Nomura Europe Holdings plc Group

Annual Pillar 3 Disclosures

31st March 2024

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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 capital framework for strengthening international capital standards.

Scope of Application

The Pillar 3 disclosures as at 31st March 2024 are prepared on the basis of the consolidated situation of the Group. In addition, Nomura International Plc ("NIP") is disclosed as a large non-listed subsidiary within the Group. NIP is authorised by the PRA as a PRA designated investment firm and regulated by the PRA and the Financial Conduct Authority ("FCA"). NIP is also registered with the Commodity Futures Trading Commission ("CFTC") as a non-US Swap Dealer and with the U.S. Securities and Exchange Commission ("SEC") as a conditionally registered Security-based Swap Dealer. NIP is a member of National Futures Association.

Other regulated subsidiaries included in the Group are 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"). They are not considered to be large subsidiaries as at 31st March 2024 and are therefore not disclosed in this document.

NBL discloses its Pillar 3 disclosure separately in accordance with its local regulatory requirements which can be found here.

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. Refer to template UK LI3 for further details.

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". A table has been included in Appendix 1 summarising the relevant articles and associated disclosures.

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.

In addition to the qualitative disclosures in this document further details applicable to the Group as required under Pillar 3 are considered and made within NIP's Annual Report, the NHI Quarterly Basel III Pillar 3 disclosures and NHI Securities and Exchange Commission 20-F Filings.

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

Regulation and Regulatory Changes

Regulations

During the previous year, the Group has noted the following significant changes to Regulations against which it has implemented the necessary changes during the year or has established ongoing programs to deliver compliance in line with the expected due dates set out by the regulators:

- The BCBS sets out international standards for banking regulation which have been implemented over time in the UK, previously through the EU capital requirements regulations prior to Brexit, but subsequently in a combination of retained EU regulations in primary legislation and through PRA rules/standards. The BCBS regulations have continued to evolve and the UK is now in the process of adopting the changes relating to the Fundamental Review of the Trading Book, new methodologies for CVA and Operational Risk and revisions to the approach for Credit Risk. The new requirements will also introduce the concept of Output Floors which will apply on the use of modelled approaches into its regulatory framework on a phased in basis between July 2025 and January 2030. Overall, these changes are referred to as Basel 3.1 and were originally issued for consultation by HM Treasury ("HMT") and the PRA in November 2022 with the first phase of the PRA's near final draft rules subsequently being published in December 2023 and the second phase published in September 2024. The final updated implementation date has now been confirmed as 1st January 2026. The changes will also deliver a further transition of regulations from primary legislation to PRA rules as the UK regulatory framework continues to develop post Brexit with the transfer of rulemaking responsibilities to the PRA and will include new and amended reporting and disclosure requirements.

- In May 2022, the PRA published a Policy Statement, with accompanying Supervisory Statements on Trading Activity Wind-down ("TWD"). The statements set out the requirements for firms to have capabilities that can be utilised for a full or partial wind-down of their trading activities, either as part of their recovery or post-resolution restructuring. NIP, as an in-scope firm, is expected to meet the policy requirements by 3rd March 2025.

- In 2023, the PRA published Supervisory Statement SS1/23 and Policy Statement PS6/23 to formally introduce principles and requirements for model risk management ("MRM"), effective 17th May 2024. SS1/23 presents five key principles for firms to adhere to when implementing a robust MRM framework to manage the risk effectively across all model and risk types. The principles are intended to support firms to strengthen their policies, procedures, and practices to identify, manage, and control the risks associated with the use of models.

- On 24th February 2023 the UK FCA and BoE issued a joint policy statement setting out changes to reporting requirements, procedures for data quality and registration of Trade Repositories under UK European Market Infrastructure Regulation ("EMIR"). The policy statement, also known as the UK EMIR REFIT, sets out the final amendments to technical standards and new rules for Trade Repositories in relation to the derivatives reporting framework under the UK EMIR. The requirements will come into effect on 30th September 2024, except for certain amendments which relate to the format and details of applications for registration of trade repositories, which come into force immediately. The Group is enhancing its post trade reporting systems to facilitate compliance with UK EMIR REFIT reporting regime.

- On 18th December 2023, the PRA and the FCA published a Policy Statement on margin requirements for non-centrally cleared derivatives: Amendments to BTS 2016/2251. Among other things, it extends the temporary exemptions for single-stock equity options and index options from the UK bilateral margining requirements from 4th January 2024 until 4th January 2026 and set out the proposed approach to model pre-approval in relation to bilateral initial margin models. The Policy Statement would trigger changes to the UK version of Commission Delegated Regulation (EU) 2016/2251 of 4th October 2016 and the regulatory technical standards (RTS) for risk-mitigation techniques for over-the-counter ("OTC") derivative contracts not cleared by a central counterparty which supplement the retained EU Regulation on OTC derivative transactions, central counterparties and trade repositories ("UK EMIR"). The policy is effective since 18 December 2023. The Group has updated systems, policies and procedures accordingly.

- The EU Benchmark Regulation ("BMR") contains rules on the use of non-EU benchmarks. On 14th July 2023, the European Commission adopted a draft delegated act that extends the transitional period for third-country benchmark administrators as set out under the EU BMR, to 31st December, 2025. The Delegated Act is effective since 26th October 2023. In addition, on 17th October 2023, the EU Commission published a proposal to review the EU BMR. The proposal is part of the Commission's broader package of measures that seeks to rationalise reporting requirements for companies across various pieces of European financial services legislation, and includes, among other things, a proposal to reduce the scope of the BMR to cover only significant and critical benchmarks, together with EU Climate Transition and EU Paris-aligned Benchmarks. The Commission proposes to establish two mechanisms to identify significant benchmarks: a threshold-based approach and a designation regime. Furthermore, it proposes to make the recognition regime for third-country administrators that will be required to obtain an EU licence, a permanent solution. The transitional provisions state that national competent authorities and European Securities and Markets Authority ("ESMA") should provide less burdensome application procedures for administrators that are already authorised, registered, endorsed or recognised and that apply for a new authorisation, registration, endorsement or recognition within two years from the date of application of the revised BMR. Once formally adopted, the revised BMR is proposed to be applied from 1st January 2026.

- On 7th November, 2023, HMT published a policy paper on extending the transitional period for third country benchmarks in the UK, which explains the government's rationale for extending the transitional period for third country benchmarks under the UK Benchmarks Regulation. The transitional period has, subsequently, been extended from 31st December 2025 to 31st December 2030, under the UK BMR, effective from 1st January, 2024. It will ensure continued access to important third country benchmarks in the UK, while also providing the government more time to consider reforms to the third country regime. This work will take place as part of HMT's wider programme of work to repeal and replace retained EU law in financial services, using powers under the Financial Services and Markets Act 2023.

- On 8th March, 2024 the Directive and Regulation amending the MiFID II / MiFIR regime to improve access to market data and transparency were published in the EU Official Journal. In particular, the Regulation introduces an EU-wide consolidated tape and new rules that prohibit payment for order flow. The Regulation entered into force on 28th March, 2024. Member States should bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 29th September 2025. The Group is monitoring these developments and implementing any changes as relevant as the final rules are published.

- On 8th January, 2024 ESMA published an updated version of its manual on Post-Trade Transparency under MiFID II/

MiFIR. The amendments concern corrections on the type of transactions subject to post-trade transparency and to non-equity transparency calculations. The Group has implemented these changes.

- In the UK, following the publication of the Financial Services and Market Act 2023 ("FSMA") in July 2023, HMT published its first commencement schedule. Among other things, it confirms that various capital markets provisions contained within the FSMA came into force on 29th August 2023, e.g. removing the share trading obligation and double volume cap, removing restrictions on midpoint crossing for trades and aligning the derivatives trading obligation with the EMIR clearing obligation. The FCA has consequently updated, or revoked, a number of directions to reflect the entry into force of these amendments and published several consultation papers as part of the Edinburgh's Reforms.

- On 3rd May, 2023, the FCA published a policy statement (PS23/4) - part of the Wholesale Market Review - setting out changes to rules and guidance intended to improve the functioning of equity secondary markets. The Policy Statement aims to establish a simpler and clearer regime for the reporting of OTC transactions. As part of these changes, a new Designated Reporter Regime (DRR) is being introduced, clarifying who holds the obligation of ensuring that a trade is made public. A firm is able to register as a Designated Reporter regardless of its Systematic Internaliser status.

- The new FCA post-trade transparency requirements enter into force in April 2024, and the changes to waivers from pre-trade transparency and to the tick size regime apply immediately. NIP has decided to be registered with the FCA, as a Designated Reporter.

- On 8th February 2022, the EU Commission confirmed an extension of its equivalence determination for UK Central Counterparties ("CCPs"). The decision means that EEA clearing members will be able to continue clearing through recognised UK CCPs until 30th June 2025. At the same time, the EU Commission launched a targeted public consultation and a call for evidence on ways to expand central clearing activities in the EU and improve the attractiveness of EU CCPs in order to reduce the EU's over reliance on systemic third-country CCPs.

- The declared intention of the EU is to relocate Euro derivatives clearing from London to the EU, however as NIP is a member of Eurex Exchange, it is positioned to avoid trade disruption in the event of mandated relocation. On 14th February 2024 the EMIR 3 package (Regulation and Directive) was approved by the European Commission that significantly watered-down clearing relocation proposals but reiterated that plans to move more clearing into the EU would press ahead.

- The amendments introduced by the Central Securities Depositories Regulation ("CSDR") Refit include that a third country Central Securities Depository ("CSD") must notify ESMA where it intends to provide settlement services in relation to financial instruments constituted under the law of an EU Member State. ESMA is to inform the EU Member State competent authority under whose law the financial instruments are constituted. In addition, ESMA is to develop draft RTS specifying the information that the third country CSD is to provide to it in the notification. The draft RTS are expected to be submitted to the Commission by 17th January 2025.

- The UK CSDR will be revoked under FSMA. Its revocation forms part of the UK Government's wider work programme relating to retained EU law. Under the FSMA 2023, the Bank of England ("BoE") has received a general rule-making power over CSDs (and CCPs). The BoE will use this to set requirements through its rulebooks. The BoE is exploring proposing 'fundamental rules' that would underpin the whole regime and help firms anticipate how the BoE will assess their compliance with more specific rules. The FSMA 2023 also gave the BoE the power to issue requirements to recognised UK CSDs (and recognised UK CCPs and systemic third-country CCPs). This power will allow the BoE to require such entities to take, or refrain from taking, a specified action. On 21st December 2023, the BoE issued a consultation paper on its approach to statutory notice decisions for use of its requirements powers. The deadline for comments on the consultation paper was 21st March, 2024.

- In the area of Sustainability/ Environmental, Social and Governance ("ESG"), the UK have introduced new mandatory Climate-related Financial Disclosure requirements under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. These rules are effective for financial years starting on or after 6th April 2022 and introduce mandatory disclosures consistent with the recommendations of the Taskforce on Climate-related Financial Disclosures ("TCFD"). Whilst the requirements are applicable to NIP from 1st April 2023, certain disclosures have been made on a voluntary basis and can be found in the NIP Annual Report. NIP has updated systems, policies and procedures accordingly.

- The sector-neutral framework proposes high quality disclosures for transition plans and builds on the work of the International Sustainability Standards Board ("ISSB"), the TCFD and the Glasgow Financial Alliance for Net Zero.

  On 28th November 2023, the FCA published a package of measures setting out its final rules on the sustainability disclosure requirements ("SDR") regime and accompanying investment labels and is a key part of delivering the UK government's roadmap to sustainable investing. The measures are built on the ISSB Reporting Standards on Sustainability. Among other things, it introduces restrictions on how certain sustainability-related terms, such as ESG, green or sustainable, can be used in product names and marketing for products which do not qualify for the sustainable investment labels and introduces sustainable investment product labels with three categories underpinned by objective criteria. The measures are intended to help consumers navigate the market for sustainable investment products, by improving the trust and transparency of such products. The SDR rules also include a general anti-greenwashing provision that will come into effect from 31st May 2024 and firms can use the investment labels from 31st July 2024. The naming and marketing rules for asset managers come into effect from 2nd December 2024. The company is currently reviewing its relevant policies, procedures and client documentation.

Business Environment

Throughout the financial year ended 31st March 2024, global economic fundamentals showed resilience despite geopolitical tensions continuing to dominate headlines. The global inflation caused by the resumption of economic activity post Covid-19 stabilised, however Central Banks continued to raise interest rates in the first half of the year.

Global stock markets performed well in 2023 with global equities rising ~15%. This continued into 2024 with the Nikkei 225 Index reaching the 40,000 Yen level for the first time on 4th March 2024, mainly supported by overseas investors buying Japanese stocks. The S&P 500 also broke the 5,000 Dollar milestone for the first time on 9th February 2024.

In Investment Banking, client activity increased from the previous fiscal year despite geopolitical risks and persisting uncertainty in the market environment. As a result, Investment Banking earnings increased for the full year. The Investment Banking business continues to engage closely with clients and, along with the Solutions business, look to support in hedging and managing risk.

In Global Markets, the Company continued to reinforce its core strengths across regions, providing uninterrupted service and liquidity to clients as they rebalanced and hedged their portfolios in highly volatile and uncertain markets.

Geopolitical Environment

The Company is aware of the geopolitical tensions around the world and continue to actively monitor the impact it could have on the global economy.

Risk Management

The Group's risk management framework is closely aligned to the Nomura Group's risk management framework. However, through its local governance, the Group does apply specific risk management controls and defines its risk appetite, which outlines the types and level of risk that the Group is willing to assume in pursuit of its corporate vision, strategic objectives, and business plan. Risk appetite is set within the available risk capacity, which is determined by constraints including regulatory capital, liquidity, and business conditions.

The Group actively takes risks in support of the business strategy and accepts that this exposes the Group to all major risk types (for example, credit risk, market risk, liquidity risk, model risk and non-financial risk - operational and reputational). Given that most of the risks in the Group stem from activities in NIP, further information on these risks and the Group risk management is provided in note 15 of the NIP Annual Report.

These risks are managed through the Group's Executive Governance and through sub-committees of the Board of NEHS.

Risk Appetite

The Group's capacity to take risk ("risk capacity") is determined by what constraints there are on the business; these include the available financial resources (for example regulatory capital and liquidity) and business conditions. The Group's "risk appetite" provides an expression of how much risk the firm is prepared to take within that risk capacity to support the business plan and strategy.

The risk appetite and risk limits for the Group, including NIP, include the following topics: capital adequacy, financial risks (comprising credit risk, market risk, model risk, liquidity risk), non-financial risk (comprising reputational risk and operational risk), and other risks (strategic risk and risks extending across plural risk categories).

The risk appetite and risk limits for the Group are established at levels that are consistent with the cascaded NHI risk appetite and risk limits. Lower-level risk limits are used to manage the business at the more granular levels of the hierarchy in a manner that is consistent with the Group's risk appetite.

Some of the measures used for the risk appetite of the Group are calculated differently from those used in NHI's risk appetite in line with local regulations, and for some of the measures there are additional local regulatory requirements, so additional specific measures have been established at the Group level to ensure this compliance.

The metrics include, but are not limited to:

- Capital adequacy metrics, such as Tier 1 capital headroom above capital buffers, regulatory P&L, stressed capital ratio and economic capital ratio;
- Liquidity risk metrics, such as Maximum Cumulative Outflow under different scenarios, Liquidity Coverage Ratio;
- Market and credit risk metrics, such as Aggregated Tail Risk ("ATR"). ATR provides a single portfolio level view of tail risk in the entity. The ATR measure is considered a conservative macro representation across Credit & Market risk, which enables the setting of financial risk appetite for the entity as a whole;
- Operational risk metrics, such as the aggregated operational risk losses as a percentage of actual revenue; and
- Model risk metrics, such as model event risk.

The risk appetite statement for the Group, is approved by the Board, and tracked and communicated to that forum on an ongoing basis. There is clear ownership and accountability for each category of risk and individual risk appetite measures. The risk appetite statement must be reviewed and updated at the beginning of each financial year in conjunction with the annual business planning process and may also be reviewed and revised at any time in response to emerging risks or to significant changes in business and economic conditions, business strategy, competitive conditions or regulatory requirements.

Risk Requirement Methodologies

The Group utilises the standardised (non-modelled) approaches for the calculation of capital requirements for credit, market and operational risks unless specified below.

In December 2012, NIP was granted permission by the PRA to use the Internal Model Method ("IMM") in the calculation of counterparty credit risk exposures for certain derivative ("DRT") and securities financing transactions ("SFT").

In July 2013, NIP was granted permission by the PRA to use the internal model approach, such as Value at Risk ("VaR"), Stressed VaR ("SVaR"), Incremental Risk Charge ("IRC"), to calculate market risk regulatory capital requirements for a range of trading positions.

In 2021, the PRA extended the application scope of the model permissions highlighted above to apply at the Group level (which for these purposes includes NIP and NFPE).

Risk Management Structure

The Board of Directors of the Group is ultimately responsible for ensuring the maintenance of a sound system of internal controls and risk management that ensures risks are appropriately and effectively managed for NEHS.

The Board Risk Committee ("BRC") as delegated by the Board is responsible for, amongst other things:

- Ensuring an effective internal control and risk management environment is maintained in respect of the risks impacting the Group; and
- Providing oversight and guidance to the Board on the current risk profile of the Group, the Group's risk appetite and tolerance and future risk strategy for the Group, and the establishment and maintenance of an appropriate risk control framework for the Group.

The Enterprise Risk Committee ("ERC") is established and chaired by the NEHS Chief Risk Officer ("CRO") and serves as the key senior management governance committee for overseeing the risk and control framework at Group for financial and non-financial risks, outlined in the NEHS Risk Management Framework.

The Risk Management Division ensures effective risk governance through development, ownership and maintenance of risk management policies, risk management frameworks, tools and analysis for risk management. The Risk Management Division responsibilities also include monitoring and reporting of actual risk exposures against risk appetite and risk limits, as well as evaluating risk management governance established by the 1st LOD.

The Risk Management Division comprises the following functions to manage the various types of risk that the Group is exposed to:

- Market Risk Management, which provides independent oversight, assessment and monitoring of market risks taken by the Group;
- Stress Testing Group, which develops and performs various sensitivity and scenario analyses;
- Credit Risk Management, which provides independent oversight, assessment and monitoring of credit risks taken by the Group;
- Operational Risk Management, which provides independent oversight, assessment and monitoring of operational risks taken by the Group;

- New Business Group, which is responsible for the approval process of new products and transactions to ensure that risks associated with these new products and transactions are identified and managed appropriately;
- Risk Methodology Group, which is responsible for designing and building risk models that calculate potential losses incurred from a specific risk type and are used for regulatory or economic capital calculations, limit monitoring, trade approval, etc.
- Model Risk Management, which provides independent oversight, assessment and monitoring of model risks taken by the Group;
- Liquidity Risk Management, which provides independent oversight to liquidity risk management within the Company;
- Electronic and Algorithmic Trading ("EAT") Risk Management, which is responsible for all matters relating to the development and implementation of governance, risk and control management framework for EAT activity within the Company.

The Risk Methodology Group, the Model Risk Management function and EAT Risk Management report into both the Global and Regional structures. Additionally, the NEHS CRO is a member of several Global and Regional Committees.

The Three Lines of Defence

Three lines of defence ("LOD") risk governance model is utilised to ensure roles and responsibilities for the management of risk throughout the Group have been clearly defined, communicated and widely understood. 1st LOD responsibilities are embedded across all functions as their activities give rise to financial and / or non-financial risks. The 2nd LOD functions provide objective independent review, advice and challenge to the 1st LOD on their responsibilities. 2nd LOD functions include, but are not limited to, the Risk Management Division, the Legal, Compliance and Culture ("LCC") Division, and the Finance Division. The 3rd LOD provides independent assurance on the activities of the 1st and 2nd LODs. This consists of the Group's Internal Audit function.

The scope and nature of risk reporting and measurement systems

Data feeds for internal and regulatory reporting adhere to the standards and regulations of the Global Data Management Policy, which conforms to BCBS239 principles.

Information on intragroup transactions and transactions with related parties that may have a material impact on the risk profile of the Group

The Group has a large number of intragroup transactions with entities across different jurisdictions. NIP, in particular given its role as Nomura's global booking entity, enters into intragroup transactions to support client facilitation and risk management across Nomura's global legal entities.

Intragroup credit limits are set to manage exposures, in line with the Inter-Affiliate Exposure Management Procedure. These limits are approved by the NEHS Head of Credit Risk and the Global Head of Credit Risk to ensure compliance with the Global Approval Authority framework. Risk mitigation can be achieved by a combination of different approaches, including but not limited to: (i) collateralisation (both Variation Margin and Initial Amount), (ii) eligible hedges, (iii) trade novations and (iv) limit management.

For Market risk the majority of the risk in Rates, Traded Credit & non-linear FX businesses are transferred to Nomura Financial Products and Services, Inc. ("NFPS") through inter entity trade bookings. NFPS is the entity used to warehouse and manage the market risk of derivatives and securities positions for the Nomura Group. The remaining market risks in the Group are mostly those which cannot be transferred out to other entities including primarily CVA and FVA risks, the lending portfolio and small positions in other desks.

Directorships

The following table shows directorships held by members of the management body as at 31st March 2024 and complements disclosures made in the NIP Annual Report.

Directors	Internal Directorships	External Directorships
Neeta Atkar MBE	4	2
David Godfrey CBE*	3	0
John Tierney	7	0
Jonathan Britton OBE	3	3
Jonathan Lewis	2	1
Naoyuki Oguri	3	0
Rosemary Murray	4	2
Daisuke Mototani	8	1
Magnus Falk	5	1
Sir Thomas Scholar	3	0

**David Godfrey resigned from the Board on 9 April 2024 on conclusion of his 9-year tenure as Chair.*

All internal directorships are held within the Nomura Group. All external directorships are either Executive or Non-Executive directorships or are positions within charitable companies/bodies.

The Group is committed to fostering our corporate culture which respects our people's values regardless of their background, such as gender, nationality, ethnic origin, age, sexual orientation or gender identity. The Group strives to offer equal opportunities to all personnel to enable each and every one of them to develop their capabilities and strengths as individuals to the fullest and perform as Nomura Group professionals.

The Governance and Nomination Committee has responsibility for leading the process for Board appointments and for identifying and nominating candidates for appointment to the Board. Board appointments are based on merit and candidates will be considered against objective criteria. The Group strives to maintain a Board in which a diverse range of skills, knowledge and experiences are combined in an environment which values the input of every director.

The approach for reporting external directorships has been updated to align with regulatory best practice and comparable market participants. In accordance with Rule 5.4 of the General Organisation Requirements section of the PRA Rulebook, the Firm reports annually on the number of directorships held by each Director as part of the Annual Pillar 3 disclosures. Directorships within the same group are counted as one and non-commercial interests are omitted.

NOMURA

Key Metrics

Template UK KM1 – Key metrics template for the Group

The below table shows the key metrics for the Group[1]

	$m	a	b	c	d	e
		Mar-24	Dec-23	Sep-23	Jun-23	Mar-23
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	5,606	5,596	5,564	5,567	5,573
2	Tier 1 capital	5,606	5,596	5,564	5,567	5,573
3	Total capital	7,626	7,724	7,724	7,727	7,733
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	34,022	35,364	32,555	33,116	31,321
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	16.48%	15.82%	17.09%	16.81%	17.78%
6	Tier 1 ratio (%)	16.48%	15.82%	17.09%	16.81%	17.78%
7	Total capital ratio (%)	22.41%	21.84%	23.73%	23.33%	24.66%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a	Additional CET1 SREP requirements (%)	2.37%	2.37%	2.37%	2.37%	2.37%
UK 7b	Additional AT1 SREP requirements (%)	0.79%	0.79%	0.79%	0.79%	0.79%
UK 7c	Additional T2 SREP requirements (%)	1.05%	1.05%	1.05%	1.05%	1.05%
UK 7d	Total SREP own funds requirements (%)	12.21%	12.21%	12.21%	12.21%	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 (%)	0.59%	0.57%	0.55%	0.35%	0.30%
UK 9a	Systemic risk buffer (%)					
10	Global Systemically Important Institution buffer (%)					
UK 10a	Other Systemically Important Institution buffer					
11	Combined buffer requirement (%)	3.09%	3.07%	3.05%	2.85%	2.80%
UK 11a	Overall capital requirements (%)	15.30%	15.28%	15.26%	15.06%	15.01%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.32%	6.67%	7.93%	7.65%	8.64%
	Leverage ratio					
13	Total exposure measure excluding claims on central banks	128,712	135,253	129,847	128,339	129,590
14	Leverage ratio excluding claims on central banks (%)	4.36%	4.14%	4.28%	4.34%	4.30%
	Additional leverage ratio disclosure requirements					
UK 14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	4.36%	4.14%	4.28%	4.34%	4.30%
UK 14b	Leverage ratio including claims on central banks (%)	4.18%	3.94%	4.10%	4.16%	4.17%
UK 14c	Average leverage ratio excluding claims on central banks (%)	4.28%	4.22%	4.32%	4.21%	4.12%
14d	Average leverage ratio including claims on central banks (%)	4.09%	4.05%	4.15%	4.08%	4.00%
14e	Countercyclical leverage ratio buffer (%)	0.20%	0.20%	0.20%	0.10%	0.10%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	21,030	21,259	21,749	22,230	22,304
UK 16a	Cash outflows - Total weighted value	31,853	30,844	31,381	31,513	31,246
UK 16b	Cash inflows - Total weighted value	23,507	22,889	23,336	23,776	23,962
16	Total net cash outflows (adjusted value)	8,400	8,030	8,111	8,050	7,951
17	Liquidity coverage ratio (%)	252.19%	266.05%	268.92%	276.83%	281.67%
	Net Stable Funding Ratio					
18	Total available stable funding	29,618	29,749	29,540	29,121	28,948
19	Total required stable funding	22,501	21,665	20,526	19,287	18,716
20	NSFR ratio (%)	132.14%	137.95%	143.92%	151.25%	154.67%

[1]The Group is required to maintain a minimum ratio of Own Funds to Risk Weighted Assets ("RWAs"). As at 31st March 2024, the Group is in compliance with the PRA capital requirements.

Template UK KM1 – Key metrics template for NIP

The below table shows the key metrics for NIP[1]

	$m	a	c	e
		Mar-24	Sep-23	Mar-23
	Available own funds (amounts)			
1	Common Equity Tier 1 (CET1) capital	5,053	5,027	5,063
2	Tier 1 capital	5,053	5,027	5,063
3	Total capital	6,232	6,287	6,323
	Risk-weighted exposure amounts			
4	Total risk-weighted exposure amount	30,725	28,993	28,659
	Capital ratios (as a percentage of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio (%)	16.45%	17.34%	17.67%
6	Tier 1 ratio (%)	16.45%	17.34%	17.67%
7	Total capital ratio (%)	20.28%	21.68%	22.06%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)			
UK 7a	Additional CET1 SREP requirements (%)	2.36%	2.36%	2.36%
UK 7b	Additional AT1 SREP requirements (%)	0.79%	0.79%	0.79%
UK 7c	Additional T2 SREP requirements (%)	1.05%	1.05%	1.05%
UK 7d	Total SREP own funds requirements (%)	12.20%	12.20%	12.20%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	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%	0.55%	0.31%
UK 9a	Systemic risk buffer (%)			
10	Global Systemically Important Institution buffer (%)			
UK 10a	Other Systemically Important Institution buffer			
11	Combined buffer requirement (%)	3.10%	3.05%	2.81%
UK 11a	Overall capital requirements (%)	15.30%	15.25%	15.01%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.30%	8.19%	8.52%
	Leverage ratio			
13	Total exposure measure excluding claims on central banks	120,164	121,734	122,593
14	Leverage ratio excluding claims on central banks (%)	4.21%	4.13%	4.13%
	Additional leverage ratio disclosure requirements[1]			
UK 14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	4.21%	4.13%	4.13%
UK 14b	Leverage ratio including claims on central banks (%)	4.06%	3.98%	4.03%
UK 14c	Average leverage ratio excluding claims on central banks (%)	4.15%	4.18%	4.01%
14d	Average leverage ratio including claims on central banks (%)	3.99%	4.04%	3.92%
14e	Countercyclical leverage ratio buffer (%)	0.20%	0.20%	0.10%
	Liquidity Coverage Ratio			
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	16,500	17,339	18,151
UK 16a	Cash outflows - Total weighted value	28,591	28,618	28,847
UK 16b	Cash inflows - Total weighted value	21,488	21,318	21,842
16	Total net cash outflows (adjusted value)	7,304	7,414	7,446
17	Liquidity coverage ratio (%)	226.97%	234.75%	245.42%
	Net Stable Funding Ratio			
18	Total available stable funding	25,791	25,343	24,624
19	Total required stable funding	21,116	19,114	17,687
20	NSFR ratio (%)	122.31%	132.59%	139.21%

[1] NIP is required to maintain a minimum ratio of Own Funds to Risk Weighted Assets ("RWAs"). As at 31st March 2024, NIP is in compliance with the PRA capital requirements.

Movements in Key Metrics over the period for the Group

Tier 1 ratio has increased during the quarter due to a decrease in Risk Weighted Exposure Amounts ("RWEA").

Leverage ratio has increased during the quarter due to a reduction in Securities financing transaction leverage exposure.

Liquidity Coverage ratio ("LCR") reduced during the quarter, driven by a reduction in liquid assets plus increased secured net outflows, primarily collateral swaps.

Net Stable Funding ratio ("NSFR") has decreased during the quarter driven by an increase in required stable funding in line with balance sheet usage.

Movements in Key Metrics over the period for NIP

Tier 1 ratio has decreased compared to 30th September 2023, primarily driven by an increase in RWEA.

Leverage ratio has remained broadly consistent compared to 30th September 2023.

LCR has remained broadly consistent compared to 30th September 2023.

NSFR has decreased during the period driven by an increase in required stable funding in line with balance sheet usage.

Own Funds Disclosures

Template UK CC1 – Composition of regulatory own funds for the Group and NIP

The below shows the composition of regulatory own funds for the Group and NIP as at 31st March 2024:

$m		The Group		NIP
		(a)	(b)	(a)
		Amounts	References[1]	Amounts
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	3,399	A	3,269
	of which: Ordinary Share Capital	3,399		3,269
2	Retained earnings	1,051		387
3	Accumulated other comprehensive income (and other reserves)	1,297	C	1,534
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**5,747**		**5,190**
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	(99)		(95)
8	Intangible assets (net of related tax liability) (negative amount)	(7)	D	(4)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	(2)		-
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	13		-
UK-25a	Losses for the current financial year (negative amount)	-		-
27a	Other regulatory adjustments to CET1 capital *(including IFRS 9 transitional adjustments when relevant)*	(46)		(38)
28	**Total regulatory adjustments**	(141)		(137)
29	**Common Equity Tier 1 (CET1) capital**	**5,606**		**5,053**
Additional Tier 1 (AT1) capital: instruments				
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	-		-
Additional Tier 1 (AT1) capital: regulatory adjustments				
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	-		-
44	**Additional Tier 1 (AT1) capital**	-		-
45	**Tier 1 capital (T1 = CET1 + AT1)**	**5,606**		**5,053**
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	2,020		1,179
51	**Tier 2 (T2) capital before regulatory adjustments**	**2,020**		**1,179**
Tier 2 (T2) capital: regulatory adjustments				
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-		-
57	**Total regulatory adjustments to Tier 2 (T2) capital**	-		-
58	**Tier 2 (T2) capital**	**2,020**		**1,179**
59	**Total capital (TC = T1 + T2)**	**7,626**		**6,232**
60	**Total Risk exposure amount**	**34,022**		**30,725**
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	16.48%		16.45%

$m		The Group		NIP
		(a)	(b)	(a)
		Amounts	**References[1]**	**Amounts**
62	Tier 1 (as a percentage of total risk exposure amount)	16.48%		16.45%
63	Total capital (as a percentage of total risk exposure amount)	22.41%		20.28%
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	9.96%		9.96%
65	of which: capital conservation buffer requirement	2.50%		2.50%
66	of which: countercyclical buffer requirement	0.59%		0.60%
67	of which: systemic risk buffer requirement	-		-
UK-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	-		-
68	**Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)**	7.32%		7.30%
Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	52		65
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	-		-
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	-		-

[1] *References provide the mapping of regulatory balance sheet items used to calculate regulatory capital as reflected in the column "References" in UK CC2*

Tier 1 capital of the Group and NIP consist of share capital and reserves.

The Group saw an increase in Tier 1 capital as the losses for the year have been offset by regulatory adjustments. NIP saw a decrease in Tier 1 capital due to the losses for the year.

Regulatory adjustments to CET1 are predominantly driven by Prudential Valuation adjustments.

Other regulatory adjustments are predominantly driven by fair value losses arising from own credit risk related to derivative.

The Group and NIP made no changes to the notional of Tier 2 subordinated debt in the period. For regulatory purposes, Tier 2 instruments are amortised on a straight line basis in their final five years to maturity, thus reducing the amount of capital that is recognised for regulatory purposes.

At 31st March 2024, there were no applicable Systemic Risk or Other Systemically Important Institution ("OSII") buffers.

No restrictions have been applied to the calculation of Common Equity Tier 1 or the prudential filters to Common Equity Tier 1.

Template UK CC2 – Reconciliation of Regulatory Own funds to Balance Sheet in the audited Financial Statements for the Group

The table below shows a reconciliation of regulatory own funds to the balance sheet for the Group as at 31st March 2024:

		a	b	c
$m		**Balance sheet as in published financial statements[1]**	**Under regulatory scope of consolidation**	**References**
		As at 31st March 2024	**As at 31st March 2024**	
Assets - *Breakdown by asset class according to the balance sheet in the published financial statements*				
1	Cash and cash equivalent	-	5,476	
2	Financial assets held for trading	18	166,982	
3	Investments - time deposits	-	1,579	
4	Current tax receivable	-	77	
5	Collateral posted for securities purchased under agreements to resell	-	57,166	
6	Collateral posted for securities borrowed	-	4,712	
7	Other debtors	3,936	17,703	
8	Financial investments	-	33	
9	Deferred tax assets	-	2	
10	Tangible fixed assets	-	69	
11	Intangible fixed assets	-	7	D
12	Investment in subsidiaries under cost method	268	-	
13	Investment in subsidiaries under Equity method	6,490	-	
14	**Total Assets**	**10,712**	**253,806**	
Liabilities - *Breakdown by liability class according to the balance sheet in the published financial statements*				
1	Financial liabilities held for trading	-	156,305	
2	Commercial papers issued	-	831	
3	Current tax payable	-	51	
4	Other creditors	1	18,317	
5	Collateral received for securities sold under agreements to repurchase	-	42,248	
6	Collateral received for securities loaned	-	5,626	
7	Provisions	-	0	
8	Creditors (amounts falling due after more than one year)	4,991	24,681	
9	**Total Liabilities**	**4,992**	**248,059**	
Shareholders' Equity				
1	Called up share capital	3,391	3,391	A
2	Share premium	7	7	A
3	Share-based payment reserve	1,353	1,353	C
4	Translation reserve	(45)	(45)	C
5	Own Credit Reserve	(11)	(11)	C
6	Profit and loss account	1,025	1,052	
7	**Total Shareholders' Equity**	**5,720**	**5,747**	

[1]*Nomura Europe Holdings plc company balance sheet reported as Nomura Europe Holdings Plc Group does not publish consolidated financial statements*

The Group saw a decrease in total assets driven by a decrease in financial assets held for trading as the interest rate environment tightened interest rate curves and decreased the mark to market of derivatives compared to 30th September 2023.

Template UK CC2 – Reconciliation of Regulatory Own funds to Balance Sheet in the audited Financial Statements for NIP

The table below shows a reconciliation of regulatory own funds to the balance sheet for NIP as at 31st March 2024:

$m		a	c
		Balance sheet as in published financial statements and under regulatory scope of consolidation	**References**
		As at 31st March 2024	
Assets - *Breakdown by asset class according to the balance sheet in the published financial statements*			
1	Cash and cash equivalent	3,815	
2	Financial assets held for trading	142,892	
3	Investments time deposits	204	
4	Current tax receivable	53	
5	Collateral posted for securities purchased under agreements to resell	54,281	
6	Collateral posted for securities borrowed	4,850	
7	Other debtors	17,013	
8	Financial investments	11	
9	Tangible fixed assets	23	
10	Intangible fixed assets	4	D
11	Investments in subsidiaries	-	
12	Investments in group companies	13	
13	**Total Assets**	**223,159**	
Liabilities - *Breakdown by liability class according to the balance sheet in the published financial statements*			
1	Financial liabilities held for trading	133,699	
2	Other creditors	18,554	
3	Collateral received for securities sold under agreements to repurchase	44,240	
4	Collateral received for securities loaned	5,626	
5	Provisions	95	
6	Creditors (amounts falling due after more than one year)	15,754	
7	**Total Liabilities**	**217,968**	
Shareholders' Equity			
1	Called up share capital	3,241	A
2	Share premium	27	A
3	Capital redemption reserve	184	C
4	Other reserve	-	C
5	Share-based payment reserve	1,352	C
6	Retained Earnings	387	
7	**Total Shareholders' Equity**	**5,191**	

NIP saw a decrease in total assets driven by a decrease in financial assets held for trading as the interest rate environment tightened interest rate curves and decreased the mark to market of derivatives. Cash and cash equivalents decreased driven by liquidity pool optimisation, with GBP cash deposits exchanged for gilts to maximise liquidity pool yield.

Template UK LI1 – Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories for the Group

		a	b	c	d	e	f	g
	$m	Carrying values as reported in published financial statements[1]	Carrying values under scope of regulatory consolidation	Carrying values of items				
				Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
	Breakdown by asset class according to the balance sheet in the published financial statements							
1	Cash and cash equivalent	-	5,476	5,476	-	-	-	-
2	Financial assets held for trading	18	166,982	928	151,182	-	166,054	-
3	Investments - time deposits	-	1,579	1,578	1	-	1	-
4	Current tax receivable	-	77	77	-	-	-	-
5	Collateral posted for securities purchased under agreements to resell	-	57,166	-	57,166	-	57,166	-
6	Collateral posted for securities borrowed	-	4,712	-	4,712	-	4,712	-
7	Other debtors	3,936	17,703	2,208	15,495	-	15,495	-
8	Financial investments	-	33	33	-	-	-	-
9	Deferred tax assets	-	2	2	-	-	-	-
10	Tangible fixed assets	-	69	69	-	-	-	-
11	Intangible fixed assets	-	7	-	-	-	-	7
12	Investment in subsidiaries under cost method	268	-	-	-	-	-	-
13	Investment in subsidiaries under Equity method	6,490	-	-	-	-	-	-
14	**Total Assets**	**10,712**	**253,806**	**10,371**	**228,556**	**-**	**243,428**	**7**
	Breakdown by liability classes according to the balance sheet in the published financial statements							
1	Financial liabilities held for trading	-	156,305	-	149,737	-	156,305	-
2	Commercial papers issued	-	831	-	-	-	-	831
3	Current tax payable	-	51	-	-	-	-	51
4	Other creditors	1	18,317	-	15,047	-	15,047	3,270
5	Collateral received for securities sold under agreements to repurchase	-	42,248	-	42,248	-	42,248	-
6	Collateral received for securities loaned	-	5,626	-	5,626	-	5,626	-
7	Provisions	-	0	-	-	-	-	0
8	Deferred tax liability	-	-	-	-	-	-	-
9	Creditors (amounts falling due after more than one year)	4,991	24,681	-	3,959	-	3,959	20,719
10	**Total Liabilities**	**4,992**	**248,059**	**-**	**216,617**	**-**	**223,185**	**24,871**

[1]Nomura Europe Holdings plc company balance sheet reported as Nomura Europe Holdings Plc Group does not publish consolidated financial statements

The amounts showing in the column ‘carrying values under scope of regulatory consolidation’ do not equal the sum of the columns to the right as items may be subject to more than one risk framework. Items which relate to derivative or secured financing transactions have been categorised under the CCR and market risk frameworks. Other items considered as on- and off-balance sheet, are covered under the credit risk framework.

Template UK LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements for the Group

	$m	The Group				
		a	b	c	d	e
		Total	Items subject to			
			Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	**Assets carrying value amount under the scope of regulatory consolidation (as per template LI1)**	**253,799**	**10,371**	**-**	**228,556**	**243,428**
2	**Liabilities carrying value amount under the regulatory scope of consolidation (as per template LI1)**	**223,188**	**-**	**-**	**216,617**	**223,185**
3	**Total net amount under the regulatory scope of consolidation**	**30,611**	**10,371**	**-**	**11,939**	**20,243**
4	**Off-balance-sheet amounts**	**4,045**	**3,830**	**-**	**-**	
5	*Differences in valuations*	-	-	-	-	
6	*Differences due to different netting rules, other than those already included in row 2* [1]	586,932	-	-	586,932	
7	*Differences due to consideration of provisions*	-	-	-	-	
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*	(559,824)	-	-	(559,824)	
9	*Differences due to credit conversion factors* [2]	(2,729)	(2,729)	-	-	
10	*Differences due to Securitisation with risk transfer*	-	-	-	-	
11	*Other differences*	-	-	-	-	
12	**Exposure amounts considered for regulatory purposes**	**59,035**	**11,472**	**-**	**39,047**	

1. *Includes effects due to differences in exposure modelling applying the Effective Expected Positive Exposure ("EEPE") as well as SA-CCR for derivatives and financial collateral comprehensive method for SFT including differences as a result of application of regulatory netting rules.*
2. *Off-balance sheet items subject to credit risk framework may include undrawn facilities which have Credit Conversion Factors ("CCF").*

Template UK LI3 – Outline of the differences in the scopes of consolidation (entity by entity)

Name of the Entity	Method of Accounting Consolidation	Method of Regulatory Consolidation		Description of Entity
		Full Consolidation	Equity Method	
Nomura Europe Holdings Plc	Full Consolidation	✓		Financial Holding Company
Nomura International Plc	Full Consolidation	✓		PRA Designated Investment Firm
Nomura Financial Products Europe GmbH	Full Consolidation	✓		Investment Firm
Nomura Bank International Plc	Full Consolidation	✓		Credit Institution
Nomura Bank (Luxembourg) Sa	Full Consolidation	✓		Credit Institution
Banque Nomura France, S.A.	Full Consolidation	✓		Credit Institution
Nomura Bank (Switzerland) Ltd	Full Consolidation	✓		Credit Institution
Nomura Alternative Investment Management France S.A.S	Full Consolidation	✓		Asset Management Company
Global Funds Trust Company	Full Consolidation	✓		Management Company
Master Trust Company	Full Consolidation	✓		Management Company
Global Funds Management S.A.	Full Consolidation	✓		Management Company
Bailey Repackaging Trust	Full Consolidation		✓	Financial Services Trust Company
Nomura Investment Solutions PLC - Nomura Fixed INC Risk	Full Consolidation		✓	Funds
Nomura Cross Asset Momentum UCITS Fund	Full Consolidation		✓	Funds
Nomura Global High Yield Dynamic Duration UCITS Fund	Full Consolidation		✓	Funds
Sylph Ltd Series 1012,1014,1686,1687,1738,1811,1855,1881,1922,2001	Full Consolidation		✓	Special Purpose Entity
Novus Italia 2 S.r.l.	Full Consolidation		✓	Special Purpose Entity
Nomura Nominees Limited	Full Consolidation		✓	Custodian
Nomura D1 Nominee Limited	Full Consolidation		✓	Custodian
Nomura Clearance and Settlement Nominees Limited	Full Consolidation		✓	Custodian
Nomura PB Nominees Limited	Full Consolidation		✓	Custodian
Nomura Custody Nominees Limited	Full Consolidation		✓	Custodian
Nomura London Retirement Benefits Plan Trustee Limited	Full Consolidation		✓	Corporate Trustee
Nomura.com Limited	Full Consolidation		✓	Dormant Company
Nomura Saudi Arabia	Full Consolidation		✓	Entity in Liquidation
Nomura Private Equity Investment GP Limited	Full Consolidation		✓	Entity in Liquidation
Nomura Alternative Investment Management (Europe) Limited	Full Consolidation		✓	Entity in Liquidation
Nomura RPS Limited	Full Consolidation		✓	Entity in Liquidation
IBJ Nomura Financial Products (UK) plc	Full Consolidation		✓	Entity in Liquidation

There are no subsidiaries that are excluded from the prudential scope of consolidation

Transitional Provisions

Following adoption of IFRS 9 on 1 April 2018 the Group now applies the Expected Credit Loss ("ECL") model which replaces the incurred loss model under IAS 39. The table provides a comparison of own funds, capital and leverage ratios with and without the application of transitional arrangements for IFRS 9. CRR article 473a ECL transitional relief has been extended to provide additional ECL relief following COVID-19. The relief permits the Group to add back to its own funds 100% of any increases in ECL arising from 1 January 2020 (deemed to be as a result of COVID-19) with the relief factor reducing to 25% by 2025.

Template IFRS 9-FL: Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs for the Group

The table below shows a comparison of own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs for the Group as at 31st March 2024:

$m	Mar-24	Dec-23	Sep-23	Jun-23	Mar-23
Available Capital					
Common Equity Tier 1 (CET1) capital	5,606	5,596	5,564	5,567	5,573
Common Equity Tier 1 (CET1) capital as if IFRS 9 ECL transitional arrangements had not been applied	5,606	5,596	5,564	5,567	5,572
Tier 1 capital	5,606	5,596	5,564	5,567	5,573
Tier 1 capital as if IFRS 9 ECL transitional arrangements had not been applied	5,606	5,596	5,564	5,567	5,572
Total capital	7,626	7,724	7,724	7,727	7,733
Total capital as if IFRS 9 ECL transitional arrangements had not been applied	7,626	7,724	7,724	7,727	7,732
Risk Weighted Assets					
Total risk-weighted assets	34,022	35,364	32,555	33,116	31,321
Capital Ratios					
Common Equity Tier 1 (as a percentage of risk exposure amount)	16.48%	15.82%	17.09%	16.81%	17.79%
Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 ECL transitional arrangements had not been applied	16.48%	15.82%	17.09%	16.81%	17.79%
Tier 1 (as a percentage of risk exposure amount)	16.48%	15.82%	17.09%	16.81%	17.79%
Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 ECL transitional arrangements had not been applied	16.48%	15.82%	17.09%	16.81%	17.79%
Total capital (as a percentage of risk exposure amount)	22.41%	21.84%	23.73%	23.33%	24.69%
Total capital (as a percentage of risk exposure amount) as if IFRS 9 ECL transitional arrangements had not been applied	22.41%	21.84%	23.73%	23.33%	24.69%
Leverage Ratio					
Leverage ratio total exposure measure	128,712	135,253	129,847	128,339	129,590
Leverage ratio	4.36%	4.14%	4.28%	4.34%	4.30%
Leverage ratio as if IFRS 9 ECL transitional arrangements had not been applied	4.36%	4.14%	4.28%	4.34%	4.30%

Template IFRS 9-FL: Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs for NIP

The table below shows a comparison own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs for NIP as at 31st March 2024:

$m	Mar-24	Sep-23	Mar-23
Available Capital			
Common Equity Tier 1 (CET1) capital	5,053	5,027	5,063
Common Equity Tier 1 (CET1) capital as if IFRS 9 ECL transitional arrangements had not been applied	5,053	5,027	5,061
Tier 1 capital	5,053	5,027	5,063
Tier 1 capital as if IFRS 9 ECL transitional arrangements had not been applied	5,053	5,027	5,061
Total capital	6,232	6,287	6,323
Total capital as if IFRS 9 ECL transitional arrangements had not been applied	6,232	6,287	6,321
Risk Weighted Assets			
Total risk-weighted assets	30,725	28,993	28,659
Capital Ratios			
Common Equity Tier 1 (as a percentage of risk exposure amount)	16.45%	17.34%	17.67%
Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 ECL transitional arrangements had not been applied	16.45%	17.34%	17.66%
Tier 1 (as a percentage of risk exposure amount)	16.45%	17.34%	17.67%
Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 ECL transitional arrangements had not been applied	16.45%	17.34%	17.66%
Total capital (as a percentage of risk exposure amount)	20.28%	21.68%	22.06%
Total capital (as a percentage of risk exposure amount) as if IFRS 9 ECL transitional arrangements had not been applied	20.28%	21.68%	22.06%
Leverage Ratio			
Leverage ratio total exposure measure	120,164	121,734	122,593
Leverage ratio	4.21%	4.13%	4.13%
Leverage ratio as if IFRS 9 ECL transitional arrangements had not been applied	4.21%	4.13%	4.13%

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 31st March 2024:

$m		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		A	b	c
		Mar-24	Dec-23	Mar-24
1	**Credit risk (excluding CCR)**	**3,651**	**3,463**	**293**
2	Of which the standardised approach	3,651	3,463	293
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**	**21,259**	**22,520**	**1,700**
7	Of which the standardised approach	5,820	5,518	466
8	Of which internal model method (IMM)	9,102	9,602	728
UK 8a	Of which exposures to a CCP	204	149	16
UK 8b	Of which credit valuation adjustment - CVA	2,355	2,761	188
9	Of which other CCR	3,778	4,490	302
15	**Settlement risk**	**56**	**29**	**5**
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)**	**6,244**	**5,983**	**500**
21	Of which the standardised approach	1,175	1,279	94
22	Of which IMA	5,069	4,704	406
UK 22a	**Large exposures**	**0**	**165**	**0**
23	**Operational risk**	**2,812**	**3,204**	**222**
UK 23a	Of which basic indicator approach	-	-	-
UK 23b	Of which standardised approach	2,812	3,204	222
UK 23c	Of which advanced measurement approach	-	-	-
24	**Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)**	-	-	-
29	**Total**	**34,022**	**35,364**	**2,720**

Counterparty credit risk RWAs decreased over the quarter mainly due to decreased SFT and derivative exposure and CVA RWAs decreased due to tighter spread levels over the quarter.

Template UK OV1 – Overview of risk weighted exposure amounts for NIP

The table below shows RWEAs and own funds requirements for NIP as at 31st March 2024:

$m		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
		Mar-24	Mar-23	Mar-24
1	**Credit risk (excluding CCR)**	**2,986**	**2,610**	**239**
2	Of which the standardised approach	2,986	2,610	239
3	Of which the foundation IRB (FIRB) approach	-	-	-
4	Of which slotting approach	-	-	-
UK 4a	Of which equities under the simple riskweighted approach	-	-	-
5	Of which the advanced IRB (AIRB) approach	-	-	-
6	**Counterparty credit risk - CCR**	**19,054**	**17,898**	**1,525**
7	Of which the standardised approach	4,955	3,822	396
8	Of which internal model method (IMM)	8,332	7,147	667
UK 8a	Of which exposures to a CCP	194	130	16
UK 8b	Of which credit valuation adjustment - CVA	1,910	2,736	153
9	Of which other CCR	3,663	4,063	293
15	**Settlement risk**	**56**	**50**	**5**
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)**	**5,975**	**5,045**	**478**
21	Of which the standardised approach	1,157	1,168	93
22	Of which IMA	4,818	3,877	385
UK 22a	**Large exposures**	**-**	**-**	**-**
23	**Operational risk**	**2,654**	**3,056**	**212**
UK 23a	Of which basic indicator approach	-	-	-
UK 23b	Of which standardised approach	2,654	3,056	212
UK 23c	Of which advanced measurement approach	-	-	-
24	**Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)**	-	-	-
29	**Total**	**30,725**	**28,659**	**2,459**

Over the year, Counterparty Credit Risk RWAs increased due to increased derivative exposures across the portfolio. Market Risk RWAs increased due to increases in SVaR, driven by increase in FX trading positions (Xccy basis risk), and Risks Not in VaR (“RNiV”) from market moves (credit spreads tightening).

Capital Buffers

Countercyclical Capital Buffer

The countercyclical capital buffer ("CCyB") was established to protect the banking sector against excess aggregate credit growth in specific countries that has often been associated with the build-up of system-wide risk.

The CCyB requirement is calculated as the weighted average of the buffer in effect in the jurisdictions in which the Group has credit exposure. The CCyB requirement therefore changes depending on the nature of current trading positions and the CCyB rates set in each jurisdiction.

The CCyB must be met with CET1 capital.

Template UK CCyB2 – Amount of institution-specific countercyclical capital buffer for the Group and NIP

The below table shows the CCyB requirement for the Group and NIP as at 31st March 2024:

	$m	The Group	NIP
1	Total risk exposure amount	34,022	30,725
2	Institution specific countercyclical capital buffer rate	0.59%	0.60%
3	Institution specific countercyclical capital buffer requirement	201	184

The CCyB requirement for NIP is materially in line with the Group. A geographic distribution of own funds requirements has been included on the next page.

Capital Conservation Buffer

The capital conservation buffer ("CCB") is a CRR buffer requirement equal to 2.5% of total risk exposure amount. It must be met by CET1 capital and can be used to absorb losses during periods of stress.

Capital Management

The Group views capital as an important financial resource to deliver its overall business strategy. The Group, through its internal capital management framework, ensures that the utilisation of capital enhances shareholder value, maintains sufficient capital according to its risk appetite to support current and future business requirements, and complies with externally imposed capital requirements. To achieve these goals, sufficient capital is maintained to support the Group's business and to withstand losses due to extreme market movements. The allocation of available capital resource across the business is then based upon factors such as business strategy, risk appetite, return on capital and regulatory requirements.

The Group reviews the appropriate level of capital sufficiency, with senior management responsible for implementing and enforcing the internal capital framework. The capital framework functions closely with the Group's risk management framework and policies, which regularly assess the risks the Group faces and set out appropriate controls to mitigate those risks. The determination of the appropriate level of capital takes into consideration, on an ongoing basis, those risks inherent in its business, regulatory requirements and, for applicable subsidiaries, maintenance of a debt rating appropriate to a global financial institution. This determination is delivered through the Internal Capital Adequacy Assessment Process ("ICAAP") exercise.

ICAAP and Pillar 2

The Group conducts an ICAAP exercise to ensure the Group is adequately capitalised to meet its overall business plan and withstand any potential severe but plausible stress that it might encounter over a three-year forecast horizon. The exercise incorporates the Group's risk management processes and governance framework, and is reviewed and approved by the NEHS Board before being submitted to the PRA.

The ICAAP utilises the Group's own established internal measures of capital which incorporate risks that are not adequately captured or addressed under Pillar 1 capital requirements. The Group also runs capital stress tests under a number of "severe but plausible" scenarios and incorporates the results in its capital projections. In addition, the ICAAP process utilises a range of management actions, identified in the Recovery Plan, available to the Group to implement in order to minimise the impact of stress.

The PRA conducts a Supervisory Review and Evaluation Process ("SREP") periodically after reviewing the Group's ICAAP. The SREP process enables the regulator to define firm specific minimum total capital requirements ("TCR") comprising Pillar 1 and Pillar 2A. As of 31st March 2024, the Group's TCR was $4.15bn (12.21% of total RWAs) consisting of a Pillar 1 requirement of $2.72bn (8% of total RWAs) and PRA prescribed Pillar 2A capital add-on of $1.43bn (4.21% of total RWAs). For NIP, the TCR was $3.76bn (12.20% of RWAs) consisting of a Pillar 1 requirement of $2.47bn (8% of total RWAs) and a Pillar 2A requirement of $1.29bn (4.20% of total RWAs).

As part of the SREP review, the PRA may also prescribe Pillar 2B capital requirements; a firm specific amount of capital that should be held in the form of a PRA buffer. The PRA buffer requirement is over and above the level of capital required to meet the TCR and over and above the Combined buffer. The Group maintains sufficient capital to meet the PRA's prescribed capital requirements.

Template UK CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer for the Group

The table below shows the geographical breakdown of CCyB exposures for the Group as at 31st March 2024:

		a	b	c	d	e	f	g	h	i	j	k	l	m
	$m	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Breakdown by Country:	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
1	CAYMAN ISLANDS	2,971	-	1	1	-	2,974	235	1	-	236	2,948	18.47%	0.00%
2	UNITED KINGDOM	3,167	-	10	71	-	3,248	214	2	-	217	2,709	16.97%	2.00%
3	LUXEMBOURG	1,813	-	0	26	-	1,838	146	8	-	154	1,928	12.08%	0.50%
4	UNITED STATES	1,727	-	2	0	-	1,730	137	1	-	138	1,728	10.82%	0.00%
5	FRANCE	903	-	0	7	-	910	61	2	-	63	791	4.95%	1.00%
6	TAIWAN	804	-	3	-	-	807	62	0	-	62	779	4.88%	0.00%
7	SINGAPORE	597	-	4	-	-	601	48	0	-	48	602	3.77%	0.00%
8	IRELAND	561	-	9	0	-	570	45	2	-	46	580	3.64%	1.00%
9	NETHERLANDS	465	-	0	40	-	504	35	1	-	36	451	2.82%	1.00%
10	JERSEY	393	-	0	-	-	393	31	1	-	32	400	2.51%	0.00%
11	JAPAN	431	-	12	-	-	443	29	1	-	30	381	2.39%	0.00%
12	ITALY	310	-	0	9	-	319	28	1	-	29	360	2.26%	0.00%
13	HONG KONG	271	-	8	-	-	279	22	1	-	22	277	1.74%	1.00%
14	GUERNSEY	266	-	0	-	-	267	21	0	-	21	268	1.68%	0.00%
15	GERMANY	261	-	1	10	-	272	18	1	-	18	230	1.44%	0.75%
16	BERMUDA	229	-	0	-	-	229	18	0	-	18	229	1.43%	0.00%
17	SPAIN	217	-	0	3	-	221	17	0	-	18	221	1.38%	0.00%
18	DENMARK	216	-	0	-	-	216	15	0	-	15	188	1.17%	2.50%
19	SWITZERLAND	151	-	0	5	-	157	11	0	-	11	139	0.87%	0.00%
20	CANADA	122	-	3	-	-	124	10	0	-	10	124	0.78%	0.00%
21	FINLAND	100	-	0	0	-	100	8	0	-	8	100	0.62%	0.00%
22	SWEDEN	89	-	0	3	-	92	8	0	-	8	96	0.60%	2.00%
23	BRITISH VIRGIN ISLANDS	76	-	0	-	-	76	6	0	-	6	76	0.48%	0.00%
24	AUSTRALIA	42	-	21	22	-	85	3	2	-	5	67	0.42%	1.00%
25	UNITED ARAB EMIRATES	68	-	0	1	-	70	3	1	-	3	42	0.26%	0.00%

	$m	a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Breakdown by Country:	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
26	ISRAEL	70	-	-	-	-	70	3	-	-	3	37	0.23%	0.00%
27	MALAYSIA	48	-	0	-	-	48	2	0	-	2	26	0.16%	0.00%
28	BELGIUM	24	-	0	-	-	24	2	0	-	2	24	0.15%	0.00%
29	BAHRAIN	15	-	-	-	-	15	2	-	-	2	21	0.13%	0.00%
30	ANDORRA	16	-	-	-	-	16	1	-	-	1	16	0.10%	0.00%
31	THAILAND	15	-	1	-	-	16	1	0	-	1	16	0.10%	0.00%
32	NORWAY	16	-	0	-	-	16	1	0	-	1	16	0.10%	2.50%
33	PORTUGAL	15	-	0	-	-	15	1	0	-	1	15	0.10%	0.00%
34	GIBRALTAR	12	-	-	-	-	12	1	0	-	1	14	0.09%	0.00%
35	CZECHIA	8	-	-	3	-	12	1	0	-	1	9	0.06%	2.00%
36	BAHAMAS (THE)	7	-	-	-	-	7	1	-	-	1	7	0.05%	0.00%
37	MAURITIUS	6	-	-	-	-	6	1	-	-	1	6	0.04%	0.00%
38	QATAR	7	-	-	-	-	7	1	-	-	1	6	0.04%	0.00%
39	KOREA (SOUTH) REP	7	-	32	-	-	39	0	0	-	0	6	0.04%	0.00%
40	CHINA	2	-	4	-	-	6	0	0	-	0	3	0.02%	0.00%
41	AUSTRIA	3	-	0	-	-	3	0	0	-	0	3	0.02%	0.00%
42	PHILIPPINES	3	-	0	-	-	3	0	0	-	0	3	0.02%	0.00%
43	CYPRUS	3	-	-	-	-	3	0	-	-	0	3	0.02%	0.50%
44	NEW ZEALAND	0	-	2	2	-	3	0	0	-	0	3	0.02%	0.00%
45	POLAND	2	-	0	-	-	2	0	0	-	0	2	0.02%	0.00%
46	MONACO	2	-	-	-	-	2	0	-	-	0	2	0.01%	0.00%
47	BRAZIL	1	-	0	0	-	1	0	0	-	0	1	0.01%	0.00%
48	CHILE	2	-	0	-	-	2	0	0	-	0	1	0.01%	0.00%
49	INDIA	0	-	1	-	-	1	0	0	-	0	1	0.01%	0.00%
50	TURKEY	1	-	-	0	-	1	0	0	-	0	1	0.01%	0.00%
51	INDONESIA	0	-	1	-	-	1	0	0	-	0	1	0.01%	0.00%
52	MEXICO	0	-	-	0	-	1	0	0	-	0	0	0.00%	0.00%
	Total	**16,537**	**-**	**115**	**204**	**-**	**16,856**	**1,250**	**26**	**-**	**1,277**	**15,960**		

Template UK CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer for NIP

The table below shows the geographical breakdown of CCyB exposures for NIP as at 31st March 2024:

	$m	a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Breakdown by Country:	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
1	UNITED KINGDOM	3,173	-	10	71	-	3,254	215	1	-	216	2,704	18.98%	2.00%
2	CAYMAN ISLANDS	2,581	-	1	1	-	2,583	204	0	-	204	2,553	17.92%	0.00%
3	UNITED STATES	1,744	-	2	0	-	1,747	139	1	-	140	1,745	12.24%	0.00%
4	LUXEMBOURG	1,375	-	0	26	-	1,401	111	4	-	115	1,441	10.12%	0.50%
5	TAIWAN	804	-	3	-	-	807	62	0	-	62	779	5.47%	0.00%
6	SINGAPORE	597	-	4	-	-	601	48	0	-	48	602	4.23%	0.00%
7	FRANCE	682	-	0	7	-	689	45	1	-	46	572	4.02%	1.00%
8	IRELAND	530	-	9	0	-	539	42	2	-	44	549	3.85%	1.00%
9	JERSEY	393	-	0	-	-	393	31	0	-	32	396	2.78%	0.00%
10	JAPAN	431	-	12	-	-	443	29	1	-	30	381	2.67%	0.00%
11	HONG KONG	270	-	8	-	-	278	22	1	-	22	277	1.94%	1.00%
12	GUERNSEY	266	-	0	-	-	267	21	0	-	21	268	1.88%	0.00%
13	NETHERLANDS	237	-	0	40	-	277	18	0	-	19	233	1.63%	1.00%
14	BERMUDA	228	-	0	-	-	228	18	0	-	18	228	1.60%	0.00%
15	ITALY	191	-	0	9	-	201	17	1	-	18	224	1.57%	0.00%
16	SPAIN	196	-	0	3	-	199	16	0	-	16	195	1.37%	0.00%
17	DENMARK	216	-	0	-	-	216	15	0	-	15	188	1.32%	2.50%
18	SWITZERLAND	141	-	0	5	-	146	10	0	-	10	126	0.89%	0.00%
19	GERMANY	118	-	1	10	-	129	10	0	-	10	125	0.88%	0.75%
20	CANADA	122	-	3	-	-	124	10	0	-	10	124	0.87%	0.00%
21	FINLAND	100	-	0	0	-	100	8	0	-	8	100	0.70%	0.00%
22	BRITISH VIRGIN ISLANDS	76	-	0	-	-	76	6	-	-	6	76	0.53%	0.00%
23	AUSTRALIA	42	-	21	22	-	85	3	2	-	5	62	0.43%	1.00%
24	SWEDEN	60	-	0	3	-	63	4	0	-	4	56	0.39%	2.00%

	$m	a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Breakdown by Country:	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
25	UNITED ARAB EMIRATES	68	-	0	1	-	69	3	0	-	3	38	0.27%	0.00%
26	ISRAEL	70	-	-	-	-	70	3	-	-	3	37	0.26%	0.00%
27	MALAYSIA	48	-	0	-	-	48	2	0	-	2	26	0.18%	0.00%
28	BAHRAIN	15	-	-	-	-	15	2	-	-	2	21	0.15%	0.00%
29	ANDORRA	16	-	-	-	-	16	1	-	-	1	16	0.12%	0.00%
30	BELGIUM	16	-	0	-	-	16	1	0	-	1	16	0.11%	0.00%
31	THAILAND	15	-	1	-	-	16	1	0	-	1	16	0.11%	0.00%
32	GIBRALTAR	12	-	-	-	-	12	1	0	-	1	13	0.09%	0.00%
33	CZECHIA	8	-	-	3	-	12	1	0	-	1	9	0.06%	2.00%
34	BAHAMAS (THE)	7	-	-	-	-	7	1	-	-	1	7	0.05%	0.00%
35	MAURITIUS	6	-	0	-	-	6	1	-	-	1	6	0.05%	0.00%
36	QATAR	7	-	0	-	-	7	1	-	-	1	6	0.04%	0.00%
37	KOREA (SOUTH) REP	7	-	32	-	-	39	0	0	-	0	6	0.04%	0.00%
38	CHINA	0	-	4	-	-	6	0	0	-	0	3	0.02%	0.00%
39	PHILIPPINES	3	-	0	-	-	3	0	0	-	0	3	0.02%	0.00%
40	CYPRUS	3	-	-	-	-	3	0	-	-	0	3	0.02%	0.50%
41	AUSTRIA	3	-	0	-	-	3	0	0	-	0	3	0.02%	0.00%
42	POLAND	2	-	0	-	-	2	0	0	-	0	2	0.02%	0.00%
43	PORTUGAL	2	-	0	-	-	2	0	0	-	0	2	0.01%	0.00%
44	NEW ZEALAND	0	-	2	2	-	3	0	0	-	0	2	0.01%	0.00%
45	MONACO	2	-	-	-	-	2	0	-	-	0	2	0.01%	0.00%
46	BRAZIL	1	-	0	0	-	1	0	0	-	0	1	0.01%	0.00%
47	CHILE	0	-	0	-	-	2	0	0	-	0	1	0.01%	0.00%
48	INDIA	0	-	1	-	-	1	0	0	-	0	1	0.01%	0.00%
49	INDONESIA	0	-	1	-	-	1	0	0	-	0	1	0.01%	0.00%
50	TURKEY	1	-	-	0	-	1	0	0	-	0	1	0.01%	0.00%
51	MEXICO	0	-	-	0	-	1	0	0	-	0	0	0.00%	0.00%
	Total	**14,892**	**-**	**115**	**204**	**-**	**15,211**	**1,123**	**17**	**-**	**1,140**	**14,248**		

Counterparty Credit Risk and Credit Risk

Counterparty Credit Risk and Credit Risk Scope

Credit risk is the risk of loss arising from an obligor's default, insolvency or administrative proceeding which results in the obligor's failure to meet its contractual obligations in accordance with agreed terms. This includes both on and off-balance sheet exposures. It is also the risk of loss arising through a Credit Valuation Adjustment ("CVA") associated with deterioration in the creditworthiness of a counterparty.

Risk Management

The Group uses the NHI Credit Risk Management framework for managing credit risk, with some specific criteria applied to the Group where relevant.

The process for managing credit risk at the Group includes:

- Evaluation of likelihood that a counterparty defaults on its payments and obligations;
- Assignment of internal ratings to all active counterparties;
- Approval of extensions of credit and establishment of credit limits;
- Measurement, monitoring and management of the Group's current and potential future credit exposures;
- Setting credit terms in legal documentation; and
- Use of appropriate credit risk mitigants including netting, collateral and hedging.

The Group's main type of counterparty credit risk exposures arise from derivatives transactions, securities financing transactions and loans.

Internal Model Method

In December 2012, the Group was granted permission by the PRA to use the Internal Model Method ("IMM") in combination with the standardised approach for the calculation of counterparty credit risk requirements for certain derivatives and securities financing transactions. In the calculation of risk-weighted exposure amounts under the standardised approach to credit risk, the ratings of Fitch, Moody's and Standard and Poor's are used for all applicable exposure classes.

In 2021, the PRA extended the application scope of the model permissions highlighted above to apply at the NEHS consolidated level (which for these purposes includes NIP and NFPE).

For derivatives and securities financing transactions, the Group measures credit risk primarily by way of a Monte Carlo-based simulation model that determines a Potential Exposure profile at a specified confidence level. The exposure calculation model used for counterparty credit risk management has also been used for the IMM-based exposure calculation for regulatory capital reporting purposes since the end of December 2012. Loans and lending commitments are measured and monitored on both a funded and unfunded basis.

Credit Risk Mitigation

The Group utilises financial instruments, agreements, and practices to assist in the management of credit risk. The Group enters into legal agreements, such as the International Swap and Derivatives Association, Inc. ("ISDA") agreements or equivalent (referred to as "Master Netting Agreements"), with many of its counterparties. Master Netting Agreements allow netting of receivables and payables and reduce losses potentially incurred because of a counterparty default. Further reduction in credit risk is achieved through entering into collateral agreements that allow the Group to obtain collateral from counterparties either upfront or contingent on exposure levels, changes in credit rating or other factors.

Given the potential for loss resulting from unsecured exposures, as a rule, all extensions of credit by the Group should be collateralised. However, in certain cases where there is sufficient risk appetite, unsecured exposure may be approved by the relevant credit risk managers. In addition, there are certain jurisdictions with specific rules relating to approvals and management of collateral. To ensure compliance, any local regulatory rules or statutes that are stricter must be followed.

Legal agreements should ensure that margin agreements and collateral accepted from clients provide the best possible protection for the Group. Any collateral types included for exposure reduction must meet the Basel standards. New collateral types, including non-standard collateral, must be approved by the Global Collateral Steering Committee. Any non-standard collateral that gets approved must also be reviewed by all relevant departments to ensure that the operational capability is in place to properly control the new collateral type, and that concentration, reuse and liquidity implications are understood. The review must include any local or legal vehicle policies or procedures that contain rules relating to eligibility of acceptable collateral.

Concentrations of collateral by issuer, country and counterparty are monitored and reported to senior management. Haircuts are applied to collateral and set according to the market risk of the asset. Haircut levels are determined through quantitative and historical analysis and are reviewed periodically.

The Group utilises financial instruments, to assist in the management of counterparty credit risk. The Group enters credit hedges in the form of single name credit default swaps, credit contingent CDS and credit index swaps to mitigate losses arising from deterioration in counterparty creditworthiness.

The Group actively monitors large exposures to collateralised counterparties and seeks to reduce exposures through trade compression and hedging with single name credit default swaps.

Standardised Derivative Calculation Method

In the calculation of risk-weighted exposure amounts under the standardised approach to credit and counterparty credit risk, the credit assessments provided by Fitch, Moody's and Standard and Poor's are used for all applicable exposure classes. The ratings are then mapped to credit quality steps to derive the relevant risk weight.

Credit Quality Step ("CQS")	Moody's	Standard & Poor's / Fitch's
1	Aaa to Aa3	AAA to AA-
2	A1 to A3	A+ to A-
3	Baa1 to Baa3	BBB+ to BBB-
4	Ba1 to Ba3	BB+ to BB-
5	B1 to B3	B+ to B-
6	Caa1 and below	CCC+ and below

Where credit assessments of counterparties are not available, risk weights are assigned in accordance with CRR requirements for unrated exposures. Securities which do not have a credit assessment are risk weighted based on the general credit assessment of their issuers if they satisfy the seniority conditions in article 139(2) of the CRR.

Non-trading book exposure to equities

The Group holds a small number of non-trading equity assets. These are designated at "fair value through the P&L" rather than "held for trading" due to the expectation the Group will hold them for the long term. They are treated in line with the requirements of CRR, but are not considered material for the purposes of these disclosures.

Impact of a Credit Downgrade on Collateral Pledged

Neither the Group nor NIP is rated by an External Credit Assessment Institution ("ECAI"). The NIP ISDA Credit Support Annex ("CSA") references Nomura Securities Co. Ltd ("NSC") as a credit reference entity.

A two notch downgrade in the credit rating of NSC would trigger the pledge of a further $198m of collateral for the Group.

Template UK CCR1 – Analysis of CCR exposure by approach for the Group

The table below shows Exposure at Default ("EAD") and CCR RWEAs by calculation method for the Group, with the exception of CVA charges or exposures cleared through a CCP, as at 31st March 2024:

		a	b	c	d	e	f	g	h
$m		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
UK1	Original Exposure Method (for derivatives)				1.4				
UK2	Simplified SA-CCR (for derivatives)				1.4				
1	SA-CCR (for derivatives)	2,368	4,574		1.4	21,315	9,907	9,886	5,820
2	IMM (for derivatives and SFTs)			11,115	1.4	446,360	15,462	15,409	9,102
2a	*Of which securities financing transactions netting sets*			4,398		417,574	6,060	6,060	2,562
2b	*Of which derivatives and long settlement transactions netting sets*			6,717		28,785	9,402	9,349	6,539
2c	*Of which from contractual cross-product netting sets*								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)					61,431	10,269	10,269	3,759
5	VaR for SFTs								
6	**Total**					**529,106**	**35,638**	**35,564**	**18,681**

RWEAs increased as a result of increased derivative and SFT exposure compared to 30th September 2023.

Template UK CCR1 – Analysis of CCR exposure by approach for NIP

The table below shows Exposure at Default ("EAD") and CCR RWEAs by calculation method for NIP, with the exception of CVA charges or exposures cleared through a CCP, as at 31st March 2024:

$m		a	b	c	d	e	f	g	h
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
UK1	Original Exposure Method (for derivatives)				1.4				
UK2	Simplified SA-CCR (for derivatives)				1.4				
1	SA-CCR (for derivatives)	2,152	4,156		1.4	20,034	8,953	8,935	4,955
2	IMM (for derivatives and SFTs)			10,254	1.4	445,407	14,349	14,302	8,332
2a	*Of which securities financing transactions netting sets*			4,133		422,198	5,780	5,780	2,512
2b	*Of which derivatives and long settlement transactions netting sets*			6,121		23,209	8,568	8,522	5,819
2c	*Of which from contractual cross-product netting sets*								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)					63,174	11,442	11,442	3,663
5	VaR for SFTs								
6	**Total**					**528,615**	**34,744**	**34,679**	**16,950**

RWEAs increased as a result of increased derivative exposure compared to 31st March 2023.

Template UK CCR2 – Transactions subject to own funds requirements for CVA risk for the Group and NIP

The table below shows the EAD and RWEAs by standardised and advanced approaches for the Group and NIP:

$m		The Group		NIP	
		a	b	a	b
		Exposure value	RWEA	Exposure value	RWEA
1	Total transactions subject to the Advanced method	6,046	1,098	4,930	1,002
2	(i) VaR component (including the 3× multiplier)		355		329
3	(ii) stressed VaR component (including the 3× multiplier)		743		673
4	Transactions subject to the Standardised method	5,050	1,257	3,982	908
UK4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**11,096**	**2,355**	**8,912**	**1,910**

The Group observed a decrease in CVA risk under the Advanced method due to tighter spread levels and a decrease under the Standardised method due to UK pension exemption compared to 30th September 2023.

NIP observed a decrease in CVA primarily under the Standardised method due to UK pension exemption compared to 31st March 2023.

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 have changed over the prior quarter for the Group:

	$m	a
		RWEA
1	**RWEA as at 31st December 2023**	**9,602**
2	Asset size	(454)
3	Credit quality of counterparties	(46)
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 31st March 2024**	**9,102**

The decrease in RWEAs for the Group was due to a decrease in derivative exposure over the period.

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

The table below shows how the RWEA under the IMM have changed over the prior year for NIP:

	$m	a
		RWEA
1	**RWEA as at 31st March 2023**	**7,147**
2	Asset size	1,172
3	Credit quality of counterparties	13
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 31st March 2024**	**8,332**

The increase in RWEAs for NIP was due to an increase in derivative and SFT exposure compared to 31st March 2023.

Template UK CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights for the Group

The table below shows the counterparty credit risk exposures for the standardised approach broken down by risk weights and regulatory exposure classes, excluding RWEA derived from own funds requirements for CVA risk but includes exposures cleared through a CCP, for the Group as at 31st March 2024:

	Exposure classes $m	Risk weight											
		a	b	c	d	e	f	g	h	i	j	k	l
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
1	Central governments or central banks	1,678	-	-	-	1,098	31	-	-	5	-	-	2,812
2	Regional government or local authorities	56	-	-	-	0	0	-	-	0	-	-	56
3	Public sector entities	160	-	-	-	1,285	72	-	-	26	-	-	1,543
4	Multilateral development banks	67	-	-	-	10	-	-	-	-	-	-	77
5	International organisations	22	-	-	-	-	-	-	-	-	-	-	22
6	Institutions	-	3,186	1	-	11,327	6,086	-	-	164	-	-	20,764
7	Corporates	-	-	-	-	164	1,507	-	-	11,749	111	-	13,531
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	**Total exposure value**	**1,983**	**3,186**	**1**	**-**	**13,884**	**7,696**	**-**	**-**	**11,944**	**111**	**-**	**38,805**

Exposures have increased primarily in the Institutions and Corporates exposure classes and decreased in the Public sector entities and Central government or central banks exposure classes compared to 30th September 2023.

Template UK CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights for NIP

The table below shows the counterparty credit risk exposures for the standardised approach broken down by risk weights and regulatory exposure classes, excluding RWEA derived from own funds requirements for CVA risk but including exposures cleared through a CCP, for NIP as at 31st March 2024:

	Exposure classes $m	Risk weight											
		a	b	c	d	e	f	g	h	i	j	k	l
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
1	Central governments or central banks	1,405	-	-	-	1,095	-	-	-	5	-	-	2,505
2	Regional government or local authorities	20	-	-	-	0	-	-	-	-	-	-	20
3	Public sector entities	-	-	-	-	1,231	67	-	-	26	-	-	1,324
4	Multilateral development banks	67	-	-	-	10	-	-	-	-	-	-	77
5	International organisations	22	-	-	-	-	-	-	-	-	-	-	22
6	Institutions	1,455	2,755	1	-	11,980	5,077	-	-	114	-	-	21,382
7	Corporates	-	-	-	-	101	1,394	-	-	10,584	82	-	12,161
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	**Total exposure value**	**2,969**	**2,755**	**1**	**-**	**14,417**	**6,538**	**-**	**-**	**10,729**	**82**	**-**	**37,491**

Exposures have increased primarily in the Institutions and Corporates exposure classes compared to 31st March 2023.

Template UK CCR5 – Composition of collateral for CCR exposures for the Group

The table below shows information on composition of fair values of collateral used in counterparty credit risk exposure related to both derivative transactions and securities financing transactions for the Group as at 31st March 2024:

	$m	a	b	c	d	e	f
		Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
	Collateral type	Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash	86	21,233	-	12,055	178,426	193,081
2	Debt	2,628	1,949	-	948	219,375	205,982
3	Equity	311	-	-	-	21,298	21,955
4	Other	-	-	-	-	101	656
5	**Total**	**3,025**	**23,182**	**-**	**13,003**	**419,200**	**421,674**

Cash and Debt collateral received and posted in securities financing and derivative transactions has decreased compared to 30th September 2023.

Template UK CCR5 – Composition of collateral for CCR exposures for NIP

The table below shows information on composition of fair values of collateral used in counterparty credit risk exposure related to both derivative transactions and securities financing transactions for NIP as at 31st March 2024:

	$m	a	b	c	d	e	f
		Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
	Collateral type	Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash	0	19,060	-	11,280	176,958	187,269
2	Debt	2,519	1,876	-	1,420	213,373	205,713
3	Equity	311	-	-	-	21,312	21,955
4	Other	-	-	-	-	101	247
5	**Total**	**2,830**	**20,936**	**-**	**12,700**	**411,744**	**415,184**

Cash and Debt collateral received and posted in securities financing transactions has decreased compared to 31st March 2023.

Template UK CCR6 – Credit derivatives exposures for the Group and NIP

The table below shows the credit derivative hedges bought and sold as well as split into product types for the Group and NIP as at 31st March 2024:

	$m	The Group a Protection bought	The Group b Protection sold	NIP a Protection bought	NIP b Protection sold
	Notionals				
1	Single-name credit default swaps	39,341	39,064	40,187	39,312
2	Index credit default swaps	85,754	86,411	85,268	85,877
3	Total return swaps	1,920	1,975	1,920	1,975
4	Credit options	217	309	217	309
5	Other credit derivatives	-	-	-	-
6	**Total notionals**	127,232	127,759	127,592	127,473
	Fair values				
7	Positive fair value (asset)	531	2,867	427	2,818
8	Negative fair value (liability)	(2,844)	(838)	(2,787)	(729)

Credit derivative notionals increased compared to 30th September 2023 for the Group and 31st March 2023 for NIP, due to an increase in protection bought and sold on index credit default swaps.

Template UK CCR8 – Exposures to CCPs for the Group and NIP

The table below shows EAD and RWEA to qualifying central counterparties ("QCCP") and non-qualifying central counterparties ("non-QCCP") for the Group and NIP as at 31st March 2024:

$m		The Group		NIP	
		a	b	a	b
		Exposure value	RWEA	Exposure value	RWEA
1	**Exposures to QCCPs (total)**		**149**		**139**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,811	18	1,658	33
3	(i) OTC derivatives	943	1	881	18
4	(ii) Exchange-traded derivatives	205	4	205	4
5	(iii) SFTs	663	13	572	11
6	(iv) Netting sets where cross-product netting has been approved				
7	Segregated initial margin				
8	Non-segregated initial margin	1,375	28	1,097	22
9	Prefunded default fund contributions	274	103	242	84
10	Unfunded default fund contributions	785	-	701	-
11	**Exposures to non-QCCPs (total)**		**55**		**55**
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	55	55	55	55
13	(i) OTC derivatives				
14	(ii) Exchange-traded derivatives				
15	(iii) SFTs	55	55	55	55
16	(iv) Netting sets where cross-product netting has been approved				
17	Segregated initial margin				
18	Non-segregated initial margin				
19	Prefunded default fund contributions				
20	Unfunded default fund contributions				

No overall material movement was observed in RWEA on exposures to QCCPs compared to 30th September 2023 for the Group. An increase in RWEA was observed due to increased SFTs exposure to QCCPs compared to 31st March 2023 for NIP.

No material movement to non-QCCPs compared to 30th September 2023 for the Group. An increase to non-QCCPs was observed due to increased SFTs exposure compared to 31st March 2023 for NIP.

Template UK CR4 – standardised approach – Credit risk exposure and CRM effects for the Group

The table below shows the effect of Credit Risk Mitigation ("CRM") and Credit Conversion Factors ("CCF") on credit risk exposures split by on-balance sheet and off-balance sheet as well as exposure classes for the Group as at 31st March 2024:

	Exposure classes $m	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	5,655	-	5,655	-	32	0.56%
2	Regional government or local authorities	0	-	0	-	0	20.00%
3	Public sector entities	0	-	0	-	0	44.85%
4	Multilateral development banks	0	-	0	-	-	0.00%
5	International organisations	0	-	0	-	-	0.00%
6	Institutions	2,686	111	2,686	55	591	21.56%
7	Corporates	1,865	3,718	1,865	1,045	2,813	96.67%
8	Retail	-	-	-	-	-	0.00%
9	Secured by mortgages on immovable property	-	-	-	-	-	0.00%
10	Exposures in default	-	-	-	-	-	0.00%
11	Exposures associated with particularly high risk	42	1	42	1	64	150.00%
12	Covered bonds	-	-	-	-	-	0.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
14	Collective investment undertakings	3	-	3	-	31	1250.00%
15	Equity	26	-	26	-	26	100.00%
16	Other items	94	0	94	0	94	99.99%
17	**Total**	**10,371**	**3,830**	**10,371**	**1,101**	**3,651**	**31.83%**

RWAs on exposures to Corporates increased compared to 30th September 2023 for the Group.

Template UK CR4 – standardised approach – Credit risk exposure and CRM effects for NIP

The table below shows the effect of CRM and CCFs on credit risk exposures split by on-balance sheet and off-balance sheet as well as exposure classes for NIP as at 31st March 2024:

	Exposure classes $m	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	3,874	-	3,874	-	32	0.82%
2	Regional government or local authorities	0	-	0	-	0	20.00%
3	Public sector entities	0	-	0	-	0	44.85%
4	Multilateral development banks	0	-	0	-	-	0.00%
5	International organisations	0	-	0	-	-	0.00%
6	Institutions	1,075	765	1,075	382	265	18.15%
7	Corporates	1,688	3,522	1,688	951	2,504	94.89%
8	Retail	-	-	-	-	-	0.00%
9	Secured by mortgages on immovable property	-	-	-	-	-	0.00%
10	Exposures in default	-	-	-	-	-	0.00%
11	Exposures associated with particularly high risk	41	0	41	0	62	150.00%
12	Covered bonds	-	-	-	-	-	0.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
14	Collective investment undertakings	3	-	3	-	31	1250.00%
15	Equity	25	-	25	-	25	100.00%
16	Other items	67	-	67	0	67	100.00%
17	**Total**	**6,773**	**4,287**	**6,773**	**1,333**	**2,986**	**36.65%**

RWAs on exposures to Corporates increased compared to 31st March 2023 for NIP.

Template UK CR5 – standardised approach for the Group

The table below shows the breakdown of credit risk exposures by risk weight and exposure classes for the Group.

Exposures are after CRM and CCF as at 31st March 2024:

	Exposure classes $m	Risk weight															Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	5,632	-	-	-	1	-	0	-	-	2	20	-	-	-	-	5,655	1,290
2	Regional government or local authorities	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-	0	-
3	Public sector entities	-	-	-	-	0	-	0	-	-	-	-	-	-	-	-	0	0
4	Multilateral development banks	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
5	International organisations	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
6	Institutions	-	-	-	-	2,600	-	141	-	-	0	-	-	-	0	-	2,741	599
7	Corporates	-	-	-	-	73	-	288	-	-	2,344	205	-	-	0	-	2,910	2,110
8	Retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	43	-	-	-	-	43	43
12	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	3	3
15	Equity exposures	-	-	-	-	-	-	-	-	-	26	-	-	-	-	-	26	26
16	Other items	0	-	-	-	-	-	-	-	-	94	-	-	-	-	-	94	94
17	**TOTAL**	**5,632**	**-**	**-**	**-**	**2,674**	**-**	**429**	**-**	**-**	**2,466**	**268**	**-**	**-**	**3**	**-**	**11,472**	**4,165**

Standardised approach exposure for the Group has increased with Corporates and Institutions due to an increase in loan commitments and a decrease to Central governments or central banks driven by a reduction in SFT exposure with Deutsche Bundesbank compared to 30th September 2023.

Template UK CR5 – standardised approach for NIP

The table below shows the breakdown of credit risk exposures by risk weight and exposure classes for NIP.

Exposures are after CRM and CCF as at 31st March 2024:

	Exposure classes $m	Risk weight															Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	3,851	-	-	-	1	-	0	-	-	2	20	-	-	-	-	3,874	43
2	Regional government or local authorities	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-	0	0
3	Public sector entities	-	-	-	-	0	-	0	-	-	-	-	-	-	-	-	0	0
4	Multilateral development banks	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
5	International organisations	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
6	Institutions	342	-	-	-	980	-	135	-	-	0	-	-	-	0	-	1,457	661
7	Corporates	-	-	-	-	73	-	288	-	-	2,150	128	-	-	0	-	2,639	1,916
8	Retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	41	-	-	-	-	41	41
12	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	3	3
15	Equity exposures	-	-	-	-	-	-	-	-	-	25	-	-	-	-	-	25	25
16	Other items	-	-	-	-	-	-	-	-	-	67	-	-	-	-	-	67	67
17	**TOTAL**	**4,193**	**-**	**-**	**-**	**1,054**	**-**	**423**	**-**	**-**	**2,244**	**189**	**-**	**-**	**3**	**-**	**8,106**	**2,756**

Standardised approach exposure for NIP has increased with Corporates, due to an increase in loan commitments, compared to 31st March 2023.

Template UK CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques for the Group

The table below shows the carrying values of exposures for loans and debt securities for the Group as at 31st March 2024:

	$m	Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	
						Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	19,336	66,931	66,931	-	-
2	Debt securities	504	-	-	-	
3	**Total**	**19,840**	**66,931**	**66,931**	**-**	**-**
4	Of which: Non-performing exposures	-	-	-	-	-
5	Of which: Defaulted	-	-			

Decrease in secured loans and advances compared to 30th September 2024 driven by decrease in SFT exposure.

Template UK CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques for NIP

The table below shows the carrying values of exposures for loans and debt securities for NIP as at 31st March 2024:

	$m	Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	
						Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	11,874	64,306	64,306		
2	Debt securities	-	-	-	-	
3	**Total**	**11,874**	**64,306**	**64,306**	**-**	**-**
4	Of which: Non-performing exposures	-	-	-	-	-
5	Of which: Defaulted	-	-	-	-	-

Decrease in secured loans and advances compared to 31st March 2023 driven by decrease in SFT exposure.

Market Risk

Market Risk Scope

Market risk is the risk of loss arising from fluctuations in values of financial assets and liabilities (including off-balance sheet items) due to fluctuations in market risk factors (interest rates, foreign exchange rates, prices of securities and others). The Group classifies exposures into either trading or non-trading portfolios. Trading portfolios are exposed to market risk and managed and monitored on a daily basis on a Value-at-Risk ("VaR") methodology. Non-trading positions are managed and monitored using other sensitivity analyses.

Risk Management

The Group uses NHI's MRM framework for the management of market risk, with some specific criteria applied to the Group where relevant.

In July 2013, the Group was granted permission by the PRA to use the internal model approach, such as VaR, SVaR, and IRC, to calculate market risk regulatory capital requirements for a range of trading positions. VaR scope covers certain credit and interest rates positions (e.g. bonds, credit default swaps, loans in the trading book and others), certain equity positions (e.g. cash equities, equity forwards, equity swaps and others) and certain foreign exchange positions (e.g. FX spot, FX futures, FX forwards, FX swaps, cross-currency swaps and others). For the relevant trading positions that are in scope under IMA, an RNIV is a risk factor that is not captured, or not captured adequately, by the VaR model. An additional capital charge is taken to reflect the materiality of the inadequacy. For trading positions that are not in scope under the internal model approach, the standardised rules are applied to calculate their market risk regulatory capital requirements.

Effective management of market risk requires the ability to analyse a complex and evolving portfolio in a constantly changing global market environment, identify problematic trends and ensure that appropriate action is taken in a timely manner. The Group uses a variety of statistical measurement tools to assess and monitor market risk on an ongoing basis including, but not limited to, VaR, SVaR and IRC.

Within the Group, a key metric for measuring portfolio risk is ATR, regularly reported and discussed at the NEHS BRC. The NEHS BRC recommends any changes of metric/limit to the Board, who must opine and approve, if appropriate. Day-to-day responsibility for the ATR calculation and the monitoring of risk limits, within the risk control framework, rests with Market Risk Management. ATR is used for performance evaluation, but not for capital adequacy. In order to ensure capital adequacy, financial soundness is assessed under stressed conditions, i.e., worst-case risk factor moves. Stress testing is undertaken, and results reviewed monthly. VaR is a measure of the potential loss due to adverse movements in market factors, such as equity prices, interest rates, credit, foreign exchange rates, and commodities with associated volatilities and correlations.

The Group uses a single VaR model which has been implemented globally in order to determine the total trading VaR. A historical simulation is implemented, where historical market moves over a two-year window are applied to current exposures in order to construct a profit and loss distribution. Potential losses can be estimated at required confidence levels or probabilities. A scenario weighting scheme is employed to ensure that the VaR model responds to changing market volatility. For the regulatory capital calculation and backtesting processes, the higher of the weighted and unweighted VaR is used, whereas for internal risk management purposes the weighted VaR is used.

To complement VaR under Basel 2.5 regulations, the Group also computes SVaR, which samples from a one-year window during a period of financial stress. The 1-year stress window used in SVaR for internal risk management is calibrated at the Nomura group level, while a window that is specific to the Group is used for regulatory reporting. SVaR is in both cases calculated using a 10-day time horizon. Both VaR and SVaR are based on a single model that diversifies general and specific risk. Both VaR and SVaR are calculated daily using actual 10-day historical market moves. The historical two-year window for VaR is updated once every two days. The stress period used in SVaR model for regulatory reporting is the optimal one-year window, which is calibrated daily by maximising SVaR over a rolling one-year window between start of 2008 and the reporting date.

IRC is a measure of the potential loss from credit migration and default events on debt securities over a one-year time horizon and at a 99.9% confidence level. IRC is calculated by Monte Carlo simulation of correlated migration and default events. A two factor Copula model is used which implies an inter asset correlation (across sectors) and an intra asset correlation (within a sector). These correlations are calibrated to empirically observed default events. P&L from migration is computed by applying credit spread shocks based on initial and final credit rating, adjusted for basis risk by product, recovery, and maturity. P&L from default is simulated including stochastic recovery, correlated with overall default rates. A key determinant of IRC on a position is the credit rating of the obligor, which is based on the Nomura Group's Internal Rating system also used for the Internal Ratings-Based approach. IRC scope covers all debt securities as approved by the PRA. Positions in the IRC model are assumed to have a liquidity horizon of either one year or the position maturity date (whichever is smaller).

Template UK MR1 – Market risk under the standardised approach for the Group and NIP

The table below shows a breakdown of RWEA for market risk calculated under the standardised approach for the Group and NIP as at 31st March 2024:

$m		The Group	NIP
		a	a
		RWEAs	RWEAs
	Outright products		
1	Interest rate risk (general and specific)	666	666
2	Equity risk (general and specific)	102	102
3	Foreign exchange risk	407	389
4	Commodity risk	-	-
	Options		
5	Simplified approach	-	-
6	Delta-plus approach	-	-
7	Scenario approach	-	-
8	Securitisation (specific risk)	-	-
9	**Total**	**1,175**	**1,157**

Total Market Risk RWEAs under the standardised approach for the Group increased compared to 30th September 2023 driven by an increase in general interest rate risk in the portfolio.

There was no material movement in total Market Risk RWEAs under the standardised approach for NIP compared to 31st March 2023.

Template UK MR2-A – Market risk under the Internal Model Approach ("IMA") for the Group and NIP

The table below shows a breakdown of RWAs and Own funds requirements under the Internal Model Approach ("IMA") for the Group and NIP as at 31st March 2024:

		The Group		NIP	
		a	b	a	b
$m		RWAs	Own funds requirements[1]	RWAs	Own funds requirements
1	**VaR** (higher of values a and b)	1,270	102	1,139	91
(a)	Previous day's VaR (VaRt-1)		37		33
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		102		91
2	**SVaR** (higher of values a and b)	1,518	121	1,528	122
(a)	Latest available SVaR (SVaRt-1))		41		38
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		121		122
3	**IRC** (higher of values a and b)	510	41	511	41
(a)	Most recent IRC measure		38		38
(b)	12 weeks average IRC measure		41		41
4	**Comprehensive risk measure** (higher of values a, b and c)	-	-	-	-
(a)	Most recent risk measure of comprehensive risk measure		-		-
(b)	12 weeks average of comprehensive risk measure		-		-
(c)	Comprehensive risk measure Floor		-		-
5	Other	1,771	142	1,640	131
6	**Total**	**5,069**	**406**	**4,818**	**385**

[1] The Group's own funds requirement under the IMA is calculated by offsetting long and short positions across NIP and NFPE as permitted under Article 325b of the CRR.

Own funds requirements under the IMA for the Group has remained stable compared to 30th September 2023.

Own Funds requirements under the IMA for NIP increased compared to 31st March 2023 from increases in SVaR, driven by increase in FX trading positions (Xccy basis risk), and RniV, from market moves (credit spreads tightening).

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

The table below shows a breakdown of RWA and Own Funds requirements under IMA for the Group between 31st December 2023 and 31st March 2024:

$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 December 2023**	1,023	1,473	490	-	1,718	4,704	376
1a	*Regulatory adjustment[1]*	(588)	(900)	(21)	-	-	(1,509)	(120)
1b	*RWAs at 31st December 2023*	435	573	469	-	1,718	3,195	256
2	Movement in risk levels	30	(20)	10	-	53	73	6
3	Model updates/changes	(2)	(44)	-	-	-	(46)	(4)
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	-	-	-	-	-	-	-
7	Other	-	-	-	-	-	-	-
8a	*RWAs at 31st March 2024*	463	509	479	-	1,771	3,222	258
8b	*Regulatory adjustment[2]*	807	1,009	31	-	-	1,847	148
8	**RWAs at 31st March 2024**	**1,270**	**1,518**	**510**	**-**	**1,771**	**5,069**	**406**

Own Funds requirements under the IMA for the Group have increased over the quarter, driven by increased RNiV due to market moves (credit spreads tightening) and VaR from longer EUR rates delta.

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

The table below shows a breakdown of RWA and Own Funds requirements under IMA for NIP between 31st March 2023 and 31st March 2024:

$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 2023**	1,093	1,202	330	-	1,252	3,877	310
1a	*Regulatory adjustment[1]*	(662)	(731)	-	-	-	(1,393)	(111)
1b	*RWAs at 31st March 2023*	431	471	330	-	1,252	2,484	199
2	Movement in risk levels	(1)	37	142	-	388	566	45
3	Model updates/changes	(22)	(35)	-	-	-	(57)	(5)
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	-	-	-	-	-	-	-
7	Other	-	-	-	-	-	-	-
8a	*RWAs at 31st March 2024*	408	473	472	-	1,640	2,993	239
8b	*Regulatory adjustment[2]*	731	1,055	39	-	-	1,825	146
8	**RWAs at 31st March 2024**	**1,139**	**1,528**	**511**	**-**	**1,640**	**4,818**	**385**

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

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

Own Funds requirements under IMA for NIP increased compared to 31st March 2023 from increases in SVaR, driven by increase in FX trading positions (Xccy basis risk), and RNiV from market moves (credit spreads tightening).

Template UK MR3 – IMA values for trading portfolios for the Group and NIP

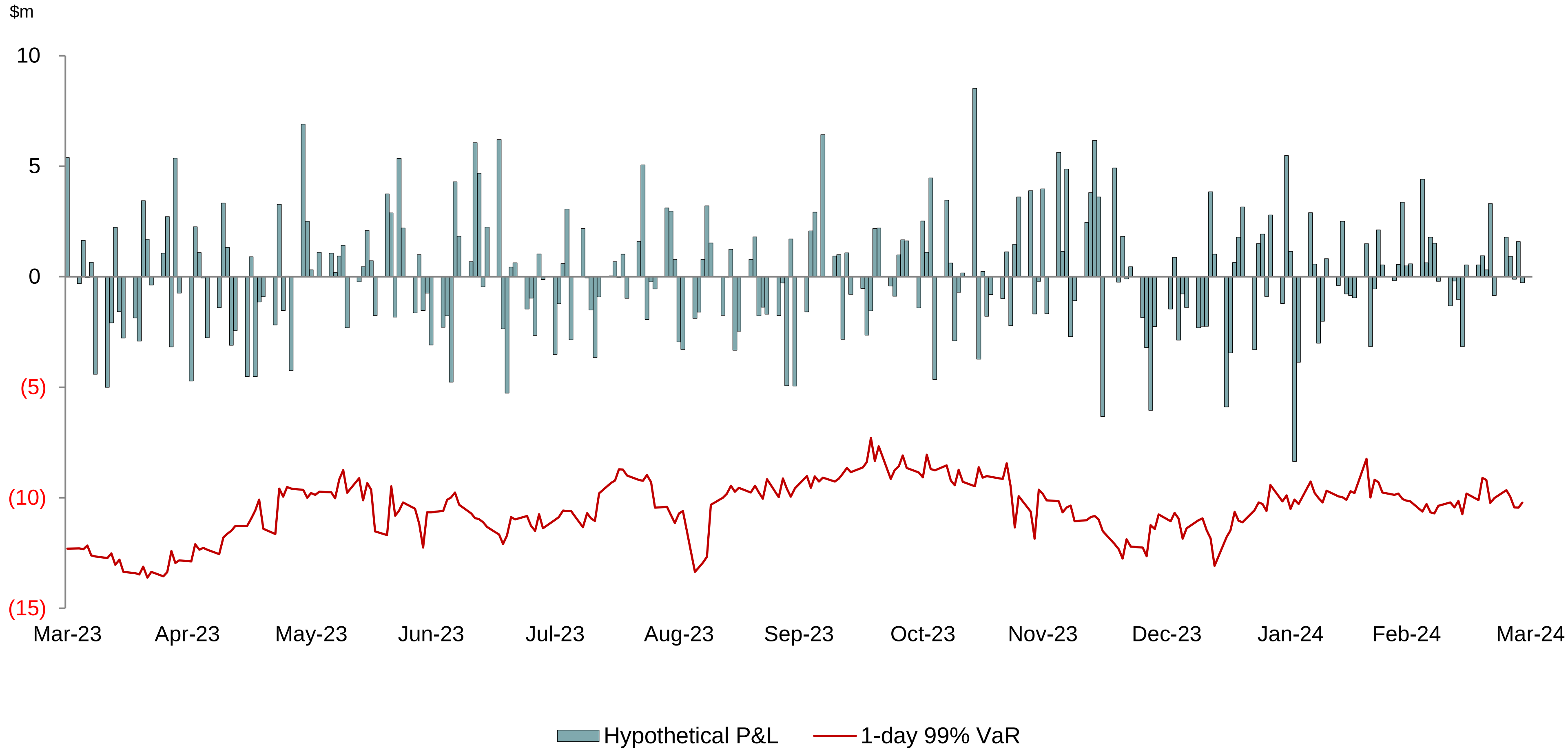
The table below shows the internal model regulatory measures used for capital calculations for the Group and NIP as at 31st March 2024:

$m		The Group	NIP
VaR (10 day 99%)			
1	Maximum value	44	40
2	Average value	30	27
3	Minimum value	16	14
4	Period end	37	33
SVaR (10 day 99%)			
5	Maximum value	59	62
6	Average value	41	39
7	Minimum value	26	23
8	Period end	41	38
IRC (99.9%)			
9	Maximum value	49	49
10	Average value	36	36
11	Minimum value	26	26
12	Period end	38	38
Comprehensive risk measure (99.9%)			
13	Maximum value	-	-
14	Average value	-	-
15	Minimum value	-	-
16	Period end	-	-

The VaR and SVaR measure statistics are comparable as compared to previously reported for the Group and NIP while IRC increased due to increase in sovereign inventory positions.

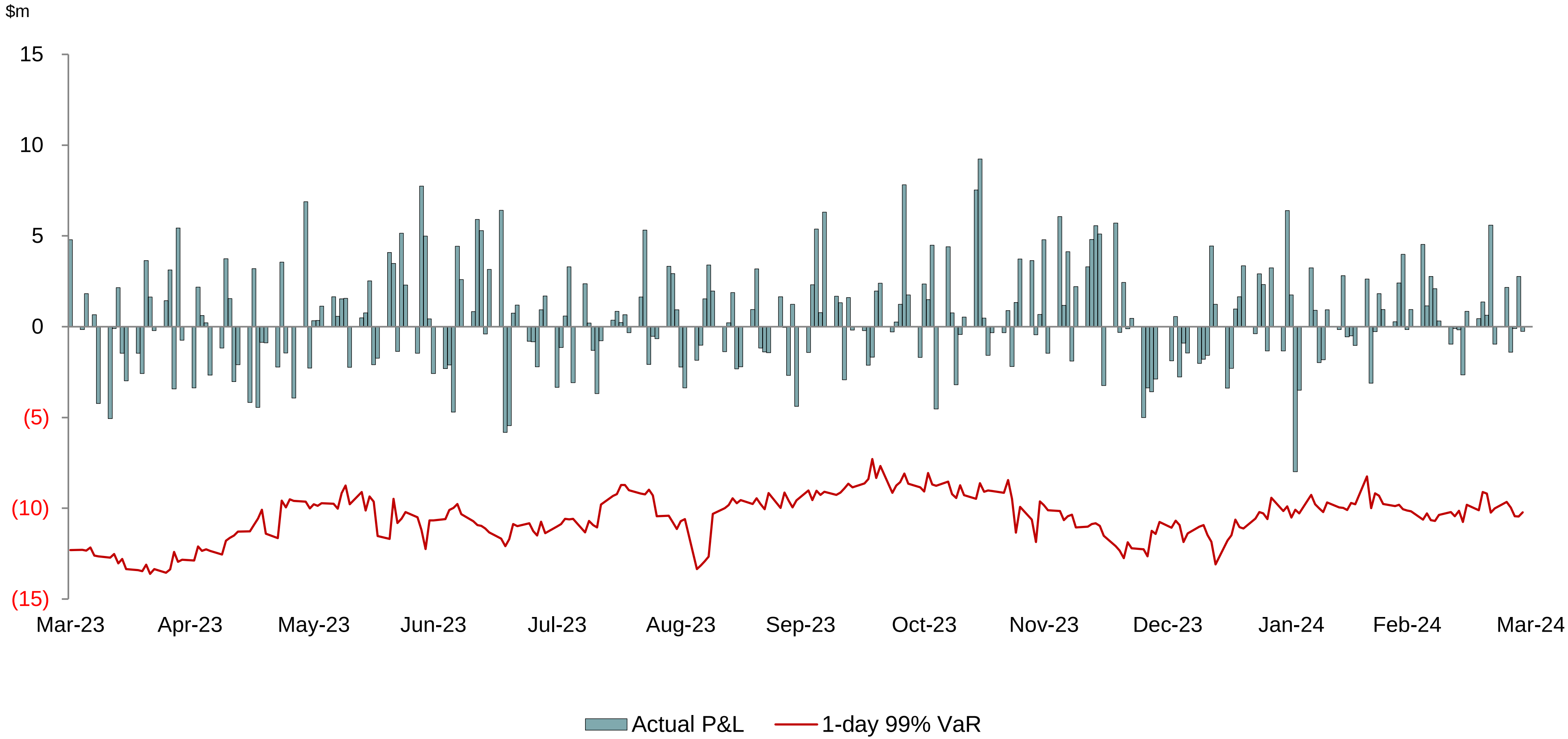
MR4: Comparison of VaR Estimates with Hypothetical Gains / Losses for the Group

The chart below provides a comparison of VaR to the hypothetical profit and loss on a daily basis over the fiscal year ended 31st March 2024 for the Group's PRA approved internal model approach.



MR4: Comparison of VaR Estimates with Actual Gains / Losses for the Group

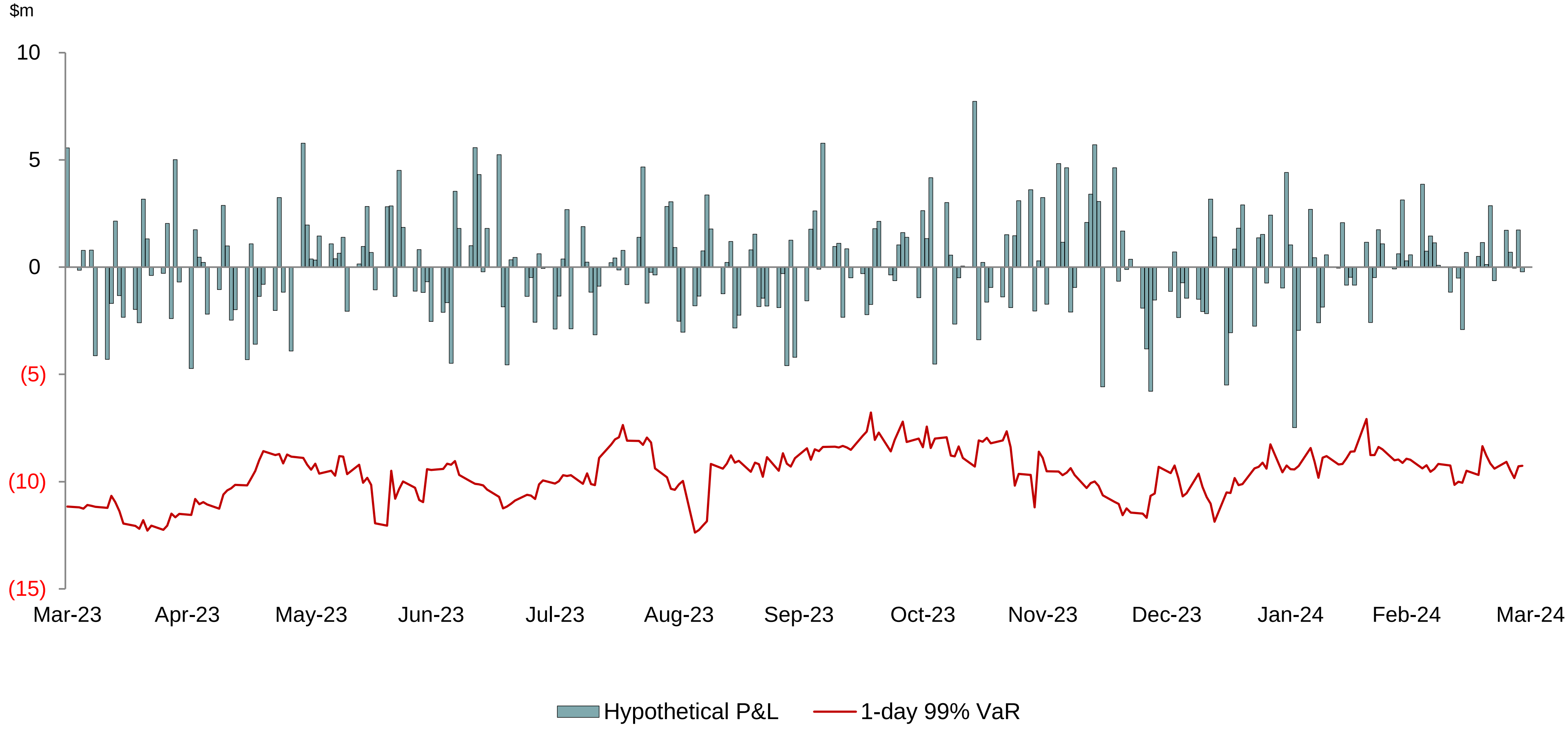
The chart below provides a comparison of VaR to the actual profit and loss on a daily basis over the fiscal year ended 31st March 2024 for the Group's PRA approved internal model approach.



There were no 1-day trading losses exceeding the 99% VaR backtesting exceptions for the Group for year ended 31st March 2024.

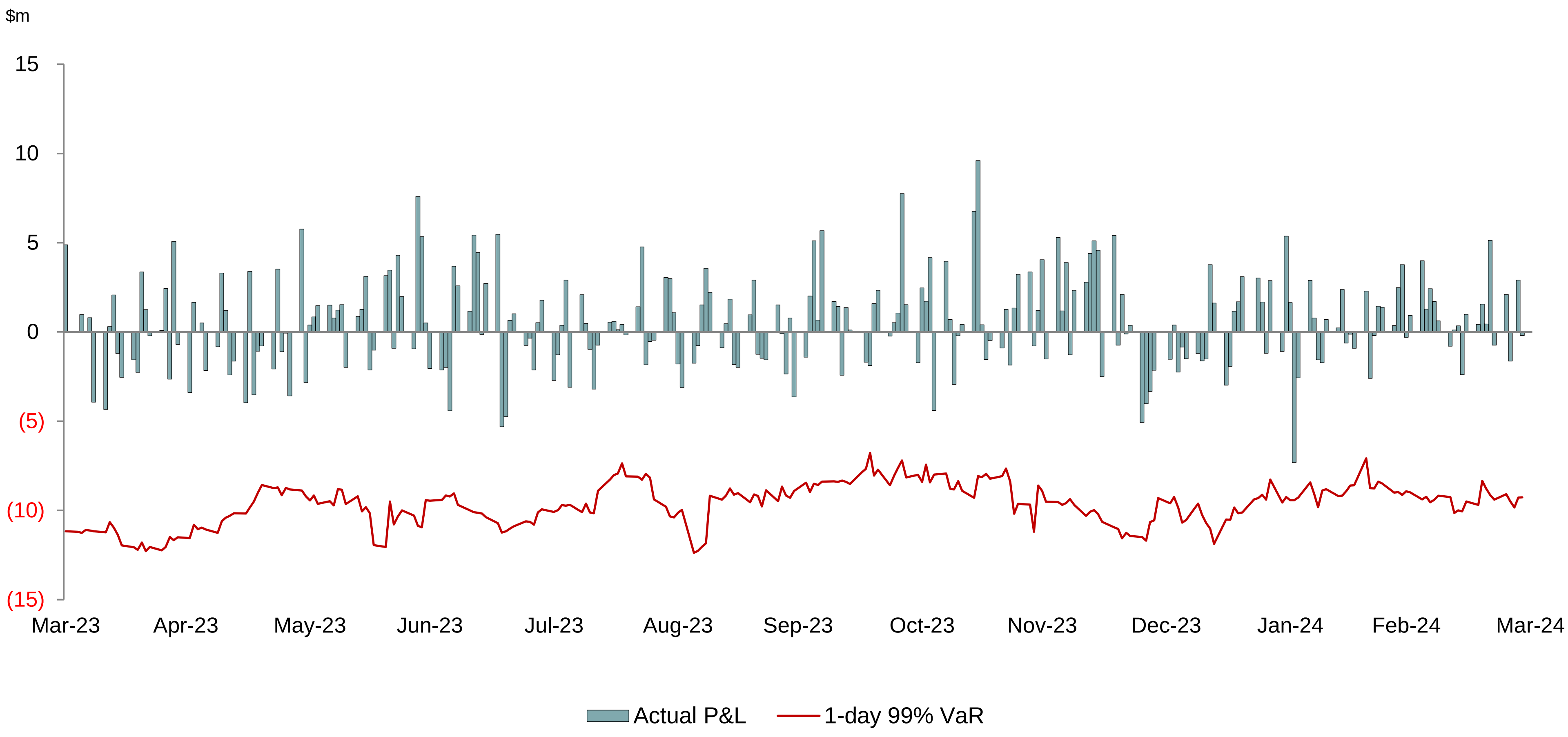
MR4: Comparison of VaR Estimates with Hypothetical Gains / Losses for NIP

The chart below provides a comparison of VaR to the hypothetical profit and loss on a daily basis over the fiscal year ended 31st March 2024 for NIP's PRA approved internal model approach.



MR4: Comparison of VaR Estimates with Actual Gains / Losses for NIP

The chart below provides a comparison of VaR to the actual profit and loss on a daily basis over the fiscal year ended 31st March 2024 for NIP's PRA approved internal model approach.



There were no 1-day trading losses exceeding the 99% VaR backtesting exceptions for NIP for year ended 31st March 2024.

Electronic and Algorithmic Trading Risk

Risks associated with Electronic and Algorithmic trading activities arise across risk types within both Financial and Non-Financial Risks and are indirectly captured under each risk category. However, the speed and autonomy with which these transactions can be executed presents unique risks that can disrupt markets, lead to the build-up of significant intraday exposures as well as regulatory censure. A framework has been established which looks at these unique risk scenarios more holistically. Key areas of focus include:

- System Runaway and Failure: Where Algorithmic Trading Strategies malfunction or generate duplicative or erroneous orders.
- Flash Crash: Risk of overreaction to market events by Algorithmic Trading strategies.
- Misconduct: Risk of Algorithmic Trading strategies deliberately or inadvertently causing disadvantage to clients, market abuse or market disruption.
- Model Risk: The design or incorrect use of Algorithmic Trading Strategies resulting in poor trading and business decisions being made.

Model Risk Management

Model Risk Scope

Model Risk is the risk of financial loss, incorrect decision making, or damage to the Group's credibility arising from Model errors or incorrect or inappropriate Model application.

Risk Management

To effectively manage the Group's Model Risk, Nomura has established a Model Risk Management Framework to govern the development, ownership, validation, approval, usage, ongoing monitoring, and periodic review of the Group's Models. The framework is supported by a set of policies and procedures that articulate process requirements for the various elements of the model lifecycle, including monitoring of model risk with respect to the Group's appetite.

New models and material changes to approved models must be independently validated prior to official use. Thresholds to assess the materiality of model changes are defined in Model Risk Management's procedures. During independent validation, validation teams analyse a number of factors to assess a model's suitability, identify model limitations, and quantify the associated model risk, which is ultimately mitigated through the imposition of approval conditions, such as usage conditions, model reserves and capital adjustments. Approved models are subject to periodic review and ongoing performance monitoring to ensure their continued suitability. Appropriately delegated Model Risk Management Committees provide oversight, challenge, governance, and where appropriate, ultimate approval of validated Models.

Securitisations

The Group is not an active participant in the origination of securitisations (meaning pooled assets with tranche risk), and accordingly detailed Pillar 3 disclosures are not made.

Further information about securitisation policies can be found in the NHI Securities and Exchange Commission 20F filing at the following link: NHI 20-F

Operational Risk

Operational Risk Scope

Operational risk is the risk of financial loss or non-financial impact arising from inadequate or failed internal processes, people and systems, or from external events. Operational Risk includes in its definition Compliance, Legal, IT and Cyber Security, Fraud, Third Party and other non-financial risks. Operational Risk does not include strategic risk and reputational risk; however, some operational risks can lead to reputational issues and as such operational and reputational risks may be closely linked.

Risk Management

The Group adopts the industry standard "Three Lines of Defence" for the management of operational risk.

The "Governing Body" is the Group Risk Management Committee ("GRMC"), which provides formal oversight. GRMC is responsible for ensuring a sound and effective framework is in place for the management of Operational Risk.

The Nomura Group's Operational Risk Management framework is set out below:

Infrastructure of the framework

- Policy Framework: Sets standards for managing operational risk and details how to monitor adherence to these standards.
- Risk Culture, Training, and Awareness: Action taken by Operational Risk Management to improve business understanding of operational risk.

Products and services

- Operational Risk Event Reporting: This process is used by the 1st LOD to identify and report any event which resulted in or had the potential to result in a loss or gain or other impact associated with inadequate or failed internal processes, people and systems, or from external events.
- Risk and Control Self-assessment ("RCSA"): This process is used by the 1st LOD to identify the inherent risks the business faces, the key controls associated with those risks and relevant actions to mitigate the residual risks. Global Operational Risk Management are responsible for developing the RCSA framework and supporting the business in its implementation.
- Key Risk Indicators ("KRI"): KRIs are metrics used to monitor the business' exposure to operational risk.
- Scenario Analysis: This process is used to assess and quantify potential high impact, low likelihood tail risks and agree actions to improve controls where required.

Outputs

- Risk Appetite: Articulates risk management approach for operational risk. Global Operational Risk Management framework produces regular reporting on the level of operational risk in accordance with the Risk Appetite Statement.
- Analysis and Reporting: A key aspect of ORM's role is to analyse, report, and challenge operational risk information provided by business units, and advise the business units when developing action plans to mitigate risks.

Operational Risk Capital calculation: Calculate operational risk capital as required under applicable Basel standards and local regulatory requirements.

Operational Risk Capital Requirement

Operational risk Pillar 1 capital requirement for the Group is calculated using the standardised approach ("TSA"). This involves using a three year average of audited revenue allocated to business lines, which is multiplied by a fixed percentage ("Beta Factor") per article 317 of the CRR to establish the amount of required capital.

Template UK OR1 – Operational risk own funds requirements and risk-weighted exposure amounts for the Group

The table below shows the breakdown of Operational risk own funds requirements and risk-weighted exposure amounts for the Group as at 31st March 2024:

	$m Banking activities	a	b	c	d	e
		Relevant indicator			Own funds requirements	Risk weighted exposure amount
		Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)	-	-	-	-	-
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	1,187	1,387	1,345	225	2,812
3	*Subject to TSA:*	1,187	1,387	1,345		
4	*Subject to ASA:*	-	-	-		
5	Banking activities subject to advanced measurement approaches AMA	-	-	-	-	-

There was no material movement in the Operational risk own funds requirement compared to the previous year.

Template UK OR1 – Operational risk own funds requirements and risk-weighted exposure amounts for NIP

The table below shows the breakdown of Operational risk own funds requirements and risk-weighted exposure amounts for NIP as at 31st March 2024:

	$m Banking activities	a	b	c	d	e
		Relevant indicator			Own funds requirements	Risk weighted exposure amount
		Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)	-	-	-	-	-
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	1,076	1,226	1,236	212	2,654
3	*Subject to TSA:*	1,076	1,226	1,236		
4	*Subject to ASA:*	-	-	-		
5	Banking activities subject to advanced measurement approaches AMA	-	-	-	-	-

There was no material movement in the Operational risk own funds requirement compared to the previous year.

Sensitivity of the Banking Book to Changes in Interest Rates

Trading Book and Banking Book

The Group's principal activities are broking and dealing in securities, derivatives and banking activities. They include, among other services, trading and sales in fixed income, equity products and related derivatives; investment banking services; asset and principal finance business, corporate finance and private equity.

The Group has policies and procedures for determining trading book positions under the relevant prudential and capital regulations. Other positions that do not meet trading book criteria are reported as banking book.

In the Group, Banking Book is not used presently for mainstream or strategic business offerings. It is primarily related to funding/liquidity activities, a small portion of Global Market lending trades which do not qualify as Trading Book, and associated hedges. The licenced banking entities within the Group operate mainly for issuance, depositary bank clearing and custody services with modest balance sheet sizes. Group IRRBB risk appetite is set by the NEHS Board in line with this strategy.

IRRBB risk management objectives and policies

Interest Rate Risk in the Banking Book ("IRRBB") refers to the current or prospective risk to a bank's capital and to its earnings, arising from the impact of adverse movements in interest rates on its banking book. The Group IRRBB Policy sets out the basic principles for IRRBB, including the scope, measurement, roles and responsibilities and how IRRBB should be reported and escalated.

Both Economic Value of Equity ("EVE") and Net Interest Income ("NII") sensitivities are analysed and monitored monthly against risk appetite and the worst-case EVE decline is also monitored for Supervisory Outlier Test. Breaches of risk appetite are escalated to Risk and Treasury heads and ultimately the NEHS Board Risk Committee.

Most Group banking book positions are floating rate instruments. Where possible and necessary, Interest Rate ("IR") positions are managed via asset and liability matching and/or hedged with IR derivatives such as IR swaps and Basis Swaps, hence a modest IRRBB EVE level. In the EVE model, commercial margins and funding spreads are included in the forecast cash flows; credit spread considerations are included in discounting accordingly for external positions (such as lending and issuances) in line with regulatory requirements.

The ΔNII disclosed is strictly based on the regulatory prescribed constant balance sheet which does not include the effect of active balance sheet management and dynamic assumptions.

Template UK IRRBB1 – Quantitative information on IRRBB for the Group

The table below shows quantitative information on Interest Rate Risk in the Banking Book for the Group as at 31st March 2024:

	$m	a	b	c	d	e	f
		ΔEVE		ΔNII		Tier 1 Capital	
	Period	Mar-24	Sep-23	Mar-24	Sep-23	Mar-24	Sep-23
010	Parallel shock up	(11)	(3)	53	92		
020	Parallel shock down	(11)	(12)	(53)	(92)		
030	Steepener shock	(5)	(3)				
040	Flattener shock	(25)	(16)				
050	Short rates shock up	(28)	(16)				
060	Short rates shock down	(10)	(8)				
070	**Maximum**	**(28)**	**(16)**	**(53)**	**(92)**		
080	**Tier 1 capital**					**5,606**	**5,564**

IRRBB remains well managed. ΔEVE worst case decline among the six latest regulatory scenarios is $(28)m, ΔNII worst decline among parallel shock up and down scenario is $(53)m. ΔNII decreased by $39m largely due to changing currency mix between banking book assets and liabilities and steady wholesale banking book business growth, which resulted in a modest increase $(12)m in ΔEVE.

Template UK IRRBB1 – Quantitative information on IRRBB for NIP

The table below shows Quantitative information on Interest Rate Risk in the Banking Book for NIP as at 31st March 2024:

	$m	NIP					
		a	b	c	d	e	f
		ΔEVE		ΔNII		Tier 1 Capital	
	Period	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23
010	Parallel shock up	(15)	(5)	21	74		
020	Parallel shock down	(8)	(4)	(21)	(74)		
030	Steepener shock	(3)	(0)				
040	Flattener shock	(24)	(14)				
050	Short rates shock up	(28)	(15)				
060	Short rates shock down	(5)	(2)				
070	**Maximum**	**(28)**	**(15)**	**(21)**	**(74)**		
080	**Tier 1 capital**					**5,053**	**5,063**

IRRBB remains well managed. ΔEVE worst case decline among the six latest regulatory scenarios is $(28)m, ΔNII worst decline among parallel shock up and down scenario is $(21)m. ΔNII decreased by $53m largely due to changing currency mix between banking book assets and liabilities and steady wholesale banking book business growth, which resulted in a modest increase $(13)m in ΔEVE.

Other Risk Types

Strategic Risk

The risk to current or anticipated earning, capital, liquidity, enterprise value, or NEHS's reputation arising from adverse business decisions, poor implementation of business decisions, or lack of responsiveness to change in the industry or external environment.

Risks Extending Across Plural Risk Categories

In certain circumstances risks will extend across plural risk categories. For example, ESG, algorithmic trading related risks, conduct risks and cross border risks manifest themselves through one or several of the other risk categories identified above. Other risks arise from time to time with changes to the Group's strategy or changes in the external environment.

Valuation Practices

Valuation of Fair Value Instruments

The fair value of financial instruments is the value at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The best evidence of fair value is quoted prices in an active market. Therefore, the fair value of financial instruments, including exchange-traded securities and derivatives is based on quoted market prices on exchanges or other broker/dealer quotations, where available.

Where quoted market prices or broker/dealer quotations are not available, prices for similar instruments or valuation pricing models are considered in the determination of fair value. The valuation models used maximise the use of market inputs and minimise the use of inputs that are unobservable in the market.

Where the use of valuation techniques with significant unobservable parameters generates a gain at inception this is amortised over the life of the contract or until the parameters become observable at which point the gain is fully released.

Valuation Process

In order to ensure the appropriateness of any fair value measurement of a financial instrument, the Group operates a governance framework which mandates determination or validation of a fair value measurement by control and support functions independent of the trading businesses that assumes the risk of the financial instrument.

The Valuations Control Group ("VCG"), part of Global Middle Office within the Group's Finance department reports to the Global Head of Middle Office and to the NEHS CFO. VCG is responsible for determining and implementing valuation policies and procedures in connection with validation of fair value measurements in line with the relevant accounting standards. While it is the responsibility of market makers and investment professionals in the Group's trading businesses to mark the Group's financial instruments, the VCG are responsible for independently verifying these prices or pricing inputs. This process of price verification is referred to as Independent Price Verification ("IPV").

The IPV process verifies the fair value of positions to external levels on a regular basis. The process will involve independently obtaining data such as trades, marks and prices from external and internal sources and examining the impact of marking the fair valued positions using these independent prices or pricing inputs. Variances in fair value highlighted by the IPV process will be adjusted in the general ledger subject to thresholds.

Prudent Valuation Adjustment

The Group has documented policies and adequate systems and controls in place for the calculation and monitoring of Prudent Valuation Adjustment ("PVA"). The differences between the prudent value and the fair value, known as Additional Valuation Adjustments ("AVAs") are deducted from CET1 capital. The AVAs represent adjustments to the point within a range of plausible values at which the Group could exit a valuation exposure with 90% confidence or better. The Group's prudent value methodology addresses fair value uncertainties for positions, such as market price uncertainty, closeout cost uncertainty, concentration and non-performance risk. In compliance with CRR, PVA is calculated for all fair valued items in both the trading book and non-trading book. PVA reduced by $25m during the year driven by AVAs related to Counterparty Credit and Funding exposures.

Template UK PV1 – Prudent valuation adjustments (PVA) for the Group

Prudent valuation adjustments for the Group as at 31st March 2024:

$m		a	b	c	d	e	UK e1	UK e2	f	g	h
		Risk category					Category level AVA - Valuation uncertainty				
	Category level AVA	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA	Total category level post-diversification	Of which: Total core approach in the trading book	Of which: Total core approach in the banking book
1	Market price uncertainty	8	11	13	32	-	28	17	54	53	1
3	Close-out cost	1	4	2	7	-	21	7	21	21	-
4	Concentrated positions	0	1	0	6	-			7	7	-
5	Early termination	-	-	-	-	-			-	-	-
6	Model risk	-	-	-	-	-	-	-	-	-	-
7	Operational risk	1	2	1	4	-			8	8	-
10	Future administrative costs	-	8	-	1	-			9	9	-
12	**Total Additional Valuation Adjustments (AVAs)**								**99**	**98**	**1**

Template UK PV1 – Prudent valuation adjustments (PVA) for NIP

Prudent valuation adjustments for NIP as at 31st March 2024:

$m		a	b	c	d	e	UK e1	UK e2	f	g	h
		Risk category					Category level AVA - Valuation uncertainty		Total category level post-diversification		
	Category level AVA	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA		Of which: Total core approach in the trading book	Of which: Total core approach in the banking book
1	Market price uncertainty	8	11	13	31	-	25	15	51	50	1
3	Close-out cost	1	4	2	7	-	20	7	20	20	-
4	Concentrated positions	0	1	0	7	-			8	8	-
5	Early termination	-	-	-	-	-			-	-	-
6	Model risk	-	-	-	-	-	-	-	-	-	-
7	Operational risk	0	2	1	4	-			7	7	-
10	Future administrative costs	-	8	-	1	-			9	9	-
12	**Total Additional Valuation Adjustments (AVAs)**								**95**	**94**	**1**

Leverage Ratio

Leverage disclosures have been prepared in accordance with the requirements of the PRA Rulebook: CRR Firms: Leverage Ratio.

Calculation Overview

The leverage ratio is calculated by dividing a capital measure by an exposure measure and typically reported as a percentage amount. The capital measure is calculated as Tier 1 Capital as determined for the purposes of risk-based capital framework. The exposure measure ensures broad and adequate capture of both the on- and off-balance sheet sources of banks and investment firms.

Leverage Exposure Management

Management of exposure to leverage forms a key part of the Group's overall strategy and business plan.

Nomura Group have set the escalation limits in line with NIP and Group capacity to ensure that leverage exposure falls within the risk appetite.

Template UK LR1 – LRSum: Leverage Reconciliation of Accounting Assets and Leverage Ratio Exposure for the Group and NIP

The table below shows the reconciliation of accounting assets and leverage ratio exposures for the Group and NIP as at 31st March 2024:

$m		The Group	NIP
		Applicable amount	**Applicable amount**
1	Total assets as per published financial statements[1]	10,712	223,159
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation[2]	243,095	-
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-	-
4	(Adjustment for exemption of exposures to central banks)	(5,325)	(4,287)
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) of the CRR)	-	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-	-
7	Adjustment for eligible cash pooling transactions	-	-
8	Adjustment for derivative financial instruments	(119,663)	(98,280)
9	Adjustment for securities financing transactions (SFTs)	8,046	8,394
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	1,247	1,441
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced tier 1 capital (leverage))	-	-
UK-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)[3]	-	(1,215)
UK-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) of the CRR)	-	-
12	Other adjustments	(9,400)	(9,048)
13	**Total exposure measure**	**128,712**	**120,164**

1) *Total assets per the Nomura Europe Holdings plc standalone company financial statements and NIP's annual report. Nomura Europe Holdings Plc Group does not publish consolidated financial statements.*

2) *This represents consolidation adjustments for the Group*

3) *This represents NIP exposures to NBI*

Template UK LR2 – LRCom: Leverage Ratio Common Disclosure for the Group and NIP

The table below shows the Leverage ratio exposures for the Group and NIP as at 31st March 2024:

$m		Leverage ratio exposures			
		The Group		NIP	
		a	b	a	b
		Mar-24	Sep-23	Mar-24	Mar-23
On-balance sheet exposures (excluding derivatives and SFTs)					
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	38,302	38,713	34,179	30,423
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(9,394)	(11,891)	(9,044)	(7,742)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-	-	-
6	(Asset amounts deducted in determining tier 1 capital (leverage))	(7)	(10)	(4)	(7)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**28,901**	**26,812**	**25,131**	**22,674**
Derivative exposures					
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	7,753	8,444	7,182	7,362
UK-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	23,023	20,553	21,199	20,006
UK-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardised approach	-	-	-	-
UK-9b	Exposure determined under the original exposure method	-	-	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	(79)	(88)	(79)	(453)
UK-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-	-	-
UK-10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)	-	-	-	-
11	Adjusted effective notional amount of written credit derivatives	127,644	97,105	126,974	97,131
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(126,821)	(96,353)	(126,149)	(95,644)
13	**Total derivatives exposures**	**31,520**	**29,661**	**29,127**	**28,402**
Securities financing transaction (SFT) exposures					
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	189,378	205,777	183,226	208,489
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(125,051)	(135,006)	(121,647)	(141,844)
16	Counterparty credit risk exposure for SFT assets	8,046	6,940	8,394	7,662
UK-16a	Derogation for SFTs: counterparty credit risk exposure in accordance with Articles 429e(5) and 222 of the CRR	-	-	-	-
17	Agent transaction exposures	-	-	-	-
UK-17a	(Exempted CCP leg of client-cleared SFT exposures)	-	-	-	-
18	**Total securities financing transaction exposures**	**72,373**	**77,711**	**69,973**	**74,307**
Other off-balance sheet exposures					
19	Off-balance sheet exposures at gross notional amount	4,045	5,515	4,286	3,346
20	(Adjustments for conversion to credit equivalent amounts)	(2,803)	(4,012)	(2,850)	(2,011)
21	(General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures)	-	-	-	-
22	**Off-balance sheet exposures**	**1,242**	**1,503**	**1,436**	**1,335**
Excluded exposures					
UK-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	-	-	(1,215)	(1,200)
UK-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) of the CRR (on- and off-balance sheet))	-	-	-	-
UK-22g	(Excluded excess collateral deposited at triparty agents)	-	-	-	-
UK-22k	**(Total exempted exposures)**	**-**	**-**	**(1,215)**	**(1,200)**
Capital and total exposure measure					
23	**Tier 1 capital (leverage)**	5,606	5,564	5,053	5,063

$m		Leverage ratio exposures			
		The Group		NIP	
		a	b	a	b
		Mar-24	Sep-23	Mar-24	Mar-23
24	Total exposure measure including claims on central banks	134,037	135,687	124,451	125,518
UK-24a	(-) Claims on central banks excluded	(5,325)	(5,840)	(4,287)	(2,925)
UK-24b	**Total exposure measure excluding claims on central banks**	**128,712**	**129,847**	**120,164**	**122,593**
Leverage ratio					
25	Leverage ratio excluding claims on central banks (%)	4.36%	4.28%	4.21%	4.13%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	4.36%	4.28%	4.21%	4.13%
UK-25b	Leverage ratio excluding central bank reserves as if the temporary treatment of unrealised gains and losses measured at fair value through other comprehensive income had not been applied (%)				
UK-25c	Leverage ratio including claims on central banks (%)	4.18%	4.10%	4.06%	4.03%
26	Regulatory minimum leverage ratio requirement (%)	3.25%	3.25%	3.25%	3.25%
Additional leverage ratio disclosure requirements - leverage ratio buffers					
27	Leverage ratio buffer (%)	0.20%	0.20%	0.20%	0.10%
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	-	-	-	-
UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.20%	0.20%	0.20%	0.10%
Additional leverage ratio disclosure requirements - disclosure of mean values					
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	67,914	68,164	65,512	69,042
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	64,327	70,771	61,579	66,644
UK-31	Average total exposure measure including claims on central banks	136,663	133,983	126,684	128,223
UK-32	Average total exposure measure excluding claims on central banks	130,769	128,943	121,595	125,496
UK-33	Average leverage ratio including claims on central banks	4.09%	4.15%	3.99%	3.92%
UK-34	Average leverage ratio excluding claims on central banks	4.28%	4.32%	4.15%	4.01%

Factors impacting Leverage Ratio during the period

The leverage ratio excluding claims on central banks of the Group increased 0.1% to 4.4% compared to 30th September 2023 due to a reduction in SFT leverage exposure.

The leverage ratio excluding claims on central banks of NIP increased 0.1% to 4.2% compared to 31st March 2023 following a reduction in SFT leverage exposure.

Template UK LR3 – LRSpl: Breakdown of On-Balance Sheet Leverage Exposures for the Group and NIP

The table below shows the breakdown of on-balance sheet leverage exposures for the Group and NIP as at 31st March 2024:

$m		The Group	NIP
		Leverage ratio exposures	
UK-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**28,908**	**25,011**
UK-2	Trading book exposures	18,548	18,305
UK-3	Banking book exposures, of which:	10,360	6,706
UK-4	Covered bonds	-	-
UK-5	Exposures treated as sovereigns	5,618	3,835
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	-	-
UK-7	Institutions	2,874	1,217
UK-8	Secured by mortgages of immovable properties	-	-
UK-9	Retail exposures	-	-
UK-10	Corporates	1,746	1,559
UK-11	Exposures in default	-	-
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	122	95

Liquidity

Strategies and Processes in the Management of Liquidity Risk

Liquidity risk is the risk that the Group will have insufficient liquidity resources to meet both expected and unexpected contractual and contingent liabilities as they fall due, including during periods of market and / or idiosyncratic stress. The Treasury function is responsible for the measurement and management of liquidity risk supported by a robust Liquidity Risk Management ("LRM") Framework. The LRM Framework is defined at the global level and tailored to meet local internal and regulatory requirements. Treasury provides regular reporting to senior management and governance committees on the funding and liquidity position of the key operating entities.

Structure and Organisation of the Liquidity Risk Management Function

The Group's approach to liquidity risk management is founded on the "Three Lines of Defence" principle, ensuring clear roles and responsibilities for the management and oversight of liquidity risk.

Treasury is part of the Finance division and manages access to Unsecured Funding within a defined funding plan. Funding is allocated in two ways: (1) to the business in the form of an Unsecured Funding ("UF") limit, and (2) contingent liquidity and buffers to meet internal and regulatory liquidity stress testing requirements. Treasury is responsible for assessing and monitoring liquidity risks, and ensuring that an appropriate level of high-quality liquid assets ("HQLA") are held under the control of the Treasury function to protect against modelled outflows in stress. All liquidity costs are allocated to the business.

The NEHS Treasurer, reporting to the NEHS Chief Financial Officer, has responsibility for the implementation and oversight of the LRM Framework including ensuring compliance with the firm's liquidity risk appetite. This is supplemented by management committees responsible for challenge and oversight of liquidity risk including ongoing liquidity adequacy, stress testing policy and the broader liquidity risk framework.

The Wholesale Business Unit ("BU") operates as the 1st line of defence, primarily facilitated by the Group's embedded UF framework and their clear responsibility to manage ongoing compliance to the limits set. In addition, the BU is required to operate within the specific limits and guidelines set for certain secured funding and cross-currency risks monitored via the internal Maximum Cumulative Outflow ("MCO") stress test.

Degree of Centralisation of Liquidity Management

Policy is set globally and cascaded locally. Liquidity and funding risk at the Group is managed locally, with NEHS Treasury directly responsible for the PRA regulated entities: the Group, NIP and NBI; the BaFin regulated entity: NFPE; and other regulated subsidiaries including BNF. At the regional level, the NEHS Treasurer, reporting to the NEHS Chief Financial Officer, has ultimate responsibility for oversight of the LRM Framework.

Ongoing Liquidity Risk Monitoring and Mitigation including Regulatory Developments

Maximum Cumulative Outflow ("MCO")

The MCO is Nomura Group's primary tool to measure and monitor liquidity risk on a daily basis, defining the level of liquid assets required to meet contractual and contingent liquidity needs in the event of a stress. The MCO incorporates consistent assumptions at an entity, regional and global level, modelling stressed liquidity outflows over three scenarios of increasing severity, ranging from normal business conditions to a combination of both a market-wide and Nomura Group specific liquidity stress.

Liquidity Coverage Ratio ("LCR")

The LCR model requires the Group to hold sufficient unencumbered HQLA to meet expected contractual and contingent liabilities over a 30 calendar day stress scenario, covering both Pillar 1 and Pillar 2 risks. This is being managed in accordance with the UK PRA's LCR rules, with which the Group is in compliance. The European Entities (NFPE, BNF) within the Group are compliant with LCR rules in line with EU regulations.

In addition, the Group monitors and manages a set of liquidity metrics on an ongoing basis in order to ensure compliance with internal and external requirements as applicable. These are in part captured by the PRA 110 report and supplement the stress testing framework.

Net Stable Funding Ratio ("NSFR")

The NSFR model requires firms to maintain a longer term stable funding profile in relation to the overall composition of their on- and off-balance sheet assets and liabilities ensuring firms have at least the same amount of available stable funding as the amount of required stable funding on an ongoing basis.

The Group is compliant with the PRA's NSFR rules. The European Entities (NFPE, BNF) within the Group are compliant with NSFR rules in line with EU regulations.

Internal Liquidity Adequacy Assessment Process ("ILAAP")

The ILAAP, prescribed by the PRA, requires firms to qualitatively and quantitatively assess their liquidity risk management framework, including:

- Funding profile, strategy and risks
- Approach to the identification, measurement and management of liquidity and funding risks across different time horizons and stress scenarios
- Stress testing methodologies for each of the ten PRA-defined liquidity risk drivers
- Liquidity risk governance and controls
- Adequacy of liquidity buffers
- Data and systems architecture, including data accuracy and validation

The Group ILAAP document is an NEHS Board approved document, following review and recommendation by governance committees including the NEHS Board Risk Committee and NEHS ALCO, further supported by sub-committees to ensure appropriate level of review and challenge of the liquidity framework.

Overview of the Contingency Funding Plan

The Group Contingency Funding Plan ("CFP") outlines management's strategies and actions to address liquidity shortfalls during periods of idiosyncratic stress to NEHS entities and / or market-wide stress. The Group CFP cascades from the NHI CFP but can be triggered independently and is tailored to the Group and its entities as required.

The CFP outlines the importance of communication and the ability to mobilise resources and information lines effectively to optimise management actions during periods of severe stress.

The Group CFP is based on the following core pillars, consistent with the NHI CFP:

- **Early Warning Indicators ("EWIs"):** Quantitative and qualitative events that indicate potentially higher levels of liquidity / funding stress, and may require management actions, potentially including the activation of the CFP
- **CFP Triggers:** Events that mandatorily prompt management response, including potential activation of the CFP if necessary
- **Liquidity Crisis Management Team ("LCMT"):** Roles and responsibilities of the functional representatives required to convene in the event of invoking the CFP, in order to assess the stress event and take actions as appropriate
- **Management Actions:** Contingent funding options available during liquidity stress events to enable a return to normal business conditions as soon as possible
- **Management Information ("MI"):** Standard and non-standard MI required to inform management decisions during a CFP event.

The Group CFP is reviewed and approved by the NEHS Board on an annual basis. Periodic testing of the CFP components is executed to ensure roles and responsibilities are understood, communication channels are effective and market access capabilities are confirmed.

Overview of the use of Stress Testing

Liquidity stress testing is undertaken on a daily basis across internal MCO and regulatory defined LCR. This is used:

- To inform the amount of segregated Liquidity Pool ("LP") that remains sufficient to meet modelled liquidity requirements under a defined set of stress scenarios
- As a key input into the entities' forward-looking Funding Plan
- To measure compliance with the firm's liquidity risk appetite, supported by a comprehensive range of EWIs

Overall Adequacy of Liquidity Risk Management

The LRM Framework as summarised in the ILAAP provides a comprehensive overview of the Group's overarching liquidity risk management framework that ensures liquidity risk is managed within risk appetite, whilst pursuing Nomura's overall business strategy and objectives. The framework in place is continuously reviewed and enhanced on an ongoing basis.

Overall Adequacy of Liquidity Risk Profile Associated with Business Strategy and Associated Risk Tolerance Levels

The Group maintains sufficient sources of funding for business-as-usual Unsecured Funding demand and contingent liquidity needs, informed by stress modelling, as well as the business strategy and budgeting process. The entity operates on a self-sufficient basis ensuring ongoing compliance with the Liquidity Risk Appetite without placing any reliance on obtaining incremental Unsecured Funding.

The core pillars of the LRM Framework are summarised below:

- Daily monitoring and compliance to Board approved Liquidity Risk Appetite and management buffers, applying to both MCO and LCR minimum requirements
- Maintenance of a sufficient LP to meet all contractual and contingent liabilities as they fall due
- Daily monitoring of a range of EWIs and CFP triggers
- Intraday monitoring and reporting of cross-currency exposures with defined thresholds and escalation processes in place
- Review and approval of new business transactions and strategies, assessing the impact on funding and 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 31st March 2024:

	$m	a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
UK 1a	Quarter ending on	31-Mar-24	31-Dec-23	30-Sep-23	30-Jun-23	31-Mar-24	31-Dec-23	30-Sep-23	30-Jun-23
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)					21,030	21,259	21,749	22,230
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
3	*Stable deposits*	-	-	-	-	-	-	-	-
4	*Less stable deposits*	-	-	-	-	-	-	-	-
5	Unsecured wholesale funding	4,471	4,509	4,679	4,925	3,278	3,218	3,255	3,332
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	1,583	1,708	1,876	2,098	396	427	469	525
7	*Non-operational deposits (all counterparties)*	2,611	2,502	2,514	2,543	2,605	2,492	2,497	2,523
8	*Unsecured debt*	277	299	289	284	277	299	289	284
9	*Secured wholesale funding*					14,733	14,438	14,494	14,669
10	Additional requirements	9,958	9,685	9,546	9,222	5,882	5,733	5,689	5,540
11	*Outflows related to derivative exposures and other collateral requirements*	8,901	8,650	8,521	8,253	5,523	5,397	5,356	5,233
12	*Outflows related to loss of funding on debt products*	-	-	-	-	-	-	-	-
13	*Credit and liquidity facilities*	1,057	1,035	1,025	969	359	336	333	307
14	Other contractual funding obligations	7,968	7,501	8,001	8,034	7,857	7,392	7,894	7,922
15	Other contingent funding obligations	362	234	144	105	103	63	49	50
16	TOTAL CASH OUTFLOWS					31,853	30,844	31,381	31,513
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	215,083	221,343	229,216	230,096	16,805	16,647	17,138	17,391
18	Inflows from fully performing exposures	1,693	1,611	1,521	1,577	1,305	1,248	1,188	1,208
19	Other cash inflows	5,397	4,994	5,010	5,177	5,397	4,994	5,010	5,177

	$m	a	b	c	d	e	f	g	h
		Total unweighted value (average)				**Total weighted value (average)**			
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	222,173	227,948	235,747	236,850	23,507	22,889	23,336	23,776
UK-20a	*Fully exempt inflows*	-	-	-	-	-	-	-	-
UK-20b	*Inflows subject to 90% cap*	-	-	-	-	-	-	-	-
UK-20c	*Inflows subject to 75% cap*	182,273	184,747	186,108	182,645	23,507	22,889	23,336	23,776
	TOTAL ADJUSTED VALUE								
UK-21	LIQUIDITY BUFFER					21,030	21,259	21,749	22,230
22	TOTAL NET CASH OUTFLOWS					8,400	8,030	8,111	8,050
23	LIQUIDITY COVERAGE RATIO					252.19%	266.05%	268.92%	276.83%

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

Template UK LIQ1 – Quantitative information of LCR for NIP

The table below shows Quantitative information of LCR for NIP for the four quarters ending 31st March 2024:

	$m	a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
UK 1a	Quarter ending on	31-Mar-24	31-Dec-23	30-Sep-23	30-Jun-23	31-Mar-24	31-Dec-23	30-Sep-23	30-Jun-23
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)					16,500	16,827	17,339	17,930
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
3	*Stable deposits*	-	-	-	-	-	-	-	-
4	*Less stable deposits*	-	-	-	-	-	-	-	-
5	Unsecured wholesale funding	906	995	1,149	1,305	900	984	1,133	1,286
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	-	-	-	-	-	-	-	-
7	*Non-operational deposits (all counterparties)*	906	995	1,149	1,305	900	984	1,133	1,286
8	*Unsecured debt*	-	-	-	-	-	-	-	-
9	*Secured wholesale funding*					14,882	14,556	14,627	14,830
10	Additional requirements	9,258	9,095	8,961	8,668	5,413	5,332	5,287	5,147
11	*Outflows related to derivative exposures and other collateral requirements*	8,346	8,202	8,073	7,827	5,079	5,019	4,976	4,860
12	*Outflows related to loss of funding on debt products*	-	-	-	-	-	-	-	-
13	*Credit and liquidity facilities*	912	893	888	841	334	313	311	287
14	Other contractual funding obligations	7,396	7,012	7,623	7,835	7,293	6,910	7,522	7,731
15	Other contingent funding obligations	361	233	143	105	103	63	49	50
16	TOTAL CASH OUTFLOWS					28,591	27,845	28,618	29,044
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	210,841	217,172	224,963	226,259	16,203	15,948	16,409	16,580
18	Inflows from fully performing exposures	340	358	355	368	329	347	334	345
19	Other cash inflows	4,956	4,530	4,575	4,799	4,956	4,530	4,575	4,799

	$m	a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
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	216,137	222,060	229,893	231,426	21,488	20,825	21,318	21,724
UK-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
UK-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-
UK-20c	Inflows subject to 75% cap	176,253	178,866	180,258	177,223	21,488	20,825	21,318	21,724
TOTAL ADJUSTED VALUE									
UK-21	LIQUIDITY BUFFER					16,500	16,827	17,339	17,930
22	TOTAL NET CASH OUTFLOWS					7,304	7,193	7,414	7,495
23	LIQUIDITY COVERAGE RATIO					226.97%	234.75%	234.75%	240.25%

Note – NIP’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 reduced from 266% in December 2023 to 252% in March 2024. This is driven by a reduction in liquid assets plus increased secured net outflows, primarily collateral swaps.

The average LCR for NIP has remained relatively flat from 235% in September 2023 to 227% in March 2024.

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.

Quantitative information of NSFR

Template UK LIQ2: Net Stable Funding Ratio for Group

The table below shows information in relation to the average net stable funding for the Group as at 31st March 2024:

$m		a	b	c	d	e
		Unweighted value by residual maturity (average)				Weighted value (average)
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**5,758**	**-**	**-**	**2,160**	**7,918**
2	*Own funds*	5,758	-	-	2,160	7,918
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		**-**	**-**	**-**	**-**
5	*Stable deposits*		-	-	-	-
6	*Less stable deposits*		-	-	-	-
7	Wholesale funding:		**57,007**	**2,299**	**19,654**	**21,700**
8	*Operational deposits*		1,537	-	-	769
9	*Other wholesale funding*		55,470	2,299	19,654	20,931
10	Interdependent liabilities		**-**	**-**	**-**	**-**
11	Other liabilities:	**883**	**9,184**	**-**	**-**	**-**
12	*NSFR derivative liabilities*	883				
13	*All other liabilities and capital instruments not included in the above categories*		9,184	-	-	-
14	**Total available stable funding (ASF)**					**29,618**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**4,211**
UK-15a	Assets encumbered for more than 12m in cover pool		**-**	**-**	**-**	**-**
16	Deposits held at other financial institutions for operational purposes		**535**	**-**	**-**	**267**
17	Performing loans and securities:		**68,142**	**1,434**	**7,435**	**11,471**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		31,404	74	177	282
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		35,201	961	2,519	6,027
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		946	228	439	960
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		738	-	-	369
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		591	171	4,300	4,202
25	Interdependent assets		**-**	**-**	**-**	**-**
26	Other assets:		**15,570**	**2**	**6,687**	**6,447**
27	*Physical traded commodities*				-	-

$m		a	b	c	d	e
		Unweighted value by residual maturity (average)				Weighted value (average)
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		24	2	6,394	5,457
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		13,579			679
31	*All other assets not included in the above categories*		1,967	-	293	311
32	Off-balance sheet items		**1,318**	**-**	**-**	**105**
33	**Total RSF**					**22,501**
34	**Net Stable Funding Ratio (%)**					132.14%

Template UK LIQ2: Net Stable Funding Ratio for NIP

The table below shows information in relation to the average net stable funding for NIP as at 31st March 2024:

$m		a	b	c	d	e
		Unweighted value by residual maturity (average)				Weighted value (average)
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**5,198**	**-**	**-**	**1,260**	**6,458**
2	*Own funds*	5,198	-	-	1,260	6,458
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		**-**	**-**	**-**	**-**
5	*Stable deposits*		-	-	-	-
6	*Less stable deposits*		-	-	-	-
7	Wholesale funding:		**55,055**	**2,515**	**17,952**	**19,333**
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		55,055	2,515	17,952	19,333
10	Interdependent liabilities		**-**	**-**	**-**	**-**
11	Other liabilities:	**575**	**8,665**	**-**	**-**	**-**
12	*NSFR derivative liabilities*	575				
13	*All other liabilities and capital instruments not included in the above categories*		8,665	-	-	-
14	**Total available stable funding (ASF)**					**25,791**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**4,093**
UK-15a	Assets encumbered for more than 12m in cover pool		**-**	**-**	**-**	**-**
16	Deposits held at other financial institutions for operational purposes		**-**	**-**	**-**	**-**
17	Performing loans and securities:		**64,733**	**1,294**	**7,401**	**11,131**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		30,366	78	181	289
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		33,219	814	2,533	5,917
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		945	228	395	922
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		738	-	-	369
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		203	174	4,292	4,003
25	Interdependent assets		**-**	**-**	**-**	**-**
26	Other assets:		**12,991**	**2**	**6,079**	**5,794**
27	*Physical traded commodities*				-	-

$m		a	b	c	d	e
		Unweighted value by residual maturity (average)				Weighted value (average)
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		2	2	5,876	4,997
29	*NSFR derivative assets*		1			1
30	*NSFR derivative liabilities before deduction of variation margin posted*		11,508			575
31	*All other assets not included in the above categories*		1,480	-	203	221
32	Off-balance sheet items		**1,173**	**-**	**-**	**98**
33	**Total RSF**					**21,116**
34	**Net Stable Funding Ratio (%)**					122.31%

Main Drivers of NSFR Ratio

The main drivers of the NSFR are:

- Available Stable Funding, comprising of wholesale funding from financial customers, and capital and other long term unsecured borrowings primarily from NHI group
- Required Stable Funding (“RSF”), comprising of Level 2B and non-HQLA long inventory, secured financing transactions collateralised by non-HQLA, and derivatives initial margin posted

Changes in the NSFR over time

The Group’s average NSFR reduced from 144% at 30th September 2023 to 132% at 31st March 2024 mainly driven by RSF increase in Reverse Repo and Long Inventory positions.

Composition of Interdependent Assets and Liabilities

The Group does not have any interdependent assets and liabilities.

Asset Encumbrance

An asset is encumbered if it has been pledged or is subject to any form of arrangement to secure, collateralise or credit enhance transactions from which they cannot be freely withdrawn. The values disclosed are calculated using the rolling quarterly medians over the previous twelve months. Note the rows in the tables below are not additive, with the median calculated individually across cells.

The main source of encumbrance within the Group derives from Repurchase Agreement transactions with the majority of encumbered assets comprising of high-quality government bonds. Secured lending and stock borrow/loan transactions are principally governed by Global Master Repurchase Agreements (GMRAs) and Global Master Stock Lending Agreements (GMSLAs). Collateral pledged on derivative transactions are principally governed by ISDA agreements, including CSA. Transactions are not generally over-collateralised.

Assets are considered encumbered to the extent they are pledged or financed on a secured basis to cover contingent or off-balance sheet liabilities (i.e. used for hedging purposes). The level of asset encumbrance within the Group has remained relatively stable and is driven by the nature of NIP's business model (i.e. high levels of secured funding and derivatives trading). The main source of encumbrance is repo transactions comprising mainly high quality government securities mainly in major currencies. NBI primarily invests the proceeds of its structured note issuance in reverse repo transactions via NIP resulting in a pool of unencumbered assets with minimal other secured or derivative activity thereby resulting in low levels of encumbrance. A portion of the Group's business is conducted in G7 currencies as well as US Dollars. The majority of the on-balance sheet assets are not subject to any form of encumbrance, given they are mostly cash or receivable assets. The amount reported in "Other assets" within "carrying amount of unencumbered assets" comprises mainly derivative assets, which are reported gross in accordance with UK GAAP.

Template UK AE1 – Encumbered and unencumbered assets for the Group

Below table shows the encumbered and unencumbered assets for the Group as at 31st March 2024:

	$m	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	050	060	080	090	100
010	**Assets of the reporting institution**	**22,222**	**7,197**			**277,408**	**5,194**		
030	Equity instruments	5,416	2,575			905	135		
040	Debt securities	6,648	4,821	6,648	4,821	1,359	891	1,359	891
050	of which: covered bonds	-	-	-	-	-	-	-	-
060	of which: asset-backed securities	-	-	-	-	-	-	-	-
070	of which: issued by general governments	4,368	4,359	4,368	4,359	875	830	875	830
080	of which: issued by financial corporations	749	-	749	-	293	-	293	-
090	of which: issued by non-financial corporations	1,549	551	1,549	551	239	26	239	26
120	Other assets[1]	10,158	-			274,990	4,244		

[1]The majority of Unencumbered Other assets relate to derivative instruments and cash loaned on reverse repo.

Template UK AE1 – Encumbered and unencumbered assets for NIP

Below table shows the encumbered and unencumbered assets for NIP as at 31st March 2024:

	$m	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	050	060	080	090	100
010	**Assets of the reporting institution**	**21,101**	**7,125**			**244,106**	**3,960**		
030	Equity instruments	5,404	2,566			905	136		
040	Debt securities	6,641	4,724	6,641	4,724	634	215	634	215
050	of which: covered bonds	-	-	-	-	-	-	-	-
060	of which: asset-backed securities	-	-	-	-	-	-	-	-
070	of which: issued by general governments	4,358	4,259	4,358	4,259	245	197	245	197
080	of which: issued by financial corporations	770	-	770	-	244	-	244	-
090	of which: issued by non-financial corporations	1,617	555	1,617	555	96	8	96	8
120	Other assets[1]	8,880	-			242,547	3,430		

[1] *The majority of Unencumbered Other assets relate to derivative instruments and cash loaned on reverse repo.*

Template UK AE2 – Collateral received and own debt securities issued for the Group

The table below shows the Collateral received and own debt securities issued by the Group as at 31st March 2024:

	$m	Fair value of encumbered collateral received or own debt securities issued		Unencumbered: Fair value of collateral received or own debt securities issued available for encumbrance	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	060
130	**Collateral received by the reporting institution**	**104,264**	**83,119**	**20,812**	**17,120**
140	Loans on demand	-	-	-	-
150	Equity instruments	15,796	9,532	625	220
160	Debt securities	89,884	74,159	20,206	16,832
170	of which: covered bonds	1,997	78	8	-
180	of which: securitisations	1,497	242	872	-
190	of which: issued by general governments	74,891	71,340	16,340	16,230
200	of which: issued by financial corporations	5,526	250	1,988	391
210	of which: issued by non-financial corporations	7,141	2,439	809	232
220	Loans and advances other than loans on demand	-	-	-	-
230	Other collateral received	-	-	-	-
240	**Own debt securities issued other than own covered bonds or securitisations**	-	-	-	-
241	**Own covered bonds and asset-backed securities issued and not yet pledged**			-	-
250	**TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	127,193	90,315		

Template UK AE2 – Collateral received and own debt securities issued for NIP

The table below shows the Collateral received and own debt securities issued by NIP as at 31st March 2024:

	$m	Fair value of encumbered collateral received or own debt securities issued		Unencumbered Fair value of collateral received or own debt securities issued available for encumbrance	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	060
130	**Collateral received by the reporting institution**	**105,113**	**83,678**	**16,150**	**13,869**
140	Loans on demand	-	-	-	-
150	Equity instruments	15,795	9,531	627	221
160	Debt securities	90,734	74,719	15,508	13,574
170	of which: covered bonds	1,867	78	8	-
180	of which: securitisations	1,909	242	292	-
190	of which: issued by general governments	75,476	71,917	13,091	13,000
200	of which: issued by financial corporations	5,542	250	1,314	391
210	of which: issued by non-financial corporations	7,469	2,458	454	151
220	Loans and advances other than loans on demand	-	-	-	-
230	Other collateral received	-	-	-	-
240	**Own debt securities issued other than own covered bonds or securitisations**	-	-	-	-
241	**Own covered bonds and asset-backed securities issued and not yet pledged**			-	-
250	**TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	**125,655**	**90,769**		

Template UK AE3 – Sources of encumbrance for the Group

Below table shows the sources of encumbrance for the Group as at 31st March 2024:

$m	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
	10	30
Carrying amount of selected financial liabilities[1]	58,971	61,107

[1]*The majority of Financial liabilities relate to repurchase agreements.*

Template UK AE3 – Sources of encumbrance for NIP

Below table shows the sources of encumbrance for NIP as at 31st March 2024:

$m	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
	10	30
Carrying amount of selected financial liabilities[1]	61,239	61,588

[1]*The majority of Financial liabilities relate to repurchase agreements.*

Remuneration Disclosures

These disclosures relate to remuneration policies and practices applicable to all employees including individuals identified as Material Risk Takers ("MRTs") of the Group and its subsidiaries, i.e. NIP and NBI.

Due to their size, several non-UK NEHS subsidiaries such as BNF, NAIM, NBL and NFPE benefit from the application of the proportionality principle on an entity basis.

The proportionality principle is also applied at an individual level to MRTs whose compensation meet specific thresholds.

Material Risk Takers

The MRT population has been identified in line with the relevant regulations from Financial Conduct Authority ("FCA") and Prudential Regulation Authority ("PRA"), with quantitative and qualitative criteria being used for identification purposes. This population includes individuals with sufficiently high compensation levels and specific function holders, such as members of the management body and senior management, amongst others.

The remuneration of the individuals who meet any of the MRT criteria, and to whom the proportionality principle does not apply, is subject to specific pay-out rules and performance adjustment measures.

Remuneration Policy

Global Level

Nomura Group is a global financial services group with a stated purpose of "aspiring to create a better world by harnessing the power of financial markets". To support this, Nomura Group will work together with various stakeholders to build a better future and will continue to take new challenges to become the best company for its clients and other stakeholders. The Nomura Group has developed its global compensation policy ("Basic Nomura Group Compensation Policy") applicable to all of its subsidiaries, to ensure it attracts, retains, motivates and develops talent and promotes good behaviour. It does so as a means of achieving sustainable growth and sound and effective risk management, realizing a long-term increase in shareholder value, delivering client excellence, competing in a global market and enhancing its reputation.

NEHS Remuneration Policy

The purpose of the NEHS Remuneration Policy is to ensure that NEHS remuneration practices and processes align with the Basic Nomura Group Compensation Policy while satisfying the local regulatory requirements, particularly the PRA Rulebook and the FCA Handbook.

One of the key elements supported by the NEHS Remuneration Policy is good conduct, which is an essential part of how Nomura does business and builds a culture focused on delivering the right outcomes for its stakeholders. The remuneration practices such as the performance management and risk adjustment measures greatly facilitate the promotion and maintenance of the right behaviours across the Group.

Diversity, Equity and Inclusion is supported by the NEHS Remuneration Policy as it constitutes yet another element of the healthy culture which Nomura strives to maintain and promote in the spirit of the broader Environmental, Social and Governance ("ESG") agenda. In alignment with the principles of equal opportunities and fair treatment of all employees, including gender-neutral remuneration policies, fair pay monitoring begins during early hiring processes. Each salary is offered based on the role and the candidate's merits and reviewed against salaries of individuals holding the same and/or similar posts. There are also annual processes in which Nomura staff's compensation is reviewed from both an internal and external appropriateness perspective.

In 2023/24, the NEHS Remuneration Policy, as per the annual process, was reviewed by the NEHS Remuneration Committee and approved by the NEHS Board of Directors.

Remuneration Governance

The NEHS Remuneration Policy, remuneration frameworks and the remuneration of directors and senior management at Board level is overseen by the NEHS Remuneration Committee ("the Committee").

For the 2023/24 fiscal year, the Committee comprised the Chairman of the Board of Directors and three other UK-based independent Non-Executive Directors of the Board.

The Committee Chair formally reports to the Board at the earliest opportunity after each Committee meeting to update the Board on the items discussed along with any actions required and recommendations for approval. Where the recommendations to the Board are not unanimous, the conflicting views are reflected in the recommendation by the Committee Chair.

The terms of office of each Committee member are reviewed periodically, and any membership changes must be approved by the Board. Appointments to the Committee are for a period of up to three years, extendable by two additional three-year periods, so long as the majority of members (other than the Board Chair) continue to be independent Non-Executive Directors.

The Committee held 6 meetings for the 2023/24 fiscal year.

The Committee has authority to appoint external consultants and to obtain reliable, up-to-date information about remuneration practices. The Committee did not engage independent consultants in 2023/24.

At the global level, governance bodies of NHI, such as the Human Resources Committee ("HRC"), provide additional oversight and approval of certain aspects of the decision-making processes.

Variable Remuneration Funding Determination

NHI operates both "bottom-up" and "top-down" processes to establish the appropriate total variable remuneration funding.

"Top-down" Process

The "top-down" process is intended to assist the decision-making concerning the total variable remuneration amount that is available at the Nomura Group level and that can be allocated downwards among specific regions and businesses as part of the overall variable remuneration funding.

A variety of financial performance measures, risk adjustment metrics and data points are used by the HRC to inform the decision regarding the Nomura Group-wide variable remuneration pool. The key risk-adjusted financial performance metric based on the Risk Weighed Assets ("RWA") is the Risk Adjusted Contribution ("RAC") which aims at ensuring that the Group appropriately considers variable remuneration funding across the different business cycles. In addition, the Personnel Expense ("PE") / Risk-adjusted Revenue based on RWA risk metric is also considered, reflecting the amount of capital and risk applied, and an appropriate economic charge.

"Bottom-up" Process

The "bottom-up" process, in addition to the "top-down" process, takes into account the expected business and individual performance to compute an estimated variable remuneration funding.

Performance Assessment

The Committee considers a mix of current and future, financial and non-financial factors when reviewing the overall variable remuneration pool allocation and distribution to directors and senior management:

- Relevant business performance data and key performance indicators, both relative and absolute;
- Qualitative and quantitative reporting from the "Control Functions", i.e. Risk Management, Compliance and Internal Audit, highlighting performance and risk-related themes, trends and, where applicable, specific issues;
- Market conditions and franchise stability;
- Shareholder interests and the long-term role of the Group within NHI;
- Sustainable profitability of NHI and capital position of the Group regulated entities;
- The appropriate levels of market pay to retain experienced and skilled staff particularly in Control Functions where competitive pressures may be significant;
- Most recent guidance on remuneration from the regulators; and
- The individual performance of the directors and members of senior management.

The Committee separately reviews individual material conduct cases which have been escalated through the Conduct Breach Review Committee. It also discusses pay for performance data and, in close alignment with the Social aspect of the ESG considerations, equal pay and the gender pay gap reporting.

Control Functions

The Control Functions have significant input into the remuneration policies along with remuneration decisions and the year-end process at both the global and regional levels. They ensure that appropriate metrics are considered when establishing remuneration, and that those metrics appropriately reflect the impact of risk behaviours.

At the regional level, the CRO and Head of Compliance may, at the invitation of the Committee Chair, attend all or parts of the Committee meetings and provide updates from their respective functions' perspective. The Head of Internal Audit attends most of the meetings as an observer, providing updates on any areas of concern as necessary including at year-end.

At the end of the 2023/24 fiscal year, a Joint Board Risk Committee and Remuneration Committee meeting took place, and a Draft Financial and Non-Financial Risks Report was presented by the Chief Risk Officer and Head of Compliance. The initial report included a year to date update on the effectiveness of the firm's control environment within 1st Line of Defence, with particular focus on:

- Financial and Non-Financial Risk Appetite dashboards highlighting actual risk levels against firm's risk appetite and additional commentary on instances where these levels were breached;
- 1st Line of Defence management actions and recent enhancements made to risk & controls frameworks;
- Risk exposure levels, including climate risk measures;
- Material changes in the conduct profile of business areas as well as views whether any potential systematic behavioural issues were observed;
- Operational Risk Profile;
- Speaking Up Events;
- Formal regulatory sanctions;
- MiFID II complaints/impact on clients, etc.

Also, Internal Audit gave an overall update presenting a number of qualitative and quantitative considerations on the firm's control environment.

Final reports from Control Functions covering the entire fiscal year have been submitted to the Committee for consideration before final remuneration decisions are made.

In addition, the Finance function provides an update on the financial performance of the Group at relevant Committee meetings. It plays a key part in the year-end process by providing detailed performance data on each of the wholesale businesses and shares an independent affordability recommendation for aggregate pool funding.

Conflict of Interests

The management structure of each Control Function is separate to the business they oversee to ensure their independence. Remuneration levels of Control Function staff are established without influence from the business they support nor the business' performance. The Committee directly reviews and recommends to the Board for approval the Total Compensation ("TC") decisions for senior officers in the Risk Management, Compliance and Internal Audit functions.

Nomura Remuneration Framework

TC is Nomura's core metric used as part of remuneration decision-making, serving as a primary point of reference and comparison with the prior year remuneration levels. It comprises the following elements which reflect local market standards and practices:

Remuneration Element	Characteristics	Example Elements
Fixed Remuneration	■ Non-discretionary. ■ Rewards individuals for their knowledge, skills, competencies, experience, role and responsibilities. ■ Levels sufficient to absorb changes in the amount of variable remuneration (including reduction to zero).	■ Base salary ■ Additional Fixed Pay
Variable Remuneration	■ Discretionary. ■ Rewards and incentivises financial and non-financial performance. ■ The approach to determining the total amount of variable remuneration is described under "Variable Remuneration Funding Determination" above. ■ For higher paid employees in the EMEA region, a portion of the variable remuneration may be deferred, balancing short-term with long-term interests of the Group. ■ Guaranteed variable remuneration is only used in exceptional circumstances and only in the first year of employment. It is rarely given, and only if in compliance with local regulations. ■ In certain situations, severance payments can be made to leavers. In accordance with the regulatory requirements, such payments reflect performance achieved over time and do not reward failure or misconduct.	■ Cash bonus (non-deferred remuneration) ■ Share-linked instruments (deferred remuneration)

Note: Benefits are driven by local market regulation and practice and are not included in the Nomura Group's definition of TC. The Group does not award discretionary pension benefits.

Fixed to Variable Remuneration Ratio

The Group applied for shareholder approval on the extension of the ratio between the fixed and variable remuneration for MRTs to 1:2 in accordance with the procedure set out in the PRA Rulebook. The extended ratio was approved on 7 March 2014.

No award of variable remuneration paid to an MRT for the 2023/24 fiscal year exceeded the agreed threshold.

Variable Remuneration Delivery

The variable remuneration at Nomura is delivered as follows:

Non-Deferred Remuneration

A portion of variable remuneration is delivered in the form of a cash payment made to individuals following the end of a fiscal year.

For most of the Group employees, the cash portion size is dependent upon an individual's TC and overall bonus amount. At the lower TC and bonus levels, most or all of the variable remuneration is delivered in cash. As TC and bonus increase, the cash portion size is reduced in favour of deferred awards. This dependence is in line with regulatory requirements and market practice and is applied at Nomura globally, with specific local adjustments as required.

For MRTs, 50% of the non-deferred bonus is delivered in Notional Stock Units ("NSUs") which is paid in cash 12 months from the initial award.

Deferred Remuneration

As described above, a portion of employees' variable remuneration may be deferred and delivered in NHI shares or equity-linked awards. These are deferred over a period of at least three years.

For the relevant MRT population, the deferral period is longer than the three years, with the deferred portion at least 40%, or 60% in cases of higher variable remuneration levels. MRT's deferred variable remuneration may be additionally subject to post-vesting holding periods.

By linking the awards' value to NHI's share price and imposing certain vesting periods and restrictions, the awards align employee interests with those of the shareholders. Furthermore, they increase employee retention and encourage cross-divisional and cross-regional collaboration by focusing on a common goal of the long-term increase in shareholder value.

The Group operates a number of deferred remuneration plans. From 2017/18 onwards Restricted Stock Units ("RSU") or Notional Stock Units ("NSU") are the primary deferral plans. These replaced a number of legacy deferral plans which continue to operate for awards granted in previous years.

Primary Deferral Plans

- Restricted Stock Units ("RSU") Plan

Each RSU delivers one share of NHI common stock. For 2023/24 awards, they are deferred over at least three years, vesting in equal annual instalments.

- Notional Stock Units ("NSU") Plan

This is a phantom equity plan designed to replicate the key features of the RSU Plan described above. The NSU value is linked to the NHI stock price, and settled in cash after the vesting date.

NSUs are typically only awarded as part of the non-deferred bonus for MRTs or as replacement awards for new hires, but they may also be used as part of year-end awards in limited circumstances.

Legacy Plans Granted in Prior Performance Years

- Collared Notional Stock Unit ("CSU") Plan

To support the Wholesale bonus pool, and to manage the level of cash awards in 2021/22 fiscal year, a supplemental deferral award was provided to some employees in Wholesale. The plan was linked to the value of the NHI share price, subject to a collar of +/-10% of grant price. The awards settle in cash.

- Stock Acquisition Right ("SAR") Plan B

SARs are a form of share option to purchase Nomura Group shares with a nominal exercise price of ￥1. Each SAR issued represents 100 units of Nomura Group shares. Historically SARs were deferred over at least three years vesting in equal annual instalments.

- Notional Indexed Unit ("NIU") Plan

The plan is linked to a global stock index quoted by the Morgan Stanley Capital Index ("MSCI"). Other material terms, including deferral period, vesting conditions and settlement, are the same as under the CSU plan.

- Deferred Cash ("DCA") Plan

Cash-settled plan offered for 2018/19 to a limited number of Global Wholesale Division senior management.

Ex-post Risk Adjustments

Ex-post risk adjustments of variable remuneration are necessary to align risk and remuneration. They respond to specific crystallised risks or adverse performance outcomes including those relating to misconduct and include:

- Reducing in-year variable remuneration;
- Reducing or cancelling variable remuneration that has not yet vested (application of malus); and
- Recouping already vested/paid variable remuneration (application of clawback).

In order to apply an ex-post risk adjustment, evidence of misconduct or serious error (risk management failure or failure to meet appropriate standards of fitness and propriety) by the staff member is required. Every employee is made contractually aware of the existence of relevant risk adjustments along with the circumstances which allow for their application (see below).

Conduct and Risk Adjustment Process

Each quarter, staff members whose conduct may have fallen short of the Group's expectations are identified by the Control functions, support functions or the Front Office Supervision team. The identified behaviour is then reviewed by the Conduct Breach Review Committee.

Cases considered as material are escalated to the Executive Remuneration Review Forum ("ERRF") at year-end in order to determine whether an in-year compensation adjustment is appropriate. The ERRF comprises NEHS CEO, Vice Chairman and Head of Human Resources. Its meetings are also attended by the Chief Operating Officer, Chief Risk Officer, Head of Legal, Compliance and Controls, Head of Compliance and Head of Reward.

Where an in-year adjustment is considered appropriate, the year-end adjusted compensation proposals are reviewed by the NEHS CEO and ultimately recommended for Board approval by the NEHS Remuneration Committee. If appropriate, the exercise of malus and clawback may be considered.

Malus Triggers

For all staff, including staff identified as MRTs, unvested or unpaid variable remuneration may be reduced by up to 100% in any of the following circumstances:

- NHI, or any NHI-related entity is required to materially restate any of its financial statements for the fiscal year in which the grant was based on;
- The employee materially violates one of NHI's or of any NHI-related entity's written policies;
- The employee causes or has caused material detriment to the business or reputation of NHI or of any NHI-related entity;
- NHI or any NHI-related entity suffers a material downturn in performance;
- NHI or any NHI-related entity suffers a material failure of risk management;
- The relevant NHI-related entity, business unit, profit centre or team in which the employee works or has worked has been found to be in breach of any company laws, rules or code of conduct or is accountable for any material error;
- The relevant business unit, profit centre or team in which the employee works or has worked, has suffered a material downturn in its financial performance;
- The relevant business unit, profit centre or team in which the employee works or has worked has suffered improper or inadequate risk management;
- The employee's conduct or performance has been in breach of any laws, rules or codes of conduct or the employee is accountable for any material error;
- Delivering all outstanding deferred compensation awards would not be sustainable according to the financial situation of the NHI or any NHI-related entity;
- The employee's conduct failed to meet the appropriate standards of fitness and propriety;
- The employee failed to raise concerns in relation to improper or inadequate risk management issues that were known to the employee;
- The employee could have been reasonably expected to be aware of a risk management failure, misconduct or material error but failed to take adequate steps to promptly identify, assess, report, escalate or address it;
- By virtue of the employee's role or seniority the employee could be deemed directly or indirectly responsible or accountable for a risk management failure, misconduct or material error;
- Information has emerged since the date of grant of the award which would have affected the size of the award which was granted;
- There has been a material adverse change in the risk profile of NHI or any NHI-related entity, business unit, profit centre or team in which the employee works or has worked;
- There has been an error or a misstatement which has resulted in a material overpayment to the employee.

In the event of an investigation, the power to suspend the vesting of deferred awards has been delegated by the HRC to the Chief Human Resources Officer, the Head of Group HR Strategy & Talent Management and the Global Head of Reward.

Clawback Triggers

For MRTs, up to 100% of all vested and/or paid variable remuneration is subject to clawback which can be applied during a period of up to seven years (extendable to ten years for certain Senior Management Function holders) after the grant of the award. The Group shall be entitled to apply clawback in any of the following circumstances:

- The Group or NHI has been required to materially restate any of its financial statements for the fiscal year in respect of which the award was made;
- The Group, NHI or the business unit in which the employee works or has worked has suffered improper or inadequate risk management;
- The Group considers that the employee has participated in or has been responsible for conduct which has caused the Group, NHI or the business unit in which the employee works or has worked to suffer significant financial losses;
- The Group becomes aware of any material wrongdoing or error on the employee's part which could have been the subject of investigation and/or disciplinary proceedings and that would have resulted in the bonus not being paid or award not being made or a lesser sum being paid or awarded;

- The Group considers that the employee caused material detriment to the business or reputation of the Group or NHI whilst being an employee of the Group;
- The Group considers that the employee's conduct, whilst the employee was an employee of the NHI, has failed to meet appropriate standards of fitness and propriety.

Additional Considerations

Additional factors are considered when determining the applicability and size of the relevant adjustment include, but shall not be limited to, the proximity of the employee to the breach and their responsibility in respect of the circumstances set out above.

The recommendations on the application of the ex-post risk adjustments and their appropriateness are made at the executive level. The Committee reviews these recommendations and shares them with the Board for approval.

Quantitative Disclosures

The tables below show the aggregated breakdown of remuneration for the fiscal year ended 31st March 2024 for members of the Senior Management and Other staff within the Group.

Template UK REM1 – Remuneration awarded for the financial year for the Group

	$m		Senior Management[1]	Other identified staff[2]	Total
1	Fixed remuneration	Number of staff	22	279	**301**
2		Total fixed remuneration ($m)	19.25	142.28	**161.53**
3		*Of which: cash-based ($m)*	19.25	142.28	**161.53**
UK-4a		*Of which: shares or equivalent ownership interests ($m)*	0.00	0.00	**0.00**
5		*Of which: share-linked or equivalent non-cash instruments ($m)*	0.00	0.00	**0.00**
UK-5x		*Of which: other instruments ($m)*	0.00	0.00	**0.00**
7		*Of which: other forms ($m)*	0.00	0.00	**0.00**
10	Variable remuneration	Total variable remuneration ($m)	15.84	100.14	**115.98**
11		*Of which: cash-based ($m)*	3.65	26.96	**30.61**
12		*Of which: deferred ($m)*	0.00	0.00	**0.00**
UK-13a		*Of which: shares or equivalent ownership interests ($m)*	0.00	0.00	**0.00**
UK-14a		*Of which: deferred ($m)*	0.00	0.00	**0.00**
UK-13b		*Of which: share-linked instruments or equivalent non-cash instruments ($m)*	12.19	73.18	**85.37**
UK-14b		*Of which: deferred ($m)*	9.00	49.34	**58.34**
UK-14x		*Of which: other instruments ($m)*	0.00	0.00	**0.00**
UK-14y		*Of which: deferred ($m)*	0.00	0.00	**0.00**
15		*Of which: other forms ($m)*	0.00	0.00	**0.00**
16		*Of which: deferred ($m)*	0.00	0.00	**0.00**
17	**Total Remuneration ($m)**		**35.09**	**242.42**	**277.51**

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Template UK REM2 – Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff) for the Group

	$m	Senior Management	Other identified staff	Total
	Guaranteed variable remuneration awards			
1	Guaranteed variable remuneration – number of staff	0	9	**9**
2	Guaranteed variable awards ($m) – total amount	0.00	11.2	**11.2**
3	*Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap*	0.00	0.00	**0.00**
	Severance payments awarded in previous periods, that have been paid out during the financial year			
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	0	0	**0**
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	0.00	0.00	**0.00**
	Severance payments awarded during the financial year			
6	Severance[7] payments awarded during the financial year – number of staff	1	15	**16**
7	Severance payments awarded during the financial year ($m) – total amount	0.79	3.80	**4.59**
8	*Of which paid during the financial year*	0.79	3.80	**4.59**
9	*Of which deferred*	0.00	0.00	**0.00**
10	*Of which severance payments paid during the financial year, that are not taken into account in the bonus cap*	0.79	3.80	**4.59**
11	*Of which highest payment that has been awarded to a single person ($m)*	0.79	0.50	**0.79**

Template UK REM3 – Deferred remuneration for the Group

Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods[4]	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year[6]	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years[6]	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year[5]	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
Senior Management	**40.52**	**11.89**	**28.63**	**0.00**	**0.00**	**15.16**	**7.40**	**0.00**
Cash-based	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shares or equivalent ownership interests	28.73	10.13	18.60	0.00	0.00	11.32	5.64	0.00
Share-linked instruments or equivalent non-cash instruments	10.74	1.26	9.48	0.00	0.00	3.65	1.26	0.00
Other instruments	1.05	0.50	0.55	0.00	0.00	0.19	0.50	0.00
Other forms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other identified staff	**151.67**	**49.60**	**102.07**	**0.00**	**0.00**	**59.60**	**28.08**	**0.00**
Cash-based	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shares or equivalent ownership interests	150.28	49.22	101.06	0.00	0.00	59.34	27.70	0.00
Share-linked instruments or equivalent non-cash instruments	1.39	0.38	1.01	0.00	0.00	0.26	0.38	0.00
Other instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other forms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total amount	**192.19**	**61.49**	**130.70**	**0.00**	**0.00**	**74.76**	**35.48**	**0.00**

Template UK REM4 – Remuneration of 1 million EUR or more per year

EUR[8]	Identified staff that are high earners as set out in Article 450(i)
1 000 000 to below 1 500 000	36
1 500 000 to below 2 000 000	15
2 000 000 to below 2 500 000	5
2 500 000 to below 3 000 000	6
3 000 000 to below 3 500 000	1
3 500 000 to below 4 000 000	4
more than 4 000 000	3

*aggregated table prepared in Euros in accordance with Article 450 of the CRR.

Template UK REM5 – Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

	Remuneration awarded for the financial year	Investment banking	Corporate functions	Independent Control functions
	Number of staff	254	30	19
	Of which: senior management	4	14	4
	Of which: other identified staff	250	16	15
	Variable remuneration $m	105.60	6.86	3.52
	Fixed remuneration $m	140.66	13.74	7.13
Total Remuneration ($m)		**246.26**	**20.59**	**10.65**

Notes:

1. *'Senior Management' comprises Non-Executive Directors and Executive Directors of the Group Board of Directors, members of the Group Executive Committee and all individuals certified as Senior Manager function holders under the SMCR. The numbers for this group have been aggregated for confidentiality reasons.*
2. *'Other identified staff' comprises all other staff identified as Material Risk Takers for the fiscal year*
3. *Top two tables reflect remuneration awarded in respect of performance during fiscal year ended 31st March 2024*
4. *Awards outstanding at 31st March 2024 have been valued based on deferred vehicle prices as at 31st March 2024*
5. *Awards paid out based on deferred vehicle prices at time of vesting*
6. *'Performance Adjustment' is defined as the application of malus and/or clawback*
7. *Severance payments include all payments made in association with termination of employment, such as payments in lieu of notice/benefits or ex-gratia payments. Includes MRTs with termination date within the financial year*
8. *Table prepared in Euros in accordance with Article 450 of the CRR (exchange rate 0.96469)*

Capital Instruments and Eligible MREL Liabilities

The Minimum Requirement for Own Funds and Eligible Liabilities ("MREL") have applied to the Group and NIP from 1st January 2020. No changes have been made to the notional of Tier 2 in either the Group or NIP in the year to March 2024. Both the Group and NIP maintain sufficient capital and eligible liabilities to comply with MREL requirements as set by the BoE.

The tables below show the capital instruments and eligible liabilities for the Group and NIP as at 31st March 2024.

Template UK CCA – Main features of regulatory own funds instruments and eligible liabilities instruments for the Group

		Ordinary Shares	Subordinated debt	Subordinated debt	Senior Debt
1	Issuer	Nomura Europe Holdings Plc.	Nomura Europe Holdings Plc.	Nomura Europe Holdings Plc.	Nomura Europe Holdings Plc.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A	N/A	N/A
2a	Public or private placement	N/A	N/A	N/A	N/A
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	Conversion only	Conversion only	N/A
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1	Tier 2	Tier 2	Eligible Liability
5	Post-transitional CRR rules	Common Equity Tier 1	Tier 2	Tier 2	Eligible Liability
6	Eligible at solo/(sub-)consolidated/ solo&(sub-) consolidated	Consolidated	Consolidated	Consolidated	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares	Long-term subordinated facility	Long-term subordinated facility	Senior unsecured
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	$3,391m	$1,178m	$842m	$1,200m
9	Nominal amount of instrument	$3,391m	$1,260m	$900m	$1,200m
UK-9a	Issue price	$1 per share	$1,260m	$900m	$1,200m
UK-9b	Redemption price	N/A	$1,260m	$900m	$1,200m
10	Accounting classification	Shareholders' Equity	Liability - Amortised Cost	Liability - Amortised Cost	Liability - Amortised Cost
11	Original date of issuance	Various	18/12/2019	18/12/2019	09/12/2021
12	Perpetual or dated	Perpetual	Dated	Dated	Dated
13	Original maturity date	No Maturity	Originally scheduled: 18/12/2026 Extended to: 4/12/2028	Originally scheduled: 18/12/2026 Extended to: 4/12/2028	Originally scheduled: 18/12/2026 Reduced to: 6/06/2025

		Ordinary Shares	Subordinated debt	Subordinated debt	Senior Debt
14	Issuer call subject to prior supervisory approval	N/A	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	Callable from second anniversary of the issuance date, subject to the borrower obtaining prior consent from the PRA for early repayment of the loan	Callable from second anniversary of the issuance date, subject to the borrower obtaining prior consent from the PRA for early repayment of the loan	Callable from second anniversary of the issuance date, subject to the borrower obtaining prior consent from the PRA for early repayment of the loan
16	Subsequent call dates, if applicable	N/A	Callable at 30 days' notice following the second anniversary of the issuance date, subject to the borrower obtaining prior consent from the PRA for early repayment of the loan	Callable at 30 days' notice following the second anniversary of the issuance date, subject to the borrower obtaining prior consent from the PRA for early repayment of the loan	Callable at 30 days' notice following the second anniversary of the issuance date, subject to the borrower obtaining prior consent from the PRA for early repayment of the loan
	Coupons / dividends				
17	Fixed or floating dividend/coupon	N/A	Floating	Floating	Floating
18	Coupon rate and any related index	N/A	SOFR + 190bp	SOFR + 190bp	SOFR + 131bp
19	Existence of a dividend stopper	No	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible	Convertible	Convertible	Convertible
24	If convertible, conversion trigger(s)	N/A	Contractual recognition of bail-in by Resolution Authority at point of non-viability	Contractual recognition of bail-in by Resolution Authority at point of non-viability	Contractual recognition of bail-in by Resolution Authority at point of non-viability
25	If convertible, fully or partially	N/A	Determination by resolution authority	Determination by resolution authority	Determination by resolution authority
26	If convertible, conversion rate	N/A	Determination by resolution authority	Determination by resolution authority	Determination by resolution authority
27	If convertible, mandatory or optional conversion	N/A	Determination by resolution authority	Determination by resolution authority	Determination by resolution authority
28	If convertible, specify instrument type convertible into	N/A	Ordinary Shares	Ordinary Shares	Ordinary Shares
29	If convertible, specify issuer of instrument it converts into	N/A	NEHS is the issuer	NEHS is the issuer	NIP is the issuer
30	Write-down features	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A

		Ordinary Shares	Subordinated debt	Subordinated debt	Senior Debt
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	Contractually subordinated	Contractually subordinated	Contractually subordinated
UK-34b	Ranking of the instrument in normal insolvency proceedings	Junior to all other instruments	At all times including in winding-up, administration or resolution action relating to the Borrower, the claims of the Lender in respect of the Loan will be subordinated to all claims arising from Eligible Liabilities Instruments as defined in Article 72b of the CRR. Internal MREL Tier 2 is subordinated to Nomura Internal MREL Senior Non-Preferred Loans; ranks pari passu with other Tier 2 instruments issued by the borrower and ranks in priority to further subordinated instruments (of which there are none) and share capital.	At all times including in winding-up, administration or resolution action relating to the Borrower, the claims of the Lender in respect of the Loan will be subordinated to all claims arising from Eligible Liabilities Instruments as defined in Article 72b of the CRR. Internal MREL Tier 2 is subordinated to Nomura Internal MREL Senior Non-Preferred Loans; ranks pari passu with other Tier 2 instruments issued by the borrower and ranks in priority to further subordinated instruments (of which there are none) and share capital.	At all times including in winding-up, administration or resolution action relating to the Borrower, the claims of the Lender in respect of the Loan will be subordinated to all claims of Senior Creditors; rank *pari passu* with all other subordinated obligations (and eligible liabilities instruments); rank in priority to Tier 2.
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual unsecured	Other Creditors The legal nature of the subordinated loans differs from that usually associated with debt. In a winding up of the Company no amount will be paid in respect of the subordinated debt until all other creditors have been paid in full	Other Creditors The legal nature of the subordinated loans differs from that usually associated with debt. In a winding up of the Company no amount will be paid in respect of the subordinated debt until all other creditors have been paid in full	Claims of Senior Creditors
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A

Template UK CCA – Main features of regulatory own funds instruments and eligible liabilities instruments for NIP

		Ordinary Shares	Subordinated debt	Senior Debt
1	Issuer	Nomura International Plc.	Nomura International Plc.	Nomura International Plc.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A	N/A
2a	Public or private placement	N/A	N/A	N/A
3	Governing law(s) of the instrument	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	Conversion only	N/A
	Regulatory treatment			
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1	Tier 2	Eligible Liability
5	Post-transitional CRR rules	Common Equity Tier 1	Tier 2	Eligible Liability
6	Eligible at solo/(sub-)consolidated/ solo&(sub-) consolidated	Solo	Solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares	Long-term subordinated facility	Senior unsecured
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	$3,241m	$1,179m	$2,450m
9	Nominal amount of instrument	$3,241m	$1,260m	$2,450m
UK-9a	Issue price	$1 per share	$1,260m	$2,450m
UK-9b	Redemption price	N/A	$1,260m	$2,450m
10	Accounting classification	Shareholders' Equity	Liability - Amortised Cost	Liability - Amortised Cost
11	Original date of issuance	Various	18/12/2019	18/12/2019
12	Perpetual or dated	Perpetual	Dated	Dated
13	Original maturity date	No Maturity	Originally scheduled: 18/12/2026 Extended to: 4/12/2028	Originally scheduled: 18/12/2026 Reduced to: 6/06/2025
14	Issuer call subject to prior supervisory approval	N/A	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	Callable from second anniversary of the issuance date, subject to the borrower obtaining prior consent from the PRA for early repayment of the loan	Callable from second anniversary of the issuance date, subject to the borrower obtaining prior consent from the PRA for early repayment of the loan

		Ordinary Shares	Subordinated debt	Senior Debt
16	Subsequent call dates, if applicable	N/A	Callable at 30 days' notice following the second anniversary of the issuance date, subject to the borrower obtaining prior consent from the PRA for early repayment of the loan	Callable at 30 days' notice following the second anniversary of the issuance date, subject to the borrower obtaining prior consent from the PRA for early repayment of the loan
	Coupons / dividends			
17	Fixed or floating dividend/coupon	N/A	Floating	Floating
18	Coupon rate and any related index	N/A	SOFR + 190bp	SOFR + 131bp
19	Existence of a dividend stopper	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible	Convertible	Convertible
24	If convertible, conversion trigger(s)	N/A	Contractual recognition of bail-in by Resolution Authority at point of non-viability	Contractual recognition of bail-in by Resolution Authority at point of non-viability
25	If convertible, fully or partially	N/A	Determination by resolution authority	Determination by resolution authority
26	If convertible, conversion rate	N/A	Determination by resolution authority	Determination by resolution authority
27	If convertible, mandatory or optional conversion	N/A	Determination by resolution authority	Determination by resolution authority
28	If convertible, specify instrument type convertible into	N/A	Ordinary Shares	Ordinary Shares
29	If convertible, specify issuer of instrument it converts into	N/A	NIP is the issuer	NIP is the issuer
30	Write-down features	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	Contractually subordinated	Contractually subordinated

		Ordinary Shares	Subordinated debt	Senior Debt
UK-34b	Ranking of the instrument in normal insolvency proceedings	Junior to all other instruments	At all times including in winding-up, administration or resolution action relating to the Borrower, the claims of the Lender in respect of the Loan will be subordinated to all claims arising from Eligible Liabilities Instruments as defined in Article 72b of the CRR. Internal MREL Tier 2 is subordinated to Nomura Internal MREL Senior Non-Preferred Loans; ranks pari passu with other Tier 2 instruments issued by the borrower and ranks in priority to further subordinated instruments (of which there are none) and share capital.	At all times including in winding-up, administration or resolution action relating to the Borrower, the claims of the Lender in respect of the Loan will be subordinated to all claims of Senior Creditors; rank pari passu with all other subordinated obligations (and eligible liabilities instruments); rank in priority to Tier 2.
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual unsecured	Other Creditors The legal nature of the subordinated loans differs from that usually associated with debt. In a winding up of the Company no amount will be paid in respect of the subordinated debt until all other creditors have been paid in full	Claims of Senior Creditors
36	Non-compliant transitioned features	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A

Analysis of Past Due, Non-Performing and Forborne Exposures

Disclosure of non-performing, forborne and past due exposures provide additional information to assess the risk profile of the institution.

Proportionality is embedded in the guidelines through thresholds based on the size of the Institution and the level of non-performing exposures. The Group has assessed the threshold criteria within the guidelines and has determined that six templates are not applicable on the basis that its non-performing loan ratio is significantly lower than the reporting threshold.

The remaining templates are not subject to threshold criteria, however templates CQ1 'Credit quality of forborne exposures' and CQ7 "Collateral obtained by taking possession and execution process" are not applicable as the Group has no forborne exposures and no collateral taken into possession that is recognised on the balance sheet as at 31st March 2024.

Exposures are treated as past due when a counterparty has failed to make payment when contractually due.

Non-performing exposures included in the tables below are subject to the FINREP regulations (Annex V).

Template UK CR1-A – Maturity of exposures for the Group and NIP

The tables below show information on the maturity of exposures for the Group and NIP as at 31st March 2024:

		The Group					
$m		**a**	**b**	**c**	**d**	**e**	**f**
		Net exposure value					
		On demand	**<= 1 year**	**> 1 year <= 5 years**	**> 5 years**	**No stated maturity**	**Total**
1	Loans and advances	30,693	46,632	2,665	878	-	80,868
2	Debt securities	5	499	-	-	-	504
3	***Total***	**30,698**	**47,131**	**2,665**	**878**	**-**	**81,372**

		NIP					
$m		**a**	**b**	**c**	**d**	**e**	**f**
		Net exposure value					
		On demand	**<= 1 year**	**> 1 year <= 5 years**	**> 5 years**	**No stated maturity**	**Total**
1	Loans and advances	30,008	42,397	2,855	996	-	76,256
2	Debt securities	-	-	-	-	-	-
3	***Total***	**30,008**	**42,397**	**2,855**	**996**	**-**	**76,256**

Loans and advances decreased, compared to 30th September 2023 for the Group and 31st March 2023 for NIP, in the <= 1 year bucket driven by a decrease in SFT exposures.

Template UK CR1 – Performing and non-performing exposures and related provisions for the Group

The table below shows information on performing and non-performing exposures for the Group as at 31st March 2024:

	$m	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**						**Accumulated partial write-off**	**Collateral and financial guarantees received**	
		Performing exposures			**Non-performing exposures**			**Performing exposures – accumulated impairment and provisions**			**Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**				**On performing exposures**	**On non-performing exposures**
			Of which stage 1	**Of which stage 2**		**Of which stage 2**	**Of which stage 3**		**Of which stage 1**	**Of which stage 2**		**Of which stage 2**	**Of which stage 3**			
5	Cash balances at central banks and other demand deposits	5,399	5,399	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Loans and advances	80,869	15,716	29	-	-	-	(1)	(1)	-	-	-	-	-	66,931	-
20	Central banks	1,827	9	-	-	-	-	-	-	-	-	-	-	-	1,818	-
30	General governments	1,475	118	-	-	-	-	-	-	-	-	-	-	-	1,357	-
40	Credit institutions	17,031	5,492	-	-	-	-	-	-	-	-	-	-	-	11,929	-
50	Other financial corporations	59,807	9,973	-	-	-	-	-	-	-	-	-	-	-	51,198	-
60	Non-financial corporations	728	123	29	-	-	-	-	-	-	-	-	-	-	629	-
70	Of which SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
80	Households	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-
90	Debt securities	504	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	499	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
130	Other financial corporations	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
140	Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	596	473	124	-	-	-	-	-	-	-	-	-		-	-
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	General governments	-	-	-	-	-	-	-	-	-	-	-	-		-	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-		-	-
190	Other financial corporations	215	215	-	-	-	-	-	-	-	-	-	-		-	-
200	Non-financial corporations	381	258	124	-	-	-	-	-	-	-	-	-		-	-
210	Households	-	-	-	-	-	-	-	-	-	-	-	-		-	-
220	**Total**	**87,368**	**21,588**	**153**	**-**	**-**	**-**	**(1)**	**(1)**	**-**	**-**	**-**	**-**	**-**	**66,931**	**-**

Decrease in loans and advances compared to 30th September 2023 driven by decrease in SFT exposures.

Template UK CR1 – Performing and non-performing exposures and related provisions for NIP

The table below shows information on performing and non-performing exposures for NIP as at 31st March 2024:

	$m	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
5	Cash balances at central banks and other demand deposits	3,740	3,740	-											-	
10	Loans and advances	76,256	13,346	27											64,283	
20	Central banks	1,129	-	-											1,129	
30	General governments	1,438	81	-											1,357	
40	Credit institutions	11,962	3,390	-											8,572	
50	Other financial corporations	61,061	9,811	-											52,596	
60	Non-financial corporations	666	64	27											629	
70	Of which SMEs	-	-	-											-	
80	Households	-	-	-											-	
90	Debt securities	-	-	-											-	
100	Central banks	-	-	-											-	
110	General governments	-	-	-											-	
120	Credit institutions	-	-	-											-	
130	Other financial corporations	-	-	-											-	
140	Non-financial corporations	-	-	-											-	
150	Off-balance-sheet exposures	51	51	-											-	
160	Central banks	-	-	-											-	
170	General governments	-	-	-											-	
180	Credit institutions	-	-	-											-	
190	Other financial corporations	27	27	-											-	
200	Non-financial corporations	24	24	-											-	
210	Households	-	-	-											-	
220	**Total**	**80,047**	**17,137**	**27**	**0**	**-**	**-**	**0**	**-**	**0**	**-**	**-**	**-**	**-**	**64,283**	**-**

Template UK CQ3 – Credit quality of performing and non-performing exposures by past due days for the Group

The table below shows information on performing and non-performing exposures by past due days for the Group as at 31st March 2024:

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
	$m		Of which Not past due or past due ≤ 30 days	Of which Past due > 30 days ≤ 90 days		Of which Unlikely to pay that are not past due or are past due ≤ 90 days	Of which past due > 90 days ≤ 180 days	Of which past due > 180 days ≤ 1 year	Of which past due > 1 year ≤ 2 years	Of which past due > 2 years ≤ 5 years	Of which past due > 5 years ≤ 7 years	Of which past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	5,399	5,399	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	80,869	80,850	18	-	-	-	-	-	-	-	-	-
020	Central banks	1,827	1,827	-	-	-	-	-	-	-	-	-	-
030	General governments	1,475	1,475	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	17,031	17,030	1	-	-	-	-	-	-	-	-	-
050	Other financial corporations	59,807	59,791	16	-	-	-	-	-	-	-	-	-
060	Non-financial corporations	728	726	1	-	-	-	-	-	-	-	-	-
070	Of which SMEs	-	-	-	-	-	-	-	-	-	-	-	-
080	Households	1	1	-	-	-	-	-	-	-	-	-	-
090	Debt securities	504	504	-	-	-	-	-	-	-	-	-	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	499	499	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
130	Other financial corporations	5	5	-	-	-	-	-	-	-	-	-	-
140	Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	596			-								-
160	Central banks	-			-								-
170	General governments	-			-								-

	$m	a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			**Non-performing exposures**								
			Of which Not past due or past due ≤ 30 days	**Of which Past due > 30 days ≤ 90 days**		**Of which Unlikely to pay that are not past due or are past due ≤ 90 days**	**Of which past due > 90 days ≤ 180 days**	**Of which past due > 180 days ≤ 1 year**	**Of which past due > 1 year ≤ 2 years**	**Of which past due > 2 years ≤ 5 years**	**Of which past due > 5 years ≤ 7 years**	**Of which past due > 7 years**	**Of which defaulted**
180	Credit institutions	-			-								-
190	Other financial corporations	215			-								-
200	Non-financial corporations	381			-								-
210	Households	-			-								-
220	**Total**	**87,368**	**86,753**	**18**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Decrease in loans and advances Of which Not past compared to 31st March 2023 driven by decrease in SFT exposures.

Template UK CQ3 – Credit quality of performing and non-performing exposures by past due days for NIP

The table below shows information on performing and non-performing exposures by past due days for NIP as at 31st March 2024:

	$m	a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Of which Not past due or past due ≤ 30 days	Of which Past due > 30 days ≤ 90 days		Of which Unlikely to pay that are not past due or are past due ≤ 90 days	Of which past due > 90 days ≤ 180 days	Of which past due > 180 days ≤ 1 year	Of which past due > 1 year ≤ 2 years	Of which past due > 2 years ≤ 5 years	Of which past due > 5 years ≤ 7 years	Of which past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	3,740	3,740	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	76,256	76,247	9	-	-	-	-	-	-	-	-	-
020	Central banks	1,129	1,129	-	-	-	-	-	-	-	-	-	-
030	General governments	1,438	1,438	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	11,962	11,962	-	-	-	-	-	-	-	-	-	-
050	Other financial corporations	61,061	61,052	9	-	-	-	-	-	-	-	-	-
060	Non-financial corporations	666	666	-	-	-	-	-	-	-	-	-	-
070	Of which SMEs	-	-	-	-	-	-	-	-	-	-	-	-
080	Households	-	-	-	-	-	-	-	-	-	-	-	-
090	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
130	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
140	Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	51			-								-
160	Central banks	-			-								-

	$m	a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			**Non-performing exposures**								
			Of which Not past due or past due ≤ 30 days	**Of which Past due > 30 days ≤ 90 days**		**Of which Unlikely to pay that are not past due or are past due ≤ 90 days**	**Of which past due > 90 days ≤ 180 days**	**Of which past due > 180 days ≤ 1 year**	**Of which past due > 1 year ≤ 2 years**	**Of which past due > 2 years ≤ 5 years**	**Of which past due > 5 years ≤ 7 years**	**Of which past due > 7 years**	**Of which default ed**
170	General governments	-			-								-
180	Credit institutions	-			-								-
190	Other financial corporations	27			-								-
200	Non-financial corporations	24			-								-
210	Households	-			-								-
220	**Total**	**80,047**	**79,987**	**9**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Template UK CQ4 – Quality of non-performing exposures by geography for the Group

The table below shows information on the quality of non-performing exposures by geography for the Group as at 31st March 2024:

$m	a	b	c	d	e	f	g
	Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing		Of which subject to impairment			
			Of which defaulted				
On-balance-sheet exposures	86,772	-	-	21,144	(1)		-
Japan	17,806	-	-	1,527	-		-
France	11,169	-	-	1,261	-		-
Cayman Islands	12,095	-	-	2,167	-		-
United States	9,337	-	-	3,741	-		-
United Kingdom	9,823	-	-	6,849	-		-
Germany	5,361	-	-	622	-		-
Singapore	3,768	-	-	623	-		-
Switzerland	925	-	-	621	-		-
Hong Kong	1,757	-	-	291	-		-
Luxembourg	1,906	-	-	1,134	-		-
Other countries	12,825	-	-	2,308	(1)		-
Off-balance-sheet exposures	596	-	-			-	
France	346	-	-			-	
United Kingdom	141	-	-			-	
Netherlands	32	-	-			-	
Germany	24	-	-			-	
Luxembourg	23	-	-			-	
Other countries	30	-	-			-	
Total	**87,368**	**-**	**-**	**21,144**	**(1)**	**-**	**-**

Decrease in on-balance-sheet exposure in Japan compared to 30th September 2023 driven by decrease in SFT exposures.

Template UK CQ4 – Quality of non-performing exposures by geography for NIP

The table below shows information on the quality of non-performing exposures by geography for NIP as at 31st March 2024:

	a	b	c	d	e	f	g
$m	Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing		Of which subject to impairment			
			Of which defaulted				
On-balance-sheet exposures	79,996	-	-	17,113	-		-
Japan	16,798	-	-	1,062	-		-
France	12,085	-	-	2,157	-		-
Cayman Islands	10,369	-	-	844	-		-
United States	9,582	-	-	6,489	-		-
United Kingdom	8,803	-	-	3,456	-		-
Germany	8,443	-	-	488	-		-
Singapore	3,768	-	-	622	-		-
Switzerland	1,756	-	-	290	-		-
Hong Kong	1,504	-	-	151	-		-
Luxembourg	951	-	-	28	-		-
Other countries	5,937	-	-	1,526	-		-
Off-balance-sheet exposures	51	-	-			-	
France	24	-	-			-	
United Kingdom	15	-	-			-	
Netherlands	10	-	-			-	
Germany	-	-	-			-	
Luxembourg						-	
Other countries	2	-	-			-	
Total	**80,047**	**-**	**-**	**17,113**	**-**	**-**	**-**

Template UK CQ5 – Credit quality of loans and advances to non-financial corporations by industry for the Group

The table below shows information on the credit quality of loans and advances to non-financial corporations by industry for the Group as at 31st March 2024:

	$m	a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing			Of which loans and advances subject to impairment		
				Of which defaulted			
10	Agriculture, forestry and fishing	-	-	-	-	-	-
20	Mining and quarrying	-	-	-	-	-	-
30	Manufacturing	115	-	-	25	-	-
40	Electricity, gas, steam and air conditioning supply	160	-	-	2	-	-
50	Water supply	-	-	-	-	-	-
60	Construction	39	-	-	-	-	-
70	Wholesale and retail trade	3	-	-	3	-	-
80	Transport and storage	150	-	-	16	-	-
90	Accommodation and food service activities	25	-	-	25	-	-
100	Information and communication	39	-	-	22	-	-
110	Financial and insurance activities	74	-	-	49	-	-
120	Real estate activities	8	-	-	7	-	-
130	Professional, scientific and technical activities	54	-	-	2	-	-
140	Administrative and support service activities	5	-	-	-	-	-
150	Public administration and defence, compulsory social security	-	-	-	-	-	-
160	Education	51	-	-	1	-	-
170	Human health services and social work activities	5	-	-	-	-	-
180	Arts, entertainment and recreation	-	-	-	-	-	-
190	Other services	-	-	-	-	-	-
200	**Total**	**728**	**-**	**-**	**152**	**-**	**-**

There was no material movement in the credit quality of loans and advances to non-financial corporations by industry compared to the 30th September 2023

Template UK CQ5 – Credit quality of loans and advances to non-financial corporations by industry for NIP

The table below shows information on the credit quality of loans and advances to non-financial corporations by industry for NIP as at 31st March 2024:

$m		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing			Of which loans and advances subject to impairment		
				Of which defaulted			
10	Agriculture, forestry and fishing	-	-	-	-	-	-
20	Mining and quarrying	-	-	-	-	-	-
30	Manufacturing	115	-	-	25	-	-
40	Electricity, gas, steam and air conditioning supply	160	-	-	2	-	-
50	Water supply	-	-	-	-	-	-
60	Construction	39	-	-	-	-	-
70	Wholesale and retail trade	1	-	-	1	-	-
80	Transport and storage	150	-	-	16	-	-
90	Accommodation and food service activities	25	-	-	25	-	-
100	Information and communication	29	-	-	13	-	-
110	Financial and insurance activities	25	-		-	-	-
120	Real estate activities	8	-	-	7	-	-
130	Professional, scientific and technical activities	54	-	-	2	-	-
140	Administrative and support service activities	4	-	-	-	-	-
150	Public administration and defence, compulsory social security	-	-	-	-	-	-
160	Education	51	-	-	-	-	-
170	Human health services and social work activities	5	-	-	-	-	-
180	Arts, entertainment and recreation	-	-	-	-	-	-
190	Other services	-	-	-	-	-	-
200	**Total**	**666**	**-**	**-**	**91**	**-**	**-**

Appendix 1 – CRR Compliance

CRR Article	Para	Summary of Requirement	Page
Disclosure requirements and policies			
431	1	Institutions should publish Pillar 3 disclosures	
431	2	Firms with permission to use specific operational risk methodologies must disclose operational risk information.	Section "Operational Risk"
431	3	Institutions must have a policy covering frequency of disclosures, their verification, comprehensiveness and appropriateness. Institutions must also have policies for assessing whether their disclosures convey their risk profile comprehensively to market participants. At least one member of the management body or senior management shall attest in writing that the relevant institution has made the disclosures required under this Part in accordance with the formal policies and internal processes, systems and controls.	Policies are not an applicable public disclosure. Management Responsibility Statement
431	4	Quantitative disclosures shall be accompanied by a qualitative narrative and any other supplementary information that may be necessary	P3
431	5	Explanation of ratings decision upon request	Upon request
Non-material, proprietary or confidential information			
432	1	Omission of disclosures that are not material	P3: 5
432	2	Omission of disclosures if proprietary	N/A
432	3	Where 432 (2) applies this must be stated in the disclosures and more general information must be disclosed	
Frequency and scope of disclosure			
433		Institutions shall publish the disclosures at least on an annual basis or more frequently where necessary	P3: 5
433a	1	Disclosure frequency for Large institutions	P3: 5
433a	2	Disclosure frequency for Large institutions other than G-SIIs that are non-listed	P3: 5
433a	3	Disclosure frequency for Large institutions that are subject to Article 92a or 92b of the CRR	N/A
433b		Disclosure frequency for Small and Non-complex institutions	N/A
433c		Disclosure frequency for Other institutions	N/A
Means of disclosure			

CRR Article	Para	Summary of Requirement	Page
434	1	Disclosures to be made in one medium or provide clear cross-references	P3: 112-119
434	2	Disclosures made under other requirements (e.g. accounting) can be used to satisfy Pillar 3 if appropriate.	
434a		Uniform disclosure formats	P3
434b		Timing and means of disclosure under Article 441 of the CRR (Applicable to G-SIIs)	N/A
Disclosure of Risk management objectives and policies			
435	1	Disclose information on:	
435	1(a)	The strategies and processes to manage risks	P3: 9-10, 32, 47, 56, 58, 70 AR: 80-104
435	1(b)	Structure and organisation of risk management function	AR: 81-84
435	1(c)	Risk reporting and measurement systems	AR: 87-92
435	1(d)	Hedging and mitigating risk – policies and processes	AR: 89-92
435	1(e)	Declaration of adequacy of risk management arrangements approved by the Board	AR: 3, 81
435	1(f)	Concise risk statement approved by the Board.	AR: 3
435	2	Information on governance arrangements, including information on Board composition and recruitment and risk committees:	
435	2(a)	Number of directorships held by Board members	P3: 11
435	2(b)	Recruitment policy for selection of Board members, their actual knowledge, skills and expertise.	P3: 11
435	2(c)	Policy on diversity of Board membership and results against targets.	
435	2(d)	Disclosure of whether a dedicated risk committee is in place and number of meeting in the year.	P3: 9
435	2(e)	Description of information flow on risk to Board	AR: 81
Disclosure of Scope of application			
436	a	Name of institution	P3: 5
436	b	Outline of the differences in the scopes of consolidation	P3: 5, 22
436	c	Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories	P3: 19,22

CRR Article	Para	Summary of Requirement		Page
436	d	Main sources of differences between regulatory exposure amounts and carrying values in financial statements		P3: 21
436	e	Breakdown of the amounts of the constituent elements of an institution's prudent valuation adjustment		P3: 64-65
436	f	Impediments to transfer of own funds between parent and subsidiaries.		P3: 5
436	g	Subsidiaries not included in the consolidation with own funds less than required. Capital shortfalls in any subsidiaries outside the scope of consolidation.		P3: 22
436	h	Making use of articles on derogations from a) prudential requirements or b) liquidity requirements for individual subsidiaries/entities		P3: 5
Disclosure of Own funds				
437	1	Disclose the following information regarding own funds:		
437	1(a)	A full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and filters and deductions applied pursuant to Articles 32, 36, 56, 66 and 79 with the balance sheet in the audited financial statements of the institution;		P3: 17-18
437	1(b)	A description of the main features of the Common Equity Tier 1 and Additional Tier 1 instruments and Tier 2 instruments issued by the institution;		P3: 95-100
437	1(c)	The full terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments;		
437	1(d)	Separate disclosure of the nature and amounts of the following:		P3: 15-16
437	1(d)(i)	Each prudential filter applied pursuant to Articles 32 to 35;		
437	1(d)(ii)	Each deduction made pursuant to Articles 36, 56 and 66;		
437	1(d)(iii)	Items not deducted in accordance with Articles 47, 48, 56, 66 and 79;		
437	1(e)	A description of all restrictions applied to the calculation of own funds in accordance with this Regulation and the instruments, prudential filters and deductions to which those restrictions apply;		
437	1(f)	Where institutions disclose capital ratios calculated using elements of own funds determined on a basis other than prescribed		N/A
437	a	Disclosure of own funds and eligible liabilities for institutions that are subject to Article 92a or 92b of the CRR		N/A
Disclosure of own funds requirements and risk weighted exposure amounts				

CRR Article	Para	Summary of Requirement	Page
438	a	Summary of institution's approach to assessing adequacy of capital levels	P3: 27
438	b	Amount of the additional own funds requirements based on the supervisory review process	P3: 27
438	c	Result of ICAAP on demand from authorities.	On demand
438	d	Total risk-weighted exposure amount and the corresponding total own funds requirement	P3: 25-26
438	e	Specialised lending and equity exposures under the simple riskweighted approach	N/A
438	f	The exposure value and the risk-weighted exposure amount of own fund instruments held in any insurance undertaking	N/A
438	g	Supplementary own funds requirement and the capital adequacy ratio of the financial conglomerate	N/A
438	h	RWEA flow statements of CCR exposures under the IMM model	P3: 36
Disclosure of exposures to counterparty credit risk			
439	a	Description of process to assign internal capital and credit limits to CCR exposures.	AR: 90-91
439	b	Discussion of policies for securing collateral and establishing credit reserves.	AR: 91-92
439	c	Discussion of management of wrong-way risk exposures.	AR: 91
439	d	Disclosure of collateral to be provided (outflows) in the event of a ratings downgrade.	P3: 33
439	e	The amount of segregated and unsegregated collateral received and posted per type of collateral	P3: 39
439	f	For derivative transactions, the exposure values before and after the effect of credit risk mitigation	P3: 34-35
439	g	For securities financing transactions, the exposure values before and after the effect of credit risk mitigation	P3: 34-35
439	i	The exposure value to central counterparties and the associated risk exposures	P3: 41
439	j	Notional value of credit derivative hedges and current credit exposure by type of exposure	P3: 30

CRR Article	Para	Summary of Requirement	Page
439	k	Estimate of alpha, if applicable.	N/A
439	l	Point (l) of Article 439 referring to point (e) of Article 444	P3: 37-38
439	m	The size of their on- and off-balance-sheet derivative business as calculated in accordance with Article 273a(1) or (2)	P3: 34-35
Disclosure of countercyclical capital buffers			
440	1(a)	Geographical distribution of relevant credit exposures for calculation of countercyclical capital buffer.	P3: 28-31
440	1(b)	Amount of the institution specific countercyclical capital buffer.	P3: 27
Disclosure of indicators of global systemic importance			
441		Disclosure of the indicators of global systemic importance.	N/A
Disclosure of exposures to credit risk and dilution risk			
442	a	Disclosure of bank's definitions of past due and impaired.	AR: 50-51
442	b	Approaches for calculating specific and general credit risk adjustments.	AR: 50-51
442	c	Information on the amount and quality of performing, non-performing and forborne exposures	P3: 104-107
442	d	An ageing analysis of accounting past due exposures	P3: 108-111
442	e	The gross carrying amounts of both defaulted and non-defaulted exposures, the accumulated specific and general credit risk adjustments, the accumulated write-offs	P3: 104-107
442	f	Any changes in the gross amount of defaulted on- and off-balance-sheet exposures	P3: 102-103
442	g	The breakdown of loans and debt securities by residual maturity	P3: 101
Disclosure of encumbered and unencumbered assets			
443		Disclosures on unencumbered assets.	P3: 81-86
Disclosure of the use of the standardised approach			
444	a	Names of the ECAIs used in the calculation of Standardised approach risk-weighted assets and reasons for any changes.	P3: 32-33
444	b	Exposure classes associated with each ECAI.	
444	c	Description of the process used to transfer credit assessments to non-trading book items.	

CRR Article	Para	Summary of Requirement	Page
444	d	Mapping of external rating to CQS.	P3: 32-33
444	e	Exposure value by CQS.	P3: 44-45
Disclosure of exposures to market risk			
445		Disclosure of position risk, large exposures exceeding limits, FX, settlement and commodities risk.	P3: 48
Disclosure of operational risk management			
446	a	Scope of approaches used to calculate operational risk.	P3: 58
446	b	A description of the methodology set out in Article 312(2)	
446	c	In the case of partial use, the scope and coverage of the different methodologies used.	
Disclosure of Key Metrics			
447	a	The composition of own funds and own fund requirements as calculated in accordance with Article 92	P3: 12-14
447	b	The total risk exposure amount as calculated in accordance with Article 92(3)	
447	c	The amount and composition of additional own funds which the institutions are required to hold in accordance with point (a) of Article 104(1) of Directive 2013/36/EU	
447	d	Combined buffer requirement	
447	e	Leverage ratio and the total exposure measure	
447	f	Information in relation to Liquidity coverage ratio	
447	g	Information in relation to net stable funding requirement	
447	h	Own funds and eligible liabilities ratios and their components	
Disclosure of exposures to interest rate risk on positions not held in the trading book			
448	1	IRRBB risk management objectives and policies and Quantitative information on IRRBB	P3: 60-61
448	2	This Article shall not apply to institutions that use the standardised methodology or the simplified standardised methodology	
Disclosure of exposures to securitisation positions			

CRR Article	Para	Summary of Requirement		Page
449		Disclosures on securitisation positions		P3: 57
Disclosure of remuneration policy				
450	1	Remuneration disclosures of material risk takers		P3: 87-94
450	2	The quantitative information on the remuneration of institutions' collective management body referred to in this Article shall also be made available to the public		
Disclosure of the leverage ratio				
451	1	Disclose the following:		
451	1(a)	Leverage ratio		P3: 67-68
451	1(b)	Breakdown and reconciliation of total exposure		P3: 66
451	1(c)	Derecognised fiduciary items		P3: 67-68
451	1(d)	Description of the processes used to manage the risk of excessive leverage,		
451	1(e)	Factors that impacted the leverage ratio during the year.		
451	2-5	Disclosures applicable to LREQ firms		
Disclosure of liquidity requirements				
451a	1	Application of disclosure of liquidity requirements		P3: 70-80
451a	2	Disclosure of liquidity coverage ratio		P3: 72-76
451a	3	Disclosure of net stable funding ratio		P3: 77-80
451a	4	Institutions shall disclose the arrangements, systems, processes and strategies put in place to identify, measure, manage and monitor their liquidity risk in line with ILAAP		P3: 70-71
Disclosure of the use of the IRB Approach to credit risk				
452		Disclosures on IRB approach		N/A
Disclosure of the use of credit risk mitigation techniques				
453	a	Use of on- and off-balance sheet netting.		AR: 90-92
453	b	How collateral valuation is managed.		AR: 48-49
453	c	Description of types of collateral used by the institution		AR: 48-49
453	d	Main types of guarantor, credit derivative counterparty and creditworthiness.		AR: 53, 95

CRR Article	Para	Summary of Requirement	Page
453	e	Market or credit risk concentrations within risk mitigation exposures.	AR: 89, 92, 96
453	f	Standardised or Foundation IRB Approach, exposure value covered by eligible collateral.	P3: 46
453	g	the corresponding conversion factor and the credit risk mitigation associated with the exposure and the incidence of credit risk mitigation techniques with and without substitution effect	P3: 40-41
453	h	On- and off-balance-sheet exposure value by exposure class before and after the application of conversion factors and any associated credit risk mitigation	P3: 42-43
453	i	Standardised approach – Credit risk exposure and CRM effects	P3: 42-43
453	j	Impact of credit risk mitigation for firms following IRB approach	N/A
Disclosure of the use of the Advanced Measurement Approaches to Operational Risk			
454		Description of the use of insurance or other risk transfer mechanisms to mitigate operational risk.	N/A
Use of Internal Market Risk Models			
455	a(i)	Disclosure of the characteristics of the market risk models.	P3: 47 AR: 86-88
455	a(ii)	Disclosure of the methodologies used to measure incremental default and migration risk.	AR: 89
455	a(iii)	Descriptions of stress tests applied to the portfolios.	AR: 89 20-F: 143
455	a(iv)	Methodology for back-testing and validating the models.	AR: 87-88
455	b	Scope of permission for use of the models.	AR: 87 P3: 47-48
455	c	Policies and processes to determine trading book classification, and to comply with prudential valuation requirements.	P3: 60, 63
455	d (i-iii)	High/Low/Mean values over the year of VaR, SVaR and IRC	P3: 50
455	e	The elements of the own funds requirement calculation.	P3: 48
455	f	Weighted average liquidity horizons of portfolios covered by models.	AR: 88-90
455	g	Comparison of end-of-day VaR measures compared with one day changes in the portfolio's value.	P3: 51-54