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Editorial Policy

The Daiwa Securities Group has published this report yearly since 2002 with the aim of disclosing, clearly and in good faith, our activities to create a sustainable society. We also view the process of preparing this report as an important opportunity for us to affirm the outcome of our efforts and single out issues requiring further attention.

The Daiwa Securities Group identifies four material issues related to corporate social responsibility (CSR) that are likely to have a major impact on stakeholders' decision-making and on society. This report focuses on describing our progress in dealing with those issues and also explains our management policy of building a company worth working for and our initiatives for putting this policy into practice.

This report was compiled in accordance with the *2006 Sustainability Reporting Guidelines*, international guidelines published by the Global Reporting Initiative (GRI).^{*} Two particular objectives in preparing this publication were to raise CSR awareness among executives and employees and promote dialogue with various stakeholders.

*Global Reporting Initiative (GRI): An organization founded in 1997 to draw up and disseminate international guidelines for sustainability reporting. Participants include a variety of stakeholders, such as businesses, non-governmental organizations (NGOs), consultants, accounting groups and trade associations.

Scope of Report

Intended Readership

This report is intended for the Daiwa Securities Group's diverse stakeholders, which primarily include customers, shareholders and investors, executives and employees, as well as business partners, non-profits (NPOs, NGOs), local communities where Daiwa Securities has offices, educational institutions, and the families of executives and employees.

Scope of Reporting

This report basically covers our nine main group companies,^{*} which account for approximately 90 percent of the Group's employees. The report does not, however, include data from all nine companies on all items reported; the information included is proportional to the respective companies' size and type of business handled. Environmental load data changed due to head office relocation in fiscal 2007. The scope of numerical data is noted along with the data.

Period Covered by Report

Fiscal 2007 (April 2007–March 2008). The report also includes some information on activities carried out in fiscal 2008 and on activities that occurred prior to fiscal 2006.

Publication Date

August 2008 (the previous report was published in September 2007; the next report is planned for June 2009).

*See "Description of the Daiwa Securities Group's Business" on p. 4 for the Group's nine main companies.