system to promote appropriate actions (Conduct) based on the Code of Conduct. Mr. Noriaki Shimazaki, although he was not aware of this fact until the occurrence of the incident as described above, made remarks from the viewpoint of legal compliance at the Board of Directors meetings of Nomura Securities Co., Ltd. and other meetings, and after the occurrence of the incident, as the chairperson of the Audit and Supervisory Committee, he made various proposals regarding the establishment of improvement measures, measures for their implementation, and measures to keep them firmly established and functioning effectively.
8. The Company has entered into directors and officers liability insurance contracts with insurance companies, which include the 6 director nominees for reappointment as insureds. Under such insurance contracts, there will be an indemnification of losses, such as compensation for damages and litigation costs, incurred by an insured due to a claim for loss or damage caused by an act (including an omission) carried out on the basis of the position, such as director or officer, held by the insured at the Company, and all insurance premiums of insureds have been entirely borne by the Company. In addition, if the 6 director nominees for new appointment are approved, these nominees will be included as insureds under such insurance contracts. At the time of contract renewal during the term of office, such insurance contracts are scheduled to be renewed with similar content.

End.

(Reference)Board of Directors after this Annual General Meetings of Shareholders

| Name | Positions | Skill | | | | | | |
|-----------------------------|--|---------------------|------------------------|--------------------|--------------------------|-------------------------------|--|-----------------|
| | | Corporate managemen | International business | Financial industry | Accounting/ Financial | Legal systems/ Regulations | Internal control (including Risk management) | Digital (IT) |
| Koji Nagai | Non-Executive Director (Chairman of the Board of Directors) | ✓ | ✓ | ✓ | | | | |
| Kentaro Okuda | Representative Executive Officer, President Group CEO | ✓ | ✓ | ✓ | | | | |
| Tomoyuki Teraguchi | Representative Executive Officer and Deputy President | ✓ | ✓ | ✓ | | ✓ | ✓ | |
| Shoji Ogawa | Non-Executive Director | | ✓ | ✓ | | | ✓ | |
| Kazuhiko Ishimura | Outside Director | ✓ | ✓ | | | | | |
| Takahisa Takahara | Outside Director | ✓ | ✓ | | | | | |
| Noriaki Shimazaki | Outside Director | ✓ | ✓ | | ✓ | | ✓ | |
| Mari Sono | Outside Director | | | | ✓ | ✓ | ✓ | |
| Laura Simone Unger | Outside Director | | ✓ | ✓ | | ✓ | ✓ | |
| Victor Chu | Outside Director | ✓ | ✓ | ✓ | | ✓ | ✓ | |
| J. Christopher Giancarlo | Outside Director | | ✓ | ✓ | | ✓ | ✓ | ✓ |
| Patricia Mosser | Outside Director | | ✓ | ✓ | | ✓ | | |

(Attachments to Notice of Convocation of the Annual General Meeting of Shareholders)

Report for the 117th Fiscal Year

From April 1, 2020 to March 31, 2021

I. Current State of Nomura Group

1. Fundamental Management Policy and Structure of Business Operations

(1) Fundamental Management Policy

Nomura Group's management vision is to enhance its corporate value by deepening society's trust in the firm and increasing the satisfaction of stakeholders, including shareholders and clients.

As a global investment bank, Nomura will provide high value-added solutions to clients globally, and recognizing its wider social responsibility, Nomura will continue to contribute to the economic growth and development of society.

To enhance its corporate value, Nomura utilizes return on equity ("ROE") as a management indicator and will strive for sustainable business transformation. In addition, Nomura will work to ensure financial soundness and continuously improve shareholder value.

(2) Structure of Business Operations

Nomura Group's divisions are comprised of four divisions* (Retail Division, Asset Management Division, Wholesale Division and Merchant Banking Division). All divisions work together to manage business operations across the Group. Nomura Group shall delegate its powers to each of these business divisions to an appropriate extent and establish its business execution structure by enhancing professional skills, while strengthening global linkages among these business divisions, and fully demonstrating Nomura Group's comprehensive capabilities.

*On April 1, 2021, the Asset Management Division and Merchant Banking Division were abolished and the Investment Management Division was newly established.

2. Progress and Results of the Nomura Group's Business Activities

(1) Summary

The global economy deteriorated substantially in the fiscal year ended March 31, 2021 as a result of the COVID-19 pandemic, but most of this deterioration came in the first half of the fiscal year, and the economy recovered noticeably in the latter half. With many countries imposing major restrictions on economic activity to stem the spread of the virus, real gross domestic product (GDP) fell sharply in China in January-March 2020 and in the U.S. and Europe in April-June. Economic activity then picked back up in China as the outbreak came under control, and by July-September 2020 China's real GDP had recovered to the level recorded prior to the pandemic in October-December 2019. In the U.S. and Europe, restrictions on people's movement have been repeatedly tightened and loosened in response to changes in coronavirus case numbers, and while this has kept real GDP from FRB regaining the October-December 2019 level, overall economic activity has been gradually recovering. In addition to the massive government spending and monetary easing put in place to prop up economies, vaccination programs also began to make real headway in the U.S. and the U.K. from around the start of 2021. In the U.S., the new Biden administration has been putting together large-scale stimulus policies, thereby raising expectations for the economy.

Japanese economy was hit hard as well, with real GDP in April-June 2020 falling sharply following the declaration of a state of emergency in April 2020. A second wave of coronavirus infections hit Japan in the summer and was followed by a third wave toward the end of the year. Although this resulted in the declaration of a second state of emergency in January 2021, real GDP gradually recovered, albeit not all the way to the October-December 2019 level. Face-to-face services stagnated because of infection risks, while manufacturing activity recovered relatively strongly as exports picked back up. For this reason, while corporate earnings in some sectors were adversely affected by the pandemic, demand remained strong in many sectors, particularly among

manufacturers, and the profit growth rate for major companies in the fiscal year ended March 31, 2021 was substantially higher than in the fiscal year ended March 31, 2019. Equity markets too rallied sharply in response to accommodative monetary conditions around the world, improvement in corporate earnings after the initial shock from COVID-19, and expectations for government outlays in the U.S. The Nikkei Stock Average similarly recovered, at one point closing above 30,000 for the first time since August 1990.

Amid these major changes in our business environment, we continue to respond to it flexibly while maintaining an appropriate financial standing and effectively utilizing management resources through improved capital efficiency. In the fiscal year ended March 31, 2021, despite the ongoing uncertainty surrounding our business environment due to COVID-19, we have made progress in our commitment to control costs and worked to establish an operating model that delivers sustainable profit on a global basis.

We posted net revenue of 1,401.9 billion yen for the year ended March 31, 2021, an increase of 8.9% from the previous fiscal year. Non-interest expenses increased by 12.7% to 1,171.2 billion yen, income before income taxes was 230.7 billion yen, and net income attributable to the shareholders of Nomura Holdings, Inc. was 153.1 billion yen. Return on equity was 5.7%. EPS⁽¹⁾ for the year ended March 31, 2021 was 48.63 yen an decrease from 66.20 yen for the year ended March 31, 2020. We have decided to pay a dividend of 15 yen per share to shareholders of record as of March 31, 2021. As a result, the total annual dividend will be 35 yen per share. Nomura recognized a loss of 245.7 billion yen arising from transactions with a U.S. client. We took a disciplined approach to exit our positions taking into account both market impact and minimizing losses, and as of May 12, we have exited over 99 percent of our positions. The impact to our consolidated financial results from April 1 is estimated as a loss of 65.0 billion yen as of May 13, which will be booked in the fiscal year ending March 2022.

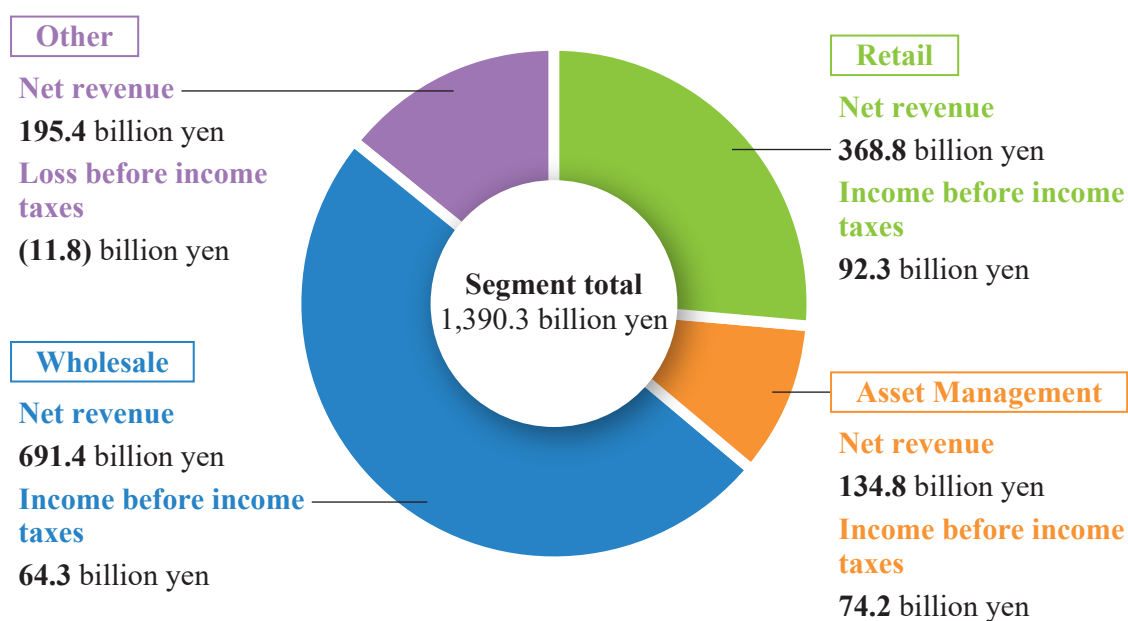
(Note):

1. Diluted net income attributable to Nomura Holdings' shareholders per share.

Consolidated Financial Results

| | Billions of yen | | % Change |
|---|--------------------|--------------------|-----------|
| | For the year ended | | (B-A)/(A) |
| | March 31, 2020 (A) | March 31, 2021 (B) | |
| Net revenue | 1,287.8 | 1,401.9 | 8.9 |
| Non-interest expenses | 1,039.6 | 1,171.2 | 12.7 |
| Income before income taxes | 248.3 | 230.7 | (7.1) |
| Income tax expense | 28.9 | 70.3 | 143.2 |
| Net income | 219.4 | 160.4 | (26.9) |
| Less: Net income attributable to noncontrolling interests | 2.4 | 7.3 | 207.3 |
| Net income attributable to NHI shareholders | 217.0 | 153.1 | (29.4) |
| Return on shareholders' equity | 8.2% | 5.7% | — |

Revenue distribution
For the year ended March 31, 2021



(2) Segment Information

We report our operations and business results by reporting segment that corresponds to the following three divisions: Retail, Asset Management and Wholesale.

Business Segment Results

| | Billions of yen | | % Change (B-A)/(A) |
|----------------------------------|--------------------|--------------------|-----------------------|
| | For the year ended | | |
| | March 31, 2020 (A) | March 31, 2021 (B) | |
| Net revenue | 1,309.2 | 1,390.3 | 6.2 |
| Non-interest expenses | 1,039.6 | 1,171.2 | 12.7 |
| Income before income taxes | 269.6 | 219.1 | (18.7) |

In business segment totals, which exclude a part of unrealized gain (loss) on investments in equity securities held for operating purposes, net revenue for the fiscal year ended March 31, 2021 was 1,390.3 billion yen, an increase of 6.2% from the previous year. Non-interest expenses for the fiscal year ended March 31, 2021 increased by 12.7% from the previous year to 1,171.2 billion yen. Income before income taxes was 219.1 billion yen for the fiscal year ended March 31, 2021, a decrease of 18.7% from previous year.

Operating Results of Retail

| | Billions of yen | | % Change |
|----------------------------------|--------------------|--------------------|-----------|
| | For the year ended | | (B-A)/(A) |
| | March 31, 2020 (A) | March 31, 2021 (B) | |
| Net revenue | 336.4 | 368.8 | 9.6 |
| Non-interest expenses | 286.9 | 276.5 | (3.6) |
| Income before income taxes | 49.4 | 92.3 | 86.8 |

Net revenue increased by 9.6% from the previous fiscal year to 368.8 billion yen, and non-interest expenses decreased by 3.6% to 276.5 billion yen. As a result, income before income taxes increased by 86.8% to 92.3 billion yen.

Based on the basic concept of “Enriching clients by responding to their asset concerns”, Retail Division has been working on consulting business in close cooperation with each customer with the aim of becoming “the most trusted partner”. In the fiscal year, the strong market environment boosted customer confidence and led to strong sales of investment trusts, stocks and foreign bonds. Also, by strengthening our remote consulting system through contact centers, we have achieved results that exceed expectations.

In addition to asset management, we will enhance our products and services such as; Real Estate, Inheritance, or Succession, which aims to provide various solutions and advices to clients’ entire asset. We are also taking digital approaches in addition to face-to-face approaches, to provide services to a wider range of clients. We will further strengthen our digital approach.

Operating Results of Asset Management

| | Billions of yen | | % Change |
|----------------------------------|--------------------|--------------------|-----------|
| | For the year ended | | (B-A)/(A) |
| | March 31, 2020 (A) | March 31, 2021 (B) | |
| Net revenue | 92.6 | 134.8 | 45.5 |
| Non-interest expenses | 63.8 | 60.5 | (5.2) |
| Income before income taxes | 28.8 | 74.2 | 158.0 |

Net revenue increased by 45.5% from the previous fiscal year to 134.8 billion yen. Non-interest expenses decreased by 5.2% to 60.5 billion yen. As a result, income before income taxes increased by 158.0% to 74.2 billion yen.

Asset Management Division, as a major institutional investor, has expanded the investment strategy with an emphasis on ESG (Environment, Society and Governance), which contributes to social development as well as medium to long term asset formation, for example by establishing multiple ESG-related investment trusts.

Funds continued to flow into ETFs (Exchange Traded Funds) during this term. On the occasion of 25th anniversary since our Nomura Asset Management Co., Ltd. (“NAM”) listed Japan’s first ETF product in 1995, we rebranded our ETF products (rebuilt existing brands) for example by unifying the names as “NEXT FUNDS”. In addition, NAM listed an ETF targeting the S&P 500 ESG Index, which incorporated ESG factors into the selection criteria for constituent stocks.

In the investment trust business, we invested in a wide range of sectors and funds flowed into bond funds which pursue total returns while controlling price fluctuations, and also we observed outflows of funds in emerging countries based in Japan throughout the year.

With American Century Investments, our strategic partner, we further strengthened cooperation globally. Its stock valuation we hold has also improved on the back of the upturn in the stock market.

Operating Results of Wholesale

| | Billions of yen | | % Change |
|----------------------------------|--------------------|--------------------|-----------|
| | For the year ended | | (B-A)/(A) |
| | March 31, 2020 (A) | March 31, 2021 (B) | |
| Net revenue | 648.6 | 691.4 | 6.6 |
| Non-interest expenses | 556.4 | 627.1 | 12.7 |
| Income before income taxes | 92.2 | 64.3 | (30.3) |

The Wholesale Division consists of two businesses, Global Markets which is engaged in the trading, sales and structuring of financial products, and Investment Banking which is engaged in financing and advisory businesses.

Net revenue increased by 6.6% from the previous fiscal year to 691.4 billion yen. Non-interest expenses increased by 12.7% to 627.1 billion yen from previous year. As a result, income before income taxes decreased by 30.3% to 64.3 billion yen. Nomura recognized a loss arising from transactions with a U.S. client.

Global Markets

In the year ended March 2021, we focused on providing uninterrupted service and liquidity to help our clients as they navigated through periods of high market volatility and portfolio rebalancing amidst the challenges arising from the global pandemic of COVID-19. We continued to reinforce our core strengths across regions and also supported sovereigns / supras in fund raising for pandemic relief. We delivered steady performance by deepening engagement with clients and increasing market share.

Investment Banking

Client activity was suppressed due to concerns of the spread of COVID-19 in the first quarter, but in the following quarters we were able to execute large domestic as well as cross-border business restructurings and industry-wide consolidations by carefully understanding our clients' needs. In addition to M&A advisory and underwriting businesses for both equity and debt, the recovery of the acquisition finance market also led to robust growth for the fiscal year. The acquisition of Greentech and the Alliance with Wolfe Research also contributed positively to revenue growth.

Other

| | Billions of yen | | % Change |
|---|--------------------|--------------------|-----------|
| | For the year ended | | (B-A)/(A) |
| | March 31, 2020 (A) | March 31, 2021 (B) | |
| Net revenue | 231.6 | 195.4 | (15.6) |
| Non-interest expenses | 132.4 | 207.1 | 56.4 |
| Income (loss) before income taxes | 99.2 | (11.8) | — |

Net revenue decreased by 15.6% from the previous fiscal year to 195.4 billion yen including income of 71.1 billion yen resulting from the rights conversion related to the Tokyo Nihonbashi district redevelopment project. Non-interest expenses increased by 56.4% to 207.1 billion yen, as a result of recognizing an impairment loss of 47.7 billion yen on Nomura's investments in Nomura Real Estate Holdings, Inc. which is one of its affiliated companies. As a result, loss before income taxes was 11.8 billion yen.

3. Financing Situation

(1) Funding situation

In terms of funding, the Company, Nomura Securities Co., Ltd., Nomura Europe Finance N.V., Nomura Bank International plc, Nomura International Funding Pte. Ltd., and Nomura Global Finance Co., Ltd. are the main group entities that borrow externally, issue debt instruments and engage in other funding activities. By raising funds to match the currencies and liquidities of our assets or by using foreign exchange swaps as necessary, we pursue optimization of our funding structures.

(2) Capital Expenditures

Capital expenditures focus primarily on system investments to accelerate digitalization with the objective of encouraging business activities further in Japan and Overseas. In Retail Division, we have improved online-based services in order to provide more convenient services for our clients. In Wholesale Division, we have been continuously enhancing the trading systems as well as strengthening the infrastructure system in order to navigate through the global markets and achieve best execution more stably and efficiently.

4. Results of Operations and Assets

| Item | Period | (in billions of yen except per share data in yen) | | | |
|---|--------|---|---|---|---|
| | | 114th Fiscal Year (April 1, 2017 to March 31, 2018) | 115th Fiscal Year (April 1, 2018 to March 31, 2019) | 116th Fiscal Year (April 1, 2019 to March 31, 2020) | 117th Fiscal Year (April 1, 2020 to March 31, 2021) |
| Total Revenue | | 1,972.2 | 1,835.1 | 1,952.5 | 1,617.2 |
| Net revenue | | 1,497.0 | 1,116.8 | 1,287.8 | 1,401.9 |
| Income (loss) before income taxes | | 328.2 | (37.7) | 248.3 | 230.7 |
| Net income (loss) attributable to NHI shareholders | | 219.3 | (100.4) | 217.0 | 153.1 |
| Basic-Net income (loss) attributable to NHI shareholders per share | | 63.13 | (29.90) | 67.76 | 50.11 |
| Diluted-Net income (loss) attributable to NHI shareholders per share | | 61.88 | (29.92) | 66.20 | 48.63 |
| Total assets | | 40,343.9 | 40,969.4 | 43,999.8 | 42,516.5 |
| Total NHI shareholders' equity | | 2,749.3 | 2,631.1 | 2,653.5 | 2,694.9 |

(Note)

Stated in accordance with accounting principles generally accepted in the U.S.

5. Management Challenges and Strategies

The Nomura Group's business environment is undergoing significant changes. We will continue to respond to it flexibly while maintaining an appropriate financial standing and effectively utilizing management resources through improved capital efficiency. In addition, we are never satisfied with ourselves and will constantly implement new initiatives with the aim of expanding existing businesses and providing value-added services to clients.

Issues associated with a significant financial loss event from transactions with a U.S. client

On March 26, 2021, an event occurred at U.S. subsidiaries including Nomura Global Financial Products Inc. whereby we were subject to a potential significant loss due to the prime brokerage transactions with a U.S. client. We have taken a number of steps to address this issue.

Firstly for fact-finding and quick remediation, related departments conducted wide-ranging investigation and already implemented a number of preventive measures. Audit Committee also hired an external law firm and conducted comprehensive and impartial review. To check and strengthen risk management framework, a full review has been done of existing positions in prime brokerage and in other financing-related businesses, we confirmed no other similar transactions to be concerned at this point of time. Risk management framework is also being reviewed centered on prime brokerage business.

As responses moving forward, we plan to conduct overall review by third-party experts on risk management framework for both Wholesale business and Risk Management, then to strengthen global risk controls.

Around the same timing of these efforts, we announced in April 2021 that our U.S. subsidiary had hired a new CEO with extensive experience in the U.S. financial industry from outside.

We will continue to develop our businesses by taking advantage of the Group's strategy, particularly the global franchise of the Wholesale division, while enhancing risk management measures.

Urgent Priority Issues

The COVID-19 pandemic has continued to impact the global economy and the daily lives of individual clients since 2020. We believe that the improvement of Nomura's enterprise value and the sustainable growth of entire society are linked, with the resolution of social issues as a point of connection. As a financial services group, Nomura's mission and highest priority are to continue to address the following issues:

- Continue to fulfill our responsibility as capital market intermediary and liquidity provider in order to maintain the financing required by companies and trading activities by market participants.
- Support the recovery of the economy and corporate activities while ensuring the safety of our clients, communities and employees and their families.
- Maintain a robust financial position and ensured sufficient liquidity in a highly volatile and stressful market environment.

Medium-to Long-term Priority Issues to respond to changed environment

Amid client behavior changes and new needs arising from the impact of the prolonged COVID-19 pandemic, we are taking into consideration changes in the business environment surrounding the Nomura Group and implementing the Group's growth strategy for the sustainable improvement of our corporate value based on the following three pillars:

- Growth strategy for sustainable improvement of corporate value
As part of our business strategy to improve corporate value, we are expanding and strengthening our scope of business from public markets to private markets in the areas of 'Products and services', 'Clients' and 'Delivery'.
- Digitalization to provide new value-added services and convenience to clients
Our digital transformation efforts are directly linked to the competitiveness of financial institutions in the future, and we will continue to promote a wide range of initiatives based on the Group's strategy in order to provide highly convenient services to clients and respond to diversifying needs. We also believe that our people are the source of added value created by the Nomura Group even in a world where digitization and digitalization are advanced. We will continue to strengthen the development of our human resources with the qualities required for the upcoming era, such as consulting capabilities that make full use of both face-to-face and virtual communications.
- Initiatives for Sustainability
The Nomura Group supports the Task Force on Climate-related Financial Disclosures ("TCFD") and is working to expand information disclosure based on it. In addition, we have established an organizational structure to promote ESG risk management and business opportunities, including climate change, from various perspectives while globally sharing knowledge. In particular, in the field of sustainable finance, where there is a great demand for financial funds as a result of the transition to a decarbonized society, we will implement advantage of our strengths as a global financial services group.

The challenges and strategies in each division are as follows:

[Retail Division]

Based on the basic concept of "Enriching clients by responding to their concerns about assets", the Retail Division aims to become a financial institution fulfilling the needs of many people. We will continue working on improving the skills of our Partners, and enhance our wide range of products and services in order to accurately respond to diversifying clients' asset issues such as inheritance or anxiety about lack of funds after retirement. In addition, we will strengthen our operating model to provide solutions and services that enable us further flexible

approaches to the entire balance sheet of our clients.

[Investment Management Division]

We established a new Investment Management Division (“IMD”) by replacing the Asset Management Division and the Merchant Banking Division, effective April 1, 2021.

IMD, which is responsible for the asset management business in a broad sense, aims to increase added value by combining various types of expertise that have been accumulated within the group, from traditional assets such as stocks and bonds, to alternative assets such as non-listed equities. Recognizing the diversifying investment needs of clients and the downward pressure on management fees as challenges, we aim to expand our business through providing a wide range of investment opportunities and providing performances and solutions that exceed expectations. In addition, we will advance the sophistication of the asset management business and governance while ensuring the independence, diversity and mobility of the investment and management companies in IMD.

[Wholesale Division]

The Wholesale Division faces challenges presented by increasingly sophisticated client needs and technological advancement, coupled with uncertainty in the market environment and the potential for an economic downturn. To ensure continuity of service as well as added value to clients, we will continue to enhance collaboration across regions and divisions while ensuring tight risk control. We will continue efforts to diversify our business portfolio and deploy financial resources to selective, high growth opportunities.

Global Markets aims to provide uninterrupted liquidity to our clients while positioning our portfolio to weather a possible economic downturn, while reinforcing risk control and governance. Additionally, we aim to further diversify our business portfolio, reinforce global connectivity and cross-sell to leverage our global platform and client franchise, opportunistically pursue growth opportunities and continue to build on the strength of our Flow trading businesses.

Investment banking aims to provide advisory services and financing to domestic as well as cross-border restructurings and industry-wide consolidations, as well as interest rate and FX solutions related to these transactions as volatile business environments impact our clients’ businesses. While we expand our global advisory business, we will focus on broadening ESG related businesses with initiatives such as further utilization of Nomura Greentech’s expertise and enhancement of our sustainable finance platform.

[Risk Management and Compliance, etc.]

At the Nomura Group, the types and levels of risks for the purpose of achieving strategic objectives and business plans based on management philosophy is set forth as the Risk Appetite. We will continue to develop a risk management framework which ensures financial soundness, enhances corporate value, and is strategically aligned to the business plan and incorporated in decision making by senior management.

With regard to compliance, we will continue to focus on improving the management structure to comply with local laws and regulations in the countries where we operate. We also continue to review our internal systems and rules so that all executive management and employees can work autonomously with high ethical standards.

In order to ensure not only compliance with laws and regulations, but also that all directors, officers and employees are able to act in accordance with social norms, we have established the “Nomura Group Code of Conduct” as guidelines for actions to be taken, and through associated training and other measures, we are working to promote appropriate actions (“Conduct”) based on the Code of Conduct. At the ‘Nomura Founding Principles and Corporate Ethics Day’ held in every August, all directors, officers and employees reaffirm the lessons learned from past incidents and renew our determination to prevent similar incidents then to maintain and gain the trust society places in us; discussions are held regarding the proper way to conduct after looking back on past incidents, and a pledge is made to comply with the Code of Conduct.

In September 2020, however, an incident occurred in Nomura Securities Co., Ltd. (“Nomura Securities”) in which a portion of corporate client information was leaked to outside due to fraudulent third-party approaches. Nomura Group companies including Nomura Securities are working to further strengthen our information management systems and to further promote the Code of Conduct.

By addressing and resolving the above issues, we will strive for the stability and further development of financial markets as well as the sustainable growth of the Nomura Group.

6. Major Business Activities

Nomura Group primarily operates in investment and financial services focusing on the securities business. We provide wide-ranging services to customers for both financing and investment through operations in Japan and other major financial capital markets around the world. Such services include securities trading and brokerage, underwriting and distribution, arrangement of offering and distribution, arrangement of private placement, principal finance, asset management, and other securities and financial business. We divide our business segments into four divisions* consisting of Retail, Asset Management, Wholesale and Merchant Banking.

In order to respond to our clients’ increasingly diversified needs, we will further increase our lineup of services available to clients by focusing efforts on private side products and services such as non-listed equities and privately placed bonds, in addition to products in public markets such as listed stocks and corporate bonds that we have been providing so far.

*On April 1, 2021, the Asset Management Division and Merchant Banking Division were abolished and the Investment Management Division was newly established.

7. Organizational Structure

(1) Principal place of business in Japan

The Company: Head office (Tokyo)

Nomura Securities Co., Ltd. (Head office and local branches — 123 locations in total): Tokyo (Head office and local branches — 22 locations in total), Kanto area excluding Tokyo (28 branches), Hokkaido area (5 branches), Tohoku area (9 branches), Hokuriku area (4 branches), Chubu area (15 branches), Kinki area (18 branches), Chugoku area (7 branches), Shikoku area (4 branches) and Kyushu and Okinawa area (11 branches)

Nomura Asset Management Co., Ltd. (Tokyo, Osaka, Fukuoka)

The Nomura Trust & Banking Co., Ltd. (Tokyo)

Nomura Facilities, Inc. (Tokyo)*

Nomura Financial Products & Services, Inc. (Tokyo)

*Please refer to Note 2 of (4) Status of Significant Subsidiaries.

(2) Principal place of business overseas

Nomura Securities International, Inc. (New York, U.S.)

Nomura International plc (London, U.K.)

Nomura International (Hong Kong) Limited

Nomura Singapore Limited

Instinet Incorporated (New York, U.S.)

(3) Status of Employees

| | Employees | Increase / Decrease |
|-------------|-----------|---------------------|
| Total | 26,403 | 226 Decrease |

(Notes)

1. Number of employees consists of the total number of employees of the Company and its consolidated subsidiaries (excluding temporary employees).

2. Number of employees excludes employees seconded outside the Company and its consolidated subsidiaries.

(4) Status of Significant Subsidiaries

| Name | Location | Capital (in millions) | Percentage of Voting Rights | Type of Business |
|---|----------------------|--------------------------|--------------------------------|---|
| Nomura Securities Co., Ltd. | Tokyo, Japan | ¥ 10,000 | 100% | Securities |
| Nomura Asset Management Co., Ltd. | Tokyo, Japan | ¥ 17,180 | 100% | Investment Trust Management / Investment Advisory |
| The Nomura Trust & Banking Co., Ltd. | Tokyo, Japan | ¥ 50,000 | 100% | Banking / Trust |
| Nomura Facilities, Inc. | Tokyo, Japan | ¥ 480 | 100% | Business Space / Facility Management |
| Nomura Financial Products & Services, Inc. | Tokyo, Japan | ¥ 176,775 | 100% | Financial |
| Nomura Asia Pacific Holdings Co., Ltd. | Tokyo, Japan | ¥ 10 | 100% | Holding Company |
| Nomura Holding America Inc. | New York, U.S. | US\$ 6,757.25 | 100% | Holding Company |
| Nomura Securities International, Inc. | New York, U.S. | US\$ 3,829.77 | 100% * | Securities |
| Nomura America Mortgage Finance, LLC | New York, U.S. | US\$ 1,803.49 | 100% * | Holding Company |
| Instinet Incorporated | New York, U.S. | US\$ 1,339.49 | 100% * | Holding Company |
| Nomura Europe Holdings plc | London, U.K. | US\$ 11,391.32 | 100% | Holding Company |
| Nomura International plc | London, U.K. | US\$ 11,241.23 | 100% * | Securities |
| Nomura International (Hong Kong) Limited | Hong Kong | ¥ 187,811 | 100% * | Securities |
| Nomura Singapore Limited | Singapore, Singapore | S\$ 239.00 | 100% * | Securities / Financial |

(Notes)

1. “Capital” is stated in the currency on which each subsidiary’s books of record are maintained. “Capital” of a subsidiary, whose paid-in capital is zero or is in nominal amount (primarily subsidiaries located in the U.S.), is disclosed in amount including additional paid-in capital. Percentages with “*” in the “Percentage of Voting Rights” column include voting rights from indirect ownership of shares.

2. Wholly owned subsidiaries, Nomura Facilities, Inc. (“NFI”) and Nomura Land and Building Co., Ltd. (“NLB”), merged effective on April 1, 2021. NFI is a surviving entity and NLB is an absorbed entity. The company name has been changed to Nomura Properties Inc.
3. The total number of consolidated subsidiaries and consolidated variable interest entities as of March 31, 2021 was 1,264. The total number of entities accounted for under the equity method of accounting such as Nomura Research Institute, Ltd. and Nomura Real Estate Holdings, Inc. was 15 as of March 31, 2021.

8. Major Lenders

| Lender | Type of Loan | Loan Amount (in millions of yen) |
|---|---------------------|-------------------------------------|
| Mizuho Bank, Ltd. | Long-term borrowing | 372,350 |
| MUFG Bank, Ltd. | Long-term borrowing | 371,069 |
| Sumitomo Mitsui Banking Corporation | Long-term borrowing | 364,773 |
| Resona Bank, Ltd. | Long-term borrowing | 49,953 |
| Sumitomo Mitsui Trust Bank, Limited. | Long-term borrowing | 181,897 |
| The Chiba Bank, Ltd. | Long-term borrowing | 45,040 |
| The Shizuoka Bank, Ltd. | Long-term borrowing | 35,326 |
| The Hachijuni Bank, Ltd. | Long-term borrowing | 30,395 |
| The Norinchukin Bank | Long-term borrowing | 49,883 |
| Meiji Yasuda Life Insurance Company | Long-term borrowing | 32,170 |

9. Capital Management Policy

We seek to enhance shareholder value and to capture growing business opportunities by maintaining sufficient levels of capital. We will continue to review our levels of capital as appropriate, taking into consideration the economic risks inherent to operating our businesses, the regulatory requirements, and maintaining our ratings necessary to operate businesses globally.

We believe that raising corporate value over the long term and paying dividends is essential to rewarding shareholders. We will strive to pay dividends using a consolidated pay-out ratio of 30 percent of each semi-annual consolidated earnings as a key indicator.

Dividend payments will be determined taking into account a comprehensive range of factors such as the tightening of Basel regulations and other changes to the regulatory environment as well as the company's consolidated financial performance.

Dividends will in principle be paid on a semi-annual basis with record dates of September 30 and March 31.

Additionally we will aim for a total payout ratio, which includes dividends and share buybacks, of at least 50 percent.

With respect to the retained earnings, in order to implement measures to adapt to regulatory changes and to increase shareholder value, we seek to efficiently invest in business areas where high profitability and growth may reasonably be expected, including the development and expansion of infrastructure.

Dividends for the Fiscal Year

Based on our Capital Management Policy described above, we paid a dividend of 20 yen per share to shareholders of record as of September 30, 2020 and have decided to pay a dividend of 15 yen per share to shareholders of record as of March 31, 2021. As a result, the total annual dividend will be 35 yen per share.

The following table sets forth the details of dividends paid for the fiscal year ended March 31, 2021:

| Resolution of Board of Directors | Record Date | Total Amount of Dividends (in millions of yen) | Dividend Per Share (yen) |
|----------------------------------|--------------------|--|-----------------------------|
| October 28, 2020 | September 30, 2020 | 61,163 | 20.00 |
| April 27, 2021..... | March 31, 2021 | 45,953 | 15.00 |

10. Other Important Matters Related to the Current Situation of the Corporate Group

Relocation of Head Office

Head office was relocated to 1-13-1 Nihonbashi, Chuo-ku, Tokyo effective on October 1, 2020.

II. Stocks

1. Total Number of Authorized Shares: 6,000,000,000 shares

The total number of classes of shares authorized to be issued in each class is as follows.

| Type | Total Number of Shares Authorized to be Issued in Each Class |
|-------------------------------|--|
| Common Stock | 6,000,000,000 |
| Class 1 Preferred Stock | 200,000,000 |
| Class 2 Preferred Stock | 200,000,000 |
| Class 3 Preferred Stock | 200,000,000 |
| Class 4 Preferred Stock | 200,000,000 |

2. Total Number of Issued Shares: Common Stock 3,233,562,601 shares
(Note)

Due to the cancellation of treasury stock on December 1, 2020, total number of issued shares decreased by 260,000,000 shares from March 31, 2020.

3. Number of Shareholders: 342,956

4. Major Shareholders (Top 10):

| Names of Shareholders | Number of Shares Owned and Percentage of Shares Owned | |
|---|---|------|
| | (in thousand shares) | (%) |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 253,651 | 8.27 |
| Custody Bank of Japan, Ltd. (Trust Account) | 134,376 | 4.38 |
| SMBC Nikko Securities Inc. | 72,001 | 2.35 |
| State Street Bank West Client-Treaty 505234 | 48,291 | 1.57 |
| Custody Bank of Japan, Ltd. (Trust Account 5) | 46,166 | 1.50 |
| Northern Trust Co. (AVFC) Re Silchester International Investors International Value Equity Trust | 45,178 | 1.47 |
| JP Morgan Securities Japan Co., Ltd. | 43,108 | 1.40 |
| Custody Bank of Japan, Ltd. (Trust Account 6) | 40,929 | 1.33 |
| Northern Trust Co. (AVFC) Re U.S. Tax Exempted Pension Funds..... | 40,182 | 1.31 |
| Custody Bank of Japan, Ltd. (Trust Account 7) | 40,103 | 1.30 |

(Notes)

1. The Company has 170,057 thousand shares of treasury stock as of March 31, 2021 which is not included in the major shareholders list above.

2. Figures for Number of Shares Owned are rounded down to the nearest thousand and figures for Percentage of Shares Owned are calculated excluding treasury stock.

5. Status of Treasury Stock Repurchase, Disposition and Number of Shares Held in Treasury:

(1) Repurchased shares

| | |
|---|---------------|
| Common Stock | 20,129 shares |
| Total Repurchase Amount (in thousands of yen) | 10,776 |

(2) Shares Disposed

| | |
|---|-------------------|
| Common Stock | 24,588,070 shares |
| Aggregate Amount of Disposition (in thousands of yen) | 13,164,505 |

(3) Shares Cancelled

| | |
|--|--------------------|
| Common Stock | 260,000,000 shares |
| Aggregate Amount of Cancellation (in thousands of yen) | 139,204,338 |

(4) Number of Shares Held in Treasury as of the end of fiscal year

| | |
|--------------------|--------------------|
| Common Stock | 170,057,167 shares |
|--------------------|--------------------|

6. Status of Stock delivered to the Directors and Executive Officers of the Company as consideration of Execution of Duties during the fiscal year:

| Position | Type and Number of Stock | | Number of People |
|--|--------------------------|---------|------------------|
| Directors and Executive Officers (excluding Outside Directors) | Common stock | 135,202 | 10 |

III. Stocks Acquisition Rights

1. Stock Acquisition Rights as of the end of the fiscal year

| Name of Stock Acquisition Rights | Allotment Date | Number of Stock Acquisition Rights | Number of Shares under Stock Acquisition Rights | Period for the Exercise of Stock Acquisition Rights | Exercise Price per Share under Stock Acquisition Rights (yen) |
|--------------------------------------|-------------------|------------------------------------|---|---|---|
| Stock Acquisition Rights No.47 | June 5, 2012 | 292 | 29,200 | From April 20, 2016 to April 19, 2021 | 1 |
| Stock Acquisition Rights No.48 | June 5, 2012 | 4,119 | 411,900 | From April 20, 2017 to April 19, 2022 | 1 |
| Stock Acquisition Rights No.49 | June 5, 2012 | 365 | 36,500 | From October 20, 2015 to April 19, 2021 | 1 |
| Stock Acquisition Rights No.50 | June 5, 2012 | 397 | 39,700 | From October 20, 2016 to April 19, 2022 | 1 |
| Stock Acquisition Rights No.54 | June 5, 2013 | 791 | 79,100 | From April 20, 2016 to April 19, 2021 | 1 |
| Stock Acquisition Rights No.57 | June 5, 2014 | 872 | 87,200 | From April 20, 2016 to April 19, 2021 | 1 |
| Stock Acquisition Rights No.58 | June 5, 2014 | 7,209 | 720,900 | From April 20, 2017 to April 19, 2022 | 1 |
| Stock Acquisition Rights No.61 | June 5, 2014 | 8,406 | 840,600 | From March 31, 2017 to March 30, 2022 | 1 |
| Stock Acquisition Rights No.62 | November 18, 2014 | 26,707 | 2,670,700 | From November 18, 2016 to November 17, 2021 | 738 |
| Stock Acquisition Rights No.63 | June 5, 2015 | 805 | 80,500 | From April 20, 2016 to April 19, 2021 | 1 |
| Stock Acquisition Rights No.64 | June 5, 2015 | 6,595 | 659,500 | From April 20, 2017 to April 19, 2022 | 1 |
| Stock Acquisition Rights No.65 | June 5, 2015 | 10,292 | 1,029,200 | From April 20, 2018 to April 19, 2023 | 1 |
| Stock Acquisition Rights No.68 | November 18, 2015 | 25,658 | 2,565,800 | From November 18, 2017 to November 17, 2022 | 802 |
| Stock Acquisition Rights No.69 | June 7, 2016 | 6,866 | 686,600 | From April 20, 2017 to April 19, 2022 | 1 |
| Stock Acquisition Rights No.70 | June 7, 2016 | 11,004 | 1,100,400 | From April 20, 2018 to April 19, 2023 | 1 |
| Stock Acquisition Rights No.71 | June 7, 2016 | 13,300 | 1,330,000 | From April 20, 2019 to April 19, 2024 | 1 |
| Stock Acquisition Rights No.72 | June 7, 2016 | 2,032 | 203,200 | From October 30, 2016 to October 29, 2021 | 1 |
| Stock Acquisition Rights No.74 | November 11, 2016 | 23,704 | 2,370,400 | From November 11, 2018 to November 10, 2023 | 593 |
| Stock Acquisition Rights No.75 | June 9, 2017 | 8,526 | 852,600 | From April 20, 2018 to April 19, 2023 | 1 |
| Stock Acquisition Rights No.76 | June 9, 2017 | 10,039 | 1,003,900 | From April 20, 2019 to April 19, 2024 | 1 |
| Stock Acquisition Rights No.77 | June 9, 2017 | 15,414 | 1,541,400 | From April 20, 2020 to April 19, 2025 | 1 |
| Stock Acquisition Rights No.78 | June 9, 2017 | 8,118 | 811,800 | From April 20, 2021 to April 19, 2026 | 1 |
| Stock Acquisition Rights No.79 | June 9, 2017 | 8,099 | 809,900 | From April 20, 2022 to April 19, 2027 | 1 |
| Stock Acquisition Rights No.80 | June 9, 2017 | 1,362 | 136,200 | From April 20, 2023 to April 19, 2028 | 1 |
| Stock Acquisition Rights No.81 | June 9, 2017 | 1,362 | 136,200 | From April 20, 2024 to April 19, 2029 | 1 |
| Stock Acquisition Rights No.82 | June 9, 2017 | 2,767 | 276,700 | From October 30, 2017 to October 29, 2022 | 1 |
| Stock Acquisition Rights No.83 | June 9, 2017 | 639 | 63,900 | From April 30, 2018 to April 29, 2023 | 1 |

| Name of Stock Acquisition Rights | Allotment Date | Number of Stock Acquisition Rights | Number of Shares under Stock Acquisition Rights | Period for the Exercise of Stock Acquisition Rights | Exercise Price per Share under Stock Acquisition Rights (yen) |
|--------------------------------------|-------------------|------------------------------------|---|---|---|
| Stock Acquisition Rights No.84 | November 17, 2017 | 24,753 | 2,475,300 | From November 17, 2019 to November 16, 2024 | 684 |
| Stock Acquisition Rights No.85 | November 20, 2018 | 23,163 | 2,316,300 | From November 20, 2020 to November 19, 2025 | 573 |

(Notes)

1. Stock acquisition rights are issued in conjunction with the Company's equity-based compensation plan and no payment is required in exchange for stock acquisition rights.
2. Any transfer of stock acquisition rights is subject to approval by the Board of Directors of the Company.
3. No stock acquisition rights shall be exercised partially. Grantees who lose their positions as executives or employees due to resignation or other similar reasons before the commencement of the exercise period will, in principle, forfeit their stock acquisition rights.
4. Number of stock acquisition rights and number of shares under stock acquisition rights are as of the end of the fiscal year.
5. Stock Acquisition Rights No.1 to No.46, No.51 to No.53, No.55, No.56, No.59, No.60, No.66, No.67 and No.73 were all extinguished by exercise, forfeiture, or expiration of exercise period.

2. Stock Acquisition Rights Held by the Directors and Executive Officers of the Company as of the end of the fiscal year

| Name of Stock Acquisition Rights | Directors and Executive Officers (excluding Outside Directors) | |
|--------------------------------------|---|----------------------|
| | Number of Stock Acquisition Rights | Number of Holders |
| Stock Acquisition Rights No.58 | 91 | 1 |
| Stock Acquisition Rights No.61 | 126 | 1 |
| Stock Acquisition Rights No.64 | 69 | 1 |
| Stock Acquisition Rights No.65 | 438 | 2 |
| Stock Acquisition Rights No.69 | 145 | 1 |
| Stock Acquisition Rights No.70 | 635 | 3 |
| Stock Acquisition Rights No.71 | 634 | 3 |
| Stock Acquisition Rights No.75 | 687 | 3 |
| Stock Acquisition Rights No.76 | 687 | 3 |
| Stock Acquisition Rights No.77 | 860 | 4 |

(Notes)

1. Number of stock acquisition rights is as of the end of the fiscal year.
2. No stock acquisition rights have been issued to Outside Directors.

3. Other Significant Matters

On May 17, 2021, the Company passed a resolution to grant Restricted Stock Units (“RSUs”) to directors, executive officers and/or employees of the Company and/or its subsidiaries, etc.

| Number of Granted RSUs | Number of Shares of Common Stock under the RSUs |
|------------------------|--|
| 64,439,400 | 64,439,400 |

IV. Matters Relating to the Company's Directors and Executive Officers

1. Status of the Directors (as of March 31, 2021)

| Name | Positions and Responsibilities | Significant Concurrent Positions |
|----------------------|--|---|
| Koji Nagai | Chairman of the Board of Directors Member of the Nomination Committee Member of the Compensation Committee | Director and Chairman of the Board of Directors of Nomura Securities Co., Ltd. (*1) |
| Kentaro Okuda | Director Representative Executive Officer and President Group CEO | Representative Director of Nomura Securities Co., Ltd. (*1) |
| Toshio Morita | Director Representative Executive Officer | Representative Director and President of Nomura Securities Co., Ltd. (*1) (*2) |
| Hiroshi Kimura | Outside Director Chairman of the Nomination Committee Chairman of the Compensation Committee | Honorary Company Fellow of Japan Tobacco Inc. |
| Kazuhiko Ishimura | Outside Director Member of the Nomination Committee Member of the Compensation Committee | President of the National Institute of Advanced Industrial Science and Technology Outside Director of TDK Corporation Outside Director of IHI Corporation |
| Noriaki Shimazaki | Outside Director Chairman of the Audit Committee | Outside Director of Loginet Japan Co., Ltd. Director of Nomura Securities Co., Ltd. (*1) |
| Mari Sono | Outside Director Member of the Audit Committee | Auditor of WASEDA University |
| Hisato Miyashita | Director Member of the Audit Committee (full time) | Statutory Auditor of Nomura Financial Products & Services, Inc. (*1) (*2) |
| Michael Lim Choo San | Outside Director | Non-Executive Chairman of Fullerton Healthcare Corporation Limited Non-Executive Chairman of Nomura Singapore Ltd. (*1) |
| Laura Simone Unger | Outside Director | Independent Director of CIT Group Inc. Independent Director of Navient Corporation Independent Director of Nomura Securities International, Inc. (*1) Independent Director of Nomura Global Financial Products Inc. (*1) |

(Notes)

1. Directors Hiroshi Kimura, Kazuhiko Ishimura, Noriaki Shimazaki, Mari Sono, Michael Lim Choo San, and Laura Simone Unger are Outside Directors, as provided for in Article 2, Item 15 of the Companies Act, and are also Independent Directors, as provided for in Article 436-2 of the Tokyo Stock Exchange, Inc.'s Securities Listing Regulations.
2. Director Noriaki Shimazaki, Chairman of the Audit Committee, is a financial expert under the Sarbanes-Oxley Act of 2002 and Director Mari Sono, a member of the Audit Committee, is a certified public accountant. Each of them has considerable finance and accounting knowledge.
3. The Company has selected director Hisato Miyashita, who is well-versed in the business of the Nomura Group, as a full-time member of the Audit Committee, with the expectation that audits by the Audit Committee will be performed more effectively.

4. Companies marked with “*1” are wholly-owned subsidiaries (including indirect ownership) of the Company.
5. Concurrent positions marked with “*2” are positions from which a director has resigned during the period from the fiscal year-end to the date of this Business Report, or positions from which a director is scheduled to resign as of the date of this Business Report.
6. There are no special relationships between the Company and companies in which Outside Directors concurrently serve (except for those companies marked with “*1”).
7. The Company has entered into agreements to limit Companies Act Article 423 Paragraph 1 liability for damages with directors Hiroshi Kimura, Kazuhiko Ishimura, Noriaki Shimazaki, Mari Sono, Hisato Miyashita, Michael Lim Choo San, and Laura Simone Unger. Liability under each such agreement is limited to either 20 million yen or the amount prescribed by laws and regulations, whichever is greater.

2. Matters Relating to the Outside Directors

Status of the Activities of the Outside Directors

| Name | Status of Main Activities |
|----------------------|--|
| Hiroshi Kimura | Attended all 11 meetings of the Board of Directors, all 8 meetings of the Nomination Committee, and all 7 meetings of the Compensation Committee held during the fiscal year, and appropriately made statements. In addition, with regard to the expected role as an outside director, utilizing his independence and extensive experience gained from being a corporate manager for many years, at meetings such as meetings of the Board of Directors, mainly from the perspective of management, activities such as the determination of important matters and supervision of business execution have been carried out. |
| Kazuhiko Ishimura | Attended 10 out of 11 meetings of the Board of Directors, all 8 meetings of the Nomination Committee, and all 7 meetings of the Compensation Committee held during the fiscal year, and appropriately made statements. In addition, with regard to the expected role as an outside director, utilizing his independence and extensive experience gained from being a corporate manager for many years, at meetings such as meetings of the Board of Directors, mainly from the perspective of management, activities such as the determination of important matters and supervision of business execution have been carried out. |
| Noriaki Shimazaki | Attended all 11 meetings of the Board of Directors and all 15 meetings of the Audit Committee held during the fiscal year, and appropriately made statements. In addition, with regard to the expected role as an outside director, utilizing his independence and extensive experience gained from being a corporate manager for many years and an expert well-versed in international accounting systems, at meetings such as meetings of the Board of Directors, mainly from the perspective of accounting/finance and internal control, activities such as the determination of important matters and supervision of business execution have been carried out. |
| Mari Sono | Attended all 11 meetings of the Board of Directors and all 15 meetings of the Audit Committee held during the fiscal year, and appropriately made statements. In addition, with regard to the expected role as an outside director, utilizing her independence and extensive experience gained from being an expert well-versed in corporate accounting, at meetings such as meetings of the Board of Directors, mainly from the perspective of accounting/finance and internal control, activities such as the determination of important matters and supervision of business execution have been carried out. |
| Michael Lim Choo San | Attended all 11 meetings of the Board of Directors held during the fiscal year, and appropriately made statements. In addition, with regard to the expected role as an outside director, utilizing his independence and extensive experience gained from being an expert well-versed in international accounting systems, at meetings such as meetings of the Board of Directors, mainly from the perspective of international business and accounting/finance, activities such as the determination of important matters and supervision of business execution have been carried out. |
| Laura Simone Unger | Attended all 11 meetings of the Board of Directors held during the fiscal year, and appropriately made statements. In addition, with regard to the expected role as an outside director, utilizing her independence and extensive experience and comprehensive knowledge gained from being an expert well-versed in finance-related legal systems/regulations, at meetings such as meetings of the Board of Directors, mainly from the perspective of international business and legal systems/regulations, activities such as the determination of important matters and supervision of business execution have been carried out. |

(Note)

Other than the above, Outside Directors Meetings, consisting solely of members who are Outside Directors, have been held, and utilizing things such as each person’s experience and knowledge, there have been discussions concerning matters such as the Company’s business and corporate governance.

3. Status of the Executive Officers (as of March 31, 2021)

| Name | Positions and Responsibilities | Significant Concurrent Positions |
|--------------------|---|---|
| Kentaro Okuda | Director Representative Executive Officer and President Group CEO | See “1. Status of the Directors” |
| Toshio Morita | Director Representative Executive Officer | See “1. Status of the Directors” |
| Junko Nakagawa | Executive Managing Director Head of Asset Management | Representative Director, President and CEO of Nomura Asset Management Co., Ltd. |
| Tomoyuki Teraguchi | Executive Managing Director Chief of Staff and Chief Compliance Officer (CCO) | Representative Director and Deputy President of Nomura Securities Co., Ltd. |
| Takumi Kitamura | Executive Managing Director Chief Financial Officer (CFO) | Director and Senior Corporate Managing Director of Nomura Securities Co., Ltd. |
| Sotaro Kato | Executive Managing Director Chief Risk Officer (CRO) | Director and Senior Corporate Managing Director of Nomura Securities Co., Ltd. |

(Notes)

1. As of March 31, 2021, Junko Nakagawa resigned from the office of Executive Managing Director of the Company.
2. As of April 1, 2021, Toshiyasu Iiyama and Toru Otsuka assumed the office of Executive Managing Director of the Company.

(Reference) Executive Officers as of April 1, 2021 are as follows:

| | |
|--------------------|--|
| Kentaro Okuda | Representative Executive Officer and President, Group CEO |
| Toshio Morita | Representative Executive Officer |
| Tomoyuki Teraguchi | Representative Executive Officer and Deputy President, Chief of Staff and Chief Compliance Officer (CCO) |
| Toshiyasu Iiyama | Executive Managing Director, Public Policy and Regulatory Engagement, Head of China Committee and Chief Health Officer (CHO) |
| Takumi Kitamura | Executive Managing Director, Chief Financial Officer (CFO), Investor Relations |
| Sotaro Kato | Executive Managing Director, Chief Risk Officer (CRO) (based in New York) |
| Toru Otsuka | Executive Managing Director, Chief Strategy Officer (CSO) |

4. Compensation paid to Directors and Executive Officers

Millions of yen

| | Number of People (1) | Base Salary (2,3) | Performance-linked compensation(4) | Non-monetary compensation (Deferred Compensation)(5) | Total |
|---------------------|-------------------------|-------------------|---------------------------------------|---|-------|
| Directors | 10 | 290 | 66 | 226 | 582 |
| (Outside Directors) | (6) | (130) | (—) | (—) | (130) |
| Executive Officers | 6 | 420 | 240 | 364 | 1,024 |
| Total | 16 | 710 | 306 | 590 | 1,606 |

(Notes)

1. The number of people includes 2 Directors who retired in June 2020. There were 8 Directors and 6 Executive Officers as of March 31, 2021. Compensation to Directors who were concurrently serving as Executive Officers is included in that of Executive Officers.
2. Base Salary of ¥710 million includes other compensation (commuter pass allowance) of ¥850 thousand.
3. In addition to base salary of Executive Officers, ¥16 million of corporate housing costs, such as housing allowance and related tax adjustments, were provided.
4. Out of the Yearly Bonus, amounts to be paid in cash after the Fiscal Year close are shown.
5. Deferred compensation (such as RSU and stock options) granted during and prior to the fiscal year ended March 31, 2021 is recognized as expense in the financial statements for the fiscal year ended March 31, 2021.
6. Subsidiaries of the Company paid ¥65 million to Outside Directors as compensation, etc. for their directorship at those subsidiaries for the fiscal year ended March 31, 2021.
7. The Company abolished retirement bonuses to Directors in 2001.

5. Matters relating to Performance-Linked Compensation

(1) Yearly Bonus as Performance-Linked Compensation

Among the compensations for the Directors and the Executive Officers which is composed of the Base Salary, the Yearly Bonus and the Long-term Incentive Plan, the Company sets the Yearly Bonus as the Performance-Linked Compensation. In relation to the Yearly Bonus, in principal, half of the amount of the Yearly Bonus of the Directors and Executive Officers is paid in cash and the remainder amount is paid by Nomura's shares in multiple years - installments as Deferred Compensation the following year after the Fiscal Year onwards.

(2) Performance Indicator to be used for calculation of the Yearly Bonus

The Nomura Group elects the Return On Equity (hereafter "ROE"), which is set out as the most important performance indicator for the Nomura Group, as the performance indicator to be used for calculation and determination of the Yearly Bonuses for the Directors and Executive Officers. The reason of the election of ROE is to be in line with the management vision and the business strategy of the Nomura Group.

(3) Calculation method of the Yearly Bonus

<Outline of calculation method>

In calculating the Yearly Bonus for the Directors and the Executive Officers, a different calculation method is applied depending on the position.

<Specific calculation method by position>

- With respect to the President and the Group CEO, given the overall responsibility of business execution of the Nomura Group, the basic amount of the Yearly Bonus is calculated based on the level of achievement in actual value against the target value regarding ROE. In addition, Total Compensation (hereafter "TC"), including the Base Salary and the Yearly Bonus, is determined by considering, as needed, qualitative evaluation etc. by the Compensation Committee.
- With respect to the Executive Officers, same as the President and the Group CEO, given the responsibility of business execution for the Nomura Group, an individual ratio is applied to calculate their basic amounts of the Yearly Bonus. In addition, the Yearly Bonus and TC are determined by reflecting the qualitative evaluation etc. such as the performance and contribution for their responsible area.

- With respect to the chairman of the Board of Directors, it is treated in the same matter as the Executive Officers.

<Actual value regarding the performance indicator used for the calculation of the Yearly Bonus >

| Performance Indicator | Target value | Actual value for the Fiscal Year |
|-----------------------|--------------|----------------------------------|
| ROE | 8.0% | 5.7% |

(4) Yearly Bonus of Director of the audit committee member and Outside Directors

With respect to the Director of the audit committee member is paid in cash only, to exclude equity-linkage of its compensation, so as to keep its independency from business execution. Also, Outside Directors are out of the scope of the Yearly Bonus.

6. Matters relating to Non-Monetary Compensation

(1) Deferred Compensation (equity-linked compensation)

The Company sets half of the amount of the Yearly Bonus of the Directors and Executive Officers. In principle, equity-linked compensation (Restricted Stock Unit (“RSU”), Notional Stock Unit (“NSU”)) that falls under the Non-Monetary Compensation is used for payment of the amount.

(2) Outline of current Deferred Compensation Awards.

The outline of current Deferred Compensation Awards is as follows.

| Type of award | Key features |
|---------------|---|
| RSU awards | <ul style="list-style-type: none"> • Settled in Nomura’s common stock. • Graded vesting period is set as three years in principle. • It is introduced as the Deferred Compensation since the fiscal year ended March 31, 2018. • In principle, it has been granted in May every year. |
| NSU awards | <ul style="list-style-type: none"> • Linked to the price of Nomura’s common stock and cash-settled. • Same as RSU awards, graded vesting period is set as three years in principle. • Following the introduction of RSU as a principle vehicle in 2,018 NSU awards are less commonly used in Nomura. • Same as RSU awards, in principle, it has been granted in May every year. |

As stated above, RSU awards have been introduced as a principle vehicle from the fiscal year ended as of March 31, 2018 and replaced with stock acquisition rights and other awards.

(3) Effect of payment of deferred compensation as equity-related compensation

By providing deferred compensation as equity-linked compensation, the economic value of the compensation is linked to the stock price of Nomura, and a certain vesting period is set.

- Alignment of interests with shareholders.
- Medium-term incentives (*) and retention by providing an opportunity for the economic value of Deferred Compensation at the time of grant to be increased by a rise in shares during a period of time from grant to vesting.

* In line with the introduction of RSU, among the equity-linked compensation, as the principal vehicle for Deferred Compensation, in principle, Nomura’s common stock will be paid instead of cash over the three-year deferral period from the fiscal year following the fiscal year in which the deferred compensation was granted. Since the number of shares to be paid is determined based on the Nomura’s share price at the time of grant, the increase in Nomura’s share price will increase the economic value of Deferred Compensation at the time of vest. Since the increase in share prices reflects the increase in corporate value, alignment of interest with that of shareholders, in addition to medium-term incentive effects for the Directors and Executive Officers, will be achieved.

- Promotion of cross-divisional collaboration and cooperation by providing a common goal of increasing corporate value over the medium to long term.

(4) Clawback prescribed in Deferred Compensation

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").

Due to these benefits, the active use of Deferred Compensation is also recommended by regulators in the key jurisdictions in which we operate.

With respect to Deferred Compensation in Nomura, a deferral period is generally three or more years from the following fiscal year or later. This is in line with the "Principles for Sound Compensation Practices" issued by the Financial Stability Board which recommends, among other things, a deferral period of three or more years.

7. Matters relating to Individual Directors and Executive Officers' Compensation Determined by Compensation Committee

(1) Method of Determining Compensation Policies

As the Company is organized under the Committee System, the Compensation Committee has set the "Compensation Policy of Nomura Group" and "Compensation Policy for Directors and Executive Officers of Nomura Holdings, Inc."

(2) Compensation Policy of Nomura Group

The "Compensation Policy of Nomura Group" is as follows:

Nomura Group is establishing its status firmly as a globally competitive financial services group. To support this, we recognize that our people are our most valuable asset. We have therefore developed our Compensation Policy for both executives and employees of Nomura Group to ensure we attract, retain, motivate and develop talent that enables us to achieve sustainable growth, realize a long-term increase in shareholder value, deliver client excellence, compete in a global market and enhance our reputation.

Our Compensation Policy is based around six key themes:

1) Align with Nomura Values and Strategies

- Compensation is designed to support delivery against the broader strategic aims of the Group.
- Levels and structures of compensation reflect the needs of each business line and allow the Group to effectively compete for key talent in the market.
- We develop our staff to support the Nomura values.

2) Reflect Firm, Division and Individual Performance

- "Pay for Performance" is our fundamental principle to motivate and reward our key talent regardless of personal background.
- We manage compensation on a firm-wide basis, taking into account the performance of the Group and supporting our ethos of sustainable growth, collaboration and client service. This enables us to manage strategic investments and still operate market-competitive compensation practices.
- An individual's compensation is determined by properly reflecting the Group, division and individual performance, ensuring that it is aligned with both the business strategy and market considerations.
- Individual compensation award decisions are underpinned by valid and rigorous performance management processes and supporting systems.

3) Establish Appropriate Performance Measurement with a Focus on Risk

- Compensation is not determined by reference solely to revenues. Risk-adjusted profits are being emphasized in Nomura's management information and performance systems and processes.
- In addition, qualitative factors such as cross-divisional collaboration, risk management, alignment with organizational values, and compliance are stressed when evaluating performance.
- Performance measurement reflects the business needs, taking account of risk associated with each business. Such risk includes market, credit, operational, and liquidity risk among others.
- In assessing and measuring risk for compensation, input and advice is received from the risk management and finance divisions.

4) Align Employee and Shareholder Interests

- Compensation of Group executives and higher paid employees should reflect the achievement of targets which are in line with the creation of shareholder value.
- For higher paid executives and employees, a part of their compensation is delivered in equity linked awards with appropriate vesting periods to ensure that their interests are closely aligned with those of shareholders.

5) Appropriate Compensation Structures

- The compensation structure reflects our desire to grow and develop our talent. It is merit based, reflecting performance and is regularly reviewed to ensure its fairness.
- For higher paid executives and employees, a significant portion of compensation is deferred, balancing short-term interests with longer-term stewardship of the Group.
- Deferred compensation should be subject to forfeiture or “clawback” in the event of a material restatement of earnings or other significant harm to the business of Nomura.
- The percentage of deferral increases as an employee’s total compensation increases. A part of deferred compensation is delivered in mid/long-term incentive plans, such as equity linked awards with appropriate vesting periods.
- Guarantees of bonus/compensation should be allowed only in limited circumstances such as new hiring or strategic business needs, and multi-year guarantees should not be used as a matter of course.
- There should be no special or expensive retirement/severance guarantees for senior executives.
- Nomura will respect all areas in which it operates and will seek to ensure pay structures reflect the needs of the organization as well as regulatory and government bodies.

6) Ensure Robust Governance and Control Processes

- This Policy and any change hereof must be approved by Nomura Holdings’ Compensation Committee, a majority of which consists of non-executive outside directors.
- The Compensation Committee of Nomura Holdings decides individual amounts as well as compensation policy for Directors and Executive Officers of Nomura Holdings, in line with this Policy.
- Globally, we institute a review and authorization policy for senior or high-level contracts ensuring consistency with this Policy. This is administered by Human Resources, involves Finance, Risk Management and Regional Compensation Committees and is reviewed by the Executive Managing Board.
- Compensation for employees of risk management and compliance functions is determined independently of other business divisions.
- The Compensation Committee uses market and specialist advisory groups to advise on appropriate compensation structures and levels as necessary.

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

”Compensation Policy for Directors and Executive Officers of Nomura Holdings, Inc.” is as follows:

Compensation of Directors and Executive Officers is composed of base salary, cash bonus and long-term incentive plans.

1) Base Salary

- Base salary is determined based on factors such as professional background, career history, responsibilities and compensation standards of related business fields.
- A portion of base salary may be paid in equity linked awards with appropriate vesting periods to ensure that medium to long-term interests of Directors and Executive Officers are closely aligned with those of shareholders.

2) Yearly Bonus

- Yearly bonuses of Directors and Executive Officers are determined by taking into account both quantitative and qualitative factors. Quantitative factors include performance of the Group and the division. Qualitative factors include achievement of individual goals and subjective assessment of individual contribution.

- Depending on the level of bonus payment, a portion of payment in cash may be deferred. In addition, a portion of deferred bonus may be paid in equity linked awards with appropriate vesting periods in lieu of cash to ensure that medium to long-term interests of Directors and Executive Officers are closely aligned with those of shareholders. Such deferred bonus may be unpaid or forfeited under specific circumstances.

3) Long-term Incentive Plan

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

(4) The reasons why the Compensation Committee confirmed that the compensations in relation to the Fiscal Year, to be paid for the Directors and Executive Officers is in line with the compensation policies.

During the Fiscal Year, the Compensation Committee was held 7 times and has been discussing as follows.

| Date | Summary of the discussion and the resolution | Attendance records of the member |
|------------------|---|----------------------------------|
| April 24, 2020 | Discussion: The yearly bonus of the previous fiscal year | perfect attendance |
| May 8, 2020 | Resolution: The yearly bonus of the previous fiscal year | perfect attendance |
| June 24, 2020 | Resolution: The appointment of the Director with the right to convoke the board of directors meetings and the Director who reports the executions of the committee's duties to the board of the directors meetings. Resolution: The compensation policies Resolution: Individual base salary of the Directors and Executive Officers Discussion: Transformation of the determination process of the Directors and Executive Officers compensation (bonus). | perfect attendance |
| August 25, 2020 | Discussion: Transformation of the determination process of the Directors and Executive Officers compensation (bonus). | perfect attendance |
| October 28, 2020 | Discussion: Transformation of the determination process of the Directors and Executive Officers compensation (bonus). | perfect attendance |
| December 3, 2020 | Resolution: Transformation of the determination process of the Directors and Executive Officers compensation (bonus). | perfect attendance |
| March 26, 2021 | Resolution: Individual base salary of the Directors and Executive Officers. Discussion: The yearly bonuses of the Fiscal Year. Discussion: The determination process of the Directors and Executive Officers compensation (bonus). | perfect attendance |

Through the discussions and the resolutions above, the Compensation Committee confirmed that the compensations for the Directors and the Executive Officers regarding the Fiscal Year are in line with relevant compensation policies and appropriate. Also, the outlines of the discussions have been reported to the Board of Directors meeting.

V. Matters Relating to Accounting Auditor

1. Name: Ernst & Young ShinNihon LLC

2. Audit Fees, etc.

| Item | Amount |
|---|-------------------|
| (1) Audit fees, etc. | 963 million yen |
| (2) Total amount of cash and other financial benefits payable by the Company and its subsidiaries to the Accounting Auditor | 1,457 million yen |

(Notes)

1. The audit contract between the Company and the Accounting Auditor does not separate the audit fees based on the Companies Act and the Financial Instruments and Exchange Act. Since the audit fees based on the Companies Act and the Financial Instruments and Exchange Act could not be substantively separated, the amount of audit fees above includes the audit fees based on the Financial Instruments and Exchange Act.

2. In addition to the attestation services pursuant to the Article 2, Paragraph 1 of the Certified Public Accountant Act, the Company and its subsidiaries pay compensation to the Accounting Auditor with respect to verification services on compliance with the segregation of customers' assets requirements, etc.

3. Significant overseas subsidiaries of the Company are subject to audit (limited to audit pursuant to the Companies Act or the Financial Instruments and Exchange Act and other equivalent foreign regulations) by certified public accountants or auditing firms (who hold equivalent qualifications in foreign countries) other than the Company's Accounting Auditor.

4. The Audit Committee has received necessary documents and reports from the Chief Financial Officer ("CFO"), relevant internal divisions, and the Accounting Auditor, and has confirmed the structure of the Accounting Auditor's audit team, audit plan, audit status, the status of the maintenance of the structure for controlling quality of the audit firm, and the basis for the calculation of estimated remuneration, etc. Additionally, the Audit Committee conducts pre-approval procedures in accordance with Article 202 of the Sarbanes-Oxley Act of 2002, etc. Based on the result of such confirmations and procedures, the Audit Committee has verified the compensation, etc. of the Accounting Auditor and determined that it is at a reasonable level to maintain and improve audit quality, and has given the Companies Act Article 399 Paragraph 1 consent.

3. Dismissal or Non-Reappointment Policy

(1) If the Accounting Auditor corresponds to any of the items stipulated under Article 340, Paragraph 1 of the Companies Act, the Audit Committee shall consider dismissal of the Accounting Auditor, and if dismissal is determined to be reasonable, the Audit Committee will dismiss the Accounting Auditor by a unanimous consent of all members of the Audit Committee. In such event, an Audit Committee Member appointed by the Audit Committee shall report the dismissal of the Accounting Auditor and reasons for dismissal at the general meeting of shareholders to be convened immediately after the dismissal.

(2) In cases where the Audit Committee determines that the Accounting Auditor has issues in terms of the fairness, or that maintenance of more appropriate audit structure is needed, a proposal on dismissal or non-reappointment of the Accounting Auditor will be submitted to the annual general meeting of shareholders.

Consolidated Balance Sheet (As of March 31, 2021)

(Millions of yen)

| ASSETS | | |
|---|--|------------|
| Cash and cash deposits: | | 4,164,735 |
| Cash and cash equivalents | | 3,509,754 |
| Time deposits | | 281,422 |
| Deposits with stock exchanges and other segregated cash | | 373,559 |
| Loans and receivables: | | 4,142,447 |
| Loans receivable | | 2,943,472 |
| Receivables from customers | | 459,090 |
| Receivables from other than customers | | 793,669 |
| Allowance for doubtful accounts | | (53,784) |
| Collateralized agreements: | | 16,039,438 |
| Securities purchased under agreements to resell | | 10,775,078 |
| Securities borrowed | | 5,264,360 |
| Trading assets and private equity and debt investments: | | 15,738,179 |
| Trading assets | | 15,674,354 |
| Private equity and debt investments | | 63,825 |
| Other assets: | | 2,431,681 |
| Office buildings, land, equipment and facilities | | 464,449 |
| (net of accumulated depreciation and amortization of 395,429 million yen) | | |
| Non-trading debt securities | | 426,758 |
| Investments in equity securities | | 126,649 |
| Investments in and advances to affiliated companies | | 364,393 |
| Other | | 1,049,432 |
| Total assets | | 42,516,480 |
| LIABILITIES | | |
| Short-term borrowings | | 1,368,098 |
| Payables and deposits: | | 4,570,918 |
| Payables to customers | | 1,454,755 |
| Payables to other than customers | | 1,773,699 |
| Deposits received at banks | | 1,342,464 |
| Collateralized financing: | | 15,133,573 |
| Securities sold under agreements to repurchase | | 13,360,429 |
| Securities loaned | | 1,380,629 |
| Other secured borrowings | | 392,515 |
| Trading liabilities | | 9,473,261 |
| Other liabilities | | 1,239,167 |
| Long-term borrowings | | 7,975,012 |
| Total liabilities | | 39,760,029 |
| Commitments and contingencies | | |
| EQUITY | | |
| Common stock | | 594,493 |
| Authorized – 6,000,000,000 shares | | |
| Issued – 3,233,562,601 shares | | |
| Outstanding – 3,063,155,434 shares | | |
| Additional paid-in capital | | 696,122 |
| Retained earnings | | 1,533,713 |
| Accumulated other comprehensive income | | (38,144) |
| Common stock held in treasury, at cost – 170,407,167 shares | | (91,246) |
| Total Nomura Holdings, Inc. shareholders' equity | | 2,694,938 |
| Noncontrolling interests | | 61,513 |
| Total equity | | 2,756,451 |
| Total liabilities and equity | | 42,516,480 |

Consolidated Statement of Income (April 1, 2020 — March 31, 2021)

| | (Millions of yen) |
|---|-------------------|
| Commissions | 376,897 |
| Fees from investment banking | 108,681 |
| Asset management and portfolio service fees | 230,047 |
| Net gain on trading | 310,040 |
| Gain on private equity and debt investments | 12,734 |
| Interest and dividends | 356,466 |
| Gain on investments in equity securities | 14,053 |
| Other | 208,317 |
| Total revenue | <u>1,617,235</u> |
| Interest expense | 215,363 |
| Net revenue | <u>1,401,872</u> |
| Compensation and benefits | 507,906 |
| Commissions and floor brokerage | 111,550 |
| Information processing and communications | 178,835 |
| Occupancy and related depreciation | 72,367 |
| Business development expenses | 13,520 |
| Other | 287,023 |
| Non-interest expenses | <u>1,171,201</u> |
| Income before income taxes | 230,671 |
| Income tax expense | 70,274 |
| Net income | <u>160,397</u> |
| Less: Net income attributable to noncontrolling interests | 7,281 |
| Net income attributable to Nomura Holdings, Inc. shareholders | <u>153,116</u> |

Consolidated Statement of Changes in Equity (April 1, 2020 — March 31, 2021)

| | (Millions of yen) |
|--|-------------------|
| Common Stock | |
| Balance at beginning of year | 594,493 |
| Balance at end of year | <u>594,493</u> |
| Additional paid-in capital | |
| Balance at beginning of year | 683,232 |
| Stock-based compensation awards | 11,775 |
| Changes in an affiliated company's interests in its subsidiary | 1,115 |
| Balance at end of year | <u>696,122</u> |
| Retained earnings | |
| Balance at beginning of year | 1,645,451 |
| Cumulative effect of change in accounting principle ⁽¹⁾ | (18,200) |
| Net income attributable to Nomura Holdings, Inc.'s shareholders | 153,116 |
| Cash dividends | (107,104) |
| Loss on sales of treasury stock | (346) |
| Cancellation of treasury stock | (139,204) |
| Balance at end of year | <u>1,533,713</u> |
| Accumulated other comprehensive income (loss) | |
| Cumulative translation adjustments | |
| Balance at beginning of year | (26,274) |
| Net change during the year | 44,590 |
| Balance at end of year | <u>18,316</u> |
| Defined benefit pension plans | |
| Balance at beginning of year | (62,571) |
| Pension liability adjustments | 19,094 |
| Balance at end of year | <u>(43,477)</u> |
| Own credit adjustments | |
| Balance at beginning of year | 62,740 |
| Own credit adjustments | (75,723) |
| Balance at end of year | <u>(12,983)</u> |
| Balance at end of year | <u>(38,144)</u> |
| Common stock held in treasury | |
| Balance at beginning of year | (243,604) |
| Repurchases of common stock | (11) |
| Sale of common stock | 0 |
| Common stock issued to employees | 13,165 |
| Cancellation of common stock | 139,204 |
| Balance at end of year | <u>(91,246)</u> |
| Total NHI shareholders' equity | |
| Balance at end of year | <u>2,694,938</u> |
| Noncontrolling Interests | |
| Balance at beginning of year | 77,797 |
| Cash dividends | (1,416) |
| Net income attributable to noncontrolling interests | 7,281 |
| Accumulated other comprehensive income (loss) attributable to noncontrolling interests | |
| Cumulative translation adjustments | 944 |
| Purchase/sale (disposition) of subsidiary shares, etc., net | 673 |
| Other net change in noncontrolling interests | (23,766) |
| Balance at end of year | <u>61,513</u> |
| Total equity balance at end of year | <u>2,756,451</u> |

(1) Represents the adjustment to initially apply Accounting Standards Update 2016-13, "Measurement of Credit Losses on Financial Instruments."

[Translation]
Independent Auditor's Report

May 17, 2021

The Board of Directors
Nomura Holdings, Inc.

Ernst & Young ShinNihon LLC
Tokyo, Japan

Hiroki Matsumura
Designated Engagement Partner
Certified Public Accountant

Hisashi Yuhara
Designated Engagement Partner
Certified Public Accountant

Kenjiro Tsumura
Designated Engagement Partner
Certified Public Accountant

Toshiro Kuwata
Designated Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 444, paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity, and notes to the consolidated financial statements of Nomura Holdings, Inc. and its consolidated subsidiaries (the Group) applicable to the fiscal year from April 1, 2020 to March 31, 2021.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position and results of operations of the Group applicable to the fiscal year ended March 31, 2021, in accordance with accounting principles generally accepted in the United States of America with certain disclosure items omitted pursuant to the same provisions in the second sentence of Article 120, section 1 of the Ordinance on Accounting of Companies, as applied to Article 120-3, section 3.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

As disclosed in "*Loss Arising from Transactions with a U.S. client*" in Note 21 "*Other additional information*", the Group recorded a loss arising from transactions with a U.S. client in its consolidated statements of income for the year ended March 31, 2021. In addition, as disclosed in "*Loss Arising from Transactions with a U.S. client*" in Note 20 "*Significant Subsequent Events*", the Group disclosed an additional loss from the transactions for the period on and after April 1, 2021.

Our opinion is not modified with respect to this matter.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America with certain disclosure items omitted pursuant to the same provisions in the second sentence of Article 120, section 1 of the Ordinance on Accounting of Companies, as applied to Article 120-3, section 3, and for such internal control as management

determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in the United States of America with certain disclosure items omitted pursuant to the same provisions in the second sentence of Article 120, section 1 of the Ordinance on Accounting of Companies, as applied to Article 120-3, section 3, matters related to going concern.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in the United States of America with certain disclosure items omitted pursuant to the same provisions in the second sentence of Article 120, section 1 of the Ordinance on Accounting of Companies, as applied to Article 120-3, section 3.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

(Note)

This is an English translation of the Japanese language Independent Auditor's Report issued by Ernst & Young ShinNihon LLC in connection with the audit of the consolidated financial statements of the Group, prepared in Japanese, for the year ended March 31, 2021. Ernst & Young ShinNihon LLC has not audited the English language version of the financial statements for the above-mentioned year.

Report of the Audit Committee on the Consolidated Financial Statements

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Audit Committee of Nomura Holdings, Inc. (the “Company”) audited the Company’s consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the notes to the consolidated financial statements) applicable to the 117th fiscal year (from April 1, 2020 to March 31, 2021). We hereby report the method, content and results of the audit as follows:

1. METHOD AND DETAILS OF THE AUDIT

While the audit this fiscal year was affected by the spread of coronavirus disease (COVID-19), we liaised with the Accounting Auditor and received reports from Executive Officers, etc. via telephone, the internet, and other means.

Based on the auditing principles and assignment of duties, etc. determined by the Audit Committee, the Audit Committee received reports from the Executive Officers, etc. of the Company regarding the consolidated financial statements, and asked for the explanations as necessary. In addition, we have monitored and verified whether the Accounting Auditor maintained its independent position and implemented appropriate audits, received reports from Accounting Auditor regarding the status of the performance of its duties, and, whenever necessary, asked for explanations. Furthermore, we have received confirmation from the Accounting Auditor that the “Structure for Ensuring Appropriate Operation” (matters set forth in the items prescribed in Article 131 of the Ordinance for Company Calculation) is organized in accordance with the “Quality Control Standards for Audits” (Business Accounting Council, October 28, 2005), etc., and when necessary, asked for explanations. Regarding key audit matters, we have consulted with Ernst & Young ShinNihon LLC, received reports on the status of the audit implementation, and, when necessary, asked for explanations.

Based on the above methods, we have examined the consolidated financial statements for this fiscal year.

2. RESULT OF THE AUDIT

We have found that both the method and results of the audit by Ernst & Young ShinNihon LLC, the Company’s Accounting Auditor, are appropriate.

May 17, 2021

THE AUDIT COMMITTEE OF
NOMURA HOLDINGS, INC.

Noriaki Shimazaki, Chairman of the Audit Committee

Mari Sono, Member of the Audit Committee

Hisato Miyashita, Member of the Audit Committee

Note : Mr.Noriaki Shimazaki and Ms. Mari Sono are Outside Directors as provided for in Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.

Balance Sheet (As of March 31, 2021)

| | (Millions of yen) |
|---|-------------------------|
| ASSETS | |
| Current Assets: | 4,210,514 |
| Cash and time deposits | 166,525 |
| Money held in trust | 39 |
| Short-term loans receivable | 3,913,319 |
| Accounts receivable | 67,339 |
| Others | 63,293 |
| Fixed Assets: | 3,680,832 |
| Tangible fixed assets: | 21,015 |
| Buildings | 9,165 |
| Furniture & fixtures | 11,577 |
| Land | 210 |
| Construction in progress | 64 |
| Intangible assets: | 71,067 |
| Software | 71,066 |
| Others | 0 |
| Investments and others: | 3,588,750 |
| Investment securities | 120,054 |
| Investments in subsidiaries and affiliates (at cost) | 2,446,405 |
| Other securities of subsidiaries and affiliates | 38,233 |
| Long-term loans receivable from subsidiaries and affiliates | 904,355 |
| Long-term guarantee deposits | 23,610 |
| Deferred tax assets | 35,053 |
| Others | 21,063 |
| Allowance for doubtful accounts | (23) |
| Total assets | <u>7,891,346</u> |
| LIABILITIES | |
| Current Liabilities: | 2,366,695 |
| Short-term borrowings | 2,109,493 |
| Bond due within one year | 6,700 |
| Collaterals received | 91,057 |
| Accrued income taxes | 26,696 |
| Accrued bonuses | 45,418 |
| Others | 87,331 |
| Long-term Liabilities: | 3,013,942 |
| Bonds payable | 1,200,148 |
| Long-term borrowings | 1,793,245 |
| Others | 20,549 |
| Total liabilities | <u>5,380,637</u> |
| NET ASSETS | |
| Shareholders' equity: | 2,468,780 |
| Common stock | 594,493 |
| Additional paid-in capital: | 559,676 |
| Capital reserves | 559,676 |
| Retained earnings: | 1,405,660 |
| Retained earnings reserve | 81,858 |
| Other retained earnings | 1,323,802 |
| Retained earnings carried forward | 1,323,802 |
| Treasury stock | (91,049) |
| Valuation and translation adjustments: | 33,096 |
| Net unrealized gain on investments | 42,098 |
| Deferred gains or loss on hedges | (9,002) |
| Stock acquisition rights | 8,834 |
| Total net assets | <u>2,510,710</u> |
| Total liabilities and net assets | <u><u>7,891,346</u></u> |

Statement of Income (April 1, 2020 — March 31, 2021)

| | (Millions of yen) |
|--|-------------------|
| Operating revenue | 328,625 |
| Property and equipment fee revenue | 99,915 |
| Rent revenue | 30,805 |
| Royalty on trademark | 40,303 |
| Dividend from subsidiaries and affiliates | 102,999 |
| Interest income from loans to subsidiaries and affiliates | 49,499 |
| Others | 5,104 |
| Operating expenses | 238,052 |
| Compensation and benefits | 41,596 |
| Occupancy and equipment costs | 42,912 |
| Data processing and office supplies | 61,572 |
| Depreciation and amortization | 31,743 |
| Taxes | 2,522 |
| Others | 4,637 |
| Interest expenses | 53,070 |
| Operating income | 90,572 |
| Non-operating income | 5,462 |
| Non-operating expenses | 7,043 |
| Ordinary income | 88,992 |
| Extraordinary income | 11,343 |
| Gain on sales of investment securities | 4,563 |
| Compensation income | 5,863 |
| Gain on reversal of subscription rights to shares | 918 |
| Extraordinary losses | 114,170 |
| Loss on sales of investment securities | 26 |
| Loss on devaluation of investment securities | 196 |
| Loss on sales of stocks of subsidiaries and affiliates | 119 |
| Loss on devaluation of stocks of subsidiaries and affiliates | 113,261 |
| Loss on sales and retirement of fixed assets | 568 |
| Income (loss) before income taxes | (13,835) |
| Income taxes - current | 6,960 |
| Income taxes - deferred | (19,286) |
| Net income (loss) | (1,508) |

Statement of Changes in Net Assets (April 1, 2020 — March 31, 2021)

(Millions of yen)

| | |
|--|------------------|
| Shareholders' Equity | |
| Common stock | |
| Balance at beginning of the year | 594,493 |
| Balance at end of the year | <u>594,493</u> |
| Additional paid-in capital | |
| Capital reserve | |
| Balance at beginning of the year | 559,676 |
| Balance at end of the year | 559,676 |
| Total capital reserve | |
| Balance at beginning of the year | 559,676 |
| Balance at end of the year | <u>559,676</u> |
| Retained earnings | |
| Retained earnings reserve | |
| Balance at beginning of the year | 81,858 |
| Balance at end of the year | 81,858 |
| Other retained earnings | |
| Retained earnings carried forward | |
| Balance at beginning of the year | 1,540,967 |
| Change in the year | |
| Cash dividends | (76,358) |
| Net Income (loss) | (1,508) |
| Disposal of treasury stock | (95) |
| Cancellation of treasury stock | (139,204) |
| Total change in the year | (217,165) |
| Balance at end of the year | 1,323,802 |
| Total retained earnings | |
| Balance at beginning of the year | 1,622,825 |
| Change in the year | |
| Cash dividends | (76,358) |
| Net Income (loss) | (1,508) |
| Disposal of treasury stock | (95) |
| Cancellation of treasury stock | (139,204) |
| Total change in the year | (217,165) |
| Balance at end of the year | <u>1,405,660</u> |
| Treasury stock | |
| Balance at beginning of the year | (243,407) |
| Change in the year | |
| Purchases of treasury stock | (11) |
| Disposal of treasury stock | 13,165 |
| Cancellation of treasury stock | 139,204 |
| Total change in the year | 152,358 |
| Balance at end of the year | <u>(91,049)</u> |

| | <u>(Millions of yen)</u> |
|---|--------------------------|
| Total shareholders' equity | |
| Balance at beginning of the year | 2,533,587 |
| Change in the year | |
| Cash dividends | (76,358) |
| Net Income (loss) | (1,508) |
| Purchases of treasury stock | (11) |
| Disposal of treasury stock | 13,070 |
| Total change in the year | <u>(64,807)</u> |
| Balance at end of the year | <u>2,468,780</u> |
| Valuation and translation adjustments | |
| Net unrealized gain on investments | |
| Balance at beginning of the year | 33,920 |
| Change in the year | |
| Other-net | 8,178 |
| Total change in the year | 8,178 |
| Balance at end of the year | 42,098 |
| Deferred gains or loss on hedges | |
| Balance at beginning of the year | 16,386 |
| Change in the year | |
| Other-net | (25,388) |
| Total change in the year | (25,388) |
| Balance at end of the year | (9,002) |
| Total valuation and translation adjustments | |
| Balance at beginning of the year | 50,306 |
| Change in the year | |
| Other-net | (17,210) |
| Total change in the year | (17,210) |
| Balance at end of the year | <u>33,096</u> |
| Stock acquisition rights | |
| Balance at beginning of the year | 14,668 |
| Change in the year | |
| Other-net | (5,834) |
| Total change in the year | (5,834) |
| Balance at end of the year | <u>8,834</u> |
| Total net assets | |
| Balance at beginning of the year | 2,598,561 |
| Change in the year | |
| Cash dividends | (76,358) |
| Net Income (loss) | (1,508) |
| Purchases of treasury stock | (11) |
| Disposal of treasury stock | 13,070 |
| Other-net | (23,044) |
| Total change in the year | <u>(87,851)</u> |
| Balance at end of the year | <u>2,510,710</u> |

[Translation]
Independent Auditor's Report

May 17, 2021

The Board of Directors
Nomura Holdings, Inc.

Ernst & Young ShinNihon LLC
Tokyo, Japan

Hiroki Matsumura
Designated Engagement Partner
Certified Public Accountant

Hisashi Yuhara
Designated Engagement Partner
Certified Public Accountant

Kenjiro Tsumura
Designated Engagement Partner
Certified Public Accountant

Toshiro Kuwata
Designated Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 436, Section 2, Paragraph 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, the notes to the financial statements and the related supplementary schedules of Nomura Holdings, Inc. (the "Company") applicable to the 117th fiscal year from April 1, 2020 to March 31, 2021.

In our opinion, the accompanying financial statements and the related supplementary schedules referred above present fairly, in all material respects, the financial position and results of operations of the Company applicable to the fiscal year ended March 31, 2021, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

(Note)

This is an English translation of the Japanese language Independent Auditor's Report issued by Ernst & Young ShinNihon LLC in connection with the audit of the financial statements of the Company, prepared in Japanese, for the year ended March 31, 2021. Ernst & Young ShinNihon LLC has not audited the English language version of the financial statements for the above-mentioned year.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Nomura Holdings, Inc. (the “Company”) audited the execution of duties by the Directors and Executive Officers of the Company during the 117th fiscal year (from April 1, 2020, to March 31, 2021). We hereby report the method, content, and results of the audit as follows.

1. METHOD AND DETAILS OF THE AUDIT

While the audit this fiscal year was affected by the spread of coronavirus disease (COVID-19), we liaised with the Accounting Auditor and conducted audit interviews and investigations, including those of subsidiaries, via telephone, the internet, and other means.

Based on the auditing principles and assignment of duties, etc. determined by the Audit Committee, with the cooperation of the Company’s departments in charge of internal control, etc., the Audit Committee has investigated the procedure and details of the decision making at the important meetings, etc., reviewed important authorized documents and other material documents regarding business execution, investigated the performance of duties by the Directors, Executive Officers, Senior Managing Directors, and other significant employees, etc., and investigated the conditions of the businesses and assets of the Company.

With respect to the resolution of the Board of Directors regarding the internal control system as stipulated in Article 416, Paragraph 1, Items 1(ii) and (v) of the Companies Act and the internal control system maintained based on said resolution, we have received regular reports on the status of the establishment and maintenance of the system from the Directors, Executive Officers, Senior Managing Directors, and significant employees, etc., asked for explanations as necessary, and provided our opinions accordingly. In relation to internal control over financial reporting required under the Financial Instruments and Exchange Act, we have received reports from Executive Officers, etc. and Ernst & Young ShinNihon LLC regarding the assessment of such internal controls and status of the audit and asked for explanations as necessary.

With respect to subsidiaries, we have communicated and exchanged information with the subsidiaries’ Directors, Senior Managing Directors, members of the Audit and Supervisory Committees, and statutory auditors, etc. and, when necessary, requested the subsidiaries to report on their business.

Furthermore, we have monitored and verified whether the Accounting Auditor maintained its independent position and implemented appropriate audits, received reports from the Accounting Auditor regarding the status of the performance of its duties, and, whenever necessary, asked for explanations. In addition, we have received confirmation from the Accounting Auditor that the “Structure for Ensuring Appropriate Operation” (matters set forth in the items prescribed in Article 131 of the Ordinance for Company Calculation) is organized in accordance with the “Quality Control Standards for Audits” (Business Accounting Council, October 28, 2005), etc. and, when necessary, asked for explanations. Regarding key audit matters, we have consulted with Ernst & Young ShinNihon LLC, received reports on the status of the audit implementation, and, when necessary, asked for explanations.

Based on the above methods, we have examined the business report and its supplementary schedules, financial statements (balance sheet, statement of income, statement of changes in net assets, and notes to the financial statements), and supplementary schedules for this fiscal year.

2. RESULT OF THE AUDIT

(1) Result of the audit of the Business Report, etc.

1. We have found that the business report and its supplementary schedules fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation.
2. In relation to the performance of the duties by the Directors and Executive Officers, we have found no misconduct or material facts that violate applicable laws, regulations, or the Articles of Incorporation.
3. We have found that the content of the resolution of the Board of Directors regarding the internal control system is adequate. Moreover, we have no remarks on the content of the business report or the execution of duties by the Directors and Executive Officers regarding the internal control system maintained based on said resolution, including internal control over financial reporting required under the Financial Instruments and Exchange Act. In March 2021, an event occurred in which a significant loss emerged at the Company’s U.S. subsidiaries arising from trading with a U.S. client. The Audit Committee hired an external law firm and implemented an investigation, and reported its opinions and proposals to the Board of Directors regarding the necessity of further reinforcing the risk management framework based on the investigation results. From now we will carefully monitor and verify the status of the reinforcement of the Nomura Group’s internal control system including the drafting of improvement measures and their implementation conditions.

(2) Result of the audit of Financial Statements and Supplementary Schedules

We have found that both the method and results of the audit by Ernst & Young ShinNihon LLC, the Company's Accounting Auditor, are appropriate.

May 17, 2021

THE AUDIT COMMITTEE OF
NOMURA HOLDINGS, INC.

Noriaki Shimazaki, Chairman of the Audit Committee

Mari Sono, Member of the Audit Committee

Hisato Miyashita, Member of the Audit Committee

Note: Mr. Noriaki Shimazaki and Ms. Mari Sono are Outside Directors as provided for in Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.

Fiscal Year..... April 1 to March 31

Annual General Meeting of the Shareholders..... Held in June

<Special Note Regarding Forward-Looking Statements>

This report contains forward-looking statements that are based on our current expectations, assumptions, estimates and projections about our business, our industry and capital markets around the world. These forward-looking statements are subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “anticipate”, “estimate”, “plan” or similar words. These statements discuss future expectations, identify strategies, contain projections of our results of operations or financial condition, or state other forward-looking information. Known and unknown risks, uncertainties and other factors may cause our actual results, performance, achievements or financial position expressed or implied by any forward-looking statement in this report.