

Basic Corporate Governance Policy

Chapter 1 – General Provisions

(Basic Viewpoint Regarding Corporate Governance)

Article 1 Nomura Real Estate Holding, Inc. (the “Company” or “NREH”) believes that it must be governed in a way that continuously maximizes corporate value over the long term, while consideration is given to the interest of shareholders and all other stakeholders related to the Nomura Real Estate Group. Furthermore, we aim to enhance the earning power of the entire Group, and while acting as a holding company in managing and supervising the business activities of our subsidiaries, we strive to build a highly transparent management organization.

Chapter 2 – Shareholder Rights and Securing Impartiality

(General Meetings of Shareholders)

- Article 2
1. In order to ensure sufficient time for shareholders to review proposals for Ordinary General Meetings of Shareholders and to execute their voting rights appropriately, a notice of convening of a General Meeting of Shareholders is dispatched no later than 3 weeks before the date of the meeting and said notice is posted on the Company’s website prior to dispatch.
 2. The Company endeavors to create an environment that facilitates the appropriate exercising of voting rights by shareholders including shareholders who do not attend the General Meeting of Shareholders such as using a platform for the electronic exercising of voting rights, etc.

(Securing Impartiality Among Shareholders)

Article 3 The Company treats all shareholders so that substantial equality is maintained according to the equity shares held by shareholders, and discloses information in a timely and appropriate manner so that information disparity among shareholders does not arise.

(Basic Policy Concerning Strategic Shareholdings)

- Article 4
1. The Company has a Policy Concerning Strategic Shareholdings that acknowledges contributing to improving the Company’s corporate value from a comprehensive perspective of strengthening transaction relations with counterparties and strategic business tie-ups, etc.
 2. When holding strategic shares, the Company regularly grasps the state of transactions with the Group and the state of management at the investee company, and every year the Board of Directors examines the rationality of continuing to hold strategic shares from the

perspective of contributing to improving the Company's corporate value. In addition, in light of the aforementioned examinations, when it is no longer rational to hold them, the Company sells said shares, taking into account market conditions and other factors.

3. The Company makes appropriate decisions when exercising voting rights relating to strategic shareholdings based on whether holdings contribute to improving the Company's corporate value through improving the investee companies' corporate value.
4. In the event that a company that holds the Company's shares as strategic shareholdings (a strategic shareholder) indicates that it intends to sell or otherwise transfer said shares, the Company will respond appropriately and will not obstruct said sale in any way, such as by raising the prospect that a reduction in transactions or the like may ensue.
5. Regardless of whether a given transaction is with a strategic shareholder, it will be carried out after its economic rationality is adequately examined, as is the case with all other counterparties.

(Transactions with Related Parties)

- Article 5 1. In accordance with laws and regulations, and the Company's internal rules (Regulations Primarily Regarding Organizations and Resolutions), Directors intending to engage in competitive transactions or conflicting interest transactions must obtain prior approval from and provide follow-up reports at meetings of the Board of Directors.
2. In accordance with the Company's internal rules (Regulations Primarily Regarding Organizations and Resolutions), the Executive Officers intending to engage in competitive transactions must obtain prior approval from and deliver follow-up reports to the Management Committee. With respect to conflicting interest transactions, the Executive Officers must obtain prior approval at the Management Committee.
 3. With regard to transactions with major shareholders of the Group or the Company, significant or irregular transactions require prior approval from or follow-up reports to the Board of Directors or the Management Committee.

Chapter 3 – Proper Cooperation with Stakeholders

(Code of Conduct)

- Article 6 The Company is aware that we are a member of society and has established a Nomura Real Estate Group Code of Action as a code of conduct to ensure that Directors, Executive Officers, and employees act in accordance with the norms of society based on a high level of ethics.

(Relationships with Stakeholders)

- Article 7 The Board of Directors gives consideration to the interests not only of the Company's shareholders but also of employees, customers, business partners, creditors, local

communities, and various other stakeholders and endeavors to cooperate appropriately to improve the long-term corporate value of the Company.

(Internal Reporting)

Article 8 The Company sets up a point of contact for reporting independent from management as a system that enables employees to report and consult on unlawful or unethical practices at the Company and prepares rules to ensure informants are not subject to disadvantageous treatment by the Company.

Chapter 4 – Ensuring Appropriate Information Disclosure and Transparency

(Appropriate Disclosure of Corporate Information)

Article 9 The Board of Directors fairly, timely and appropriately discloses information concerning the Group's management strategies, finances, risk management, and internal control system, etc. pursuant to the Companies Act, the Financial Instruments and Exchange Act, and other laws and regulations, as well as the Tokyo Stock Exchange's listing rules.

Chapter 5 – Accountability of the Board of Directors

(Role of the Board of Directors)

Article 10 1. On behalf of all shareholders the Board of Directors realizes efficient and effective corporate governance, and through such corporate governance plans the Company bears responsibility for sustainable growth and maximizing long-term corporate value.

2. The Board of Directors ensures the fairness and transparency of management by performing supervisory functions in order to achieve the responsibility provided for in the preceding paragraph and makes decision in the best interests of the Company through making significant business execution decisions, etc.

(Role of Independent External Directors)

Article 11 The main role of Independent External Directors is, based on their own knowledge, to give appropriate advice from the viewpoint of the Company's sustainable growth and improving the corporate value, to supervise management through significant decision making by the Board of Directors, to supervise conflicts of interest between the Company and management or major shareholders, etc., and to appropriately express the opinions of shareholders and other stakeholders to the Board of Directors from a standpoint independent from management.

(Chairman of the Board of Directors)

Article 12 The Chairman of the Board of Directors endeavors to raise the quality of discussions at

meetings of the Board of Directors and to enable the effective and efficient running of meetings of the Board of Directors. To fulfill this responsibility the Chairman of the Board of Directors ensures there is adequate time for all proposals and gives consideration to each Director being able to obtain timely and appropriate information.

(Composition of the Board of Directors)

Article 13 The Board of Directors is composed of multiple Directors with differing knowledge, experience, and skills to ensure the necessary balance and diversity as a holding company that supervises companies operating businesses in a variety of areas, and to ensure the Board of Directors functions effectively on an appropriate scale, the Board comprises no more than 12 members (excluding Directors who are Audit & Supervisory Committee Members) and no more than five Audit & Supervisory Committee Members.

(Criteria for Determining Impartiality of Independent External Directors)

Article 14 In addition to Independent Director impartiality criteria set by the Tokyo Stock Exchange, the Board of Directors establishes criteria concerning the impartiality of Independent External Directors and nominates Independent External Directors having confirmed that they do not correspond to any of the following items.

- (1) Individuals who execute business for any other company with which the Company or our subsidiaries have a reciprocal employment relationship as each other's External Directors;
- (2) Individuals who are employees of the Company's or our subsidiaries' major business partners (*1) or who are employees at companies that consider the Company or our subsidiaries to be their major business partner (*1) (or individuals involved in the execution of business if such business partner is a corporation);
- (3) Consultants, accounting experts, or legal experts who receive money, or other property gains in excess of ¥10 million in addition to Directors compensation from the Company or subsidiaries during the most recent business year;
- (4) Individuals affiliated to companies, etc. that provide professional services such as law firms, accounting firms, and consulting companies that receive large sums of money or other property gains (*2) from the Company or subsidiaries;
- (5) Individuals who are or were involved in the execution of business at one of the Company's major shareholders (individuals who are or were involved in the execution of business at such corporation if the major shareholder is a corporation), or lead managing underwriter; or
- (6) Close relatives of individuals stated in (1) to (5).

*1 A Major business partner means a business partner whose transactions with the Group exceed 2% of the Company's or such business partner's annual consolidated sales in the most recent business year.

*2 Large sums of money or other property gains means gains that exceed 2% of the annual consolidated sales of that companies, etc. in the most recent business year.

(Director Candidate Nominations and Director Training and Development)

- Article 15
1. Bearing in mind the importance of appointing or dismissing Directors based on the Company's corporate philosophy and management plans for the sustainable growth of the corporation, the Company appropriately establishes policies and procedures for Director candidate nomination and for Director dismissal, and discloses the details thereof.
 2. The Board of Directors provides opportunities for training that teach and update knowledge so that Directors who are members of the board can adequately fulfill the roles and responsibilities expected of them.

(Composition of the Audit & Supervisory Committee)

- Article 16
1. The majority of the members of the Audit & Supervisory Committee shall be Independent External Directors.
 2. A minimum of one of the Directors who is a member of the Audit & Supervisory Committee shall have appropriate knowledge relating to finance and accounting.

(Establishment of an Advisory Committee Relating to Nominations and Compensation)

- Article 17
- The Company establishes an advisory committee relating to nominations and compensation principally composed of Independent External Directors to strengthen the impartiality and objectivity of the functions of the Board of Directors that relate to Director candidate nominations and Directors' compensation.

(Directors' Responsibilities)

- Article 18
1. Directors collect sufficient information for the execution of their duties, and actively express their opinions, give advice and raise issues regarding management.
 2. Directors demonstrate their expected abilities, dedicate sufficient time for the Company, and execute their duties as Directors.
 3. When appointed, Directors understand related laws and regulations, the Company's Articles of Incorporation, the Regulations of the Board of Directors, and other internal rules, and endeavor to fulfill their duties.

(Prior Submission of Agenda Items and Materials)

- Article 19
- Prior to the date of a meeting of the Board of Directors, the Company distributes to each Director, including External Directors, the agenda and materials relating to proposals for the meeting in order to facilitate discussion at meetings of the Board of Directors (this does not apply to proposals that are highly confidential).

(Access to Internal Information by External Directors)

- Article 20
1. External Directors may require explanations, reports or the submission of materials from officers or employees at any time when necessary or considered appropriate.

2. The Board of Directors' secretariat and the Audit & Supervisory Committee secretariat distribute information so that External Directors can properly execute their duties.

(Evaluations of the Effectiveness of the Board of Directors)

- Article 21
1. The Board of Directors conducts annual self-evaluations of the effectiveness of the Board of Directors and Directors' contributions as Directors.
 2. Each year, the Board of Directors analyzes and evaluates its effectiveness as a whole, taking into consideration the self-evaluations of each Director and appropriately discloses a summary of the results.

Chapter 6 – Dialogue with Shareholders

(Dialogue with Shareholders)

Article 22 The Company actively engages in constructive dialogue with shareholders and policy regarding the structure and initiatives for promoting dialogue is as follows:

- (1) Designating Directors to Oversee Dialogue with Shareholders

Dialogue with shareholders centers around the Director in charge of IR, and the department in charge of investor relations assists with such dialogue.

- (2) Maintaining a System for Exchanging Information within the Company

The department in charge of investor relations ensures close collaboration to facilitate dialogue through regular meetings with the departments in charge of corporate planning, corporate administration, and finance and accounting and the daily exchange of information with other internal departments.

- (3) Enhancing Means of Dialogue

The Company proactively establishes opportunities for dialogue with shareholders, holding financial results briefings every six months and conference calls every quarter, and participating in conferences organized by stock brokerages, etc. in addition to holding one-to-one meetings in Japan and overseas with institutional investors and participating in IR events and organizing company briefings for individual investors.

- (4) Feedback Policy

The department in charge of investor relations reports shareholders' opinions and concerns grasped through dialogue with shareholders focusing on institutional investors to management, and regularly reports to the Board of Directors and Directors discuss the details reported.

- (5) Management of Insider Information

To prevent the leak of information that may impact on share prices and to maintain information disclosure fairness, the Company formulates Regulations Concerning the Prevention of Insider Trading and appropriately manages insider information in

line with such Regulations, and sets a “quiet period” from the day following the date of quarterly account closing to one day prior to the day of the announcement of the next quarterly settlement. During this quiet period, the Company refrains from distributing information relating to settlement and performance expectations, except when events occur that fall under timely disclosure.

Established:
November 26, 2015

Amended:
April 1, 2016
April 1, 2018
December 1, 2018