SDGs× Local Community

Expansion of Solutions Provided in the Business Succession Field (Establishment of Daiwa ACA Business Succession Fund)

About half of the small and medium-sized companies in Japan do not have successors. If this situation continues, Japan may lose approximately 6.5 million jobs in total and ¥22 trillion worth of GDP in the next 10 years. Business succession is thus a major social issue.

Daiwa ACA Business Succession Fund, established in October 2018, helps small- and medium-sized companies to pass on their excellent technologies and services to the next generations. By supporting business succession, the fund also encourages the innovation of technology and services with continuity. Through this fund, Daiwa Securities Group will promote Japan’s sustainable economic development.

Promotion of Industrialization of Agriculture (Establishment of Daiwa Food & Agriculture Co. Ltd)

A new type of agricultural business using ICT and other technologies is attracting attention as a solution to the aging of people engaged in farming and shortages of successors—problems faced by Japan’s agricultural sector.

In November 2018, Daiwa Securities Group established Daiwa Food & Agriculture Co. Ltd (DFA). The new company is aimed at assisting expansion of the scale of business related to agriculture and food and enhancing efficiency by providing risk money to help actively introduce new technologies. In April 2019, DFA acquired 14 plastic greenhouses (with a planting area of approximately 7,000 m²) for the growing of baby leaves in Kikuchi district, Kumamoto Prefecture. This marks DFA’s new entry into the agricultural production business in collaboration with Kajitsudo Co., Ltd. and SenSprout Inc.. Kajitsudo boasts expertise in cutting-edge baby leaf planting and a proven track record in sales. SenSprout visualizes high-level planting expertise using agricultural sensors and provides solutions that comprehensively support new entries into agriculture, including planning of and assistance with the planning of entries into agriculture, and operational guidance.

Through DFA, Daiwa Securities Group will continue striving to play a role in solving social issues surrounding the agricultural sector, including the invigoration of business related to agriculture and food and the restoration of abandoned farmland. In this way, it aims to realize sustainable agriculture and food.

SDGs×Life

Full-Scale Entry into the Healthcare Field (Daiwa ACA HealthCare Inc.)

Social challenges are piling up in the healthcare field, including the rapid expansion of demand for medical and nursing care and the necessity of reducing medical costs. Accordingly, Daiwa Securities Group made ACA HealthCare Inc., which has investment expertise in the medical and nursing care business, into a subsidiary in October 2018. The company, renamed Daiwa ACA HealthCare, will undertake full-scale expansion into the healthcare field in both Japan and overseas, especially in Asia.

Through these investments, Daiwa ACA HealthCare will support medical and nursing care services and contribute to the enhancement of medical care and welfare.

Promotion of High-Quality Nursing Care Services (Acquisition of ORIX Living)

In Japan, aging is an important social issue to be addressed, with the population aged 75 years or older expected to exceed 20 million in the first half of the 2020s. A variety of measures are being implemented to provide the elderly with high-quality medical and nursing care services.

With this as a background, Daiwa Securities Group decided to turn ORIX Living Corporation (now Good Time Living Co. Ltd.) into a subsidiary. It is a company operating and developing facilities and homes for the elderly. As of the end of March 2019, ORIX Living operated a total of 32 private nursing homes and rental residences for the elderly (consisting of 29 facilities under the name of “Good Time Living” and three facilities under the name of “Platesia”) with a total of 2,726 rooms, mainly in the Tokyo metropolitan area and the Kansai region.

ORIX Living works on improving the daily living functions of each resident, thereby helping them to live independently. By incorporating the company into Daiwa Securities Group, we put into practice initiatives that contribute to “the achievement of healthy longevity,” which is positioned by the Japanese government as a priority issue, as well as SDG Goal 3 “Good Health and Well-being.” Making ORIX Living a Group company is also expected to favorably affect the Group’s business through the provision of new solutions to and strengthened relationships with elderly customers and their families.

Moreover, ORIX Living proactively uses IT, developing nursing care robots and introducing ICT instruments (see (1), (2), and (3) for specific examples). In March 2017, the company received an award for excellent work in “Next-Generation Nursing Care,” a program sponsored by the Ministry of Health, Labour and Welfare and the Association for Technical Aids to recognize successful cases of introducing nursing care robots. By enhancing the added value of nursing care services and advancing the development of work environments in the nursing care industry, we will implement initiatives that contribute to SDG Goal 8 “Decent Work and Economic Growth.”