

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 environmental and social issues by promoting sustainability initiatives based on the goal of creating a sustainable society as set forth in the SDGs and founded in corporate governance. Our aim is to realize a world in which everyone can enjoy games with peace of mind.

Through these initiatives, we will also aim to create a better future by building trust with our stakeholders, including shareholders, customers, business partners, employees, and regional communities, as we strive to achieve sustainable growth and carry out our responsibility as a good corporate citizen.

➔Please refer to "Sustainability Highlights" on pages 13-14 for details on initiatives

Initiatives and Future Challenges

	Basic Policy	Main Initiatives and Results	Business Impact (Risks and Opportunities)	Future Challenges	
Sustainability	Environment	<p>The Capcom Group has been minimizing the negative impact of its businesses on climate change (e.g., CO₂ and other greenhouse gas (GHG) emissions) by promoting the use of renewable energy, reducing resource consumption and CO₂ emissions through digital content sales, and continuing efforts to lower the environmental impact related to pollution and resource use. The Capcom Group will continue to advance these initiatives.</p>	<ul style="list-style-type: none"> ● Reduced CO₂ 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 ● Introduced green power at the Tokyo Branch and expanded CO₂-free power at other business locations ● Reduced resource usage and CO₂ emissions associated with disc manufacturing and distribution ● Implemented energy-saving measures and partial recycling of parts in the production and sale of pachislo machines <p>➔For details, please refer to "Environment" on pp.53-54</p>	<p>Opportunities</p> <ul style="list-style-type: none"> ● Reduced plastic usage and distribution costs through the promotion of digital content sales ● Reduced carbon taxes by utilizing renewable energy ● Reduced costs by recycling certain parts of amusement equipment ● Promoted further digitalization in response to changing consumer preferences <p>Risks</p> <ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● Increasing energy conservation at existing buildings through renovation ● Further conserving energy in amusement facility operations ● Strengthening initiatives through our supply chain
	Social	<p>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.</p>	<p>Relationship with Employees</p> <ul style="list-style-type: none"> ● Revised compensation system ● Actively employed foreign nationals and enhanced support programs for them (special leave program for visiting home and Japanese language education program) ● Operating an in-house childcare center ● Introduced a partnership system with inclusive definition of spouses/partners ● Held company-wide briefing sessions ● Improved the paternity leave utilization rate among male employees ● Reduced the gender wage gap among full-time employees (the ratio of the average wage of female employees to that of male employees) ● Conducted caregiving seminars ● Made menstrual leave paid <p>➔For details, please refer to "Relationship with Employees" on pp.55-56</p> <p>Relationship with Customers</p> <ul style="list-style-type: none"> ● Compliance with the CERO ratings system ● Formulated guidelines with industry groups ● Supported community building via the spread of esports ● Monetized without high-pressure microtransactions ● Appropriate localization/culturalization <p>➔For details, please refer to "Relationships with Customers" on pp. 59-60</p> <p>Relationship with Regional Communities</p> <ul style="list-style-type: none"> ● 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 ● Operated facilities with playground equipment that families, including those with children, could enjoy ● Supported senior citizen community formation with video game arcade tours ● Donated to various support organizations <p>➔For details, please refer to "Relationship with Regional Communities" on pp. 61-62</p>	<p>Opportunities</p> <ul style="list-style-type: none"> ● Expanded global reach through game development based on a diverse set of values ● Strengthened recruitment competitiveness by increasing average base salaries and promoting industry-academia collaboration ● Enhanced the retention of talented personnel and improved employee engagement by creating a more accommodating work environment for individuals from diverse backgrounds <p>Risks</p> <ul style="list-style-type: none"> ● Increasing number of required personnel and advanced technical requirements due to the evolution of game development ● Increasing number of older employees (knowledge transfer) ● Intensified competition for talent acquisition due to declining birth rates and other factors 	<ul style="list-style-type: none"> ● Acquiring talented personnel through enhanced industry-academia collaboration ● Continuing to create an environment that maximizes the capabilities of individuals from diverse backgrounds ● Strengthening the recruitment of foreign nationals and improving work conditions ● Further increasing the paternity leave utilization rate among male employees ● Further reducing the gender wage gap among full-time employees
				<p>Opportunities</p> <ul style="list-style-type: none"> ● Improved customer satisfaction by creating stress-free environments for play ● Reduced social risks posed by games <p>Risks</p> <ul style="list-style-type: none"> ● Various country risks including culture, religion, and customs ● Monetization systems becoming a social issue ● Changes in user purchasing behavior 	<ul style="list-style-type: none"> ● Education of users, consumer groups, government entities, etc. ● Further enhanced the protection of customers' personal information
				<p>Opportunities</p> <ul style="list-style-type: none"> ● 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 <p>Risks</p> <ul style="list-style-type: none"> ● Deterioration of corporate image ● Declining interest in game content 	<ul style="list-style-type: none"> ● Further promotion of regional revitalization using Capcom content
	Corporate Governance		➔For details, please refer to "Corporate Governance" on pp.63-74		