

Trust in Our Board

Nominating Committee

Yoshinari Hara (Chairman)
Shigeharu Suzuki
Tetsuro Kawakami
Ryuji Yasuda
Keisuke Kitajima

Audit Committee

Kenji Hayashibe (Chairman)
Keisuke Kitajima
Koichi Uno

Compensation Committee

Yoshinari Hara (Chairman)
Shigeharu Suzuki
Tetsuro Kawakami
Ryuji Yasuda
Koichi Uno



The Daiwa Securities Group is constantly seeking new challenges, with a pioneering spirit and a strong emphasis on innovation. In corporate governance, too, we have taken the lead as the first listed Japanese company to adopt group management under a holding company structure, and we have adopted a “committee system” of governance. The Group is pursuing greater transparency in its management activities.

Akira Kiyota *Deputy Chairman of the Board*

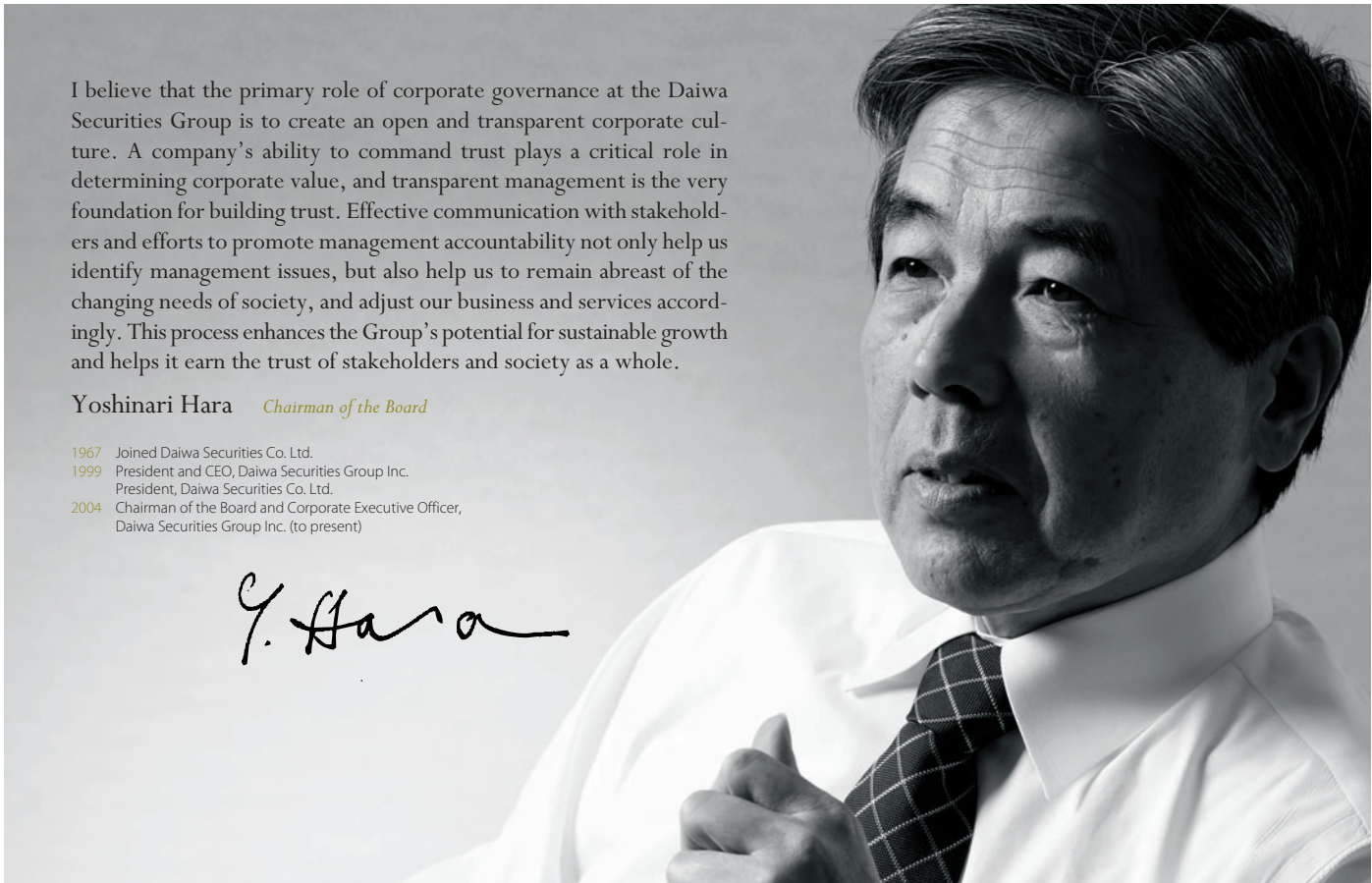
- 1969 Joined Daiwa Securities Co. Ltd.
- 1999 President, Daiwa SBCM Co. Ltd. (currently Daiwa Securities SMBC Co. Ltd.)
- 2004 Deputy Chairman of the Board and Corporate Executive Officer, Daiwa Securities Group Inc. (to present)
- Chairman of the Institute, Daiwa Institute of Research Ltd. (to present)
- 2005 Director, Daiwa Institute of Research Ltd. (to present)

I believe that the primary role of corporate governance at the Daiwa Securities Group is to create an open and transparent corporate culture. A company’s ability to command trust plays a critical role in determining corporate value, and transparent management is the very foundation for building trust. Effective communication with stakeholders and efforts to promote management accountability not only help us identify management issues, but also help us to remain abreast of the changing needs of society, and adjust our business and services accordingly. This process enhances the Group’s potential for sustainable growth and helps it earn the trust of stakeholders and society as a whole.

Yoshinari Hara *Chairman of the Board*

- 1967 Joined Daiwa Securities Co. Ltd.
- 1999 President and CEO, Daiwa Securities Group Inc.
President, Daiwa Securities Co. Ltd.
- 2004 Chairman of the Board and Corporate Executive Officer,
Daiwa Securities Group Inc. (to present)

Y. Hara

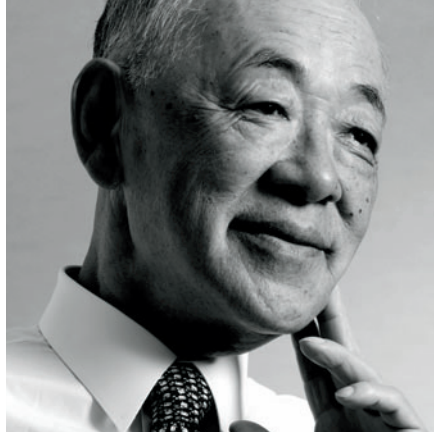


The Daiwa Securities Group has a governance structure that offers transparency and objectivity while addressing the multifarious aspects of corporate social responsibility in a balanced manner. This allows the Group to continue elevating corporate value. We also maintain diligent monitoring functions, to ensure that business effectiveness is not compromised by the separation of decision-making and implementation functions.

Kenji Hayashibe *Director*

- 1974 Joined Daiwa Securities Co. Ltd.
- 1998 Director, Chief Corporate Planning Officer
- 1999 Executive Officer, Daiwa SBCM Co. Ltd. (currently Daiwa Securities SMBC Co. Ltd.)
- 2002 Director, Daiwa Securities Group Inc. (to present)





The concept of “good management” refers to a form of corporate governance that can motivate employees to work towards improving the company’s value in a multitude of different ways. The Daiwa Securities Group is led by executives who have the passion required to fulfill their own work responsibilities and serve as an example for others. This is the real definition of leadership, and it defines the character of our organization.

Tetsuro Kawakami *Outside Director*

- 1952 Joined Sumitomo Electric Industries, Ltd.
- 1982 President
- 1991 Chairman of the Board
- 1999 Advisor, Sumitomo Electric Industries, Ltd. (to present)
- 2002 Outside Director, Daiwa Securities Group Inc. (to present)

At the Daiwa Securities Group, the keen motivation and enthusiasm that forms the base of the organization is what allows the Group to preserve its position as a market leader and innovator in financial markets. The Group has maintained a balanced and steady earnings growth, contributing to clients, shareholders and employees. As an outside director, I can provide an outside perspective and continue to cheer on these positive efforts.

Ryuji Yasuda *Outside Director*

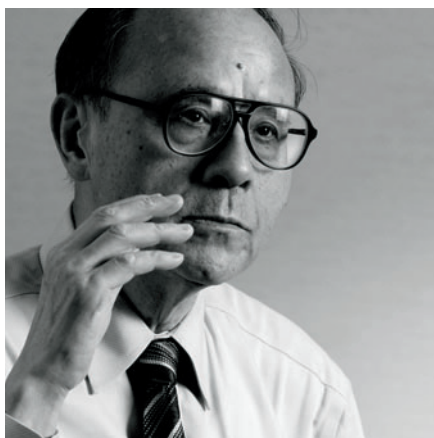
- 1976 Joined Morgan Guaranty Trust Company of New York (currently JPMorgan Chase & Co.), Investment Research Officer
- 1979 Joined McKinsey & Company
- 1996 Managing Director, Asia Pacific, A.T. Kearney, Inc. Member of the Board of Management
- 2003 Outside Director, Daiwa Securities Group Inc. (to present)
- 2004 Professor, Hitotsubashi University, Graduate School of International Corporate Strategy (to present)



A sound understanding and awareness of legal compliance and ethical issues determine the company’s ability to create true corporate value. It is important that we constantly keep this fact in mind in our management activities, and endeavor to maintain high standards of fairness and ethics in our operations. The Daiwa Securities Group has established a legally and morally sound corporate governance structure, and our continuing efforts to more fully develop this structure, with each passing year, are indeed bearing fruit.

Keisuke Kitajima *Outside Director*

- 1961 Appointed as Public Prosecutor
- 1998 Public Prosecutor General
- 2001 Retired as Public Prosecutor General, Registered as Lawyer with the Dai-ichi Tokyo Bar Association (to present)
- 2004 Outside Director, Daiwa Securities Group Inc. (to present)



The most important element of a company’s corporate governance structure is the relationship of mutual trust between management and employees. I have had the opportunity to meet with a large number of employees from every part of the Daiwa Securities Group, and I sense that management has earned their trust and respect. If we can maintain and promote this healthy corporate culture, then this will provide a foundation for effective governance.

Koichi Uno *Outside Director*

- 1967 Joined Arthur Andersen and Company Tokyo Office
- 1981 Representative Partner, Arthur Andersen and Company Tokyo Office (Koichi Uno Tax Accounting Office)
- 2000 Retired from Arthur Andersen and Company, founded CPA UNO OFFICE (to present)
- 2004 Outside Director, Daiwa Securities Group Inc. (to present)

