



CSR

Safety and Security

Demand is on the rise for better real estate safety and security. This includes efforts to ensure natural disaster readiness, measures to address aging real estate stock, and expectations concerning urban revitalization.

The Nomura Real Estate Group is engaged in the technical aspects of this pursuit in ways that include ensuring building quality by deploying state-of-the-art technologies and satisfying our own quality control standards and improving the city functions in urban development projects. Non-technical efforts involve bolstering disaster prevention plans, BCPs, and after-sales services. Through these efforts, we seek to ensure safety and security for customers and communities.

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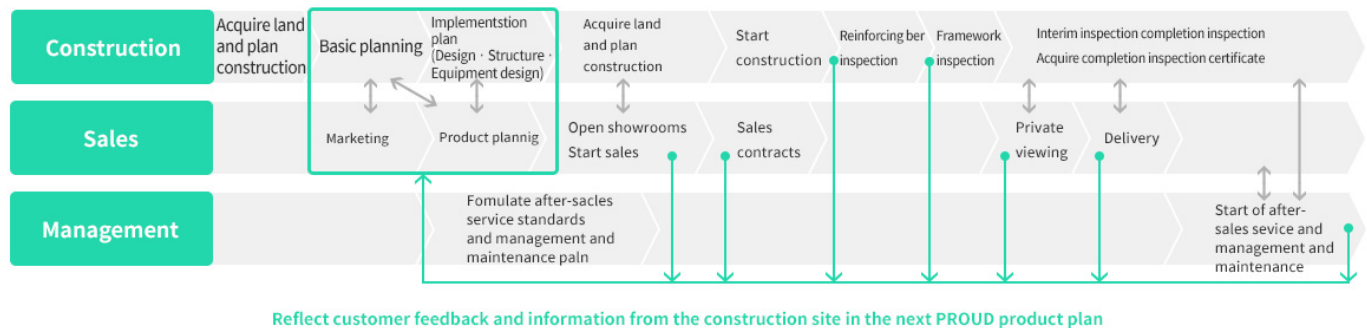
Building Safety and Security (PROUD Condominiums)

Quality Improvement Initiatives

Integrated Development, Sales, and Management System

The Nomura Real Estate Group provides a complete range of integrated residential services, from development to after-sales maintenance. This commitment to tightly integrated services enables the Group to accurately grasp the opinions and preferences of its customers at each stage. As a result, we can better meet the needs of the market as we utilize feedback to improve subsequent product development.

Integrated Development, Sales, and Management System



Condominium Design Standards and Condominium Manual

Nomura Real Estate Development has established proprietary design and construction standards, including its Condominium Design Standards, Condominium Design Manual (Structure, Construction, Facilities), and After-sales Service Standards. These manuals and standards are distributed to all construction companies and other business partners, and efforts are made to increase awareness about these by holding regular seminars. The goal of these activities is to ensure the supply of high-quality, safe, and secure housing.



Condominium Design Standards and Condominium Manual

PROUD Quality Conference

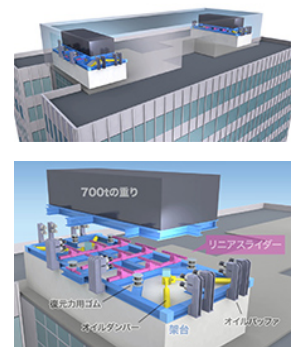
Nomura Real Estate Development hosts the PROUD Quality Conference, at which architectural personnel in the condominium business gather with the goal of increasing condominium quality. At the annual conference techniques are improved and standardized through the sharing and discussion of updated content for the Condominium Design Standards and Condominium Manual as well as the latest information about facility planning.

Deploying a Long-Period Ground Motion Countermeasure for the Shinjuku Nomura Building

Nomura Real Estate Development, Nomura Real Estate Master Fund, Inc., and Takenaka Corporation began installing Japan's first dual TMD-NT vibration damper on the 52nd and 53rd floors of the Shinjuku Nomura Building as a countermeasure against long-period ground motion. Construction will be completed in September 2016.

TMDs (Tuned Mass Dampers) use a weight that moves in the opposite direction of building sway to dramatically reduce sway time and amplitude. Interior spaces do not need to be modified, so no floor space will be lost. Furthermore, TMDs do not use electricity, ensuring that vibration damping performance will be maintained even during power outages.

By making sure this building's earthquake resistance is as strong as that of cutting-edge super high-rise buildings, we improve its habitability for facility visitors and employees of tenant companies while ensuring their safety and security.



Dual TMD-NT

Usage of "Standard Specifications"

In addition to its PROUD series of condominiums, Nomura Real Estate Development develops lease-based PMOs (Premium Midsize Offices), GEMS, and Landport properties. As with its PROUD properties, the company prepares Standard Specifications when developing these facilities that establish standards for things such as designs, structures, and equipment, and informs construction companies and design personnel of these standards in order to supply comfortable, high-quality facilities that provide safety and security.

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Safety and Security after a Sale

Improving After-Sales Services

■ National Customer Conference

To enhance its after-sales services, Nomura Real Estate Development hosts the National Customer Conference, which is attended by after-sales service personnel from Nomura Real Estate Development's head and branch offices. The conference provides a venue for the sharing and discussion of issues and new initiatives.

■ NEXT PASS 10

Nomura Real Estate Development has run the NEXT PASS 10 paid program to respond to home needs, including problems and malfunctions, for a period of 10 years. This service consists of equipment warranty extensions, emergency response and repair services, and long-term maintenance support. The first maintenance and support system for private floor space to be offered in the condominium industry, this service has further enhanced the Company's after-sales service and improved customer comfort and peace of mind.

■ Nomura Real Estate Relocation Service

Nomura Real Estate Development offers the Nomura Real Estate Relocation service for owners of condominium units. When owners of Nomura Real Estate condominium units in the Tokyo metropolitan area are absent from their homes for long periods due to job transfer or other reasons, we lease the vacant homes directly from the owners and sublet them as rented accommodations. The owners receive rent payments and enjoy peace of mind because they are leasing their homes to the company that originally sold the property.

■ Regular Study Sessions Held With Partner Companies

Nomura Real Estate Partners holds study sessions with partner companies on a regular basis in an effort to prevent the recurrence of accidents and improve business quality. Discussions at these study sessions cover topics such as reporting accidents and other problems and giving improvement instructions.

■ Earnest Repair Guarantee Service

Nomura Real Estate Urban Net Co., Ltd. offers its Earnest Repair Guarantee service to bring safety and security to customers purchasing resale housing.

Based on options including Building Guarantees (for detached houses) and Housing Equipment Guarantees (for condominiums), this service guarantees secure housing by promptly inspecting the property sold and repairing any problem areas after a brokerage agreement is signed. This service was launched in December 2012, and is now provided for some 7,000 properties.

■ Integrated Management Quality Assessment Standards

To standardize, maintain, and improve the quality of integrated management, Nomura Real Estate Partners has issued its Integrated Management Quality Assessment Standards, which consist of over 400 items. The Company makes appropriate revisions based on customer needs, legal compliance, voluntary checks, and internal audits.

■ Acquiring ISO Certification

Nomura Real Estate Partners holds ISO 20000 international certification for IT service management systems (ITSMS) for services provided to the Nomura Research Institute data center. ISO 20000, which represents the certification standard for IT service management, sets forth the management processes for IT services to customers. This marks the first time that a company in Japan's building management industry has obtained this certification. Nomura Real Estate Development has also acquired ISO 9001: 2015 certification (an international standard for quality management systems) for design management and construction management operations conducted by the facility. In addition, September 2015 saw Nomura Real Estate Partners acquire ISO 9001: 2015 certification for 13 PMO series properties, becoming the first in Japan to acquire such certification.

As of March 31, 2016, a total of 18 business sites had acquired ISO 9001 certification, the international standard for quality management systems.

For details on ISO 14001 and ISO 50001, please see [Environmental Activity Promotion Framework](#).

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Disaster Preparedness Initiatives

Enhancing Disaster Preparedness Support

"Circle Aid" Disaster Preparedness Concept

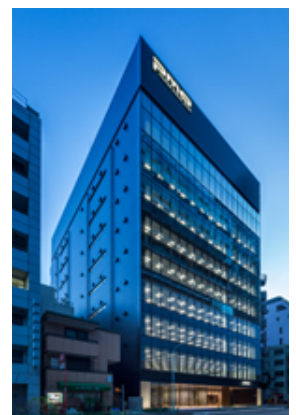
We have instituted the "Circle Aid" disaster preparedness concept at PROUD brand condominiums. This concept encompasses earthquake-resistant design and disaster preparedness storerooms, and assists residents in helping themselves and others when disasters strike. As part of this initiative, we have distributed guidebooks and support disaster drills.

Disaster Preparedness at Condominiums

Nomura Real Estate Partners provides assistance for disaster preparedness, helping condominium associations formulate and implement disaster preparedness drills and earthquake response manuals. We have also created a Disaster Preparedness Guidebook, a set of guidelines for earthquakes and power outages that is distributed free of charge to all condominium associations contracted for management.

Disaster Preparedness Hub Set up for Office Building Tenants

The Nomura Real Estate Group is developing premium midsize offices (PMOs) for small- and medium-sized enterprises that feature the same functions and design standards found in much larger office buildings. To respond to the disaster preparedness and BCP needs of tenants in PMO series buildings, we opened N-FORT disaster preparedness hub at PMO Nihonbashi Muromachi. N-FORT houses food rations for some 2,000 people and an emergency generator that can supply power for up to 72 hours following a blackout caused by a major disaster.



PMO Nihonbashi
Muromachi

Disaster Response Drills at Office Buildings, Commercial Facilities, and logistics facilities

Nomura Real Estate Partners holds regular disaster preparedness drills to ensure the safety of tenants and their visitors. It also creates earthquake and fire preparedness manuals, and runs basic lifesaving certification classes for building managers.

In addition, disaster communication drills are held every month between the head office of Nomura Building Management and local sites. Once a year, a widespread disaster response drill is held. The drill involves identifying, assessing, and communicating damage levels and building a system that uses wireless devices and teleconferencing.

Sheltering of and Support for Disaster Victims through Temporary Living Accommodations for Those Unable to Return Home

The Shinjuku Nomura Building (Shinjuku Ward, Tokyo) and Nihonbashi Muromachi Nomura Building (Chuo Ward, Tokyo) have signed agreements with their respective wards to serve as temporary living accommodations for disaster victims unable to return to their homes.