



Priority Issues (materiality) **【Society and Employees】 Human rights**

Under its Group Policy, the Nomura Real Estate Group has stipulated “Respect for human rights of officers and employees” in Article 20* of its Group Code of Action, and it respects the dignity and fundamental human rights of everyone associated with its operations, including employees. In doing so, the Group supports and complies with the following international norms on human rights and strives to conduct business in full compliance with human rights laws and regulations in each country in which it operates. In accordance with the Nomura Real Estate Group Human Rights Policy, the president and Group CEO of Nomura Real Estate Holdings takes responsibility with regard to respecting human rights as we strive to identify, prevent, and mitigate any human rights violations related to any of our business activities. At the same time, we seek from all stakeholders cooperation with our Human Rights Policy and reinforce our efforts to promote dialogue.

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Society and Employees

Group Policy

As a corporate group that connects people, towns, and communities to the future, we will realize lifestyles for which diverse backgrounds and values are respected and will respect people's dignity and basic human rights throughout our business activities to strengthen our foundational sustainability and pursue co-creation initiatives that transcend organizations and business models.

Targets

Society and employees	Strengthening the foundation for promoting sustainability for "co-creation" that transcends organizations and business categories
Diversity and inclusion	Create an organization that enables diverse workers, including women and foreign nationals, with various backgrounds and values to make meaningful contributions
Human rights	Solidify a corporate foundation of mutual respect for the dignity and basic human rights of every employee and business partner

Key Performance Indicators (KPIs)

- Female manager and junior manager ratio: 20%
- Childcare leave utilization rate by men and women: 100%
- Procurement guideline survey implementation rate: 80%
- Creation of human rights due diligence system
- Percentage of participation in human rights training: 100%
- Provision of products and services with inclusive design*
- Percentage of implementation of one-on-one meetings: 100%

※ Design process involving people with diverse backgrounds, values, and challenges

Management

The Sustainability Committee, which consists of Nomura Real Estate Holdings and Group company directors and other members, is chaired by the Nomura Real Estate Holdings president and Group CEO. It deliberates and decides policies and action plans focused on sustainability, including priority issues (Materiality), and reports to the Board of Directors. It also monitors progress with regard to its targets. In addition, two subordinate organizations have been established under the committee to strengthen the foundations for co-creation. One is the Human Rights Subcommittee, led by the officer in charge of the Group Internal Audit Department and the

Group Legal and Compliance Department as supervisor and the officer in charge of Group Diversity and Inclusion Management as deputy supervisor, and the other is the Wellness and D&I Management Committee, chaired by the Nomura Real Estate Holdings president and Group CEO.

Human Rights Subcommittee

Consists of members from the Group Human Resource Department, Group Human Resources Development Department, Group Legal and Compliance Department, and Sustainability Management Department and meets as needed. In fiscal 2021, the committee met eight times, and it has continued to discuss major topics such as the formulation of a human rights policy and surveys for human rights due diligence.

Wellness and D&I Management Committee

Consists of Nomura Real Estate Holdings and Group company presidents and others, and meets twice a year (previously called the Group Wellness Promotion Meeting). The committee discusses mid-to long-term goals and measures related to promoting occupational health and safety, wellness, work style reforms, the empowerment of women, and utilization and active participation of the Group's diverse human resources to maintain and improve sound, comfortable workplace environments in which people can work with vigor and achieve wellness, and to enhance efforts for formulating human resource development policies and promoting internal environment development to ensure diversity. The content of the discussions are periodically reported to the Board of Directors.

Diversity and Inclusion

Approach and Policies
Management
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Human Rights

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Approach and Policies

Group Policy (Society)

Under its Group Policy, the Nomura Real Estate Group has stipulated “Respect for human rights of officers and employees” in Article 20* of its Group Code of Action, and it respects the dignity and fundamental human rights of everyone associated with its operations, including employees. In doing so, the Group supports and complies with the following international norms on human rights and strives to conduct business in full compliance with human rights laws and regulations in each country in which it operates. In accordance with the Nomura Real Estate Group Human Rights Policy, the president and Group CEO of Nomura Real Estate Holdings takes responsibility with regard to respecting human rights as we strive to identify, prevent, and mitigate any human rights violations related to any of our business activities. At the same time, we seek from all stakeholders cooperation with our Human Rights Policy and reinforce our efforts to promote dialogue.

※ The Nomura Real Estate Group Code of Conduct provides in Article 20 that the Group shall respect the fundamental human rights of officers and employees and shall not engage in discrimination or harassment on the basis of race, ethnicity, age, religion, creed, sex, nationality, social status, disability, pregnancy, childbirth, childcare leave, family care leave, sexual preference, gender identity, etc.

International norms that the Group supports and respects

International Bill of Human Rights (United Nations)

Common standards to be achieved for all people including the right to life, freedom of speech and expression, right to work, right to education, and right to live a civilized life.

Declaration on Fundamental Principles and Rights at Work (International Labor Organization (ILO))

Fundamental rights in labor (the freedom of association, the right to collective bargaining, prohibition of compulsory labor, effective elimination of child labor, and elimination of discrimination in employment and occupation)

Guiding Principles on Business and Human Rights (United Nations)

A global standard applicable to all countries and businesses, consisting of three pillars: state duty to protect human rights, corporate responsibility to respect human rights, and a remedy for victims of business-related abuses.

Children's Rights and Business Principles (UNICEF, UN Global Compact, and Save the Children)

Guidelines on actions that should be taken by companies to protect children's rights.

[☐ Nomura Real Estate Group Human Rights Policy](#)

Management

Management (Society)

As a subordinate organization of the Sustainability Committee, we established the Human Rights Subcommittee, led by the officer in charge of the Group Internal Audit Department and the Group Legal and Compliance Department as supervisor, and the officer in charge of Group Diversity and Inclusion Management as deputy supervisor. The subcommittee consists of members from the Group Human Resource Department, Group Human Resources Development Department, Group Legal and Compliance Department, and other departments and meets as needed to promote human rights initiatives for the entire Group. Eight meetings were held in fiscal 2021 to formulate the Human Rights Policy, conduct surveys for implementing human rights due diligence, and determine priority areas based on the survey results.

Targets and Results

Targets

The Group has set the following two targets in order to disseminate its thinking on respect for human rights.

Target 1 Percentage of participation in human rights training by Group officers and employees
100%

Target 2 Monitoring and education of stakeholders on human rights issues

[☐ Key performance indicators \(KPIs\) for priority issues \(materiality\) up to 2030](#)

Result 1. Participation in human rights training by Group officers and employees

Results for fiscal 2021 are shown in following the chart.

Training Conducted

Training type	Target participants	Participation rate* (%)	Human rights themes covered
Group-wide training			
Group training for new employees	New employees	100% (280/280 persons)	Resolution of the Dowa issue Diversity and inclusion Harassment
Group training for newly-appointed managers	Newly appointed managers	100% (149/149 persons)	General human rights training (understanding the Nomura Real Estate Group human rights policies, resolution of the Dowa issue, and other issues) Diversity and inclusion Harassment
Group training for new career-track employees	Mid-career hires	100% (195/195 persons)	Preventing harassment
Email distribution to Group officers and employees	All officers and employees	-	Compliance Harassment
Nomura Real Estate Life & Sports			
Human Rights Training	Employees	91% (585/640 persons)	Compliance Harassment
Human Rights Training	Part-time workers	94% (1,199/1,132 persons)	Compliance Harassment

※ Participants/Target Participants

Result 2. Monitoring and education of stakeholders on human rights issues

In fiscal 2021, we identified the top 191 companies in terms of procurement value as the Group's key suppliers and requested that they complete a web-based survey, to which 89 companies responded. We also provided feedback on the results to all companies that responded to the survey and engaged directly with ten of them.

 [Supplier Engagement](#)

Initiatives

Human Rights Training for Group Officers and Employees

Rank-Specific Training

To deepen understanding of respect for human rights, the Group makes use of opportunities such as rank-specific training to conduct human rights education. The human rights training conducted in fiscal 2021 is described below. A total of 2,408 persons, including part-time workers, participated in this training.

In addition, the Nomura Real Estate Group Code of Action Handbook is distributed to all employees to disseminate knowledge, and training on discrimination and harassment is conducted for all employees. The Group's internal newsletter, which is published regularly, also contains provisions requesting understanding of and consideration for LGBT* individuals.

※ LGBT (lesbian, gay, bisexual, and transgender) is a general term for sexual minorities.

Responses to Human Rights Issues

Responses to Human Rights Issues in the Supply Chain

To address human rights issues in the supply chain, the Group has distributed its Procurement Guidelines to more than 4,600 business partners.

In fiscal 2020, monitoring interviews were conducted with ten major suppliers.

In fiscal 2021, we identified the top 191 companies in procurement value as the Group's key suppliers and requested that they complete a web-based survey, with 89 companies responding. We also provided feedback on the results to all companies that responded to the survey and directly engaged with ten of them. We will continue to expand the scope of the survey and address human rights issues in the supply chain.

 [Supplier Engagement](#)

Responses to Human Rights Due Diligence

The Nomura Real Estate Group is continuing to implement human rights due diligence.

In fiscal 2020, the Human Rights Subcommittee was established to strengthen and promote activities in accordance with international norms on human rights and began formulating the Human Rights Policy and related tasks.

In fiscal 2021, we formulated and announced the Nomura Real Estate Group Human Rights Policy, in

which we identified prominent human rights issues within the Group. In addition, a Group-wide desktop survey was conducted to ascertain the current status of human rights issues within the Group. We then selected the property and facility management business, hotel business, and the overseas business as operations with relatively high human rights risks, and we conducted a detailed survey, including interviews and questionnaires, involving seven Group companies, six in Japan and one in Vietnam. As a result of these surveys, we confirmed that there were no significant cases of human rights violations, including violations of laws and regulations, within the Group.

We have selected four priority issues to be addressed in the future: (1) employee wellness and human rights, (2) overseas business and non-Japanese workers, (3) human rights in the supply chain, and (4) remedial measures, and we have established a three-year roadmap of initiatives as well as designating departments with jurisdiction over these issues. We will continue to develop our human rights due diligence system, periodically conduct human rights due diligence, and continuously improve initiatives.

Establishment of the Grievance Mechanism

The Group has set up the Nomura Real Estate Group Human Rights Desk as a point of contact for consultation on human rights issues which is accessible to all employees regardless of employment status, and the Power and Sexual Harassment Hotline as an external point of contact for consultation. In addition, the Group established the Helpline for Business Partners (all Corporate Customers) as a point of contact for reporting on human rights abuses by Group employees and other acts that may conflict with its code of ethics.

Reports and consultations received through these points of contact are accepted anonymously and strictly remain confidential. If, as a result of investigation, there is a clear violation of respect for human rights, the Group takes appropriate action against the perpetrator, and protects the victim and whistleblower so that they are not treated prejudicially for having made a report.

In this way, by setting up multiple points of contact for consultation, the Group has created an environment where it is easy to seek advice, and is working for the early detection and resolution of any problems and taking measures to prevent recurrence. In fiscal 2021, there were 39 consultation matters relating to discrimination and harassment.

 [Nomura Real Estate Group Helpline](#)

Engagement with Stakeholders on Human Rights Issues

The Group is implementing internal and external stakeholder engagement initiatives in various ways on the theme of human rights.

Participation in the Human Rights Due Diligence Study Group

The Group participates in the Human Rights Due Diligence Study Group, which is made up of three general contractors, which are suppliers to the Group, and five real estate developers (including Nomura Real Estate Holdings).

The group was established to fulfill the responsibility of companies to "avoid infringing on the human rights of others and prevent, mitigate, and rectify adverse human rights impacts with which they are involved" required by the Guiding Principles of Business and Human Rights. We strive to prevent human rights abuses including forced labor in the industry as a whole.

Exchanges of Opinion on Human Rights Issues

Through the Human Rights Due Diligence Study Group, whose active participants include construction and real estate companies, the Group implements engagement initiatives with NGOs, lawyers, and other external bodies to prevent adverse impacts on human rights with respect to the acceptance of foreign technical interns and human rights issues related to its business activities.

As for engagement initiatives, the Group was pointed out as having noticeable problems such as long working hours and insufficient safety measures.

In response, the Group is promoting appropriate business activities based on international norms by taking the perceived issues into account for future activities and plans.

Acceptance of, and Communication with, Foreign Technical Interns

The Group's Nomura Real Estate Amenity Service accepts foreign technical interns from Indonesia and Vietnam. To ensure that interns can work with confidence, the company gives due consideration to the improvement of their working environments, thorough implementation of safety standards, the provision of appropriate living arrangements, and other key factors. To elicit opinions from trainees, the company provides periodic opportunities for interviews with their superiors.

We are considering accepting more trainees going forward, and to this end, we recognize that it is essential to treat and communicate with the trainees with greater consideration for their human rights.