



**KADOKAWA**

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**For Potential Investors**

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KADOKAWA CORPORATION

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# 01 | Overview of the KADOKAWA Group

# 1949

「角川文庫」の6冊刷り（昭和24年）  
『源と朝』『白木 三大郎の日記』

# 1983

## Release of *Harmagedon*, the first animation from KADOKAWA



1945

**Founded as  
a publisher**

# 1976

## Release of *The Inugami Family*, the first live action movie from KADOKAWA



# 1998

**Listed on the  
TSE 2nd Section**

# 2009

**KADOKAWA Contents Gate,**  
the predecessor of  
**BOOK WALKER**, established



BOOK★WALKER



2004

**Transferred to  
TSE 1st Section**

# 1999

## The first overseas base established in Taiwan

「カクヨム」 KADOKAWA・ドワンゴが創るネットの高校 N高等学校

KADOKAWA・ドワンゴが創るネットの高校  
◆ N 高等学校

 Yerkes Press

**ELDEN RING**, game software, came a worldwide blockbuster.



# 2014

Acquisition of  
FromSoftware  
Management  
integration with  
DWANGO

# 2016

**Service launch of the  
Kaku Yomu, a website  
where online novels are posted**

**N High School opened by  
KADOKAWA DWANGO Educational Institute**

**YEN PRESS,**  
a strategic subsidiary in  
North America, established

# 2022

**2022**  
Shifted to  
the TSE  
Prime Market

2014

## Acquisition of Vantan by DWANGO



# 2020

## Opening of TOKOROZAWA SAKURA TOWN

2021

## The TATESC Comics electronic comic service launched



**Making a further leap forward with “Global Media Mix with Technology”**

- Business structure for global growth: Owned IP Rollout in diverse media channels

## Publication/ IP Creation



- Publishing and sales of paper books
- Publishing and sales of e-books and e-magazines
- Sales of magazines and web advertising



Sword Art Online  
Author: Reiki Kawahara  
Illustrator: abec



Delicious in Dungeon  
Author: Ryoko Kui

## Animation/Film

- Planning, production, and distribution of animation and live action titles
- Video distribution licensing



Konosuba: God's Blessing on This Wonderful World!  
©2019 Natsume Akatsuki, Kurone Mishima/  
KADOKAWA/KonoSuba production committee



Sadako DX  
©2022 Sadako DX production committee

## Gaming



- Planning, production, and sales of game software and online games



ELDEN RING  
©Bandai Namco Entertainment Inc. / ©2022 FromSoftware, Inc.



Danganronpa Decadence  
©Spike Chunsoft Co., Ltd. All Rights Reserved.

KADOKAWA

## Education/EdTech



- Operation of Vantan trade schools in the creative fields
- Provision of educational content and systems intended for N High School Group and ZEN University, which provide online education



## Others



- MD business dealing in character goods and others
- Operation of commercial facilities
- Other new businesses

## Web Services

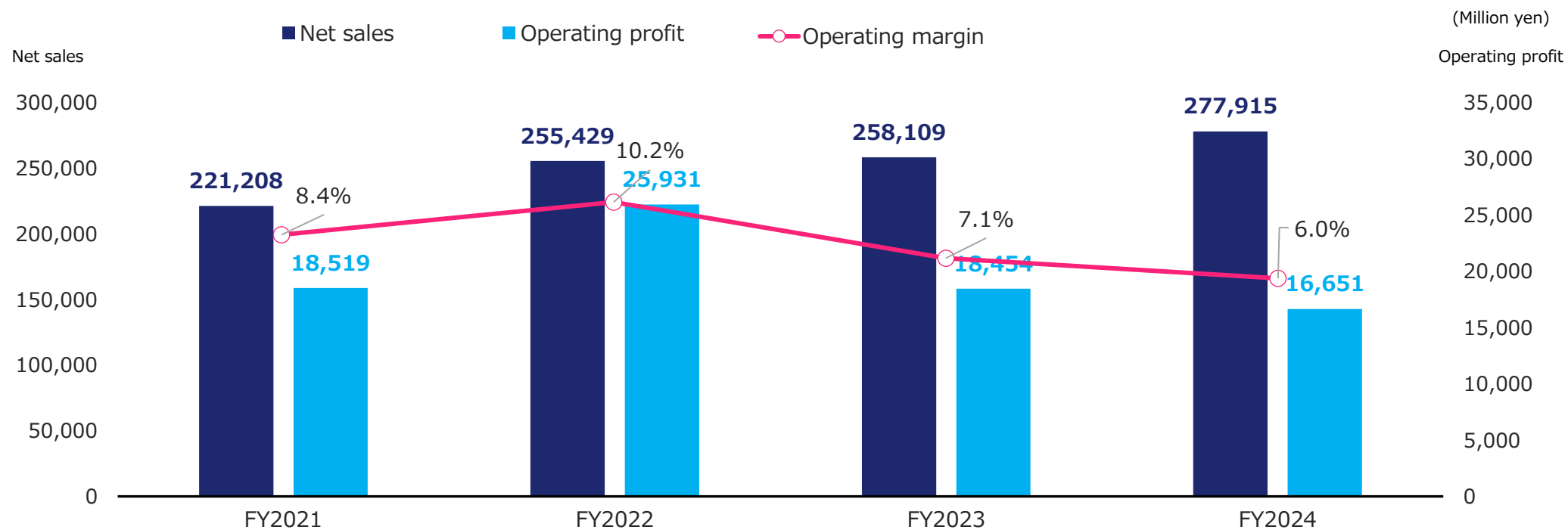


- Operation of video community service "Niconico"
- Planning, production, and operation of events including Niconico Chokaigi and Animelo Summer Live



Segment	Business	Main Business Activities	Major Companies
Publication/ IP Creation	Paper-based books E-books/magazines Information Media	<ul style="list-style-type: none"> <li>Publishing and sales of paper books, rights licensing, etc.</li> <li>Publishing and sales of e-books and e-magazines, etc.</li> <li>Publishing of paper magazines, sales of magazines and web advertising, etc.</li> </ul>	KADOKAWA Corporation BOOK WALKER Co., Ltd. KADOKAWA ASCII Research Laboratories, Inc. YEN PRESS, LLC
Animation/ Film	Animation Film	<ul style="list-style-type: none"> <li>Planning, production, and distribution of animation and film, video distribution licensing, sales of package software, etc.</li> </ul>	KADOKAWA Corporation Kadokawa Daiei Studio Co., Ltd. ENGI Co.Ltd.
Gaming	Gaming	<ul style="list-style-type: none"> <li>Planning, production, and sales of game software and online games</li> </ul>	FromSoftware, Inc. Spike Chunsoft Co., Ltd. KADOKAWA Corporation
Web Services	niconico Live Mobile	<ul style="list-style-type: none"> <li>Operation of video community service "Niconico"</li> <li>Planning and operation of events</li> <li>Distribution of mobile content</li> </ul>	DWANGO Co., Ltd.
Education/ EdTech	Education/EdTech	<ul style="list-style-type: none"> <li>Operation of Vantan trade schools that develop human resources in creative fields, provision by DWANGO of educational content and systems intended for N High School Group and ZEN University that provide online education, etc.</li> </ul>	Vantan Inc. DWANGO Co., Ltd.
Others	MD Commercial facility Others	<ul style="list-style-type: none"> <li>MD business including planning and sales of character goods, Commercial facility operation, and other new businesses, etc.</li> </ul>	KADOKAWA Corporation KADOKAWA Connected Inc.

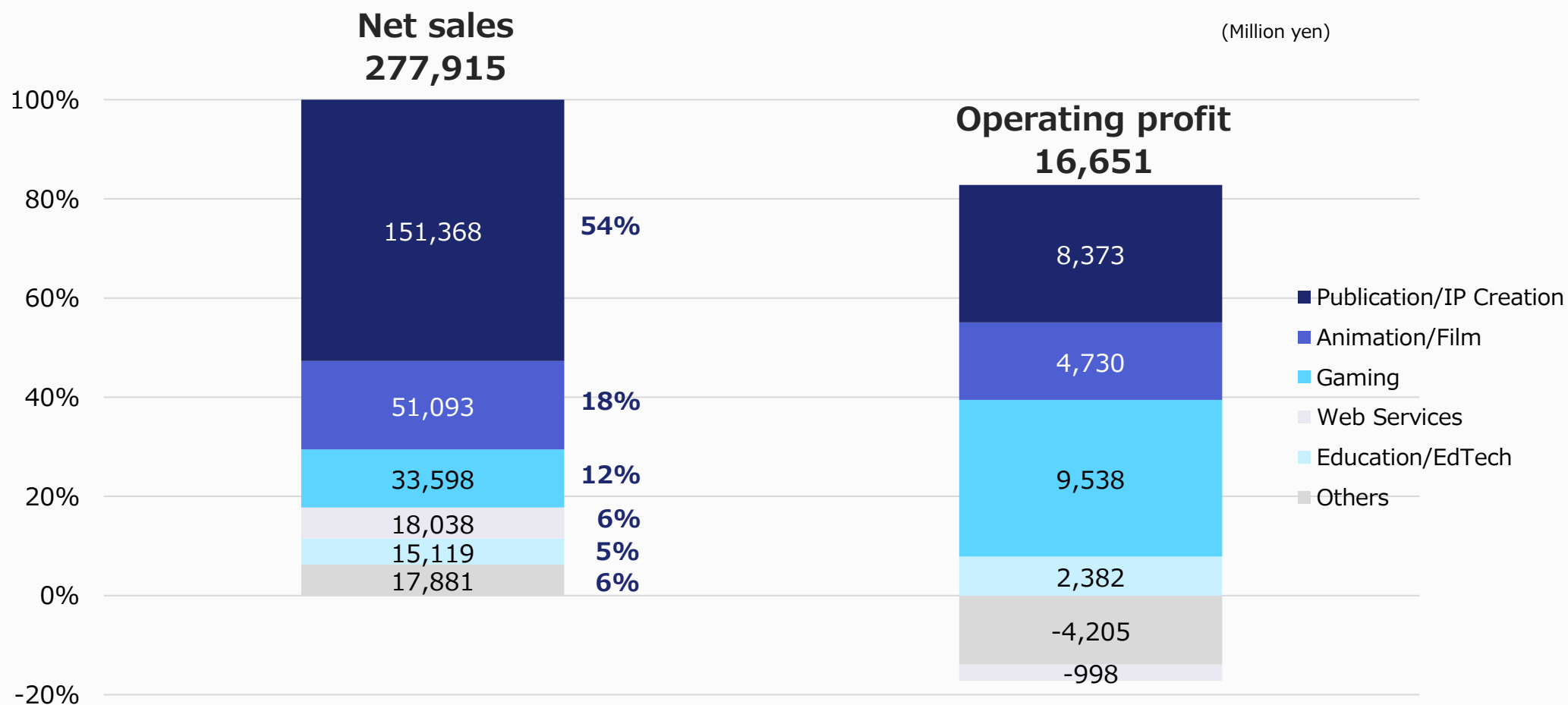
## Trends in Consolidated Results



	FY2021	FY2022	FY2023	FY2024
Net sales	221,208	255,429	258,109	277,915
Operating profit	18,519	25,931	18,454	16,651
Operating margin	8.4%	10.2%	7.1%	6.0%
Ordinary profit	20,213	26,669	20,236	17,742
Profit attributable to owners of parent	14,078	12,679	11,384	7,392



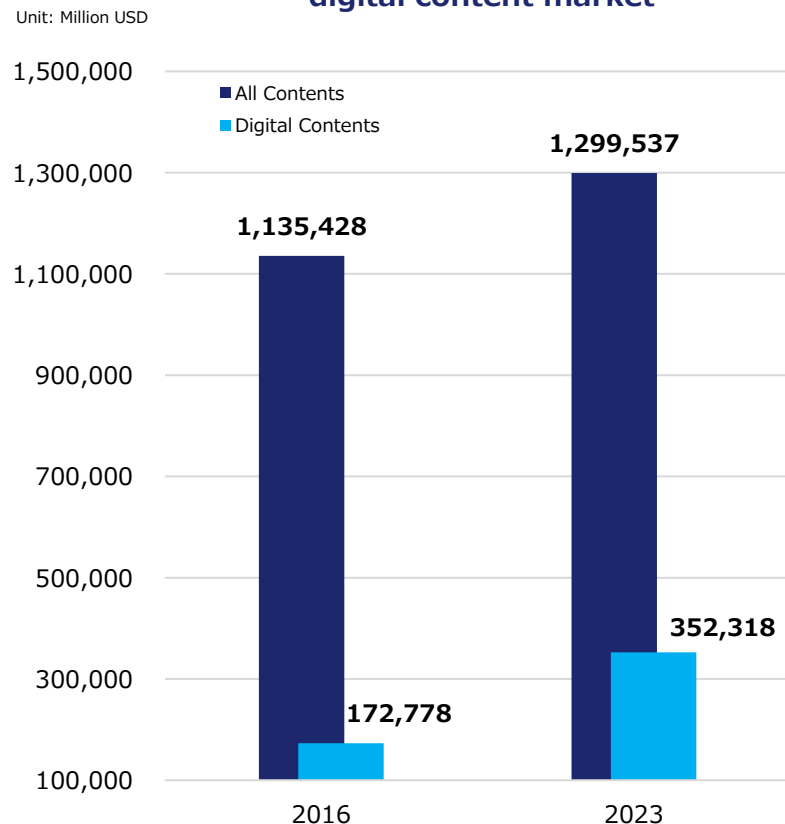
## Ratios of net sales and operating profit by segment (FY2024)





Continuing to create new entertainment content as a source of value, in the ever-expanding global content market with capacity to produce more than 5,500 titles/year centered in publication

Sizes of the global content market and digital content market



Numbers of new titles and archived titles from the KADOKAWA Group



Source: Contents-no Sekai Shijo Nihon Shijo-no Gaikan (Overview of the global content market and Japanese content market) from the Content Industries Division, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry ([https://www.meti.go.jp/policy/mono\\_info\\_service/contents/downloadfiles/report/202002\\_contentsmarket.pdf](https://www.meti.go.jp/policy/mono_info_service/contents/downloadfiles/report/202002_contentsmarket.pdf)), with partial edition by the Company  
 \*Figures for 2023 represent projected values.



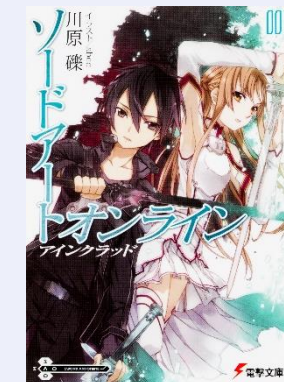
Overlord



KADOKAWA Manga Gakushu Series  
Nihon no rekishi  
(History of Japan)



Pan Dorobou



Sword Art Online

# KADOKAWA Group's Appeal

## -- Capability of Implementing Media Mix Strategy --

Maximizing its value by not only creating new entertainment content but also driving the implementation of “Media Mix Strategy” (rolling out content via diverse media centered in publication, video, and game) on its own

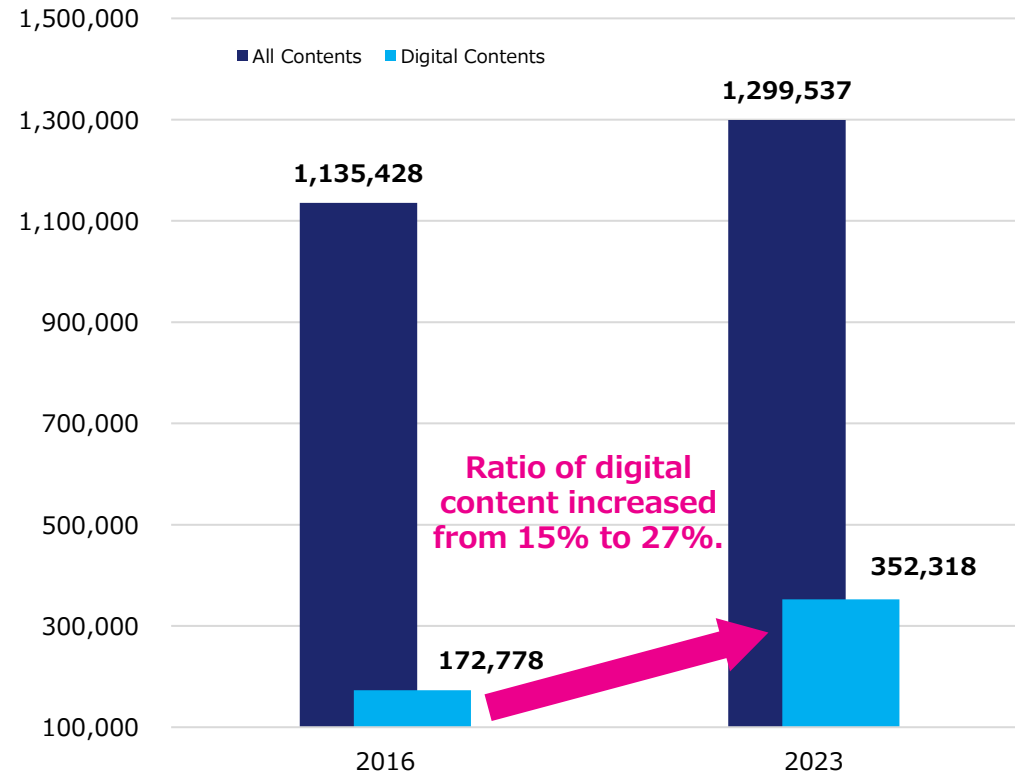
### ■ Example of media mix strategy: *Re: ZERO - Starting Life in Another World* -



The value of owned IP, including its archives, is growing as it connects with more users on a global scale through digitalization.

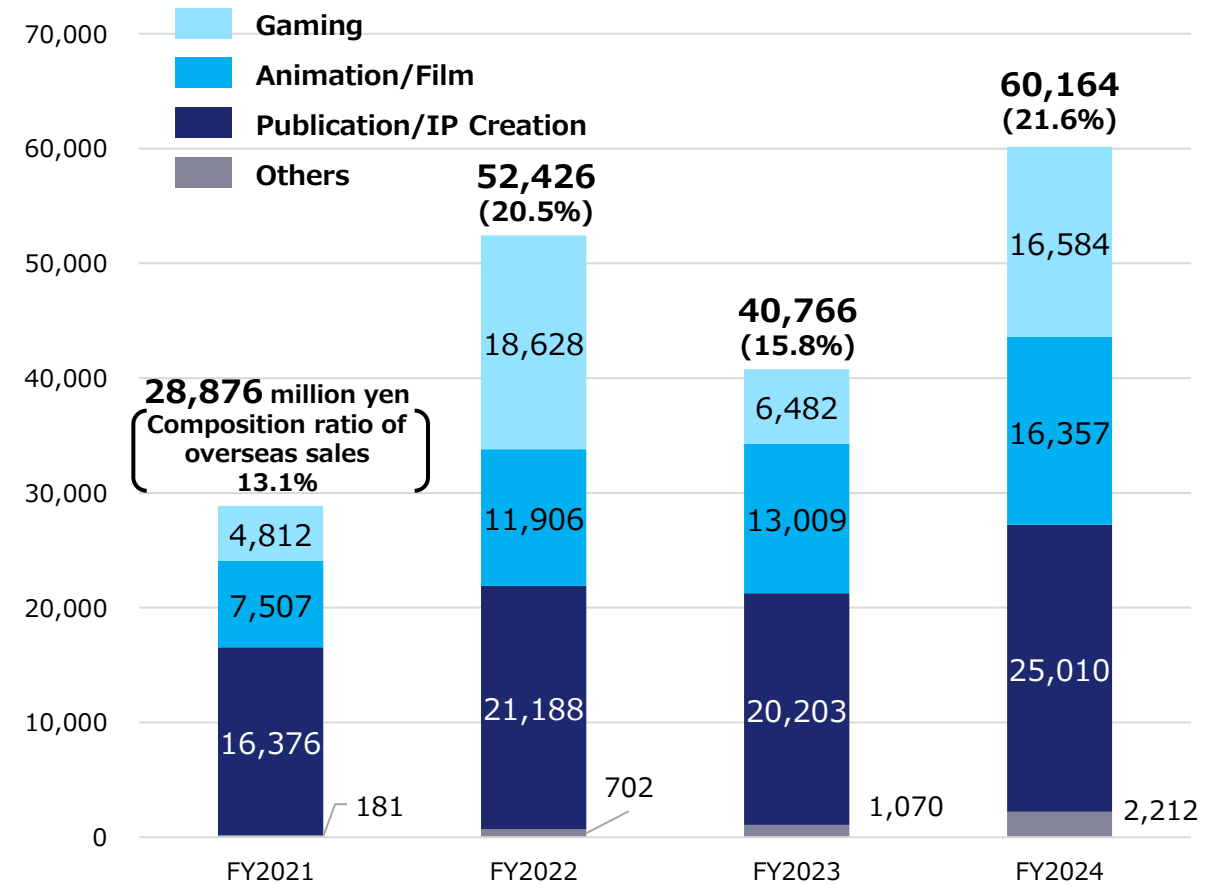
Sizes of the global content market and digital content market

Unit: Million USD



Source: Contents-no Sekai Shijo Nihon Shijo-no Gaikan (Overview of the global content market and Japanese content market) from the Content Industries Division, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry ([https://www.meti.go.jp/policy/mono\\_info\\_service/contents/downloadfiles/report/202002\\_contentsmarket.pdf](https://www.meti.go.jp/policy/mono_info_service/contents/downloadfiles/report/202002_contentsmarket.pdf)), with partial edition by the Company  
 \*Figures for 2023 represent projected values.

KADOKAWA Group's international net sales

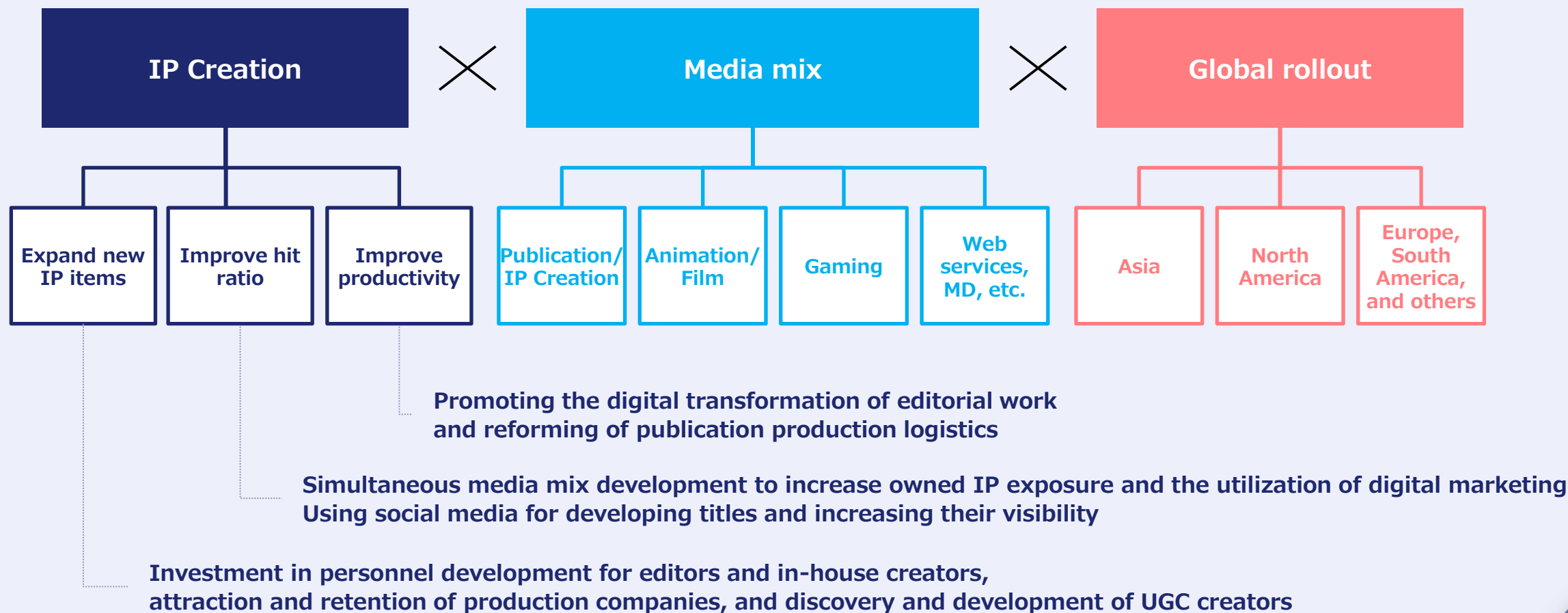


# KADOKAWA Group's Basic Strategy

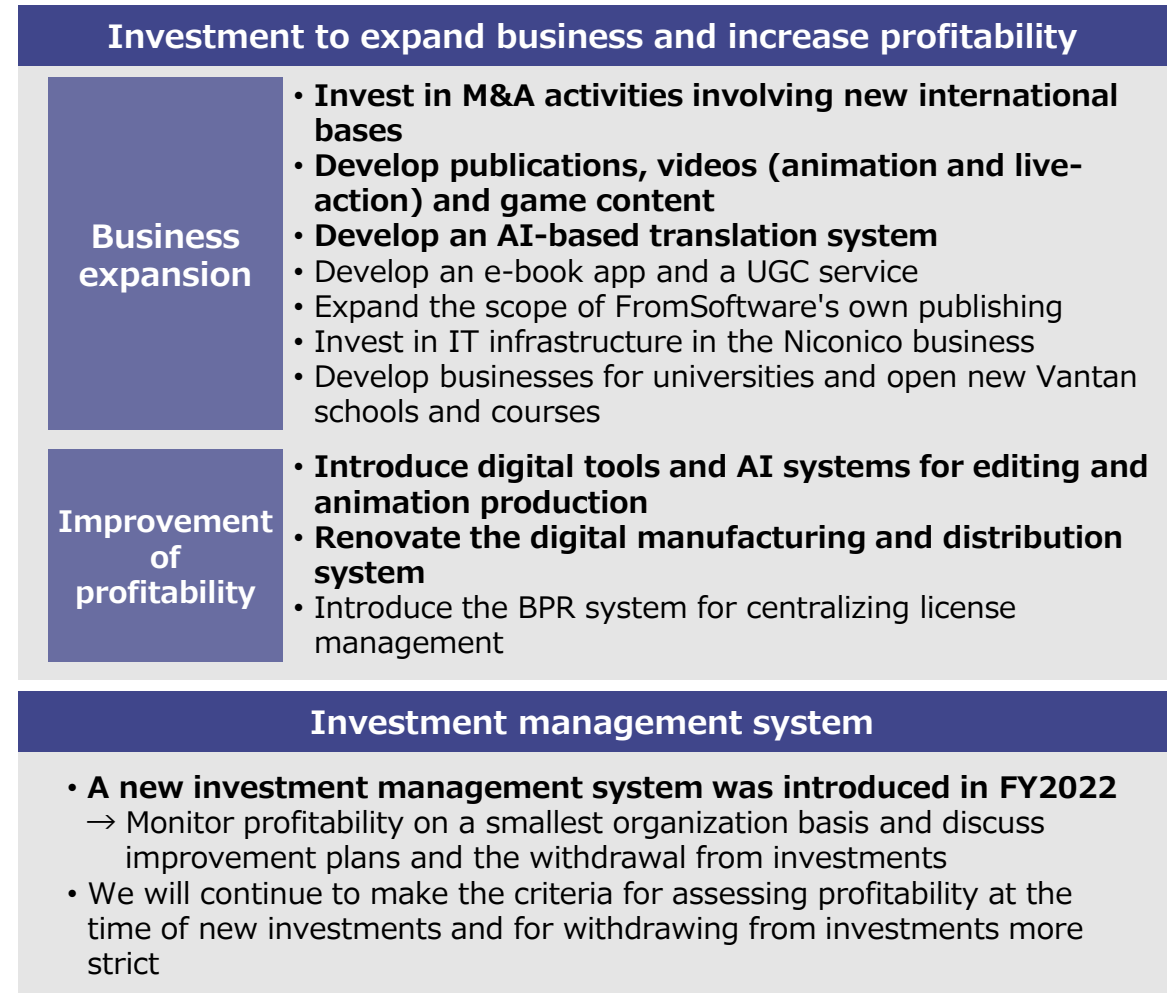
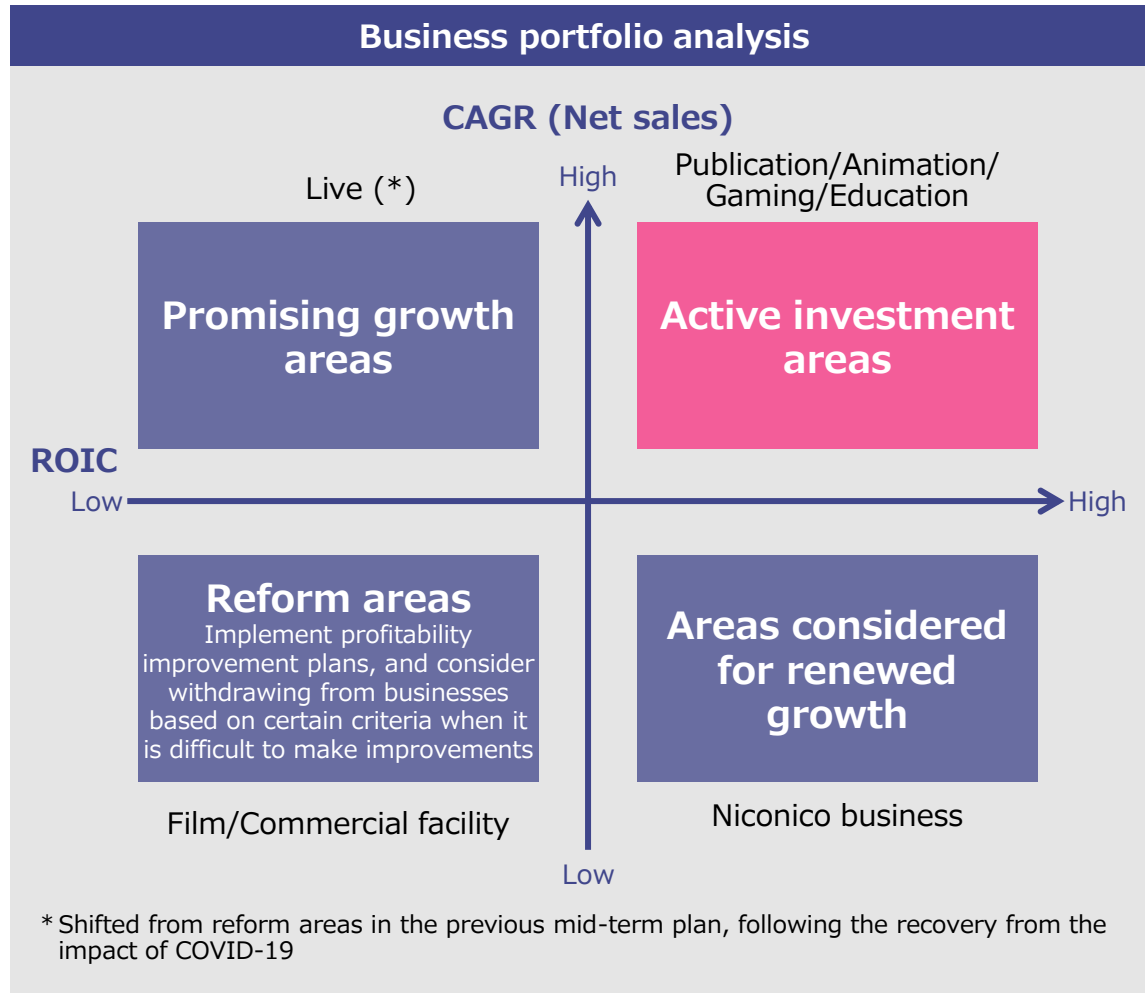
## -- Growth Model Starting from IP Creation --

- We remain focused on media mix of owned IP, mainly publishing, video, and gaming while the effective use of rights licensing to other companies to maximize profits. The global expansion of owned IP is further accelerated by the power of technology.
- Users experience the world of fusion of the real and digital through the content.

### Global Media Mix with Technology



- Strengthen investments in content development and technology utilization with a focus on active investment areas
- Make the profitability assessment and withdrawal criteria more strict by, for example, introducing a new investment management system





## Basic approach

Execution of financial strategies that contribute to sustainable growth of sales and profit, capital efficiency that exceeds the cost of capital, and the medium- to long-term increase of corporate value

Basic policy  
Key KPIs

## Ensure financial soundness

A capital adequacy ratio ranging between around 50% and 60% should be considered to be the proper standard that should be maintained going forward.

## Pursue capital efficiency and strengthen shareholder returns

Aim to achieve an ROE of at least 12% in the medium-to-long-term

Allocation  
of funds

## Foundation funds

Set the level of cash and cash equivalents to be retained based on approximately 2.5 months of monthly sales, working capital, future capital needs, etc.

## Growth investments

Assume a maximum investment of about 2/3 of operating cash flow by making the strategic facilitation of core businesses and growth investments such as M&A activities the top priority.

## Shareholder return

Shareholder dividend  
Seek to achieve a payout ratio of 30% or more and set a lower limit of 30 yen per share for the annual dividend

Acquisition of treasury stock  
Flexible implementation in consideration of investment capacity, stock price level, etc.

**02**

**| Business Segments  
-- Strengths and Future Initiatives --**



## Business Overview

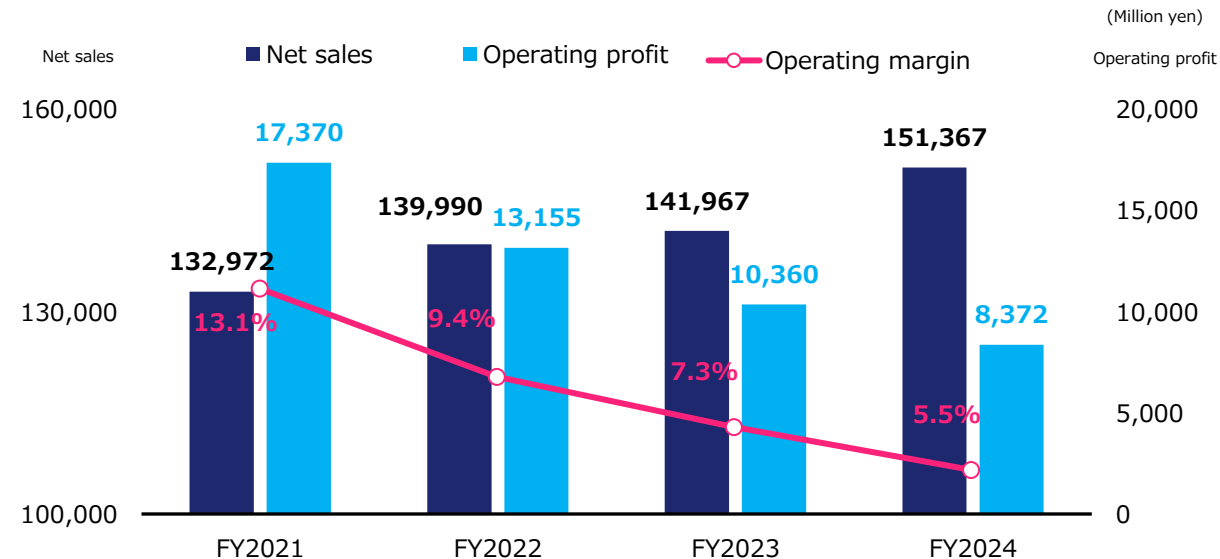
## Paper-based books/information media

- Sales of books and magazines, sales of digital ads, rights licensing, etc.
- Publishing more than 5,500 new books each year
- Publishing books in a wide range of fields, including light novels, comics, literary art, and children's books
- Active drive of media mix strategy, including adaptation into videos and games

## E-books/magazines

- Selling the Company's e-books and magazine content to other companies' stores
- Operating BOOK☆WALKER, an e-book marketplace, sells the titles of the Company as well as other companies' across an international market including Japan

## Trends in Results



## Business model of the Publication/IP Creation



## Market environment & Our strengths

### Market environment of paper-based books

- The domestic market has been contracting, partly reflecting the shift to e-books.
- International market is growing as Japanese entertainment content gain more popularity.

### Our strengths (paper-based books)

- The capacity to create more than 5,500 titles/year, which is among the largest in Japan.
- More than 130,000 archived titles
- A return rate that is far below the industry average
- Established local subsidiaries in each major region to capture demand driven by the growing popularity of Japanese IP.
- Use of the Company's own UGC\* platforms, including Kaku Yomu, for discovering creators

\*User Generated Content

### Market environment of e-books

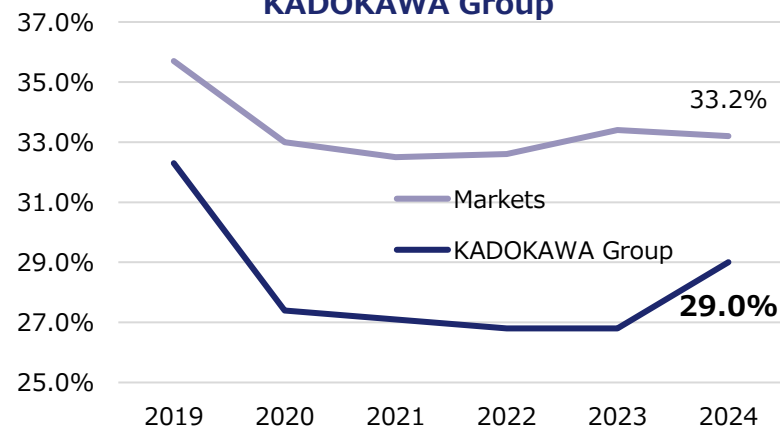
- The domestic market is receiving a boost from the shift from paper-based books to e-books. The market is also revitalized by the emergence of a large number of electronic platforms.
- International market still has room to expand.
- There is also the development of new trends, such as vertically scrolling comics, TATESC Comics.

### Our strengths (e-books)

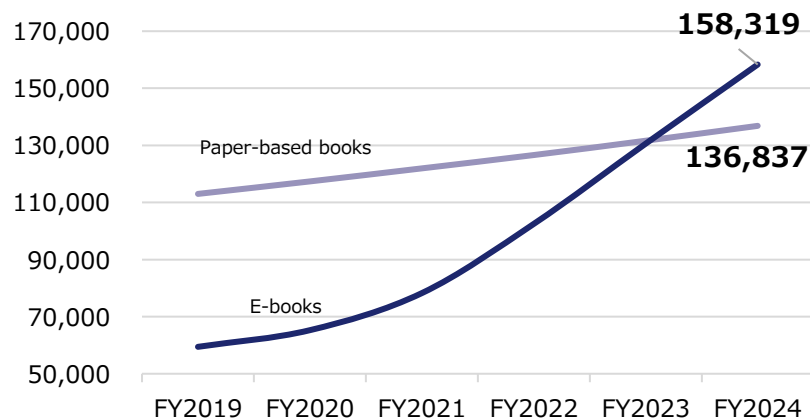
- Approx. 160,000 archived titles
- Operating our own platform as well

## Related Indicators

Return rates in the market and the KADOKAWA Group



Number of archived paper-based books and e-books from the Group



- The return rate at the Group has long remained far below the market level due to the original DX promotion in production and logistics.
- Continued improvement is expected in the future. (See the next page for details of initiatives.)
- ※ Market data are from *Annual Report on the Publication Market 2023* by the All Japan Magazine and Book Publisher's and Editor's Association
- ※ Market data are based on calendar year. Data for the Group are based on fiscal year (April to March).
- ※ One of the factors of the deterioration of the Group's return rates in FY2024 is the temporary impact of the cyberattack.
- The number of paper-based books in archives has been steadily increasing from the current production level of 5,500 titles/year.
- Publication of archived titles as e-books has accelerated as well.

## Future Initiatives

## Intellectual property creation

## Intellectual property rollout

Continuous  
growth  
Profitability  
improvement

## Enhancing the capability of creating content in the Publication Segment

- Reinforcing the foundation for creating new content by increasing editors
- Creating and discovering hit content internationally
- Developing vertically scrolling titles (TATESC Comics)
- Discovering and developing talented creators at the Company's UGC platform
- Improving hit ratio by using big data

## Improving the profitability of paper-based books

- Automating order placement, manufacturing and shipping
- Establishing a digital production plant and a distribution facility
- Promoting the introduction of a system for direct order placement and automated tracking from bookstores

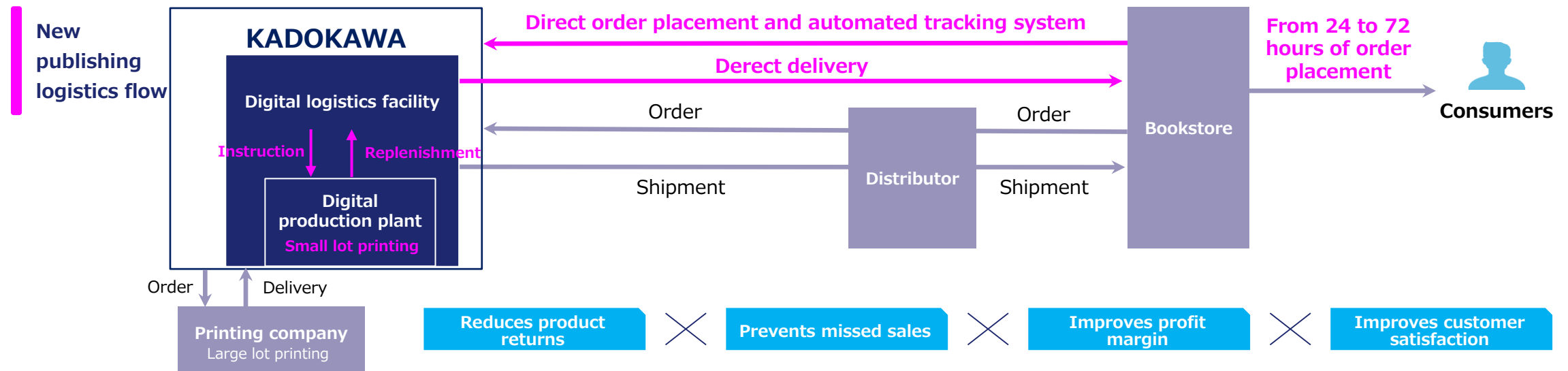
## Extending the life of IP in the Publication Segment

- Implementing media mix strategy at an earlier stage
- Animation/game producers' involvement early on, or before publication

## International expansion of IP in the Publication Segment

- Increasing the number of publication titles internationally
- Promoting the digital-first strategy
- Enhancing the multilingual translation center
- Enhancing the development of BOOK☆WALKER global store

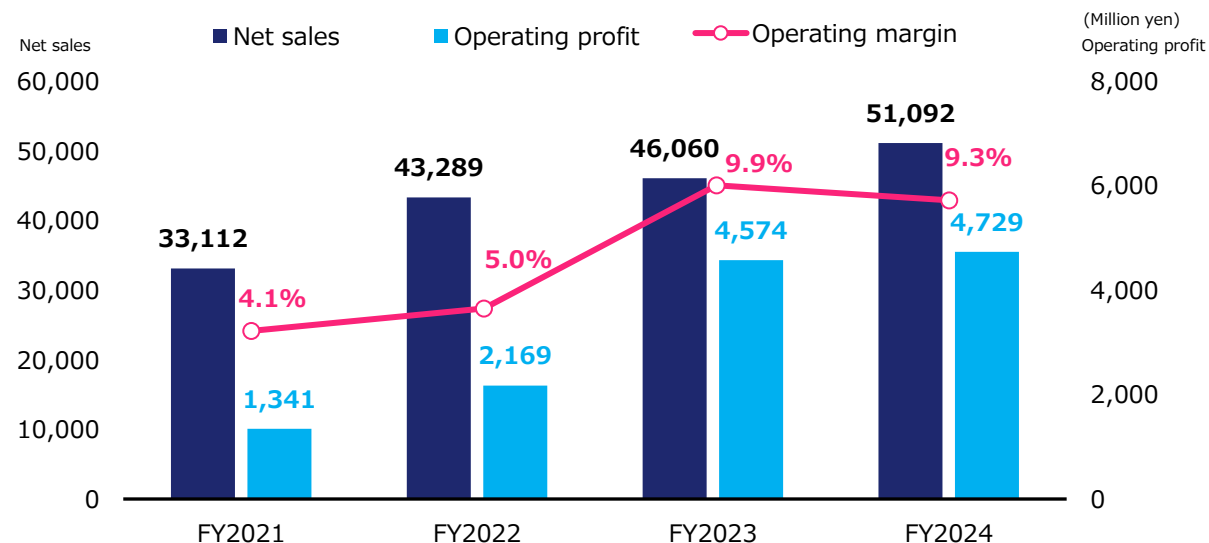
## &lt;Hybrid manufacturing and logistics to meet market demand&gt;



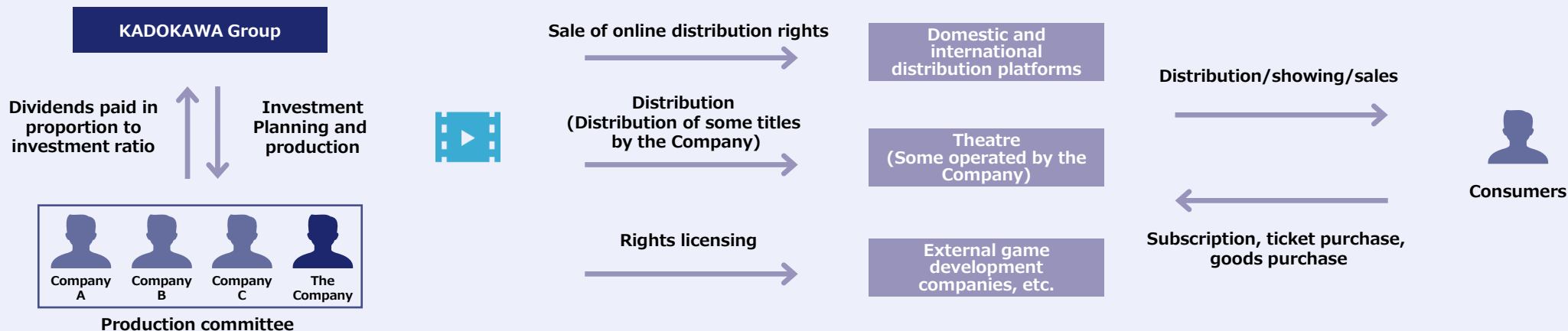
## Business Overview

- Planning, production and distribution of animation titles and films mainly from owned intellectual property
- Video distribution licensing and rights licensing to games and MDs
- Selling packaged software, such as DVDs and Blu-rays
- Business related to production of animation, movies, tv programming, commercial films, and other video content and studio operation
- Operation of "Movi-tike", a digital movie ticket service

## Trends in Results



## Business model of the Animation/Film



## Market environment & Our strengths

### Market environment of videos

- Japanese animation continues to enjoy worldwide popularity.
- In the theater market, demand tends to concentrate on certain titles.
- The digital distribution market is expanding given changes in consumers' viewing practices.

### Our Strengths

- Abundant opportunity for video adaption of owned book intellectual property
- The capacity to plan and produce around 40 animation titles/year
- The ability to generate income from a wide range of sources by adapting animation titles into games and creating related goods



**Delicious in Dungeon**

©Ryoko Kui, KADOKAWA/Delicious in Dungeon PARTNERS



**【OSHI NO KO】**

©Aka Akasaka x Mengo Yokoyari/Shueisha, "OSHI NO KO" Partners

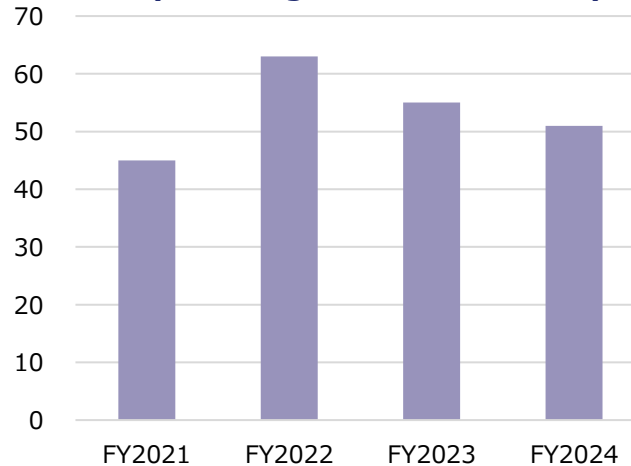


**As Long as We Both Shall Live**

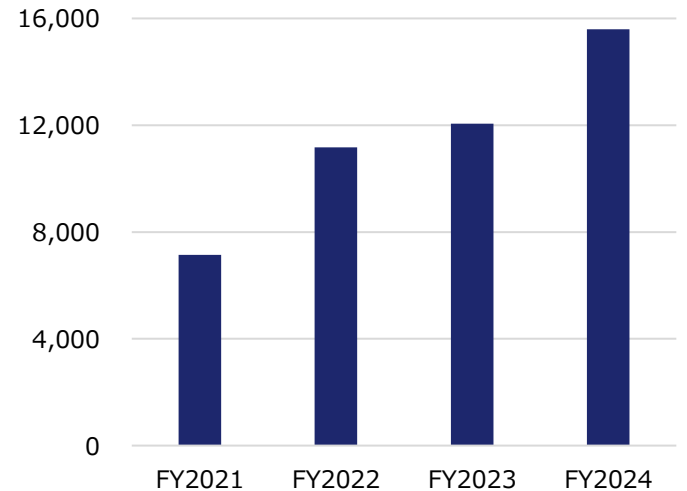
©2023 "As Long as We Both Shall Live" Film Partners

## Related Indicators

Unit: Titles  
**Number of animation video titles from the Group (including minor investment)**



Unit: Million yen  
**Overseas net sales of the Group's animation**



## Future Initiatives

### Animation

- Increase the number of seasons and episodes per title (increase the number of stories produced)
- Develop new titles, focusing on popular original IPs, increase the diversity of the lineup
- Strengthen partnerships with global OTT platforms and focus on media mix, including MD
- Secure production quality and increase productivity (Increase the annual number of titles produced in-house from 5 to 20)

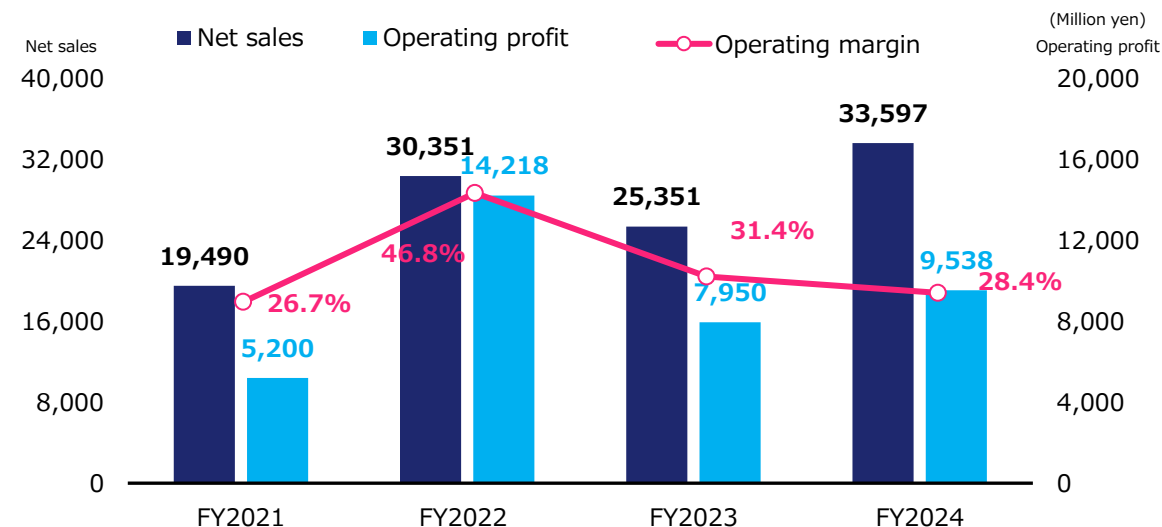
### Film

- Aim to increase the number of theatrical titles focusing on film adaptations of original IPs into film titles in addition to taking on the challenge of large-scale titles
- Aim to increase the percentage of hits by developing titles for OTT and enhancing digital marketing efforts, driving improvements to profitability as a result

## Business Overview

- FromSoftware has produced and developed unique, high-quality game software, such as the DARK SOULS series and ELDEN RING, and acquired a wide range of loyal fans.
- Spike Chunsoft develops and sells original titles, such as Shiren the Wanderer and Danganronpa, and engages in localization and sales of games from overseas, such as The Witcher, and contracted development, among other businesses.
- Projects are also underway to adapt KADOKAWA's own IP into games.
- Gotcha Gotcha Games develops and sells the game creation software, RPG Maker

## Trends in Results



## Business model of the Gaming



\*Some shipped by the Company



## Market environment & Our strengths

### Market environment of games

- The global gaming market has been growing at a high rate with the spread of PCs and smartphones.
- While mobile games constitute the greatest growth driver, user populations of PC games and console games are also increasing.

### Our Strengths

- Affiliating FromSoftware, a game studio with world-leading capabilities of creating and developing entertainment content, we continue to release highly popular console and PC games.
- We operate multiple businesses, including contracted development and localization for other companies, in addition to in-house development.
- We are also driving the creation of mobile games from the abundant portfolio of owned intellectual property
- Media Mix Strategy enables our games from owned intellectual property to be adapted into books/e-books and videos on our own.

**FROM SOFTWARE**



**SPIKE CHUNSOFT**



## Major titles



### ELDEN RING

©Bandai Namco Entertainment Inc. / ©2022 FromSoftware, Inc.



### SEKIRO: SHADOWS DIE TWICE

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### Shiren the Wanderer 6

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### ARMORED CORE VI FIRES OF RUBICON

©Bandai Namco Entertainment Inc./ ©1997-2023 FromSoftware, Inc. All rights reserved.



### DARK SOULS series



### The Eminence in Shadow Master of Garden

©Daisuke Aizawa, KADOKAWA / Shadow Garden / © Master of Garden Production Committee



## Future Initiatives

## Intellectual property creation/development

## Intellectual property rollout

Continuous  
growth  
Profitability  
improvement

## Strengthening the ability to produce gaming content

- Improving the quality and quantity of IP in new games
- Each Group company demonstrating their originality
- Strengthen production system by hiring and training personnel, etc.



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## Creating games using publication and animation titles from owned IP

- Full-scale entry into the mobile games business
- Proactive investment by KADOKAWA
- Promoting planning and supervision through cross-segment



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©KADOKAWA/NHN Corp.



©Daisuke Aizawa, KADOKAWA/Shadow Garden  
©Master-of-Garden-Project

## Promoting expansion of IP in games

- Expanding additional contents in games
- Expanding the media mix into comic and animation, etc.
- Extending the life of IPs



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©2022 FromSoftware, Inc.

## Expanding the geographic coverage of in-house publishing

- Developing new publishing schemes in Japan and globally



## Business Overview

## Niconico-related business

- Operating niconico, the largest video and live-streaming platform in Japan
- Operating Niconico Channel, the official channel platform of corporations, celebrities, and popular users

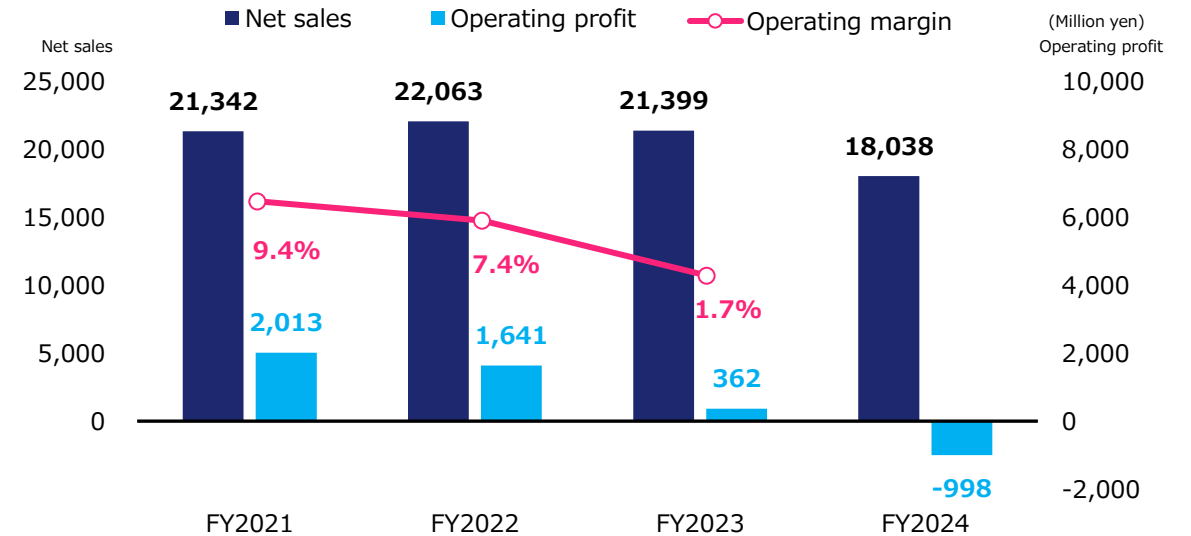
## Live Business

- Planning and operating events such as the Niconico Chokaigi, an enormous event fusing the digital and real world, and Animelo Summer Live, the world's largest anime song event

## Mobile Business

- Operation of DWANGO JP, which distributes music content for smartphones and feature phones, among others

## Trends in Results



## Business model of the Web Services



## Market environment & Our strengths

### Market environment of Web services

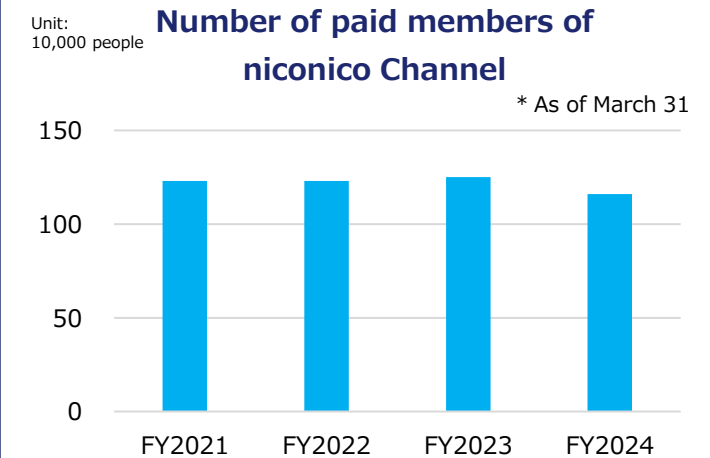
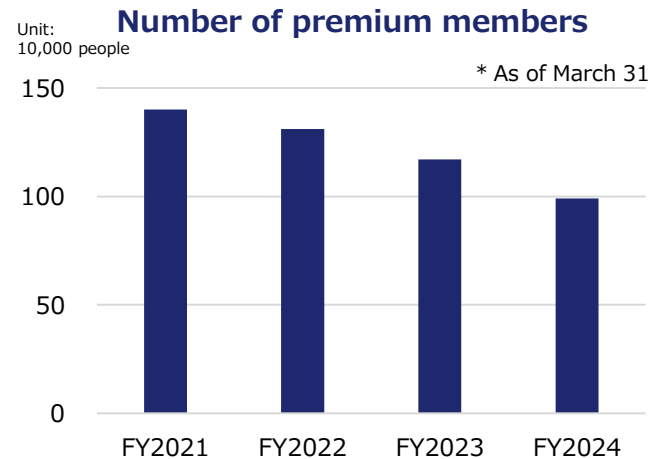
- The video content market has continued to expand, largely reflecting the spread of smartphones.
- Video sharing services (in which videos are produced and posted by general users) and video distribution services (in which companies provide the content they produce) constitute the mainstream.
- The return of event and live concert markets is expected to take time, partly reflecting the impact of COVID-related restrictions and changes in consumer behavior.

### Our Strengths

- Diverse content created from UGC
- Recurring profit from monthly fees and diverse sources of revenue including pay-as-you-go services and advertisements
- Hosting events fusing the the digital and real world, which are Japan's leading events in terms of the number of visitors



## Related Indicators



## Future Initiatives

### Enhancing initiatives aimed at regrowth of the niconico-related business

- Improve profitability by increasing the number of creators and viewers through service improvements and new functionality, and by increasing ARPU
- Develop the increasingly popular VOCALOID\* genre globally, and seek to expand monetization opportunities
- Maximize rights licensing sales of music and other IPs originating with niconico creators

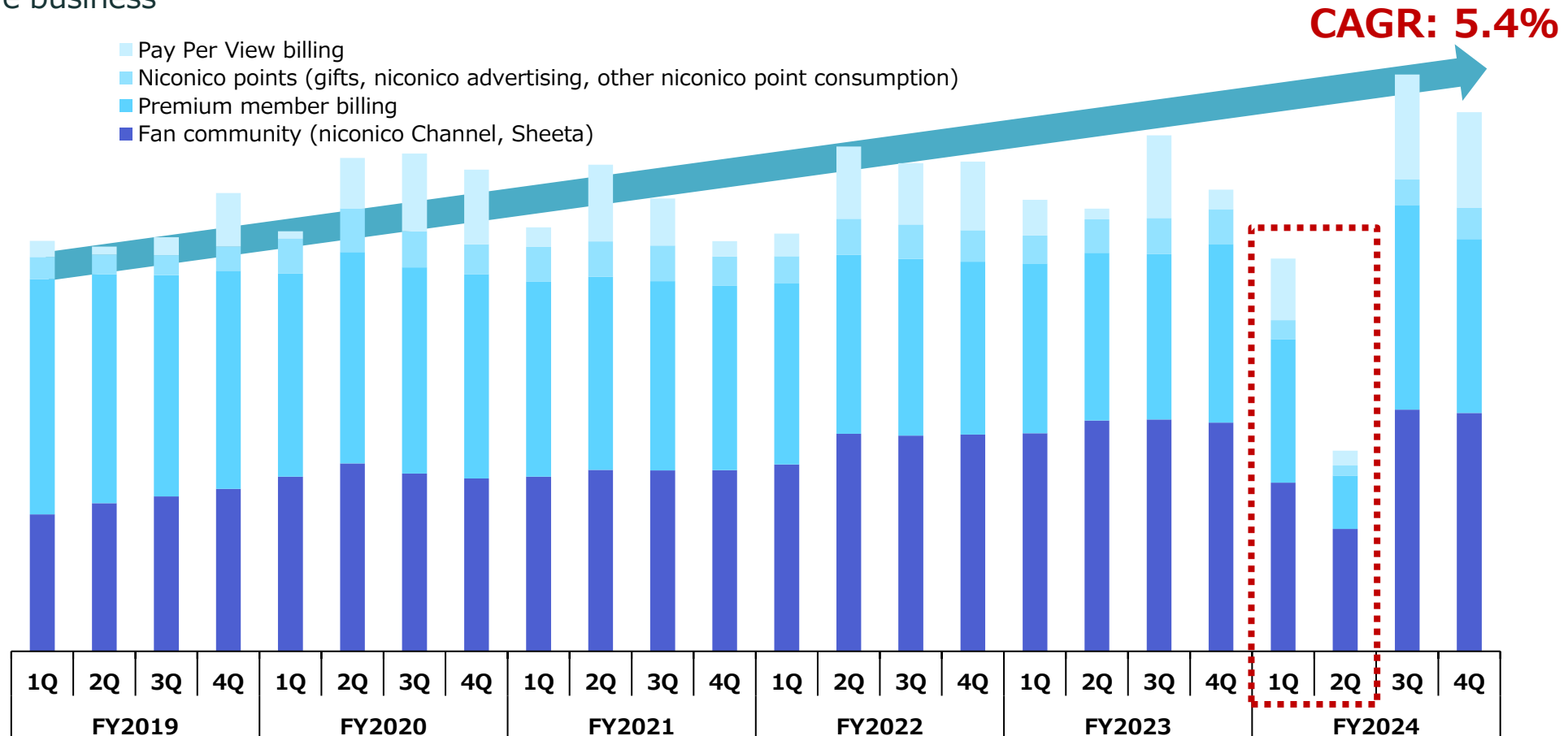
**In the live business, we will aim to achieve profitability constantly through selection and concentration of event planning for the future.**

**Merge the three companies DWANGO, BOOK WALKER and KADOKAWA Connected (as of April 1, 2025)**

**Promote enhancing the Group's digital businesses through consolidating the engineers on staff**

## Web Services Segment (GMV of Community Platform-related Business)

- Despite the number of niconico premium members trending downward, the overall community platform business which utilizes the platform (niconico business + fan community business) has seen an uptick in merchandise volume (GMV in the latest quarter reached over 6 billion yen)
- We will diversity the business portfolio and revenue opportunities, promote higher ARPU, and aim to achieve sustainable growth for the entire business



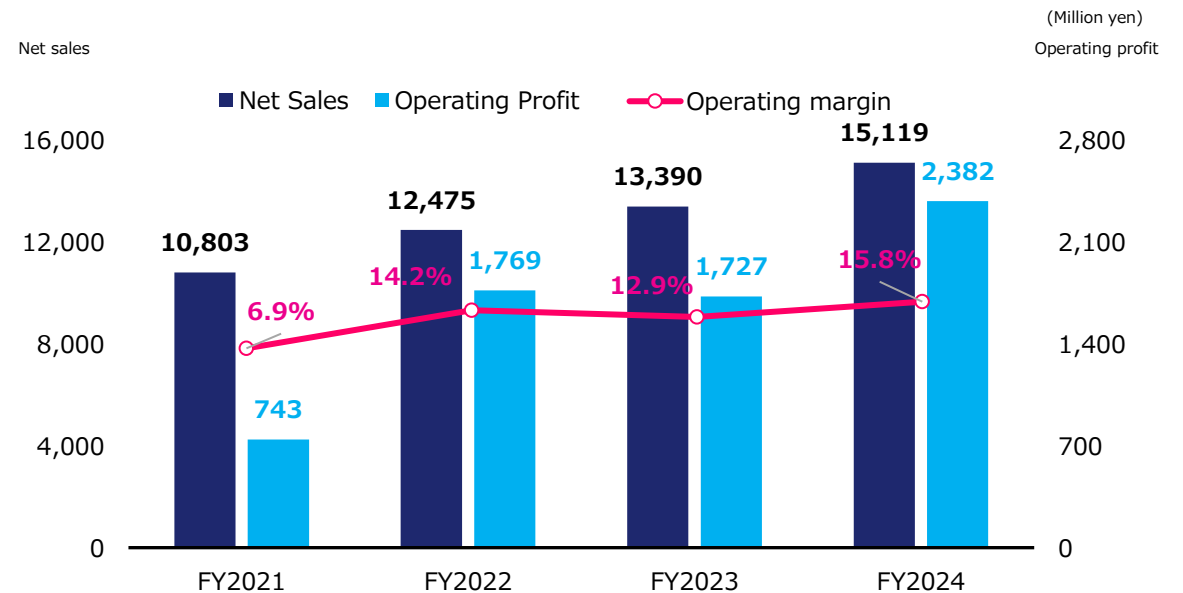
Uptick since the restoration of services following a cyberattack that occurred from June to September, 2024

## Business Overview

- Operating Vantan trade schools to develop human resources who can immediately contribute to creative fields. Putting an emphasis on developing workers who can immediately be effective in various fields, with training provided by professionals who are active in specialized fields.
- Offering state-of-the-art online learning systems and high-level educational programs to N High School, S High School and R High School (N High School Group), which are operated by KADOKAWA DWANGO Educational Institute, and ZEN University, which is operated by Educational Institute of The Nippon Foundation and DWANGO.

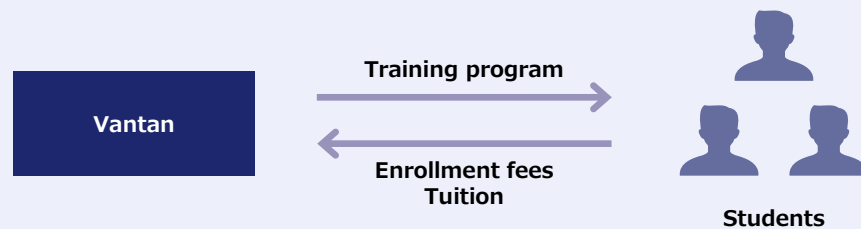


## Trends in Results

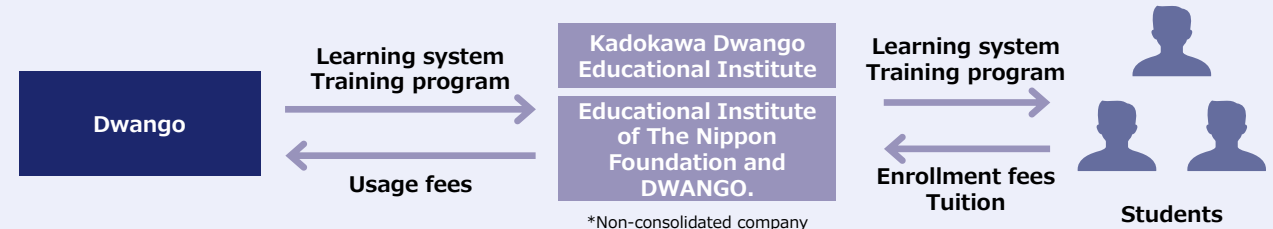


## Business model of the Education/EdTech

## Vantan



## Businesses for N High School Group and ZEN University



## Market environment & Our strengths

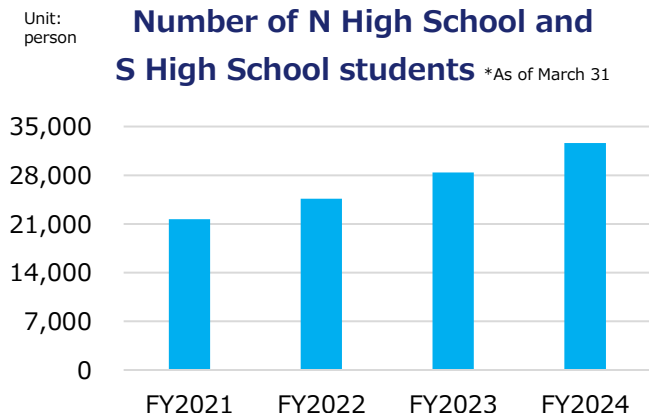
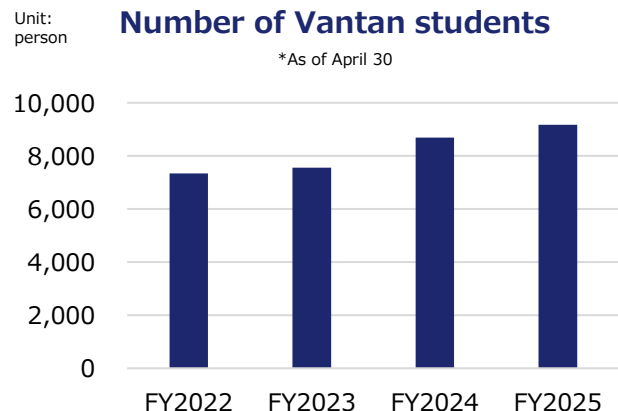
### Market environment of the Educational Business

- The total number of students is declining due to the falling birth rate in Japan.
- The number of students attending correspondence course high schools, which constitute the Company's business domain, exceeded 200,000 for the first time in FY2020. In the last few years, the number has been increasing by 10,000+ annually.
- Continued steady enrollment growth in trade schools, one of our primary businesses, at the 600,000-student level for the past several years.

### Our Strengths

- Our unique IT opens up educational opportunities to a wider audience.
- Educational systems developed in-house that utilize cutting-edge technologies such as AI and VR
- Educational programs for developing practical skills that utilize active professionals as lecturers and a network with diverse companies

## Related Indicators

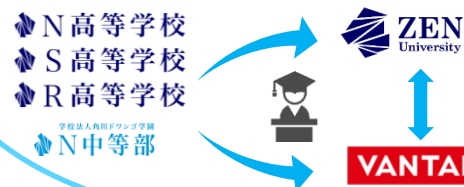


## Future Initiatives

- At Vantan, students enrollment continues to grow by expanding existing popular courses in new regions and actively developing new schools.
- In the N high school Group business, customer base will expand and growth will be maintained, mainly reflecting continuous increase of campuses for in-person courses.
- ZEN University business aims to grow with student enrollment from N junior high school and N High School Group as well as a certain number of working adults to enroll, as well
- We will further step up inter-school coordination in the future, and nurture diverse human resources including creative areas.

**Supporting mid- to long-term career and higher educational paths by strengthened collaboration among schools**

**dwango KADOKAWA**



**Further development of industries including content creation and entertainment**

Training and development of human resources

**Diverse society**



**Industry including content creation, entertainment, and others**

Sharing of knowledge and expertise



## Business Overview

## MD Business

- Developing original products utilizing intellectual property
- Operation of e-commerce sites, including Chara-Ani.com, an online store for mascot merchandise, figures, and other goods, as well as the Kadokawa Store and KUJIBIKIDO, an online lottery service

## Commercial facility business

- Operation of facilities including TOKOROZAWA SAKURA TOWN, and sales of related goods
- Operating IP-based events outside of TOKOROZAWA SAKUEA TOWN

## Other new businesses

- Development and operation of VirtualCast, a VR/metaverse communication service



**TOKOROZAWA  
SAKURA TOWN**  
©Kadokawa Culture Museum

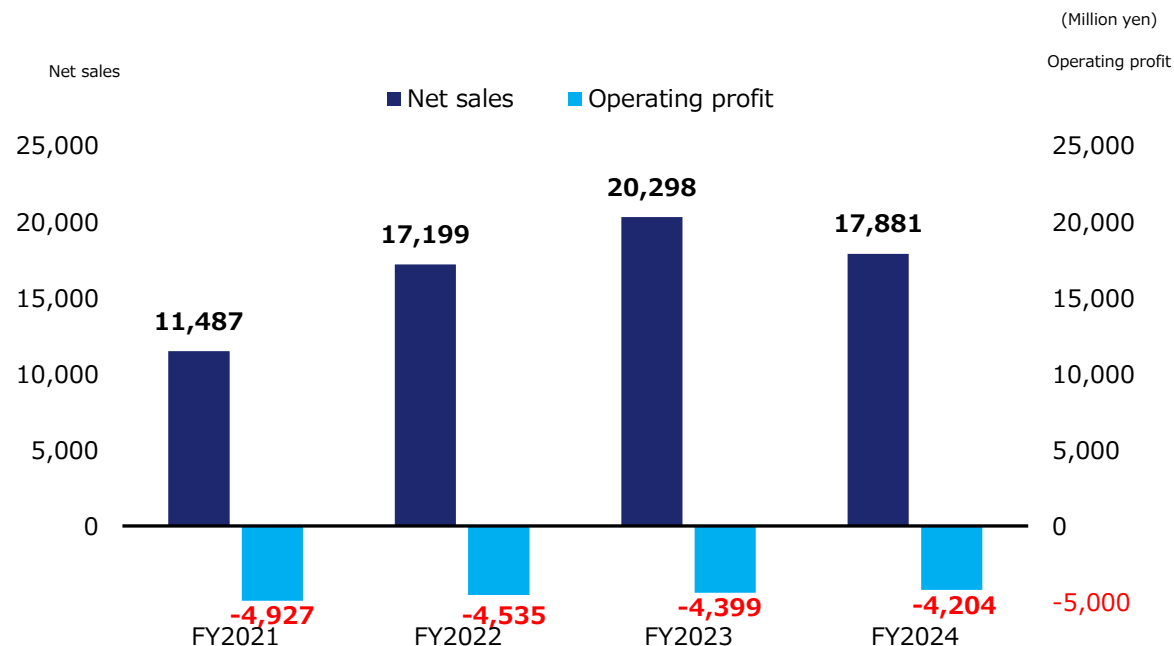


**Original products utilizing  
intellectual property**



**VirtualCast**

## Trends in Results



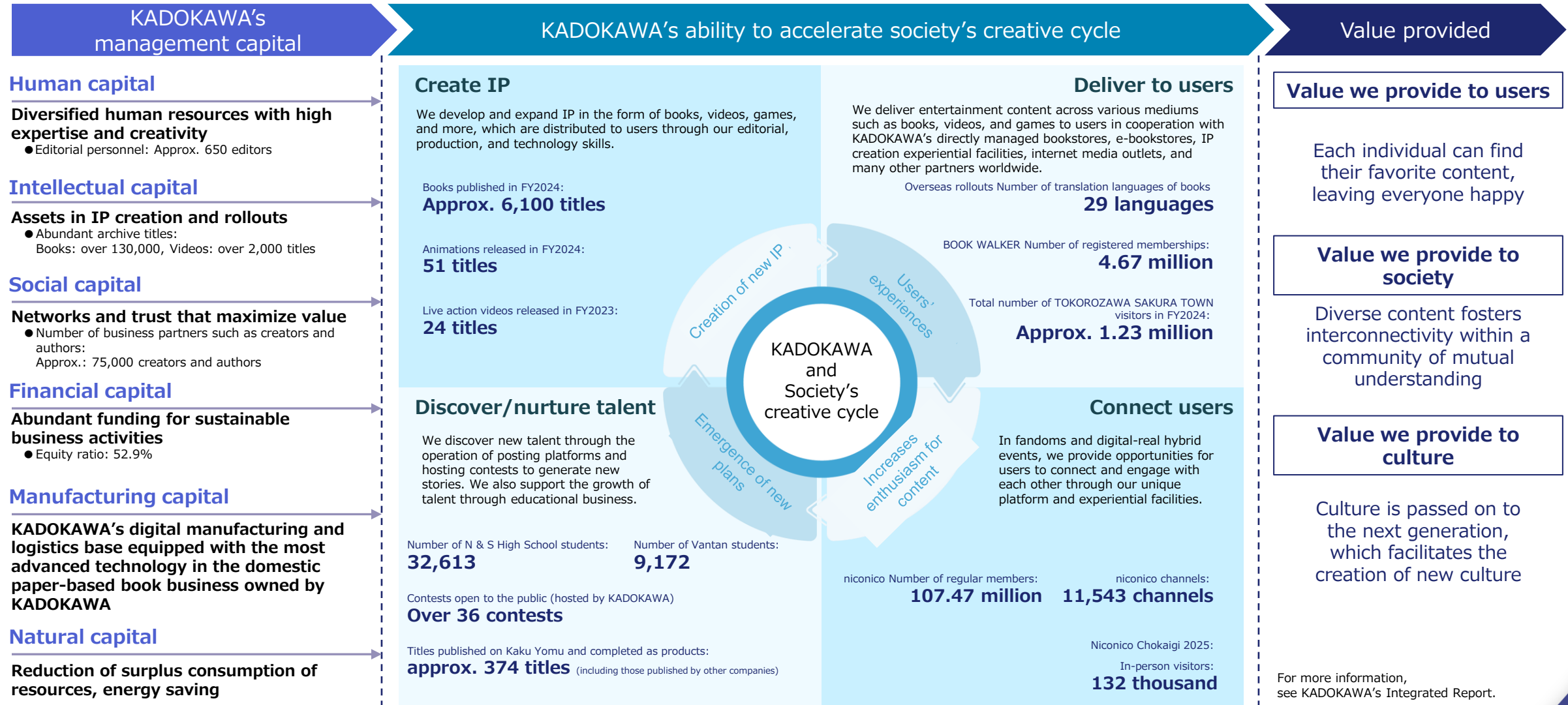
## Future Initiatives

- In the MD business, we will promote the business scale-up by further enhancing the product lineup and strengthening international sales channels
- In the Commercial facility business, we plan to provide more attractive opportunities to experience the world of IP by utilizing the Group's entertainment content, to attract even more customers and improve profitability.
- Boldly driving structural reform boldly to improve overall profitability



# 03 | Value Creation Process

The KADOKAWA Group is committed to bringing people happiness, mutual understanding, and both the legacy and creation of culture through a cycle of maximizing the value of owned IP. This cycle is composed of IP creation, users' enthusiasm, and the nurturing of future talent among authors and creators alike.



# 04 | Sustainability Policy

## Strengthen development of global human resources

### Strengthen personnel acquisition and training

- Implementing hiring activities and strengthening internship acceptance around the world
- Talent management of global nationals



### Strengthen support for success

- Enhancements to support programs for employees stationed internationally
- Improving various reward programs for employees at international subsidiaries
- Temporary remote work policy from home country for non-Japanese employees
- Expansion of eligibility for business class use on international business trips (At least the specified score on the qualifying examination)

## Enhance personnel systems that improve motivation

### Driving the success of junior personnel

- Providing new graduate employees with their desired assignments
- Long-term internship system

**Strengthening the foundation for growth**

**Creative human resources**

**Technology-oriented human resources**

**Global human resources**

### Promoting the further utilization of programs

- Free agent-type internal transfer program: increase in the number of successful transfers
- Improving in the percentage of employees with concurrent roles
- Increase in the number of proposals in the open call for projects accepted for execution
- Enhance one-off payments for obtaining qualifications (Up to 10 million yen paid for qualifications involving high levels of difficulty)
- Side job system
- Conducting practical training based on specialization

## Workplace environment that respects diversity

### Realization of diverse work styles

- Workplace Choice System (selection of work location)
- Improved support systems for employees raising children or providing family care
- Enhanced health support for employees
- Rate of return from childcare leave: **100% in FY2023**



▲ Scene from a family interaction event for employees raising children

### Employment of persons with disabilities

- Employment ratio of persons with disabilities: **2.32% in FY2023**
- Currently around 96 employees with disabilities\* are active in the special group.

\* As of the end of March 2024



▲ KADOKAWA CRAFT INC. operates a coffee roasting and sales business etc.

### Promoting opportunities for women

- Improving the percentage of female managers and executives on a Group consolidated basis\*

**FY2022 19.3% ▶ Target for FY2030 30%**

- Percentage of female employees in the KADOKAWA Group

**FY2021 42.2% ▶ FY2022 43.2%**

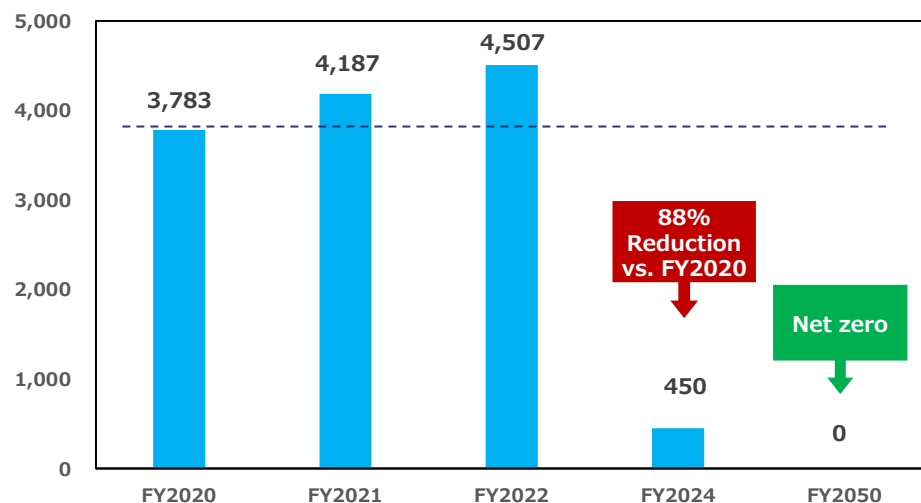
\* The ratio combines KADOKAWA and its domestic consolidated subsidiaries

## Environment

### Greenhouse gas (GHG) emissions reduction

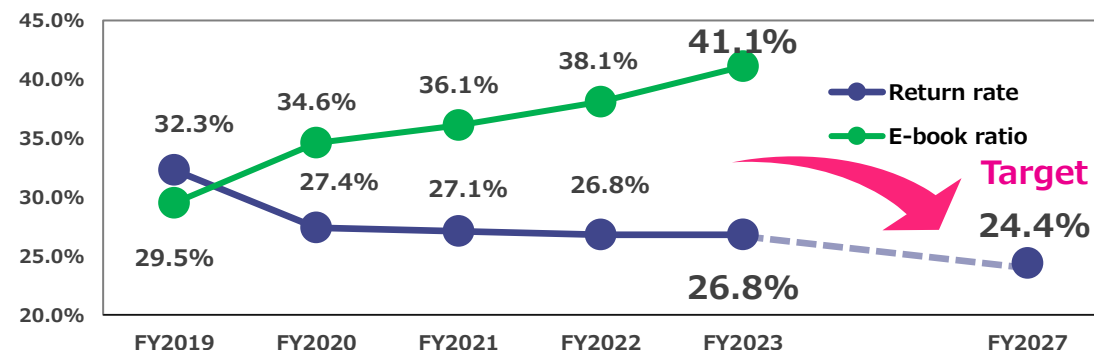
- ◆ The target of reducing greenhouse gas (GHG) emissions by 50% by FY2030 is expected to be achieved during FY2024, earlier than planned.
- The electricity used in our company's building will be virtually transitioned to renewable energy (scheduled in December 2023) and a 88% reduction will be achieved in FY2024
- Pursue virtually zero emissions throughout the KADOKAWA Group in the future
- ▶ Change in KADOKAWA's GHG emissions over time and target

CO<sub>2</sub> emissions (t-CO<sub>2</sub>) \* Trial calculation with adjusted emission coefficient



### Reducing wasted paper-based products

- ◆ Reduced wasted paper-based products in the paper-based books business
- Return rates of the Group's paper-based books business have been improving continuously
- The ratio of e-book sales in the Publication Segment is increasing



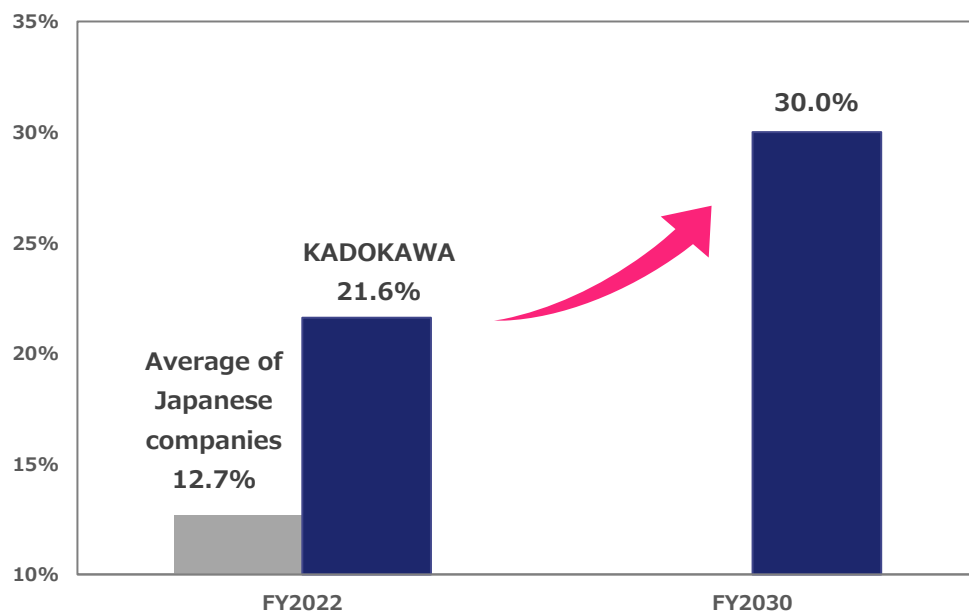
- Realized a significant reduction of wasted paper-based products (tons)



## Social

### Promoting the creativity and diversity of employees

- ◆ Promoting the diversity of the Group's employees
  - In the KADOKAWA Group, women are 44.3% of employees
  - We aim to further increase the percentage of women in managerial-level positions towards FY2030

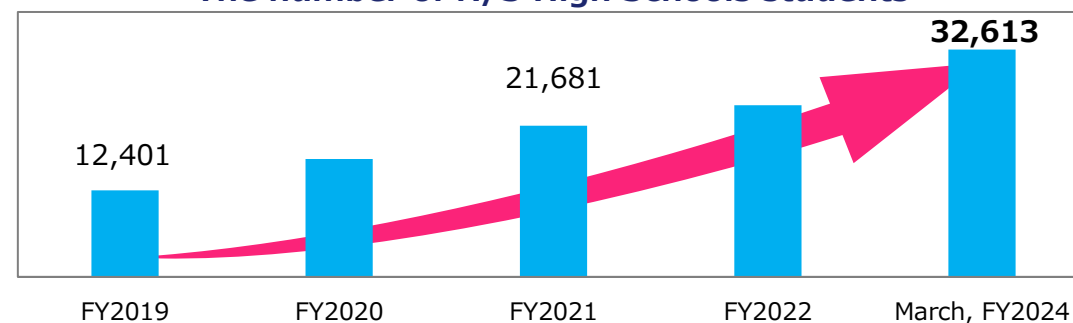


- ◆ Developing an environment that realizes diverse work styles

### Providing an equal and creative educational environment

- ◆ Provide practical education opportunities equally to diverse students
  - N/S High Schools provide education opportunities equally to high school students all over Japan, centered on online educational programs. They are the largest high schools in Japan, having 32,613 students.

The number of N/S High Schools students



- ◆ Develop specialists in the creative industry and contribute to the industry's sustained growth
  - Expect that they will join and contribute to the KADOKAWA Group

N 高等学校  
 S 高等学校  
 R 高等学校  
学校法人角川ドワンゴ学園  
 N 中等部



VANTAN

Training and development of human resources

Sharing of knowledge and expertise

Diverse society



Industries such as content creation and entertainment, including the KADOKAWA Group

## Governance

### Separation of supervision and execution of management

- ◆ Of the 12 members of the Board, 7 are Independent Members

■ Internal Members ■ Independent Members



- ◆ The Chairman of the Board is appointed from the Independent Members of the Board

- ◆ Reduction of cross-shareholdings

- The number of issuers of listed shares we are holding, and the cross-shareholdings portion of our net assets are both being reduced
- We will further reduce our cross-shareholdings going forward

- ◆ Transition from a company with an Audit & Supervisory Committee to a company with a Nominating Committee, etc. to strengthen the corporate governance

- Shift to the system with a Nominating Committee, a Remuneration Committee and an Audit Committee, majority of which consist of the Independent Members of the Board

