



Promotion Foundations

Human Resources

The Nomura Real Estate Group aims to provide wellness management so that all its executives and employees can carry out their work energetically and in good physical and mental health, which leads to sustainable corporate growth. In this way, it contributes to the realization of a sustainable society, the continuation of business activities, and increased corporate value. The Group also promotes the occupational safety and health maintenance of its employees and suppliers, recognizing that those matters are important management issues. Also, recognizing that the innovations brought about by diversity are important for the continued creation of new value, the Group works to promote diversity and create fair and rewarding workplaces so that human resources with a variety of perspectives and ways of thinking, regardless of their attributes, can fully demonstrate their personalities and capabilities.

Health and safety of employees.....	120
Promotion of diversity	128
Creation of fair and rewarding workplaces	134
Improvements to human capital.....	141
Supplier safety	147

Human resources

Group Policy

The Nomura Real Estate Group aims to provide wellness management so that all its executives and employees can carry out their work energetically and in good physical and mental health, which leads to sustainable corporate growth. In this way, it contributes to the realization of a sustainable society, the continuation of business activities, and increased corporate value. The Group also promotes the occupational safety and health maintenance of its employees and suppliers, recognizing that those matters are important management issues. Also, recognizing that the innovations brought about by diversity and inclusion are important for the continued creation of new value, the Group works to promote diversity and create fair and rewarding workplaces so that human resources with a variety of perspectives and ways of thinking, regardless of their attributes, can fully demonstrate their personalities and capabilities.



Management

In July 2020, for the purpose of promoting wellness, work style reforms and diversity in an integrated manner, the Group established the Group Wellness Promotion Council, which comprises Nomura Real Estate Holdings and Group company presidents and others and is chaired by the Nomura Real Estate Holdings president and Group CEO. Each Group company will also establish a similar council. The Group will create a system under which Nomura Real Estate Holdings and each company will discuss wellness measures and work together so that a unified Group message can be delivered and each company's efforts can be shared.

In addition, the Sustainability Committee, which comprises Nomura Real Estate Holdings and Group company directors and others and is chaired by the Nomura Real Estate Holdings president and Group CEO, deliberates and decides on policies and action plans related to safety and health, promotion of diversity, creation of fair and rewarding workplaces, and improvements to human capital and supplier safety and reports to the Board of Directors. The committee also sets annual targets and monitors progress for diversity, supplier safety and other goals.

Health and Safety of Employees



Approach and Policies

Management

Targets and Results

Initiatives

Promotion of diversity & inclusion



Approach and Policies

Management

Targets and Results

Initiatives

Creation of Fair and Rewarding Workplaces



Approach and Policies

Management

Targets and Results

Initiatives

Improvements to Human Capital



Approach and Policies

Management

Targets and Results

Initiatives

Supplier Safety



Approach and Policies

Management

Targets and Results

Initiatives

Health and Safety of Employees

Approach and Policies

Group Policy (Human Resources)

To realize the Wellness Management set forth in the Group Policy, the Nomura Real Estate Group Action Guideline provides the statement “working with enthusiasm and achieving wellness.” In addition, the Nomura Real Estate Group Code of Action provides that the Group will strive to maintain and improve sound and pleasant workplace environments. Accordingly, we implement comprehensive health and safety management and take measures to prevent excessive workloads, long working hours, and occupational accidents.

Management

Management (Human Resources)

With regard to safety and health, in accordance with the Health Management Regulations, a health management body, such as a group of occupational health physicians, has been established, a health committee is formed, regular medical checkups including complete physical examinations are thoroughly carried out, measures are taken to protect the health of employees whose overtime work exceeds a certain number of hours, and external audits (legal examinations) are conducted once every three years. In this manner, safety and health management measures are being strictly implemented. No Group office has obtained the ISO 45001 certificate, which is a standard for occupational health and safety systems.

Targets and Results

Targets

当The Group has set the following four targets for employee health and safety.

Target 1. Preventing Overwork

Target 2. Promoting the Taking of Paid Leave.....Rate of employees to take paid vacation 60% (12 days a year) *Application for Nomura Real Estate Development only

Target 3. Promoting thorough Physical and Mental Health Management.....Rate of employees who underwent medical examinations and checkup 100%

Target 4. Preventing Work-related Accidents.....Absentee rate 0%

※ The above quantitative targets are set to be achieved by FY2030.

Results

Result 1. Preventing Overwork

Items		FY2017	FY2018	FY2019	FY2020
Average statutory overtime work (per person: hours/month)	Group	19.66	14.07	13.51	9.99
	Nomura Real Estate Development*1	—	12.1	10.45	12.06

Result 2. Promoting the Taking of Paid Leave

Items		FY2017	FY2018	FY2019	FY2020
Rate of paid leave taken (%)	Group	—	47.31	61.19	56.14
	Nomura Real Estate Development*1	59.55	54.93	62.62	60.58

Result 3. Promoting thorough Physical and Mental Health Management

Items		FY2020
Rate of employees who underwent medical examinations and checkups (%)	Nomura Real Estate Development*1	100

Result 4. Preventing Work-related Accidents

Items	FY2017	FY2018	FY2019	FY2020
Number of work-related accidents resulting in death of an employee	1	0	0	0
Number of work-related accidents resulting in death of a contractor	—	—	0	2
LTIFR*2	—	0*1	1.29	3.43
LTIR*3	—	—	0.60	1.34
Absentee rate (%) (Target: 0.0%)	0.38	0.37	0.29	0.41

※1 Results at Nomura Real Estate Development (excluding contractors)

※2 (Number of occupational accidents resulting in lost days/Total work time) × 1,000,000

※3 (Number of fatalities and lost-days injured persons/Total work time) × 1,000,000 (excluding contractors)

 [For more details, see the ESG data \(society\).](#)

Initiatives

Measures for Health and Safety Improvements by Management

The Group provides opportunities on a regular basis where the Nomura Real Estate Holdings president and executive vice president meet directly with employees to share workplace issues regarding the work climate and their employment and to improve workplace environments. In fiscal 2020, 11 meetings were held to discuss reducing working hours, raising productivity, and helping employees to achieve a good work-life balance. We examined proposals and opinions expressed at these meetings and improved the personnel system. In this manner, these meetings are promoted as measures to ensure the health and safety of employees.

Work-Related Risk Management and Legal Compliance

The Group complies with work-related laws and regulations in each country and is establishing a system for managing and improving situations. In particular, with regard to working hours, the Group strives to reduce overtime work. Each month, the Nomura Real Estate Holdings Board of Directors receives reports on and confirms the actual situation of overtime and status of compliance with the Article 36 agreement (an agreement made pursuant to Article 36 of the Labor Standards Act regarding overtime work and work on rest days) of each Group company. Regarding companies and cases with pending issues related to compliance with the Article 36 agreement, we consider responses and take improvement measures. In addition, the Nomura Real Estate Development Board of Directors receives reports each month on working hours and the status of employees taking leave in each division and shares information on related issues while also taking improvement measures.

Prevent Overwork

The Group is implementing a variety of programs intended to prevent overwork by employees.

Main Measures

- Reduce work and implement outsourcing based on operational reviews
- Make use of AI and RPA
- Promote the introduction of mobile PCs
- Promote telecommuting programs, staggered work shift, and flextime programs
- Promote the use of satellite offices
- Set time limits on computer use
- Send overtime alerts

These measures are important for preventing overwork.

In addition, employees who work more than a certain number of hours in a single month are required to check their physical condition using a Cumulative Fatigue Self-Diagnosis Checklist and provide feedback to a supervisor. Other measures are also taken to ensure good health such as consulting with an industrial physician.

Enhancement of Health Management

The Group has adopted several initiatives for detecting employee health risks at an early stage and helping them maintain their health and safely perform their duties.

Further Improvement of the Medical Checkup System

The Group requires that all employees undergo complete physical examinations and medical checkups. We encourage those who may need a second checkup arrange for one and follow up on the status of their checkup. In fiscal 2020, the rate of physical examinations and medical checkups of Nomura Real Estate Development was 100%. In the coming fiscal years, we will continue striving to achieve a 100% physical examination and medical checkup rate across the Group to safeguard the health of our employees.

Implementation of Stress Check Tests

The Group regularly monitors the mental health status of its employees through stress check tests and provides mental health training to help reduce stress levels.

Items	FY2019	FY2020	FY2021
Stress check response rate (%)	88.5	88.7	87.5
Main training programs (including e-learning)	Wellness training Wellness seminar Stress coping seminar Line care training for managerial employees	Mindfulness seminar Mental health training	Mindfulness seminar Mental health training Self-management training for new employees

Strengthening the Harassment and Health Consultation System

The Group established a physical and mental health consultation hotline as well as a power harassment and sexual harassment hotline that provide employees access to outside specialists for consultations in addition to the Health Consultation Office within the Group, which is staffed by full-time physicians and nurses. The consultation service is available to employees and their family members.

Physical and mental health consultation hotline

Consultations on issues related to the workplace, family, women's health, and LGBT issues can be arranged with external counselors by phone or email.

Power harassment and sexual harassment hotline

Consultations on harassment within the company can be made with outside counselors by phone. Consultations can also be made anonymously.

Information Sharing and Training on Health and Safety

The Group holds monthly Group Personnel Division Meetings attended by persons in charge of human resources at Group companies. At the meetings, participants share information on relevant laws and regulations including the Labor Standards Act, working conditions of each Group company, and the importance of labor management and safety and health. In addition, we provide safety and health training, such as explanations on the Labor Standards Act and other relevant laws and regulations and methods of labor management, on many occasions including during the training of newly promoted managerial employees.

Response to the COVID-19 Pandemic

Based on the following approach, the Group takes measures to respond to infectious diseases in order to prevent infection and the spread of infection, and it fulfills its social responsibilities by continuing and maintaining required business activities.

- The Group places priority on ensuring the safety and security of customers, business partners, and officers as well as employees and their family members.
- To fulfill our responsibilities for providing goods and services necessary for daily life, as well as our corporate social responsibilities, the Group maintains business activities after taking action to reduce infection risks.

The Group has implemented measures for employees to contain the spread of infection, including staggered commuting, working from home, telecommuting, online conferences, and thorough measures to prevent the spread of infection within the office, such as social distancing seating arrangements.

(As of the end of August 2021)

For more details, refer to:

 [The Group's Response to the COVID-19 Pandemic \(Japanese only\)](#)

2021 Health & Productivity Management Award (Large Enterprise Category)

Wellness Management, promoted by the Group has been highly regarded, and as a result, Nomura Real Estate Holdings, Nomura Real Estate Development, Nomura Real Estate Asset Management, Nomura Real Estate Urban Net (currently, Nomura Real Estate Solutions Co., Ltd.), and Nomura Real Estate Life #38; Sports were recognized as 2021 Certified Health #38; Productivity Management Outstanding Organizations (large enterprise category), which are selected jointly by the Ministry of Economy, Trade and Industry of Japan and Nippon Kenko Kaigi. In addition, Nomura Real Estate Solutions, Nomura Real Estate Holdings, Nomura Real Estate Development, and Nomura Real Estate Capital Management were also recognized among the White 500 enterprises (large enterprise category) in the 2021 Certified Health #38; Productivity Management Outstanding Organization Recognition Program. This program recognizes enterprises that have implemented outstanding initiatives to promote health and productivity management based on efforts to address local health issues and health improvement initiatives promoted by Nippon Kenko Kaigi.




Responses to Incidents

In 2017, the Nomura Real Estate Development head office and four regional offices (Kansai, Nagoya, Sendai, and Fukuoka branches) received a recommendation for corrective action and guidance from the Labor Standards Inspection Offices with jurisdiction regarding the discretionary work system for planning work that applied to some employees. We take this matter extremely seriously and are conducting comprehensive labor-management while taking measures to improve workplace environments so that this type of incident does not occur again. Nomura Real Estate Development is implementing the following measures for appropriate labor management and improving workplace environments.

1. Complying thoroughly with laws and regulations
2. Top management and directors are sharing issues with employees and striving to establish relationships of trust and improve workplace environments
3. Implementing the following measures to ensure health:
 - (1) Raising awareness of health issues of officers and employees
 - (2) Officers and supervisors are thoroughly monitoring the health condition of employees
 - (3) Further improvements are being made to systems for health consultation and medical checkups

Each Group company confirms their situation and continues to promote efforts to improve it in fiscal 2019 and thereafter.

For further details, refer to the following.

 [Our actions regarding appropriate employment management and improvement of working environment](#)

Promotion of diversity & inclusion

Approach and Policies

Group Policy (Human Resources)

To facilitate the creation of innovation generated by diversity, as recognized in the Group Policy, we established the Nomura Real Estate Group Code of Action* as a means of promoting diversity management that allows all employees to fully demonstrate their individuality and unique capabilities. In addition, the Nomura Real Estate Holdings Basic Corporate Governance Policy provides that the Board of Directors shall be made up of diverse directors with varied knowledge, experience, and skills.

※ 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.

Management

Management (Human Resources)

Targets and Results

Targets

The Group has set the following three targets regarding diversity and inclusion.

Target 1. Promote the Empowerment of Women.....**Manager and junior manager ratio 20%**

Target 2. Promote Diverse Work Styles.....**Childcare leave ratio 100%** * Including the Group's own holiday system

Target 3. Hire and Utilize Diverse Human Resources.....**Employment of persons with disabilities ratio 2.4%**

※ The above quantitative targets are set to be achieved by FY2030.

Result 1. Promote the Empowerment of Women

Items	FY2016	FY2017	FY2018	FY2019	FY2020
Female employee ratio (%)	28.60	29.75	30.76	30.61	31.83
Manager and junior manager ratio*1 (%)	—	—	10.05	10.33	11.19
Manager ratio (%)	5.38	5.45	5.58	6.14	6.78
Junior manager ratio (%)	14.8	15.08	16.07	15.87	18.27
Ratio of female new graduates hired*2 (%)	32.79	34.38	36.82	44.77	41.97

※1 Manager and junior manager ratio : Female manager and junior manager / All manager and junior manager.

※2 Figures indicate the number of employees hired during each fiscal year (employees who have joined the company by April of the following calendar year).

Result 2. Promote Diverse Work Styles

Items	FY2016	FY2017	FY2018	FY2019	FY2020
Childcare leave takers (men)	119 (2)	148 (3)	178 (6)	253 (10)	289 (28)
Rate of reinstatement after childcare leave (men) (%)	—	92.59	91.46	92.08	96.23 (100)
Nursing care leave takers	2	4	4	7	6

Result 3. Hire and Utilize Diverse Human Resources

Items	FY2016	FY2017	FY2018	FY2019	FY2020
Number of foreign employees*1	7	14	16	114	140
Rate of employment of persons with disabilities (%)*2	1.97	1.90	1.96	2.02	2.05

※1 The number of foreign employees does not include the number of foreign technical intern trainees employed.

※2 The rates of employment of persons with disabilities for fiscal 2017 and thereafter are as of June 1 of the following fiscal year. Other rates are as of April 1 of the following fiscal year. The rate covers Group companies subject to the Employment Rate System for Persons with Disabilities.

📄 For more details, see the ESG data (Society).

Initiatives

Initiatives for Empowering Women

The Group is working to empower women in the workplace based on the belief that leveraging diverse perspectives in business is a key to creating new corporate value.

Female Managers

We are striving to raise the ratio of female managers to increase opportunities for female employees so that they play more active roles and to establish an organization that incorporates diverse perspectives. As of March 31, 2020, the ratio of female managers was 6.78%.

Holding Seminars for Female Employees

The Group conducts a seminar for newly promoted managerial employees as key personnel to develop a work environment that takes into consideration health issues specific to women and promotes appropriate management. In fiscal 2020, the seminar was held online with the participation of 135 people. In addition, the Group holds a health seminar for female employees to help them gain knowledge about their health so they can appropriately deal with health issues that may arise. In fiscal 2020, the seminar was not held due to the COVID-19 pandemic, but approximately 780 people participated in fiscal 2021.

In addition, Nomura Real Estate Development has been conducting Women's Life & Career Training (work-life balance training) for female career-track employees (professional level 1) under the age of 30 since fiscal 2020, with a total of 15 people participating. Every year, Nomura Real Estate Development and Nomura Real Estate Solutions each send one female specialist employee to join the Wagaku (Japanese studies) introductory course, organized by the Wano Kokoro Forum, to broaden their knowledge and heighten their cultural literacy so they can work with new perspectives.



Seminar pamphlet



Seminar for Female Employees

Support for Childcare and Nursing Care

The Group has instituted personnel programs that make it possible for employees to continue working even after certain life events such as childbirth or the need to provide childcare or family care. We provide information on and raise awareness of these programs on the Group intranet, etc., and are working to create workplace environments that facilitate the use of these programs.

We have recently been designing these programs to allow female as well as male employees to freely take childcare or other leaves and smoothly return to work afterward. In fiscal 2020, the male to female ratio of the 102 employees who returned to work after childcare leave was 100% for males and 95.06% for females.

Main Programs that Support Childcare and Nursing Care

Childcare leave	Regardless of gender, employees can take leave for childcare until their child turns three years old (also available to those with less than one year's service).
Reduced working hours for childcare	Regardless of gender, employees can work a reduced number of hours until their child is in the third grade of elementary school.
Nursing care leave	Employees can take a leave in installments of up to a total of three years to care for a family member requiring nursing care.
Reduced working hours for nursing care	Employees can work reduced hours for up to three years to care for a family member who requires nursing care.
Holiday childcare support^{*1}	Assistance for covering childcare costs on weekends and holidays is available for employees who need to work on weekends and holidays.

<u>Paternity leave programs for male employees</u> ^{*2}	Male employees can use their annual paid leave to take a five-day leave of up to six months after the birth of their child.
<u>Maternity bonus</u> ^{*2}	A maternity bonus is paid from the Welfare Mutual Aid Association.

Underlined text: Statutory programs

※1 Applicable to Nomura Real Estate Development and some other Group companies

※2 Applicable to Nomura Real Estate Development only

Hiring Seniors and Supporting Work Styles

To provide opportunities for senior employees to continue applying their wealth of experience and skills as a driving force of business growth, the Group provides employment extensions based on the reemployment program for those who have reached retirement age and wish to continue working. It ensures employment opportunities up to the age of 65 at the employee's request. Moreover, some Group companies have established employment programs in which employees can work even after the age of 65 at the employees' request, supporting work styles that meet the needs of seniors.

Promoting the Hiring of Persons with Disabilities

As of June 1, 2021, the rate of employment of persons with disabilities was 2.05%. Since fiscal 2021, the Group has been cooperating with a company that supports the employment of persons with disabilities to provide opportunities to work at an indoor farm facility. In this way, we strive to be more proactive when hiring these individuals. For fiscal 2021, we have set our target rate of employment of persons with disabilities at 2.4%, which is higher than the legally mandated rate of 2.3%, and are thereby strengthening our readiness to hire them.



Working at An Indoor Farm Facility, IBUKI

Promoting the Understanding of LGBTQ Issues

As part of diversity management, the Group supports initiatives for better understanding LGBT people and fosters a corporate culture that recognizes diverse values.

In December 2020, we held a panel discussion entitled “LGBT in the Workplace” for all Group executives and general managers of Nomura Real Estate Development to develop an awareness from the perspective of psychological safety in the workplace.

We will improve our workplace environment so that LGBT people can bring their authentic selves and work with peace of mind.

Hiring Diverse Human Resources

When hiring, the Group ensures that no disadvantages are directed at any one’s personal background or beliefs, including race, ethnicity, nationality, age, gender, sexual orientation, gender identity, disability, religion, creed, or social status. We also accommodate employees’ religious practices and conduct within a certain framework. In addition, we hire and support human resources who can effectively engage at a global level regardless of nationality, race, religion, or other personal characteristics so that human resources with diverse values can demonstrate their individual abilities to the fullest and spark new value. We are actively hiring local human resources especially in China, Hong Kong, Thailand, Singapore, and Vietnam, where Group companies are located, to strengthen our overseas strategies so that we can quickly and accurately identify and reflect the different needs of each country and region in our business operations.

Representative Major Efforts to Secure Diverse Human Resources

Hiring global human resources	<ul style="list-style-type: none">• Hiring local human resources at overseas subsidiaries• Participating in recruitment events for international students• Holding job fairs and screenings for international students from overseas universities
Hiring female employees	<ul style="list-style-type: none">• Holding events for female students by female employees of the Group on the theme of work styles and career development
Hiring persons with disabilities	<ul style="list-style-type: none">• Collaboration with a company that supports employment of persons with disabilities

Creation of fair and rewarding workplaces

Approach and Policies

Group Policy (Human Resources)



To create fair and rewarding workplace environments as outlined in the Group Policy, we pursue fair employee evaluations, remuneration including a guarantee of living wages, and equitable social benefits, and respect fundamental rights, such as the freedom of association and the right to collective bargaining. Furthermore, we signed the UN Global Compact in May 2019 to enhance the protection of employees' rights and make work more fulfilling for employees. We will comply with the four labor principles of the UN Global Compact and take additional measures.

Management

Management (Human Resources)



Targets and Results

Targets

To create fair workplaces with meaningful work, the Group strives to raise employee satisfaction.

Improvement in Employee Satisfaction

Nomura Real Estate Development: Results of Employee Satisfaction Survey

Items	FY2017	FY2018	FY2019	FY2020
Employee satisfaction level (five-point scale)	3.81	4.03*	4.05	3.96
Number of responses/number of eligible employees	1,930/2,028	2,013/2,066	2,067/2,113	2,209/2,259
Response rate (%)	95.1	97.4	97.8	97.8

※ Beginning in fiscal 2018, "Satisfaction with the workplace" is used as the reference index.

Turnover Rates

Items	FY2017	FY2018	FY2019	FY2020
Turnover rates (total)* (%)	3.85	3.99	5.13	4.78
Male (%)	3.57	2.49	4.69	4.84
Female (%)	4.46	6.57	5.99	4.79
Turnover rates for personal reasons (%)	3.40	3.54	4.43	3.88

※ Turnover rates include the number of employees retired at the mandatory retirement age.

Average Tenure of Employees*

Items	FY2019	FY2020
Average tenure of employees (total) (years)	— (12.40)	10.42 (11.88)
Male (years)	— (14.71)	11.53 (13.90)
Female (years)	— (8.42)	7.90 (8.56)

※ Figures in parentheses indicate the performance of Nomura Real Estate Development.

📄 [For more details, see the ESG data \(Society\).](#)

Initiatives

Fair Evaluations and Remuneration

To ensure equity in working conditions, the Group does not differentiate remuneration on the basis of gender. Moreover, it operates fair employee evaluation and remuneration programs by creating mechanisms whereby the opinions of employees can be heard by human resource divisions and supervisors and for communicating with employees. As for wages, the Group complies with laws and regulations that set minimum wages in each country and pays reasonable salaries that allow employees to maintain a certain standard of living in accordance with the consumer price index of their country or region. In fiscal 2020, the average annual salary of Nomura Real Estate Holdings was 10.12 million yen.

Target Management System

The Group introduced a target management system so that employees can take the initiative in their jobs and work with managers and supervisors toward achieving their targets. Every six months, all employees set their own targets with advice from supervisors, and bonuses are paid based on the degree of achievement of those targets. In addition, reviews of the abilities and conducts that serve as the basis for promotions and raises are also conducted regularly to maintain fairness and strengthen employee motivation.

Evaluation of Superiors

Once a year, Nomura Real Estate Development employees complete a questionnaire regarding the skills, performance, personality, etc., of their supervisors and submit the questionnaires to the Human Resources Division.

Creating Fair Work Environments

Labor-Management Dialogues

The Group respects employees' freedom of association and the right to collective bargaining, and even at Group companies that do not have labor unions, labor representatives and officers responsible for human resource divisions hold periodic meetings and work to improve the workplace environment. As of April 1, 2021, Nomura Real Estate Development, Nomura Real Estate Partners, UHM, and some overseas subsidiaries have labor unions, and the labor union membership rate among Group employees is 49.58%.

Understanding and Disseminating Policies on Labor Standards

To ensure that all employees can gain an accurate understanding of company policies regarding labor standards, the Group provides documents or explanations regarding employment rules, personnel evaluation systems, and social benefits in Japanese, or in English, if necessary, to employees, including those of overseas Group companies, during their initial training.

Promoting the Hiring of Local Human Resources and Ensuring They Play Active Roles

Considering business characteristics, the Group places emphasis on connections with local communities across the country and carries out recruitment activities in those places. Some Group companies have also established programs where the workplace can be selected from across the country or locally so that employees can choose diverse work styles based on their work-life balance.

Provision of Social Benefits

The Group has established and is working to enhance employee social benefit programs, such as childcare and family care support and an employee shareholding program, so that employees can enjoy their lives as members of society with peace of mind at every stage of their lives so they can develop fulfilling life plans.

Main Social Benefits Provided by Nomura Real Estate Development

Social Benefits	Overview
Maternity leave	Six weeks prior to childbirth (14 weeks in the case of a multiple pregnancy) and eight weeks after childbirth (with pay*)
Childcare leave	Until the child reaches the age of three years
Family care leave to care for children	Preschool children: five days/year for one child and ten days/year for two or more children
Family care leave	Up to one year in total
Volunteer leave	Five days for volunteer activities related to a severe natural disaster
Mental health support	Health Consultation Office, Physical and Mental Health Consultation Office, appointment of an industrial physician of psychosomatic medicine
Measures to ensure good health	Appointment of nurses and industrial physicians, implementation of personnel interviews and medical examinations

Rehiring elderly workers	Up to age 65 (one-year extensions)
Retirement benefit program*	Payment of retirement benefits pursuant to a defined benefit pension plan (Nomura Real Estate Development's contract-type defined benefit pension plan), payment of contributions by Nomura Real Estate Development, at no cost to employees
Health insurance association	High medical expenses, lump-sum childbirth benefit, injury and disease benefit, comprehensive medical examinations, etc.
Allowances	Family allowance, reassignment allowance, reassignment without family allowance, housing subsidies, etc.

※ Only career-track employees are eligible.

Implementation of Employee Satisfaction Survey

Nomura Real Estate Development conducts an employee satisfaction survey every year. The survey collects suggestions to management and employee opinions on work and the workplace. Satisfaction is measured on a five-point scale with regard to (1) sense of fulfillment concerning work, (2) satisfaction with the workplace, (3) satisfaction with superiors, (4) loyalty to the company, (5) development in the market, and (6) sense of being stuck in the same routine at work, as well as regarding the understanding and practice of work style reform and wellness management. In fiscal 2020, the response rate was 97.8% (2,209 out of 2,259 eligible employees responded). Issues regarding employee satisfaction and work style reforms, which were obtained from the survey, are reported to officers and higher-level management at each headquarters conference and provided individually to a supervisor so that the results are actively used.

Fostering a Corporate Culture that Encourages Challenges

Nomura Real Estate Group Awards Presented

The Group has presented the Nomura Real Estate Group Awards every year since 2016 to foster a corporate culture in which employees are willing to tackle the challenges of value creation through innovation, strengthen Group synergy, and raise individual and organizational motivation. Under this program, exceptional businesses, products and services of the year are recognized. In fiscal 2010, award winners included a promotional YouTube video created in the Residential Development Business Unit as a means for raising brand recognition among young people.

Evaluation Criteria

- Reform and innovation
- Improvement in customer satisfaction
- Group synergy
- Sustainability
- Continuity and perseverance



Grand Prize Winning Team

Business Idea Proposal Program

Beginning in 2017, the Group launched the Business Idea Proposal Program (commonly called “NEXPLORER” within the Group), which allows all employees to propose new businesses, products, or services that go beyond the boundaries of their ordinary work at any time. There has been a total of 60 entries (including nine in 2020), with six projects under consideration and five having already been commercialized or realized. TOMORE and PRE KITCHEN, which are currently in service, are primary examples that have been realized through this program.

TOMORE
トモア

A shared house and office business that offers a new real and virtual space where people work, live and enjoy time with their friends in an age where more and more people are open to different ways of working.

Click here for details on [TOMORE](#)
(Japanese only)

PRE KITCHEN
プリキッチン

A side-dish service offered at a fixed price and using the common use areas of condominium buildings to meet the residents’ needs. The concept of the service is to enrich the minds of child-rearing families through daily meals.

Click here for details on [PRE KITCHEN](#)
(Japanese only)

Responses to Legal and Other Violations

In 2017, the Nomura Real Estate Development head office and four regional offices (Kansai, Nagoya, Sendai, and Fukuoka branches) received a recommendation for corrective action and guidance from the Labor Standards Inspection Offices with jurisdiction regarding the discretionary work system for planning work that applied to some employees. We take this matter extremely seriously and are conducting comprehensive labor-management while taking measures to improve workplace environments so that this type of incident does not occur again. We will continuously promote measures to improve workplace environments in fiscal 2018 and thereafter.

For further details, refer to the following.

☐ [Our actions regarding appropriate employment management and improvement of working environment](#)

☐ [Health and Safety of Employees](#)

Improvements to Human Capital

Approach and Policies

Group Policy (Human Resources)



To promote the Wellness Management set forth in the Group Policy, the Group seeks to carry out the “What We Value” Nomura Real Estate Group Action Guideline and works to improve human capital. We offer human development programs to enhance the qualifications and capabilities of each Group employee so every employee can perform his or her work as a professional with a high degree of specialization.

Nomura Real Estate Development Basic Human Development Policies		
<ul style="list-style-type: none">• Proactive mid- to long-term human development that provides a focus for careers• Human development that responds to change over time, fosters innovation, and supports future management		
Qualities and Skills Nomura Real Estate Development Looks For		
<ul style="list-style-type: none">• High level of specialization and execution• Business formation skills• Diverse viewpoints and values• Organizational management skills• Broad perspectives		

Management

Management (Human Resources)



Targets and Results

Targets

The Group seeks to reinforce human development so that it can further improve human resources.

Results for Training Participation*¹

Items	FY2020
Training hours per employee* ² (hours)	9.87
Total training hours* ² (hours)	20,063
Investment in training per employee (yen)	70,462
Total training expense (thousand yen)	143,180
Return on investment in employee skill development* ³ (%)	1.56
Return on investment of human resources* ⁴ (100 million yen)	10.42

※1 Performance for Nomura Real Estate Holdings and Nomura Real Estate Development

※2 Covers only mandatory training and does not include open and selective training or e-learning courses.

※3 Calculated using the following formula: Return on investment in employee skill development = Turnover rates/Total training expense (100 million yen).

※4 Return on investment of human resources = (Operating revenue – (Selling and general administrative expenses – Personnel expenses))/Personnel expenses.

Group-wide Training Performance

	Training title	Subject ranks	Number of training hours	Number of implementing companies	Number of participants
1	New employee introductory training	Newly-hired employees	28	8	297
2	New employee follow-up training	New employees	14	8	297
3	Second-year training	Employees in their second year	14	7	234
4	Third-year training	Employees in their third year	14	7	221
5	Training for newly promoted managers	Managers*	14	8	135
6	Training for newly promoted senior managers	Senior managers	14	8	28
7	Training for newly promoted general managers	General managers	70	5	10

※ After 13 years of service (generally)

Reference: Performance of Nomura Real Estate Development's Training Other Than Group-wide Training

	Training title	Subject employees	Number of training hours	Number of participants
(1)	Fourth-year training	Employees in their fourth year	7	55
(2)	Fourth-year career design training	Employees in their fourth year	11	55
(3)	Fourth-year career management training	Employees in their fourth year holding section chief positions	7	55
(4)	Professional level 1 training	Professional level 1 positions* ¹	7	48
(5)	Women's career and life training	Professional level 1 positions	4	15
(6)	Leader training	Leaders* ²	7	47
(7)	Second-year leader career design training	Leaders in their second year	12	53
(8)	Second-year leader career management training	Leaders in their second year holding section chief positions	7	53

※1 After 7 years of service (generally)

※2 After 9 years of service (generally)

 For more details, see the ESG data (Society).

Initiatives

Group Personnel Division Meetings Held

The Group holds monthly Group Personnel Division Meetings attended by officers responsible for human resources and managers of human resource divisions of Group companies. Participants exchange information and opinions regarding the personnel system, human development, and each company's recruitment situation and wellness measures, and they share best practices in order to implement Group-wide measures for improvements to human capital.

Training Framework

In terms of human resource development, the Group has implemented personnel systems and development programs that promote growth. For some rank-specific training programs, according to qualification grade and stage, training is carried out on a Group-wide basis.

Nomura Real Estate Development has established N-COLLEGE, a self-skills development system for employees, which provides programs to study for real estate-related certifications for professionals, such as real estate notaries, real estate appraisers, and first-class architects, and programs covering general business skills such as those related to finance and language study. In addition, the Residential Development Division provides specialized training and knowledge sharing opportunities regarding product strategies and quality control for technical employees, including Building Knowledge Courses, Landscape Workshops, and the PROUD Quality Conference, so that each employee can perform higher level duties and acquire a broad range of knowledge and experience.



■ Training Programs for Career-track Employees

Position levels	Target year	Training details	Program for selected employees/open
General management position	Newly appointed	Management skills training, discussion on set themes, and presentation to management (7)(8)	Development of global human resources MBA & MOT
Senior management position	Newly appointed	Organizational management (practical application level) (5) Purpose-based problem solving (introductory level, practical application level) (6)	
Management position	Newly appointed	Organizational management (introductory level) (5) Target-based problem solving (practical application level) (3)	
Leader position	2nd year leader	Career training: career mindset development	
	9th year leader	Leadership skill (practical application level) (4) Environmental analysis (7)(8)	
Professional position level 1	7th year	Target-based problem solving (practical application level) (3) Leadership skill (introductory level) (4)	
Professional position level 2	4th year	Target-based problem solving (practical application level) (3) Career training: career mindset development	
Professional position level 3	3rd year	Problem-solving dialogue (4)	
	2nd year	Occurrence-based problem solving (2)	
	First year follow-up	Logical presentation (1)	
	New employee introduction training	Logical writing (1)	

■ Implementation for Group ■ Implementation for Nomura Real Estate Development only

■ Training Programs (Career-track Personnel in Administrative Jobs)

Position levels	Training Details	
	Critical thinking skills	Practical business skills
High-level personnel	Occurrence-based problem solving (2)	PC skills training
Employee Level 1	Logical thinking and writing (1)	PC skills training

■ Training Programs (Specialist Personnel/Particular Specialist Personnel)

Position levels	Training Details
Particular Specialist Personnel	Required: Target-based problem solving (introductory level) ③
Stage 3	Optional: Target-based problem solving (advanced level) ③ Optional: Target-based problem solving (introductory level) ③ Required: Problem-solving dialogue ④
Stage 2	Required: Occurrence-based problem solving ② Required: Logical presentation ① Optional: Logical thinking and writing ①
Stage 1	

■ Training Programs (Operations Personnel)

Position levels	Training Details		
	Thinking skills	Practical business skills	
Stage 3	Occurrence-based problem solving ②		PC skills training
Stage 2	Logical thinking and writing ①		PC skills training
Stage 1		Prevention of operational errors, development and improvement of workflows, productivity improvement	

Incentive from a Long-Term Perspective

The Nomura Real Estate Group introduced ESOP Trust for Granting Stock for employees of Nomura Real Estate Holdings and Group companies from fiscal 2019. The aim is to foster a sense of belonging to, and involvement in the management of the Group among the Group employees so as to enhance their enthusiasm and morale to improve performance and increase share price over the long term. The Group encourages the purchase of treasury stock through this program.

 [News Release](#)

Supplier Safety

Approach and Policies

Group Policy (Human Resources)

Under the policies set forth in the Group Policy, the Nomura Real Estate Group performs important processes from materials procurement to civil engineering, building construction, repair construction, and so on with the cooperation of various suppliers including design and construction companies, contractors, and their service providers. Accordingly, we are aware that ensuring the safety of suppliers at construction sites is an important issue and we take measures to prevent accidents and disasters by raising awareness regarding health and safety, performing checks, and implementing preventive measures. In addition, the Nomura Real Estate Group Procurement Guidelines (the “Procurement Guidelines”) provide that suppliers shall “carefully manage health and safety and prevent industrial accidents, endeavor to maintain physical and mental health, and create well-ordered workplaces,” and we require suppliers to implement comprehensive health and safety management. Furthermore, the health and safety standards set forth in the Procurement Guidelines are equivalent to those applied to employees of the Group.

 [Nomura Real Estate Group Procurement Guidelines](#)

Management

Management (Human Resources)

Targets and Results

Targets ---

The Group works to ensure the safety of suppliers in accordance with the CSR Procurement Guidelines and Construction Safety and Security Guidelines.

Number of Supplier Safety Conferences Held

Items	FY2017	FY2018	FY2019	FY2020
Number of companies attending the Supplier Council Meeting on Health & Safety and the Supplier Conference on Safety	188	198	198	12*

※ In fiscal 2020, some of the meetings were cancelled or significantly downsized and held online to help contain the spread of the COVID-19 pandemic.

Violations by Suppliers

In fiscal 2020, with regard to ensuring supplier safety, which is monitored by the Sustainability Committee, there were no significant incidents of violations of laws and regulations.

📄 [For more details, see the ESG data \(Society\).](#)

Initiatives

Ensuring Safety of Construction Sites

The Group established the Construction Safety and Security Guidelines to prevent accidents and disasters at demolition and new construction sites in the residential development and commercial real estate businesses. Moreover, the Group obtains a construction plan and a Safety and Security Check Sheet based on the guidelines from construction contractors as its suppliers and confirms that the safety and security of project workers has been adequately safeguarded. The Group is also working to ensure the safety not just of suppliers but also of neighboring residents and local community members by holding construction briefings for construction companies prior to construction, raising awareness of health and safety issues, and performing inspections in major building construction processes.

Outline of the Construction Safety and Security Guidelines

- Prompt reporting duties
- Pre-construction confirmation
- Temporary work plan checks
- Accident prevention measures for demolition work
- Accident prevention measures for heavy machinery work
- Precautions by type of construction work (building frames, finishing work and installation work)
- Safety and Security Check Sheet

Supplier Council Meetings on Health & Safety Held

With the aim of implementing comprehensive safety management systems and raising awareness regarding health and safety, the Group regularly holds Supplier Council Meetings on Health & Safety with business partner companies.

Nomura Real Estate Partners holds the Supplier Council Meetings on Health & Safety

Nomura Real Estate Partners annually holds the East Japan Supplier Council Meetings on Health & Safety and the West Japan Supplier Council Meetings on Health & Safety. In fiscal 2020, Council Meetings were held online by the executive companies due to the COVID-19 pandemic, with seven and five companies in attendance, respectively, to report on the results of joint safety patrols and share safety and quality initiatives (note: 183 companies attended these meetings in fiscal 2019).

Nomura Real Estate Heating and Cooling Supply Hosts Supplier Conferences on Safety

Nomura Real Estate Heating and Cooling Supply Co., Ltd. holds an annual Supplier Conference on Safety where outstanding business partners are presented awards and the Health and Safety Management Plan for the current year is explained. In fiscal 2020, the conference was not held, as a countermeasure against COVID-19 (note: 15 companies attended the conference in fiscal 2019).