







Themes of Each Business Segment's Major Activities:

FY2018.3 Activity Report

The BANDAI NAMCO Group's business segments and affiliated business companies have formulated mid-term plans for the Group's Important CSR Themes and are implementing initiatives on that basis. Under these mid-term plans, major initiative themes are established, and measures and road-maps are determined for each theme. The Group CSR Committee and Group CSR Subcommittee confirm and review progress with activities. The status of the activities of the business segments and affiliated business companies is as follows.



Note: Based on the business segment classification for FY2018.3.




BANDAI NAMCO Group's Important CSR Themes: ① Safety and Cleanliness of Products and Services			
Business Segments	Major Initiative Themes	Status of Progress	FY2018.3 Activity Report
Toys and Hobby	Focusing on safety and peace of mind		<ul style="list-style-type: none"> + Holding the Product Safety Forum, with six Group companies cooperating to implement exhibitions in two locations in Japan in order to foster consideration for product safety; Implementing overseas in China, once in Shenzhen and in Shanghai + Holding five study sessions with cooperating manufacturers, including both lectures and workshops ⇒ Average satisfaction level of participants: 92.8% (Target: 80% or more) + Reevaluating BANDAI quality standards two times and implementing revisions for 27 items
Network Entertainment (Content)	Advancing safe, secure manufacturing		<ul style="list-style-type: none"> + Holding "Briefings On the Handling of Products, Promotional Items, Etc.," for employees, with the objective of sharing information about examples of defects, new laws and regulations, etc. Employee attendance more than 150% versus FY2016.3 + Implementing 41 safety reviews to secure and maintain product safety


BANDAI NAMCO Group's Important CSR Themes: ① Safety and Cleanliness of Products and Services			
Business Segments	Major Initiative Themes	Status of Progress	FY2018.3 Activity Report
Network Entertainment (Amusement Facilities)	Creating safe, secure facilities		<ul style="list-style-type: none"> + Promoting acquisition of AOU Youth Advisor certification ⇒ Of 248 employees working at amusement facilities, 227 have certification Acquisition rate: 91.5% (Target: 90%) + Promoting acquisition of service skills certification ⇒ % of employees who are certified: 97.4% (Target: 100%) + Implementing checks related to facility safety ⇒ Implementing facility safety checks twice per year, electrical equipment check evaluations at a total of 57 facilities, and periodic checks at kids spaces and large-scale entertainment areas + Implementing independent checks related to food safety ⇒ Implementing food safety inspections twice per year
Visual and Music Production	Product safety standard initiatives		<ul style="list-style-type: none"> + Implementing observation of manufacturing process for new packaging
Affiliated Business Companies (LOGIPAL EXPRESS INC.)	Reducing vehicle accidents through safe driving and delivering cargo without delay		<ul style="list-style-type: none"> + Implementing safety training for drivers and dispatchers five times a year + Implementing safety guidance during roll call + Obtaining G-Mark certification for excellent standards for safety at 12 sites
Affiliated Business Companies (Artresto Co., Ltd.)	Providing safe, secure products with initiatives in manufacturing and materials		<ul style="list-style-type: none"> + Implementing ongoing management of production processes with flowcharts + Implementing plant audits two times per year, confirming strict observance of quality control in production processes + Updating information in a database for existing materials used by type of material and by product title + Implementing ongoing periodic checks for newly introduced materials, in accordance with material characteristics

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BANDAI NAMCO Group's Important CSR Themes: ② Environmental Consideration			
Business Segments	Major Initiative Themes	Status of Progress	FY2018.3 Activity Report
Toys and Hobby	"Act Now For Future Smiles"		<ul style="list-style-type: none"> + Within the business segment, we held meetings of the CSR subcommittee (4 meetings per year), the environmentally friendly design subcommittee (4 meetings per year), and the universal design study meeting (5 meetings per year). We also implemented information sharing with the resource recycling subcommittee (2 meetings per year). + Enhancing environmental communications and other CSR communications <ul style="list-style-type: none"> ⇒ Exhibiting at events: 14 exhibits, approximately 5,000 visitors ⇒ On-site lessons: 64 schools, approximately 4,000 people + Certifying 74 items in FY2018.3 under the Eco Medal certification system, which certifies products that meet internal standards for environmental friendliness + Holding internal CSR seminars five times per year, including consideration for the environment
Network Entertainment (Content)	Advancing environmentally friendly design and environmental education activities		<ul style="list-style-type: none"> + For environmentally friendly design, aggressively advancing "Eco-Amusement," which certifies products that meet designated internal standards (Cumulative total number of certified products increased to 35) + Advancing environmental education for employees through internal notices, etc. + Promoting environmental communications, such as providing on-site lessons at elementary schools <ul style="list-style-type: none"> ⇒ On-site lessons: 1 school, approximately 160 people
Network Entertainment (Amusement Facilities)	Energy-saving initiatives		<ul style="list-style-type: none"> + Achieving 46% reduction in electricity use in comparison with fluorescent lights by converting lighting for 1,080 arcade game machines to LEDs + Aggressively utilizing LEDs in newly installed lighting equipment in amusement facilities + In the Lights Down Campaign sponsored by the Ministry of the Environment, with the understanding of the commercial facilities that house our amusement facilities, we turned down the lighting to the extent possible without adversely affecting customer safety and crime prevention, and we operated with the lighting from the game machines, etc.

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Business Segments	Major Initiative Themes	Status of Progress	FY2018.3 Activity Report
Visual and Music Production	Implementing environmental consideration		<ul style="list-style-type: none"> + Recycling excess work-in-progress and product inventories + Aggressively using LEDs for lighting at live events. Taking steps to reduce the use of wood and other natural materials, such as reusing stage props.
Affiliated Business Companies (BANDAI LOGIPAL INC. / LOGIPAL EXPRESS INC.)	Reducing CO ₂ emissions through control of CO ₂ from vehicle exhaust and reduced electricity consumption at work sites		<ul style="list-style-type: none"> + For newly purchased vehicles, introducing types of vehicles compliant with 2010 (post new long term) emission regulations + Achieving average fuel consumption of 5.45 km/L through continued eco-driving activities + Electricity usage versus annual sales <ul style="list-style-type: none"> ⇒ 452.7 kwh /million yen

BANDAI NAMCO Group's Important CSR Themes: ③ Policies Regarding Influence on Society of the Group's Content and Products			
Business Segments	Major Initiative Themes	Status of Progress	FY2018.3 Activity Report
Toys and Hobby	Control of ethical expression in content and products		<ul style="list-style-type: none"> + Implementing training related to ethics ⇒ Implementing training for new employees one time per year and training at Shizuoka Prefecture base one time per year + Accumulating examples of ethical expression in products from other companies and from inside the Company, revising ethical assessment standards as needed + Participating in Group ethics liaison committee meetings (held 2 times per year) attended by people in charge of ethics at each Group company
Network Entertainment	Initiatives related to appropriate expression		<ul style="list-style-type: none"> + Announcing that “appropriately controlling ethical expression in content” is an important CSR theme shared by all companies in the Network Entertainment business, and implementing initiatives ⇒ Continuing to implement seminars for employees related to ethical expression ⇒ Providing information to employees through the distribution of mail magazines related to ethical expression and through exclusive in-house websites.
Visual and Music Production	Ethical checks of expressions and terminology		<ul style="list-style-type: none"> + Implementing multiple checks of ethical expression by two departments + Implementing internal training related to ethics and expression
Affiliated Business Companies (Artpresto Co., Ltd.)	Enhancing internal awareness		<ul style="list-style-type: none"> + Implementing information security (Privacy Mark) training for all employees one time per year

BANDAI NAMCO Group's Important CSR Themes: ④ Supply Chain Management			
Business Segments	Major Initiative Themes	Status of Progress	FY2018.3 Activity Report
Toys and Hobby	BANDAI Factory Audit (BFA)		<ul style="list-style-type: none"> + Implementing audits of all overseas final packaging plants that make BANDAI products for the Japanese market (174 plants) + Strengthening supply chain management at manufacturing plants that make copyrighted products that have character information regulations + Implementing supplier conferences at three locations—Tokyo, Shanghai, and Shenzhen—to share information with suppliers
Network Entertainment	Appropriate supply chain management in Japan and overseas		<ul style="list-style-type: none"> + Implementing business continuity planning (BCP) with the participation of contract companies, working together with contract companies to consider specific recovery procedures for use if risk events occur + Implementing plant audits related to production management systems for manufacturing plants for children's products (1 company out of a total of 1) + With the objective of efficiently sharing information with suppliers, establishing websites exclusively for suppliers (registration system) and disclosing to suppliers internal standards related to all products, including chemical substance management
Visual and Music Production	Implementing supply chain management		<ul style="list-style-type: none"> + Implementing audits at customer centers that handle personal information + Continuing to implement interview research based on plant audit checklists for major production plants in Japan and overseas
Affiliated Business Companies (BANDAI LOGIPAL INC. / LOGIPAL EXPRESS INC.)	Rolling out integrated distribution services		<ul style="list-style-type: none"> + Maintaining AEO (Authorized Economic Operator) customs broker certification + Maintaining Privacy Mark + Maintaining green management certification system
Affiliated Business Companies (Artpresto Co., Ltd.)	Safety and security in production plants		<ul style="list-style-type: none"> + Continuing to implement supplier plant audits (2 companies out of a total of 4 in Japan and overseas) + Preventing the occurrence of defects by strengthening internal design review for new products