





SDGs Data Edition

Reporting Period: FY2019 (April 2019 to March 2020)

* Some information on events and activities carried out prior to the beginning of or after the end of FY2019 are included.

Economic Report

Overall score of satisfaction with Daiwa Securities Co. Ltd.

	FY2017	FY2018	FY2019
Overall score of satisfaction with Daiwa Securities Co. Ltd.	4.86	4.90	4.97

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

Calls received at the Customer Support Center

	FY2017	FY2018	FY2019
Number of calls received (calls)	4,990	4,436	3,846
Rate of Inquiries (%)	82	81	81
Rate of Complaints (%)	18	19	19

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



	FY2019
Daiwa Securities cumulative sales (million yen)	735,181
Daiwa Securities' share in the Japanese market (%)	49

* Source: Daiwa Securities Co. Ltd. (From March 2008 to March 2020)

* Figures have been rounded off

Environment-related bonds for retail investors sold by Daiwa Securities Co. Ltd.



	FY2017	FY2018	FY2019
Number of bonds	2	4	11
Sales amount (million yen)	10,063	11,217	38,128

* Figures have been rounded off

Results of SRI investment trusts



	FY2019
Balance in Daiwa Securities Group (million yen)	221,740
Daiwa Securities' share in the Japanese market (%)	40

* Source: Daiwa Securities Co. Ltd.

Results of the donations through Daiwa's Point Program

(Unit: thousand yen)

Content	Amount
Amount of donations to eligible organizations (Cumulative amount from April 2003 to March 2020)	134,631
Donations made through Japan Platform to work that assists victims of the Great East Japan Earthquake (Cumulative amount from May 2011 to October 2016)	33,190
Donations made as disaster relief assistance funds (Cumulative amount from November 2016 to March 2019)	5,366

* Granting of new points in Daiwa's Point Program had ended at the end of March 2020

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

(Unit: thousand yen)

	FY2017	FY2018	FY2019
Amount donated	22,530	7,820	10,520

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

Nippon Healthcare Investment Corporation Total amount of assets acquired

(Unit: Million yen)

	Total amount
Acquired asset (As of March 31, 2019)	86,900

Management results by Daiwa Real Estate Asset Management Co. Ltd.

(Unit: Million yen)

Target	Balance of assets under management
Renewable energy power plants	50,800

Number of implementations and participants in SDGs/ESG seminars

	FY2017	FY2018	FY2019
Number of implementations	18	15	15
number of participants	545	310	576

Management Report

Compensation Paid to Directors and Corporate Executive Officers of Daiwa Securities Group Inc. in FY2019

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

Type of officer	Total compensation, etc. (millions of yen)	Value of compensation, etc., by type (millions of yen)				Recipients (persons)
		Base remuneration	Restricted Stock	Performance-linked remuneration	Retirement bonus	
Directors	30	24	6	–	–	2
Corporate executive officers	1,023	530	190	302	–	15
Outside directors	125	125	–	–	–	7

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

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

Name	Total consolidated compensation, etc. (millions of yen)	Type of officer	Company name	Value of consolidated compensation, etc., by type (millions of yen)			
				Basic remuneration	Restricted Stock	Performance-linked remuneration	Retirement bonus
Takashi Hibino	184	Corporate executive officer	Daiwa Securities Group Inc.	67	23	47	–
			Daiwa Securities Co. Ltd.	45	–	–	–
Seiji Nakata	205	Corporate executive officer	Daiwa Securities Group Inc.	67	23	68	–
			Daiwa Securities Co. Ltd.	45	–	–	–
Toshihiro Matsui	145	Corporate executive officer	Daiwa Securities Group Inc.	60	17	42	–
			Daiwa Securities Co. Ltd.	25	–	–	–
Kazuo Takahashi	108	Corporate executive officer	Daiwa Securities Group Inc.	20	13	–	–
			Daiwa Securities Co. Ltd.	46	–	28	–
Keiko Tashiro	109	Corporate executive officer	Daiwa Securities Group Inc.	46	13	29	–
			Daiwa Securities Co. Ltd.	20	–	–	–

* 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

	FY2019
Nominating Committee	3 times
Audit Committee	17 times
Compensation Committee	4 times
Board of Directors	10 times
Rate of attendance at Board of Directors meetings by outside directors	100%

Number of reports received through whistleblowing system

(Unit: Reports)

	FY2017	FY2018	FY2019
Number of reports received through whistleblowing system	53	41	42

* 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., 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, 2019			As of March 31, 2020		
		Employees	FA ^{*1}	Temporary employees	Employees	FA ^{*1}	Temporary employees
Japan	Male	8,092	47		8,025	42	
	(Career track ^{*2})	7,566			7,499		
	(Managers)	4,158			4,177		
	Female	5,210	43		5,347	38	
	(Career track ^{*2})	3,539			3,741		
	(Managers)	490			562		
	Japan total	13,302	90	806	13,372	80	535
	(Career track ^{*2})	11,105			11,240		
Overseas	(Managers)	4,648			4,739		
	Male	1,186			1,309		
	(Managers)	589			648		
	Female	618			675		
	(Managers)	159			183		
	Overseas total	1,804		113	1,868		112
Total	(Managers)	748			831		
		15,106	90	915	15,240	80	635

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

*1 Financial advisors

*2 Includes employees in regional career-track positions (without job transfers involving relocation) and specialists

Number of New Graduates Recruited by Daiwa Securities Group

(Unit: persons)

		April 2018	April 2019	April 2020
Career-track employees/regional career-track employees	Male	289	337	244
	Female	289	340	216
Total		578	677	460

* The data from April 2019 covers seven Group companies. The data for April 2018 covers eight companies including the former Daiwa SB Investments Ltd.

Workforce Statistics

	FY2017	FY2018	FY2019
Average annual salary ^{*1} (million yen)	1,072	1,045	1,015
Average age (years old)	42.1	41.9	42.3
Average number of years of service (years)	15.3	15	15.4

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

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

Average Age

(Unit: years old)

	FY2017	FY2018	FY2019
Total	38.0	38.3	38.4
Male	39.6	39.8	39.7
Female	35.7	36.2	36.6

* This data covers Daiwa Securities Co. Ltd.

Average Number of Years of Service

(Unit: years)

	FY2017	FY2018	FY2019
Total	13.7	13.8	13.9
Male	15.3	15.4	15.5
Female	11.4	11.5	11.8

* This data covers Daiwa Securities Co. Ltd.

Employee Turnover Statistics

(Unit: %)

	FY2017	FY2018	FY2019
Total	3	3.7	4.4

* This data covers Daiwa Securities.

Number of Employees Re-employed after Retirement Age

(Unit: persons)

	FY2017	FY2018	FY2019
Number of Employees Re-employed after Retirement Age	72	88	110

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

Employment Rate for Persons with Disabilities

(Unit: %)

	End of FY2017	End of FY2018	End of FY2019
Employment Rate for Persons with Disabilities	2.1	2.33	2.57

* This data covers Daiwa Securities Co. Ltd.

Achievements of Selected Participants in Management Training

(Unit: persons)

Daiwa Management Academy: Targeting department managers	FY2017	FY2018	FY2019
Number of people who have completed training (cumulative)	403	426	451
Daiwa Leadership Program: Targeting Executive director and director	FY2017	FY2018	FY2019
Number of people who have completed training (cumulative)	929	1,036	1,159

* The data for FY2019 covers nine Group companies. The data until FY2018 covers ten companies including the former Daiwa SB Investments Ltd.

Participants in Skill Training

	FY2017	FY2018	FY2019
Number of training courses	21	27	29
Number of implementations (times)	48	64	57
Cost for the Group's educational investment (100million yen)	21	22	22
Number of people who have completed training ^{*1} (cumulative)	9,362	13,488	17,853

* The data for FY2019 covers seven Group companies. The data until FY 2018 covers eight companies including the former Daiwa SB Investments Ltd.

*1 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^{*1}

(Unit: persons)

Credential	As of March 31, 2018	As of March 31, 2019	As of March 31, 2020
Affiliated Financial Planner (AFP)	6,811	7,064	7,296
Certified Financial Planner (CFP®) ^{*2}	698	796	1,020
Certified Member Analyst of the Securities Analysts Association of Japan (CMA)	1,613	1,644	1,470
Chartered Financial Analyst (USA credential)	59	63	49
TOEIC (730-990)	1,830	1,903	1,819
Overseas MBA program, etc.	177	176	152

*1 The data for the end of March 2020 covers nine Group companies. The data until the end of March 2019 covers ten companies including the former Daiwa SB Investments Ltd.
(according to filings by employees)

*2 These figures cover Daiwa Securities Co. Ltd.

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..	1,083	171

* The data for FY2019 covers nine Group companies. The data until FY2018 covers ten companies including the former Daiwa SB Investments Ltd. (according to filings by employees)

Number of participants and contents of human rights education for employees

	FY2017	FY2018	FY2019
New employees	574	475	545
(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	439	337	1,201
(Education content)	To acquire knowledge and raise awareness concerning human rights required for their respective positions		

Working Hours and Paid Vacation Usage Rate

	FY2017	FY2018	FY2019
Annual regular working hours (hours)	1837.5	1837.5	1837.5
Average monthly overtime hours (hours) ^{*1}	23.2	22.8	21.7
Paid vacation usage rate (%) (including special summer vacation) ^{*2}	68	68	72

* This data covers two Group companies.

*1 Figures indicate employees at the two companies that are members of Daiwa Securities Group Employees' Union.

*2 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)

		FY2017	FY2018	FY2019
Number of employees taking childcare leave ^{*1}	Female	695	696	680
	Male	437	420	378
Number of employees taking nursing care leave	Female	2	5	10
	Male	3	3	3

* This data covers all consolidated Group companies.

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

Employees Taking Childcare Leave and Other Related Plans

		FY2017	FY2018	FY2019
Employees taking childcare leave (%)	Female	100	100	100
	Male	100	100	100
Return to work rate for those taking childcare leave (%)	Female	90	91	92
	Male	100	100	99
Women working when their children turned one year (%)		100	100	100
Short working hours system usage (persons)		373	446	505
Daycare subsidy usage (persons)		702	759	583

* 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 1,400 people.
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.
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 (can take in half-day units)
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
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
Job location change system	If an employee needs to relocate due to marriage, spouse job transfer, nursing care time care, etc., the Group will provide a work position at the new location. Since fiscal 2007, approximately 300 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
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 attend hospital, etc. or to carry out procedures on behalf of family members. Up to 5 days per year can be taken (half days can also be taken, 10 days for 2 or more family members).
Nursing care travel home expense allowance	The Group subsidizes travel expenses incurred when employees return to their parents' home to provide nursing care.
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 Used by about 70 people in total
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	Work-from-home is possible in all departments including sales to balance work with nursing care, cancer treatment, and infertility treatment
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 FY2017	End of FY2018	End of FY2019
Percentage of employees who are female (Consolidated)	37.9	39.2	40.0
Percentage of employees who are female (Daiwa Securities Co. Ltd. only)	42.2	43.2	43.9
Percentage of managers who are female (Consolidated)	9.4	10.5	11.9
Percentage of managers who are female (Daiwa Securities Co. Ltd. only)	11.6	12.9	14.5

Percentage of directors who are female

(Unit: %)

End of June 2018	End of June 2019	End of June 2020
14.2	21.4	23.1

Number of women newly appointed to directors

(Unit: persons)

	End of FY2017	End of FY2018	End of FY2019
Daiwa Securities Group Inc. (directors and corporate executive officers)	2	4	3
Daiwa Securities Co. Ltd. (directors, corporate executive officers, and executive officers)	7	9	9

Number of women newly appointed to managerial positions

	End of FY2017	End of FY2018	End of FY2019
Number of women newly appointed to managerial positions (persons)	40	61	64
Total number of those appointed to managerial positions (persons)	164	233	239
Percentage of women who are newly appointed to managerial positions (%)	24.4	26.2	26.8

* This data covers Daiwa Securities Co. Ltd.

Number of Employee Union Members

	End of FY2017	End of FY2018	End of FY2019
Number of employee union members (persons)	7,134	7,202	6,992
Ratio of employees who are employee union members (%)	64.4	63.9	62.6

* The data for end of FY2019 covers seven Group companies. The data until end of FY2018 covers eight companies including the former Daiwa SB Investments Ltd. (excluding Daiwa Asset Management Co. Ltd., which has its own employee union, and Daiwa Property Co., Ltd., which has no employee union)

Work Motivation Survey

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

* Four-scale evaluation (maximum of four points)

Expenditures for SDGs Related Activities



(Unit: thousand yen)

Type of activity	FY2017	FY2018	FY2019
1. Education and research in economics and finance	130,122	82,579	73,261
2. Assistance to communities inside and outside of Japan through foundations and NPOs	149,441	175,813	174,815
3. Support for culture and the arts	437,458	751,961	614,700
4. Corporate citizenship initiatives	2,501	5,441	4,385
Total	719,523	1,015,796	867,162

* This data covers Daiwa Securities Group Inc., Daiwa Securities Co. Ltd. and Daiwa Asset Management Co. Ltd.

Political Contributions

(Unit: million yen)

Type of activity	FY2017	FY2018	FY2019
Political Contributions	30	32	—

Results in Economic and Financial Education Program

(Unit: persons)

Program	FY2017	FY2018	FY2019
Support for Finance Park	19,183	20,926	21,102
Cumulative participant numbers since initiation of support (in Sept. 2003)			

Daiwa Securities Health Foundation's cumulative grants awarded through FY2019



	Cumulative results
Number of people receiving grants	1,288
Total amount of grants (thousand yen)	1,268,500

Daiwa Securities Foundation's cumulative grants awarded through FY2019



		Cumulative results
Volunteer Activities Grants	Number of projects receiving grants	3,674
	Total amount of grants (thousand yen)	856,463
Grants to volunteer work for disaster recovery (the Great East Japan Earthquake)	Number of projects receiving grants	258
	Total amount of grants (thousand yen)	104,667
Grants to volunteer work for disaster recovery (the Kumamoto Earthquakes)	Number of projects receiving grants	75
	Total amount of grants (thousand yen)	21,452
Grants to activities supporting children	Number of projects receiving grants	8
	Total amount of grants (thousand yen)	3,884

Cumulative number of people completing the Daiwa Scholar Program by FY2019



	Cumulative results
Number of people completing the Daiwa Scholar Program (cumulative)	182

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)	84

Donations made to the Kopernik Program



(Unit: thousand yen)

	FY2017	FY2018	FY2019
Donation amount	3,353	3,090	2,309

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

Amount of grants for the Daiwa Securities Phoenix Japan Program



	FY2017	FY2018	FY2019
Grant recipients (group)	9	7	7
Total amount of grants (thousand yen)	31,530	25,090	24,756

Contribution through collection drives (equivalent monetary value)



(Unit: yen)

	FY2017	FY2018	FY2019
JEN BOOK MAGIC	19,033	17,289	–
Used Book Sale Donation for Children's Future	–	49,453	121,961
"Vaccines for the World's Children"	252,420	180,071	112,455
Live with Friends on the Earth	94,506	145,914	91,388

* This data covers nine Group companies.

TFT Program



(Unit: school lunch)

(calendar year)	2017	2018	2019
Donations equivalent to the number of school lunches provided in developing countries (Calculated on the assumption that one meal costs ¥20)	43,224	62,335	151,688

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

Donations for Disaster Relief



(Unit: thousand yen)

	FY2019
Donations for Typhoon Hagibis damage in 2019	10,000
Donations for response to the COVID-19 pandemic	15,730

* This data covers Daiwa Securities Group Inc.

Environmental Report

Scope of data

Energy consumption, CO₂ emissions, clean water consumption:

Domestic: We have incorporated figures on energy consumption and CO₂ emissions for Daiwa Securities Co. Ltd., Daiwa Property Co., Ltd. and Daiwa Institute of Research Ltd., the three companies with a reporting obligation under laws and regulations. Daiwa Institute of Business Innovation 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.

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	FY2017	FY2018	FY2019
Japan	Electricity	thousand kWh	65,982	63,790	64,258
	Utility gas	thousand Nm ³	302	280	273
	Heavy oil	kL	9.2	10.4	8.1
	Diesel fuel	kL	0.06	0.06	0.09
	Kerosene	kL	16.53	18.34	26.56
	Steam and cold water	GJ	1,200	1,233	1,686
	Total	GJ ^{*1}	673,980	651,274	656,470

*1 GJ: Gigajoule (109 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	FY2017	FY2018	FY2019
Overseas	Electricity	thousand kWh	7,378	7,202	9,996
	Utility gas	thousand Nm ³	111.4	103.7	70.3
	Cold water	GJ	825	765	756
	Total	GJ ^{*1}	79,671	77,489	103,839

*1 GJ: Gigajoule (109 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	FY2017	FY2018	FY2019
Total (Japan and overseas)	Electricity	thousand kWh	73,360	70,991	74,254
	Utility gas	thousand Nm ³	414	383	343
	Heavy oil	kL	9.2	10.4	8.1
	Diesel fuel	kL	0.06	0.06	0.09
	Kerosene	kL	16.53	18.34	26.56
	Steam and cold water	GJ	2,025	1,998	2,442
	Total	GJ ^{*1}	753,651	728,763	760,309

*1 GJ: Gigajoule (109 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.

CO₂ Emissions(Unit: t-CO₂)

Office	Type	FY2017	FY2018	FY2019
Japan	Electricity	29,663	27,416	27,065
	Utility gas	691	639	623
	Heavy oil	24.9	28.0	21.8
	Diesel fuel	0.14	0.15	0.22
	Kerosene	41.11	45.59	66.07
	Steam and cold water	68	70	96
	Rental cars**	1,942	1,928	1,792
	Commuting (bus/railroad)	1,466	1,497	2,080
	Business travel	1,290	1,788	1,433
	Total	35,186	33,412	33,178
	Scope1	757	713	711
	Scope2	29,731	27,486	27,161
	Scope3	4,698	5,213	5,305

*1 Rental cars: Gasoline used by rental cars.

(Unit: t-CO₂)

Office	Type	FY2017	FY2018	FY2019
Overseas	Electricity	3,353	3,234	3,998
	Utility gas	241	231	157
	Steam and cold water	47	44	43
	Business travel*	591	707	575

* CO₂ emissions from overseas business travel (airplane use) by London and Hong Kong office officers and employees are calculated from FY2017.(Unit: t-CO₂)

Office	Type	FY2017	FY2018	FY2019
Total (Japan and overseas)	Electricity	33,015	30,650	31,064
	Utility gas	932	870	780
	Heavy oil	24.9	28.0	21.8
	Diesel fuel	0.14	0.15	0.22
	Kerosene	41.11	45.59	66.07
	Steam and cold water	115	114	139
	Rental cars**	1,942	1,928	1,792
	Commuting (bus/railroad)	1,466	1,497	2,080
	Business travel	1,880	2,495	2,008
	Total	35,186	33,412	33,178
	Scope1	998	944	868
	Scope2	33,131	30,764	31,203
	Scope3	5,288	5,920	5,880

Calculation methods

Scope1 and scope2

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 CO₂ emission factor (basic emission factor) for each electricity supplier.

Overseas: Figures for CO₂ are calculated using the latest figures published by the local government or electricity provider. Figures for CO₂ 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 CO₂ emission factor or calorific value and the emission factor specified by law are used to calculate CO₂ 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.3.0) and IDEAv2.3 (For calculating supply chain greenhouse gas emissions). (Disclosed figures have been rounded off)

D) Rental cars

The fuel used in rental 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.

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.

CO₂ Emissions per Employee (Japan)

Office	Type	Unit	FY2017	FY2018	FY2019
Japan	Per employee	t-CO ₂	2.7	2.5	2.5
	Number of employees in Japan	persons	13,115	13,392	13,452

* Data is excluded from the scope of independent assurances. Calculated based on CO₂ emissions in Japan and the consolidated number of employees in Japan.

Clean Water Consumption



(Unit: thousand m³)

Office	Type	FY2017	FY2018	FY2019
Japan	Water Consumption	119.1	125.3	127.4
Overseas	Water Consumption	11.6	12.2	10.9
Total (Japan and overseas)	Water Consumption	130.7	137.5	138.3

Waste

		Unit	FY2017	FY2018	FY2019
Paper waste	Amount generated	t	324.6	331.2	281.3
	Recycling rate	%	94.6	92.5	91.4
Non-paper waste	Amount generated	t	237.1	271.3	247.1
	Recycling rate	%	44.8	44.1	43.4

Paper Consumption

(Unit: t)

		FY2017	FY2018	FY2019
Japan Amount	used	565.2	512.0	472.1
Overseas Amount	used	24.1	22.9	28.2
Total (Japan and overseas)	Amount used	589.3	534.9	500.4

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

		FY2017	FY2018	FY2019
Vehicles		1,049	1,073	1,065
	Including eco-cars	743	845	837
	Including hybrid cars	142	160	157

Cases of soil and groundwater pollution found within office sites

FY2017	FY2018	FY2019
0	0	0

Investment in energysaving air conditioning systems for FY2018

(Unit: million yen)

FY2017	FY2018	FY2019
7	91	47

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	FY2017		FY2018		FY2019	
		Investment	Cost	Investment	Cost	Investment	Cost
Business area cost	Global environmental conservation						
	Introduction and upgrading of energy-saving air conditioners	7.1		91.0		46.7	
	Power receiving and transforming facilities	119.4		219.0		24.6	
	Eco-car leasing fee (for five years)		232.3		355.9		621.2
	Resource circulation						
	Waste disposal cost ^{*2}		21.6		21.6		23.3
	Dissolution process cost ^{*3}		31.8		32.1		30.9
	Total	126.4	285.7	310.0	409.7	71.3	675.4
Administration cost	Management of environmental data, etc.		2.0		2.0		2.0
Social activity cost	Environmental conservation, etc.		1.0		1.0		1.0
Total		126.4	288.7	310.0	412.7	71.3	678.4

*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)

	FY2017	FY2018	FY2019
Expense saving	16.4	21.4	12.4
Revenue (recycling, etc.)	0	0	0
Total	16.4	21.4	12.4

[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	FILP agency bond	Municipal bond	Samurai bond	Bonds within and outside Japan (bench- mark bonds)	Japan Housing Finance Agency (RMBS)
Fishery, agriculture & forestry	Fishery, agriculture & forestry										
Mining	Mining										
Construction	Construction	2				91					
Manufacturing	Foods					22					
	Textiles & apparels					5					
	Pulp & paper										
	Chemicals	2				119					
	Pharmaceutical										
	Oil & coal products					5					
	Rubber products					60					
	Glass & ceramics products	1				27					
	Iron & steel					112					
	Nonferrous metals					31					
	Metal products	2				7					
	Machinery					63					
	Electric appliances		7	12		138					
	Transportation equipment					13					
	Precision instruments										
	Other products					30					
Electric power & gas	Electric power & gas					359					
Transportation, information and communication	Land transportation					118					
	Marine transportation					12					
	Air transportation					21					
	Warehousing & harbor transportation services					18					
	Information & communication	106	29	5		352			15		
Trade	Wholesale trade		1			33					
	Retail trade		2			3					
Finance & insurance	Banks					90			52	109	
	Securities & commodity futures					48					
	Insurance		357			166					
	Other financing business					208					
Real estate	Real estate	19				129					
Services	Services	4	98			16				87	
Nonclassifiable	Real estate investment corporation	0	0	0	309	30					
	Public entity	0	0	0		305	318	613	111	2,165	273
Total		136	494	17	309	2,630	318	613	178	2,361	273

(Fiscal year-end dollar/yen rate: 108.83 yen to the dollar)

(Fiscal year-end euro/yen rate: 119.55 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 performance indicators marked with  (the “Indicators”) for the period from April 1, 2019 to March 31, 2020 included in its SDGs Data Edition 2020 (the “SDGs Data”) for the fiscal year ended March 31, 2020. Some Indicators which are subject to this assurance engagement are cumulative totals as of March 31, 2020 or figures for the period from January 1, 2019 to December 31, 2019.

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 25, 2020