

March 31, 2023

To whom it may concern

Sumitomo Mitsui Trust Bank, Limited

**Notice regarding the Conclusion of a Positive Impact Finance (with unspecified use of funds)
Loan Agreement (with Nomura Real Estate Holdings. Inc.)**

Sumitomo Mitsui Trust Bank, Limited (President: Kazuya Oyama; hereinafter “SuMi TRUST Bank”) concluded a “Positive Impact Evaluation” (hereinafter “this evaluation”) and “Positive Impact Finance (with unspecified use of funds)” loan agreement (hereinafter “this agreement”) with Nomura Real Estate Holdings. Inc. (President and Representative Director: Eiji Kutsukake; hereinafter “Nomura Real Estate Holdings”) in line with the Principles for Positive Impact Finance (*1) released by the United Nations Environment Programme Finance Initiative (hereinafter “UNEP FI”) (*2).

Positive Impact Finance (hereinafter “PIF”) is a type of loan agreement intended to support corporations to comprehensively analyze and evaluate the impacts (both positive and negative) of business activities related to the environment, society and economy on an ongoing basis. The most notable feature of PIF is that the degree of contribution from corporate activities, products and services in achieving Sustainable Development Goals (SDGs) is used as an evaluation indicator and monitored based on publicly disclosed information, and that we support corporations’ activities to achieve these goals through engagement.

This agreement has obtained a third-party opinion (*3) from Japan Credit Rating Agency, Ltd. (President: Shokichi Takagi) regarding the compliance of the procedures related to this agreement’s evaluation to the Principles as well as the rationality of the evaluation indicators.





Through providing PIF and other solutions for sustainability businesses, we will continue to support clients’ business activities that contribute to the achievement of the SDGs and contribute to the enhancement of their corporate value over the medium to long term.


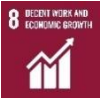

【About Nomura Real Estate Holdings】


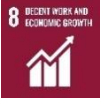

Nomura Real Estate Holdings has established its Sustainability Policy, named “Earth Pride.” This Sustainability Policy outlines its vision for 2050 by viewing social changes, such as climate change and the diversification of values, as new growth opportunities, and is based on three themes (“Pursuing humanity,” “Maintaining harmony with nature,” and “Building the future together.”) Furthermore, to achieve these goals, Nomura Real Estate Holdings has identified five priority issues (materiality) that should be addressed by 2030, consisting of “diversity and inclusion,” “human rights,” “decarbonization,” “biodiversity,” and “circular design.” Nomura Real Estate Holdings is promoting sustainable management which integrates the continuous growth of Nomura Real Estate Group and contribution to a sustainable society. In addition, Nomura Real Estate Holdings has formulated its vision for 2030 to “Be a ‘Life & Time Developer,’ as never seen before” in its medium-to-long-term management plan, and is working on transforming itself to create new value to enrich people’s respective lives (“Life”) and every moment of their time (“Time”).

【Overview of Positive Impact Evaluation】

In concluding this agreement, SuMi TRUST Bank assessed the following initiatives of Nomura Real Estate Holdings both qualitatively and quantitatively as initiatives that particularly have an impact on achieving SDGs.

Theme	Content	Goals and Indicators (KPI)	SDGs
<p>Response to climate change and natural environment</p>	<p>✓ Contribute to realize a sustainable society, biodiversity preservation and a circular society through environmentally friendly urban development</p>	<p><u>a. Promotion of initiatives in “energy saving,” “low-carbon business,” and “shift to renewable energy”</u> (Goals) 1a. Reduce total CO₂ emissions by 35% by FY2030 (compared to FY2019) 1b. Reduce total CO₂ emissions by 15% by FY2025 (compared to FY2019) 2a. Increase ratio of renewable energy to electricity consumption by 100% by 2050 2b. Increase ratio of renewable energy to electricity consumed by all rental properties Nomura Real Estate Development owns in Japan to 100% by FY2023 3. Maintain ZEH/ZEB-oriented standards in new buildings by 2030 4. Keep on acquiring 100% green building environmental certification for all non-current assets and properties for sale (excluding rental housing) that Nomura Real Estate Group newly develops in Japan (Indicators (KPI)) 1. CO₂ emissions (Scope 1,2 and 3 (Category 1,11)) 2. Ratio of renewable energy to electricity consumption 3. Energy conservation performance indicators in new buildings 4. Ratio of acquisition of green building environmental certification for all non-current assets and properties for sale (excluding rental housing) that Nomura Real Estate Group newly develops in Japan</p> <p><u>b. Contribution to preservation of the natural environment through urban afforestation and recovery of forest, thus enabling rich biodiversity, by restoring the forest cycle in Japan</u> (Goals) 1. Use 10,000 m³ of domestic timber as a building material over the next five years</p>	   

		<p>2. Increase the number of biodiversity certification (Indicators (KPI))</p> <ol style="list-style-type: none"> 1. The amount of domestic timber used as a building material 2. The number of biodiversity certification <p><u>c. Contribution to a circular society through urban development and service provision that incorporate longer lives of properties, recycling, and sharing</u> (Goals)</p> <ol style="list-style-type: none"> 1a. Increase the provision of re:Premium and re:Premium Duo services 1b. Increase the adoption of Attractive 30 service 2. Set a goal about waste reduction by the end of September 2023 <p>(Indicators (KPI))</p> <ol style="list-style-type: none"> 1a. The number of provision of re:Premium and re:Premium Duo services 1b. The number of the adoption of Attractive 30 service 2. Status of progress for setting a goal about waste reduction 	
<p>Strengthening the foundation for promoting sustainability for co-creation that transcends organizations and business categories</p>	<p>✓ Realize lifestyles suited to people with diverse backgrounds and values</p>	<p><u>a. Creation of an organization that enables diverse workers, including women and foreign nationals, with various backgrounds and values to make meaningful contributions</u> (Goals)</p> <ol style="list-style-type: none"> 1. Improve female manager and junior manager ratio to 20% by FY2030 2. Improve childcare leave utilization rate by men and women to 100% by FY2023 and maintain 100% thereafter 3. Provide products and services with inclusive design <p>(Indicator (KPI))</p> <ol style="list-style-type: none"> 1. Female manager and junior manager ratio 2. Childcare leave utilization rate by men and women 3. Status of development of products and services with inclusive design <p><u>b. Solidification of a corporate foundation of mutual respect for the dignity and basic human rights of every employee and business partner</u> (Goal)</p> <p>✓ Improve procurement guideline survey</p>	  

		<p>implementation rate to 80% by 2030 (Indicator (KPI)) ✓ Procurement guideline survey implementation rate</p>	
<p>Creation of new values based on people's respective lives and every moment of their time</p>	<p>✓ Improve Quality Of Life (QOL) and achieve Well-being</p>	<p><u>a. Improvement of QOL of the people who live, work, and gather in its buildings with use of DX, based on the various needs from the "Market-in approach"</u> (Goals) 1. Increase the provision of new products and services with use of DX, which contribute to the improvement of QOL 2. Maintain and improve the results of the Livability Satisfaction Survey one year after residents take up occupancy 3. Maintain and improve the results of the Tenant Company Satisfaction Survey for office building occupants (Indicators (KPI)) 1. The number of the provision of new products and services with use of DX, which contribute to the improvement of QOL 2. Results of the Livability Satisfaction Survey one year after residents take up occupancy 3. Results of the Tenant Company Satisfaction Survey for office building occupants</p> <p><u>b. Building sustainable communities which revitalize communities and enable people to live with security, safety and comfortability (Well-being)</u> (Goals) 1. Increase the number and participants of "Be ACTO" 2. Increase the number of elementary school lesson programs 3. Improve the development of health promoting senior rental residence 4. Increase the number of CASBEE-Wellness Office certifications 5. Increase the number of facilities, etc. that can take in persons who are unable to return home during a disaster (Indicators (KPI)) 1. The number and participants of "Be ACTO" 2. The number of elementary school lesson programs</p>	  

		3. The number of health promoting senior rental residences 4. The number of CASBEE-Wellness Office certifications 5. The number of facilities, etc. that can take in persons who are unable to return home during a disaster	
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(*1) The Principles for Positive Impact Finance

The Principles for Positive Impact Finance was developed by UNEP FI in January 2017 as a financial framework for achieving the SDGs. Companies disclose the level of contributions to achieving SDGs through KPIs. Banks then provide funding by evaluating the positive impact observed from these KPIs that is intended to guide the borrowers to increase the positive impact and reduce the negative impact.

The lending bank, as a responsible financial institution, will check if the impact is continuing or not by monitoring the indicators.

(*2) The United Nations Environment Programme Finance Initiative (UNEP FI)

The United Nations Environment Programme (UNEP) is an executive body for implementing the “Human Environment Declaration” and the “International Environmental Action Programme”, established in 1972 as a subsidiary body to the United Nations system. UNEP FI represents a broad as well as a close partnership between UNEP and more than 200 global financial institutions. Since its establishment in 1992, UNEP FI has been working in concert with financial institutions, policy/regulatory authorities to transform itself into a financial system that integrates economic development and ESG considerations.

(*3) Third-party opinion on compliance with Principles of Positive Impact Financial and rationality of used metrics

For the independent opinion from Japan Credit Rating Agency, Ltd., please visit:

<https://www.jcr.co.jp/en/greenfinance/>

Ends