

In order to realize Bandai Namco's Purpose "Fun for All into the Future," the Company and the Group sufficiently understand the importance of various stakeholders related to the Company and have a basic management policy of maximizing the corporate value of the Company and its shareholders' common interests over the medium to long term. In addition, the Company believes that construction of a solid management foundation (corporate governance) is absolutely essential in order to emerge victoriously in the global competition of the fast-changing world of entertainment. In accordance with this philosophy, the Company has established the Basic Philosophy on Corporate Governance. Furthermore, we truly embrace the intent and spirit of Japan's Corporate Governance Code, and our initiatives on each principle of the Code are disclosed in Initiatives Related to Japan's Corporate Governance Code.*



* For more information, please visit the Company's website.
https://www.bandainamco.co.jp/en/sustainability/governance/corporate_governance/index.html

Corporate Governance System

Strengthening of Management Oversight Functions



Number of Audit & Supervisory Committee Members

4 / 14

Number of Independent Outside Directors

5 / 14

All outside directors meet the Standards for the Independence of Outside Directors established by the Company.

Terms of Office of Directors

Directors who are not Audit & Supervisory Committee members

1 Year or Less

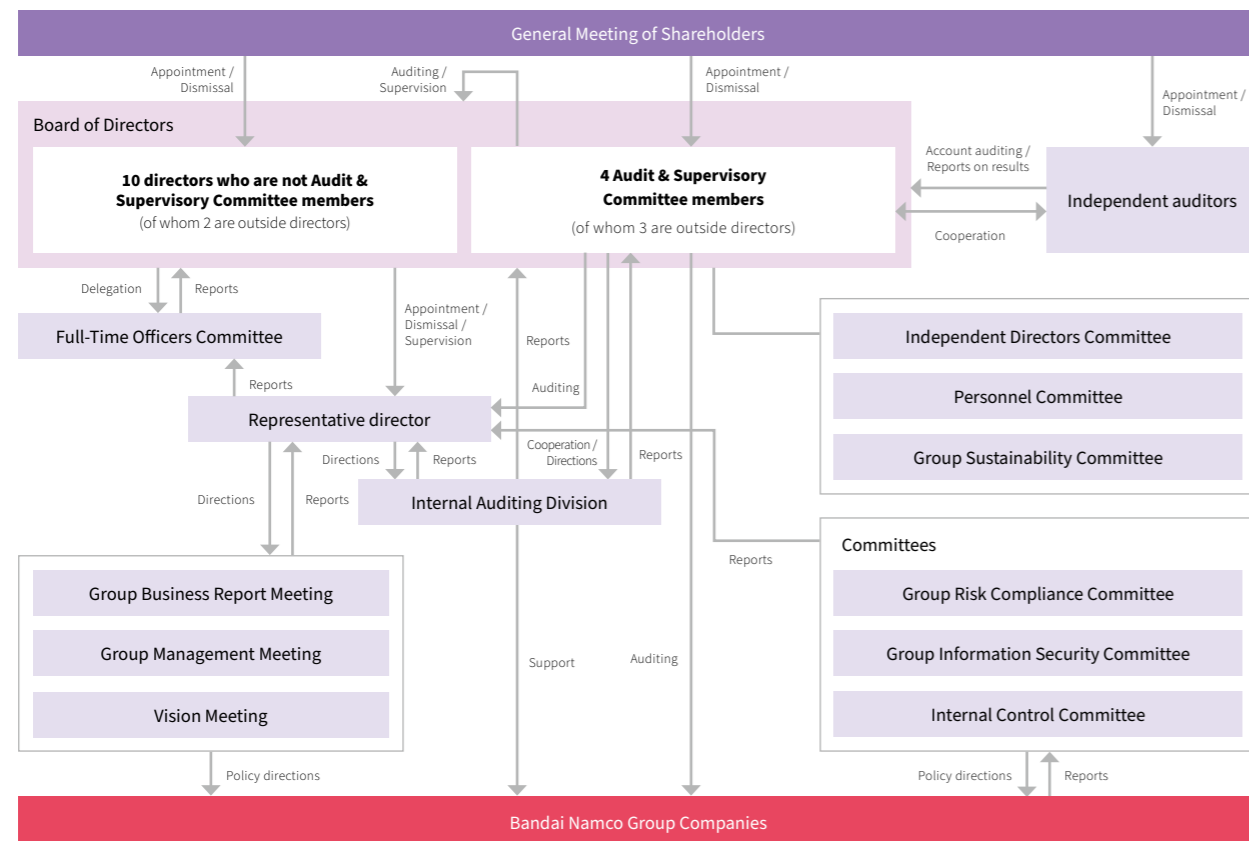
Directors who are Audit & Supervisory Committee members

2 Years or Less

Organization

Company with an Audit & Supervisory Committee

Reason for adoption: Directors who are Audit & Supervisory Committee members will have the right to vote at meetings of the Board of Directors. Accordingly, the Company concluded that it would be possible to strengthen the Board auditing and supervisory functions.



As of June 24, 2024

MESSAGE FROM THE DIVISION GENERAL MANAGER OF THE CORPORATE PLANNING DIVISION



TAKASHI TSUJI

Executive Officer
 Division General Manager
 Corporate Planning Division
 Bandai Namco Holdings Inc.

MESSAGE

Working to secure objective, transparent governance and sustained increases in corporate value

In the Corporate Planning Division, we are advancing a range of activities in three key fields: the formulation and advancement of the Mid-term Plan and establishment of governance systems (the Corporate Planning Department), communication with stakeholders (the Corporate Communication Department), and sustainability (the Sustainability Management Department). Each of these fields are closely interconnected, and our mission as a division is thus to improve corporate value through our activities in these fields.

Since transitioning to a company with an Audit & Supervisory Committee structure in 2022, we have been working to strengthen our auditing functions and the supervisory functions of the Board of Directors. The Board of Directors comprises 14 members; including five independent outside directors, which accounts for over one-third of the board. In this way, the Company has in place a governance structure that emphasizes objectivity. Furthermore, a certain amount of the Board's authority has been delegated to the Full-Time Officers Committee, which is made up of full-time directors, enabling the Board to narrow down its agenda items, hold deeper discussions from medium- to long-term perspectives, and accelerate the pace of business execution. We also hold senior management meetings, such as off-site meetings and the Vision Meeting, as venues for open and free discussions between inside and outside directors on such themes as corporate value enhancement over the medium to long term. Through such meetings, we aim to involve the independent

outside directors in management and reflect their advice to the greatest extent possible. The Vision Meeting is held, in principle, twice a year. At this meeting, independent outside directors serve as facilitators, helping promote discussions in which all members can participate equally. This meeting has helped enhance discussions and allowed the Board to make important realizations by incorporating the open perspectives of the independent outside directors. Although outside directors may possess less knowledge regarding the Company's inner workings than inside directors, the Corporate Planning Division provides as much support as possible to bridge this knowledge gap to ensure more constructive discussions.

With regard to the effectiveness of the Board of Directors, we have revised the questions in our evaluation to better reflect the nature of the Company's business operations while also reflecting external developments, such as those found in Japan's Corporate Governance Code. In these ways, we will continue to pursue a vision for the Board of Directors that allows us to more effectively cater to social needs.

Business strategies and efforts to strengthen governance are the two pillars that support our corporate value enhancement. For this reason, we must focus on both of these pillars in a well-balanced manner. In addition, we believe it is imperative to swiftly respond to a broad range of issues. Swiftness is part of our DNA, which we will leverage to make improvements in both our business promotion and our governance structure moving forward.

Transition to a Company with an Audit & Supervisory Committee

Since June 2022, the Company transitioned from a company with an audit and supervisory board to a company with an Audit & Supervisory Committee. As a result, while working to strengthen the corporate governance system, the Company is working to further enhance its corporate value by carrying out swifter decision-making and business execution through the delegation of partial authority related to business execution to the Full-Time Officers Committee. In addition, to complement the management oversight function, the Company has a basic policy that one-third or more of directors

shall be outside directors, and that all of the outside directors shall be independent outside directors.

Directors who are Audit & Supervisory Committee members audit and supervise the Board of Directors. In addition, independent outside directors, based on their high levels of independence and specialized knowledge, fulfill their own roles from an objective, neutral position. In this way, the Company has established a system that enables them to contribute to the bolstering of its corporate governance systems.

Board of Directors

The president and representative director of each business management company, etc., holds concurrent positions within the Group, such as serving as a director of the Company. This contributes to strengthening the collaborative efforts between the holding company and the operating companies and between the operating companies and to facilitating speedier decision-making as a Group. Of the 14 directors on the Board of Directors, five meet the conditions for independent, outside directors. They are working to strengthen the management supervisory function. Specifically, through such means as attendance at meetings of the Board of Directors, they provide opinions from viewpoints that are independent of business execution, and from specialist viewpoints. These opinions are based on their extensive experience and wide-ranging

knowledge. In these and other ways, they play an important role in the decision-making process.

Of the four directors who are Audit & Supervisory Committee members (including two who are full time), three meet the conditions for independent outside directors. They work together and monitor the Company's internal control situation on a daily basis. Specifically, through such means as attendance at meetings of the Audit & Supervisory Committee and the Board of Directors, they provide opinions from viewpoints that are independent of business execution, and from specialist viewpoints. In these ways, they play an important role in the decision-making process. Their activities as outside directors play an important role in the Company's management decision-making, and the Company believes that their appointment is appropriate.

Main Top Management Meetings

As shown in the table below, the Company holds a variety of top management meetings and has established a system that facilitates rapidly tracking and responding to Group management information.

Meeting Name	Chair	Schedule	Agenda/Purpose	Participants
Board of Directors	President and Representative Director Masaru Kawaguchi	Monthly and otherwise as needed	Decisions/reports on matters stipulated by law, matters to be resolved in accordance with authority standards, reports on the status of business execution, reports regarding sustainability, crisis management, and compliance	Directors, other designated individuals
Independent Directors Committee	Director (Outside) Toshio Shimada	Annually	From a position independent of the Board of Directors, provision of evaluations, opinions, proposals, etc., regarding the effectiveness of the supervisory function over the Board of Directors, reflecting the perspectives of enhancing corporate governance and corporate value	Outside directors, secretariat (external, third-party specialist organization)
Personnel Committee	Director (Outside) Toshio Shimada	As appropriate	Personnel matters for Group officers, officer compensation, reporting of evaluations and opinions regarding human resource synergies	Outside directors (excluding Audit & Supervisory Committee members), representatives from the Audit & Supervisory Committee, representative director
Group Sustainability Committee	President and Representative Director Masaru Kawaguchi	Semiannually	Discussions and sharing of information related to the Group's important sustainability strategies; consideration of matters to be resolved and matters to be reported at meetings of the Board of Directors as well as other deliberations; overall supervision of the Group Sustainability Subcommittee; overall supervision of progress with material issues for each Unit and affiliated business company	Full-time directors; presidents and representative directors of business management companies, etc.; other designated individuals
Full-Time Officers Committee	President and Representative Director Masaru Kawaguchi	Twice per month	Decisions/reports on matters for which authority has been delegated from the Board of Directors; decisions/reports in accordance with authority standards; reports on the status of business execution	Full-time directors; presidents and representative directors of business management companies, etc.; other designated individuals
Waigaya Meeting	President and Representative Director Masaru Kawaguchi	Weekly	Weekly reports regarding the departments for which directors are responsible, etc.	Directors (excluding Audit & Supervisory Committee members and outside directors), other designated individuals
Group Business Report Meeting	Director Yuji Asako	4 times per year	Group numerical reports, Unit reports and regional management companies reports, risk information, other matters to be reported	Directors, representatives of regional management companies, other designated individuals
Group Management Meeting	President and Representative Director Masaru Kawaguchi	9 times per year	Discussions about Group management issues and medium-term plans; deliberations regarding issues extending across Units; deliberations regarding other Group management issues and strategies; deliberations regarding Groupwide policies, medium- to long-term prospects, etc.	Full-time directors (excluding Audit & Supervisory Committee members), presidents and representative directors of business management companies, etc.; other designated individuals
Vision Meeting	President and Representative Director Masaru Kawaguchi	Twice per year	Deliberations about what the Group aims to be and medium- to long-term targets; deliberations about addressing ongoing issues	Directors, other designated individuals

Note: Planned to be held in FY2025.3

Policies and Processes for Appointing Directors

<p>Basic Policies for Appointing Candidates for Directors</p> <p>The appointment of directors is based on candidates possessing broad knowledge and experience required for decision-making on company management, as well as possessing the track record and insight in the fields and businesses they have experience in that are required in order to provide management oversight. In addition, one-third or more of directors will be outside directors, and all of the outside directors will be independent outside directors.</p>	<p>Appointing Candidates for Independent Outside Directors</p> <p>Decisions are made with consideration for a composition that has an appropriate balance of, for example, individuals who possess a wealth of experience as corporate managers, attorneys-at-law who have thorough knowledge regarding compliance and other aspects of internal control, and certified public accountants and certified public tax accountants who are experts in accounting and tax affairs.</p>
<p>Process for Appointing Candidates for Directors (Excluding Audit & Supervisory Committee Members)</p> <p>The Personnel Committee, of which the chair and a majority of the members are independent outside directors, is convened on a discretionary basis to act as a forum for debate and receive recommendations based on the respective candidates' achievements and knowledge, and the independent outside directors conduct interviews with new candidates for director (excluding Audit & Supervisory Committee members) before a decision is made at a Board of Directors' meeting.</p>	<p>Policies and Processes for Appointing Candidates for Directors Who Are Audit & Supervisory Committee Members</p> <p>The necessary abilities, experience, and personality, etc., are considered, and decisions are made by the Board of Directors after receiving consent from the Audit & Supervisory Committee.</p>

Independent Directors Committee

To evaluate from an objective standpoint whether the Board of Directors is functioning appropriately, the Company has formed the Independent Directors Committee. This committee comprises just five independent outside directors, and its secretariat function has

been established within a third-party specialist organization. This arrangement facilitates the maintenance of a more effective oversight function in the Board of Directors.

Outside Directors

Of the Company's 14 directors, five are outside directors, and all of the outside directors are independent outside directors. In this way, the Company is working to strengthen the management oversight function.

The Company has established Standards for the Independence of Outside Directors, and outside directors are appointed in accordance with those standards. In the Company's judgment, the outside directors meet those standards, there is no concern that they will have a conflict of interest with general shareholders, and they possess high levels of independence. Accordingly, the Company has notified the Tokyo Stock Exchange (TSE) that they are all independent directors in accordance with TSE regulations.

The status of audits by internal auditors, audits by the Audit & Supervisory Committee, and account audits are reported to the Board of Directors. By attending meetings of the Board of Directors, the outside directors (excluding Audit & Supervisory Committee members) track the status of these audits and work to maintain close ties.

In addition to tracking the status of internal audits reported at meetings of the Board of Directors, outside directors (Audit &

Supervisory Committee members) track the status of audits by the Audit & Supervisory Committee at meetings of the Audit & Supervisory Committee and work to maintain cooperative relationships with the internal audits and the Audit & Supervisory Committee audits. In addition, all directors who are Audit & Supervisory Committee members receive explanations from the independent auditors of the status of account audits on a quarterly basis. In this way, they track the status of these audits and maintain cooperative relationships with the account audits.

Furthermore, through matters brought to the Board of Directors, outside directors track the status of internal control departments and provide advice. In addition, they attend the Group Business Report Meeting, where reports on the status of the Group's operations are made; work to strengthen the supervisory function; and provide advice as needed.

Moreover, as an outside director support system, the Corporate Planning Division provides support. In regard to the communication of information from the Corporate Planning Division, principally, materials are sent prior to meetings of the Board of Directors and explanations are provided as needed.

Evaluations of Effectiveness of the Board of Directors

With the objectives of heightening the effectiveness of the Board of Directors and increasing corporate value, evaluations of the effectiveness of the Board of Directors are conducted periodically. Specifically, questionnaires regarding evaluation items that have been determined in advance are implemented, and responses are obtained from all directors. Then, the Independent Directors Committee conducts analysis and verification based on the results and provides their opinions to the Board of Directors. Based on these opinions, the Board shares the results of the evaluation of present circumstances as well as issues, and holds constructive discussions regarding future action plans.

Overview of evaluation results of effectiveness of the Company's Board of Directors for the fiscal year ending March 31, 2024

For the Company's Board of Directors for the fiscal year ending March 31, 2024, while recognizing that the foundation supporting the functions of the Board of Directors and the effectiveness of the directors were generally sufficient, it was agreed that the Board of Directors' functions should be further strengthened in terms of oversight of long-term management policies and risk management with respect to matters of high interest to stakeholders.

Suggestions

(1) Discuss on themes recognized as issues raised in the evaluation of the effectiveness of the Board of Directors

In order to further improve the effectiveness of the Board of Directors as a monitoring model, it is necessary for the Board of Directors to hold discussions that contribute to the oversight of business execution from a medium- to long-term perspective. Specifically, the Board of Directors should discuss several important themes among the issues raised in the evaluation of the effectiveness of the Board of Directors, search for and delve into themes that are appropriate for discussion to enhance corporate value, and link them to the consideration of future agenda planning.

(2) How the Board of Directors should deliberate on details of the matters considered by the Personnel Committee

The Personnel Committee is an advisory body and the Board of Directors is a decision-making body. As a decision-making body, it is necessary to examine how the Board of Directors should deliberate and deepen the discussion on how to improve the quality of human capital and achieve growth strategies, including how to expand and augment the skills matrix.

Responses to suggestions

(1) The Board of Directors will discuss themes recognized as issues raised in the evaluation of the effectiveness of the Board of Directors

(i) Consider the desired state of the Board of Directors
In order for the members of the Board of Directors to have a common understanding of the desired state of the Board of Directors, a discussion forum will be established where all members can participate, and the governance model for which the Board of Directors' aims and the roles of the directors will be discussed further.

- (ii) Examine issues raised in the evaluation of the effectiveness of the Board of Directors
- Organize the status of initiatives on the issues raised in the evaluation (resource allocation with an awareness of return on capital, sustainability, risk assessment and countermeasures, and how to deepen human capital management, etc.), and after sharing them among the members of the Board of Directors, review current initiatives, and clarify issues to be discussed in the future.
- Establish an annual agenda of themes to be discussed, and proceed with discussions in accordance with the agenda. Ensure sufficient time for such discussions at meetings other than the Board of Directors Meetings.

(2) How the Board of Directors should deliberate on details of the matters considered by the Personnel Committee

- (i) Review and organize the composition of the Board of Directors and human resource requirements
- Review and organize the composition of the Board of Directors and human resource requirements for Group companies at the Personnel Committee and have a common understanding of the same.
- (ii) Visualize the skills of the members of the Board of Directors and deepen discussions at the Board of Directors Meetings when electing officers
- Prepare a skills matrix of the members of a Group company's Board of Directors at the Personnel Committee, and when electing new officers, prepare documents for details on their skills.
- In deliberations by the Personnel Committee and resolutions by the Board of Directors, make judgments from the perspective of whether the balance of skills on the Board of Directors of said Group company is appropriate.

Roles and Duties of the Personnel Committee Related to Officer Remuneration, Etc.

Independent outside directors make up a majority of the Personnel Committee, which is an optional committee that is chaired by an independent outside director. The Personnel Committee holds appropriate deliberations about the validity of systems for officer remuneration, including the basic policy for the Group's officer remuneration system, the remuneration framework, and the variable remuneration framework, etc. These deliberations are based on objective information related to officer remuneration (most recent system status, trends at other companies, etc.). The committee then submits a report to the Board of Directors. The Company's Board of Directors accepts the report and makes the final decision on the

details of the officer remuneration system. In addition, in the same way, the board of directors for each of the business management companies, etc., accepts the decision of the Company's Board of Directors and makes the final decision on the details of the officer remuneration system for the business management company, etc. In some cases, as necessary in the conduct of deliberations, external remuneration consultants, etc., attend meetings of the Personnel Committee or provide information to the committee. This is intended to provide support for effective deliberations and consensus formation. Opinions, etc., as to appropriateness regarding the details of the report to the Board of Directors are not received.

Activities of the Personnel Committee

Composition of the Personnel Committee/Committee Chair

The Company's Personnel Committee has a maximum of seven members, with independent outside directors making up a majority of the members. The chair of the committee is an outside director elected by the outside directors.

Status of Activities of the Personnel Committee

Since the Ordinary General Meeting of Shareholders held in June 2024, the composition of the Personnel Committee is as follows.

People	4 people (3 outside directors and 1 executive director)
Committee chair	Director (outside) Toshio Shimada
Members	Director (outside) Koichi Kawana, Director (Audit & Supervisory Committee member, outside) Satoko Kuwabara, President and Representative Director Masaru Kawaguchi

In the decision-making process for the amounts of compensation for FY2024.3, deliberations by the Personnel Committee were held a total of four times. The chair and the members all attended on each of these occasions, and the attendance rate was 100%. The major agenda items were as follows.

Meeting dates	Major agenda items
April 20, 2023	Sustainability evaluations of the Company's FY2023.3 performance-based bonuses
May 29, 2023	Calculation method for FY2024.3 performance-based stock compensation Payment amounts for FY2023.3 performance-based bonuses and performance-based stock compensation for the Company, business management companies, etc.
October 12, 2023	Compensation decrease for certain directors based on decisions made by the Group Risk Compliance Committee
January 31, 2024	FY2025.3 officer remuneration for the Company, business management companies, etc.

Matters Related to the Policy Regarding Decisions about the Amount and Calculation Method for Remuneration, Etc., for Directors

Basic policy

The basic policy of the remuneration system for the Company's directors (excluding Audit & Supervisory Committee members and outside directors) is to create a remuneration framework that promotes the Company's continuous growth and improves the Company's corporate value over the medium to long term by promoting the sharing of values with shareholders, ensuring objectivity and transparency so that the Company can adequately fulfill its accountability obligations, and fostering a healthy sense of entrepreneurship in the directors while taking into account the level of remuneration that will enable the Company to secure and retain top-grade personnel.

Specifically, the remuneration framework comprises the base remuneration as fixed remuneration and performance-based

bonuses and performance-based stock compensation as variable remuneration. In addition, for the directors of the Group's four business management companies (Bandai Namco Entertainment Inc., Bandai Co., Ltd., Bandai Namco Filmworks Inc., and Bandai Namco Amusement Inc.) and the directors of Bandai Spirits Co., Ltd., Bandai Namco Music Live Inc., and Bandai Namco Business Arc Inc., the basic policy is the same as that of the Company.

Remuneration for the Company's directors who are Audit & Supervisory Committee members and the Company's outside directors comprises base remuneration only in light of their duties. The amount of remuneration for each director who is an Audit & Supervisory Committee member is determined through discussions among directors who are Audit & Supervisory Committee members, and the amount of remuneration for each outside director who is

not an Audit & Supervisory Committee member is determined by the Board of Directors.

Fixed remuneration (base remuneration)

The base remuneration for directors of the Company (excluding Audit & Supervisory Committee members) is monthly fixed remuneration paid in cash and paid within a specific time period every month. The limit is ¥450 million per year (including a maximum of ¥100 million for outside directors). In addition, Company directors (excluding Audit & Supervisory Committee members and outside directors) contribute a fixed proportion of the base remuneration to the shareholding association for directors and officers to purchase the Company's shares. During his or her term of office, each director continues to hold such shares, as well as shares acquired through performance-based stock compensation. The base remuneration for directors who are Audit & Supervisory Committee members is monthly fixed remuneration paid in cash and paid within a specific time period every month, with the limit of ¥200 million per year.

Variable remuneration (performance-based bonuses and performance-based stock compensation)

As for variable remuneration for directors of the Company (excluding Audit & Supervisory Committee members and outside directors), both performance-based bonuses and performance-based stock compensation use consolidated operating profit of the Group as an indicator with the aim of directly reflecting the evaluation on management efforts by the management team of the Group in the amount of remuneration to be paid.

Performance-based bonuses

Performance-based bonuses are calculated within a range of 0% to 200% of the predetermined base amount based on the rates of achievement of the Mid-term Plan targets, fiscal year targets, and year-on-year results for the Group's actual consolidated operating profit, for each fiscal year, with the payment ratio changing within that range depending on the results of sustainability evaluations.

If any of the rates of achievement is 50% or lower, performance-based bonuses will not be paid. Performance-based bonuses will be determined within a limit of the smaller of (i) ¥550 million per year as the limit for cash bonuses or (ii) 1.5% of the "profit attributable to owners of parent for the period." The remuneration is paid within a specific time period every year after the end of the relevant fiscal year.

Sustainability evaluations are conducted for the purpose of motivating the eligible directors to address sustainability, and the evaluations are determined by the Board of Directors by examining factors such as the results of activities for the Group's initiatives in line with its material issues (including initiatives for decarbonization) and indicators relating to employee engagement after deliberation by the Personnel Committee, which is an optional committee chaired by an independent outside director and of which a majority of the members are independent outside directors.

Performance-based stock compensation

Performance-based stock compensation is provided only when the Group's consolidated operating profit is ¥75 billion or higher, and the payment ratio will be 100% if the consolidated operating profit reaches ¥125 billion (the target for the last fiscal year under the Mid-term Plan /amount determined as of February 2022). In accordance with a resolution of the 17th Ordinary General Meeting of Shareholders held on June 20, 2022, the upper limit is the amount obtained by multiplying 135,000 shares*1 by the delivery share price** per year. Whether or not performance-based stock compensation will be paid and the level of payment are decided each fiscal year. Under the framework, the number of reference share units is predetermined for each officer rank, and shares of common stock of the Company and cash corresponding to the number of payment share units, which are finalized based on the degree of attainment of the consolidated operating profit target, will be delivered or paid. Furthermore, the performance-based stock compensation will be paid within two months from the day following the day on which the figure of the performance-based indicator (consolidated operating profit of the Group) is finalized.

*1 The Company conducted a share split with a ratio of three shares for every one share of common stock on April 1, 2023. Accordingly, applying this share split, the upper limit for the performance-based stock compensation has been changed to the amount obtained by multiplying 135,000 shares by the delivery share price per fiscal year.

*2 Delivery share price is the closing price of common stock of the Company on the Tokyo Stock Exchange Prime Market on the business day immediately preceding the date of the resolution at the Board of Directors' meeting to deliver the Company's common stock related to the performance-based stock compensation system held within two months from the date of the Ordinary General Meeting of Shareholders pertaining to each fiscal year under evaluation (if the Company's shares were not traded on that day, the closing price on the last day the shares were traded prior to that).

Remuneration structure

The Company determines the remuneration structure for directors of the Company (excluding Audit & Supervisory Committee members and outside directors) by verifying the level of remuneration based on its performance results and objective benchmarks for the management's remuneration obtained from external specialist organizations and comprehensively taking into consideration the ratio of fixed remuneration to variable remuneration in the annual total remuneration and the ratio of medium- to long-term remuneration in variable remuneration. If the target for the previous fiscal year under the Mid-term Plan has been achieved, the ratio of fixed remuneration to variable remuneration in annual total remuneration will be about 40:60. Also, the proportion in annual total remuneration of stock-based remuneration, that is, the sum of the contribution of a fixed proportion of the base remuneration to the shareholding association for directors and officers and performance-based stock compensation will be approximately 40%.

Procedure for determining compensation

The policy, framework, and performance-based mechanism for directors (excluding Audit & Supervisory Committee members and outside directors) will be determined by the Board of Directors after deliberation by the Personnel Committee, in order to seek the appropriate involvement and advice of the outside directors. In the course of deliberations by the Personnel Committee, sufficient

information is provided to the outside directors so that they are able to perform their analysis, including, for instance, by asking for advice from external specialist organizations where necessary.

In regard to the method of calculating performance-based stock compensation, the matter is submitted to the Personnel Committee. A precondition is that among committee members, executive directors do not participate in deliberations regarding decisions on performance-based stock compensation.

When all outside directors have agreed and made a decision on performance-based stock compensation, the decision is finalized through a resolution of the Board of Directors. In addition, at the business management companies, etc., in accordance with decisions based on the resolution of the Company's Board of Directors, decisions are made through resolution of the board of directors of each of the business management companies, etc.



Shareholdings

Standards for and approach to the classification of investment shares

The Company holds as investment shares only cross-shareholdings that can be recognized as contributing to increasing corporate value. The Company does not hold investment shares for pure

investment purposes (investment shares held exclusively with the objective of obtaining profits through stock price fluctuations or stock-related dividends).

Investment shares held for purposes other than pure investment

Each year, the Company shall implement a sufficient review, including whether or not to continue to hold cross-shareholdings, by the Board of Directors, of all cross-shareholdings from a medium- to long-term perspective, taking into consideration the importance of the cross-shareholdings and economic rationale. The Company shall also reflect the results of these reviews in explanations regarding the objectives of the cross-shareholdings, etc. Specifically, reviews are conducted in light of the following perspectives.

I. The necessity for the enhancement of the Company's corporate value going forward, such as the further strengthening of the IP axis strategy through the creation of IP or the expansion of businesses fields.

II. The level of contribution to the enhancement of the Company's corporate value, such as the current status of transactions or business alliances with the company in question.

III. The relationship between the benefit of ownership and the Company's cost of capital with respect to the acquisition price of each cross-shareholding.

The Company does not unconditionally agree with the proposals of the companies whose shares it owns. Rather, voting rights are exercised based on whether or not the proposals will contribute to increasing the Company's corporate value through the maintenance and/or bolstering of the business partnership and business relationship with such companies.

Number of issues and carrying amount on balance sheet

	Number of issues	Total carrying amount on balance sheet (¥ million)
Unlisted shares	7	1,452
Shares other than unlisted shares	32	89,405

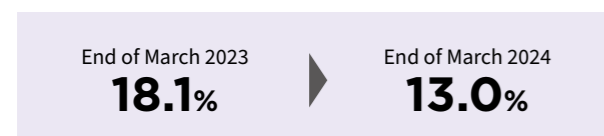
Issues for which the number of shares increased in FY2024.3

	Number of issues	Total carrying amount on balance sheet (¥ million)
Unlisted shares	—	—
Shares other than unlisted shares	—	—

Issues for which the number of shares decreased in FY2024.3

	Number of issues	Total carrying amount on balance sheet (¥ million)
Unlisted shares	—	—
Shares other than unlisted shares	3	52,800

Percentage of consolidated net assets

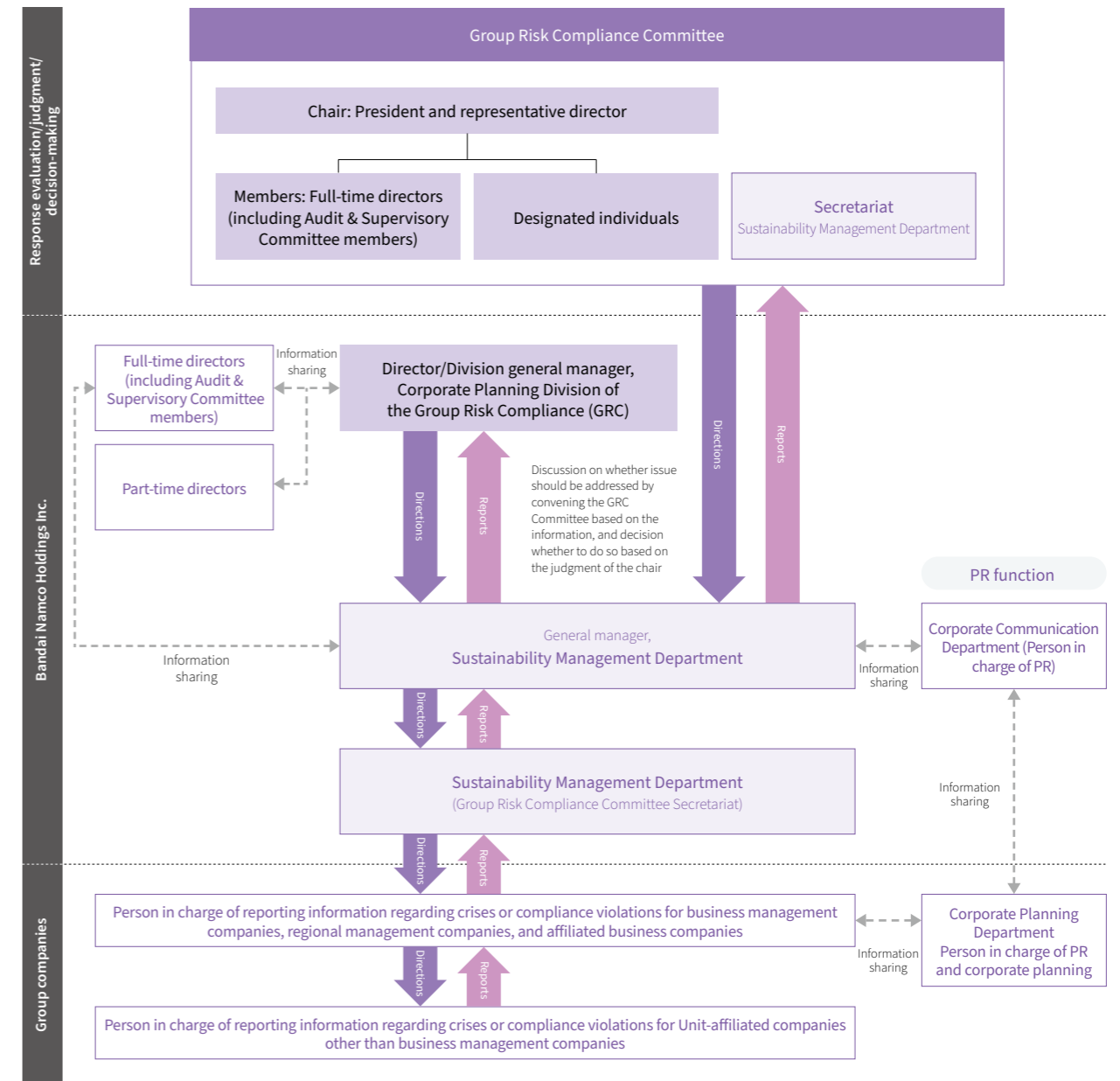


Risk Management

The Bandai Namco Group has established the Group Risk Compliance Committee, chaired by the president and representative director of Bandai Namco Holdings Inc. The committee's members include full-time directors and it has a secretariat. With this organization in charge, we have strengthened Groupwide risk management and put into place a system to respond to crises. Within this framework, we are working to strengthen compliance, prevent compliance violations, and enhance information security. Each Bandai Namco Group company also establishes a risk and crisis

management organization pursuant to the Group Risk Compliance Rules. These risk and crisis management organizations, with the assistance of business management companies or overseas regional management companies, strengthen their risk management during normal times and are responsible for addressing a risk or crisis that emerges. Additionally, information on risks and crises, as well as compliance-related matters within the Company and its subsidiaries, is reported monthly to the Board of Directors by the Group Risk Compliance Committee Secretariat.

Flow of the Group's Risk Compliance System



Formulation of BCP and Implementation

Each Group company prepares a business continuity plan (BCP) according to the prescribed format in the Bandai Namco Group Basic Policy on Business Continuity Planning. If an important resource incurs damages due to a disaster or other contingency, each Group company will respond based on their own BCP. The details of these BCPs are reviewed and updated annually, while each Group company also conducts BCP training on possible contingencies.

Furthermore, if an earthquake above a certain level strikes somewhere in Japan, or if a contingency is judged to occur requiring confirmation of employee safety, each Group company checks the safety of its employees and their families residing or working in the affected region using the safety confirmation system.

Approach to Information Security

The Bandai Namco Group recognizes that its initiatives for information security represent an important element of the Group's business execution. We are working to safeguard the Group's information assets while also taking into account changes in the legal and social situations.

The Group has also established the Group Information Security Committee as an expert body for maintaining and strengthening the Groupwide information security structure. At each Group company, the president and representative director appoints a chief information security officer (CISO) as the ultimate person responsible for information security.

We are working to prevent incidents by implementing appropriate information security countermeasures based on the value of our information assets pursuant to the Group Information Security Management Rules compliant with laws, regulations, and other rules. Maintaining and strengthening our information security system is considered a Companywide action as part of our daily management and operating activities rather than the responsibility of individual organizations in charge. With this in mind, we strive for continuous improvement.

Anti-Corruption Initiatives

In accordance with the Bandai Namco Group Compliance Charter, we formulated the Group Anti-bribery Regulations to better eliminate and prevent corruption risks, especially in relation to public officials. Through the formulation of regulations preventing insider

trading and implementation of employee training on corruption prevention, we have put in place a Group framework for the prevention of bribery to ensure sound management.

Internal Whistleblower Systems

Bandai Namco Group companies maintain a whistleblower system under their own internal rules. The rules require employees to consult with their supervisor or notify the president, an external consultation desk, or an Audit & Supervisory Board member via the whistleblower system (hotline) when they discover any regulatory

violation or have other concerns. Additionally, in accordance with the Whistleblower Protection Act and other relevant regulations, the whistleblower system ensures that whistleblowers will not be treated disadvantageously due to reporting misconduct.

Compliance Training

In order to ensure abidance of laws, respect of ethical behavior, and compliance with internal regulations, the Company has set in place the Bandai Namco Group Compliance Charter to define behavioral guidelines for directors, etc., and employees of the Company and its subsidiaries.

We created and displayed compliance posters internally to inform directors and employees across the entire Group about the

Bandai Namco Group Compliance Charter. At the same time, we distribute the Bandai Namco Group Compliance Book, which serves as a practical handbook for daily actions, to all directors and employees. In addition, the Group conducts five e-training sessions for Group officers and all Group employees and a compliance awareness survey annually. In this way, the Group is working to raise awareness of compliance and further strengthen its compliance system.

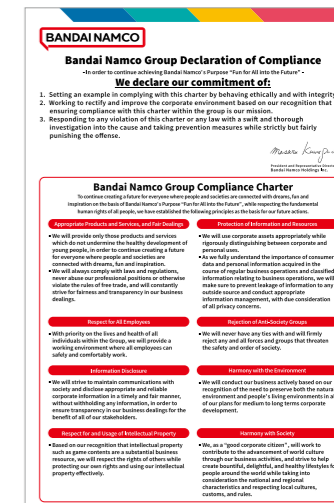
Bandai Namco Group Compliance Charter

To continue creating a future for everyone where people and societies are connected by dreams, fun and inspiration in accordance with Bandai Namco's Purpose, "Fun for All into the Future," while respecting the fundamental human rights of all people, we have established the following principles as a basis for our future actions.

- Appropriate Products and Services
- Respect for All Employees
- Information Disclosure
- Respect for and Usage of Intellectual Property
- Protection of Information and Resources
- Rejection of Anti-Society Groups
- Harmony with the Environment
- Harmony with Society

e-Learning Topics for the Fiscal Year Ending March 2024

- Bandai Namco Group Compliance Charter Adherence
- Information Security, Personal Information Protection, and PC, Mobile, and SNS Incident Response
- Invoice System and Insider Trading Prevention
- Diversity & Inclusion and Anti-Bribery Measures
- Crisis Preparedness and Response, and Business Continuity Planning (BCP)



Bandai Namco Group Compliance Charter Poster

Takeover Defenses

At present, the Company has taken no specific measures as takeover defenses to respond to a takeover (takeover defense measures). The Group regards implementing its management and business strategies in accordance with the measures to increase the corporate value of the Group and aiming to increase the corporate value of the Group as a whole as a substantial defense against inappropriate takeovers that would not contribute to the Company's corporate value or the common interests of shareholders.

That said, as those entrusted with the management of the Group by our shareholders, we will strive to establish a system that can appropriately respond to takeover proposals, while closely monitoring legal and social developments.

In concrete terms, with regard to proposals for takeovers in the event an inappropriate bidder emerges, the management team will not take steps to guard its own interests against the takeover offer by the bidder, but will sufficiently deliberate the matter at the Board of Directors' meetings after referring the matter, as necessary, to the Independent Directors Committee, which is composed only of independent outside directors, for their review from objective viewpoints, to enable the Company to make a judgment from the perspective of improving corporate value first. The Company will also work to collect sufficient information and secure necessary time, so as to be conducive to appropriate judgment by the shareholders.

IR Activities

Aiming to enhance corporate value, Bandai Namco Holdings is implementing a variety of investor relations (IR) activities in accordance with information disclosure standards and the IR policy related to IR opportunity enhancement, etc. In addition, the status of IR activities and the reactions of investors and analysts are shared with directors and continually communicated as feedback to the business management companies and throughout the Group.

Also, Bandai Namco aims to be a highly transparent company that clearly communicates management strategies and business policies to shareholders and investors. Accordingly, the Company works to enhance opportunities for executives to speak directly to investors and securities analysts, such as results presentations.



Results presentations held online

Results of Major IR Activities in FY2024.3

Results presentations for investors and analysts (held online)	4 times (910 online)
Attendees at separate meetings for investors and analysts	818 people
IR events for investors and analysts	2 times

Internal Control System

The Bandai Namco Group's basic policy regarding its internal control system is as below:

(1) Systems to ensure that the execution of the duties by directors, etc., and employees of the Company and its subsidiaries is in compliance with the laws and regulations and the articles of incorporation

- The Company shall set in place Bandai Namco's Purpose and the Bandai Namco Group Compliance Charter to ensure that directors and employees of the Company and its subsidiaries are familiar with them, and always pay due attention to ensure they carry out their duties lawfully and fairly.
- Directors of the Company shall report periodically to the Board of Directors on the structure and operating status of internal control systems.
- The Company shall install a director in charge of compliance who is responsible for supervision of compliance overall based on its compliance regulations, and establish a structure ensuring that the Company and the entire Group abides by the law, behaves ethically, and complies with internal regulations.
- Should violations of compliance or suspicions thereof occur within the Group, the Company shall immediately convene the Group Risk Compliance Committee with the Company's president and representative director as its chair to discuss and decide how the issue should be handled.
- Overseas, an overseas regional management company shall be determined for each region to manage risk and support compliance.
- Internal reporting systems including an internal consultation point, an external consultation point comprising external legal advisors, and a hotline (e-mail, etc.), which enables reporting directly delivered to directors who are Audit & Supervisory Committee members or Audit & Supervisory Board members of subsidiaries, shall be put in place in the Company and its major subsidiaries.
- The Internal Auditing Division shall be established independently of the executive sections in the Company and its major subsidiaries to work toward maintaining the properness of execution of operations through internal audits.

(2) Systems for preserving and managing information related to directors' execution of their duties

- The Company shall establish regulations concerning document management and ensure (i) the centralized management of documents circulated for approval, minutes of various meetings, contracts, and other documents, and (ii) appropriate safekeeping and management of important documents in each department. The Company shall also have a system to ensure that directors may peruse those documents at any time.
- The Company shall establish regulations concerning information security as a part of Group management. These regulations will provide for a system to ensure appropriate safekeeping and preservation of information.

(3) Regulations concerning management for risk of loss of the Company and its subsidiaries and other systems

- The Company shall establish regulations concerning risk management and compliance as a part of Group management. Throughout the Group, we will work to prevent risk and to discover risk factors as rapidly as possible.
- When risk arises, the Company shall convene the Group Risk Compliance Committee without delay to minimize the impact of risk on our business by responding to risk quickly and in an appropriate manner.
- Anticipating the occurrence of situations that could cause drastic damage to the management of the Group through a major disaster or the like, the Group shall define the basic policy for a business continuity plan (BCP) for the Group, and formulate a BCP for the Group and organize a business continuity management (BCM) system to achieve rapid recovery and restart of operations. Directors and employees of the Company and its subsidiaries shall be made aware of this.

(4) Systems to ensure that directors, etc., of the Company and its subsidiaries execute their duties efficiently

- The Company shall classify its subsidiaries into Units based on business segments, and appoint a director and a business management company in charge of each Unit to promote efficient business based on the division of duties, chain of command, authorities and decision-making, and other organizational regulations within the Group.
- The Company shall formulate a Mid-term Plan with a period of three business years for the entire Group and each Unit, and determine the budget for each business year based on those Mid-term Plans.
- The Company shall establish the Full-Time Officers Committee consisting of full-time directors and delegate authority from the Board of Directors to such committee to make certain decisions on the execution of duties in order to expedite decision-making.

(5) Systems concerning reporting matters regarding execution of duties of directors, etc., of subsidiaries to the Company

- The Company shall establish meetings such as the Group Business Report Meeting and the Group Management Meeting, and put in place a system for reporting inside the Group and decision-making.

(6) Other systems to ensure proper business behavior by the Company and its subsidiaries

- The Company shall revise the Bandai Namco Group Compliance Charter as appropriate in response to revisions to laws and regulations and changes in the social context surrounding the Group, and shall ensure that the contents of the Charter are made thoroughly known to directors, etc., and employees of the Company and its subsidiaries by distributing the Bandai Namco Group Compliance Handbook and through training. It shall also

regularly conduct compliance awareness surveys of directors, etc., and employees of the Company and its subsidiaries to ascertain their level of familiarity, etc., with the said Charter and utilize the results for subsequent compliance promotion activities of the Group.

- The Company and its subsidiaries shall endeavor to improve and standardize business processes considering the importance of effectiveness and efficiency in business operations, and shall evaluate and operate internal controls on financial reporting based on related laws and regulations, etc.

(7) Matters regarding employees required by the Audit & Supervisory Committee to assist in its duties, and matters regarding the independence of such employees from directors (excluding directors who are Audit & Supervisory Committee members)

- The Company shall provide a speedy response when the Audit & Supervisory Committee asks the president and representative director to provide employees to assist in their duties. Where that employee simultaneously works for any other section, his or her business duties pertaining to the Audit & Supervisory Committee shall take priority.
- The Company shall carry out personnel matters relating to such employees based on the consent of the Audit & Supervisory Committee, so as to ensure independence from the Board of Directors.

(8) Matters concerning ensuring the effectiveness of instructions to employees who are to assist the Audit & Supervisory Committee

- The Company shall keep directors and employees thoroughly informed that employees who are to assist in the duties of the Audit & Supervisory Committee will be under the direction of the Audit & Supervisory Committee.

(9) System for directors (excluding directors who are Audit & Supervisory Committee members), etc., and employees of the Company and its subsidiaries to report to the Company's Audit & Supervisory Committee

- Directors (excluding Audit & Supervisory Committee members), etc., and employees of the Company and its subsidiaries shall report promptly to the Audit & Supervisory Committee with regard to matters prescribed by laws and regulations, other matters that have a major impact on the Company and the Group, implementation status of internal audits, and matters related to compliance.
- Directors (excluding Audit & Supervisory Committee members), etc., and employees of the Company and its subsidiaries shall report promptly and appropriately when requested to do so by the Audit & Supervisory Committee regarding the performance of their duties.
- The Company shall put in place a hotline (e-mail, etc.) as an internal reporting system to allow reports to be made directly to the Company's directors who are Audit & Supervisory Committee members.

(10) System for ensuring that persons making reports to the Audit & Supervisory Committee shall not be treated disadvantageously as a result of making such report

- The Company shall prohibit the disadvantageous treatment of persons who have reported to or consulted with the Audit & Supervisory Committee, and shall state that clearly in the Group Risk Compliance Regulations and make it thoroughly known to directors, etc., and employees of the Company and its subsidiaries.

(11) Matters regarding policies pertaining to procedures for advance payments or reimbursement of expenses arising in the performance of duties of Audit & Supervisory Committee members and other payment of expenses or liabilities arising in the performance of said duties

- The Company shall immediately pay expenses or liabilities where a director who is an Audit & Supervisory Committee member has requested advance payments or reimbursement of expenses arising in the performance of his or her duties, excluding cases where they were not considered necessary for the performance of the said duties of the director who is an Audit & Supervisory Committee member.

(12) Other systems to ensure the effectiveness of audits conducted by the Audit & Supervisory Committee

- Directors (excluding Audit & Supervisory Committee members) of the Company shall formulate a system whereby directors who are Audit & Supervisory Committee members can attend important meetings, and ensure that a system exists whereby they can meet periodically or on an ad hoc basis with directors and employees, and cooperate with the Internal Auditing Division and accounting auditors.
- Subsidiaries of the Company shall install an appropriate number of Audit & Supervisory Board members according to their scale, business category, etc., and ensure that there are systems in place wherein Audit & Supervisory Board members of subsidiaries report periodically to the Audit & Supervisory Committee of the Company.