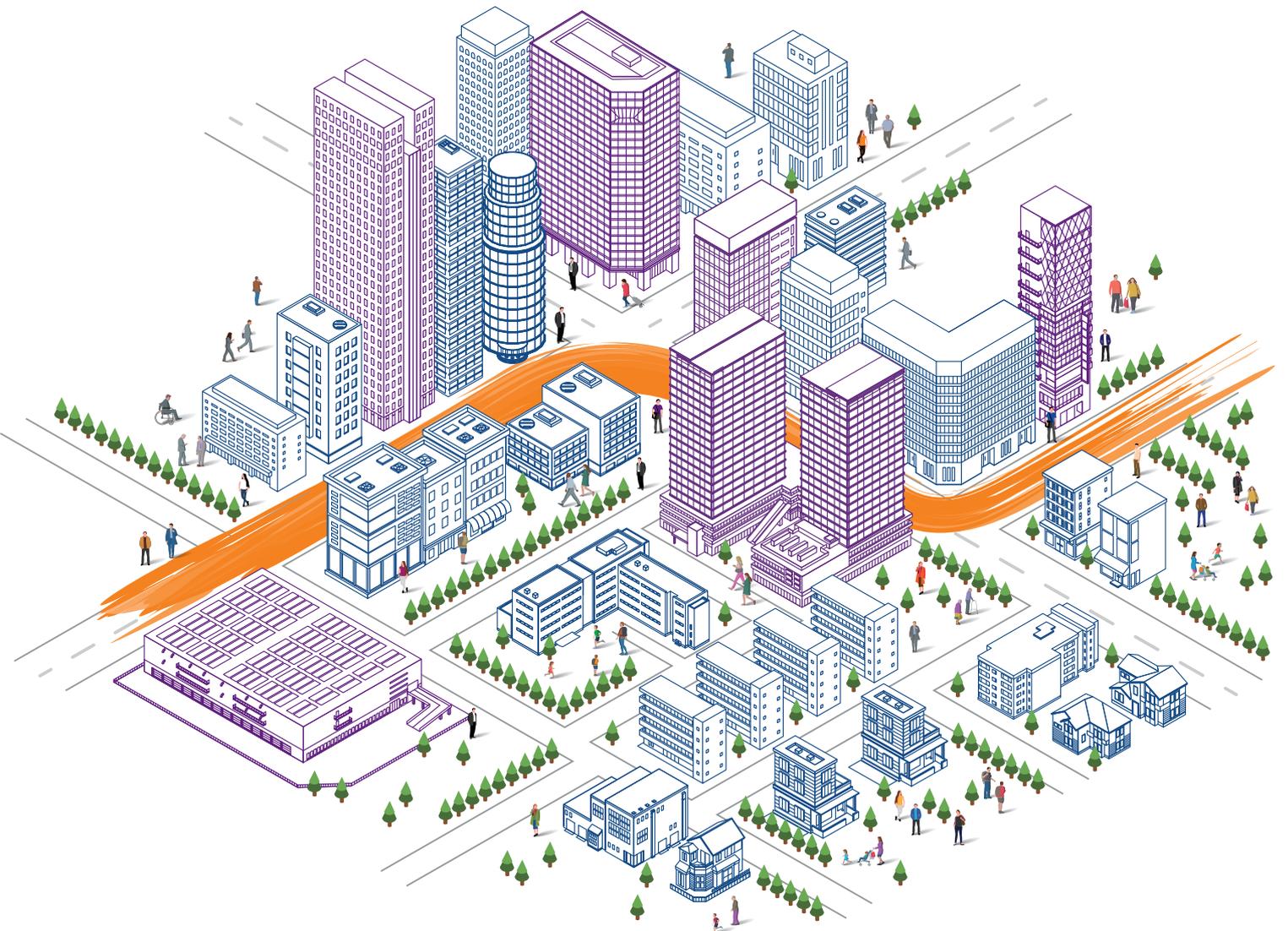


New Value, Real Value

Integrated Report 2020



Our Group Vision/Action guideline

Our Group Vision “New Value, Real Value”

New Value, Real Value

Integrating all that is precious to people and communities,
we build cities—dynamic stages that connect today with tomorrow’s possibilities,
and embrace every moment of life’s pursuits.

We create new value, social value, and, above all, real value.

Action guideline “What We Value”

Client-first approach

We maintain our “client-first” approach as well as our attitude to ensure trust and fulfill expectations, which we have valued since the foundation of the company.

Creating new value based on original ideas

We pursue creating new value with free and out-of-the-box thinking, placing importance on anticipating future and global perspectives.

Always being a challenger

We always bear in mind that we are a challenger and take on new challenges with humility and ambition.

Acknowledging our growth with society

Ever mindful of our responsibility and pride in creating the future for people and cities, we contribute to society and continue to be a company on which it relies.

Working with vigor and achieving wellness

Recognizing that working with vigor brings growth to both the company and ourselves, we take the utmost care of our mental and physical health.

Editorial policy

This integrated report is published in order to foster understanding and serve as a tool for a deeper dialogue among shareholders, investors, and other stakeholders of the Nomura Real Estate Group. It explains the Group's approaches, strategies, and specific measures toward the creation of mid- to long-term value (social value and economic value) by giving consideration to the external environment and linking financial and non-financial information.

This report focuses on explaining the Nomura Real Estate Group's value creation process and distinctive business models and other initiatives to realize value creation. It also strives to communicate the likelihood of creating the kind of value the Group aspires to through the messages from top managements and dialogue between the Chairman of the Board of Directors and an External Director.

The editing and layout of this report follow guidelines such as the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC) and the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation of the Ministry of Economy, Trade and Industry. In addition, feedback and requests raised during dialogues with investors have been also incorporated.

About the cover

The Nomura Real Estate Group engages in the businesses of developing real estate and providing real estate-related services. We strive to create new value by resolving social issues through "building cities—dynamic stages that connect today with tomorrow's possibilities" and "embracing every moment of life's pursuits."

By effectively utilizing our corporate colors, specifically orange (hospitality, spirit of challenge) and purple (originality, dignity), the cover of this report expresses our urban development and unfaltering commitment to the achievement of Our Group Vision.



Referenced guidelines

- Global Reporting Initiative (GRI) Standards
- ISO 26000—Guidance on Social Responsibility
- International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC)
- Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation of the Ministry of Economy, Trade and Industry



Period covered by the report

This report covers the period from April 1, 2019 to March 31, 2020.

Parts may discuss information from times prior to this period or activities or outlooks for times following this period.

Scope of the report

Nomura Real Estate Holdings, Inc. and Nomura Real Estate Group 23 companies

Forward-looking statements

This integrated report contains forward-looking statements about the future plans, strategies, and performance of Nomura Real Estate Holdings, Inc. ("the Company") and its consolidated subsidiaries ("the Group"). These forward-looking statements are not historical facts.

Rather, they are estimates, forecasts, and projections based on information currently available to the Company and are subject to a number of risks and uncertainties, which include economic trends, intensification of competition in the real estate industry, legal and taxation systems, and other regulations. As such, actual results may differ from those projected.

Contents

About the Nomura Real Estate Group	<ul style="list-style-type: none"> 4 The Nomura Real Estate Group's history of challenge 8 The Nomura Real Estate Group at a glance
CEO message	10 CEO message
Value creation by the Nomura Real Estate Group	<ul style="list-style-type: none"> 20 Value creation process 22 Sources of corporate value 24 Business model 26 Four value creation initiatives
Growth strategy of the Nomura Real Estate Group	<ul style="list-style-type: none"> 30 Message from the COO and Chairman of the Sustainability Committee 36 Mid- to Long-term Business Plan overview and progress 38 Interview with the CFO
Sustainability/ESG	<ul style="list-style-type: none"> 44 Dialogue between the Chairman of the Board of Directors and an External Director 48 Roundtable discussion with External Directors 52 Directors and Executive officers 55 Corporate governance 64 Risk management 69 Internal controls, compliance/Information disclosure 70 Sustainability 72 Environment 74 Safety/Security, Community, Health and Well-being 76 Human resources 80 Topic: Response to COVID-19
Business portfolio/ Data, etc.	<ul style="list-style-type: none"> 84 Business at a glance 85 Awareness of the external environment (opportunities and threats) 86 Strategies by Business Unit <ul style="list-style-type: none"> 86 Residential Development Business Unit 88 Commercial Real Estate Business Unit 90 Investment Management Business Unit 92 Property Brokerage & CRE Business Unit 94 Property & Facility Management Business Unit 96 Major asset brands 97 Major development projects 98 Major development projects in progress 99 Overseas business initiatives 100 11-year financial data 102 Business Unit information 104 ESG data 106 Corporate information 107 Group company information 108 External evaluation 109 Publication of <i>Integrated Report 2020</i> (Guarantee by the Director in charge)



Eiji Kutsukake
President and Representative Director, Group CEO



Seiichi Miyajima
Executive Vice President and Representative Director, Group COO



Makoto Haga
Director, Group CFO

Index

I would like to know about...	Items applicable to the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation	Contents	Page
...the Group's values and direction toward growth	Values	➔ CEO message	10
		➔ Value creation process	20
...the Group's strengths and competitive edge	Business model (position in the competitive landscape)	➔ The Nomura Real Estate Group at a glance	8
		➔ Sources of corporate value	22
		➔ Business model	24
		➔ External evaluation	108
...the Group's profit structure	Business model (essential elements for ensuring a competitive advantage)	➔ Business model	24
		➔ Message from the COO and the Chairman of the Sustainability Committee	30
		➔ Interview with the CFO	38
		➔ Business at a glance	84
...the likelihood of the Group achieving sustainable growth	Sustainability and growth (recognition of ESG factors)	➔ Four value creation initiatives	26
		➔ Message from the COO and the Chairman of the Sustainability Committee	30
		➔ Sustainability	70
	Sustainability and growth (relationships with key stakeholders)	➔ Environment	72
		➔ Safety/Security, Community, Health and Well-being	74
		➔ Human resources	76
	Sustainability and growth (risks within changing environment)	➔ CEO message	10
		➔ Message from the COO and the Chairman of the Sustainability Committee	30
		➔ Interview with the CFO	38
		➔ Risk management	64
		➔ Awareness of the external environment (opportunities and threats)	85
...the Group's specific strategies	Strategy	➔ Message from the COO and the Chairman of the Sustainability Committee	30
		➔ Mid- to Long-term Business Plan overview and progress	36
		➔ Strategies by Business Unit	86
...the Group's indicators for measuring the progress of its strategies	Performance and key performance indicators (KPIs)	➔ Mid- to Long-term Business Plan overview and progress	36
		➔ Strategies by Business Unit	86
		➔ ESG data	104
...the Group's position on managing its business portfolio and capital cost	Strategy Performance and key performance indicators (KPIs)	➔ Mid- to Long-term Business Plan overview and progress	36
		➔ Interview with the CFO	38
...the Group's governance system that supports strategy	Governance	➔ Dialogue between the Chairman of the Board of Directors and an External Director	44
		➔ Roundtable discussion with External Directors	48
		➔ Corporate governance	55

Information disclosure on the website

Additional information can be found on our website.



Home page

<https://www.nomura-re-hd.co.jp/english/>



Financial information

Non-financial information

Integrated report and financial report

https://www.nomura-re-hd.co.jp/english/ir/ir_library/annualreport.html



• Investor relations

<https://www.nomura-re-hd.co.jp/english/ir/> ➔



- Management policy
- Financial information
- IR library
- Stock information
- etc.

• Company information

- Business overview
- Sustainability/ESG

<https://www.nomura-re-hd.co.jp/english/csr/> ➔



- CSR report PDF download

<https://www.nomura-re-hd.co.jp/english/csr/download/> ➔



etc.