

CSR Issues: Performance and Targets

This section reports the fiscal 2008 results and fiscal 2009 targets for the wide range of initiatives conducted by the Daiwa Securities Group for the creation of a sustainable society.

		Targets for Fiscal 2008
Key Issue 1 Leverage Financial Capabilities to Contribute to a Sustainable Society	Adding a Social Perspective to Investment	Continue to develop and spread financial products with a social perspective and SRI.
		Provide more information on investment from a social perspective (continued).
	Contribution to the Global Environment	Raise awareness of environmental issues among executives and employees.
		Reduce the environmental burden by setting temperatures appropriately, reducing use of paper and other means. Promote reuse and recycling of fixtures when moving to new headquarters building.
Key Issue 2 Develop Sound Financial and Capital Markets for the Next Generation	Commitment to the Development of a Sound Securities Market	See "Compliance."
	Providing Information for a Sustainable Society	Provide more information about sustainability on our CSR website. Expand and promote economic and financial education initiatives for students from junior high school to university.
Corporate Governance		Establish a system for evaluating internal control.
		Organize and expand the Group's management system, including systems for new businesses.
		Promote Business Continuity Plan (BCP).
CSR Management		Promote dialogue with stakeholders.
		Raise awareness of CSR among executives and employees.
		Improve coordination among related internal departments.
Compliance	Entire Group	Raise awareness of corporate ethics and compliance at Group companies.
		Strengthen monitoring to eliminate criminal elements.
	Daiwa Securities	Strengthen the internal control system.
		Create an enhanced internal control structure for systems and IT.
		Enhance the monitoring system for unfair transactions.
	Daiwa Securities SMBC	Improve the system for handling the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc.
Implement new risk management for the Financial Instruments and Exchange Act.		
Enhance the information management system.		
Information Disclosure		Expand and make good use of IR channels.
		Implement effective IR directed to individual investors.
		Enhance disclosure of non-financial information (continued).
Customer Satisfaction		Actively pursue post-sales follow up (continued).
		Improve employees' skills (continued).
		Improve customer-interface skills of branch counter staff interacting with customers (continued).
Respect for People and Human Resource Utilization		Reassess all employees' working hours/time management (encourage employees to take yearly paid leave, etc.).
		Change employee attitudes through child-rearing (encourage male employees to take child care leave, etc.).
		Continue hiring persons with disabilities as regular employees.
Corporate Citizenship		Promote an environment encouraging executives and employees to participate in volunteer work.
		Communicate information about volunteering and volunteer activities in-house.
Environmental Impact of the Daiwa Securities Group		See "Contribution to Global Environment."

Results for Fiscal 2008	Target for Fiscal 2009
Sold vaccine bonds, Russell Global Environmental Technology Fund, Daiwa Energy Technology Fund (limited open-type fund), Next-Generation Environmental Business Fund.	Enhance links among Group companies concerning SRI. Expand information dissemination related to environmental problems.
Increased the number of analysts at Daiwa Institute of Research Ltd. who provide business-related CSR information. Daiwa Institute of Research Ltd. published "Environment Report."	
Upgraded systems at Group companies for the revised Energy Conservation Law. Implemented thorough "Cool-Biz" (open collars and shirtsleeves in the office) and adjusted office temperatures appropriately throughout the Group. Promoted paperless meetings and enforced reductions in paper use by monitoring copying paper usage. Achieved a 98% recycling ratio by utilizing reuse and recycling measures.	
See "Compliance."	Communicate more information about sustainability on our CSR website (continued). Expand and promote economic and financial education initiatives. See "Compliance."
Increased publishing of sustainability reports and other documents. Expanded English language CSR website. Strengthened links among overseas universities—primarily in Asia—through the Daiwa Securities Group Asian Student Scholarship Fund (created with the University of Tokyo) and other initiatives.	
Established a structure to evaluate the effectiveness of internal control systems, for which the internal audit department takes a central role, coordinating with independent auditors. Daiwa Institute of Research Ltd. was reorganized to perform functional decision making that is responsive to the particular characteristics of customer segments. Revised the BCP manual, sharing assumed scenarios common to main Group companies. Added countermeasures for outbreaks of new influenza strains.	Documentation of internal compliance systems pertaining to financial reports and increase efficiency and rationalization concerning verification of these operations.
Held meetings between management and stakeholders that included academics as well as CSR study groups for executive officers of Daiwa Securities Group Inc. Encouraged executives and employees to participate in CSR and other related seminars that are held in cooperation with the Group.	
Strengthened links among departments responsible for the development and sale of SRI-related products. Implemented employee training regarding insider trading regulations.	Collect and provide CSR-related information. Expand CSR-related information dissemination throughout the Group. Undertake CSR questionnaires for executives and employees and use CSR activities effectively.
Formulated the Basic Policy Against Criminal Elements. Encouraged the dissemination of this policy to all Group companies. Implemented monitoring activities to counter criminal elements.	
Expanded the systemization and rationalization of rules from the standpoint of "fundamental principles" and implemented revisions to organizations and personnel to improve linkage among head offices and branches. Took steps to improve effectiveness by promoting systemization and IT in areas where these measures are considered effective in terms of rationalization and efficiency.	Make ongoing improvements to management quality. Improve the effectiveness and efficiency of the internal control system.
Established the Trade Surveillance Department to operate an even more advanced system for monitoring unlawful transactions, analyzing transactions from multiple perspectives.	
Implemented measures to eliminate gaps between the current situation and the standards required by the Guidelines. Implemented internal examinations to eliminate legal and compliance risks and select items to be examined through self-assessments. Conducted a field survey to strengthen robust, corporate-related information control systems.	Maintain management systems based on a review of firewall regulations and other measures. Strengthen the information safeguard system (continued).
Created an English language "Fact Sheet" that summarizes the Group in an easy-to-understand format. This information can be easily accessed on the website. Participated in large-scale IR events for individual investors.	
Highlighted our qualitative strengths in a straightforward manner in such categories as active implementation of work-life balance measures as well as in career search and IT rankings. Provided ongoing information by monitoring market prices/rates in Japan and overseas. Expanded timely provision of information on the Daiwa Securities website.	Improve and make effective use of IR channels. Continue to disclose non-financial information.
Expanded training program curriculums to facilitate the acquisition and sharing of various types of knowledge. Implemented training programs to foster a more practical mindset among new employees. Adopted a practical approach to training that encompasses output-based and other types of training.	
Implemented practical hospitality training targeting new branch counter staff.	Actively pursue post-sales follow up (continued). Improve skills of sales force (continued). Improve customer-interface skills of branch counter staff.
Established Work-life Balance Promotion Committee and Work-life Balance Promotion Department, with the President and CEO serving as chief work-life balance officer (CWO). Promoted efforts to change employee attitudes through such measures as encouraging employees to leave the office before 7 p.m., take yearly paid leave and by holding internal seminars. Increased number of male employees took child care leave due to revisions to the child-rearing system. Seven Group companies obtained the Certified Family-friendly Employer designation in fiscal 2008.	Develop a professional workforce that combines expertise with loyalty. Achieve a far-reaching work-life balance program. Accelerate the expansion of female managers who will assume leadership roles in the Japanese financial industry.
Continued efforts in fiscal 2008 to provide part-time employees with disabilities the opportunity to become full-time employees and commenced recruitment of graduates for full-time positions with the aim of increasing retention rates in fiscal 2008.	
Showcasing 40 volunteer projects, the number of participants making an extended volunteer commitment rose year-on-year from 569 to 644 in fiscal 2008. Featured volunteer activities undertaken by individual branches in internal bulletins that were distributed throughout the Group. Highlighted donation activities by providing explanations of activities taken under by NPOs.	Enhance information dissemination of corporate citizenship activities within the Group.
See page 28 "Initiatives for Reducing Environmental Impact"	Reduce environmental load in concert with business activities (continued).