

# Relationship with Employees

## 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
2016	77.9%	22.1%
2017	74.4%	25.6%
2018	83.7%	16.3%
2019*2	00.0%	00.0%
2020	99.77%	00.0%
2021	91.6%	8.2%

\*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.

## Promoting workplace proximity

At Capcom, we encourage employees to live within five kilometers of their place of work and to commute by bicycle. As such, we have arranged company housing near our offices and built bicycle parking close to our R&D facilities. The primary goal is to promote a proper work-life balance by shortening commuting distances, but at the same time, it also helps reduce greenhouse gas emissions associated with use of transportation.



Bicycle parking

## Utilizing electricity sourced from renewable energy

In October 2020, the Japanese government pledged to be carbon neutral by 2050. The goal is to realize a carbon-free society by 2050 and effectively eliminate greenhouse gas emissions.

Realizing carbon neutrality will require the introduction of renewable energy that does not produce CO<sub>2</sub> emissions.

At Capcom, we began using CO<sub>2</sub>-free electricity sourced from renewable energy at the buildings we own in the Kansai area in June 2022. As a result, around 27% of the power we consume in Japan is now provided by renewable energy.

## Providing a Pleasant Workplace

### Promoting work-life balance

Creating entertainment culture requires that creators themselves make time for play.

At Capcom, we have established Paid Leave Promotion Days and encourage employees to take extended leave to refresh and look for new sources of inspiration during the year-end/New Year’s holidays as well as during the series of holidays in May. Additionally, we have built a four-story bicycle parking facility near our development studios and encourage our employees to live within a five-kilometer radius to shorten commuting times. This saves time and living costs while giving creators the free time necessary to cultivate their creative powers and imaginations, which is essential for creative work. Moreover, we opened Capcom Juku as an on-site daycare facility in April 2017 to provide a stable workplace environment for creators. As it is located close to work, it provides peace of mind for employees who are married or have children and has been well-received by those who have utilized it.

➔Please refer to the information below or page 54 of the 2018 Integrated Report.

### Supporting employees’ health management

The employee cafeteria was renovated in 2015 when the new development studio was completed. Healthy meals are served for breakfast, lunch, and supper. There is also a massage room staffed by nationally-certified massage therapists at both the Tokyo and Osaka locations to support our employees in managing their health.

### Fulfilling employee potential in a cutting-edge environment

The biggest thing when it comes to motivating developers working in a creative field such as games is access to an environment that allows them to bring their ideas to life. Capcom maintains a cutting-edge development environment that includes 3D scanners, a motion capture studio, a dynamic sound mixing stage, and a Foley stage. In this way, we support our creators in fulfilling their vision.

## Capcom Juku

### Providing an environment for vibrant childcare combining day care and education

Given the desire to quickly improve the issue of long day care waiting lists accompanying a lack of preschools, Capcom’s top management set its sights on the future, desiring to provide an environment in which employees can raise their children with peace of mind while remaining employed over the long term. We operate Capcom Juku aiming to add individual education and growth to standard day care for children.

Capcom Juku goes beyond caring for infants and preschool children and accepts a wide range of youth, including after-school kindergarten and elementary school students. This helps

employees avoid the stress of not being able to find open facilities for their children. Furthermore, by offering educational support in the form of a place for learning English, eurhythmics, math, science, and other subjects, Capcom Juku joins its efforts with employees and fosters the growth of children. Currently, as of March 31, 2022, the school takes care of 23 children a month and accepts as many as 15 temporary pupils a month.

In the future, we will create a learning atmosphere at Capcom Juku that stimulates and broadens children's curiosity, while also striving for an environment where parents can work with peace of mind so that both they and their families can lead fulfilling lives.

### Promotion of Diversity

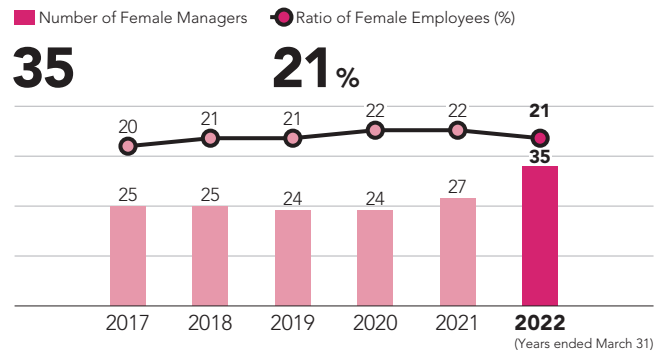
#### Initiatives aimed at promoting the improvement of the work environment for women and proactively hiring foreign nationals

Capcom is currently engaged in initiatives aimed at improving the work environment for women and proactively hiring foreign nationals.

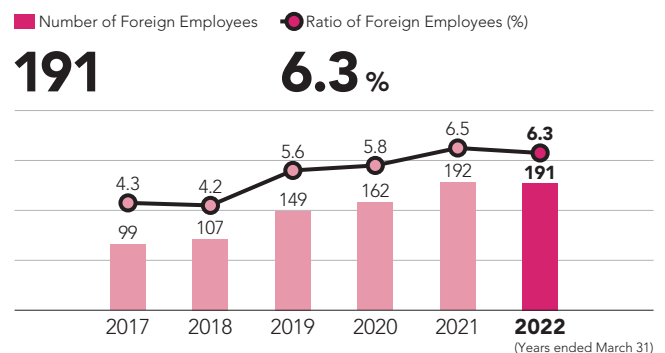
In terms of providing an environment that facilitates women, we introduced systems enabling women to take a leave of absence before and after giving birth, childcare leave and shortened working hours, and promote their use throughout the Company. In fiscal 2021, 41 employees took childcare leave, 20 of whom were men, and 100% of eligible women took childcare leave (fiscal 2020: 34 employees, 17 of whom were men and 100% of eligible women took leave). The ratio of women who returned to work afterwards is also high: 34 (97.8%) returned in fiscal 2021 (fiscal 2020: 31 (96.9%) returned). As a result, despite it being said that Japan's gaming industry is generally dominated by men, women account for roughly 21% of Capcom's workforce, and 35 (12.5%) of Capcom's managers are women. In accordance with the execution of the Act on Advancement of Measures to Support Raising Next-Generation Children and the Act on Promotion of Women's Participation and Advancement in the Workplace, in 2019 we formulated the General Employer Action Plan, which seeks to achieve two things: (1) developing a personnel system that contributes to diversity in work styles, and (2) having women comprise at least 15% of managers by the end of fiscal 2024. In recognition of Capcom's efforts toward improving the workplace environment for women, since 2014 we have earned the "Kurumin" mark, the symbol of a "company supporting childcare," from the Ministry of Health, Labour and Welfare.

In terms of the proactive employment of foreign nationals, Capcom is making efforts to strengthen overseas expansion capabilities including creating an English hiring website. We currently employ 188 foreign nationals (representing 6.2% of our employees). Going forward, we will create a system for improving motivation and work on promoting diversity, including support for career advancement and the promotion of foreign nationals to management positions.

#### Number of Female Managers and Ratio of Female Employees (Capcom Co., Ltd.)



#### Number and Ratio of Foreign Employees (Capcom Co., Ltd.)



### Capcom Voices

#### Anoop Manalvathukkal

Technical Artist  
Advanced Game Development Section,  
Game Development Department 1



As a technical artist, I create things such as character "rigs"—the skeletal structures that allow them to move—and other tools that help bring the characters in our games to life. One project I'm especially proud of is a tool my team conceptualized and built to help animators more efficiently manipulate character models. We were able to present the finished product to the development team in earnest for use on *Resident Evil Village*. It was truly satisfying to both receive a positive reaction from our fellow developers and to see my work make a difference.

Working abroad is challenging personally and professionally, however my team has been very supportive, helping me to build relationships while I work to develop myself as a professional and take on new responsibilities. I look forward to continuing to help deliver the absolute best experiences possible for the players—we have a lot in store that I'm sure will excite you.

## Capcom Voices

### Petr Zapotocky

Rigging Technical Director  
Advanced Game Development Section,  
Game Development Department 1



As a Lead, I strive to foster a team environment where others can grow, making sure the right person is assigned the right task and working to ensure my team members' wellbeing and satisfaction. At the same time, I'm also deeply committed to providing the very best quality on the creative side.

The work of any technical artist is best shown when people don't notice it, because they're completely immersed in the visuals. But producing the muscle and clothing of a character is a battle that takes place on a scale of milliseconds. Cloth simulation in particular is difficult and was of special focus for us on Resident Evil Village, where we much improved on our cloth simulation system, with great results.

It's our mission to produce ever greater realism for our fans, and I hope we can continue to do so in our upcoming titles.

### Miwa Hara

Senior Manager of  
Game Development Section 4  
Game Development Department 1



When your work is development, and you're creating something from nothing, you have to have an open team. While there are some advantages to online meetings, which became prevalent during the COVID-19 pandemic, they tend to make it more difficult to get a temperature reading on the team and gauge reactions. We take care to carefully observe whether each person understands what's going on and voices their opinions, so when it comes to matters that involve the core elements of the game, we go with face-to-face meetings where we avoid close contact.

It's not easy to create a new game. You have to keep experimenting, and it's like attempting to climb a mountain you don't know can be climbed. Still, I have a solid sense now that everything I've gone through in the past has become a source of encouragement to help me take on these challenges. For that reason, I believe it's my role as project manager to establish an environment in which every member of the team can express their thoughts and ideas without hesitation and to make sure that they can flourish.

### Thomas Veraart

Data Analysis Team  
Data Analysis Section  
Marketing Strategy Department



Video games were my introduction to Japan, and as a longtime Capcom fan joining up felt only natural. Living and working abroad can be daunting but Capcom's facilities have made some aspects easier, as I've been able to take advantage of onsite daycare at Capcom Juku, which my daughter attends daily.

I've had a wide range of experiences since joining, working on everything from our push into digital sales to business development. I'm especially proud of the deals I worked on with first-party platform holders and building our relationships with PC hardware partners. More recently, I've even had the opportunity to be producer—though now I'm also involved in market data analysis and planning, which is sure to present new challenges and victories.

Looking ahead, I hope that by bringing my perspective I can contribute to building an even more agile, global-facing company because this is the kind of place where driven people with ideas can make a difference. If you're interested in joining me, I'd love to see you here.

### Yuko Yasuda

Senior Manager of Trademark &  
Copyright Section  
Intellectual Property Department



The Trademark & Copyright Section is engaged in intellectual property management operations, including trademark research and patent applications for product names and use of copyrights inside games, to support global development of game content.

In recent years, it has become popular to stream game play on video sharing sites, which led us to create video guidelines for people as one way to support the activities of game fans.

In addition to the specific tasks you're in charge of, a manager has to do many things, from budget management to improving the efficiency of operations. On the other hand, in recent years, we have also incorporated remote work, which has provided me with more latitude in my daily life, so I can have supper with my family and spend more time with my children. This has allowed me to balance childcare and work.

There is currently a male employee in the Intellectual Property Department taking paternity leave, which really crystalized for me the idea that our working environment is conducive to raising children. I hope to continue growing together with Capcom.

# Relationship with Customers

## Considerations in Game Development

### In-game purchases

In the Japanese game market, discussions have been taking place for some time on the problem of gacha, or high-priced lottery-style game mechanics, primarily in mobile games. Overseas, gacha-like “loot boxes” have been banned in some countries.

As a creator of entertainment culture, Capcom believes that games should be enjoyed for the entertainment value they provide with gameplay, not for thrills associated with winning a lottery. We do not want to see games that are supposed to make people happy having the opposite effect as a result of excessive charges. For that reason, we are working to ensure that all users can enjoy our games fairly and safely. In principle, we minimize gacha elements in the mobile games we develop; in our home video games, we provide any content required to enjoy the full game free of charge, while offering some additional content at low cost.

### Localization and culturalization

Capcom games are enjoyed worldwide. In the fiscal year ended March 2022, the percentage of home video games sold overseas was 83.1%. Naturally, translation (localization) of video games developed in Japanese is required so that game players around the world can enjoy them. The volume and importance of localization is increasing year after year due to factors such as improvements in game machine performance, support for online gameplay, and an increase in the number of languages accompanying a more diversified, global audience. As such, Capcom’s localization team is involved in game development from the initial stages.

By carrying out localization concurrently with development, rather than following completion of the Japanese language version as had been done in the past, Capcom is able to launch games simultaneously around the globe. What is more, depending on the country, simply translating games developed under Japanese norms can end up hurting users unexpectedly due to historical, religious, or cultural differences.

As such, we focus on employing staff from around the world to culturize the games so that they can be enjoyed by all, regardless of locale.

## Healthy Development of Entertainment

### Compliance with the CERO rating system and endorsement of guidelines

The Computer Entertainment Rating Organization (CERO), a Specified Nonprofit Corporation, was created to provide age-appropriate ratings for video games. Capcom complies with the CERO rating system and rules.

The rating system is an initiative for the healthy development of young people that calls for voluntary restrictions on home video game content and sales methods to limit access by young people to sexual or violent content. In addition, recent game platforms include a parental control function that enables parents to limit the online purchase and use of certain games according to their ratings.

### Guidelines issued by the Computer Entertainment Suppliers’ Association (CESA)

Name of guideline	Implementation date
Guidelines on blockchain games	Enforced July 1, 2021
Guidelines for Real Money Trade Measures	April 26, 2017
Guidelines for the Protection of Minors	December 21, 2016 Revised March 27, 2019 Revised April 1, 2022
Operating Guidelines for Random Item Distribution in Network Games	April 27, 2016
Guidelines for Advertisements, Etc. in Home Video Game Software Targeting Only Those 18 and Over	April 1, 2008 Revised June 20, 2012
Code of Ethics Concerning Computer Entertainment Software, 2nd Revision	October 1, 2002

Please refer to CESA’s website for information on its activities.  
[https://www.cesa.or.jp/index\\_e.html](https://www.cesa.or.jp/index_e.html)

### Addressing the WHO’s recognition of gaming disorder

In May 2019, the World Health Organization (WHO) included gaming disorder as a new mental health condition characterized by excessive use of games to the point where it has a negative impact on health and social life. Cooperating with industry organizations such as the Computer Entertainment Supplier’s

Association, we are taking the appropriate steps to raise awareness of the issue in response to social demand. As an independent effort, we will continue to educate elementary and junior high school students on how to interact with games in a healthy manner through our educational support program.

➔ For details see p. 60

**Addressing addiction to pachinko and pachislo**

Pachinko and pachislo are a form of entertainment that has taken root in society. At the same time, however, there is concern over players becoming addicted. For that reason, the Recovery Support Network (RSN), a pachinko addiction consultation hotline, was established in 2006 with the support of industry organizations. In addition to the launch of this free phone-based consultation service, various measures were implemented in the industry to prevent addiction. These measures included putting up posters at all locations nationwide to raise awareness of RSN, establishing a system in which pachinko and pachislo advisors (specialist staff) are stationed at each location to provide customers with appropriate information on addiction, and preparing guidelines for addressing addiction at pachinko parlors. In 2017, the Pachinko and Pachislo Industry Association for the 21st Century, which consists of 13 organizations from the amusement industry, announced the “Declaration on Pachinko and Pachislo Addiction,” strengthening measures to address pachinko and pachislo addiction and declaring it as a top priority. In May 2022, the association played a central role in holding online forums on the “Special Website for the Issue of Pachinko and Pachislo Addiction,” which provides an overview of addiction and information on industry initiatives. The website has rolled out various educational activities.

Capcom endorses and cooperates with these initiatives to contribute to healthy development of the industry.

**Support for Community-building among Senior Citizens**

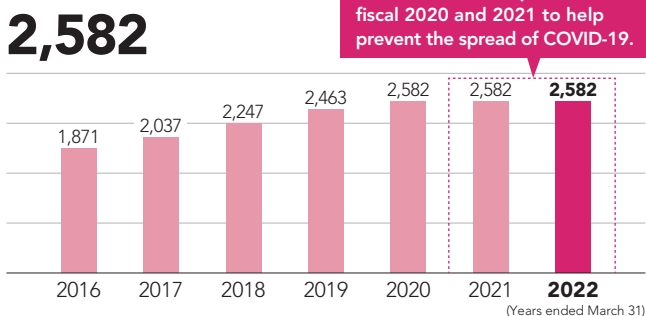
**Holding regular amusement arcade tours**

Today, amusement facilities are becoming increasingly popular among senior citizens as spaces for communication with friends and facility staff. Since 2012, Capcom has held amusement arcade tours free of charge on long public holidays and Respect-for-the-Aged Day for senior citizens where they can try out coin-operated games and crane games, enabling more people to make use of such facilities.

\* The tours have been suspended since fiscal 2020 to help prevent the spread of COVID-19.

In addition, as part of efforts to create arcades where senior citizens can comfortably enjoy themselves, currently, 23 staff members have received Service Assistant certification.

Cumulative number of participants in senior tours



Senior tours

**Enhancing Customer Support**

**User support and utilizing feedback**

At Capcom, we have dedicated support teams for each product to ensure that customers can fully enjoy the services they purchase.

We also strive to quickly respond to customer questions by providing online FAQ pages, while each person in charge regularly engages in information exchanges with other teams, working to improve customer satisfaction.

The questions and feedback our game support teams receive are condensed and analyzed to be incorporated in development of new products.

→Inquiries  
[https://www.capcom.co.jp/support/index\\_game.html](https://www.capcom.co.jp/support/index_game.html) (Japanese only)

**Protecting the personal information of our customers**

Capcom has more than 10 million records containing personal information on customers, accumulated from site memberships, prize deliveries, product purchases, and other sources. In 2015, the Japanese Act on the Protection of Personal Information was revised, and the revisions went into full effect on May 30, 2017.

Meanwhile, overseas, the EU General Data Protection Regulation (GDPR) went into effect in May 2018. The data of game players falls under the category of personal information in these laws, and the scope is expanding each year.

Under these circumstances, we established our new Information Management Department in April 2019 to enhance our information management structure and address the requirements of the Japanese Act on the Protection of Personal Information and the GDPR. This department is leading our efforts to address the risk of personal information leaks by developing a system of conduct guidelines, operational controls, and audits in accordance with the law.

In response to the unauthorized access of Capcom’s network in 2020, improvements were made to the security system to prevent recurrence. Additionally, the Information Technology Security Oversight Committee, which includes

## Relationship with Regional Communities

multiple outside experts, was established in January 2021. It holds regular meetings with the aim of further improving information security.

### Expanding opportunities for customers to play games

In recent years, we have been focusing on promoting esports as part of our efforts as a creator of entertainment culture. We have the role of planning and organizing events as a game manufacturer—a role that had been largely shouldered by the player community in the past—in order to provide an environment that better allows competitors and fans to enjoy the excitement of competitions.

Since 2013, we have held Capcom Cup to determine the top players in the world. We are also working to provide amateur players with opportunities to shine, such as with the new Street Fighter League: College-JP 2019 for students, in June 2019.

Through these activities, we aim to increase points of contact with our customers and improve customer satisfaction. In fiscal 2021, we held Capcom Pro Tour Online 2021, a series of 32 1-on-1 tournaments carried out in 19 regions across the globe. We also introduced a team ownership system in the Japanese esports league Street Fighter League: Pro-JP 2021, in which eight companies form original teams that participate. In these and other ways, we are expanding the scope of our activities.



Street Fighter League: Pro-JP 2021

### Promoting Healthy Relationships with Games

#### More than a decade of on-site classes for children in school

Games are a relatively new cultural phenomenon with little academic research, and discussions tend to focus on the detrimental effects rather than the educational aspects. Recently, recognition by WHO of gaming disorder made headlines as did the establishment of the Kagawa Prefectural Ordinance on Countermeasures for Addiction to Internet and Computer Games. However, video game creator is a popular future career choice among children, and programming and other such lessons will be made compulsory in Japanese elementary schools starting in 2020. Many private sector efforts are also underway, including opening programming academies for youth. Considering these developments, it is reasonable to expect that the number of children hoping to become game creators will increase. Additionally, smartphone use rates among young people—53.4% of elementary school students and 80.8% of junior high school students—are rising each year. Smartphone games are also gaining popularity and children are growing more familiar with games.

Given this, with a desire to promote social understanding of games, we accept visits to our offices from primarily elementary and junior high school students and conduct on-site classes at schools to promote sustainable economic growth and social development. Class programs have three sessions: Career Education introduces the work done in a game company and its challenges and rewards; Game Literacy Education helps students use their judgement to build a healthy relationship with games; and CAPCOM: Work × Mathematics shows students how mathematics—typically not a favorite subject—is used in work. These programs have been well-received with schools, and Capcom is incorporating educators' feedback to improve them. In addition, based on prior feedback expressed by educators we launched an online program starting in fiscal 2021, which also allows us to hold classes smoothly even during the COVID-19 pandemic. We will continue to launch new initiatives to enable us to respond flexibly over a wider geographical area than before.

Altogether, Capcom has welcomed 3,355 children as part of 403 different field trips to its offices (as of March 31, 2022). Capcom has also held 174 on-site classes for 15,726 students (as of March 31, 2022) including the first online class held at Kawane Junior High School in Shimada City, Shizuoka Prefecture in June 2021.

#### Impressions of the on-site classes (An excerpt of this fiscal year's comments)

- The students realized the importance of communication skills and classroom studies, so it was very beneficial. (Junior high school teacher)
- What left the biggest impression for me was the part about how to happily stop playing. When you talked about using big and small rewards, I was surprised to learn about such a method. (Junior high school student)
- If you were to make a learning program for tablets used at school, I think the children would be able to work on their studies with a more game-like mindset. (Elementary school teacher)

## Supporting Social Welfare

### Support for creating stable environments

As a game publisher, not only are children customers that play with our products but they are also potential future leaders that may become employees. Needless to say, a stable environment is necessary to play games, but education is essential for choosing a profession.

In the fiscal year ended March 2022, we donated a total of 100 million yen to three organizations that are working on the healthy development of children, including the Fund to Support Children's Future.

We also committed to provide 100 million yen to the Office of the United Nations High Commissioner for Refugees to support refugees from Ukraine whose plight has recently gained worldwide attention.

### Support for Children in Need

Organization	Amount of support
Fund to Support Children's Future, Welfare and Medical Service Agency	50 million yen
Single Mothers Forum (an authorized nonprofit organization)	40 million yen
Child Center Nukku (specified nonprofit organization)	10 million yen

### Support for Refugees from Ukraine

Organization	Amount of support
UNHCR, the UN refugee agency	100 million yen

\* Supported through Japan for UNHCR (an authorized nonprofit organization), the official representative of UNHCR in Japan for accepting aid

## Supporting the Promotion of Culture and Technology

### Communicating the future of play to the world from Osaka

Capcom made the decision to support and set up a booth at the Osaka Pavilion to be opened at Expo 2025 (Osaka, Kansai Expo), which will be put together by the Expo 2025 Osaka Pavilion Promotion Committee. The theme will be "the future of play," and we will co-create content experiences that leverage our cutting-edge technology/development capabilities and global brand to communicate the future to the world.

## Supporting the Promotion of Sports

### Contributing to healthy mental and physical development through support for sports

In April 2022, Capcom expressed its endorsement of the goal of the Japan Volleyball Association (JVA) to foster humanity while contributing to both the healthy development of children and young people as well as to the mental and physical growth of the nation through the greater promotion and advancement of the sport of volleyball. We are supporting the activities of the Japanese men's and women's volleyball teams in Japan and abroad as well as the promotion of the sport of volleyball.

We also signed an agreement with Cerezo Osaka in August 2022 establishing Capcom as a Top Partner. We will continue to support Cerezo Osaka, the representative soccer club of Capcom's hometown, so that through both gaming and soccer we can realize our slogan of "From Osaka, to the World."



Signed an official sponsorship agreement with Japan Volleyball Association



Entered into a sponsorship deal to be a Top Partner of Cerezo Osaka

Contributions to Regional Revitalization


Utilizing the appeal and brand recognition of popular games to contribute to society

The appeal of video game content was demonstrated to the world during the opening ceremonies of the preeminent international sporting event of summer 2021 held in Tokyo when video game music was played to accompany the entrance of the athletic teams. In the same vein, Capcom is following a Single Content Multiple Usage strategy for our content, which we deploy in a wide range of fields beyond video games. As such, we are proud to have a high level of recognition and popularity among men and women, young and old alike.

Based on our corporate philosophy of making people happy through games, since the mid-2000s Capcom has been engaged in the following four regional revitalization activities not only in Osaka, where we have our head office, but across Japan: 1) economic promotion that supports the local tourism industries; 2) cultural awareness raising that supports education concerning local history and culture; 3) crime prevention education through coordination with the police; and 4) raising awareness about voting in elections in coordination with the Committee for Election Administration.

Further, going forward we will provide support for esports activities regionally throughout Japan while looking into activities to promote regional revitalization through playing games.

**Comments from a city official**



**Nobumichi Sukenaka**  
Director of Juvenile Division  
Community Safety Department,  
Osaka Prefectural Police Headquarters

In recent years, marijuana abuse has been increasing among juveniles in Osaka. To address the problem, the Osaka Prefectural Police have been searching for high-impact public relations content that has a high deterrent effect. Capcom showed understanding of the intent behind our efforts and created an attention-grabbing original poster for us using characters from *The Great Ace Attorney*.

The poster was picked up and covered by the media and received a big response from the public. We believe that it served as a warning to the community and was highly effective in preventing marijuana abuse among juveniles.

We are deeply grateful to Capcom. We look forward to continued support for the happy and healthy development of the youth who will lead Osaka in the future.

