

DIALOGUE

We will contribute to the realization of a sustainable society by integrating sustainability initiatives into our business activities, placing importance on the uniqueness of Bandai Namco.

In April 2022, we established the Sustainability Management Department, thereby further advancing Bandai Namco's sustainability activities. In this section, we ask the Chief Sustainability Officer (CSO) and two members of the Sustainability Management Department, who have been leading a series of sustainability initiatives together with the CSO, their thoughts on the Company's sustainability activities over the past two years and their vision for the future.

Establishing environments for improving sustainability awareness

Asako In the first two years since the Sustainability Management Department's establishment, we have sought to establish an environment for sustainability activities through various employee-oriented measures, including producing online publications and holding employee events such as Sustainability Week. As a result, the concept of sustainability activities through our business has become ingrained, rather than being seen as just an additional aspect of our business operations. We also continued to improve external information disclosure, and while we still have room for improvement in this regard, these efforts have received a certain level of praise from the media and third-party institutions. Moreover, discussions at the Group Sustainability Committee have become more specific and based on an awareness of the order of priority for issues to address.

Kobayashi (S) While I was just appointed to my current position this spring, I believe that FY2024.3 marked a year where our sustainability activities became more full scale, thanks to the results of our initiatives to build a sustainability-conscious environment. I was involved in sustainability activities in my former position, and I believe that Companywide and cross-departmental interactions with employees helped share and instill an awareness of sustainability-related issues.

Kobayashi (R) I have been a member of the Sustainability Management Department since it was established, overseeing various projects centered on the production of internal newsletters. The recent engagement survey has shown that awareness of sustainability within the Group changed and that many employees now view sustainability as a personal matter. I have witnessed these developments in my day-to-day work as well. The fact that information on the sustainability activities of Group Companies around the world is now being shared organically is another example of how sustainability awareness has changed.

Holding the Global Sustainability Summit

Asako As the times change, social demands on corporations are becoming greater, and the way companies are expected to act is also changing. Taking such circumstances into account, we held the first Global Sustainability Summit in October 2023, in an effort to align the Group's approach to sustainability and facilitate cross-organizational information sharing and collaboration. At the summit, sustainability representative from overseas regional management companies and business management companies within Japan gathered together for two days to discuss a broad range of topics.

Kobayashi (S) Through this summit, we explained the details of sustainability activities inside and outside of Japan and sought to align

our approach to these activities. We intend to hold the next summit in 2025. There, we will share ideas for creating a Groupwide sustainability road map and formulating sustainability strategies particularly for each value chain.

Kobayashi (R) After meeting directly with the sustainability representative from these companies at the summit, communication with them has become much smoother. In this way and others, the summit had a major impact as a first-time initiative.

Strengthening our response to environmental issues

Asako We are advancing initiatives aimed at achieving net-zero CO₂ emissions by 2050. This goal for 2050 is directed specifically toward Scope 1 and Scope 2 emissions, and we are currently evaluating the situation in terms of our Scope 3 emissions. As far as methods for achieving this goal, we are examining the use of carbon credits and other efforts to pursue in addition to reducing emissions. In September 2023, we officially announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). At that same juncture, we carried out a simple scenario analysis. With regard to reducing plastic waste, we are proceeding with examinations so that we can begin the implementation of specific initiatives at the earliest stage possible.

Kobayashi (S) We position our sustainability activities as something that we pursue with our fans and all our stakeholders, based on the IP axis strategy. Take the example of the Gunpla Recycling Project, this is a sustainability activity unique to Bandai Namco that we promote together with the fans while leveraging various IPs.

Assessing human rights as a material issue

Asako We have been engaged with human rights issues for a long period of time now. In November 2023, we formulated the Bandai Namco Group Human Rights Policy, which unifies and integrates the various existing regulations and approaches within the



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Group. In addition, our Human Rights Due Diligence process (for more details, please refer to page 88), which will help us create more concrete frameworks moving forward, is something that evolved from the Code of Conduct audits that were conventionally carried out in the Toys and Hobby Business. At the moment, we have been implementing comprehensive monitoring activities at major business companies. In the future, we intend to work broadly on human rights measures, including those that respond to laws and regulations in each country.

Kobayashi (R) People generally associate "sustainability" with being environmentally friendly. I also feel that we have yet to entrench an in-house awareness of the fact that human rights is a key part of our material issues "Establishment of work environments that facilitate mutual respect." To that extent, I believe it is our job in the Sustainability Management Department to communicate the Group's approach to human rights in an easy-to-understand manner.

Kobayashi (S) Based on the wording of our material issues, there are sustainability activities that are easy to envision and those that are not. As the easy-to- envision activities become more commonplace, it becomes more difficult to keep in mind the activities that are not immediately associated with the

material issues. We therefore will consider revisions to the phrasing of our material issues, as necessary, by identifying issues based on the actual conditions on the front lines.

Thoroughly promoting compliance

Asako We would like to apologize for the distress caused to our stakeholders regarding the multiple compliance incidents that were disclosed in 2023. We believe that these issues were caused by the fact that certain operations have become highly dependent on specific employees and that it has been difficult to maintain checks and balances as a result of the widespread adoption of remote working, among other factors. Ultimately, these incidents boil down to issues with our systems and awareness during normal times. To that end, in addition to preventing recurrences through a rigorous review of business operations, we will seek to enhance compliance awareness to a greater level than ever before.

Kobayashi (S) As the Group grows in size and its businesses and employee demographic become more diverse, we are aware that we constantly face potential risks. Through various settings such as e-learning and training seminars, we will repeatedly explain to our employees Bandai Namco's approach to compliance.

Pursuing sustainability activities that are uniquely Bandai Namco

Asako No matter what types of policies or measures we formulate, it is our employees who put them into practice. A policy or measure will lack effectiveness if they are not fully understood and accepted by our employees. We therefore will maintain an awareness of how we can further evolve the uniqueness of Bandai Namco as we seek to tackle a broad range of issues.

Kobayashi (S) We have devised many cutting-edge sustainability activities that are closely related to our businesses, including the implementation of the Gunpla Recycling Project and the creation of the energy-efficient crane game machine CLENA3. Moving forward, we will continue to pursue sustainability activities that fully leverage the strengths of our IPs and technologies, together with our employees and fans.

Kobayashi (R) We are an entertainment company, and as such we will create events and initiatives that make sustainability relatable and fun and in which people can participate with a high level of enthusiasm. With that goal in mind, I will continue to enthusiastically engage in my day-to-day work.