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Sustainability

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Activities of the Sustainability Committee

We established the Sustainability Committee in January 2022.

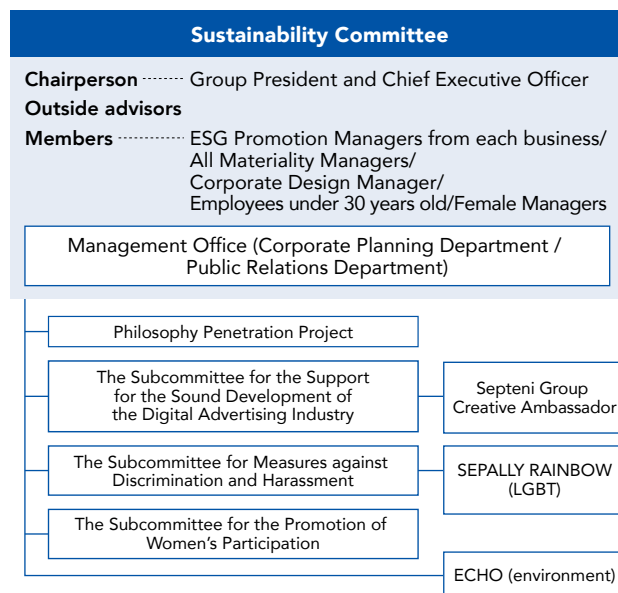
We are actively engaging with topics that concern the Group's continuous growth and increased corporate value.

Activities of the Sustainability Committee

In January 2022, we formed the Sustainability Committee as an updated version of the CSR Committee established in 2016. As a voluntary advisory body that supports the Board of Directors' decision-making, the committee carries out activities aimed at achieving continuous growth for the Group, an increase in corporate value and a sustainable society.

The Sustainability Committee holds regular 90-minute

Sustainability Committee Organizational Chart



meetings every three months, mainly to proactively debate and consider setting sustainability-related KPIs, sustainability activities, and data disclosures. The committee provides a forum for next-generation employees under 30 years old, female managers, ESG promotion managers in major businesses, materiality (our priority challenges) promotion managers, and outside advisors to participate and hold lively discussions from varied perspectives.

In the fiscal year ended September 2022, they held multiple discussions on setting KPIs for each activity, the progress of activities for each materiality, and data disclosures.

Corporate Vision Reformation Project

In the fiscal year ended September 2022, the most important matter the Sustainability Committee handled was the reformation of our corporate philosophy as announced in October 2022. The Philosophy Penetration Project under the Sustainability Committee spearheaded the philosophy reformation and facilitated the reflection of diverse voices within the Group by interviewing Group Senior Executive Officers individually and holding multiple workshops for employees. Several Sustainability Committee members participated in the workshops as well and contributed to the drafting of a new vision.

The Sustainability Committee was also the first in the Group to discuss the draft for the new vision. The discussion by committee members was followed by discussions by the Group Management Meeting and the Board of Directors before a resolution was made.

COMMENT

Participating in the Sustainability Committee has been a good opportunity for me to stay focused on what is important

Participating in the Sustainability Committee made me begin to consider how we can develop in the medium and long term together with all of our stakeholders. It has been a good opportunity for me to stay focused on what is important. I also took part in the workshops organized to help reform the philosophy. Working hand-in-hand with people in various lines of work and various generations from each Group company made me experience the Group's multiculturalism through which it expands its businesses and creates the future while respecting the uniqueness of each company. I felt that this is linked to an attitude and philosophy that respects the "people" that make up each operating company.

I was the first employee in the Group to take maternity leave. In the 17 years since I resumed work, I have personally experienced the changes in the Group. I hope to continue participating enthusiastically in the committee so that my personal experiences and opinions can help create the next generation of the Group.



Kyoko Yoshida

Manager
Customer Success Gr.
Consulting Department
Tricorn Corporation

Materiality (Priority Challenges in the Septeni Group) and Identification Process

Materiality identification and assessment

In promoting sustainability activities, we have identified five materialities (priority challenges in the Septeni Group) among a number of social issues.

In identifying materiality, we extracted social issues based on international standards and comprehensively judged from the two perspectives of "Stakeholders' Expectations for the Septeni Group" and "Importance for the Septeni Group's Businesses." We first discussed materiality (priority challenges in the Septeni Group) at the CSR Committee (at that time) and confirmed the appropriateness at the Board of Directors meeting.

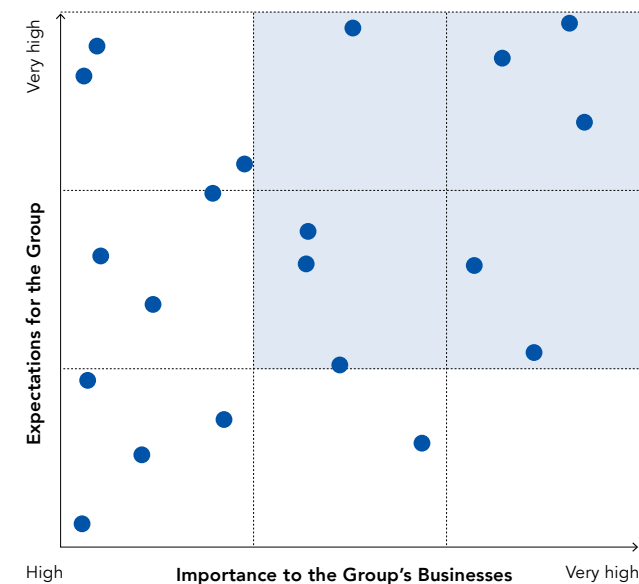
We also confirmed the materiality when the Sustainability Committee was established in 2022. In the fiscal year ended September 2022, we carried out activities based on five materialities: Development of High-Quality Human Resources, Diversity & Inclusion, Industry Development through Utilization of AI, Support Sound Development of the Digital Advertising Industry, and Support for Culture, Sports and the Entertainment Industry.

In October 2022, we revised our corporate philosophy. In particular, we set a new vision that shows what we aim to be and how we contribute to society in the medium to long term. In response to the revision, we are currently reviewing our materiality. In order that sustainability activities can contribute to the achievement of the new vision, we will strengthen connections between the vision and activities, reflecting the perspective of risk reduction and opportunity expansion.










Identification Process



Materiality Image Map



Materiality (Priority Challenges in the Septeni Group) and Identification Process

Materiality	Value provided to society	Initiatives in the fiscal year ended September 2022
1 Development of High-Quality Human Resources   	<p>We aim to create open innovation by illuminating the “structure of human resources development” from a scientific perspective and sharing it broadly throughout society.</p>	<p>Within the Group, we are building a comprehensively integrated data-utilizing HR value chain that spans from hiring and onboarding to development. Using our accumulated databases, we contribute to the maximization of human capital by supporting HR management under remote work, among other things. These activities have also garnered outside recognition, including seven consecutive years of receiving HR Technology Awards.</p>
2 Diversity & Inclusion   	<p>We aim to create a society where everyone can be themselves and thrive by eliminating gender gaps and establishing work environments where discrimination and harassment do not occur. At the same time, we also aim to help improve labor productivity.</p>	<p>We organize a Group-wide Diversity Month where we hold an intensive series of Diversity & Inclusion-related (D&I) events over the course of a month. We also continue to organize Diversity Awards that recognize initiatives that contribute to promoting D&I. Through such measures, we are creating a fair environment and ensuring psychological safety so that everyone can participate and thrive in the workplace with peace of mind, with the aim of generating innovation through a diversity of experiences and perspectives.</p>
3 Industry Development through Utilization of AI 	<p>We aim to generate innovations in various industries through the use of AI. We are also working to help drive labor productivity improvements by using AI in HR.</p>	<ul style="list-style-type: none"> • Leveraging AI in HR technology Human Capital Lab, Inc. has begun to offer “HaKaSe Onboard,” a DX service that supports employee onboarding, to outside companies. We are actively working to help improve labor productivity through support that enables employees to quickly become contributors. • Leveraging AI in digital marketing For the post-cookie era, we are working on providing data solutions in order to contribute to the growth of the businesses of our client companies, such as by developing and supplying “Precog Base,” a new data privacy-sensitive measurement infrastructure building solution.
4 Support for Sound Development of Digital Advertising Industry 	<p>We are engaged in activities aimed at achieving a safe, secure digital society by helping to develop the digital advertising market to be more sound, robust, and exciting.</p>	<p>We work on brand safety, ad verification, and other initiatives to improve the quality of advertising. These efforts have been recognized with JICDAQ certification as a Quality Certified Business Operator for five group companies in both the “exclusion of invalid distribution, including ad fraud” and “ensuring brand safety according to the quality of advertising destinations” categories.</p>
5 Support for Culture, Sports, and Entertainment Industries 	<p>We aim to create a world filled with inspiration while contributing to the advancement of industry by supporting athletes along with sports and players in new genres and advancing DX in the realms of manga and anime.</p>	<p>Members of the Septeni Raptures professional dance team which participates in the professional dance league “D. LEAGUE” visited schools around Japan and interacted with around 300 people. They are working to further popularize street dance. Additionally, Qzil.la, the anime studio we established to promote technology-utilizing DX in the anime industry, is releasing various types of productions.</p>

Materiality 1 Development of High-Quality Human Resources

We are working to realize highly reproducible human resource development through research on the use of data in HR initiatives for recruitment, development, and placement.

Initiatives to increase human capital value through onboarding

We deploy science-backed HR initiatives grounded in an HR Development Equation in order to efficiently increase human capital value based on its management strategy. At its nucleus is an HR value chain designed as an integrated service from recruitment to onboarding to development that leverages the human resources databases we have accumulated to date.

In onboarding, for example, we utilize compatibility models derived from our own original HR Development Equation for job assignments by compatibility, based on quantitative calculations of work environments that individuals can adapt to more easily. Additionally, we are deploying initiatives to encourage new employees to adapt quickly and succeed. For example, we provide "adaptation plans" that explain how to relate to the staff and the job at the assignment destination based on the individual's own strengths and stumbling points. We also provide new employees and their supervisors with reports on the results of "adaptation assignments" which are conducted every three months after joining the company to visualize the level of adaptation to the assignment destination.

As a result of these onboarding and other various HR initiatives, we have confirmed that new employees, even with new work styles centered on remote work, adapt and become contributors at an early stage. We also provide onboarding programs to mid-career hires to help them adapt quickly and succeed.

▶ See "Human Resource Strategies and Initiatives in Human Capital Management" on pages 21-22 for more details.

COMMENT

Usage and Structure of Digital HR Technology

Based on the concept of the Human Resource Equation, we have been accumulating human resource data for more than 20 years and have built structures to analyze it. We use these databases and analysis technology to help new employees who join the company to quickly adapt to their assignment destinations. After job assignments by compatibility, we provide information about how to adapt to one's assignment destination, such as the individual's own strengths, recommended learning methods, and information about the organization of their assignment destination. We also give supervisors information such as advice on how to interact with their new hires based on their individualities, thereby operating a structure where both parties can understand each other.

We collect data while implementing and improving these initiatives, through which we are preparing a structure to improve the overall precision of the initiatives.

Furthermore, all the information used in these initiatives is handled according to the Digital HR Guidelines aimed at ensuring the appropriate utilization of data.



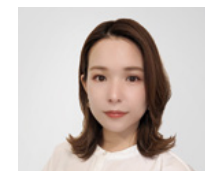
Fumiya Kan

Deputy Manager
Human Capital Lab, Inc.
Septeni Holdings Co., Ltd.

COMMENT

Onboarding Initiatives and Results

At the HR Business Partner Division, staff (career advisors) who provide integrated support for growth before and after a person joins the company deliver support tailored to each employees' circumstances and challenges based on an assortment of HR data. Specifically, they give advice and support capability development to help newly-joined employees to adapt to their duties and organizations. They also supply managers and OJT trainers with information such as the optimal training methods and ways of interaction based on an individual's unique characteristics. Employees who go through this onboarding process say things like, "It made communicating with my team members easier," and "I discovered the learning method that suits my personality." Supervisors and OJT trainers also say, "We were able to learn about thought and behavior characteristics, which would otherwise have taken us several months to understand, before the person joined the company, so we were able to accept them with peace of mind even in a remote environment," so we are able to help individuals adapt to their environments even in a remote work environment.



Saki Tomii

Manager
HR Business Partner Department
HR Business Partner Division
Septeni Japan, Inc.

Materiality 2 Diversity & Inclusion (D&I)

The Septeni Group promotes diversity and inclusion, respecting all human rights and recognizing diversity. We believe that the sustainable development of the Group is achieved if employees with diverse backgrounds, regardless of gender, age, or nationality, can demonstrate their maximum performance in their own way.

Awareness-raising activities through Diversity Awards and Diversity Month

We have been holding the group-wide Diversity Award since 2020, with the aim of spreading the significance and benefits of promoting diversity and inclusion (D&I) within the company and demonstrating the Group's willingness to proactively engage in D&I both internally and externally. We invite applications from employees for "initiatives aimed at creating an environment in which each and every individual can play an active role and generate innovations and achievements," and award initiatives that are recognized as particularly valuable at the Group Kickoff at the beginning of the fiscal year. In the fiscal year ended September 2022, there were 32 applications in the general category and 32 in the rookie category, which was newly established in 2022 and was open to employees within three years of joining the Group.

In addition, since 2021, we have held an annual "Diversity Month." Series of events are held intensively from May 9 to May 31, 2022 for the purpose of "personalizing" D&I promotion.

LGBT-related initiatives

We have established the Group-wide LGBT and allies network "Sepally Rainbow," which engages in creating a workplace where all employees are motivated to work by helping each and every employee deepen the understanding of SOGI.

During Diversity Month in 2022, we held seminars with several companies within the Dentsu Group that are actively promoting LGBT-related initiatives. The seminars were organized from many different perspectives.

In recognition of these activities, we have received the highest rating of GOLD in the PRIDE Index, an indicator of workplace initiatives related to sexual minorities, for five consecutive years.

Measures against discrimination and harassment

The strengths of each individual can be leveraged by establishing work environments where no one is discriminated against or harassed according to their gender, age, nationality, race, ethnicity, religion, principles, beliefs, social status, disabilities, sexual orientation, or gender identity. To create such environments, we have conducted training sessions about harassment prevention for newly appointed managers and provide e-learning on the topic of "human rights-conscious advertising expressions." In the fiscal year ended September 2022, all managers of Dentsu Direct Inc. and Dentsu Elfto Architect Inc., which have newly joined the Group, have taken the harassment prevention training.

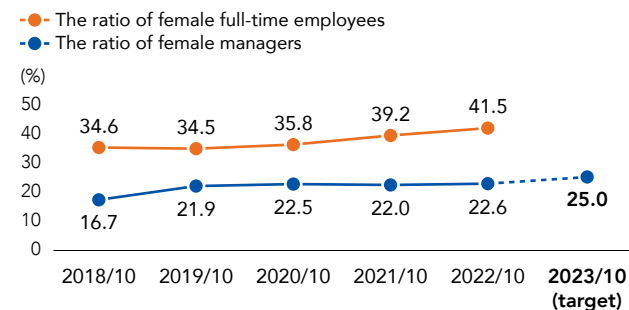
We also actively promote awareness of unconscious bias, which is one of the factors of all forms of discrimination and harassment, and which can hinder each individual's success.

Promoting women's participation

Since 2010, we have been actively promoting women's participation. We are working to enable employees from various backgrounds to work and play active roles with a sense of security by anticipating changes in the life stages of employees and demands from society, and by considering and developing measures to respond to these changes.

The ratio of female managers at major group companies in Japan was 22.6%, a steady increase from 16.7% in 2018. On the other hand, there is still a gap between the ratio of female full-time employees (41.5%) and that of female managers. Given the situation, we are currently discussing setting new targets and efforts with the aim of closing the gender gap.

The ratio of female full-time employees/ the ratio of female managers (Major group companies in Japan)



Materiality 2 Diversity & Inclusion (D&I)

Stakeholder Engagement

Septeni Global's D&I efforts as we advance the global business



Manami Ruike

Business Promotion
Assistant Director
Septeni Global G.K.

Daisuke Suefuji

CEO, Septeni Global G.K.
Septeni Group
Executive Officer

Septeni Global is a Group company whose main objective is to lead international projects, such as placing advertisements in Japan for foreign companies. Septeni Global CEO Daisuke Suefuji and Assistant Director Manami Ruike, who is in charge of back office operations including the hiring and training of human resources, shared their ideas about the company's diversity and inclusion activities, which are exceptional even for the Septeni Group.

D&I is the first step to creating an attractive company

Suefuji: When we launched the global business about 10 years ago, all of the employees at our overseas bases were men transferred from Japan. Then a few years later when we started hiring local people to expand our business, we had problems with the retention rate. That's when we realized that we had to make the company more attractive as a place to work and began working to increase the diversity of our employees. We now have an ideal balance in which the ratios of foreign nationals and female employees to all employees are about 50%, and foreigners make up about 40% and women 50% of our management positions. During our hiring activities, these percentages have been very positively received by job seekers.

Ruike: Many foreign employees have even received internal awards. Last year, all of the nominees for the Manager Award were women. All of our employees are active and receive recognition in the company.

Efforts to instill our philosophy are also contributing to D&I

Ruike: I think our efforts to instill the Septeni Global philosophy are contributing positively to creating an environment where all employees can play active roles in the company. The Septeni Global mission to “Lead Beyond Borders,” also speaks to diversity as it means leading all stakeholders to greater heights of success by transcending obstacles including the borders of

countries, cultures, and values. We also promote mutual understanding by having individuals say which of Septeni Global's three values they emphasize in their work.

Suefuji: Many elements of the Septeni Global philosophy are in the Group's new vision, and I feel like our company and the Group as a whole are moving in similar directions. For example, the idea of “Lead Beyond Borders” is essential to “create a new era.”

Expanding our business by creating an environment where all employees can fulfill their potential

Suefuji: We will most certainly face increasingly complex challenges as the growth of our global business accelerates. To meet these challenges, I would like to direct our focus more on creating an environment that provides a high degree of psychological safety where people with diverse talents can fully demonstrate their abilities. Top management will continue to send the message that time in the company, age, nationality, religion, or gender have no effect on promotion or evaluation, and we will actively set up task forces to resolve any internal issues that arise. One of the joys of working in this industry is the variety of people you meet, and I would like all employees to feel that way.

Ruike: Our perspective from HR is that D&I is the foundation of the organization and an essential to an open workplace culture. There's no absolute answer for how much D&I a company should have, and we will continue to advance our D&I measures knowing that it is a positive intangible factor in our business performance.

DIALOGUE

Materiality 3 Industry Development through Utilization of AI

As our society shifts to digital, we are actively working on many efforts utilizing technology to solve society's problems while adding an extra flourish of prosperity in order to realize a *nameraka* future.

Leveraging AI in Digital HR

Industry Development through HR Technology

Since our founding, we have always regarded people as core assets, and we have grown by investing actively in human resources.

To secure a stable supply of human resources and realize continuous growth in emerging markets where experienced personnel are overwhelmingly few and competition for human resources is extremely fierce, we established an in-house specialized research organization to research "scientific human resource development models," and pursued the development of highly reproducible human resource development initiatives.

In 2021 we provided our cultivated intellectual property to client companies and established Human Capital Lab, Inc. with the aim of helping them maximize their human assets. We developed and supply "HaKaSe Onboard," an onboarding service. We have broadly divided human resource domains into three categories: Recruitment, Adaptation and Development, and with Hakase Onboard, we support the DX of the middle domain, Adaptation.

In addition to solving issues that occur in onboarding, this service aims to simultaneously promote smooth DX in businesses across the entire domain of human resources, so it is designed to make it possible to apply the data gained in the Adaptation domain to the domains of Recruitment and Development. For example, from onboarding data, we

can analyze the kind of human resources we can easily develop at our company and provide that as feedback for recruitment activities. In practice, it is used by companies in various industries and of various sizes not only for onboarding but also as the first step in promoting DX in human resource activities.

Going forward, by providing DX services that maximize human assets through the power of technology, we will support companies' human resource activities and contribute to greater labor productivity in society.

マッチングスコア一覧										
社員 No	部署 No									
	システム開発部 1課	システム開発部 2課	システム開発部 3課	営業部 1課	営業部 2課	営業部 3課	営業部 4課	営業部 5課	営業部 6課	営業部 7課
1 サンプル新人社員A	10	79	68	75	57	79	95	48	58	76
2 サンプル新人社員B	36	31	95	57	45	39	94	80	42	57
3 サンプル新人社員C	61	51	45	45	42	27	13	43	42	91
4 サンプル新人社員D	91	11	39	25	33	89	12	86	14	48
5 サンプル新人社員E	10	41	37	28	68	83	43	20	69	86
6 サンプル新人社員F	62	13	66	22	20	83	74	59	26	22
7 サンプル新人社員G	52	49	56	36	19	85	72	83	85	75
8 サンプル新人社員H	72	64	63	53	83	79	47	59	34	35
9 サンプル新人社員I	38	58	18	64	20	22	42	95	20	74
10 サンプル新人社員J	41	65	21	26	39	45	28	43	52	71
11 サンプル新人社員K	17	13	65	10	57	57	54	55	70	22
12 サンプル新人社員L	83	12	15	14	22	75	12	10	70	52

Image of compatibility score with a potential assignment destination

Leveraging data in digital marketing

Data privacy is growing in importance worldwide and movements to regulate cookies are expanding, so it is becoming increasingly important for companies to respect the data privacy of users even more and conduct digital marketing based on the appropriate acquisition and management of personal information. In response to such changes in society and in the business environment, to prepare for a post-cookie era, Septeni Japan has developed Precog Base, a solution for building new measurement infrastructure that carries out linked processing of behavior data and form entry information on websites in a cloud server environment, thereby taking data privacy into account without depending on browser cookies. It supports centralized data management by building measurement infrastructure using the optimum method in line with

the advertiser's objectives.

These initiatives have been recognized, and in 2022 we won the "Best solution partner Award" at the Meta Agency First Award organized by Meta to honor partner companies that have made outstanding achievements.



Materiality 4 Support for Sound Development of Digital Advertising Industry

We are promoting initiatives based on the "Three Promises by the Septeni Group," a policy for the sound development of the digital advertising industry.

A policy for the sound development of the digital advertising industry

Three Promises by the Septeni Group

1. Sincere response

We consider integrity to be the basis of everything we do and act in the spirit of right and wrong rather than gain and loss. We will always be aware that conveying useful information to society in an appropriate manner will lead to trust in digital advertising, and we will work in cooperation with stakeholders to bring smiles to all concerned.

2. Improvement of quality

We will observe all relevant laws, regulations, and rules agreed upon with related parties, and strive to improve our service quality through continuous education and improvement, with the aim of building internal operations that are less prone to accidents and wrongdoings.

3. Pursuing possibilities

We will continue to develop new technologies and methods to enhance the value of digital advertising and increase stakeholders' satisfaction.

Launch of the advertising ethics awareness project

We started "Septeni Group Creative Ambassador," a group-wide volunteer effort to raise awareness of correct advertising ethics within the company so that we can contribute to the growth of our clients' businesses by communicating useful information to society in an appropriate manner.

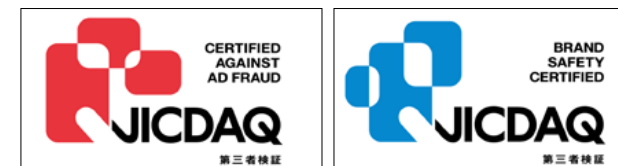
In 2021, we invited external lecturers to hold in-house study sessions on the Act against Unjustifiable Premiums and Misleading Representations and the Pharmaceutical Affairs Law. We also raised awareness of advertising ethics by sharing information on internal cases of near miss accidents, external cases that resulted in receiving administrative guidance and action orders, and external advertising cases that were covered negatively in society.

▶ Please refer to the next page for the background and details of the establishment of this project.

Five Group companies obtained quality certification for digital advertising by JICDAQ

We promote ad verification initiatives, protecting advertisers' brands by ensuring that advertisements are not served on inappropriate ad spaces, and providing a variety of solutions to detect and reduce all types of fraudulent (invalid) traffic, such as impression padding by machines and clicks by bots.

We have been certified by JICDAQ as a "Quality Certified Business Operator" based on "ensuring brand safety associated with the quality of ad placements (removing obviously illegal or invalid advertising destinations)" and "eliminating invalid distribution, including ad-fraud (eliminating ad deliveries that do not reach people.)"



Certified companies (as of end of February 2023)

- SEPTENI CO., LTD.
- HighScore, Inc.
- DENTSU DIRECT INC.
- DENTSU ELFTO ARCHITECT INC.
- SEPTENI CROSSGATE CO., LTD.

Materiality 4 Support for Sound Development of Digital Advertising Industry

Stakeholder Engagement

Introducing the Creative Ambassador program for sound and effective ad creative in digital advertising



Mayo Ishikawa

Manager,
Corporate
Management Office
Septeni Ad
Creative, Inc.

Takuto Kai

General Manager,
Media Strategy
Promotion Department
Marketing Strategy Office
Septeni Japan, Inc.

Yuko Yokoi

First Direction
Department,
Section 3
Creative Office
Septeni Japan, Inc.

The group-wide Septeni Group Creative Ambassador program was created to enhance awareness of ethics in advertising. Program creator Takuto Kai spoke with members Mayo Ishikawa and Yuko Yokoi about why the project was introduced and what they envision for the program's future.

Making sound and effective ad creative a Septeni strength

Kai: The Sustainability Committee's Subcommittee for Sound Development of the Digital Advertising Industry is actively promoting initiatives for advertising verification, including measures to prevent ad fraud and ensure brand safety. We also believe that appropriate language and images in ad content is extremely important to protecting the brands of the companies placing the advertisements, so in fiscal 2021 we created this program with the aim of enhancing ad soundness from this perspective as well. For the project, we interviewed employees with high awareness of these issues at the Group companies, and currently have 11 members from five different companies.

Ishikawa: I joined the project because I felt that the group companies sharing information about this would improve the Group's overall ability to ensure the soundness of presentation. The Creative Ambassador program was created to communicate information about advertising ethics, such as about ad content that society looks on unfavorably. Having people discuss topics like these raises the Group's overall awareness of sound ad content.

Yokoi: I agree. Even if not required by law, it's essential to consider the ethics in advertising content to both protect a client's brand and to create effective content. Like the study session in 2021 when we brought in an outside lecturer, I would like to push forward with initiatives to raise awareness in ways that go beyond legal compliance.

Ishikawa: Ideally, we would continue activities like that so our clients will recognize that producing sound and effective ad content is one of the Group's strengths.

Activities that contribute to achieving the new vision

Yokoi: I consider these activities to be directly related to the second part of the new vision “To open the door to a *nameraka* future with creativity and technology” with *nameraka* meaning a harmonious state without friction or barriers. To do that, I think it's important to continue providing ad creative that is sustainable and beneficial for society. Doing so will also lead to fulfilling the third part, to make the world “bright and simple.” I think the Creative Ambassador program and the Septeni Group can play a major role to make the digital advertising industry bright and attractive.

Kai: I agree. As we aim to fulfill the new vision's long-term image for the Group, it will be important to continue training people inside the Group to create effective and appropriate ad creative. I hope we will continue activities like these so that when we achieve the new vision the Group will be a leader in the sound development of the digital advertising industry.

DIALOGUE

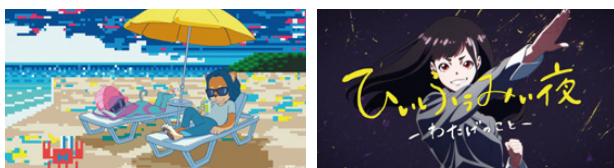
Materiality 5 Support for Culture, Sports, and Entertainment Industries

We actively support the success of artists, athletes and others active in a broad range of sports and cultural genres and engage in activities aimed at contributing to the development of industry through the use of technology.

Digital anime studio Qzil.la

Aiming to advance DX utilizing technology in the anime industry, we established the digital anime studio Qzil.la, Inc. in 2021.

They collaborated with TV TOKYO Corporation on "KASHIKA," an original music video project, and participated in "wasurene," a project where creators and artists collaborated to produce and distribute music. They are also releasing various types of productions.



"KASHIKA_02 BOUNCE DANCE" "HiFuMii-YO" feat.4s4ki

Septeni Raptures, professional dance team

In August 2020 we formed the Septeni Raptures professional dance team to participate in the D.League professional dance league which originates in Japan. With an eclectic group of professional dancers from every genre, the Septeni Raptures create a diverse range of unique vibes at every event and always reveal fresh new surprises in their performance, which never fails to captivate audiences.

Furthermore, between 2021 and 2022, members visited elementary and high schools around the country as teachers and held events where they taught the children and students how to dance. They visited six schools in one year and interacted with a total of approximately 300 children and students.

While continuing to interact with a variety of stakeholders through dance, they aim to further popularize street dance.

Major Achievements in 2022

- The Dai-Ichi Life D.League 2021-2022 season: Overall 6th Place
(Advanced to the championship as a wild card)

Supporting the VEGALTA SENDAI professional soccer team

Since February 2020, we have supported the club management and team growth of the VEGALTA SENDAI professional soccer team as a digital marketing partner.

VEGALTA SENDAI sells "My VEGALTA COLLECTION," the club's official NFTs*, on the general NFT marketplace "LINE NFT" provided by LINE XGenesis Corporation. The Group, led by Septeni Incubate Inc. which handles new business development, supports this initiative using its accumulated knowledge and knowhow about NFTs.

*NFT (non-fungible token): Digital data with inherent value that has been verified using blockchain technology.

Launching projects that increase staff engagement centered on sports

We have launched the SEPTENI SPORTS ENGINE PROJECT, a Group-wide volunteer-run project that aims to increase employee engagement centered on sports.

This project aggregates all the activities in the sports domain in the Group and implements Group-wide inner initiatives. It organizes viewing events for VEGALTA SENDAI and the Septeni Raptures and communicates information about sports businesses within the Group.

COMMENT

The "ENGINE" part of the project name, "SEPTENI SPORTS ENGINE," means "to become an engine and to form a circle (enjin wo kumu in Japanese)." It represents our desire to increase the unifying force of the group through activities. As "a place where people are empowered to create a new era," as stated in the first sentence of the new vision, we intend to unify our hearts as one through sports while accepting diversity.



Takaya Tanaka

Sports Business Promotion Office
Septeni Holdings Co., Ltd.

Environment

We aim to achieve a sustainable society and strive to reduce GHG emissions and use resources effectively in order to reduce the environmental impact of our business activities.

Environmental policy and GHG emissions

Our Environmental Policy advocates "reduction of printing paper," "proactive green purchasing," and "implementation of resource and energy saving measures and promotion of recycling." A Group-wide volunteer project, "Echo by Septeni Group," plays a central role in our environmental initiatives, working to raise environmental awareness within the Group by sharing information through email magazines for employees and by organizing in-house events such as online seminars on renewable energy.

Change in GHG Emissions

	2020/9		2021/9		2022/9	
	Emissions (t-CO ₂)	Ratio (%)	Emissions (t-CO ₂)	Ratio (%)	Emissions (t-CO ₂)	Ratio (%)
Scope1	5.5	0.1	6.9	0.1	7.3	0.1
Scope2	768.5	15.9	719.6	14.8	817.0	12.8
Scope3*	4,071.1	84.0	4,138.1	85.1	5,548.6	87.1
Total	4,845.1		4,864.6		6,372.9	

*Category 1 (Purchased goods & services), Category 2 (Capital goods), Category 3 (Fuel & energy-related activities), Category 6 (Business travel), Category 7 (Employee commuting), Category 8 (Leased assets (upstream))

▶ Please refer to the link below for more details.
<https://www.septeni-holdings.co.jp/en/ir/esg.html>

In addition, toward the realization of a decarbonized society, we have disclosed our GHG emissions since 2021. In the fiscal year ended September 2022, GHG emissions increased in the relevant divisions because we gradually resumed face-to-face business activities and increased business travel and commuting while monitoring the spread of the new coronavirus. The new consolidation of Dentsu Direct Inc. and Dentsu Elfto Architect Inc. also contributed to an overall increase in emissions. Going forward, we will continue to promote activities aimed at reducing our environmental impact and balancing our business activities.

Environmental initiatives by SEPTENI RAPTURES

The professional dance team "SEPTENI RAPTURES" has been using upcycled costumes since 2020 as a way to address environmental issues. Upcycling is the process of transforming old or unwanted items into a new product by adding value, such as a design or an idea. In the fashion industry, which is closely related to dance culture, it is estimated that more than 500,000 tons of clothing is discarded in Japan annually, and there are concerns about the environmental impact of the production, wearing, and disposal processes, including the massive consumption of natural resources and water, CO₂ emissions, and water pollution.

As a party facing these issues, SEPTENI RAPTURES aims to contribute to solving them by practicing and communicating sustainable behavior through this

initiative. In November 2022, SEPTENI RAPTURES collaborated with the premium lifestyle brand TOMMY JEANS to create costumes upcycled from products that could not be sold due to unavoidable circumstances, and performed at the "D.LEAGUE 22-23 SEASON ROUND.3."



The professional dance team "SEPTENI RAPTURES"



Upcycled clothing



▶ Please visit the website below for more details.
<https://septeni-raptures.com/works/d20221207/>
 (*Only available in Japanese)