

**MACROMILL
GROUP**
SUSTAINABILITY REPORT 2022



Introduction

The purpose of this report is to convey Macromill Group's commitment to providing accurate consumer insights that help realize a sustainable society. We aim to highlight our Group's purpose in society and to report as concretely and broadly as possible on our progress toward achieving this goal.



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Key Principle



Our Key Principle on the sustainability of the Macromill Group's business activities is defined in the Group's Mission, Vision, and Value. We will help clients make smarter decisions by providing services that satisfy and inspire them. In doing so, we will help realize a sustainable society. With a determination shared by every employee, we will perform corporate activities focusing on economic, social, and environmental harmony.

MISSION

Our Mission is to create innovative data and insights that drive clients' smarter decisions.

We focus on creating an environment where employees can maximize their potential while building a profitable and valuable company.

VISION

Build your Data Culture

We aspire to be the driving force in helping our clients build data cultures by utilizing our data-native approach to solve today's marketing challenges and support business success.

VALUES

Drawn from across the Macromill group, our Values showcase the core principles which drive every relationship and every interaction with our clients, employees, stakeholders and society.

Think New, Think Deep
Act Now, Act Together
Be True, Be Open
Own It, Enjoy It

Message from Our CEO

Leverage consumer research panels and human capital to realize a sustainable society

Helping our client companies make “smarter decisions” and achieving sustainable growth for society

The spread of mobile devices, digital media, and the development of technology has flooded society with goods and information. Consumer values are more diverse than ever.

How do we capture consumer insights and create markets? As companies implement their marketing activities, it is becoming more and more important for them to understand the increasingly diverse opinions of consumers. This process is essential for companies aiming to create new services.

Macromill has been helping client companies gain deeper and more accurate consumer insights through our research panels (“proprietary panels”), which we have been building since our foundation. The wide variety of marketing data we provide helps our clients create high-quality products and services that are in tune with consumer needs. Our work helps client companies make “smarter decisions”, which in turn delivers sustainable growth for them - and for society. In this way we contribute to our clients’ businesses, to consumers, and to society as a whole.

Using consumer research panels as a source of new value

The Macromill Group owns proprietary panels of 1.3 million people in Japan. At an international level, we have 10 million global consumers on our panels. We have explicit permission from our domestic Japanese panel to obtain and use their data. This ranges from awareness data to behavioral data such as purchase information, internet access logs, and location information, as well as biometric data such as blood and saliva.

We believe that our ability to obtain such a wide variety of data reflects our founding principle to improve data quality. We do this by building our proprietary panels and developing strong, trusted relationships. As laws and regulations to protect personal information become more stringent, we expect the value of our proprietary panels to increase.

Our proprietary panels sustain the various business activities of our Group: obtaining consumer insights from our panels and delivering them to client companies; supporting the use of consumer data in our client’s business strategic planning; and directly supporting the marketing activities of client companies. The Group’s business activities, which are supported by our proprietary panels, aid consumers by helping to create a better society. In this way, we deliver sustainable social co-creation for both client companies and consumers.

Message from Our CEO

Our people: the most important form of capital

The Group's mission is "to provide services that truly satisfy and inspire our clients". To achieve this, we need to be a diverse organization. We are developing an environment and culture where people from many backgrounds respect each other's differences and are enriched by them. This environment and culture enhance individual and organizational capabilities and productivity.

For our employees, we will provide ample opportunities for growth such as training programs as we focus on developing the next generation of the Macromill Group. Our people have the "data native" mindset that we have honed through years of handling data. This is a strength for the Group — one that we will maximize to the full.

The Group is in a transformational phase of pivoting its business model from a marketing research company to a professional marketing services company. We are aggressively pursuing new data-driven business. We will continue to create new value while supporting our business by building proprietary market-leading consumer research panels and developing the talent and expertise of our employees. We will also continue to strengthen our business base by accelerating open innovation and strengthening governance.

Representative Executive Officer, Global CEO
Toru Sasaki

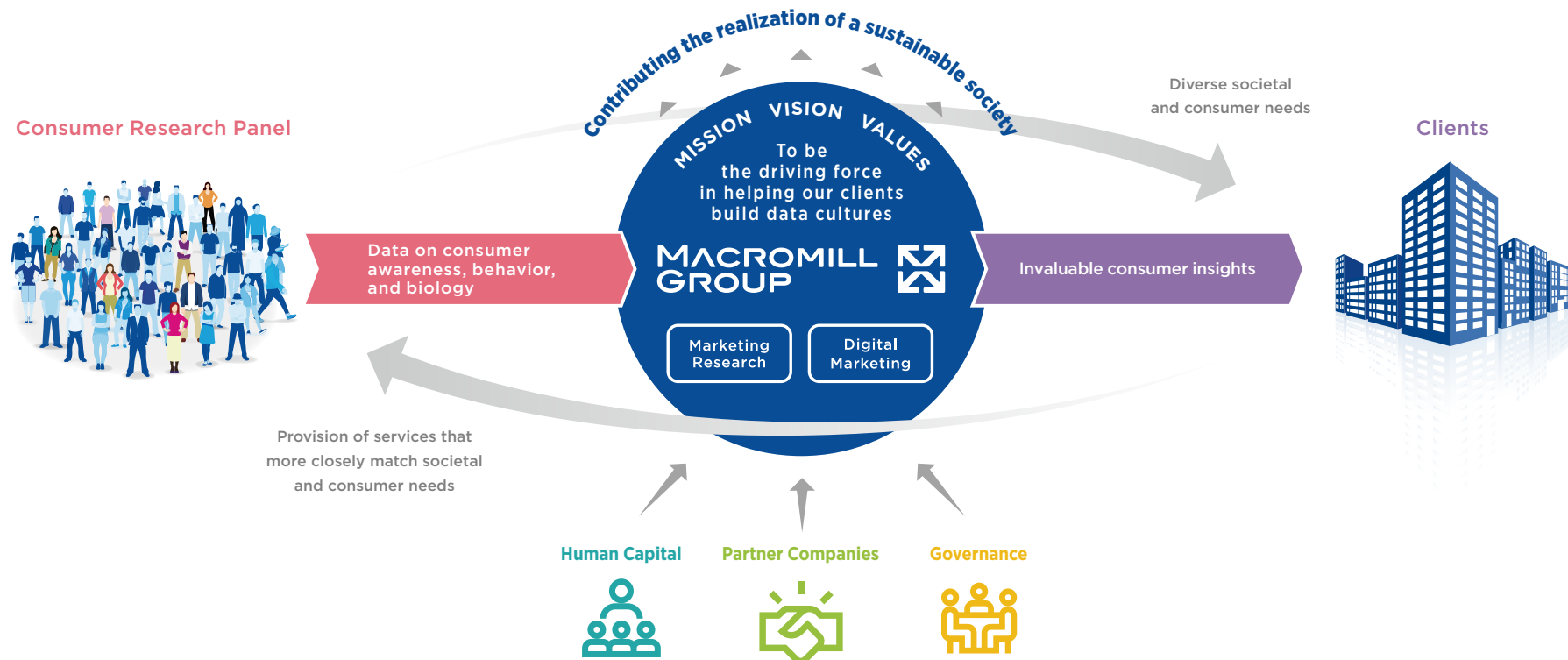


Our Approach to Materiality






The Macromill Group has identified nine material issues (see pp. 6-7) as key priorities for achieving sustainable growth for both society and for our Group. To do this, we examined the foundation of our corporate activities and our impact on stakeholders. We also considered opportunities and risks in light of changes in the business environment.

As a company that supports the marketing activities of client companies, we will forge links between them, consumers, and society to drive innovation. This will provide a source of value creation through which we will help realize a better society.





To provide solutions to solve our clients' marketing challenges, our most important asset is our talent. We will maintain and improve employee engagement so that our diverse workforce can fully exploit their abilities and thrive in their work.



Materiality

Stakeholders	Materiality	Outline	Main Initiatives	Related SDGs
Clients	1. Solving marketing issues	<p>Macromill Vision: We aspire to be the driving force in helping our clients build data cultures by utilizing our data-native approach to solve today's marketing challenges and support business success</p>	<ul style="list-style-type: none"> ● Build relationships as marketing partners ● Help to instill data-driven decision-making (building a Data Culture) ● Pursue solutions and services aimed at solving social issues, including achieving a sustainable society 	  
	2. Creation of new value through data utilization	<p>Provide new value by helping to use data, amid increasing adoption not only in the field of marketing but also throughout business</p>	<ul style="list-style-type: none"> ● Start and strengthen data utilization support (data consulting) business ● Develop innovative data-driven services, including marketing activation support business 	
Consumer Research Panels	3. Find more accurate consumer insights	<p>Uncover accurate consumer insights using our strong relationships with our proprietary panels that represent consumers and deliver them to the world. In doing so, provide new value not only to client companies but also to society as a whole</p>	<ul style="list-style-type: none"> ● Strengthen relationships with our proprietary panels. Expand data types ● Explore, in our own research, market needs in terms of perceived appeal and value ● Publish a wide range of research results, such as the Macromill Weekly Index and voluntary survey reports 	 
	4. Promote safe and secure data handling	<p>Obtain data only after building trusted relationships with members of our proprietary panels. Take responsibility for providing assurance and safety, which should be the highest priority in data utilization, thoroughly managing information and strengthening security</p>	<ul style="list-style-type: none"> ● Provide appropriate explanations and permissions for our proprietary panels when obtaining data ● Provide reliable data of the highest quality in the industry and pursue the best quality control methods to meet the needs of the times ● Establish and comply with internal rules based on the Information Security Basic Policy 	

Materiality

Stakeholders	Materiality	Outline	Main Initiatives	Related SDGs
Human Capital	5. Establishing a diverse working environment	Create an environment that respects the individuality of employees and taps into their unique abilities, perspectives and experiences	<ul style="list-style-type: none"> Promotion of Diversity and Inclusion Support for employees to help balance work and family care Promotion of women's greater participation 	
	6. Provide an opportunity to challenge new possibilities	Develop a workplace that enables flexible, independent career development and choice in response to changes in the environment	<ul style="list-style-type: none"> Implement training programs and skills development to enable employees to take on the challenge of growth opportunities Encourage a diverse career path 	
	7. Educating data-native talent	Develop the talent to inherit the data know-how that Macromill has accumulated since our founding. These are the people who will provide value using a high level of expertise and advanced thinking for a wide variety of client companies	<ul style="list-style-type: none"> Implement professional development programs and training Acquire talent through M&A and mid-career hires Develop talent through industry-academia collaboration and partnerships 	
Partner Companies	8. Open Innovation	Work to use new digital technologies and solve increasingly complex marketing challenges. Accelerate innovation by building open partnerships and actively employing outside resources to fill gaps in in-house knowledge	<ul style="list-style-type: none"> Expand collaborations and partnerships Create business ecosystems in collaboration with partners across a range of industries and business categories Aggregate diverse ideas and technologies to create new markets and business models 	
All	9. Governance	Amid dramatic social change, form a sound organizational culture and strengthen governance to enhance corporate value over the long term	<ul style="list-style-type: none"> Maintain and build an optimal governance structure Ensure compliance with laws and regulations; promote compliance management Promote risk management activities Ensure fairness and transparency Build an organizational structure with high ethical standards 	

Initiatives for Certain Stakeholder Groups

Clients



Solve Marketing Issues

The Macromill Group's business model and client relationships

The Group offers a range of research solutions to more than 4,400 client companies globally. To do this we maximize the opinions and various data points from over 100 million consumer research panels both in Japan and internationally.

As consumer attitudes and purchasing behaviors continue to diversify, the marketing challenges that client companies face are becoming increasingly difficult. That is why solving all the issues client companies face requires us to understand not only research issues but also the bigger picture that surrounds marketing issues.

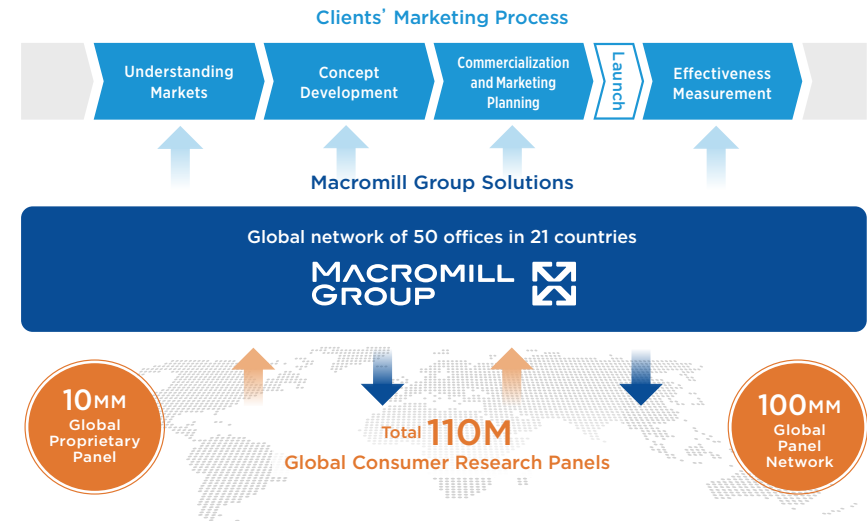
The Group has operated as a marketing research company that solves client research problems. We believe that to continue to grow over the medium- to long-term, however, we must become a partner that collaborates with our clients, going beyond their research issues to solve more fundamental marketing issues. Against this backdrop, our Medium-term Business Plan calls for us to transform our business model from a marketing research company to a professional marketing services company.

New relationships with clients - The intention behind our Vision

Since the Group was established, it has consistently built its business around handling data. With a data-native mindset, we have sought to provide concrete solutions to our clients' marketing challenges. In addition, we want to help client companies make smarter decisions so that we can realize a better society. Going forward, that basic stance will not change. We also believe that to continue to make smarter decisions, client companies need to make data-driven decisions the norm—in other words, to build a data culture. Our new corporate Vision, which we defined for the fiscal year ended June 30, 2021, originates from our desire to be a driving force of data culture.

Going forward, we aim to expand innovation across marketing business areas by providing innovative services that use a variety of data from our proprietary consumer research panels.

Broad client base 2,500 domestic companies, 1,900 overseas companies



Build your Data Culture

We aspire to be the driving force in helping our clients build data cultures by utilizing our data-native approach to solve today's marketing challenges and support business success.

Creation of New Value through Data Utilization

Creation of new value based on our proprietary consumer research panels

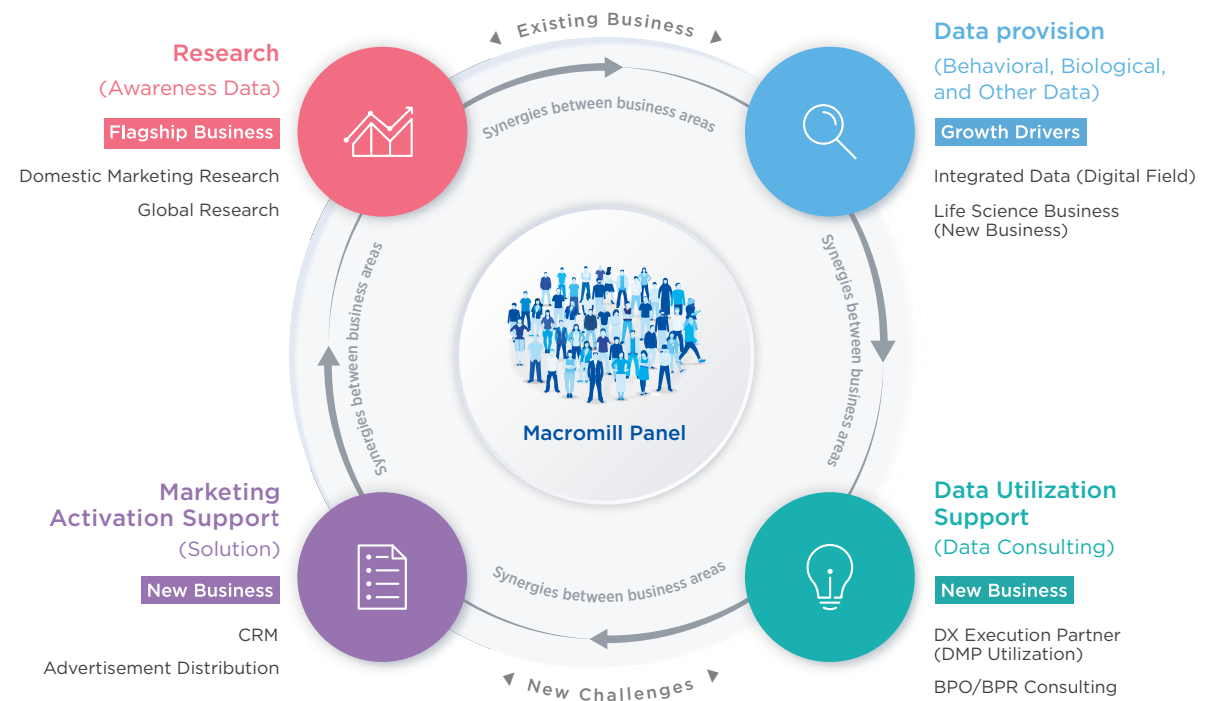
As companies accelerate their digital transformation (DX) activities, we believe that the use of data in marketing activities will further expand in the future.

Client companies collect and generate a variety of data on a daily basis. But they struggle to use this data directly in their marketing activities due to issues such as insufficient attribute data and granularity. So, in addition to the existing challenges of increasingly complex consumer perceptions and the need to respond to rapidly changing marketing activities, client companies now face a new challenge of utilizing data.

Macromill identifies overlaps between consumer research panels (proprietary panels) and user data held by client companies. By supplementing and synchronizing this data with our own, we are able to enhance the value of the data held by client companies into data that can easily be used in marketing activities. This is made possible by the scale of our proprietary panels, and the trust our panelists place in us when they consent to the utilization of their information. We are able to do this because we have achieved a position of trust with both our panelists and our clients.

In FY6/2022, we launched our data utilization support (data consulting) business, which leverages this positioning to use the daily data that client companies need for their marketing activities. In addition, we believe that this business will lead to the provision of more innovative services in the future, such as a marketing activation support business that directly supports the marketing activities of client companies, including advertising distribution.

We will pursue the creation of new value through these businesses and aim to build a unique approach to solve our clients' marketing issues.



Initiatives for certain stakeholder groups

Consumer Research Panels



Uncovering accurate consumer insights

The Macromill Group's business model and consumer research panels

We have built our own consumer research panels (proprietary panels) over the last 20 years since our foundation. This panel network gives us a strong competitive advantage by offering both high-quality data and scale. For instance, in Japan, our panel equates to 1% of the national population.

We own the largest digital measurement panel in Japan. The evolution of digital devices has enabled us to provide behavioral data on the PC and smartphones since 2014. For this reason, the results of the questionnaire and the actual behavior data can be analyzed together. This makes it possible to provide a deeper evaluation and analysis based on actual contact history and awareness.

In addition, we also have almost 10 years' worth of data from 30,000-panel members who scan the barcodes of their daily purchases. We provide this as a database service that client companies use to analyze how their marketing initiatives are reflected in consumer buying behavior.

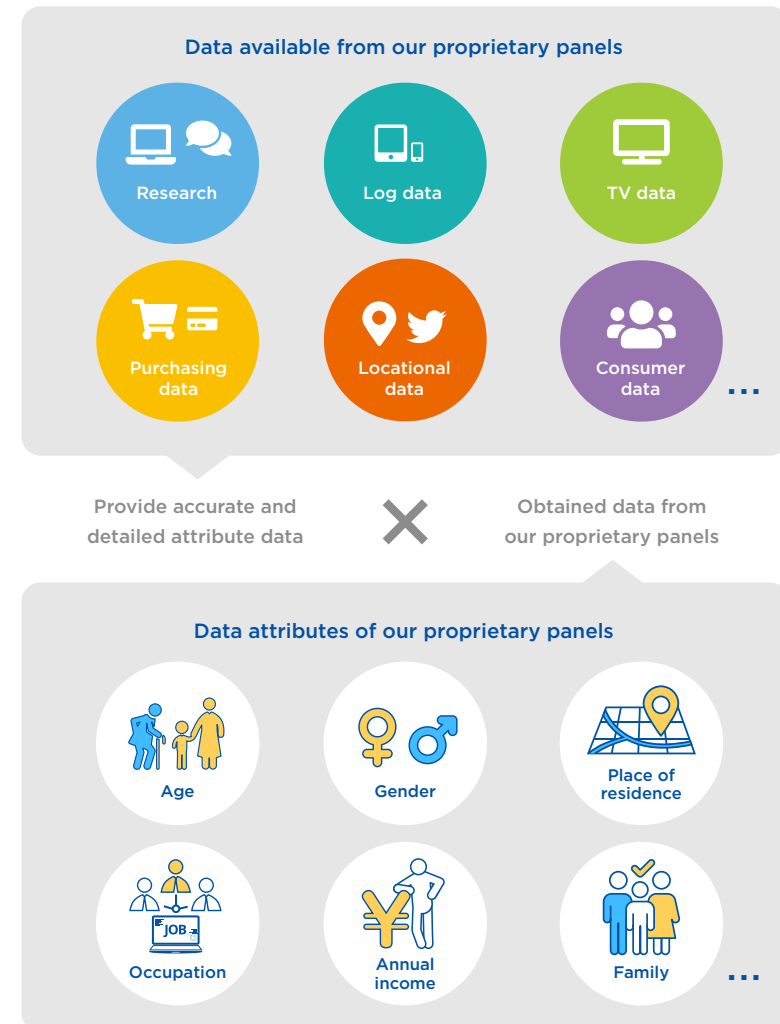
The data we acquire from our proprietary panels become deeper, richer and more diversified than clients can secure on their own. Moreover, it's including the data which is difficult to acquire by clients themselves. By integrating the data held by client companies with data from our proprietary panels, we can predict the results of clients' marketing activities and analyze the results in more detail.

Obtaining and providing more accurate data and insights from consumer research panels drives smarter client decisions. We believe that this will in turn benefit consumers and society as a whole.

Publication of independent survey reports and fixed-point survey data

We obtain data and insights from our proprietary panels and publish them free of charge as fixed-point data and independent research reports. Some of the published data has been used in the Japanese Cabinet Office's 'Cabinet Meeting Documentation about the Monthly Economic Report'. We believe that these initiatives help us to play a more direct role in realizing a sustainable society. (For details, see "Contributing to Society by Providing Data and Know-how" on p. 32.)

Obtaining a range of data from our independently constructed consumer research panels (proprietary panels)



Safe and Secure Data Handling and Promotion

High quality panel data and safe handling

The Macromill Group pays a portion of the service fees it receives from client companies to the consumer research panel as rewards (redeemable points). This ensures the collection of high-quality information.

We implement rigorous quality control on the consumer research panels and the data obtained from them. We employ a range of methods to improve and ensure the accuracy of responses and the quality of data. These include using technology to eliminate fraudulent responses and developing new quality control methods based on the specialist research findings of Macromill Research Institute.

In addition, we have explicit permission from our consumer research panels to obtain and utilize various marketing data, including research data. With privacy protection regulations such as GDPR (EU General Data Protection Regulation) being strengthened in many countries these days, we stringently manage the information we receive from our client companies and consumer research panels and are actively working to strengthen information security. We see these efforts as part of the quality of the services we provide.

Quality control policy for Macromill monitors

https://www.macromill.com/advantage/monitor_policy.html (Japanese only)

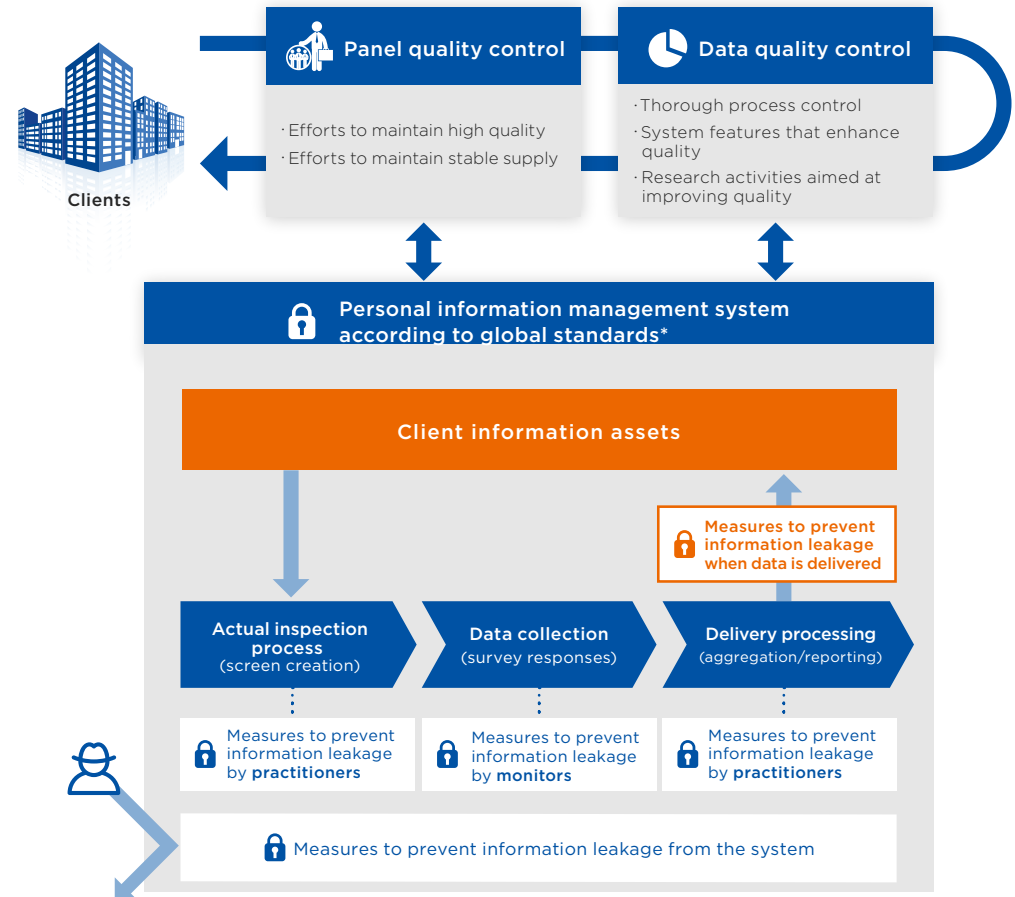
Information security policy

<https://www.macromill.com/security.html> (Japanese only)

Privacy policy

<https://www.macromill.com/privacy.html>

Macromill quality control system



*To protect the personal information of Macromill monitors, we comply with the ICC/ESOMAR International Code of Conduct for the marketing research industry established by the European Society for Opinion and Marketing Research (ESOMAR), as well as the Marketing Research Code of the Japan Marketing Research Association. In addition, Macromill has implemented appropriate measures to ensure the anonymity of monitors and the storage and management of personal information. We have established a Personal Information Protection Policy. Our Personal Information Protection Management System ensures its appropriate and effective implementation. For details, please refer to the Privacy Policy on the Macromill website.

Initiatives for Certain Stakeholder Groups

Human Capital – Our Employees



Creating an Environment Where a Diverse Workforce Can Thrive

Promotion of diversity and inclusion

The Group views diversity and inclusion as vital to improve the value we bring to our clients as well as for meeting our corporate social responsibility goals.

Since 2015, under the initiative of our Diversity and Inclusion Promotion Committee, we have been working to create an environment and culture where individual diversity is respected and allowed to shine.

In particular, from 2021 onwards, we set women's career advancement as a major theme and surveyed our female employees on the topic. The results are informing measures to explore and resolve career-related issues for each individual female employee. As part of this effort, we have developed a skills inventory tool for career support. We are validating its effectiveness through a trial. Rather than making team member development the responsibility of a single manager, we have built connections between managers across different departments. This has provided opportunities for managers to collaborate and learn from each other. We will share examples of our successes and incorporate them into our system as we continue to promote women's career advancement.

Through these efforts, we are making steady progress toward our goal of increasing the percentage of management positions held by women. It was 16% at the end of June 2021 and we aim to grow it by between 5% and 10% by the end of July 2023. We are also working hard to hire people with disabilities. We aim not only to exceed the legally required employment level but also to ensure that our workplace is inclusive and flexible for these employees. In the workplace, we consider the nature of employees' disabilities, supporting them as they carry out their duties. By fostering a safe and comfortable working place, we provide an environment where our employees can communicate with each other smoothly, regardless of disabilities.

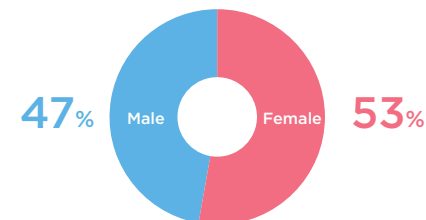
Overseas, at MetrixLab we are building a global organization where people of multiple nationalities collaborate. Under the theme of open culture, we promote initiatives aimed at enhancing team collaboration by forming an understanding of the cultural backgrounds of our employees. These highlight topics such as working styles, laws in different countries, business practices and lifestyles.

Specifically, we are developing open common learning programs for all employees to participate in freely. They share information on country-specific initiatives in the form of blogs, and by discussing diversity issues using internal communication tools.

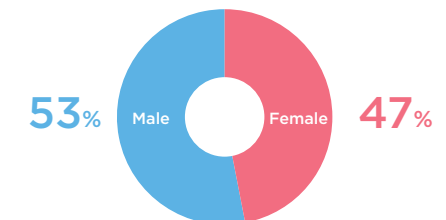


Ratio of men to women in our recruitment

Ratio of male to female
new graduates hired
in the past three years



Ratio of male to female
mid-career hires
in the past three years



Provide Opportunities to Accept New Challenges

Employ training programs and skills development to enable employees to grow

Training system and career path



We systematically develop our people in the Group's business activities, believing that talent is the most important capital for creating added value. We actively encourage and support our employees to aspire to become true marketing partners. We provide them with opportunities for self-development, from acquiring basic skill sets rooted in our business model to improving their management skills. In addition, we operate a Management

by Objectives (MBO) system that frequently gives real-time feedback toward achieving the goals set between managers and team members. Through this interaction, we encourage individual employee growth. For our evaluation method, we use "absolute evaluation". This is a comprehensive judgment that takes into account not only the degree of achievement of each individual's goals, but also the perspective of the work execution process and the degree to which employees demonstrate our values from day to day, along with other considerations about their conduct.

In addition, we actively provide opportunities for employees to think independently about their careers and achieve their goals. For example, we have highly specialized and diverse roles such as sales personnel, research personnel, research directors, data analysts, data consultants, and panel communication personnel. On our intranet we share specific examples of skills and career paths for these grades and occupations.

Employees also discuss their career aspirations, skills and strengths with their managers. As they do so, they form an image of the career they want to build in the short-, medium- and long-term. Managers do their utmost to consider these goals as they assign work. We also create training opportunities and support career changes through an internal open recruitment and transfer system. As a result, some new graduates can become managers in as little as five years after joining the Company. In this way, we are able to create and provide career paths that meet the growth aspirations of our employees.

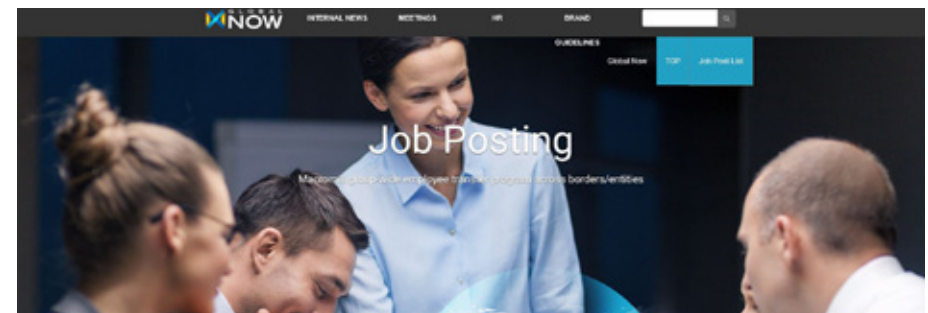
Launched a website dedicated to career development



We have launched a dedicated internal website that gives practical examples of the steps employees in various positions such as sales personnel, researchers, and sales assistants can take to grow their careers.

In-House Job Posting and Transfer System

We operate an internal open job posting and transfer system to promote the independent career development of our employees. Each quarter, we publish open positions to which employees can freely apply. This is a fast initiative, with successful participants transferring to start their new roles just three months after applying. We hope that employees can gain new experience by embracing challenges, combining this with the experience and personal connections they have cultivated up to that point. In this way, they can grow into ever more highly valued team members.



We published an announcement of the internal job posting system on the intranet, along with stories showcasing the career paths of employees who have used this system to change jobs.

Developing Data-Native Talent

An environment that nurtures data-native talent

The nature of our business is that we support the data-driven decision-making of our clients by capturing and providing a variety of data. This includes data on awareness, digital behavior, purchasing, and biometrics.

Researchers frequently handle these diverse data sets, so they are in an environment where they can gain data literacy and expertise.

To train our researchers, we have established a three-year training program that guides their learning through the fundamentals. This step-by-step training starts from the level of an inexperienced employee, covering a variety of classroom learning modules. Periodic tests check that researchers have internalized the specialist knowledge being imparted.

We also offer a number of practical programs. These include proposal writing in an assignment format, and presentation training that takes the form of roleplaying with certain client companies in mind. Trainees can attend open lectures on separate themes to deepen their knowledge in their own specialties, interests, and career path. This system allows employees to pursue their areas of expertise.

Recruiting and training data professionals

To accurately respond to the increasingly sophisticated needs of our clients, we hire and deploy data analysts and engineers who can help the Group to deliver added value. As of the end of June 2021, we had 47 data analysts in our workforce (about four times more than three years ago).

In July 2022, we transferred our data consulting business to SOUTH Inc., a marketing and consulting business. We converted this into a subsidiary (renamed to Eight Hundred, Inc.) through an M&A in order to grow our data consulting business. Through these efforts, we aim to expand our business base and market position.

Human resource development programs with diverse partners

Alongside our internal training system, we provide development opportunities for our employees through the marketing and consulting firms with whom we have strategic alliances, and also through industry-academia partnerships. Specifically, we are expanding our expertise through secondments to companies affiliated with the Macromill Consortium and bringing in lecturers from affiliated companies to provide

in-house training for our employees. We are also creating human resource development programs in collaboration with external organizations, such as study programs with Shiga University's Graduate School of Data Science so that our data scientists can further deepen their capabilities and knowledge.

Diverse training content

A wide range of training allows participants to learn the basics of research step-by-step, from the planning process to research design through to problem setting. There is also a wide range of educational content on a variety of themes.

In addition, to respond quickly and flexibly to environmental changes, we carry out voluntary educational projects led by on-site employees.



An Organizational Culture Where Employees Are Highly Motivated

Great Place to Work (GPTW) initiatives

Since 2016, as part of the Group's common employee awareness (engagement) survey, the Group has been conducting a survey for Great Place to Work® for the realization of GPTW.

We regularly survey our strengths and areas for improvement. Based on the results, we devise action plans for each company and business unit for the next fiscal year. By posting these action plans on our website, we make it a Company-wide effort to continuously improve our workplace environment.

A culture of mutual appreciation

The Group demonstrates social value through the work we do with many client companies. The foundation for this is our employees good conduct, which is based on our values. We make it our everyday practice to celebrate such actions together. Our "Tataete Mill" is a dedicated system that employees can use to comment on each other's performance, allowing employees to receive words of praise from their peers. Employees are also recognized for their accomplishments through our MVP System. This highlights employees who have achieved high performance against company-wide stretch goals, as well as through the Headquarters Awards. In addition, we are actively taking measures to improve staff motivation. Through our internal communications we share the efforts of our employees who have achieved outstanding performance. We also carry out a program called 'My Work' where these high-performing employees give presentations about their attitude towards their work and share tips on how they achieved our goals.

Macromill Circle

The Company has for many years carried out club (circle) activities to foster communication across division boundaries and support employees' physical and mental well-being through hobbies. The Circle provides operating expenses to certified clubs - there are currently 19 active. The Covid-19 pandemic gave us a renewed sense of the importance of face-to-face communication, reminding us of the value of Macromill Circle. We recently created a structure that allows new employees to easily join these clubs, including the use of online video tools to make communication as realistic as possible.

MVP Program

The MVP Program recognizes the achievements of employees during a six-month period. In particular, it highlights those who embody the Macromill Group Values by exceeding expectations, going above and beyond the scope of their assigned duties, or by making a significant contribution to the Company's profits.

My Work

This event gives employees a chance to present to their co-workers. Presenters gain a sense of their progress by looking back on their professional development journey with Macromill. For attendees, the event is an opportunity to think about their own careers based on the work and skills of others.



Macromill Circle

The Macromill Circle support system facilitates active interaction across departments and hierarchies.

Employee Data

Number of consolidated employees of the Macromill Group

	2019/6	2020/6	2021/6	2022/6
Number of employees:	2,461	2,470	2,637	2,970
Percentage who are women	47%	49%	50%	52%
Average age (years)	35	36	36	37
Percentage of management positions held by women	22%	28%	28%	32%
Average age of management personnel (years)	42	41	42	43

Number of employees of Macromill, Inc.

	2019/6	2020/6	2021/6	2022/6
Number of employees:	1,063	1,029	1,088	1,185
Percentage who are women	47%	48%	48%	49%
Average age (years)	32	32	33	33
Percentage of management positions held by women	12%	16%	17%	18%
Average age of management personnel (years)	32	32	33	38

Initiatives for Certain Stakeholder Groups

Partner Companies



Open Innovation

Initiatives through joint ventures with Japanese advertising agencies

In 2013, the Company made Dentsu Marketing Insight Inc. (now Dentsu Macromill Insight) a consolidated subsidiary. In 2019, Tokyo Survey Research Inc. (now H.M. Marketing Research), which was formerly a wholly-owned subsidiary of Hakuhodo became a consolidated subsidiary.

We jointly manage these companies with our partners, one with Dentsu and one with Hakuhodo, who hold a minority of each company's equity. As joint ventures, they carry out marketing research for the Dentsu and Hakuhodo groups.

When considering marketing initiatives in Japan, the advertising agencies Dentsu and Hakuhodo have a major presence. Together with these two companies, we are working in our joint ventures to build a marketing research business that includes digital areas for achieving more effective marketing measures.

Dentsu Macromill Insight Inc.



H.M. Marketing Research, Inc.



Efforts in the area of consulting

In January 2020, we established the Macromill Consortium. Through it we aim to create a one-stop support to work with companies that have unique strengths in data and marketing consulting to help our clients solve their marketing challenges.

By bringing together the strengths of each company and pursuing open innovation, we are continuing our efforts to provide increased added value for our clients.



Macromill Consortium Participating Companies

Bloom & Co., Ltd. M-Force Inc. Hojosen Co. Ltd. InsightPeaks Co., Ltd. Penguin Tokyo Inc. dots. and, Inc. HARVEST Inc.

Initiatives for All Stakeholders

Governance



Governance System and Basic Mindset

Basic Mindset on Corporate Governance

We have established the Macromill Code of Conduct to serve as the foundation of the corporate rules that our officers and employees observe in their daily work. Based on its management principles, the Macromill Code of Conduct outlines details in four key areas - compliance with laws and regulations, proper relations with society, respect for human rights, and sincere corporate activities - in accordance with policies that are essential for the proper and sound development of Macromill. All the Company officers and employees (including full-time, contract, part-time, skilled part-time, temporary, and seconded workers) fully recognize their necessary social responsibility in the various corporate activities and act in compliance with social ethics.

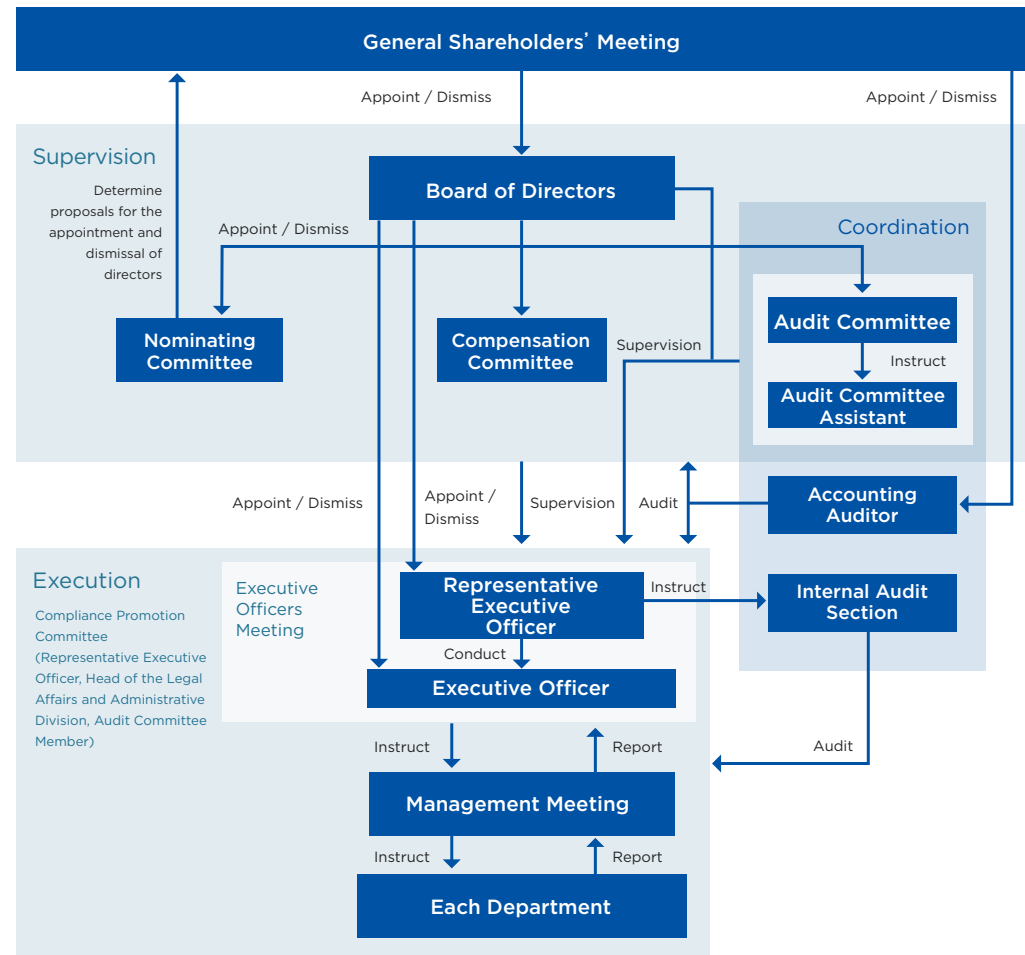
Code of Conduct

<https://www.macromill.com/company/conduct.html>
(Japanese only)

Overview of the Corporate Governance Framework

While enhancing management transparency and fairness by conducting the disclosure of information in a timely manner and keeping compliance management in mind, the Group is working to maximize our corporate value by proactively pursuing lasting profit. Also, while building and maintaining a management organization that can respond quickly to changes in the social environment and engendering harmony between the Company and its stakeholders, we recognize the importance of building an effective Corporate Governance Framework by steering a management course that is aware of the importance of our shareholders.

Framework



Corporate Governance

Management Oversight Functions and Board Attendance

Management Audit Functions

As the Company's highest decision-making management entity, the Board of Directors meets one or more times every month and decides on important matters focused on the exclusive authority matters prescribed in Article 416 of the Companies Act. The Board of Directors comprises six directors, four of whom are outside directors. The Company has established the following committees:

(1) Nominating Committee

The body that decides the content of proposals concerning the appointment and dismissal of directors to be submitted to the Shareholders' Meeting. It comprises three directors, two of whom are outside directors.

(2) Compensation Committee

The Compensation Committee is the body that decides the details of the compensation awarded to individual directors and executive officers. It comprises three directors, two of whom are outside directors.

(3) Audit Committee

Meeting in principle once a month, this is the body that decides on audits with regard to any illegality or impropriety on the part of directors or executive officers in the execution of their business duties. It determines the content of proposals concerning the appointment and dismissal of the accounting auditor to be submitted to the Shareholders' Meeting. It comprises three directors, all of whom are outside directors.

Attendance at Board of Directors meetings

Director	Toru Sasaki	13/13	Outside Director	Shigeru Nishiyama	13/13
Director	Naofumi Nishi	13/13	Outside Director	Makoto Naito	13/13
Outside Director	Yukiko Nakagawa	11/11	Outside Director	Yuji Shiga (Newly appointed)	

Board of Directors



Toru Sasaki

Director,
Representative Executive Officer
and Global CEO



Naofumi Nishi

Director,
Nominating Committee Member
and Compensation Committee Member



Shigeru Nishiyama

Outside Director,
Audit Committee Member,
Nominating Committee Member



Makoto Naito

Outside director,
Compensation Committee Member
and Audit Committee Member



Yukiko Nakagawa

Outside Director,
Nominating Committee Member
and Compensation Committee Member



Yuji Shiga

Outside Director (Newly appointed)
and Audit Committee Member

Executive Officers



Toru Sasaki

Director,
Representative Executive Officer
and Global CEO



Taro Dohi

Executive Officer,
Global CCO



Shintaro Hashimoto

Executive Officer,
Global CFO



Ken Inoue

Executive Officer,
Global CTO

Corporate Governance

Director compensation and skill matrix

Director Compensation

Having established the Compensation Committee, the Company has created policies relating to the determination of the amounts of remuneration and other payments for its directors and executive officers. The Compensation Committee comprises one director and two outside directors. In cases where matters concerning the remuneration of the committee members themselves are discussed, the committee members do not attend. An outline of the deliberation methods follows.

Director compensation

Director compensation considers factors that include a director's career, expert knowledge, level of ability, compensation history, responsibilities and the results of a survey on the compensation rates of other companies. Individual remuneration amounts are decided at Compensation Committee meetings. Compensation for directors who have no concurrent executive officer status is comprised of basic compensation (fixed) of an amount that reflects their duties.

Executive Officer compensation

Executive officer compensation is decided on an individual basis by the Compensation Committee. It considers the required role, the authorities given, and the extent of the responsibilities to be fulfilled in his or her delegated duties. In addition, it incorporates the results of a survey on the compensation levels of other companies.

The compensation amount for executive officers resident in Japan consists of "basic compensation (fixed)", "performance-linked compensation", and "shares with restriction on transfer". The compensation amount for executive officers not resident in Japan consists of "basic compensation (fixed)", and "performance-linked compensation".

Performance-linked compensation is decided based on our policy and is awarded as an incentive to improve Group business performance. Group revenue and operating profit are used as the benchmarks for earnings performance, with the total amount paid decided by the following method:

Shares with restriction on transfer are awarded to eligible executive officers to expose them to the same advantages and disadvantages of share price fluctuation as shareholders, and to further increase their motivation to contribute to increasing the share price and improving corporate value.

Total amount payable = the total amount based on target criteria for each executive officer x {(a coefficient linked to the rate of achievement of the Group revenue target for the fiscal year x 40%) + (a coefficient linked to the rate of achievement of the Group operating profit target for the fiscal year x 60%)}

Total compensation for FY6/2022

Executive Position	Total Compensation Allocation (Millions of yen)	Allocation by Type of Compensation (Millions of yen)			Number of Eligible Recipients
		Basic Compensation	Performance-linked Compensation, etc.	Non-monetary Compensation, etc.	
Directors (of which, Outside Directors)	38 (30)	38 (30)	- (-)	- (-)	5 (4)
Executive Officers	99	67	29	1	6
Total (of which, Outside Directors)	137 (30)	105 (30)	29 (-)	1 (-)	11 (4)

Directors' skill matrix

Skill category	Toru Sasaki	Naofumi Nishi	Shigeru Nishiyama	Makoto Naito	Yukiko Nakagawa	Yuji Shiga
			Outside Independent	Outside Independent	Outside Independent	Outside
Company management	●	●		●		
Finance, accounting and M&A		●	●			●
Legal and Risk management			●			●
Global			●	●	●	●
Data and Digital	●			●		
Marketing and Industry knowledge	●	●				
Sustainability					●	
HR and personnel administration					●	

Responsibilities as a Research Company

Our Stance on “No. 1 in Research”

Recently, an increasing number of advertisements quote the superiority of a company’s products and services, claiming “No. 1 in satisfaction” or “No. 1 in market share”. In many cases, the results of online consumer research are used as the basis for these claims. Among these, however, are the results of research conducted based on survey questionnaires. Such questionnaires can be arbitrarily designed so that a company’s own products and services rank as No. 1. In this sense, they lack fairness and objectivity and can be seen to undermine the reliability of online consumer research industry as a whole.

As a leading company in the marketing research industry, we take great care to prevent arbitrary research of this kind. In addition, to ensure a fair market environment, we have established our own guidelines and we strictly follow national laws and guidelines.

We have established a Credit Review Committee consisting of researchers from the Macromill Institute and heads of our brand management departments. This enables us to respond to cases where a client company asks us for permission to make claims about its market position in its advertising using our credit as the evidence. If a request is received, members of the review committee consider whether there are statistically and objectively significant differences that meet all of the many review criteria. Only if all of these are cleared do we grant permission for the use of the “No. 1” claim according to Macromill in advertising.

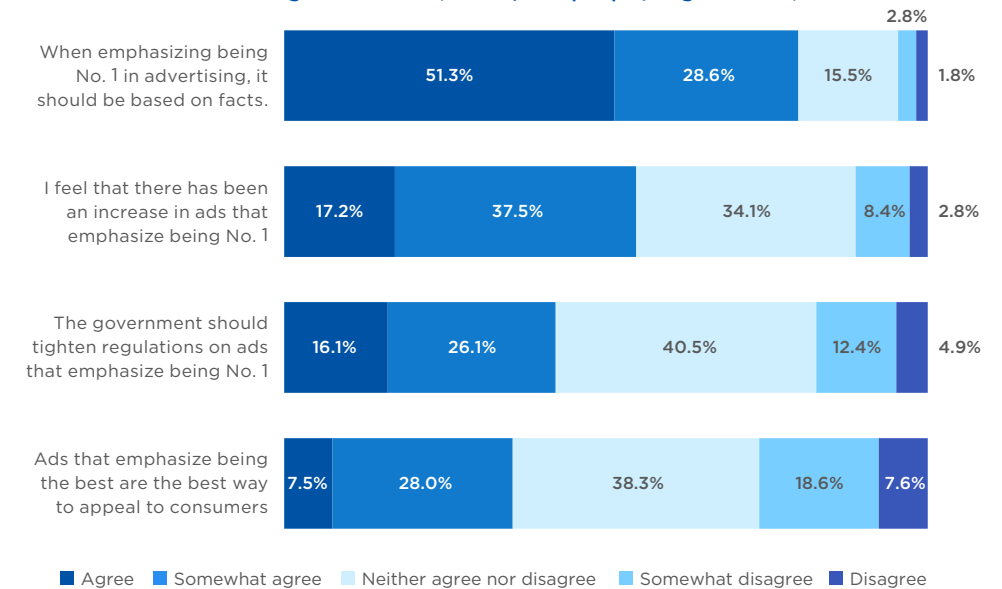
Rules for a client company publishing the results of the “No. 1 Survey” through Macromill (example)

- The survey design must be conducted by our researchers (to ensure neutrality and impartiality.)
- Even if the survey result is “No. 1,” if the difference with No. 2 is small and not statistically significant, it is not recognized as No. 1... etc.

Reference Materials

We are committed to preventing the spread of advertisements that contain unfair representations of being No. 1, which would damage the fairness of the market environment. We consider this part of our social mission as a company whose main business is marketing research. With this in mind, we conducted a survey on consumer attitudes to advertisements containing No. 1 claims, and published the survey results in the media.

Attitudes to ads containing No. 1 claims (base: 1,000 people/single answer)



Survey Summary “Attitude Survey on Advertising with No. 1 Claims”

Survey conducted by:	Macromill
Survey method:	Online research
Survey scope:	Men and women aged 20-69 nationwide (Macromill Monitor members)
Allocation method:	Demographic assignment by gender and age according to the 2015 census / Total sample 1,000
Survey timeframe:	Wednesday, July 27, 2022 - Thursday, July 28, 2022

Initiatives for All Stakeholders

Environmental Issues



Basic Policy and Governance of Initiatives

Basic Policy for Environmental Initiatives

Endorsement of TCFD Recommendations

In August 2022, the Company expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Global warming countermeasures are an important issue for the entire world, one that calls for broad involvement in environmental initiatives. That applies to our Group, as well as our client companies and consumers. The Group will continue its efforts to reduce CO2 emissions. We will work continuously with our client companies and business partners to improve the earth's environment.



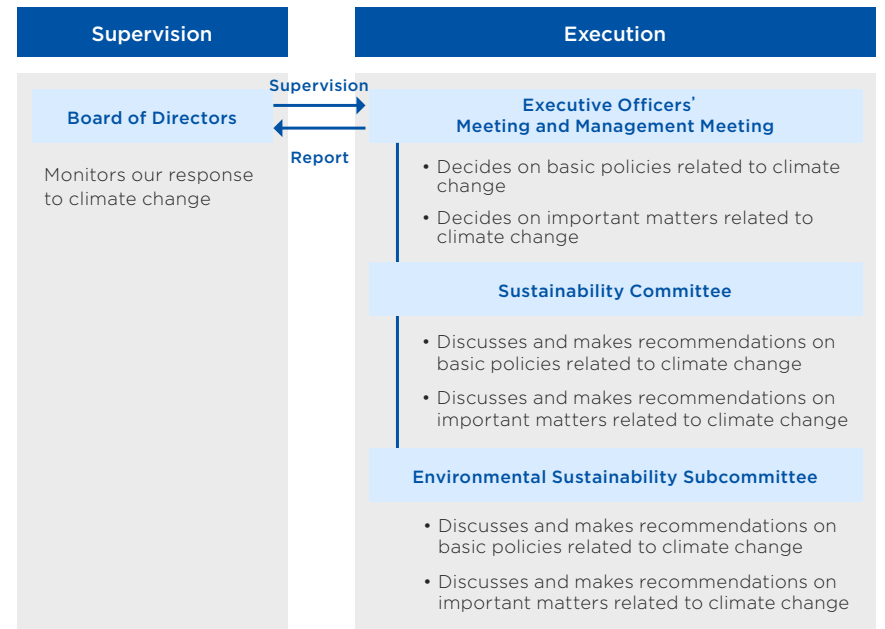
Governance system for climate-related matters

Board oversight and management's role with regard to climate-related risks and opportunities

The Board of Directors serves as the oversight body on the environment, including climate change. The Sustainability Committee meets twice a year. It serves in an advisory capacity to the Board of Directors, Executive Officers' Meeting, and Management Meeting. Executive officers and corporate officers participate in the Sustainability Committee. This assesses environmental risks such as climate change and discusses reports on the progress of the Company's initiatives. Matters referred to the Sustainability Committee are subject to final resolution by the Board of Directors. The Board of Directors monitors the status of initiatives related to matters such as climate change. It conducts progress management and discussions based on deliberations by the Sustainability Committee.

Governance system for climate-related matters

Board of Directors	Monitors our response to climate change	About once a year
Executive Officers' Meeting and Management Meeting	Decides on basic policies and important matters related to climate change	About once a year
Sustainability Committee	Discusses basic policies and important matters related to climate change. Makes recommendations to the Management Meeting	About two to three times a year
Environmental Sustainability Subcommittee	Discusses basic policies and important matters related to climate change. Makes recommendations to the Management Meeting	About four times a year



Strategy and Risk Management

Impact of climate-related risks and opportunities

The nature of the Group's business is that we carry out our activities primarily online. We, therefore, recognize that the direct impact of climate change on our business is limited. However, technological innovations and changes in markets, services, and consumer attitudes related to climate change could affect our client companies' revenues, which in turn could affect our business results. Changes in our client companies' technologies and services, especially with respect to climate change, or changes in

consumer attitudes, will affect the demand for research. As a countermeasure to this point, we are monitoring the trends of client companies regarding climate change and regularly reviewing risks. By doing so, we continue working to diversify our client portfolio and capture marketing demand. Based on the characteristics of our business, the Group recognizes the risks and opportunities posed by climate change as follows.

	Risks	Opportunities
Less than 2°C scenario	<p>Transition risk⁽¹⁾ becomes apparent; physical risk⁽²⁾ is not assumed to be high</p> <ul style="list-style-type: none"> Increased costs due to stricter regulations on energy sources and replacement of facilities and equipment as part of the shift to renewable energy sources Lack of action to address climate change erodes trust from stakeholders and reduces business opportunities 	<ul style="list-style-type: none"> Growing demand for online research associated with the shift to a paperless operation Diversification of consumer behavior due to increased environmental awareness and marketing demand for new products and services
4°C scenario	<p>Physical risk⁽²⁾ becomes apparent; transition risk⁽¹⁾ is not assumed to be high</p> <ul style="list-style-type: none"> Increased costs to deal with rising temperatures, damage to business locations caused by flooding and other disasters, human casualties, and supply chain disruptions Decline in business opportunities due to the medium- to long-term impact of natural disasters and rising temperatures, etc., on client companies 	<ul style="list-style-type: none"> Growing demand for online research to avoid travel and visits due to the increased risks caused by climate change, such as the prospect of infectious diseases Increased marketing demand for new products and services due to changes in consumers' lifestyle

1. The transition to a low-carbon society aimed at mitigating climate change involves policy, legal, technological, and market changes that could have a variety of impacts on a company's finances and reputation. These risks are called "transition risks"

2. Risks that may materialize due to disasters caused by climate change (including direct damage such as torrential rain, floods, storm surges, droughts, wildfires, etc., and indirect damage such as reduced sales due to supply chain disruptions, as well as damage caused by long-term changes in climate change patterns such as rising temperatures, reduced snow and ice cover, and rising sea levels). These risks are called "physical risks"

Countermeasures

In the less than 2°C scenario, the risk of a surge in procurement costs is assumed for various industries that use fuel and electricity. We recognize that changes in client companies' technologies and services, as well as in consumer attitudes, will have an impact on research demand in the medium term. At the same time, there will be significant opportunities as new products and services are developed. Since some industries present high degrees of both risk and opportunity, we will diversify risk by closely monitoring the performance of individual client companies and business partners, as well as overall industry trends. Given that the 4°C scenario could also become a reality, we will diversify risks and expand opportunities by considering the expansion of our business and services to industries with lower risks and greater opportunities in this case.

Metrics and Targets

Information disclosure

We are committed to disclosing information on our CO2 emissions. As the Group's business activities are primarily carried out online, the calculation of CO2 emissions covers our main offices in Japan and our cloud service providers (contracted for online research services), plus paper consumption at our main offices.

Data indicators and targets

The Group is using remote working to prevent the spread of COVID-19. Our electricity consumption and CO2 emissions are on a downward trend.

In terms of data management, our migration from an on-premises data center to the cloud, which we implemented in 2016, has significantly reduced our energy consumption.

- Office electricity consumption

By canceling part of our office space due to the growth of remote working and switching to renewable energy for some office electricity, we achieved a 13% reduction in electricity consumption in FY6/2022 compared to the previous fiscal year.

Going forward, we will continue to undertake various initiatives such as switching office electricity to renewable energy and using data centers with low environmental impact. We will also aim to understand the current situation, study the setting of goals, and carry out measures toward achieving carbon neutrality.

CO2 emissions (t-CO2)	FY6/ 2018	FY6/ 2019	FY6/ 2020	FY6/ 2021	FY6/ 2022
Scope 1	0	0	0	0	0
Scope 2 Office electricity consumption	516	520	435	342	296
Scope 3 Emissions from the use of cloud services	*	*	*	217	131
Total				559	427

*CO2 emissions by cloud service providers are not shown due to the difficulty of calculating them pre-2020. CO2 emissions of cloud service providers are calculated using a tool provided by the service provider.

CO2 emissions per capita (t-CO2)	FY6/ 2018	FY6/ 2019	FY6/ 2020	FY6/ 2021	FY6/ 2022
CO2 emissions per capita (Scope 2)	0.52	0.49	0.42	0.31	0.25
Electricity consumption (kwh)	FY6/ 2018	FY6/ 2019	FY6/ 2020	FY6/ 2021	FY6/ 2022
Office electricity consumption	121	122	106	84	67
Paper consumption (10,000 sheets)	FY6/ 2018	FY6/ 2019	FY6/ 2020	FY6/ 2021	FY6/ 2022
A4 paper (A3=A4×2)	74	73	76	19	7

Initiatives for All Stakeholders

Social Issues



Contributing to Society by Providing Data and Know-how

Our policy

We believe that one of the social missions of our Group is to understand, analyze, and disclose the situation of consumers due to social changes. We will publish a wide range of knowledge gained through our Group's businesses, including marketing research, in the form of reports and columns. We will share information that captures changes in individuals, companies, and, ultimately, society as a whole.

Macromill Weekly Index / Macromill Weekly Index Asia

Since 2011, we have published the Macromill Weekly Index, which offers highly up-to-date information on a wide range of indicators obtained from a panel of consumers in Japan. It includes weekly consumption amounts and categories, consumer sentiment, and business confidence. In a testament to the trustworthiness of this data, extracts have been used in the Japanese Cabinet Office's 'Cabinet Meeting Documentation about the Monthly Economic Report'. Since 2020, the Company has also published consumer trends of Asian regions in the Macromill Weekly Index Asia.

Macromill Weekly Index

https://www.macromill.com/data_and_insights/weeklyindex/ (Japanese only)

Macromill Weekly Index Asia

https://www.macromill.com/data_and_insights/weeklyindex_asia/ (Japanese only)

Interview with Cabinet Office

<https://www.macromill.com/press/case/20220222.html> (Japanese only)

Using a Survey on the Great East Japan Earthquake to keep the disaster from fading from public memory

Since 2017, we have partnered with Kahoku Shimpo to jointly conduct an annual survey about the Great East Japan Earthquake. While highlighting the process of reconstruction, we are working to support disaster-stricken areas by sharing survey data. We aim to ensure that this disaster does not fade from public memory.

Macromill Weekly Index / Macromill Weekly Index Asia

Published weekly on our corporate website. By selecting categories such as consumption and prices, one can filter items including region, gender and age, and easily collect, organize, and analyze the necessary information.



Publishing a wide variety of research reports

In addition to research on SDGs, we conduct a wide variety of surveys based on social conditions and publish the results free of charge.



Social Contribution through Goodmill's NPO Support

Goodmill's social contribution activities

Goodmill is the social contribution program that we have carried out since 2018, based on our belief that we can use research to make the world a better place. We help address social issues through activities focusing on three pillars: marketing research and technical support for non-profit organizations; multi-faceted disaster support activities; and employee outreach activities.

Special free plans for "Questant" and "Mill Talk"

For non-profit organizations, we provide special free plans for "Questant" and "Mill Talk", Macromill's self-service research suite.

<Services offered>

- "Questant" self-service survey tool
Free of charge for regular plans (annual payment)
- Idea collection tool "Mill Talk"
CSV downloads twice a year (including features equivalent to the 100 displays below)
Display from 31 to 100 items four times a year

<Eligible organizations>

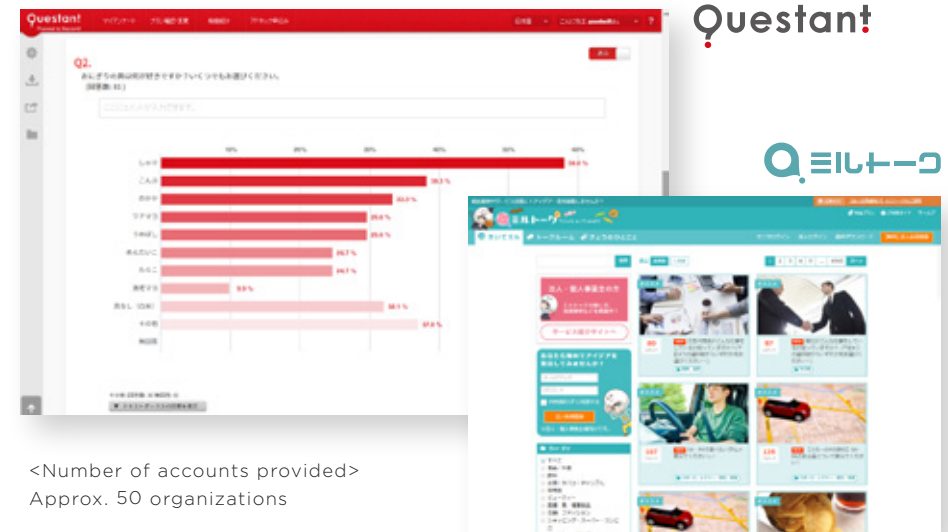
Specified Non-profit Organization (NPO), Certified Specified Non-profit Organization (Certified NPO)

Goodmill's introduction page

<https://www.macromill.com/company/way/sustainability/csr/goodmill.html> (Japanese only)

Self-service research services "Questant" and "Mill Talk"

Goodmill offers special free plans for the self-service survey tool "Questant" and the idea collection tool "Mill Talk" to specified non-profit organizations (NPOs) and certified specified non-profit organizations (certified NPOs). The organizations use the services for a variety of purposes, including surveying attitudes to social issues, post-seminar questionnaires, evaluations of their own organizations, and diagnostic forms.



Examples of organizations that use the system (extract from a list)



