

The top of the page features a large, stylized graphic of the letter 'N' composed of several overlapping triangles in various shades of red and pink. The word 'NOMURA' is written in white, bold, uppercase letters in the top right corner.

**NOMURA**

Nomura Holdings, Inc.

# **Nomura Report 2013**

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## Corporate Profile

Nomura is a leading financial services group and the preeminent Asia-based investment bank with a worldwide reach. Our Retail, Asset Management and Wholesale divisions provide a broad range of innovative, value-added solutions tailored to the specific requirements of individual, institutional, corporate and government clients through an international network in over 30 countries around the world.

### Returning to Our Roots

For over 80 years, we have continued to uphold our founder's principles. One of these principles, "putting the customer first," evolved into "prospering with our clients" and is now defined by our commitment to "place clients at the heart of everything we do." Although the words may change, over unwavering focus on our clients remains the same.



### External Recognition

Nomura's CSR initiatives and information disclosure practices have been widely recognized outside the company. Nomura Holdings has been selected for inclusion in the Dow Jones Sustainability Indexes and the FTSE4Good Index, both socially responsible investment (SRI) indexes. Nomura was also selected as the only financial services company recognized in the Japan 500 CDLI.



### Involvement in External ESG Initiatives

- UN PRI (Principles for Responsible Investment)
- Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century)
- Multistakeholder Forum on Social Responsibility for a Sustainable Future
- Banking Environment Initiative

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## Editorial Policy

In FY2011/12, we began publishing the Nomura Report, an integrated version of our annual report and our citizenship report, which detailed our CSR initiatives. We hope that this new integrated report helps readers gain a broader understanding of our activities to support sustainable development and grow together with our stakeholders as Asia's global investment bank.

Report Period	April 1, 2012 to March 31, 2013 (Some content may be outside this timeframe)
Previous Report	September 2012
Next Report	August 2014




### Entities Covered

Nomura Holdings, Inc. and its major subsidiaries and affiliates. (<http://www.nomuraholdings.com/company/group/>) Numerical data are presented alongside information on the scope of companies covered.

### Reference Guidelines

- Sustainability Reporting Guidelines (G3.1) of Global Reporting Initiative  
The GRI Guidelines Index is published on our corporate website at the following address.  
<http://www.nomuraholdings.com/csr/gri/>
- Environmental Reporting Guidelines (2012 Version) of Japan's Ministry of the Environment
- Charter of Corporate Behavior of Keidanren

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### Forward-Looking Statements

This report contains forward-looking statements about the future plans, strategies, beliefs, and performance of the Company. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts, and projections based on information currently available to the Company and are subject to a number of risks, uncertainties, and assumptions, which, without limitation, include market trends, economic trends, competition in the financial industry, laws and regulations, and the tax system. As such, actual results may differ materially from those projected.

## Financial Highlights (US GAAP)

For the fiscal years beginning April 1 and ending March 31 of the following year

	FY2008/09	FY2009/10	FY2010/11	FY2011/12	FY2012/13
<b>MAJOR FINANCIAL DATA</b>					Billions of yen
Net revenue	312.6	1,150.8	1,130.7	1,535.9	<b>1,813.6</b>
Income (loss) before income taxes	(780.3)	105.2	93.3	85.0	<b>237.7</b>
Net income (loss) <sup>*1,3</sup>	(708.2)	67.8	28.7	11.6	<b>107.2</b>
Total assets	24,837.8	32,230.4	36,693.0	35,697.3	<b>37,942.4</b>
Shareholders' equity <sup>*2,3</sup>	1,539.4	2,126.9	2,082.8	2,107.2	<b>2,294.4</b>
Short-term unsecured debt	1,932.4	2,153.5	2,634.3	3,009.1	<b>2,293.3</b>
Long-term unsecured debt	4,646.4	6,024.6	6,466.9	6,373.0	<b>6,457.3</b>
Total risk-weighted assets <sup>*4</sup>	11,935.9	11,525.7	11,629.5	14,681.0	<b>17,546.7</b>
<b>PER SHARE DATA</b>					Yen
Net income (loss)—diluted	(366.16)	21.59	7.86	3.14	<b>28.37</b>
Shareholders' equity	590.99	579.70	578.40	575.20	<b>618.27</b>
Cash dividends	25.5	8.0	8.0	6.0	<b>8.0</b>
<b>MAJOR MANAGEMENT INDICATORS</b>					%
ROE	-	3.7	1.4	0.6	<b>4.9</b>
Gross leverage (times)	16.1	15.2	17.6	16.9	<b>16.5</b>
Net leverage (times) <sup>*5</sup>	10.7	9.3	10.3	10.4	<b>10.4</b>
Consolidated capital adequacy ratio <sup>*4</sup>	18.9	24.3	22.2	16.5	<b>13.9</b>
Tier 1 ratio <sup>*4</sup>	11.7	17.3	16.4	14.2	<b>11.9</b>

\*1 Net income (loss) attributable to Nomura Holdings, Inc. shareholders

\*2 Total Nomura Holdings, Inc. shareholders' equity

\*3 On April 1, 2009, we adopted new guidance for the accounting and reporting for noncontrolling interests. In the above table, this guidance has been retrospectively applied to the amounts as of and for the years ended March 31, 2009.

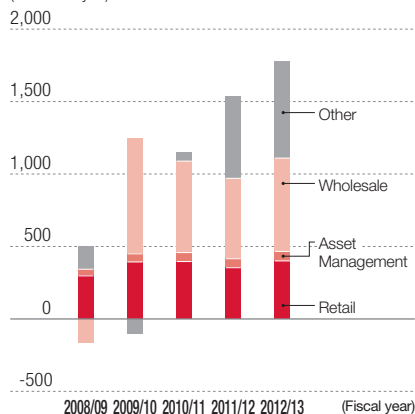
\*4 FY2008/09 - FY2010/11 based on Basel 2; FY2011/12 based on Basel 2.5; FY2012/13 based on Basel 3.

\*5 Total assets minus securities purchased under agreements to resell and securities borrowed, divided by Nomura Holdings shareholders' equity.

	FY2008/09	FY2009/10	FY2010/11	FY2011/12	FY2012/13
<b>NUMBER OF EMPLOYEES</b>					People
Total	25,626	26,374	26,871	34,395	<b>27,956</b>
Japan	15,320	15,053	14,918	21,609	<b>16,030</b>
Europe	4,294	4,369	4,353	4,014	<b>3,618</b>
Americas	1,079	1,781	2,348	2,420	<b>2,271</b>
Asia-Pacific	4,933	5,171	5,252	6,352	<b>6,037</b>

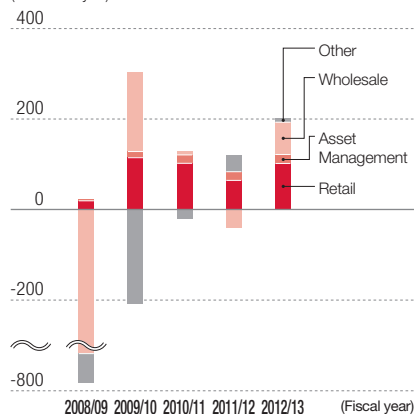
### Net revenue

(Billions of yen)



### Segment income (loss) before income taxes

(Billions of yen)



### Total assets

(Trillions of yen)



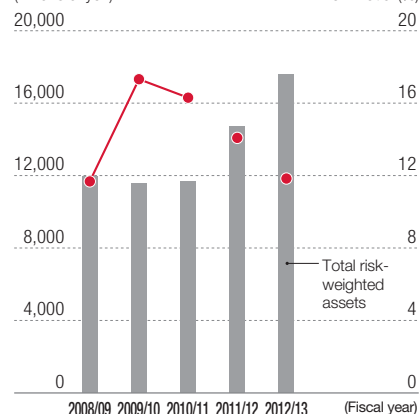
### Unsecured debt

(Billions of yen)

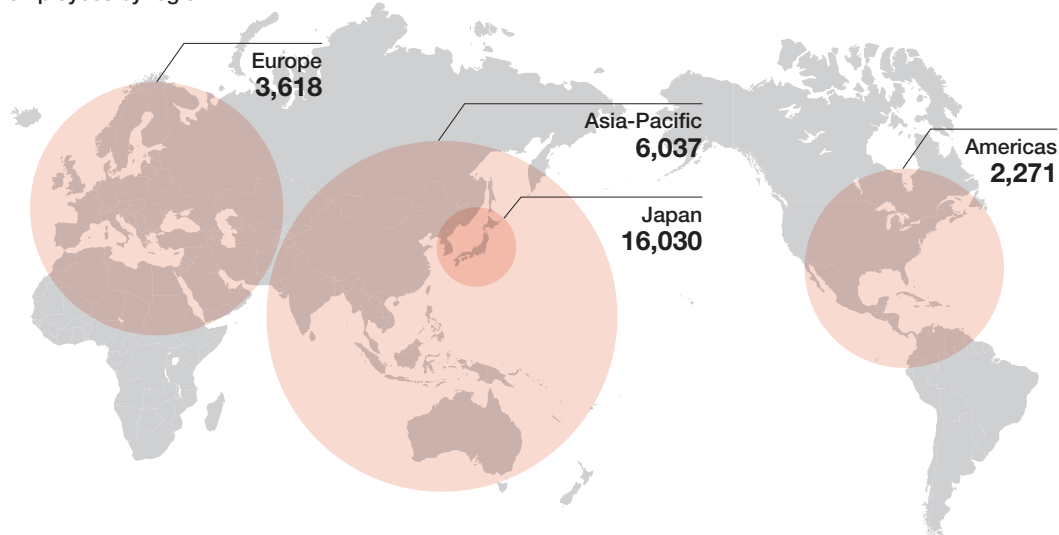


### Total risk-weighted assets and Tier 1 ratio\*\*4

(Billions of yen)



### Number of employees by region



## Message from the Group CEO

Placing clients at the heart of everything we do as  
Asia's global investment bank



Nomura has been a client-focused organization since our earliest days. By placing clients at the heart of everything we do, we are able to deliver high value-added products and services that meet the needs of our clients and local communities, thereby contributing to social development and economic growth.

### **Supporting Japan's Future**

Our home market of Japan is on the verge of significant change. Since the new government came to power last year, we have seen early signs of an economic recovery. To build on this momentum, we need to look hard at what the country requires and how we can contribute.

Given that Japan is the world's largest creditor nation and has the world's fastest aging population, one area that requires attention is the creation of a new social framework. At the same time, we need to revise the structure of our financial system. For Japan to grow sustainably into the future, the capital markets will have to play a more prominent role. Indeed, Japan's approximately ¥1,500 trillion in personal financial assets holds the key to the country's future growth. Nomura aims to support this growth by facilitating the flow of funds throughout the economy.

### **Connecting Markets East & West**

Asia is expected to account for half of the world's GDP by 2050 and will no doubt remain the growth engine of the global economy over the coming years. However, for the region to realize its full potential, Asian countries must finance the large-scale infrastructure projects required to underpin economic growth. Japan can play a leading role here, growing together with the rest of Asia by putting its financial assets to work across the region. With Asia as our home market, this is an area in which Nomura has a distinct competitive advantage.

As economies around the world mature and become increasingly global, companies and investors in the West are looking east for growth opportunities. As the only Japanese financial institution with a truly global network, Nomura is well placed to connect markets in the East and the West by leveraging our franchise to provide liquidity in the world's capital markets. By meeting the needs of our global client base and expanding our business, we can contribute to economic growth and social development.

In doing so, we aim to win the trust of our clients and society as we work towards being Asia's global investment bank.

**Koji Nagai**  
Group CEO

### Leveraging our unique network to provide high value-added services



**Koji Nagai** Group CEO

**Atsushi Yoshikawa** President and Group COO

Q1

#### How were the operating environment and the firm's performance in FY2012/13?

**Nagai:** We reported a significant gain in revenues and income during the year ended March 2013. Net revenue increased 18% year on year to ¥1,813.6 billion, pretax income jumped 180% to ¥237.7 billion, and net income grew by 9.3 times to ¥107.2 billion. At both the pretax and net income levels we had our best year since the year ended March 2007, positioning us well as we work towards achieving our target of earnings per share of ¥50 by March 2016.

While our performance partly reflects the benefits gained from the market rally in Japan on the back of Abenomics, we are also starting to see results flow through from the initiatives we took last year. Specifically, Retail continued to develop its consulting based sales approach and Wholesale reduced costs in order to improve profitability.

**Yoshikawa:** Last summer, one of the biggest challenges we faced was to return our international Wholesale operations to profit. To address this, we have been rebuilding our business and we saw a huge improvement in performance. Wholesale reported pretax income of ¥71.7 billion in FY2012/13 versus a pretax loss of ¥37.7 billion in the previous year.



We are working to lower our breakeven point. Last September, we announced a \$1 billion cost reduction program, which was 78% complete as of the end of March 2013 with one year to go until the target completion date. As part of this program, the migration of our Execution Services businesses in EMEA, the Americas, and Asia ex-Japan to Instinet is progressing as scheduled. In addition, we have right-sized our international operations, particularly in EMEA, and reduced risk weighted assets in light of Basel 3 and other regulatory reforms.

## Q2 What is your vision for future growth?

**Nagai:** We boast an extensive client franchise in Japan, a country known for its deep pool of financial assets. We have also built up a solid retail channel across Japan. Our business model combines our strengths by integrating the management of our Retail and Wholesale businesses. We are independent firm. And we are headquartered in Asia, the world's fastest growing region. These attributes are our unique strategic strengths.

We believe that the regulatory reforms faced by global financial institutions could prove to be relatively positive for Nomura. We expect to see European financial institutions refocus on their home markets and indeed this trend is already starting to take hold. This presents us with business opportunities that we aim to capture with a focus on our core businesses. As the only Japanese financial institution with a truly global platform, we are leveraging our deep product expertise and extensive network to deliver high value-added financial services to our clients as Asia's global investment bank.

## Q3 How does your international strategy fit in with your vision for the firm?

**Yoshikawa:** We have shifted from a global full coverage, full service structure to a more sharpened strategy. We now focus on businesses where we can leverage our strengths to add value for our clients.

We don't expect to monetize our Asian business immediately. That said, we are prioritizing market share growth in the region by positioning Asia including Japan as our home market and pursuing cross-border opportunities between the East and West. We are working to improve profitability in EMEA by realigning our

business to reflect the operating environment. In the US, which has the world's largest fee pool, we are investing selectively in areas such as Fixed Income sales, while focusing on businesses where we have a competitive advantage, such as Securitized Products and Credit.

As Mr. Nagai mentioned, some of our competitors are scaling back their operations and returning to their home markets in the wake of the European debt crisis. This is opening up room for us to expand our Fixed Income and cross-border businesses.

Q4

**What steps have you taken to rebuild the firm from the ground up?**

**Nagai:** We first looked at what had to change and what should remain the same. We then communicated that to our people. We realized that we shouldn't change our corporate philosophy or the principles of conduct that underpin the way Nomura people work. However, based on our underlying philosophy of placing our clients at the center of everything we do, we felt that we should reaffirm with everyone the importance of being client focused, an attribute that has defined Nomura since our earliest days.

On the other hand, we recognized the need to change the mindset of individuals in the firm. In relation to the insider trading incidents last year, we were criticized for allowing a culture to develop in which people thought they could do anything as long as they stayed within the letter of the law. In other words, people didn't take the time to consider the spirit or purpose of the applicable laws and regulations. This highlighted the need to make sure each person in the firm thinks long and hard about all the consequences of their actions before making decisions. In addition to such reforms, the efforts of each division have allowed us to capture the benefits of the market rally in Japan and deliver solid financial results by living up to the trust placed in us by our clients.

Q5

**How are you revamping the organization and HR systems in order to improve client satisfaction?**

**Nagai:** Our clients' needs are extremely diverse, yet closely linked. In spite of this, when looking for solutions for their clients, our people only turned to their own business line. As such, I felt we weren't fully leveraging our competitive strengths. And this held us back from improving client satisfaction levels.



Our people come from diverse backgrounds in terms of their work experience, gender, and nationality. It is important that we make the most of this diversity to ensure we place our clients at the center of everything we do. Therefore, we revised our HR systems recently to make it easier for people to move across divisions. By creating an environment where people can share their diverse skills, experience, and knowledge, we can create new value which will ultimately enhance client satisfaction.

**Yoshikawa:** Earlier this year our Retail business announced the results of a client satisfaction survey. Wholesale is also working to ensure our clients turn to Nomura as a trusted partner. We remain focused on improving our league table standings, market share, and financial performance, all of which are evidence of client satisfaction.



#### Q6 How is Nomura contributing to sustainable development?

**Nagai:** Our business can't grow without strong local economies in the communities in which we operate. It is very important for us to help energize local economies. In Japan, we put our financial expertise to work to support new agricultural businesses and environmental and energy-related businesses. We also work closely with industry and academia to encourage the development of new industries.

From a long-term perspective, we play an important role in using the capital markets to finance the development of social infrastructure in Asia and other emerging markets. Asia is expected to account for more than half of the world's GDP by 2050. But that will require \$8 trillion in infrastructure investment. To raise this money, Asia will have to further develop its primary and secondary capital markets.

We have a long history of providing financial education programs aimed at creating sound capital markets by educating future generations. Since 2001, our branch managers and other employees have lectured at over 100 universities across Japan. We also conduct classes for elementary and junior high school students and we are a long-standing sponsor of the Nikkei Stock League Contest, which encourages students from junior high through to university to learn about investing.

These activities allow us to use our expertise to contribute to sustainable growth. We aim to grow together with local communities in order to meet the expectations of all our stakeholders.

# Reallocating resources in line with the changing environment to build on our strengths as a global financial services group



**Shigesuke Kashiwagi**  
Chief Financial Officer

For the past few years, financial institutions have faced a rapidly changing environment. Nomura moved swiftly to adapt to these changes by further enhancing our financial position and reducing our cost base.

As CFO, I see my job as consisting of two main roles. First, to allocate the firm's resources in a way that allows us to best meet regulatory requirements and adapt to the changing market environment. Second, improve communication with shareholders, counterparties, ratings agencies, regulatory authorities, ESG\* research organizations, and other stakeholders in order to disclose accurate and timely information about the current status of the firm.

We expect the shift to tighter regulation to continue in the future. However, given that we will be relatively less affected by the reforms than our competitors, we believe this trend will present new opportunities for Nomura. Accordingly, we will continue to solidify our position to ensure sustainable profits under any environment.

\* Environmental, social, and governance.

## Robust Financial Position

At the end of March 2013, when Japan became one of the first countries to implement Basel 3, Nomura reported total assets of ¥37.9 trillion, shareholders' equity of ¥2.3 trillion, and gross leverage of 16.5 times. Ahead of the introduction of the new regulations, we reallocated resources by selling our stake in Annington, a private equity investee company, in December 2012 and deconsolidating Nomura Real Estate Holdings in March 2013. As a result, our Tier 1 common ratio under Basel 3 was 11.9% at the end of March 2013. Based on a forward simulation using our March 2013 year-end balance sheet, our fully loaded 2019 Tier 1 common ratio is approximately 10%, which places us among the industry leaders.

We also held a high quality liquidity portfolio surplus of ¥5.9 trillion as of the end of March 2013. This allows us to continue operating for one year without the need for additional unsecured funding or asset sales even under stressed market conditions. In addition, the liability side of our balance sheet is dominated by long-term debt, and we have diversified our sources of funding across currencies.

This robust financial position is a competitive advantage that directly benefits our clients by allowing us to deliver the best products and services tailored to their specific requirements.

## **Adapting to the Changing Environment**

The global fee pool in our industry has been shrinking since the start of the European debt crisis. Coupled with this, financial institutions have been forced to rethink their strategies due to the shift to tighter regulations.

To reposition Nomura for this new environment, we have revised our cost base, which was set for the much larger fee pool environment of 2009, and we have been working on a \$2 billion cost reduction program since July 2011 aimed at lowering the breakeven point of our Wholesale business. Of this \$2 billion, the \$1 billion cost reductions announced in September 2012 were 78% complete as of the end of March 2013, with personnel expense reductions running ahead of schedule. Despite the recently improved revenue environment, we remain focused on completing the cost reductions by March 2014. By enhancing the profitability of our international Wholesale operations, we aim to achieve our management target of earnings per share of ¥50 by the year ending March 2016.

## **Shareholder Returns**

Our underlying approach to shareholder returns centers on continually raising shareholder value while also paying dividends. We aim to deliver stable dividends using a full-year consolidated payout ratio of 30% as a key indicator. In determining dividend payments, we take into account a comprehensive range of factors including our consolidated financial performance and global regulatory reforms such as the new Basel regulations. Based on this policy, we paid an annual dividend of ¥8 per share in FY2012/13.

In addition, we seek to efficiently invest retained earnings in business areas with prospects of high profitability and growth, while also taking into account the regulatory environment, in order to increase shareholder value.

Since the Abe administration came to office in December 2012, the world has started to look on Japan in a new light and expectations are rising over the country's future. As the dominant player in Japan's financial and capital markets, Nomura is well placed to connect markets in the East and the West, further stimulating Japan's economy.

To remain a trusted partner for our global clients, we will leverage our access to Japan's deep pool of funds and our geographic advantage in the world's growth region of Asia.

## Retail

Nomura's Retail business in Japan delivers a wide array of financial services to individual and corporate clients through a nationwide network of 177 branch offices (as of March 31, 2013), call centers, and online.

Our branch offices provide in-depth, consulting-based services tailored to our clients' individual needs. This is backed by a range of services, investment insights, and financial products available through our call centers and online platforms.

▶ p.15

## Asset Management

Asset Management operates as a global business with ¥27.9 trillion of assets under management from both retail and institutional investors (as of March 31, 2013).

Our investment trust business in Japan delivers a diverse range of products through distribution channels such as securities firms including Nomura Securities, banks, Japan Post Bank, and branches of Japan Post.

We also run a global investment advisory business that offers a high level of service to pension funds, governments and central banks, commercial banks, insurers, and other institutional investors around the world.

▶ p.19

## Wholesale

This business consists of Global Markets, Investment Banking and serves a broad range of global corporations, governments and financial institutions.

Global Markets focus on institutional investment research and the distribution, structuring and trading of global securities. Investment Banking provides equity and debt financing, risk solutions and advisory services to a broad range of international clients.

Note: Due to a reorganization in April 2012, reported amounts for Wholesale and Other have been reclassified.

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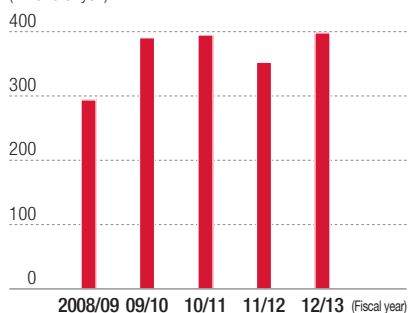
### Net revenue

FY2012/2013

**¥397.9 billion**

Up 13.6% year on year

(Billions of yen)



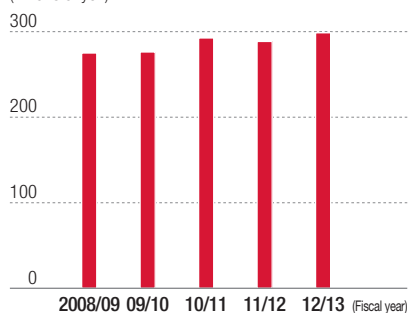
### Non-interest expenses

FY2012/2013

**¥297.3 billion**

Up 3.5% year on year

(Billions of yen)



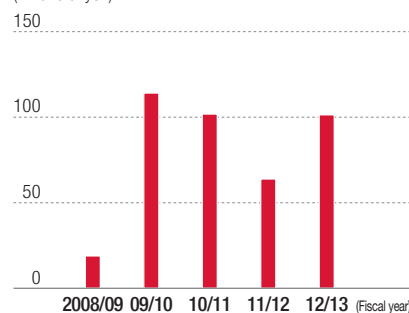
### Net income before income taxes

FY2012/2013

**¥100.6 billion**

Up 59.4% year on year

(Billions of yen)



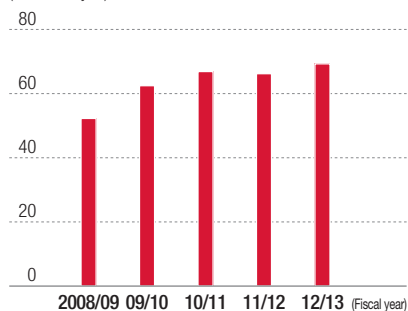
### Net revenue

FY2012/2013

**¥68.9 billion**

Up 4.8% year on year

(Billions of yen)



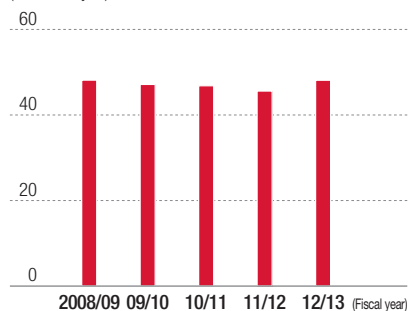
### Non-interest expenses

FY2012/2013

**¥47.8 billion**

Up 5.5% year on year

(Billions of yen)



### Net income before income taxes

FY2012/2013

**¥21.2 billion**

Up 3.2% year on year

(Billions of yen)



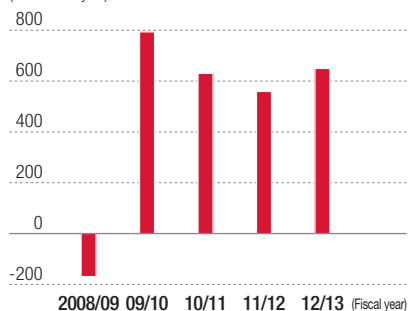
### Net revenue

FY2012/2013

**¥644.9 billion**

Up 16.2% year on year

(Billions of yen)



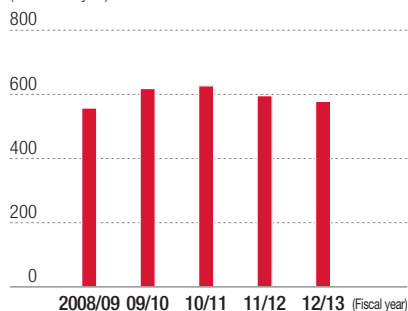
### Non-interest expenses

FY2012/2013

**¥573.2 billion**

Down 3.3% year on year

(Billions of yen)

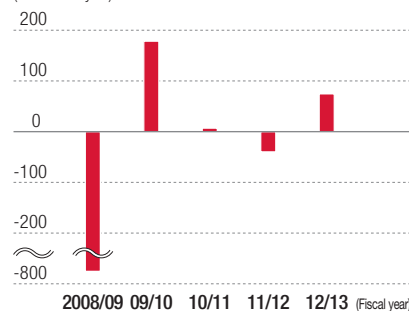


### Net income (loss) before income taxes

FY2012/2013

**¥71.7 billion**

(Billions of yen)





**Toshio Morita**  
Retail CEO

The Retail Division delivers a wide range of financial products and high-quality investment advice, constantly enhancing its services in order to respond to the diverse and increasingly sophisticated needs of clients. These services are provided through several channels including a nationwide network of 177 branch offices (as of March 31, 2013) and Nomura Net & Call.

We seek to strengthen our consulting-based sales and deliver top-quality products and services tailored to the needs of each client, so that the Nomura Group can remain a trusted partner to our clients.

## Market Environment

The market environment remained challenging for most of FY2012/13, but the large-scale monetary easing program initiated after the start of the new Abe administration in December 2012 resulted in a significant boost to Japanese equities and a highly positive outlook. However, many issues remain entrenched around the world, including Japan's fiscal woes, a dwindling birthrate and an aging population, as well as Europe's sovereign debt crisis and other global geopolitical risks. This has meant that our clients face a constantly evolving landscape, with future prospects somewhat uncertain.

Amid growing uncertainty about the increasing complexity and rapid advancements in an information-intensive society, our clients' interests, values and challenges continue to grow more diverse. The same can be said about financial assets, as the answer to the question of how to protect, use and pass on financial assets to future generations is different for each client,

### Business results

(Billions of yen)

	FY2008/09	FY2009/10	FY2010/11	FY2011/12	FY2012/13
Net revenue	291.9	388.3	392.4	350.3	397.9
Non-interest expenses	273.6	274.9	291.2	287.1	297.3
Income before income taxes	18.2	113.4	101.2	63.1	100.6



depending on their individual lifeplan, family members, and approach to capital preservation. With many unsure of how best to design their portfolio, financial institutions now more than ever need to provide services tailored to the unique needs of each client.

Over half of Japan's personal financial assets remain in savings and deposit accounts. As a result, the role of securities brokerages continues to be essential in ensuring a smooth flow of funds into the economy. Moreover, through their services, securities brokerages are expected to make contributions to the development of the economy and society.

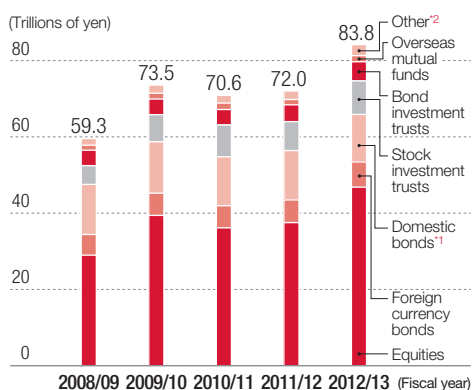
Via branch offices, online, and call-center channels, Retail will continue to provide quality products and services centered on consulting-based sales, and implement a series of strategic initiatives to ensure we remain a trusted partner to our clients.

## Financial Results for FY2012/13

Although the economic environment remained challenging for much of the year, the markets have seen a strong upturn since the end of 2012. As a result, net revenue for FY2012/13 was ¥397.9 billion, non-interest expenses were ¥297.3 billion, and income before income taxes was ¥100.6 billion, up 59% compared to the previous year.

At the end of March 2013, we had 5.02 million client accounts, an increase of about 40,000 accounts since March 2012. We steadily expanded our client franchise during the year, with net asset inflows of ¥1.355 trillion. Retail also expanded total sales by providing a range of products suitable for individual client needs, investment strategies and risk appetites. As a result of this expansion and the major upturn in markets, Retail client assets increased to ¥83.8 trillion as of March 31, 2013.

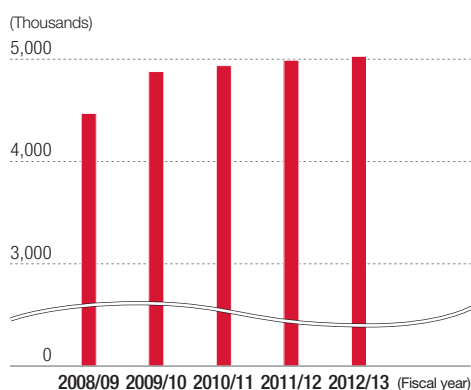
Retail client assets



<sup>\*1</sup> Includes CBs and warrants

<sup>\*2</sup> Includes variable annuity insurance

Accounts with balances



**Enhancing Client Satisfaction**

Since FY2010/11, Retail has held a monthly CS (Customer Satisfaction) Improvement Meeting chaired by the Retail CEO and attended by Senior Managing Directors and other key stakeholders. The meeting reviews complaints, feedback and requests made through the customer help desk, call centers and our website, and based on these reviews, works to improve products, services and systems.

As part of our efforts, we have established a service assistance program where specially trained employees provide services to our elderly and disabled clients. This program was rolled at 128 (70%) of our branch offices in March 2013, and we became the first securities brokerage in Japan to have a team of several hundred service assistants operating in this way. Going forward, our service assistants will ensure that we provide a more customer-centric and enhanced level of service to our client base as it ages.

**Customer Satisfaction Survey**

In order to remain cognizant of customer satisfaction levels, since January 2011 we have been conducting customer questionnaires with clients who meet our financial services specialists, which cover our over-the-counter services such as customer service and product explanations. These questionnaires were conducted at 126 branch offices in FY2012/13. (See page 57 for the results for survey.)

In February 2013, we conducted a customer satisfaction survey about our sales staff. Asset management consultants who received particularly high praise from clients were rewarded and introduced on the Nomura Securities website.

Results of these surveys are shared with management, the head office and branch offices, and potential improvement measures are examined by Retail to provide better overall service.

**Looking Forward**

In FY2013/14, Retail continues to leverage its consulting-based services to foster greater trust among clients and to capture greater business opportunities. We aim to increase client assets, which provide a symbol of the trust our clients place in us, while striving to expand recurring revenues such as investment trust administration fees. This approach will enable us to build a solid and stable earnings base. Also, we continue to expand our line-up of low-risk products to meet the needs of our older clients who tend to prefer safer investment options.

To enhance the quality of our consulting services, we are expanding on-the-job training programs and increasing the support provided to branch offices by the head office. Furthermore, we strive to enhance client satisfaction by utilizing the wide range of tools at our disposal, such as the Asset Planning Service, which conducts interviews with clients to ascertain and analyze their current asset situation, and NOMURA i-port, which is used to centrally manage the securities portfolios of corporate clients. Starting in August 2012, a tablet PC was distributed to each of our sales staff to use for delivery of useful and important information to our clients in a timely manner from locations both inside and outside branches.

Going forward, each and every one of us at Nomura is committed to delivering superior quality service that satisfies the increasingly diverse needs of our clients, and to contributing to local economies and society as a whole through our core business.

#### **Nippon Individual Savings Accounts (NISA)**

Japan's equity markets are paying close attention to the start of Nippon Individual Savings Accounts (NISA), slated for January 2014. Under this program, individuals will be able to invest up to ¥1 million tax free each year. This represents a great opportunity to expand the horizons of securities investing for those with no investment experience and to encourage clients who have taken time off from investing to come back to the markets.

Retail is organizing various seminars across our domestic branch network to continue to meet the needs of its clients looking to invest using NISA.

#### **Expanding the Number of Products and Services for Aging Societies**

Older clients need to set aside funds for living expenses later in life as well as make preparations for leaving an inheritance for their dependants. To meet these needs, Nomura is taking steps to enhance its product lineup by offering annuities that provide regular income, whole life insurance for those clients thinking about their legacy, and comparatively low-risk investment trusts.

In addition to these products, we also offer a full lineup of services that meets the diverse needs of an aging society, such as seminars on inheritance matters and "My Life Note," a message written by the client to their family members.

Outside the realm of finance, we are partnering with companies that provide products and services geared toward seniors to host "Happy Life Seminars," which have been held at our branch offices across Japan since January 2013. This approach to satisfying an even broader range of needs is helping us to build a stronger rapport with our clients.



**Toshihiro Iwasaki**  
Asset Management CEO

Based in Asia, the Asset Management Division provides a range of products and services that satisfy a broad mix of investment needs. We are striving to enhance our asset management performance and to establish a solid presence as a firm trusted by investors around the world.

Although FY2012/13 got off to a challenging start in the first half, we did see fund inflows into domestic investment trusts and an increase in mandates from foreign institutional investors. We also strove to reduce costs. In the second half, fund inflows continued and the environment improved, leading to an increase in assets under management. As a result, for the full year, Asset Management realized revenues and income before income taxes that surpassed the previous year.

## Market Environment

Japan's public investment trust market grew 17.0% in FY2012/13 to ¥73 trillion. Although the first half of FY2012/13 was marred by the re-emergence of the European sovereign debt crisis and concerns of a worldwide economic slowdown, the market environment enjoyed an upturn thanks to policy changes initiated by the new Japanese government administration.

### Business results

(Billions of yen)

	FY2008/09	FY2009/10	FY2010/11	FY2011/12	FY2012/13
Net revenue	51.9	62.1	66.5	65.8	68.9
Non-interest expenses	47.8	46.8	46.5	45.3	47.8
Income before income taxes	4.1	15.2	20.0	20.5	21.2

Note: Due to a reorganization in April 2011, reported amounts for Asset Management and Other have been reclassified.

## Financial Results for FY2012/13

Our investment trust business offered a truly wide range of products, including funds aimed at reducing risk and funds tailored to the current investment environment. As a result, we saw investment inflows into our Premium strategy fund, which combines investments in global equities, REIT and Japanese stocks with derivative transactions, and our other high-yield bond and emerging market bond funds. We listed a number of new ETFs as part of the NEXT FUNDS family, including ETFs linked to the Nikkei 225 Leveraged Index, Nikkei 225 Inverse Index and the Nomura Japan Equity High Dividend 70. This approach enabled us to capture fund inflows for a wide range of products throughout the year, despite the changing market conditions. Consequently, Nomura Asset Management's share (net asset basis) of Japan's public investment trust market stood at 22.3% as of the end of March 2013, compared to 22.1% at the end of the previous year.

Our investment advisory business steadily increased mandates for Japanese stocks, high yield bonds and global bonds primarily from European financial institutions and sovereign wealth funds in Asia, which helped to steadily increase our assets under management. We also increased net assets by providing Japanese equity funds and US high yield bond funds compliant with Europe's UCITS\* mainly to high net worth individuals outside of Japan.

As a result, assets under management reached ¥27.9 trillion at the end of March 2013, marking a ¥3.3 trillion increase compared to the previous fiscal year end. Asset Management reported net revenue of ¥68.9 billion, up 5.0% year on year, and income before income taxes of ¥21.2 billion, an increase of 3.0% year on year.

\* UCITS: The Undertakings for Collective Investment in Transferable Securities

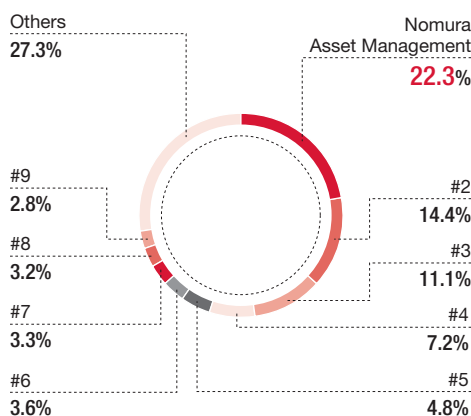
### Assets under management



Note: Net after deduction duplications from total assets under management of companies that belong to the Asset Management Division

### Share of public investment trust market in Japan

(As of March 31, 2013)



### Nomura Fund Recognized with Award

Nomura Asset Management's investment trusts have earned a strong reputation from investment trust rating agencies for their ability to satisfy a broad range of investment strategies. Nine of Nomura's funds, including the "World Water Fund Course A," received a best funds award at the "Lipper Fund Awards 2013 Japan" for their solid mid- to long-term performance. In addition, Nomura funds also received Morningstar's "Fund of the Year 2012" and "R&I Fund Award 2012."

### Responsible Investment

Nomura Asset Management is a signatory of the United Nations-backed Principles for Responsible Investment (UN PRI) and ensures that its client-focused asset management services are performed in accordance with the firm's social responsibilities. To that end, we have established the ESG Committee, which is chaired by the CIO and meets twice a year to deliberate our approach to addressing environment, social and governance issues. In FY2012/13, we organized in-house training programs for asset managers in order to raise awareness and broaden their understanding of responsible investments.

*Signatory of:*



## Looking Forward

### Delivering Highly Competitive and Industry-Leading Performance

Asset Management is committed to leveraging its core active management capabilities to deliver highly competitive and industry-leading performance for Japanese and Asian equities funds, where it offers superior experience and results, Asian bonds and emerging equities funds through its expanded investment management and research reach, and J-REITs, where it has established a solid track record over the years.

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#### Main awards received by Nomura Asset Management managed funds (FY2012/13)

##### Morningstar Fund of the Year 2012

Excellent Awarded Fund    High Dividend Bond Fund Division /  
Nomura Emerging Bond Open Course A



##### R&I Fund Award 2012 (defined benefits pension plan category)

Japanese Core Equity Fund Category / Japan Equity Advanced Alpha  
Japanese Growth Equity Fund Category / Japan Equity Active Growth

We will also strive to provide a more unique range of asset management solutions, such as the management of high yield and inflation-linked bond funds, which require advanced financial expertise, high alpha bond funds that seek absolute returns, and Shariah-compliant asset management services\*, where demand is expected to grow.

\* Shariah-compliant asset management services: A method of asset management fully compliant with Islamic Shariah Law.

### **Encouraging a Shift from Savings to Investing through Investment Trusts**

In the investment trust business, we will deliver diverse investment opportunities that meet a broad range of retail investor needs in order to strengthen our presence in the domestic investment trust market. Furthermore, we will strive to grow the overall market by expanding the scale of our existing products. We will continue to offer a toll free customer service center for retail investors and investment trust sales staff, study sessions for distributors, and retail investor seminars. This will help us broaden investor understanding about investment trust products and associated risks and gain a better recognition of investor needs. In turn, this knowledge will be utilized to further enhance our services.

We will further expand our product lineup in order to capture opportunities from the growth of defined contribution pension plans. At the same time, we will increase investor education programs, correct the imbalance toward more conservative products within defined contribution plans, and make improvements to these plans to enable other products to be rolled into investment trusts.

In advance of the Nippon Individual Savings Account (NISA) program slated to begin in January 2014, we conducted a survey of retail investors and published the results in April 2013. Going forward, we will continue to share easy-to-understand information to raise awareness about NISA and promote the use of this program. We will also develop products fully compliant with the program.

### **Further Expanding the Investment Advisory Business**

In the investment advisory business, we will work to develop asset management policies tailored to each client segment, country and region, and propose a strategy best suited to each client's investment objectives. Asset Management is in the process of expanding its lineup of products that seek absolute returns, to complement its existing strengths in Japanese equities and Asian equities as well as global and high yield bonds.

With Japan's employee pension scheme undergoing changes, we will respond to a broad range of asset management needs and fulfill our fiduciary duty to our clients. Outside of Japan, we will continue to increase mandates from sovereign wealth funds, central banks and major pension funds. We will also further expand the fund business in Europe and Asia by utilizing UCITS-compliant funds.



Atsushi Yoshikawa

Wholesale CEO

The Wholesale division provides a wide range of financial products and solutions to clients globally. It comprises Global Markets which offers structuring, sales and trading of global securities and Investment Banking which offers capital raising and advisory services.

We position ourselves as Asia's Global Investment Bank. We aim to increase profitability by focusing on the businesses where we have a competitive edge and by providing high value-add services to our clients.

## Market Environment and Results of FY2012/13

Net revenue for the fiscal year was ¥644.9 billion, an increase of 16% from the previous year. Income before income taxes was ¥71.7 billion, compared to a loss of ¥37.7 billion the year before, marking a strong year-on-year turnaround.

It was a year of evolving fortunes, with overall business performance improving significantly in the second half. This was driven by increasing client volumes in Fixed Income flow products and a robust recovery in income from Japanese equities transactions thanks to the impact of the "Abenomics" policy measures announced by the Japanese government and the Bank of Japan.

Fixed Income delivered a strong performance with revenues increasing 38% over the previous year. Growth was seen across the global franchise - all international regions grew significantly, with the Americas delivering their highest revenues since 2010, when we started the US build out.

### Business results

(Billions of yen)

	FY2008/09	FY2009/10	FY2010/11	FY2011/12	FY2012/13
Net revenue	(163.6)	789.5	626.1	555.0	644.9
Non-interest expenses	553.7	614.3	622.0	592.7	573.2
Income (loss) before income taxes	(717.3)	175.2	4.1	(37.7)	71.7

Note: Due to a reorganization in April 2012, reported amounts for Wholesale and Other from the year ended March 2011 have been reclassified.



Equities results were broadly in line with the previous year. This was despite the disruption through significant changes to the cost structure of the business, for example, through the migration of our execution capabilities to Instinet and the reorganization of our equity research platform.

Investment Banking revenues improved significantly based on increased Equity issuance in Japan in the second half of the year. In the international business we underwrote a number of capital raising transactions for European financial institutions and were involved in a wide range of Asia related cross-regional advisory and financing deals.

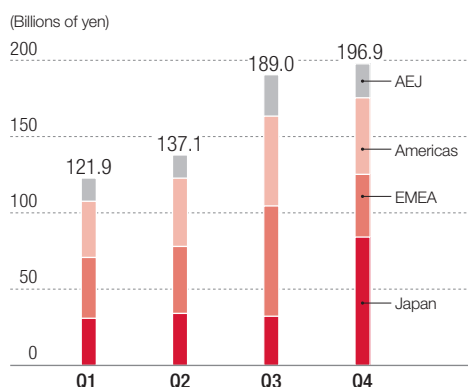
## Looking Forward

While we believe that more time is needed for an economic recovery to gain traction in Europe, we have a largely positive outlook for the economies of Japan and the United States. Meanwhile, the economic outlook for Asia, which is expected to see strong growth over the medium to long term, remains somewhat unclear in the short term amid uncertainties surrounding the Chinese economy.

Internationally, multinational financial services firms will continue to face an unstable earnings environment because of macroeconomic conditions, international politics, and tighter regulatory requirements around capital, liquidity, leverage, etc.

Our strategy for Wholesale is to act as a gatekeeper between Asia and the rest of world, focusing on sectors and products where we have an advantage. In facilitating cross-border commerce between Japan and the rest of Asia and between APAC and the rest of the world we will continue to build on our position as Asia's Global Investment Bank and achieve standalone profitability in each region and business line.

FY2012/13 Wholesale net revenue by region



## Global Markets

### Market Environment and Results of FY2012/13

FY2012/13 was another tumultuous year for the financial markets. It started with a selloff of risk assets on the back of Eurozone concerns and political gridlock in the US. However, the business environment improved in later quarters following the European Central Bank's bond-buying program and the Federal Reserve Bank's QE3 program implemented in September 2012, and further driven by a major liquidity injection by the Bank of Japan in December 2012.

Fixed income markets saw improving conditions as spreads tightened in most regions during the second half of the year. Client transactions also increased thanks to more favorable conditions for Credit and Securitized Products given the recovery in investor sentiment.

Our Fixed Income franchise reported market share gains across all major products and delivered its best performance in three years, driven by steady client flows on the back of worldwide monetary easing.

We continue to enhance our Fixed Income services to respond to the diverse needs of our clients, spanning from institutional investors globally to retail clients in Japan. In particular, we continue to extend our electronic and clearing offerings to allow investors to address the evolving market structure. These efforts have been acknowledged by our clients as reflected in higher market recognition.

Equities markets remained subdued in the first half of the year in line with low market volumes as clients shied away from riskier assets amid the uncertain macroeconomic outlook. However, Japan's aggressive monetary easing policies introduced in December 2012 by the new government and the Bank of Japan as part of "Abenomics" spurred renewed confidence in the Japanese markets, providing fresh inflows of funds in to the market.

#### Awards & Rankings

Institutional Investor	
All-Japan Research Team	<ul style="list-style-type: none"> <li>• No.1: All-Japan Research Team</li> <li>• No.1: All-Japan Sales Team</li> <li>• No.1: All-Japan Trading Team</li> </ul>
All-America Fixed Income Research Team	<ul style="list-style-type: none"> <li>• No.1: Currency/Foreign Exchange</li> <li>• No.2: RMBS Strategy/Agency</li> </ul>
All-Europe Fixed Income Research Team	<ul style="list-style-type: none"> <li>• No.2: Currency/Foreign Exchange</li> </ul>
Risk Magazine	
Risk Institutional Investor	<ul style="list-style-type: none"> <li>• No.1: All Rates Products-Yen</li> <li>• No.1: Interest Rate Swaps-Yen</li> <li>• No.1: Single-name Credit Default Swaps (Investment-grade and high yield) – Asia</li> </ul>
Nikkei	
Nikkei analyst survey	<ul style="list-style-type: none"> <li>• Analyst Ranking: No.1 overall</li> <li>• Fixed Income Analyst / Economist: No.1 overall</li> </ul>

Equities reported stronger Japanese product related revenues on larger number of transactions in both the Cash and Derivatives businesses. Meanwhile, we remain focused on building a profitable business structure by reducing costs through initiatives such as consolidating our execution capabilities with Instinet.

## Looking Forward

### Market Outlook

With the varied pace of economic recovery and divergence in fiscal and monetary policies around the world, the outlook for both the fixed income and equities markets remains uncertain. A more cautious outlook in the financial markets is warranted as the trend towards stricter capital requirements will continue to put downward pressure on fee pools.

### Integrated Platform Combined with Home Market Advantage in Asia

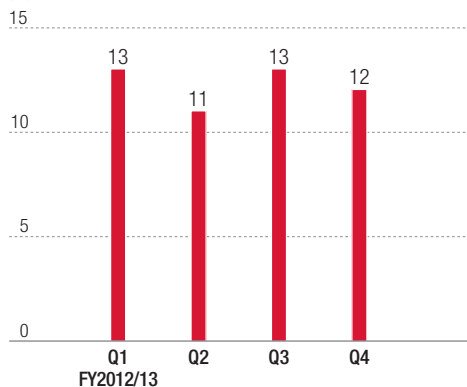
In December 2012, we reorganized Fixed Income and Equities into an integrated Global Markets structure in order to further enhance our operating efficiencies. This change will not only result in cost synergies, but also enable us to leverage the newly integrated Global Markets platform to deliver innovative cross-asset products and solutions to our clients and to maximize our return on financial resources.

As the only Asian house with a global reach, we are leveraging our market leading position in Japan to expand our share of cross-border flows connecting Asia with EMEA and the Americas.

### Equities Trading Volume Share

#### TSE market share

(%)



## Investment Banking

### Market Environment and Financial Results for FY2012/13

Financing and M&A deals were down globally in the first half of FY2012/13 due to the lingering effects of the European sovereign debt crisis and concerns over a slowdown in the Chinese and European economies, while in the second half markets received a boost from an increase in monetary easing programs around the world, which helped drive a recovery in equity financings, especially in Japan.

Investment Banking continued to build momentum globally, reporting gross revenue of ¥143.0 billion for FY2012/13. With clients' needs growing even more diverse and global, Nomura stepped up collaboration between different regions and business divisions to participate in more cross-border M&A deals and financings in global markets. We also captured non-traditional solution business associated with such deals, including interest rate and FX risk hedging. This approach enabled us to meet a wide range of client needs and play a key role in the growth of their businesses.

Nomura advised a number of clients on cross-border M&A deals, which covered acquisitions by Japanese companies seeking growth opportunities abroad and takeovers of European companies by Asian companies. Examples of these deals include Itochu Corporation's acquisition of business units from Dole Food Co. and Cheung Kong Infrastructure Holdings' takeover of Wales & West Utilities of the UK by a consortium led by Cheung Kong Infrastructure. We also played a key role in a number of major industry consolidations taking place in Europe. These included Credit Agricole's sales of its Greek subsidiary as well as the restructuring of Spanish banks led by The Fund for Orderly Bank Restructuring (FROB).

As for financings, Nomura worked as a bookrunner on a number of major deals in Japan where equities markets continued to stage a strong comeback. These included All Nippon Airways' (currently ANA Holdings) global offering and Sony's euro-yen convertible bond. We also underwrote bonds issuances for many domestic and foreign issuers, including Takeda Pharmaceutical's US dollar bond and a Samurai bond issued by Rabobank.

#### League table ranking (CY2012)

Japan-related M&A	1 <sup>st</sup>	Global ECM	11 <sup>th</sup>
Japan-related ECM	1 <sup>st</sup>	Global M&A	12 <sup>th</sup>
Samurai Bond	1 <sup>st</sup>		

Source: Thomson Reuters

In Europe, we executed a number of capital raising transactions for European financial institutions, including rights issues<sup>\*1</sup> by Italian insurance companies Fondiaria and Unipol. We also executed Électricité de France's (EDF) US dollar hybrid bond.

In Asia, we acted as a bookrunner on a number of financings aimed at unlocking future growth opportunities, including IPOs for Haitong Securities (in Hong Kong) and Religare Health Trust (an Indian company controlled by hospital operator Fortis Healthcare).

As clients' needs become increasingly diverse and sophisticated, Nomura also provided various solutions related to M&A and financing activities, including interest rate and FX risk hedging, mainly to financial sponsors and financial institution clients. This approach helped to boost revenues.

<sup>\*1</sup> Rights issue: A method of increasing capital where existing shareholders are allotted, without consideration, warrants that can be used to purchase the stock at a price below the market price

<sup>\*2</sup> Hybrid securities: Securities that have both a debt and equity component that are considered as capital for ratings purposes

## Looking Forward

We will further enhance and drive profitable growth by focusing on areas where Nomura can win and providing a wide range of sophisticated solutions to our clients.

### M&A Advisory

In addition to capturing major deals associated with industry consolidation in Japan and abroad, we will focus on pursuing cross-border M&A deals by encouraging greater collaboration among regions. Such deals involve Japanese companies seeking growth opportunities overseas and growing Asian companies.

### Major Japanese Trading Companies and Financial Sponsors

As new investments and exits continue to be brisk, we aim to provide truly comprehensive solutions that include M&A advisory, acquisition & leveraged finance, underwriting IPOs of portfolio companies, as well as the provision of ancillary transactions like FX hedging.

### Financial Institutions

As capital regulations become tighter with the implementation of Basel III, we will provide a variety of solutions aimed at improving the financial strength of clients by way of underwriting rights issues and hybrid securities<sup>\*2</sup>, as well as advising on their disinvestment of non-core businesses.

### Expanding our Presence in the Americas

The Americas is home to the largest fee pool in the world. With financial sponsors here expected to be active going forward, we will pursue a multi-year phased growth strategy that will include increasing M&A deals including those involving the portfolio companies of financial sponsors, strengthening capabilities in leveraged finance and expanding our client base.

Nomura's global research is renowned for its combination of accuracy and forward-looking coverage. With research hubs in key Asia-Pacific markets, including Tokyo, Hong Kong and Singapore, as well as in London and New York, we currently have some 560 researchers in 15 countries and regions globally. Our researchers collaborate closely across regions and disciplines to track changes and spot future trends in politics, economics, foreign exchange, interest rates, equities, credit and quantitative strategies. This extensive network of intellectual capital provides our clients with timely, actionable information.

### Macro Approach to Global Research

Nomura's global research covers GDP data for 38 countries and regions around the world, 32 different currencies, and every major stock market in Japan, North America, Europe and Asia. This represents 90% of the world's economic and financial indicators, positioning us well to provide timely information that investors can put to immediate use.

### Award-Winning Research

Our research consistently receives high industry recognition. In the 2013 equity research rankings announced by Institutional Investor, we topped the All-Japan Research Team for the fourth year running.

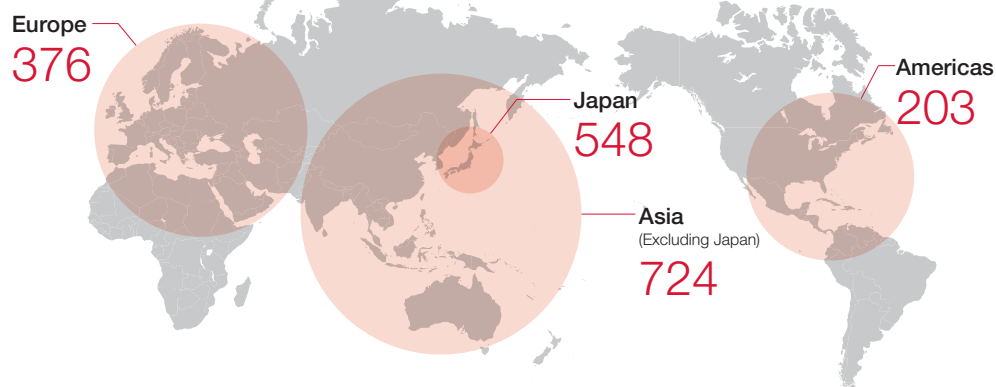
Meanwhile, Nomura has confirmed its position as the world's pre-eminent provider of

FX research, with its Asian FX and Rates Strategy team ranked #1 in the 2013 Institutional Investor All-Asia Research Team survey. The achievement of Nomura's Asian FX and rates strategy team mirrors that of its number one ranked FX/Currency Research team in the most recent Institutional Investor All-America Fixed Income Research survey, and number two ranked FX Research Team in the All-Europe Fixed Income Research survey.

Nomura's bond research also received strong recognition, with our Bond Strategy team in Japan ranked number one and our US MBS team ranked second in their respective fields. Furthermore, we topped the Nikkei Veritas rankings for bond analysts, credit analysts, securitization analysts, and Japanese equity analysts.

### Global equity research coverage (As of June 30, 2013)

Total: 1,851 companies



### **Leading the Global Flow of Money**

Nomura's award-winning worldwide forex research team consists of 17 full-time researchers covering 32 major currencies. By providing timely information on forecasts and strategy for each currency, they help money from Japan flow to the rest of the world and money from the rest of the world flow into Japan and Asia.

Another strength found in Nomura's global research is our ability to quickly provide investment ideas on multiple asset classes based on multifaceted analysis of standalone themes. For example, in April 2013 our researchers around the world debated the impact that the Bank of Japan's quantitative easing program would have on individual financial products. These discussions were used to provide investment implications on not only Japanese equities, the yen-dollar exchange rate, and the Japanese economy, but also European and North American debt, international equities and emerging market currencies to clients. In this regard, our researchers played a key role in leading the global flow of money.

### **In-Depth Equity Research Coverage**

The cornerstone of Nomura's equity research is our in-depth, focused analysis of core global sectors, particularly those that are highly sensitive to economic, market and corporate trends in the Asia-Pacific region, where Nomura can leverage its natural advantage as Asia's global investment bank. We launched our US coverage in earnest in October 2010 and after narrowing our focus to key sectors, which include financial services, telecommunications, technology, and retail, our US coverage has expanded to more than 200 stocks. In Asia, we merged our Japan and ex-Japan equity research

teams to enable more seamless coverage of growing Asian markets. As of March 31, 2013, we covered some 1,300 companies in Japan and Asia and approximately 400 stocks in Europe.

### **High-Quality Research with a Focus on Global Trends**

We offer timely, clearly presented evaluations of global trends and anticipated developments in reports covering such themes as the change of government administrations seen around the world in 2012, the risk of a collapse in the euro, the US fiscal cliff, shale gas, and corporate governance.

With growing interest in the sustainability of companies and other organizations, Nomura has been conducting research on themes with a close correlation to the environment, including power grid stabilization measures as well as the carbon capture and storage business.

Meanwhile, investments that are considerate of the environment, society and governance, or ESG, are beginning to catch on more widely among mainly European investors. Yet, with the release of the Principles for Financial Action towards a Sustainable Society by Japan's Ministry of the Environment in 2011, interest has also blossomed in ESG-friendly investments among Japanese investors as well. With this in mind, Nomura organized its first seminar on ESG investments in July 2012. Nomura also publishes reports on utilizing ESG information in equity investing as part of its ongoing commitment to provide investment ideas and hints on how best to use ESG information. Going forward, Nomura will continue to provide beneficial research to its clients through the development of related equity indexes and other means.

The Nomura Group recognizes that the financial services industry plays a vital role in contributing to economic growth and the sustainable development of society by stimulating the circulation of capital through its products and services. As such, we are firmly committed to solving a variety of social issues around the world through our core businesses.

### East Japan Revival Support Bond Fund 1105

Nomura Asset Management has been managing the East Japan Revival Support Bond Fund 1105 since its inception in May 2011, with the goal of providing disaster relief assistance to those areas affected by the Great East Japan Earthquake. The fund is structured so that it provides donations (approximately 0.2% annually of the fund's total daily net assets) once every six-month settlement period. The fund donated a portion of its custodial fees from the settlement periods of November 2012 and May 2013 to Aomori Prefecture, Iwate Prefecture, Miyagi Prefecture, Fukushima Prefecture, Ibaraki Prefecture and Sendai City, to be used for reconstruction projects. In addition to these local governments, donations were also provided for educational and living support for children orphaned by the disaster. The total amount donated was ¥33 million.\*<sup>1</sup> A total of 10 donations will be made over the fund's five-year term.

### Public-Private Partnership Infrastructure Fund Distribution

In September 2012, Nomura Securities commenced sales of the SPARX – Public-Private Partnership Green Energy Investment Limited Liability Partnership, in order to help establish a financing system for infrastructure development and ensure the stable supply of electricity. This is a public-private partnership fund established by the Tokyo Metropolitan Government to prevent an energy crisis in the wake of the Great East Japan Earthquake and nuclear power plant shutdowns. Through this fund, Nomura Securities solicits investments in power providers, including solar, wind and

natural gas power generation, to ensure the availability of alternative power sources.

### Underwriter for JICA Bond Issuance

Japan International Cooperation Agency (JICA) is the unified implementing body of Japan's Overseas Development Assistance (ODA). In order to diversify its fundraising and widely share its mission to the people of Japan, JICA issues bonds for retail investors called JICA bonds. In December 2012, Nomura was given the opportunity to underwrite a JICA bond issuance as one of the lead managers.

For this occasion, Nomura organized investment seminars across Japan for retail investors and also distributed a video program on JICA bonds for salespeople at all of its branches in Japan. Going forward, we will continue to market and promote the positive implications of making contributions to international society through investing.

### Supporting Investment in Clean Energy Projects

The Banking Environment Initiative (BEI) is an environmental and social sustainability initiative spearheaded by multinational financial institutions. As one of the ten\*<sup>2</sup> founding members, the Nomura Group participates in the organization's Clean Energy Working Group, and as part of this, Nomura Securities has researched valuation methods employed in clean energy project investment. In November 2012, the results of this research were presented in the keynote presentation "An Options Approach to Unlocking Investment in Clean Energy," at the 1st BEI Forum held in London.

\*<sup>1</sup> The total amount from the fourth settlement period (November 2012 to May 2013)

\*<sup>2</sup> BEI participants: Nomura Group, Bank of New York Mellon, Barclays, Credit Suisse, Deutsche Bank, Westpac, and others.



## Contributing to the Real Economy through Innovative Businesses

Based on its commitment to helping grow Japan's economy through regional economic revitalization, the Nomura Group leverages its strong network of head and branch offices in Japan to engage in a variety of new innovative businesses, including agribusiness, healthcare and regional funds.

### Pursuing Regional Economic Revitalization

#### Helping Revitalize Regional Economies through a Broader Approach to Agribusiness

Agribusiness offers a significant opportunity for the revitalization of regional economies. This is because of the hidden potential it offers as a pillar of Japan's industrial policy for promoting sixth-order industrialization with agriculture, forestry and fisheries industries. The Nomura Group is supporting the growth of community based agricultural industries through Nomura Agri Planning & Advisory Co. Ltd. (NAPA) by leveraging the financial services know-how and information gathering capabilities of Nomura's nationwide branch office network. NAPA utilizes expertise gained from experimental farms located in Chiba and Hokkaido to support companies that are newcomers to agriculture, to assist in the development of a new agricultural business model for areas damaged in the Great East Japan Earthquake, and to host seminars with the support of the Ministry of Agriculture, Forestry and Fisheries to encourage sixth-order industrialization across Japan.



#### Taking Part in Commercialization Projects through Industry-Academia Partnerships

The Nomura Group considers the lack of accumulated expertise in commercialization as a major issue facing today's industry-academia partnerships. To solve this, the Nomura Group is committed to proactively providing the know-how that it has accumulated over many years in the field. In April 2013, Nomura Holdings and Nomura Securities were recognized as "Project Promoters" for the Ministry of Education, Culture, Sports, Science and Technology's "Program for Creating STart-ups from Advanced Research and Technology" (START). Under this program, Project Promoters partner with universities to cultivate their research and development into viable businesses. To that end, the Nomura Group is fully utilizing its network and functions to create the new industries and new markets of the future.

#### Supporting the Establishment and Management of Regional Funds

The Nomura Group has been involved in the establishment and management of funds by regional banks, such as Akita Bank's "Akita Regional Revitalization Assistance Fund No. 2" and Yamagata Bank's "Yamagata Regional Growth Fund." These funds seek to incubate local companies engaged in future growth fields, including renewable energies.

#### Helping Revitalize Regional Medicine through Healthcare Initiatives

The healthcare industry in Japan is expected to grow on the back of the country's slowing birthrate and aging population, but the industry also faces serious social challenges, such as how to strengthen its management structure and improve its financial standing. The Nomura Group is helping to secure the safety of regional medicine, revitalize regional economies and generate employment opportunities through healthcare and nursing care consulting and the provision of financial solutions by Nomura Healthcare Co., Ltd. In FY2012/13, Nomura provided consulting services on the construction of new hospitals in the Kinki region of Japan. Moreover, by the end of March 2013, Nomura Securities had donated to each of 25 hospitals with a helicopter emergency medical service.



Learn more about the Nomura Group's "Business for Sustainability" on our corporate website:

 <http://www.nomuraholdings.com/csr/sustainable/services.html>  
<http://www.nomuraholdings.com/csr/sustainable/products.html>

# Collaborating across Regions and Divisions for Our Clients and Society

Nomura stands committed to being Asia's global investment bank. Utilizing our global business platform, we are working in a variety of ways to connect our clients to the growth markets of Asia through collaboration that transcends both regions and business divisions. Below, we introduce the case of ADB Clean Energy Bonds as a highlight of these efforts. By arranging such financial instruments, we contribute to the sustainable economic growth of Asia.

## Supporting the Enhancement of Social Infrastructure in Asia through Financial Instruments

It has been said that around \$8 trillion will be required to enhance social infrastructure in the coming years to achieve further growth in Asia, which is a key driver of global economic growth. Nomura serves as a bridge between investors who wish to make a contribution to society through their investments and the financial needs of projects that aim to resolve the region's many social issues.

As an example, in January 2013 Nomura underwrote the Clean Energy Bonds issued by the Asian Development Bank (ADB) and distributed them to Japanese investors. Proceeds from these bonds are used to fund clean energy projects such as solar and wind power, which contributes to the sustainable economic development of Asia.

These bonds were structured and distributed through a collaborative effort by our Retail and Wholesale

divisions (Investment Banking and Global Markets units), with our offices in London and Japan working together. Going forward, we will use similar collaboration transcending both regions and business divisions to develop and offer products and services that help resolve social issues and fulfill a variety of client needs.

### Clean Energy Projects Receiving Support from the ADB



PRC Zhangbei Wind Power Project  
ADB Photo Library



Philippine Energy Efficiency Project  
ADB Photo Library

## Stakeholder Feedback Supporting Energy Projects with Green Energy Bonds

### Anthony J. Jude

Chair, Energy Committee; Senior Advisor and Practice Leader (Energy)  
Regional and Sustainable Development Department, Asian Development Bank

The Asian Development Bank has raised, through Nomura International plc, the equivalent of more than \$400 million from its second sale of Clean Energy Bonds to Japanese retail investors in 2012/13. The Clean Energy Bonds provide a way for investors to direct funding to clean energy projects. The bonds will support ADB's ongoing renewable energy and energy efficiency projects in Asia and the Pacific.

In 2012, ADB approved \$2.36 billion investment in clean energy projects up from \$2.1 billion in 2011 and surpassing the 2013 target of \$2 billion. About 41.3% of this amount is for energy efficiency projects with the remaining amount going to renewable energy projects. Renewable energy projects include hydro, solar, wind,

biomass, and waste-to-energy projects. Energy efficiency projects consist of district heating retrofits, electric vehicles, loss reduction in transmission and distribution lines, and industrial energy efficiency improvements. The 2012 ADB clean energy projects are expected to add 1,255 MW of renewable energy capacity, to save annually 871 GWh of electricity and 71,938 TJ of fuel and to avoid 15.9 million tons of CO<sub>2</sub>.

ADB and Nomura will continue to promote and support socially-responsible investments in clean energy as they move forward to create a sustainable society free of poverty.



## Partnerships and Business Flow Transcending Regions and Business Divisions

Asia

### Clean energy projects in Asian countries

UK

Nomura Group

#### Investment Banking

##### Working with the ADB



**Malik Menzer**  
Debt Capital Markets

The clean energy bonds issued together with the ADB yielded an excellent result. The proceeds help the ADB to diversify its funding sources and make an impactful contribution to sustainability.

#### Corporate

##### Document preparation



**Gary Durham**  
Transaction Legal - Debt Capital Markets

Japan

##### Overall deal coordination



**Saori Tanaka**  
Syndicate Department

This deal connected the ADB, which is supporting clean energy projects, with the broad range of Japanese investor needs through team-wide collaboration across different regions and business divisions.

#### Global Markets

##### Information and order provision to Sales



**Takuji Nishike**  
Fixed Income Marketing Dept.

#### Retail Division

##### Intermediary to distributors



**Tatsuya Kitamura**  
Brokerage Alliance Business Consulting Dept.

##### Product planning



**Takahiro Kikutake**  
Product Development and Planning Dept.

There is increasing demand for contributing to society through investments, rather than donations or charitable fundraising. This product was developed to cultivate these needs.

##### Product sales



**Noriko Suzaki**  
Yokohama Branch Office

I received a great deal of positive feedback from clients. This included that it was easy to understand how the funds would be used and that they were happy to know their investment would make a difference. This reaffirmed for me the important role that we played in helping to connect investors with financing demand.

##### Product sales



**Mikiko Omori**  
Sendai Branch Office

I helped clients to understand the importance of the issuer's rating, the purpose of financing, and currency diversification, which provided a real sense of contributing to the betterment of society through investing.

Regional banks, etc.

Product sales

Product sales

Investors

Nomura would like to take this opportunity to once again apologize to its many stakeholders for any trouble or concern it may have caused in relation to the series of insider trading incidents in 2012 related to public offerings for which Japan's Securities and Exchange Surveillance Commission has recommended administrative penalties.

## Overview

On June 29, 2012, Nomura Securities announced a series of business improvement measures to address these incidents that have now been fully implemented. While we believe that all the improvement measures are functioning effectively, we recognize the importance of maintaining consistent implementation of the measures to ensure the new organizational structure and systems

put in place remain effective. To this end, the status of implementation of the improvement measures will be monitored by the Improvement Measures Implementation Committee under the direct control of the Representative Executive Officer and President of Nomura Securities.

By thoroughly implementing the improvement measures, we will work to prevent such incidents from occurring again and strive to regain the public's trust while continuing to reinforce our internal controls.

## Improvement Measures

The following represents the main improvement measures implemented for this series of insider trading incidents related to public offerings.

### Summary of Implemented Improvement Measures

#### 1. Enhancement of the Control System for Corporate-Related Information

Company rules were revised and the departments in charge of institutional equity sales are now prohibited from requesting corporate-related information from analysts or departments that are likely to be in contact with corporate-related information for business reasons, such as the Syndicate Department. Rules are now more rigorously enforced to ensure that both corporate-related information and information that is indicative of corporate-related information is no longer transmitted by the departments in charge of institutional equity sales.

#### 2. New Establishment of Equity Administration Department (Currently GM Sales Administration Department)

In July 2012, the Equity Administration Department was established. Since then, this department has been monitoring call recordings, use of e-mails and online chats, and use of entertainment expenses by employees in the departments in charge of institutional equity sales. In April 2013, the name of this department was changed to the GM Sales Administration Department and its scope of monitoring was expanded to departments in charge of bond sales. At the same time, a framework for monitoring the sales activities of all departments in charge of sales targeting institutional investors was also set up. In order to monitor exchanges with clients, employees of departments in charge of institutional equity sales have been issued mobile phones with a call recording function that must be used at all times. The results of monitoring activities are

reported to related departments and the relevant executive officers in charge.

#### 3. Improvement of Personnel System and Implementation of Training

Changes were made to the personnel system and performance appraisals now emphasize "Business Ethics/Compliance" as an important assessment criterion that is equally ranked with "Achievements and Results" and "Potential." Changes were also made to the compensation scheme and new guidelines created to give qualitative assessment of business ethics more weight in promotion criteria, to reflect the qualitative assessment in the year-end assessment/compensation (bonus), and to prepare guidelines concerning the reduction or clawback of deferred compensation on the grounds of receiving a disciplinary action in connection with a breach of compliance rules and policies.

In addition, all officers and employees must now participate in an annual training session to raise greater awareness about business ethics. Furthermore, employees of departments in charge of sales targeting institutional investors must take part in these training sessions biannually.

In order to rationalize the use of entertainment expenses, company rules have been put in place to regulate gifts and business entertainment expenses outside of the Company as well as to prohibit the excessive concentration of gifts and business entertainment expenses on particular clients.



**Shoichi Nagamatsu**  
Executive Managing Director  
Chief of Staff  
Nomura Holdings, Inc.

### Re-Imbuing Compliance and Business Ethics

Nomura has reinforced and made changes to its compliance system as well as initiated various measures to foster greater compliance awareness and business ethics among all its executive officers and employees in order to prevent insider trading scandals from ever happening again.

Specifically, these efforts can be broken down into three points. First, Nomura changed the way it manages corporate-related information and established a system for properly managing this information between departments that have such information, departments without such information, and clients. Second, Nomura newly established the Equity Administration Department to reinforce its monitoring functions of departments in charge

of institutional equity sales. The name of this department was changed to the GM Sales Administration Department as of April 1, 2013, and its scope was expanded to departments in charge of bond sales. Third, Nomura has made improvements to its personnel management system and training programs. Greater weight has been given to business ethics and compliance for performance appraisals and promotions, and business ethics training sessions are now held regularly for all executive officers and employees.

Going forward, the most important action we can take is to ensure that our efforts are maintained and sustained. To that end, each and every executive officer and employee must be fully prepared to remake the company from the ground up and maintain the same high level of business ethics demanded from professionals in the financial services industry. Such business ethics are formed through training as well as daily communication between supervisors, junior staff and fellow colleagues as well as clients. Nomura will continue to implement these compounding, company-wide efforts that are essential to restoring our trust and credibility and to making market growth possible.



**Hisato Miyashita**  
Senior Managing Director  
Group Compliance Head  
Nomura Holdings, Inc.  
Representative Executive Officer  
Compliance Division, Internal Control  
Supervisory Manager  
Nomura Securities Co., Ltd.

### Living up to the Trust Our Clients Place in Us

In April 2013, I was appointed as Representative Executive Officer of Nomura Securities Co., Ltd., Compliance Division, Internal Control Supervisory Manager, to complement my current posting of Senior Managing Director of Nomura Holdings and Group Compliance Head.

In 2012, Nomura Securities drew up preventive measures for the series of insider trading incidents related to public offerings for which Japan's Securities and Exchange Surveillance Commission recommended administrative penalties. Each and every one of these preventive measures is now being fully implemented, and we are currently monitoring the implementation process, making further changes and taking steps to further enhance

and reinforce our internal control framework. I am committed to ensure the continuity and sustained functionality of these preventive measures and to make further improvements going forward.

I believe that the essence of compliance can be found in professionalism underpinned by business ethics and social conventions. In this sense, compliance forms a vital element that determines the true value of the many services we provide clients. Each and every one of our employees needs to abide by the rules, which includes the laws and regulations that form a vital part of their duties, to understand the essence and act according to these rules, and constantly be aware of their own role in society as someone working in the financial services industry. That is, it is critical for Nomura to foster a corporate culture where employees perform their duties with a strong sense of business ethics and commitment to compliance. I am convinced that such a corporate culture will enable us to regain the trust of our clients and make further contributions to the sound development of capital markets. Going forward, we will continue to build up our compliance framework with an even greater commitment than before.

## Approach to Corporate Governance

Nomura Holdings recognizes that enhancement of corporate governance is one of the top priorities to achieve its management visions of enhancing corporate value by deepening society's trust in the firm and increasing the satisfaction of stakeholders, including that of shareholders and clients. On this basis, we are committed to strengthening and improving the governance framework by pursuing transparency in our management and expediting the decision-making process within the Nomura Group.

## Measures for Reinforcing Governance

When we adopted a holding company structure and listed on the New York Stock Exchange (NYSE) in 2001, we installed Outside Directors, established an Internal Controls Committee, a Compensation Committee (the majority of the members are Outside Directors) as well as an Advisory Board of eminent persons from outside the company, and further improved our information disclosure system, as part of our commitment to ensure management transparency.

In addition, in 2003, we further strengthened and increased the transparency of our oversight functions and expedited the Nomura Group's decision-making process

by adopting the Committee System, a system in which management oversight and business execution functions are clearly separated.

In 2004, we established the "Code of Ethics of Nomura Group", which specifies matters to be observed by each director, officer and employee of the Nomura Group with respect to corporate governance and corporate social responsibility. We are striving to thoroughly implement such matters by obtaining a compliance pledge once a year and conducting training programs. Please see our corporate website for more details.

Code of Ethics of Nomura Group

<http://www.nomuraholdings.com/company/basic/ethics.html>

## Management Structure





## Corporate Governance System

The Committee System clearly separates management oversight and business execution functions. The Committee System expedites the decision-making process by broadly delegating authority for the execution of business functions from the Board of Directors to the Executive Officers. Further, the Committee System enhances management oversight by establishing the Nomination, Audit and Compensation Committees, and the majority of the members of each committee are Outside Directors. Among the various organizational structures we could have chosen to adopt, we believe that the Committee System is the most compatible with the corporate governance standards which form a part of the NYSE Listed Company Manual.

Based on this, we determined that the Committee System is the most suitable form of corporate governance for us at this point in time.

## Board of Directors

In order to achieve effective oversight of business execution functions from multiple perspectives, we place importance on diversity within the Board of Directors. Each director has a diverse background in terms of nationality, gender, professional experience, etc., and by utilizing their extensive experience in their respective fields, such as business manager, legal/accounting professional and public servant, the directors assist with the determination of important managerial matters and oversee business execution.

Additionally, six of the eleven Directors making up our Board of Directors are Outside

Directors, and based on supervision with an emphasis on the external perspective, we are aspiring to put in practice management with a high level of transparency. We emphasize the independence of Outside Directors from the Nomura Group, and in order to maintain such independence, we have established the "Independence Criteria for Outside Directors." As none of the Outside Directors fall under the categories for which independence is considered suspect, and since none of the Outside Directors have any conflicts of interests with the shareholders, we have reported that each of the six Outside Directors are independent directors in our submission to the Tokyo Stock Exchange. Please see our Annual Securities Report for more information on the Independence Criteria for Outside Directors.

6-K



<http://www.nomuraholdings.com/investor/library/sec>

### Board of Directors

(As of June 26, 2013)

#### Outside Directors

54% (6 of 11)

#### Non-Japanese Directors

27% (3 of 11)

#### Female Directors

9% (1 of 11)

### FY2012/13 Board Meetings

Convened: 11 times

Average attendance rate: 97%

Note: The number of meetings and average attendance rate for the Board of Directors represents results for fiscal 2012 (April 2012 to March 2013)

### Business Execution

The Board of Directors has broadly delegated decision making authority for business execution functions to the Executive officers to ensure that they can execute the company's business with speed and efficiency. Among the matters delegated to the Executive Officers by resolutions adopted by the Board of Directors, the most important matters of business must be deliberated and decided by specific management bodies within the company, including the Executive Management Board, the Group Integrated Risk Management Committee, and the Internal Controls Committee. These management bodies are required to report to the Board of Directors on the status of their deliberations at least once every three months.

In order to further bolster our business execution framework for financial operations that are becoming increasingly sophisticated and specialized, we utilize a system whereby the Executive Officers delegate a part of their authority for business execution decisions to Senior Managing Directors (SMDs), who focus on individual business line activities.

### Internal Controls

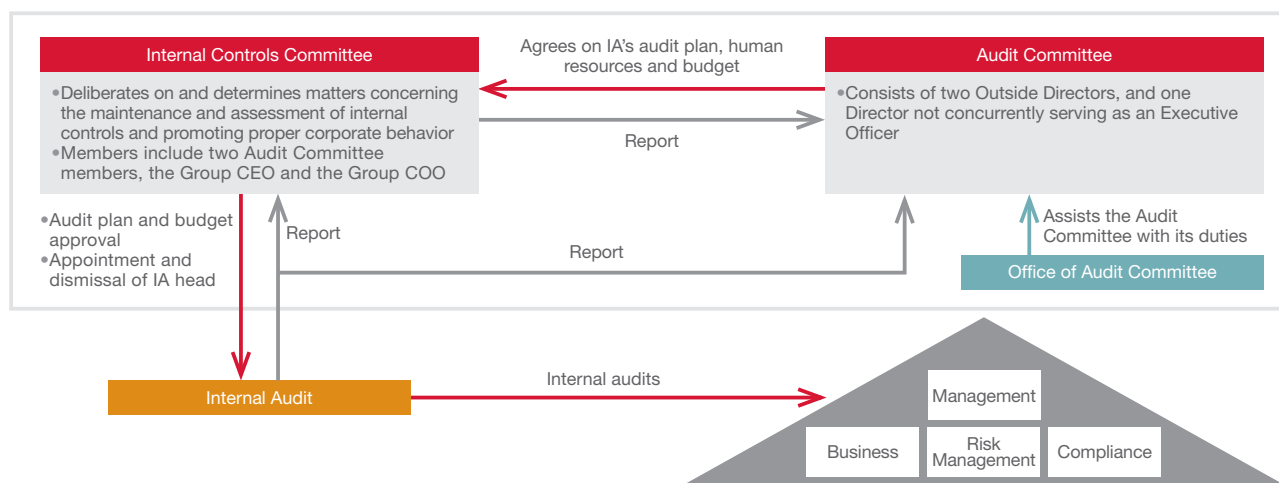
We are committed to strengthening and improving our internal controls system to promote proper corporate behavior throughout the Nomura Group, from the viewpoints of ensuring management transparency and efficiency, complying with laws and regulations, controlling risks, ensuring the reliability of business and financial reports and fostering the timely and appropriate disclosure of information.

Furthermore, in order to ensure effective and adequate internal controls, the Group Internal Audit Department, which is independent from the business execution functions, and other similar audit sections placed in major subsidiaries, conduct internal audits of the company and its subsidiaries.

The implementation status of internal audits are also reported to the Board of Directors and the Audit Committee.

In addition, to strengthen the independence of the internal audit sections from the business execution functions, implementation plans and the formulation of the budget of the Internal Audit Divisions, as well as the election and dismissal of the Head

#### Nomura Internal Controls





of the Internal Audit Division require the consent of the Audit Committee. Audit Committee members may recommend changes to the implementation plan, etc., to Executive Officers.

### **Compensation for Directors and Executive Officers**

As Nomura has adopted a committee system for corporate governance, the Compensation Committee has prepared and approved the Compensation Policy of Nomura Group and Compensation Policy for Directors and Officers of Nomura Holdings, Inc.

#### **Compensation Policy of Nomura Group**

To enable us to achieve sustainable growth, realize a long-term increase in shareholder value, deliver added value to our clients, compete in the global market and enhance our reputation, Nomura has developed the Compensation Policy of Nomura Group applicable to regular employees, including senior management. The policy is broadly divided into six key themes.

1. Align with Nomura values and strategies
2. Reflect firm, division, and individual performance
3. Establish appropriate performance measurement with a focus on risk
4. Align employee and shareholder interests
5. Establish appropriate compensation structures
6. Ensure robust governance and control processes

#### **Compensation Policy for Directors and Executive Officers of Nomura Holdings, Inc.**

The compensation of directors and executive officers comprises base salary, an annual bonus, and a long-term incentive plan. The Compensation Committee has approved the following matters related to compensation of directors and executive officers:

##### **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 the form of equity-based compensation with a certain non-exercise period to ensure that the interests of Directors and Executive Officers are closely aligned with those of shareholders.

##### **2. Annual Bonus**

Annual 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 results, while qualitative factors include achievement of individual goals and subjective assessment of individual contributions. 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-based compensation with a certain non-exercise period in lieu of cash. Such deferred bonus may be unpaid or forfeited under specific circumstances.

##### **3. Long-Term Incentive Plans**

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.

Please refer to the 20-F.

Form 20-F



<http://www.nomuraholdings.com/investor/library/ar/>

## Board of Directors (As of June 26, 2013)



**Nobuyuki Koga**  
Chairman of the Board of Directors  
Chairman of the Nomination Committee  
Chairman of the Compensation Committee



**Masahiro Sakane**  
Outside Director  
Nomination Committee Member  
Compensation Committee Member  
Councilor and Senior Adviser of  
Komatsu Ltd.



**Takao Kusakari**  
Outside Director  
Nomination Committee Member  
Compensation Committee Member  
Corporate Advisor of NYK Line



**Tsuguoki Fujinuma**  
Outside Director  
Chairman of the Audit Committee  
Certified Public Accountant  
Former Chairman and President of  
the Japanese Institute of Certified  
Public Accountants



**Toshinori Kanemoto**  
Outside Director  
Audit Committee Member  
Attorney-at-Law  
Of-Counsel, City-Yuwa Partners  
Former President of  
ICPO-INTERPOL



**Hiroyuki Suzuki**  
Audit Committee Member

## Executive Management Structure (As of August, 2013)

	Group CEO	Koji Nagai
	President and Group COO; Wholesale CEO	Atsushi Yoshikawa
<b>Retail</b>	Retail CEO	Toshio Morita
<b>Asset Management</b>	Asset Management CEO	Toshihiro Iwasaki
<b>Wholesale</b>	Group COO; Wholesale CEO	Atsushi Yoshikawa
Global Markets	Head of Global Markets	Steven Ashley
	Co-Head of Global Markets	Naoki Matsuba
Investment Banking	Head of Investment Banking	Kentaro Okuda
<b>AEJ</b>	Regional CEO, Asia ex-Japan	Minoru Shinohara
<b>Americas</b>	Regional CEO, Americas	David Findlay
	Regional Co-CEO, Americas	Toshiya Hasegawa
<b>EMEA</b>	Regional CEO, EMEA	Jeremy Bennett
	Regional Co-CEO, EMEA	Yasuo Kashiwagi



**Koji Nagai**  
Representative Executive Officer  
Group CEO



**Atsushi Yoshikawa**  
Representative Executive Officer  
President and Group COO



**Dame Clara Furse**  
Outside Director  
Former Chief Executive of London  
Stock Exchange Group  
Member of the Bank of England's  
Financial Policy Committee



**Michael Lim Choo San**  
Outside Director  
Former Executive Chairman of  
PricewaterhouseCoopers,  
Singapore



**David Benson**

<b>Corporate, Others</b>	Chief of Staff	Shoichi Nagamatsu
	Chief Financial Officer	Shigesuke Kashiwagi
	Chief Risk Officer	Lewis O'Donald
	Deputy Chief Risk Officer	Yuji Nakata
	Deputy Chief of Staff	Chie Toriumi
	Group CAO (Wholesale IT, Global Operations, Facility Management)	Paul Spanswick
	CIO	Naohiro Sako
	Head of Group Compliance and Wholesale Compliance Head	Hisato Miyashita
	Global Operations, General Services	Masaru Konno
	Chief Legal Officer and Secretariat	Noriaki Nagai
	Group Corporate Communications	Eiji Miura
	Head of Global Human Resources	Akihito Watanabe
	Head of Asia Strategy and Wealth Management, Asia	Hiromasa Yamazaki
<b>Internal Audit</b>	Group Internal Audit	Junko Nakagawa

## Fundamental Approach

Compliance is a top management priority for the Nomura Group, and the Nomura Group Code of Ethics represents our fundamental policy on compliance.

## Compliance Framework

We work to eliminate behavior that could result in legal or regulatory violations. Should such suspicions arise, corporate structures and systems have been put into place to effectively handle them, including the prompt delivery of all related information without exception to management.

Specifically, we have appointed a Group Compliance Head to oversee compliance for the Group as a whole along with a Group Compliance Department that provides support. A Wholesale Compliance Head has also been designated to strengthen our internal controls in response to global business expansion.

Compliance Officers that report on compliance-related issues under the direction

of the Head of Group Compliance are also assigned to each Group company, including overseas offices, to develop and maintain their respective compliance structures.

## Nomura Securities' Compliance Structure

In addition to group-wide initiatives, Nomura Securities has established a Compliance Program as a detailed action plan, and put into place a compliance framework based on this program.

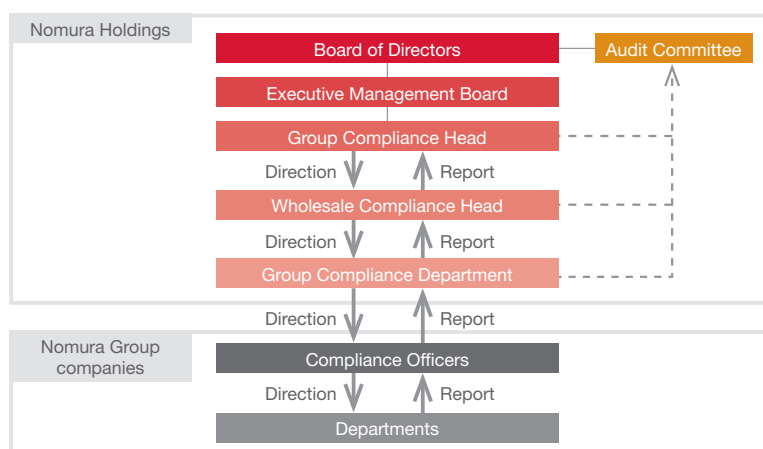
A Compliance Committee chaired by the President oversees company-wide initiatives and is in charge of establishing and deliberating on important issues related to internal controls. In addition, the Company has assigned an Internal Administration Supervisor to monitor compliance issues and set up the Compliance Division.

The Compliance Division strengthens and improves legal and regulatory compliance as well as the internal controls system by formulating internal rules and disseminating them throughout the Company. It also monitors the status of compliance with respect to these rules in each department and branch office. Should any problems arise, the division takes remedial action such as increasing awareness of the rules or revising them as needed.

## Nomura Securities' Primary Initiatives

- Protocols for preventing money laundering, including the identification and reporting of suspicious transactions
- Protocols for eliminating all transactions associated with criminal or unethical organizations or activities in violation of applicable laws, such as not allowing organized crime groups to participate in trading with Nomura Securities
- Managing conflicts of interest and insider information from a global perspective by concentrating information in the Group Compliance Department

## Compliance framework



### Compliance Hotline

Employees in Japan who have become aware of potential legal or regulatory violations are able to directly report their concerns to staff designated by Nomura Holdings through the Compliance Hotline.

### Compliance Training

We conduct comprehensive compliance training for all executive officers and employees on topics such as the prevention of money laundering and insider trading, firewall regulations, and guidelines for managing customer information.

#### Nomura Securities' Primary Initiatives

- Training for sales officers, internal controls officers, and employees of internal controls departments, as well as quality improvement training for securities sales representatives
- Training for branch managers, general administration managers, new employees, newly appointed personnel and others, aimed at increasing knowledge and deepening the understanding of compliance
- Supplementary compliance education and drills during various training sessions and meetings
- Training for Compliance Officers
- Monthly Compliance Hour at branch offices and departments

### Enhancing the Quality of Financial Products and Services

Nomura Securities seeks to enhance the quality of financial products and services offered to customers under the Guidelines for Financial Instruments Business Supervision. Some of its initiatives include rigorous screening of account openings and securities underwriting practices as well as the provision of accurate and easy-to-understand information.

#### Nomura Securities' Primary Initiatives

- Appointing officers to oversee internal controls, compliance, etc., and developing systems to ensure compliance and the appropriateness of operations
- Thoroughly screening account openings and conducting proper examinations when underwriting securities
- Carefully reviewing product details and taking action to provide accurate and comprehensive information
- Conducting sales and solicitation activities in compliance with the Financial Instruments and Exchange Act and laws and regulations governing each operation with an overall understanding of the customer's knowledge of financial instruments and financial status
- Ensuring thorough compliance with laws, regulations and internal rules through compliance training

### Fair Business Practices

The Nomura Group strives to ensure fair business practices by prohibiting transactions with anti-social forces, stipulating rules on gifts and entertainment of public officials and private sector groups, and ensuring that all employees fully comply with both.

### Information Security

The Nomura Group Information Security Policy is the basic document governing the effective protection of clients' personal information and other information assets of the Group.

Customer-related personal information is handled under stringent standards set out in the Nomura Group Privacy Policy and other information security-related rules, and in full compliance with personal information-related laws and regulations. For more information, please see:

Nomura Group Privacy Policy

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

## Fundamental Approach

The business activities of the Nomura Group are exposed to various risks such as market risk<sup>\*1</sup>, credit risk<sup>\*2</sup>, operational risk<sup>\*3</sup> and other risks caused by external factors. We have established a risk management framework to provide comprehensive controls, monitoring and reporting of these risks in order to maintain financial soundness and the Company's corporate values.

## Risk Management Structure

Our fundamental policy concerning risk management is to control risks arising in the course of business operations to the confines of the Company's risk appetite, which is clearly established based on risk tolerance in line with group-wide business strategy, business targets, management strength and capital base. In accordance with this, the Group Integrated Risk Management Committee<sup>\*4</sup> has been delegated by the Executive Management Board to deliberate and determine important matters pertaining to integrated risk management.

The Chief Risk Officer (CRO) is responsible for maintaining the effectiveness

of the risk management framework, while Risk Management Departments, which are independent from our business lines, work together globally under the leadership of the CRO to build group-wide risk management frameworks and comprehensively manage risk through the use of stress testing and other methods.

Nomura's Internal Audit Department operates independently from other departments in the organization and strives toward enhancing the effectiveness of internal controls, including our risk management structure, and it makes proposals and recommendations for operational improvements based on audits and evaluations of the effectiveness and validity of risk identification and risk management practices.

Form 20-F

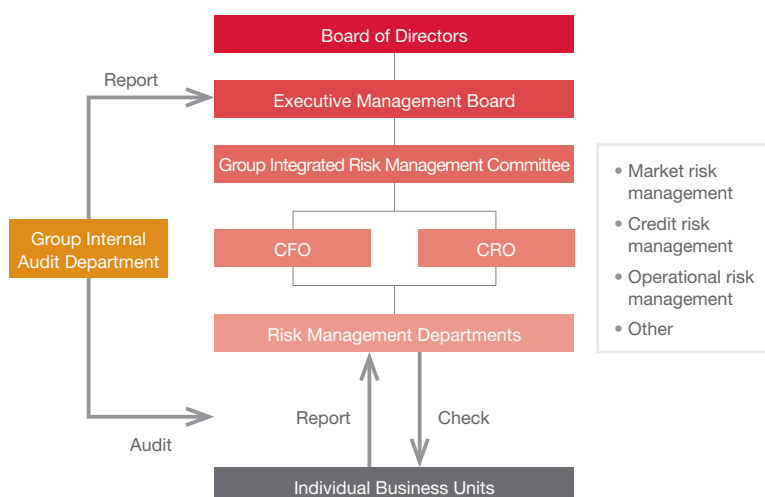
<http://www.nomuraholdings.com/investor/library/ar/>

## Social and Environmental Risk Management

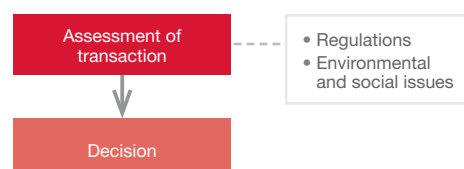
We believe that considering the social and environmental risks that may arise from various transactions is key to managing our reputational risk. As such, in executing our business operations we focus on these risks in the same way we are careful about legal compliance.

For example, underwriting financing deals, we review and confirm the issuer's awareness of any associated potential risks to society and the environment and that the issuer has taken appropriate steps to address such risks, including the disclosure of information about those risks. Impact on the environment

### Risk management structure



### Assessment process



and society, as well as financial condition, operating results, and other aspects, are included in the overall guidelines applied by relevant departments during the assessment process as vital items that must be confirmed when taking on underwriting deals.

## **Crisis Management**

The Nomura Group has established the Crisis Management Committee, comprised of crisis management officers of each Group company worldwide, to address any crisis that may occur. Chaired by an executive officer nominated by the Group CEO, this committee has established a system for managing crises and ensuring business continuity in the event of an emergency.

This committee's secretariat regularly conducts employee safety verification drills, disaster prevention drills, and business continuity drills, in order to be fully prepared to check the status of all Nomura employees during an emergency. As part of these efforts, the secretariat is also tasked with fostering greater awareness of crisis management as well as maintaining and strengthening our ability to respond to emergencies.

This system and these measures are stipulated in the Nomura Group Crisis Management Policy. This policy covers a wide range of risks facing the Company, including natural disasters, fires, serious crimes committed against the Company or its executive officers and employees, system interruptions, transmittable diseases and the leakage of information assets. We have delegated significant authority to crisis management officers to ensure they can promptly make decisions onsite should a crisis occur. The above policy dictates that crisis management officers be able to take the most appropriate actions necessary to ensure people's safety and minimize the spread of damage.

## **Strengthening Our Response to Disasters**

The Nomura Group has revised the risk scenarios it uses based on the lessons learned from the Great East Japan Earthquake in order to be fully prepared for other natural disasters, such as a major earthquake that may strike directly below the Tokyo area or in the Nankai Trough off the coast of Nagoya. We are also strengthening our organizational disaster preparedness measures on a global basis. In FY2012/13, we focused efforts on the following initiatives.

1. **Increased supply stockpiles**
  - Increased supplies of food and water at the head office and branch offices
  - Provided additional supplies to branch offices located in areas likely to be damaged by a tsunami
2. **Strengthened collaboration between Group companies in Japan and overseas**
  - Bolstered the system to collect and share information with overseas branch offices
  - Enhanced information sharing with domestic Group companies
3. **Conducted training drills**
  - Conducted drill based on the scenario of an earthquake striking directly beneath Tokyo
  - Carried out street-wide exercises
  - Performed drills to verify the safety of employees
4. **Fostered greater awareness of crisis management**
  - Conducted crisis management training
5. **Business continuity plan**
  - Analyzed degree of impacts on business operations
  - Revised business continuity plan in conjunction with core system renewals

## **Security Measures for Online Services**

In order to accommodate the diverse needs of its clients, the Nomura Group provides a wide range of its services over the Internet. These services use the latest, most advanced encryption technologies to ensure that important client information is always safeguarded. Furthermore, we have strengthened surveillance of our in-house systems and implemented new security systems in order to prevent illegal access from external parties or information leakages caused by cyber-attacks, which have become increasingly threatening in recent years.



### Fundamental Approach

We recognize that CSR is not only an effective risk management tool, but is also a way to identify opportunities for our business. We have been taking steps to strategically analyze the relationship between the group's business activities and society as well as the environment, and are taking steps to incorporate these into our management decision-making, business processes and community affairs activities. In March 2010, we formulated "For Future Generations" as our key focus area to be shared among all of our executive officers and employees.

The core role of any financial institution is to contribute to the sustainable development of the economy and society by promoting sound capital markets through its products and services. We established "For Future Generations," which represents a commitment

that spans the entire Nomura Group to support the next generation. We engage in our business and community affairs activities in line with this goal.

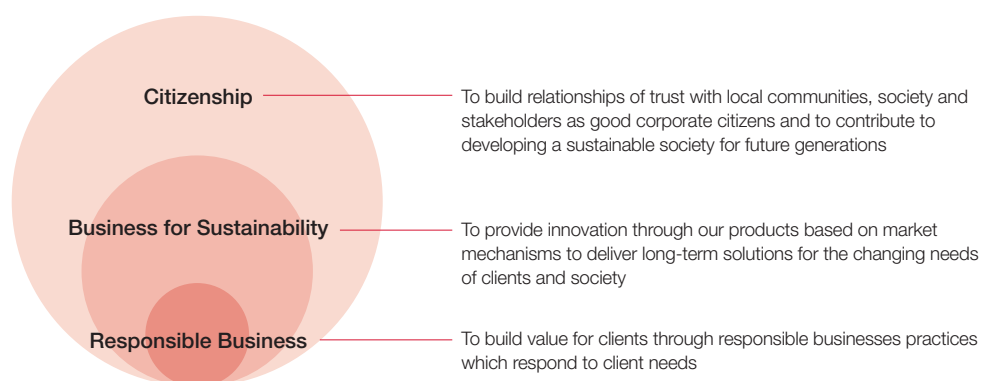
### CSR Activities Promotion Framework

The CSR Committee is the management level decision-making entity for the corporate social responsibility program. Chaired by the Group CEO, the committee comprises six executive officers. The Corporate Citizenship Department serves as its secretariat and spearheads comprehensive CSR activities. The Corporate Citizenship Department also works closely with regional offices globally to ensure that business divisions maintain a consistent and proactive approach to their community affairs activities in line with their operations as well as the needs of the local community.

### For Future Generations

To ensure our business goals are aligned with providing positive contributions to our stakeholders and the communities where we operate.

We create opportunities for a sustainable future, making sure that the decisions we make today support the success of future generations.





## Communication with Stakeholders

We believe internal and external communications are important mechanisms that ensure we are addressing the expectations of our external stakeholders as well as incorporating the needs of society in our business activities.

We strive to raise awareness and educate our employees on corporate social responsibilities through messages and information provided by senior management through our intranet system. This is based on our belief that it is essential for employees, who engage with various stakeholders, to take the lead role in implementing CSR activities.

Our communications with external stakeholders take the form of information dissemination via reports and our website. In addition, we undertake stakeholder dialogue sessions and interactive communication via social media, such as our official Twitter account and Facebook pages.

Community affairs activities are considered important platforms for encouraging direct interaction between employees and external stakeholders, and include financial and economics education and support for the reconstruction effort following the Great East Japan Earthquake. In addition, we are involved in initiatives as well as multi-stakeholder frameworks aimed at making contributions to society and the environment both in Japan and abroad. We also receive valuable feedback from our stakeholders about our community affairs activities, including financial and economics education programs and regional revitalization initiatives.

Stakeholder Dialogue

 <http://www.nomuraholdings.com/csr/dialogue/>

## Organizational structure



## Strategy

Key issues	Goals	Progress in fiscal 2012
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### Responsible Business

Corporate Governance	Enhance medium- to long-term corporate value by ensuring timely decision-making and strong management oversight using a diverse group of directors	pp. 37–42
Compliance	Identify and appropriately address compliance risks that are highly relevant to our business	pp. 35–36, 43–44
Risk Management	In addition to market and credit risk management, identify and appropriately address the indirect impact of our business on the environment and society	pp. 45–46
CSR Management	Identify business opportunities and risks associated with social and environmental factors and reflect these in business activities and community affairs activities	pp. 47–48
Client	Win the trust of clients by providing high quality services	pp. 15–28

### Business for Sustainability

Business activities	Proactively support businesses that contribute to solving social and environmental issues through financial mechanisms, thereby generating added value	pp. 31–34
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### Citizenship

Community Investment	Promote community affairs activities that meet the needs of each community with a focus on developing the next generation	pp. 49–50
Diversity & Inclusion	Promote human resources development to train highly professional employees capable of working on the global stage	pp. 51–52
Environmental Footprint	Identify the environmental impacts of our operations and pursue initiatives to reduce such impacts	pp. 53–54

### Fundamental Approach

Under its goal of “For Future Generations,” the Nomura Group is contributing to a sustainable tomorrow by investments in young people through its core businesses as well as its diverse employee-led volunteer activities.

A core focus for our work is to support educational activities, which vary depending on the needs of each region. Employees participate in activities such as financial and economics education programs, basic education in developing countries and employment assistance for youth.

### Initiatives in Japan

Nomura’s initiatives in Japan focus on financial and economics education programs and the Pacific Music Festival (PMF) aimed at developing the next generation. As an integral member of the local community, we are also committed to various community activities and to assisting the reconstruction effort following the Great East Japan Earthquake.

### Financial and Economics Education Programs

Nomura believes that knowledge of finance

and economics is crucial not only for building adequate wealth but also for the sound, long-term development of the capital markets. Since the 1990s, we have provided financial and economics education for students as well as adults.

Our involvement includes the distribution of textbooks, financial courses for university students worldwide, employee-led programs for elementary and junior high school students, and a stock education contest for junior and senior high school and university students through the Nikkei Stock League. All told, more than 580,000 students have taken part in our programs.

In continuation from the previous year, in fiscal 2013 we hosted a stakeholder dialogue session with people from both inside and outside the Company on the topic of how best to utilize financial and economics education in school curriculum.

Stakeholder Dialogue

<http://www.nomuraholdings.com/csr/dialogue/sl.html>

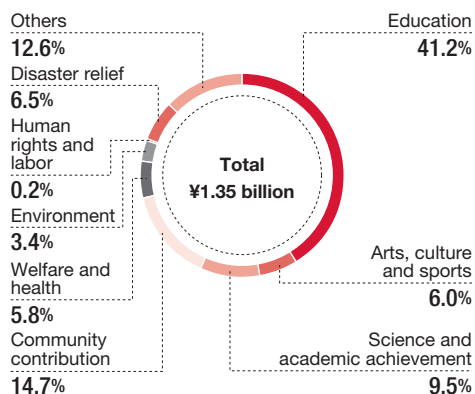
### Restoration Assistance Following the Great East Japan Earthquake

We are assisting the people and communities affected by the Great East Japan Earthquake through a number of initiatives. In addition to our support through our core businesses (see page 31), our employees have volunteered to plant cherry trees and carry out a variety of other rebuilding activities. We were recognized at the Make a CHANGE Day for our efforts to host events aimed at facilitating people to communicate directly with those working in the affected areas.



Employee volunteers planting cherry trees in spring 2012 (the third time this activity has been organized)

### Breakdown of community contribution expenditure



Notes:

1) Total expenditure worldwide (Fiscal 2012)

2) Figures include:

- Approximately ¥220 million from the Nomura Foundation
- Approximately ¥60 million from the Nomura Charitable Trust
- Approximately ¥10 million from the Nomura America Foundation

## Initiatives around the World

The Nomura Group engages in numerous community affairs activities at its offices around the world. As a member of the local community, Nomura participates in dialogue with its stakeholders in order to better understand cultural differences and needs, and actively gets involved through employee-driven activities intended to educate, help local communities and protect the environment.

### EMEA

In the EMEA region, our community contributions are focused towards helping disadvantaged young people break through the limitations of their environment and raising their aspirations to reach new goals. Our activities to support these young people are based on collaborative efforts with NPOs and other local organizations.



End of the school year celebrations with our partner primary school, Southwark Park

### Americas

Our program encourages employees to become involved with monthly initiatives focused on the local community. Our educational partnership with Everybody WINS provides mentoring and literacy support for local children, allowing Nomura to focus its efforts on future generations.



Children's holiday party held in our office

### Instinet

A large number of Instinet employees participate in local initiatives, centered on efforts to assist young people. Examples include a partnership with the Make-a-Wish Foundation to assist sick children, work with Operation Backpack to provide disadvantaged youngsters with school supplies, and our high school mentoring efforts with Elevate New York.



The Elevate students (and the CEO of Elevate New York, Kevin Singleton, in the middle) on Instinet's trading floor

### Powai, India

Nomura's Powai CSR program encourages employees to become involved with initiatives focused on giving back to our community. Our partnership with NGOs helps support literacy programs, environmental activities and health initiatives for the lesser privileged.



Children and a team of employees volunteering at one of our partners Mumbai Mobile Crèches' Day Care Center

### AEJ

NomuraCARES (Nomura Community Affairs Raising Funds and Employee Services) is an AEJ network started by employees based on a desire to give back to communities in Asia through philanthropic initiatives focused primarily on causes that help children, the elderly and the environment.



Over 200 Nomura employees spent a day for the Hong Kong Cleanup Challenge

Learn more about our relationship with local communities on our corporate website:

<http://www.nomuraholdings.com/csr/citizenship/>

### Personnel Development

Today, the Nomura Group's workforce includes employees representing more than 70 different nationalities. This diverse pool of personnel is our most important asset, and as such, we are committed to providing education and training programs that will help enhance each employee's competitiveness and build teamwork.

The Retail Division has been encouraging the personal growth of its employees through educational programs that develop capabilities for independently thinking, acting and delivering results. Group training for the first three years of employment and training at given milestones (new hire, appointment or promotion) provide the specific knowledge and skills required while also reinforcing personal qualities and strengthening compliance awareness.

The Wholesale Division offers practical training to build upon the core skills of employees and raise the performance of the entire organization, based on its own set of needs. Specifically, this includes a program for improving presentation skills, a program on communication and coaching to get the most out of an organization, and leadership training.

Furthermore, we have company-wide programs to support employees in obtaining licensing or other certifications as well as to develop their own career path. We are also helping to build internal networks by enabling employees from different divisions and geographic regions to take part in the same training programs.

### Diversity and Inclusion at Nomura

The Nomura Group is committed to fostering a corporate culture that respects its people's values regardless of background, such as gender, nationality, age or sexual orientation.

#### Employee Networks

Nomura engages in activities through networks run independently by its employees. A total of three networks, one focused on women in the workplace, one on life and family, and one on generational and cultural differences, disseminate information as well as plan and implement events. These networks also proactively host events jointly with other companies.



Photo taken at the five-company cross-industrial women's forum hosted by Women In Nomura (WIN)

#### External Networks

The promotion of diversity is shifting from the phase in which companies make efforts and innovate on a standalone basis to the phase where networks are created to share information and best practices. The Nomura Group has established a network with more than 30 companies from varying industries and segments, through which it hosts bimonthly round table meetings to exchange information on issues related to diversity.

## Employee-Friendly Work Environments

We support working conditions that allow each employee to fully concentrate on their work in a healthy condition, with both good physical and mental health. We have shifted our emphasis to early discovery and intervention. Our industrial physicians periodically visit our worksites for health monitoring and conduct face-to-face interviews with supervising managers. Improvement measures are being introduced to departments with a history of employees working long hours, and mandatory health examinations are provided for employees who work extended hours.

### Mental Healthcare

To safeguard the mental health of our employees, we provide access to psychiatrists and an employee counseling room staffed by a dedicated professional. We also offer consultation services provided by medical staff at our Health Management Center. Furthermore, we are committed to helping employees who have overcome mental illnesses return to the workplace.

### Initiatives in Fiscal 2012

We developed tools to help employees manage their own mental healthcare needs.

- (1) We published basic information on mental health on our in-house website
- (2) We streamed a program on how to deal with stress on our in-house website
- (3) We began conducting stress checks that include a physician interview on employees working especially long hours in order to objectively determine the level of stress these employees are under

## Respecting Human Rights

We have established various mechanisms to prevent discrimination and harassment, in accordance with the Nomura Group Code of Ethics. Specifically, we set up the Nomura Group Human Rights Committee to debate and determine human rights initiatives as well as to share information across the Group from its secretariat.

In addition, we continue to hold human rights training for all Nomura people in order to raise greater awareness about human rights issues.

All types of consultation contacts are available both within and outside the company through our Sexual Harassment/Power Harassment Hotline to help prevent harassment in the workplace.

### Making Efforts to Resolve Human Rights Issues through Multi-Stakeholder Dialogue

As part of our human rights initiatives, we participate in the Human Rights Due Diligence Workshop, which approaches issues through dialogue with a wide range of stakeholders. In 2012, more than 40 companies and more than 10 human rights NGOs gathered to hold discussions on human rights issues that should be identified and addressed by companies. Discussions concerning how we can review, recognize the importance of, and address our own human rights issues took place. Going forward, we will continue to tackle human rights issues through our involvement in this workshop.

Learn more about our relationship with employees on our corporate website:

 <http://www.nomuraholdings.com/csr/citizenship/>

### Environmental Management

Section 10 of our Code of Ethics states, “Nomura Group is committed to acting in an environmentally responsible manner and should therefore approach environmental issues positively.” Based on this commitment, in 2009 we created both our Environmental Statement and Environmental Policy, and are proactively working to reduce our environmental impacts.

In Japan, we have established an environmental management system (EMS) and are implementing comprehensive environmental preservation activities based on a correct awareness of environmental risks and issues. Our offices around the world are also implementing environmentally friendly initiatives, which include our London headquarters building obtaining ISO 14001 certification in 2007 following an audit performed by a local accreditation body.

### Environmental Targets

We set environmental goals for each year and closely manage the progress of our environmental preservation activities. Environmental goals are set for each region, and the Environmental Activities Working Group checks to see if these targets are met. Moreover, the Head of Environmental Affairs reviews activities at the end of each fiscal year to assess the relative achievement of environmental goals and ensure continuous improvements are being made.

To ensure the effectiveness of the group environmental management system, we conduct an environmental training program for all Nomura Group employees, in which 91.4% of employees participated in Japan in fiscal 2012, and an environmental efforts status review, which garnered a 81.4% response rate in Japan in fiscal 2012. Furthermore, we stream information over our intranet system and host events to raise environmental awareness.

Fiscal 2012 environmental objectives and progress, fiscal 2013 targets (Japan)

	Fiscal 2012 targets	Assessment	Fiscal 2013 targets
Reduction of greenhouse gas emissions	Lower CO <sub>2</sub> emissions at Nihonbashi head office to 25% below fiscal 2002 level	Reduced 36.8%	Reduce CO <sub>2</sub> emissions per square meter of floor area at Nomura Group offices in Japan by 15% of fiscal 2009 levels
	Fuel-efficient, low-pollution vehicles to account for 80% of fleet	82.0% of vehicles replaced	Have fuel-efficient, low-pollution vehicles to account for 90% of fleet
	Raise waste recycling rate at Nihonbashi head office and Nagoya branch office to 87%	Nihonbashi 89.2% Nagoya 88.0%	Raise waste recycling rate at Nihonbashi head office to 90% and Nagoya Branch to 88%
Promotion of green purchasing	Green products to account for 75% of supplies request system items	Green products accounted for 75.7% of purchases	Have green products account for 75% of supplies request system items
Reduction of paper usage	Reduce use of paper per person bought through supplies request system to 25% below fiscal 2006 level	Reduced 44.8%	Reduce use of paper per person bought through supplies request system to 30% below fiscal 2006 level
	Increase number of accounts that agree to accept documents electronically by promoting electronic receipt of prospectuses	1.26 million accounts	Promote electronic receipt of documents
	Reduce use of paper for internal forms by promoting electronic documentation	196 types of forms digitized on the application and approval system (Savings of 110,000 sheets of paper)	Reduce use of paper for internal forms by promoting electronic documentation of confirmation forms
Promulgation of environmental business	Increase the number financial products and services that help resolve social issues	Expand lineup, including ADB bonds and JICA bonds	Increase the number of financial products and services that help resolve social issues



## Efforts to Address Climate Change

The Nomura Group addresses climate change from the standpoint of both risk and opportunity and recognizes it as an important issue to tackle. As a multinational corporation with offices around the world, we are making every effort to help resolve climate change issues through our business (see pages 31 to 34) and to reduce the environmental impacts from our own business activities.

We collect and disclose group-wide environmental information and since fiscal 2011 we have introduced third-party assurance verifications to ensure the reliability of this information. In each region, we are addressing the issue of climate change through our continued efforts to reduce power consumption at offices and reduce CO<sub>2</sub> emissions from employee travel.

Our purchases of green power certificates, which we began domestically in fiscal 2006, have reached a total of 41.36 million kWh, including 5.4 million kWh purchased in fiscal 2012. These certificates are allocated to seminar events as well as our Nihonbashi head office and Takanawa Training Center. Moreover, our offices in Switzerland and Germany have actively switched over to renewable energy sources, such as hydroelectricity.

## Going Paperless and Promoting Recycling

We are making efforts to more effectively use limited natural resources and reduce our environmental impacts to assist in the creation of a recycling-oriented society. As part of our commitment to reducing paper

usage we continue to digitize prospectuses, reports, forms, and other documents.

In August 2012, we issued tablet devices featuring digitized sales and marketing tools to all of our sales staff in order to enhance the quality of our services and further reduce paper usage at the same time. In January 2013, we expanded the range of documents for which electronic distribution will apply for our Nomura Home Trade service.

At our offices, we are working to raise employee awareness of the amount of paper they use as part of our campaign to reduce paper consumption. Some of our back offices have even become paperless without a single printer on the floor. Going forward, we will continue to reduce our paper consumption and strive to raise awareness about paper usage across the entire Group.

## TOPICS

### Nomura Selected for Inclusion in the Carbon Disclosure Leadership Index by the CDP

In November 2012, Nomura Holdings became the only company from Japan's financial sector to be selected for inclusion in the Japan 500\* Carbon Disclosure Leadership Index (CDLI). This was based on a survey conducted by the CDP about climate change strategy and greenhouse gas reduction efforts that showed Nomura Holdings to be a leader in information disclosure. Nomura Group has implemented a system to reflect its corporate social responsibilities in its decision making, business processes and community affairs activities, based on a strategic recognition of the relationship between its business activities and society and the environment. Under this system, we have been disclosing information to the CDP since 2003. Going forward, we will continue with our environmental management practices, work together globally, and proactively disclose information.

\* 500 major Japanese companies surveyed by the CDP



Learn more about our environmental initiatives on our corporate website:

 <http://www.nomuraholdings.com/csr/citizenship/>

## Data Section

### Five-Year Financial Summary (US GAAP)

For the fiscal years beginning April 1 and ending March 31 of the following year

Note: This financial summary is prepared solely for convenience. Readers are recommended to refer to the Form 20-F.

FY2008/09

#### Operating Results:

##### Revenue:

Commissions	¥	306,803
Fees from investment banking		54,953
Asset management and portfolio service fees		140,166
Net gain (loss) on trading		(128,339)
Gain (loss) on private equity investments		(54,791)
Interest and dividends		331,356
Gain (loss) on investments in equity securities		(25,500)
Other		39,863
<b>Total revenue</b>		<b>664,511</b>
Interest expense		351,884
<b>Net revenue</b>		<b>312,627</b>

##### Non-interest expenses:

Compensation and benefits		491,555
Commissions and floor brokerage		73,681
Information processing and communications		154,980
Occupancy and related depreciation		78,480
Business development expenses		31,638
Other		262,558
<b>Total non-interest expenses</b>		<b>1,092,892</b>
<b>Income (loss) before income taxes</b>		<b>(780,265)</b>
<b>Income tax expense (benefit)</b>		<b>(70,854)</b>
<b>Net income (loss)</b>		<b>(709,411)</b>
<b>Less: Net income (loss) attributable to noncontrolling interests</b>		<b>(1,219)</b>
<b>Net income (loss) attributable to NHI shareholders</b>	¥	<b>(708,192)</b>

#### Balance Sheets (Period End):

Cash and cash deposits	¥	1,422,709
Loans and receivables		1,643,007
Collateralized agreements		8,412,618
Trading assets and private equity investments		11,672,612
Other assets		1,686,902
<b>Total assets</b>	¥	<b>24,837,848</b>
Short-term borrowings	¥	1,183,374
Payables and deposits		1,242,318
Collateralized financing		10,157,954
Trading liabilities		4,752,054
Other liabilities		467,574
Long-term borrowings		5,483,028
<b>Total liabilities</b>		<b>23,286,302</b>
<b>Total NHI shareholders' equity</b>		<b>1,539,396</b>
<b>Noncontrolling interests</b>		<b>12,150</b>
<b>Total equity</b>		<b>1,551,546</b>
<b>Total liabilities and equity</b>	¥	<b>24,837,848</b>

#### Cash Flows:

Net cash provided by (used in) operating activities	¥	(712,629)
Net cash provided by (used in) investing activities		(98,905)
Net cash provided by (used in) financing activities		999,760
Effect of exchange rate changes on cash and cash equivalents		(81,896)
<b>Net increase (decrease) in cash and cash equivalents</b>	¥	<b>106,330</b>



Millions of yen

FY2009/10	FY2010/11	FY2011/12	FY2012/13
¥ 395,083	¥ 405,463	¥ 347,135	¥ 359,069
121,254	107,005	59,638	62,353
132,249	143,939	144,251	141,029
417,424	336,503	272,557	367,979
11,906	19,292	25,098	8,053
235,310	346,103	435,890	394,007
6,042	(16,677)	4,005	38,686
37,483	43,864	563,186	708,767
1,356,751	1,385,492	1,851,760	2,079,943
205,929	254,794	315,901	266,312
1,150,822	1,130,698	1,535,859	1,813,631
526,238	518,993	534,648	547,591
86,129	92,088	93,500	91,388
175,575	182,918	177,148	179,904
87,806	87,843	100,891	91,545
27,333	30,153	48,488	49,010
142,494	125,448	496,227	616,463
1,045,575	1,037,443	1,450,902	1,575,901
105,247	93,255	84,957	237,730
37,161	61,330	58,903	132,039
68,086	31,925	26,054	105,691
288	3,264	14,471	(1,543)
¥ 67,798	¥ 28,661	¥ 11,583	¥ 107,234
¥ 1,352,244	¥ 2,150,453	¥ 1,953,677	¥ 1,652,752
2,071,714	2,227,822	2,211,423	2,629,875
12,467,213	15,156,318	13,742,646	14,115,257
14,700,282	15,241,931	14,123,594	17,124,349
1,638,975	1,916,466	3,665,972	2,420,206
¥ 32,230,428	¥ 36,692,990	¥ 35,697,312	¥ 37,942,439
¥ 1,301,664	¥ 1,167,077	¥ 1,185,613	¥ 738,445
1,528,419	2,103,608	2,437,370	2,413,801
11,216,481	13,686,438	12,519,274	15,409,383
8,356,806	8,688,998	7,495,177	8,491,296
494,983	552,316	1,165,901	978,163
7,199,061	8,402,917	8,504,840	7,592,368
30,097,414	34,601,354	33,308,175	35,623,456
2,126,929	2,082,754	2,107,241	2,294,371
6,085	8,882	281,896	24,612
2,133,014	2,091,636	2,389,137	2,318,983
¥ 32,230,428	¥ 36,692,990	¥ 35,697,312	¥ 37,942,439
¥ (1,500,770)	¥ (235,090)	¥ 290,863	¥ 549,501
(269,643)	(423,214)	9,942	(160,486)
2,176,530	1,284,243	(844,311)	(701,623)
964	(26,246)	(6,314)	47,175
¥ 407,081	¥ 599,693	¥ (549,820)	¥ (265,433)

## CSR Key Facts

Corporate Governance				
	Unit	June 30, 2011	June 30, 2012	June 30, 2013
<b>Members of the board</b>				
Board of directors	No. of people	14	11	11
	Ratio (%)	-	-	-
Outside directors	No. of people	8	7	6
	Ratio (%)	57	64	54
Non-Japanese directors	No. of people	4	3	3
	Ratio (%)	29	27	27
Female directors	No. of people	1	1	1
	Ratio (%)	7	9	9
	Unit	April 1, 2011	April 1, 2012	April 1, 2013
<b>Officers (Executive Officers and Senior Managing Directors)</b>				
Men	No. of people	30	41	23
Women	No. of people	1	2	2
Ratio of women	%	3.2	4.6	8
	Unit	FY2010/11	FY2011/12	FY2012/13
<b>Board of directors meetings</b>				
No. of times held	No. of times	10	10	11
Average attendance rate	%	96	95	97
Client Focused				
	Unit	FY2010/11	FY2011/12	FY2012/13
<b>Caseload at Customer Help Desk Department (Retail Division)</b>				
Total	No. of cases	5,189	5,005	5,693
Complaints	No. of cases	2,359	3,012	3,409
Inquiries	No. of cases	2,408	1,836	2,119
Opinions and requests	No. of cases	256	13	23
Other	No. of cases	166	144	142
<b>Universally accessible branch offices (Retail Division)</b>				
Certified universally accessible	No. of branch offices	30	30	30
With toilets for the physically challenged	No. of branch offices	78	80	81
With elevators for the physically challenged	No. of branch offices	53	54	57
With steps removed from entrances and exits (with ramps, elevators or no steps)	No. of branch offices	136	140	139
With installations to mitigate entrance and exit steps (railings or step heights reduced)	No. of branch offices	15	14	13
	Unit	June 1, 2012	September 1, 2012	
<b>Results for survey of customer satisfaction with branch office service (Retail Division)</b>				
Extremely satisfied/satisfied	%	76.6	77.0	
Neither satisfied nor dissatisfied	%	20.0	19.1	
Extremely dissatisfied/dissatisfied	%	3.4	3.9	

Note: These surveys were conducted at 126 branch offices.

Our Community				
	Unit	FY2010/11	FY2011/12	FY2012/13

#### Community contribution expenditures

Total	Amount (Millions of yen)	1,400	1,235	1,348
	Ratio (%)	-	-	-
Education	Amount (Millions of yen)	623	582	556
	Ratio (%)	44.5	47.1	41.2
Arts, culture and sports	Amount (Millions of yen)	71	106	81
	Ratio (%)	5.0	8.6	6.0
Science and academic achievement	Amount (Millions of yen)	162	83	129
	Ratio (%)	11.6	6.7	9.5
Community contribution	Amount (Millions of yen)	138	200	199
	Ratio (%)	9.8	16.1	14.7
Welfare and health	Amount (Millions of yen)	55	49	79
	Ratio (%)	3.9	3.9	5.8
Environment	Amount (Millions of yen)	25	43	47
	Ratio (%)	1.8	3.4	3.4
Human rights and labor	Amount (Millions of yen)	27	3	4
	Ratio (%)	1.9	0.2	0.2
Disaster relief	Amount (Millions of yen)	121	71	88
	Ratio (%)	8.6	5.7	6.5
Other	Amount (Millions of yen)	182	103	171
	Ratio (%)	13.0	8.3	12.6

#### Number of community development projects implemented

Total	No. of projects	173	370	423
Japan	No. of projects	40	27	24
EMEA	No. of projects	83	196	195
Americas	No. of projects	31	107	151
AEJ	No. of projects	19	40	53

#### Assistance provided to groups that contribute to society

No. of groups assisted	No. of groups	200	243	274
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	Unit	FY2011/12	FY2012/13	Cumulative total
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#### Participants and materials in financial and economics education

Teaching material for elementary schools (The Economics Classroom)	Since 2008	No. of schools	120	396	2,716
		No. of copies	5,000	17,422	222,422
Teaching material for junior high schools (The t-shirt shop)	Since 2006	No. of schools	180	387	4,267
		No. of copies	17,200	17,326	414,526
Visiting classes (elementary, junior, senior high schools, teachers)	Since 2008	No. of classes	22	31	106
		No. of participants	1,087	1,865	6,172
Nikkei Stock League	Since 2000	No. of teams	1,420	1,287	20,226
		No. of members	5,741	5,120	80,613
Finance courses for universities	Since 2001	No. of schools	115	114	1,328
		No. of participants	12,000	11,000	184,000
Financial courses for the general public	Since 2003	No. of courses	536	444	6,037
		No. of participants	27,839	21,696	317,157

## CSR Key Facts

Our People				
	Unit	FY2010/11	FY2011/12	FY2012/13
<b>Education and training expenses</b>				
Total	Millions of yen	2,455	2,033	2,441
Japan	Millions of yen	1,573	1,468	1,907
EMEA	Millions of yen	489	133	108
Americas	Millions of yen	257	280	233
AEJ	Millions of yen	136	153	193
<b>Participation in education and training (in-house training)</b>				
Total	Aggregate no. of hours	272,528	225,184	254,117
	Aggregate no. of participants	13,146	21,928	22,048
Japan	Aggregate no. of hours	207,458	169,385	208,087
	Aggregate no. of participants	8,255	11,965	12,081
EMEA	Aggregate no. of hours	3,790	2,766	1,732
	Aggregate no. of participants	407	977	647
Americas	Aggregate no. of hours	-	7,390	7,204
	Aggregate no. of participants	-	1,182	1,794
AEJ	Aggregate no. of hours	61,280	45,643	37,094
	Aggregate no. of participants	4,484	7,804	7,526
<b>Number of employees</b>				
Total	No. of employees	26,871	27,168	26,242
	Ratio of male employees (%)	62	62	62
	Ratio of female employees (%)	38	38	38
Japan	No. of employees	14,918	15,145	15,004
	Ratio of male employees (%)	56	56	57
	Ratio of female employees (%)	44	44	43
EMEA	No. of employees	4,353	4,014	3,618
	Ratio of male employees (%)	70	70	70
	Ratio of female employees (%)	30	30	30
Americas	No. of employees	2,348	2,420	2,271
	Ratio of male employees (%)	74	74	74
	Ratio of female employees (%)	26	26	26
AEJ	No. of employees	5,252	5,589	5,349
	Ratio of male employees (%)	68	66	65
	Ratio of female employees (%)	32	34	35
<b>Ratio of employees by region</b>				
Total	%	100	100	100
Japan	%	55	56	57
EMEA	%	16	15	14
Americas	%	9	9	9
AEJ	%	20	20	20
<b>Composition by employment contract (Japan)</b>				
Full-time regular employment	No. of employees	14,918	15,145	15,004
Part-time regular employment	No. of employees	788	766	606

	Unit	FY2010/11	FY2011/12	FY2012/13
<b>Number of new hires</b>				
Total	No. of employees	3,634	3,280	2,465
Japan	No. of employees	990	989	938
EMEA	No. of employees	754	663	307
Americas	No. of employees	638	478	361
AEJ	No. of employees	1,252	1,150	859

#### Composition of managers

Total	Men	6,643	7,299	7,024
	Women	898	1,064	1,055
	Ratio of women (%)	12	13	13
Japan (Nomura Holdings, Nomura Securities)	Men	3,474	3,623	3,549
	Women	173	205	219
	Ratio of women (%)	5	5	6
EMEA	Men	1,553	1,693	1,557
	Women	317	325	315
	Ratio of women (%)	17	16	17
Americas	Men	786	1,060	1,016
	Women	159	243	234
	Ratio of women (%)	17	19	19
AEJ	Men	830	923	902
	Women	249	291	287
	Ratio of women (%)	23	24	24

#### Use of childcare and family nursing care support plans (Nomura Securities)

Pre- and post-natal leave	No. of employees	233	237	249
Childcare leave	No. of employees	338	367	392
Leave to care for sick or injured children	No. of employees	435	478	529
Childcare time	No. of employees	104	148	175
Assistance with daycare expenses	No. of employees	332	365	390
Family nursing care leave	No. of employees	13	6	11
Reduced working hour plan for family nursing care	No. of employees	0	0	2
Paid leave for family nursing care	No. of employees	30	33	43

#### Post-childcare leave reinstatement and retention rates (Nomura Securities)

Reinstatement rate	Men (%)	100	100	100
	Women (%)	96	99	98
Retention rate	Men (%)	100	100	50
	Women (%)	95	98	98

#### Human rights training (Nomura Securities)

Sessions	No. of sessions	32	20	16
Participants	No. of participants	13,827	9,823	14,129

#### Status of other personnel and labor-related issues

Employee turnover rate (Japan)	%	5	6	7
Number of seniors (aged 60 years and over) rehired (Japan)	No. of employees	713	763	727
Percentage of employees with disabilities (Nomura Securities)	%	1.86	2.00	2.02
Average number of annual paid leave days used (Nomura Securities)	days	9.7	9.9	10.0
Percentage of employees with labor union memberships (Nomura Securities)	%	53.8	52.8	53.0
Average annual salary (Nomura Securities)	Thousands of yen	10,869	10,660	9,990

## CSR Key Facts

Our Environment					
		Unit	FY2010/11	FY2011/12	FY2012/13
Environmental performance					
CO2 emissions*1	Nomura Group companies in Japan	tons-CO2	44,626	36,588	41,215
	Main EMEA offices	tons-CO2	23,664	22,927	18,159
	Main AEJ offices	tons-CO2	16,917	23,899	23,966
	Main American offices	tons-CO2	-	15,018	14,720
CO2 emissions per employee	Nomura Group companies in Japan	tons-CO2/FTE	3.0	2.4	2.7
	Main EMEA offices	tons-CO2/FTE	6.4	6.9	6.2
	Main AEJ offices	tons-CO2/FTE	5.7	4.9	5.3
	Main American offices	tons-CO2/FTE	-	6.2	6.5
Electricity consumption*2	Nomura Group companies in Japan	MWh	89,674	74,648	74,249
	Main EMEA offices	MWh	47,830	50,091	38,679
	Main AEJ offices	MWh	17,813	27,474	28,012
	Main American offices	MWh	-	23,197	22,665
Fuel consumption*2	Nomura Group companies in Japan	MWh	14,275	12,664	11,948
	Main EMEA offices	MWh	6,783	6,981	7,025
	Main AEJ offices	MWh	406	272	800
	Main American offices	MWh	-	0	0
Purchased amount of Green Power*3		MWh	5,900	7,424	6,329
CO2 emissions from employee travel*4	Nomura Group companies in Japan	tons-CO2	12,407	18,505	17,919
	Nomura Group companies in EMEA	tons-CO2	-	9,446	9,728
	Nomura Group companies in AEJ	tons-CO2	2,595	11,883	11,057
	Nomura Group companies in Americas	tons-CO2	-	6,060	5,124
Water consumption*5	Nomura Group companies in Japan	thousand m³	204	188	178
	Main EMEA offices	thousand m³	101	136	124
	Main AEJ offices	thousand m³	36	33	159
	Main American offices	thousand m³	-	4	4
Copy paper consumption*6	Nomura Group companies in Japan	ton	726	701	654
	Main EMEA offices	ton	-	90	78
	Main AEJ offices	ton	-	134	92
Amount of waste generated*7	Nomura Group companies in Japan	ton	1,078	945	884
	Main EMEA offices	ton	-	-	722
	Main AEJ offices	ton	372	278	297

\*<sup>1</sup> Totals for our main AEJ offices only included the India office in fiscal 2010.

Data for fiscal 2011 was revised by expanding the scope of aggregation (the same applies to electricity and fuel consumption). Data for our main EMEA offices was revised as follows.

(1) The data for fiscal 2010 and fiscal 2011 was revised by changing the CO<sub>2</sub> emissions factor applied to the London office.

(2) The data for fiscal 2010 was revised by refining the scope of inclusion.

Calculation of CO<sub>2</sub> emissions is based on electricity, fuel and heat consumption. See <http://www.nomuraholdings.com/csr/data> for details about the emissions factors applied.

\*<sup>2</sup> Totals for our main AEJ offices only included the India office in fiscal 2010.

\*<sup>3</sup> In fiscal 2010, data applied only to the Nomura Group companies in Japan. From fiscal 2011, however, in addition to the Nomura Group companies in Japan, the Frankfurt and Zurich offices from our main EMEA offices are included in the totals.

\*<sup>4</sup> Data compiled on domestic and international flights and long-distance railway transportation tickets purchased through designated firms. Totals for the Nomura Group companies in AEJ only included the India office in fiscal 2010. Data for regular automobile usage by the Nomura Group companies in Japan, the Nomura Group companies in EMEA and by our India office out of the Nomura Group companies in AEJ is also included in the tally. Fiscal 2011 data for the Nomura Group companies in Japan was revised by refining the method of aggregation. See <http://www.nomuraholdings.com/csr/data> for details about the emissions factors applied.

\*<sup>5</sup> Totals for our main EMEA offices only included the London office in fiscal 2010. Totals for our main AEJ offices only applied to the India office in fiscal 2010 and fiscal 2011.

\*<sup>6</sup> Totals for the Nomura Group in Japan include items purchased through designated firms by Nomura Securities. Totals for our main EMEA offices include the London office, and totals for our main AEJ offices include the India office.

\*<sup>7</sup> Of the Nomura Group companies in Japan, totals include Nomura Securities Nihonbashi Head Office building, the Dai-ni Edobashi Building, the Osaka Branch, and the Nagoya Branch. Of our main EMEA offices, totals include the London, Paris, Frankfurt, and Zurich offices. Of our main AEJ offices, totals include the India office. Fiscal 2010 and fiscal 2011 data for the Nomura Group companies in Japan was revised by expanding the scope of aggregation.

Of our main AEJ offices, the fiscal 2012 data for our Hong Kong and Singapore offices is as follows.

- CO<sub>2</sub> emissions: 6,175 tons-CO<sub>2</sub>

- CO<sub>2</sub> emissions per employee: 4.7 tons-CO<sub>2</sub>

- Electricity consumption: 9,420MWh

- Fuel consumption: 0MWh

- CO<sub>2</sub> emissions from employee travel: 6,077 tons-CO<sub>2</sub>

- Water consumption: 493m<sup>3</sup>

Our main EMEA offices are located in London, Paris, Frankfurt, Zurich, Madrid\*, and Milan\*.

Our main AEJ offices are located in Hong Kong, Singapore, India, and Dalian\* in China.

Our main American offices are located in New York and include INSTINET\* offices.

★ Offices to which the scope of aggregation was expanded.

# Independent Assurance on Environmental Reporting



Translation

The following is an English translation of an independent assurance statement prepared in Japanese and is for information and reference purposes only. In the event of a discrepancy between the Japanese and English versions, the Japanese version will prevail.

## Independent Assurance Report

Date: 25 July, 2013

To  
Mr. Koji Nagai  
Group CEO  
Nomura Holdings, Inc.

Kenji Sawami  
Representative Director  
Ernst & Young Sustainability Co., Ltd.

### 1. Scope and Purpose of Assurance Engagement

We, Ernst & Young Sustainability Co., Ltd., have been commissioned by Nomura Holdings, Inc. (hereafter the "Company") to provide limited assurance on the Company's NOMURA Report 2013 (hereafter the "Report").

The purpose of our assurance engagement is to perform the limited assurance work to determine whether the Key Environmental Performance Indicators<sup>\*1</sup> (hereafter the "Indicators") of the Company and its major subsidiaries for the year ended March 31, 2013 included in the Report were measured, calculated and reported in accordance with the Company's Reporting Standards<sup>\*2</sup> and the Company's policies and standards, and were contained in all material respects and to express a conclusion based on the work performed.

The Company is responsible for the preparation of the Report. Our responsibility is limited to independently express a conclusion on the Indicators.

<sup>\*1</sup> "Indicators" means the information defined in the Environmental Reporting Assurance and Registration Criteria (Revised in February 2013 by The Japanese Association of Assurance Organizations for Sustainability Information). In terms of the data on "Environmental burdens associated with business activities", the assurance scope is the Company and the organizations of major subsidiaries in Japan, Europe, Hong Kong and Singapore.

<sup>\*2</sup> The Reporting Standards refer to the Environmental Reporting Guidelines 2012 (Published in April 2012 by Ministry of the Environment), Sustainability Reporting Guidelines Version 3.1 (Revised in March 2011 by Global Reporting Initiative), and the important information subject to disclosure are identified in accordance with the Environmental Reporting Assurance and Registration Criteria.

### 2. Summary of Assurance Procedures Performed

We performed limited assurance procedures in accordance with the International Standard on Assurance Engagements - Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), revised in December 2003 by the International Federation of Accountants and the Practical Guidelines for the Assurance of Sustainability Information, revised in December 2012 by the Japanese Association of Assurance Organizations for Sustainability Information. In a limited assurance engagement, assurance procedures are more limited than those of a reasonable assurance engagement conducted in accordance with ISAE 3000. Therefore, the level of assurance provided is not as that provided by a reasonable assurance.

The summary of the procedures we performed for our assurance engagement is as follows:

- Reading relevant documents with regard to the Company's Reporting Standards and the Company's policies and standards and inquiry of personal responsible thereof;
- Reading relevant documents with regard to the design of the Company's internal control of the Indicators and inquiry of personal responsible thereof at the headquarters and the sites visited ;
- Performing analytical procedures of the Indicators at the headquarters and the sites visited ;and
- Agreeing to supporting documents and recalculating with part of the Indicators at the headquarters and the sites visited on a test basis.

### 3. Conclusion

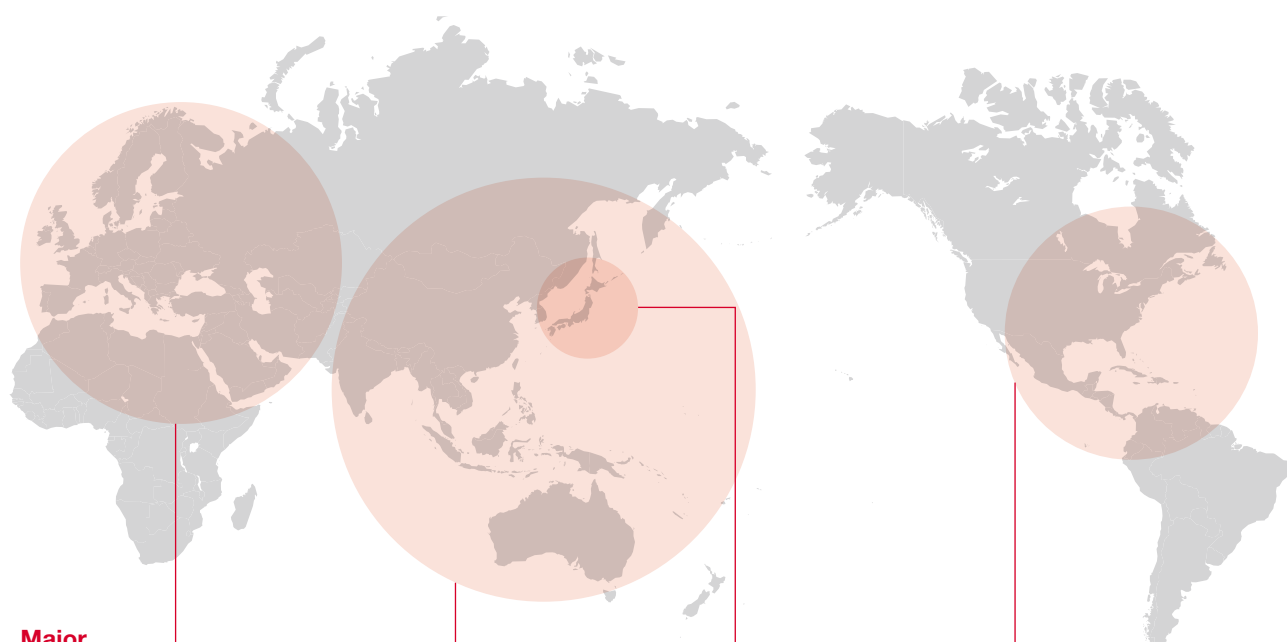
Based on the assurance procedures performed, nothing has come to our attention that cause us to believe that the Indicators for the year ended March 31, 2013 were not measured, calculated and reported in accordance with the Company's Reporting Standards and the Company's policies and standards and were not contained in all material respect.

### 4. Independence

We have no conflict of interest relationships with Company that are specified in the Code of Ethics of the Japanese Association of Assurance Organizations for Sustainability Information.



## Global Network



Major Subsidiaries and Affiliates	Europe	Asia-Pacific	Japan	Americas
<b>Retail</b>			<ul style="list-style-type: none"> <li>Nomura Securities Co., Ltd.</li> <li>Nomura Healthcare Co., Ltd.</li> <li>Nomura Agri Planning &amp; Advisory Co., Ltd.</li> <li>Nomura Farm Co., Ltd.</li> </ul>	
<b>Asset Management</b>	<ul style="list-style-type: none"> <li>Nomura Asset Management U.K. Limited</li> <li>Nomura Asset Management Deutschland KAG mbH</li> </ul>	<ul style="list-style-type: none"> <li>Nomura Asset Management Hong Kong LTD.</li> <li>Offices: Hong Kong, Shanghai</li> <li>Nomura Asset Management Singapore LTD.</li> <li>Nomura Asset Management Malaysia Sdn. Bhd.</li> <li>Nomura Islamic Asset Management Sdn.Bhd.</li> <li>Nomura Asset Management Australia Pty LTD.</li> </ul>	<ul style="list-style-type: none"> <li>Nomura Asset Management Co., Ltd.</li> <li>Nomura Funds Research and Technologies Co., Ltd.</li> <li>Nomura Private Equity Capital Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Nomura Asset Management USA Inc.</li> <li>Nomura Global Alpha LLC</li> <li>Nomura Corporate Research and Asset Management Inc.</li> <li>Nomura Funds Research and Technologies America, Inc.</li> </ul>
<b>Wholesale*<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Nomura Europe Holdings PLC</li> <li>Nomura International PLC</li> <li>Offices: London, Frankfurt, Helsinki, Madrid, Milan, Stockholm, Vienna, Doha, Dubai</li> <li>Banque Nomura France</li> <li>Nomura Bank (Switzerland) Ltd.</li> <li>Nomura Nederland N.V.</li> <li>Nomura Bank International PLC</li> <li>Offices: London, Milan, Labuan</li> </ul> <p><b>Other office locations</b> Dublin, Warszawa, Bahrain</p>	<ul style="list-style-type: none"> <li>Nomura Asia Holding N.V.</li> <li>Nomura International (Hong Kong) LIMITED</li> <li>Offices: Hong Kong, Hanoi, Taipei</li> <li>Nomura Australia LIMITED</li> <li>Nomura Financial Advisory and Securities (India) Private Limited</li> <li>Nomura Financial Investment (Korea) Co. Ltd.</li> <li>Nomura Malaysia Sdn. Bhd.</li> <li>Nomura Singapore LIMITED</li> <li>P.T. Nomura Indonesia</li> </ul> <p><b>Other office locations</b> Beijing, Shanghai, Manila, Powai</p>	<ul style="list-style-type: none"> <li>Nomura Securities Co., Ltd.</li> <li>Nomura Capital Investment Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Nomura Holding America Inc.</li> <li>Offices: New York, Washington, D.C.</li> <li>Nomura Securities International, Inc.</li> <li>Offices: New York, Atlanta, Boston, Chicago, Houston, Miami, San Francisco, Toronto, São Paulo</li> <li>INSTINET Incorporated</li> </ul>
<b>Others</b>	<ul style="list-style-type: none"> <li>The Nomura Trust &amp; Banking Co., Ltd.</li> <li>Nomura Research &amp; Advisory Co., Ltd.</li> <li>Nomura Institute of Capital Markets Research</li> <li>Nomura Bank (Luxembourg) S.A.</li> <li>JAFCO Co., Ltd.*<sup>2</sup></li> <li>Nomura Investor Relations Co., Ltd.</li> <li>Nomura Business Services Co., Ltd.</li> <li>Nomura Financial Products &amp; Services, Inc.</li> <li>Nomura Information Technology (Dalian) Co., Ltd</li> <li>Nomura Real Estate Holdings, Inc.*<sup>2</sup></li> <li>Nomura Babcock &amp; Brown Co., Ltd.</li> <li>Nomura Facilities, Inc.</li> <li>Nomura Land and Building Co., Ltd.</li> <li>Nomura Research Institute, Ltd.*<sup>2</sup></li> <li>Capital Nomura Securities Public Company Limited*<sup>2</sup></li> </ul>			

\*<sup>1</sup> Subsidiaries and offices involved primarily in Wholesale related businesses.\*<sup>2</sup> Affiliated companies accounted for by the equity method



# Nomura Securities Domestic Network

(As of August 1, 2013)

## Hokuriku (4 Branches)

Fukui Branch  
Kanazawa Branch  
Niigata Branch  
Toyama Branch

## Hokkaido (5 Branches)

Asahikawa Branch  
Hakodate Branch  
Kushiro Branch  
Sapporo Branch  
Tokachi/Obihiro Office

## Kinki (30 Branches)

Akashi Branch  
Daito Branch  
Esaka Office  
Gakuenmae Branch  
Higashiosaka Branch  
Himeji Branch  
Hirakata Branch  
Ibaraki Branch  
Kawanishi Branch  
Kishiwada Branch  
Kobe Branch  
Kurakuen Branch  
Kyoto Branch  
Kyoto Branch, Kyoto Station Building, the Cube Office  
Nanba Branch  
Nara Branch  
Nishinomiya Branch  
Okamoto Branch  
Osaka Branch  
Otsu Branch  
Sakai Branch  
Senri Branch  
Takarazuka Branch  
Takatsuki Branch  
Tennoji Branch  
Toyonaka Branch  
Tsukaguchi Branch  
Uehonmachi Branch  
Umeda Branch  
Wakayama Branch

## Tohoku (10 Branches)

Akita Branch  
Aomori Branch  
Fukushima Branch  
Hachinohe Branch  
Iwaki Office  
Koriyama Branch  
Morioka Branch  
Sendai Branch  
Shonai Office  
Yamagata Branch

## Tokyo metropolitan area (40 Branches)

Chofu Branch  
Denenchofu Branch  
Fuchu Branch  
Gotanda Branch  
Hachioji Branch  
Hamadayama Office  
Hatagaya Branch  
Head Office  
Iidabashi Branch  
Ikebukuro Branch  
Ikebukuro Metropolitan Plaza Branch  
Jiyugaoka Branch  
Kamata Branch  
Kichijoji Branch  
Kinshicho Branch  
Koishikawa Branch  
Koiwa Branch  
Kokubunji Branch  
Machida Branch  
Mita Branch  
Nakameguro Branch  
Nakano Branch  
Nerima Branch  
Ogikubo Branch  
Omori Branch  
Sakurashinmachi Office  
Sangenjaya Office  
Seijo Branch  
Senju Branch  
Shibuya Branch  
Shinbashi Branch  
Shinjuku Branch  
Shinjuku Nomura Building Branch  
Shinjuku-eki Nishiguchi Branch  
Tachikawa Branch  
Tamagawa Branch  
Tanashi Branch  
Tokyo Branch  
Toranomon Branch  
Ueno Branch

## Shikoku (5 Branches)

Imabari Office  
Kochi Branch  
Matsuyama Branch  
Takamatsu Branch  
Tokushima Branch

## Kanto (43 Branches)

Aeon Mall Funabashi Office  
Aobadai Branch  
Atsugi Branch  
Chiba Branch  
Fujisawa Branch  
Funabashi Branch  
Futamatagawa Office  
Hiratsuka Branch  
Ichikawa Branch  
Kamakura Branch  
Kamiooka Office  
Kashiwa Branch  
Kawagoe Branch  
Kawaguchi Branch  
Kawasaki Branch  
Kofu Branch  
Konandai Office  
Koshigaya Branch  
Kumagaya Branch  
Matsudo Branch  
Mito Branch  
Musashikosugi Branch  
Odawara Branch  
Omiya Nishiguchi Branch  
Ota Branch  
Sagamihara Branch  
Saitama Branch  
Saitama Branch, Omiya Higashiguchi Office  
Shiki Branch  
Shinyurigaoka Branch  
Takasaki Branch  
Tama Plaza Branch  
Tokorozawa Branch  
Totsuka Branch  
Tsuchiura Branch  
Tsukuba Branch  
Tsurumi Branch  
Urawa Branch  
Utsunomiya Branch  
Yachiyodai Office  
Yokohama  
Yokohama Branch  
Yokohama Branch  
Yokosuka Branch

## Chugoku (9 Branches)

Fukuyama Branch  
Hiroshima Branch  
Kurashiki Branch  
Matsue Branch  
Okayama Branch  
Shimonoseki Branch  
Tokuyama Branch  
Tottori Office  
Yonago Branch

## Kyushu (11 Branches)

Fukuoka Branch  
Fukuoka Branch, Amu Plaza Hakata Office  
Kagoshima Branch  
Kitakyushu Branch  
Kumamoto Branch  
Kurume Branch  
Miyazaki Branch  
Nagasaki Branch  
Oita Branch  
Saga Branch  
Sasebo Branch

## Chubu (16 Branches)

Gifu Branch  
Hamamatsu Branch  
Kanayama Branch  
Kariya Branch  
Kasugai Branch  
Matsumoto Branch  
Nagano Branch  
Nagoya Branch  
Nagoya-ekimae Branch  
Numazu Branch  
Okazaki Branch  
Shizuoka Branch  
Toyohashi Branch  
Toyota Branch  
Tsu Branch  
Yokkaichi Branch

## Okinawa (1 Branch)

Naha Branch

## Corporate Data

## Corporate Data

<b>Company name</b>	Nomura Holdings, Inc.
<b>President &amp; CEO</b>	Koji Nagai
<b>Date of incorporation</b>	December 25, 1925
<b>Business description</b>	Investment and financial services

<b>Paid-in capital</b>	¥594.5 billion (As of March 31, 2013)
<b>Head office</b>	1-9-1, Nihonbashi, Chuo-ku, Tokyo 103-8645, Japan
<b>Group employees</b>	27,956 (As of March 31, 2013)

## Share Data

## Common stock issued

3,822,562,601 shares (As of March 31, 2013)

## Listing

The common shares of Nomura Holdings, Inc. are listed on the Tokyo, Nagoya, and Singapore stock exchanges. The shares are also listed on the NYSE in the form of American Depositary Shares (ADSs) evidenced by American Depositary Receipts (ADRs). Each ADS represents one share of common stock. (As of March 31, 2013)

## Securities code

8604 (Tokyo Stock Exchange)  
NMR (New York Stock Exchange)

## Number of shareholders

482,935 (Unit shareholders: 459,985) (As of March 31, 2013)

## Major shareholders (Top 10)

Names of shareholders	Number of shares	Percentage (rounded to two decimal places)
Japan Trustee Services Bank, Ltd. (Trust Account)	181,118,532	4.74%
The Master Trust Bank of Japan, Ltd. (Trust Account)	143,236,500	3.75%
SSBT OD05 Omnibus Account Treaty Clients	92,515,219	2.42%
CACEIS BANK FRANCE, ORDINARY ACCOUNT	62,518,270	1.64%
Japan Trustee Services Bank, Ltd. (Trust Account 9)	38,988,900	1.02%
State Street Bank and Trust Company 505225	38,865,003	1.02%
The Chase Manhattan Bank, N.A. London S.L. Omnibus Account	37,287,773	0.98%
Japan Trustee Services Bank, Ltd. (Trust Account 1)	37,005,700	0.97%
Nomura Group Employee's Stock Ownership Association	36,573,507	0.96%
Northern Trust Company (AVFC) Sub-account American Client	36,448,600	0.95%

Note: The Company has 108,435,696 shares (2.84%) of treasury stock as of March 31, 2013, which is not included in the major shareholders list above.

## Transfer agent and registrar

Mitsubishi UFJ Trust and Banking Corporation  
Corporate Agency Department: +81 (3) 5391-1900

## Depository for American Depositary Receipts (ADRs)

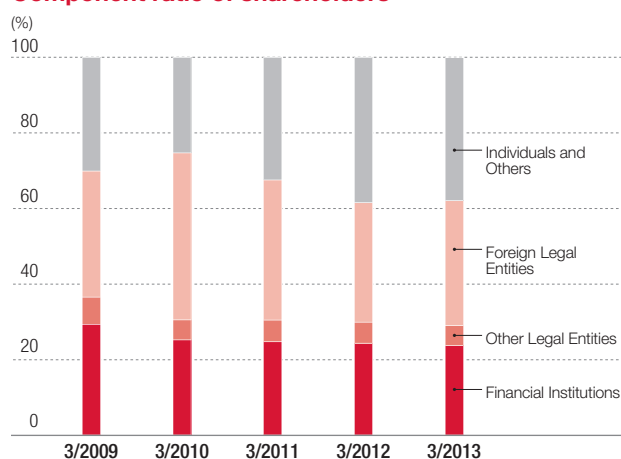
The Bank of New York Mellon

Depository Receipts Division: +1 (866) 680-6825

<http://www.adrbnymellon.com>

Ratio: 1 ADR = 1 ordinary share

## Component ratio of shareholders



	Second quarter	Year-end
Date of record for dividend payments	September 30	March 31

## Other

## Credit rating

	Nomura Holdings		Nomura Securities	
	Long-term	Short-term	Long-term	Short-term
Standard & Poor's	BBB+	A-2	A-	A-2
Moody's Investors Service	Baa3	—	Baa2	P-2
R&I	A+	a-1	A+	a-1
JCR	AA-	—	AA-	—

Note: As of May 31, 2013

## Website Information



### Nomura Holdings Website

<http://www.nomura.com/>

The Nomura Group strives to make its corporate website broadly accessible by eliminating troubles people may have in accessing information and services due to visual, hearing, speech or other physical impairments.

<http://www.nomuraholdings.com/policy/acresult.html>



### Corporate Citizenship Site

<http://www.nomuraholdings.com/csr/>

Delivers information on the Nomura Group's CSR initiatives in a timely manner and contains detailed dialog held with stakeholders.



### Investor Relations Site

<http://www.nomuraholdings.com/investor/>

Provides various investor relations information for the Nomura Group, including earnings presentations, financial data, annual reports, notices for shareholders and information pertaining to corporate governance.

## Inquiries

### Nomura Holdings, Inc.

#### Investor Relations

Urbannet Otemachi Building  
2-2-2, Otemachi, Chiyoda-ku, Tokyo 100-8130, Japan  
Tel. +81 (3) 5255-1000

#### Corporate Citizenship Department

Otemachi Nomura Building  
2-1-1, Otemachi, Chiyoda-ku, Tokyo 100-8170, Japan  
Tel. +81 (3) 5255-1000  
e-mail: [csr@jp.nomura.com](mailto:csr@jp.nomura.com)

**NOMURA**