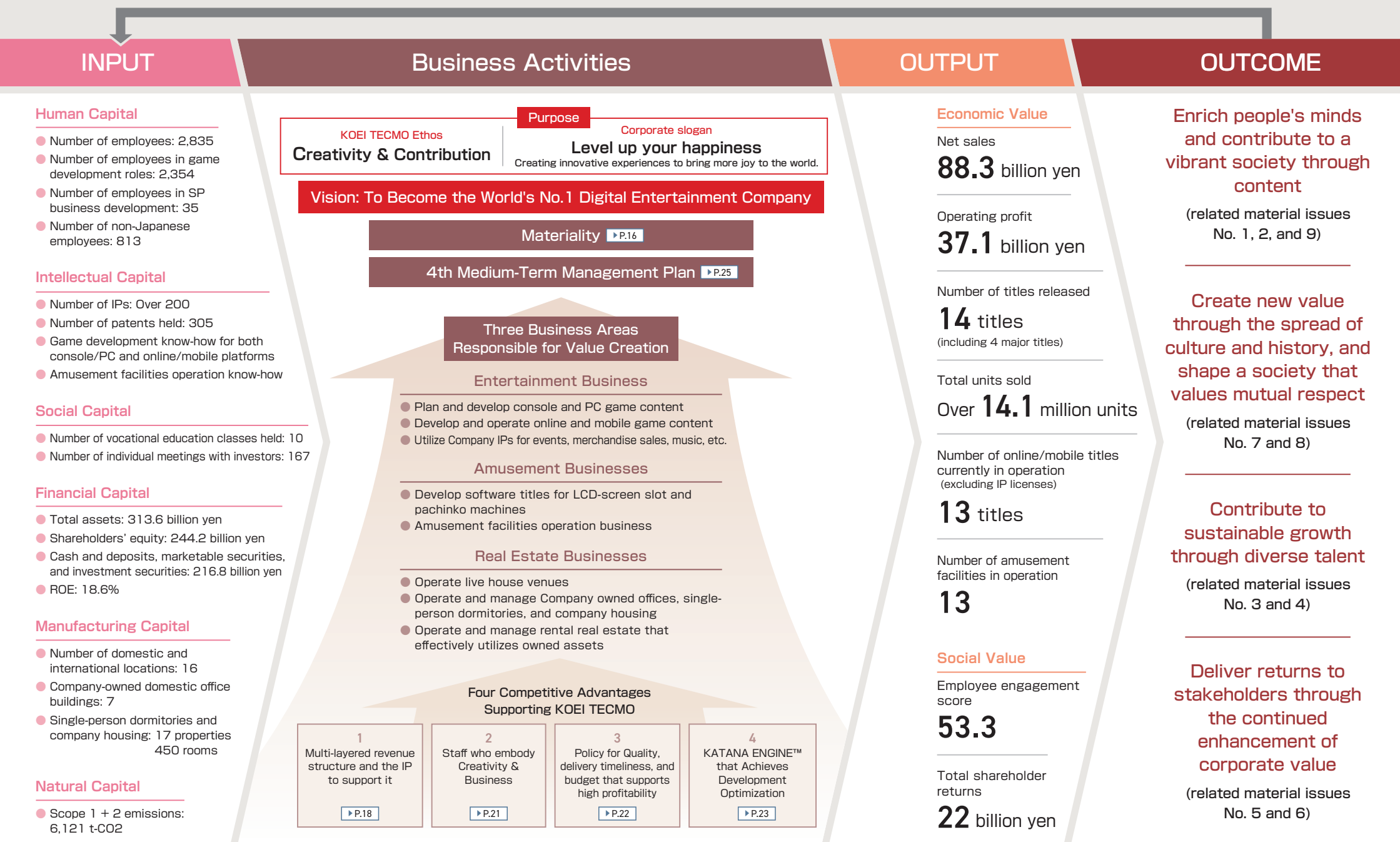




Materialities and Revision Process

Guided by our ethos of “Creativity & Contribution,” the Group revised our materiality criteria in fiscal year 2024 as part of our efforts to realize our vision “to become the World’s No. 1 Digital Entertainment Company.” To achieve medium to long-term growth and enhance corporate value, we have identified nine key priorities. For fiscal year 2026, we are developing KPIs (key performance indicators) to measure and manage progress on initiatives aimed at addressing these material issues.

Materiality	Details
1 Provide the most emotionally moving experiences by delivering new content that exceeds expectations.	Continuously creating new content is the foundation of our sustainable growth, and by consistently providing the greatest excitement to people, we aim to contribute to a vibrant society.
2 Create new appealing features by leveraging IPs.	By developing and utilizing our IPs across a diverse range of entertainment content and creating new appeal, we offer new excitement to people.
3 Develop human resources capable of creating new value.	Through the development of talent with creativity and technical skills, we generate new value and contribute to the growth of the Company and the realization of a better society.
4 Provide a work environment that allows diverse human resources to perform their jobs in a vibrant manner.	By respecting the diverse values of employees and creating a vibrant environment, we enhance engagement and maintain high levels of motivation, thereby improving the Company’s level of competitiveness.
5 Ensure proper distribution of economic value.	We return profits generated through our business activities to stakeholders as appropriate, including shareholders, employees, and local communities, and maintain sustainable growth through contributions to society.
6 Enhance corporate governance.	We prioritize transparency and fairness to achieve sustainable growth and improve corporate value. Additionally, we work to prevent corruption and bribery, including among business partners, to increase trust from stakeholders.
7 Communicate the appeal of culture and history to the world.	Through our content, we pay homage to history and culture from Japan, Asia, and further afield, while also promoting their appeal to the world. With this, we aim to deepen understanding of different cultures and create a society that values mutual respect.
8 Protect consumers and provide them with an environment where they can safely enjoy the Company’s content.	In consideration of consumer protection, cultural adaptation, information security, and similar factors, we create a safe and enjoyable environment for customers all around the world to play games, thereby enhancing trust with our customers.
9 Contribute to the enrichment of people’s minds.	Through new experiences and excitement, we enrich our customers’ minds and build communities. As a member of society, we actively participate in our local communities and academic activities to contribute to the realization of a better society.

Materiality Revision Process (FY2024)

To determine the priority and significance of the key issues we must address over the next 10 years in pursuit of our long-term vision, we identified our materiality through the following process.

* Details on [Steps for Materiality](#) [Revision here](#)

STEP 1

Organizing a Purpose/ Framework of the Revision

Set the ideal direction and definition for the Group.

To reevaluate our approach from the perspective of addressing social issues and creating social value through our core business, we established a task force led by the Sustainability Committee and comprising the CSuO, the presidents of our operating companies, and outside directors.

STEP 2

Preparing a List of Potential Material Issues

Organize candidates from the defensive perspective for the social issues we should be addressing.

We identified potential candidate issues from both offensive perspectives, such as our vision, basic management policies, and medium-term management plan, and defensive perspectives, such as international guidelines and evaluation criteria.

STEP 3

Narrowing Down Options and Creating a Draft

Examine the value we provide to society and narrow down the options to those with the highest importance.

We evaluated candidate items from the perspectives of both risks and opportunities, and assessed their importance based on internal and external viewpoints. Following extensive discussions, including interviews with members of the Sustainability Committee and outside directors, we drafted a preliminary list of priority issues to address. While we will continue to address environmental issues that we should tackle as a company, we have determined that they have a lower priority in terms of materiality.

Category	Item	Additional description
Environment	Biodiversity conservation	At the present time, we believe that the relationship between our businesses and biodiversity conservation is not readily apparent, and thus this issue is lower in importance.
	Efficient energy use	
	Climate change mitigation	Our businesses have a minimal impact on greenhouse gas emissions and climate change, and while we continue working to address climate change, we consider this a low priority issue not requiring focused attention at the present time.
	Climate change adaptation	

STEP 4

Finalizing through Management Discussions

Evaluate the importance of the materiality candidates, deliberate on their significance, and approve the final materiality.

In addition to members of the Sustainability Committee, the presidents of the operating companies also participated in assessing the importance of the candidate material issues. Following deliberation by the Board of Directors, nine materiality criteria were ultimately approved.