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.

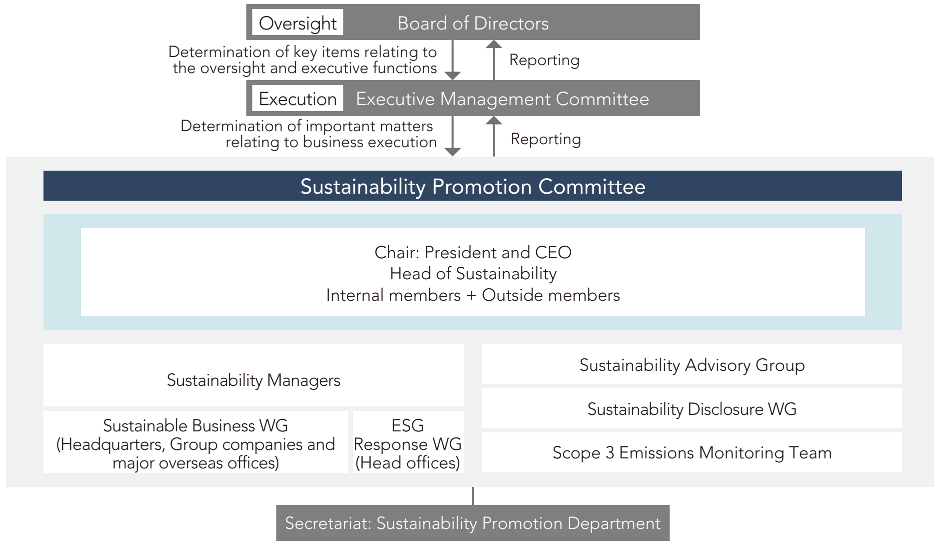
Although the environment surrounding sustainability continues to change, the Group's fundamental philosophy and the role to be played remain unchanged. Moving forward, the Group will place sustainability at the core of its management endeavors and work toward creating a prosperous future and enhancing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