

## Environmental Action as an Entertainment Company

Capcom's Digital Contents business accounts for approximately 75% of the Group's consolidated net sales and primarily entails the development and sale of software. This gives Capcom an environmental impact that is lower than the general manufacturing industry. Because our environmental impact comes largely from the power used at amusement facilities and for manufacturing amusement equipment, as well as from distributing our products, we are focused on saving energy.

## Reducing Power Usage

### Reducing CO<sub>2</sub> emissions by promoting energy saving measures companywide

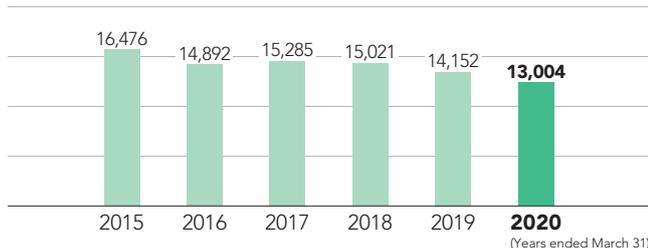
Capcom has worked to cut power usage through efforts that include ongoing power saving at all of its places of business, saving energy at its amusement facilities, and implementing peak shifting for the power used by PCs and other electrical equipment.

The fiscal year ended March 2017 saw our CO<sub>2</sub> emissions increase compared to the previous fiscal year due to the construction of the R&D Building #2 and Capcom Technical Center. However, in the fiscal year ended March 2020, we succeeded in reducing emissions by 8.2% compared to the previous year by introducing energy-saving equipment at those facilities and promoting the switch to LED lighting at each workplace.

\* Assumes energy consumption of 100% without introduction of this equipment.

### Capcom's CO<sub>2</sub> Emissions (Non-consolidated) (t)

# 13,004 t



### Rated "S Class" five years in a row by the Business Operator Class-Based Assessment System

Every year Capcom has achieved year-on-year reductions to its energy intensity. For these efforts, Capcom has been awarded S Class (out of classes S, A, B, and C) status for five years running under the Business Operator Class-Based Assessment System that has been administered since 2016 by the Agency for Natural Resources and Energy in accordance with the Act on Rationalizing Energy Use (Measures Pertaining to Factories).

FY	Energy Intensity*	Vs. Previous FY
2015	0.06193	92.9%
2016	0.06018	97.2%
2017	0.05994	99.6%
2018	0.05869	97.9%
2019	0.05583	95.1%

\* Calculated using the method defined by the Agency for Natural Resources and Energy. The Agency for Natural Resources and Energy website: <https://www.enecho.meti.go.jp/en/>

## Innovations in Product Distribution

### Conserving resources through digital sales of game software

In the past, games included a printed instruction manual inside the package, but in recent years, these manuals are now included as data within the software as a way to save paper. This enables us to eliminate approximately 25.50 million game units' worth of paper manuals annually.

Moreover, the increasing popularity of digital sales, where games are downloaded after purchase, has made it possible to conserve resources used to produce discs, semiconductors, software packaging, and other components in addition to paper resources.

In the fiscal year ended March 2020, the resources used in the equivalent of around 20.55 million units of game software were conserved as a result of digital sales. We will continue promoting digital sales of game software with the aim of achieving effectively zero resource consumption in the future by selling solely via digital download.

### Sharing distribution networks with other companies in the industry

Sharing distribution networks with other companies in the same industry when shipping products enables the efficient supply of products. As a result, we are able to realize reductions in packing materials, fuel and emissions. In the future, we aim to achieve further reductions by decreasing the volume of distribution through the promotion of digital sales.

## Development and Manufacturing Initiatives

### Reducing the environmental impact of pachislo machines

In solidarity with the efforts of the Japan Pachislo Machine Industry Association (Nichidenkyo), Capcom manufactures and sells pachislo machines partially made from recycled parts and equipped with standardized "green devices" aimed at controlling power usage.

### Status of disposal of used arcade game machines

Year	Amount recycled	Thermal recycling*1
2015	77.8%	22.2%
2016	77.9%	22.1%
2017	74.4%	25.6%
2018	83.7%	16.3%
2019*2	00.0%	00.0%

\*1 Volume used as heat source for hot water, heating, etc.

\*2 Capcom switched to new cabinets in fiscal 2019, so there was no collection of used arcade game machines.