SUSTAINABILITY

Sustainability Management

Our Purpose, "Fun for All into the Future," has been positioned as the ultimate definition of the Group. Guided by this Purpose and in recognition of sustainability initiatives as a key element of our management strategies, we are promoting such initiatives on a Groupwide basis

under the slogan of "Bringing Smiles into the Future." In addition, we have formulated the Bandai Namco Group Sustainability Policy to shape a future brimming with smiles and happiness together with our fans around the world.



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Bandai Namco Group Sustainability Policy At the Bandai Namco Group, we share dreams, fun, and inspiration through entertainment. We're always innovating for a better world, where business, society, and sustainability thrive together. Our goal is clear: to bring joy to fans everywhere, while building a harmonious future for all.

For the promotion of sustainability initiatives, we have established the Group Sustainability Committee. Members include full-time directors of the Company and presidents and representative directors of the Group's business management companies (Bandai Co., Ltd., Bandai Namco Entertainment Inc., Bandai Namco Filmworks Inc., and Bandai Namco Experience Inc.), and the committee is led by the president and representative director of the Company in implementing initiatives in cooperation with businesses. Specifically, we recognize that the promotion of sustainability initiatives is an important initiative from the perspective of management strategy.

Accordingly, the Group Sustainability Committee, which is directly under the Company's Board of Directors, holds discussions related to sustainability strategies, considers various initiatives, and periodically reports to the Board of Directors, which discusses and supervises those matters. In addition, we have established the Group Sustainability Subcommittee, which is a subordinate organization under the Group Sustainability Committee. The subcommittee works to promote activities aligned with the Bandai Namco Group Sustainability Policy and our material issues.

Bandai Namco Holdings Inc.'s Board of Directors **Group Sustainability Committee** Committee chair President and representative director Agenda / Obiective Discussions and sharing of information related to the Participants Full-time directors of Bandai Namco Holdings Inc.: presidents and Group's important sustainability strategies; consideration of epresentative directors of business management companies, etc.; matters to be resolved and matters to be reported at other designated individuals meetings of the Board of Directors as well as other delibera-Schedule Convenes semiannually and otherwise as needed tions; overall supervision of the Group Sustainability Subcommittee: overall supervision of progress with material issues for each Unit and affiliated business company Group Sustainability Subcommittee Each Business Sustainability Projects

Identification of Material Issues

In regard to risks and opportunities related to sustainability, following discussions by the Group Sustainability Committee, we identified the material issues that the Group needs to address, and we are now advancing Groupwide sustainability activities.

Also, Group companies are implementing initiatives aligned with the material issues and the characteristics of their businesses.

Each fiscal year, the results are analyzed for the Group as a whole and by business segment. This is linked to improvements in initiatives for the next fiscal year and thereafter. The details of this analysis are reported to the Board of Directors following discussions by the Group Sustainability Committee. The Board conducts discussion and supervision.

Three Steps for Identification of Material Issues

1 1

Listing

From the perspectives outlined below, we created a list of social issues to be analyzed, and narrowed the list to 20 items.

STEP **2**

Mapping

Two axes: importance to stakeholders and importance to the Bandai Namco Group.

STE 3

Identifying

We incorporated the content of management deliberations and identified the material issues.

We obtained comments from outside experts.

Perspectives That are Emphasized During Specification and Verification

The Bandai Namco Group's Approach and Policies

- The Bandai Namco Group's Purpose
- The Bandai Namco Group Sustainability Policy
- The Bandai Namco Group Compliance Charter (currently as Bandai Namco Group Code of Conduct)
- The Bandai Namco Group Mid-term Plan
- Related Group policies/guidelines

Material Issues | Material Is

Trends and Demands of Society in Japan and Around the World

• Various policies and guidelines from international organizations, research institutions, and governments

Example: Sustainable Development Goals (SDGs), Ministry of the Environment's Environmental Reporting Guidelines, GRI Guidelines, TCFD recommendations, SASB Standards, ESG evaluation institution guidelines and reports (CDP, MSCI, Sustainalytics, FTSE), etc.

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- Interviews with outside experts
- Consumer surveys (implemented at irregular intervals)
- \bullet Initiatives of companies that are advanced in regard to sustainability

or, moci, susumuryiles, 1 132), etc.

Five Material Issues

♠ the bears'school



Material Issues

FY2026.3 Targets and FY2025.3 Results

	Reduction of GHG emissions		
Enhanced response to climate change	Scope 1 and Scope 2 46,500 t-CO: (30% reduction compared with FY2020.3) [Medium- to long-term targets] FY2031.3 32,500 t-CO: (50% reduction compared with FY2020.3; ahead of schedule) FY2036.3: 27,000 t-CO: (55% reduction compared with FY2020.3; newly established based on government guidelines) FY2051.3: Net zero emissions Scope 3 Promotion of response in Scope 3 (increase accuracy of calculations and explore measures to reduce Scope 3 emissions in the supply chain)	Scope 1 and Scope 2 52,564 t-CO ₂ (20.7% compared with FY2020.3*) (Target: 48,700 t-CO ₂ [26.5% compared with FY2020.3]) Scope 3 1,325,924 t-CO ₂ Continued to disclose Scope 3 response (subject to calculation: business management companies + BANDAI SPIRITS) Calculated Scope 3 emissions in European Union (Digital Business; Net emissions	
	Promotion of the circular economy		
	Promotion of product recycling	Promotion of product recycling Gunpla recycling project: 37 tons (FY2024.3 results: 40 tons) Capsule recycling project: 47 tons (FY2024.3 results: 42 tons) Started recycling pillow-type packaging for cards	
	Promotion of environmentally friendly products		
Sustainable use of resources and raw materials	Reduction in petroleum-based plastic use Utilized recycled plastics and alternative materials Promotion of environmentally friendly design in our own products and services Promotion of green purchasing for office supplies	native materials ndly design in our office supplies office supplies - Stuffed toys: Used recycled cotton in development and production - Economic materials and production of the promotion of green purchasing for office supplies - Promotion of green purchasing for office supplies - Domestic Group companies: 22% in FY2025.3 - Promotion of waste recycling at each business site	
	Waste reduction		
	Promotion of waste recycling at each business site	Promotion of waste recycling at each business site Reduced paper usage Started shrink wrap recycling at logistics centers Converted plastic waste generated at factories to RPF: 105 tons in FY2025.3	
	Establishment and operation of system for Groupwide sharing of information		
Provision of products and services based on appropriate ethical representation	 Information sharing on ethical representations of products and services Implementation of employee training 	Information sharing on ethical representations of products and services • Held Group Ethics Working Group (four times a year) and Ethics Roundtable Discussions (twice a year) • Developed word checker system (began operation in FY2026.3) • Operation of Al-powered ethics diagnostic system Implementation of employee training Implemented seminars, etc.	
	Initiatives toward safe and secure manufacturing	1	
Safety and security of products and services	Improvement in product quality in Japan and overseas Implementation of employee training Improvement in product Quited States, Estandards for toys Implementation of employee training Improvement in product Quited States, Estandards for toys Implementation of employee training Improvement in product Quited States, Estandards for toys Implementation of employee training Improvement in product Quited States, Estandards for toys Implementation of employee training Implementation of employee training Implementation of employee training	Improvement in product quality in Japan and overseas Unified United States, European, and inland Chinese quality standards for toys Implementation of employee training Promoted AOU Youth Advisor certification acquisition: 100% acquisition rate for target store managers Promoted activities raising awareness among employees: Implemented seminars, quality exhibitions, etc.	
	Improvement in customer satisfaction level		
Enhanced customer satisfaction	Improvement in customer satisfaction with our products and services	Improvement in customer satisfaction with our products and services Raised the inquiry index about home console games and app games, etc. Improved customer satisfaction level (promoter rate) at amusement facilities: Received the grand prize at the 30th Shopping Center Customer Service Role Playing Contest	
Appropriate use of	Social contributions using IPs and technology (excluding	g regional revitalization and educational assistance)	
IPs and mutual use of patents		Continued to participate in the Playing For The Planet Alliance: Held activities to raise awareness of the environment using PAC-MAN	
	Enhanced IP protection	Countermoscures agricult counterfails 1 1/11 1/11	
Protection of IPs	Countermeasures against counterfeit goods and illegal videos Implementation of employee training	Countermeasures against counterfeit goods and illegal videos Supported conversion of IP rights worldwide Took action to eliminate infringement of counterfeit goods and illegal videos Organized seminars on intellectual property led by an external organization	
	Sustainable use of resources and raw materials Provision of products and services based on appropriate ethical representation Safety and security of products and services Enhanced customer satisfaction Appropriate use of IPs and mutual use of patents	to climate change Freedown F	

Each Group company is implementing measures tailored to the characteristics of its own business in accordance with its material issues. The results are analyzed for each fiscal year, for the entire Group and for each business segment, leading to improved measures for the following fiscal year and beyond. The results of analyses are discussed by the Group Sustainability Committee, and then reports are made to the Board of Directors, which deliberates and supervises as necessary.

Material Issues	Important themes	FY2026.3 targets	FY2025.3 results
		Promotion of childcare leave acquisition	
	Establishment of an employee-friendly workplace environment	Promotion of childcare leave acquisition by male employees Hold activities to raise awareness among Group employees Acquisition rate of childcare leave by male employees of domestic Group companies: 5% increase from the previous fiscal year	Promotion of childcare leave acquisition by male employees Promoted activities to raise awareness among Group employees: Disseminated information using e-learning and in-house newsletters Acquisition rate of childcare leave by male employees of domestic Group companies: 84.4% (78.5% in FY2024.3 and 30.5% in FY2023.3) Note: The figures include leave taken for childcare purposes (except figures for FY2023.3).
		Review of paid leave structure	
			Introduced leave system including for fertility treatment at all domestic Group companies
		Development of human resources who can share dream	s, fun, and inspiration with the world
All	Human resource development	Cultivation of diverse human resources who can promote the IP axis strategy Cultivation of diverse human resources who can realize our Purpose	Implemented Group joint programs (target: participation rate of 90% or higher) New employee training (BNAP) participation rate: 97% (258 out of 265 eligible employees participated) 5th year training participation rate: 92% (189 out of 206 eligible employees participated) New manager training participation rate: 96% (158 out of 165 eligible employees participated) In-house human resource development for animators, etc. (drawing and art schools)
Salit Control of the		Promotion of employment for people with disabilities	-
Fostering a Culture of	Promotion of	■ Employment rate of people with disabilities: 2.5%(statutory employment rate)	Employment rate of people with disabilities: 2.44% (2.21% in FY2024.3) Held activities to raise awareness among Group employees Held study sessions for HR personnel, workplace training, etc.
Respect	diversity and	The cultivation of a culture where employees from diver	se backgrounds can play an active role
Respect	inclusion	Increase positive response rate in the engagement survey Diverse values and ways of thinking are respected: 72% The company provides opportunities for success regardless of gender: 80%	Increase positive response rate in the engagement survey Diverse values and ways of thinking are respected: 70% (75% in FY2024.3) The company provides opportunities for success regardless of gender: 79% (81% in FY2024.3)
		Human rights initiatives	
	Supply chain management (labor)	 Establishment of a supply chain that respects human rights Implementation of employee training 	■ Establishment of a supply chain that respects human rights • Established and published the Bandai Namco Group Code of Conduct and the Bandai Namco Group Guidelines for Business Partners • Set up the Compliance Hotline • Conducted survey of the supply chain to increase understanding • Conducted audits on human rights and labor environment covering all final packaging plants that produce Bandai products • Conducted labor environment audits at arcade game production factories: three times • Strengthened responses to creators' human rights ■ Implementation of employee training • Implemented internal activities to raise awareness using e-learning, seminars, and online company newsletters
		Implementation of social contribution activities deeply	rooted in local communities
	Collaboration with local communities		*/DOLM@STER regional revitalization activities (DeraMas, Disaster Prevention Festiv@l 2024, etc.) */DOLM@STER Manhole Project **Gundam Manhole Project **Held volunteer activities such as clean ups around Company business sites
(-)		Educational support for children	
Building Stronger Communities	Educational assistance for the next generation		Gunpla Academia: 230,000 people Hosted work experience opportunities at amusement facilities across Japan Held the Jackie Caravan to deliver happiness to children using the picture book series The Bears' School Donated toys in Japan and other countries Conducted outreach classes at elementary schools and nursery schools Hosted the Thomas Edison Special Exhibition lecture Developed teaching materials for elementary school students to learn about universal design through Othello, and distributed the materials free of charge to schools Organized the Dream Class for elementary school students in Shimane Prefecture, led by the Shimane Susanoo Magic, and

Harmony with Nature

Sustainably Utilizing Resources and Raw Materials

Gunpla Recycling Project



Transforming Discarded Runners into New Resources: Tackling the Issue of Plastic Waste

Under the Gunpla Recycling Project, we collect runners with the cooperation of fans and transform them into new resources.

Runners are part of the framework of plastic model kits and have hitherto been discarded as household waste after the assembly of *Gundam* model kits. The disposal of runners presents an issue since their incineration emits CO₂. With demand for responses to climate

change growing particularly strong in recent years, the reduction of $% \left\{ 1\right\} =\left\{ 1\right$ CO₂ emissions has become a global issue. As a company that handles products made from plastic, we have examined initiatives to address this issue. Feedback from customers requesting eco-friendly products and services has also increased. Amid these circumstances, we launched the Gunpla Recycling Project in 2021.

Under the project, we have installed collection boxes at 200 locations across Japan, including amusement facilities and official

Enjoy 000 Recycling events Collect runners on ガンダム(R)作戦 return trips from Bandai Hobby

> all-in-one facilities dedicated to Gundam model kits, into which customers deposit their used runners. The collected runners are transported by trucks that have completed their product deliveries to said facilities. With their products offloaded and their cargo spaces empty, the trucks are loaded with runners on their return trips to factories. This system eliminates the need to dispatch additional trucks to transport the runners, curbing CO₂ emissions.

Collecting More Runners with the Support of Fans: Working Together to Realize a Recycling-Oriented Society



Collected runners are amassed at the Bandai Hobby Center (Shizuoka Prefecture), a Gundam model kit manufacturing factory, where they undergo three forms of recycling: material, chemical, and thermal.

In material recycling, the runners are crushed, melted, and solidified into pellets, which are then melted to create new ECOPLA

Chemical recycling is a new method via which runners are chemically decomposed into their original form of petroleum, from which new plastic is made. This recycling method offers greater flexibility than material recycling, allowing discarded runners to be transformed into a variety of new products. In April 2025, we achieved the practical use of chemically recycled plastic in creating model kits.

Runners that are unable to be recycled either materially or chemically are utilized in thermal recycling, in which they are incinerated with waste from the Bandai Hobby Center, with the resulting heat being used to generate electricity.

between our operations and the natural world.

We recognize that safeguarding the environment is essential for a sustainable future for both society and

businesses. We are dedicated to collaborating with our stakeholders to achieve a harmonious balance

The amount of runners collected has increased year on year, reaching 37 tons in FY2025.3. From the project's launch in April 2021 through March 2025, runners weighing approximately 117 tons have been collected.

To ensure more people can participate in the future, we are expanding opportunities to raise awareness of the project through social media and events such as Operation Gundam R. We will also carry on our efforts to realize a recycling-oriented society together with our fans.





ECOPLA model kit assembly event

Launching the Opened-Card-Pack Recycling Project



Recycling Card Packs into Card Cases: Essential Items for Trading Card Game Fans

In 2024, Bandai Co., Ltd. launched a project to recycle the opened card packs of trading card games. Under the project, the company installed collection boxes at official ONE PIECE Card Game shops and event venues. The collected card packs deposited by players are crushed, melted down, and shaped into materials that are then recycled into card cases. These card cases are made from 45% recycled plastic, including plastic from collected card packs, and have been Eco Mark-certified by the Japan Environment Association while receiving our Sustainable Product Certification Mark.

We decided to recycle the card packs into card cases because they are essential items for trading card games and useful to players. We hope that this project will allow our fans to participate in recycling activities and raise their awareness of environmental issues. In addition, to raise awareness of this recycling project among players, we distributed card cases produced through the project at the 2024 Tokyo Toy Show.

Moving forward, we will continue to collect card packs under the project while aiming to create card cases composed of an even higher percentage of plastic derived from collected card packs. While maintaining an opened-card-pack collection system, we will expand our

recycling projects to raise awareness of such activities among even more people.



Card case made from recycled materials

95

Discarded runners are used to create new resources

Safe & Responsible Products

Our top priority is the safety and satisfaction of our customers. We partner with ethical suppliers to ensure that our products and services meet the highest standards of quality and responsibility.

Safety and Security of Products and Services

Implementing Quality Assurance in Toys



Ensuring the Safety and Security of Toys Through Approximately 260 Strict Inspection Items

Safety and security are essential aspects of toys. Inspections must account for all possible situations, especially since small children play with toys in ways that are unpredictable to adults. Bandai Co., Ltd. and Bandai Spirits Co., Ltd. therefore believe that toy manufacturers have a duty to achieve high levels of quality and safety.

Based on this sentiment, both companies conduct thorough quality inspections of all toys prior to shipment. For instance, Bandai has independently established a set of approximately 260 inspection items across three major categories—safety, performance, and labeling—as part of its strict quality standards that exceed those required by the ST Standards toy safety mark established by the Japan Toy Association.

Relevant items are selected from these standards according to the product's specifications and inspected before commercialization.

Both companies carry out the following three stages of inspections.

New-product inspections confirm whether prototypes have been produced in accordance with the quality standards established by Bandai. Mass production of a new product cannot begin unless it passes the inspection.

Pre-shipment inspections are conducted by factories entrusted with mass production and ascertain whether mass-produced toys match the specifications of the prototype that passed the new-product inspection

Product-acceptance inspections are conducted after pre-shipment inspections conducted at factories. Under these inspections, Bandai checks whether mass-produced toys match the specifications of the prototype that passed the new-product inspection.

The aforementioned inspections include tests such as sharppoint tests, which check if any part of a toy is sharp enough to cause injury, and product-drop tests, which determine whether any parts of the toy could cause injury when dropped.

In addition, at all overseas final packaging plants that manufacture products for the Japanese market, both companies regularly conduct Bandai Factory Audits (BFAs), which integrate quality audits and certificate of conformity (CoC) audits, as well as audits based on third-party CoC standards.

Furthermore, since we sell many of our products globally, in addition to the standards for toys set in each region of the world, we have established approximately 200 original quality standards, thereby creating a system that enables us to deliver safe and reliable products to overseas customers. Moving forward, we will continue to heighten our conformance to regional standards.

Note: For further details on audits at BANDAI CO., LTD. and BANDAI SPIRITS CO., LTD., please see page 111.



Sharp-point test



Product-drop tes



Pre-shipment inspection at a factory in Shenzhen, China

Ensuring the Safety and Security of Amusement Facilities



Pursuing Safety of Amusement Facilities to Offer Real Physical Experience-Based Value

Bandai Namco Experience Inc. provides customers with real entertainment that brings people together in-person. "Real entertainment" refers to the various types of play offered by such locations as arcades, theme parks, and athletic and sports entertainment facilities. At said locations, safety and security are essential.

Safety and security initiatives begin at the planning stage for play equipment. Before production, we evaluate potential hazards and other concerns based on planning documents and conduct thorough checks against multiple standards, including the Japan Park Facilities Association's Safety Standards for Play Equipment.

In addition, we check for newly arisen hazards and other concerns at the production stage. During construction and installation, a specialized department conduct strict on-site inspections based on relevant laws and regulations and the Company's original inspection guide. Even after play equipment is available for use, we conduct regular inspections without fail. Furthermore, we perform thorough safety checks daily, adhering to laws such as the Building Standards Act, the Fire Service Act, and the Industrial Safety and Health Act, as well as various relevant standards.

As part of daily safety checks at TONDEMIs, our next-generation indoor adventure parks, employees jump on the trampolines, searching for areas where someone's foot could get stuck and inspecting landing areas for hazards such as sharp edges and areas where guests could make contact with springs. Employees will also climb the wall-climbing areas to check all climbing holds for any sharp edges and confirm that the safety harnesses are functioning properly. They likewise ensure the safety of other play equipment through strict checks adhering to inspection items.

Moving forward, Bandai Namco Experience will continue conducting regular inspections based on strict safety standards to ensure the safety of its facilities. We will continue to reevaluate and improve our safety systems to provide guests with greater real physical experience-based value that they can enjoy with peace of mind.







Our next-generation indoor adventure park TONDEMI featuring climbing, and ropewalk areas



Intellectual Property for Social Good

Our intellectual property, including beloved characters and franchises, is a valuable asset. We're dedicated to protecting and using it in a way that promotes sustainable growth, social good, and innovation in the entertainment industry and beyond.

Protection of IP

Protecting the Intellectual Property Rights of the *Taiko no Tatsujin* Series



Intellectual Property for Social Good (Key Issues and Initiatives)

Making Clear Distinctions Between Genuine and IP-Infringing Products to Protect IPs and Preserve Brand Value

The long-beloved *Taiko no Tatsujin* series has gained many fans since its release in 2001. The series was officially released in inland China in 2023, where it has since been enjoyed by a large number of customers, particularly in amusement facilities. Unfortunately, counterfeit goods are being manufactured and sold, and this illegal activity has been observed on e-commerce sites and social media.

Counterfeit goods infringe on the Bandai Namco Group's intellectual property rights. The protection of such rights is critical in preserving corporate brand value and the trust of consumers. For this reason, the Company released a statement on its infringement countermeasures, in which it made clear distinctions between genuine and IP-infringing products. The main distinctions include the orientation and color of the patterns on the drums, the presence or absence of a camera at the top of the screen, the shape of the barcode reader, and the design of the drum stand. In addition, the Company is taking legal measures to stop the sale of IP-infringing products and calling upon all consumers to purchase genuine products.

The Bandai Namco Group will continue to strictly enforce measures against intellectual property rights infringement and endeavor to promote the widespread use of genuine products. The protection of intellectual property rights is an important issue not only in inland China but around the world. In tandem with bolstering the global rollout of *Taiko no Tatsujin* arcade machines, we will on an ongoing basis take measures against IP-infringing products and focus on raising awareness among consumers regarding intellectual property rights.



A genuine Taiko no Tatsujin product



Fostering a Culture of Respect

Initiatives for Each Material Issues

We uphold human rights and promote mutual respect among all individuals involved with Bandai Namco Group. This means creating an inclusive environment that embraces diversity, respect, and open communication.

Supply Chain Management (Labor)

Aiming for Sustainable Development Together with Business Partners



Coming Together as Group Companies and Business Partners to Foster a Culture of Respect

Collaborations between the Bandai Namco Group and its business partners are essential for addressing diversity, human rights, and many other difficult issues. In order to effectively advance such collaborative initiatives, we must establish a mutual understanding across the entire supply chain and build fair and highly transparent relationships with business partners.

To this end, the Group revised its existing Compliance Charter to formulate the Bandai Namco Group Code of Conduct in April 2025, which outlines the principles of conduct that should be implemented across the entire value chain for products and services created by the Group.

The Bandai Namco Group Code of Conduct comprises eight items, including "fostering a culture of respect," which it describes as follows: "We uphold human rights and promote mutual respect among all individuals involved with the Bandai Namco Group. This means creating an inclusive environment that embraces diversity, respect, and open communication."

Each Group company is carrying out various initiatives under the code. For example, in the European Union, Bandai Namco Holdings Europe S.A.S. held the DE&I Conference, an internal event, at its head office in Lyon, France, in which it conducted various workshops and activities aimed at raising employees' awareness of DE&I and gender equality.

Moving forward, we will further deepen understanding of the Bandai Namco Group Code of Conduct within the Group by holding information sessions, displaying posters, and providing educational videos. In addition, we will distribute to our business partners the Bandai Namco Group Code of Conduct and the Guidelines for Business Partners in order to promote a widespread understanding of the contents thereof and thereby strengthen our relationships with business partners into the future.



Poster for increasing Groupwide awareness of the Bandai Namco Group Code of Conduct



DE&I Conference

Building Stronger Communities

We believe in the power of community and strive to make a positive impact on the lives of our fans and neighbors. By working with local communities, we are building a brighter future where everyone can grow, learn, and succeed together.

Collaborating with Local Communities

Working on Sustainable Activities With Fans



Building the Future with Fans Through Community Vitalization, Resource Recycling, and Other Initiatives

THE IDOLM@STER series, celebrating its 20th anniversary in 2025, is connecting and working together with fans to create a brighter future. Under THE IDOLM@STER MANHOLE PROJECT: FUTAM@S!!!!!, we have installed manhole covers in locations across Japan, including Takatsuki City, Osaka Prefecture, Matsue City, Shimane Prefecture, and Tokoname City, Aichi Prefecture, with each cover featuring an idol whose design is in close harmony with her respective location. Moving forward, our idols will continue to share the appeal of each area.

In addition, we sold recyclable glow sticks at a *THE IDOLM@STER* event held in September 2024. Over two days, we were able to collect approximately 7,780 recyclable glow sticks. Combining this figure with normal glow sticks, we collected

approximately 102,220 glow sticks. Moving forward, we will increase the percentage of recyclable glow sticks sold and collected at event venues.





Manhole cover installed in Takatsuki City, Osaka Prefecture: *Yayoi Takatsuki*

A glow stick with a new form for easier recycling

Utilizing IPs in Community Events



Holding a Game Event in China to Connect with the Local Community

In October 2024, Bandai Namco Holdings China Co., Ltd. held a game event in Shenzhen, China. At the venue, the company set up an area where visitors could play games featuring Bandai Namco's unique characters, such as *PAC-MAN* Golf, *Taiko no Tatsujin* Beanbag Fun, and the *Taiko no Tatsujin* Puzzle Game. In addition, there was a display about sustainability initiatives of the Bandai Namco Group. The event served as an opportunity for the people of China to learn about our IPs and sustainability initiatives.

The event attracted over 230,000 visitors in three days, with over 3,000 visitors playing the games and utilizing the photo spot. Moving forward, we will continue holding events in collaborations with local communities, seeking to strengthen our collaborations with said communities and raise awareness of the sustainability initiatives conducted by the Bandai Namco Group on a daily basis.



The venue on the day of the event

New Initiatives

Action

Action

Launching a Sustainability Website for Children

Conveying the Importance of Sustainability to Elementary and Junior High School Students Through Videos, Quizzes, and Manga



Sustainability website for children

The Bandai Namco Group believes it vital to carry out sustainability initiatives together with its fans across the world. With the aim of increasing awareness of the Group's sustainability initiatives among elementary and junior high school students, we launched Sustaina-Land, a sustainability website for children, in April 2025.

Sustaina-Land features a corner in which children can learn about sustainability through videos, quizzes, and manga. On the website, the Bandai Namco Group's sustainability initiatives are introduced in an easy-to-understand manner. Also, the website is designed to deepen children's interest in and understanding of sustainability through their favorite IPs, such as characters. We will continue to expand the website's contents to convey the importance of sustainability to even more elementary and junior high school students.

Carrying Out Sustainability Initiatives for Our E-Commerce Website

Strengthening Sustainability Initiatives by Enhancing the Sustainability of Our E-Commerce Website

PREMIUM BANDAI is an e-commerce website that offers merchandise for characters appearing in anime, comics, and other media, including Bandai Namco Group products exclusive to the site. PREMIUM BANDAI has put significant effort into initiatives aimed at the provision of safe & responsible products, one



PREMIUM BANDAI home page

of the Bandai Namco Group's material issues. In addition, in order to strengthen their responses to other issues, Bandai Spirits Co., Ltd.'s E-Commerce Strategy Department, which operates PREMIUM BANDAI, and Bandai Logipal Inc., which handles logistics, jointly established the Sustainability Project in 2023. In 2024, PREMIUM BANDAI announced SUSTAINABLE ACTION 2024–2030, under which it established four company-specific material issues adapted from those of the Group and linked them to concrete initiatives.

Moving forward, we will increase our efforts in realizing environmentally friendly logistics, promoting the sale of products with our Sustainable Product Certification Mark, and advancing personal information protection and security measures to ensure that customers can shop safely and with peace of mind

Through premium shopping experiences, we will continue to engage in sustainability initiatives leading to a joyful, compassionate future.

DECARBONIZATION INITIATIVES

The Bandai Namco Group believes that measures to address climate change are necessary for the realization of a sustainable society and for business continuity. Accordingly, in April 2021 we formulated the Bandai Namco Group Sustainability Policy and established medium- to long-term targets for the transition to a decarbonized society. In addition, we have commenced the disclosure of information in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and announced our endorsement of these recommendations in September 2023. We also participate in the TCFD Consortium as part of our efforts to collect the latest information on climate change.

Moving forward, we will continue to conduct analyses of the impact of climate change on our business operations as well as of relevant risks and opportunities based on various scenarios. We will also advance measures to strengthen our response to such risks and opportunities and achieve decarbonization.

Recognizing the importance of social sustainability for its business activities, the Group has established the Group Sustainability Committee, chaired by the president and representative director, to determine and implement sustainability-related activities more quickly. The committee meets semi-annually (twice a year) to discuss measures to respond to climate change as one of the Group's most important agenda items. After considering each measure, the

committee helps implement these measures at each Group company. The results of the committee's activities are regularly reported to the Board of Directors, which deliberates the results and provides supervision accordingly. In addition, the Group Sustainability Subcommittee, which is a subordinate organization under the Group Sustainability Committee, is working to promote activities in line with the Bandai Namco Group Sustainability Policy and the Group's material issues.

The Group conducted a scenario analysis to assess the impact of climate change-related risks and opportunities.

Scenario Analysis Method

To clarify the impact of climate change on the Group's business operations, we conducted a scenario analysis for 2030 based on the scenarios on the right:

	1.5°C scenario	4°C scenario
Transition risks	IEA Net Zero Emission by 2050 (NZE), IEA Announced Pledges Scenario (APS), IEA Sustainable Development Scenario (SDS)	IEA Stated Polices Scenario (STEPS)
Physical risks	IPCC RCP 2.6	IPCC RCP 8.5

Note: In the absence of information on the 1.5°C scenario, a reference scenario classified under the 2°C scenario is used.

Transition Risks and Opportunities

Items					Level of
Risks and opportunities	Category	Subcategory	Anticipated scenario		Importance*2
		Introduction of carbon pricing	• Increase in operating costs due to taxes on GHG emissions from the introduction of carbon pricing (i.e., carbon taxes)	Mid to Long Term	Medium
	ations	Regulations on the use of fossil fuels	Incurrence of costs associated with efforts to reduce the use of fossil fuels for Company-owned vehicles as well as for freight vessels and trucks of affiliated logistics companies due to the tightening of regulations on the use of fossil fuels Potential for the in-house transportation of products to become difficult should transportation regulations be enforced	Mid to Long Term	Small
Transition Risks	Regulations on plastics and resource recycling Regulations on plastics and resource recycling		s and resource • Incurrence of costs to improve manufacturing processes and introduce highly efficient and decrease in sales.	Mid to Long Term	Large
Transit	ò	Renewable energy and energy conservation policies	Increase in demand for renewable energy and soaring electricity costs due to the expansion of renewable energy policies Growing necessity for technological investment to adhere to energy conservation regulations	Short to Long Term	Medium
		Obligation of informa- tion disclosure	Incurrence of costs associated with measures to calculate GHG emissions from Company-developed products and to disclose information due to requirements for information disclosure on carbon footprint and other matters	Mid to Long Term	Small
	Markets	Fluctuations in raw material costs	Increase in manufacturing costs due to the soaring prices of plastics and metals used in toys, arcade machines, etc. Increase in procurement costs of paper resources used for packaging and trading card games amid growing interest in wood materials as an alternative to non-renewable materials. Rise in procurement costs for paper and cardboard used as packaging for goods sold through e-commerce websites.	Mid to Long Term	Large

Transition Risks	Markets	Changes in customer behavior	Contraction in demand for products that are not environmentally friendly resulting from the growing importance of environmental awareness among customers Requirements for energy-efficient amusement machines to reduce costs at arcades	Short to Long Term	Small
Transiti	Reputation	Changes in investor evaluations	Decline in corporate value and negative impact on fundraising capabilities in the event that investors deem the Company's information disclosure and environmental measures to be insufficient	Mid to Long Term	Large
Opportunities	Markets	Changes in customer behavior	Acquisition of new customers through digital content and toys (environmental education) created based on the theme of the environment, resulting from the growing importance of environmental awareness among customers	Short to Long Term	Small
Opport	Reputation	Changes in investor evaluations	Improvement in evaluations by investors based on their perceiving the Company to be sufficiently environmentally conscious, leading to increased share prices and new opportunities for fundraising	Mid to Long Term	Large

Physical Risks and Opportunities

Items		i			Level of
Risks and opportunities	Category	Subcategory	Anticipated scenario	Time flame	Importance*2
	Acute	Intensification of abnormal weather (typhoons, heavy rains, landslides, storm surges, etc.)	We anticipate the following issues to occur due to an increase in wind and flood damage resulting from the intensification of abnormal weather: Increase in disaster prevention/repair costs at Group business sites Difficulties in procuring raw materials and selling products, resulting in suspended operations Sales decline in the live events and store operations businesses due to a lower desire to go outside among people Occurrence of physical injuries to employees Increase in insurance costs	Short to Long Term	Medium
		Droughts	Delays in the manufacture of home console game software, entertainment equipment, and electronic toys stemming from a decline in semiconductor manufacturing volumes due to the impact of drought	Short to Long Term	Small
Physical Risks		Rise in the average temperature	We anticipate the following issues to occur due to summer heatwaves caused by a rise in the average temperature: • Sales decline in the live events and store operations businesses due to a lower desire to go outside among people • Increase in air-conditioning costs and other operational costs • Occurrence of health issues among employees	Short to Long Term	Medium
Phys		Changes in rainfall and weather patterns	Decline in sales of outdoor services in the event of an increase in rainy days brought about by changing weather patterns, such as the timing of rainy seasons	ught Short to Long Term	Small
	Chronic	Impact on raw material cultivation due to a rise in the average temperature Impact on raw materials used in prices in the event that there are shortages in wheat flour and other raw materials used in candy toys	Mid to Long Term	Medium	
		Rising sea levels	Flooding of business sites, such as coastal amusement facilities, due to an increased risk of storm surges from the impact of rising sea levels, resulting in the incurrence of repair costs	Mid to Long Term	Small
		Increase in infectious diseases	If infectious diseases that had been prevalent in tropical regions spread northward and newly emerge in Japan and other countries, the following impacts are anticipated: • Cancellation of live events due to an increase in infectious diseases • Decrease in visitors to live events and amusement facilities due to a decline in opportunities to go outside among people stemming from an increase in infectious diseases	Short to Long Term Short to Long Term Short to Long Term Short to Long Term Mid to Long Term	Medium
ties		Rise in the average temperature	9 I dge giobal tellibelature		Medium
Opportunities	Chronic	Changes in rainfall and weather patterns	Expansion in sales of at-home entertainment due to reduced opportunities to go out- side in the event that the number of days with heavy rain increase due to changes in weather patterns		Medium
0		Increase in infectious diseases	Increase in sales of at-home entertainment in the event that infectious diseases from tropical regions spread northward and emerge in Japan and other countries, resulting in a decrease in opportunities to go outside		Large

^{*1:} Short term: 0-1 year; Medium term: Up to 5 years (around 2030); Long term: Beyond medium term
*2: High: Financial impact of ¥5 billion or more, Medium: Financial impact of ¥100 million or more but less than ¥5 billion, Low: Financial impact of ¥100 million or less
Note: On the Bandai Namco Group Sustainability website, we also disclose the relevance of risks and opportunities for each business.

Risk Management

The Group discusses risks and opportunities related to sustainability at meetings of the Group Sustainability Committee, through which it identifies the material issues that the Group should address and promotes sustainability initiatives on a Groupwide basis. In identifying and assessing climate-related issues within its businesses, the Group conducts scenario analyses to evaluate potential future financial impacts. For this evaluation, the Group estimates the impact of each risk and opportunity at both the Groupwide and business-unit levels, using future projections published by external organizations such as the IEA and IPCC together with the Group's business activity data. The estimated impact amounts are then compared with operating profit at the business-Unit level to assess the degree of relevance for each business. At the same time, the total impact on the Group as a whole is taken into account to determine overall material issues from a companywide perspective.

In promoting sustainability initiatives, the Group Sustainability Committee collaborates with the Group Risk Management Committee and the Group Compliance Committee, both of which oversee the Group's crisis management framework, as well as with individual Group companies(for more details, please refer to page 124). Each Group company implements initiatives aligned with material issues in accordance with the characteristics of its businesses. The results of these initiatives are analyzed annually on both a Groupwide basis and by business segment, and the findings are used to improve initiatives in subsequent fiscal years. These analyses are discussed at meetings of the Group Sustainability Committee and reported to the Board of Directors, which, when necessary, holds deliberations on the results and provides supervision accordingly.

Indicators and Targets

The Group has established indicators for greenhouse gas (GHG) emissions so that it can evaluate and manage the progress of its ESG management and the impact of policy risks and other risks pertaining to climate change. As a medium-term target, the Group has adopted a 50% reduction in energy use-derived CO₂ emissions at Group business sites by 2030 compared with FY2020.3. Furthermore, we have set forth

the target of achieving net-zero emissions at our business sites (offices, Company-owned factories, directly operated amusement facilities, etc.) by 2050. Going forward, we will strive to further promote energy conservation initiatives, introduce renewable energy and carbon credits, and other initiatives with a view toward achieving these targets.

Target for 2050

Net zero

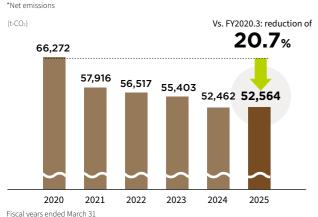
Medium- to Long-Term Targets for Decarbonization

Amount of energy use-derived CO₂ emissions at Group business sites*



* Offices, company-owned factories, directly operated amusement facilities, etc.

Bandai Namco Group CO₂ Emissions (Scope1+Scope2)



- 1. The amount of renewable energy used (purchased) for FY2022.3 is included in the total for non-renewable energy
- 2. For figures excluding Scope3 emissions, limited assurance or review by a third party has
- 3. The Scope3 targets include BANDAI CO., LTD., BANDAI SPIRITS CO., LTD., Bandai Namco Entertainment Inc., Bandai Namco Filmworks Inc., and Bandai Namco Amusement Inc. 4. Past figures may be retroactively revised based on a thorough examination of tabulation
- 5. Scope3 emission amounts by category and their calculation methods can be found on our

Supply Chain CO₂ Emissions (Scope3)

(t-CO ₂)		FY2024.3	FY2025.3
Scope3		1,202,209	1,325,924
Category 1	Purchased goods and services	636,698	677,843
Category 2	Capital goods	110,312	159,552
Category 3	Fuel- and energy-related activities not included in Scope1 and 2	5,490	6,113
Category 4	Upstream transportation and distribution	9,174	12,629
Category 5	Waste generated in business operations	2,931	4,184
Category 6	Business travel	8,817	9,102
Category 7	Employee commuting	837	902
Category 8	Upstream leased assets	Not applicable	Not applicable
Category 9	Downstream transportation and distribution	2	4
Category 10	Processing of sold products	Not applicable	Not applicable
Category 11	Use of sold products	12,284	5,979
Category 12	End-of-life treatment of sold products	415,664	449,616
Category 13	Downstream leased assets	Not applicable	Not applicable
Category 14	Franchises	Not applicable	Not applicable
Category 15	Investment	Not applicable	Not applicable

Examples of Initiatives Toward Decarbonization

Proactively Introducing Renewable Energy at Group Company Bases

Targeting decarbonization, we are advancing the conversion to electricity derived from renewable energy sources at major bases of Group companies.

We have converted to electricity derived from renewable energy sources for all of the electricity used at certain major Group company bases, including the Bandai Namco Mirai Kenkyusho, Bandai head office building, Bandai Namco Experience Inc., / Bandai Namco Amusement Inc. head office building, Bandai Namco Studio Inc., head office building, Bandai Hobby Center—a model kits production factory of Bandai Spirits Co., Ltd.—as well as the nationwide logistics centers of Bandai Logipal Inc. and Logipal Express Inc. As a result, we have achieved net-zero CO2 emissions from office operations, reducing annual CO₂ emissions by more than 8,000 t-CO₂ in FY2024.3 at these bases.



Bandai Namco Mirai Kenkyusho

Introducing Solar Power Generation

Bandai Spirts Co., Ltd. has installed 1,080 solar panels at the model kit production factory BANDAI HOBBY CENTER PLAMO DESIGN INDUSTRIAL INSTITUTE (BHCPDII). Combined with the solar panels installed at the Main Building, the company has introduced solar power generation facilities with a total of 1,858 solar panels at the Bandai Hobby Center, with the aim of having the center become selfsufficient in electricity through solar power generation. In addition,



Bandai Hobby Center

Bandai Namco Craft Inc., Kanto-Base and Heart Corporation headquarters factory have also introduced solar power generation facilities. We are working toward achieving electricity self-sufficiency through solar power at these locations as well. The total electricity generated at these three sites is approximately 730,000 kWh,* and the expected annual reduction in CO₂ emissions is around 350 t-CO₂. * Calculated by the solar cell power generation quantity calculation method based on JIS 8907



Revamping Standards for Environmentally Conscious Design

Since 2012, Bandai Namco Experience Inc. has delivered environmentally friendly designs for its proprietary arcade machines. In November 2024, the company updated its design standards. Under these updated standards, all machines planned, developed, and produced by Bandai Namco Experience are required to be environmentally friendly in accordance with the three principles of Reduce, Reuse, and Recycle. Those with particularly outstanding energy-saving performance are now designated as Eco Amusement Machines and will bear the Eco Amusement Machine Label to signify their sustainability. In December 2024, the first Eco Amusement Machine, CLENA GRAND commenced operations at arcades across Japan.



INITIATIVES FOR PLASTIC ENVIRONMENTAL **CONSIDERATION**

Plastics have been used in many fields and applications as useful materials that support modern society. In recent years, however, there have been cases when the excessive use and inappropriate disposal of plastics have led to environmental problems such as marine plastic pollution. Another issue is that plastics result in large emissions of CO₂ during their life cycle, from production to disposal.

The Bandai Namco Group has positioned "sustainably utilizing resources and raw materials" as one of the key items within its material issue of "Harmony with Nature." To date, each Group company has been working to reduce use and promote efficient use of raw materials, including natural resources, and to curtail and reduce waste generation.

To further promote and actualize these efforts, the Bandai Namco Group formulated the Bandai Namco Group Plastic Environmental Consideration Policy in April 2025. Under this policy, we will focus even more on reducing and recycling plastic than before.

Bandai Namco Group Plastic Environmental Consideration Policy

The Bandai Namco Group is dedicated to responsible plastic use, aligning our passion for entertainment with our environmental responsibilities.

We acknowledge the environmental toll of single-use plastics and are actively addressing this challenge. By integrating recycled plastics and alternative materials into our products and packaging, we are striving for a sustainable future where waste is reduced and resources are used more efficiently.

Established: April 1, 2025

Planned Main Activities Going Forward (as of September 2025)

	Bandai Namco Holdings	Group companies in Japan and overseas
FY2025.3	Conducted survey on plastic usage at main Group companies	Advance initiatives for reducing the use of petroleum-
FY2026.3	Formulate and release the Bandai Namco Group Plastic Environmental Consideration Policy Conduct survey on plastic usage at business management companies and in the Toys and Hobby Unit	derived plastics —Utilize alternative materials —Actively use recycled plastics —Reduce the usage of prize bags
FY2027.3	Work with external partners to explore measures for expanding plastics recycling	Promote product recycling

Initiatives Toward Reducing the Use of Petroleum-Based Plastics ·

We are advancing initiatives on a Groupwide basis to reduce the use of petroleum-based plastics and lower CO₂ emissions. For example, our craft puzzles are created with bamboo materials harvested from ethically managed forests, and Gundam model kits use various materials including eggshells discharged as industrial waste, used tea leaves created through the process of brewing green tea, and wood chips. Furthermore, we offer the Rubik's Cube Eco, a Rubik's Cube whose main unit and paper used for packaging are made from recycled materials. Additionally, Re:metacil, a metacil (writing instrument) made from waste materials, uses upcycled plastic that is crushed and recycled from various waste materials (cinders, oyster shells, eggshells, scallop shells, etc.) from Japan. In these ways, each Bandai Namco Group company has introduced products that utilize recycled materials and plastic alternatives.



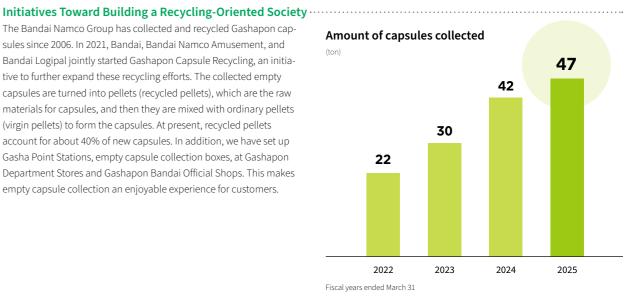
Model kits made with

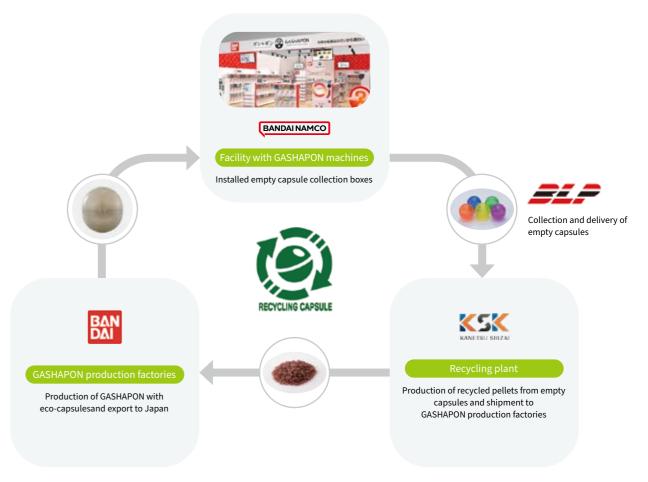




ethically managed forests

The Bandai Namco Group has collected and recycled Gashapon capsules since 2006. In 2021, Bandai, Bandai Namco Amusement, and Bandai Logipal jointly started Gashapon Capsule Recycling, an initiative to further expand these recycling efforts. The collected empty capsules are turned into pellets (recycled pellets), which are the raw materials for capsules, and then they are mixed with ordinary pellets (virgin pellets) to form the capsules. At present, recycled pellets account for about 40% of new capsules. In addition, we have set up Gasha Point Stations, empty capsule collection boxes, at Gashapon Department Stores and Gashapon Bandai Official Shops. This makes empty capsule collection an enjoyable experience for customers.





HUMAN RIGHTS

Human Rights Policy Initiatives

Together with all people throughout the world, the Bandai Namco Group aims to create a future where people and other people, people and society, and people and the world are connected through the rich emotions created by entertainment, as represented by Bandai Namco's Purpose of "Fun for All into the Future." To fulfill our responsibility to respect the human rights of all stakeholders involved in the Bandai Namco Group's business activities, we established the Bandai Namco Group Human Rights Policy. Recognizing the impact that business activities can have on human rights, we consider it our corporate responsibility to respect the human rights of all stakeholders involved in the Group's business activities. To that end, we are promoting initiatives in accordance with international frameworks such as the UN Guiding Principles on Business and Human Rights.

• Formulating the Bandai Namco Group Code of Conduct

The Bandai Namco Group has business sites around the world and engages in business while exchanging goods and services with a variety of stakeholders. It is our mission as a company to minimize environmental impacts and adverse effects on society in our value chain and to help create a better world. As a manufacturer and seller of toys, games, and other products, we are focusing on identifying and addressing environmental and social issues that may arise in regard to our suppliers.

As part of our efforts, we established the Bandai Namco Group Code of Conduct in April 2025, outlining the principles of behavior that all executives and employees are expected to follow and which we also ask our business partners to adhere to. Alongside sharing the content of this code with our business partners, we have also formulated the Bandai Namco Group Guidelines for Business Partners to serve as a practical guide for implementing the code and are working to raise awareness of both documents.

Bandai Namco Group Code of Conduct Our simis to continue creating a future where people and societies are convented by research, but, and inspiration in accordance with Earline Name Investory Propose, "Fun for All into the Future," while respecting the fundamental human rights of all individuals: in order to achieve this, we have extandated that the conduct of conduct as the foundation for our future actions. **Compliance with Laws and Social Norms **Research and the property of the conduct of

Governance

Recognizing the importance of social sustainability for its business activities, the Group has established the Group Sustainability Committee, chaired by the president and representative director, to determine and implement sustainability-related initiatives more quickly.

The committee meets twice a year to discuss human rights violation countermeasures as one of the important agenda items. After considering each measure, each Group company implements measures. In turn, the results are regularly reported to the Board of Directors, which deliberates and supervises them. In addition, the Group Sustainability Subcommittee, which is a subordinate

organization under the Group Sustainability Committee, is working to promote initiatives in line with the Bandai Namco Group Sustainability Policy and the Group's material issues.

Furthermore, the Group has established the Group Compliance Committee, also chaired by the president and representative director, to strengthen the Group's compliance framework and monitor its status. The Group Compliance Subcommittee—composed of compliance officers from the business management companies—meets regularly to share information and conduct oversight. The information discussed is reported monthly to the regular meetings of the Board of Directors of Bandai Namco Holdings.

Strategy ·····

To further clarify the Bandai Namco Group's stance and initiatives regarding human rights, we formulated the Bandai Namco Group Human Rights Policy in November 2023. We understand that corporate business activities have an impact on human rights, and thus we

consider it our responsibility as a company to respect the human rights of all stakeholders involved in the Bandai Namco Group's business activities.

Risks and Opportunities in the Group's Response to Human Rights-Related Issues

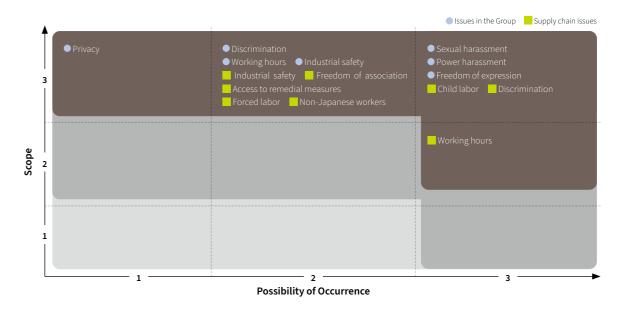
Risks	Opportunities
 Increased business risks due to a delayed response to ever-tightening laws and regulations across the globe Declining productivity following the occurrence of human rights infringements in the supply chain 	Building of good relationships with business partners and increased productivity Enhanced engagement among Group employees

Risk Management ·····

Mapping of Human Rights Risks

The Group analyzes the negative impact that its business activities have on human rights. With regard to anticipated human rights-related risks, the Group identifies risks that are particularly important from the perspectives of level of severity and likelihood of occurrence. In FY2024.3, we mapped out human rights issues that present risks in terms of the negative impacts of our business activities. We believe that the following items are human rights-related risks toward which we must prioritize our response. We have therefore identified and

evaluated these risks in terms of both actual and potential impacts on human rights, in accordance with our human rights due diligence process. We will carry out appropriate measures to reduce potential risks, and for actual impacts that we are having on human rights, we will strive to resolve issues so that we can eliminate these impacts. At the same time, we will implement appropriate remedial measures for all parties impacted, as necessary. Moving forward, we intend to revise this map on a continuous basis.



Implementation of Human Rights Due Diligence

The Bandai Namco Group recognizes that its business activities could potentially affect human rights. We recognize our responsibility to respect the human rights of all our stakeholders, including employees, their families, and business partners. Toward this end, we promote an understanding of human rights across the entire supply chain

Previously, we implemented risk management for each business segment. However, in order to identify, prevent, and mitigate negative impacts on human rights related to the Group's business activities, we

will build a human rights due diligence mechanism and continuously manage risks using a risk-based approach. In October 2022, we engaged a third party to conduct human rights due diligence covering our main businesses. This third party identified high-potential human rights risks in the manufacturing sector in East Asia and Southeast Asia among the Group's businesses. In FY2024.3, we implemented a risk analysis of all our businesses both in Japan and overseas. Moving forward, we will strive to prevent the occurrence of potential human rights issues and address any issues we have already identified.

We also conduct compliance awareness surveys for Group officers

and employees. In addition, individual Group companies conduct

To foster understanding and dissemination of the Bandai Namco

Group Code of Conduct, we distribute in-house posters clearly stating

the code across the entire Group, including overseas locations. We also

work to embed our philosophy through lectures and training programs.

respect training and ethics-related training sessions.









Establishment of the Code of Conduct and Guidelines for Business Partners (April, 2025)

Activities to Raise Awareness of Human Rights

To inform and disseminate the Group's philosophy and approach to human rights among employees, including Group officers, we conduct awareness-raising activities as appropriate.

Believing that promoting understanding within the Group is essential to strengthening our approach to human rights, we hold seminars and e-learning programs on topics such as human rights, sustainability, work-life balance, the LGBTQ+ community, and disabilities.







Featured in the Employee Web Newsletter

E-learning for employees (available in multiple languages)

Consultation Hotline for Human Rights Issues

The Bandai Namco Group accepts whistleblowing and consultations on human rights issues through various hotlines and accepts complaints and reports related to human rights issues from a wide range of stakeholders through external platforms.

We have established a whistleblowing system at Group companies in Japan and overseas that allows employees to consult at any time about human rights issues that arise within the Group by e-mail, telephone, in person, or via other means. Consultations are also accepted anonymously, and we respond promptly after thoroughly protecting the consulter so that they will not be treated unfairly as a result of their consultation.

External Stakeholder Reporting Desk

Inquiries from external stakeholders regarding human rights issues can be made via the Banda Namco Holdings compliance hotline.

Status of Main Initiatives at Group Companies

Bandai Co., Ltd. and Bandai Spirits Co., Ltd. conduct Bandai Factory Audits (BFAs), which integrate quality audits and code of conduct (CoC) audits, at nearly all overseas final packaging plants that manufacture products for the Japanese market (approximately 310 companies in FY2025.3). Additionally, we verify CoC items through third-party CoC standards such as the Sedex Members Ethical Trade Audit (SMETA) and the International Council of Tov Industries (ICTI)'s Ethical Toy Program. The basic policy for BFAs is the Bandai CoC Declaration, which calls for strict observance of standards concerning forced labor, child labor, working hours, wages and allowances, punitive action, and discrimination. Audits are conducted in accordance with our original BFA manual. Additionally, we hold supplier conferences to share information with our business partners, working together to improve legal compliance and working conditions, including the prevention of forced labor and modern slavery. Bandai Spirits conducts audits of factories that have not been certified based on BFAs or third-party standards in accordance with its own Bandai Spirits Minimum Requirements Audit Report to ensure the protection of human rights.

Additionally, Bandai Shenzhen Co., Ltd., which provides production and quality management for major products destined for Europe and North America, conducts transactions with factories certified by third-party organizations through standards such as SMETA and the ICTI Ethical Toy Program. These certifications include prohibitions on forced labor, human trafficking, and child labor. All temporary factories for European and North American products that Bandai (Shenzhen) transacted with in FY2025.3 were certified.

Bandai Namco Experience Inc. carries out transactions only with suppliers for which it has confirmed the absence of illegal acts in the areas of forced labor, child labor, working hours, wages and allowances, punitive action, discrimination, and environmental protection. Also, regarding plants that assemble arcade game products with which we initiate a new business relationship, we conduct interviews on confirmation items, including the working environment. We also conduct audits of new and existing factories that we do business with as necessary.

In May 2022, Bandai Namco Filmworks Inc. launched the Safety and Security Labor Measures Project, which aims to reduce long working hours and has enhanced the company's time and attendance management. Employees are required to apply in advance to work on their days off, and email notifications are automatically sent to

employees who have not used the resulting compensatory time off. As a result of the project, overtime work has been steadily decreasing on the production floor for visual content production.

Furthermore, we have reorganized and improved process management in visual content production and introduced the Green Light System, which prevents moving onto the next stage during the three stages of planning, preproduction, and production until everything is ready for the next stage. This system is designed to reduce the waiting time caused by production delays and other issues in individual processes, thereby reducing the negative effects on subsequent processes, optimizing working hours, and improving operational efficiency. In addition, we have introduced the Owlview System, which digitally visualizes the progress of each episode of a visual work and the progress of each creator's work. This system allows delays in production processes and other progress-related problems to be shared continuously between and dealt with by teams so that they are not taken on by a single employee.

To promote the respect of the human rights of external creators, Bandai Namco Studios Inc. has been carrying out internal awarenessraising activities regarding the Act to Amend the Subcontract Act and the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises as well as the Act on Ensuring Proper Transactions Involving Specified Entrusted Business Operators. Regarding the Act on Ensuring Proper Transactions Involving Specified Entrusted Business Operators, which went into effect in November 2024, the company conducted an awareness survey to ascertain to what extent employees understood the measures necessary for compliance and to what extent they had taken those measures. The company has also made efforts to foster internal awareness regarding the respect of human rights. Moreover, Bandai Namco Studios is striving to improve the working conditions for external creators by providing more detailed descriptions of the work being requested. When placing a work request, the company sends a purchase order based on an independent contractor agreement and a basic contract and subsequently receives a purchase order acknowledgement from the external creator. The company sets the standard contract period at three months. Furthermore, Bandai Namco Studios has implemented a system under which the work details and contract terms are reevaluated at the conclusion of the contract period.









Conducting of BFA

HUMAN RESOURCES

Together with Employees

SUSTAINABILITY

In accordance with Bandai Namco's Purpose, "Fun for All into the Future," we seek to be a group in which employees can act with motivation and energy to leverage their varied talents, individual characteristics, and values. We are working to develop diverse human resources in a variety of fields. We will secure and promote human resources irrespective of whether they are new graduates or mid-career hires and regardless of gender, age, nationality, race, religion, sexual orientation, etc. In addition, we will further focus resources on the establishment of varied systems and environments that enable diverse human resources to actively participate and work in a manner that is healthy in body and mind. Specifically, we will advance initiatives to support employees as they take on challenges and strive to realize workplace environments that are easy to work in, enable diverse human resources to demonstrate their true strengths, and develop human resources to advance the IP axis strategy on a global basis.

Realizing Employee-Friendly Workplace Environments ·

The Bandai Namco Group is working to establish environments so that diverse human resources can work while remaining healthy in body and mind. To create a supportive work environment for all employees, Group companies have established various systems aligned with their business formats. These include regulations for ensuring a work-friendly environment for every employee as well as flexible working arrangements such as flextime systems, discretionary work systems, shorter working hours, and staggered shifts. In addition to regular physical checkups and stress checks, within the Group Administrative Headquarters of Bandai Namco Holdings, we have assigned a person in charge of measures to address long working hours. By establishing environments in which employees can work with peace of mind, we are striving to enhance employee satisfaction.

In accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children, Bandai Co., Ltd., Bandai Namco Entertainment Inc., Bandai Namco Amusement Inc., and MegaHouse Corporation have received the Kurumin certification from the Ministry of Health, Labour and Welfare in recognition of their support for childrearing. In addition, in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace, Bandai, Bandai Namco Entertainment, MegaHouse Corporation, and Bandai Namco Business Arc Inc. received the Eruboshi certification, which is for companies with excellent initiatives in promoting the participation and advancement of female employees in the workplace. Furthermore, Bandai Namco Entertainment, Bandai Namco Studios Inc., and Bandai Namco Business Arc were

recognized under the large enterprise category of the 2025 KENKO Investment for Health. Moving forward, we will continue to work in unity with the management and human resource departments of Group companies to enhance workplace environments that are easy for employees to work in and strengthen initiatives aimed at promoting employee health.



KENKO Investment for Health Certified Health & Productivity Management Outstanding Organization (Large Enterprise Category)	Bandai Namco Entertainment Inc. Bandai Namco Studios Inc. Bandai Namco Business Arc Inc.
Kurumin Certification	Bandai Co., Ltd. (certified in 2020) Bandai Namco Entertainment Inc. (certified in 2021) Bandai Namco Amusement Inc. (certified in 2021) MegaHouse Corporation (certified in 2023)
Eruboshi Certification	Bandai Co., Ltd. (Certification Level 3) Bandai Namco Entertainment Inc. (Certification Level 2) MegaHouse Corporation (Certification Level 2) Bandai Namco Business Arc Inc. (Certification Level 2)

Examples of Systems to Promote Achievement of Work-Life Balance (Programs That Surpass Legal Requirements)

System	Overview
Childcare leave	Can be taken until the day the child turns two years old
Childcare support	Available until March 31 of the year in which the child completes sixth grade. In addition to shorter working hours, includes exemption from overtime and late-night work.
Childbirth leave for spouses	Employees can take up to five days of paid leave when their spouse gives birth.
Child-rearing flextime system	Available until March 31 of the year in which the child completes sixth grade, while core time can be adjusted in line with childrearing circumstances
Provision of support funds for childbirth and childcare	Provision of ¥200,000 at the birth of each of the first and second children. Provision of ¥3,000,000 at the birth of each of the third and subsequent children.* *Acquisition of childcare leave for one continuous week or more and submission of a childrearing report are requirements for the receipt of this support.
Lifestyle-support system	Introduction of a lifestyle-support system with the objective of establishing supportive environments for employees in a variety of household circumstances; offering 30 days of leave as well as shorter working hours/flextime, in accordance with the reason. Examples of reasons: truant children, infertility treatment, family nursing or caregiving for spouses and first and second-degree relatives of employees, and receiving of outpatient care at medical facilities due to disease.
Partnership system	In regard to partnerships, leave time determined by company rules and matters recognized by employee benefits, etc., are handled in the same manner as for couples who are married under the legal system.
Standardizing Retirement Benefit Systems	In April 2025, we standardized the retirement benefit systems of 28 Japanese Group companies into a corporate-type defined contribution pension plan. Amid an increase in personnel exchanges within the Group, including permanent transfers to other companies, this standardization has established an environment in which employees can build assets in preparation for their elderly years with peace of mind.

Note: Some Group companies use different systems.

Principal companies in the Bandai Namco Group have introduced performance-linked remuneration frameworks that correlate a company's operating profit with employee bonuses to encourage employees to take on challenges. In addition, we have established systems for the proposal of ideas regarding IPs, products and services for Units and companies, and other systems. In these ways, we have

established frameworks that transcend boundaries between companies and departments and enable employees to make their own proposals. Furthermore, by introducing systems that give recognition to teams and employees for taking on challenges, we are working to establish foundations and a corporate culture that make it easier to address challenges with a positive attitude.

Facilitating Active Careers for Diverse Human Resources

The Bandai Namco Group emphasizes the individual talents and characteristics of each employee, and is working to foster diversity in line with business characteristics. In promoting active careers for women, we are implementing fair evaluations based on true capabilities and experience, and the number of female managers continues to increase in line with growth in the number of female employees. Also, accompanying business globalization, the number of locally hired employees is increasing each year.

Moreover, we are implementing a variety of initiatives to promote the employment of people with disabilities. Bandai Namco Will Co.,

Ltd., a special subsidiary, supports the Group's businesses in a variety of ways, such as office cleaning and assistance and toy and game development support. In addition, we are aiming to increase understanding of disabilities. For Group companies in Japan, we operate Yuni-nabi, a site that draws on our insight in hiring people with disabilities to provide support for the retention of employees with disabilities working directly for Group companies and to foster a correct understanding about disabilities. Other initiatives include internships for employees with disabilities at Group companies.

Conducting Engagement Surveys for the Group's Employees ······

Group companies around the world began conducting annual engagement surveys starting FY2023.3. These surveys cover such topics as "job motivation and desire to contribute to the company," "level of understanding and adoption of the Purpose," and "diversity and inclusion." Based on observations made each year, we

implement initiatives to increase the engagement of employees on a Groupwide basis and advance the establishment of environments that enable diverse, highly individual human resources to work energetically and have active careers.

Developing Human Resources

In accordance with our Purpose of "Fun for All into the Future," we are working under the ALL BANDAI NAMCO concept to transcend the barriers between regions and Units and work together as a unified group. In this way, we place importance on cultivating a sense of unity and developing human resources who will be active in global settings. At junctures depending on position and number of years with the Company, we implement Groupwide training that transcends Units. We are providing opportunities to forge connections within the Group and to become aware of new things. This is in parallel with initiatives in specialized fields aligned with business characteristics, where efforts are made to develop human resources at the level of Units and individual companies.

In addition, we are actively implementing personnel transfers among Units, businesses, and regions. We are working to develop human resources, who are the core of the Group, including taking steps to foster understanding of the Group's businesses. In these ways, we aim to support sustained development for society and companies by establishing workplace environments that facilitate mutual respect and enable everyone, including not only employees but also everyone else associated with the Bandai Namco Group, to work energetically.

Group Joint Training

Group joint training	Training overview
First-year training	Through involvement with others with the same number of years at the Group, teams demonstrate their results and participants think about the significance of the Group.
Fifth-year training	In accordance with the Purpose, participants think about the significance of their own work and about their careers.
Training for newly appointed managers	Skills for leading the organization as managers are strengthened and visions are established for participants' teams.
Next-generation managers training	Participants, who are expected to lead the Group in the future, enhance their awareness and build personal connections.

Note: In addition to those above, human resource development programs are implemented at individual companies.

Data about the Bandai Namco Group's Workplace **Environment (FY2025.3)**

Scope 2025.3: Bandai Namco Holdings Inc., BANDAI CO., LTD., BANDAI SPIRITS CO., LTD., Bandai Namco Entertainment Inc., Bandai Namco Filmworks Inc., Bandai Namco Music Live Inc., Bandai Namco Amusement Inc., and Bandai Namco Business Arc Inc.

Realizing Employee-Friendly Workplace Environments

Childcare Leave Utilization Rate for Male and Female Employees

84.4%

In FY2023.3: 30.5% In FY2024.3: 78.5%

Note: The figures include leave taken for childcarerelated purposes (except figures for FY2023.3).

100.0%

Note: There were cases in which childcare leave was

Rate of Returning to Work after Childcare Leave

99.1%

Medical Checkup Utilization Rate

99.9%

Paid Leave Utilization Rate

75.2%

Stress Check Utilization Rate

99.3%

Facilitating Active Careers for Diverse Human Resources





Ratio of female mid-career hires: 31.2%



Employment Rate for People with

Number of hires in FY2023.3: 189.0 people Number of hires in FY2024.3: 193.0 people Number of hires in FY2025.3: 219.5 people



- *1 Entered the Company in April 2024
- *2 For consolidated subsidiaries that entrust work to special subsidiary Bandai Namco Will Inc.