We are building positive relationships with society for sustainable growth.

The Capcom Group supports the creation of a richer society, driven by our principle of being a creator of entertainment culture to deliver joy and excitement to people through the creation of game entertainment.

To this end, we are actively working to solve common social issues by promoting ESG initiatives based on the goal of creating a sustainable society as set forth in the SDGs. Our aim is to realize a world in which everyone can enjoy games with peace of mind.

We will also work together with our stakeholders, including shareholders, customers, business partners, employees, and regional communities as we strive to achieve sustainable

ESG Initiatives and Future Challenges

◆ Material Issues   Green : Securing and Training Human Resources   Pink : Promoting Diversity   Blue : Developing Healthy Relationships

	Basic Policy	Main Initiatives and Results
Environmental	The Capcom Group has been minimizing the negative impact of its businesses on climate change (e.g., CO_2 and other greenhouse gas (GHG) emissions), and with respect to pollution, use of resources, etc., we have been striving to reduce our consumption of resources by adopting LEDs in lighting and promoting the digitization of software made available for sale. The Capcom Group will continue to promote these initiatives.	• Reduced CO_2 emissions by switching to LED lighting • Constructed new environmentally-friendly buildings • Reduced paper resources used through the digitization of instruction manuals • Reduced resources consumed through the promotion of digital sales • Introduced electricity sourced from renewable energy at our buildings in the Kansai area ➡ For details, please refer to "Environment" on pp.53-54
Social	The Capcom Group will respect human rights, prohibit discrimination based on race, religion, gender, age, sexual orientation, disability, nationality, etc., thoroughly eliminate inequality by protecting the vulnerable, create a pleasant working environment for employees, and promote the securing and developing of human resources. In addition, we will promote initiatives to build a healthy relationship with local communities and customers, such as engaging in activities to assist children suffering from poverty in the hope of their healthy growth and development.	**Employees** **Relationship with Employees** • Actively employed and utilized foreign nationals • Improved the ratio of women in management positions • Held Health and Safety Committee meetings • Implemented staff training • Implemented discretionary work system • Implemented working from home • Revised compensation system • Held company briefing with employees ➡ For details, please refer to "Relationship with Employees" on pp.55-56 **Customers** **Relationship with Customers** • Compliance with the CERO ratings system • Appropriate localization/culturization • Formulated guidelines with industry groups • Supported community building by promoting the spread of esports • Monetized without high-pressure microtransactions ➡ For details, please refer to "Relationships with Customers" on pp. 59-60 **Regional Communities** **Relationship with Regional Communities** • Welcomed children participating in Company Visits to our offices / held Guest Lectures at schools • Developed online educational support activities • Leveraged Capcom content in regional revitalization efforts • Supported senior citizen community formation with video game arcade tours • Donated to various support organizations ➡ For details, please refer to "Relationship with Regional Communities" on pp. 61-62
Governance	The Capcom Group has been enhancing management transparency and soundness, endeavoring to build a structure that is capable of adapting to changes in the environment and striving to boost its corporate value by enhancing its corporate governance function, including utilizing voluntary committees. Going forward, we will continue to further initiatives to meet the expectations of our stakeholders, including shareholders, customers and employees.	• Increased dialogue with shareholders • Transitioned to a company with an audit and supervisory committee • Raised the ratio of external directors • Held roundtable discussions with external directors • Established a dedicated support team for the Board of Directors • Established the Nomination and Remuneration Committee (voluntary) • Established the Information Technology Security Oversight Committee for ongoing enhancement of information security • Appointed female external director ➡ For details, please refer to "Corporate Governance" on pp.65-74

Value Creation Story

Medium- to Long-Term
Growth Strategy

Latest Creative Report

Foundation for
Sustainable Growth (ESG)

Financial Analysis and
Corporate Data

growth through proactive information disclosure and improved transparency.

Purple : Enhancing Corporate Governance

Business Impact (Risks and Opportunities)	Future Challenges
Opportunities • Reduced costs (used less electricity, cut distribution costs) **Risks** • Increased business costs with the introduction of a carbon tax • Rising costs of raw materials, production, and procurement due to carbon regulations and plastic use restrictions • Disruption of business continuity caused by intensification of abnormal weather events arising from natural disasters and the progression of global warming, and the associated impact on employees' work styles, health, and livelihoods	• Increasing energy conservation at existing buildings through renovation • Further conserving energy in amusement facility operations
Opportunities • Expanded global reach through game development based on a diverse set of values • Acquired competent creators • Improved creator productivity • Fostered a commitment to legal compliance **Risks** • Retirement or turnover of talented personnel • Decline in operational efficiency due to loss of motivation	• Increasing the percentage of women in management positions • Strengthening recruitment of global-ready workers
Opportunities • Improved customer satisfaction by creating stress-free environments for play • Reduced social risks posed by games **Risks** • Various country risks including culture, religion, and customs • Monetization systems becoming a social issue • Changes in user purchasing behavior	• Education of users, consumer groups, government entities, etc.
Opportunities • Expanded profit opportunities by improving company and IP name recognition • Promoted understanding of the Capcom approach to business • Expanded revenue opportunities in step with larger percentage of populations gaining access to entertainment options following the stabilization of social environments **Risks** • Deterioration of corporate image • Declining interest in game content	• Further promotion of regional revitalization using Capcom content
Opportunities • Evaluated proper corporate value on both financial and non-financial bases • Avoided managerial decision-making risk through better management monitoring • Ensured the appropriateness of growth strategies by having the Board of Directors consider a range of views • Perpetuated the founder's business know-how **Risks** • Decreased relevance of decision-making • Leakage of information via unauthorized access or other means	• Increasing the number of opportunities for persons in charge of development to converse with the market • The effective operation of the audit and supervisory committee system • Board of Directors effectiveness assessments and their utilization • Review the composition of the Board of Directors • Setting developer compensation in consideration of medium- to long-term sustainable growth