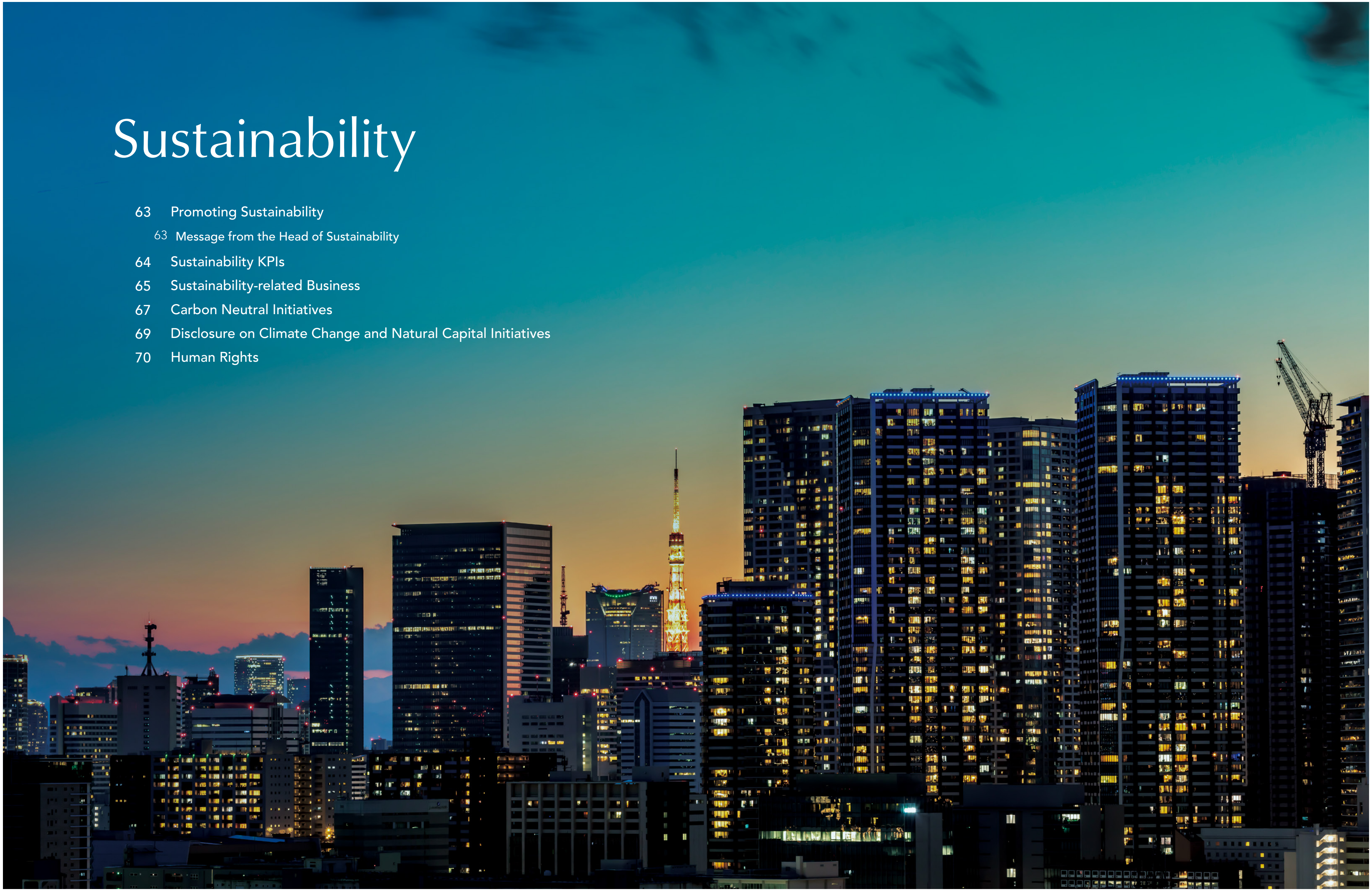


# Sustainability

# Promoting Sustainability

## Message from the Head of Sustainability

### Vision 2030: Creating a prosperous future through financial and capital markets

Addressing social issues, including climate change, is a key management priority for the Group. Recognizing that the flow of capital is essential for addressing social issues and transitioning to a circular economy, the role of financial and capital markets in supporting this flow is becoming increasingly important.

Against this backdrop, the Group has been working to promote sustainable finance, including transition finance, and to support customers' efforts to accumulate wealth with an eye toward the "100 years of life" era. We are also participating in the carbon credit business to contribute to the full-scale implementation of the Green Transformation Emissions Trading Scheme (GX-ETS) and the development of an institutional framework. Moreover, we are focusing on such issues as natural capital, biodiversity, and respect for human rights as a part of efforts to promote a wide range of sustainability initiatives, while aiming for net-zero greenhouse gas emissions from our own operations.

In Japan, the application of sustainability disclosure standards has begun. Rather than simply a means of providing information, we view disclosure as a vital opportunity for communication to deepen dialogue with all stakeholders.

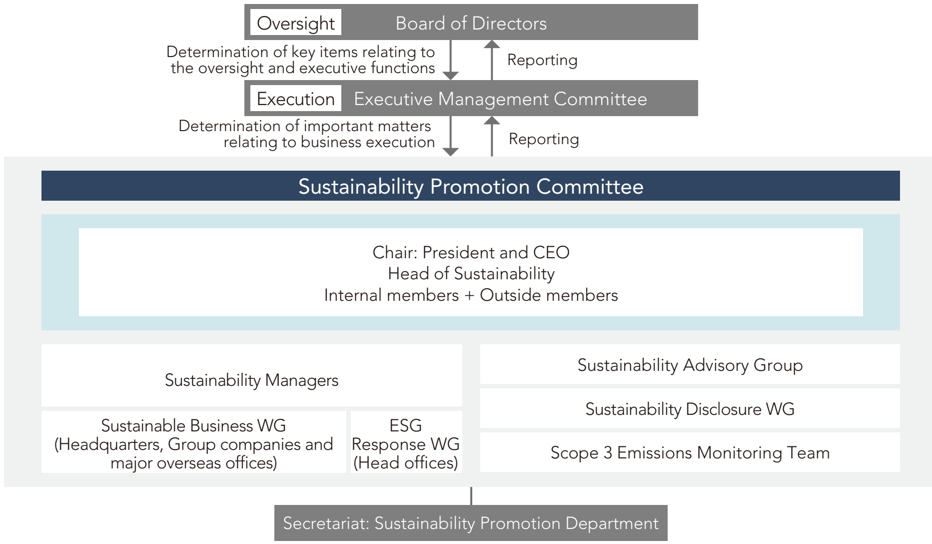
Although the environment surrounding sustainability continues to change, the Group's fundamental philosophy and the role to be played remain unchanged. Moving forward, the Group will place sustainability at the core of its management endeavors and work toward creating a prosperous future and enhancing corporate value.

Hiromasa Kawashima
Executive Managing Director
Deputy Head of Corporate Planning
Head of Human Resources
Chief Health Officer (CHO)
Head of Sustainability
Head of Financial Education
Daiwa Securities Group Inc.

## Sustainability promotion structure

Sustainability-related strategies and policies are regularly discussed by the Sustainability Promotion Committee chaired by the President and CEO.

In addition, a Sustainability Manager is appointed in each division of Daiwa Securities and each major Group company to promote related business initiatives and manage KPI-related progress. Furthermore, the Group has established working groups to address diverse and evolving issues, and is endeavoring to strengthen collaboration and information sharing among Group companies.




**Head of Sustainability**
Promotes sustainability-related businesses for the entire Group, and oversees initiatives to enhance the foundation for sustainable management

**Sustainability Managers**
Promote sustainability-related businesses and conduct KPI progress management for each organization (Headquarters and Group companies) within the Group

**Sustainable Business WG**
Monitor the KPIs, ascertain the progress status of sustainability-related businesses, identify issues, and plan and implement measures for these issues under the direction of sustainability managers

**ESG Response WG**
Enhance and strengthen ESG response in reference to external evaluations (investors and evaluation organizations) regarding ESG

**Sustainability Advisory Group**
Composed of internal experts with extensive knowledge in sustainability who make proposals regarding challenges for the Group and future action

**Sustainability Disclosure WG**
Cross-departmental organizations that aim to expand the disclosure of sustainability information from the perspective of integrated reporting

**Scope 3 Emissions Monitoring Team**
Monitors emissions relating to the investment and loan portfolios, and sets targets

# Sustainability KPIs

| Sustainability KPIs | FY2026 target | FY2025 4Q | Purpose of setting (expected effect on business) | Connection with corporate value improvement |
|---|---|---|---|---|
| NISA-eligible public stock investment trusts balance (excluding ETFs) | ¥4.6 trillion | ¥4.8 trillion | Increase income by expanding targets to include new investors generated by the expansion of the NISA scheme | Increase income / Diversify profit opportunities |
| Number of customers who have purchased sustainability-related products | Continuously expand | 62,399 accounts | Expand investor base by disseminating the meaning of sustainability investments among customers | Increase income / Diversify profit opportunities |
| Ranking of GX Transition Bond Primary Dealer Bids | In the top 3 | 1st | Expand the SDG bond market, diversify revenue opportunities, and improve reputation through our track record as a primary dealer | Increase income / Diversify profit opportunities |
| SDGs-related bond league table | In the top 2 | 1st | Increase profits by diversifying capital procurement methods such as SDG bonds | Increase income / Diversify profit opportunities |
| Sustainability-related investment balance | ¥180 billion | ¥153 billion | Increase income by investing in the renewable energy and infrastructure fields where stable investment returns can be expected | Increase income / Diversify profit opportunities |
| ESG investment balance | ¥100 billion | ¥209 billion | Improve reputation by participating in investments that contribute to solving social issues | Improve reputation |
| Green building certification ratio (DOI/DLI/DLP)*1 | 65/20/25% | 70.7/24.1/44.2% | Improve reputation with tenants and increase asset value | Improve reputation |
| Number of value created digital projects*2 / digital project trials*3 | 10 projects/50 trials | 5 projects/104 trials | Create value and increase productivity by transforming our business model and building new business models | Increase productivity |
| Ratio of female managers (consolidated / Daiwa Securities) | 20/25% or higher | 22.0/24.9% | Improve productivity through business operations based on diverse opinions | Increase productivity |
| Rate of childcare leave taken by male employees (consolidated / Daiwa Securities) | 100/100% or higher | 93.2/91.5% | Improve productivity through business operations based on diverse opinions | Increase productivity |
| Engagement survey score (consolidated) | 80% or higher | 84% | Improve productivity by creating an environment that allows employees to exert their capabilities | Increase productivity |
| Ratio of female directors on the Board (Daiwa Securities Group Inc.) | 30% or higher | 50% | Strengthen governance by incorporating diverse perspectives into management decisions | Enhance governance |
| Greenhouse gas emissions (Our own*4 / investment portfolio*5) | Net zero / 186 to 255 | 2,270*6/230*7 | Strengthen governance through climate change response and environmental management | Enhance governance |
| Renewable energy switching rate for offices and data centers | 100% | 100% | Contribute to the realization of a carbon-neutral society by expanding renewable energy to data centers and offices | Enhance governance |
| Number of people provided with financial and economic education | 2.5 million*8 | 1.9 million*9 | Contribute to medium- and long-term growth in investor population | |

Materiality: Diversity & Inclusion / 100 years of life / Innovation / Green & Social / Foundation of sustainable management

Increase income, Diversify profit opportunities, Improve reputation → Expand sustainable business
Increase productivity, Enhance governance → Strengthen sustainable operating base
Strengthen sustainable operating base → Expand sustainable business
Expand sustainable business, Strengthen sustainable operating base → Enhance corporate value

*1 DOI: Daiwa Office Investment Corporation, DLI: Daiwa Securities Living Investment Corporation, DLP: Daiwa Securities Logistics Private Investment Corporation *2 Projects that utilize new digital technologies and are either innovative or contribute to business transformation (Cumulative total for FY2024-FY2026) *3 Trials of DX projects and AI/Data Science projects (Cumulative total for FY2024-FY2026) *4 Total of Scope 1 and 2 (Unit: t-$CO_2$e) (FY2030) *5 The target is project finance for the power sector. (Unit: g-$CO_2$/kWh) (FY2030) Includes some estimated values. *6 Excluding emissions associated with the use of company vehicles. The total for Scope 1 and 2 is 3,657 t-$CO_2$e when included. *7 Result for FY2024 *8 Cumulative total for FY2005-FY2030 *9 Cumulative total for FY2005-FY2025

# Sustainability-related Business

## Promoting sustainable finance

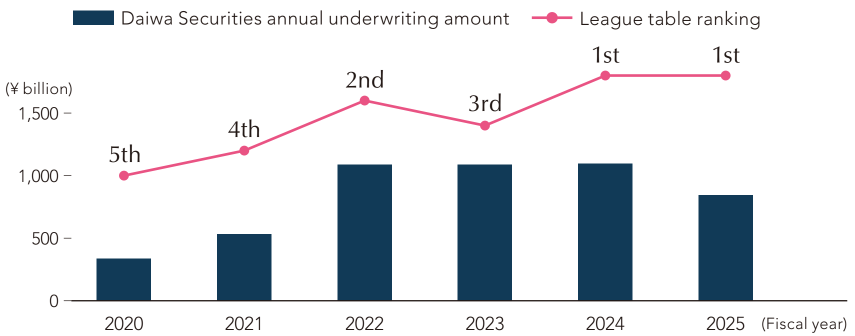
In the sustainable finance market, Daiwa Securities Group is using its long-standing experience and expertise in meeting customers' needs by delivering a wide range of solutions.

The Group has ranked first in the league table for lead-managed deals in the domestic SDGs-related bond* market for two consecutive years. We have continued to pioneer new market frontiers by handling numerous transactions, including Japan's first Orange Bond (issued by ITOCHU Corporation) and the country's first Green Bond to finance capital investment in and R&D on perovskite solar cells (issued by SEKISUI CHEMICAL CO., LTD.)

Our work in sustainable finance extends well beyond the support of individual projects. Our initiatives in this area also enhance the Group's corporate value as a whole. We remain deeply involved in helping customers address key management challenges, including ESG strategy planning, goal-setting, and disclosure. By offering long-term, hands-on support, we build strong, trust-based relationships, thereby helping to drive the Group's earnings base. Having accumulated expertise through extensive practical experience and the recruitment of external specialists, the Sustainability Solutions Department, a dedicated unit, primarily generates transactions of significant value in terms of innovation and impact by maintaining close communication with investors and issuers. To promote sustainable finance throughout the Group, we have also put in place a system for underwriting SDG bonds that enables the detection of greenwashing without relying solely on the expertise of specific departments or employees, as exemplified by the utilization of a generative AI-powered tool to assess green and social credentials.

* Bonds issued to tackle environmental and social issues as part of the issuer's sustainability strategy, including sustainability bonds.

**Domestic SDGs-related bonds:**
**Daiwa Securities underwriting amounts and league table position**




Investor interest in sustainable finance is becoming increasingly diverse and more sophisticated, with themes such as transition and resilience gaining importance both domestically and internationally. In FY2025, we provided support in line with Japanese transition finance trends to South Korea's Shinhan Bank as it became the first overseas issuer to launch a transition bond in the form of a Samurai bond. Our initiatives have earned external recognition, including receiving the Gold Award, the highest distinction, at the Ministry of the Environment's ESG Finance Awards Japan.

In the sustainable finance market, we will achieve sustainable growth by continuing to deliver innovative solutions that help address social challenges and enhance our clients' corporate value going forward.

P35 Employee comment (GIB)

## Supporting wealth creation in the era of 100 years of life

Under Vision 2030, which incorporates sustainability perspectives, Daiwa Securities Group identifies the era of "100 years of life" as a component of its materiality and positions support for individuals' medium- to long-term asset building as a key initiative. In line with this Vision, Daiwa Asset Management is working to provide products and services that combine uniqueness and innovation to meet increasingly diverse and sophisticated investment needs.

In specific terms, these include products offering investment opportunities in high-growth global companies, as exemplified by the iFreeNEXT FANG+ Index. We are also strengthening the rollout of products geared toward long-term investment and efficient asset management, such as the iFreeHOLD and iFreeWallet series, thereby supporting asset building tailored to individual investment experience and risk tolerance.

As a result of these initiatives, the number of NISA-eligible funds grew to 146 by the end of FY2025 (an increase of 12 funds compared with the end of FY2024). The balance of publicly offered equity investment trusts (excluding ETFs) eligible for NISA stands at ¥4.8 trillion as of the end of FY2025 (an increase of ¥1.4 trillion compared with the end of FY2024), which is indicative of steady growth, and the balance of publicly offered investment trusts for individual investors continues to exhibit an expansionary trend.

## Sustainability-related Business

Moreover, through constructive dialogue (engagement) with investee companies, we encourage them to address management issues and enhance information disclosure, including non-financial information, in an effort to simultaneously generate growth opportunities and mitigate risks. These initiatives help enhance the medium- to long-term corporate value of investee companies and lead to the generation of returns for beneficiaries through improved investment performance.

In addition, to accommodate the diversification of investment opportunities, we are also working to expand our lineup of products targeting investments in alternative assets.

As far as the provision of information is concerned, we are devising ways to enhance the delivery of timely and easy-to-understand information to investors through initiatives such as the launch of the official LINE account for iFree (Daiwa AM) and efforts to revamp our website.


Through this series of initiatives, we are working to broaden our individual investor base and encourage medium- to long-term accumulation of wealth. At the same time, we are strengthening our competitive position and expanding our AUM by ramping up efforts aimed at delivering products and strengthening information dissemination capabilities.

Looking ahead, we will continue to pursue sustainable growth and to enhance corporate value through the development of products that meet diverse needs and efforts to enhance the quality of our services.

P31 Employee comment (Daiwa AM)

### Contributing to the development of the carbon credit market

In 2022, Japan's Ministry of Economy, Trade and Industry announced the GX League Basic Concept, while the Tokyo Stock Exchange launched the Carbon Credit Market in 2023. In addition to a steady increase in the number of market participants since its launch, the cumulative trading volume reached one million tonnes in 2025. Against the backdrop of these developments in the market infrastructure, interest in carbon credit market trends is steadily growing as a means of complementing efforts by companies and other entities to reduce greenhouse gas emissions (GHGs).

Leveraging the expertise gained through its established emissions trading operations in Europe, Daiwa Securities is developing a trading framework in anticipation of domestic carbon credit market expansion. As the only domestic securities company participating as a market maker on the Tokyo Stock Exchange's carbon credit market, we are facilitating trading and ensuring fair price formation through the continuous provision of liquidity. In recognition of these efforts, Daiwa Securities has received the Good Market Maker award every year since its inception and won the Best Market Maker award for FY2025.

In the years to come, we will steadily capture revenue opportunities arising from market expansion. At the same time, through the continuous provision of liquidity, we will support reliable price discovery and the sound development of the market, thereby helping create economic incentives for reducing greenhouse gas emissions.

# Carbon Neutral Initiatives

## The Daiwa Securities Group Net Zero Carbon Declaration

Daiwa Securities Group recognizes the importance and urgency of addressing climate change, one of the most serious issues facing the world. To that end, we have formulated the Daiwa Securities Group Net Zero Carbon Declaration to make a medium- to long-term contribution to the fight against climate change.

Based on this declaration, we aim to achieve (i) Scope 1 and 2 net zero GHG emissions within our own operations by FY2030 and (ii) Scope 3 net zero GHG emissions by 2050 for our investment and loan portfolios. In addition, we will (iii) continue to support our customers' decarbonization efforts and innovative technologies that contribute to the transition to a low-carbon economy through our financial services.

For details on the Daiwa Securities Group Net Zero Carbon Declaration, please see the website below.
https://www.daiwa-grp.jp/english/sustainability/environment/policy.html

## Net-zero GHG emissions within our own operations (Scope 1 and Scope 2) by FY2030

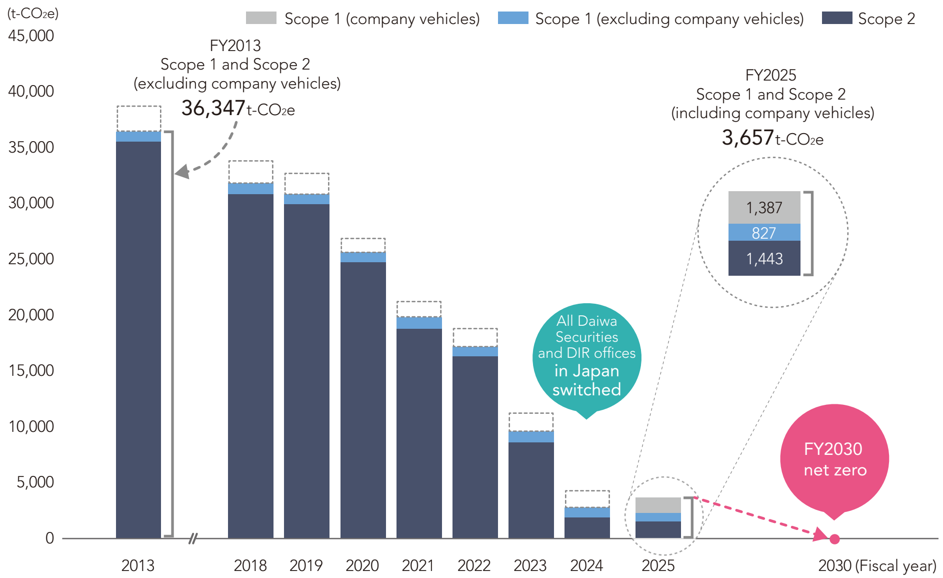
To achieve net zero GHG emissions within our own operations (Scope 1 and Scope 2), we will advance initiatives that are in line with the priority area. Specific measures include continuing energy-saving efforts and switching to renewable electricity.

At present, we are introducing energy-saving technologies and systems at our sites and improving energy efficiency, and will keep up these efforts.

As far as electricity consumption is concerned, we introduced such power into all of the Group companies residing at the head office building (GranTokyo North Tower) in April 2021 by utilizing non-fossil fuel energy certificates with tracking information. In January and April 2024, respectively, Daiwa Securities and Daiwa Institute of Research (DIR) switched to renewable energy for electricity used within Scope 2 emissions at all their offices in Japan. When choosing renewable power plans for our offices, Daiwa Securities Group Inc. considers not only the impact on cutting GHG emissions but also its internal carbon price. Specifically, we compare the expected future cost—calculated using the J-Credit price—with the extra cost of adopting renewable energy. The calculation uses data from power companies on expected GHG cuts from renewable adoption. Moving forward, we will continue to consider a variety of measures. This includes reviewing price setting based on the J-Credit price while at the same time using the internal carbon price.

Looking ahead, we will promote the switch to renewable energy sources at our overseas offices as well as the transition to electric vehicles for our company fleet at offices in Japan. At the same time, in those areas where reductions are difficult to achieve through our own efforts, we will explore the use of carbon credits and other measures, with the goal of achieving net-zero Scope 1 and 2 emissions by FY2030.

### GHG emissions within our own operations (Scope 1 and Scope 2)




**Examples of past initiatives**
- More efficient energy use
  - Switch equipment (air conditioning, change lighting to LED)
  - Review operations, etc.
- Switch to renewable energy through utilization of non-fossil fuel energy certificate with tracking information, etc.
  - Switch to renewable energy for electricity consumption at all domestic offices of Daiwa Securities (from January 2024) and DIR (from April 2024)

**Examples of future initiatives**
- Continue to improve efficiency of energy consumption
- Transition to electric vehicles for our company fleet
- Consider introducing renewable energy at overseas offices, etc.
- Utilize carbon offsets
  - Introduce carbon credits, such as J-Credits

Notes: 1. GHG emissions within our own operations (domestic and overseas) are calculated for approximately 98% of the locations based on the number of employees.
2. Based on FY2025 results, emissions associated with the use of company vehicles will be included in Scope 1 (previously classified as Scope 3, Category 8). The total for Scope 1 and Scope 2, calculated in accordance with the conventional calculation categories, is 2,270 t-$CO_2$e.

For more information on the scope of our own GHG emissions data and calculation methods, please visit Sustainability Data Edition.
https://www.daiwa-grp.jp/english/sustainability/data/dataedition.html

Carbon Neutral Initiatives

## Net zero GHG emissions within our investment and loan portfolios by 2050 (Scope 3)

To lay out a concrete path toward our goal of net zero GHG emissions within our investment and loan portfolios by 2050 (Scope 3), as set forth in the Declaration, the Group sets interim targets up to FY2030 for project finance in the power generation sector, which accounts for the largest proportion of emissions in our own investment and loan portfolios.

### Measurement of actual values in FY2024

For the FY2024 measurement of actual values, as in the previous fiscal year, the measurement covered all sectors across asset classes and was not limited to high-emitting sectors. In addition to Scope 1 and Scope 2, Scope 3 emissions were also measured for investees and borrowers.

Measurement scope

› Sectors: All sectors

› Asset classes: Listed equity (including REIT), unlisted equity (including REIT), corporate bonds, commercial real estate, business loans, project finance

Notes: 1. Subjects are Daiwa Securities Group Inc.'s invested companies, assets managed by the Asset Management Division (own holdings, excluding unlisted stocks via funds), and companies invested in by Daiwa Next Bank. 2. Not applicable for commercial real estate and business loans. In addition, for other asset classes, if there is no subject, a hyphen will be displayed, and if the number is rounded down, 0 will be displayed. 3. Some estimates are based on the PCAF Database (excluding subjects that cannot be referenced in the Database).

### Progress toward interim targets

FY2024 results were lower than FY2023* due to a reduction in emissions from investment and loan recipients and progress in renewable energy investments and loans.

* FY2023 results: 243 g-$CO_2$e/kWh

GHG emissions from project finance in the power generation sector (Applies to Scope 1)

| FY2024 actual values* | |
|---|---|
| Total emissions | 372,480 t-$CO_2$e |
| Emission intensity | 230 g-$CO_2$e/kWh |
| PCAF score | Average 2.74 |

| Interim target value for FY2030 | |
|---|---|
| Metric | Emission intensity (g-$CO_2$e/kWh) |
| Target value | 186-255 g-$CO_2$e/kWh |
| Reference scenario | IEA NZE/APS |

* Some calculations are based on estimated values.

### Measurement results

| (Unit: t-$CO_2$e) | Listed equities (Incl. REITs) | Unlisted equities (Incl. REITs) | Corporate bonds | Project finance | Scope 1/2 | Scope 3 |
|---|---|---|---|---|---|---|
| FY2024 results | 101,412 | 18,582 | 313,343 | 396,927 | 830,264 | 474,632 |
| Of which: Electricity generation | 51,843 | 0 | 296,148 | 383,102 | 731,093 | 189,584 |

For details on our efforts to achieve net zero GHG emissions within our investment and loan portfolios, etc., please see the website below.
https://www.daiwa-grp.jp/english/sustainability/environment/financedemissions.html

## Developing human resources deeply rooted in sustainability

Recognizing that the understanding and proactive actions of each and every employee are essential to promoting sustainability, Daiwa Securities Group conducts sustainability training every year. As part of our development and training efforts in FY2026, and in addition to the Group's sustainability strategy and specific examples of its initiatives, we took steps to deepen understanding of such environmental and social issues as climate change and the challenges associated with water resources that have a significant impact on corporate activities and society as a whole.

At the same time, we shared the view that addressing social issues is not simply a risk, but can also lead to the creation of new value and business opportunities, providing employees with the chance to connect their own work with sustainability. Our goal is to foster an organizational culture in which each employee views social issues as a personal concern and takes proactive action toward the realization of a sustainable society.

From FY2026 training video

# Disclosure on Climate Change and Natural Capital Initiatives

## Climate change

Daiwa Securities Group became the first securities firm in Japan to endorse the TCFD recommendations in 2018. Since then, the Group has disclosed climate-related information on an annual basis. Moving forward, we will continue to provide decision-useful information to all stakeholders, while taking into consideration developments in international disclosure standards and domestic regulations.

## Climate-related risks and opportunities

The Group views climate change as a significant business opportunity that can lead to its growth. In addition to details of climate-related risks (transition risks and physical risks) that can reasonably be expected to impact our business, we identify and disclose details of climate-related opportunities that arise from our core business, namely the development and provision of financial products and services.

| Risks and opportunities | | | Climate-related risks and opportunities | Timeline | Main business segments |
|---|---|---|---|---|---|
| Transition risks | Policy/legal | 01 | Increased costs and subsequent deterioration in earnings at investee and managed companies due to changes in carbon pricing policy | Short to long | AM |
| | Technology | 02 | Increased costs and subsequent deterioration in earnings at investee and managed companies due to changes in energy-related technologies | Short to long | |
| | Market | 03 | Decline in fund management performance and balances, and the consequent drop in trust fees and sales-related revenue due to the transition to a carbon-neutral society | Short to long | AM and WM |
| | Reputation | 04 | Deterioration of reputation associated with a lack of initiatives to deal with climate change and investment and underwriting related to businesses with a heavy environmental load | Short to long | The entire Group |
| Physical risks | Acute/chronic | 05 | Stagnation in underwriting and M&A-related business due to damage at business partners and investees and managed companies caused by abnormal weather and floods, and the decline in fund management performance and drop in trust fees and sales-related revenue | Short to long | AM, WM and GM&IB |
| | | 06 | Lost value, reduced sales opportunities, and subsequent deterioration in earnings at invested properties such as solar and wind generation facilities due to natural disasters such as torrential rain and powerful typhoons | Medium to long | AM |
| | | 07 | Increased costs of restoration and repairs associated with financial system failures or damage to the Group's offices and data centers from more serious natural disasters | Short to long | The entire Group |
| Opportunities | | 08 | Increased underwriting for the fundraising required for green projects and the transition to a carbon-neutral society | Short to long | GM&IB |
| | | 09 | Increased M&A in the renewable energy field | Medium to long | |
| | | 10 | Increased opportunities to provide new financial products and expansion of opportunities for profit through market change | Short to long | AM and WM |
| | | 11 | Capital inflows into investment trusts that incorporate companies with decarbonization technologies | Short to long | AM |
| | | 12 | Investment into renewable energy such as solar power generation facilities and greater investment opportunities through the introduction of external capital | Short to long | |
| | | 13 | Structuring investment corporations and private funds with underlying assets that are real estate and real assets with high environmental performance | Short to long | |
| | | 14 | Expansion in business opportunities resulting from improvement in reputation through net-zero initiatives | Short to long | The entire Group |
| | | 15 | Stimulation of the entire market through participation in sustainability-related rule-making | Short to long | |

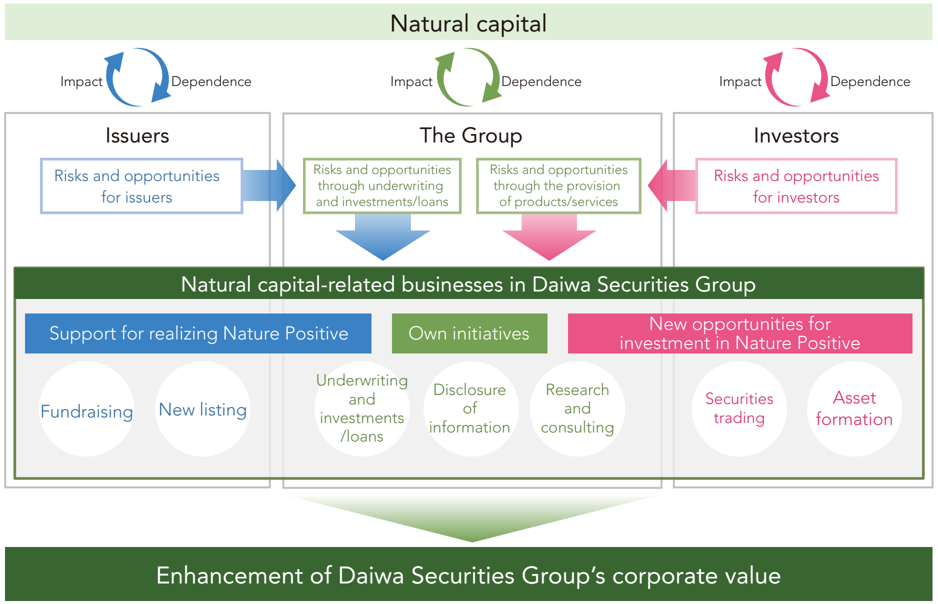
Note: Short-term is less than 3 years; medium-term is 3 years or more but less than 5 years; long-term is 5 years or more.

## Natural capital

The Group recognizes that natural capital and biodiversity are social issues that require priority attention while, at the same time, we as a financial institution also recognize this as an opportunity to support companies working toward realizing Nature Positive. Based on this understanding, we began conducting analyses related to natural capital in FY2023, and are advancing disclosure efforts to promote the transition to a nature-positive economy through various businesses.

## Relationship between the Group's businesses and natural capital

The Group has identified the following linkages between natural capital-related risks and opportunities and corporate value based on the Group's roles in the financial and capital markets and its businesses.




For the Climate-related Disclosures Report, please see the website below.
https://www.daiwa-grp.jp/english/sustainability/environment/tcfd.html

For disclosures based on the TNFD framework, please see the website below.
https://www.daiwa-grp.jp/english/sustainability/environment/tnfd.html

# Human Rights

Daiwa Securities Group states in its Corporate Principles that it will strive to uphold high ethical standards and contribute to the sustainable development of society. Recognizing the impact of our business activities on employees and society, we established the Group's Human Rights Policy in 2022 in accordance with the UN Guiding Principles on Business and Human Rights and the Japanese government's National Action Plan on Business and Human Rights.

As far as our human rights education and awareness system are concerned, we set up the Human Rights Awareness Promotion Committee in 1984 with the aim of promoting activities and training for raising human rights awareness, thereby encouraging better understanding and appreciation of all human rights issues. The executive officer in charge of human resources serves as the Committee Chair, and under the Committee, an organization comprising all Group managers at the head office or branch level plays a promotional role, engaging in the following human rights education and awareness activities.

| | |
|---|---|
| Study meeting on human rights | We conduct study meetings on human rights for all Group officers and employees. After watching several videos on human rights, participants discuss how to interpret the content from the perspectives of both the company and the individual, and how to respond to any issues that may arise.<br>Specific content of the study meetings<br>• Promoting the elimination of discrimination against people with disabilities (obligation to provide reasonable accommodation)<br>• Examples of cross-cultural communication issues and possible solutions<br>• Unconscious bias and harassment<br>• Intellectual bullying<br>• Microaggressions |
| Human rights education | The Group conducts human rights education for new employees with the aim of fostering a multifaceted understanding of human rights. |
| Human rights awareness slogans | The Group held a contest to solicit human rights awareness slogans aimed at raising human rights awareness among all Group officers and employees as well as their families, and selected and honored winners for the Grand Prize and Excellence Awards. |

In recent years, we have also strengthened policies and initiatives as part of efforts to promote better understanding of LGBTQ+ human rights. As a result, we received the highest Gold rating in the PRIDE Index 2025, an evaluation of workplace initiatives for LGBTQ+ and other sexual minorities organized by the work with Pride Association.

- Partnership system: Partners, who are officially recognized by each local government, are also recognized as equivalent to spouses under the Group's internal system
- Set up of internal and external consultation channels
- Participation by Group officers and employees in the Tokyo Pride parade
- Distributed Daiwa Ally charms to officers and employees who support the initiative to raise the visibility of allies (those who support the LGBTQ+ community)

work with Pride
Gold 2025


Daiwa Ally charm

In addition, to strengthen our management and governance system for environmental and social risks related to financing, which includes new financing as well as the issuance of bonds and shares, we formulated the Environmental and Social Policy Framework in 2021. In light of global trends in human rights, this framework prohibits financing for projects that involve child labor, forced labor, or human trafficking. Furthermore, in the event that the financing of projects causes serious cultural, social, and economic damage to indigenous communities or involves the expropriation of land that leads to the involuntary relocation of residents, we conduct ESG due diligence and ensure that appropriate measures are in place.

Recognizing the importance of continuously monitoring human rights practices of investees and borrowers, even after financing has been executed, we revised our policies in December 2024 to initiate regular screening. Should we become aware of child labor, forced labor, or human trafficking, we will seek remediation and preventive measures through dialogue, and carefully consider whether to continue providing investment or financing.

For details on our Human Rights Policy and commitment to respecting human rights, as well as initiatives regarding investees and borrowers, please see the website below.
https://www.daiwa-grp.jp/english/sustainability/social/human_rights.html