



Performance, Issues, and Targets

This section reports the fiscal 2006 results, and fiscal 2007 targets, for the wide range of initiatives conducted by the Daiwa Securities Group for the achievement of a sustainable society.

		Issues and targets for fiscal 2006	Rating of initiatives	Pages in report
Adding a Social Perspective to Investment				9–12
Commitment to the Development of a Sound Securities Market				13–16
Contribution to Global Environment				17–19
Publishing Information for a Sustainable Society				20–24
Corporate Governance		Document internal standards relating to financial reporting and establish evaluation methods for the entire group.	G	27–28
		Prepare systems for each group company in compliance with upcoming changes in Japanese commercial law.	VG	
		Improve group management structures by investigating performance evaluation methods and promoting business continuity plans (BCP).	G	
CSR Management		Focus more on economic and financial education.	G	29–30
		Promote the widespread practice of SRI.	G	
Compliance	Entire Group	Arrange activities to raise awareness of the Corporate Ethics Hotline among group companies.	VG	31–32
		Strengthen measures against anti-social influences.	G	
	Daiwa Securities	Practice proposal sales in order to support the asset formation that clients truly want.	VG	
		Streamline the way consultations are conducted between customers and senior branch officers.	G	
		Improve quality of performance in order to eliminate complaints and claims.	G	
	Daiwa Securities SMBC	Keep rigorous guard against anti-social influences and unfair trading practices.	G	
		Implement training that includes current issues, and enrich e-learning content.	VG	
		Take steps to prevent any leakage of personal data during the implementation of measures.	VG	
		Build an inspection system to watch for conflicts of interest.	VG	
		Create a framework to comply with the Comprehensive Supervisory Guidelines for Securities Companies established by the Financial Services Agency.	VG	
		Set up a trading management system according to the new rules of the Japan Securities Dealers Association.	VG	
Information Disclosure		Expand IR programs to suit more types of investors.	VG	33–34
		Improve investor relations activities for individual investors.	G	
		Encourage a better understanding of disclosure-related regulations within the Group.	G	
Customer Satisfaction		Actively pursue post-sales follow up.	G	35–36
		Create office atmospheres that are appealing to a broad clientele.	G	
		Implement education programs to improve manners and knowledge of younger sales staff.	G	
Human Values and Human Resource Utilization		Strengthen initiatives for job creation.	VG	37–40
		Enhance education and training programs to increase the number of qualified analysts and certified financial planners (CFPs).	G	
		Continue workplace initiatives in support of female employees.	G	
Corporate Citizenship		Strengthen initiatives that address social issues.	G	41–44
		Promote volunteer programs that enable the participation of larger numbers of employees.	F	
The Environmental Impact of the Daiwa Securities Group		Expand the environmental management systems to consolidated subsidiaries in Japan.	F	45–46
		Reduce environmental impact through the computerization of documents and the reduction of office paper usage.	VG	
		Establish guidelines on procurement.	NI	

Issues and targets for fiscal 2007

Promote the widespread practice of SRI (continued).

Provide more information on socially responsible investment.

See "Compliance."

Consider the development of financial products that enable investors to help resolve environmental issues.

Expand environmental management systems to major overseas offices.

Reduce environmental impact by such means as appropriate adjustment of air conditioning and using electronic statements.

Achieve zero waste on move of headquarters building.

Enhance activities to raise awareness of sustainability.

Promote economic and financial literacy initiatives for junior and senior high-school students.

Perform documentation and validation in anticipation of fiscal 2008 (first year that internal control system goes into effect).

Create systems for new businesses.

Further promote BCP.

See "Adding a Social Perspective to Investment" and "Publishing Information for a Sustainable Society."

Raise awareness of corporate ethics and compliance at group companies (continued).

Strengthen measures against anti-social forces (continued).

Enhance systems compliant with such revised laws as the Financial Instruments and Exchange Law and Financial Products Sales Law.

Revise internal rules, including simplification and streamlining.

Enhance customer and sales-force management systems.

Enhance systems compliant with such revised laws as the Financial Instruments and Exchange Law and Financial Products Sales Law.

Manage information more strictly, and in particular establish systems to prevent the leakage of personal information.

Enhance compliance regimes relating to laws and regulations concerning foreign exchange.

Support greater sophistication in risk-management systems.

Enhance disclosure of non-financial information.

Further expand and enhance investor relations (IR) targeting individual investors.

Actively pursue post-sales follow up (continued).

Improve skills of junior salespeople.

Improve customer-interface skills of branch employees who interact with customers.

Further promote company-vitalization measures.

Enhance education and training programs to increase number of certified analysts and CFPs (continued).

Develop workplace environments where women can fully demonstrate their abilities (continued).

Contribute to social welfare through the utilization of grant programs and the like.

Promote volunteer programs to enable more employees to participate (continued).

See "Contribution to Global Environment."

Fiscal 2006 performance and fiscal 2007 targets

◎ Fiscal 2006 performance

The results of initiatives in fiscal 2006, and plans for fiscal 2007, are listed as the issues and targets of each division. Each initiative is rated based on its results in achieving its vision and medium-term goals*1.

◎ Fiscal 2007 targets

Targets for fiscal 2007 relating to the material issues identified in this report are categorized as "targets for material issues."

Additionally, the CSR targets of each division for fiscal 2007 are in accordance with the Group's Medium-term Management Plan*2, and the practice of CSR targets leads to the maximization of the value of each stakeholder group.

*1 In the following pages, "vision and medium-term goals" are indicated as the vision of each division to achieve through its initiative.

*2 The Group's Medium-term Management Plan: A three-year plan from fiscal 2006 to fiscal 2008. See page 14 of the Daiwa Securities Group Inc. Financial Report for the period ended March 2007 for details. (In Japanese only)
<http://www.daiwa-grp.jp/ir/financial/report.cfm>

Rating of initiatives

VG : Very good results toward achieving vision and medium-term goals
G : Good results toward achieving vision and medium-term goals
F : Fair; further implementation and results needed
NI : Not implemented