

# FUN FOR THE FUTURE!

BANDAI NAMCO Group  
CSR Activity Report 2015





# FUN FOR THE FUTURE!

## “Fun For the Future!”

The BANDAI NAMCO Group believes that entertainment can contribute to society by fostering mutual communication and inspiration among people around the world and by creating a future filled with fun.

As a company that provides “Dreams, Fun and Inspiration,” our relationship with the natural environment and society will be guided by the key phrase “Fun For the Future!”

We aspire to contribute to the creation of a fun tomorrow by promoting CSR activities that lead to the happiness of society and stakeholders.



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**Guided by the key phrase  
“Fun For the Future!”,  
the BANDAI NAMCO Group  
will implement activities  
that leverage its  
distinctive strengths.**

**Shukuo Ishikawa**

Chairman and Representative Director  
BANDAI NAMCO Holdings Inc.







Our mission is to provide “Dreams, Fun and Inspiration,” and we are implementing CSR activities in accordance with the key phrase “Fun For the Future!” In our relationships with the natural environment and society, we are broadly advancing this concept by implementing a variety of activities that leverage the BANDAI NAMCO Group’s distinctive strengths.

Moreover, in our business activities we are fully drawing out the appeal of IP\* and rolling out products and services through the IP axis strategy, which is the Group’s greatest strength.

This CSR Activity Report introduces a variety of the BANDAI NAMCO Group’s distinctive initiatives from the perspective of IP.

Moving forward, the BANDAI NAMCO Group will maintain a sense of pride and responsibility for our mission of providing “Dreams, Fun and Inspiration,” and we will implement activities that create “Fun For the Future!”



\* IP: Characters and other intellectual property



### **Mitsuaki Taguchi**

President and Representative Director  
BANDAI NAMCO Holdings Inc.

# Activities that Leverage IP

Through the IP axis strategy, the BANDAI NAMCO Group provides a diverse array of products and services by leveraging the worlds of IP that are popular with large numbers of customers around the world. This strategy is the greatest strength of the Group.

At the same time, the Group also uses these IPs in CSR activities.

This section explains a variety of initiatives through three IP — *Mobile Suit Gundam*, *TAIKO: DRUM MASTER*, and *The Bears' School*.



**Mobile Suit  
Gundam**  
Series

P 7



**TAIKO: DRUM  
MASTER**  
Series

P 17



**The Bears'  
School**

P 21

Powerful IP  
(Content)



Technology

Human  
Resources

Planning  
and  
Development

## IP Axis Strategy

The BANDAI NAMCO Group maximizes the value of IP by leveraging its wide range of business fields, which is the Group's greatest strength, and by providing products and services at the optimal time and in the optimal region. This is the IP axis strategy.



Maximizing the Value of Powerful IP



**VIDEO ON DEMAND (VOD) CONTENT**

**LIVE ENTERTAINMENT**

**HOME VIDEO GAME SOFTWARE**

**PLASTIC MODELS**

**CAPSULE TOYS**

**CARDS**

**NETWORK CONTENT**

**TOYS**

**VISUAL PACKAGE SOFTWARE**

**MOVIES**

**ARCADE GAME MACHINES**

**APPAREL**

Note: This diagram shows one example of IP axis development.

# Mobile Suit Gundam Series

*Mobile Suit Gundam* series is an established IP that has maintained strong popularity over the many years since the TV broadcast in 1979. The *Mobile Suit Gundam* series extends to a wide range of products and services. This section introduces the activities of the BANDAI Hobby Center, which manufactures plastic models.



Planning  
and  
Development



Plastic Model  
Manufacturing  
Process



# BANDAI HOBBY CENTER

## » What is the **BANDAI Hobby Center**?

In 2006, the BANDAI Hobby Center was established in Shizuoka City, Shizuoka Prefecture, as BANDAI's domestic production base for plastic models. BANDAI manufactures all of the plastic models that are sold in Japan. In 2015, the *Gundam* plastic models marked the 35th year since its launch. As of the end of March 2015, BANDAI had manufactured a cumulative total of 445 million *Gundam* plastic models. This section introduces the BANDAI Hobby Center's environmentally friendly activities and its dedication to "MADE IN JAPAN" *monozukuri* (manufacturing) activities.



**Product  
Design**

**Mold  
Making**

**Manufacturing**



The BANDAI Hobby Center has world-class production capacity and technical capabilities in plastic models. The Center conducts planning and development, developmental design, mold making, and manufacturing. To increase production efficiency and product quality, the Center continually introduces leading-edge technologies and strives to make further progress. In addition, the Center is dedicated to "MADE IN JAPAN" *monozukuri* (manufacturing) activities.

# Developing a New Material: KPS

## Responding to Customer Feedback and Developing New Materials that Are Recyclable

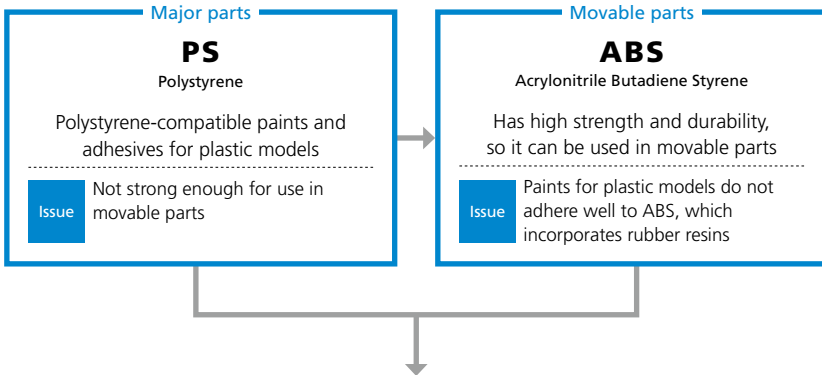
To respond to feedback from customers who have purchased plastic models, we worked together with polystyrene manufacturers to develop a new material called KPS (Strong Polystyrene). This new material, a stronger form of polystyrene, is a BANDAI original blend.

### Reason for the Development of KPS

#### » Developing an original material to respond to the wishes of customers

Background

Currently, the main trend in plastic models is products that are highly precise yet have many movable parts. In this environment, products increasingly need to be strong and durable. In addition, we also wanted to respond to the wishes of customers who want to build more plastic models with the use of paints and adhesives for these models. Accordingly, we started to develop original materials.



### **KPS**

Strong Polystyrene

From 2010, we began to develop a new material that was based on polystyrene but had strength close to that of ABS. After about two years, we succeeded in the development of KPS.

In 2012 and 2013, we started the full-scale introduction of KPS, and the amount used has increased each year.

#### Amount of KPS Used

Year	Amount (t)
2011.3	0.8t
2012.3	0.9t
2013.3	98t
2014.3	204t
2015.3	314t



Gundam plastic model that uses KPS

## Special Features of KPS

### » KPS: A strong, recyclable material

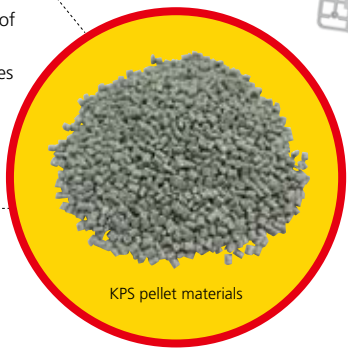
KPS is both strong and flexible, and in addition it is suitable for painting and recycling. In this way, we were able to realize *monozukuri* (manufacturing) that delights customers.

### Both strong and flexible

In addition to strength like that of ABS, KPS also has flexibility that enables it to be bent 180 degrees without breaking.

### Can be painted

Because KPS is based on polystyrene, paint can adhere to it without any problems.



KPS pellet materials



Example of product made with KPS

### Recyclable

Until now, ABS remnants have been handled as industrial waste and processed accordingly, but KPS is a material that can be recycled in the plant. It can be recycled together with other polystyrene materials.

## VOICE

### Developing a new material, contributing to future *monozukuri* (manufacturing)

In the future, I would like to apply to materials development the experience that I have gained in plastic model design, such as designing for easy assembly and taking steps to reduce materials costs. From the perspective of the side that uses the materials, I will add production process know-how to initiatives in new materials development. More than anything else, I will strive to identify and pursue *monozukuri* (manufacturing) that delights customers.



### Yasuhiro Ishikawa

Leader  
Production Team  
Hobby Products Department,  
BANDAI Co., Ltd.

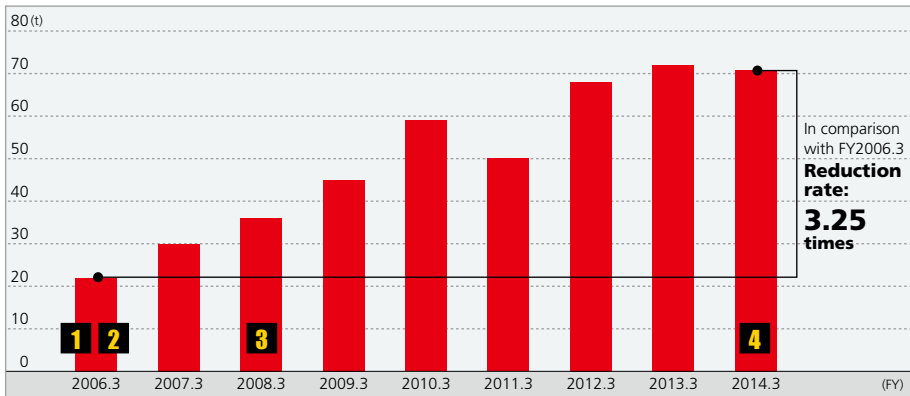


# Reducing Runner Materials

## Pursuing Design Innovation and Elimination of Unnecessary Runner Materials

BANDAI's plastic model runners incorporate a variety of ideas to make them attractive and to make the models easy to assemble. On the other hand, the runner parts that are left over after the plastic model is assembled are disposed of as waste. The development design team is leveraging its accumulated experience and knowledge and implementing a range of initiatives to reduce the material used in runners as much as possible.

Estimated Reduction in Materials Due to Runner Reduction Initiatives



### Specific Initiatives

#### 1 Reducing runner diameter

Design with a finely reduced runner diameter (predominantly in spots with an especially small influence on moldability)



#### 2 Corner design ideas

Previously, the corners of the outer frame runners were designed as right angles, but the material has been reduced as much as possible by removing the corners and rounding the design.



#### 3 Compact product layout

We transitioned to a layout design in which product parts were moved to open spaces and the runner frame was scaled down. Packaging materials were reduced at the same time.



#### 4 Reducing outer frame runners

In specific products, we reduced the outer frame runners used to hold parts.



# Multicolored Molding Machines



## Reducing Use of Electricity and Materials with Multicolored Molding Machines Designed Especially for Plastic Models

BANDAI's original multicolor molding technology can simultaneously perform molding with four colors and four different materials. Plastic models produced with these multicolor molding machines are significantly more advanced. They can be easily and attractively assembled by anyone, and at the same time they contribute to reducing environmental burdens in two ways, as indicated on the right.

### 1. Reducing electricity usage

The latest electric-powered, multicolor molding machines, which were introduced in 2013, have **reduced** annual electricity usage by **60%** in comparison with the first-generation models.

### 2. Reducing materials usage

Materials usage in FY2014.3 was **reduced** by about **57.5 tons** in comparison with the amount that would have been used with other machines.

#### Reduction of Outer Circumference Runners through the Use of Multicolor Molding



With single-color molding:  
**4 sheets**



With multicolor molding:  
**1 sheet**



Material reduction from portions of outer circumference runners

#### Recycling Initiatives

## Eco Plastic Model Series

» Cumulative total production:  
**221,612 units**

Production commenced from May 2008



### Production of plastic models using recycled materials

We are recycling waste polystyrene materials that are generated during the plastic model production process, and using them to produce and sell Eco Plastic Model series products. The BANDAI Hobby Center is implementing this recycling initiative, which is representative of BANDAI NAMCO.



Environmentally friendly package with one-color printing



# Meister System

## Artisan's Skills Handed Down by Plastic Model Experts

The BANDAI Hobby Center is proud of its plastic model production technologies, and those technologies are supported by plastic model workers who are artisans. Environmentally friendly *monozukuri* (manufacturing) activities, such as efforts to reduce the use of runner materials, require the knowledge and experience of artisans. In order to continue to respond to feedback from customers and to continually hand down these artisan's skills, we have introduced a meister system. In this section, two senior meisters were asked about their missions as meisters.

## VOICE

### »»» My mission as a meister

The objectives of the meister system are handing down technologies and developing skills. To build interesting plastic models, it has become necessary to cultivate original methods. More than basic technologies, that I think the theme is the extent to which these types of ideas can be transmitted and extended. Even when new technologies are introduced, to delight the customers it is important to have skills in the areas of application and creativity. As a meister, my thoughts on developing workers are that it is important to extend each person's unique capabilities and to enhance their talents. In this way, I would like to expand the number of meisters in the future.

#### Toshiyuki Osuga

Senior-Meister  
Hobby Products Department, Engineering Team  
BANDAI Co., Ltd.

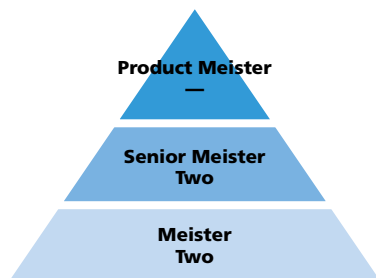
### »»» Specific initiatives as a meister

I think about how we can add new things while simultaneously keeping an eye on overall product quality. In addition, in personnel development I take a lead role in technology study sessions, and I distribute information about technical topics to team members in the form of e-mail magazines.

# SUIT GUNDAM

## What is the Meister System?

Workers who have outstanding technical skills that are recognized by everyone, are eager to further improve their own specialized knowledge and skills, and are enthusiastic about developing and guiding their successors to become certified as meisters. There are three levels of meisters—Meister, Senior Meister, and Product Meister—and screening is held once every three years. Currently, a total of four workers have been recognized—two as Meisters and two as Senior Meisters.



### »»» My mission as a meister

In handing down skills, I think it is important to have the creativity to develop new methods of molding. For example, when looking at external technologies, technical development creativity would involve asking how they could be used in the products made at our own plant. In addition, engineers tend to be completely focused on their own technologies, but to foster a mutual understanding of how technologies could be utilized in products, I am working to advance technical exchange that transcends teams and organizational units. I think that these activities will lead to progress in mutual understanding — not just among teams involved with molds and production but also among teams in such areas as planning development and development design. I also think these activities will encourage everyone at the BANDAI Hobby Center to work together to make products that delight customers.

#### Kenji Shida

Senior-Meister  
Hobby Products Department, Mold Tooling Team  
BANDAI Co., Ltd.

### »»» Specific initiatives as a meister

I have worked in molding for nearly 30 years, principally in test shots for mold completion and in the confirmation of issues regarding mass production. In addition, in personnel development I am working to hand down know-how to younger colleagues so that special skills related to multicolor molding machines will not disappear. I am also holding study sessions, and I provide individual advice if employees are troubled by a work-related issue.



# Aiming toward a Green Factory

## Solar Power Generation

With large-scale solar panels installed on the exterior of the plant, our solar power generation capacity is more than 56,000 kWh per year. This covers about 5% of the electric power consumed by the plant.



## Reuse of Water

The basement of the plant has rainwater storage facilities with a two-ton water tank. Stored water and well water are filtered in purification equipment and reused in the toilets within the plant. In this way, about 2,000 tons of water are reused annually.



## Plant Tours that Communicate Production Technologies

The BANDAI Hobby Center offers plant tours, centered on local elementary and junior high schools as well as high schools. These tours introduce the plastic model production process and environmental initiatives aimed at green factories.



## VOICE

### The BANDAI Hobby Center has been in operation since 2006

We spent nearly two years on preparations, from machine layout to incidental facilities. We mobilized all employees and worked creatively to prepare a plan. The construction site was a residential district, so we did our best to eliminate noise and odors. Maintaining harmony with the local community was a requirement, and robots that appear in animations were the principal product to be manufactured here, so we aimed for a plant that would enable us to share the world of the animations.

We worked to reproduce the world of the animations, from the production facilities to employee uniforms and automatic doors. At the same time, we introduced water reuse and solar power generation, just like on a space station, and started operations as an environmentally friendly plant.

Furthermore, we are making full use of our in-house development design and mold technologies to reduce plastic model runners, we also offer plant tours to contribute to the local community and to show our appreciation to customers. These tours enable visitors to experience how *monozukuri* (manufacturing) can be “cool.”

#### Katsuhiko Sasaki

BANDAI Hobby Center, Plant Manager  
Hobby Products Department, General Manager  
BANDAI Co., Ltd.





# TAIKO: DRUM MASTER

## Series

The *TAIKO: DRUM MASTER* series, which was launched as an arcade game machine in 2001, is an original, established IP that will reach its 15th anniversary in February 2016. The BANDAI NAMCO Group is implementing a variety of CSR activities that leverage *TAIKO: DRUM MASTER* and its original character Don-chan.



### ACCS Copyright Awareness Campaign Don-chan Supports this Campaign in Regions throughout Japan

BANDAI NAMCO Entertainment joined the ACCS\* in 1996, and from 2013 Don-chan has participated in the copyright awareness campaign. In 2014, Don-chan participated in campaign events in regions throughout Japan.



February 2014



AICHI



Sponsor: Aichi Prefectural Police, ACCS  
"Cyber Crime Prevention Campaign"

Facts about copyright infringement, IP rights protection, and information security



7

October 2014



HOKKAIDO

Sponsors: Hokkaido Prefectural Police, ACCS  
"Cyber Crime Prevention Campaign"  
Facts about copyright infringement, IP rights protection, and information security

2

October 2014



AOMORI

Sponsors: Aomori Prefectural Police, ACCS  
"Cyber Crime Prevention Campaign"  
Facts about copyright infringement, IP rights protection, and information security

3

January 2015



CHIBA

Sponsors: Chiba Prefectural Police, ACCS  
"Cyber Crime Prevention Campaign"  
Facts about copyright infringement, IP rights protection, and information security

Sapporo City,  
Hokkaido Prefecture

1

2

Aomori  
Prefecture

Tokyo

Chiba  
Prefecture

4

5

3

Aichi  
Prefecture

5

March 2015



TOKYO

Sponsors:  
Tokyo Customs, ACCS  
"Campaign to Prevent  
Counterfeit Goods  
from Landing"  
Intercepting copy-  
right-infringing goods at  
the border, customs  
educational activities

\* What is the ACCS?

ACCS: Association of Copyright for Computer Software  
This industry association conducts educational activities related to digital works rights protection and the concept of copyright. Currently, about 170 companies are members, centered on companies that provide business software, game software, web content, animations, music, and other digital works.

Three companies—BANDAI, BANDAI NAMCO Entertainment, and NAMCO—jointly sponsored an exhibit at Eco-Products 2014, which was held at the Tokyo International Exhibition Center in December 2014. Their booth included an exhibit based on the concept of Toys Eco-School, where children can learn about environmental issues related to toys; an exhibit about certified Eco-Amusement products; and a sandbox. They also implemented an eco-quiz workshop, and participants received Don-chan papercraft. The exhibitors also installed a crane game machine, a certified “Eco-Amusement product”, that gave players a chance to win original Don-chan colored pencils.

The exhibits are also introduced in the topics section of page 31, “Themes of Each SBU’s Major Activities: FY2015.3 Progress Report”

**What are Eco-Products?**

With the objective of contributing to the resolution of environmental problems, this exhibition brings together corporate CSR and environmental activities, technologies and know-how for new environmental businesses, and lifestyle hints. With more than 750 exhibiting companies and 160,000 to 180,000 visitors, Eco-Products is one of the largest exhibitions in Japan.



Don-chan original colored pencils

Don-chan papercraft

**Eco-Amusement — Environmentally Friendly Design**

BANDAI NAMCO Entertainment has formulated “environmentally friendly design guidelines” on January 2012 for arcade game machines sold in Japan. Products that clear specific standards established under the guidelines are certified as “Eco-Amusement products.” This initiative pushed beyond the previous environmentally friendly design guidelines and represents an industry first. Eco-amusement labels featuring a Don-chan motif are applied to certified products.

Eco-label



Certified product  
Fishing Spirits (GST)



## TOPICS 3

### Shinagawa Eco Festival 2014

BANDAI NAMCO Entertainment exhibited at Shinagawa Eco Festival 2014, an event sponsored by Shinagawa City's Urban Environment Department. This year marked the company's second exhibit at this event, after the previous year's event. With panel displays about environmental initiatives and the support of Don-chan, the festival was very lively.



#### What is the Shinagawa Eco Festival?

Local residents can readily participate in this event, which enables participants to have fun while they deepen their awareness of global warming and other environmental problems and serves as an opportunity to foster activities for the purpose of working together with the local municipal institutions and companies to protect the environment.

## TOPICS 4

### Product Recycling



With the objectives of reuse and recycling, BANDAI NAMCO Entertainment is taking steps to collect and sort plastic parts from products that previously were disposed of as waste. These are then processed into recycled resin (pellets). (Cumulative amount recycled from FY2011.3 to FY2015.3: 11.3 tons)

## VOICE

### Ken Nakadate

Manager  
Production Department 1  
Production 3  
Production Division  
AM Business Unit  
BANDAI NAMCO  
Entertainment Inc.



In FY2016.3, *TAIKO: DRUM MASTER* will reach its 15th anniversary, and we plan to implement a variety of activities to delight customers.

At the same time, by further enhancing our initiatives in the areas of product and service safety and environmental problems, and working to improve quality, we will strive to contribute to the creation of a fun future. Please look forward to what we accomplish.

# the bears' school



The popular *The Bears' School* series of picture books is developed by Charaken (Character Research Institute CO., LTD), a member of the BANDAI NAMCO Group. These picture books tell the story of the daily lives of Jackie, a girl bear cub who is the youngest member of her family, and her 11 older brothers. The idea of "valuing a casual day of fun" is in accord with our CSR activities, and with Jackie as the central character, we are broadly leveraging our CSR concept of "Fun For the Future!"

Jackie promotes Fun For the Future! inside and outside the Group

**fun for the future**

**BANDAI NAMCO**  
Dreams, Fun and Inspiration

楽しみながら、楽しい未来へ。

**Start!**  
**Fun For the Future!**

エンターテインメントが社会に  
に対してできること、それは、  
心が心を豊かせて未来をつく  
ることです。

バンダイナムコグループは  
「夢・遊び・感動」をお届けす  
る企業として、地球環境や社  
会とのかかわりについて、  
[Fun For the Future]を合言  
葉に、楽しみながら、楽しい  
未来づくりへの貢献をしてい  
きたいと思えます。

**BANDAI NAMCO Group**

くまのがっこう



## Cheer Jackies!

Cheer Jackies! is an activity to support children around the world who are persistent and do not give up, like Jackie, who is the most persistent of all.

This section introduces some of those activities.



### Jackies Cooking Festival

This event, which is based on the theme of nutrition education, encourages parents and children to think together about “What is eating?” The event includes a variety of workshops, such as “Jackie’s Pancake School—Cooking Experience for Children,” which is perfect for children who want to take on the challenge of being a cook for the first time. In this way, children can enjoy learning about the importance of food.




### Charity Musical

The Jackie charity musical was held for the fourth time in 2014, and was based on the picture book “The Bears’ School—Jackie’s Treasure.” The emotional story asks the question “What is a true treasure?” on the main themes of families and love. The success of the musical resulted from the tremendous efforts of the children who were selected at auditions.

\* A portion of ticket sales were used for Great East Japan Earthquake support activities.







Since 2011, Cheer Jackies! has visited disaster-stricken areas as a Great East Japan Earthquake support activity. Through these visits, we have continued to offer musical concerts and other activities for children.

## Great East Japan Earthquake Support Activities (Sendai City, Miyagi Prefecture)



### Jackie and the LuLu LoLo Tiny Twin Bears Charity Concert



We sponsored a concert by Jackie and the LuLu LoLo Tiny Twin Bears, which appeared in the picture book "Jackie's Sisters."

In conjunction with a performance by *The Bear's School Band*, which includes a wide range of musical instruments, such as a piano, a trumpet, and percussion instruments, the characters sang and played together with the children, read the picture book "Jackie's Dream" as a play, and danced together with the children.



### Nursery School Visits



At Jackie and LuLu LoLo Tiny Twin Bears concerts, the characters sang and danced to the music together with the children. The nursery schools where the events were held were decorated with illustrations and flags drawn by the children, and looked just like *The Bears' School*.



### Elementary School Visits



On these visits, *The Bears' School Band* and elementary school children played recorders and xylophones and danced for the students' teachers and parents. In addition, *The Bears' School Band* gave mini-concerts and read picture books.

## BANDAI NAMCO Group Support Activities for Disaster-Stricken Areas

In addition to Cheer Jackies!, the BANDAI NAMCO Group is implementing a variety of other support activities that leverage the Group's distinctive strengths.

### Fukushima Kids Expo



We participated in the Fukushima Kids Expo, which was held in Fukushima City, Fukushima Prefecture. This event offered opportunities to experience *KENDAMAXROSS* and other toys and the chance to experience being the heroine from a TV animation.

### Tohoku Kids Expo



We provided support for and participated in the Tohoku Kids Expo, which was held at Sendai University in Miyagi Prefecture. We provided a character stage show and opportunities to play with toys.

### Activities in Collaboration with Save the Children Japan (SCJ)

Through SCJ a total of ¥10 million was donated to the Kodomo Hagukumi Fund by BANDAI NAMCO and shareholders who chose to donate their shareholder benefits. These donations, which are used as funds for the activities of NPOs in the disaster-stricken region, will help to support children today and to build a brighter future.

In FY2015.3, handicraft classes and dance events were held for more than 200 children in Ishinomaki City and Higashimatsushima City in Miyagi Prefecture; Kamaishi City in Iwate Prefecture; and Koriyama City in Fukushima Prefecture in August, October, and December 2014 and March 2015.



Plastic model class in Ishinomaki City, Miyagi Prefecture



Jackie's Christmas Wreath Making in Kamaishi City, Iwate Prefecture



"Dance with Jackie" in Koriyama City, Fukushima Prefecture

### VOICE



Fumihito Sakuma (left),  
Yuriko Imafuku (right)  
Corporate Communication Department,  
BANDAI NAMCO Holdings Inc.

Support activities have included visits to a variety of areas affected by the Great East Japan Earthquake. In implementing these activities, we think about how we can provide "Dreams, Fun and Inspiration" to the children. In accordance with the key phrase "Fun For the Future!," the BANDAI NAMCO Group is working to build a bright, fun future while enjoying activities together with children, who will support the next generation. Moving forward, we will continue to implement support activities that bring smiles to the faces of children.

# BANDAI NAMCO Group CSR Management

Themes that require special initiatives have been identified as “BANDAI NAMCO Group’s Important CSR Themes.” In addition, each strategic business unit (SBU) formulates its own “CSR Major Initiative Themes” and leverages the special characteristics of its operations to implement activities in accordance with those themes.

→ For further information about the major initiative themes of each SBU, please refer to the section starting on page 27.

## BANDAI NAMCO Group’s CSR Policy

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## BANDAI NAMCO Group's CSR Promotion System

From FY2011.3, the Group has implemented a system under which the presidents of the SBU core companies serve as members of the Group CSR Committee. In this way, the Group has strengthened its CSR system, which makes decisions rapidly and is integrated with operations.

Deliberating / Reporting on matters related to CSR



## BANDAI NAMCO Group's Important CSR Themes

- 1 Safety and Cleanliness of Products and Services**




The Group is giving priority to its efforts to further enhance the safety and cleanliness of its products and services, which is the foundation of the provision of "Dreams, Fun and Inspiration."
- 2 Environmental Consideration**

To ensure ongoing "Dreams, Fun and Inspiration" for the next generation, the Group will work to show consideration for the environment, to reduce energy consumption in its operating activities, and to reduce the use of resources in its products and services.
- 3 Policies Regarding Influence on Society of the Group's Content and Products**

To provide "Dreams, Fun and Inspiration" to people around the world, we value freedom of expression, and are working to appropriately provide customers with a wide range of content and products.
- 4 Supply Chain Management**

To achieve qualitative improvements in the "Dreams, Fun and Inspiration" that we provide, the Group will work to enhance supply chain management in each of its business areas.

# Themes of Each SBU's Major Activities: FY2015.3 Progress Report

Important CSR Themes: ① Safety and Cleanliness of Products and Services			
SBU	Major Initiative Themes	Status of Progress	FY2015.3 Activity Report
Toys and Hobby SBU	Focusing on safety and peace of mind		<ul style="list-style-type: none"> <li>+ Enhancing overall initiatives by sharing information through monthly Group meetings for the exchange of information among SBUs</li> <li>+ Continuing to hold the Product Safety Forum, with exhibitions regarding product safety and product safety training</li> <li>+ Holding monthly study sessions with cooperating manufacturers, including both on-demand video distribution and workshops</li> <li>+ Periodically reevaluating BANDAI quality standards and implementing revisions twice a year</li> <li>+ Holding eight quality standard study sessions following revision of Japan's toy safety standard (ST2012)</li> </ul>
	Advancing green procurement		<ul style="list-style-type: none"> <li>+ Preparing to revise in-house standards in accordance with overseas legal revisions, holding individual explanation meetings for new suppliers</li> <li>+ Planning to hold overall explanation meetings for suppliers in FY2016.3</li> </ul>
Content SBU	Advancing quality standards		<ul style="list-style-type: none"> <li>+ Accompanying revision of laws and regulations, revising relevant standards and guidelines regarding photosensitivity, in order to increase the quality of arcade game machines</li> <li>+ Implementing full-scale start of BANDAI NAMCO Entertainment's information sharing system for products for general consumers (including promotional items)</li> <li>+ Revising and continuing to implement BANDAI NAMCO Entertainment's quality standard in accordance with the revision of the toy safety standard</li> </ul>



SBU	Major Initiative Themes	Status of Progress	FY2015.3 Activity Report
Amusement Facility SBU	Fostering sound sales areas		<ul style="list-style-type: none"> <li>+ Promoting acquisition of AOU Youth Advisor certification ⇒ 171 of 194 amusement facilities have one or more employees who have acquired certification; % of amusement facilities with one or more employees who have acquired certification: 88% (target: 100%)</li> <li>+ Promoting acquisition of service skills certification ⇒ % of employees who are certified: 88% (target: 100%)</li> </ul>
	Social learning for youth		<ul style="list-style-type: none"> <li>+ Accepting company visits, workplace experience ⇒ Asakusa Hanayashiki (workplace experience): 24 schools, 363 students</li> </ul>
Affiliated Business Companies (BANDAI LOGIPAL INC. / LOGIPAL EXPRESS INC.)	Reducing vehicle accidents through safe driving and delivering cargo without delays		<ul style="list-style-type: none"> <li>+ Implementing driver training five times a year</li> <li>+ Providing safety guidance during roll call</li> <li>+ Installing safety recorders on all vehicles</li> <li>+ Maintaining superior safety at work sites (G-Mark)</li> </ul>
Affiliated Business Companies (Artpresto Co., Ltd.)	Providing safe and secure products		<ul style="list-style-type: none"> <li>+ Continuing to implement system for tracking overall product manufacturing</li> <li>+ Implementing checks prior to shipping based on each company's quality standards, using the above system</li> <li>+ Completing reform of data center information management to strengthen information management; Completing renewal of privacy mark without any deficiencies</li> </ul>

## TOPICS ① Safety and Cleanliness of Products and Services

### Holding Exhibitions Related to Product and Service Safety and Security

To provide customers with products offering enhanced safety and peace of mind, each Group company shares a variety of information with its employees, such as examples of past product problems and customer feedback.

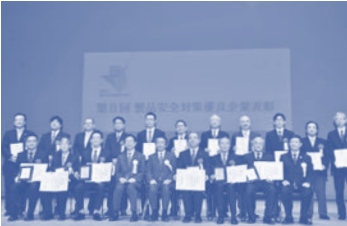


BANDAI held lectures by external speakers, implemented group discussions, and held exhibitions of examples of past product problems.

BANDAI NAMCO Entertainment and Banpresto held exhibitions related to product problems and the latest laws and regulations.

### Receipt of Excellent Award at Best Contributors to Product Safety Awards

At the FY2014 Eighth Best Contributors to Product Safety Awards, hosted by the Ministry of Economy, Trade and Industry, BANDAI NAMCO Entertainment won the Excellent Award in the large manufacturer and importer category. The receipt of the award marked a first for the amusement industry.









### Implementing Driver Training

BANDAI LOGIPAL and LOGIPAL EXPRESS are implementing driver training to reduce vehicle accidents through safe driving and to deliver cargo without delays.



Important CSR Themes: ② Environmental Consideration

SBU	Major Initiative Themes	Status of Progress	FY2015.3 Activity Report
Toys and Hobby SBU	Act Now For Future Smiles		<ul style="list-style-type: none"> <li>+ Implementing subcommittee meetings every two months related to environmentally friendly design, resource recycling, and universal design; Implementing workshops and experience-based initiatives</li> <li>+ Enhancing environmental publicity (exhibiting at events, on-site lessons at elementary schools, starting Facebook initiatives, etc.)</li> <li>+ Having a subcommittee collect examples of environmentally friendly design, reforming guidelines, considering eco-label system</li> </ul>
Content SBU	Environmentally friendly design initiatives		<ul style="list-style-type: none"> <li>+ Continuing to use environmentally friendly design guidelines</li> <li>+ Continuing to use eco-labels ⇒ Number of certified products has increased to 22</li> </ul>
	Product recycling		<ul style="list-style-type: none"> <li>+ Continuing to implement recycling of home game machines ⇒ Cumulative results (as of March 2015): Approximately 11.4 tons</li> </ul>
Amusement Facility SBU	<p>Understanding environmental data</p> <p>Measures for CO<sub>2</sub> reduction / energy conservation</p> <p>Measures for the Law Regarding the Rationalization of Energy Use and global warming countermeasure regulations</p> <p>Enhancing environmental awareness</p>		<ul style="list-style-type: none"> <li>+ Implementing third-party reviews and data maintenance to track large volumes of environmental data</li> <li>+ Converting dome lighting to LED lighting on 556 <i>Sweet Land 4 Bright Version</i> prize machines ⇒ Reduction in CO<sub>2</sub> emissions volume: 102.6 tons of CO<sub>2</sub> per year</li> <li>+ Responding to METI's revised Law Regarding the Rationalization of Energy Use ⇒ Energy usage: -5.9% from previous year</li> <li>+ Responding to global warming countermeasure regulations of local governments</li> <li>+ Progress in taking / passing the "Eco Test" ⇒ FY2015.3: Cumulative total number of people with certification: 224</li> <li>+ Enhancing environmental awareness through COOLBIZ, WARBIZ, and No-Overtime days on payday each month</li> </ul>
Affiliated Business Companies (BANDAI LOGIPAL INC. / LOGIPAL EXPRESS INC.)	Reducing CO <sub>2</sub> emissions through control of CO <sub>2</sub> from vehicle exhaust and reduced electricity consumption at work sites		<ul style="list-style-type: none"> <li>+ Introducing low-emissions vehicles when vehicles are replaced</li> <li>+ Maintaining average fuel consumption through continued eco-driving activities ⇒ Maintained 5.5 km/L</li> <li>+ Continuing to save electricity by turning off unnecessary lights in offices and warehouses</li> </ul>
Affiliated Business Companies (Artpresto Co., Ltd.)	Tracking used parts and materials		<ul style="list-style-type: none"> <li>+ Implementing database for parts and production machinery</li> <li>+ Rigorously checking status of parts and materials through a third-party institution</li> </ul>

## TOPICS ② Environmental Consideration

### Workshop at Eco-Products 2014

Three companies—BANDAI, BANDAI NAMCO Entertainment, and NAMCO—jointly sponsored an exhibit at Eco-Products 2014, one of Japan's largest environmental exhibitions. CSR and environmental initiatives were introduced, and a workshop was held to enhance eco-awareness.



← BANDAI set up the fun "Look! Listen! Think! — Experience-Based Booth."

→ NAMCO and BANDAI NAMCO Entertainment set up a joint booth with the Asobi Park sandbox and panel displays about such topics as the use of wood.



### Electrical Breaker Recording Diet

With the objective of reducing electricity usage, NAMCO has implemented an electrical breaker recording "diet" at all of its amusement facilities. This is an initiative of reducing electricity usage by increasing awareness. To that end, when amusement facilities are opened and closed the times at which electrical breakers are turned on and off are recorded.



Activity	Details
BRD	<ol style="list-style-type: none"> <li>① Time management for turning electrical breakers on and off</li> <li>② Enhanced distribution switchboard display</li> </ol>
Air conditioning	<ol style="list-style-type: none"> <li>① Diligent temperature management (dehumidifying function also used)</li> <li>② Revising period of use (use of timers if available)</li> <li>③ Periodic filter cleaning</li> <li>④ Use together with fans</li> </ol>
Backyard	<ol style="list-style-type: none"> <li>① Turning off lighting when absent</li> <li>② Reducing illumination, turning off certain light bulbs</li> <li>③ Diligently turning off office equipment</li> <li>④ Removing plugs from sockets</li> </ol>

### Implementing Universal Design Research Meetings

BANDAI held six Universal Design research meetings during the year to consider how to incorporate the Universal Design approach so that more customers can enjoy greater ease of use and have more fun.



External speakers were invited, and workshops were also held. Four meetings were held in FY2015.3.

SBU	Major Initiative Themes	Status of Progress	FY2015.3 Activity Report
Toys and Hobby SBU	Control of ethical expression in content / products		<ul style="list-style-type: none"> <li>+ Implementing training related to ethics ⇒ In addition to training for new hires, BANDAI implemented training for employees in three departments</li> <li>+ Accumulating examples of ethical expression in products from other companies and from inside the Company, revising ethical assessment standards as needed</li> <li>+ Implementing monthly Group information exchange meetings, sharing examples of ethical assessment</li> </ul>
Content SBU	Controlling appropriate expression in content		<ul style="list-style-type: none"> <li>+ Establishing "appropriate content expression management" as shared theme for the Content SBU, implementing initiatives for each SBU's objectives ⇒ At BANDAI NAMCO Entertainment, preparing the BNE Prohibited Wording Dictionary and starting full-scale use from FY2016.3 ⇒ Giving presentations for developers at BANDAI NAMCO Studios Inc. about points to consider regarding expression in content ⇒ Establishing internal guidelines regarding the protection of minors and other consumers at BANDAI NAMCO Online</li> </ul>

## TOPICS ③ Policies Regarding Influence on Society of the Group's Content and Products

### Implementing Timely Ethics Training and Implementing Meetings to Exchange Ethics Information

BANDAI implements timely training to deepen understanding of ethics. In addition, to control ethical expression, the Toys and Hobby SBU, centered on BANDAI, provides guidance to employees in charge of ethical expression and actively exchanges information with employees with these responsibilities outside the Toys and Hobby SBU.



Employees in charge of ethical expression from the Toys and Hobby SBU and from outside the Toys and Hobby SBU got together and exchanged information.

### Implementing Initiatives to Control Ethical Expression in Content

As a shared theme related to CSR, the Content SBU announced that it would work to "control ethical expression in content," and each company implemented its own initiatives.

#### BNE Prohibited Wording Dictionary

In regard to prohibited wording (not only wording that cannot be used in games but also wording that cannot be entered by users), which has been handled separately by each project and department, BANDAI NAMCO Entertainment is preparing a unified wording list (plans call for its full-scale use from FY2016.3).



#### In-House Explanation Meetings Related to Expression

BANDAI NAMCO Studios has formulated content production guidelines and uses a checklist with each title to confirm that there are no problems. Seminars are also held for employees as employee educational activities.

#### BNO Content Production Guidelines

BANDAI NAMCO Online is controlling expression while maintaining a balance with rules that must be followed, without losing entertainment value. When creating game applications, confirmation is implemented in accordance with in-house content production guidelines.



Important CSR Themes: ④ Supply Chain Management			
SBU	Major Initiative Themes	Status of Progress	FY2015.3 Activity Report
Toys and Hobby SBU	Labor standards auditing (C.O.C. auditing)		<ul style="list-style-type: none"> <li>+ Implementing audits at all overseas final packaging plants that make BANDAI products ⇒ Cumulative total: 187 companies</li> <li>+ Strengthening supply chain management at manufacturing plants that make copyrighted products that have character information regulations</li> <li>+ Implementing supplier conferences at three locations—Tokyo, Shenzhen, and Shanghai</li> </ul>
Content SBU	Green audits		<ul style="list-style-type: none"> <li>+ Implementing green audits of suppliers in Japan and overseas ⇒ Achievement of 82% of suppliers audited (versus target of more than 75%)</li> </ul>
	C.O.C. audits		<ul style="list-style-type: none"> <li>+ Implementing C.O.C. audits at final assembly plants for arcade game machines in China at BANDAI NAMCO Entertainment</li> <li>+ Making it mandatory to provide survey sheets to new suppliers at Banpresto</li> </ul>
	Providing information to suppliers		<ul style="list-style-type: none"> <li>+ Establishing websites exclusively for suppliers, improving them as needed, and providing the latest information, such as standard revisions, at BANDAI NAMCO Entertainment and Banpresto</li> </ul>
Affiliated Business Companies (BANDAI LOGIPAL INC. / LOGIPAL EXPRESS INC.)	Developing integrated logistics services		<ul style="list-style-type: none"> <li>+ Building logistics system in the U.S. and maintaining stable operation</li> <li>+ Supporting growth in overseas direct channel sales</li> <li>+ Providing prize distribution to amusement facilities ⇒ Currently rebuilding prize distribution</li> </ul>
Affiliated Business Companies (Artpresto Co., Ltd.)	Managing plant registration		<ul style="list-style-type: none"> <li>+ Managing traceability in manufacturing processes ⇒ Implementing on-site confirmation based on process management sheets and production line diagrams</li> <li>+ Selecting plants in accordance with C.O.C. standards ⇒ Implementing independent audits at major manufacturers</li> </ul>

## TOPICS ④ Supply Chain Management

### Implementing BANDAI Factory Audits

To increase efficiency, BANDAI has revised the plant audit system and unified new plant audits and C.O.C. audits. These unified audits are known as BANDAI Factory Audits (BFA).

BFA were implemented at all overseas final packaging plants that make BANDAI products.



### Implementing Green Audits and C.O.C. Audits

With the objective of reducing the risk that products will be contaminated with chemical substances at suppliers, BANDAI NAMCO Entertainment is confirming chemical substance management systems at manufacturing plants. In addition, to confirm that suppliers have appropriate labor environments, C.O.C. audits were implemented at final assembly plants of three overseas companies (Shenzhen, China; Taiwan) that make arcade game machines.

Banpresto implemented confirmations through survey sheets for 36 suppliers starting new transactions.



Green audits (confirmation of chemical substance management audits)



C.O.C. audits (confirmation of labor environments at manufacturing plants)



## Human Resources-Related Information

Figures for the core company in each SBU  
(BANDAI / BANDAI NAMCO Entertainment\* / NAMCO)

\* The name of BANDAI NAMCO Games was changed to BANDAI NAMCO Entertainment in April 2015.

Number of Employees by Type of Employment		(People)				
		FY2011.3	FY2012.3	FY2013.3	FY2014.3	FY2015.3
Full-time employees	Male	2,892	2,866	1,972	1,861	1,821
	Female	741	751	614	580	583
Junior employees	Male	1,208	1,156	1,039	1,043	859
	Female	770	754	669	768	719
Contract employees	Male	40	50	53	37	33
	Female	39	46	41	45	41
Temporary employees	Male	569	544	453	660	615
	Female	619	703	464	938	1,027
Total	Male	4,267	4,616	3,517	3,601	3,328
	Female	2,611	2,254	1,788	2,331	2,370
	Total	6,878	6,870	5,305	5,932	5,698

Note: The large decline from FY2012.3 to FY2013.3 is due to the separation of BANDAI NAMCO Studios, which is outside the scope of data collection, from BANDAI NAMCO Entertainment.

Number of Female Managers		FY2011.3	FY2012.3	FY2013.3	FY2014.3	FY2015.3
Female managers (people)		74	88	86	86	90
Ratio to total employees		1.1%	1.3%	1.6%	1.4%	1.4%

Number of Employees Hired after Graduation		FY2011.3	FY2012.3	FY2013.3	FY2014.3	FY2015.3
Number of employees hired after graduation (people)		88	72	52	58	83
Number of female employees included (people)		30	30	26	25	38
Percentage of female employees included		34.1%	41.7%	50.0%	43.1%	43.1%

Employment Rate for People with Disabilities (Group Total)		FY2011.3	FY2012.3	FY2013.3	FY2014.3	FY2015.3
Employment rate for people with disabilities		1.88%	1.81%	1.83%	1.96%	2.00%

Averages		FY2011.3	FY2012.3	FY2013.3	FY2014.3	FY2015.3
Average years of continuous service (years)		8.2	8.9	9.5	10.6	10.3
Average age (years)		38.0	38.6	39.4	39.6	39.5

### Number of Employees that Took Leave for Childcare or Nursing

(People)

	FY2011.3	FY2012.3	FY2013.3	FY2014.3	FY2015.3
Number of employees that took leave for childcare	94	101	107	93	<b>88</b>
Number of male employees included	4	2	8	7	<b>8</b>
Number of employees that took leave to home nurse	1	0	1	0	<b>0</b>
Number of male employees included	0	0	0	0	<b>0</b>

### Annual Paid Leave Utilization Rate

	FY2011.3	FY2012.3	FY2013.3	FY2014.3	FY2015.3
Annual paid leave utilization rate	60.4%	60.5%	53.3%	52.6%	<b>49.2%</b>

### Industrial Accidents

	FY2011.3	FY2012.3	FY2013.3	FY2014.3	FY2015.3
Industrial accidents (incidents)	63	46	47	50	<b>38</b>

### Overview of Systems to Promote Achievement of Work-Life Balance

(programs that surpass legal requirements)

System	Overview
Childcare leave	Can be taken until the end of the fiscal year in which the child turns 18 months old or until the day the child turns two years old.
Childcare support	Available until the child completes third grade. In addition to shorter working hours, includes exemption from overtime and late-night work.
Childbirth leave for male employees	Male employees can take up to five days of paid leave when their wife gives birth.
Flex time system	Normal working hours are determined not on a daily basis but on a monthly basis.
Child-rearing flex time system	For employees who are raising children who have not yet completed the sixth year of elementary school, normal working hours are determined not on a daily basis but on a monthly basis.
Family support leave	Up to two days per year. (Children's school entrance ceremonies, kindergarten graduation ceremonies, birthdays of first-degree relatives and spouses, employee's wedding anniversaries, etc.)
Installation of kids rooms	Establishing rooms in Company buildings in which elementary school children can wait when there is no place for them to be during long vacations, such as summer vacation.
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 ¥2,000,000 at the birth of each of the third and subsequent children. (Acquisition of childcare leave for one continuous week or more is a requirement for the receipt of this support.)

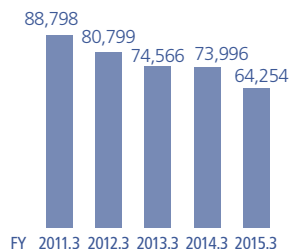
Note: Systems used by Group companies are different.



# Environment-Related Information

## BANDAI NAMCO Group CO<sub>2</sub> Emissions

(tCO<sub>2</sub>)



The BANDAI NAMCO Group is working to reduce CO<sub>2</sub> emissions by setting reduction targets for each SBU for each fiscal year. Consequently, the Group was able to achieve a reduction in FY2015.3 in comparison with the previous fiscal year.

### + Environmental Management Scope:

All Group companies

### + Scope of Collection of Environmental Performance Data:

All consolidated Group companies (excluding affiliates accounted for by the equity method)

### + Management Standard:

Emissions volume

Note: In accordance with the Law Regarding the Rationalization of Energy Use, the BANDAI NAMCO Group calculates CO<sub>2</sub> emissions from the items marked "\*" in the table on the right.

## Overview of Environmental Performance Data for FY2015.3

Measured Items			Unit	FY	
Fuel	Gasoline	From use of company vehicles	ℓ	2014.3 2015.3	
		Other*	ℓ	2014.3 2015.3	
	Kerosene*		ℓ	2014.3 2015.3	
	Diesel fuel	From use of company vehicles (diesel vehicles)	ℓ	2014.3 2015.3	
		Other*	ℓ	2014.3 2015.3	
	Heavy oil A*		ℓ	2014.3 2015.3	
	Petroleum gas	Liquefied petroleum gas (LPG)	Other than from use of company vehicles*	t	2014.3 2015.3
	Combustible natural gas	Other combustible natural gas	From use of company vehicles	m <sup>3</sup>	2014.3 2015.3
Other*			m <sup>3</sup>	2014.3 2015.3	
Water	Tap water used		m <sup>3</sup>	2014.3 2015.3	
	Hot spring water used		m <sup>3</sup>	2014.3 2015.3	
	Wastewater		m <sup>3</sup>	2014.3 2015.3	
Electricity*			kWh	2014.3 2015.3	
Other fuels	City gas*		m <sup>3</sup>	2014.3 2015.3	
	Steam (industrial use)*		GJ	2014.3 2015.3	
	Steam (excluding industrial use)*		GJ	2014.3 2015.3	
	Hot water*		GJ	2014.3 2015.3	
	Cold water*		GJ	2014.3 2015.3	
Waste	Non-industrial waste		kg	2014.3 2015.3	
	Industrial waste		kg	2014.3 2015.3	
	Recycling volumes		kg	2014.3 2015.3	
Photocopy paper			kg	2014.3 2015.3	



BANDAI NAMCO Holdings Inc.	Toys and Hobby SBU	Content SBU	Amusement Facility SBU	Affiliated Business Companies	Total
0	100,432	63,633	38,409	71,728	274,202
<b>0</b>	<b>78,517</b>	<b>57,666</b>	<b>28,847</b>	<b>68,995</b>	<b>234,025</b>
0	0	10,260	0	2,544	12,804
<b>0</b>	<b>0</b>	<b>10,260</b>	<b>0</b>	<b>1,760</b>	<b>12,020</b>
0	0	0	57,063	10,542	67,605
<b>0</b>	<b>0</b>	<b>0</b>	<b>2,133</b>	<b>7,262</b>	<b>9,395</b>
0	42,596	0	0	884,303	926,899
<b>0</b>	<b>73,368</b>	<b>0</b>	<b>0</b>	<b>758,205</b>	<b>831,573</b>
0	0	0	0	365	365
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>50</b>
0	5,330	0	0	0	5,330
<b>0</b>	<b>2,850</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,850</b>
0	151	0	7	7	165
<b>0</b>	<b>111</b>	<b>0</b>	<b>9</b>	<b>11</b>	<b>131</b>
0	0	0	0	45,261	45,261
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29,082</b>	<b>29,082</b>
0	0	9,453	0	0	9,453
<b>0</b>	<b>0</b>	<b>9,453</b>	<b>0</b>	<b>0</b>	<b>9,453</b>
918	85,628	41,683	86,816	6,707	221,752
<b>902</b>	<b>88,283</b>	<b>41,673</b>	<b>69,752</b>	<b>5,632</b>	<b>206,242</b>
0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
688	85,056	31,665	86,821	6,707	210,937
<b>652</b>	<b>87,258</b>	<b>31,277</b>	<b>69,752</b>	<b>5,632</b>	<b>194,571</b>
550,943	22,672,228	12,315,738	112,076,191	4,378,218	151,993,318
<b>495,591</b>	<b>23,356,062</b>	<b>12,001,176</b>	<b>91,795,976</b>	<b>4,593,916</b>	<b>132,242,721</b>
13,575	29,169	512,097	793,523	69	1,348,433
<b>12,795</b>	<b>33,119</b>	<b>482,803</b>	<b>617,810</b>	<b>42</b>	<b>1,146,569</b>
0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	363	1,258	0	1,621
<b>0</b>	<b>54</b>	<b>377</b>	<b>982</b>	<b>2,008</b>	<b>3,421</b>
0	0	1,867	4,055	0	5,922
<b>0</b>	<b>195</b>	<b>1,676</b>	<b>422</b>	<b>581</b>	<b>2,874</b>
12,019	415,127	172,707	1,035,931	113,768	1,749,552
<b>12,009</b>	<b>426,842</b>	<b>177,936</b>	<b>948,303</b>	<b>111,741</b>	<b>1,676,831</b>
1,289	963,750	258,059	2,401,801	88,891	3,713,790
<b>1,290</b>	<b>718,416</b>	<b>235,400</b>	<b>1,505,381</b>	<b>65,636</b>	<b>2,526,123</b>
2,229	691,875	117,269	58,504	6,131	876,008
<b>2,280</b>	<b>992,131</b>	<b>118,458</b>	<b>82,591</b>	<b>95,367</b>	<b>1,290,827</b>
5,538	61,256	54,901	22,947	25,848	170,490
<b>3,643</b>	<b>60,640</b>	<b>51,518</b>	<b>20,353</b>	<b>26,962</b>	<b>163,116</b>



# Corporate Governance and Compliance

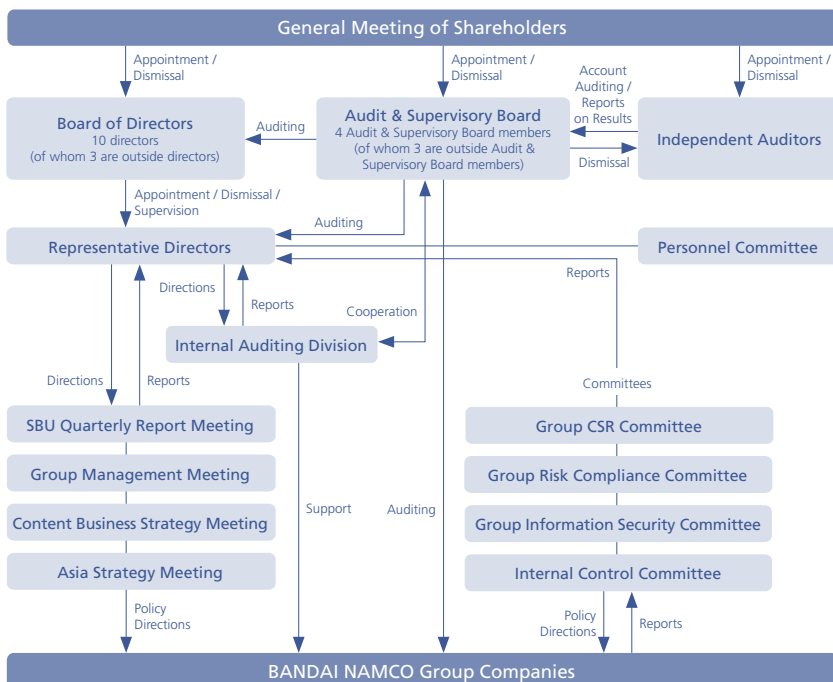
## Corporate Governance

### + Policies / Basic Approach

Our highest priority is the provision of benefits to all of our stakeholders, who support our business activities. We believe that in continually maximizing enterprise value over the long term, bolstering corporate governance is an important management issue. The Group aims to be a corporate group that is trusted by society and that makes an ongoing contribution to society. While striving to raise management soundness, transparency, and efficiency, we will build a corporate governance system that facilitates appropriate information disclosure.

### + Corporate Governance System

BANDAI NAMCO Holdings' Board of Directors has 10 members, including three outside directors, and the Company is working to bolster the management oversight function. Also, to respond rapidly to changes in the management environment and to clarify further the responsibilities of directors, the term of office of directors has been set at one year.



As of June 23, 2015

## Compliance

### + Policies / Basic Approach

As “the Leading Innovator in Global Entertainment,” the BANDAI NAMCO Group has clarified its thinking on compliance and takes steps to make its Group companies fully aware of these thoughts. Based on the recognition that the important components of a company’s mission include strict compliance with the laws in every country and region where it does business and the pursuit of profit through fair competition, in April 2007 we formulated the BANDAI NAMCO Group Compliance Charter, and announced the BANDAI NAMCO Group Declaration of Compliance in line with that Charter.

### + Developing Compliance Awareness

The BANDAI NAMCO Group has formulated the BANDAI NAMCO Group Compliance Charter, which outlines eight categories of pledges that must be followed by all Group officers and employees in conducting business activities. To facilitate the daily implementation of the Charter at all Group companies, we published the *BANDAI NAMCO Group Compliance Handbook* and distributed it to all Group officers and employees.

In FY2015.3, we offered four e-learning sessions based on the *BANDAI NAMCO Group Compliance Handbook* and one compliance awareness survey. These programs, which were targeted at all Group officers and employees, were completed by a total of approximately 24,000 people. Moreover, each Group company implemented its own company-specific compliance training. Moving forward, we will conduct periodic training to continue to develop compliance awareness and further enhance our compliance system.

### + Risk Management

Recognizing the importance of risk management for the continuity of sound business operations, the BANDAI NAMCO Group has formulated the Group Risk Compliance Regulations as guidelines for the actions to be taken by each Group officer or employee in the event of a crisis. Moreover, we have established the Group Risk Compliance Committee, which is chaired by the president of BANDAI NAMCO Holdings. This committee is working to enhance our system for identifying risks, preventing risks from materializing, and responding promptly in the event of a crisis. When noncompliance is identified in a Group company, the compliance committee of that company reports the incident to the Group Risk Compliance Committee based on the Group Risk Compliance Regulations.

Moving forward, we will continue striving to correctly identify the social trends of the times and to strengthen our risk management system to ensure prompt and appropriate responses to a range of management risks.



# Risk Management and Information Disclosure

## Compliance

### + Establishing and Operating a Whistleblowing System

All BANDAI NAMCO Group companies have formulated internal regulations and have established and operate whistleblowing systems. In the event that an employee detects noncompliance, they should discuss the matter with their manager or, through the whistleblowing system, report it to a representative director, external corporate lawyer, in-house consulting department, or the auditors. In accordance with the Whistleblower Protection Act, measures are taken to ensure that whistleblowers do not receive disadvantageous treatment as a result of their actions. If an incident of noncompliance is revealed under the whistleblowing system, appropriate measures are implemented in accordance with the compliance regulations of the respective company.

## The BANDAI NAMCO Group's Business Continuity Plan (BCP)

In preparation for a serious disaster or accident, the BANDAI NAMCO Group has formulated basic policies for Group business continuity planning and is working to establish a system for business continuity management. In addition, we have also begun to implement employee education through e-learning, and are implementing measures to support the assurance of customer safety and to rapidly restart business activities.

### + The BANDAI NAMCO Group's Fundamental Policies for BCP

—For the continued provision of “Dreams, Fun and Inspiration”—

The mission of the BANDAI NAMCO Group is to provide inspiration to customers by realizing individual ideas of “Dreams, Fun and Inspiration.”

In turn, those “Dreams, Fun and Inspiration” provide healing and encouragement as they spread around the world. We believe that “Dreams, Fun and Inspiration” can change the world, and even change the future.

In the event of a major disaster or accident, the BANDAI NAMCO Group will not only place the highest priority on human life but will also work to rapidly restart and maintain operations and to continue to provide “Dreams, Fun and Inspiration” to as many customers as possible.

- Giving the highest priority to confirming and maintaining the safety of Group employees and their families as well as customers
- Taking responsibility for the rapid restoration of operations and the provision of products and services
- Working together with local communities to support restoration and reconstruction

## Information Disclosure

To increase management transparency, the BANDAI NAMCO Group releases management information in a variety of formats.

### + Results Presentations

After announcing our results, we hold results presentations for institutional investors and securities analysts. At these presentations, we also provide explanations of other matters, such as our Mid-term Plans. Moreover, on BANDAI NAMCO Holdings' website, we provide video streaming of the presentations and downloads of the materials distributed at the presentations as well as Q&A materials.



For IR and Investor Information:

→ <http://www.bandainamco.co.jp/en/ir/index.html>

### + General Meeting of Shareholders

BANDAI NAMCO Holdings strives to utilize the General Meeting of Shareholders not only as a venue for resolutions but also as an opportunity for dialogue with shareholders, and accordingly we work actively to facilitate better communications. After the conclusion of the General Meeting of Shareholders, we have provided opportunities to engage in dialogue with directors and provided displays of products and services.







# Group Organizational System

The BANDAI NAMCO Group comprises a pure holding company, BANDAI NAMCO Holdings Inc., which oversees three SBUs as well as affiliated business companies that provide support for the SBUs. The SBUs, which are made up of operating companies, formulate and implement operating strategies in Japan and overseas and provide people around the world with a diverse range of entertainment.

Note: The segment classification was changed from FY2016.3.

## Strategic Business Units (SBUs)



BANDAI NAMCO  
Holdings Inc.

### TOYS AND HOBBY

+ Manufacturing and marketing toys, confectionery, foods, vending machine capsule toys, cards, plastic models, apparel, sundries, and other products

Core Company: BANDAI Co., Ltd.

### NETWORK ENTERTAINMENT

+ Developing, marketing and distributing network content; developing and marketing home video game software, arcade game machines, and prizes for amusement machines; planning and operating amusement and other facilities

Core Company: BANDAI NAMCO Entertainment Inc.

### VISUAL AND MUSIC PRODUCTION

+ Developing and marketing visual content, visual package software and music software; distributing video on demand content; conducting live entertainment operations

Core Company: BANDAI VISUAL CO., LTD.

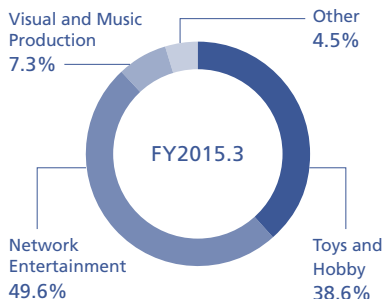
### AFFILIATED BUSINESS COMPANIES

+ Supporting the SBUs in such areas as distribution, logistics, and administrative services



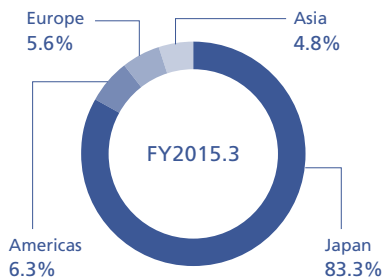
# Financial Results Highlights

### Composition of Sales by SBU



Notes: 1. Percentage figures are calculated based on sales before elimination of internal transactions.  
2. Composition of sales figures are for the new segments.

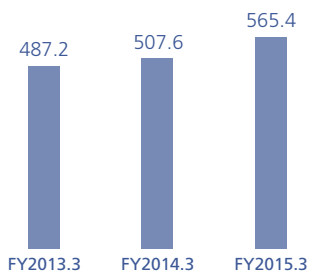
### Reference: Composition of Sales by Geographic Areas



Notes: 1. Estimates based on Company data.  
2. Percentage figures are calculated based on sales to external customers.

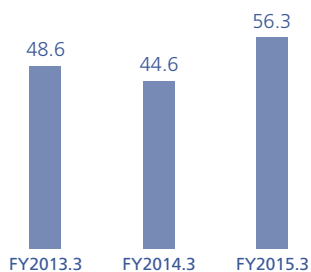
### Net Sales

(Billions of yen)



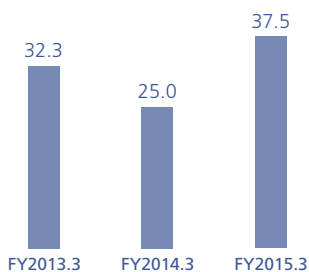
### Operating Income

(Billions of yen)



### Net Income

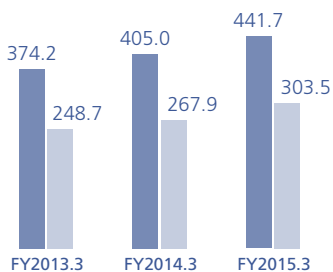
(Billions of yen)



### Total Assets / Total Net Assets

(Billions of yen)

■ Total Assets ■ Total Net Assets





# Corporate and Other Information

## Corporate Data (As of March 31, 2015)

### + Corporate Name

BANDAI NAMCO Holdings Inc.

### + Head Office

BANDAI NAMCO Mirai Kenkyusho, 4-5-15,  
Higashi-Shinagawa, Shinagawa-ku,  
Tokyo 140-8590, Japan

### + Capital

¥10 billion

### + Main Business

Planning and execution of medium- and long-term management strategies for the BANDAI NAMCO Group; Provision of support for business strategy implementation by Group companies and management of business activities

### + Number of Group Employees

7,221

### + Number of Consolidated Subsidiaries

65 subsidiaries  
7 equity-method affiliates

## Editorial Policy

“Fun For the Future! BANDAI NAMCO CSR Activity Report 2015” was issued in order to provide stakeholders with easy-to-understand descriptions of the CSR activities of the BANDAI NAMCO Group. A specific focus was determined for each SBU and activities were implemented to promote concrete progress in the implementation of the “BANDAI NAMCO Group’s Important CSR Themes.” This report has been made available in the form of a pamphlet and a website. The pamphlet is centered on representative examples of the activities mentioned above,

Guidelines referred to: GRI (Global Reporting Initiative)

while the website version (in Japanese) is intended to provide more detailed activity reports and information disclosure.

### Period Covered

This report presents activities and results in FY2015.3 (from April 1, 2014 to March 31, 2015). It also covers some activities started in FY2016.3.

### Organizations Covered

This report covers the consolidated companies of the BANDAI NAMCO Group, with the exception of equity-method affiliates.



# CSR Activity Report 2015 Website Version

Provides details of specific social and environmental issues in addition to the information reported in this pamphlet.

## + Website Version (Japanese)

Detailed activity report

<http://www.bandainamco.co.jp/social/index.html>



### WEB CONTENTS

#### + Group CSR Activities

BANDAI NAMCO Group CSR

Important Themes

Corporate Governance

Compliance

Together with the Environment

#### + CSR Activity Initiatives

Together with Customers

Together with Local Communities

Together with the Environment

Together with Employees

## + Pamphlet Version

The special feature focuses on key examples of CSR activities.



BANDAI NAMCO Holdings Inc.

URL: [www.bandainamco.co.jp/](http://www.bandainamco.co.jp/)

Issued: August 2015 (Last Issued: August 2014)