Fiscal 2023 Bandai Namco Group's Sustainability Activities



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Harmonious Coexistence with the Natural Environment

The Bandai Namco Group believes that the promotion of business operations that reflect consideration for the natural environment is essential for the sustainability of society and for business. Together with a variety of stakeholders, the Group is aiming for harmonious coexistence with the natural environment.



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Relevant SDGs



Key Items

- Enhanced response to climate change
- Sustainable use of resources and raw materials
- Supply chain management (environment)

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Enhanced Response to Climate Change

The frequent occurrence of extreme weather, damage, and impact on the natural environment caused by climate change poses a major risk to not only businesses but also the activities of communities around the world. Companies have a responsibility to lower CO2 emissions from their business activities and respond to climate change.

→ Initiatives for Decarbonization

→ Initiatives for Products

→ Initiatives for Content Creation

Addressing Climate Change

WESSES

Find out more about our policies, systems, and targets for decarbonization following the TCFD's recommended disclosures



Sustainable Use of Resources and Raw Materials

Companies are responsible for helping to achieve a sustainable, recycling-oriented society. Today, the world is making greater efforts to reduce waste by reviewing raw materials and reining in the use of plastics that could harm marine and other ecosystems. The Bandai Namco Group stands committed to reducing and controlling its waste emissions, in addition to using natural raw materials more efficiently and to a lesser extent.

→ <u>Initiatives for Raw Materials Procurement</u>

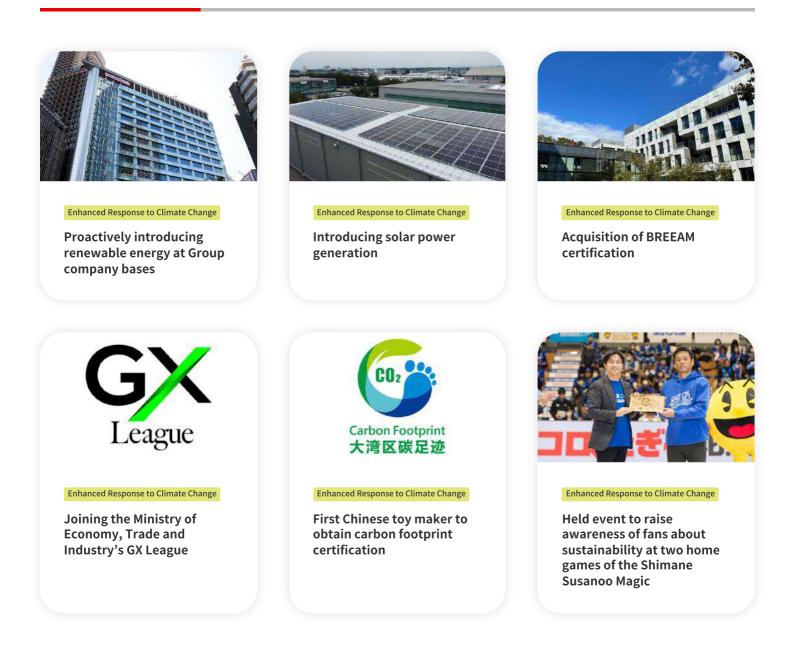
→ Initiatives for Waste Reduction and Recycling

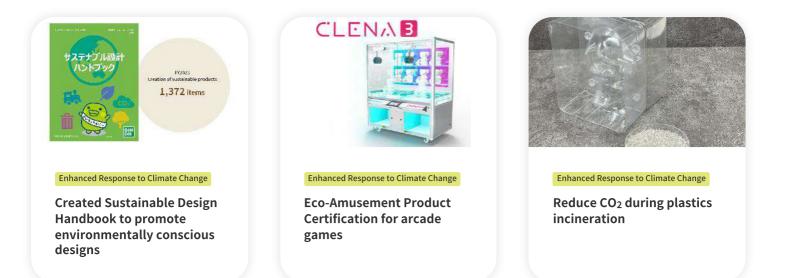
Supply Chain Management (Environment)

Reduction of environmental impacts cannot be fully achieved with the efforts of a single corporation. The Bandai Namco Group is addressing environmental issues across the entire supply chain in an effort to achieve a sustainable value chain with fewer environmental impacts.

→ Initiatives for Logistics

Main Initiatives







Enhanced Response to Climate Change

Promoting plastic recycling in collaboration with the Ministry of the Environment



Enhanced Response to Climate Change

Participating in the Playing For The Planet Alliance



Enhanced Response to Climate Change

Mitigate environmental impacts in animation production



Sustainable Use of Resources and Raw Materials

Combine "eco" and "fun" with new alternatives to plastics



Sustainable Use of Resources and Raw Materials

Actively utilize recycled materials



Sustainable Use of Resources and Raw Materials

Initiatives to manage chemical substances



Sustainable Use of Resources and Raw Materials

Actively promote reduction and recycling of packaging materials



Sustainable Use of Resources and Raw Materials

Participating in partnerships for further advancing initiatives for a circular economy



Sustainable Use of Resources and Raw Materials

Contribute to a recyclingoriented society through the Gunpla Recycling Project





Sustainable Use of Resources and Raw Materials

Initiatives to reduce food waste



Sustainable Use of Resources and Raw Materials

Collection and upcycling of used clothes at live event venues



Sustainable Use of Resources and Raw Materials

Ensure live events are environmentally considerate



Sustainable Use of Resources and Raw Materials

Strengthen activities to separate waste components and promote recycling



Sustainable Use of Resources and Raw Materials

Initiatives for recycling waste plastics





Sustainable Use of Resources and Raw Materials

Use of cushioning materials made primarily from processed rice



Sustainable Use of Resources and Raw Materials

Reducing the usage of prize bags



Sustainable Use of Resources and Raw Materials

Effective utilization of food waste as animal feed



Supply Chain Management (Environment)

Obtain Green Management Certification in logistics operations



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Supply Chain Management (Environment)

Promote eco driving



Supply Chain Management (Environment)

Use of low-emission vehicles

Enhanced Response to Climate Change

The frequent occurrence of extreme weather, damage, and impact on the natural environment caused by climate change poses a major risk to not only businesses but also the activities of communities around the world. Companies have a responsibility to lower CO₂ emissions from their business activities and respond to climate change.

Decarbonization

Products

Content creation

Initiatives for 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 Bandai Namco Mirai Kenkyusho, Bandai head office building, Bandai Namco Amusement head office building, Bandai Namco Studio head office building, Bandai Hobby Center —a model kits production facility of Bandai Spirits—as well as the nationwide logistics centers of Bandai Logipal and Logipal Express. As a result, we have achieved netzero CO2 emissions from office operations, reducing annual CO2 emissions by more than 8,000 t-CO2 in fiscal 2023 at these bases.



Bandai Namco Miraikenkyusho, which is powered by renewable energy

Introducing solar power generation

Bandai Spirits has introduced solar power generation facilities with 400 solar panels in an area of approximately 1,202 square meters on the roof of the Bandai Hobby Center, with the aim of having the center become self-sufficient in electricity through solar power generation. In addition, Bandai Namco Craft's Kanto-Base and Heart Okaga factory have also introduced solar power generation facilities. We are working toward achieving electricity self-sufficiency through solar power and the total electricity generated at these three sites is approximately 730,000 kWh^{*}, with the expected annual reduction in CO₂ emissions around 350 tons-CO₂.

* Calculated by the solar cell power generation quantity calculation method based on JIS 8907



Solar power generation system at Bandai Namco Craft's Kanto Base



Bandai Hobby Center's solar power generation system

Acquisition of BREEAM certification

At the Bandai Namco Europe headquarters building, which was completed in July 2021, we are working on various measures such as reducing the environmental impact during architectural design and providing workspaces that consider the health of employees. In recognition of these efforts, in March 2023, the building received the "Excellent" rank of BREEAM certification^{*}, which is an environmental performance certification system for buildings administered in the United Kingdom.

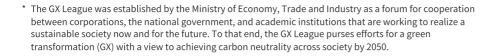
^{*} BREEAM certification: The environmental assessment method (EAM) for evaluating the environmental performance of buildings formulated and administered by the Building Research Establishment (BRE) in the United Kingdom. It was developed in 1990 to evaluate the sustainability of buildings, making it the world's longest-running building environmental certification system.



The Bandai Namco Europe headquarters building recognized for its environmental performance

Joining the Ministry of Economy, Trade and Industry's GX League

In April 2024, Bandai Namco Holdings officially joined the GX League^{*} established by the Ministry of Economy, Trade and Industry. By joining this league, we will accumulate insight and technologies for realizing carbon neutrality on a Groupwide basis. At the same time, we will advance such efforts as the further promotion of energy conservation measures and the introduction of renewable energy.





First Chinese toy maker to obtain carbon footprint certification

In December 2023, Bandai (Shenzhen) became the first toy maker in China to obtain carbon footprint certification^{*} known as "CO2 Emissions Verification." In the future, the company will increase the number of certified products and work to reduce CO₂ emissions from its products.

Certified product: Ultra Hero Series EX Glitter Tiga

* A program that converts greenhouse gas emissions, from the production of goods and services to their disposal and recycling, into CO₂ and displays the CO₂ emissions on the products and services in an easy-to-understand manner.



Held event to raise awareness of fans about sustainability at two home games of the Shimane Susanoo Magic

The Bandai Namco Group held a special event at two home games of the Shimane Susanoo Magic in December 2023 to raise fans' awareness about sustainability. The games were the first carbon neutral games in the B-League to utilize Blue Carbon^{*} to offset CO2 emissions from the venue.

On the days of the games, we held Operation Gundam R, a fun event for fans to learn about recycling through Gundam plastic models of the Gundam series, with the goal of educating fans about sustainability. In addition to the free public release of PAC-MAN AR—Sustainable Quiz, augmented reality (AR) content for learning about sustainability, the days featured several events to get fans thinking about sustainability, such as upcycling unwanted used clothing and inviting food trucks that use local ingredients from Matsue.

* Carbon absorbed and stored in marine ecosystems



Utilized blue carbon to reduce CO2 footprints of Shimane Susanoo Magic games



Quiz with AR App



Recycling with Operation Gundam R

Decarbonization

Products

Content creation

Enhanced Response to Climate Change

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Decarbonization

Products

Content creation

Initiatives for Products

Created Sustainable Design Handbook to promote environmentally conscious designs

In the Toy and Hobby Business, we created the Sustainable Design Handbook. To convey environmentally conscious design in an easy-tounderstand manner, the handbook provides actual examples of products and conveys creative ideas for environmentally conscious designs. The handbook also tells the extent of CO2 reduction from these ideas (inhouse survey results) to visualize the effect of these efforts. We will continue to utilize this handbook as we work on creating sustainable products going forward.



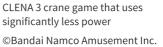
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Eco-Amusement Product Certification for arcade games

Bandai Namco Amusement has been producing ecofriendly products called "Eco-Amusement" products since 2012. Based on the Eco-Amusement Product Requirements formulated for the company's own arcade games sold in Japan, products that meet certain standards in evaluations using seven criteria, such as compliance with green procurement standards, power savings, and resource savings, are certified as "Eco-Amusement" products. For example, the latest CLENA 3 crane game not only takes a creative approach in managing prizes and reducing arcade staff workload based on the know-how acquired from nationwide operations but also uses approximately 56% less power than first-generation CLENA-FLEX by incorporating a power-saving mode.

Furthermore, all products designed by Bandai Namco Amusement and released after February 2019 have Eco-Amusement Product Certification.







Reduce CO₂ during plastics incineration

To reduce CO₂ generated when plastic is incinerated, MegaHouse began introducing Green Nano to some product packages in March 2023. Green Nano is a technology that can substantially lower CO₂ emissions that occur during final disposal by incineration by adding a small amount of carbonization promoter during plastic molding. This makes it possible to reduce CO₂ emissions during incineration by about 40%.



Product packaging with Green Nano

Decarbonization

Products

Content creation

Enhanced Response to Climate Change

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Decarbonization

Products

Content creation

Initiatives for Content Creation

Promoting plastic recycling in collaboration with the Ministry of the Environment

From April 2023 for approximately one year, as a collaborative initiative between THE IDOLM@STER SHINY COLORS and Japan's Ministry of the Environment, HO-KA-GO CLIMAX GIRLS, which is affiliated with 283 Productions, was the focus of PR initiatives related to plastic recycling.

Agenda 283, an in-game event scenario, features regional clean-up activities. Participants implement initiatives to support nature and plastic recycling while studying and discussing the issue of plastic waste in the oceans.

There is an educational video that promotes plastic reduction and recycling, with idol Rinze Morino, who was elected from among the HO-KA-GO CLIMAX GIRLS members, serving as navigator.

To view the video, click the link below.

→ <u>Educational video on reducing and recycling plastics</u> (external website available in Japanese only)





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Participating in the Playing For The Planet Alliance

Bandai Namco Entertainment is a member of the Playing For The Planet Alliance established at the UN Climate Action Summit 2019. The company also participates in Green Game Jam organized by the United Nations Environment Programme (UNEP) through the PAC-MAN smartphone game app. In 2023, Bandai Namco Entertainment held the Play for the Himalayas in-game event, which communicates the importance of protecting endangered species. In addition, Bandai Namco Entertainment America received the Jam Spirit Award^{*} for fiscal 2023 in recognition of its participation in Green Game Jam for the third consecutive year and its various contributions to the environment.

* This award is presented to companies participating in the Green Game Jam that consistently incorporate reforestation efforts into their games and seek to enhance the level of these efforts.



PAC-MAN[™] & © Bandai Namco Entertainment Inc.

Mitigate environmental impacts in animation production

Bandai Namco Pictures is promoting a reduction in the amount of paper used by introducing digital drawing at its creative rooms located in Iwaki and Osaka. Digitalization of animation production not only reins in the massive volume of conventional drawing papers but also allows the delivery of drawings via a network, thereby helping to reduce CO2 emissions in transport.



Decarbonization

Products

Content creation

Sustainable Use of Resources and Raw Materials

Companies are responsible for helping to achieve a sustainable, recycling-oriented society. Today, the world is making greater efforts to reduce waste by reviewing raw materials and reining in the use of plastics that could harm marine and other ecosystems. The Bandai Namco Group stands committed to reducing and controlling its waste emissions, in addition to using natural raw materials more efficiently and to a lesser extent.

Raw materials procurement

Waste reduction and recycling

Initiatives for Raw Materials Procurement

Combine "eco" and "fun" with new alternatives to plastics

To reduce the use of petroleum-based plastics and lower CO₂ emissions, we are advancing initiatives to use recycled materials or alternatives to plastics for part or all of certain products. For example, we have commercialized Gundam craft puzzles that are created from bamboo materials harvested from ethically managed forests. In addition, for Gundam model kits, we are using various alternatives to petroleum-based plastics, including eggshells discharged as industrial waste and used tea leaves created through the process of brewing green tea.



A Gundam made from green tea, wood fragments, eggshells, and bamboo © SOTSU • SUNRISE

Actively utilize recycled materials

MegaHouse sells Rubik's Cube Eco, a Rubik's Cube made from recycled materials. Materials used to make the main unit and the paper used for the packaging are recycled materials.

Sun-Star Stationery is also working to develop stationery made from recycled plastic. By mixing clear document folders and recycled propylene, the problem of surface blemishes in the form of black spots caused by the mixing of recycled plastics has been eliminated thanks to adjustments in the printing technology.



Rubik's Cube Eco made from recycled materials

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Clear A5 document folder 3P WTP6DC/B made from recycled plastic

© Disney. Based on the "Winnie the Pooh" works by A.A.Milne and E.H.Shepard.

In addition, Re:metacil, a metacil (writing instrument) made from waste materials, uses upcycled plastic, which is crushed and recycled from various waste materials (cinders, oyster shells, eggshells, scallop shells) from Japan.

Going forward, the Bandai Namco Group will continue to develop products that utilize recycled materials.

Initiatives to manage chemical substances

In 2005, Bandai Namco Amusement became the first company in the amusement industry to commence green procurement initiatives. Since then, Bandai Namco Amusement has been pursuing procurement from suppliers who make rigorous efforts to appropriately manage chemical substances that could be harmful to people and the environment. As part of these initiatives, the company proactively utilizes eco-friendly components, materials, semiconductors, products, promotional items, and packaging that meets regulations both in Japan and overseas, thereby working to reduce its environmental burden.





A green procurement-compliant amusement machine cabinet ©Bandai Namco Amusement Inc.

Furthermore, when it comes to toys, Bandai Namco Amusement requires that they meet not only the Safety Toy standards (ST standards^{*}) established by the Japan Toy Association, but also Bandai's own quality standards in an effort to provide products that even small children can play with safely.

* Safety Toy standards: In the toy industry, the ST mark is displayed on toys that have passed the ST standard compliance test conducted by thirdparty inspection agencies. This standard includes mechanical safety, flammability safety, and chemical safety.

Actively promote reduction and recycling of packaging materials

The Bandai Namco Group is working to reduce and recycle packaging materials and containers used when selling products and services and is switching packaging materials to ones that are easier to recycle (changed from plastic to cardboard).

Heart, which plans and sells toys and confectioneries, changed the specifications of product designs in fiscal 2022, reducing the amount of glassine cups used in gift products for Valentine's Day, White Day, and other occasions by approximately 7.55 million. This reduced CO2 generated during incineration by about 1.4 tons compared to fiscal 2021.



CO₂ Reduction Achieved by Modifying Product Specifications

Raw materials procurement

Waste reduction and recycling

Sustainable Use of Resources and Raw Materials

Companies are responsible for helping to achieve a sustainable, recycling-oriented society. Today, the world is making greater efforts to reduce waste by reviewing raw materials and reining in the use of plastics that could harm marine and other ecosystems. The Bandai Namco Group stands committed to reducing and controlling its waste emissions, in addition to using natural raw materials more efficiently and to a lesser extent.

Raw materials procurement

Waste reduction and recycling

Initiatives for Waste Reduction and Recycling

Participating in partnerships for further advancing initiatives for a circular economy

The Bandai Namco Group participates in the Japan Partnership for Circular Economy (J4CE), a public-private framework that promotes initiatives for a circular economy.

This partnership was launched to strengthen public-private partnerships with the objective of fostering greater understanding of the circular economy and promoting initiatives among a wider range of stakeholders in Japan, including companies, as the global trend toward a circular economy accelerates.

Through its activities as a J4CE member, the Bandai Namco Group aims to form an information-sharing network for the circular economy and speed up its efforts to realize a recycling-oriented society.

Contribute to a recycling-oriented society through the Gunpla Recycling Project

Under the Gunpla Recycling Project, which started in April 2021, we collect runners (part of the model kits framework) from model kits in the Gundam series and reuse them in new model kits through the use of a cutting-edge chemical recycling process. By doing so, we aim to create a recycling-oriented society together with Gundam fans. The runners collected through the project are transported to the Bandai Hobby Center, a model kits manufacturing plant of Bandai Spirits.

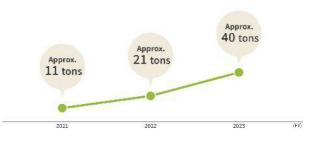
A portion of these runners is used as a material for verification testing targeting the realization of chemical recycling, and the rest is reused through material recycling or thermal recycling, together with plastics created through the manufacturing process at the Bandai Hobby Center. In fiscal 2023, we collected approximately 40 tons of runners.

Overview of Gunpla Recycling Project



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Collection Amount of Gunpla Runners



Promoting the recycling of Gashapon capsules

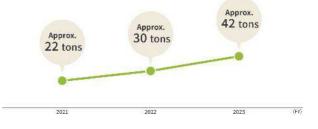
The Bandai Namco Group has collected and recycled Gashapon capsules since 2006. In 2021, Bandai, Bandai Namco Amusement, and Bandai Logipal jointly started Gashapon Capsule Recycling, an initiative to further expand these recycling efforts. (Amount collected in fiscal 2023: approximately 42 tons)

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 20% 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.



Collection Amount of Gashapon Capsules



Initiatives to reduce food waste

All Bandai Namco Group companies are making efforts to address the social issues of leftover food and food loss.

As part of these efforts, Bandai has conducted repeated verification testing on its mainstay confectionery products— Tsuri Gummies series, Charapaki series, ramune, and desserts. Five years of this research has helped extend the best-before dates of these products. In addition, we are working in such areas as reducing product and raw material loss in the production process and extending sales periods. As a result, we reduced food loss by 10.5 tons. Moreover, Heart, which handles confectionery products, and Artpresto, have begun using discarded products in animal feed. In these ways, we are working on a Groupwide basis to reduce waste.





Tsuri Gummies series © BANDAI

Charapaki series

Collection and upcycling of used clothes at live event venues

At the venue for THE IDOLM@STER SHINY COLORS 5thLIVE If I wings., which was held in March 2023, we implemented an initiative to collect used clothing from attendees. We called on fans to deposit used clothes into boxes that were set up at the venue to collect such clothing.

Used clothes that were collected at the event were recycled into new reusable materials. We reused these materials in panels at THE IDOLM@STER SHINY COLORS 5.5th Anniversary LIVE event.



Used clothing collection boxes at the live event



Panels made from collected and recycled used clothing THE IDOLM@STER™& ©Bandai Namco Entertainment Inc.

Ensure live events are environmentally considerate

At Bandai Namco Music Live, LEDs are used in many places to illuminate the event to save energy. We make an effort to sell reusable goods at live events. In addition to selling original eco bags at the event site, we have switched to battery-powered pen lights that can be used repeatedly instead of disposable ones, which are used during live events. In addition, used chemical lights are collected by dedicated collection boxes at the venue.



October 15 (Sat.) and 16 (Sun.), 2022 Re:vale LIVE GATE "Re:flect U" Main Arena of Musashino Forest Sport Plaza

Strengthen activities to separate waste components and promote recycling

Bandai Namco Technica, a supplier of arcade games, has been promoting recycling initiatives since 2010 to ensure that limited resources are still available in the future. We carefully separate metals, printed circuit boards (PCB), wiring, and HDDs that are replaced during the course of maintenance and other work. In fiscal 2023, we recycled approximately 6.2 tons of materials and components.



PCBs set for recycling after sorting

Trends in Waste Component Recycling Volume



2018 2019 2020 2021 2022 2023 (FY)

Initiatives for recycling waste plastics

Artpresto has been working to recycle waste plastics from its plants since 2017. The company outsources the recycling of packaging material waste from its production lines to its partner RPF^{*} production plants.

RPF is a high-calorie solid fuel made primarily from recovered paper and waste plastics that are difficult to conduct material recycling. It effectively reduces greenhouse gas (CO₂) emissions by one-third compared to the same amount of heat obtained when burning coal. RPF conversion of waste plastics is stipulated in Japan's new plastics law as an energy recovery method. In fiscal 2023, Artpresto recycled approximately 103 tons of waste plastics as RPF.



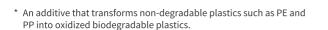


Waste plastics being recycled as RPF Note: Photo credit by EcoMining Co., Ltd.

^{*} Refuse derived paper and plastics densified fuel. RPF is an alternative to fossil fuels such as coal, coke, and heavy oil, used for highefficiency heating by major paper manufacturers (power generation and manufacturing processes), limestone companies, and biomass power plants (assisted combustion).

Use of cushioning materials made primarily from processed rice

Bandai Namco Technica has been using environmentally friendly materials for more than 10 years. These materials are used to make packaging materials (more than 8 cubic meters per year) for shipping amusement machines. Specifically, the use of buffer materials made primarily from processed rice has resulted in zero emissions of toxic gases during incineration. This buffer material is also characterized by its low combustion calorie content and low burden on incinerators. In addition, P-Life^{*} is added to prevent the polypropylene (PP) contained in the product from being released as microplastics.





Reducing the usage of prize bags

Bandai Namco Amusement has installed roughly 300 "Fukulocker" (prize bag vending machine) units, provided by Group company Bandai Namco Technica, at amusement facilities Namco locations nationwide to standardize customer service and reduce the usage of prize bags.

By charging money for these prize bags, we have been successfully curtailing their provision beyond necessity, reducing the volume of prize bags used in fiscal 2023 by nearly 67 tons (about 4.64 million bags) compared with fiscal 2019.



Effective utilization of food waste as animal feed

Artpresto uses leftover confectionery products^{*1} that it sells, while Heart uses confectionery products^{*2} that have been discarded due to expiration dates as animal feed to reduce waste.

- *1 Artpresto: Approximately 7 tons per year
- *2 Heart: 260 kg of butter cookies per year, 165 kg of cocoa cookies per year



Leftovers and waste turned into animal feed



Raw materials procurement

Waste reduction and recycling

Supply Chain Management (Environment)

Reduction of environmental impacts cannot be fully achieved with the efforts of a single corporation. The Bandai Namco Group is addressing environmental issues across the entire supply chain in an effort to achieve a sustainable value chain with fewer environmental impacts.

Initiatives for Logistics

Obtain Green Management Certification in logistics operations

Logipal Express has been practicing safe and environmentally friendly driving (ecodriving), while also working to introduce low-emission vehicles and promote ecodriving to help protect the natural environment.

Additionally, the company has obtained Green Management Certification that can be obtained by transportation companies engaging in business operations with fewer environmental impacts. Green Management Certification has been obtained at vehicle dispatch bases nationwide, and the number of sales offices with Gold Certification, which can only be obtained after being recognized continuously for more than 10 years, is steadily increasing.



Gold Certification available after being recognized continuously for more than 10 years

Promote eco driving

Logipal Express thoroughly practices eco-driving that prioritizes safety and the environment. The company has developed its own environmental manual, thoroughly manages fuel consumption for each vehicle model, and provides eco-driving training in a tie-up with car dealers.

In addition, the company participates in the Eco-Driving Activity Contest sponsored by the Foundation for Promoting Personal Mobility and Ecological Transportation every year. In 2018, it received the Minister of Land, Infrastructure, Transport and Tourism's Award given to the organization that has made the most outstanding efforts in the field, and in 2023, it received the Excellence Award. Also, the company offers an ecodriving seminar annually along with training that covers practical skills.



Workshop as part of eco-driving training

Use of low-emission vehicles

Bandai Logipal and Logipal Express are making efforts to introduce vehicles that combine low emissions and safety.

They have introduced EV vehicles into their corporate fleets since fiscal 2023, and they plan to deploy EV trucks in fiscal 2025. In addition, to further spread the message, the companies revamped the eco-driving promotion stickers used in-house, featuring a character from the Group's book, The Bears' School.

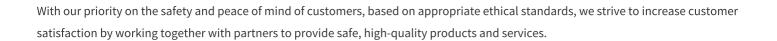


Truck featuring a livery inspired by an in-house SDGsthemed event



Eco-drive promotion sticker

Provision of Appropriate Products and Services





PAC-MAN[™] & © Bandai Namco Entertainment Inc.

Relevant SDGs



Key Items

- Provision of products and services based on appropriate representation
- Safety and security of products and services
- Enhanced customer satisfaction
- Supply chain management (quality)

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Provision of Products and Services Based on Appropriate Representation

In the products and services provided by the Bandai Namco Group, we strive to use accurate and easy-to-understand language that does not pose a risk of misidentification or misrepresentation. As a corporate group that handles a wide variety of products and services, we are making efforts to ensure responsible and appropriate representations.

→ Initiatives for Ethical Representation



Safety and Security of Products and Services

We provide high-quality, safe, and secure products and services that can be enjoyed by all, with safety and peace of mind as our top priorities. The Bandai Namco Group constantly reviews and improves upon its products and services, recognizing its responsibility as a company that provides products and services that satisfy people around the world.

Initiatives for Products and Services

→ Initiatives for Facilities and Live Events

→ Initiatives for Universal Design

Enhanced Customer Satisfaction

The voice of customers plays an important role in our ability to provide even better products and services. The Bandai Namco Group is committed to further enhancing quality through its communication with customers.

→ Initiatives for Enhancing Customer Satisfaction



Supply Chain Management (Quality)

Providing high-quality, safe, and secure products and services requires integrated initiatives with supplier involvement. The Bandai Namco Group is working closely with suppliers to bring customers even better products and services.

 \rightarrow Initiatives with Suppliers

→ Initiatives for Logistics

Main Initiatives



Provision of Products and Services Based on Appropriate Representation

Collect and share information on ethical representation within the Group



Provision of Products and Services Based on Appropriate Representation

Conduct in-house training on representation



Provision of Products and Services Based on Appropriate Representation

Minimizing the impact on young people by complying with the Age Rating System for video game software



Safety and Security of Products and Services

Implementing quality assurance based on proprietary quality standards



Safety and Security of Products and Services

Verify safety of arcade cabinets



Safety and Security of Products and Services

Promote initiatives to enhance quality and safety awareness



Safety and Security of Products and Services

Conduct regular safety inspections of amusement facilities



Safety and Security of Products and Services

Give consideration to safety during live events



Safety and Security of Products and Services

Offering products and services that anyone can enjoy



Safety and Security of Products and Services

Initiatives for accessible game development



Enhanced Customer Satisfaction

Online Game Safety Guide for minors and parents/guardians



Enhanced Customer Satisfaction

Received highest three-star rating in HDI Benchmarks for the second straight year



Enhanced Customer Satisfaction

Collecting customer feedback and reflecting it in products and services



Enhanced Customer Satisfaction

Customer Service Improvement Program for greater customer satisfaction



Supply Chain Management (Quality)

Ensure thorough quality control in suppliers' production processes



Supply Chain Management (Quality)

Establish opportunities to share information with suppliers



Supply Chain Management (Quality)

Provide safe driving training to all drivers





Supply Chain Management (Quality)

Obtain external certification for transport and delivery

Provision of Products and Services Based on Appropriate Representation

In the products and services provided by the Bandai Namco Group, we strive to use accurate and easy-to-understand language that does not pose a risk of misidentification or misrepresentation. As a corporate group that handles a wide variety of products and services, we are making efforts to ensure responsible and appropriate representations.

Initiatives for Ethical Representation

Collect and share information on ethical representation within the Group

The Bandai Namco Group has formulated the Bandai Namco Group Ethical Representation Policy containing the Group's shared recognition of ethical representations in order not to impede the sound growth of young people and to respect the emotions of all stakeholders.

In fiscal 2018, we established the Group Ethics Working Group under the Group Sustainability Subcommittee. This working group consists of relevant persons in charge of business management companies and is responsible for collecting the latest information on ethical language and considering and proposing matters related to the Group's ethical representations. In addition, we host a regular round-table discussion involving persons in charge of domestic Group companies in order to share the latest information on ethical language and strive to share this information within the Group. In this manner, the Group is working closely together in this area.



Meeting of the Group Ethics Working Group

Conduct in-house training on representation

All Bandai Namco Group companies check to ensure the language used for all products and services they provide is appropriate prior to their release.

In addition to in-house checks, we are fortifying our checking system by collaborating with external experts in specific fields. We are also actively working to foster a sense of ethics by holding various study sessions for employees and distributing email newsletters for employees.

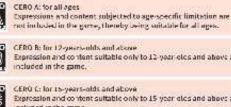
In recent years, Group companies are holding training sessions aimed at teaching the latest Internet literacy, such as the nature of flaming on social media and how to address it by type. They also strive to select responsible representations when disseminating all forms of information.



Training session at Bandai Spirits

Minimizing the impact on young people by complying with the Age Rating System for video game software

Bandai Namco Entertainment is a member of the Age Rating System administered by the Computer Entertainment Rating Organization (CERO), out of consideration for the impact on young people from the diversification of game content and expressions that accompany technological advances and the expansion of user age groups. By displaying age classification marks for each product and service and clarifying the target age of the content included, we are thoroughly managing our products and services so that customers can enjoy them with peace of mind.



CERO B: for 12-years-olds and above Expression and content suitable only to 12-year-olds and above are included in the game. CERO C: for 15-years-aids and above Depression and content suitable only to 15 year clos and above arc



included in the game. CERO B: ler 17-years elds and above Expression and content suitable only to 17 year dics and above are



included in the game. CERO Z: for 15-years-olds and above only

Expression and content suitable only to Hoyear-dics and abuve are included in the yame. (This assumes that the game should not be sold or distributed to those younger than 15 years old.)

Age-based ratings

Safety and Security of Products and Services

We provide high-quality, safe, and secure products and services that can be enjoyed by all, with safety and peace of mind as our top priorities. The Bandai Namco Group constantly reviews and improves upon its products and services, recognizing its responsibility as a company that provides products and services that satisfy people around the world.

Products and services

Facilities and live events

Universal design

Initiatives for Products and Services

Implementing quality assurance based on proprietary quality standards

As a company that handles toys, we design and select materials for Bandai products according to various quality standards in consideration of a product's features and a broad range of customer needs. These quality standards comprise around 260 proprietary standards categorized as "safety," "performance," and "labeling," in addition to the Safety Toy standards (ST standards^{*}) established by the Japan Toy Association. Products are commercialized only after the items corresponding to these standards are identified according to product specifications and after they pass an inspection.



Toy drop testing



Test using small parts cylinder to prevent accidental ingestion

Similarly, Bandai Spirits, which sells products targeting the mature fan base, has established its own quality standards and complies with the regulations of each relevant country and region when shipping overseas, in cooperation with overseas Group companies and external organizations.

* In the toy industry, the ST mark is displayed on toys that have passed the ST standard compliance test conducted by third-party inspection agencies. This standard includes mechanical safety, flammability safety, and chemical safety.

FOCUS

Recognized as a Gold Product Safety Company at METI's Best Contributors to Product Safety Awards

Bandai has been awarded the Minister of Economy, Trade and Industry Award, the highest award in the manufacturer and importer division, major companies category, at the 2nd (fiscal 2008), 6th (fiscal 2012), and 9th (fiscal 2015) Best Contributors to Product Safety Awards program sponsored by the Ministry of Economy, Trade and Industry, and was recognized as a Gold Product Safety Company^{*}.



Bandai Namco Entertainment (formerly, Bandai Namco Games) also received an excellence award in the manufacturer and importer division, major companies category, at the 8th awards.

* Product Safety Contributor Gold Company: Granted to companies that have received the Minister of Economy, Trade and Industry Award at least three times. Renewal examination is performed every five years after first certification. Each time certification is renewed, the mark will be given another star. Subsequently, as a result of the renewal assessment performed in 2020, Bandai became the first company in the manufacturer and importer division, major companies category, to be given a star on its logo for gold product safety company.

Verify safety of arcade cabinets

Bandai Namco Amusement, which operates amusement facilities, verifies the safety of arcade cabinets from various angles, including operations, to ensure customers always have a fun and safe experience. In the course of developing new products and improving existing ones, we consider the safety of parts that customers come into contact with as well as the safety of facility staff members when they conduct maintenance work. Safety reviews are conducted by a variety of departments, such as development, production, quality assurance, and service. In fiscal 2023, we conducted 24 safety reviews primarily for our new products.





Safety review

Promote initiatives to enhance quality and safety awareness

To maintain and improve the quality of products and services, it is important to heighten the awareness of individual employees toward quality and safety, as well as establish a workplace with correct manufacturing knowledge and know-how, where employees take voluntary action to enhance quality.

The Bandai Namco Group Entertainment Unit held the Product Safety Forum: Exhibition for Product Safety and Quality jointly with the Toys and Hobby business and the Digital business, continuing on from the previous fiscal year. At this exhibition, we exhibited our quality control efforts for physical products, such as toys, and digital products, such as games, which is leading to further quality improvement and better product development. In fiscal 2023, in addition to the conventional online exhibition, we held an in-person exhibition for the first time in four years to further deepen the message to employees. At Bandai Spirits, we also held the Product Quality Messe exhibition for manufacturing locations in Japan and China to raise quality awareness.

In the Bandai Namco Amusement Unit, Bandai Namco Amusement holds the Brand Assurance Exhibition to improve quality and brand power in the amusement industry.



Product Safety Forum virtual reality venue



Product Quality Messe



Product Safety Forum inperson venue



Brand Assurance Exhibition

Products and services

Facilities and live events

Universal design

Safety and Security of Products and Services

We provide high-quality, safe, and secure products and services that can be enjoyed by all, with safety and peace of mind as our top priorities. The Bandai Namco Group constantly reviews and improves upon its products and services, recognizing its responsibility as a company that provides products and services that satisfy people around the world.

Products and services

Facilities and live events

Universal design

Initiatives for Facilities and Live Events

Conduct regular safety inspections of amusement facilities

Bandai Namco Amusement regularly conducts safety inspections (precautionary inspections and selfinspections) at all of the amusement facilities it operates, including architecture, electrical equipment, fireprevention equipment, and cabinets.

Injuries, accidents, or other unforeseeable situations are possible even when equipment is highly safe, depending on the way it is used or installed. We verify the safety not only of the equipment itself but also as the equipment is installed in an effort to ensure that customers can use our facilities with peace of mind. In addition to these safety inspections of indoor facilities, we hire outside professionals to perform safety inspections on electrical facilities including in the backyard.



Safety inspection

Give consideration to safety during live events

At its live events, Bandai Namco Music Live works to implement management with consideration for safety so that customers can enjoy these events with peace of mind.

To prevent accidents and facilitate rapid responses in case of a contingency, such as an earthquake, the event operation manual for live events contains detailed countermeasures and response methods. We also hold staff meetings in advance to ensure that all related parties know what to do.

We are also promoting the transition from paper tickets to electronic tickets and facial recognition systems to improve usability and security.



Facial recognition system

Products and services

Facilities and live events

Universal design

Safety and Security of Products and Services

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Products and services

Facilities and live events

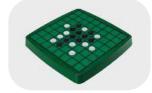
Universal design

Initiatives for Universal Design

Offering products and services that anyone can enjoy

The Bandai Namco Group is actively working to offer products and services that anyone can enjoy. For example, MegaHouse's Ittai Othello, an all-in-one product, features black pieces with a raised surface and white pieces with a concaved surface, so players can distinguish them by touch. Furthermore, the pieces are built into the game board, meaning they will never get lost. Rubik's Cube Universal Design by MegaHouse features a different uneven shape for each color of the six sides, so it can be aligned by touch.

In the visual works field, Bandai Namco Filmworks provides barrier-free voice guides that explain the background to the story and describe the movements and facial expressions of the characters. It also displays subtitles so that people with visual or hearing impairments can also enjoy visual content. In these ways, we are working to offer products that can be enjoyed by an even greater number of people.



Ittai Othello



Rubik's Cube Universal Design



New Dimension! Crayon Shinchan the Movie: Battle of Supernatural Powers ~Flying Sushi~ with barrier-free voice guides

©Othello,Co. and MegaHouse

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© Yoshito Usui/New Dimension! Crayon Shinchan Production Committee

Initiatives for accessible game development

Bandai Namco Entertainment is adding functions to its games to ensure accessibility with the aim of developing games that can be enjoyed by everyone.

As one example, we use a color vision simulator during development so that color-blind people who have difficulty seeing certain colors can play the game without any problems. In addition to this, we are promoting the development of games that are accessible for more people through, for example, functions that allow the player to adjust the brightness of the game and add subtitles for in-game audio. We are also creating internal guidelines that outline recommended ways to implement these functions.

Examples of Implemented Accessibility-related Functions



SCARLET NEXUS -Setting of options upon startup -Game difficulty setting -Subtitles for in-game audio -Customizable volume control -Change of key assignments



Tales of ARISE -Setting of options upon startup -Game difficulty setting -Subtitles for in-game audio -Customizable volume control -Change of key assignments

Products and services

Facilities and live events

Universal design

Enhanced Customer Satisfaction

The voice of customers plays an important role in our ability to provide even better products and services. The Bandai Namco Group is committed to further enhancing quality through its communication with customers.

Initiatives for Enhancing Customer Satisfaction

Online Game Safety Guide for minors and parents/guardians

Online games have seen an increasing number of underaged players, including elementary and junior high school students. This has led to increased trouble at home, and a steadily rising number of inquiries related to billing in particular.

To ensure that users can play with peace of mind, we published the Online Game Safety Guide page for minors and their parents or guardians on Bandai Namco Entertainment's official website in December 2022 and Bandai Namco Online's official website in January 2023. For minors, we have devised ways to incorporate manga to make the guide more approachable, and we also introduce the guide in our games. This ensures that a wide range of users read it.



Bandai Namco Entertainment: Online Game Safety Guide (in Japanese only)

 \rightarrow For minors $\square \rightarrow$ For parents and guardians \square

Bandai Namco Online: Online Game Safety Guide (in Japanese only)

 \rightarrow For minors $\square \rightarrow$ For parents and guardians \square

Received highest three-star rating in HDI Benchmarks for the second straight year

For the second straight year, Bandai Namco Online received the highest three-star rating in HDI-Japan's 2023 HDI Benchmarks Customer Service category. The HDI Benchmarks' evaluators rate a company's customer service performance and quality and online support from the customer's perspective, using criteria based on HDI's international standards, and award a rating on a four-point scale: zero, one, two, or three stars. Bandai Namco Online's rating on this occasion recognizes its customer-centric support, including proactively advising the customer based on the understanding of their situation and unspoken psychological needs.

The customer support team at Bandai Namco Online has built a support system that is considerate of customers, based on a "customer first" attitude. For example, through regular surveys and close cooperation between the dedicated customer support team and operational development staff, we improve services, develop inquiry forms, and introduce new solutions.

Going forward, we will strive to provide better services and further increase customer satisfaction.

To learn more about HDI, click the link below.

- \rightarrow HDI Japan's official website (external website) \Box
- * HDI is the world's largest IT service and technical support membership association and established the world's first international certification and training system. Founded in the United States in 1989, HDI's vision is to help the support and service management industry succeed with exceptional customer experience. It has more than 50,000 members worldwide, many of which are Fortune 500 companies or among other top companies, along with a network of 100 offices around the world. The HDI Benchmarks is a program that evaluates support services sponsored by HDI-Japan, HDI's local subsidiary.



Collecting customer feedback and reflecting it in products and services

The Bandai Namco Group values customer feedback.

We collect a large amount of customer feedback and information from our call centers and store it in a database, which we then utilize to provide feedback internally. We use the voice of customers to improve our product development and services, and to further improve quality, which in turn leads to increased customer satisfaction.



Customer Service Improvement Program for greater customer satisfaction

Bandai Namco Amusement is implementing a variety of measures to improve customer service technology and thereby further improve customer satisfaction. As an example, the company conducts start-up training for newly hired store staff every year. Approximately 2,600 staff members participated in fiscal 2023. In the same year, the company also conducts customer service training, a manager training program aimed at improving the responsiveness of store staff, with approximately 300 store managers and leaders from 17 areas nationwide attending.

In fiscal 2023, staff from 24 of our stores nationwide won prizes in the Shopping Center Customer Service Role Playing Contest, a contest sponsored by the Japan Council of Shopping Centers, and the Role Playing Contest sponsored by each shopping center in which these stores are located.



Shopping Center Customer Service Role Playing Contest

Supply Chain Management (Quality)

Providing high-quality, safe, and secure products and services requires integrated initiatives with supplier involvement. The Bandai Namco Group is working closely with suppliers to bring customers even better products and services.

Working with suppliers

Logistics

Initiatives with Suppliers

Ensure thorough quality control in suppliers' production processes

The Bandai Namco Group strictly observes the laws and regulations of each country. We also establish our own standards. In this way, the Group is working to strengthen supply chain management.

Bandai (Shenzhen) in Shenzhen, China is an important production management base for the Toys and Hobby business. This is where quality control of local suppliers, quality inspections, and other safety tests are conducted. It gathers and shares information with the frontline to enhance quality assurance activities to facilitate sharing of production quality issues, as well as takes steps to educate employees and strengthen the inspection systems of suppliers.

At Bandai Namco Filmworks, we conduct onsite inspection of the manufacturing process covering lines that assemble DVD and Blu-ray Disc packages. Bandai Namco Filmworks also conducts interviews and visits to factories that manufacture goods sold at live event venues following a factory audit checklist containing its own standards.





Product quality control on an Artpresto production site

Additionally, at Artpresto, we share the quality control system to maintain the quality of products and to prevent occurrences of defective products in the production processes of outsourcing partners. For food packaging operations, we use flow diagrams to share the system. In addition, we are working to thoroughly control and improve the quality of products at production sites, which includes conducting regular audits of plants and factories.

Note: Heart has obtained JFS-B certification (not HACCP)

Establish opportunities to share information with suppliers

At Bandai, we regularly hold a Supplier Conference as a venue for communication with our suppliers. During these conferences, we share information and have put into place a commendation system to recognize excellent suppliers. Additionally, we hold quality study sessions for associate manufacturers every year to share information on changes to safety standards in line with revisions to domestic and international laws related to toys and quality standards set forth individually by Bandai.



Display of defective products



Study session for suppliers

Working with suppliers

Logistics

Supply Chain Management (Quality)

Providing high-quality, safe, and secure products and services requires integrated initiatives with supplier involvement. The Bandai Namco Group is working closely with suppliers to bring customers even better products and services.

Working with suppliers

Logistics

Initiatives for Logistics

Provide safe driving training to all drivers

At Logipal Express, we conduct various training sessions for drivers including on operations management and safe driving. We also hold a driving contest every year to commend excellent drivers, which increases motivation and helps to increase awareness of safe driving.

We have introduced a driving instructor program in our training for newly hired drivers where an instructor rides along with the driver to closely examine their driving practices. Driving instructors who ride along are trained using an in-house curriculum.



Safe driving training

Obtain external certification for transport and delivery

At Logipal Express, as part of our initiatives to increase the safety of transport operations, we utilize the safety evaluation business system (G-Mark) for motor truck transportation businesses accredited by the Japan Trucking Association. This system evaluates traffic safety initiatives at the business site level for motor truck transportation businesses. Business sites that clear a certain score are certified as offices with excellent safety standards. All of our sales offices (23 locations) satisfying the application requirements have obtained this certification.

In addition, Bandai Logipal has obtained various public certifications, including AEO customs broker certification^{*} for customs clearance operations and Japan's Privacy Mark, a standard for the protection of personal information.

In this way, we are actively using external certification and accreditation systems to facilitate the development of required systems and increase the quality of our operations.

* A customs broker certified by the chief customs inspector as a party that has established a system for cargo security management and a legal compliance structure. Bandai Logipal is the sixth company in Japan to be certified. The G-Mark verifies that a transportation business has excellent safety



Working with suppliers

Logistics

Appropriate Utilization and Protection of Intellectual Property



The Group is working to contribute to the sustainable development of entertainment through the appropriate use and protection of IP (characters and other intellectual property), which are important management resources.



PAC-MAN™ & © Bandai Namco Entertainment Inc.

Relevant SDGs



Key Items

- Appropriate use of IP and mutual use of patents
- Protection of IP

Key Items and Main Measures



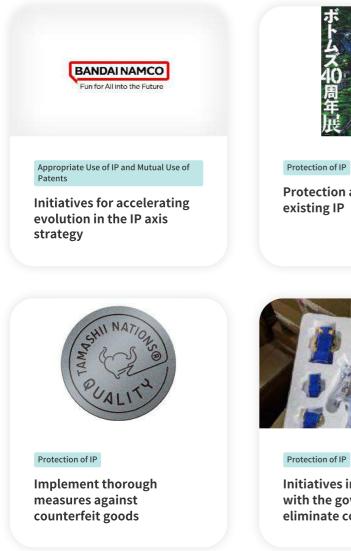
Protection of IP

At the Bandai Namco Group, we are working on measures to protect our IP from infringement by closely cooperating with external partners in order to deliver safe and secure products and services to customers as well as protect their worldviews.

→ Initiatives to Safeguard Our IP

→ <u>Measures against Counterfeit Goods and Pirated Versions</u>

Main Initiatives





Protection and utilization of



Protection of IP

Activities to raise awareness of IP internally



Initiatives in collaboration with the government to eliminate counterfeit goods



Protection of IP

Activities with the IIPPF to raise awareness of IP



Protection of IP

Measures to prevent unauthorized resale at Premium Bandai in Asia

Appropriate Use of IP and Mutual Use of Patents

Through the IP owned by the Bandai Namco Group, we are working to use our IP appropriately and promoting the mutual use of patents owned by Bandai Namco to bring greater enjoyment to fans around the world.

Social Contributions Using IP

Initiatives for accelerating evolution in the IP axis strategy

The Bandai Namco Group is harnessing its strength found in the IP axis strategy with the aim of realizing sustainable growth by implementing new initiatives to foster deep, broad, and multifaceted connections with fans around the world; by accelerating evolution in the IP axis strategy; and by working to build businesses as we work together under the All Bandai Namco concept in regions around the world.

We are now making strategic investments to create IP and develop a metaverse for each IP as a new framework for connecting with fans. In addition to IP derived from products and services, we will strive to create IP from a variety of perspectives through Groupwide initiatives, through the Bandai Namco Content Fund, and through initiatives with external business partners. Our goal is to evolve the IP axis strategy by making strategic investments totaling ¥40 billion over the three-year period of the current Mid-term Plan.



At the Bandai Namco Group, we are working on measures to protect our IP from infringement by closely cooperating with external partners in order to deliver safe and secure products and services to customers as well as protect their worldviews.

Protecting our rights as an IP holder

Countermeasures against infringement of our IP

Initiatives to Safeguard Our IP

Protection and utilization of existing IP

Protecting the rights of IP, the Bandai Namco Group's important management resource, forms an integral part of our business strategy.

Bandai Namco Filmworks reconfirms rights related to existing Sunrise brand IP, including catalog titles, and is working to create a system to protect these rights as we step up licensing arrangements for the Gundam series.

We held the Sunrise Anniversary Tours in autumn 2023 for Armored Trooper VOTOMS, Aura Battler Dunbine, and Cowboy Bebop, which are all part of the brand and have anniversaries coming up. We are working to ensure that fans can enjoy the world of our catalog titles again.



© SUNRISE

Activities to raise awareness of IP internally

The Group is implementing seminars related to the appropriate use of IP, such as patent and trademark seminars and copyright seminars. These are offered at each company in new employee training, training for managers, training by business division, and other occasions. In addition, we also offer compliance training for all employees using e-learning. In these ways, we are working to implement internal educational activities. In particular, Bandai and Bandai Spirits regularly hold exhibitions for Group employees to widely disseminate information about problems and responses through the display of counterfeit products and the sharing of case studies.



Legal and IP seminar for newly employees

Protecting our rights as an IP holder

Countermeasures against infringement of our IP



At the Bandai Namco Group, we are working on measures to protect our IP from infringement by closely cooperating with external partners in order to deliver safe and secure products and services to customers as well as protect their worldviews.

Protecting our rights as an IP holder

Countermeasures against infringement of our IP

Measures against Counterfeit Goods and Pirated Versions

Implement thorough measures against counterfeit goods

The Bandai Namco Group is working with rights holder organizations and authorities in various countries to further promote the protection of IPs, including taking action against counterfeit products, thereby strengthening infringement countermeasures and raising awareness of IPs. In this way, the Group is striving to protect the world view of its IPs and ensure the safety and security of its products and services.

As one facet of measures to address counterfeit products, Bandai Spirits uses stickers with special specifications featuring forgery prevention processing. These stickers, which are in principle applied to all TAMASHII NATIONS brand products for mature fan collectors, are used to verify that a product is genuine.



Special specification sticker applied to TAMASHII NATIONS products

Initiatives in collaboration with the government and courts to eliminate counterfeit goods

To eliminate counterfeit goods, we are promoting initiatives not only with our own company but also in close cooperation with external partners and the government.

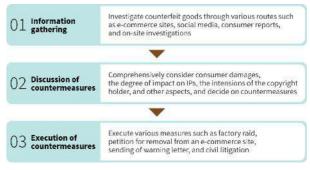
Bandai Namco and Bandai Spirits implement measures to stop counterfeit markets and websites in Japan and overseas and file injunctions with Japan Customs against import/export to quickly detect counterfeit goods, stop their proliferation, and eliminate them altogether.

As an example, in fiscal 2023, we simultaneously uncovered an overseas distribution group dealing in counterfeit the Mobile Suit Gundam products, seizing approximately 23,000 counterfeit products. In addition, to combat counterfeit products on e-commerce sites globally, we have also introduced an AI-based antiinfringement system, which removes more than 50,000 counterfeit products per year.

In fiscal 2023, Bandai Namco Amusement also implemented measures on a total of 75 occasions to eliminate infringement of counterfeit and illegal videos. This included measures to prevent intellectual property infringement related to the arcade game Taiko no Tatsujin in China and the removal of information related to emulators of the Mobile Suit Gundam EXVS2 series.

We will continue to strengthen cooperation with the government and promote initiatives to eliminate counterfeit goods.

Process Used to Eliminate Counterfeit Goods







Raid of counterfeit goods in China

Activities with the IIPPF to raise awareness of IP

In June 2023, the International Intellectual Property Protection Forum (IIPPF) hosted an event for Generation Z to raise awareness of IPs. The event was co-sponsored by the World Customs Organization (WCO). The theme of the event, which aimed to educate participants about the reality of counterfeit goods, was "Forefront of the World's Battle against Counterfeits—A Better Society Made Possible with Intellectual Property." At the event, presentations and panel discussions were held to introduce the current situation regarding the growing number of counterfeit goods in online transactions across the globe, efforts by companies combating counterfeit goods, and the dangers of counterfeit goods. IP representatives of Bandai, an IIPPF member, also took to the stage to make a presentation.

In this way, the Bandai Namco Group is working with the IIPPF and other rights holder organizations and authorities in various countries to further promote the protection of IP, including taking action against counterfeit products, thereby strengthening infringement countermeasures and raising awareness of IP.



Event to raise awareness of IPs among Generation Z © SOTSU • SUNRISE

Measures to prevent unauthorized resale at Premium Bandai in Asia

Bandai Namco Asia continuously takes action against unauthorized resale and implements other measures to protect intellectual properties.

From March 2023, the sales platform of the e-commerce site Premium Bandai has implemented a two-stage antiresale measure assuming use from Hong Kong, Taiwan, and Singapore. At the end of March, the company identified all registrants with multiple accounts using the same telephone number and froze all accounts except the primary account to curb the unsolicited practice of using multiple accounts to buy up a large volume of popular products for resale. Furthermore, on August 4, the company officially introduced a two-factor authentication function using social media.

In addition to these measures, Bandai Namco Asia has placed a limit on the number of purchases per account for popular products to ensure fairness for all fans.



Protecting our rights as an IP holder

Countermeasures against infringement of our IP

Establishment of Work Environments That Facilitate Mutual Respect



We aim to support the sustainable development of society and business by establishing workplace environments that facilitate mutual respect and enable everyone to work energetically, including not only employees but also everyone else associated with the Bandai Namco Group.



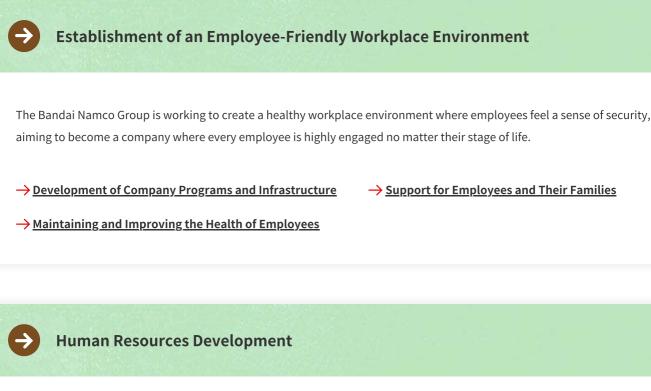
Tamagotchi © BANDAI

Relevant SDGs



Key Items

- Establishment of an employee-friendly workplace environment
- Human resources development
- Promotion of diversity and inclusion
- Supply chain management (labor)



Each Bandai Namco Group company carries out personnel management (employment, assignment, development, evaluation, remuneration, employee benefits, etc.) according to the characteristics of their respective businesses.

 \rightarrow Education and Training

Promotion of Diversity and Inclusion

The Bandai Namco Group is committed to being a group that demonstrates the concept of "same spirit, diverse talents," where its companies and employees with varied talents, individual characteristics, and values play an active role. We respect the diversity of our people and adopt a common Groupwide policy for recruitment and promotion focused on factors other than when a person was hired (new graduate or mid-career), or their gender, age, nationality, race, religion, or sexual orientation. We are working to establish systems, programs and a work environment that bring out the best in our diverse pool of human resources and that ensure the physical and mental well-being of our employees at work.

→ Initiatives for Diversity and Inclusion



Supply Chain Management (Labor)

Improving labor environments in the supply chain will encourage job retention and result in higher quality products and services, which will bring a smile to the faces of stakeholders, foremost of which are customers. The Bandai Namco Group is working to safeguard human rights and improve the labor environment across the entire supply chain.

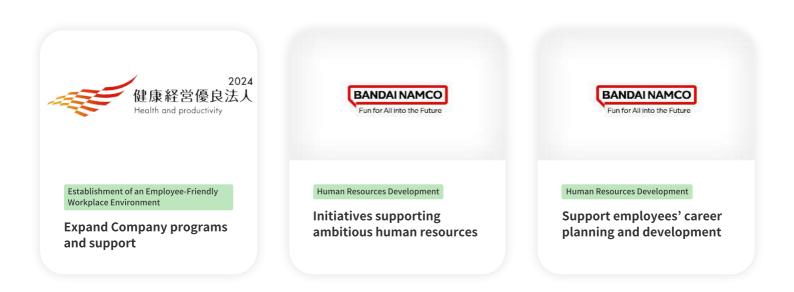
→ Initiatives for Labor Environments in the Supply Chain

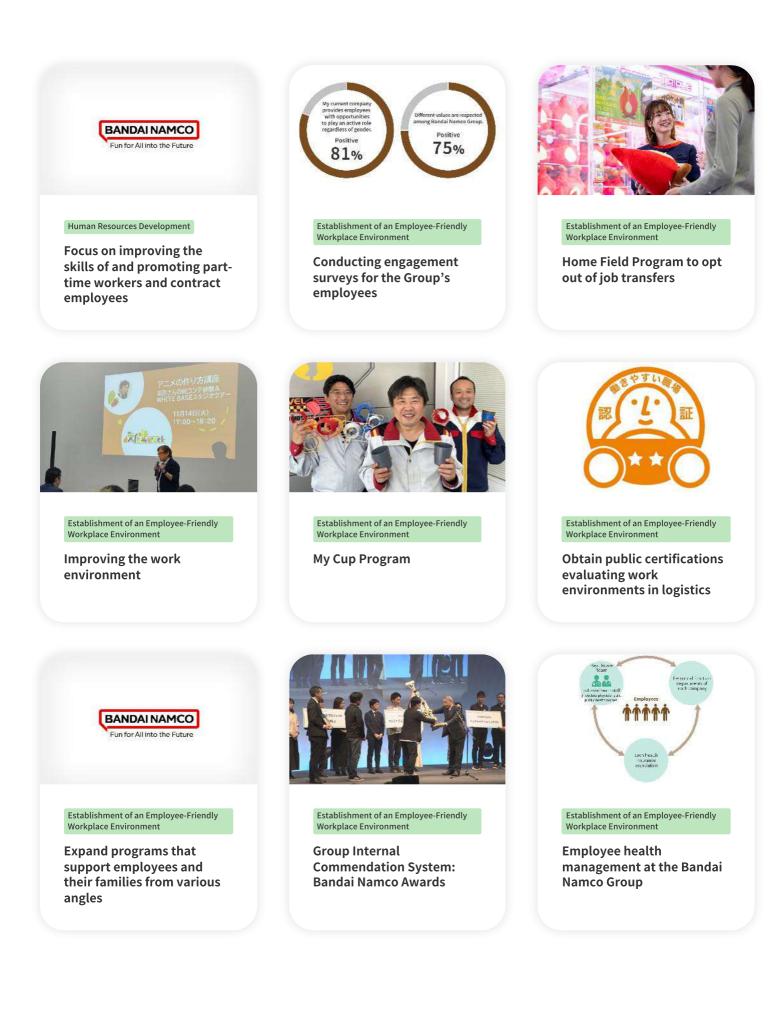
→ Initiatives for Human Rights

Learn about our initiatives for respecting human rights, including our Human Rights Policy.



Main Initiatives







Establishment of an Employee-Friendly Workplace Environment

Indicators for employee health maintenance and improvement



Establishment of an Employee-Friendly Workplace Environment

Mental health services for employees



Establishment of an Employee-Friendly Workplace Environment

Initiatives to prevent the spread of infectious diseases



Establishment of an Employee-Friendly Workplace Environment

Health Festa



Human Resources Development

Conduct joint Groupwide training to foster a spirit of All Bandai Namco



Human Resources Development

Initiatives for upgrading manufacturing skills



人材育成

GYAAR Studio—initiatives to cultivate creators



Human Resources Development

Cultivate creators with drawing and art classes



Promotion of Diversity and Inclusion

Contributing to society while promoting the employment of people with disabilities within the Group



Promotion of Diversity and Inclusion

Women's empowerment and diverse working style promotion project



Promotion of Diversity and Inclusion

Actively employ people with disabilities

	October 2022
pla	ementation of human rights due diligence targeting principal businesses
	October 2023
	Establishment of hotline for human rights-related inquiries
	*
	November 2023
	Formulation of Bandai Namco Group Human Rights Policy

	Implementation of human rights due diligence*
	Evaluation of impact and creation of prevention and
	correction measures (education)
	Monitoring and information disclosure
	* Including stamed implementation

Supply Chain Management (Labor)

Implement human rights due diligence



Supply Chain Management (Labor)

Conduct supplier surveys based on the Code of Conduct, etc.



Supply Chain Management (Labor)

Recognize suppliers using the Bandai Supplier Awards



Supply Chain Management (Labor)

Initiatives for raising awareness of human rights



Supply Chain Management (Labor)

Compliance training for artists

Establishment of an Employee-Friendly Workplace Environment

The Bandai Namco Group is working to create a healthy workplace environment where employees feel a sense of security, aiming to become a company where every employee is highly engaged no matter their stage of life.

Company programs and infrastructure

For employees and their families

Health and productivity management

Development of Company Programs and Infrastructure

Expand Company programs and support

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 Namco Entertainment, Bandai, Bandai Namco Amusement, and MegaHouse have received certification from the Minister of Health, Labour and Welfare (Kurumin Certification) in recognition of their support of childrearing. In addition, in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace, Bandai Namco Entertainment, Bandai, and Bandai Namco Business Arc received the Eruboshi Certification a company with excellent initiatives in promoting the participation and advancement of female employees in the workplace. Furthermore, in the 2024 KENKO Investment for Health (Large Enterprise Category), Bandai Namco Entertainment and Bandai Namco Studios have been certified.

Moving forward, we will continue to work in unity with the management and human resources departments of our Group companies to enhance workplace environments that are easy for employees to work in and to strengthen initiatives aimed at promoting employee health.

Main External Evaluations

External evaluation	Group companies that have been certified or evaluated				
KENKO Investment for Health 2024 健康経営優良法人 Health and productivity	 Bandai Namco Entertainment Bandai Namco Studios 				
Kurumin Certification 2020年認定 本 本 本 本 本 本 本 本 本 本 本 本 本	 Bandai Namco Entertainment (certified in 2021) Bandai (certified in 2020) Bandai Namco Amusement (certified in 2021) MegaHouse (certified in 2023) 				
Eruboshi Certification	 Bandai Namco Entertainment (Certification Level 2) Bandai (Certification Level 3) Bandai Namco Business Arc (Certification Level 2) 				

Initiatives supporting ambitious human resources

Principal companies in the Bandai Namco Group have introduced performance-linked remuneration frameworks that correlate a company's operating profit with employee profit sharing. In this way, we are encouraging employees to take on challenges. In addition, we have established systems for the proposal of ideas regarding IP, 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.

Support employees' career planning and development

At the Bandai Namco Group, we established interviews with supervisors and annual career planning along with opportunities to apply for a desired transfer anywhere within the Group, with the aim of supporting the autonomous career development of employees and encouraging them to plan their future and set goals.

We also hold various business contests to solicit ideas for new products, services, and IP. We are committed to creating opportunities for employees to take notice of their aptitude and motivation to support career planning for the future.

Focus on improving the skills of and promoting part-time workers and contract employees

At Bandai Namco Amusement, which runs amusement facilities across Japan and delivers play as real-life experiences, we are working to enhance the skills of the part-time workers and contract employees who support facility operations and actively promote them.

We introduced the Career Challenge System to create an environment where part-time workers and partner employees find their work appealing and can play active roles with enthusiasm. The system sets a grade for each role and aims for part-time workers and partner employees to raise their rank through regular evaluations. These employees must pass a companywide standardized exam to move up to the next rank. Bandai Namco Amusement not only encourages these employees to take the exam but also provides assistance to help them pass, which serves as an opportunity to enhance their skills beyond work.

Furthermore, we have introduced an employee category called Facility Professional Full-Time Employee. In principle, these are employees who specialize in facility management work, starting with store manager duties, in a way that is closely tied to the location of their choice, such as the community where they grew up. By actively promoting them to Facility Professional Full-Time Employee, we are providing opportunities for part-time workers and contract employees to advance their careers.

Conducting engagement surveys for the Group's employees

Group companies in Japan and around the world began conducting annual engagement surveys starting in the fiscal year ended March 31, 2023. 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.



FY2023 engagement survey results

Home Field Program to opt out of job transfers

Bandai Namco Amusement launched its Home Field Program in fiscal 2023. This program applies to full-time employees working in retail stores, and, in principle, does not involve transfers (except for employees who specifically request one^{*}). We will continue to offer this program as an initiative to create a new communitybased working style that stabilizes employees' living arrangement by taking advantage of the strength of the company's nationwide operations.

* Of the full-time employees (275) in the applicable departments, approximately 42% (115) chose the conventional nationwide work preference program (as of September 2024).



Home Field Program

Improving the work environment

The Bandai Namco Group implements various measures to promote internal communication and improve the work environment.

Bandai Namco Filmworks holds seasonal events such as summer festival and autumn cultural festival. In fiscal 2023, attendance at the cultural festival reached a cumulative total of 1,000 people. We also hold themed health events on physical fitness and healthy age measurement to maintain and promote employee health and improve communication.





Autumn cultural festival

My Cup Program

The Bandai Namco Group is taking action to encourage employees to bring their own reusable drinkware to reduce the amount of paper cups and plastic bottles used.

As part of this measure, Bandai Spirits handed out drinkware to approximately 800 employees, which are made from "ECOPLA" using recycled plastic model kits. In addition, Bandai Namco Business Arc provided 240 employees with original drinkware to reduce the amount of paper cups used.

The cafeteria on the 14th floor of Bandai's headquarters and the Marche at the Miraikenkyusho offer limited time discounts to employees who bring their own water bottle, and they also use straw-less cups^{*}.



Reusable drinkware made from ECOPLA



Reusable drinkware brought in to work by employees at Bandai Namco Holdings China

Bandai Namco Holdings China and its subsidiaries also hold My Cup Day on every Friday. The company does not provide paper cups and encourages employees to bring and use their own drinkware.

* A cup with a spout on the lid so that it is easy to drink without a straw.

Obtain public certifications evaluating work environments in logistics

Logipal Express strives to ensure that it provides services that prioritize safety and security through a workplace where employees can work with peace of mind. As part of this, 24 of the company's sales and distribution offices have acquired a twostar rating under the Comfortable Workplace Certification System administered by the Ministry of Land, Infrastructure, Transport and Tourism.

The Comfortable Workplace Certification System was established in 2020 as part of comprehensive efforts to address the shortage of drivers in the automobile transportation business (truck, bus, and taxi businesses). By visualizing the efforts of each business operator to improve the workplace environment, the system aims to improve impressions among job seekers and encourages them to find employment as drivers through cooperation between the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare.

We will continue to create a work environment where employees can work with peace of mind and provide services that put safety and security first.

To learn more about the system, click the link below.

→ <u>Comfortable Workplace Certification System (external website available in</u> <u>Japanese only)</u>



Company programs and infrastructure

For employees and their families

Health and productivity management

Establishment of an Employee-Friendly Workplace Environment

The Bandai Namco Group is working to create a healthy workplace environment where employees feel a sense of security, aiming to become a company where every employee is highly engaged no matter their stage of life.

Company programs and infrastructure

For employees and their families

Health and productivity management

Support for Employees and Their Families

Expand programs that support employees and their families from various angles

The Bandai Namco Group is working to enhance its programs and systems that support its employees and their families from various angles, aimed at creating a more comfortable work environment.

Examples of Systems

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, it 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 core time can be adjusted in line with childrearing circumstances.

System	Overview
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	 Introduced with the objective of establishing supportive working environments for employees in a variety of household circumstances. 30 days of leave as well as shorter working hours/flextime are permitted, in accordance with the reason. Examples of reasons (1) Truant children (2) Infertility treatment (3) Family nursing or caregiving for spouses and first and second-degree relatives of employees (4) 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.

Note: Some Group companies use different systems.

Group internal commendation system: Bandai Namco Awards

Principal companies in the Bandai Namco Group have introduced performance-linked remuneration frameworks that correlate a company's operating profit with employee profit sharing. In this way, we are encouraging employees to take on challenges. In addition, we have established systems for the proposal of ideas regarding IP, 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.

Every year, the Bandai Namco Group hosts the Bandai Namco Awards to recognize the best-performing teams from each year. During the judging, the success of the content, creativity, relevance, and consideration for sustainability are deemed important points.

In recognition of its performance, the CLENA series was nominated for the Bandai Namco Award 2023, taking home the Best Sustainability Grand Prize.



Awards ceremony



Company programs and infrastructure

For employees and their families

Health and productivity management

Establishment of an Employee-Friendly Workplace Environment

The Bandai Namco Group is working to create a healthy workplace environment where employees feel a sense of security, aiming to become a company where every employee is highly engaged no matter their stage of life.

Company programs and infrastructure

For employees and their families

Health and productivity management

Maintaining and Improving the Health of Employees

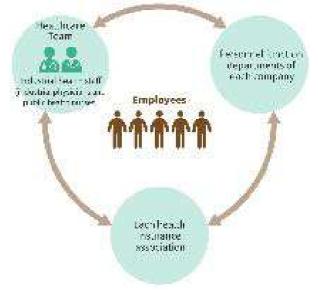
Employee health management at the Bandai Namco Group

The Bandai Namco Group aims to work together with people around the world to continue creating a future for everyone where people and societies are connected with dreams, fun and inspiration. To this end, we believe that it is essential for every employee working in the Group to continue to fully demonstrate their own strengths and abilities.

Based on the idea that "enabling employees to work in good health is a fundamental and important asset for both individual employees and the Company," we have established the following basic policy on health management.

- Promotion of autonomous health management
 We develop and support employees who can manage their own health.
- **Development of working environment** We will create an environment where employees can work comfortably.

System Supporting Autonomous Health Management



In addition, with the aim of supporting employees' autonomous health management, the Health Promotion Office, which has full-time industrial health staff (industrial physicians and public health nurses), the personnel function departments of each company, and each health insurance association work together to manage the health of employees.

Main duties of the Healthcare Team

- Encouragement of employees to undergo regular health checks and follow-up after these checks
- Implementation of stress checks and follow-up after these checks
- Interviews of employees with prolonged working hours
- Mental health care and patient services
- Health management services
- Health improvement measures (implementation of health measures tailored to the needs of each company, vaccinations in the workplace, etc.)

FOCUS

Recognized as 2024 Certified Health & Productivity Management Outstanding Organization (Large Enterprise Category)

Bandai Namco Entertainment and Bandai Namco Studios were certified in the 2024 KENKO Investment for Health (Large Enterprise Category). Moving forward, we will continue to work in unity with the management and human resources departments of our Group companies to strengthen initiatives aimed at promoting employee health.



Indicators for employee health maintenance and improvement

The Bandai Namco Group has established various initiatives to maintain and improve the health of its employees. Each Group company confirms the status of achievement and implements additional measures as necessary.

We have been conducting stress checks since 2008, before the revision of the Industrial Safety and Health Act, and all Group employees are encouraged to undergo these checks. The results are used for primary prevention of mental health disorders and other purposes. In 2023, the uptake rate was 98.9%, indicating we maintain a high rate for the entire Group.

Since COVID-19 was reclassified as Category 5 infectious disease, each subsidiary has adopted different approaches, with some continuing to allow employees to work from home and others switching to an in-office system. As a result, the working styles of employees across the Bandai Namco Group are becoming more diverse. Stress checks also help us to see the impact of these changes on employees' mental health.

To learn more, click the link below.

→ Bandai Namco Group Personnel Data

Indicators for Employee Health Maintenance and Improvement (FY2023 Results)



[Target companies] Bandai Namco Holdings, Bandai Namco Entertainment, Bandai, Bandai Spirits, Bandai Namco Filmworks, Bandai Namco Music Live, Bandai Namco Amusement, and Bandai Namco Business Arc

Mental health services for employees

The Bandai Namco Group is enhancing its employee mental health care system, led by the Healthcare Team. We are also working on early detection and prevention of disorders through stress checks and other measures.

Supporting employees with mental health disorders to return to work through the Healthcare Team

The Healthcare Team plays a central role in providing support for employees with mental health disorders to return to work. Main Group companies also have suboffices of the Healthcare Team, where industrial health nurses are stationed to provide daily health consultations.

To respond to the diversification of working styles (introduction of telecommuting, etc.), health consultations are not limited to face-to-face interviews. We have set up consultation desks by email and telephone, and online interviews via video conferencing are also offered.

For these services, we thoroughly protect the privacy of employees so that they can discuss their worries and anxieties with peace of mind.

Workplace improvement activities using aggregate results of stress checks (group analysis)

For the purpose of visualizing the status of employees, stress check results are aggregated and analyzed according to department, team, age, and position. The results are also shared with each department as feedback. In addition, for departments with particularly high stress levels, Healthcare Team staff and public health nurses interview individual employees and set up opportunities for discussion with the heads of their departments to share issues and consider improvement measures. Example Workflow of Returning to Work from a Mental Health Disorder



Note: This is the basic workflow at the contracted company of the Healthcare Team, the Human Resources Department of Bandai Namco Business Arc. The content of support for returning to work may differ depending on the company.

Initiatives to prevent the spread of infectious diseases

The Bandai Namco Group offers in-house vaccinations every year before the seasonal influenza season. In fiscal 2023, approximately 2,600 employees were vaccinated at five sites in the Tokyo metropolitan area. This system has been well received by employees because it allows easy access to vaccinations in the company during working hours and because vaccinations are offered at a lower price thanks to subsidies from the health insurance association. Through these initiatives, we not only maintain the health of our employees but also create an environment where they can work with peace of mind.



Vaccination

Health Festa

We regularly hold events where employees can check their physical condition in a fun way to encourage them to take an interest in their own health.

Since the checks, such as body composition analysis and posture balance checks, are done with equipment that employees do not usually have the opportunity to use, employees show their results to their colleagues and get excited, and many enjoy participating every time.

We will continue to hold interesting and entertaining events to support employees' health.





Health Festa in progress

Company programs and infrastructure

For employees and their families

Health and productivity management



Each Bandai Namco Group company carries out personnel management (employment, assignment, development, evaluation, remuneration, employee benefits, etc.) according to the characteristics of their respective businesses.

Education and Training

Conduct joint Groupwide training to foster a spirit of All Bandai Namco

In accordance with the Purpose "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.



First-year joint training

At junctures depending on position and number of years with the Company, we implement Groupwide training that transcends Units and regions. 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 to work energetically, including not only employees but also everyone else associated with the Bandai Namco Group.

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.
Global next-generation managers training	Participants, who are expected to lead the Group in the future, enhance their awareness and build personal connections.
Officer training	Participants acquire management knowledge necessary for managing the Group.

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

Initiatives for upgrading manufacturing skills

As a technology company engaged in manufacturing, Bandai Namco Craft opened the Monozukuri (manufacturing) Dojo in fiscal 2021 with the aim of enhancing the skills of each employee of the Group's business partners so that they grow into human resources who understand the essence of monozukuri. Monozukuri Dojo hosts study sessions by internal and external instructors on various topics such as planning and development, die-casting, molding, painting and assembly, and quality assurance. As of March 2024, more than 950 employees had participated.



Under plant workers' guidance, employees working side by side to manufacture products

Bandai also launched Bandai Skill Link, a monozukuri learning site for employees. In addition to holding webinars available to all employees, we share informative materials that enable learning in a short period of time (micro-learning) via our e-mail newsletters. We also offer "active learning" programs in which employees visit domestic and overseas manufacturing plants to join workers on the production line to experience manufacturing products for themselves, in an effort to increase skill levels and improve understanding of their work. A total of 1,404 employees (as of August 2024) have taken the course since its inception in October 2023.

GYAAR Studio—initiatives to cultivate creators

In the gaming industry, as development projects grow larger in scale and longer in duration, there are fewer opportunities for creators to realize professional growth through game development. To address this issue, Bandai Namco Studios Launched the GYAAR Studio Indie Game Contest, leveraging the internal training systems for young employees that had been previously implemented. This contest offers winners support, such as the opportunity to borrow development tools and communicate with other professional creators.

In the second round of the contest, there was an increase in the number of titles submitted from not only Japan but also overseas, primarily South Korea and Taiwan. Moving forward, we will continue our efforts to cultivate creators for the next generation with the aim of further revitalizing the future gaming industry.



First Indie Game Contest



2nd contest grand prize winner: BANDIT KNIGHT

Cultivate creators with drawing and art classes

The Sunrise Drawing Academy and the Sunrise Art Academy, operated by Bandai Namco Filmworks, aim to develop the next generation of creators. By providing subsidies, we enable students to concentrate on their creative activities and learn various techniques from the basics to practical skills under the guidance of instructors who are currently active. Graduates demonstrate the skills they learned immediately upon joining Bandai Namco Filmworks where they play an active role.



Sunrise Drawing Academy



Sunrise Art Academy

Promotion of Diversity and Inclusion

The Bandai Namco Group is committed to being a group that demonstrates the concept of "same spirit, diverse talents," where its companies and employees with varied talents, individual characteristics, and values play an active role. We respect the diversity of our people and adopt a common Groupwide policy for recruitment and promotion focused on factors other than when a person was hired (new graduate or mid-career), or their gender, age, nationality, race, religion, or sexual orientation. We are working to establish systems, programs and a work environment that bring out the best in our diverse pool of human resources and that ensure the physical and mental well-being of our employees at work.

Initiatives for Diversity and Inclusion

Contributing to society while promoting the employment of people with disabilities within the Group

Bandai Namco Will is a special subsidiary of the Bandai Namco Group that provides job opportunities for people with disabilities. We are mainly responsible for tasks contracted by Group companies, and are engaged in running the mailroom, cleaning offices and stores, office administration, and development and sales support work.

The company also plays a leading role in promoting employment of people with disabilities throughout the Group, and promotes understanding of the working environment together with people with disabilities through such measures as operating the website "UniNAVI," which provides correct information on disabilities, and implementing internships for employees with disabilities from group companies and Bandai Namco Will.

In addition to these, in recent years we have also started operating a farm. In cooperation with a local public interest



Mailroom in operation





Potato harvest

corporation, we produce fruits and vegetables at a farm in Kanuma City, Tochigi Prefecture. Through these efforts, we aim to create and promote stable employment for people with disabilities, while also proposing new value to the local community and the group.

The company respects the individuality of each person and aims to contribute to the Group and society.

Women's empowerment and diverse working style promotion project

Bandai Logipal has developed various personnel systems to create a work environment that achieves work-life balance in response to Japan's enactment of laws related to work style reform in fiscal 2024. As an example, in fiscal 2023, the company introduced a fixed working hour system instead of a variable working hour system. From fiscal 2024, the company shifted to a full two-day weekend system with a total of 125 days off annually. We also partially introduced a flextime system. As a result, employees' work styles are becoming more diverse.

As part of its D&I initiatives, the company has also launched a project to empower women and promote diverse working styles, through which it is actively exchanging information and personnel with other companies.

The company also conduct large-scale internal surveys on gender to collect information on such matters as differences between men and women in terms of work environment and motivation for promotions. In turn, this information is used to consider measures that should be implemented in future projects.





Gender Equality Day

In addition, Bandai Namco Europe held an internal event called Gender Equality Day in fiscal 2023 at its Lyon office for employees of Bandai Namco Europe, Bandai Namco Entertainment France, and Bandai SAS. The event featured various workshops and activities with the aim of raising employees' awareness of gender equality. This event was conducted in response to the results of a GPTW^{*} employee awareness survey.

* Great Place To Work® Institute Japan. An international research organization that conducts employee awareness surveys in 150 countries around the world and uses the results to certify companies as Great Places To Work, publishing rankings and other information.

Actively employ people with disabilities

Since 2016, Bandai Namco Craft has been collaborating with local schools for the disabled to host hands-on learning in the workplace in order to provide them with an idea of what it is like to be a part of society through work experience. Accompanying this, the company actively employs people with disabilities.

When accepting people with hearing impairments, sign language education is provided to employees of the assigned department and management department to make it one of the means of communication. In addition, brief explanations about fingerspelling and sign language are posted throughout the plant to facilitate communication among employees.



Hands-on learning in the workplace



Poster about sign language posted in the plant

Supply Chain Management (Labor)

Improving labor environments in the supply chain will encourage job retention and result in higher quality products and services, which will bring a smile to the faces of stakeholders, foremost of which are customers. The Bandai Namco Group is working to safeguard human rights and improve the labor environment across the entire supply chain.

Initiatives for Labor Environments in the Supply Chain

Implement 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 highpotential human rights risks in the manufacturing sector in East Asia and Southeast Asia among the Group's businesses. In the fiscal year ended March 31, 2024, 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.



Conduct supplier surveys based on the Code of Conduct, etc.

The Group is committed to maintaining and improving supply chain management in each business segment, and implemented the following initiatives in fiscal 2023.

Bandai and Bandai Spirits 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 300 companies in fiscal 2023). Additionally, we verify CoC items through reports from third-party CoC standards such as the Sedex Members Ethical Trade Audit (SMETA) and the International Council of Toy Industries (ICTI). 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







BFA in progress

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 confirm human rights requirements. Additionally, Bandai (Shenzhen), which provides production and quality management for major products destined for Europe and North America, conducts transactions with factories certified by third-party organizations such as the ICTI Ethical Toy Program and SMETA. These certifications include prohibitions on forced labor, human trafficking, and child labor. All primary factories for products for Europe and North America that Bandai (Shenzhen) transacted with in fiscal 2023 were certified.

Bandai Namco Amusement carries out transactions only with suppliers for which it has confirmed do not engage in 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 fiscal 2023, audits were conducted on one new factory and one existing factory that we do business with).

Recognize suppliers using the Bandai Supplier Awards

Bandai hosts the annual Supplier Conference to share information on several topics including the production environment as well as requirements in terms of human rights and labor standards. We use this venue to actively disseminate and share information with suppliers. We established the Bandai Supplier Awards that recognize suppliers who clear the performance indicators set by Bandai at a high level. We ask suppliers that receive an award to lead presentations for other suppliers in an effort to share know-how with frontline operations. Through such opportunities, we are implementing initiatives closely with suppliers to ensure legal compliance and improvements in their labor environments.



→ <u>To learn more about the Supplier Conference, click here.</u>

Initiatives for raising 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.

To ensure compliance with laws, ethical behavior, and internal regulations, the Bandai Namco Group has established the Bandai Namco Group Compliance Charter, which serves as a code of conduct for directors and employees of the Company and its subsidiaries. We have distributed in-house posters across the entire



Executive workshop

Group, including overseas locations, clearly stating the Compliance Charter. At the same time, we distribute the Bandai Namco Group Compliance Book, a practical guide, to all directors and employees.

Additionally, the Group conducts compliance awareness surveys for directors and employees and works to disseminate the philosophy outlined in the charter through various in-house training programs, including e-learning and new employee training.

Furthermore, believing that promoting executive management's understanding is vital to strengthening human rights measures in the Group, we hold study sessions on human rights for directors of Bandai Namco Holdings. We also hold seminars and e-learning for employees on topics such as sustainability, work-life balance, the LGBTQ community, and disabilities to raise awareness of human rights and foster a culture of sustainability within the Group.

Compliance training for artists

Bandai Namco Music Live conducts compliance training for exclusive artists and related personnel in order to protect the value of its artists and fulfill its social responsibilities. The company hosts special training and seminars to raise awareness of compliance, relearn social responsibilities and general common sense in music and entertainment, and raise the awareness and capabilities of employees managing artists.

The training was held once in fiscal 2023 under the company's legal department. More than 40 people participated, including directors, management staff, and exclusive artists. In fiscal 2024, the content was updated, and the course is being held three times in total.



Harmonious Coexistence with Communities

The Bandai Namco Group aims to live and grow together with local communities in order to continue to be a Group that is appreciated by communities and fans and is necessary for society.



Tamagotchi © BANDAI

Relevant SDGs



Key Items

- Collaboration with local communities
- Educational assistance for the next generation
- Invigoration of fan communities

Key Items and Main Measures



© BN



Educational Assistance for the Next Generation

As the leaders of tomorrow, children are an important pillar of our future. The Bandai Namco Group focuses on activities that help foster the next generation through education and sports. We are also working to support children's welfare and health.

→ Educational Support for Children



Invigoration of Fan Communities

The Bandai Namco Group's IP will be used to bring information to fans around the world in ways that were not possible before. The Bandai Namco Group stands fully committed to harnessing the power of IP to ensure the sustainability of tomorrow.

→ Initiatives for Disseminating Culture and Information

→ Initiatives for the Arts and Sports

Main Initiatives



Collaboration with Local Communities

Invigorating Choshi City through THE IDOLM@STER SideM



Collaboration with Local Communities

Performers liven up Yokohama Minato Mirai + THE IDOLM@STER MILLION LIVE!



Collaboration with Local Communities

THE IDOLM@STER MILLION LIVE! Collaboration enhancing regional disaster resilience in local governments



Collaboration with Local Communities

Support the revitalization of communities serving as the setting for anime



Collaboration with Local Communities

Contribute to local revitalization and the development of anime culture



Collaboration with Local Communities

Gundam Manhole Project rolling out Gundam Manholes nationwide!



Collaboration with Local Communities

Bringing the Gundam universe to the real world with a life-sized Gundam statue display



Collaboration with Local Communities

Promoting charity activities through music



Collaboration with Local Communities

Create spaces around the Bandai headquarters that provide enjoyment to local residents



Collaboration with Local Communities

Participating in community events across Japan



Collaboration with Local Communities

Community event in Shanghai, China



Collaboration with Local Communities

Local cleanup activities



Collaboration with Local Communities

First appearance of the Gundam series at the Sapporo Snow Festival



Collaboration with Local Communities

Held Girls und Panzer—the first Oarai event in four years



Collaboration with Local Communities

Christmas trees displayed at Group company offices



Collaboration with Local Communities

Participating in donation activities for various organizations



Collaboration with Local Communities
Contribute to traffic safety



Collaboration with Local Communities

Support children's mental well-being through toys



Collaboration with Local Communities

Work on activities with external children's support groups



Educational Assistance for the Next Generation

Gundam Educational Program supporting education with our IP



Educational Assistance for the Next Generation

Cooperate with company visit-based learning



Educational Assistance for the Next Generation

Support children's dreams through outreach classes led by professional athletes



Educational Assistance for the Next Generation

Support children's dreams through outreach classes led by professional athletes



Educational Assistance for the Next Generation

Providing hands-on learning opportunities using games and facilities



Educational Assistance for the Next Generation

Cooperate for the sound development of local youth



Educational Assistance for the Next Generation

Jackie Caravan visiting kindergartens and nursery schools across Japan



Educational Assistance for the Next Generation

Donating toys to less fortunate children



Educational Assistance for the Next Generation

Ongoing charity and donation activities for children



Educational Assistance for the Next Generation

Operation Gundam R creating the future!



Educational Assistance for the Next Generation

Collaborating with Save the Children Japan to carry out support activities



Educational Assistance for the Next Generation

Using in-house content (Othello) to create educational programs for children



Educational Assistance for the Next Generation

Cooperating with activities to raise awareness of visual impairments



Educational Assistance for the Next Generation

Opened Toy & Hobby Factory Pavilion at KidZania Tokyo



Educational Assistance for the Next Generation

Support environmental learning through collaboration with Junior Eco Club



Invigoration of Fan Communities

Disseminate culture and history at Omochanomachi Bandai Museum



Invigoration of Fan Communities

Awarded the Knight's Cross, an Order of Merit of the Republic of Hungary



Invigoration of Fan Communities

Anime song choir project ChoieL—spreading anime song culture to the world!



Invigoration of Fan Communities

Support efforts to pass down intangible cultural heritage in China



Invigoration of Fan Communities

Concluding sponsorships with pro sports teams in North America



Invigoration of Fan Communities

Sponsorship agreement with professional football club Ehime FC



Invigoration of Fan Communities

Participate in the Sport in Life Project



As a member of the local community, the Bandai Namco Group engages in social activities together with communities and continues working toward the revitalization of local economies using its IP.

Local revitalization

Support for areas impacted by disasters

Contributions to Local Revitalization

Invigorating Choshi City through THE IDOLM@STER SideM

In October 2021, we began working with Jupiter, an idol unit affiliated with 315 Productions that appears in Bandai Namco Entertainment's THE IDOLM@STER SideM, and Choshi Electric Railway. In July 2022, we began our collaboration with Choshi City, Chiba Prefecture, to roll out the Choshi PR Campaign. Since then, idols belonging to 315 Productions have engaged in PR activities highlighting popular tourist spots in Choshi City. At these locations, we displayed posters and life-sized panels of these idols and also sold original merchandise, thereby attracting many visitors.

Furthermore, in November 2023, members from the idol unit DRAMATIC STARS were chosen as the PR ambassadors for the Chiba Branch of East Japan Railway Company. In December 2023, we commenced the "315 ni ii Choshi" Choshi Tourism Campaign, which marked the 100th anniversary of Choshi Electric Railway and the start of the EeeE Choshi Service, a service for planning trips to Choshi City and its surrounding areas.



THE IDOLM@STER™& ©Bandai Namco Entertainment Inc.

Performers liven up Yokohama Minato Mirai + THE IDOLM@STER MILLION LIVE!

Bandai Namco Entertainment has launched a collaborative initiative with Yokohama Minato Mirai for THE IDOLM@STER MILLION LIVE. In the Minato Mirai 21 area, efforts are being made to promote the Music Port YOKOHAMA campaign, aiming to enhance the city's appeal and vitality by branding Yokohama as a music city. As part of this initiative, the interactive event, the Million Walking Tour in Minato Mirai was held in conjunction with the THE IDOLM@STER MILLION LIVE! 10th LIVE TOUR Act-4 MILLION THE@TER!!!! at K-Arena Yokohama in February 2024. Utilizing Sony Corporation's Sound AR[™] service, Locatone^{™*}, participants were able to experience the sensation of exploring Minato Mirai alongside the performers.



THE IDOLM@STER™& ©Bandai Namco Entertainment Inc.

* Sound AR[™] and Locatone[™] are trademarks of Sony Group Corporation or its affiliated companies.

THE IDOLM@STER MILLION LIVE! Collaboration—enhancing regional disaster resilience in local governments

THE IDOLM@STER MILLION LIVE! held by Bandai Namco Entertainment collaborated with the Toyosu Disaster Prevention Festiv@l 2024 organized by the Koto Ward Association for Better Regional Disaster Prevention Capabilities to enhance disaster resilience in local governments. The event featured initiatives unique to IP collaborations, such as AED training sessions and the sale of exclusive disaster preparedness items, as well as a venue that immersed attendees in the IDOLM@STER MILLION LIVE! universe. This attracted not only local residents but also young people, including "producers" (the fan nickname for fans of the THE IDOLM@STER series), who have fewer opportunities to engage in disaster prevention activities, resulting in approximately 33,000 attendees throughout the event.



Scene from the event



One of the exclusive disaster preparedness items (canned soft bread)

THE IDOLM@STER™& ©Bandai Namco Entertainment Inc.

Support the revitalization of communities serving as the setting for anime

At Bandai Namco Filmworks, we are supporting regional revitalization in Numazu City, Shizuoka Prefecture, which is the setting of the Love Live! Sunshine!! animation.

The Numazu Tourism Portal features a map of accessible locations where Love Live! Sunshine!! takes place in the city. Additionally, we are helping to invigorate the city's tourism resources together with local residents. This includes wrapping public railcars and buses in vinyl film featuring scenes from the animation for promotional purposes and assisting with Machiaruki Stamp, an event where people visit tourist spots around the city to collect stamps.

In 2023, we participated in the Love Live! Sunshine!! Numazu Local Love Festival and the Numazu Future Expo 2023, part of the Numazu City 100th Anniversary Celebration.



© 2017 PROJECT Lovelive! Sunshine!! © 2019 PROJECT Lovelive! Sunshine!! Movie

Contribute to local revitalization and the development of anime culture

At Bandai Namco Filmworks, we are working with Tokyo's Suginami Ward, where we have an office, to help vitalize the community and foster anime culture under the slogan "Suginami—City of Anime."

We provided images of characters from our animation for flags made by Suginami Ward that are displayed near Ogikubo Station on the JR Chuo Main Line and Tokyo Metro Marunouchi Line. We also installed a Mobile Suit Gundam statue in front of Kami-Igusa Station on the Seibu Shinjuku Line. This statue is also used to raise awareness about a fire prevention campaign in the community.





© SOTSU · SUNRISE

In addition, we actively participate in various events held in Suginami Ward. For example, Bandai Namco Filmworks and Sunrise Beyond offered a flipbook class at Suginami Festa held in fiscal 2022.

Gundam Manhole Project—rolling out Gundam Manholes nationwide!

In August 2021, we launched the Gundam Manhole Project in cooperation with local governments across Japan. In this initiative, we are installing Gundam Manholes, which are manhole covers featuring designs of characters and Mobile Suits that appear in Mobile Suit Gundam, in various locations nationwide. We aim to make these manholes a testament to the bond between Gundam fans and Gundam that transcends generations, thereby revitalizing Japan in cooperation with local governments.



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To learn more, click the link below.

→ <u>Official website of the Gundam Manhole Project (in</u> Japanese only)

Bringing the Gundam universe to the real world with a life-sized Gundam statue display

As part of the Bandai Namco Group's cross-functional project known as the "Gundam Project," life-sized Gundam statues were installed in various locations. Most recently, in April 2022, a full-scale RX-93ff v (New) Gundam was on display at Mitsui Shopping Park LaLaport Fukuoka in April 2022. This was the seventh lifesized Gundam and the first in the West Japan area. The v (New) Gundam that appears in Mobile Suit Gundam: Char's Counterattack, the first completely original movie in the Gundam series, is very popular both in Japan and abroad. Under the supervision of Yoshiyuki Tomino, the director of the series, the newly designed RX-93ff v (New) Gundam is the tallest life-sized Gundam yet, with a maximum height of 24.8 meters. In Fukuoka, considered the gateway to Asia, we hope that many Gundam fans enjoy the experience.



Life-sized v (New) Gundam statue exhibited at LaLaport Fukuoka © SOTSU • SUNRISE

History of Life-sized Gundam Statues

Year of installation and location	Gundam type
2009 Shiokaze Park (Shinagawa Ward, Tokyo)	RX-78-2 Gundam Ver. G30th
2010 Higashi Shizuoka Square (Shizuoka City, Shizuoka)	RG1/1 RX-78-2 Gundam
2012 DiverCity Tokyo (Koto Ward, Tokyo)	RG1/1 RX-78-2 Gundam Ver. GFT
2017 DiverCity Tokyo (Koto Ward, Tokyo)	RX-0 Unicorn Gundam Ver. TWC
2020 Yamashita Pier (Yokohama City, Kanagawa)	RX-78F00 Gundam
2021 LaLaport Shanghai Jinqiao (Shanghai, China)	ZGMF-X10A Freedom Gundam Ver. GCP
2022 LaLaport Fukuoka (Fukuoka City, Fukuoka)	RX-93ff v Gundam

To learn more, click the link below.

 \rightarrow Official website of the life-sized v (New) Gundam

Promoting charity activities through music

Bandai Namco Music Live uses the proceeds from charity merchandise auctions at artists' performance venues and live streaming to donate to nature conservation.

We have cooperated with the Inazuma Rock Festival, which is held for the purpose of preserving Lake Biwa, since 2021. We will continue to promote charity activities through music.



© INAZUMA ROCK FES. 2023 Executive Committee © 2024 Project Love Life! Super Star!!

Create spaces around the Bandai headquarters that provide enjoyment to local residents

The first and second floors of the Bandai headquarters building are dedicated museum spaces that can be enjoyed by the general public. In addition, statues of various characters have been installed at Fan Fun Street next to the headquarters building in an effort to promote interactions with local residents and benefit the community.

Notes:

- The exhibits on the first and second floors of the Bandai headquarters are open to the public (free of charge).
- Open hours are from 11:00 a.m. to 5:00 p.m. on weekdays (final admission at 4:30 p.m.).
- The exhibits are closed on weekdays that are the Company's designated holidays.
- Please note that the exhibits may be closed due to company events or other occasions.



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- © Takashi Yanase/Froebel-kan, TMS, NTV
- $\ensuremath{\mathbb C}$ BANDAI/TV TOKYO, Cocotama Production Committee
- © Bird Studio/Shueisha, Toei Animation
- $\ensuremath{\mathbb{C}}$ Fujiko-Pro,Shogakukan,TV-Asahi,Shin-ei,and ADK

Participating in community events across Japan

Bandai Spirits is a member of Minato Eco-Conscious Consortium organized by Minato Ward in Tokyo. In fiscal 2023, we participated in Business and the Environment Exhibition 2023 organized by Minato Eco-Conscious Consortium. During the event, we held an original environmental learning program called Capsule Stamp Workshop for elementary school students and their parents living in Minato Ward.



Workshop led by Bandai Spirits



Community event in Shanghai, China

Bandai Namco Holdings China, based in Shanghai, China, held a gaming event to connect the local community with Bandai Namco fans at Yuyuan Road in Shanghai from February 24 to 26, 2023. At the event venue, in addition to holding board games utilizing IP (intellectual property such as characters) such as Taiko no Tatsujin, we distributed novelty items of PAC-MAN and Gundam. More than 2,000 fans and local residents participated in the event over three days.



PAC-MAN[™] & © Bandai Namco Entertainment Inc.

Local cleanup activities

At various locations of the Bandai Namco Group, we participate in local cleanup activities.

In fiscal 2023, we took part in a beach cleanup event organized by the nonprofit organization Orange County Coastkeeper at Bolsa Chica Beach, California, the United States. Through this activity, we contribute to protecting water that allows people to swim safely and fish to thrive, promoting the overall restoration of the region's watersheds.

In Lyon, France, we participated in the campaign, Clean in Lyon, which focuses on picking up litter from both the rivers and land to address water pollution and waste issues. Alongside other companies and organizations, we spent a day cleaning up, resulting in a total of 3.345 tons of waste collected. Additionally, in collaboration with the scuba diving organization, Diving for Future, we retrieved three tons of waste from the rivers.







Beach cleanup event in the United States

Contributing to a safe and clean community

We participated in the local cleanup activity organized by the Minato Ward aimed at promoting a smoke-free environment in the Shiba district. Working with the local government and nearby companies, we led cleaning activities by picking up litter around the west exit of Tamachi Station, while other participants engaged in awareness-raising activities regarding the prohibition of street smoking in Minato Ward, removed graffiti, and placed warning stickers on abandoned bicycles and illegal street signs.

First appearance of the Gundam series at the Sapporo Snow Festival

The Bandai Namco Group's cross-functional project, Gundam Project, made its first appearance featuring the Gundam series at the Odori Site of the 2024 Sapporo Snow Festival.

To introduce the Gundam series to many people both domestically and internationally, a snow sculpture of the Rising Freedom Gundam from the film, Mobile Suit Gundam SEED Freedom, was displayed during the Sapporo Snow Festival. Additionally, a visually immersive booth featuring themed branding was set up for the sale and exhibition of related merchandise.



Ice sculpture display at Sapporo Snow Festival \circledast SOTSU \cdot SUNRISE

Event Overview

Event	2024 Sapporo Snow Festival (74th)
Snow sculp - ture name	Rising Freedom Gundam (Mobile Suit Gundam SEED Freedom)
Venue	Odori Site, 7-chome HBC German Square (Address: Odori Nishi 7-chome, Chuo Ward, Sapporo City)
Features	Small snow sculpture, exhibition and merchandise booth
Event period	February 4 (Sun.) to February 11 (Sun., National Holiday), 2024

Held Girls und Panzer-the first Oarai event in four years

In November 2023, we participated in the Oarai Anglerfish Festival in Oarai Town, Ibaraki Prefecture, where Girls und Panzer is set, and held the first Girls und Panzer cast event in four years. The Oarai Anglerfish Festival is an annual event held in Oarai Town known locally as a seasonal autumn event.

On the day, a talk was held on stage at Toyopet Smile Hall Oarai. The event was broadcast live on YouTube and merchandise was sold, enlivening the atmosphere for the festival participants and Girls und Panzer fans from all over the country.



Christmas trees displayed at Group company offices

At the company buildings of each Group company, Christmas trees featuring Bandai Namco characters were displayed during the Christmas season, creating a space that could be enjoyed by visiting customers and the general public.

In addition, along with the tree, the Christmas display at some locations displayed Christmas present boxes made from recycled infection prevention panels that were used to stop the spread of COVID-19.



Christmas tree decorated with Bandai Namco characters



Christmas present boxes made using recycled COVID-19 infection prevention panels

Participating in donation activities for various organizations

Bandai Namco Korea conducted a donation-based walking challenge as part of the 20th anniversary of Gundam Base from October 16, 2023, to November 30, 2023, spanning 46 days. The walking challenge was designed to promote employee health, reduce CO2 emissions, and support children who will shape the future. Ultimately, 100 employees participated in the event, achieving a total of 41,479,087 steps, significantly exceeding the initial goal of 20,000,000 steps. Based on these results, a donation of 5 million KRW, equivalent to approximately 625 Happy Lunch Boxes, was made through Happy Alliance, a social contribution organization, to support the healthy growth of foodinsecure children.

In addition, on December 3, 2023, employees from Bandai Namco Toys & Collectibles America (BNTCA) and Bandai Namco Entertainment America (BNEA), along with their family and friends, participated in the JDRF One Walk event held at Angel Stadium in Anaheim, California. This event is a charity walk organized by Juvenile Diabetes Research Foundation (JDRF) aimed at raising funds for the treatment, prevention, and cure of type one diabetes. A total of 32 participants, including family and friends, joined from the Bandai Namco Group.

Meanwhile, in fiscal 2023, Bandai Namco Foundation of America served as a sponsor for the activity zone, providing children with games and prizes. It also donated around US\$14,000 to support future activities for children.





Charity walk held by JDRF

Contribute to traffic safety

At business sites with trucks or passenger vehicles of Bandai Logipal and Logipal Express, we provide ongoing donations to traffic safety associations in the local area to help support traffic safety activities. During traffic safety week in spring and autumn, we work together with local police departments and traffic safety associations to raise awareness along the streets.



Receiving a letter of appreciation for a donation

Local revitalization

Support for areas impacted by disasters



As a member of the local community, the Bandai Namco Group engages in social activities together with communities and continues working toward the revitalization of local economies using its IP.

Local revitalization

Support for areas impacted by disasters

Support for Areas Impacted by Disasters

Support children's mental well-being through toys

Bandai worked with Save the Children Japan (SCJ) to plan and manufacture a Bandai support toy for use in times of disaster. The toy supports children's mental well-being by easing stress and worry during a disaster. This toy was designed so that it provides children with someone to talk to or a friend that gives them comfort during their time in temporary housing. Accordingly, the toy is provided to areas impacted by a disaster together with the Emergency Children's Kit that is distributed as part of disaster relief supplies by SCJ. In fiscal 2023, in addition to areas impacted by the Noto Peninsula Earthquake of January 2024, donations were made to five other locations including Taito Ward, Tokyo, where the Bandai Headquarters is located.



Children's Emergency Kit

Work on activities with external children's support groups

Bandai Namco Holdings has worked with Save the Children Japan (SCJ), an expert organization in children's support, since 2011 to provide workshops for children from disaster-affected areas in Japan. With the cooperation of SCJ, we also hold seminars for employees to introduce efforts aimed at providing humanitarian assistance, such as food, medical supplies, and shelter, to people affected by the crisis in Ukraine and those who have fled to surrounding countries, as well as to share the latest trends in sustainability. In addition, each year Bandai Namco and shareholders give a total of ¥10 million to SCJ through the use of complimentary shareholder benefits. The donated funds are used for activities implemented by SCJ that support children in Japan as well as for aid to areas affected by disaster.





©oleksandr Khomenko ©Vsevolod Prokofiev/ Save the Children

Local revitalization

Support for areas impacted by disasters

Educational Assistance for the Next Generation

As the leaders of tomorrow, children are an important pillar of our future. The Bandai Namco Group focuses on activities that help foster the next generation through education and sports. We are also working to support children's welfare and health.

Educational Support for Children

Gundam Educational Program supporting education with our IP

From fiscal 2021, we started the Gundam Educational Program, which provides opportunities to think about the fun of manufacturing and environmental issues. For the subject matter, this initiative draws on Gundam model kits and the life-sized moving Gundam at Gundam Factory Yokohama.

Educational Support

Since November 2021, we have been holding an educational support program for elementary and junior high school students at the Gundam Factory Yokohama to learn about and experience the workings of the lifesized moving Gundam. This program aims to spur interest in manufacturing. By the end of the life-sized moving Gundam's exhibition on March 31, 2024, a total of 7,554 students from 102 schools had participated in the program.

Gunpla Academia

We have been holding classes on model kits assembly, called Gunpla Academia, at elementary schools across Japan since October 2021. As of July 2024, more than 600,000 elementary school students from over 8,000 elementary schools had participated in these classes. By



Providing educational support © SOTSU • SUNRISE



Gunpla Academia

showing students videos and having them experience model kits assembly, we communicate to students the fun of manufacturing and introduce them to our initiatives to protect the global environment, such as the Gunpla Recycling Project.

→ <u>Gunpla Academia, a plastic model lesson package</u> (<u>in Japanese only</u>)

Cooperate with company visit-based learning

Bandai Namco Group companies host visits for children in the local community.

In August 2023, Bandai hosted the Thomas Edison Special Exhibition lecture as part of its sustainability project, Future Creation, aimed at providing educational and experiential value for children who will shape the future. A total of 19 schools participated, with students from the third to fourth grades.

Bandai Namco Filmworks provides elementary, junior high, and high school students with social education opportunities. These include practical, hands-on training using our own IP as curriculum, providing the chance to learn about animation, IP creation, and production. Since 2020, approximately 640 students from 28 schools have participated.

In December 2023, Bandai Namco Holdings conducted an learning program at the Bandai Head Office for first-year students from Honjo Junior High School in Sumida Ward, where they learned about the sustainable activities of the Bandai Namco Group.





Numerous letters received from children after their visit

Special lectures at universities and vocational schools through industry-academia collaboration

Students from the Nippon Designers School Malaysia aspiring to pursue animation production were invited to tour the production studio and VR production studio of Bandai Namco Filmworks, accompanied by an information session on animation production. The students participated enthusiastically, asking many questions.

In addition, at MegaHouse, a special lecture (Toy Invention Program) was held by the Othello representatives at the Doshisha University.

Furthermore, Bandai Spirits works with the local community to implement initiatives aimed at attracting talent to the manufacturing industry. In Shizuoka Prefecture, where the Bandai Hobby Center (BHC) is located, we hold lectures covering such topics as industrial innovation and BHC-style commitment to manufacturing together with Shizuoka University, and also hold special lectures at the Shizuoka Prefectural High School of Science and Technology's school festival. Additionally, lectures are held at various locations, such as the International Plastic Fair and the Nagaoka Monozukuri Fair, with the aim of revitalizing the entire manufacturing industry.





International Plastic Fair

Touring an anime production studio in Malaysia





Lectures at Shizuoka University and Doshisha University

Support children's dreams through outreach classes led by professional athletes

Shimane Susanoo Magic, a professional basketball team partly managed by Bandai Namco Entertainment, has hosted the Dream Class since 2007, where its basketball players visit kindergartens, nursery schools, and elementary schools in Shimane Prefecture to talk with the children about their dreams for the future.

In addition, with the aim of contributing to Matsue City, we actively engage in PR activities for various measures, such as promoting reflective materials, eradicating violence, and activities for the Central Community Chest of Japan.



Dream Class in session

Providing hands-on learning opportunities using games and facilities

Bandai Namco Amusement actively provides a variety of hands-on learning opportunities for children who will lead the future by utilizing games and facilities.

In fiscal 2023, we actively collaborated with nearby schools to provide work experience opportunities at amusement facilities across the country, including two Namco locations and four Tondemi locations. This is part of our local community contribution activities.



Work experience session at Namco YouMe Town Tokushima



Work experience session at Tondemi Makuhari

Cooperate for the sound development of local youth

Many of the youth use our amusement facilities. At Bandai Namco Amusement and Pleasure Cast, we work closely with related institutions to encourage employees to obtain the JAIA Youth Advisor^{*} qualification to help foster the sound development of youth in the community.

* A qualification awarded to persons completing the JAIA Youth Instructor Development Program training held by the Japan Amusement Industry Association (JAIA), an industry group for the arcade game and amusement facility industries. These individuals have specialized knowledge and experience in activities for fostering youth.



POP stores with youth advisors

Jackie Caravan visiting kindergartens and nursery schools across Japan

Charaken holds the Jackie Caravan in which a music troop featuring the main character Jackie and the bears from the picture book series The Bears' School visit kindergartens and nursery schools across Japan to deliver happiness to children. In fiscal 2023, Jackie Caravan collaborated with an NPO to distribute Christmas presents to 12 children's wards across Japan.





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Donating toys to less fortunate children

In March 2023, Bandai Namco Holdings China launched the Future Dream Creation Project in China. This project aims to connect with children with disabilities and children living in poverty through dreams, fun, and inspiration together with various partners. As the first initiative of the project, we donated 2,000 sets of toys to special needs schools in Jiangsu Province, China from March 2 to 13, 2023.

In addition, Bandai Namco Asia (headquarters in Hong Kong), which procures, sells, and imports and exports toys in Asia, donated 7,083 toys to Gracious Shepherd Christian Church, a local organization providing support to children, in April 2023 to promote a society where children who will lead a bright future can be raised in good health and have dreams and hopes. The toys were delivered to less fortunate families with children at a free event held by Gracious Shepherd Christian Church on April 16, 2023.

Under our Purpose of "Fun for All into the Future," the Bandai Namco Group will deliver fun and inspiration to people around the world and pursue smiles and happiness into the future.



Future Dream Creation Project started in China



Handing out free toys donated in Hong Kong

Ongoing charity and donation activities for children

Since its establishment in 1995, Bandai Namco Foundation of America, has continued focusing on charity and donation initiatives aimed at promoting the health and welfare of children.

Among these, the organization has continuously participated in the Children's Hospital of Orange County (CHOC) Walk for over 10 years. This event is one of the largest and most unique pediatric fundraising initiatives in the United States, attracting over 800 teams and more than 35,000 participants each year. Over its 31-year history, it has raised approximately US\$42 million. We will continue to participate in and contribute to charity events, supporting children's hopes for the future and bringing them happiness.



The pediatric fundraising event, CHOC Walk

Operation Gundam R—creating the future!

Operation Gundam R is a hands-on event launched as part of the Gundam Recycling Project with the aim of recycling Gundam model runners (the plastic frame used to contain the parts of plastic models) collected with the help of fans and creating a circular society. Launched in April 2021, Operation Gundam R collected approximately 11 tons of runners from 31 locations in fiscal 2021 and approximately 21 tons of runners from 51 locations in fiscal 2022.

In fiscal 2023, the third year, the number of locations was expanded to more than 57 across Japan, including shopping centers and music festival venues. At these locations, sample Gundam plastic model kits made from ECOPLA, made from recycled runners, special booklets, and limited edition stickers were handed out free of charge. In addition, after fans enjoyed assembling their Gundam models at these venues, they were able to place the runners in collection boxes, giving them a sense of being part of plastic recycling.





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Collaborating with Save the Children Japan to carry out support activities

The Bandai Namco Group collaborates with Save the Children Japan to carry out activities for children in disaster-stricken areas, alongside unique initiatives such as hosting craft and plastic model classes themed around the picture book series The Bears' School.

In 2023, as part of the Children's Experience Program 2023, we held a Make and Learn! Dinosaur Plastic Model Class, which saw participation from a group of 30 children in the first to third grades along with their parents. The event featured activities such as plastic model building and dinosaur quizzes, in addition to an introduction to the plastic model runner recycling initiative. The program was designed to spark children's interest in living things and the environment through toys and play, paving the way for their next learning experiences. We will continue our activities aimed at children in the future.



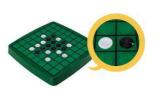
Children's Experience Program 2023

Using in-house content (Othello) to create educational programs for children

MegaHouse provides an educational program aimed at children, emphasizing their value as the future. This program, which teaches the concept of universal design through the game Othello, is designed for

implementation in elementary school classes throughout Japan. This program was developed in collaboration with Kanko Manabonect Co., Ltd. and features easy-to-

understand videos that incorporate the universal design



Ittai Othello incorporates universal design



A look at the educational program

concept using Ittai Othello, where the pieces are built into the board game. It is a free educational program that enables students to learn about universal design and the processes of problem discovery and resolution. Othello celebrated its 50th anniversary in 2023 and has been beloved by many users, including children. Moving forward, we hope that Ittai Othello will provide enjoyable learning experiences for those with visual impairments and many children.

Cooperating with activities to raise awareness of visual impairments

MegaHouse introduces its universal design products (shared play toys) in the toy section of the equipment shop at the Japan Braille Library and in the audio magazine Nitten Daisy Magazine published by the library.



Recording the audio version of Daisy Magazine

Opened Toy & Hobby Factory Pavilion at KidZania Tokyo

Bandai opened the Toy & Hobby Factory Pavilion at KidZania Tokyo, a facility for children's work and social experience, on March 28, 2023.

The pavilion offers children the opportunity to experience creating capsule toys, which is one of Bandai's business ventures. As staff at the toy factory, children put on original uniforms only worn at KidZania Tokyo and create "PAC-MAN Capchara" toys in KidZania Tokyo-exclusive colors using materials made from recycled empty capsules. In addition to learning about environmentally friendly product manufacturing, the pavilion also conveys the fun of manufacturing through the manufacturing process using various machines, and provides an opportunity for the children to develop an interest in environmentally friendly product manufacturing and sustainability. We hope that the pavilion experience helps children as the flagbearers of tomorrow to "create fun times" together.



©KidZania PAC-MAN™ & © Bandai Namco Entertainment Inc.

Support environmental learning through collaboration with Junior Eco Club

As part of its sustainability initiatives, Bandai Namco Holdings has entered into a partnership agreement with the Junior Eco Club^{*1}, a program focused on voluntary environmental activities and learning for children, to support their efforts and their participation in nature experiences. In February 2024, a total of 20 participants, consisting of Group employees and their families, participated in the Lake Senba Environmental Learning Class^{*2}, gaining an understanding of the topography and geological features of the area around Lake Senba. The Group will continue to participate in the activities of the Junior Eco Club, providing opportunities for employees to experience the importance of environmental conservation.

- *1 The Japan Environment Association, which runs the Junior Eco Club, operates under the auspices of the Ministry of the Environment and the Ministry of Education, Culture, Sports, Science and Technology. The association collaborates with local governments, companies, and organizations to promote children's environmental activities. The association has approximately 2,300 clubs nationwide, with around 97,000 registered members as of September 30, 2024.
- *2 Organized by the Ibaraki Prefecture Environmental Management Association, with cooperation from the Sakasagawa Junior Eco Club.



Participating employees with members of the Sakasagawa Junior Eco Club

Invigoration of Fan Communities

The Bandai Namco Group's IP will be used to bring information to fans around the world in ways that were not possible before. The Bandai Namco Group stands fully committed to harnessing the power of IP to ensure the sustainability of tomorrow.

Dissemination of culture and information

Art and sports

Initiatives for Disseminating Culture and Information

Disseminate culture and history at Omochanomachi Bandai Museum

Since 2007, Bandai has been operating the Omochanomachi Bandai Museum in Mibu Town, Tochigi Prefecture, consisting of four unique themed museums: Japan, World, Edison, and Hobby (Gundam), which can be enjoyed by patrons of all ages.

In addition, as part of the effort to provide educational and experience-based value to children who will lead the future, the Thomas Edison Special Exhibition was opened at the Bandai headquarters in March 2023. Phonographs,



Omochanomachi Bandai Museum in Mibu Town, Tochigi Prefecture



Thomas Edison Special Exhibition at the Bandai headquarters

incandescent light bulbs, toasters, and other inventions that still work today from the collection of the Edison Museum, which is operated by the Bandai Collection Foundation in Mibu Town, Tochigi Prefecture, are being exhibited in a booth inspired by a part of Edison's birthplace in the state of Ohio, in the United States, along with information about Edison's life and his quotes

Through exhibits that help children interact, learn, and recreate to be the future leaders of society, we aim to contribute to the sound development of children's minds and bodies and diverse thinking.

Awarded the Knight's Cross, an Order of Merit of the Republic of Hungary

In April 2024, Akihiro Sato, representative and CEO of MegaHouse Corporation, has been awarded the Knight's Cross, an Order of Merit of the Republic of Hungary. This award is given to individuals who have contributed to Hungary, regardless of their nationality. MegaHouse has been recognized for its long-standing efforts in marketing and distributing the Rubik's Cube, invented by Hungary's Ernő Rubik, in Japan, enhancing its recognition and promoting Hungarian innovation among a broad audience. This achievement led to the awarding of the honor.

The Rubik's Cube is a three-dimensional puzzle developed by Ernő Rubik in 1974. Originally crafted from wood to help explain three-dimensional geometry to students, it was commercialized in Hungary in 1977 under the name Magic Cube. In 1980, it was renamed Rubik's Cube and launched globally. The Rubik's Cube was released in Japan on July 25, 1980, by Tsukuda Original, and is currently marketed by MegaHouse.



Anime song choir project ChoieL—spreading anime song culture to the world!

ChoieL, an anime song choir project carried out by Bandai Namco Music Live, was launched in June 2022, with the aim of bringing together the beloved tradition of choir and the world of anime songs, a proud IP of Japanese culture. The project seeks to deliver to the world the experience of beautifully produced anime songs, together with fans of all ages, from children to adults. Taking place in two parts, a total of 65 choir groups comprising nearly 380 people participated in the contest. Among the participants were many fans from elementary school choirs and adult choirs, among other groups.

 \rightarrow <u>Official website of ChoieL (in Japanese only)</u>





The first choir recording session

Support efforts to pass down intangible cultural heritage in China

Bandai Namco Holdings China has been working to protect China's intangible cultural heritage since 2018.

In November 2022, through a joint effort with the Shanghai Library and Suzhou Library, we held a hands-on event on the restoration of old books, which is part of China's intangible cultural heritage. By adding environmental protection elements and designs using our IP (PAC-MAN), we have decided to teach traditional techniques while providing a fun experience for children who will lead the future. More than 250 children participated in this event. For this activity, Bandai Namco Holdings China took home the Gold Stevie® Award in the category of Innovation in Public Enterprise Events at the 2022 Asia-Pacific Stevie® Awards^{*1}, the Silver Stevie® Award at the 2022 International Business Awards®, and the Gold Award at the 2022 Golden World Awards^{*2}.

- *1 Business awards established in 2002 to honor and increase recognition of the achievements of companies, organizations, and working professionals around the world that are actively contributing to society.
- *2 International awards organized by the International Public Relations Association that recognize excellent PR activities that satisfy international standards.



Chinese children working on restoration of old books at the hands-on event

PAC-MAN[™] & © Bandai Namco Entertainment Inc.

Dissemination of culture and information

Art and sports

Invigoration of Fan Communities

The Bandai Namco Group's IP will be used to bring information to fans around the world in ways that were not possible before. The Bandai Namco Group stands fully committed to harnessing the power of IP to ensure the sustainability of tomorrow.

Dissemination of culture and information

Art and sports

Initiatives for the Arts and Sports

Concluding sponsorships with pro sports teams in North America

We have concluded sponsorship agreements with pro sports teams in California, where we have our U.S. headquarters, thereby promoting interactions with fans as a company deeply rooted in the local community.

At BMO Stadium, the home of the local Los Angeles FC soccer team, we opened the new amusement arcade Level Up by Bandai Namco. This arcade serves as a place where people of all ages and groups, including families and young people, can enjoy games with food and beverages. Additionally, at Angel Stadium of Anaheim, the home field of the Los Angeles Angels, we are energizing the ballpark by holding PAC-MAN races between innings.





PAC-MAN™ & © Bandai Namco Entertainment Inc.

Sponsorship agreement with professional football club Ehime FC

With its headquarters functions in Matsuyama City, Ehime Prefecture, Heart has been a sponsor of Ehime FC, a professional football club representing Ehime Prefecture, since the start of the 2017 season of the Japan Professional Football League (J.League). Through these activities, we not only contribute to Matsuyama City but also improve employee engagement and energize the company.



Participate in the Sport in Life Project

At Bandai and Bandai Namco Amusement, we participate in the Sport in Life Project advocated by Japan Sports Agency.

This project aims to promote sports development with the goal of increasing the national sports participation rate to approximately 70%, a target set by Japan Sports Agency. Both companies are on board with this aim and are implementing various programs to help achieve it. In fiscal 2023, an event was held at the sports experience facility Tondemi operated by Bandai Namco Amusement, where participants had the opportunity to try trampolining alongside Olympic athlete Ryosuke Sakai. At Bandai, efforts are being made to foster an interest in sports among people of all ages, with a particular focus on children. This includes the development of smart shoes that connect with a dedicated app to promote exercise.



Bandai's Digicalized smart shoes for children



Space Athletic Tondemi (children's play place) operated by Bandai Namco Amusement

Dissemination of culture and information

Art and sports