



Sustainability activities(ESG)

Social

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 Foundation for Sustainability Promotion and pursue co-creation initiatives that transcend organizations and business models.

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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 Foundation for Sustainability Promotion and pursue co-creation initiatives that transcend organizations and business models.



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 Group Diversity and Inclusion Management as 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 multiple sustainability committee members and members from the Group Human Resources Development Department, Group Legal & Compliance Department, and Sustainability Management Department and meets as needed. In fiscal 2022, the committee met four times, and it promotes Group-wide human rights initiatives, such as conducting human rights due diligence and organizing issues to establish a grievance mechanism.

Wellness and D&I Management Committee

Consists of Nomura Real Estate Holdings and Group company presidents and others and met three times in fiscal 2022. 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 & Inclusion



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Wellness Management



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Approach and Policies

Group Policy (Social)

Under the Group Policy, with an awareness that all of us are diverse in various characteristics, such as race, ethnicity, nationality, age, gender, sexual orientation, gender identity, disability, religion, creed, social status, lifestyle, and life stage, and that any one of us may belong to a minority in certain characteristics at the same time as belonging to the majority in other characteristics, the Group shall resolve the issues that arise from these characteristics and create substantially equitable opportunities that focus on the individual differences of each employee. To meet the diversified needs of society through its business activities, the Nomura Real Estate Group shall work on the promotion of inclusive design in which people with various characteristics inside and outside the Group participate in product/service development processes and contribute their diverse perspectives, thereby creating yet unseen value.

To realize a “society where people support and connect with one another and where no one will be left behind” and an “innovative society where all people with various backgrounds and values can build on their strengths,” which we uphold in our Sustainability Policy, we formulated the Nomura Real Estate Group Diversity and Inclusion Policy, which outlines our principles in promoting diversity and inclusion.

 [Nomura Real Estate Group Diversity and Inclusion Policy](#)

Roadmap

Guided by the roadmap for promoting diversity and inclusion, we shall designate raising diversity and inclusion awareness, routinely incorporating diversity and inclusion into business activities, and developing a culture of innovation as important themes for achieving our vision, and promote them with the aim of swiftly accomplishing them through Steps I, II, and III. Particularly with regard to Step I, we will implement concrete measures and designate the achievement of annual paid leave acquisition targets and the utilization of childcare leave by both men and women at a rate of 100% as key goals. We aim to link the achievement of these goals to the efficient development of the workplace environment and a change in awareness at the managerial level.

 [Results of annual paid leave acquisition](#)

Step I (2 years of FY2022 and FY2023)

[Raise diversity and inclusion awareness]

Foster a corporate culture where employees respect one another's differences and feel accepted themselves

Step II (2 years of FY2024 and FY2025)

[Routinely incorporate diversity and inclusion into business activities]

Diverse organizations and people work together and continue challenges themselves

Step III (5 years of FY2026 to FY2030)

[Develop a culture of innovation]

Create new value

Foundation: Flexible ways of working, wellness of mind and body, psychological sense of safety

Specific measures (excerpt)

- Diversity and inclusion training for all Group employees
- An awareness survey targeting Group employees
- Measures to encourage men to take childcare leave
- A framework for inclusive design initiatives

Key goals for Step I

- ① Achieve annual paid leave acquisition targets
- ② Achieve 100% childcare leave utilization rate by men and women

Step I Measures for Promoting Diversity and Inclusion: Outline and Key Goals

Domain	Strategy
Personal success regardless of circumstances [all officers and employees]	Develop the foundation for D&I (conduct training aimed at promoting human rights and D&I)
	Foster wellness of mind and body and a psychological sense of safety
	Promote flexible ways of working (with a particular focus on promoting activities for raising awareness and accomplishing the annual paid leave acquisition target of 100%)
	Construct a framework for inclusive design initiatives
	Monitor the status of promoting wellness and D&I
Personal success regardless of gender, sexual orientation, and gender identity [gender inclusion]	Promote the achievement of the 20% target for the female manager and junior manager ratio
	Promote the achievement of the 100% target for the childcare leave utilization rate by men (actively implement various measures related to systems, development of rules, activities for raising awareness of systems, and promoting acquisition of childcare leave)
	Implement measures for empowering LGBT people
Personal success regardless of disability	Promote the employment of persons with disabilities, achieve the 2.4% target for the rate of employment of persons with disabilities
Personal success regardless of age	Promote the empowerment of young, mid-career, and senior employees
Personal success regardless of cultural background	Promote the empowerment of mid-career hires and foreign nationals in the workforce

Key goals for Step I

1

Achieve the annual paid leave acquisition targets

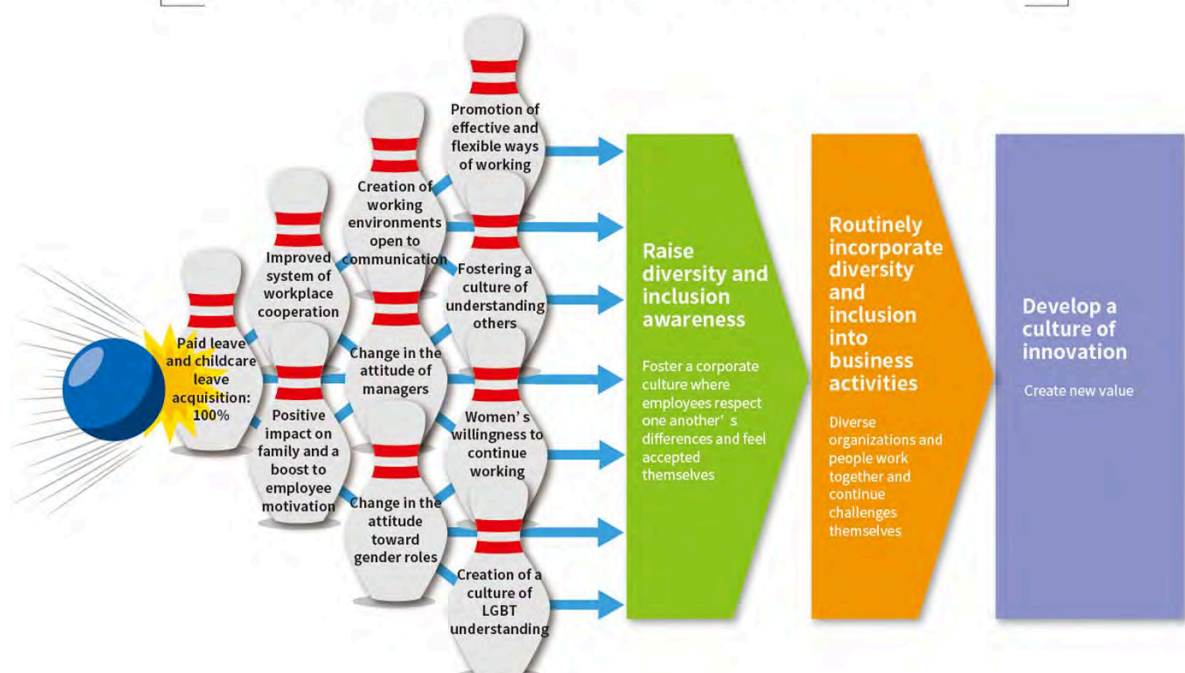
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Achieve the 100% childcare leave utilization rate by men and women

Materiality targets for 2030

- ① Female manager and junior manager ratio: 20%
- ② Childcare leave utilization rate by men and women: 100%
- ③ Percentage of participation in human rights and D&I training: 100%
- ④ Provision of products and services with inclusive design
- ⑤ Percentage of implementation of one-on-one meetings: 100%

Image of Ripple Effects from Achieving the Key Goals for Step I



Management

Management (Social)



Wellness and D&I Management Committee

Comprises Nomura Real Estate Holdings, Group company presidents, and others and meets twice a year (formerly the Group Wellness Promotion Meeting). The committee discusses mid- to long-term goals and various measures related to promoting wellness, work style reforms, the empowerment of women, and the utilization and active participation of the Group's diverse human resources in order to maintain and improve sound, comfortable workplace environments in which people can work with vigor and achieve wellness.

Targets and Results

Targets, KPIs, and Results

		2030	Unit	FY2019	FY2020	FY2021	FY2022
Hire and utilize diverse human resources	KPI Female manager and junior manager ratio ^{*1}	20	%	10.3	11.2	11.7	13.9
Promote diverse work styles	KPI Male and female employee childcare leave utilization ratio ^{*2}	100	%	—	—	96.2	64.5
	Male employee childcare leave utilization ratio ^{*2}	100	%	—	—	15.9	38.6

KPI Provide inclusive design products and services	—	—	Quantitative KPIs up to 2030 to be set in FY2023			
KPI KPI 1on1 meetings held	100	%	—	—	84	83

※1 Manager and junior manager ratio: Female manager and junior manager ÷ all managers and junior managers.

※2 Effective since fiscal 2022, disclosure calculation method for securities reports has been revised in accordance with the Ministry of Health, Labor and Welfare guidelines (requiring disclosure of childcare leave acquisition status).

Key performance indicators (KPIs) for priority issues (materiality) up to 2030

Other Results*1

		Unit	FY2019	FY2020	FY2021	FY2022
Female employee ratio		%	30.6	31.8	32.5	33.0
Ratio of female new graduates hired*2		%	44.8	42.0	39.8	39.4
Gender pay gap*3	All employees	%	—	—	—	61.4
	Full-time employees	%	—	—	—	58.5
	Part-time and fixed-term employees	%	—	—	—	89.7
Number of foreign employees*4			114	140	303	311
Rate of employment of persons with disabilities*5		%	2.02	2.05	2.33	2.31
Childcare leave takers*6	All employees		253	289	320	193
	Male employees		10	28	35	71
Rate of reinstatement after childcare leave	All employees	%	92.1	96.2	92.9	98.8
	Male employees	%	—	100	100	100
Nursing care leave takers			7	6	5	8
Percentage of mid-career employees hired*7	Nomura Real Estate Development	%	60.3	29.3	49.1	60.9
	Nomura Real Estate Solutions	%	39.9	21.1	27.5	28.9
	Nomura Real Estate Partners	%	22.7	35.6	38.1	44.4
	Nomura Real Estate Life & Sports	%	44.1	43.9	45.7	37.5

※1 “Female employee ratio” and “Ratio of female new graduates hired” include overseas corporations, while “Gender pay gap,” “Childcare leave takers,” “Rate of reinstatement after childcare leave,” and “Nursing care leave takers” include domestic corporations only. In addition, figures as of March 31, 2023 (partial period) are shown.

- ※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).
- ※3 The ratio of women's wages to those of men. The Group applies an equal pay system for men and women and provides the same treatment within the same rank. In addition, personnel evaluations are conducted based on common standards for both men and women, and there are no differences between men and women in the personnel system.
- ※4 "Number of foreign employees" does not include the number of foreign technical intern trainees employed.
- ※5 Rates in Group companies subject to the Employment Rate System for Persons with Disabilities as of June 1 of the following fiscal year.
- ※6 Effective since fiscal 2022, the disclosure calculation method for securities reports has been revised in accordance with the Ministry of Health, Labor and Welfare guidelines (requiring disclosure of childcare leave acquisition status).
- ※7 Percentage of full-time mid-career hires among the number of full-time employees, as stipulated under the Act for the Comprehensive Promotion of Labor Policies.

 [ESG Data \(Social\)](#)

Initiatives

Initiatives for Empowering All Employees

Promoting One-on-One Meetings and Creating Psychological Safety

The Group believes that employee growth and wellness depends upon ensuring psychological safety for employees as they go about their daily operations, and it has therefore been holding one-on-one meetings Group-wide since October 2020. We distributed our own handbook to all employees and provided all managers with guidance for conducting effective one-on-one meetings.

In addition, in August 2022 we conducted e-learning sessions on the one-on-one meetings for all Group officers and employees. The Legal and Compliance Department organizes training for compliance promoters, in which Group officers, general managers, and compliance promoters learn about psychological safety and the role of leaders. Each year, we also conduct a questionnaire on the implementation of the one-on-one meetings throughout the Group to confirm progress.

Trial Implementation of the Nomura Real Estate Group Sustainability, Wellness, Diversity and Inclusion Survey (Your voice creates NEW VALUE, REAL VALUE)

The purpose of the survey is to share with management the good points and issues about the Company and workplace that Nomura Real Estate Group employees notice in their daily work, and to make use of this feedback in creating better workplaces. Until now, the survey has been implemented separately by each Group company, and we have been conducting a common Group-wide survey since August 2022. We will visualize the indicators for employee satisfaction and willingness to make voluntary contributions across the Group to further stimulate group synergies, including consideration of actions for addressing common issues.

Implementation of Unconscious Bias Training in the Group's Newly Appointed Managerial Employee Training

Every year, we conduct training on unconscious bias as part of the rank-specific training programs for newly appointed managers of the Nomura Real Estate Group.

Action Plan for Empowering Women

Following the full enforcement of the Act on the Promotion of Female Participation and Career Advancement in the Workplace (hereinafter Promotion of Women Act) on April 1, 2016, every Group company has formulated an action plan and is pursuing related initiatives for promoting women. We analyze issues related to recruitment, continued employment, and promotion, and take action to address these issues.

Female Manager Ratio and Female Manager and Junior Manager Ratio

The ratio of female managers and the ratio of female managers and junior managers are monitored by the Wellness and D&I Management Committee, which meets twice a year with the objective of achieving the target of 20% for female management positions by 2030. The rate was 13.9% as of the end of March 2023. In terms of recruitment, we hold events for female students in which female employees of Nomura Real Estate speak on the theme of workstyles and careers. We are striving to raise the ratio of female managers and ratio of female managers and junior managers to expand the opportunities for women to play more active roles and to create an organization that incorporates diverse perspectives.

Health Seminar for Female Employees

The Group conducts an annual seminar for newly promoted managerial employees to develop a work environment that takes into consideration health issues specific to women and promotes appropriate management. In fiscal 2022, the seminar was held online with the participation of 160 people, and in December of the same year, the same seminar was held for all executives of the Group and general managers of Nomura Real Estate. In addition, the Group holds an annual health seminar for female employees to help them gain knowledge about their health so they can appropriately deal with issues that may arise. The seminar was attended by 266 people in fiscal 2022 and 172 in fiscal 2023.



Seminar pamphlet



Seminar for Female Employees

Support for Childcare and Nursing Care

In accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children, which is intended to support the sound upbringing of children as the next generation leaders of society, the Group has established various systems, including childcare leave, to help employees balance work with childbirth, childcare, and nursing care.

Based on the above act, PRIME X Co., Ltd. has been certified as a childcare support company and has obtained the "Kurumin" Next Generation Certification Mark. In addition, Nomura Real Estate Solutions Co., Ltd., Nomura Real Estate Life & Sports Co., Ltd., and PRIME X have been certified as Eruboshi (2 stars) based on the Act on the Promotion of Women's Active Engagement in Professional Life. The Group also provides information on its programs through the intranet and other means to establish a workplace environment that encourages the use of the programs. In fiscal 2022, 166 employees returned to work after childcare leave, and the return-to-work ratio by gender was 100% for men and 98.1% for women. Nomura Real Estate and other companies have established a dedicated website for employees taking maternity leave, nursing care, or leave of absence and put into place a system to support their return to work.

[News Release \(Thirteen Nomura Real Estate Group Companies Become Members of the IKUBOSS Alliance\)](#)

[News Release \(100% Paid Childcare Leave after Birth \(Postpartum Paternity Leave\) at Eight Group Companies\)](#)

Main Programs that Support Childcare and Nursing Care

Programs	Details
Childcare leave	Regardless of gender, employees can take leave for childcare <u>until their child turns three years old</u> (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> *1	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.

Underlined text: Programs designed beyond statutory requirements

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

Initiative to Reduce the Gender Wage Gap

The Company applies the same wage system to both male and female employees and treats them equally in the same grade. In addition, personnel evaluations are based on the same standards for both men and women, and there are no differences between them in the personnel system. On the other hand, the low ratio of female managers is the main reason for the gender pay gap. We will therefore strive to increase the ratio of female managers to narrow the gender pay gap by increasing the ratio of female hires and taking action to ensure the continued employment, promotion, and leadership development of women.

Empowerment of LGBT

As part of our initiatives for empowering LGBT, we held a panel discussion in December 2020, entitled “LGBT in the Workplace,” for all Group executives and general managers of Nomura Real Estate Development.

We also publish a bi-monthly LGBT column on the intranet to educate employees.

We conducted an awareness survey of Nomura Real Estate Group employees to monitor numerical data so we can understand the extent to whether LGBT feel they can work with vigor and be themselves in the workplace, and we will continue to improve our workplace environment so they can be who they are and feel safe at work.

In addition, Nomura Real Estate Holdings, Nomura Real Estate Development, and Nomura Real Estate Asset Management were awarded the Silver rating and Nomura Real Estate Solutions and Nomura Real Estate Partners were awarded the Bronze rating in the PRIDE Index 2022, which certifies companies and organizations for their efforts related to LGBT and other sexual minorities.

※ The PRIDE Index was established in 2016 by work with Pride, a voluntary organization that supports the promotion and establishment of LGBT-related diversity management, as a system for recognizing the efforts of companies and organizations related to LGBT and other sexual minorities.



Empowering People with Disabilities

The Group has bolstered its efforts to hire people with disabilities by providing opportunities to work at an indoor farm facility. In fiscal 2021, Nomura Real Estate Solutions also started offering new jobs for people with disabilities at its satellite offices.



Working at an indoor farm facility



Working at an indoor farm facility

In addition, Nomura Real Estate Life & Sports employs one athlete with disabilities and Nomura Real Estate Partners employs two, and both companies support their athletes by providing them with employment that allows them to balance their competitive and professional lives.

Supporting Sports for the Disabled

Empowering Senior Employees

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.

Empowering Global Human Resources

When hiring, the Group ensures that no disadvantages are associated with personal background or beliefs, including race, ethnicity, nationality, age, gender, sexual orientation, gender identity, disability, religion, creed, social status, lifestyle, or life stage. 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 race, ethnicity, nationality, or religion 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 Global Human Resources

Target	Main approach
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

Promoting Inclusive Design

The Group defines inclusive design as a way for generating new value by having people with diverse backgrounds and values participate in creating products and services, thereby gaining new insights and discovering unique new value. In addition, as part of our efforts to promote and disseminate inclusive design across the Group, we organize events through which employees can learn about and experience inclusive design, with the support of external companies.



Experiencing inclusive design at the event



Experiencing inclusive design at the event

Approach and Policies

Group Policy (Social)



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.

Management

Management (Social)

As a subordinate organization of the Sustainability Committee, we established the Human Rights Subcommittee, led by the officer in charge of Group Diversity and Inclusion Management as its supervisor. The subcommittee consists of several members from the Sustainability Committee and others from the Group Human Resources Development Department, Group Legal and Compliance Department, and Sustainability Management Department and meets as needed to promote human rights initiatives for the entire Group. Four meetings were held in fiscal 2022 to implement human rights due diligence and organize issues toward establishing the grievance mechanism.

Targets and Results

Targets, KPIs, and Performance Data

	2030	Unit	FY2022
KPI Creation of the human rights due diligence system	Set targets for each fiscal year	—	(1) In-house: Surveyed the working status of foreign employees (2) Outside the company: Surveyed the working status of technical intern trainees at suppliers (3) Incorporated human rights risk assessment into overseas operations (4) Organized issues to establish a grievance mechanism
KPI Percentage of participation in human rights training	100	%	—

Key performance indicators (KPIs) for priority issues (materiality) up to 2030

			Unit	FY2019	FY2020	FY2021	FY2022
Human rights training (Group-wide)	New employees	Participation rate	%	100	—*1	100	100
		Number of participants		248	—*1	280	263
	Newly appointed (core) managers	Participation rate	%	100	100	100	100
		Number of participants		170	135	149	168
	Mid-career hires	Participation rate	%	100	100	100	100
		Number of participants		79	170	195	262
Email distribution for Group officers and employees			—	Done	Done	Done	Done
Human rights-related training (individual company only: Nomura Real Estate Life & Sports)*2		Participation rate	%	100	98.9	91.4	91.6
		Number of participants		—	—	585	588

※1 Canceled due to measures against COVID-19.

※2 Participation rates and participants for FY2019 and FY2020 are for full-time and part-time employees, and those for FY2021 and FY2022 are for full-time employees. We continue to provide training for part-time workers.

 [ESG Data \(Social\)](#)

Initiatives

Human Rights Initiatives to Date

Period	Initiatives
FY2020	<ul style="list-style-type: none"> Established the Human Rights Subcommittee to strengthen and promote activities in accordance with international norms on human rights and began formulating the Human Rights Policy Conducted sustainability monitoring interviews with 10 major suppliers

FY2021

- Formulated and announced the Nomura Real Estate Group Human Rights Policy
- Identified prominent human rights issues within the Group
- Conducted a Group-wide desktop survey to ascertain the current status of human rights issues within the Group
- Conducted a detailed survey, including interviews and questionnaires, involving seven Group companies, six in Japan and one in Vietnam in the property and facility management business, hotel business, and the overseas business as operations with relatively high human rights risks

Identified four priority issues

- (1) Wellness and human rights of employees
- (2) Overseas business and non-Japanese workers
- (3) Human rights in the supply chain
- (4) Remedial measures

Human Rights Due Diligence Initiatives (Four Priority Issues)

The Group is establishing a human rights due diligence process based on the UN Guiding Principles on Business and Human Rights for identifying, preventing, and mitigating negative impacts on human rights directly related to our business, products, and services as a result of our business activities and relationships.

With the cooperation of external experts, we completed setting the priority issues to be addressed on human rights due diligence by fiscal 2021 and formulated a three-year roadmap of initiatives.

Specifically, we selected four priority issues: (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 designated departments with jurisdiction over these issues.

We have been conducting a full-scale human rights due diligence and PDCA cycle based on the roadmap since fiscal 2022.

Scope of Human Rights Due Diligence

Target businesses	Real estate development business, real estate management business (especially the hotel business), overseas business (Vietnam, Thailand, China, Philippines)
Subjects	Employees of the Group (especially foreign national employees) Employees of our suppliers (especially foreign technical intern trainees) Customers and neighbors

Human rights risk indicators	(1) Child labor (2) Forced labor and human trafficking (3) Discrimination of any kind (4) Harassment (5) Appropriate working environment (6) Appropriate working conditions (7) Life and health of customers and users (8) Life and health of neighbors, etc. (9) Background of site acquisition (10) Privacy
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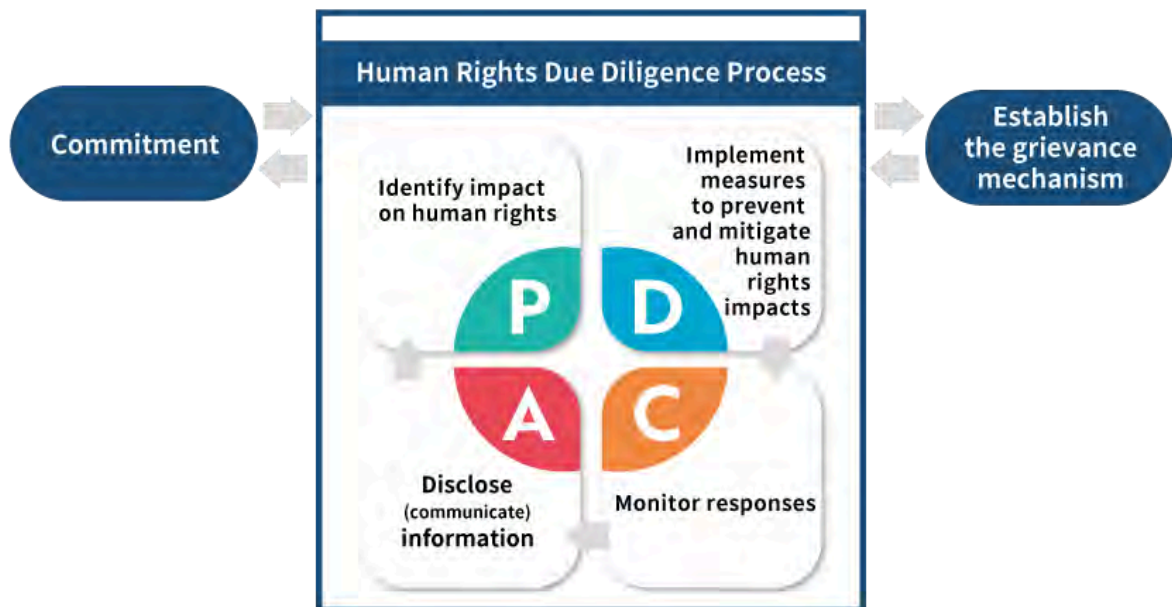
Progress of Human Rights Due Diligence (Four Priority Issues)

Theme	FY2022 Results	FY2023 Plans
(1) Employee wellness and human rights	<ul style="list-style-type: none"> • Reduced working hours • Encouraged employees to take paid leaves 	<ul style="list-style-type: none"> • Further encourage employees to take paid leaves • Reduce absenteeism^{*1} and presenteeism^{*2}
(2) Overseas business and non-Japanese workers	<ul style="list-style-type: none"> • Incorporated human rights factors into project evaluations in overseas projects • Surveyed the actual status of the Group's foreign employees and created a Human Rights Checklist 	<ul style="list-style-type: none"> • Establish a monitoring system after incorporating evaluation • Establish an operational system for the Human Rights Checklist
(3) Human rights in the supply chain	<ul style="list-style-type: none"> • Prepared interview sheets on the employment status of technical intern trainees and distributed them to suppliers 	<ul style="list-style-type: none"> • Conduct a direct engagement in line with the questionnaire responses
(4) Remedial measures	<ul style="list-style-type: none"> • Analyzed differences between international standards and our current system 	<ul style="list-style-type: none"> • Improve issues based on the results of difference analysis (including whether to join external organizations)

※1 A condition in which the employee is unable to work at the workplace due to absence from work, leave of absence, being late or leaving early, etc.

※2 A condition in which the employee is at work but unable to perform duties satisfactorily due to physical or mental health problems

Human Rights Due Diligence Implementation Process



Preventing human rights risks in our own Group

In order to more clearly understand the negative impact on human rights, we conducted the following two human rights risk assessments in fiscal 2022 under one of the four priority issues, overseas business, and non-Japanese workers.

- (1) Survey on the actual status of two companies where foreign employees from other countries work at overseas subsidiaries (Vietnam and Hong Kong)
- (2) Interview survey with four Group companies that employ foreign national employees in Japan

※ We conducted a full investigation on corporations with foreign employees from countries other than the country where the corporation is located.

With regard to (2) in particular, we conducted individual interviews with foreign employees, including technical interns and international students, regarding the involvement of illegal intermediaries in Group recruitment, the content of employment contracts, and the status of labor management and health and safety. We then confirmed there were no violations of international norms or laws and regulations. Based on the results of the interviews, we will establish procedures to review human rights risks when hiring new foreign employees.

Assessing human rights risks in the supply chain

In order to address human rights issues in the supply chain, the Group has distributed its Procurement Guidelines to more than 4,600 suppliers and asked each company to respect human rights.

We conducted a questionnaire survey on the Procurement Guidelines in fiscal 2021 and added items related to foreign technical intern training in fiscal 2022 to expand the scope of the survey and sent the

questionnaire to approximately 300 core suppliers. A total of 154 companies (51% of core suppliers) responded, and we directly engaged with approximately ten (3%) of them, conducting monitoring meetings (8 on-site visits and 2 web meetings) with them that include requests for promoting measures to improve internal systems and reduce human rights risks after confirming the status of initiatives.

We will continue to expand the scope of the survey and address human rights issues in the supply chain.

Main Items Added to Check Human Rights Risks

- Any brokerage fees, security deposits, or pre-travel expenses at the time of acceptance
- Whether working hours are recorded
- Wage records
- Deduction from salary
- Check the conditions and environment of dormitory or accommodation
- Check the possession of passport and residence card

Supplier Engagement

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 the understanding of and consideration for LGBT individuals.

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

Establishment of the Grievance Mechanism

The Group has set up multiple points of contact for consultation on human rights issues which are accessible to all employees regardless of employment status, and also established 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.

The points of contact for consultation report semi-annually to the Risk Management Committee and report on legal violations and fraud to the Risk Management Committee as well as the Audit & Supervisory Committee, and management reviews the operational status of the points of contact.

In fiscal 2022, there were 52 consultation matters relating to discrimination and harassment, and we investigated the facts and took appropriate action.

Going forward, we plan to strengthen the system to improve the effectiveness of the points of contact for consultation.

Human Rights Consultation Service

	Contact	Subject	Outline
Nomura Real Estate Group Human Rights Desk	In-house	Group officers and employees	Harassment Consultation Desk
Power and Sexual Harassment Hotline	External	Group officers and employees	Harassment Consultation Desk
Nomura Real Estate Group Helpline	In-house	Group officers and employees	Consultation and reporting desk for organizational or individual violations of laws and regulations, including human rights and misconduct

International helpline	In-house (domestic/international)	Officers and employees directly employed by overseas subsidiaries of the Group	Consultation and reporting desk for organizational or individual violations of laws and regulations, including human rights and misconduct
Helpline for Business Partners	In-house	Employees of all corporate customers	Contact for reporting compliance violations or potential violations of compliance, including human rights, by the Group or its employees

 [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 Promotion Council

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

The council was established to fulfill the corporate responsibility to avoid infringing on the human rights of others and prevent, mitigate, and rectify adverse human rights impacts with which they are involved as 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 Promotion Council (formerly 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, requests, consultations, and concerns from trainees, the company provides periodic opportunities for interviews with their superiors, and the Human Resource Development Section staff provides lifestyle support and mental care to the trainees when patrolling their dormitories. We also hold events for technical intern trainees, providing opportunities for mutual exchange and exposure to Japanese culture. 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.



A social gathering for technical intern trainees

Approach and Policies

Group Policy (Social)

In addition to the Group Policy, the Nomura Real Estate Group Action Guideline states “Things We Value” includes realizing its goal of working with enthusiasm and achieving wellness. We conduct wellness management so that our employees are healthy both physically and mentally and can work with vigor. In addition, we pursue fair employee evaluations, remuneration including a guarantee of living wages and equitable social benefits, and respect for fundamental rights such as freedom of association and the right to collective bargaining. The Nomura Real Estate Group Code of Action provides that the Group will strive to establish sounder and more pleasant workplace environments. Accordingly, we implement comprehensive health and safety management and take measures to prevent excessive workloads, long working hours, and occupational accidents so that every employee can feel safe while working in good mental and physical health. Furthermore, we signed the UN Global Compact in May 2019 and will comply with the four labor principles of this initiative while taking additional actions.

Nomura Real Estate Group’s Wellness Management Initiatives

The Nomura Real Estate Group values the mental and physical health of its employees above all else and conducts wellness management in which all officers and employees are healthy both mentally and physically and can work with energy, which leads to the sustainable growth of the Group. The Nomura Real Estate Group conducts questionnaire surveys at 13 domestic Group companies to investigate employee performance status (absenteeism, presenteeism, work engagement), health literacy, and lifestyle risks.

The survey was conducted twice in fiscal 2021 and has been conducted annually since fiscal 2022. By reviewing numerical results at the Wellness and D&I Promotion Committee and linking them to the Group’s wellness management measures, we are promoting wellness management to realize a level of wellness that enables employees to work with vitality.

-  [Nomura Real Estate Development](#)
-  [Nomura Real Estate Solutions](#)
-  [Nomura Real Estate Partners](#)
-  [Nomura Real Estate Life & Sport](#)
-  [Nomura Real Estate Retail Properties](#)
-  [Nomura Real Estate Hotels](#)
-  [PRIME X](#)

Management

Management (Social)



Results

Performance Data

		Unit	FY2019	FY2020	FY2021	FY2022
Statutory overwork per employee		Hours per month	13.51	9.99	13.73	11.03
Paid leave acquisition rate		%	61.19	56.14	62.11	68.43
Rate of employees who underwent medical examinations and checkups* ¹		%	—	100	100	100
Absentee rate		%	0.29	0.41	0.45	0.40
Engagement in the workplace (out of 5 points)* ²		Points	4.05	3.96	3.97	3.87
(Group) Awareness survey response rate* ³		%	97.8	97.8	93.0	92.4
Number of work-related accidents resulting in death of an employee			0	0	0	0
Number of work-related accidents resulting in death of a contractor			0	2	0	1
LTIFR* ⁴		—	1.29	3.43	0.56	1.00
LTIR* ⁵		—	0.60	1.34	0.32	1.00
Average tenure of employees* ⁶	Male	Years	— (14.71)	11.53 (13.90)	11.71 (13.40)	12.11 (13.81)
	Female	Years	— (8.42)	7.90 (8.56)	8.17 (8.35)	8.24 (8.43)
	Total	Years	— (12.40)	10.42 (11.88)	10.56 (11.49)	10.87 (11.75)

Turnover rate ^{*7}	Male	%	4.69	4.84	6.01	5.42
	Female	%	5.99	4.79	5.63	5.98
	Total	%	5.13	4.78	5.81	5.60
	Turnover rates for personal reasons	%	4.43	3.88	4.45	4.70
Stress check response rate ^{*8}		%	88.5	88.8 ^{*9}	88.8 ^{*9}	94.5

※1 Non-consolidated results at Nomura Real Estate Development (excluding contractors)

※2 Until FY2021, the numbers for “Workplace Satisfaction” in the satisfaction survey conducted by Nomura Real Estate Development alone are listed, and in FY2022, the numbers for “Workplace Engagement” in the awareness survey of the Nomura Real Estate Group are listed as numerical values.

※3 Until FY2021, the response rate was based on the satisfaction survey for Nomura Real Estate Development alone, and from FY2022, it will be the response rate for the awareness survey for the Nomura Real Estate Group as a whole. (Target expanded from approximately 2,000 to approximately 7,000 people.)

※4 $(\text{Number of occupational accidents resulting in lost days} / \text{Total work time}) \times 1,000,000$

※5 $(\text{Number of fatalities and lost-days injured persons} / \text{Total work time}) \times 1,000,000$ (excluding contractors)

※6 Figures in parentheses indicate non-consolidated performance of Nomura Real Estate Development.

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

※8 Non-consolidated results at Nomura Real Estate Development

※9 Data for previous years has been corrected retrospectively to improve accuracy.

 [ESG Data \(Social\)](#)

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 2022, 20 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.

No Group office has obtained the ISO 45001 certificate, which is a standard for occupational health and safety systems.

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 shifts, and flextime programs
- Promote the use of satellite offices
- Set time limits on computer use
- Send overtime alerts
- Currently conducting a trial of a new workstyle following the relocation of the Group headquarters
- Formulate a workstyle guidebook
- Use satellite offices (H¹T)

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 consultations with an industrial physician.

Addressing Occupational Safety Risks

In the condominium business, the Group is mainly implementing initiatives to ensure safety at construction sites toward achieving zero occupational accidents. We confirm the construction company's safety plan when construction begins, and during construction, staff in charge visit the site at least once a month to confirm the construction company is properly implementing accident prevention measures as planned. In the event a problem is found, we demand that the construction site make improvements and also alert other sites under construction. Accident prevention measures and precautions are compiled in the Guidelines on Construction Safety and Crime Prevention Measures and distributed to

construction companies so they can incorporate them into their safety plans for proceeding with construction projects. As for occupational accidents, there was one fatal accident for both employees and contractors.

Ensuring Safety of Construction Sites

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 2022, 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.

	FY2019	FY2020	FY2021	FY2022
Stress check response rate (%)*	88.5	88.7	87.5	94.5
Main training programs (including e-learning)	<ul style="list-style-type: none"> •Wellness training •Wellness seminar •Stress coping seminar •Line care training for managerial employees 	<ul style="list-style-type: none"> •Mindfulness seminar •Mental health training 	<ul style="list-style-type: none"> •Mindfulness seminar •Mental health training •Self-management training for new employees 	<ul style="list-style-type: none"> •Mindfulness seminar •Mental health training •Self-management training for new employees

※ Non-consolidated results at Nomura Real Estate Development

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 arranged with outside counselors by phone. Consultations can also be made anonymously.

Establishment of Group Consultation Points

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.

External Recognitions of Health Management

Health & Productivity Management Award (Large Enterprise Category)

Seven Group companies (Nomura Real Estate Holdings, Nomura Real Estate Development, Nomura Real Estate Asset Management, Nomura Real Estate Solutions, Nomura Real Estate Life & Sports, Nomura Real Estate Partners, and PRIME X) were recognized as 2023 Certified Health & Productivity Management Outstanding Organizations (large enterprise category), which are jointly selected by the Ministry of Economy, Trade and Industry of Japan and Nippon Kenko Kaigi.

In addition, Nomura Real Estate Solutions was also recognized as a White 500 enterprise (large enterprise category) in the Certified Health & 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 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 status and will continue to take measures toward improvements into the future.

For further details, refer to the following.

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

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, 2023, Nomura Real Estate Development, Nomura Real Estate Partners, and some overseas subsidiaries have labor unions, and the labor union membership rate among Group employees is 29.50%.

Fair Wages

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 2022, the average annual salary of Nomura Real Estate Holdings was 10.34 million yen.

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. In other measures, Nomura Real Estate Development has a re-entry system for those who have left the Company due to unavoidable circumstances such as marriage, childbirth, childcare, nursing care, and transfer of a spouse.


Provision of Social Benefits

The Nomura Real Estate Group has declared in its Nomura Real Estate Group Diversity and Inclusion Promotion Policy that it will realize substantive equal opportunity by focusing on the differences of each and every employee. The Group has established and is working to enhance employee social benefit programs to establish a work environment in which diverse employees can balance work and life, including childcare and nursing care.

Main Social Benefits Provided by Nomura Real Estate Development

Social Benefits	Overview
Accumulated paid leave	This system allows employees to accumulate up to 90 days of annual paid leave that will expire two years after being granted. Employees can use accumulated leave for medical treatment, nursing care, childcare, social contribution activities, etc., and can systematically take leave in combination with annual paid leave.

F leave	Special leave that can be taken once a month for women's specific physical ailments. The reasons for taking leave are not limited to menstrual periods but have been expanded to include infertility treatment and menopausal health problems. The name of the leave has been changed to "F leave" ("F" stands for "female"), and consideration has been given to the difficulty of taking the leave by expanding the reasons for them.
Birth leave	Five days of special leave that can be taken during the period immediately before and after the birth of a child (granted separately from annual paid leave)
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 at birth	Up to 28 days of paid childcare leave during the four weeks between the eight weeks after the birth of the child, which is made possible by the Postpartum Father's Childcare Leave program (100% of the take-home pay before the leave is guaranteed, with payment documented as regular wages, alleviating the financial concerns caused by taking childcare leave).
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	There are two types of retirement benefit plans to which the company contributes or pays contributions: a lump-sum retirement payment/defined benefit corporate pension plan and a corporate defined contribution pension plan (employees can add to their contributions). (The applicable system differs by job classification.)
Health insurance association	High medical expenses, lump-sum childbirth benefit, injury and disease benefit, comprehensive medical examinations, and similar expenses
Allowances	Family allowance, reassignment allowance, reassignment without family allowance, housing subsidies, and similar expenses

 100% Paid Childcare Leave for Fathers after Childbirth at Eight Group Companies—Multiple New Systems Established to Create a Workplace Where Everyone Can Work Comfortably


The Nomura Real Estate Group Sustainability, Wellness, Diversity and Inclusion Survey (Your voice creates NEW VALUE, REAL VALUE)

The purpose of the survey is to share with management the good points and issues about the Company and workplace that Nomura Real Estate Group employees notice in their daily work, and to make use of this feedback in creating better workplaces. Since August 2022, we have been conducting a common Group-wide wellness and D&I awareness survey (Your voice creates NEW VALUE, REAL VALUE). We will visualize the indicators for employee satisfaction and willingness to make voluntary contributions across the Group to further stimulate group synergies, including consideration of actions for addressing common concerns.

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. The Group will continue to promote measures for improving workplace environments.

For further details, refer to the following.

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

Approach and Policies

Group Policy (Social)

Under 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 will provide human development programs to enhance the qualifications and capabilities of each Group employee and to foster an organizational culture that allows employees to continuously take on the challenge of creating new value and strengthening cooperation within the Group. By doing so, we will bolster the foundation for developing human resources capable of engaging in co-creation.

Nomura Real Estate Group Action Guideline

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 create new value through free, outside-the-box thinking, placing priority 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.

Nomura Real Estate Development Basic Human Development Policies

- 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

- High level of specialization and execution
- Diverse viewpoints and values
- Broad perspectives
- Business formation skills
- Organizational management skills

Management

Management (Social)



Results

Performance Data^{*1}

	Unit	FY2019	FY2020	FY2021	FY2022
Total training hours ^{*2}	Hours	24,969	20,063	23,855	30,334
Training hours per employee ^{*2}	Hours	12.65	9.87	4.21	3.79
Total training expense	10 thousand yen	15,869	14,318	27,155	41,269
Investment in training cost per employee	yen	80,393	70,462	47,936	51,612
Return on investment in employee skill development ^{*3}	%	2.81	1.56	2.14	1.36
Return on investment of human resources ^{*4}	%	—	10.42	9.17	9.78

※1 Starting with fiscal 2021, figures have been revised from those of Nomura Real Estate Development alone to the entire Group.

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

※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.

Training Performance Data for FY2022

Training	Subject	Number of training hours	Number of attending companies	Number of participants
Group-wide training	New employees for introductory training	38	6	263
	New employees for follow-up training	7	6	251
	Employees in their second year	12	7	240
	Employees in their third year	14	7	229
	Newly promoted managers to core positions*1	23	7	168
	Newly promoted senior managers	28	3	33
	Newly promoted general managers (management)	82	3	12
Training only provided for Nomura Real Estate Development	Employees in their fourth year	7	—	49
	Employees in their fourth year (career design)	7		49
	Employees in their fourth year holding section chief positions (career management)	7		19
	Professional level 1 positions*2	12		60
	Professional level 1 positions (women's career and life)	12		60
	Leaders*3	14		64
	Leaders in their second year (career design)	12		46
	Leaders in their second year holding section chief positions (career management)	12		21
	INSIDES training	2		66
	Financial training for employees in their fourth to sixth year	7		107

※1 After 13 years of service (generally)

※2 After 7 years of service (generally)

※3 After 9 years of service (generally)

 ESG Data (Social)

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, first-class architects, and certified real estate appraisers, 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 and the PROUD Quality Conference, so that each employee can perform higher level duties and acquire a broad range of knowledge and experience.

Human Resource Development Programs for Career-track Employees (Business Skills)

Vision building	Interaction with those from other fields (working to solve social problems) and management recommendations (Newly appointed V4)		
Business formation	Problem solving, business formation, and operational strategies from a group perspective and management perspective (Newly appointed V3)		
Goal setting	Purpose-based problem solving (Newly appointed general manager)		
Problem identification	Target-based problem solving (Newly appointed D2) ▶ (Newly appointed D3) ▶ (Newly appointed V2)	Leadership skills (Newly appointed D3) ▶ (Newly appointed V2) Problem solving speech (D1, 3rd year)	Organizational management (Newly appointed V2) ▶ (Newly appointed general manager)
Problem handling	Occurrence-based problem solving (D1, 2nd year)		
Logical thinking	Logical thinking* (New employee)		
	Individual level	Other's level	Organizational level

*Includes logical writing and logical presentation

■ Training Programs for Career-track Employees

Position Levels	Target Year	Training Details	Program for Selected Employees/Open
Leader position level 4	Newly appointed	Interaction with those from other fields (skills and mindset from a management perspective) Management recommendations (management design)	Training of next-generation leaders and executive candidates
General management position	Newly appointed	Organizational management (practical application level) Purpose-based problem solving (introductory level, practical application level)	
Leader position level 3	Newly appointed	Management recommendations (management design)	
Section management position	Newly appointed	Evaluation and labor management, human resource development 1-on-1 training, 360° survey training	
Leader position level 2	2nd year leader	Next generation leader development program	Development of global human resources
	Newly appointed	Organizational management (introductory level) Purpose-based problem solving (practical application level)	
Leader position level 1	3rd year leader	Next-generation leader development program	
	2nd year leader	Career design	
	Newly appointed	Leadership skills (practical application level) Environmental analysis	MBA&MOT
Professional position level 1	Newly appointed	Target-based problem solving (practical application level) Leadership skills (introductory level)	
Professional position levels 1 and 2	4th to 7th year	Financial training (introductory to advanced)	
Professional position level 2	4th year	Target-based problem solving (introductory level) Career design	
Professional position level 3	3rd year	Problem-solving dialogue	MBA subject learning program
	2nd year	Occurrence-based problem solving	
	First year follow-up	Logical presentation	
	New employee introduction training	Logical writing Corporate finance fundamentals	

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

■ Training programs (Specialist Personnel/Particular Specialist Personnel)

Position Levels	Training Details
Particular specialist personnel	Required: Target-based problem solving (introductory level)
Stage 3	Required: Problem-solving dialogue (consensus building skills) Optional: Target-based problem solving (introductory level) Optional: Target-based problem solving (advanced level, practical WS)
Stage 2	Required: Occurrence-based problem solving Required: Logical thinking and writing Optional: Logical presentation
Stage 1	

■ Training Programs (Business Associates)

Position Level	Training Details
BA6	Required : Leadership (introductory level)
BA5	Required : Target-based problem solving (advanced level, practical WS)
BA4	Required : Second year : Target-based problem solving (introductory level) First year : Problem-solving dialogue (consensus building skills)
BA3	Required : Occurrence-based problem solving
BA2	Required: Logical thinking and writing
BA1	

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](#)

Fair Evaluations and Remuneration

To ensure equity in working conditions, the Group does not differentiate on the basis of gender the remuneration for employees in the same position, which falls under the “equal pay for equal work” rule in our Human Rights Policy. Moreover, the Group operates fair employee evaluation and remuneration programs by creating mechanisms whereby the opinions of employees can be heard by human resource divisions and supervisors.

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.

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.

■ Major recipients in FY2022

- Project for strengthening the soundness of repair reserve fund accounting through new types of insurance and by other means
- Establishment of resilience certification for a sustainable future
- Shared house and coworking space project TOMORE



Grand Prize Winning Team

Evaluation Criteria

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

Business Idea Proposal Program

In 2017, the Group launched the Business Idea Proposal Program (commonly called “NEXPLORER” within the Group), which allows all employees to acquire the business skills necessary to develop new businesses and new products and services, conduct research and development in new fields, and propose business ideas. More than 80 business ideas have been proposed so far. TOMORE, which was approved for business in October 2022, is a primary example that was realized through the program. In April 2022, the program was updated as a Group-wide learning space for both new business considerations and human resource development. More than 100 employees have participated every year, including 117 in 2022 and 122 in 2023.



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 when more and more people are open to different ways of working.

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

Safety Quality from Design to Management

Approach and Policies

Group Policy (Social)



Under the Group Policy, the Nomura Real Estate Group recognizes that building and infrastructure deterioration and obsolescence, reduced urban functions, and increased natural disasters are important social issues. It contributes to the realization of the safety and security of customers and local communities through the provision of products and services based on appropriate quality management and sustainable urban development.

In addition, we will improve the quality of safety and security from design and construction to operation and management through co-creation, based on the "Nomura Real Estate Group Code of Action" and "Procurement Guidelines, with suppliers and the government and also ensure the safety of Group employees and suppliers at construction sites.

Management

Management (Social)



Results

Results Data

	Unit	FY2019	FY2020	FY2021	FY2022
Residential Development Business Unit: Compliance with Design and Construction Standards and Quality Manuals ^{*1}	%	100	100	100	100
Commercial Real Estate Business Unit: Compliance with Design and Construction Standards and Quality Manuals ^{*1}	%	100	100	100	100
Rate of conformance with Building Management Quality Assessment Guidelines at managed properties ^{*2}	%	— ^{*3}	70	87	67

Internal surveys*4	Livability Satisfaction Survey one year after residents take up occupancy of PROUD	Average score (five-point scale)	Rating	3.8	3.8	3.8	4.0
		Response rate	%	36	31	38	38
	Post-contract survey on housing	Average score (five-point scale)	Rating	4.0	4.1	4.0	4.2
		Response rate	%	27	29	30	28
	Post-delivery survey on housing	Average score (five-point scale)	Rating	3.8	3.8	3.8	3.9
		Response rate	%	33	34	34*5	32
	Periodic After-Sales Services Survey	Average score (five-point scale)	Rating	—	—	3.8	3.8
		Response rate	%	—	—	51	50
	Interior Fair Survey	Average score (five-point scale)	Rating	—	—	3.6	3.6
		Response rate	%	—	—	44	41
	Furniture Fair Survey	Average score (five-point scale)	Rating	—	—	3.5	3.5
		Response rate	%	—	—	32	34
	Questionnaires for residents in leased condominiums (PROUD FLAT)	Average score (five-point scale)	Rating	4.2	4.1	4.2	4.0
		Response rate	%	41	58	39	37
	Questionnaires for residents in office buildings (PMO)	Average score (five-point scale)	Rating	4.2	4.3	4.2	4.3
		Response rate	%	46	28	5	46

External evaluation ranking	Nikkei Condominium Brand Questionnaires*6	Rank	1	1	1	1
	ORICON Customer Satisfaction Survey on new condominiums Tokyo metropolitan area after-sales follow-up		1	1	1	1
	SumaiSurn: Management Company Satisfaction Survey Ranking		1	1	1	1
	ORICON Customer Satisfaction Survey on real estate brokerage (Sale: detached housing)		1	1	2	2
Number of Good Design Awards won		Properties	12	10	6	6
Count of health promoting senior rental housing for extending healthy lifespans*7			125	382	502	647
Number of CASBEE Wellness Office Evaluation certifications acquired			4	3	3	6
Number of companies that attended Supplier Council Meetings on Health & Safety and Supplier Conferences on Safety			198	12*8	12*8	159
Number of serious violations of relevant safety-related laws and regulations and in-house standards			—	—	0	0
Number of serious violations that deviate from laws and regulations in terms of ensuring supplier safety			—	—	0	0
Number of violations that resulted in remedial actions and dispositions related to advertising labeling, premiums, and preventing unfair competition*9			—	—	—	0

※1 Specific products include condominiums, detached housing, rental housing, office buildings, retail facilities, logistics facilities, and hotels.

※2 Conformance rate: We extract several properties and conduct a survey on the number of conforming items in the assessment items listed in the guidelines. In fiscal 2020, we significantly increased the number of assessment items and raised conformance to ensure that higher management quality can be maintained and improved based on the revisions of related laws.

※3 In fiscal 2019, the conformance rate survey was not conducted in order to help contain the spread of the COVID-19.

※4 Above results are all disclosed based on a five-point scale.

※5 Prior year data was retroactively adjusted to improve accuracy.

※6 Indicates a first-place ranking given for most of the 10 question items in the questionnaire.

※7 Figures represent the number of properties that started operations each year.

※8 In fiscal 2020 and fiscal 2021, some of the meetings were cancelled or significantly downsized and held online to help contain the spread of the COVID-19 pandemic.

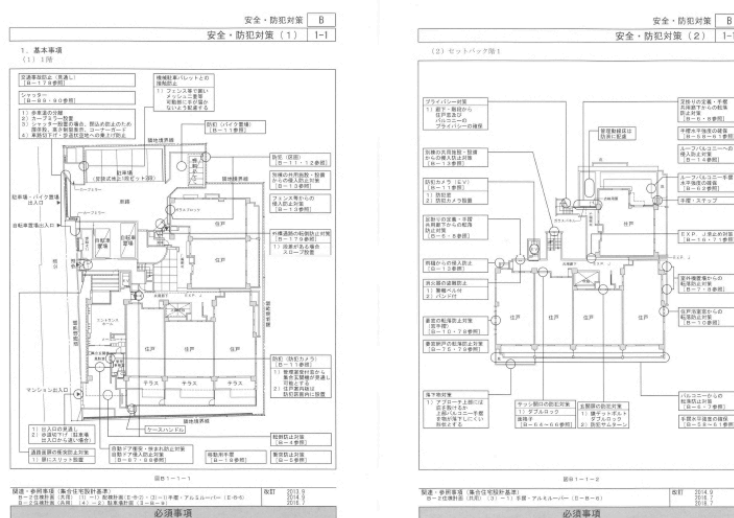
※9 Figures represent detached residence business, the business of Nomura Real Estate Development in the Commercial Real Estate Business Unit, and the Property Brokerage & CRE Business Unit.

 ESG Data (Social)

Initiatives

Comply with Design and Construction Standards and Quality Manuals

To ensure the quality of safety and security in building design and construction, the Group has formulated Design and Construction Standards (structures, architecture, equipment, electrical) and Quality Manuals and has established designs and specifications for the series of products developed by the Residential Development Business Unit and the Commercial Real Estate Business Unit. The Standards and Manuals are distributed to suppliers, including design and construction companies and are strictly complied with. The Group also reviews the Standards and Manuals as needed to further improve safety and security.



PROUD Design and Construction Standards (excerpts)

Thorough Quality Control at Construction Sites

Requesting Customers and Partner Companies to Implement thorough Quality Control

The Group has distributed its Procurement Guidelines to more than 4,600 suppliers and partner companies to ensure thorough quality control. Under the “Ensuring and Improving Quality” section of the guidelines, suppliers are requested to establish appropriate quality control and quality assurance systems. In fiscal 2022, we received survey responses from 154 of our top 300 suppliers (around 70% of

the total) as key suppliers and engaged directly with ten companies. We will continue to identify supplier risks and take remedial action to ensure consistent quality control throughout the design and construction process.

Nomura Real Estate Group Procurement Guidelines (excerpt from the quality section)

Ensuring and Improving Quality

- Create appropriate quality management and quality assurance systems for the goods, products and services provided, and in addition to ensuring the required quality, work to constantly improve quality.
- Correctly identify diverse needs and endeavor to provide goods and services that are friendly and beneficial to societies seeking safety and quality.

📄 [Nomura Real Estate Group Procurement Guidelines](#)

Implementation of Quality Control

Nomura Real Estate Development quality control engineers confirm compliance with the Design and Construction Standards and Quality Manuals and the status and progress of construction in every major phase of construction.

In addition, all accidents and problems that occur at construction sites are reported to quality control personnel and the officer responsible for quality management and architectural design.

Information regarding the details and responses are shared at periodic meetings and on the Group intranet, and measures are taken to prevent reoccurrence.



Quality control inspection at a construction site

Ensuring Safety Quality through Risk Assessment

In our condominium business, we control quality through repeated reviews from the basic planning of buildings to completion. In compliance with laws and regulations, we perform quality control reviews of buildings to ensure they are being constructed correctly, according to the drawings prepared for site conditions, and to ascertain whether any defects may occur after delivery. We also receive feedback from customers through, for example, questionnaires after they have moved in, and we continue to improve product planning and after-sales service for future product development.

Risk Assessment and Countermeasures

Category	Overview of Risk Assessment	Risk Reduction Measures
Building safety risks	<ul style="list-style-type: none"> • Natural disasters such as earthquakes and typhoons • Building structure • Flooding due to rain, flood, storm surge • Safety of building use by users (residents) 	<ul style="list-style-type: none"> • Pile and ground improvement work, seismic isolation and vibration control, liquefaction countermeasures, and wind resistance are incorporated into the design in accordance with laws and regulations • Prepare and design flood control plans based on our own rules • Include measures against falling from heights, collisions, and being caught in between, etc., based on our own rules
Fire safety risk	<ul style="list-style-type: none"> • Building materials for interior and exterior • Fire prevention and extinguishing equipment • Building plans including evacuation routes 	<ul style="list-style-type: none"> • Select partition walls and interior materials and install automatic fire alarm systems, fire extinguishing systems, and other firefighting equipment in accordance with laws and regulations • Ensure proper evacuation routes and reflect the installation of guide lights, etc., in the design in accordance with laws and regulations
Environmental health risk	<ul style="list-style-type: none"> • Indoor air quality (e.g., chemical substances) • Acoustic performance (e.g., noise) in interior and exterior areas • Thermal environment (e.g., insulation) 	<ul style="list-style-type: none"> • Select building materials with appropriate chemical substance control measures in accordance with laws and regulations • Install appropriate materials and equipment to ensure acoustic performance based on our own rules • Ensure appropriate thermal environment based on our own rules

Enhancing Quality by Acquiring ISO Certifications

To further increase customer satisfaction, the Group has established a quality management system that complies with the international quality standard ISO 9001, and it is promoting the acquisition of certification at Nomura Real Estate Development and Nomura Real Estate Partners, where quality control is particularly important. Employees who have attended internal auditor training at an external organization to periodically conduct internal audits to ensure quality.

External Audits on Quality and Service

Nomura Real Estate Development and Nomura Real Estate Partners, which are ISO 9001 certified, undergo an external audit by a certification body once a year. Audit items include whether the products and services we provide meet customer requirements, including safety standards. These audits help us to ensure the quality and safety of our products and services.

In fiscal 2022, one issue was pointed out, as was another that required improvement, and we analyzed the cause and took corrective action.

ISO 9001 Certification

Certified organizations	Scope
Nomura Real Estate Development Co., Ltd.	Obtaining feedback and ensuring it is incorporated into the PMO series of office buildings
Nomura Real Estate Partners Co., Ltd.	Forty-six properties in the office building segment (planning and provision of comprehensive management services for buildings) Twenty-two complexes in the condominium segment (treasury/accounting and management services for condominium management associations, including administrative management work, administrator work, and equipment management work, design and provision of repair work, and call center work) Three properties in the data center segment (facility management, cleaning, and integrated management services)

※ Note: For information regarding ISO 14001, see the [Environmental Management System](#).

Training on Design and Construction

Both the Residential Development Business Unit and the Commercial Real Estate Business Unit are working hard to improve their skills and procedures to safeguard the quality of safety and security in design and construction.

Passing on skills to the next generation has become a vital issue for ensuring quality with the ongoing aging of the workforce in the construction industry, and Group construction sites are no exception. We are therefore also focusing on securing and training young workers.

Training on Quality Control Technologies

The Group holds the PROUD Quality Conference in the Residential Development Business Unit and the Engineers' Conference in the Commercial Real Estate Business Unit once a year for sharing and improving quality control technologies. These conferences provide a forum for imparting knowledge and expertise to younger workers by sharing the status of environmental initiatives, fundamentals of quality control, feedback on defects, and advanced case studies.

FY2022 Training on quality control technologies

	Training details	Frequency	Subject employees	Number of participants
PROUD Quality Conference	Fundamentals of quality control as a business operator (based on the PROUD values)	Once a year	Residential Development Business Unit and other units	295
Engineers' Conference	Environmental initiatives, feedback on defects, quality manuals	Once a year	Commercial Real Estate Business Unit and other units	Approx. 80

Supporting the Development of First-Class Architects

The Group supports the acquisition of the first-class architect qualification, to ensure safety and security. As of April 1, 2023, Nomura Real Estate Development had 231 employees with first-class architect qualifications, comprising 11.5% of all employees.

Violations Related to Safety Quality

To maintain customer safety by ensuring safe and secure quality in building design and construction, the necessary responses will be implemented rapidly in the event of a violation of the Building Standards Act, Fire Service Act, other applicable laws and regulations, or the quality standards. In fiscal 2022, there were no significant safety-related violations of relevant laws and regulations or internal standards.

Initiatives for Ethical Advertising Practices

The Group conducts appropriate management in each division to ensure the application of ethical advertising practices in accordance with laws and regulations.

In the Residential Development Business Unit, the audit and management of the advertising of each property of our PROUD condominiums and single-family homes are handled in collaboration with the Residential Sales Management Department of the Residential Development Division and relevant housing sales departments and divisions. Audits are conducted under the rules established by the Residential Sales Management Department in accordance with the Real Estate Advertising Code, including the Fair Competition Codes Concerning Indication of Real Estate (Real Estate Codes) and the Fair Competition Code Concerning Restrictions on Premium Offers in the Real Estate Industry (Premium Offers Code). As necessary, we seek confirmation from external professional organizations such as the Real Estate Fair Trade Council. To further promote appropriate advertising displays, our internal rules clearly state specific examples of past inappropriate cases that actually occurred and the measures taken

to deal with various situations based on these cases. In addition, we place priority on raising employee awareness, and we regularly hold training sessions for housing sales staff on advertising and labeling to familiarize them with general laws and regulations, including the Copyright Act, portrait rights, Act against Unjustifiable Premiums and Misleading Representations, Trademark Act, Antimonopoly Act, Real Estate Code, Premium Offers Code, and internal rules.

In the Commercial Real Estate Business Unit, those in charge of advertising in Commercial Real Estate Business Division I, Commercial Real Estate Business Division II, and the Shibaura Project Division of Nomura Real Estate Development prepare an Advertising Checklist when placing advertisements, which is checked by the person in charge and their supervisor based on the checklist, and is then reviewed by the person in charge of advertising in the Division Management Department. In addition, during an audit, we implement the same initiatives as the Residential Development Business Unit, and we also seek confirmation from external specialized agencies as appropriate. Moreover, employees who have been transferred or mid-career employees who have been assigned to any of these three divisions receive training on advertising as part of their orientation.

In the Property Brokerage & CRE Business Unit, Nomura Real Estate Solutions prepares an Advertisement Checklist when placing advertisements, which is reviewed by both the person in charge and their superior based on the checklist. In addition, in the distribution business within the same business unit, relevant staff disseminate reminders, internal rules, and advertising regulations to sales staff through headquarters meetings, and the headquarters conducts post-ad checks of advertisements by newly appointed managers.

These efforts confirm our commitment to preventing the undermining of customer trust by exaggerated advertisements and non-reporting of adverse facts. In fiscal 2022, there were no cases of remedial actions or disciplinary actions under various laws and regulations concerning advertising practices.

Improving Safety and Security after Sales

The Group is striving to improve the quality of management and expand after-sales services to enhance the quality of safety and security in operation and management.

Compliance with Building Management Quality Assessment Guidelines

The Group formulated Building Management Quality Assessment Guidelines at managed properties. The guidelines contain more than 400 items that pertain to topics such as quality control, legal compliance, and internal audits. In fiscal 2020, the Group significantly increased the number of assessment items to approximately 750 and raised conformance to ensure that higher management quality can be maintained and improved based on the revisions of related laws. In fiscal 2022, a monitoring study was also conducted, and the conformance rate was 67%.

Improving Safety and Security after Sales Convening a quality improvement conference for persons in charge of after-sales service



We hold the National Customer Conference once each year to improve the quality of after-sales service in PROUD condominiums. The conference is attended by about 40 persons responsible for after-sales service from around the country who share information on issues that occurred during the fiscal year, responses to the issues, and roll out examples of measures taken.




National Customer Conference Held

Products and Services to Provide Safety and Security for New Tenants

To ensure that new tenants feel safe and secure with their purchases, we put significant effort into enhancing our post-sales products and services. Our products incorporate the results of customer satisfaction surveys and feedback from residents obtained through the board of directors of condominium management associations. This is made possible by our system whereby development, sales, and management are integrated, which was born from our corporate culture that encourages collaboration among organizations. In principle, under this system no management services are outsourced, so we are able to gain more opportunities to interact directly with customers, which ultimately enables us to provide products and services that meet their needs.

Services	Overview
After-sales services	In addition to providing customary after-sales services to repair any defects, we support residents in addressing problems after taking up occupancy, such as after-sales support provided by a condominium life adviser (for one month after taking up occupancy)
Installation of Living Q Call	<p>A service providing residents convenient and reliable support to respond to their problems, such as "I have a problem with the condo. What should I do?" Provision of an emergency help service and a daily living support service</p>  <p> LIVING Q CALL</p>

NEXT PASS 10	<p>A program that provides a 10-year repair warranty for defects and malfunctions in condominiums, as well as the NEXT PASS 15, which extends the warranty by an additional five years</p> 
Repair and warranty services for transactions of existing residences	<p>Provision of repair and warranty services to encourage liquidity of existing residences and provide safety and security to customers after a purchase, such as providing repair and replacement warranty for defects in main equipment within one year after purchase of a property</p>

Training on operation and management

The Property & Facility Management Business Unit is working hard to improve the skills and procedures to safeguard the quality of safety and security in operation and management. Nomura Real Estate Partners Co., Ltd., which is in charge of this unit, conducts training for engineers through general meetings, including responses to revisions in laws and regulations, about twice a year, and participants share what they have learned with their own units to prevent any violations. In fiscal 2022, approximately 900 people (teams-based training) participated in the training. In addition, each division within Nomura Real Estate Partners Co., Ltd. conducts its own training programs for young employees and also encourages its employees to acquire related qualifications.

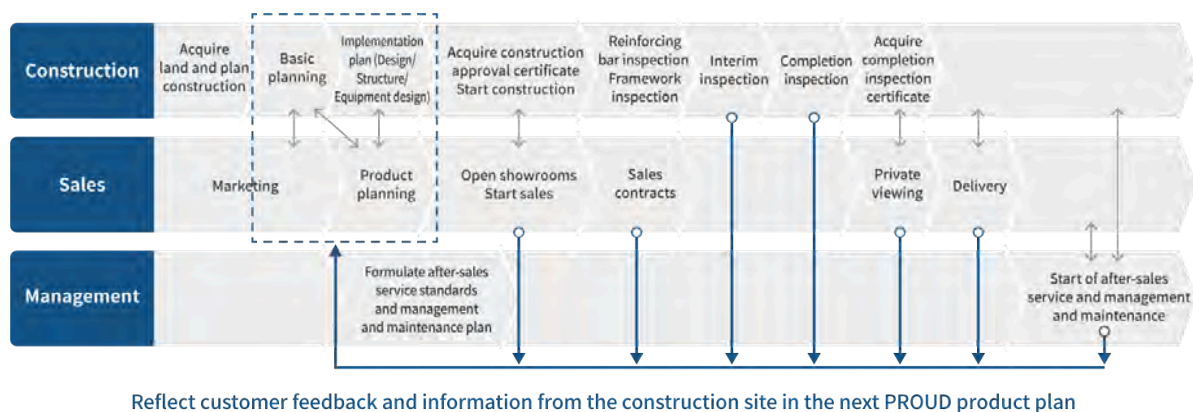
Nomura Real Estate Partners Co., Ltd.: Number of Employees who Acquired Main Qualifications (as of March 31, 2023)

Qualification name	Number of persons
Registered architect (first class, second class)	166
Chief electrical engineer (first class, second class, third class)	295
Building operation and management engineer (first class, second class)	224
Electrical work operation and management engineer (first class, second class)	160

Plumbing work operation and management engineer (first class, second class)	200
Civil engineering work operation and management engineer (first class, second class)	30
Landscape gardening work operation and management engineer (first class, second class)	18
Condominium manager	123
Building manager	616
Real estate broker	326
Building sanitation engineer	571
Condominium maintenance and repair engineer	300
Condominium renovation manager	17

Integrated Development, Sales, and Management System

In an effort to provide high-quality products and services and raise customer satisfaction, the Group has integrated development, sales, and management and provides integrated services including land acquisition, architectural design, marketing and sales, and post-occupancy management and after-sales services. The opinions of customers are reflected in business improvements and product planning.



Communication for Improving Customer Satisfaction

The Group communicates with customers through questionnaires and interviews. The results of questionnaires are used in business improvements and the next generation of products and services.

Disclosure of Information on Safety and Security

With the aim of gaining the understanding of customers regarding building safety and security, the Group has created a website for customers that have signed purchase agreements and posts progress reports on new construction and explanations of the details of major aspects of the construction.



Site for Contract Holders

Implementation of a Livability Satisfaction Survey and Other Surveys

Every year, the Group conducts the Post-contract Surveys and Post-delivery Surveys in the residential development business as well as a Livability Satisfaction Survey of PROUD condominium residents one year after moving in.

Results of Livability Satisfaction Survey Reflected in Products and Services

The Group investigated improvement measures based on the feedback and requests expressed in the Livability Satisfaction Survey, and several comments relating to design were incorporated into our Design and Construction Standards and Quality Manuals. In fiscal 2022, we received feedback and requests regarding exclusive areas and common areas such as storage, parking lots, and common facilities overall, and we are considering improvements in response.

Carrying out Tenant Company Satisfaction Surveys

Every year, the Group conducts a Tenant Company Satisfaction Survey on its services among tenants of the retail facilities that it owns, in order to expand communication to improve customer satisfaction and comfort. The survey includes questions related to safety management (performance of security and security guards) and the working environment (air conditioning, smoking areas, and restrooms). Survey results are used to consider and implement improvement measures.

Improving Communication to Improve Customer Satisfaction and Comfort

In fiscal 2022, the following questionnaires were conducted.

Residential Development Business Unit

- Livability Satisfaction Survey
- After-Contract Survey
- After-Delivery Survey
- Periodic After-Sales Services Survey
- Interior Fair Survey
- Furniture Fair Survey
- Leased Condominium Residents Survey

Commercial Real Estate Business Unit

- Tenant Company Satisfaction Survey
- Megalos Fitness Club Guest Survey

Property & Facility Management Business Unit

- Condominium Board of Directors Survey
- All-household Questionnaire

Property Brokerage Business Unit

- Customer Survey

Measures Towards Good Design Award

The Group strives to provide socially and environmentally sustainable products and services. As part of this, it undertakes measures encouraged by the Good Design Award*, which leads to improved customer comfort. The Good Design Awards are evaluated from the perspective of whether a design can enrich lives and society.

In fiscal 2022, Nomura Real Estate Development won 6 Good Design Awards, marking the 21st consecutive year in which the Group won Good Design Awards.

※ The Good Design Award: Japan's unique comprehensive design evaluation and commendation system, operated by the Japan Institute of Design Promotion. The purpose of the Award is to find and share exemplary design in many spheres with the potential to drive industrial growth and enrich lives.

Award-Winning Projects

■ Nomura Real Estate Development

< Housing >

- PROUD Takadanobaba
- PROUD Nerima Nakamurabashi Marks
- PROUD Season Seijo Court
- Forest cycle promotion starting from a common wooden building

< Office Building >

- Nomura Real Estate Development Otemachi-Kita Building

■ Nomura Real Estate Life & Sports

< Commercial Facility >

- Megalos After School, an educational platform in the city



PROUD Takadanobaba



Nomura Real Estate Development Otemachi-Kita Building

[News Release\(Japanese only\)](#)

Design Review Contest

Every year, the Group invites outside architects in residential development to conduct a design review. The architects look over the detached residences completed the previous fiscal year and also conduct a 360-degree review of the design, management, community, and other factors of several representative properties for improving customer satisfaction. In fiscal 2022, we shared construction plans for PROUD Tower Kameido Cross as well as a wide range of case studies, PROUD FLAT (rental condominiums), and PROUD SEASON and other detached houses for sale to effectively incorporate the information into future planning.



PROUD Tower Kameido Cross

Evaluation Points

- Plan and design
- Responses to social and environmental issues
- Community development
- Contribution to the local community

Ensuring the Health and Safety of Workers at 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, to ensure the safety of suppliers in accordance with the Procurement Guidelines and Construction Safety and Security Guidelines, 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 2022, 86 companies (92 people) and 73 companies (78 people) attended the meetings, 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).

Features of OUKAS Wellness Program

- Exercise: A unique exercise program jointly developed with Nomura Real Estate Life & Sports that operate the Megalos sports clubs
- Diet: Well-balanced, delicious meals prepared by nutritionists
- Community: About 50*2 community events per month for residents
- Medical and welfare: Support from staff with experience in medical and nursing care

※1 Won a Good Design Award 2019

※2 FY2018–2019 results

■ 運動

運動指導員が一人ひとりの体力や健康状態を把握し、身体機能はもちろん認知機能の維持・向上にも着目。それぞれの改善に向けた活動メニューや、フィットネスクラブ「メガロス」と共同開発した運動プログラムなどを継続的にご提供し、入居者の皆さまの毎日をフォローします。



管理栄養士のもと、美味しく栄養バランスの取れたお食事を一人ひとりの健康状態に配慮してご提供。厨房で調理してきたての料理を、毎日楽しめます。季節のイベント食なども実施し、入居者同士や家族と一緒に会話を楽しみながらお食事ができる環境を整えています。



■ 医療介護連携

医療・介護の専門知識を持つコンシェルジュが、入居者の健やかな日常をサポート。入居時のオリエンテーションでは地域の連携病院の選定や、訪問診療のセッティングを行うほか、さりげないお声がけから日々の健康状態のケア、緊急時の対処など多面的にサポートします。

■ コミュニティ

新しい仲間が生まれ、生き生きとした暮らしが送れるよう、サークル活動や創作活動など、様々なイベントをお手伝い。同じ趣味を持つ入居者の方とのつながりづくりなど、心の健康にも取り組むとともに、暮らしの中のお悩みなど生活相談にも対応します。

 [OUKAS Introduction Movie](#)

Promoting Increases in Healthy Lifespan through the Fitness Business

At Megalos sports clubs, the Group is implementing the following initiatives to promote longer, healthier lives for senior citizens.

Initiative	Details
REBORNS SCHOOL	A school for seniors based on the concept of “Building a healthy body and making friends to enjoy life and sports with vigor for a lifetime” aimed at maintaining a healthy and vigorous body that leads to preventing frailty*, and the seniors enjoy exercise with the same friends and coach every week.

REBORNS FUN

A new program developed under the theme of “We want people to regain their healthy, functional and physical youthfulness, and based on that, to improve their basic physical fitness for new challenges, and enjoy life.” The program sets six themes on a month-by-month basis: joint pain prevention, metabolic syndrome, immunity, prevention of falls, prevention of lifestyle-related diseases, and posture, and it is comprised of various exercises suited to each theme.

- ※ The decline in physical, mental, and social functioning associated with aging.
- ※ Out of the 10 questions in the same survey, this ranked first most often.



REBORNS SCHOOL

Comprehensive Collaboration Agreement Entered into with a Local Government with Regard to Health Promotion

Nomura Real Estate Life & Sports has concluded collaboration agreements with the cities of Tachikawa, Koganei, and Machida in Tokyo. Through these agreements, we operate sports clubs while also engaging in initiatives that contribute primarily to supporting childcare, and the disabled and elderly, as well as promoting community safety and security, culture and sports, revitalizing other communities, and improving civic services.

Specifically, we will conduct community-based activities, such as participating in local sporting events, holding exercise classes for seniors that help prevent the need for nursing care due to frailty, and holding in-house events for citizens.

Acquisition of CASBEE Wellness Office Assessment Certification

To contribute to the maintenance of stakeholder health and comfort, the Group has adopted the policy of acquiring CASBEE Wellness Office Assessment Certification for all newly developed office buildings. This certification program was first established in 2019 to evaluate specifications and performance of buildings, initiatives that support maintenance and improvement of the health and well-being of

building users as well as factors contributing to improvement of intellectual productivity and performance regarding safety and security. As of the end of March 2023, 16 properties have acquired certification.

Approach and Policies

Group Policy (Social)



Under the Group Policy, we collaborate with fire departments, governmental bodies, disaster preparedness experts, and others to fulfill the Group's responsibility to ensure safety and security during abnormal weather and natural disasters by strengthening our resilience in the face of these events. We take preventive actions to minimize impact in the event of a disaster and enable the activities of businesses and daily life to continue.

Management

Management (Social)



Results

Performance Data

	Unit	FY2019	FY2020	FY2021	FY2022
Disaster preparedness drill implementation rates at managed properties (office building segment)	%	93	94	97	99
Number of facilities, etc. that can take in persons who are unable to return home during a disaster	Properties	8	10	10	9

ESG Data (Social)

Initiatives

Planning and Construction Management in Preparation for Disasters (Safety and Security in Disasters)

With the increasing frequency of natural disasters and earthquakes, the risk of damage to buildings is also rising. Therefore, in our condominium business, we conduct a ground survey of the land and review a hazard map prior to construction. In addition, we provide our own Design Standards and Collective Housing Manual for design and construction companies to incorporate them into plans to prevent or reduce disaster risks through multifaceted measures against liquefaction, internal and external flooding, and other disasters. We also confirm at the construction stage that such meticulous plans have been executed in order to ensure the safety of the buildings.

Ensuring Safety Quality through Assessment of Risks from Natural Disasters

“Three Preparations” to Realize Homes Prepared for Disasters

Disaster prevention measures (earthquakes, fires, wind and flood damage, etc.) start from the time of planning the construction of the condominium, and we are working on it with a view to life after moving in. Proprietary collective housing design standards and collective housing manuals are distributed to design companies and construction companies and reflected in plans. A disaster prevention warehouse is installed in the common area, and disaster prevention equipment is delivered at the time of delivery to assist in the event of an emergency. In addition, we are taking various measures such as creating a community that can help each other in times of emergency and supporting disaster drills.

Disaster Preparedness in Housing



Conceptual diagram

Disaster Response Headquarters Establishment Drills

Nomura Real Estate Group established a business continuity plan (BCP) in anticipation of a major earthquake in the Tokyo Metropolitan region and conducts disaster response headquarters establishment drills with the president of Nomura Real Estate Holdings serving as head of the headquarters once a year.

📄 [Business Continuity Plan \(BCP\)](#)

Implementation of Emergency Communication Drills and Disaster Response Headquarters Establishment Drills

To ensure the safety and security of customers (residents, tenant businesses, and facility users) during a disaster and to prepare for the rapid resumption of business by tenant businesses, Nomura Real Estate Partners annually conducts both emergency communication drills and disaster response headquarters establishment drills.



Disaster response headquarters establishment drills

Overview of Disaster Response Headquarters Establishment Drills

- Confirmation of the disaster response headquarters establishment process and details of measures
- Confirmation of details of the disaster response headquarters activities according to the recovery situation.
- Assessment and tabulation of damage and managed properties
- Practice conveying information from management sites to the disaster response headquarters

Supporting Disaster Preparedness at Managed Properties

As a part of its efforts to ensure safety and security during disasters, the Group provides disaster preparedness support to residents, management associations, tenant businesses, and facility users at managed properties (residences, office buildings, commercial facilities, logistics facilities, etc.).

Main Support

- Implementation of disaster preparedness drills
- Support organizing disaster supplies and forming and operating disaster preparedness organizations
- Development of disaster preparedness and response manuals
- Support preparing firefighting and disaster preparedness plans
- Distribution of disaster preparedness guidebooks



Rendered drawing of displayed emergency supplies at a location that is readily visible to residents (perspective drawing)

At-Home Sheltering with the Display and Stockpiling of Emergency Supplies

Partly due to the impact of the COVID-19 pandemic, local governments* are increasingly encouraging people in the event of a disaster to take shelter at their homes when it is safe to remain there. Recognizing that some of our condominium residents are not aware of the location and content of emergency supplies available in their buildings, we will be launching an Easy-to-See initiative to make disaster preparedness more accessible to residents.

※ Reference: Disaster Preparedness Tokyo compiled by the  Tokyo Metropolitan Government

 [Disaster preparedness through the display and stockpiling of emergency supplies](#)

Established Emergency Shelter for Tenant Companies

The Group established N-FORT (located in Chuo-ku, Tokyo) as a hub for disaster preparedness and business continuity planning for PMO (Premium Midsize Office) office buildings. N-FORT is equipped with an emergency power generator that can operate for 72 hours and a stockpile of food and drinking water, portable toilets, as well



Emergency supplies stored at N-FORT

as emergency food for 2,000 persons, and it provides manned responses. The facility reinforces BCP throughout the PMO series of office buildings.

Disaster preparedness measures for PMO office buildings

Redevelopment of Densely-built Areas of Wooden Houses

Nomura Real Estate Development is carrying out redevelopment taking into consideration the promotion of fireproofing of entire areas by combining and making intensive use of housing lots in districts where wooden houses are densely packed together.

In 2019, in the redevelopment of Ikebukuro subcenter in Toshima-ku, which was designated as a Special Urban Renaissance Urgent Development Area, we improved disaster prevention capability, maintained and constructed roads, newly developed a district square that is open to the community, and built facilities providing support to families raising children, through resolution of dense areas of wooden houses.

Securing Electricity during Power Outages Caused by Disasters

Large-scale power outages caused by disasters can be life-threatening if recovery takes a long time. Our PROUD condominiums are equipped with the PROUD Power Generation and Storage Smart Relay System*, which provides electricity, generated by solar power facilities during outages, through storage battery systems.

※ Only for properties adopting enecoQ.

Care for and Activation of Communities

Approach and Policies

Group Policy (Social)

The Nomura Real Estate Group is committed to working with all stakeholders, including local communities and tenants, through dialogue to resolve the social issues they face and to revitalize local communities.

Recognizing that local communities are facing issues such as dysfunctional and declining vitality of communities due to the falling birthrate, aging population, and increasing number of vacant houses, as well as the weakening of connections, we will help foster connections among customers and local communities through our architectural design efforts and operational and administrative services. In this way, we will contribute to the realization of a symbiotic society by facilitating mutual aid in times of emergency and revitalizing local communities. In particular, in terms of local issues in terms of disaster prevention, the company conducts regular disaster drills together with tenants and the local community. In addition, in terms of community issues, the Group's employees participate in volunteer cleanup activities and local events through events such as "Nihonbashi Wash" and "Fireflies in the City" exhibition to engage in dialogue and exchange with local community members, and the Group is promoting the "Be UNITED Concept" to create a community that is connected to the local community.

In real estate development and urban development, we also consider the impact on the living and business environment of existing local communities, and strive to build ongoing relationships of trust with our stakeholders.

Management

Management (Social)

Engagement with Local Communities

The Group, as a corporate entity that develops businesses in the community, places emphasis on engaging with stakeholders, including those who live and work in the condominiums and office buildings it owns and neighborhood associations, to play a role in revitalizing the community and region. Recognizing the importance of gaining a full understanding and endorsement of the Group's stance and policies toward regional and community revitalization, we focus on establishing the foundations of strong local communities through various forms of engagement.

Specifically, the Group companies facilitate communication between customers as well as between customers and municipalities and government when community events such as summer festivals and

Christmas events are held at office buildings and commercial facilities. In addition, we set up suggestion boxes at commercial facilities and inquiry counters for customer input when they experience problems to facilitate easy communication.

Results

Performance Data

Results of Community Revitalization Support for Revitalizing Local Communities

	FY2019	FY2020	FY2021	FY2022
Newly constructed residential properties with facilities that contribute to local communities	6	5	6	4
Number of community Be ACTO* ¹ opened (cumulative total)	2	2	2	3
Number of Be ACTO members	—	—	—	1,306
Number of elementary school programs organized	—	—	—	10
Number of preoccupancy housewarming events at residential properties	27	—* ¹	—* ¹	11
Number of companies that participated in tenant networking events at mid-sized office brand PMO	27	—* ¹	—* ¹	—* ¹

※¹ No events were held in fiscal 2020, 2021, or 2022 to help contain the spread of COVID-19.

For more information on Be ACTO, please visit the [Be ACTO website](#).

Engagement with Stakeholders to Revitalize Regions and Communities

Stakeholders	Forms of Engagement	Frequency	Engagement Themes (Details)
Local community	Be ACT: A form of community management that we run alongside operations	Various events, etc., held irregularly	Creating a town that continues to think about and generate local value with local residents
Local community	Be UNITED initiative: collaboration with NPOs, government, and local communities	Implemented according to the collaborator	Working with diverse local stakeholders to enhance value and local attractions

Tenants	Number of companies participating in exchange meetings	Several times a year	Encouraging interaction among users of our mid-scale office brand PMO, leading to increased value of use and the well-being of users
Residents	Exchange meetings held before moving in	Prior to move-in for each condominium	Making our tenants feel at ease before moving into a residential condominium, as well as serving as a foundation for community building

 [ESG Data \(Social\)](#)

Initiatives

Plans and Designs that Revitalize Communities

The Group promotes plans and designs that support development and revitalization so that customers including residents and tenant companies can develop communities over the long term after they take up occupancy.

100 Design Techniques for Condominium Communities

The Group formulated the 100 Design Techniques for Condominium Communities (the “100 Design Techniques”) through an industry-academia joint research project with the graduate school of Japan Women’s University and reflects them in condominium product planning. The 100 Design Techniques organize plans and designs for revitalizing communities based on the results of surveys on the status of use of common areas in condominiums developed by the Group and surveys of livability satisfaction. The objective is to create comfortable communities where residents respect individual lifestyles of others and can support one another during emergencies such as in the event of a disaster.

 [100 Design Techniques](#)

 [Disaster Preparedness in Housing](#)



Tenant-Only Community Floor NEON

At the Shinjuku Nomura Building (where our headquarters and several Group companies locate, in Shinjuku-ku, Tokyo) and the Hamamatsucho Building (located in Minato-ku, Tokyo), the Group created community floors for the exclusive use by officers and employees of tenant companies and the Group. The aim is to



Community floor NEON

increase options for places for internal and external interactions and working, and the spaces are used for dining, coworking, and holding events.

H¹O, a Small Office with Support Services

Common areas of buildings of the new H¹O series, which are being developed by the Group, provide spaces that are designed to enable people to switch on and off from work. H¹O will not only provide places with aroma air conditioning and shower rooms (for some properties) where a person can take a rest and relax but also provide healthy foods and organize various training and events in order to promote community formation among tenant workers.



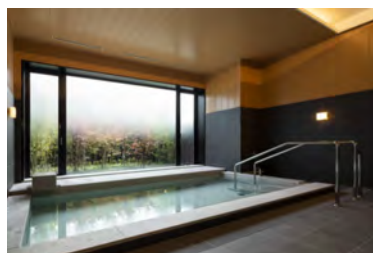
H¹O Nihonbashi Muromachi

Flow Plan for Naturally Building Community in Common Area

Under its flow plan, the Group has constructed common areas (main and guest dining rooms, karaoke and theater, fitness studio, community café, large bathroom, etc.) on the first floor of OUKAS, as a health-promoting rental senior residence that allows people to gather and naturally interact.



Dining room



Large communal bath



Karaoke room

Operation and Management that Supports Community Revitalization

The Group also holds social events for residents and tenant companies, issues newsletters and engages in other initiatives to help customer communities function in a healthy manner over the long term after taking up occupancy. In fiscal 2022, we held 11 preoccupancy housewarming events at residences. We also held tenant networking events at three PMO office buildings and 27 tenant companies participated. (In fiscal 2020, 2021, and 2022, these events were not held due to the COVID-19 pandemic).



A networking event for PMO tenant companies

Condominium Community Guide Released

The Group distributes the Condominium Community Guide to management associations. The Guide is a pamphlet that includes know-how regarding community activities from planning to execution.

Holding Events for Condominium Residents

The Group holds events for residents in condominiums managed by the Group, where residents (families, etc.) can deepen interactions while enjoying food and farming through harvesting experiences in spacious fields surrounded by rich nature. In fiscal 2019, a total of 406 persons participated for two days. (In fiscal 2020, 2021, and 2022, these events were not held due to the COVID-19 pandemic.)



Event for Condominium Residents:
Partners Farm Autumn Vegetable
Harvesting Experience

Activation of Communities Based on the BE UNITED Initiative

The Group strives to deliver value by recognizing that engagement does not end when the building is completed, so that customers can form trusting relationships with the residents over the long term after taking up occupancy. We collaborate with NPOs, governmental bodies, and local communities from the development stage to stimulate conversations within communities through projects and activities over long periods and strive to develop communities by reaffirming their value and creating positive cycles of interaction.



Farming experience at the Setagaya Farm

Passing on the richness of urban farmland to the next generation.



GEMS HIROO CROSS (EAT PLAY WORKS)

Connecting the community with eateries by establishing an ecosystem of culinary culture, instead of simply a commercial building.



NOHGA HOTEL

Reconfirming the profound appeals of the community through the world.



OUKAS

Sharing the experience of senior citizens with the community, which gives back by providing elders with a purpose in life.



Food Truck Project (2020–2022)

Mobility solution that connects tenant supply issues with condominium residents' food needs.

Creating Circular Communities through Be ACTO Area Management

Be ACTO is a system in which the Group participates in area management. We believe the purpose of area management is to continuously recognize and generate local value together with the people who live there. By continuing to help establish a sense of inter-dependence among area residents, we hope to create seedbeds for fostering multigenerational and circulatory communities that are unique to each area. Since the first project at Be ACTO Hiyoshi, we have launched the initiative at various areas including Be ACTO Minamiyama and Be ACTO Kameido.

 [Be ACTO \(Japanese only\)](#)



BE ACTO package

Communication with the Community and Customers

The Group, as a business entity that develops businesses involved in the community, places emphasis on implementing engagement with stakeholders. The Group promotes exchanges between the Group and customers as well as between the Group and community residents. It also facilitates communication between customers and communication between customers and municipalities and government when community events such as summer festivals and Christmas events are held at office buildings and commercial facilities. In addition, we set up suggestion boxes at commercial facilities and inquiry counters for customers to make inquiries when they have problems, in order to facilitate easy communication.

Ties Between OUKAS Funabashi and Local Communities

The Group periodically makes available the fitness studio and community café at OUKAS Funabashi, health promoting senior rental housing, to local residents as a hub for health support and multi-generation social interaction.



Community café (OUKAS Funabashi)

Ties of Fitness Clubs with Local Communities and Schools

We believe that sports have an immense impact on developing the abilities of growing children, especially if there is a focus on non-cognitive skills, such as self-esteem, perseverance and cooperation. To help children develop non-cognitive skills, our Megalos fitness club created the Kodomo Mirai Project (project for children's futures), which connects Megalos with local communities, actively provides a place to develop children's non-cognitive skills, and contributes to creating stronger communities. To successfully implement a project designed for children, Megalos must maintain and strengthen its ties with the local community, kindergartens, nursery schools and schools, which play an important role in children's growth. For that reason, Megalos is making various efforts, such as holding swimming and physical education classes at its location, conducting lessons at schools, and renting out swimming

pools. In recognition of these efforts, the club received the Good Design Award in 2020.

[☐ Kodomo Mirai Project](#)

[☐ Contributions to Local Communities and Society](#)

Communication through Educational Programs

The Group develops educational programs to build new relationships between towns and children. Watching over the community is a program for nurturing children's interest in their town and for thinking together about what is important for the town after dispatching lecturers to elementary schools.

Machi-Oni is a program developed in collaboration with the Graduate School of Keio University to create a local tag game that all participants can enjoy. In addition to sports-related lessons such as swimming, MIRAIKU, and physical education, our MEGALOS sports club also operates the Kids After School program to offer these programs.



Watching over the community

[☐ Watching over the community](#)

[Movie](#)



Machi-Oni

[☐ Machi-Oni Movie](#)



Kids After School activities

[☐ Kids After School activities](#)

[Movie](#)

Establishing Relationships of Trust with Local Communities

When conducting real estate and urban development, we focus on building consensus and relationships of trust with local governments, landowners and residents in the areas where we operate.

Neighborhood Briefings

The Group states in its human rights policy that it aims to coexist in harmony with local communities in the countries and regions in which it operates. In each of these locations, the Group shall foster and support sustainable communities that continue to attract a diverse group of people. The Group shall also respect human rights related to the lives and health of local residents affected by its business activities by ensuring the safety of its buildings and taking into consideration the impact of construction work on the surrounding environment, including noise, vibration, and dust. We understand that construction often causes concerns for local residents, particularly about the possible deterioration of water quality and landslides, noise, vibration and debris as well as accidents caused by falling objects. To clearly and sincerely respond to these concerns, we hold neighboring briefings at development sites and place top priority on the safety and security of nearby residents during construction.

Giving Consideration to Ease of Access to Public Transportation Services

When acquiring land and properties, the Group gives consideration to the accessibility to public transportation services in all cases so that customers can live in and/or use them with ease.

Employment and Procurement from Communities

The Group is promoting employment and procurement from local communities in which it conducts business to contribute to their continuous development and establish an ongoing trusting relationship with them. In particular, we actively utilize local specialty products in our hotel business and employ local staff for our overseas business.

Improving the Well-being of Tenants in the Building

In order to provide the users of office and other buildings with spaces that help maintain and improve their health and comfort, the Group as a whole is adopting building specifications and performance standards that lead to improved well-being and is working to implement programs for users. In addition, we have made it a rule to obtain CASBEE Wellness Office certification* for all income-generating properties (achieved 75%) and strengthening it.

(Main Specifications and Performance Standards for Improving Well-being)

- Muffled indoor noise
- Natural light and appropriate illuminance
- Design with special attention to the view from the office, for feeling a connection with nature
- Secured refreshment space

Main Programs for Users

- Promote physical activity
- Create meeting opportunities in daily activities
- Conduct periodic satisfaction surveys

※ Certification organized by the Institute for Built Environment and Carbon Neutral for SDGs to evaluate building specifications, performance, and initiatives that help maintain and improve the health and comfort of building users.

Contributions to Local Communities and Society

Approach and Policies

Group Policy (Social)



Under the Group Policy, we participate in local and social contribution activities based on recognizing our responsibility as a corporate citizen to address society's needs by engaging in dialogue with local communities and contributing to their development through co-creation. In this context, contributing to local communities and society is a priority. Social issues represented by declining demand and the breakdown of communities due to population decrease, falling birthrates, and an aging society are closely linked to local communities. We believe our mission as a comprehensive developer is to play a part in addressing these social concerns that are so closely impacting local communities. To this end, we are exploring contributions from every direction, from accepting victims of disasters to local community revitalization.

We believe these activities will help to "Building the future together," our vision of 2050, and to "Be a 'Life & Time Developer', as never seen before," our vision for 2030, as set forth in our Mid- to Long-term Business Plan.

Revitalizing communities in particular not only leads to an increase in the value of homes and neighborhoods but can also be expected to strengthen our competitiveness for new redevelopment projects, thereby expanding opportunities for participating in projects and ultimately boosting our business viability. In this context, we will promote efforts centered on the Be Untied initiative and expanding Be ACTO open facilities as a mechanism for realizing Be Untied.

☐ [Number of Community Be ACTO Opened \(Indicator for Realizing the Be United Initiative\)](#)

☐ [Activation of Communities Based on the BE UNITED Initiative](#)

Results

Performance Data

		Unit	FY2019	FY2020	FY2021	FY2022
Expenditures for contributions to local communities and society	Cash donations* ¹	10 thousand yen	1,100	1,100	1,100	1,200
	Management cost* ²		6,458	2,058	29,688	29,195
	Total amount		7,558	3,158	30,788	30,395

※1 Cash donations represent support paid to the Japanese Para-Sports Association (JPSA). Starting with fiscal 2022, figures represent the sum of the sponsorship fee and the amount donated to the Keidanren Biodiversity Fund.

※2 Management costs are disclosed as the total cost of events held for local communities mainly at Group-owned facilities, travel expenses for para-sports athletes, and coaches' expenses associated with operational support.

ESG Data (Social)

Initiatives

Taking in Stranded Persons in the Event of a Disaster

In addition to improving the disaster preparedness of condominiums and facilities, we are working to strengthen our emergency connections with local governments and communities. For example, we are making buildings and units owned by the Group available, and its funds and facilities operated by the Group can be used for and as emergency community shelters.

Major examples of disaster prevention initiatives for local communities

- Emergency shelters: Establishing temporary shelters for those stranded by a disaster, including the provision of temporary rest areas, water, toilets, and information
- Emergency supply storage: Stockpiling emergency supplies in condominiums
- Emergency access to well water: Made available when the water supply is interrupted due to a disaster
- Manhole toilets: Made available when the water and sewage supply is interrupted due to a disaster
- Bench-type cooking stove: Made available when the gas supply is interrupted due to a disaster

Civic-Minded Hotel Business

The Group's NOHGA HOTEL brand is founded on the concept of offering a wonderful experience to guests, which comes from the hotel's deep ties to the local community. NOHGA HOTELS have therefore undertaken various projects to contribute to the communities in which they operate. The hotel uses Edokiriko glassware made by companies around the hotel, sake glasses, and glasses made by



Silverware created by a local business

silverware artisans, and also hosts events and workshops, such as sake pairing dinners and making silverware.

Supporting the UN Refugee Support Campaign

The Group supports the activities of the UNHCR, the United Nations Refugee Agency, by providing its facilities to the United Nations Refugee Support Campaign free of charge. The campaign collects donations to purchase vaccines and tents for refugees. Although activities were suspended in fiscal 2020 and fiscal 2021 due to the COVID-19 pandemic, they were resumed in fiscal 2022, offering the common areas of commercial and office buildings such as Morisia Tsudanuma, Bono Sagamiono, and Nihonbashi Muromachi Nomura Building, free of charge.

Broadcasting UN Campaign Video at Our Affiliated Facilities

As part of our efforts to raise awareness of global warming issues, the Group used signage at 22 office buildings and 30 commercial facilities in Tokyo, Kanagawa, Chiba, Saitama, Aichi, and Osaka to broadcast the “Promise of 1.5°C. Act now to stop global warming” campaign video, produced by the United Nations Information Centre, free of charge.

Supporting Youth Development

Internship Program

Nomura Real Estate Development offers an internship program targeting university undergraduate and graduate students every year.

On-site Internship Program

The program provides opportunities to experience real estate operations such as product planning and accompanying personnel during marketing activities. In fiscal 2022, the program was provided for five days in the Company’s Head Office in Tokyo and approximately 140 students participated.

Simulated Experience of Developer Operations

Through this program, intern students can learn about developer operations and what the Group attaches importance to urban development. In fiscal 2022, it was held face to face for two days, with approximately 290 students participating.

Career Support Programs through Collaboration with Universities

The Group collaborates with universities to offer programs that support career development of young people.

Rikkyo University

The Group's employees conduct the class, which is for university freshmen and sophomores and offers opportunities to think about what it takes to work in society and create a vision for the future by experiencing developer operations through real estate development games, property tours, and other programs.

Future Skills Program at Meiji University*

Group employees teach freshmen practical skills for the real estate business. In fiscal 2022, students discussed the area management system that is sustainable for 20 years into the future by using the PROUD CITY Hiyoshi project, under development by Nomura Real Estate Development, as a case study.

※ A practical, project-based learning-type program intended for university freshmen. Participants work on solving simulation problems based on actual business scenarios.

Swimming Lessons for Toddlers and Children in Local Communities

The Kodomo Mirai Project ("project for children's future") run by Nomura Real Estate Life & Sports is intended to engage entire communities in child development through sports and popularize sports among children. As part of the project, the Company holds events for helping nursery school and kindergarten children to become accustomed to being in the water. For local elementary school children, fully clothed swimming lessons are offered to prevent injury and drowning. In addition, the Company works with neighborhood elementary schools to organize special swimming lessons designed for children who cannot swim, with the goal of resolving the disparity in swimming skills between children who take swimming lessons out of school and those who do not. We will



Getting nursery school and kindergarten children accustomed to being in the water

continue to contribute to local communities and urban development by providing safety and security through sports and exercise as part of the city's infrastructure for well-being.

Cooperation with “Kodomo Hyakutoban no Ie” (Children’s Emergency Shelter) Activities

Nomura Real Estate Solutions is engaged in “Kodomo Hyakutoban no Ie” (children’s emergency shelter) activities at 17 “Nomura’s Broker + (Plus)” stores in Tokyo to help keep children safe and earn community trust. These stores serve as emergency shelters for children when they feel physical danger, such as when they are approached by suspicious persons, and contact their parents or the police if necessary.



“Kodomo Hyakutoban no Ie” sticker displayed on the store entrance door

Supporting Sports

Official Partner of the Japanese Para Sports Association (JPSA)

As a company that identifies with the philosophy of the Japanese Para Sports Association (JPSA) of fostering inclusion to make society a place where everyone can benefit from the value of sports, Nomura Real Estate Holdings has entered into an official partner agreement with the JPSA.

[See here to learn more about the activities of JPSA](#)



Supporting Sports for the Disabled

Nomura Real Estate Life & Sports collaborates with governmental bodies to provide swimming lessons for the disabled and a program for training instructors for the intellectually disabled. Members are four para-athletes, including three Japanese representatives in three sports, for whom the company provides assistance and support in their athletic pursuits.

Nomura Real Estate Partners promotes understanding of parasports and supports them through various activities, including the employment of Yuki Nishi, a wheelchair track and field athlete (T54 class), and Ryo Nagano, a para-swimmer (S21 class).



Yamato Motonakano, CP soccer player representing Japan



Motohiro Ejiri, para-climber representing Japan



Kenshiro Ito, para-surfer representing Japan



Akane Kato, para-athlete representing Japan

Certified as Tokyo Sports Promotion Companies

“Nomura Real Estate Partners and Nomura Real Estate Life & Sports were again certified by the Tokyo Metropolitan Government as 2022 Tokyo Sports Promotion Companies* as in the previous year. Both companies have been certified for seven consecutive years since fiscal 2016.”

※ “This certification is granted by the metropolitan government of Tokyo to companies that encourage employees to directly participate in sports as well as to those that provide support for athletes and others involved in sports.”

