

Daiwa Securities Group CSR



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Approach and Basic Stance

The Daiwa Securities Group has the important mission of contributing to the development of society and the economy through daily operations that help build investors' wealth and support corporate activity. We consider strong trusting relationships with customers, shareholders, employees and society—as expressed by our corporate philosophy—foundational to the ongoing fulfillment of this mission and continuous growth.

Role and Social Responsibilities of the Financial Industry

The Daiwa Securities Group is a leader in the financial industry, and plays a vital social role by building a bridge between, on the one side, the need of companies to raise funds for capital investments and the need of governments to finance public works projects, and on the other side, the need of individual and institutional investors, pension funds, and others for efficient investment.

On the fund-raising side, the Group provides advice and assistance in implementation for companies raising money for capital investments and R&D, as well as for national governments, local governments, international institutions and public corporations seeking to raise funds for public works projects. It does so by issuing marketable

securities such as stocks and bonds, and by creating other securitized products.

On the investment side, the Group provides appropriate investment information and advice tailored to each customer's situation and goals. It offers a comprehensive and diverse line-up of financial instruments and services to meet the various needs of individual and institutional investors as well as pension funds. The Group links demand for funds to fund supplies through the financial and capital markets, primarily, and facilitates the smooth flow of money so that it can circulate as the lifeblood of the economy. This, in turn, helps to develop industries and resolve social issues.

External Initiatives Using Finance to Resolve Social Issues

The business sector plays an important role in enhancing the sustainability of society. Financial institutions, via the financial functions that make up their core operations, have a social mission to contribute to sustainable social development. At the Daiwa Securities Group, we believe that our role is not only to maintain and develop an equitable and dynamic financial market, but also to reflect a socially conscious perspective in

finance and facilitate the flow of money to build sustainable societies.

On the basis of this philosophy, the Daiwa Securities Group is a signatory to UNEP FI,¹ PRI² and the Carbon Disclosure Project (CDP),³ fulfilling this role as an upstanding member of the international community. In January 2010, the Daiwa Securities Group became the first Japanese securities company to sign the United Nations Global Compact,⁴ a

platform to help companies that have committed to sustainable and responsible business practices shape their policies. The Group pursues business activities consistent with the UN Global Compact. Further, in line with the United Nations Millennium Development Goals,⁵ the Group is endeavoring to

develop products and services that help resolve social issues.



1 United Nations Environment Programme Finance Initiative (UNEP FI)

UNEP FI is a partnership between the United Nations Environment Programme, which is a UN organization, and financial institutions around the world. Based on the recognition that the money handled by the financial industry has a major impact on the world, this initiative pursues better ways of doing business, taking into account the environment and sustainability, and seeks to spread and encourage this commitment.

2 Principles for Responsible Investment (PRI)

PRI is an investor initiative in partnership with UNEP Finance Initiative and the UN Global Compact. This initiative seeks to encourage and promote responsible lending and investing practices which take environmental and sustainability issues into account.

3 Carbon Disclosure Project

This project is an affiliation of institutional investors concerned about climate change who demand that companies disclose information about their stance on environmental problems and initiatives addressing such problems.

4 UN Global Compact

The UN Global Compact was established in 2000 under the UN Secretariat after an initiative launched in 1999 by then-Secretary General Kofi Annan. The membership consists of global corporate leaders who are expected to align their business practices with ten principles in the fields of human rights, labor, environment, and anti-corruption in their business activities, in partnership with UN agencies, labor, and civil society.

5 United Nations Millennium Development Goals (MDGs)

The MDGs consist of eight goals that 189 representatives from UN Member States, including 147 heads of state, participating in the UN Millennium Summit held in New York in September 2000, designated as 21st century goals for the international community, with a target date of 2015.