

As part of its corporate citizenship activities, the Daiwa Securities Group supports social welfare projects, executive and employee participation in volunteer work, providing support for cultural and artistic activities, and offering grants through foundations and NPOs for the benefit of the international community, and it continues to take part in various initiatives primarily in the following four fields of activity.

### ■ Initiatives and Targets

1. Education and research activities in the fields of economics and finance
2. Encouraging volunteerism among executives and employees
3. Support for culture and the arts
4. Assistance to communities on both the local and the international level through foundations and NPOs

#### ■ The Daiwa Securities Group's Initiatives as a Corporate Citizen

	Type of Activity	Main Activities in FY2008	Expenditure (unit: ¥1,000)		
			FY2006	FY2007	FY2008
1. Education and research activities in the fields of economics and finance	Initiatives for elementary, junior and senior high school students	<a href="#">Student Company Program (SCP)</a> , <a href="#">Finance Park</a> , etc.			
	Academia-business cooperation and initiatives for universities, graduate schools and the public	Course endowment, joint research, entrepreneurial support, etc.	249,518	225,524	214,283
2. Encouraging volunteerism among executives and employees	Self-planned programs	Hands-on environmental experience on Mount Takao, sign language course, etc.	6,765	6,471	6,475
	Joint programs	Hands-on disaster contingency planning course, Sumida River cleanup, etc.			
3. Support for culture and the arts	Support for culture and the arts	"Renoir + Renoir" Exhibit, Daiwa Shoken Group Presents the First Performance of the Opéra National de Paris in Japan, Takarazuka Revue Company Reserved Performance, etc.	517,000	560,000	530,000

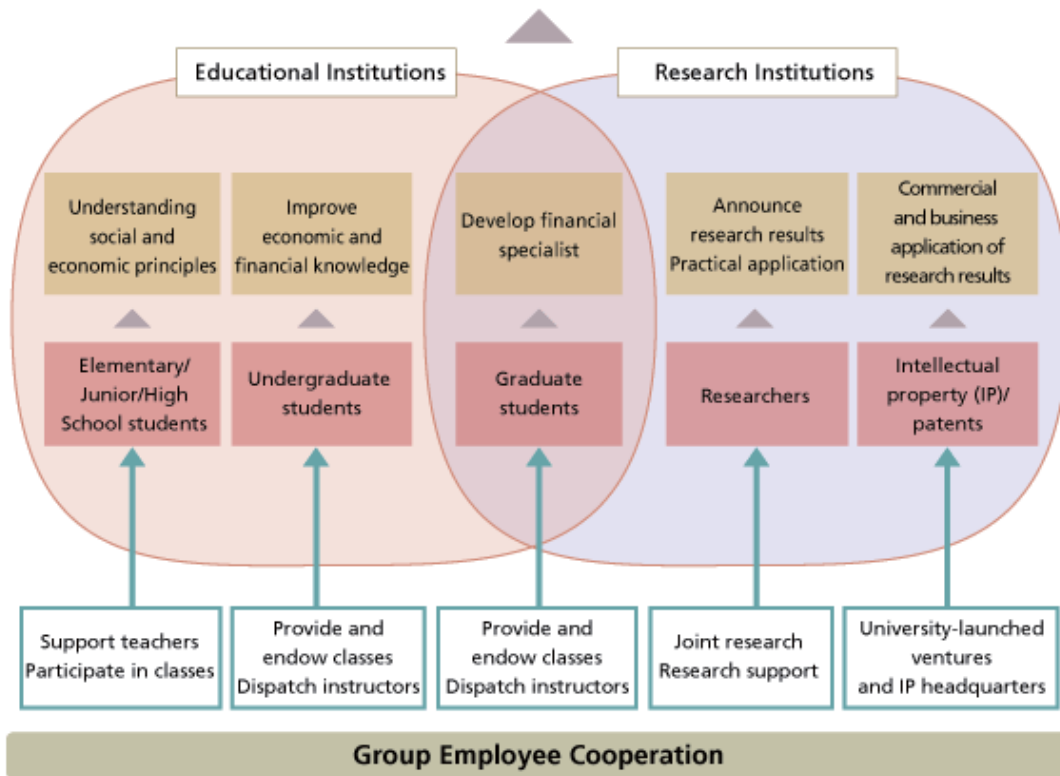
4. Assistance to communities on both the local and the international level through foundations and NPOs	Foundations	Daiwa Securities Foundation	Support for volunteer activities in the fields of stay-at-home seniors, the disabled, child problems, etc.	136,097	141,806	147,765			
		Daiwa Securities Health Foundation	Health, medical care and welfare-related aid						
		Daiwa Anglo-Japanese Foundation	Promotion of mutual understanding between Britain and Japan, acceptance of foreign students						
	Assistance Programs	<a href="#">The Daiwa Securities Group Tsunami Reconstruction Fund</a>	Ongoing reconstruction support for disaster-affected areas caused by the December 2004 Sumatra Earthquake and the Indian Ocean Tsunami						
		Daiwa SRI Assistance Program	Aid for personnel costs and staff education costs of NPO that provide support in fields involving human life						
		Daiwa Eco Fund Assistance Program	<a href="#">Daiwa JFS Sustainability College</a> , Daiwa CI Biodiversity Conservation Fund						
		Daiwa/Russell/GEF Project to Support the Spread of Environmental Technology	Creation of handbook of basic environmental technologies that enable the development and management of resources and personnel in developing countries						
	Disaster relief, sponsorship fees, etc.		Reconstruction support for the Sichuan Earthquake, etc.						
	Total						909,380	933,801	898,523

# 1. Education and Research Activities in the Fields of Economics and Finance

Taking advantage of the knowledge and expertise built up in our main businesses of economics and finance, we are actively engaged in business-academia collaboration, and we also support economic education programs in junior and senior high schools, in order to teach young people knowledge and wisdom about life through economics.

## ■ Economic and Financial Education Field

### Continues Japanese Economic Development in the 21st Century



■ Principal Daiwa Securities Group Business-Academia Collaboration

Fiscal 2008 course endowments and collaboration		
	Name of University	Topic (title)
	Graduate School of International Corporate Strategy (ICS), Hitotsubashi University	Daiwa Securities Group Corporate Strategy Creation Course
	Faculty of Policy Management, Keio University	Corporate Social Responsibility and Social/Economic Revitalization
	Faculty of Policy Management, Keio University	Social Finance
	Open Education Center, Waseda University (general lectures)	Basic Course in Venture Entrepreneurship and Business Planning
	Graduate School of Economics, Kyoto University	Securities System Theory (spring session), Securities Investment Methodology (fall session)
	Kyoto University (general education course)	Modern Business Administration B
	Graduate School of Medicine, Kyoto University	Entrepreneurship
	Meiji University (Surugadai Campus)	Coming up with Venture Business Ideas and Building a Business Plan
	Faculty of Law, Chuo University	International Venture Business and the Law
	College of Commerce, Nihon University	Creating a Venture Company
☆	Peking University (overseas)	High-Tech Venture Value Creation
Conferences, symposiums, internships and other programs		
☆	Tokyo University	Daiwa Shoken Group Foreign Student Scholarship Fund
☆	Tokyo University	Support for an "Entrepreneur Training" Exchange (Nov. and Feb.) with Peking University
☆	Tokyo University	Support for the BESETOHA Forum (Nov. and Feb.)
☆	Graduate School of International Corporate Strategy (ICS), Hitotsubashi University	Business School-based Industry Research Symposium for Job Hunters
	Graduate School of International Corporate Strategy (ICS), Hitotsubashi University	8th Porter Prize (Daiwa has supported this prize for the eighth time since its creation in 2001)
	Graduate School of Economics and Faculty of Economics, Kyoto University	2008 Daiwa International Workshop on Financial Engineering
	Graduate School of Economics and Faculty of Economics, Kyoto University	Internship (Daiwa sponsors lectures for students)

☆.New event in fiscal 2008

## ■ Primary Joint Programs with Junior Achievement Japan, an NPO that Provides Economics Education for Youth

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### (1) Finance Park (Experiential Life Planning Program)

Junior Achievement Japan was established in Shinagawa, Tokyo in June 2005 as a forum for practice in life planning for junior and senior high school students. Daiwa provides special support with funds to open facilities and set up shops, and it also provides personnel. In January 2007, Junior Achievement opened an office in Kyoto. As of March 31, 2008, a total of 12,931 students have taken part in action programs that teach students about how to think for themselves and make decisions.

### (2) Student Company Program (Experiential Company Management Program)

This is hands-on company management program in which high school students set up a company in school and operate it through all phases, from raising capital to recruiting personnel and handling the accounting, manufacturing and sales. The Daiwa Securities Group has been collaborating with the Student Company Program (SCP) at Ritsumeikan Senior High School since 2003. By fiscal 2008, Daiwa had sent a total of 16 employees as outside directors to offer advice on the preparation of financial data and on company management. Thus far, 131 students have acquired basic qualifications for gaining a living in society by learning about company management, how the world works, the difficulties of decision making, the pressure of bottom line accountability and the importance of leadership and teamwork.



Student Company Program students selling their products

### (3) Global Leadership Forum for Junior and Senior High School Teachers

This is a training program sponsored by Junior Achievement Japan for junior and senior high school teachers. It is a forum where, through lectures given by guests from a wide range of perspectives, and through panel discussions and case studies, people discuss the state of the global economy and think together about how education should develop in the 21st century. From 2003 to 2007, the Daiwa Securities Group sponsored the forum and has continuously cooperated in related events. Through fiscal 2008, a total of 2,200 teachers have participated in the forum.

### (4) Japan Council for Economic Education (JCEE)

The JCEE was established in January 2009 with the goal of providing economic education programs for school teachers. The Daiwa Securities Group began to support the JCEE primarily by providing the basic funds for its founding. Under a partnership between Junior Achievement Japan and the National Council on Economic Education (NCEE), Daiwa seeks to implement programs suitable for the schools of Japan. Already, 12 individuals directly related to the company have produced and edited textbooks.

## **| 2. Encouraging Volunteerism among Executives and Employees**

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### **■ Volunteer Awards**

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We implement the President's Awards system to recognize various achievements by executives and employees. Daiwa Securities Co. Ltd. created the Volunteer Awards in 2007 to acknowledge on a biannual basis the Group and the employees who continually take part in local volunteer activities.

### **■ Hands-on environment experience on Mount Takao**

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In April 2009, 27 employees, their families and retired executives participated in a hands-on environmental conservation experience on Tokyo's Mount Takao that we organized. This marks the seventh year this event has been held, and this year, in addition to thinning trees on the mountain forest slopes and peeling the wood of trees that had been thinned, group activities also included the study of vegetation and educating employees in environmental awareness.



Tree-thinning activity on Mount Takao

### **■ Social Contribution, Donation and Recycling Activities by Executives and Employees**

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Group executives and employees organized sign language classes, helped clean up after community events and participated in various recycling activities. One recycling activity involves collecting used and unused stamps and prepaid cards, partially used postcards and similar items to donate to NPOs. Donations raised in fiscal 2008 totaled 506,686 yen, a 24 percent decrease compared to fiscal 2007. The number of people voluntarily taking part in sign language classes and volunteer activities on weekends or after work increased from a cumulative total of 569 people in fiscal 2007 to 644 people, a 13% year-on-year increase.

■ Results of Recycling Activities by Executives and Employees (Fiscal 2008)

Donation Recipients	Item	Unit/Value
<ul style="list-style-type: none"> <li>● Social welfare corporation: Community Chest of Miyazaki Prefecture</li> <li>● Foundation: Nagasaki International Association</li> <li>● Charity Calendar Executive Committee (Tokushima)</li> <li>● NPO: Nippon Volunteer Network Active in Disaster (Nishinomiya)</li> <li>● Sapporo Nihon University High School (JRC)</li> <li>● Suwa Welfare Corporation Suwa-City Social Welfare Conference, Suwa Volunteer Center</li> <li>● Nagoya Council of Social Welfare, Volunteer Center</li> <li>● Shinagawa Ward Council on Social Welfare, Shinagawa Volunteer Center</li> <li>● Tama Ward Council of Social Welfare, Tama Volunteer Center</li> <li>● Kita-ku NPO/Volunteer Plaza</li> <li>● Shizuoka Prefecture Volunteer Association</li> <li>● Nagano Volunteer Center</li> </ul>	Calendars	4,286
	Pocket organizers and diaries	393
NPO JEN	Recycled books/CDs	¥34,176
NPO Live with Friends on the Earth (LIFE)	Used stamps (including overseas)	8.92kg
	Used cards	1,967
	Stamped post cards with errors	7,472
	Unused stamps	¥6,651
	Unused cards	81
	Cash vouchers	51

### 3. Support for Culture and the Arts



*Renoir + Renoir Exhibit*

The Daiwa Securities Group supports a wide range of cultural and artistic activities. As part of our support for the arts, we were the special sponsor of the "Renoir + Renoir" exhibit at the Bunkamura Museum of Art in Shibuya, Tokyo, from February to May 2008. This exhibit was also presented at the National Museum of Modern Art, Kyoto from May to July 2008. The exhibit took the novel approach of simultaneously introducing two giants of the art world, Pierre Renoir, and his impressionist paintings, and the films of his son, the director Jean Renoir. The exhibit was a great success. In addition, Daiwa continuously supports a wide range of cultural and artistic activities, such as sponsoring the Daiwa Shoken Group Presents the Opéra National de Paris (July) and the Takarazuka Revue Company Reserved Performance (October-December), as well as the JAL Byodo-in Temple Sound Stage (September).

We also focus on supporting traditional Japanese culture such as *shogi* and *go*. In addition to sponsoring the top title matches in *shogi* and *go*, the Meijin Title Match (*shogi*) and the Honinbo Tournament (*go*) since 2005, we are also the special sponsor of the Daiwa Securities Cup *shogi* and *go* title matches via the Internet. In *shogi*, we support the Saikyo Tournament and the Women's Saikyo Tournament, which were the first official *shogi* matches to take place on the Internet, in 2007. In *go*, we support four tournaments: the Open, the Ladies and the Grand Champion Internet title matches, as well as the Amateur Championship. These matches take place on the Internet year-round, and viewers can also watch the matches in real time on the Internet. The matches, which begin at 8 p.m. on weekend evenings, attract a strong following among not only Japanese fans but also *shogi* and *go* devotees living abroad. For playoff games in the various tournaments, we organize commentary sessions by professional players who use large boards to describe the game's moves, with the games taking place at the Daiwa Conference Hall on the 18th floor of the Daiwa Securities Headquarters Building in Tokyo. We also hold award ceremonies for winning players and provide opportunities for exchanges between amateurs and professional players.



*Shogi Meijin Title Match*

## **4. Assistance to Communities on both the Local and the International Level through Foundations and NPOs**

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### **■ Daiwa Securities Health Foundation**

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Since 1973, the Daiwa Securities Health Foundation has been supporting outstanding research focusing on improving the health, medical care and welfare of middle-aged and older people, disbursing 30 million yen in grants of 1 million yen each year. Fiscal 2008 marked the 35th year of this program, with a cumulative total of 952 recipients receiving 937 million yen in total. Since September 2006, the foundation has been offering health seminars for the public given by grant recipients. As of the end of March 2009, health seminars had been given at 94 Daiwa Securities branches throughout Japan, with a total of nearly 4,000 people participating.

### **■ Daiwa Securities Foundation**

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The Daiwa Securities Foundation was established in 1994, for the benefit of society, in commemoration of the 50th anniversary of the founding of the Daiwa Securities Group. The Foundation provides yearly research grants in the fields of volunteerism and welfare. In fiscal 2008, the Foundation provided 209 grants worth a total of 45.37 million yen to particularly outstanding applicants, and a two-million yen grant for two research projects. A new "Disaster Volunteer Activities Grant" was also created in fiscal 2004 to support the expenses of volunteers involved in disaster recovery work. Under this new grant, the foundation provided 200 million yen in aid to the NGO, Japan Platform (JPF), in support of the victims of the Myanmar tropical cyclone that struck on May 2, 2008. The Foundation will continue activities that contribute to improving social welfare.

### **■ The Daiwa Anglo-Japanese Foundation**

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The Daiwa Anglo-Japanese Foundation is a UK charity that was established in 1988 with a generous benefaction from Daiwa Securities Co. Ltd. for the purpose of supporting closer links between Britain and Japan. Some of its primary activities include the following:

- (1) Making grants available to individuals, institutions and organizations to promote links between the UK and Japan in all fields of activity
- (2) Enabling British and Japanese students and academics to further their education by providing opportunities for joint research and supporting exchanges and other bilateral initiatives
- (3) Awarding of Daiwa Scholarships for British graduates to study and undertake work assignments in Japan
- (4) Organizing a year-round program of events to increase the understanding of Japan in the UK

Daiwa Foundation Japan House, the London-based headquarters, acts as a center for Anglo-Japanese relations in Britain by offering a wide range of seminars, exhibitions and book launches as well as meeting rooms for Japan-related activities and facilities for visiting academics. The Foundation is represented in Japan by its Tokyo Office, which provides local assistance to Daiwa Scholars (foreign students), administers grant applications from Japan and collaborates with other institutions that promote Anglo-Japanese relations. Since its inception, it has accepted 122 students from the United Kingdom. In addition, the foundation has provided grants for a total of 2,362 projects, with grant-in-aid amounting to exceeding 2 billion yen (as of March 2009).

## ■ Daiwa Securities Group Tsunami Reconstruction Fund

**TOPIC** [Daiwa Securities Group Tsunami Reconstruction Fund](#)

### ■ Daiwa SRI Fund Assistance Program

The Daiwa SRI Assistance Program provides grants for Japanese NGOs that provide support in fields involving human life (the human security field).

Planned and managed cooperatively with the NPO, Civil Society Initiative Fund, this program subsidizes personnel and education costs with the goal of getting NPO staff to deal on a long-term basis with the day-to-day problems of human security.

#### ■ Daiwa SRI Fund Assistance Program

2009 Aid-recipient Organizations				
	Activity	Organization	Location	Grant amount
1	Home-visit nursing care for children with severe disabilities and livelihood support for staff capability improvement	NPO Respite Care Service MOE	Kanagawa	¥1.44 million
2	Training staff and strengthening organizations that assist people who have foreign backgrounds	Asian People's Friendship Society	Tokyo	¥1.82 million
3	Training staff to counsel families that have disabled or sick babies	NPO e-MADO Total Care Network for Sick Children	Nagano	¥1.80 million
4	Training business supervisors for "Encounter with Healing the Hearts of Children under Long-term Hospitalization"	Children's NPO Kodomo-Gekijo National Center	Tokyo	¥1.88 million
Project name (Second year of grant)				
1	Providing stable staff-training to help create a support framework for a youth support center and strengthening the organization	NPO Tohoku Youth Support Center	Yamagata	¥1.80 million
2	Training staff for home-visit program to prevent youth suicides and social isolation	NPO Student Support Faith	Saga	¥1.80 million

## ■ Daiwa CI Biodiversity Conservation Fund (DCBCF)

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The Daiwa CI Biodiversity Conservation Fund operates a program to carry out biodiversity conservation activities in the vicinity of World Natural Heritage sites in seven countries that have been selected from areas called biodiversity hotspots.\* The World Heritage Local Ecological Entrepreneurship Program (WH-LEEP) was formed as a partnership between the United Nations Development Programme (UNDP), the Global Environment Facility's (GEF) Small Grants Programme (SGP), and the United Nations Foundation (UNF), which together launched Community Management of Protected Areas for Conservation (COMPACT). COMPACT is in charge of dispersing grants for operating businesses, while DCBCF is in charge of dispersing grants to cover such expenses as business needs surveys and skills training. Through a partnership with global environmental NGO Conservation International (CI), the Daiwa CI Biodiversity Conservation Fund operates based on the profits earned from the sale and management of the Daiwa Eco Fund.

\* Hotspot: Places where biodiversity is rich but greatly threatened

## ■ Daiwa-Russell-GEF Asia Project to Support the Spread of Environmental Technology

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Daiwa, in cooperation with the Global Environmental Forum, operates a project funded by profits from the Russell Global Environmental Technology Fund sales. The project involves the compilation and distribution of handbooks containing basic technologies from among those environmental protection technologies possessed by Japan that can be fully developed and operated using the materials and human resources of developing countries. For some time, we have been focusing on home drainage problem countermeasures, an area urgently needing resolution in developing countries. Although we have selected relevant technologies from available Japanese technologies as countermeasures, in Thailand, we have conducted local surveys and gathered information concerning the current state of water contamination and home drainage problem countermeasures and investigated the applicability of technologies that could be transferred.

### Support for Disaster-Affected Areas

The Daiwa Securities Group provided emergency support of 2 million yen via Japan Platform to the victims of the 2008 tropical cyclone, Nargis, in Myanmar. In Japan, we donated 6 million yen to the Central Community Chest of Japan to help the areas affected by the Iwate-Miyagi Nairiku Earthquake. Daiwa Securities Group Inc. also provided emergency support through the Japanese Red Cross after the Sichuan Earthquake in May 2008. Furthermore, as reconstruction assistance, we extended aid for recovery in Gansu Province, which was as severely affected as Sichuan but which, on the basis of information obtained locally, we learned had received less aid. We donated 1.52 million yuan (approx. 24 million yen) to the China Children and Teenagers' Fund\*1 to build two permanent elementary school facilities. In May 2009, exactly one year after the earthquake, we received the China Charity Award from the All China Women's Federation, a senior body to the above-mentioned fund. As of July 2009, the schools were still under construction and scheduled for completion by autumn of this year.

\* China Children and Teenagers' Fund: Chinese government organization that coordinates donations for school construction and requests for school buildings from disaster-affected areas