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1-26-2, Nishi-Shinjuku, Shinjuku-ku, Tokyo
Nomura Real Estate Holdings, Inc.
Representative: Eiji Kutsukake, President and Representative Director
(Stock code: 3231, TSE Prime Market)
Contact: Hidehiro Sasaki, General Manager
Corporate Communications Dept.
Tel: +81-3-3348-8117

Announcement of the Continuation and Partial Revision of Performance-based Share-based Compensation Plan, Etc.

Nomura Real Estate Holdings, Inc. (the “Company”) hereby announced that it decided, at the meeting of the Board of Directors held today, to submit a proposal to continue and partially revise the executive compensation BIP (Board Incentive Plan) trust (the “Plan”), a share-based compensation plan for all or some of Directors and Executive Officers (excluding Directors as Audit & Supervisory Committee Members, External Directors and non-residents of Japan) of the Company and certain subsidiaries of the Company (“Target Subsidiaries”; the Company and the Target Subsidiaries are hereinafter collectively referred to as “Target Companies”) (Directors and Executive Officers of Target Subsidiaries are hereinafter referred to as “Directors, etc. of Target Subsidiaries,” and the Company’s Directors and Directors of Target Subsidiaries are collectively referred to as “Eligible Directors”), which was introduced in 2018, to the 18th Ordinary General Meeting of Shareholders to be held on June 24, 2022. As in the case of the Company, the Board of Directors of each Target Subsidiary will also resolve the partial revision of the Plan and submit the proposal to the General Meeting of Shareholders of each Target Subsidiary (General Meetings of Shareholders of the Company and Target Subsidiaries are hereinafter collectively referred to as the “General Meeting of Shareholders”).

1. Reason for continuing the Plan

- (1) In order to achieve sustained high profit growth going forward in a rapidly changing business environment, the Company has clarified the Group’s vision with respect to the kind of value that the Group seeks to provide to society and its customers in the future as a corporate group. Guided by this vision, we formulated the Nomura Real Estate Group 2030 Vision, which is “Be a ‘Life & Time Developer,’ as never seen before”, in April 2022 based on the notion that we need to evolve and transform approaches and methods of value creation. At the same time, we formulated and released our new mid- to long-term business plan (the “Business Plan”).

The continuation of the Plan is undertaken to further enhancing the link between compensation system and the management efforts toward achieving targets of the Business Plan undertaken by the Eligible Directors for the performance-based share-based compensation, as well as, heightening awareness among External Directors of value sharing with shareholders by adding External Directors to the scope of eligibility for the non-performance-based share-based compensation, and the Company will partially revise the Plan. The content of the revision is as stated in “2. Partial revision of the Plan.”

- (2) The Plan will be continued and partially revised on the condition that each Target Company obtains approval for the proposal regarding the revision of executive compensation at its General Meeting of Shareholders.
- (3) The Plan utilizes the mechanism called executive compensation BIP (Board Incentive Plan) trust (the “BIP Trust”) (The trust established under the Plan is hereinafter referred to as the “Trust”). The BIP Trust is an incentive plan for officers established by reference to a Performance Share plan and a Restricted Stock plan in the U.S. Under this plan, the Company’s shares and the amount of money equivalent to the converted value of such Company’s shares (the “Company Shares, etc.”) are vested or paid (“vested, etc.”)

to Eligible Directors according to their position, the level of achievement of performance targets in the Mid- to Long-term Business Plan, etc.

2. Partial revision of the Plan

- (1) The Company will modify the trust agreement and entrust additional money in the Trust in line with the revision of the Plan. There is no change in the expiration of the trust period of the Trust on August 31, 2026. However, if the trust period is extended due to the modification of the trust agreement and entrustment of additional money, the fiscal years covered by respective subsequent Mid- to Long-term Business Plan shall be the Covered Period.

- (2) In the continuation of the Plan, the previous plan will be revised on the condition that each Target Company obtains approval at the General Meeting of Shareholders. In particular, this revision is intended to bolster awareness to contribute to mid- to long-term improvement of the Company's corporate value and strengthen the sense of shared interest with shareholders and draw out a commitment to taking on incentives toward achieving our business targets by providing more performance-based share-based compensation, and furthermore. In addition, External Directors of the Company will be added to the scope of eligibility for the non-performance-based share-based compensation that serves as incentive for ensuring prevention of damage to the Company's corporate value and for maintaining its credibility. The company aims that will enhance corporate governance. Directors as Audit & Supervisory Committee Members will continue not to be eligible with respect to the Plan. The Company will revise each item of (i) to (iii) as per the proposed revision, and Target Subsidiaries will also mainly make revisions with regard to items of (i) and (iii). For other details of the Plan, please refer to "Announcement of Introduction of Performance-Based Stock Incentive Plan, Etc." as of May 18, 2018.

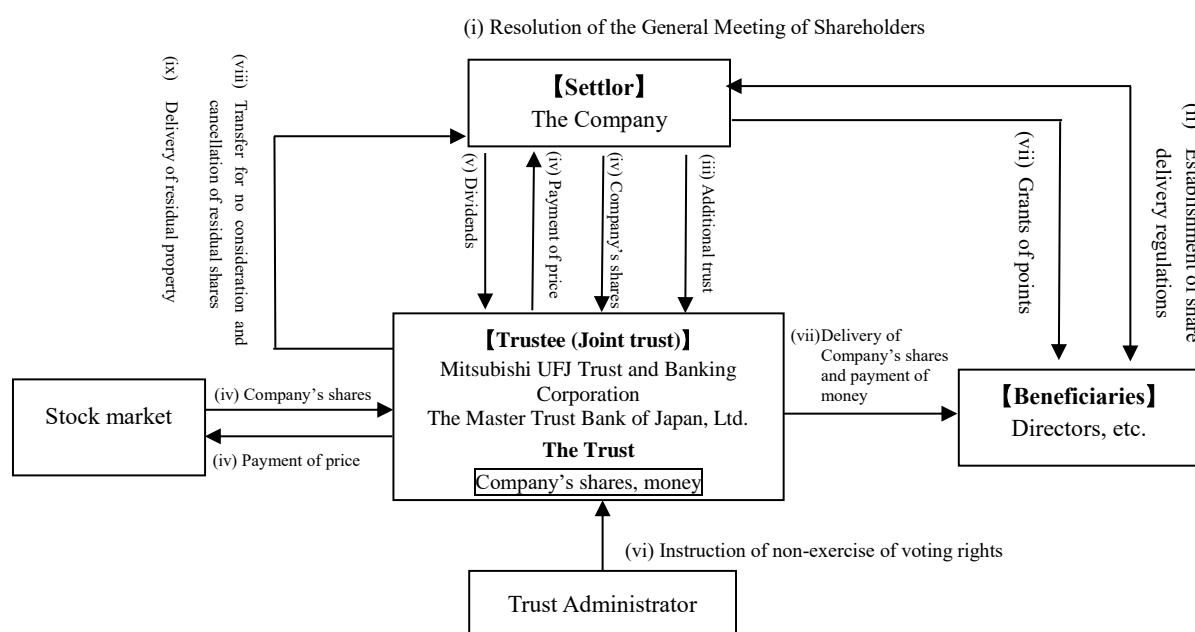
Overview of the Plan and summary of the partial revision

Main categories of revision	Proposed revision	Revision aims and reasons
(i) Covered Period	The Covered Period is to encompass three consecutive fiscal years, as is the case under the current Plan. The Covered Period beginning from the fiscal year ended March 31, 2022, is to conclude as of that fiscal year, pursuant to the Plan prior to revision. Meanwhile, the new Covered Period is to encompass the three consecutive fiscal years beginning from the fiscal year ending March 31, 2023, pursuant to the Plan subsequent to revision. If procedures for period extension are implemented, the Plan will apply to each three fiscal years thereafter.	This is to ensure that established phases constituting increments of three fiscal years under the Business Plan align with the Covered Periods under the Plan.
(ii) Persons eligible for the non-performance based portion*	External Directors of the Company (excluding Directors as Audit & Supervisory Committee Members and non-residents of Japan) shall be added to the existing persons eligible.	The Company expects that the increase in compensation for External Directors, in light of the recent expansion of their responsibilities, will be dealt with share-based compensation, which will work as an incentive to prevent damage to the Company's corporate value and maintain its credibility by sharing value with shareholders as part of its efforts to strengthen corporate governance. Vesting of shares will be deferred until the time of resignation

Main categories of revision	Proposed revision	Revision aims and reasons
(iii) Maximum amount of money to be contributed to the Plan by the Company and maximum number of shares to be vested, etc. to Directors	¥1,650 million and 672,000 shares for each period of three fiscal years (of which, there are ¥9,900,000 and 4,030 share maximums per External Director for each period of three fiscal years)	This will result in a higher proportion of incentive for improving mid- to long-term performance within the Directors' compensation structure, taking into account the need for enhancing awareness toward increasing corporate value over the mid to long term, and ensuring consistency with features of the real estate business, which enlists a medium- to long-term business outlook.

* The non-performance-based portion of shares is not linked to performance and consists of the “restricted shares (RS)” portion of share-based compensation of the Company, whereby vesting, etc. is deferred until resignation of each Director and officer of the Group in principle.

3. Details of the Plan subsequent to revision, etc. (revisions underlined>)



- (i) Each Target Company will obtain a resolution to approve the partial revision of the Plan at its General Meeting of Shareholders.
- (ii) Each Target Company will revise share delivery regulations regarding the partial revision of the Plan at a meeting of its board of directors.
- (iii) Each Target Subsidiary will contribute money to be used as a fund for compensation for Directors, etc. of Target Subsidiaries to the Company within the scope approved by a resolution at the General Meeting of Shareholders in (i) above, and the Company will additionally entrust the sum of such money contributed from the Target Subsidiaries and money to be used as a fund for compensation for Directors of the Company within the scope approved by a resolution at the General Meeting of Shareholders of the Company in (i) above and extend the trust period of the Trust.
- (iv) The Trust will acquire the Company's shares from the Company (disposition of treasury shares) or the stock market using the trust money contributed in (iii) above and any existing money remaining in the Trust in accordance with the directions of the Trust administrator. The number of shares to be acquired by the Trust shall be within the scope of the number approved by a resolution at the General Meeting of Shareholders in (i) above. The Company's shares held in the Trust shall be managed separately for each account of the Target Companies based on the amount of contribution made by each Target Company.
- (v) Distributions will be made to the Company's shares held in the Trust as in the case of other Company's shares
- (vi) No voting rights shall be exercised with respect to the Company's shares held in the Trust during

- the Trust term.
- (vii) During the Covered Period, a certain number of points will be granted to Eligible Directors according to their position in each fiscal year. To Eligible Directors satisfying certain beneficiary requirements, the Company Shares, etc. will be vested, etc. based on the number of points three years after the beginning of each fiscal year during the Covered Period, and upon resignation of all Eligible Directors and officers of the Group in principle.
 - (viii) If there are residual shares incurred at the time of the expiration of the Covered Period, the Company will continue to use the Trust by modifying the trust agreement and entrusting additional money in the Trust, or the Trust will transfer such residual shares to the Company for no consideration and the Company will acquire the shares for no consideration and then cancel the shares by a resolution of the Board of Directors.
 - (ix) At the time of termination of the Trust, any residual property remaining after the distribution to the beneficiaries will be allocated to the Company, as holder of vested rights, within the amount of reserves for trust expenses after deducting funds for acquisition of shares from the trust money.

* If there are no Company's shares remaining in the Trust after the Company Shares, etc. have been vested, etc. to Eligible Directors satisfying beneficiary requirements, the Trust will terminate before the expiration of the Trust term. Each Target Company may (with respect to the Target Subsidiaries, through the Company) contribute additional money to the Trust to be used as a fund for acquisition of the Company's shares within the scope approved by a resolution at the General Meeting of Shareholders of each Target Company respectively, and the Trust may acquire additional Company's shares.

(1) Outline of the Plan

The Plan covers the three fiscal years from the fiscal year ending March 31, 2023 to the fiscal year ending March 31, 2025 (the "Covered Period") (*), during which period the Company Shares, etc. are vested, etc. as executive compensation based on their respective executive position in each fiscal year during the Covered Period and the level of achievement of performance targets three years after the beginning of the applicable fiscal year. The Covered Period beginning from the fiscal year ended March 31, 2022, is to conclude as of that fiscal year, pursuant to the Plan prior to revision.

* If the Covered Period is extended upon its expiration, the Covered Period shall be each period of three fiscal years thereafter.

(2) Procedures for continuation of the Plan

Each Target Company will resolve at the General Meeting of Shareholders the maximum amount of money to be contributed to the Trust for each Covered Period and other necessary matters.

If the Covered Period is to be extended, each Target Company will decide such extension by a resolution of the board of directors within the scope approved at its General Meeting of Shareholders.

(3) Trust term

The trust term is unchanged and shall be from September 3, 2018 to August 31, 2026 (scheduled).

If it is determined to extend the Covered Period upon expiration, the Trust term may be extended by modifying the Trust Agreement and entrusting additional money. In such case, the Covered Period and the Trust term will be extended for a further three years, and the Target Subsidiaries will contribute additional money to be used as a fund for compensation for the Directors, etc. of Target Subsidiaries for each extended Covered Period within the scope of the amount of contribution to the Trust approved by a resolution at the General Meeting of Shareholders of each of the Target Subsidiaries, and the Company will entrust the sum of such money contributed from the Target Subsidiaries and money to be used as a fund for compensation for Directors of the Company within the scope approved by a resolution at the General Meeting of Shareholders of the Company. Granting points and vesting, etc. Company Shares, etc. to Eligible Directors will be continued during the extended Covered Period.

However, in cases where such additional contributions are to be made, when there are any Company's shares (excluding Company's shares which are expected to be vested, etc. based on the number of points granted to Eligible Directors) and amounts remaining in the trust property (together with the Company's shares remaining, the "Residual Shares, etc.") as at the last day of the Covered

Period prior to the extension, the sum of the amount of Residual Shares, etc. and additional trust money to be contributed shall be within the amount of contribution to the Trust approved for respective account of each Target Company at the General Meeting of Shareholders of each applicable Target Company.

In addition, if no modification of the Trust Agreement is made and no additional money is entrusted at the expiration of the Covered Period of the Trust, no points will be granted to Eligible Directors thereafter; provided, however, that if any Eligible Director, etc. who might satisfy the beneficiary requirements holds office at that time, the Trust term may be extended for up to ten years until such Eligible Director, etc. resigns from all position of Eligible Directors and officers at the Group and the vesting, etc. of the Company Shares, etc. is completed in principle.

(4) Number of Shares to be Vested, etc. to Eligible Directors

The number of shares to be vested, etc. to Eligible Directors shall be determined based on the number of points calculated in accordance with the formula below, converting one point to one Company's share. If the number of the Company's shares under the Trust is increased or decreased through a share split, allotment of shares without contribution or consolidation of shares, among others, the Company will adjust the number of Company Shares, etc. to be vested, etc. per one point and the total number of the Company Shares, etc. to be vested, etc. based on the ratio of such increase or decrease.

Calculation formula of points

(i) Performance-based portion

A number of points obtained by dividing the amount of base compensation determined in advance with respect to each executive position by the share price at which the Trust acquired the Company's shares (the "Number of PS Points") shall be granted to Eligible Directors, who hold office on the last day of each fiscal year during the Covered Period. The number of performance-based points shall be calculated by multiplying the Number of PS Points granted for each fiscal year by the performance-based coefficient determined based on the level of achievement of performance targets three years after the beginning of the applicable fiscal year.

Formula of the number of performance-based points: Number of PS Points × Performance-based coefficient*

* The performance-based coefficient varies between 0% and 200% depending on the level of achievement of target figures of consolidated operating profit and profit attributable to owners of parent, etc. set under the Business Plan.

(ii) Non-performance-based portion

A number of points obtained by dividing the amount of base compensation determined in advance with respect to each executive position by the share price at which the Trust acquired the Company's shares (the "Number of RS Points") shall be granted to Eligible Directors who hold office on the last day of each fiscal year during the Covered Period on a cumulative basis (such accumulated Number of RS Points, the "Number of Non-Performance-Based Points").

(5) Timing and Method of Vesting, etc. of Shares, etc. to Eligible Directors

(i) Performance-based portion

The timing at which Company Shares, etc. pertaining to the performance-based portion are vested, etc. will be three years after the beginning of each fiscal year during the Covered Period. Eligible Directors who meet the prescribed requirements for beneficiaries shall receive the Company's shares corresponding to 50% of the number of performance-based points (the number of shares less than a share unit will be rounded down), and receive money equivalent to the Company's shares corresponding to the number of remaining performance-based points that are converted into cash under the Trust.

(ii) Non-performance-based portion

The timing at which Company Shares, etc. pertaining to the non-performance-based portion are vested, etc. will be after the resignation from all position of Eligible Directors and officers at the Group in principle. Eligible Directors who meet the prescribed requirements for beneficiaries shall receive Company's shares corresponding to 50% of the Number of Non-Performance-Based Points granted by the time of resignation (the number of shares less than a share unit will be rounded down), and receive money equivalent to Company's shares corresponding to the remaining Number of Non-Performance-Based Points that are converted into cash under the Trust.

(6) Maximum Amount of Money to be Contributed to the Trust and Maximum Number of Company Shares, etc. to be Vested, etc. from the Trust

The maximum amount of money to be contributed by the Company to the Trust during the Covered Period shall be ¥1,650 million (*) (of which, there are ¥9,900,000 per External Director for each Covered Period). The total maximum amount of money to be contributed by the Target Subsidiaries to the Trust during the Covered Period shall be ¥6,010 million in total (combined with the amount of money to be contributed by the Company, ¥7,660 million in total)(*).

* The maximum amount of money to be contributed is calculated by adding the trust fees and trust expenses to the funds for acquisition of shares taking into consideration the current level of compensation for Eligible Directors

The maximum number of Company Shares, etc. to be vested, etc. to Directors of the Company during the Covered Period shall be 672,000 shares (of which, there are 4,030 shares per External Director for each Covered Period) and the maximum number of Company Shares, etc. to be vested, etc. to Directors, etc. of Target Subsidiaries during the Covered Period shall be 2,457,000 shares. Therefore, the maximum number of Company's shares to be acquired by the Trust (the "Number of Shares to be Acquired") during the Covered Period shall be equal to the total maximum number of Company Shares, etc. to be vested, etc. to Directors of the Company and Directors, etc. of Target Subsidiaries during each such Covered Period (3,129,000 shares).

(7) Method of Acquisition of the Company's Shares by the Trust

The Trust will acquire the Company's shares from the Company (disposition of treasury shares) or the stock market within the maximum amount of money to be contributed by the Company and the Target Subsidiaries and the maximum Number of Shares to be Acquired described in (6) above. The details of the acquisition method will be separately determined and disclosed by the Company following a resolution by the General Meeting of Shareholders.

(8) Voting Rights Related to the Company's Shares under the Trust

Voting rights related to the Company's shares under the Trust shall not be exercised during the Trust term to ensure the neutrality of the Company management.

(9) Treatment of Dividends Pertaining to the Company's Shares under the Trust

The dividends pertaining to the Company's shares under the Trust shall be received by the Trust and applied to the trust fees and trust expenses. Any money remaining at the time the Trust finally terminates after application to the trust fees and trust expenses shall be contributed to organizations that are irrelevant to the Target Companies or Eligible Directors in principle.

(10) Treatment of Termination of the Trust

At the expiration of the Covered Period, if it is decided that the Covered Period is to be extended, the Trust may be extended by modifying the Trust Agreement and entrusting additional money before the Trust term expires. If the Covered Period is not extended and the Trust is terminated upon expiration of the Trust term and there are residual shares incurred due to failure to achieve performance targets or any other cause, the Trust will, as a measure to return profits to shareholders, transfer such residual shares to the Company for no consideration and the Company will cancel such shares by a resolution of the Board of Directors.

(11) Clawback Mechanism, etc.

Under the Plan, in the event of serious misconduct, violation or other such incident by Eligible Directors arises, the Company may forfeit or expropriate the Eligible Director's rights to receive the Company Shares, etc. under the Plan (malus), or may seek return of money equivalent to the Company Shares, etc. that have been vested (clawback).

Reference:

Details of the Trust Agreement

(i) Type of the Trust	Trust of money other than specified individually operated money trust (third party beneficiary trust)
(ii) Purpose of the Trust	Provision of incentives to Eligible Directors
(iii) Settlor	The Company
(iv) Trustee	Mitsubishi UFJ Trust and Banking Corporation (Joint trustee: The Master Trust Bank of Japan, Ltd.)
(v) Beneficiary	Eligible Directors satisfying beneficiary requirements
(vi) Trust administrator	Third party who has no interest in the Target Companies (certified public accountant)
(vii) Date of the change of the trust agreement	August 1, 2022 (scheduled)
(viii) Term of the Trust	September 3, 2018 to August 31, 2026 (scheduled) *Scheduled term under the current plan is shown above. It will be determined later.
(ix) Commencement date	September 3, 2018
(x) Voting rights	No exercise of voting rights
(xi) Type of shares to be acquired	Common shares of the Company
(xii) Maximum amount of trust money	¥7,660 million (scheduled) (including trust fees and trust expenses)
(xiii) Share acquisition method	Shares will be acquired from the Company or the stock market.
(xiv) Holder of vested rights	The Company
(xv) Residual properties	The Company may receive residual property as holder of vested rights within the amount of reserves for trust expenses after deducting funds for acquisition of shares from trust money.

(Note) The scheduled dates stated above may be changed to more appropriate dates in light of applicable laws and ordinances.