

Contributing to a sustainable society utilizing our traits as a game maker

With the rise in popularity of esports and the WHO's international recognition of gaming disorder, in recent years gaming has transcended the framework of simple entertainment and is now recognized as content with a profound social impact. At Capcom, we believe that sustainable growth is achieved by delivering social and economic value, while at the same time building healthy relationships with stakeholders from the perspective of a game publisher. This entails tackling social issues through our business activities, such as training a workforce capable of succeeding on the global stage, and the creation of new markets.

We believe that the principle of Sustainable Development Goals (SDGs), namely that "all cultures and civilizations can contribute to sustainable development," and our own management philosophy, which is that we are "creators of entertainment culture that stimulates your senses," are closely related. As such, in order to realize both sustainable economic growth and a sustainable society, we will address four priority initiatives based on our fundamental policy for sustainability and work to contribute to the development of social sustainability.

Sustainable Development Goals (SDGs)

SDGs are 17 goals that were adopted by the over 150 member countries of the United Nations at the United Nations Sustainable Development Summit held in September of 2015 at the UN headquarters in New York. It was determined that in order to eliminate poverty and achieve a sustainable world, we must prioritize the realization of these 17 goals on a global scale.

➔ For details, please refer to the United Nations Information Centre "2030 Agenda" site.
<https://www.un.org/sustainabledevelopment/sustainable-development-goals/>



Priority initiatives

Securing and Training of Human Resources

We are working to secure and train outstanding developers based on our desire to captivate the world with our premier content. To adapt to change and grow sustainably we have been strengthening human capital, starting with the revision to our remuneration system in 2022 and including the announcement of increased starting salaries for new graduate hires in 2023. We will continue to focus on recruiting diverse human resources, strengthening production capabilities, and improving engagement with employees. With these efforts, we are advancing our human resources investment strategy in preparation for further growth opportunities over the next 10 years.

Relevant SDGs



Promoting Diversity

In response to changes in the business environment, we are making investments in securing and developing diverse human resources, including hiring and evaluating employees regardless of their gender, nationality, or age. With the globalization of the game player population, diversity in game developers is becoming even more important. For that reason, we have been promoting diversity and working on building a workplace where women and foreign nationals can excel.

Relevant SDGs



Development of Solid Relationship with Society

Following our management philosophy, we are actively working to resolve common issues facing society as a good corporate citizen. Particularly, these efforts focus on prohibition of discrimination, respect for human rights, assistance for vulnerable children living in poverty, contributions to regional revitalization, and supporting the promotion of culture and technology. Additionally, we host company visits for children and provide outreach classes.

Relevant SDGs



Enhancement of Corporate Governance

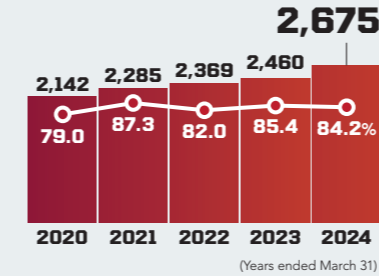
Recognizing its importance to management, we are working to strengthen corporate governance. In addition to ensuring the transparency, soundness, and legal compliance of management, we are also striving to ensure diversity of the Board of Directors and promoting opportunities for active participation by external directors to foster a management structure that is adaptive to environmental changes while improving the supervisory functions of the Board of Directors. Going forward, we will promote sharing and understanding of issues by adding and improving opportunities for discussions, such as meetings with external directors to exchange ideas, in an effort to further enhance governance.

Relevant SDGs



Progress of initiatives

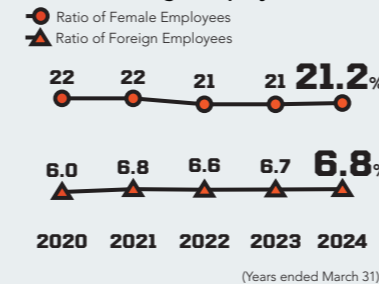
Number of Developers (People) / Internal R&D Ratio (%)



We are working to secure and train outstanding developers to create amazing games that resonate globally. We are aware of how important bolstering our developer workforce is for expanding our pipeline and improving quality, and we therefore continue to hire approximately 150 new graduates each year.

➔ For details see p.45

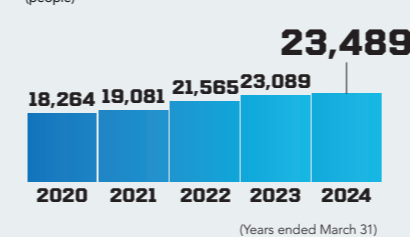
Ratio of Female Employees / Ratio of Foreign Employees (%)



We focused on creating a comfortable work environment for employees from overseas by once again organizing discussions between foreign national employees and management last year, as well as by providing English-language internal announcements. As a result, the numbers for both women and foreign nationals continue to climb contributing to the creation of Capcom content.

➔ For details see p.56

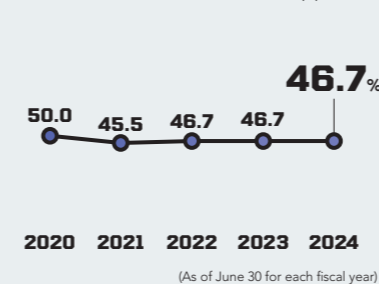
Cumulative Number of Students Receiving Educational Support (people)



We began our educational support activities in 2005. After over 15 years, our efforts have gained a certain degree of recognition, and have provided many young people with learning opportunities, including gaming in a healthy manner. Since we adopted online outreach classes in the fiscal year ended March 31, 2022, we have been able to expand our activities to a broader region.

➔ For details see p.61

Ratio of External Directors (%)



At Capcom, we strive to make management more transparent and visible, and have implemented various governance reforms to this end, such as the Nomination and Remuneration Committee. We proactively appoint external directors, and on March 31, 2024, external directors accounted for 46.7% of the entire board of directors. This ratio remained the same as of June 2024, as two retiring external directors were replaced by two newly appointed external directors.

➔ For details see p.65

Results of initiatives in fiscal 2023

Held various information sessions including state-of-the-company overviews for employees

In recent years, we have held various information sessions for employees, including business overviews of the company. These information sessions serve as channels for Q&A and discussions between employees and management concerning the drivers and challenges of the company's growth trajectory based on its management policy for the last decade. They are also platforms for open dialogue among all to better understand employees' needs and promote awareness of mental health management and harassment prevention, helping to create a comfortable work environment.

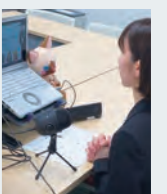
Initiatives to build a more comfortable workplace

In 2023, we introduced a special leave program that foreign national employees can use to visit their home country, as well as a more inclusive "partnership system" that provides benefits fairly regardless of sexual orientation or gender identity. Further, we continued to hold open discussions between employees and management in order to better understand the needs of foreign national employees.



Growing demand for online outreach classes

With the advent of online classes, we are expanding the reach of our activities, from schools on remote islands to those in other locations. The rate of online classes stood at 87.5% in the fiscal year ended March 31, 2024, 7.5 points higher than the previous fiscal year, indicating that even after the COVID-19 pandemic, online classes remain popular.



Strengthening supervisory functions by external directors

In the fiscal year ended March 31, 2024, we worked to enhance the supervisory functions of the Board of Directors through meetings with external directors to exchange opinions and facilitate discussions among top management regarding medium- to long-term strategies, with the aim of enhanced mutual understanding and increased information sharing.

