



**NOMURA**

# Modern Slavery Statement

Nomura Global Financial Products Inc.

SEPTEMBER 2021

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## Introduction, reporting entity and structure

This statement is provided by Nomura Global Financial Products Inc. (“NGFP”) as a reporting entity under the *Modern Slavery Act 2018 (Cth)*.

NGFP is a corporation organized in the state of Delaware, USA in 1986. NGFP is a wholly owned subsidiary of Nomura Holding America, Inc. (“NHA”), which is a wholly owned by Nomura Holdings, Inc. (“NHI”), a Japanese corporation listed on the Tokyo Stock Exchange (TSE: 8604) and the New York Stock Exchange (NMR). NGFP’s headquarters are located in New York. The company has 1 employee and approximately 627 associated persons, as defined for U.S. regulatory purposes. NGFP does not own or control any other entities. NGFP registered as a foreign company in Australia in December 2017 (ARBN 623 394 141).

## Operations and Supply Chains

NGFP is registered provisionally as a swap dealer with the Commodity Futures Trading Commission (“CFTC”). NGFP is also registered with the Securities and Exchange Commission (“SEC”) as an OTC Derivatives Dealer (a special category of broker-dealer engaged in certain OTC derivatives business) under the *Securities Exchange Act of 1934 (USA)*.

NGFP purchases and sells over-the-counter (“OTC”) and exchange traded derivatives to assist institutional investors in implementing their trading and hedging strategies. NGFP also purchases and sells cash securities and other instruments to hedge its trading positions and enters into principal transactions for its own account. NGFP’s most significant activity is acting as one of Nomura’s predominant client-facing entities for OTC interest rate swaps globally.

Trades are conducted by authorized salespersons and traders employed by NGFP’s corporate affiliates in Australia, Hong Kong, Japan, Singapore, the United Kingdom and the United States. NGFP’s global trading counterparties are regulated financial institutions and institutional investors. NGFP’s direct and indirect supply chains include vendors providing trading execution, clearing and settlement services, providers of electronic trading platforms and suppliers of market data, consulting services and other professional services, insurance services, IT services and infrastructure, travel services and office supplies. Almost all of these are procured by NGFP via transactions with NGFP’s affiliates, and NGFP does not control the procurement. The majority of NGFP’s suppliers are based in the United States. Most of NGFP’s vendors supplying trading related infrastructure and other professional services globally are regulated financial institutions and market operators and professional services firms located in jurisdictions perceived as relatively low risk with respect to modern slavery.

More information about the Nomura Group can be found at [www.nomura.com](http://www.nomura.com).

## Modern Slavery Risks

NGFP has taken steps to identify risks of modern slavery practices in its operations and supply chains primarily having regard to the sector and geographic origin of the products and services it acquires, and NGFP believes its operations and supply chains provide limited opportunity for modern slavery practices. The products and services in NGFP’s supply chains that may involve higher risks of modern slavery (based on potential modern slavery risks as identified in various external published reports) are some components of IT services and infrastructure utilized by its affiliates in conducting its operations. Nomura Group entities seek to manage and reduce this risk by their supplier selection policies and, where appropriate, Supplier CSR Guidelines.

## Actions

NGFP has adopted a “Code of Conduct” <<https://www.nomuraholdings.com/company/basic/coc.pdf>>, which serves as a set of guiding principles for all directors, officers and employees and associated persons globally, and highlight the role they play in preventing and addressing business-related human rights harm. NGFP also has implemented internal and external reporting mechanisms to report activities that infringe on the firm’s Code of Conduct.

During the reporting period (April 1, 2020 to March 31, 2021), NGFP undertook the following actions to assess and address risks of modern slavery practices in its operations and supply chain.

- NGFP conducted a high level scoping exercise of its operations and of its direct and indirect supply chains and compared the results to the similar exercise undertaken in 2020.
- At a thematic level, NGFP endeavored to identify key modern slavery risks that existed within its operations and supply chains based on desktop research such as the Global Slavery Index 2018 and other publicly available information on product/sector risks for modern slavery.
- NGFP considered the actions governments are taking to respond to modern slavery in each of the countries where its counterparties and (primarily indirect) suppliers are headquartered and assessed which of its counterparties and suppliers are themselves subject to modern slavery reporting or are otherwise required to publicly report on their corporate social responsibility plans and actions.
- NHA has established a Vendor Management Office and has adopted a Vendor Risk Management Framework for the Americas region, in order to comply with the Nomura Group Vendor Risk Management Standard. This function drives vendor due diligence on behalf of NGFP. Its processes implement minimum standards for Nomura Group companies, including NGFP, in relation to the governance and control framework that ensures effective management of vendors. This includes pre-contract due diligence activities followed by performance management and ongoing due diligence activities required throughout the life of a service. This framework was initiated on October 1, 2020 and continues to develop.


### Assessment of effectiveness

NGFP plans to monitor the effectiveness of its actions through the following:

- Periodic reassessment of the risks of modern slavery practices in its operations and supply chains, having regard to changes to operations and supply chain;
- Tracking of changes in government responses to address modern slavery in the countries where it operates and the primary locations of its suppliers and counterparties; and
- Feedback received through reporting mechanisms.

### Approvals

This statement has been approved by the Board of Directors of Nomura Global Financial Products Inc. as of September 23, 2021.



Christopher Willcox

Date: September 23, 2021

Director, Chief Executive Officer,  
President and Senior Managing Director  
Nomura Global Financial Products Inc.