

PRESS RELEASE

To members of the press

February 1, 2022
Nomura Real Estate Holdings, Inc.

Nomura Real Estate Group Accelerates Efforts to Achieve a Decarbonized Society

—Joining the RE100 and fully switching to renewable electricity at Nomura Real Estate Development’s domestic leasing properties by FY2023—

Nomura Real Estate Holdings, Inc. (Head office: Shinjuku-ku, Tokyo; President and Representative Director: Eiji Kutsukake; hereinafter the “Company”) is pleased to announce that it joined RE100, a global initiative bringing together the world's most influential companies leading the transition to 100% renewable electricity. With this, the Nomura Real Estate Group (hereinafter the “Group”) will aim to switch to 100% renewable electricity for the electricity consumed in its business activities by 2050.

Furthermore, as a means of accelerating efforts across the Group to achieve a decarbonized society, Nomura Real Estate Development Co., Ltd., the Group’s core company, will lead the way by completing the switch at all of its domestic leasing properties¹ of the electricity it procures, including the portion used by tenants, to renewable electricity by the fiscal year ending March 2024.

In the background of this undertaking is the fact that the global society is changing course toward becoming decarbonized, as evidenced by the Japanese government’s declaration to achieve carbon neutrality by 2050 and the Glasgow Climate Pact of COP26 that states the goal of limiting global temperature rise to 1.5 degrees Celsius. In line with these moves, society’s expectations for companies to address climate change are rising, and the need for renewable electricity among our tenant companies is increasing.

To date, the Company has been addressing climate change through such means as the Company agreed to recommendations made by the Task Force on Climate-related Financial Disclosure (TCFD), which encourages disclosure of climate-related information in September 2020, and the Group’s 2030 CO₂ emissions reduction target² were approved by Science Based Targets Initiative(SBTi) global initiative in November 2020. The Company is also developing and offering products as well as services that contribute to achieving a decarbonized society. We believe that our social mission as a real estate developer is to contribute to the creation of a sustainable society, and we will continue to make our products and services more energy efficient as well as low carbon and source renewable electricity through our business activities.



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1. Joining RE100 and switching 100% of the electricity consumed in business activities across the Group to renewable electricity by 2050

With its participation in the global initiative RE100, the Group aims to switch 100% of the electricity consumed in its business activities to renewable electricity by 2050.



Notes:

1. Leasing properties implies properties (including the portion used by tenants) for which Nomura Real Estate Development has concluded direct electricity supply contracts with power companies. These exclude properties that Nomura Real Estate Development owns units in or jointly owns with other parties, and properties plans to be sold or demolished, as well as the common use areas of some rental housings.
2. Attaining 35% reductions in total greenhouse gas (CO₂) emissions for Scope 1 and Scope 2 as well as Scope 3, respectively, by the fiscal year ending March 2031 compared with the fiscal year ended March 31, 2020.

➤ **About RE100**

RE100 is a global initiative bringing together the world's most influential businesses committed to 100% renewable power. Led by international non-profit the Climate Group in partnership with CDP, the group have a total revenue of over US\$6.6 trillion and operate in a diverse range of sectors. Together, they send a powerful signal to policymakers and investors to accelerate the transition to a clean economy. <https://www.there100.org/> | #RE100

➤ **Message from Sam Kimmins, Head of RE100 at Climate Group**

"We are delighted to welcome Nomura Real Estate to RE100. By committing to 100% renewable electricity by 2050, it joins over 340 of the world's leading businesses committed to driving market change. This sends a powerful message that renewable electricity makes good business sense, and we encourage others to follow".

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2. Switching electricity consumed by all leasing properties owned by Nomura Real Estate Development to renewable electricity by FY2023

For all domestic leasing properties owned, Nomura Real Estate Development will complete the switch of all of the electricity it procures, including the portion used by tenants, to renewable electricity by the fiscal year ending March 2024.

To this end, the plan is to utilize the environmental value of the electricity from solar power generators installed at Landport logistics facilities developed by Nomura Real Estate Development, while also procuring external non-fossil fuel energy certificates with tracking information³ and other instruments in order to meet our tenant companies' demand for renewable electricity, which is starting to increase.



Shinjuku Nomura Building



Nihonbashi Muromachi Nomura Building

As means of achieving the Group's 2030 CO₂ emissions reduction target, in addition to the Landport logistics facilities, the Company will install renewable power generation equipment at detached housings, condominiums, and other properties developed by Nomura Real Estate Development, procure green electricity⁴, and otherwise actively utilize renewable electricity with additionality⁵ in order to help increase the use of renewable electricity across society.

■ Efforts of the Group to date to achieve a decarbonized society

➤ Solar power generation at Landport logistics facilities

Among the Landport logistics facilities developed by Nomura Real Estate Development, a total of 19 buildings had solar power generators installed on their roofs as of March 2021, with an annual output of 21.9 GWh/year in the fiscal year ended March 2021.



Landport Ome I II III

In principle, solar power generators will be installed at all logistics facilities developed by Nomura Real Estate Development.

Notes:

3. Certificates representing the environmental value of renewable electricity generation facilities, for which the attribute information of the renewable electricity generation facilities are tracked. They can be used in meeting RE100 targets.
4. Renewable electricity that is considered as being supplied directly from generation facilities through the general power grid.
5. This refers to the contribution made to increase the use of renewable electricity across society by developing new renewable electricity generation facilities.

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➤ Initial cases of renewable electricity use at hotels and retail facilities

As initial cases of the introduction of renewable electricity, all of the electricity demand (3.5 GWh in the fiscal year ended March 2021) of the hotels operated by the Group (NOHGA HOTEL UENO TOKYO, NOHGA HOTEL AKIHABARA TOKYO, HOTEL NIWA TOKYO), as well as MEFULL, the service-focused retail facility developed by Nomura Real Estate Development, is effectively being met with 100% net renewable electricity under the CO₂ Zero Plan⁶ provided by NF Power Service, a retail electricity provider and group affiliate.



NOHGA HOTEL

➤ Provision of low-carbon products and services

• Timber frame wooden housing and offices

Nomura Real Estate Development is working to reduce CO₂ emissions by actively using timber, including the policy of using wooden construction in principle for the common use space of all condominiums to be developed hereafter.

Examples of these initiatives include the development of PROUD Kanda Surugadai, the country's first timber hybrid high-rise condominium incorporating timber-based material for pillars, walls, and other structural components; and the use of timber hybrid construction in the primary structure of the H¹O (Human First Office) series of office buildings, which addresses needs in the market for small-scale offices. Of particular note is H¹O Aoyama, planned to open in October 2022. It is the first medium- to high-rise office building built by a Japanese real estate developer that employs timber hybrid construction for some of its primary structure's pillars and beams.⁷



Rendering of H¹O Aoyama



PROUD City Kichijoji common use building

• Developing ZEH condominiums

Nomura Real Estate Development is pursuing the development of ZEH (net-zero energy house) condominiums. ZEH refers to housings designed to achieve net-zero annual primary energy consumption through dramatic improvements in building envelope performance such as heat insulation, as well as through the installation of highly efficient equipment systems, in combination with the use of renewable electricity.

To date, the PROUD Tower Kameido Cross Gate Tower and others have been adopted as the Ministry of



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Economy, Trade and Industry's Super high-rise ZEH-M Demonstration Project, and in addition, PROUD Kagurazaka Hill Top, PROUD City Musashiurawa Station Arena, and others have been adopted as the Ministry of Environment's High-rise ZEH-M Support Projects, with all these condominiums being certified as being ZEH-M Oriented.⁸

Notes:

6. CO2 Zero Plan aims to realize virtually 100% renewable energy and zero CO2 emissions by utilizing non-fossil fuel energy certificates that prove that electricity originates from renewable energy sources. Renewable electricity can be stably procured through the Group's affiliate, NF Power Service Co., Ltd.
7. This is the first medium- to high-rise office building for leasing, that employs timber hybrid construction for some of its primary structure's pillars and beams to be completed by a real estate developer (according to a survey by Japan Forest Products Journal Co., Ltd.).
8. Certification aimed at the spread of advanced, ZEH-oriented condominiums. Certified condominiums meet ZEH criteria through high-thermal-insulation building envelopes and energy-saving performance (excludes power generation with renewable electricity generation facilities).

■ Initiatives in 2023 and beyond to boost efforts to achieve a decarbonized society

➤ **Shibaura 1-Chome Project: Achieving net zero CO2 emissions across the entire development area spanning 550,000 m² in gross floor area**

The Shibaura 1-Chome Project being jointly developed by the Group and East Japan Railway Company in Hamamatsucho, Tokyo, will achieve a reduction in CO₂ emissions that exceeds the target for a Special District for Urban Renaissance, while also effectively achieving net-zero CO₂ emissions across the entire development area through such means as solar power generators installed at Landport logistics facilities and the use of carbon-neutral city gas.⁹



Rendering of Shibaura 1-Chome Project

Note:

9. City gas using LNG (CNL) that offsets greenhouse gas emissions from the natural gas extraction stage to the combustion stage with carbon credits (carbon offset), so is deemed on a global scale not to generate CO₂ when combusted.

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■ Signatures on initiatives



Signed the United Nations Global Compact (1)



Signed the Principles for Responsible Investment (2.3)



Signed the UNEP Finance Initiative (2)

Initiative on Declaration of Biodiversity by Keidanren

Agreed to Declaration of Biodiversity by Keidanren (1)



Agreed to Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) (1.2)



Approved by the Science Based Targets (SBT) initiative (1)



Joined RE100 (1)



Joined the Japan Climate Initiative (2)



UK Member of the UK Green Building Council (GBC) (3)

Selected / Concerned / Award-winning companies

1 : Nomura Real Estate Holdings, Inc. 2 : Nomura Real Estate Asset Management Co., Ltd
3 : Lothbury Investment Management

*This material is an English translation of Japanese announcement made on February 1, 2022 by Nomura Real Estate Holdings, Inc.

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