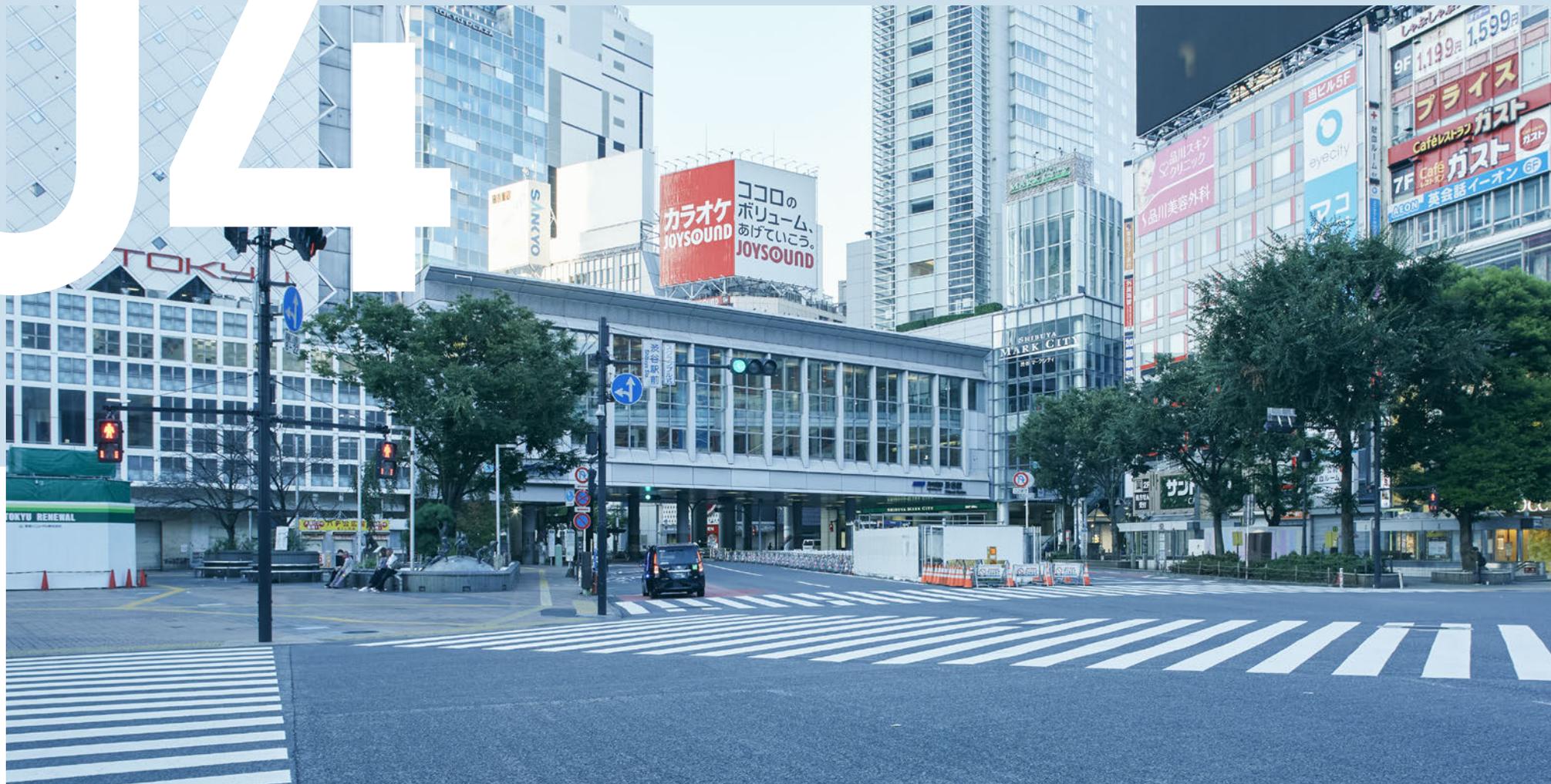


# 04







# Environment

ESG Topics

## Climate Change Engagement

CyberAgent has been working on disclosing information on greenhouse gas emissions from its business activities since the fiscal year 2020.

Due to the nature of our business, which is mainly in the Internet domain, the calculation of CO<sub>2</sub> emissions covers emissions from our main domestic offices, emissions from the data centers for the operation of the internet services we provide, employees' commuting, and business trips, etc. We will continue to measure the environmental impact of business activities and strive to improve business efficiency and reduce total CO<sub>2</sub> emissions at the same time.

### GHG Emissions [t-CO<sub>2</sub>]

Scopes*	FY2018	FY2019	FY2020
Scope 1	0	0	0
Scope 2 (Location-based)	4,866	5,188	4,601
Scope 3	14,378	19,606	11,219
<b>Total GHG Emissions</b>	<b>19,244</b>	<b>24,794</b>	<b>15,820</b>

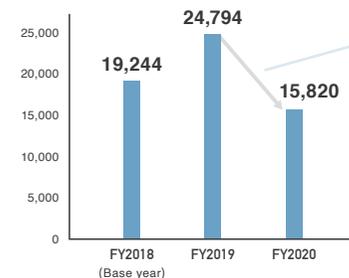
#### \* Scopes

- Scope 1 Direct emissions from our owned or controlled sources such as offices and data centers. (Due to the combustion of gases and other fuels)
- Scope 2 Indirect emissions from the use of electricity and heat supplied by other companies in our main domestic offices and data centers.
- Scope 3 Indirect emissions other than scope 1 and scope 2 (Applicable categories only)

### Scope 3 Emissions per Category (%)

Category	Scopes*	FY2018	FY2019	FY2020
1	Purchased Goods and Services	20%	17%	19%
3	Fuel- and energyrelated activities (not included in scope 1 or scope 2)	5%	4%	6%
5	Waste generated in operations	1%	1%	0.3%
6	Business travel	66%	71%	59%
7	Employee commuting	10%	7%	15%

### Changes in Total GHG Emissions



Reduced electricity consumption due to the consolidation of the Shibuya-based offices between April and September 2019, and lower transportation and travel expenses due to the spread of COVID-19.

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## Our Commitment to Environment

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### **"N organic," a natural lifestyle brand launched the Eco Program to collect used cosmetic containers and recycle them as a new resource**

"N organic," a natural lifestyle brand operated by Shiroku, Inc. is engaged in sustainable beauty initiatives such as recycling marble (Terazo) made from crushed used cosmetic bottles into floors and sinks in its directly managed stores. In July 2020, in collaboration with TerraCycle, Inc., N organic launched the Eco Program to collect used cosmetic containers and recycle them as a new resource. All used cosmetic containers (plastic, glass, and aluminum containers) of N Organic and other brands will be collected at the Yurakucho Marui store, and customers who bring their used cosmetic containers will receive a 500 yen off coupon to be used in the store. We aim to contribute to marine plastic pollution and the reduction of waste, which are currently global problems.



# Commitment to Society

ESG Topics

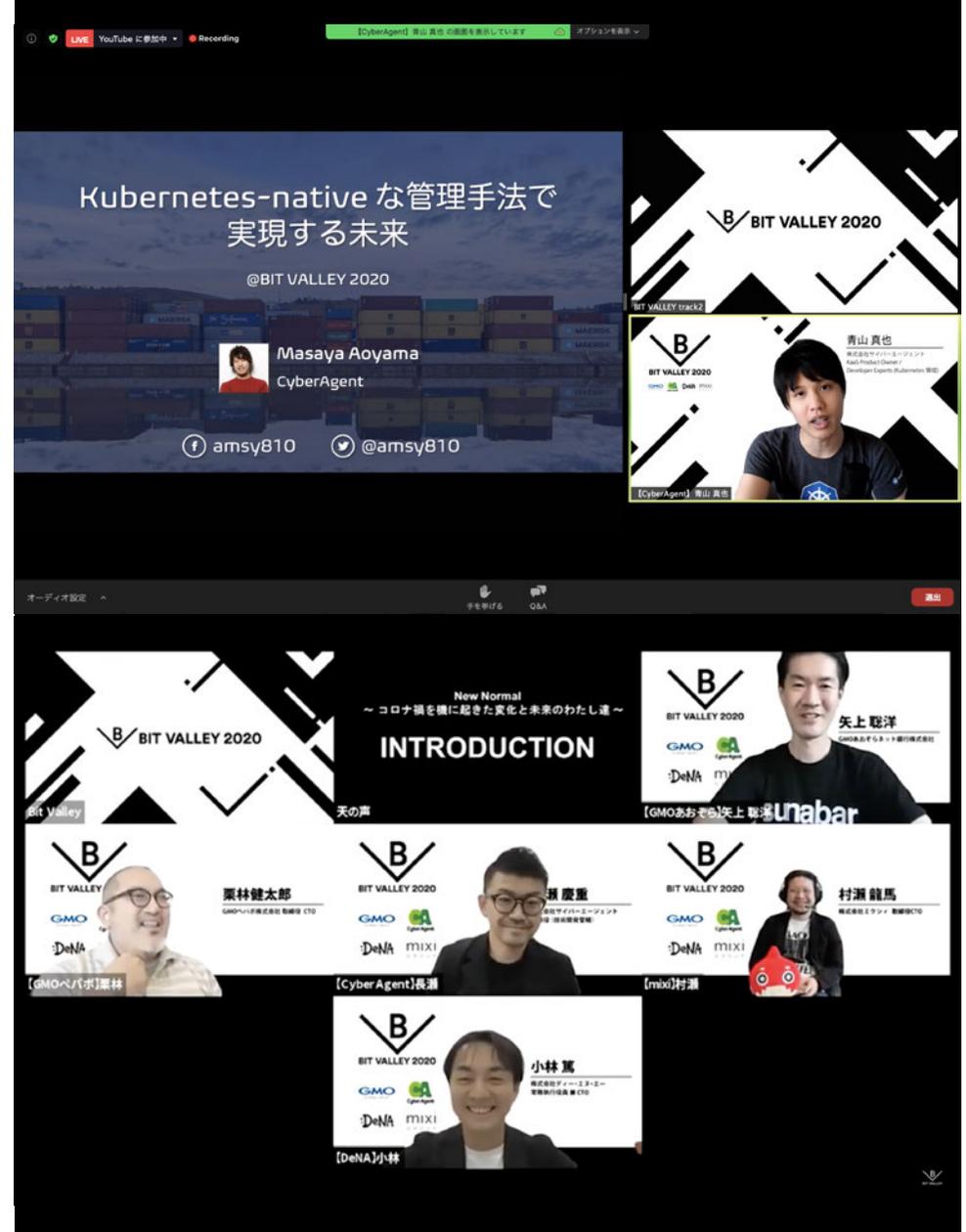
Commitment to Society

## Fostering IT Talent

## Tech Conference “BIT VALLEY 2020”

With the four companies of CyberAgent, DeNA, GMO Internet, and Mixi serving as organizers, BIT VALLEY 2020 was the first Industry-Government-Academia conference to be held online. In addition to support activities from the Tokyo metropolitan and Shibuya municipal governments, it also received backing in the form of special cooperation from Tokyu Corporation and newly from Aoyama Gakuin as well. Under the theme of "Next-Gen Online Meetings--A Celebration of Innovative Technology," the conference delivered content not only to students and young engineers, but also to those responsible for the next generation in a wide variety of industries and professions. The aim of this conference is to provide a venue where participants from different backgrounds can consider the next generation from their own perspective, which differs from each participant's own situation, thereby creating an opportunity to spark innovations that will pave the way to Japan's future.

\* Images from the online session &gt;

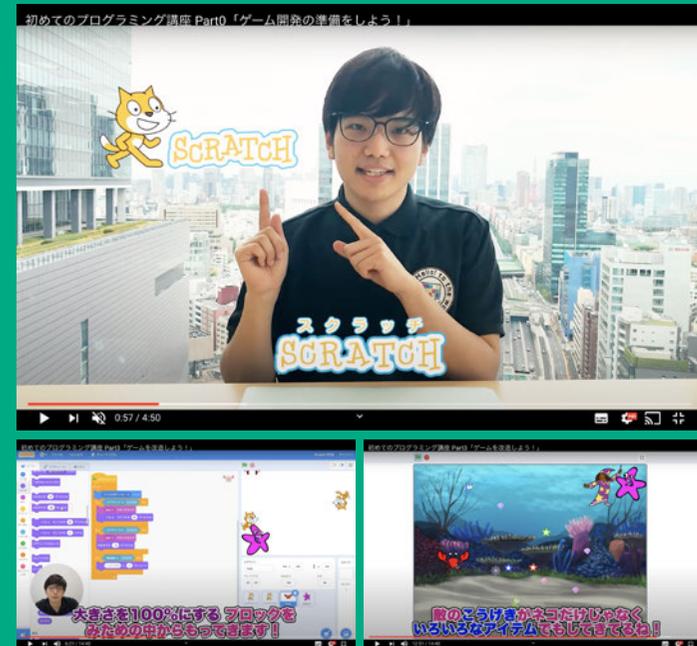


## "Kids VALLEY" Future Learning Project

The "Kids VALLEY Future Learning Project" is an integrated public-private project that provides career education support for the development of IT professionals. Four Shibuya-based internet companies that include CyberAgent and Tokyu as well as the Shibuya City Board of Education provide this support, which covers support for developing programming curriculum for elementary and junior high students, in-class support, company field trips and more.

In 2020, the Kids VALLEY Future Learning Project's "Programming Summer Camp 2020" was held for elementary and junior high school students across the country. While the spread of COVID-19 has greatly impacted the places and opportunities for elementary and junior high school students to learn, by expanding the target to elementary and junior high school students nationwide and implementing online, this has created opportunities to not only inspire interest in the fields of programming and IT, but also cultivate a better understanding. With the aim of developing professionals in Shibuya who can play active roles in the world, and to also be a driving force behind programming education in Japan as a whole, we are focusing efforts on contributing to human resource development in society by systematizing and widely deploying a series of initiatives.

\* Our video, "Introductory Programming Course," is available to allow those unable to participate in workshops to experience programming from home. >



## Programming Contests for Elementary Students “Tech Kids Grand Prix 2020”

“Tech Kids Grand Prix” is one of the Japan's largest programming contests, which under its slogan of “You are the creators of the 21st century,” judges contest entries from three perspectives: VISION (the dream or world the student wants to realize); PRODUCT (the creative idea that will realize that dream and the product embodying it); and PRESENTATION (the student's approach to communicating their vision and product to the world). To provide opportunities for more children to feel a sense of purpose in learning to program, this programming contest was also rolled out to several regions through cooperation with regional governments etc. throughout Japan.

\* An image of the presentation(2020) >



## Driving Forward Digital Transformation (DX)

The digitization of consumer behavior has been accelerating in recent years, including the digital transformation of retail stores and points-of-purchase, spread of payment services, and rapid growth of D2C business due to the increased popularity of micro e-commerce. Due to the spread of COVID-19, even the entertainment industry which mainly focuses on entertainment in real situations, has been forced to shift digitally to create new revenue opportunities. We are driving forward digital transformation by leveraging our know-how built up and refined through years of providing various services to the entertainment industry, government, and retail industries; cutting-edge technologies; and platforms both in-and-outside the company.



## Entertainment field

### OEN, Inc.

OEN promotes digital shifts in the entertainment industry, including high-quality live entertainment and video streaming, project support (gifting), online social gatherings, and e-commerce sales.

### SUPERLIVE by OPENREC

SUPERLIVE by OPENREC supports high-quality online live performances and live streaming of artists and performances at the company's own OPENREC STUDIO, a 1,200 m<sup>2</sup>, 5-meter-high studio in Tokyo.

### CyberArrow, Inc.

CyberArrow plans to provide a distribution platform that enables the online deployment of events ranging from online fan interaction events to large scale events.

### Ame-Pass by Ameba

Provides a platform to buy tickets for a broad range of online events, covering everything from events featuring celebrities and influencers, to live music, theatre, and sports.



エンターテインメント産業収益化のデジタルシフト支援専門会社を設立



## Marketing field

### CA Retail Marketing, Inc.

CA Retail Marketing assists in boosting purchasing rates by deploying advertisements and adding digital media to shops, such as the use of digital signage at retail stores.

### DX Opportunity Center

Supports digital transformation (DX) in all aspects of marketing.

Ex. "Business development support for D2C brands by developing fan communities"

### MG-DX, Inc.

Provides support pharmacies and pharmaceutical sales making a digital shift.  
Online medication instruction

### Digital Government Promotion Office

Supports the digitalization of administrative procedures in public offices and local governments.

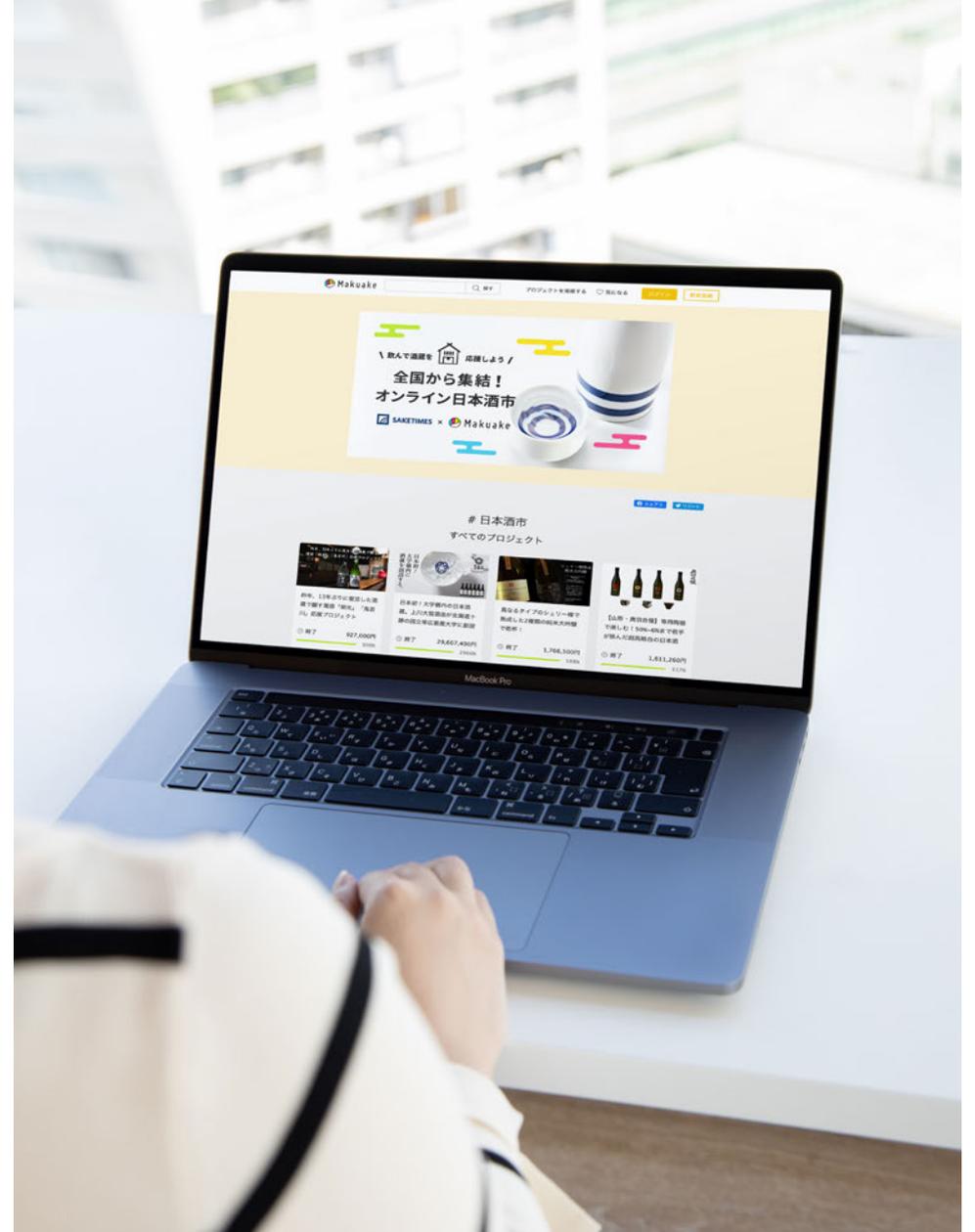
A collaborative promotional project between CA Retail Marketing, Inc. and KYORINDO DRUG STORE CO.,LTD. to maximize in-store promotion through digital signage. >



## Support for Creating Social Value

### Crowdfunding Platform "Makuake"

Makuake, operated by Makuake, Inc., is a crowdfunding-based industrial support platform that helps to create new products and services. It achieves this by allowing creators of products and services yet to be sold on the market to share their stories and thoughts on the Makuake platform, and these products or services are then purchased by individuals who feel a connection with them. Since the service launched in August 2013, over 10,000 new projects have been listed on Makuake, including futuristic gadgets, specialty foods, alcoholic beverages, restaurants, content, and new challenges with traditional crafts, all made in regions across Japan. Of particular note, in response to the spread of COVID-19 in 2020, a new online purchasing experience for "support purchases," in which creators and buyers are directly connected to purchase products or services, has been attracting great interest and the number of project supporters has been growing dramatically. We are also committed to supporting business development before and after a Makuake project is implemented, including support for brick-and-mortar retail spaces and expanding secondary sales channels through e-commerce.



## Supporting Sports

### Soccer

#### FC Machida ZELVIA

In October 2018, the Japan Professional Football League Club "FC Machida ZELVIA" became part of CyberAgent Group. As a member of the CyberAgent Group, the club takes advantage of group synergies to enhance the information and services provided to supporters, and attract new supporter demographics. While continuing to contribute to promoting sports culture and expanding the local economy in Tokyo and Machida, we also aim to grow FC Machida ZELVIA into a top club that is recognized around the world.

During the current suspension of public J-League matches as a measure to prevent the spread of COVID-19, the club has committed to its motto: "Let's overcome this together! #いまゼルビアにできること" (translation: #What Zelvia can do now), the team is proactively engaged in a wide variety of activities online, especially through SNS, to continue interacting with fans.

FC Machida ZELVIA >



©FCMZ

## | Soccer

### Juventus F.C.

With the aims of building an unparalleled brand that inspires joy and dreams in people around the world, and delivering a broad range of value to society in sports and other fields, in July 2020, Cygames Inc. entered into a sponsorship agreement with Juventus F.C.(Juventus Football Club S.P.A.), a club that boasts the most wins in Série A of Italian pro soccer's first division league.



## Mahjong

CyberAgent formed a company team, "Shibuya ABEMAS," to compete in the M.League\* season that kicked-off in October 2018. For a second consecutive year, the team advanced to the finals and finished the 2019 season in third place. The team will continue its efforts in M.League as it strives to boost the social status and spread awareness of mahjong, and also attract new fans to the sport. From the opening game to the final matches, all matches are streamed live on the Mahjong Channel of ABEMA, the TV & Video Entertainment source.

\* M.League is an organization whose purpose is to promote competitive mahjong in Japan, make the game more wholesome, and to popularize and develop the sport. It has been chaired by the CyberAgent President Fujita since the league launched in October 2018. Although people across the country are familiar with mahjong and there are reportedly thousands of pro mahjong players who belong to professional organizations, its strong association with gambling and complex rules are partly responsible for the lack of improvement in its social standing. However, mahjong's recognition by the International Mind Sports Association in April 2017 led to the emergence of numerous online mahjong games, and its popularity has spread among senior citizens as a way to ward off dementia. This is an example of how mahjong is gaining recognition as a mental sport for people of all ages to enjoy.

Shibuya ABEMAS >



## Pro-Wrestling

The three companies of DDT Pro-Wrestling, Noah Global Entertainment, and DDT Foods were merged on September 1, 2020 to establish CyberFight, Inc. Both DDT and Noah, which have been working to further invigorate the pro-wrestling industry, have consolidated their management operations in preparation for the "with COVID-19" and "after COVID-19" eras. By optimizing human resource allocation and expanding the pro wrestling business, they are striving towards a new era of pro wrestling management.

Pro-Wrestling Noah >  
DDT Pro-Wrestling



## Dance

CyberAgent participated in the planning of "D.LEAGUE," Japan's first professional dance league, and will participate as team CyberAgent Legit when it launches in January 2021. Closely attuned to the philosophy of D.LEAGUE, which aims to create new value in the fields of art, sports and business, CyberAgent is committed to establishing new forms of entertainment.

\*D.LEAGUE is a professional dance league newly launched by D.League, Inc. There are said to be some 20 million people in Japan with dance experience, and after becoming part of the compulsory education curriculum in 2008, the dance population continues to increase each year. Against this backdrop, D.LEAGUE is established with the goals of developing and expanding street dance in Japan, as well as turning out street dance professionals. In the regular season, which kicks off in January 2021, a total of eight teams will compete against each other in dance performances.

CyberAgent Legit >

# CyberAgent Legit



# Governance

ESG Topics

## Using DX to Boost Productivity and Strengthen Internal Controls

CyberAgent is promoting systematization within the company as well, for instance, by centrally managing the data of its over 100 group subsidiaries. We have been pursuing DX transformation by setting goals that promote data management and utilization, especially in our accounting, HR, and legal departments. Also, through initiatives such as shifting to digital signatures on contracts, etc., we have been contributing to the environment by reducing the use of paper resources, boosting efficiency, and strengthening internal controls.



### Business Management

- Integration of accounting systems with group subsidiaries
- Digitization of financial and accounting operation



### HR

- Centralized data management of HR info
- Promoting the shift to paperless in internal and administrative dealings



### Legal affairs

- Group-wide centralized data management for registration info
- Digitalization of credit management, contracts and document stamping work

## Interview with Leaders



Corporate Management Division,  
Corporate Management  
Systems Office



Masahiro Nishimura

### Business Management

**"Systematizing the financial closing process and accelerating the shift to paperless"**

We are pursuing systematization of the settlement process with the goals of accelerating account settlement, creating a management compass, and establishing a strong governance foundation. To achieve these goals, we intend to complete compliance with the Electronic Records Retention Law for reimbursements by FY2020, and are working to accelerate the shift to paperless.



Human Resources Division,  
HR Data Management Office



Yuichiro Tsutsumi

### HR

**"Reduction of 10,000 hours of annualized routine HR work and 50,000 sheets of paper"**

We are promoting the "HR Data Consolidation Project." By preparing, consolidating, and visualizing a wide range of data on "people," our greatest management resource, we aim to build a foundation for our "data-driven HR strategy," which will enable us to further strengthen our support in areas such as developing staff talent, recruitment, and compliance. The process has already saved an annualized 10,000 hours of routine HR work and 50,000 sheets of paper.



Corporate Management Division,  
Legal & Compliance Office



Yusuke Komurasaki

### Legal

**"Going paperless to reduce administrative costs"**

By going paperless for contracts, purchase orders, invoices, and other transaction-related documents, we are reducing the paperwork burden, including mailing work to suppliers that occurs at business sites. By going paperless, we also aim to reduce administrative costs through seamless cross-departmental management between business, accounting, legal, tax and other departments. We have already completed the transition to a paperless database for legal documents such as the minutes of board meetings of group companies. We have also achieved around 60% of contracts being entered electronically, and continue to reduce revenue stamp fees as well as the costs of paperwork storage.

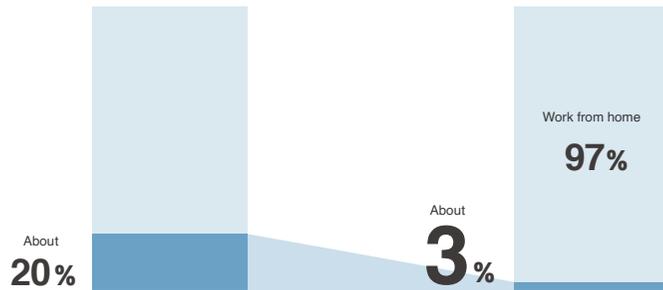
*Interview*

## Various Efforts to Ensure a Worry-free Work Environment

CyberAgent is implementing efforts to improve business efficiency and security protection with measures that include moving business folders to the cloud, shifting to online-based contracts and invoices, and introducing video conferencing systems. By providing multiple VPN connections that ensure secure data transmission, we have established an environment where staff can continue to work without stress and without compromising performance, even when working remotely due to COVID-19.

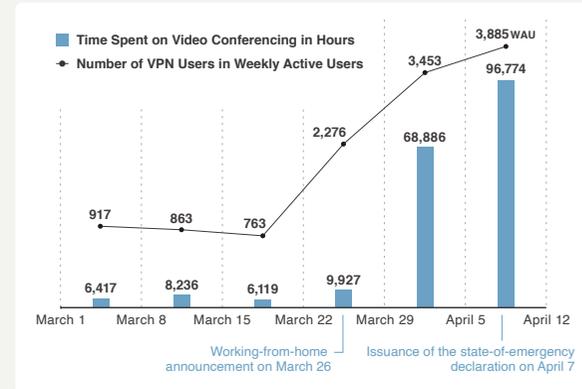
### Measures to Prevent the Spread of COVID-19

Approximate percentage of staff to work from the office based on government issued the state-of-emergency declaration



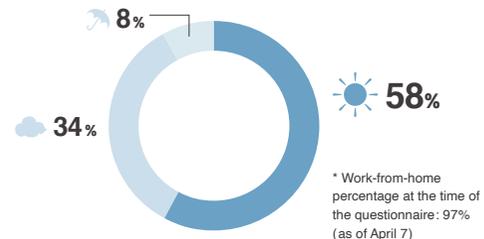
Actual percentage of staff working from office from end of March 2020 to end of April

### Use of video conferencing and VPN connections before and after remote work began



After working-from-home was recommended to all employees on March 26, there was increased use of video conferencing and VPN in terms of both people and time used. However, since a better environment than previous was established, as seen below, work was able to progress smoothly without interruption.

How is remote working going for you? Describe it in terms of weather.



According to questionnaires via "GEPOO," a tool for assessing employee conditions, some 60% of employees have been able to smoothly adapt to the remote-work environment immediately after starting to work remotely, and more improvements have continued through the ingenuity of the group and its individuals.