



**Daiwa Securities Group**  
**SDGs Data Edition 2021**



# SDGs Data Edition

Reporting Period: FY2020 (April 2020 to March 2021)

\* Some information on events and activities carried out prior to the beginning of or after the end of FY2020 are included.

## Economic Report

### Overall satisfaction with Daiwa Securities Co. Ltd. (according to a customer survey)

	FY2018	FY2019	FY2020
Overall score of satisfaction with Daiwa Securities Co. Ltd.	4.90	4.97	5.00

\* Average score of evaluation on a scale of 1 to 7 (1: very dissatisfied, 7: very satisfied)

### Calls received at the Customer Support Center

	FY2018	FY2019	FY2020
Number of calls received (calls)	4,436	3,846	3,930
Rate of Inquiries (%)	81	81	89
Rate of Complaints (%)	19	19	11

### Results of SDGs bonds (Impact Investment bonds) for retail investors

	FY2020
Daiwa Securities cumulative sales (million yen) 	800,418
Daiwa Securities' share in the Japanese market (%)	45

\* Source: Daiwa Securities Co. Ltd. (From March 2008 to March 2021)

\* Figures have been rounded off

### SDGs bonds (Impact Investment bonds) for retail investors sold by Daiwa Securities Co. Ltd.

	FY2018	FY2019	FY2020
Number of bonds	4	11	20
Sales amount (million yen)	11,217	38,128	65,237

\* Figures have been rounded off

### Results of Daiwa Social Contribution Wrap — Daiwa Fund Wrap with a donation service

(Unit: thousand yen)

	FY2018	FY2019	FY2020
Amount donated	7,820	10,520	3,580

\* Total donated amount from customers and from Daiwa Securities Co. Ltd.

### Daiwa Securities Living Investment Corporation Total amount of assets acquired (Unit: million yen)

	Total amount
Acquired asset (As of May 31, 2021)	95,500

### Management results by Daiwa Real Estate Asset Management Co. Ltd. (Unit: million yen)

Target	Balance of assets under management
Renewable energy power plants	75,400

### Number of implementations and customers attracted to SDGs/ESG seminars

	FY2018	FY2019	FY2020
Number of implementations	15	18	23
Number of customers attracted	447	699	2,461

## Management Report

### Remuneration for Directors and Corporate Executive Officers of Daiwa Securities Group Inc. in FY2020

(1) Amounts of Remunerations by Type of Officer and Remuneration, and Number of Eligible Officers

Type of officer	Total remuneration, etc. (millions of yen)	Amount of remuneration, etc., by type (millions of yen)				Recipients (persons)
		Base remuneration	Non-monetary remuneration (Restricted Stock)	Performance-linked remuneration	Retirement bonus	
Directors	68	55	12	–	–	2
Corporate executive officers	1,307	556	203	546	–	16
Outside directors	126	126	–	–	–	7

\* Remuneration for the 5 persons who are both directors and corporate executive officers is listed in the column for total remuneration, etc. to corporate executive officers.

\* Performance-linked remuneration does not include the amount granted as Restricted Stock.

(2) Total Consolidated Remuneration, etc., by Officer

Name	Total consolidated remuneration, etc. (millions of yen)	Type of officer	Company name	Amount of consolidated remuneration, etc., by type (millions of yen)			
				Base remuneration	Non-monetary remuneration (Restricted Stock)	Performance-linked remuneration	Retirement bonus
Takashi Hibino	225	Corporate executive officer	Daiwa Securities Group Inc.	69	23	85	–
			Daiwa Securities Co. Ltd.	46	–	–	–
Seiji Nakata	264	Corporate executive officer	Daiwa Securities Group Inc.	69	23	124	–
			Daiwa Securities Co. Ltd.	46	–	–	–
Toshihiro Matsui	181	Corporate executive officer	Daiwa Securities Group Inc.	61	17	77	–
			Daiwa Securities Co. Ltd.	25	–	–	–
Keiko Tashiro	133	Corporate executive officer	Daiwa Securities Group Inc.	46	13	53	–
			Daiwa Securities Co. Ltd.	20	–	–	–
Kazuo Takahashi	131	Corporate executive officer	Daiwa Securities Group Inc.	19	13	–	–
			Daiwa Securities Co. Ltd.	46	–	52	–
Mikita Komatsu	131	Corporate executive officer	Daiwa Securities Group Inc.	19	13	–	–
			Daiwa Securities Co. Ltd.	46	–	52	–
Akihiko Ogino	109	Corporate executive officer	Daiwa Securities Group Inc.	44	10	42	–
			Daiwa Securities Co. Ltd.	11	–	–	–
Shinsuke Niizuma	107	Corporate executive officer	Daiwa Securities Group Inc.	10	10	–	–
			Daiwa Securities Co. Ltd.	43	–	41	–
Atsushi Mochizuki	107	Corporate executive officer	Daiwa Securities Group Inc.	10	10	–	–
			Daiwa Securities Co. Ltd.	43	–	41	–

\* The persons, each of whose total remuneration, etc., paid is equal to or more than 100 million yen, are listed above.

\* Type of officer is the same as that for the company filing securities reports.

\* Officers serving as both directors and corporate executive officers are listed as corporate executive officers in the type of officer column.

\* Performance-linked remuneration does not include the amount granted as Restricted Stock.

### Number of times each committee met

	FY2020
Nominating Committee	6 times
Audit Committee	15 times
Compensation Committee	5 times
Board of Directors	12 times
Rate of attendance at Board of Directors meetings by outside directors	100%

### Number of reports received through whistleblowing system

(Unit: Reports)

	FY2018	FY2019	FY2020
Number of reports received through whistleblowing system	41	42	57

\* No reports indicating violation of human rights, environmental pollution by Daiwa Securities Group, or other matters raising particularly serious concerns in general social norms.

## Social Report

### Scope of data

**Consolidated:** Entire Group (except for equity-method affiliates)

**Nine Group companies:** Daiwa Securities Group Inc., Daiwa Securities Co. Ltd., Daiwa Asset Management Co. Ltd., Daiwa Institute of Research Holdings Ltd., Daiwa Institute of Research Ltd., Daiwa Institute of Research Business Innovation Ltd., Daiwa Securities Business Center Co. Ltd., Daiwa Property Co., Ltd (now Daiwa Facilities Co., Ltd.), and Daiwa Corporate Investment Co., Ltd.

**Seven Group companies:** Daiwa Securities Group Inc., Daiwa Securities Co. Ltd., Daiwa Asset Management Co. Ltd., Daiwa Institute of Research Ltd., Daiwa Institute of Research Business Innovation Ltd., Daiwa Securities Business Center Co. Ltd., and Daiwa Corporate Investment Co., Ltd

**Two Group companies:** Daiwa Securities Group Inc., Daiwa Securities Co. Ltd.

### Employees at Daiwa Securities Group (Consolidated)

(Unit: persons)

		As of March 31, 2020			As of March 31, 2021		
		Number of Employees		Number of Temporary Employees	Number of Employees		Number of Temporary Employees
		Employees	FA* <sup>1</sup>		Employees	FA* <sup>1</sup>	
Japan	Male	8,025	42		7,819	40	
	(Career track* <sup>2</sup> )	7,499			7,291		
	(Managers)	4,177			4,132		
	Female	5,347	38		5,292	32	
	(Career track* <sup>2</sup> )	3,741			3,843		
	(Managers)	562			654		
	Japan total	13,372	80	535	13,111	72	357
	(Career track* <sup>2</sup> )	11,240			11,134		
	(Managers)	4,739			4,786		
Overseas	Male	1,309			1,245		
	(Managers)	648			657		
	Female	675			668		
	(Managers)	183			162		
	Overseas total	1,868		112	1,913		33
	(Managers)	831			819		
Total	15,240	80	635	15,024	72	390	

\* The number of employees stationed overseas has been included in the "Overseas" category.

\*<sup>1</sup> Financial advisors

\*<sup>2</sup> Includes employees in regional and local career-track positions (without job transfers involving relocation) and specialists

### Number of New Graduates Recruited by Daiwa Securities Group

(Unit: persons)

		April 2019	April 2020	April 2021
Career-track employees/regional career-track employees	Male	337	244	164
	Female	340	216	155
Total		677	460	319

\* The data covers seven Group companies from April 2019. For April 2021, four Group companies (Daiwa Securities Co. Ltd., Daiwa Asset Management Co.Ltd., Daiwa Institute of Research, Ltd., Daiwa Securities Business Center Co.Ltd.).

### Workforce Statistics

	FY2018	FY2019	FY2020
Average annual salary* <sup>1</sup> (million yen)	10.45	10.15	10.07
Average age (years old)	41.9	42.3	42.1
Average number of years of service (years)	15	15.4	14.8

\* This data covers Daiwa Securities Group Inc. (including those who simultaneously work for Daiwa Securities Co. Ltd.).

\*<sup>1</sup> Average annual salary includes bonuses and other. There is no wage gap based on gender or nationality.

### Average Age

(Unit: years old)

	FY2018	FY2019	FY2020
Total	38.3	38.4	38.9
Male	39.8	39.7	40.2
Female	36.2	36.6	37.2

\* This data covers Daiwa Securities Co. Ltd.

## Average Number of Years of Service

(Unit: years)

	FY2018	FY2019	FY2020
Total	13.8	13.9	14.4
Male	15.4	15.5	15.9
Female	11.5	11.8	12.4

\* This data covers Daiwa Securities Co. Ltd.

## Employee Turnover Statistics

(Unit: %)

	FY2018	FY2019	FY2020
Total	3.7	4.4	3.6

\* This data covers Daiwa Securities Co. Ltd.

## Number of Employees Re-employed after Retirement Age

(Unit: persons)

	FY2018	FY2019	FY2020
Number of Employees Re-employed after Retirement Age	88	110	134

\* Employees Re-employed after Retirement Age utilizing the Daiwa Master System

## Employment Rate for Persons with Disabilities

(Unit: %)

	End of FY2018	End of FY2019	End of FY2020
Employment Rate for Persons with Disabilities	2.33	2.57	2.58

\* This data covers Daiwa Securities Co. Ltd.

## Achievements of Selected Participants in Management Training

(Unit: persons)

Daiwa Management Academy: Targeting department managers	FY2018	FY2019	FY2020
Number of people who have completed training (cumulative)	426	451	471
Daiwa Leadership Program: Targeting Executive director and director	FY2018	FY2019	FY2020
Number of people who have completed training (cumulative)	1,036	1,159	1,283

\* The data covers nine Group companies from FY2019. The data until FY2018 covers ten companies including Sumitomo Mitsui DS Asset Management Company, Limited (the former Daiwa SB Investments Ltd.).

## Participants in Skill Training

	FY2018	FY2019	FY2020
Number of training courses	27	29	28
Number of implementations (times)	64	57	49
Number of people who have completed training (cumulative) <sup>1</sup>	13,488	17,853	22,819

\* The data covers seven Group companies from FY2019. The data until FY2018 covers eight companies including Sumitomo Mitsui DS Asset Management Company, Limited (the former Daiwa SB Investments Ltd.).

<sup>1</sup> The number of people completing training in coaching, presentation, negotiation skills, logical thinking, communication, inheritance and business succession master course, investment analysis basic course, derivatives basic course, middle-market corporations master course, real estate basic course, financial modeling basic course, time management (advanced course), motivation management, time management (basic course), enhancement of question-asking abilities, corporate analysis basic course (intermediate accounting course), corporate analysis master course (how to read securities reports), IB origination, behavioral science (secret art of teaching/skills to continue trying), stress management, coaching (basic course), or facilitation.

Number of Persons Earning Credentials<sup>1</sup>

(Unit: persons)

Credential	As of March 31, 2019	As of March 31, 2020	As of March 31, 2021
Affiliated Financial Planner (AFP)	7,064	7,296	7,429
Certified Financial Planner (CFP®) <sup>2</sup>	796	1,020	1,165
Certified Member Analyst of the Securities Analysts Association of Japan (CMA)	1,644	1,470	1,490
Chartered Financial Analyst (USA credential)	63	49	47
TOEIC (730-990)	1,903	1,819	1,802
Overseas MBA program, etc.	176	152	145

<sup>1</sup> The data covers nine Group companies from the end of March 2020. The data until the end of March 2019 covers ten companies including Sumitomo Mitsui DS Asset Management Company, Limited (the former Daiwa SB Investments Ltd.) (according to filings by employees).

<sup>2</sup> These figures cover Daiwa Securities Co. Ltd.

## Costs for educational investment

	FY2018	FY2019	FY2020
Cost for the Group's educational investment (100 million yen)	22	22	18
Costs for educational investment per employee (unit: million yen)	0.17	0.16	0.14
Operating income per employee (unit: million yen)	4.4	3.5	6.2

## Successful Applicants in Intra-Group Job Posting System

(Unit: persons)

Held	Positions offered	No. of applicants	Successful applicants
Cumulative from FY2000	M&A, SMA consultants, analysts, internal wholesalers, compliance, dealers, derivatives, traders, fund managers, principal finance specialists, venture capitalists, money managers, research, underwriting, sale, overseas, management consultant, individual and corporate sales, product development, proposals and planning, investment advisors, global trainees, etc.	1,094	172

\* The data for FY2019 covers nine Group companies. The data until FY2018 covers ten companies including Sumitomo Mitsui DS Asset Management Company, Limited (the former Daiwa SB Investments Ltd.).

## Number of participants and contents of human rights education for employees

	FY2018	FY2019	FY2020
New employees	475	545	311
(Education content)	To acquire basic knowledge concerning human rights and to understand and raise awareness of the Group's fundamental principles concerning respect for human rights		
Promoted employees	337	1,201	1,008
(Education content)	To acquire knowledge and raise awareness concerning human rights required for their respective positions		

## Working Hours and Paid Vacation Usage Rate

	FY2018	FY2019	FY2020
Annual regular working hours (hours)	1830	1807.5	1837.5
Average monthly overtime hours (hours) <sup>1</sup>	22.8	21.7	21.2
Paid vacation usage rate (%) (including special summer vacation) <sup>2</sup>	68	72	72

\* This data covers two Group companies.

<sup>1</sup> Figures indicate employees at the two companies that are members of Daiwa Securities Group Employees' Union.

<sup>2</sup> In addition to annual paid vacation, Daiwa Securities Group offers three days of special summer vacation. These figures show usage rates for annual paid vacation when the special summer vacation is included.

## Welfare Program Usage

(Unit: persons)

		FY2018	FY2019	FY2020
Number of employees taking childcare leave <sup>1</sup>	Female	696	680	646
	Male	420	378	330
Number of employees taking nursing care leave	Female	5	10	5
	Male	3	3	3

\* This data covers all consolidated Group companies.

<sup>1</sup> Employees eligible for childcare leave include non-regular employees (contract workers, part-timers, etc.).

## Employees Taking Childcare Leave and Other Related Plans

		FY2018	FY2019	FY2020
Employees taking childcare leave (%)	Female	100	100	100
	Male	100	100	100
Return to work rate for those taking childcare leave (%)	Female	91	92	92
	Male	100	99	100
Women working when their children turned one year (%)		100	100	100
Short working hours system usage (persons)		446	505	503
Daycare subsidy usage (persons)		759	909	833

\* This data covers Daiwa Securities Co. Ltd.

## Initiatives for Work-Life Balance and Supporting Diverse Work Styles

Systems to support balancing of work and childcare/nursing care and others	
Program name	Program description
Childcare leave	Employees can take childcare leave until the day before their child's third birthday.
Childcare Support Leave	When an employee's spouse gives birth or returns to work, leave may be taken (within the first two weeks of childcare leave, the pay of the weeks is guaranteed). Since its introduction in September 2014, it has been used by a cumulative total of approximately 1,600 people. Goals have been set to bring the utilization rate of childcare leave by male employees up to 100% and to extend the length of that leave to 14 days or more.
Pre-childcare leave for male employees	Can be taken when the employee accompanies the spouse to a pregnancy checkup and participates in a parents' class, as well as for preparations for hospitalization, etc. before the birth. The leave is designed to nurture an awareness of participation in child rearing among male employees before the birth of a child. Used by about 70 people in total.
Short working hours system	A system that allows employees to leave the company up to 90 minutes early until their children graduate from elementary school.
Exemption/restriction on overtime work	Exemption from overtime work is possible until the employee's children complete the third grade of elementary school. Overtime work can be limited until graduation from elementary school.
Nursing care leave	Up to 5 days per child before elementary school, up to 10 days per year if the employee has 2 or more children.
Daycare subsidy	The Group subsidizes the cost of child care facilities or after-school care until the employee's children reach the third grade of elementary school.
Babysitter system	Employees can use a babysitting service contracted by the company at a special rate until their children complete the third grade of elementary school. A cumulative total of more than 1,200 people have made use of this.
Support desk for employees looking for nursery schools	Offers free-of-charge services that check information on nursery school facilities, the status of availability, and other such matters on behalf of employees, thereby assisting them to find nursery schools. This service has been used a cumulative total of more than 200 times.
Job location change system	If an employee needs to relocate due to marriage, spouse job transfer, nursing care, etc., the Group will provide a work position at the new location. Since fiscal 2007, a cumulative total of more than 400 people have used this system.
Spouse work reassignment leave system	Employees can take up to 5 years of leave if their spouse is transferred overseas. A cumulative total of more than 60 people have made use of this system.
Birth gift of 2 million yen from the third child	The Group pays 2 million yen as congratulations for the birth of the third and subsequent children.
Nursing care leave	Employees can take up to four periods of nursing care leave within 3 years (1095 days) for each family member requiring care.
Nursing care time	Employees can take up to 2 hours per day of family care time within 3 years from the start of use.
Nursing care-support leave	Employees can take leave to take care of family members who need nursing care, to accompany them to a hospital, etc. or to carry out procedures on behalf of family members. Up to 5 days per year can be taken (10 days for 2 or more family members). A cumulative total of more than 1,700 people have made use of this benefit.
Nursing care travel home expense allowance	The Group subsidizes travel expenses incurred when employees return to their parents' home to provide nursing care. A cumulative total of more than 150 people have made use of this benefit.
Life Support Paid Leave	Employees can take paid vacation when it is required for injury/illness, nursing care preparation, fertility treatment, or nursing a child (up to 50 days).
Work-Life Balance phone line	The Work-Life Balance phone line provides various types of advice to employees regarding balancing work and child care/nursing care, career planning, etc.
Professional Return Plan (re-hiring of sales staff)	A system to re-employ employees who have retired due to marriage, childbirth, or nursing care, etc. with the same treatment as when they retired. A cumulative total of more than 70 people have made use of this system.
Expanded leave system	The Group has defined marriage preparation vacation; kids' ceremony vacation (for children's entrance ceremonies, etc.); family day vacation (to deepen family friendships); parents' longevity vacation (to coincide with longevity celebrations for own or spouse's parents); and volunteer vacation, and encourages employees to take paid vacation.
The telecommuting system	This has been instituted in every department, including Sales, as a means of promoting employee autonomy and improving organizational productivity.
The flextime system	Depending on the nature of its operations, a unit can choose flextime (with a required core time) or super flextime (no required core time) to improve organizational productivity.
Daiwa ELLE Plan	Regarding health issues for women who are active at various life stages, the Group provides comprehensive support including measures for the menopause; ELLE vacations (for poor physical condition during menstruation/menopause and fertility treatment); improvement of literacy such as e-learning training for managers; subsidies for specific fertility treatments; and a work-at-home system to balance work and fertility treatment.

## Percentages of Female Employees and Managers in Daiwa Securities Group

(Unit: %)

	End of FY2018	End of FY2019	End of FY2020
Percentage of employees who are female (Consolidated)	39.2	40.0	40.4
Percentage of employees who are female (Daiwa Securities Co. Ltd. only)	43.2	43.9	44.0
Percentage of managers who are female (Consolidated)	10.5	11.9	13.7
Percentage of managers who are female (Daiwa Securities Co. Ltd. only)	12.9	14.5	16.3

## Percentage of directors who are female

(Unit: %)

End of June 2019	End of June 2020	End of June 2021
21.4	23.1	28.6

## Number of women newly appointed to directors

(Unit: persons)

	End of FY2018	End of FY2019	End of FY2020
Daiwa Securities Group Inc. (directors and corporate executive officers)	4	3	4
Group overall (directors, corporate executive officers, and executive officers)	9	9	9

## Status of women newly appointed to managerial positions

	End of FY2018	End of FY2019	End of FY2020
Number of women newly appointed to managerial positions (persons)	61	64	83
Total number of those appointed to managerial positions (persons)	233	239	280
Percentage of women who are newly appointed to managerial positions (%)	26.2	26.8	29.6

\* This data covers Daiwa Securities Co. Ltd.

## Number of Employee Union Members

	End of FY2018	End of FY2019	End of FY2020
Number of employee union members (persons)	7,202	6,992	6,640
Ratio of employees who are employee union members (%)	63.9	62.6	58.7

\* The data covers seven Group companies from the end of FY2019. The data until end of FY2018 covers eight companies including Sumitomo Mitsui DS Asset Management Company, Limited (the former Daiwa SB Investments Ltd.), with the exception of Daiwa Asset Management Co. Ltd., which has its own employee union, and Daiwa Property Co., Ltd., (now Daiwa Facilities Co., Ltd.), which has no employee union.

## Work Motivation Survey

	FY2019	FY2020
Work	3.3	3.3
Organization	3.2	3.2
Colleagues	3.2	3.2
Growth or career advancement opportunity	3.2	3.2
Compensation	3.0	3.0

\* Four-scale evaluation (maximum of four points)



## Expenditures for SDGs Related Activities



(Unit: thousand yen)

Type of activity	FY2018	FY2019	FY2020
1. Education and research in economics and finance	82,579	80,895	80,546
2. Assistance to communities inside and outside of Japan through foundations and NPOs	175,813	174,815	253,296
3. Support for culture and the arts	751,961	614,700	124,258
4. Corporate citizenship initiatives	5,441	4,385	2,639
Total	1,015,796	874,795	460,739

\* This data covers Daiwa Securities Group Inc., Daiwa Securities Co. Ltd. and Daiwa Asset Management Co. Ltd. Education and research programs in economics and finance include Daiwa Institute of Research, Ltd. and Daiwa Institute of Research Business Innovation, Ltd., and assistance to communities inside and outside of Japan through foundations and NPOs include Daiwa Next Bank, Ltd.

\* Program costs for FY2019 were retroactively adjusted, given the expansion of targets for educational and research programs in economics and finance in FY2020.

## Political Contributions

(Unit: million yen)

Type of activity	FY2018	FY2019	FY2020
Political Contributions	32	32	32

## Results in Economic and Financial Education Program

(Unit: persons)

Program	FY2018	FY2019	FY2020
Support for Finance Park	20,926	21,102	1,252
	Cumulative participant numbers since initiation of support (in Sept. 2003)		157,256

## Daiwa Securities Health Foundation's cumulative grants awarded through FY2020



	Cumulative results
Number of people receiving grants	1,331
Total amount of grants (thousand yen)	1,309,100

## Daiwa Securities Foundation's cumulative grants awarded through FY2020



	Cumulative results	
Volunteer Activities Grants	Number of projects receiving grants	3,878
	Total amount of grants (thousand yen)	907,795
Grants to activities supporting children	Number of projects receiving grants	17
	Total amount of grants (thousand yen)	8,188

## Cumulative number of people completing the Daiwa Scholar Program of Daiwa Anglo-Japanese Foundation by FY2020



	Cumulative results
Number of people completing the Daiwa Scholar Program (cumulative)	190

## Contributions by Daiwa Myanmar-Japan Foundation (cumulative)

	Cumulative results
Number of Myanmar citizens receiving scholarships (people)	30
Number of participants in public accountant training (people)	100

## Donations made to the Kopernik Program



(Unit: thousand yen)

	FY2018	FY2019	FY2020
Donation amount	3,090	2,309	2,444

\* This data covers Daiwa Securities Co. Ltd. and Daiwa Asset Management Co. Ltd.

## Amount of grants for the Daiwa Securities Phoenix Japan Program



	FY2018	FY2019	FY2020
Grant recipients (group)	7	7	4
Total amount of grants (thousand yen)	25,090	24,756	13,000

## Donation from Support Term Deposits at Daiwa Next Bank, Ltd.



(Unit: thousand yen)

	FY2020
Donation amount	19,142

## Donation from the Global All Organisms Genome Equity Fund



(Unit: thousand yen)

	FY2020
Donation amount	28,333

## Contribution through collection drives (equivalent monetary value)



(Unit: yen)

	FY2018	FY2019	FY2020
JEN BOOK MAGIC	17,289	–	–
Used Book Sale Donation for Children's Future	49,453	121,961	37,218
"Vaccines for the World's Children"	180,071	112,455	113,802
Live with Friends on the Earth	145,914	91,388	105,561

\* This data covers nine Group companies.

## TFT Program



(Unit: school lunch)

(calendar year)	2018	2019	2020
Donations equivalent to the number of school lunches provided in developing countries (Calculated on the assumption that one meal costs ¥20)	62,335	151,688	77,554

\* This data covers Daiwa Securities Group Inc., Daiwa Office Services Co., Ltd. and Group employees.

## Donations for Disaster Relief



(Unit: thousand yen)

	FY2020
Donation for damage due to the July 2020 major disaster, Typhoon No. 19.	5,000

\* This data covers Daiwa Securities Group Inc.

## Environmental Report

### Scope of data

#### Energy consumption, CO<sub>2</sub> emissions, clean water consumption:

**Domestic:** We have incorporated figures on energy consumption and CO<sub>2</sub> emissions for Daiwa Securities Co. Ltd., Daiwa Property Co., Ltd. (now Daiwa Facilities Co., Ltd.) and Daiwa Institute of Research Ltd., the three companies with a reporting obligation under laws and regulations. Daiwa Institute of Research Business Innovation, Ltd. has also been included in the calculation in light of its significant impact on the Group's environmental load. The data for Gran Tokyo North Tower and Daiwa Yaesu Building, where Daiwa Securities Group is based, includes data for Group companies other than those mentioned above. The data for outside tenants is no longer included from FY2020.

**Overseas:** London, New York, Hong Kong, Taipei, Singapore, Seoul, Baltimore/Washington D.C., Mumbai and Manila offices.

**Waste:** Gran Tokyo North Tower, Daiwa Yaesu Building, Toyochō Center Building, Daiwa Eitai Building, DIR Headquarters Building, and Osaka Branch Building of Daiwa Securities.

#### Paper consumption:

**Domestic:** Group overall (limited to companies handled by Daiwa Office Services.)

**Overseas:** London, New York, Hong Kong, Taipei, Singapore, Seoul, Baltimore/Washington D.C., Mumbai and Manila offices.

### Energy Consumption



Office	Type	Unit	FY2018	FY2019	FY2020
Japan	Electricity	thousand kWh	63,790	64,258	55,185
	Utility gas	thousand Nm <sup>3</sup>	280	273	286
	Heavy oil	kL	10.4	8.1	4.2
	Diesel fuel	kL	0.06	0.09	0.06
	Kerosene	kL	18.34	26.56	13.36
	Steam and cold water	GJ	1,233	1,686	792
	Total	GJ <sup>*1</sup>	651,274	656,470	564,740

\*1 GJ: Gigajoule (10<sup>9</sup> joules). Calculated using coefficients from the Act on the Rational Use of Energy for each energy type. For utility gas, the coefficient from the Act on Promotion of Global Warming Countermeasures is used.

Office	Type	Unit	FY2018	FY2019	FY2020
Overseas	Electricity	thousand kWh	7,202	9,996	8,566
	Utility gas	thousand Nm <sup>3</sup>	103.7	70.3	67.3
	Cold water	GJ	218	215	198
	Total	GJ <sup>*1</sup>	76,745	103,104	88,683

\* The figures and totals for cold water in FY2018 and FY2019 have been revised.

\*1 GJ: Gigajoule (10<sup>9</sup> joules). Calculated using coefficients from the Act on the Rational Use of Energy for each energy type. For utility gas, the coefficient from the Act on Promotion of Global Warming Countermeasures is used.

Office	Type	Unit	FY2018	FY2019	FY2020
Total (Japan and overseas)	Electricity	thousand kWh	70,991	74,254	63,751
	Utility gas	thousand Nm <sup>3</sup>	383	343	353
	Heavy oil	kL	10.4	8.1	4.2
	Diesel fuel	kL	0.06	0.09	0.06
	Kerosene	kL	18.34	26.56	13.36
	Steam and cold water	GJ	1,451	1,902	990
	Total	GJ <sup>*1</sup>	728,019	759,574	653,424

\* The figures for steam and cold water in FY2018 and FY2019 have been revised.

\*1 GJ: Gigajoule (10<sup>9</sup> joules). Calculated using coefficients from the Act on the Rational Use of Energy for each energy type. For utility gas, the coefficient from the Act on Promotion of Global Warming Countermeasures is used.

CO<sub>2</sub> Emissions(Unit: t-CO<sub>2</sub>)

Office	Type	FY2018	FY2019	FY2020
Japan	Electricity	27,416	27,065	22,428
	Utility gas	639	623	647
	Heavy oil	28.0	21.8	11.4
	Diesel fuel	0.15	0.22	0.16
	Kerosene	45.59	66.07	33.19
	Steam and cold water	70	96	45
	Leased cars <sup>*1</sup>	1,928	1,792	1,331
	Commuting (bus/railroad)	1,497	2,080	1,600
	Business travel	1,788	1,433	2
	Scope 1	713	711	692
Scope 2	27,486	27,161	22,473	
Scope 3	5,213	5,305	2,932	

\*1 Leased cars: Gasoline used by leased cars.

(Unit: t-CO<sub>2</sub>)

Office	Type	FY2018	FY2019	FY2020
Overseas	Electricity	3,234	3,998	3,237
	Utility gas	231	157	150
	Steam and cold water	12	12	11
	Business travel	707	575	74

\* The figures and totals for steam and cold water in FY2018 and FY2019 have been revised.

(Unit: t-CO<sub>2</sub>)

Office	Type	FY2018	FY2019	FY2020
Total (Japan and overseas)	Electricity	30,650	31,064	25,665
	Utility gas	870	780	797
	Heavy oil	28.0	21.8	11.4
	Diesel fuel	0.15	0.22	0.16
	Kerosene	45.59	66.07	33.19
	Steam and cold water	83	108	56
	Leased cars	1,928	1,792	1,331
	Commuting	1,497	2,080	1,600
	Business travel	2,495	2,008	76
	Scope 1	944	868	842
Scope 2	30,732	31,172	25,721	
Scope 3	5,920	5,880	3,007	
Scope 1+2	31,677	32,040	26,563	
Scope 1+2+3	37,597	37,921	29,570	

\* The figures for steam, cold water, and Scope 2 in FY2018 and FY2019 have been revised.

## Calculation methods

## Scope 1 and 2

Calculations have been made in accordance with methods stipulated in the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures. (Disclosed figures have been rounded off)

## A) Electricity

**Domestic:** We use the CO<sub>2</sub> emission factor (basic emission factor) for each electricity supplier.

**Overseas:** Figures for CO<sub>2</sub> are calculated using the latest figures published by the local government or electricity provider. Figures for CO<sub>2</sub> emission factors in regions for which data is difficult to obtain are the latest published for each country by the International Energy Agency (IEA).

## B) Utility gas

**Domestic:** After consumption is calculated as the volume of gas under normal conditions, each provider's CO<sub>2</sub> emission factor or calorific value and the emission factor specified by law are used to calculate CO<sub>2</sub> emissions.

**Overseas:** Same calculation method as above "Japan" (calculated based on the calorific value and emission factor defined in the Act of Promotion of Global Warming Countermeasures).

## C) Heavy oil, diesel fuel, kerosene

Calculated on a consumption basis.

## Scope 3

Calculated using emission factors from the emission factor database for corporate GHG emissions accounting over the supply chain (Ver.3.1) and IDEAv2.3 (For calculating supply chain greenhouse gas emissions). (Disclosed figures have been rounded off)

## D) Leased cars

The fuel used in leased cars used as company cars. Categorized in accordance with the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain.

## E) Commuting

Calculated by multiplying commuting costs paid by Daiwa Securities to officers and employees by emission factors and attendance rate.

## F) Business travel

Calculated by multiplying passenger-kilometers involved in overseas business travel (international flights) at Daiwa Securities Group Inc., Daiwa Securities Co. Ltd. and London and Hong Kong offices by emission factors.

CO<sub>2</sub> Emissions per Employee (Japan)

Office	Type	Unit	FY2018	FY2019	FY2020
Japan	Per employee	t-CO <sub>2</sub>	2.5	2.5	2.0
	Number of employees in Japan	persons	13,392	13,452	13,183

\* Data is excluded from the scope of independent assurances. Calculated based on CO<sub>2</sub> emissions in Japan and the consolidated number of employees in Japan.

## Clean Water Consumption

(Unit: thousand m<sup>3</sup>)

Office	Type	FY2018	FY2019	FY2020
Japan	Water Consumption	125.3	127.4	81.5
Overseas	Water Consumption	12.2	10.9	5.6
Total (Japan and overseas)	Water Consumption	137.5	138.3	87.1

## Waste

		FY2018	FY2019	FY2020
Paper waste	Amount generated (t)	331.2	281.3	221.2
	Disposal amount (t)	24.7	24.2	35.0
	Amount recycled (t)	306.5	257.1	186.2
	Recycling rate (%)	92.5	91.4	84.2
Non-paper waste	Amount generated (t)	271.3	247.1	146.7
	Disposal amount (t)	151.5	139.9	73.9
	Amount recycled (t)	119.7	107.2	72.8
	Recycling rate (%)	44.1	43.4	49.6
	Total amount generated (t)	602.4	528.4	367.9
	Total disposal amount (t)	176.2	164.1	108.9
	Total amount recycled (t)	426.2	364.3	259.0

## Paper Consumption

(Unit: t)

		FY2018	FY2019	FY2020
Japan	Amount used	512.0	472.1	236.9
Overseas	Amount used	22.9	28.2	7.7
Total (Japan and overseas)	Amount used	534.9	500.4	244.6

## Company cars in Japan (Daiwa Securities Co. Ltd.)

(Unit: vehicles)

		FY2018	FY2019	FY2020
Vehicles		1,073	1,065	1,031
	Including eco-cars	845	837	821
	Including hybrid cars	160	157	157

## Cases of soil and groundwater pollution found within office sites

(Unit: Reports)

FY2018	FY2019	FY2020
0	0	0

## Investment in energysaving air conditioning systems

(Unit: million yen)

FY2018	FY2019	FY2020
91	47	158

## Environmental Accounting

### Scope of data

Sales branches of Daiwa Securities Co. Ltd. and Group companies located in Gran Tokyo North Tower

### Environmental Conservation Cost (Categories Corresponding to Business Activities)

(Unit: million yen)

Category	Key activity and the outcome	FY2018		FY2019		FY2020		
		Investment	Cost	Investment	Cost	Investment	Cost	
Business area cost	Global environmental conservation	Introduction and upgrading of energy-saving air conditioners	91.0		46.7		157.9	
		Power receiving and transforming facilities	219.0		24.6		25.7	
	Eco-car leasing fee		355.9		621.2		246.0	
	Resource circulation	Waste disposal cost <sup>2</sup>		21.6		23.3		24.9
		Dissolution process cost <sup>3</sup>		32.1		30.9		24.4
	Total	310.0	409.7	71.3	675.4	183.6	295.2	
Administration cost	Management of environmental data, etc.		2.0		2.0		2.0	
Social activity cost	Environmental conservation, etc.		1.0		1.0		0.5	
Total		310.0	412.7	71.3	678.4	183.6	297.7	

\*1 Other important facilities are partially included.

\*2 Daiwa Securities Co. Ltd. branches

\*3 Gran Tokyo North Tower

### Economic Benefits Associated with Environmental Conservation Activities (Actual Benefits)

(Unit: million yen)

	FY2018	FY2019	FY2020
Expense saving	21.4	12.4	116.3
Revenue (recycling, etc.)	0	0	0
Total	21.4	12.4	116.3

[Scope of data]

Sales branches of Daiwa Securities Co. Ltd. and Group companies located in Gran Tokyo North Tower

## Financial Capability Data

We report the deals we lead-managed by classifying them into items in an easy-to-understand way for our stakeholders in Japan in reference to the SASB's FN102-17.

- ☆ **Industry Classification** ... Classified based on the Tokyo Stock Exchange's sector classification. Unlisted issuers are classified by Daiwa Securities Group Inc.
- ☆ **Scope** ... Total amount of issues for which Daiwa Securities Group served as lead manager.  
For equity offerings, however, we include only the value of the Group's book-runner deals and exclude the tranches for which the Group did not serve as book runner.
- ☆ **Figure** ... There may be discrepancies in total amounts due to rounding off.

(Unit: billion yen)

		IPO	PO	CB	REIT (equity)	Corporate bond	FLP agency bond	Municipal bond	Samurai bond	Bonds outside Japan (benchmark bonds)	Japan Housing Finance Agency (RMBS)
Fishery, agriculture & forestry	Fishery, agriculture & forestry	18									
Mining	Mining					2					
Construction	Construction		0	6		78					
Manufacturing	Foods		31			132					
	Textiles & apparels										
	Pulp & paper										
	Chemicals	10	5			86					
	Pharmaceutical					44					
	Oil & coal products					22					
	Rubber products										
	Glass & ceramics products					12					
	Iron & steel										
	Nonferrous metals					0					
	Metal products					8					
	Machinery		1				63				
	Electric appliances						75				
	Transportation equipment	Transportation equipment					37				
Precision instruments				14		1					
Other products					2						
Electric power & gas	Electric power & gas					329					
Transport, information, and communications	Land transportation			17		337					
	Marine transportation										
	Air transportation		65								
	Warehousing & harbor transportation services					10					
Information & communication	27	344			183						
Trade	Wholesale trade	0				18					
	Retail trade		0			16					
Finance and insurance	Banks					130		20	91		
	Securities & commodity futures	5		11		32					
	Insurance					178					
	Other financing business					377					
Real estate	Real estate		2		163						
Services	Services	17	12			51					
Nonclassifiable	Real estate investment corporation				68	22					
	Public entity					41	611	715	94	155	271
Total		78	459	47	68	2,448	611	715	114	246	271

(Fiscal year-end dollar/yen rate: 110.71 yen to the dollar)


(Fiscal year-end euro/yen rate: 129.80 yen to the euro)

# Independent Assurance Report



## Independent Assurance Report

To the President and CEO of Daiwa Securities Group Inc.

We were engaged by Daiwa Securities Group Inc. (the “Company”) to undertake a limited assurance engagement of the social and environmental performance indicators marked with  (the “Indicators”) for the period from April 1, 2020 to March 31, 2021 included in its SDGs Data Edition 2021 (the “SDGs Data”) for the fiscal year ended March 31, 2021. Some Indicators which are subject to this assurance engagement are cumulative totals as of March 31, 2021 or figures for the period from January 1, 2020 to December 31, 2020.

### The Company’s Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the SDGs Data.

### Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and the ‘ISAE 3410, Assurance Engagements on Greenhouse Gas Statements’ issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the SDGs Data, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company’s responsible personnel to obtain an understanding of its policy for preparing the SDGs Data and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company’s reporting criteria, and recalculating the Indicators.
- Visiting one of the Company’s domestic business sites selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Indicators.

### Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the SDGs Data are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the SDGs Data.

### Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

*KPMG AZSA Sustainability Co., Ltd.*

KPMG AZSA Sustainability Co., Ltd.

Tokyo, Japan

November 4, 2021