

Nomura Europe Holdings plc Group

Quarterly Pillar 3 Disclosures
30th June 2025

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Introduction

Background

Nomura Europe Holdings plc ("NEHS") is a Prudential Regulation Authority ("PRA") approved parent financial holding company. NEHS along with its subsidiaries form the NEHS Group (the "Group"). The Group is subject to regulation on a consolidated basis. The regulatory consolidation is produced in accordance with the UK's regulations as set out in the onshored Capital Requirements Regulation ("CRR") and PRA Rules and standards. These requirements are largely based on the Basel Committee's final capital framework for strengthening international capital standards ("Basel III").

Scope of Application

The Pillar 3 disclosures as at 30th June 2025 are prepared on the basis of the consolidated situation of the Group which is disclosed on the basis of being large and listed.

Nomura International Plc ("NIP") a regulated subsidiary of the Group which is authorised by the PRA and the FCA, is considered a large non-listed subsidiary. Other regulated subsidiaries of the Group are not considered to be large subsidiaries as of 30th June 2025 and are therefore not disclosed in this document. This includes Nomura Bank International Plc ("NBI"), Nomura Financial Products Europe GmbH ("NFPE"), Nomura Bank Luxembourg S.A. ("NBL"), Banque Nomura France S.A. ("BNF"), Nomura Alternative Investment Management France S.A.S ("NAIM") and Nomura Bank Switzerland Ltd ("NBS").

Scope of Consolidation

The Group's regulatory consolidation includes UK and non-UK regulated entities; Article 6 of the CRR provides guidance on capital calculations and consolidation of subsidiary undertakings. The regulatory consolidation includes certain entities which have been consolidated using the equity method while full consolidation has been applied for accounting consolidation under UK GAAP.

All companies within the Group are limited by ordinary shares. Apart from the requirements to hold regulatory capital, subject to regulatory approval by the relevant local authority, there is no practical or legal impediment to the prompt transfer of capital between entities within the Group. The Group is a 100% owned subsidiary of Nomura Holdings Inc. ("NHI") (incorporated in Japan), the ultimate parent of the Group. NHI publishes separate Pillar 3 disclosures ([NHI Pillar 3](#)). NHI, together with the Group and NHI's other subsidiary undertakings, form the "Nomura Group".

With effect from April 2015, the Group applied the UK Companies Act 2006 exemption from producing statutory group accounts. The exemption applies to a UK parent company where certain conditions are met. Specifically, this includes where the UK parent and all of its subsidiaries are included in group accounts of a larger non-European Economic Area ("EEA") group prepared in accordance with accounting standards which are equivalent to EU-adopted IFRS. Statutory consolidated accounts for the Group are therefore not published.

Bank Recovery and Resolution Directive

Article 26 of the Bank Recovery and Resolution Directive ("BRRD") states that information pertaining to any group financial support agreement pursuant to Article 19 of the BRRD needs to be made public. Pursuant to this disclosure requirement, the Group has not entered into any group financial support agreement.

Regulatory Framework for Disclosures

The Group has minimum capital adequacy, leverage and liquidity requirements imposed by the PRA and is in compliance with these requirements.

The Basel committee's framework is structured around three 'pillars':

- Pillar 1: minimum capital requirements
- Pillar 2: supervisory review and evaluation process ("SREP")
- Pillar 3: market discipline

The aim of the Pillar 3 disclosures is to allow market participants to assess the Group's capital condition, risk exposures and risk management practices. Pillar 3 requires all significant risks to be disclosed in order to provide stakeholders with a comprehensive view of the Group's risk profile and capital adequacy.

Pillar 3 Disclosures

Pillar 3 disclosures have been prepared in accordance with the "PRA Rulebook on Disclosure".

The disclosures made in this document do not constitute financial statements and are not required to be subjected to an external audit. The disclosures are approved by the Group's Board and NEHS Audit Committee before being made publicly available.

The full Pillar 3 disclosure document is prepared on an annual basis with limited disclosures made on a quarterly and semi-annual basis. Any historic comparatives presented in the disclosure are calculated according to the regulation in force at the relevant date.

This document is available online within the 'Regulatory Disclosures' section under the Nomura corporate website ([the Group Pillar 3](#)).

Management Responsibility Statement

I confirm that I have taken reasonable steps to ensure that the information included in this disclosure complies to the best of my knowledge with the CRR disclosure requirements and has been prepared in accordance with relevant formal policies and internal processes, systems and controls of the Group.

Stephen Fuggle

Chief Financial Officer ("CFO") Nomura Europe Holdings plc

Key Metrics

Template UK KM1 – Key metrics template for the Group

The table below shows the key metrics for the Group¹ as at 30th June 2025:

| \$m | | a | b | c | d | e |
|---|--|---------|---------|---------|---------|---------|
| | | Jun-25 | Mar-25 | Dec-24 | Sep-24 | Jun-24 |
| Available own funds (amounts) | | | | | | |
| 1 | Common Equity Tier 1 (CET1) capital | 5,650 | 5,665 | 5,618 | 5,585 | 5,565 |
| 2 | Tier 1 capital | 5,650 | 5,665 | 5,618 | 5,585 | 5,565 |
| 3 | Total capital | 7,132 | 7,254 | 7,313 | 7,389 | 7,477 |
| Risk-weighted exposure amounts | | | | | | |
| 4 | Total risk-weighted exposure amount | 32,795 | 30,239 | 32,091 | 35,382 | 34,190 |
| Capital ratios (as a percentage of risk-weighted exposure amount) | | | | | | |
| 5 | Common Equity Tier 1 ratio (%) | 17.23% | 18.73% | 17.51% | 15.78% | 16.28% |
| 6 | Tier 1 ratio (%) | 17.23% | 18.73% | 17.51% | 15.78% | 16.28% |
| 7 | Total capital ratio (%) | 21.75% | 23.99% | 22.79% | 20.88% | 21.87% |
| Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount) | | | | | | |
| UK 7a | Additional CET1 SREP requirements (%) | 2.32% | 2.32% | 2.32% | 2.32% | 2.37% |
| UK 7b | Additional AT1 SREP requirements (%) | 0.77% | 0.77% | 0.77% | 0.77% | 0.79% |
| UK 7c | Additional T2 SREP requirements (%) | 1.03% | 1.03% | 1.03% | 1.03% | 1.05% |
| UK 7d | Total SREP own funds requirements (%) | 12.12% | 12.12% | 12.12% | 12.12% | 12.21% |
| Combined buffer requirement (as a percentage of risk-weighted exposure amount) | | | | | | |
| 8 | Capital conservation buffer (%) | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% |
| UK 8a | Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%) | | | | | |
| 9 | Institution specific countercyclical capital buffer (%) | 0.60% | 0.62% | 0.66% | 0.59% | 0.64% |
| UK 9a | Systemic risk buffer (%) | | | | | |
| 10 | Global Systemically Important Institution buffer (%) | | | | | |
| UK 10a | Other Systemically Important Institution buffer | | | | | |
| 11 | Combined buffer requirement (%) | 3.10% | 3.12% | 3.16% | 3.09% | 3.14% |
| UK 11a | Overall capital requirements (%) | 15.22% | 15.24% | 15.28% | 15.21% | 15.35% |
| 12 | CET1 available after meeting the total SREP own funds requirements (%) | 8.14% | 9.64% | 8.42% | 6.69% | 7.12% |
| Leverage ratio | | | | | | |
| 13 | Total exposure measure excluding claims on central banks | 138,972 | 131,988 | 136,436 | 145,150 | 132,055 |
| 14 | Leverage ratio excluding claims on central banks (%) | 4.07% | 4.26% | 4.12% | 3.85% | 4.21% |
| Additional leverage ratio disclosure requirements | | | | | | |
| UK 14a | Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%) | 4.07% | 4.26% | 4.12% | 3.85% | 4.21% |
| UK 14b | Leverage ratio including claims on central banks (%) | 4.00% | 4.17% | 4.03% | 3.77% | 4.15% |
| UK 14c | Average leverage ratio excluding claims on central banks (%) | 4.21% | 4.19% | 4.18% | 3.99% | 4.19% |
| 14d | Average leverage ratio including claims on central banks (%) | 4.14% | 4.11% | 4.06% | 3.91% | 4.07% |
| 14e | Countercyclical leverage ratio buffer (%) | 0.20% | 0.20% | 0.20% | 0.20% | 0.20% |
| Liquidity Coverage Ratio | | | | | | |
| 15 | Total high-quality liquid assets (HQLA) (Weighted value - average) | 23,431 | 22,633 | 22,005 | 21,508 | 20,915 |
| UK 16a | Cash outflows - Total weighted value | 33,461 | 32,749 | 32,813 | 32,228 | 31,927 |
| UK 16b | Cash inflows - Total weighted value | 24,340 | 23,548 | 23,489 | 23,192 | 23,235 |
| 16 | Total net cash outflows (adjusted value) | 9,186 | 9,201 | 9,328 | 9,065 | 8,726 |
| 17 | Liquidity coverage ratio (%) | 255.96% | 246.82% | 236.67% | 238.70% | 241.47% |
| Net Stable Funding Ratio | | | | | | |
| 18 | Total available stable funding | 33,332 | 32,247 | 31,356 | 30,687 | 29,973 |
| 19 | Total required stable funding | 25,786 | 25,252 | 24,906 | 24,462 | 23,646 |
| 20 | NSFR ratio (%) | 129.32% | 127.74% | 125.91% | 125.55% | 126.86% |

¹The Group is required to maintain a minimum ratio of Own Funds to Risk Weighted Assets ("RWAs"). As at 30th June 2025, the Group is in compliance with the PRA capital requirements.

Movements in Key Metrics over the period for the Group

Tier 1 capital ratio decreased during the quarter due to an increase in Risk Weighted Exposure Amounts ("RWEA").

Leverage ratio has decreased during the quarter due to an increase in leverage exposure driven by increases in Derivative exposure.

Liquidity Coverage ratio ("LCR") has increased during the quarter driven by an increase in liquidity buffer.

Net Stable Funding ratio ("NSFR") has remained relatively flat during the quarter.

Capital Requirements

Template UK OV1 – Overview of risk weighted exposure amounts for the Group

The table below shows RWEAs and own funds requirements for the Group as at 30th June 2025:

| \$m | | Risk weighted exposure amounts (RWEAs) | | Total own funds requirements |
|--------|---|--|---------------|------------------------------|
| | | A | b | c |
| | | Jun-25 | Mar-25 | Jun-25 |
| 1 | Credit risk (excluding CCR) | 3,275 | 3,254 | 262 |
| 2 | Of which the standardised approach | 3,275 | 3,254 | 262 |
| 3 | Of which the foundation IRB (FIRB) approach | - | - | - |
| 4 | Of which slotting approach | - | - | - |
| UK 4a | Of which equities under the simple risk weighted approach | - | - | - |
| 5 | Of which the advanced IRB (AIRB) approach | - | - | - |
| 6 | Counterparty credit risk - CCR | 20,769 | 19,118 | 1,662 |
| 7 | Of which the standardised approach | 4,290 | 4,527 | 343 |
| 8 | Of which internal model method (IMM) | 10,779 | 8,999 | 862 |
| UK 8a | Of which exposures to a CCP | 206 | 197 | 17 |
| UK 8b | Of which credit valuation adjustment - CVA | 2,032 | 1,985 | 163 |
| 9 | Of which other CCR | 3,462 | 3,410 | 277 |
| 15 | Settlement risk | 27 | 30 | 2 |
| 16 | Securitisation exposures in the non-trading book (after the cap) | - | - | - |
| 17 | Of which SEC-IRBA approach | - | - | - |
| 18 | Of which SEC-ERBA (including IAA) | - | - | - |
| 19 | Of which SEC-SA approach | - | - | - |
| UK 19a | Of which 1250%/ deduction | - | - | - |
| 20 | Position, foreign exchange and commodities risks (Market risk) | 5,690 | 4,803 | 455 |
| 21 | Of which the standardised approach | 1,350 | 1,155 | 108 |
| 22 | Of which IMA | 4,340 | 3,648 | 347 |
| UK 22a | Large exposures | - | - | - |
| 23 | Operational risk | 3,034 | 3,034 | 243 |
| UK 23a | Of which basic indicator approach | - | - | - |
| UK 23b | Of which standardised approach | 3,034 | 3,034 | 243 |
| UK 23c | Of which advanced measurement approach | - | - | - |
| 24 | Amounts below the thresholds for deduction (subject to 250% risk weight) (For information) | - | - | - |
| 29 | Total | 32,795 | 30,239 | 2,624 |

Over the quarter, Counterparty credit risk RWEAs increased due to an increase in IMM derivative exposures. Market risk RWEAs increased due to increased IMA risk in FX trading.

Counterparty Credit Risk and Credit Risk

Template UK CCR7 – RWEA flow statements of CCR exposures under the IMM for the Group

The table below shows how the RWEA under the IMM for the Group have changed over the quarter to 30th June 2025:

| \$m | | a |
|-----|--|--------|
| | | RWEA |
| 1 | RWEA as at 31 st March 2025 | 8,999 |
| 2 | Asset size | 1,786 |
| 3 | Credit quality of counterparties | (6) |
| 4 | Model updates (IMM only) | - |
| 5 | Methodology and policy (IMM only) | - |
| 6 | Acquisitions and disposals | - |
| 7 | Foreign exchange movements | - |
| 8 | Other | - |
| 9 | RWEA as at 30 th June 2025 | 10,779 |

The increase in RWEAs under the IMM was due to increased derivative exposures over the quarter.

Market Risk

Template UK MR2-B – RWA flow statements of market risk exposures under the IMA for the Group

The table below shows how the RWA and Own Funds requirement under the IMA for the Group have changed over the quarter to 30th June 2025:

| \$m | | a | b | c | d | e | f | g |
|----------|---|------------|--------------|------------|----------------------------|--------------|--------------|------------------------------|
| | | VaR | SVaR | IRC | Comprehensive risk measure | Other | Total RWAs | Total own funds requirements |
| 1 | RWAs at 31st March 2025 | 594 | 1,578 | 146 | - | 1,330 | 3,648 | 292 |
| 1a | Regulatory adjustment ¹ | (359) | (1,043) | - | - | - | (1,402) | (112) |
| 1b | RWAs at 31 st March 2025 | 235 | 535 | 146 | - | 1,330 | 2,246 | 180 |
| 2 | Movement in risk levels | 51 | 141 | 18 | - | 21 | 231 | 19 |
| 3 | Model updates/changes | (9) | - | - | - | - | (9) | (1) |
| 4 | Methodology and policy | - | - | - | - | - | - | - |
| 5 | Acquisitions and disposals | - | - | - | - | - | - | - |
| 6 | Foreign exchange movements | - | - | - | - | - | - | - |
| 7 | Other | - | - | - | - | - | - | - |
| 8a | RWAs at 30 th June 2025 | 277 | 676 | 164 | - | 1,351 | 2,468 | 198 |
| 8b | Regulatory adjustment ² | 571 | 1,290 | 13 | - | (2) | 1,872 | 149 |
| 8 | RWAs at 30th June 2025 | 848 | 1,966 | 177 | - | 1,349 | 4,340 | 347 |

¹ Indicates the difference between reported RWAs (based on 60-day average) and RWAs (based on VaR/SVaR as at the previous reporting date) at the beginning of the period.

² Indicates the difference between RWAs (based on VaR/SVaR as at the current reporting date) and reported RWAs (based on 60-day average) at the end of the period.

Own Funds requirements under the IMA for the Group has increased over the quarter, driven by increase in FX risks from CVA and FVA hedges and increased JPY Xccy basis risk from treasury activities.

Liquidity

Template UK LIQ1 – Quantitative information of LCR for the Group

The table below shows Quantitative information of LCR for the Group for the four quarters ending 30th June 2025:

| \$m | | a | b | c | d | e | f | g | h |
|-----------------------------------|---|----------------------------------|-----------|-----------|-----------|--------------------------------|-----------|-----------|-----------|
| | | Total unweighted value (average) | | | | Total weighted value (average) | | | |
| UK 1a | Quarter ending on | 30-Jun-25 | 31-Mar-25 | 31-Dec-24 | 30-Sep-24 | 30-Jun-25 | 31-Mar-25 | 31-Dec-24 | 30-Sep-24 |
| UK 1b | Number of data points used in the calculation of averages | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| HIGH-QUALITY LIQUID ASSETS | | | | | | | | | |
| 1 | Total high-quality liquid assets (HQLA) | | | | | 23,431 | 22,633 | 22,005 | 21,508 |
| CASH - OUTFLOWS | | | | | | | | | |
| 2 | Retail deposits and deposits from small business customers, of which: | - | - | - | - | - | - | - | - |
| 3 | Stable deposits | - | - | - | - | - | - | - | - |
| 4 | Less stable deposits | - | - | - | - | - | - | - | - |
| 5 | Unsecured wholesale funding | 5,379 | 5,083 | 4,856 | 4,587 | 3,936 | 3,684 | 3,501 | 3,306 |
| 6 | Operational deposits (all counterparties) and deposits in networks of cooperative banks | 1,917 | 1,856 | 1,801 | 1,702 | 479 | 464 | 450 | 425 |
| 7 | Non-operational deposits (all counterparties) | 3,227 | 3,039 | 2,860 | 2,696 | 3,222 | 3,033 | 2,856 | 2,692 |
| 8 | Unsecured debt | 235 | 187 | 195 | 189 | 235 | 187 | 195 | 189 |
| 9 | Secured wholesale funding | | | | | 17,446 | 17,358 | 16,930 | 16,083 |
| 10 | Additional requirements | 8,782 | 8,928 | 9,403 | 9,870 | 5,383 | 5,508 | 5,702 | 5,880 |
| 11 | Outflows related to derivative exposures and other collateral requirements | 7,703 | 7,867 | 8,308 | 8,837 | 5,135 | 5,256 | 5,405 | 5,576 |
| 12 | Outflows related to loss of funding on debt products | - | - | - | - | - | - | - | - |
| 13 | Credit and liquidity facilities | 1,078 | 1,059 | 1,095 | 1,033 | 248 | 252 | 297 | 304 |
| 14 | Other contractual funding obligations | 27,513 | 20,769 | 15,443 | 8,909 | 6,502 | 6,000 | 6,477 | 6,772 |
| 15 | Other contingent funding obligations | 559 | 573 | 585 | 572 | 194 | 199 | 203 | 187 |
| 16 | TOTAL CASH OUTFLOWS | | | | | 33,461 | 32,749 | 32,813 | 32,228 |
| CASH - INFLOWS | | | | | | | | | |
| 17 | Secured lending (e.g. reverse repos) | 217,851 | 214,998 | 213,193 | 212,313 | 15,868 | 16,079 | 16,224 | 16,295 |
| 18 | Inflows from fully performing exposures | 2,422 | 2,266 | 2,075 | 1,976 | 1,858 | 1,626 | 1,507 | 1,477 |
| 19 | Other cash inflows | 6,614 | 5,843 | 5,758 | 5,420 | 6,614 | 5,843 | 5,758 | 5,420 |
| UK-19a | (Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies) | | | | | - | - | - | - |
| UK-19b | (Excess inflows from a related specialised credit institution) | | | | | - | - | - | - |
| 20 | TOTAL CASH INFLOWS | 226,887 | 223,106 | 221,026 | 219,709 | 24,340 | 23,548 | 23,489 | 23,192 |
| UK-20a | Fully exempt inflows | - | - | - | - | - | - | - | - |
| UK-20b | Inflows subject to 90% cap | - | - | - | - | - | - | - | - |
| UK-20c | Inflows subject to 75% cap | 195,611 | 191,910 | 189,314 | 185,277 | 24,340 | 23,548 | 23,489 | 23,192 |
| TOTAL ADJUSTED VALUE | | | | | | | | | |
| UK-21 | LIQUIDITY BUFFER | | | | | 23,431 | 22,633 | 22,005 | 21,508 |
| 22 | TOTAL NET CASH OUTFLOWS | | | | | 9,186 | 9,201 | 9,328 | 9,065 |
| 23 | LIQUIDITY COVERAGE RATIO | | | | | 255.96% | 246.82% | 236.67% | 238.70% |

Note - Nomura Group's business model means that some sections of the disclosure are not required to be populated.

Main drivers of the LCR

The main drivers of the LCR are:

- The Liquidity Buffer mostly comprising of Level 1 high-quality liquid assets
- Net Cash Outflows over 30 days primarily made up of net secured, unsecured and derivative flows
- Cash Inflows are capped at a maximum of 75% of outflows

There has been no evolution of the contribution of inputs to the Group's LCR calculation over the last quarter.

Changes in the LCR over time

The Group's average LCR has increased from 247% at 31st March 2025 to 256% at 30th June 2025. This is driven by an increase in the Liquidity Buffer.

Concentration of Funding and Liquidity Sources

In line with liquidity reporting requirements, the firm prepares Additional Liquidity Monitoring Metrics ("ALMM") templates designed to supplement the LCR, which provide a view on different aspects of concentration risk. The templates are formally submitted to the PRA on a monthly basis and facilitate internal concentration monitoring.

The Group also monitors and manages concentrations covering collateral type, counterparty, and tenor concentrations for secured and unsecured financing activities under its internal liquidity risk framework. In particular, refinancing risk for lower quality assets is monitored via counterparty and tenor limits.

Composition of the Liquidity Buffer

The liquidity buffer is comprised of highly liquid government securities held in the form of reverse repos and central bank deposits, which are under the control of the Treasury function.

The composition of the liquidity buffer is appropriately managed both in terms of currency and concentration risks.

Derivative Exposures and Potential Collateral Calls

NIP is the main derivatives trading entity within the Group, executing numerous derivative products including FX, Interest Rate, Equity and Credit derivatives across all major business areas.

The Nomura Group runs a comprehensive range of liquidity specific stress tests capturing items under three core risk drivers:

- Ratings downgrade
- Counterparty behaviour
- Impact of adverse market shock

Currency Mismatch in the LCR

Currency LCR compliance is not a regulatory requirement. The Group manages currency mismatch via internal stress testing and controls short-dated FX rollover risk via a set of limits, EWIs and other trigger metrics as part of the Contingency Funding Plan ("CFP").

As the main derivatives executing entity, the Group's currency LCR results are negatively impacted by the LCR inflow cap.

Other Relevant Items in the LCR Calculation that are not Captured in the LCR Disclosure Template

The PRA has applied a range of Pillar 2 fixed add-ons for liquidity risks not captured under LCR Pillar 1, including for example intraday risk and debt buybacks. These risks are modelled and fully incorporated into the Group's internal liquidity stress modelling.