Working for sustained enhancement of corporate value through business activities and a world where games can be enjoyed with peace of mind

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. Under this philosophy, we strive for stable, medium- to long-term growth and enhanced corporate value through our business activities. We also actively address common environmental and social challenges with the aim of realizing a world where everyone can enjoy games with peace of mind.

To this end, the Capcom Group has established a basic sustainability policy. By enhancing corporate governance to increase corporate value, we aim to build relationships of trust with our stakeholders—including shareholders, customers, business partners, employees, and local communities—and work toward realizing a better future.

Capcom Group's Basic Sustainability Policy

Social

- We respect human rights and prohibit discrimination based on race, religion, gender, age, sexual orientation, disability, nationality, etc., thoroughly eliminating inequality through the protection of vulnerable individuals.
- We promote the creation of a comfortable working environment for employees, as well as the recruitment and development of talent.
- We strive to build sound relationships with local communities and customers, including through activities that support the healthy development of children facing hardship due to poverty.

Environment

- We will promote the use of renewable energy to minimize the negative impact of our business on climate change (such as CO_2 and GHG, i.e. greenhouse gas, emissions).
- In addition to reducing resource consumption and CO_2 emissions by digitizing sales of content, we will continue initiatives to reduce environmental impact, including energy-saving measures and recycling of certain components, addressing environmental pollution and resource utilization.

Governance Related to Sustainability

Our Board of Directors has established fundamental policies regarding the sustainability of the Capcom Group. For significant matters, it receives reports from the Representative Director or the Corporate Management Council (chaired by the Representative Director and Chairman/CEO) and exercises oversight.

Sustainability Risk Management

The Corporate Management Council deliberates on response policies and measures concerning sustainability risks and opportunities. Based on the results of these deliberations, relevant departments advance initiatives under the direction of the Representative Director or responsible officer, reporting back to the Representative Director or the Corporate Management Council.

Sustainable Development Goals (SDGs)

The SDGs are 17 global goals adopted by over 150 UN member states at the UN Sustainable Development Summit held at UN Headquarters in New York in September 2015. They represent the world's top priorities for ending poverty and achieving a sustainable world.

➡For details, please visit the United Nations website discussing the 2030 Agenda Sustainable Development:
https://sdgs.un.org/2030agenda

Sustainability Initiatives

Key Theme 1

Human Capital

➡For details, please refer to p. 51-54.

Human capital is the source of the Capcom Group's corporate value creation and the driving force behind sustainable growth. We are advancing our talent investment strategy, expanding our development structure, and striving to create a supportive work environment.

- Securing and Developing Talent to Support the Future
- Revamping the Work Environment
- Ensuring Workforce Diversity
- Childcare and Eldercare Support

Key Theme 2

Intellectual Property

➡For details, please refer to p. 55

We continuously create world-class content (IP) and strive to leverage, appropriately manage, and protect intellectual property to expand and deepen brand recognition.

- Investment in Intellectual Property
- Protection and Utilization of Intellectual Property

Key Theme 3

Information Security

➡For details, please refer to p. 56

As we advance business globalization and digitalization, ensuring information security (including information management and cybersecurity measures) has become increasingly critical. We strive to maintain and strengthen appropriate management systems.

- Information Management
- Cybersecurity Measures

Building Relationships with Customers and the Community

➡For details, please refer to p. 57-60.

- Social Welfare Support
- Support for Regional, Cultural, Technical, and Sports Development
- Promotion of a Healthy Gaming Culture

Environmental Initiatives

➡For details, please refer to p. 61-62.

- Reduction of CO_2 Emissions
- Minimizing Environmental Impact in Development, Manufacturing, and Distribution
- Climate Change Governance and Risk Management

Human Capital

The Capcom Group prioritizes initiatives related to human capital, the source of our corporate value creation, as one of our top priorities. We have established a Chief Human Resources Officer (CHO) position to drive our talent investment strategy.

Governance and Risk Management in Human Capital

The Personnel Committee, chaired by the Representative Director and Chairman (CEO), convenes approximately once a month. It focuses on discussing human capital investment strategies and determines policies and measures. Based on the committee's discussions and decisions, the CHO and the Human Resources Division oversee cross-functional collaboration among the R&D Human Resources Department, Tokyo Human Resources Administration, Health and Productivity Management Department, the Corporate Planning Department's People Strategy Team, and Human Resources Department to advance specific initiatives.

Securing and Developing Talent to Support the Future

The Capcom Group has been promoting the growth of our development workforce by over 100 personnel annually. Starting in 2022, we implemented measures for our regular employees, including an average 30% increase in base annual salaries, the introduction of an enhanced performance-based bonus system, as well as a stock compensation system. These efforts have helped us grow the number of development personnel to 2,846 by the end of March 2025.

In April 2025, we raised the starting monthly salary for new graduates to 300,000 yen to enhance our recruitment competitiveness in terms of compensation. We are also striving to secure outstanding talent through initiatives such as industry-academia collaborations aimed at early discovery and development of globally competitive young creators, and expanding mid-career hiring channels. We are also strengthening and training talent to support our future by enhancing OJT/Off-JT programs for young talent development and providing training to improve management skills for managerial candidates.

Reorganization and Improvement of the Work Environment

The Capcom Group is increasing personnel to facilitate larger-scale development and evolving technology. We are pursuing growth investments, such as acquiring real estate as business assets, to enhance the environment and facilities that support our development structure.

We are also striving to foster a corporate culture that respects human rights and to create a comfortable working environment. This includes promoting awareness among executives and employees through training and implementing various initiatives. Since 2022, we have utilized opportunities for direct dialogue between management and employees to facilitate mutual understanding through communication, such as Q&A sessions and opinion exchanges. By making these sessions regular, we are working to ensure these initiatives take root within the company and to more accurately grasp employee needs.

Moving forward, to prevent employee turnover and enhance engagement, we are continuously expanding welfare programs by implementing measures including an internal recognition program to honor contributions to the company, enhanced harassment prevention training, globally accessible consultation channels, and employee recreational facilities.

Ensuring Workforce Diversity

To further expand our development personnel, we must create an environment where individuals from diverse backgrounds can maximize their abilities. The Capcom Group strives to secure and nurture diverse talent by conducting recruitment and evaluations regardless of gender, nationality, age, or other factors.

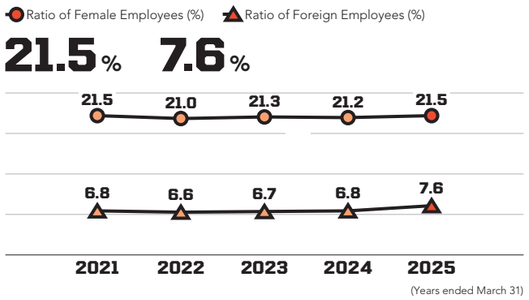
Promoting a diversity-conscious workplace environment

Capcom actively recruits women during the hiring process, provides career development training for managerial candidates, and promotes the active appointment of female managers. To create a more supportive environment for women, we promote maternity leave, childcare leave, and reduced working hours, along with paid menstrual leave and internal training to prevent harassment. Furthermore, to ensure equal treatment in our welfare programs regardless of sexual orientation or gender identity, we have introduced a partnership system.

Initiatives including the active utilization of foreign employees

Capcom actively recruits foreign nationals, supports career advancement for foreign employees, promotes their active appointment to management positions, and provides Japanese language education programs. The company assists with securing housing for those relocating to Japan from overseas, has introduced a special leave system for temporary return visits to their home countries, and holds opinion exchange meetings with management to understand the needs of foreign employees.

Ratio of Female Employees and Ratio of Foreign Employees



As a result, women account for 21.5% of Capcom's employees, with female managers comprising 11.9% of the company's managerial positions. Additionally, our foreign employees come from 36 countries and represent 7.6% of the company's workforce.

Capcom established its General Business Owner Action Plan in April 2024, setting targets of achieving a male childcare leave uptake rate of 85% or higher and a gender pay gap ratio (calculated as the average salary of female regular employees divided by the average salary of male regular employees) of 88% or higher by the end of March 2029.

We will continue to promote various initiatives and expand our systems to foster an environment where individuals from diverse backgrounds can thrive.

Childcare and Caregiving Support

Capcom promotes work-life balance for its employees by encouraging the use of childcare and caregiving leave, establishing the on-site childcare facility Capcom Juku, conducting caregiving seminars, and enhancing childcare and caregiving support systems through telework and other measures.

On-site childcare facility capcom juku

Capcom is aiming to create an environment where employees can raise children with peace of mind and continue working long-term. As part of this effort, alongside standard childcare, Capcom operates Capcom Juku, designed to nurture children who can learn independently and grow on their own.

Capcom Juku provides childcare for preschoolers aged 1-2 years old. For elementary and junior high school students, it offers diverse events during long vacations like summer break, including programming classes and game development experiences, and parent-child lunches. Furthermore, we provide learning spaces that promote children's growth, such as English instruction and individual learning support, working together with our employees to support child-rearing. We also widely accept kindergarteners and elementary school students for after-school care. Currently, we provide monthly care for 23 children and accommodate temporary use for an aggregate total of 495 children (As of the end of March 2025).

Understanding Employee Needs and Enhancing Engagement

Capcom strives to measure engagement metrics to understand employee engagement and utilize this information in various initiatives.

Work engagement, an indicator of proactive behavior and positive feelings toward work, reached the same level as the previous period. Employee engagement, an indicator of attachment to the company, also showed a gradual increase. Furthermore, the turnover rate decreased compared to the previous period, with voluntary resignations at 2.2%, beating the target of approximately 3.0%. We believe this was contributed to by the revised compensation system and efforts to create a more comfortable working environment.

We will continue to improve the working environment to retain talented personnel.

➡For details, please refer to p.75-84

As of March 31, 2025

Fiscal year (ending in March)	2021	2022	2023	2024	2025	Target
Engagement (Non-consolidated) (t-score) (Note 1)						
Work engagement	52.6	51.8	54.4	54.1	54.7	55.0
Employee engagement	—	—	51.8	52.1	53.1	55.0
Turnover (Non-consolidated) (Note 2)	3.9%	5.4%	3.5%	2.9%	2.8%	—
Of which were voluntary resignations	3.6%	4.7%	3.2%	2.5%	2.2%	about 3.0%

*1 Engagement represents our t-score in the results of an engagement survey conducted by an external vendor of our employees (excluding short-time workers not covered by social insurance). For details see the Securities Report for the fiscal year ended March 31, 2025 (Japanese language only).
*2 Turnover is the ratio of the number of employees who left during the period (excluding employees who joined and left during the same period) to the total number of employees at the beginning of the period. Only full-time employees are included in the calculation.

Supporting employee health management

In addition to employee cafeterias offering healthy meals, each of our Tokyo and Osaka locations features a Clinical Room for consultations with occupational physicians and health counseling, alongside a Massage Room staffed by nationally certified massage therapists. Furthermore, we established a dedicated Health Management Promotion Department in 2022 to professionally enhance workplace environments and strengthen communication with employees. These initiatives are part of our commitment to creating a workplace where employees can work safely and healthily.

Fulfilling employee potential in a cutting-edge environment

One of the most important parts of motivating developers working in a creative field such as games is providing 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. In 2023, we established and launched operations at our new Creative Studio in Osaka City, equipped with one of the largest motion capture studios in Japan. This enables greater expressive freedom and provides a better atmosphere to further unleash creativity on the development floor.

Capcom Voices

Foreign National Employees

Bridging the language barrier to create worlds that resonate with fans

Alexander Erhart | Game Development Section 6, Game Development Department 2, Consumer Games Development Division 1

As a concept artist, I work on the development of both Capcom's flagship series and new IPs. My role involves designing a wide range of elements—from assets to the environment design of key locations—that help enrich the games' world and deepen its narrative.

Growing up in Germany, I've been a fan of Capcom games since childhood. When I moved to Japan and joined Capcom, I didn't have any Japanese language capability. However, it was clear from the beginning that communication and an understanding of the language was essential to creating designs that truly enhance the visual direction and storytelling. I want to express my ideas clearly in meetings and fully grasp the nuances of feedback, so I decided to enroll in Japanese language training. The lessons are held twice a week and are conducted online in a one-on-one format. By integrating the sessions into my weekly schedule, I've been able to continue learning without added stress. Two years since the beginning of the program, I've started enjoying casual conversations with colleagues and can feel my progress.

While there is still a long way to go, I'm committed to continuing my studies, evolving and gradually overcoming the lingual challenges—both in general, as well as regarding industry-specific terminology related to my work. By improving my Japanese skills, I aim to deepen my understanding of the culture and enhance communication within my team. Ultimately, I hope to deliver visually compelling experiences through my concept art—ones that leave a lasting impression on players around the world.

Female Managers

Maximizing character appeal: product planning capabilities born from team information sensitivity

Yuuki Seno | Manager, Product Planning Team, Arcade Product Department, Arcade Operations Business Division

I plan and develop exclusive products for our company's stores like Capcom Store and online services such as Cap Tore and Cap Kuji. As team leader, I also oversee overall product planning.

The character goods industry continues to thrive year after year, while social media—the primary means of product promotion—constantly shifts in trends and techniques. Consequently, products born from unoriginal plans or promotions risk getting lost among other products. To leverage our strength—creating products that capture the enduring appeal of titles beloved by a wide audience—I believe it's crucial for each team member to maintain a broad perspective and engage with diverse information.

I take the initiative to keep my antennae tuned, consciously gathering even information that doesn't seem directly related to my work as a source of ideas. I actively strive to share the information I gain within the team.

The interesting aspect of this role lies in the fact that the user base for a game title and the purchasing demographic for its merchandise don't necessarily align. By approaching audiences beyond the title's target users, there's potential to significantly expand the purchasing demographic depending on the plan, which I find very rewarding.

Together with our team members, we pursue the unique value only our team can create. Guided by the motto "products you'll be eager to share with others," we aim to provide merchandise that allows fans to delve deeper into the worlds of Capcom IPs.

Young Employees

The challenge of creating titles that captivate the world, born from diverse opinions and ideas

Shoko Kemmochi | Game Program Section 1, R&D Department 2, Consumer Games Development Division 2

As a programmer, I have been responsible for implementing players, enemies, gimmicks, and UI programs. In my third to fourth year, I took on the role of training new hires, and by my fifth year, I served as a unit leader. Since then, while advancing pre-prototype verification implementation, I have also been involved in career counseling and evaluations for team members as a group leader.

A significant experience in my management of work tasks was the Mentor Training program. I completed ten one-hour online sessions, learning the qualities necessary for a leader to boost team member motivation. Participants ranged from group leaders to department heads, and discussing diverse perspectives and experiences broadened my horizons. I was particularly inspired by everyone's attitude of "being open to any opinion at first."

In development, members with diverse backgrounds and roles come together to create a single work. While it's a workplace where even junior members actively voice their opinions, failing to grasp the intent behind those varied perspectives would mean we couldn't create games that people worldwide can enjoy. After the training, I became more conscious of first being open to any opinion before engaging in dialogue. As a prerequisite for this, I also put more effort into creating an environment where people feel comfortable consulting others. Now, I find great fulfillment in carefully understanding each member's passion and requests while creating games I love alongside my colleagues.

Male Employees Taking Parental Leave

Contributing to organizational strengthening through a workplace environment supporting personal and professional growth

Yuma Nakanishi | Senior Manager, Corporate Strategy Section, Corporate Planning Department, Planning and Strategy Division

After handling legal affairs at domestic and overseas subsidiaries, I now work in the Corporate Strategy Section, where I steer internal discussions on mid- to long-term strategy and execute dynamic initiatives that affect corporate growth, such as M&A and compensation system revisions. As the senior manager of the section, I engage in these high-impact tasks while also providing directions to a team manager and members and handling daily consultations. At Capcom, which competes globally, I find immense fulfillment in work brimming with growth opportunities.

While holding a position of responsibility, I took one month of childcare leave when my child was born. During this leave, my team manager took charge of my duties, supported by other team members. I am grateful for the supportive atmosphere that made taking childcare leave easy and for the smooth transition back to work. During my childcare leave, I maintained an early-to-bed, early-to-rise routine so that I can handle all household chores except for nighttime feedings. Though limited in time, intensively training myself in each household task allowed me to actively support childcare even after returning to work. I truly appreciate having an environment where I can value time with my family while also giving my all to my job.

To realize our vision to be a company that captivates people around the world with our best-in-class immersive content, I aim to work passionately on my duties. I also want to personally demonstrate how to balance work and private life regardless of position, and dedicate effort to creating an environment where members can easily follow suit.

Intellectual Property

The Capcom Group possesses numerous globally branded, popular IPs, achieved through our development and technological capabilities that continuously produce world-class content (IP).

Leveraging these assets, we create globally recognized, unique IPs through our business activities. Furthermore, we expand our business by leveraging these IPs across various media via our Single Content Multiple Usage strategy.

Moving forward, to achieve the Group's vision and meet our mid-term management goals of sustainable, stable growth and 10% operating profit growth each fiscal year, we believe it is crucial to invest in the continuous creation of IP and to expand and deepen global brand recognition.

Furthermore, the Capcom Group strives to enhance corporate value by effectively utilizing, managing, and protecting intellectual property.

To this end, we are committed to advancing the following intellectual property strategy.

Investment in Intellectual Property

The Capcom Group possesses numerous globally popular brands created through our proprietary advanced technologies and development capabilities, distributing game content to over 220 countries and regions worldwide. Furthermore, to continue creating the world's highest-quality IP, the Capcom Group is actively pursuing growth investments. This includes advancing our talent investment strategy and conducting R&D on cutting-edge technologies like our proprietary development engine, as well as building out our development environment.

Furthermore, we are enhancing synergies between our extensive IP portfolio and peripheral businesses such as esports, video content, and character licensing. By expanding and deepening the reach of our content and corporate brand globally, we are striving to enhance our brand value.

Intellectual Property Investment Status and Results

Fiscal year (ending in March)	2023	2024	2025
Development Investment Amount (Consolidated) (million yen) *1	37,719	43,042	49,496
Number of Titles Sold	307	292	248
Number of Countries/Regions Sold In	230	235	227
Annual Game Software Sales Volume (thousand units)	41,700	45,893	51,876

*1 Includes amounts for content-related portions. (As of March 31, 2025)

Protection and Utilization of Intellectual Property

Protection and securing rights for intellectual property

The Capcom Group is actively pursuing patent and trademark applications and striving to protect and secure rights for intellectual property, thereby further deepening our global business expansion.

By actively utilizing these secured patents through cross-licensing agreements and other means, we enhance freedom in game development and promote the creation of compelling content. Furthermore, to protect the Capcom Group's intellectual property rights, we strive for appropriate management and protection by promoting countermeasures against infringing acts and taking actions such as removal when infringing acts are detected. Additionally, we strengthen our development support system through measures like introducing AI checks for trademarks on in-game material data. We also conduct internal awareness campaigns to prevent infringement of other companies' intellectual property rights.

Creation and utilization of intellectual property

The Capcom Group has established an Intellectual Property Department. In addition to conducting internal training, we support the management of intellectual property risks and the continuous creation of new intellectual property through a system that works closely with business and development departments. Furthermore, through industry-academia collaborations and implementation of copyright seminars, we strive to cultivate future talent. Moreover, by adopting the Single Content Multiple Usage strategy, we expand intellectual property into goods and services. We view intellectual property as intangible assets encompassing ideas, promoting the maximization of its value and its proactive utilization.

Response to Copyright Infringement and Status of Patent and Trademark Holding

Fiscal year (ending in March)	2023	2024	2025
Response to Copyright Infringement Removal Number of Cases (Cases) *1	6,940	7,110	6,176
Number of Patents Held (Patents)	912	1,060	1,164
Number of Trademarks Held (Trademarks)*2	5,523	5,885	6,343

(As of March 31, 2025)

*1 Number of responses to requests for removal of pirated versions of the Capcom Group's content or images/videos suspected of infringing intellectual property rights.
*2 Includes pending requests.

Awarded the Commissioner of Japan Patent Office Award for Corporate Utilization of Intellectual Property (Trademarks)

Capcom has been awarded the Commissioner of Japan Patent Office Award for Corporate Utilization of Intellectual Property (Trademarks) in the 2025 Intellectual Property Merit Awards hosted by the Japan Patent Office, Ministry of Economy, Trade and Industry. This recognition was granted for the company's outstanding achievements in global game software sales and its effective utilization of trademarks both domestically and internationally. The award primarily recognized Capcom's Single Content Multiple Usage strategy—expanding trademarks born from games into merchandise and services—and its pioneering introduction of AI trademark checks within the industry. Additionally, in January 2025, Capcom received the "Special Award" in the "Intellectual Property and Intangible Asset Governance Awards," recognized for its high profitability and enhanced corporate value achieved through the utilization of intellectual property and intangible assets.

Information Security

The Capcom Group operates globally in the game content industry and recognizes that information significantly impacts corporate activities. To further accelerate the promotion of digital sales worldwide and diversify and streamline sales through business digitalization, we believe ensuring information security—including appropriate security measures for personal information, information management, and cybersecurity countermeasures—is essential.

Information Security Framework

Capcom regularly convenes its Security Oversight Committee, an external advisory body, to share various information regarding technologies and trends related to information security and cybersecurity. Based on the committee's advice, we strive to maintain and strengthen our information security and cybersecurity management framework through the PDCA cycle. Furthermore, we endeavor to raise awareness of information security among the Capcom Group's officers and employees by conducting regular education and training programs and reporting the results to the Board of Directors.

Information Management

The Capcom Group appropriately manages various confidential information, such as personal information and trade secrets, based on regulations and guidelines including the General Information Management Rules. Regarding the handling of personal information, based on the Personal Information Protection Policy, we have established and operate a management system to ensure that personal information handling operations are conducted appropriately. This includes compliance with personal information protection laws and regulations, raising awareness and educating executives and employees, and conducting regular inventory checks to confirm basic matters such as the storage locations of personal information. Furthermore, if any areas requiring improvement are identified, corrective measures are implemented. In addition, we similarly protect and utilize the Capcom Group's information assets—which constitute our competitive strengths—under an appropriate management system. These include data related to the development of game content, programs, development engines, and other intellectual property that collectively form the Capcom Group's intellectual assets, as well as accumulated know-how and sales data.

Furthermore, to expand game content sales, the Capcom Group is strengthening compliance with laws and regulations being established in various countries, such as those protecting minors. Considering recent technological advancements, we are also developing and disseminating guidelines for generative AI usage. From the perspective of information management accompanying the active use of technology, we are advancing the establishment and strengthening of internal operational systems.

Cybersecurity Measures

Recognizing that countermeasures against various domestic and international cyber risks are essential, the Capcom Group is working to strengthen its framework while complying with laws and regulations concerning cybersecurity.

We have consistently strived to establish systems for continuous system operation and monitoring, as well as for early response and recovery in the event of emergencies such as the materialization of security risks like cyberattacks.

Specifically, we implement cybersecurity measures, including enhanced permission management, software updates, and system simplification. In addition to EDR*1 for early detection of unauthorized device activity, we operate a SOC*3 based on XDR*2 for continuous monitoring across multiple security domains such as networks, systems, and cloud environments.

This enables centralized investigation and response to cybersecurity threats. We are also striving to ensure security by implementing more rapid and advanced countermeasures, such as introducing generative AI to support efficient threat detection and analysis.

*1 Abbreviation for Endpoint Detection and Response. A system that installs software on user devices such as PCs and servers to detect suspicious behavior and support rapid response.
*2 Abbreviation for Extended Detection and Response. A system that continuously monitors multiple security domains, including networks, systems, and cloud environments.
*3 Abbreviation for Security Operation Center. SOC operation refers to the organizational structure that continuously monitors systems and networks, detecting, analyzing, and responding to attacks.

Relationships with Customers and the Community

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.

Furthermore, Capcom endorses the various guidelines established by the Computer Entertainment Supplier's Association (CESA). We promote voluntary regulation and initiatives for sound operations to ensure our users can enjoy games with peace of mind.

Addressing the WHO's recognition of gaming disorder

In 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. In March 2025, the Gaming Disorder Research Study Group released the Gaming Disorder Cross-Sectional Survey Report based on findings published in 2023 and commissioned by industry organizations in response to social demand. We are taking the appropriate steps to raise awareness of the issue and are cooperating with industry organizations that promote further detailed analysis and discussions based on published papers.

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.

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 such as the regular disclosure of the Pachinko/Pachislo Addiction Countermeasures Implementation Status Report. Capcom endorses and cooperates with these initiatives to contribute to healthy development of the industry.

The Recovery Support Network (RSN), a pachinko addiction consultation hotline supported by industry organizations, provides free telephone consultations and displays posters at all pachinko hall locations nationwide to raise awareness of addiction among players and employees, 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. Additionally, we include warnings about overindulgence in posters and brochures used in our product promotion activities.

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 2025, the percentage of home video games sold overseas was 83.8%. 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.

The Journey of Educational Support Activities Bridging Games and Education

More than 15 years 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. However, the job of video game creator has been a popular future career choice among children for many years.

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 help promote sustainable economic growth and social development. Class programs have three sessions: Career Education, Game Literacy Education, and Capcom: Work × Mathematics.

Altogether, Capcom has welcomed 3,546 children as part of 414 different field trips to its offices (as of March 31, 2025). Capcom has also held 260 on-site classes for 20,237 students (as of March 31, 2025).

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 FAQs on the Capcom Customer Support Center website, 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.

Additionally, we have formulated and disclosed our Customer Harassment Response Guidelines based on the Ministry of Health, Labour and Welfare's Customer Harassment Countermeasures Company Manual.

Providing an Entertaining Experience for All Ages

Opening interactive amusement facilities for families

Recently, amusement facilities have gained popularity as places for seniors to socialize with friends and staff, and as experiential venues for families. Capcom aims to create stores where a wide range of customers can enjoy themselves with peace of mind. This is achieved by having staff certified as service assistants provide customer service and support, ensuring a comfortable environment for senior patrons, and by developing stores equipped with children's play equipment.

Plaza Capcom Ikebukuro Store (Tokyo)

Capcom Store Annex Marine Pia Kobe Store (Hyogo Prefecture)

Furthermore, in recent years, responding to the recovery of inbound demand and out-of-home consumption following the COVID-19 pandemic, as well as changes in consumer behavior, we are also advancing new business formats such as retail stores selling popular character goods and capsule toy specialty shops.

Support for Social Welfare and the Promotion of Regional, Cultural, Technological, and Sports Initiatives

Support for youth development and disaster-affected areas

The Capcom Group focuses on supporting children who will shape the future through activities such as donations. During the fiscal year ended March 2025, we continued donations to organizations dedicated to the healthy development of youth, including Save the Children Japan (public interest incorporated association). We also entrusted funds to related organizations for disaster recovery efforts following earthquakes and other disasters, as well as for global refugee support.

Supporting development and promotion as an osaka-based entertainment company

The Capcom Group, under the slogan "From Osaka, to the World," is committed to promoting regional, cultural, technological, and competitive athletic development. We contribute to the advancement of local communities and sports through initiatives such as exhibiting *Monster Hunter Bridge* at the Osaka Healthcare Pavilion during the Expo 2025 Osaka, Kansai, Japan, the marketing partner deal with the Japan Volleyball Association, and our top partner agreement with Cerezo Osaka Co., Ltd.

Expanding gaming opportunities through esports

Capcom views esports as a new-era sport where anyone can compete regardless of age, gender, or physical ability. Since 2014, we have hosted tournaments utilizing the *Street Fighter* series across up to 160 countries and regions. In fiscal year 2024, we held finals and other events at the Ryogoku Kokugikan Arena, achieving great success. Furthermore, we have decided on a three-year partnership with the Esports World Cup, an esports event held in Saudi Arabia starting in fiscal year 2025. We will continue to contribute not only to the global revitalization of the esports market but also to its further spread within Japan.

Contributions to Regional Revitalization

Empowering local governments using popular game brand recognition

Capcom has been engaged in the following four regional revitalization activities across Japan: 1) supporting local tourism; 2) enhancing education on local history and culture; 3) working with police on crime prevention education; and 4) encouraging voter participation with election committees. Via a partnership agreement with Kashihara City, Nara Prefecture, bronze statues of *Street Fighter* characters have been installed throughout the city.

CAPCOM CREATION
MOVING HEARTS ACROSS THE GLOBE

Social Initiatives 1

Touring Regional Areas from Osaka: Hosting

Capcom Creation

Capcom Creation - Moving Hearts Across the Globe began running in March 2025. This exhibition showcases the ingenuity and creativity of game development, along with the imagination and execution skills of creators, spanning 40 years since our founding in 1983, through hand-drawn concept art and original artwork by developers, displays utilizing the latest technology, and interactive content. Starting in Osaka, it is touring to Nagoya, Tottori, Tokyo, and Niigata, widely promoting the appeal of Japan's renowned game culture.

Characters
Development materials such as illustrations of characters and images of game settings that appear in major titles are on display.

Motion Capture Mirrors
This section features motion capture technology essential for game development, accessible without special suits or equipment. Step into the shoes of our popular characters and perform actions.

History of Capcom
A chronological overview of our company's history, from its founding to the present. This section features game footage and nostalgic hardware exhibits, offering a retrospective on the gaming industry's evolution.

Facial Expression Tracking Mirrors
This section introduces facial tracking technology, widely used in modern character creation. Your expressions are reflected in real-time on the face of our popular character, creating a sense of becoming one with them.

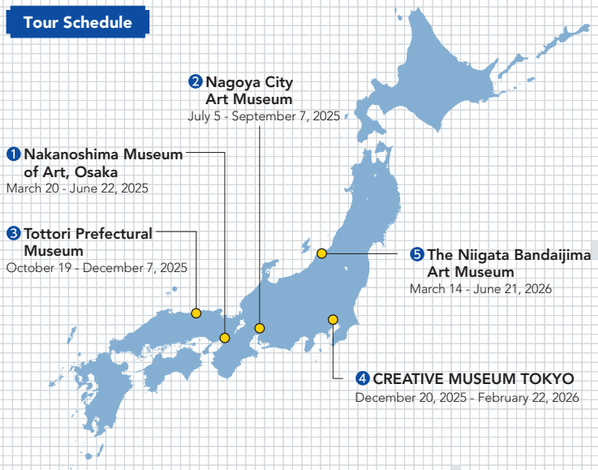
Project Personnel Comments

To let people experience firsthand the sheer brilliance of Capcom creators

Yasuyuki Makino
Art Production Section, Production Department,
Consumer Games Production Division

Ever since joining as a mid-career professional, I've been deeply impressed by the sheer brilliance and creativity of Capcom's creators. I spent countless hours thinking about how to clearly showcase this brilliance and fun to as many people as possible. With extensive cooperation from both inside and outside the company, we built the exhibition sections, exploring every possible approach: avoiding industry jargon and technical terms whenever possible, focusing on experiential interaction rather than just viewing, and making full use of illustrations and videos.

Tour Schedule



Social Initiatives 2

Monster Hunter Bridge Exhibited at Osaka Healthcare Pavilion, Expo 2025 Osaka, Kansai, Japan

The world's only content where dreams and reality become one

We exhibited *Monster Hunter Bridge* at the Osaka Healthcare Pavilion's XD HALL during the Expo 2025 Osaka, Kansai, Japan, held from April 13 to October 13, 2025.

This new, spectacular entertainment experience was born from the fusion of the pavilion's theme "REBORN" and the *Monster Hunter* series' wonder of nature, creatures, and the splendor of life, combined with cutting-edge technology.

It provided visitors with an immersive experience into its grand world, featuring interactions with Felyne and incredible monster encounters, and was very well received.

Visitor comments

I was able to really feel the evolution of technology by interacting with characters through AR devices, alongside friends who shared the experience! (20s / China)

The sound, the floor vibrations, the visuals—it all had such impact, like monsters were leaping right into reality! The immersion was incredible! (30s / Japan)

The feeling of stepping into the world of *Monster Hunter* was truly amazing—a special experience you can't get from the game. (30s / U.S.)

A life-sized Felyne came running to my feet and responded to my petting. When I crouched down to its height, we made eye contact—it was just too adorable. (20s / Japan)

* Including comments from certain stakeholders

Capcom Project Member Comment

Providing a one-of-a-kind experience where dreams and reality become one

Kaname Fujioka
Director, Management Department,
Consumer Games Development Division 2

My initial vision was an experience where games and reality seamlessly connect. My focus was on providing an interactive visual experience. To achieve this, beyond real-time image generation, a combination of elements was essential: AR devices for interacting with characters and immersing in the world, a 360-degree theater, floor vibrations, and spatial audio. Everything was trial and error, from selecting equipment from scratch to designing new devices. Yet, through the passionate challenges and dedicated efforts of the Bridge Team, we were able to complete this one-of-a-kind experience where dreams and reality become one.

Osaka Governor's Comment

An unparalleled entertainment experience found only here

Hirofumi Yoshimura
Governor of Osaka Prefecture
Chairperson, 2025 Japan International Exposition
Osaka Pavilion Promotion Committee

During the 184-day Expo 2025 Osaka, Kansai, Japan, the local Osaka community united industry, government, academia, and citizens to present the Osaka Healthcare Pavilion. Under the theme "REBORN," we showcased Osaka's appeal through various exhibits and events focused on the perspectives of life and health.

At *Monster Hunter Bridge*, an astounding entertainment experience available only here, we have welcomed a cumulative total of over 100,000 visitors.

We sincerely thank you for your tremendous efforts in supporting the operation of our pavilion during this period. We wholeheartedly wish your company continued growth and success.

Environment

Environmental Initiatives 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. Because we recognize that the environmental impact and climate-related risks are lower than those of general manufacturing, we have determined that the impact of risks and opportunities related to climate change on Capcom's business activities and revenue is minor.

However, we view addressing climate change as a challenge that requires the cooperation of everyone living on this planet. At our Group, we have continuously worked to reduce our environmental impact by promoting digital sales of content and other such efforts. This is in-line with our management philosophy of creating an entertainment culture through the medium of games by developing highly creative content that excites and stimulates your senses.

We will continue actively working to solve issues common to society such as climate change while referring to indicators and frameworks such as the TCFD recommendations.

Governance and Risk Management in Relation to Climate Change

(1) The Corporate Management Council (chaired by the Chairman/Chief Executive Officer) deliberates on policies and measures to address risks and opportunities related to climate change.
(2) Based on the results of these deliberations, the relevant departments promote initiatives under the direction of the Representative Director or Director in charge and report the results to the Representative Director or the Corporate Management Council.
(3) The Board of Directors receives reports from and oversees the Representative Director or the Corporate Management Council on important matters related to climate change.

Reducing Environmental Impact

The Capcom Group is working to reduce CO_2 emissions and optimize resource utilization through strategies that address the risks and opportunities outlined below. These include promoting digital sales, introducing renewable energy, and pursuing energy-saving and recycling measures.

Risks
- Increased business costs due to the introduction of carbon taxes
- Higher raw material, production, and procurement costs resulting from carbon regulations and restrictions on plastic use
- Disruption of business continuity caused by intensified extreme weather events from natural disasters and global warming, along with impacts on employees' workstyles, health, and daily lives

Opportunities
- Reduced plastic use and lower transportation costs through the promotion of digital content sales
- Reduced carbon taxes through the use of renewable energy
- Lower procurement costs through recycling of certain amusement equipment parts
- Further acceleration of digitalization driven by changing consumer preferences

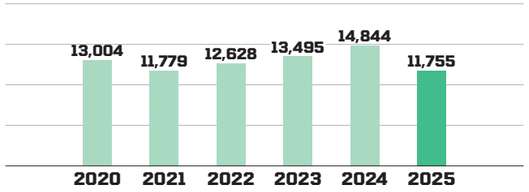
Metrics and Targets

Japan's 2050 Carbon Neutral Declaration sets a goal of achieving a decarbonized society and net-zero greenhouse gas emissions by 2050.

The Capcom Group will continue to pursue medium- to long-term goals to reduce emissions across the entire Group as we move toward decarbonization. At the same time, we aim to achieve net-zero CO_2 emissions by 2050 and contribute to the realization of a sustainable society.

CO_2 emissions from the Company's energy use (non-consolidated) (t)

11,755 t



(Years ended March 31)

* Figures are based on adjusted greenhouse gas emissions reported in accordance with the Act on the Rational Use of Energy and Conversion to Non-fossil Energy (the Energy Conservation Act).
* From the fiscal year ending March 31, 2025, a zero-emission factor has been applied to electricity derived from renewable energy. The impact of this change in emission factors is a reduction of 4,455 t-CO_2.

Utilizing Electricity Sourced from Renewable Energy

The introduction of renewable energy that does not emit CO_2 is seen as critical to achieving carbon neutrality. At the Company as well, we have introduced CO_2-free electricity derived from renewable energy at our owned buildings in the Kansai region. This accounts for roughly 30% of the Company's electricity usage in Japan.

In addition, we are expanding the use of CO_2-free electricity, including the introduction of green power at our Tokyo branch and other business sites. Alongside measures such as utilizing our own data center with energy-saving features, we also rely on major cloud service providers and data center operators that promote the use of renewable energy, thereby further reducing our environmental impact. These initiatives reflect the Company's responsible stance toward achieving a sustainable society, and we will continue to strive for ongoing improvement and development.

Promoting energy-saving measures, such as switching to LED lighting at each business site

Towards Continuous Reduction in Energy Intensity

Despite the current increase in energy use due to the opening of new places of business and amusement facilities, our energy intensity has remained stable. Going forward, we will continue working to reduce our overall consumption by introducing energy-efficient game machines in our amusement facilities, improving air conditioning efficiency through repairs, and actively using renewable energy to increase our use of non-fossil energy sources.

(Non-consolidated)

FY	Energy Intensity*1	Vs. Previous FY
2020	0.05583	95.1%
2021	0.05186	92.9%
2022	0.05497	106.0%
2023	0.05803	105.6%
2024	0.05259	103.7%*2
2025	0.0537	102.1%

(Years ended March 31)

*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/
*2 The 2024 figures are calculated using a new formula due to revisions in relevant laws and regulations, while the year-on-year comparison is based on the figures prior to these revisions.

Reducing Scope 3 Emissions

As part of our efforts to reduce CO_2 emissions, the Company has begun calculating Scope 3 emissions. Using data from the fiscal year ending March 31, 2025, we first identified and disclosed three major emission sources out of the 15 categories. Going forward, we plan to calculate the remaining related non-consolidated categories, and expand these to a consolidated basis. Through these initiatives, we will continue to strengthen overall visibility and disclosure of emissions, including Scope 3 in addition to Scope 1 and 2.

Capcom's Scope 3 CO_2 emissions in the year ended March 31, 2025 (non-consolidated)

Item	Category		Emissions (t-CO_2)*
Scope 3	**Category 1**	Purchased goods and services	85,905
	Category 2	Capital goods	16,313
	Category 12	End-of-life treatment of sold goods	2,240
Total			104,458

* Emission intensity is based on the Emission Intensity Database (Ver. 3.5) published by the Ministry of the Environment.
* Scope 3 calculation method for CO_2 emissions
Category 1: Calculated by multiplying the emissions intensity with the purchased amount.
Category 2: Calculated by multiplying the emissions intensity with the capital investment amount.
Category 3: Calculated by multiplying the emissions intensity with the volume of sold products.

Reducing Environmental Impact Through Digital Sales

In the past, game software was packaged with printed instruction manuals. In recent years, however, these have been built into the software as digital data, reducing paper usage and saving the equivalent of approximately 51.87 million units annually. Furthermore, with the growing shift to digital downloads, resources such as discs, semiconductors, and cases are also being conserved. In the fiscal year ending March 31, 2025, digital sales reduced resources equivalent to approximately 46.72 million units.

With digital sales, there is no need to transport products from factories to stores or warehouses, allowing for a reduction in both costs and CO_2 emissions. We will continue to promote digital sales of game software and work to conserve resources and reduce CO_2 emissions associated with disc production and transportation.

Reducing the Environmental Impact of Pachislo Machines

We are also working to reduce environmental impact in the manufacture and sale of pachislo machines through initiatives such as energy-saving measures and partial recycling of parts. 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
2020*2	0.0%	0.0%
2021	99.8%	0.0%
2022	91.6%	8.2%
2023	75.8%	24.0%
2024	75.8%	24.0%
2025	74.1%	25.7%

(Years ended March 31)

*1 Volume used as heat source for hot water, heating, etc.
*2 Capcom switched to new cabinets in fiscal year ended March 2020, so there was no collection of used arcade game machines.