

Governance and Nomination Committee of Nomura Europe Holdings plc
Terms of Reference

1. Constitution

1.1 The principles of good governance apply to all Boards and Committees. An effective Board also relies on effective Committees, in their work, to provide challenge, oversight and scrutiny. This in turn will assist the Board to make informed decisions in line with its legal, regulatory and statutory obligations and provide effective oversight of risks and all other relevant matters. The Board of Directors (the "**Board**") of Nomura Europe Holdings plc ("**NEHS**") has established a Non-Executive Committee of the Board known as the NEHS Governance and Nomination Committee (the "**Committee**") to provide challenge, oversight and scrutiny to ensure that there is strong and responsible leadership at the head of the Relevant Entities (as defined in paragraph 1.2 below) together with a wide range of skills, knowledge and experience and to make recommendations in respect of appointments to the Board.

1.2 For these purposes:

1.2.1 the "**Relevant Entities**" shall mean NEHS, Nomura International plc ("**NIP**"), Nomura Bank International plc ("**NBI**"), Nomura Capital Markets Limited, Nomura European Investment Limited and Nomura Properties plc and any other entities that appear on the Nomura EMEA Structure Chart, as amended from time to time and that meet the requirements of the Capital Requirements Directive IV ("**CRD IV**");

1.2.2 the "**Group**" shall mean NEHS, its subsidiaries and those entities which appear on the Nomura EMEA Structure Chart, as amended from time to time (excluding Nomura Asia Holding N.V., Nomura Europe Finance N.V. and NIH (Guernsey) Limited and its subsidiaries, which are outside of the scope of the Committee; and

1.2.3 the "**Code**" shall mean the UK Corporate Governance Code as published by the Financial Reporting Council.

2. Membership

2.1 The Committee shall consist of at least three of the UK based Non-Executive Directors of NEHS, the majority of whom should be independent. Members of the Committee will be appointed by the Board, in consultation with the Chair of the Committee (the "**Chair**").

2.2 The Chair of the NEHS Board will be the Chair of the Committee. In the absence of the Chair and/or an appointed deputy, the Senior Independent Director shall chair meetings of the Committee. The Chair of the Committee

should not chair the Committee meetings at which their succession is being considered.

2.3 Only members of the Committee are entitled to vote at Committee meetings. The following individuals are expected to attend all meetings as standing attendees:

2.3.1 the Chief Executive Officer (the “**CEO**”); and

2.3.2 the Head of Human Resources, EMEA.

2.4 At the invitation of the Chair, other non-members may attend all or part of any meeting as and when appropriate and necessary.

2.5 Appointments to the Committee shall be for a period of up to three years extendable by no more than two additional three-year periods, so long as members continue to be a Non-Executive Director.

3. Voting

3.1 Only members of the Committee are entitled to vote at Committee meetings.

3.2 Where recommendations from the Committee are not unanimous, the Chair shall reflect in recommendation to the Board any conflicting views.

4. Secretary

4.1 The Company Secretary of NEHS, or his or her nominee, shall act as the Committee Secretary.

4.2 The Committee Secretary will ensure the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to agenda items. In addition, the Committee Secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance. Draft minutes of the Committee meetings shall be circulated promptly to all members of the Committee and will be formally approved by the Committee at the following meeting. A summary from each Committee meeting will be presented by the Chair at the next Board meeting.

5. Quorum

5.1 The quorum necessary for the transaction of business shall be two members, one of whom should be an independent Director. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

6. Frequency of meetings

- 6.1 The Committee shall meet at least twice a year and otherwise as required.
- 6.2 Meetings may be conducted by telephone or video-conference and decisions made by such means shall be appropriately recorded and shall have the same effect as those conducted in person.

7. Notice of meetings

- 7.1 Meetings of the Committee shall be convened by the Committee Secretary at the request of the Chair or any of its members if they consider it necessary.
- 7.2 Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend with reasonable notice in advance of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

8. Annual General Meeting

- 8.1 The Chair may attend the Annual General Meeting and will be available at any other time to answer shareholder questions on the Committee's activities.

9. Duties

- 9.1 The Committee shall focus primarily on the composition, appointments and effectiveness of the Board, but shall also assume responsibility for the performance of individual Directors in relation to their Board duties and assessment of the performance of the Chair. Whilst the CEO will control and be responsible for the appointment of executives, the Committee shall have oversight of the framework for executive talent management. The Committee will keep the Board's governance arrangements under review and shall carry out the duties below for each Relevant Entity:

9.1.1 In relation to board composition the Committee shall:

- a) periodically, and at least annually, undertake a high level assessment of the structure, size, composition and performance of each board and make recommendations with regard to any changes;

- b) periodically, and at least annually, assess the knowledge, skills and experience of individual members of each board and of each board collectively and report to each board accordingly;
- c) periodically review the framework governing the selection and appointment of executive senior management and senior manager holders;
- d) annually review and decide on a target for the representation of the underrepresented gender on the boards of NEHS, NBI and NIP and review a policy on how to increase the number of the underrepresented gender in order to meet that target;
- e) give full consideration to succession planning for Directors in the course of its work, taking into account the challenges and opportunities facing each board, and the skills and expertise needed on each board in the future; and
- f) keep under review the Executive and Non-Executive appointments to the Board, and in particular key leadership positions including the Chair of the Board and CEO, with a view to ensuring the continued ability of the Group to:
 - i. compete effectively in the marketplace; and
 - ii. keep up to date and fully informed about strategic issues and commercial changes affecting NEHS and the market in which it operates.

9.1.2 In relation to Board appointments and commitments the Committee shall:

- a) be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
- b) before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in light of such evaluation review a description of the role and requirements for a particular appointment. In identifying suitable candidates the Committee shall:
 - i. use open advertising or the services of external advisers to facilitate the search;
 - ii. consider candidates from a wide range of backgrounds;
 - iii. consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board,

including gender, taking care that appointees have enough time to devote to the position;

- c) for the appointment of the Chair of the Board, review a job specification, including the time commitment expected. The proposed appointee should disclose their other significant commitments to the Board before the appointment and any changes to their commitments should be reported to the Board as they arise; and
- d) prior to the appointment of a Director, the proposed appointee should be required to disclose any other significant commitments or business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest.

9.1.3 Ensure that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings.

9.1.4 In relation to Board Evaluation the Committee shall:

- a) review the results of the Board performance evaluation process that relate to the composition of the Board; and
- b) review annually the time required from Non-Executive Directors. Performance evaluations should be used to assess whether the Non-Executive Directors are spending enough time to fulfil their duties.

9.2 The Committee shall also make recommendations to the boards of the Relevant Entities concerning:

9.2.1 membership of Board Committees as appropriate, in consultation with the chair of these committees;

9.2.2 the re-appointment of any Non-Executive Director at the conclusion of their specified term of office having given due regard to their performance and ability to contribute to the relevant board in the light of knowledge, skills and experience required;

9.2.3 the re-election of Directors under the retirement by rotation provisions in the articles of association of the Relevant Entities and any applicable provisions of the Code;

- 9.2.4 any matters relating to the continuation in office of any Director at any time, including the suspension or provisions of the law and their service contract;
- 9.2.5 the appointment of any Executive Director to executive or other offices outside of the Nomura group of companies.

10. Reporting responsibilities

- 10.1 The Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities.
- 10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

11. Other matters

11.1 The Committee shall:

- 11.1.1 upon making recommendations of appointments to the boards of the Relevant Entities, take account of the need to ensure that the boards' decision making will not be dominated by any one individual or small group of individuals in a manner that is detrimental to the interests of the Group as a whole;
- 11.1.2 ensure that a comprehensive induction programme for all new Directors is carried out and have oversight for the programme of ongoing education as part of the continuing professional development of Directors;
- 1.1.1 arrange for periodic reviews of its own performance and, at least annually, review its constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board. The Committee is subject to an annual effectiveness review by the Board and will be required to report that it has fulfilled its duties under the mandate delegated to it by the NEHS Board under the Terms of Reference in the NEHS Annual Report and Accounts.
- 11.1.3 consider and set the criteria for the objective and rigorous assessment of the performance of the Directors of the boards of NEHS, NIP and NBI, with the Chair responsible for individual reviews on an annual basis. The Senior Independent Director is responsible for appraising the performance of the Chair;
- 11.1.4 have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required;

- 11.1.5 give due consideration to laws and regulations including CRD IV, provisions of the Code and any other applicable rules, as appropriate;
- 11.1.6 oversee any investigation of activities which are within these Terms of Reference; and
- 11.1.7 work and liaise as necessary with all other Board Committees.

12. Authority

12.1 The Committee is authorised to:

- 12.1.1 seek any information it requires from any employee of the Group in order to perform its duties;
- 12.1.2 obtain, at the expense of NEHS, independent legal, accounting or other professional advice on any matter it believes it necessary to do so;
- 12.1.3 call any employee to be questioned at a meeting of the Committee as and when required; and
- 12.1.4 have the right to raise and discuss, with the appropriate Nomura Holdings, Inc. group functions, the details of any issues that cannot be resolved between the Committee and the Board.

12.2 The Committee may establish Sub-Committees and/or forums which will report to the Committee as necessary. The Committee shall on a timely basis consider and make decisions on all matters raised for its attention by any of its Sub-Committees and/or forums.

13. Changes to the Terms of Reference

13.1 Substantive changes to the Committee's Terms of Reference must be approved by the Board.

13.2 Administrative amendments to the Committee's Terms of Reference may be made by the Chair of the Board and the NEHS Company Secretary as necessary.