CSR Management

We promote CSR activities through communication with our stakeholders, actively publishing information related to CSR both inside and outside the company.

Vision and medium-term goals for CSR management

The Daiwa Securities Group has a wide range of CSR initiatives, aimed at sustainable growth together with society. By carrying out CSR activities, we also aim to meet the demands and expectations of all our stakeholders, and improve our employees' confidence in the company, their pride in their work, and their sense of solidarity.

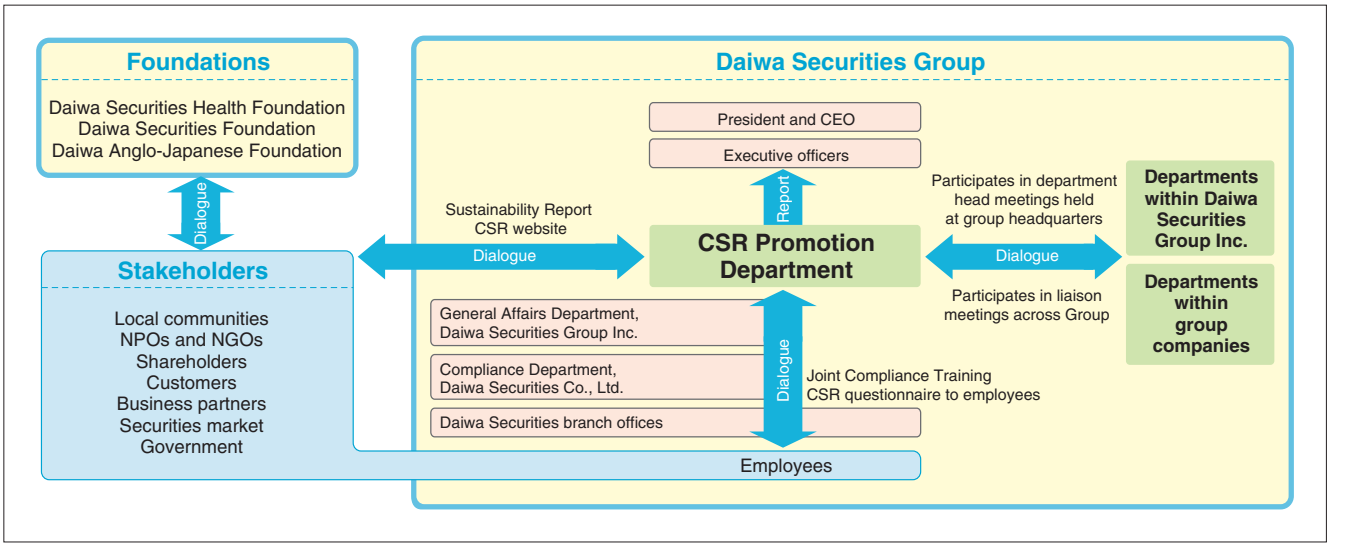
Issues and targets for fiscal 2006	Results and progress for fiscal 2006
Focus more on economic and financial education.	• Continued practical activities to give youth the ability to live in society; these efforts have grown steadily.
Promote the widespread practice of SRI.	• Promoted sales of the Daiwa Eco Fund, and carried out a wide range of activities to promote and raise awareness about socially responsible investment (SRI) by publishing information via symposiums and other means.

CSR promotion system

We have established a CSR Promotion Department at Daiwa Securities Group Inc. The department participates regularly in department head meetings at group headquarters and in departmental liaison meetings held through the Group, where it reports on the Group's CSR activities and raises CSR-related issues.

We are also building a CSR promotion system to work toward sustainability and share information at our 43 major overseas facilities (which include foreign subsidiaries, branches, and overseas offices).

CSR promotion system



Daiwa Securities Group's basic CSR strategy

(Taken from "Passion for the Best 2008," Daiwa Securities Group's new medium-term management plan.)

To carry out communication with stakeholders on a more comprehensive scale, the Group contributes to the development of a sound economy and society, as well as maintains its social status.

- **Education in economics and finance**
  To work with educational institutions and NPOs to promote economics education, as well as support education and research based on the cooperation between business and universities.
- **Socially responsible investment (SRI)**
  To promote the widespread practice of SRI.
- **Environmental protection**
  To build an environmental management system, including the establishment of environmental policies, within the group companies, starting first with the principal group companies in Japan, then the consolidated subsidiaries in Japan, and later, the overseas subsidiaries.

>> Targets and main action plans for fiscal 2007

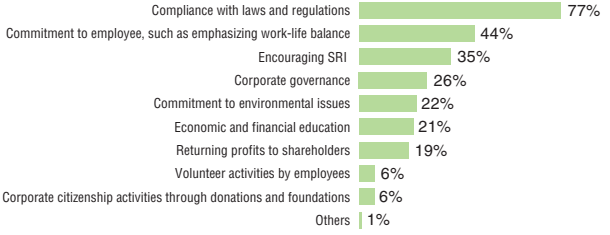
We will further expand and enhance our CSR information-disclosure system, including our sustainability reports. We will coordinate our Group SRI strategy, and support the development and promotion of our SRI fund and others. We will focus our economic and financial education particularly on junior and senior high-school students, continuing our activities in collaboration with NPOs and others.

Results of CSR employee survey

Daiwa Securities Group regularly conducts CSR surveys of all its employees, in order to track employee awareness of CSR. In fiscal 2007, we conducted a survey in May targeting all 15,206 employees (including temporary employees), and received 12,277 responses (80.74%). Some of the survey results are reported below. We treat these results very seriously, and are committed to having our employees carry out CSR activities autonomously.

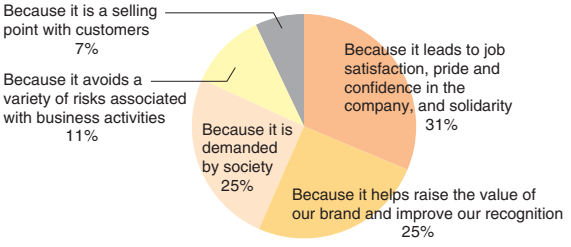
What aspects of CSR at Daiwa Securities Group do you think are particularly important, apart from a commitment to your day-to-day duties?

The most common responses were (in order) "Compliance with laws and regulations" (77%), "Commitment to employees, such as company programs that emphasize work-life balance" (44%), and "Encouraging SRI" (35%).



Why do you think Daiwa Securities Group promotes CSR?

The most common response was "Because it leads to job satisfaction, pride and confidence in the company, and solidarity" (31%), showing the level of penetration that our management policy has attained. Two other common responses were "Because it is demanded by society" and "Because it helps raise the value of our brand and improve our recognition," both at 25%.



What would be an effective way for Daiwa Securities Group to tackle environmental issues?

The responses showed that employees have a high level of awareness of reducing the Daiwa Securities Group's environmental impact: 52% responded "Reducing the environmental impact of offices by saving paper, managing air conditioning, etc.," and 47% responded "Reducing the environmental impact of operations by using electronic statements, investing in energy efficiency, etc." Meanwhile, efforts to appeal CSR awareness to society through our main businesses was lower than those of lowering the environmental impact of the Group: 28% responded "Private Investment in environmental business"; 25% responded "Developing and selling such financial products as environmentally aware investment trusts"; and 24% each responded "Expanding emissions-trading related business" and "Offering customers investment information relating to the environment."