

2024

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.

Contents

1. Key Principle	2
2. Message from Our CEO	3
3. Materiality	4
4. Macromill's Initiatives	
– Clients	7
– Consumer Research Panels	10
– Human Capital – Our Employees	13
– Partner Companies	23
– Governance	25
– Environmental Issues	32
– Social Issues	39



This report uses 'Macromill Group' or 'the Group' when referring to the Group as a whole, and 'Macromill' or 'the Company' when referring to Macromill Inc.

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. The Macromill Group 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

Human resources the most important asset for the sustainable growth of society

Macromill will celebrate its 25th anniversary on January 31, 2025.

Our founding management philosophy of “providing services that truly satisfy and impress our clients in order to support their better decision-making” is the origin of our actions.

With our vision of “Build your Data Culture”, we have aimed to solve our clients’ marketing challenges through data-native thinking and to be a driving force in building a Data Culture that brings success to their business.

The Group’s strengths are its 36 million-strong panel network, one of the largest in Japan, its client base of over 4,000 companies, and its more than 2,000 data-native personnel.

In recent years, the business environment is becoming more uncertain and complex. This makes sustainability management increasingly important. We will continue to accelerate the transformation of our business model and focus on creating social value by promoting investment in people and technology, which are key assets, while working to create an environment in which each and every employee can work long and healthily and promote diverse career development.

The year 2025 is an important milestone for us. It will be a year of “ReSTART” to further progress and deepen our sustainable efforts.

We are thrilled to announce the next phase of the Macromill Group’s journey as we celebrate 25 years of business.

Representative Executive Officer, CEO
Toru Sasaki

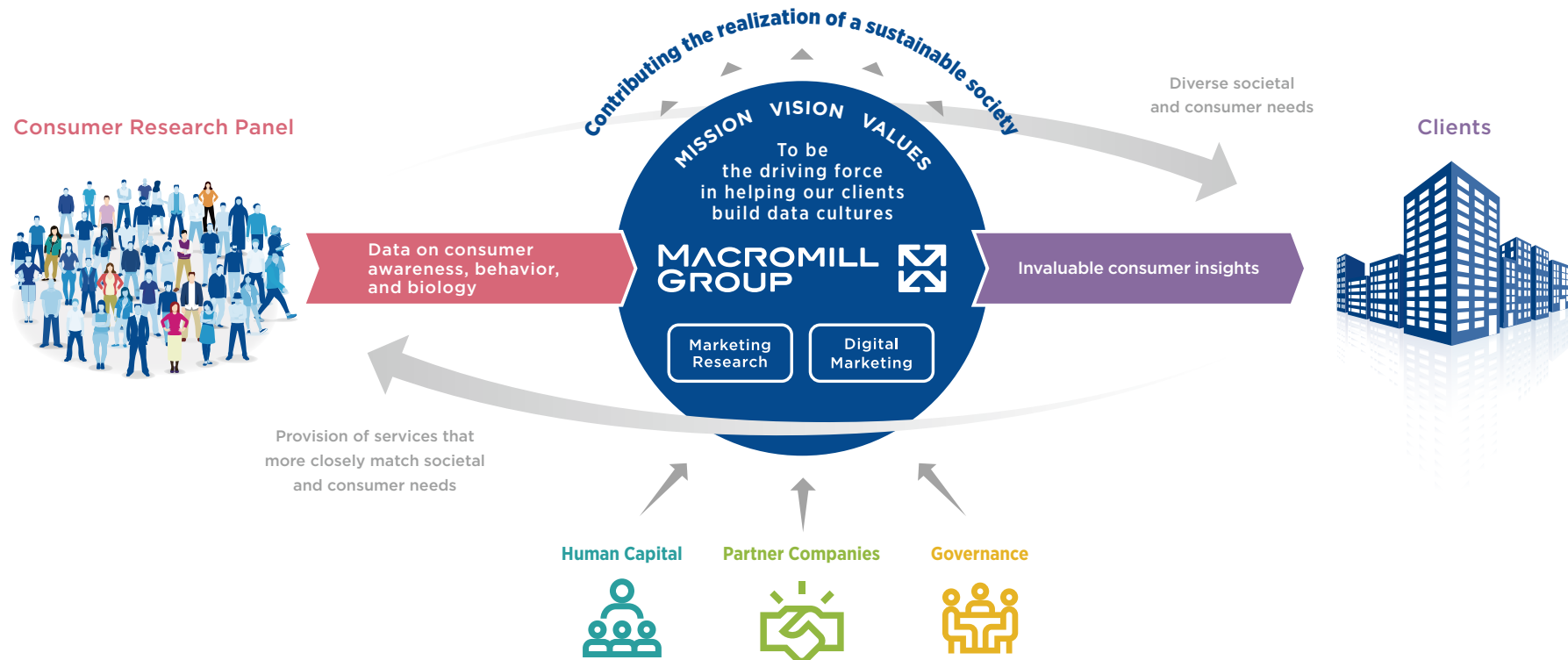


Our Approach to Materiality






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	Provide new value creation through the use of data, amid increasing adoption not only in the field of marketing but also throughout business	<ul style="list-style-type: none"> ● Strengthen data utilization support (consulting) business ● Develop innovative data-driven services, including marketing activation support business 	
Consumer Research Panels	3. Find more accurate consumer insights	Through strong relationships with the Group's proprietary panels and access to one of the largest affiliated panel networks in Japan, uncover accurate insights and deliver insights representing consumers to the world.. In doing so, provide new value not only to client companies but also to society as a whole	<ul style="list-style-type: none"> ● Strengthen relationships with our proprietary panels. Expand data type ● Establish one of the largest affiliated panel networks in Japan ● 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	Obtain data from trusted relationships with members of our proprietary panels. Take responsibility for providing assurance and safety, thoroughly managing information and strengthening security	<ul style="list-style-type: none"> ● Provide appropriate explanations and explicit 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	Recognizing that addressing various marketing issues demands solutions that are born out of the perspectives and experiences brought by diverse employees. Therefore, we foster an environment that respects the individuality of employees and allows them to reach their full potential	<ul style="list-style-type: none"> Promotion of Diversity and Inclusion Support for employees to help a flexible work environment and family care Promotion of women's greater participation 	5 GENDER EQUALITY
	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 	8 DECENT WORK AND ECONOMIC GROWTH
	7. Educating data-native talent	Develop the talent to inherit the experience and know-how regarding data handling that Macromill has accumulated since our founding. Cultivate people who can 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 	10 REDUCED INEQUALITIES
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 	17 PARTNERSHIPS FOR THE GOALS
All	9. Governance	Amid dramatic social change, form a sound organizational culture while strengthening governance to enhance corporate value over the medium to 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



Solving Marketing Issues

The Macromill Group's business model and client relationships

The Group offers a range of research solutions to more than 4,000 client companies globally, drawing on a range of data obtained from over 130 million consumer research panels both in Japan and internationally.

Meanwhile, as consumer attitudes and purchasing behaviors continue to diversify, the marketing challenges that client companies face are becoming increasingly difficult. 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. To achieve this, we believe client companies need to make data-driven decisions the norm-in other words, to build a data culture. The corporate Vision we defined for the fiscal year ended June 30, 2021 embodies 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, 1,500 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

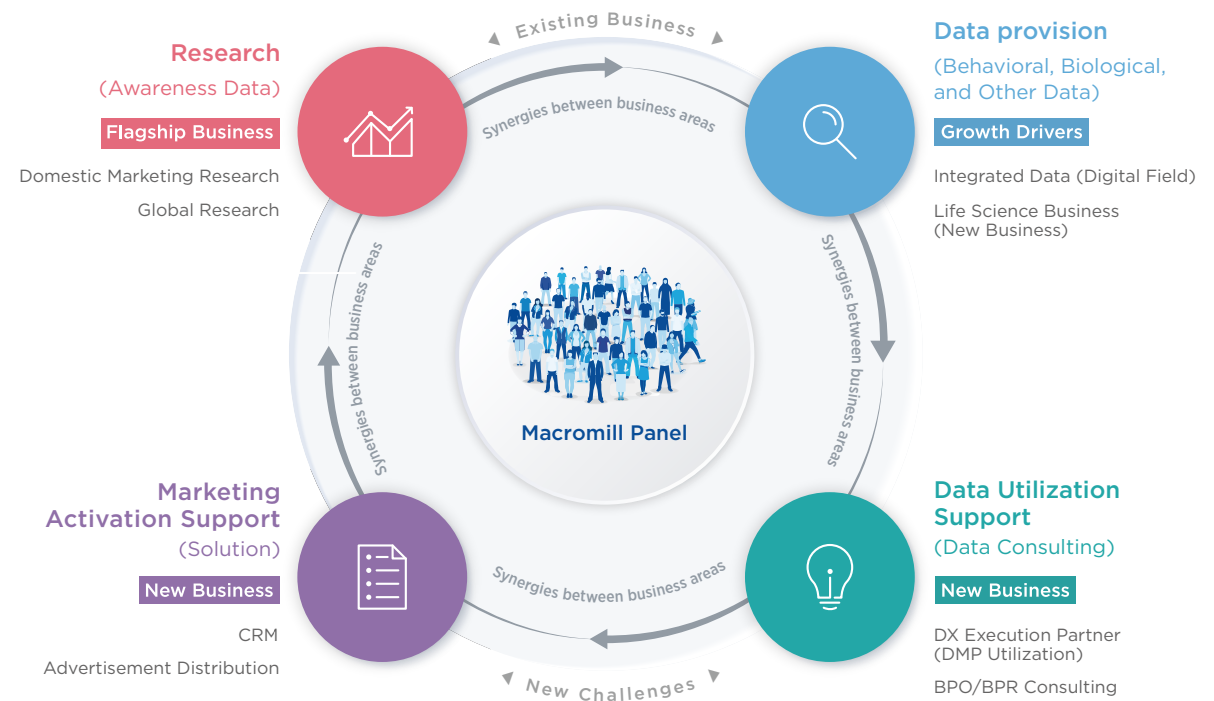
As companies accelerate their digital transformation (DX) activities, we believe that the use of data in marketing activities will further expand in the future.

Client companies collect and generate a variety of data on a daily basis. However, many of them struggle to use this data directly in their marketing activities, due to issues such as the lack of sufficient accompanying attribute data or non-uniform granularity of the data they acquire. In other words, we can say that, 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.

The Company identifies overlaps between proprietary panels and the users and data of 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 data we have obtained via the explicit consent of our panels based on a relationship of trust. At the same time, we believe we are able to do this because we have earned the trust of our clients.

In FY2022/6, we launched our data utilization support (consulting) business, which uses 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



Find More Accurate Consumer Insights

The Macromill Group’s business model and consumer research panels

The Group’s consumer panels include the network of proprietary panels we have built in Japan over more than 20 years since our foundation (representing 1.3 million people) and the affiliated panel network (representing 36 million people) which we have significantly expanded through M&A. The network in Japan boasts a strong competitive advantage in terms of quality born out of relationships specializing in research, while the affiliated panel network has a strong competitive advantage in terms of scale.

In particular, our proprietary panels include a digital measurement panel encompassing more than 900,000 people. Made possible by the evolution of digital devices, this panel has enabled us to provide behavioral data on the Internet 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 2011, we also established and began operating a nationwide consumer purchasing panel of 30,000 consumers. In April 2024, the panel will be expanded to 35,000 consumers and daily purchase data will be collected. By having customers record their purchases using barcode scanners and dedicated smartphone applications, the database service can be provided for more than 10 years. This service enables client companies to analyze how their marketing initiatives are reflected in consumer 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 analyze the results of clients’ marketing activities in more detail.

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

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 more details, refer to “Contributing to Society through Marketing” on p. 40.)

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



Promote Safe and Secure Data Handling

High quality panel data and safe handling

The Macromill Group pays a portion of the service fees it receives from client companies to the proprietary 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 proprietary 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 proprietary 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)

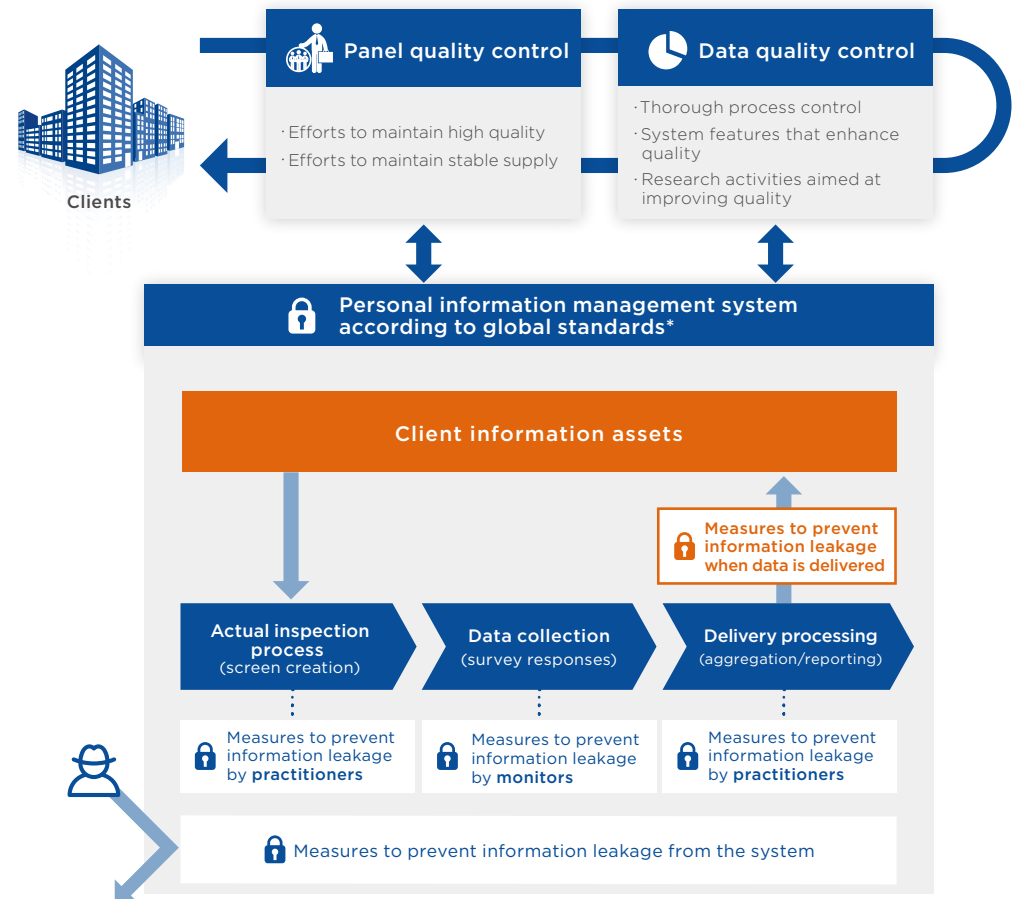
Information security policy

<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



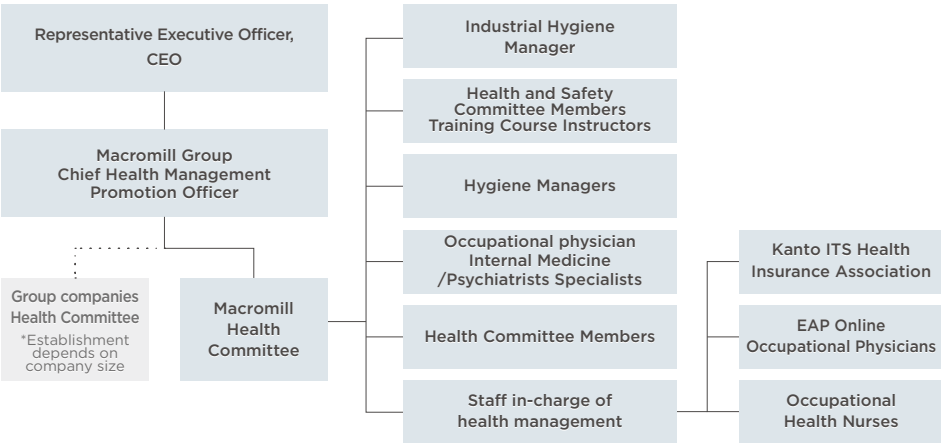
Creating a Healthy, Long-term Work Environment

Health management targets of the Macromill Group

Seeking to create an environment in which employees can stay healthy and work for many years, the Macromill Group is taking steps to cultivate health awareness so that each employee can remain attuned to good health and keep physically and mentally fit. We promote health management through initiatives aimed at fostering health awareness. We will continue to reinforce health management initiatives and pursue Eruboshi, Kurumin, and Tomonin certification as an excellent health management organization.

Health management structure

In promoting health management, the Group has established a new system of cooperation not only within the company but also with various external organizations. The Executive Officer CCO serves as the Chief Health Management Promotion Officer, and we have appointed in-house industrial hygiene managers, health and safety committee member training course instructors, occupational physicians specializing in psychiatry, and occupational health nurses. As for external organizations, we have established an EAP contact point and strengthened cooperation with health insurance associations as initiatives to improve health issues.



Results from new initiatives (initiatives implemented since October 2023)

*Blue text indicates new initiatives

Expansion of health promotion structure

- 1. Organization of health management and promotion structure
- 2. Expansion of health committees (health committee members are elected for each section, and support for health committee members to obtain relevant qualifications and certification has been initiated)
- 3. Newly established occupational physicians specializing in psychiatry and occupational health nurses

Improving health literacy

- 1. Conducting of mental health training
- 2. Start of health-related lectures by occupational physicians and occupational health nurses and the release of health information content
- 3. Conducting of health lectures by external experts as company-wide health events
- 4. Holding of Open Talk, an in-house talk event on the theme of health management
- 5. Serialization of health-related articles as a feature in the in-house newsletter millcomi.

Strengthening prevention measures for injury and illness in personal time

- 1. Introduction of EAP (Employee Assistance Program)
- 2. Start of health guidance by occupational health nurses after regular health check-ups
- 3. Encouraging the use of annual paid leave
- 4. Achievement of 100% regular health check-up rate (FY2024)

Development of environments and systems

- 1. Revision of the system of leave and reinstatement due to injury or illness in personal time (extension of the period during which leave can be taken, to create an environment in which people can concentrate on recuperation)
- 2. Establishment of committees to assess return to work
- 3. Introduction of GLTD insurance

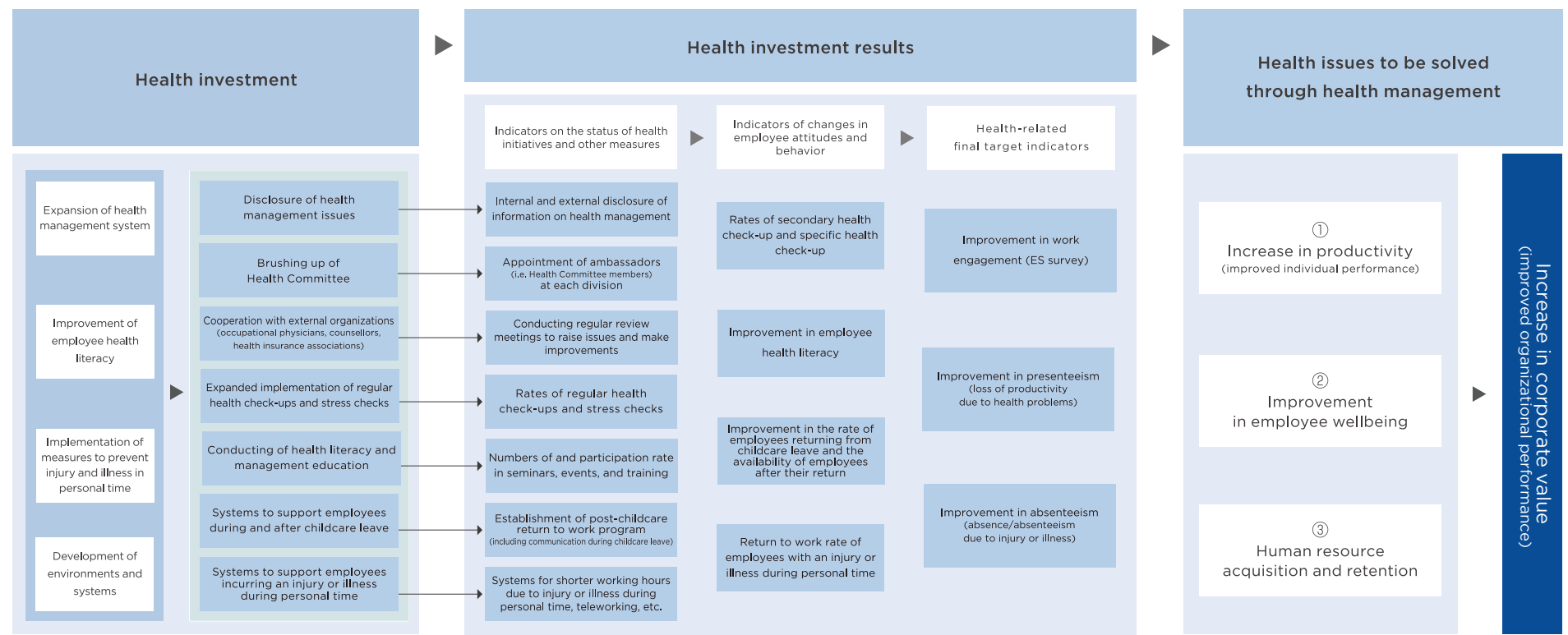
Indicators for health promotion

Health management KPI		★100% regular health check-up rate/100% stress check assessment rate		
		2022	2023	2024
★Regular health check-up rate		89.4%	95.8%	100%
Recommendations for medical examination to those with abnormal readings		0%	0%	100%
★Stress check assessment rate		66.1%	81.7%	91.0%
Rate of paid leave use		61.9%	65.6%	66.1%
Number of work-related occupational injuries		Ocases	Ocases	Ocases

Creating a Healthy, Long-term Work Environment

Strategic map for promoting employee health

We have compiled a strategy map for the promotion of health management, which we check and analyze as necessary, and link to planned initiatives. In line with this strategy map, in FY2023 we expanded the Health Committee, increased the number of occupational physicians, introduced occupational health nurses, and began EAP services. In FY2024 and beyond, we will continue to work on health management, using the PDCA cycle based on each indicator.



Other health investments (approach items)

Reduction of overtime hours	Improvement in the rate and number of days of paid leave taken	Support for balancing caregiving and work	Measures to curb smoking rates	Measures against infectious diseases and hay fever	Establishment of exercise habits	D&I measures	Asset building support
Reduction in total actual hours worked	Improvement in mental health self-care practice rates	Measures against women's health issues	Measures to curb alcohol consumption rates	Measures against eye strain, stiff shoulders, and back pain	Strengthening the recruitment and health management of older employees	Stimulating internal communications	Promotion of health management to suppliers and business partners

*Items to be implemented when the need arises

Establishing a Diverse Working Environment

Promotion of diversity and inclusion

The Group believes that ensuring diversity and inclusion in the workforce continues to be vital in improving the value we bring to our clients as well as for meeting our corporate social responsibility goals.

Since 2015, we have been promoting diversity and inclusion with the aim of fostering an environment of mutual respect for differences in which all employees can live up to their full potential.

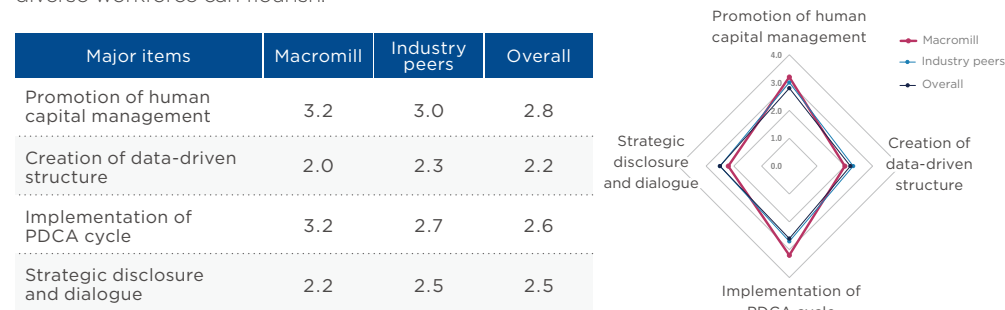
Trajectory of our initiatives

- Forming a support framework based on interviews with employees taking maternity or childcare leave
- Implementing educational activities aimed at balancing work and family care
- Reviewing of workforce environment for a diversity
- Multifaceted initiatives to promote the career path of female employees
(Developing and providing inventory tools for career development, setting up opportunities for dialogue across departments, publishing female employee interview articles internally, etc.)
- Designing opportunities for collaboration between managers with female team members

In the latest employee satisfaction survey carried out in January 2024, many respondents agreed that "there is an atmosphere of recognizing diverse values" (TOP 2: 80%). Through consistent efforts to date, we have steadily fostered a culture of mutual respect and acceptance of diversity.

Participation in the Human Capital Management Survey

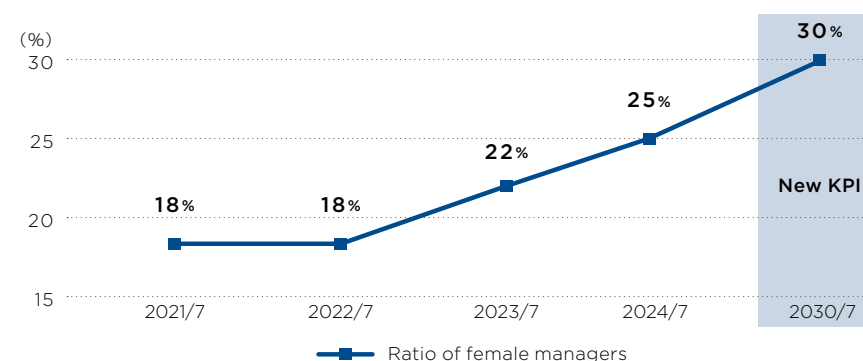
We participated in the Human Capital Survey 2023, a survey aimed at visualizing and raising awareness of 'essential efforts to improve corporate value', achieving a deviation value of 52. We will continue to work on strengthening human capital management and its disclosure with the aim of improving corporate value, including creating an environment in which a diverse workforce can flourish.



Initiatives to promote the greater participation of women

Since 2021, we have been focusing on promoting the greater participation of women. Our goal was to increase the ratio of female managers from 16% as of the end of June 2021 by 5%-10% by the end of July 2024, and ended up raising this figure by 9% increase to 25%. We will continue to step up efforts to promote women's participation, targeting a ratio of female managers of 30% by the end of July 2030.

Ratio of female managers and new performance indicators



Ratio of female managers and average age of managers

Macromill group employees (consolidated, non-consolidated)

	2021/7		2022/7		2023/7		2024/7	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Ratio of female managers	28%	18%	32%	18%	26%	22%	28%	25%
Average age of management personnel (years)	42	38	43	38	43	39	41.9	39.9

*Due to the transfer of the business of wholly owned subsidiary MetrixLab Group to Toluna Holdings Limited on June 1, 2023, the ratio of female managers as of July 2023 was down year on year.

Establishing a Diverse Working Environment

Realizing diverse and flexible working styles

As the average age of our workforce increases, we are also putting effort into creating an environment that allows employees to work in a variety of ways to accommodate changes in their life circumstances. Currently, each division has two designated days to come into the office week. We are working to ensure active communication within the organization while also introducing hybrid working styles where employees can work remotely up to three days a week. One in five employees has childcare responsibilities (children under 18). Such employees can now work shorter, six- or seven-hour days until the end of their child’s third year of elementary school. The rate of return after childcare leave remains high, at 91.7% for the July 2023-June 2024 period. Employees can also revise their work hour schedules every three months, allowing them to work flexibly to suit their lifestyles.

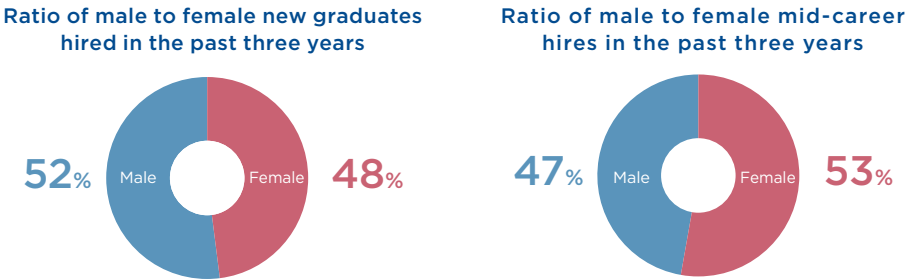
In addition, a remote working system has been introduced from FY2024 allowing employees to work fully remotely from non-office locations even if they are caring for a family member or have other circumstances.

We are also working to enhance our leave system. In addition to annual paid leave, we have unique leave systems such as a Happy Holiday system granting six days of special paid leave each year and a Thanks Holiday system for long-time employees. The employee satisfaction survey found a favorable level of satisfaction among short-time employees regarding the balance between work and private life. We are steadily fostering a climate and culture that makes it easy to balance work and home life.

Introduction of remote working system

The Company has created a new remote working system that enables employees to work remotely at any time, without having to come to work, if they have to live in a location distant from their home office due to changes in their life stage or other reasons. The system aims to create an environment in which talented people at various life stages can establish a position and play an active role.

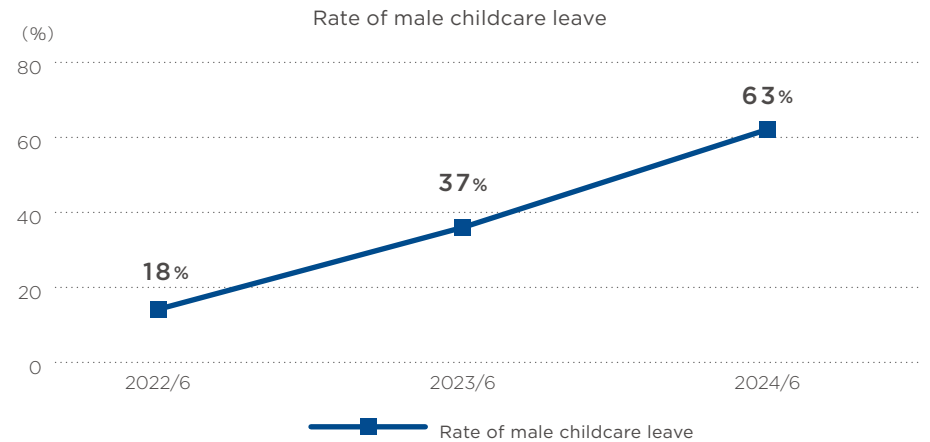
Ratio of men to women in our recruitment



Original leave systems

Happy Holiday	6 days of special paid vacation per year
Thanks Holiday	Long-time service leave
	↳10 years: 10 days, 20 years: 20 days, 30 years: 30 days

Rate of male childcare leave



Establishing a Diverse Working Environment

Basic Policy Regarding Human Rights

The Macromill Group has established a Basic Policy Regarding Human Rights that expresses our stance of respecting human rights through our corporate activities. By protecting and promoting human rights, we seek to build long-term relationships of trust with all stakeholders, including employees, clients, and shareholders. We will also share the values of respecting human rights in our relationships with business partners across the business value chain.

Components of the Basic Policy Regarding Human Rights

- | | |
|--|---|
|  <p>1. Commitment to human rights</p> |  <p>6. Respect for freedom of association and the exercise of the right to collective bargaining</p> |
|  <p>2. References consulted and scope</p> |  <p>7. Maintaining employee health and safety</p> |
|  <p>3. Emphasis on diversity and prohibition of harassment</p> |  <p>8. Freedom of self-expression and protection of privacy</p> |
|  <p>4. Prevention of forced labor and child labor</p> |  <p>9. Initiatives and framework for respecting human rights</p> |
|  <p>5. Management of working hours and wages</p> |  <p>10. Communications</p> |

Basic Policy Regarding Human Rights (Japanese only)

<https://www.macromill.com/sustainability/assets/pdf/20240424-basic-policy-regarding-human-rights.pdf>

Number of consolidated employees of the Macromill Group

	2022/6	2023/6	2024/6
Number of employees	2,970	2,155	2,228
Percentage who are women	52%	54%	55%
Average age (years)	37	38	35.6

*Due to the transfer of the business of wholly owned subsidiary MetrixLab Group to Toluna Holdings Limited on June 1, 2023, the number of employees as of the end of June 2023 was down year on year (figures below are for consolidated employees excluding MetrixLab Group).

Ratio of women among executive officers	9%	0%	0%
Number of non-regular employees	241	259	262
Percentage of non-regular employees	11%	11%	11%
Number of people with disabilities employed	31	31	32
Retirement rate*	12%	11%	9%

Macromill employees (non-consolidated)

	2022/6	2023/6	2024/6
Number of employees	1,185	1,179	1,186
Percentage who are women	49%	50%	51%
Average age (years)	33	33	33.9
Ratio of women among executive officers	13%	0%	0%
Number of non-regular employees	105	116	117
Percentage of non-regular employees	8%	9%	10%
Number of people with disabilities employed	22	21	23
Retirement rate*	12%	10%	9%

*Percentage of full-time employees who resigned for personal reasons

Provide an Opportunity to Challenge New Possibilities

Cultivating human resources through systematic training programs and career-building rotations

Recognizing that, in our business activities, enhancing the value of employees is directly linked to enhancing corporate value, we seek to develop human resources through systematic education programs and a voluntary job-rotation framework.

Training programs by rank

	Training by rank	All-employee training	
Managers	<ul style="list-style-type: none"> Leadership development <ul style="list-style-type: none"> Strategic planning Facilitation HR session Finance academy New management training 	Compliance/harassment prevention training	Mental health training
Mid-level employees	<ul style="list-style-type: none"> Project management Operational efficiency Logical thinking Business skill assessment 		
Newer employees	<ul style="list-style-type: none"> OJT trainer course One year post-employment review training (new graduates) 		
New hires	<ul style="list-style-type: none"> Introductory training (mid-career employees/new graduates) 		



Career development promotion program



Self-awareness

- Understanding one's own strengths through the 'Strengths Finder'
- Self-career inventory through the introduction of career sheets



Job understanding

- Organization and disclosure of information regarding internal departmental roles, specific job descriptions, skills to be acquired, etc.



Career training

- Changes in life stages and use of systems
- Conducting of generational roundtable discussions

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. We regularly publish open positions, to which employees can freely apply. This is a fast initiative, with successful applicants 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 highly valued team members.

Provide an Opportunity to Challenge New Possibilities

Knowledge sharing and feedback initiative to support growth

In addition to HR-led, company-wide, rank-based training, we also have extensive training programs for each job category. In addition, various training materials are posted on the company intranet to share training knowledge, thereby promoting understanding of specific roles and operations in other departments.

Various training materials on the in-house knowledge website millnavi 

HR

- Induction training materials for new graduates (understanding the company/business skills/mindset/stance, etc.)
- OJT trainer programs

Sales Division

- Aimed at enabling employees to understand our services/acquire sales skills and support business operations

Researcher Division

- Marketing research basics/design and analysis courses, etc.

Feedback mechanisms to support growth

We operate a management by objectives (MBO) system with the aim of employee’s development. We provide frequent and real-time feedback to help achieve the goals set jointly by managers and their team members. We use absolute evaluation standards not only to evaluate the extent to which employees achieve their individual goals, but also to make a comprehensive judgment by taking into account actual performance in the workplace, including work processes and the degree to which employees demonstrate the Group Values. We conduct an annual 360° feedback survey for managers, under which they receive feedback on their actions from superiors, subordinates, and peers.

Defining leadership competency

In order to comprehensive approach to the development of next-generation leaders and leadership development for managers, we have redefined the leadership competencies required for each position. This definition helps managers identify their leadership level based on 360° feedback survey and those of others. They can then analyze their strengths and areas for improvement to achieve their desired leadership profile and implement targeted action plans over the course of a year.

Leadership competency items

Business conceptualization skills	Organizational management			Team member management	
Strategic planning abilities	Business / workflow management		Diversity management	Degree of vision permeation	Delegation
Personality	Succession planning	Knowledge management	Target achievement	Training and evaluation	Legal and regulatory compliance
Macromill Values					

*For each of the above, there are five levels of position-specific competencies

Increase in total number of training participants and investment costs

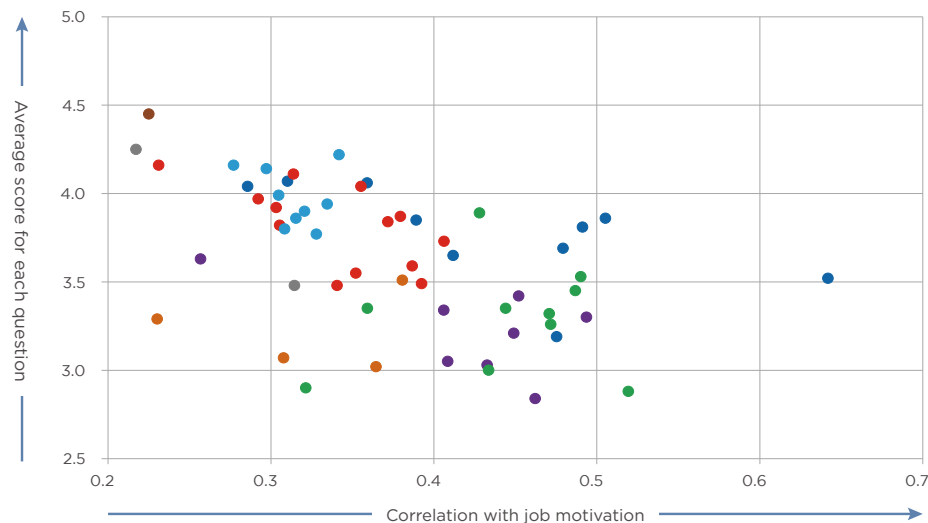
In recent years, amid social demands for employee career autonomy and reskilling. We have been stepping up its efforts to expand the opportunities offered to employees for self-improvement and skills development and to increase investment expenditure. Compared with two years ago, the total number of employees taking part in training courses over the course of one year increased by 1.9 times and investment expenditure by 1.3 times. We will continue to provide useful growth opportunities for our employees and create an environment in which each and every one of them can push their own potential.

Educating Data-Native Talent

An environment that embodies a data culture and develops data-native talent

The Macromill Group's vision is: "Build your Data Culture." We contribute the data-driven decision-making of clients by acquiring and providing data ranging from consumer awareness to digital behavior, purchasing, and biology. Especially, we have developed a unique three-year training program for researchers. This program is designed to develop fundamental skills and knowledge. In addition to a wide range of classroom-based learning, regular tests are given to ensure that business knowledge is firmly established. To address the demand for more sophisticated business analytics going forward, we are strengthening the development of analysts. We have developed an in-house online training program for aspiring employees. Furthermore, from July 2024, the Company began subsidizing the cost of acquiring the Japan Statistical Society Certificate from level 2 upward, thereby expanding support for employees to improve their data literacy. We are also pursuing numerous efforts to embody our data culture. Based on the results of the latest employee satisfaction survey, we are conducting an in-house analysis to enable more in-depth consideration of such a culture, which is informing the action plans being explored by each division.

Employee satisfaction survey correlation analysis



Recruiting and training data professionals

From 2017 to 2019, in collaboration with client companies, we held a public contest for data analysis-based marketing strategy planning. We carried out a hands-on program of using consumer data to propose solutions to the marketing issues of companies, receiving entries from around 2,500 students. Since 2020, we have also been offering summer and winter internships for students. By gaining experience in our data aggregation and analysis operations, roughly 800 students every year are honing their data literacy, which they can then apply to business.

Moreover, in July 2022, we transferred our data consulting business to SOUTH Inc., a marketing and consulting business, through an M&A. We then converted this into a subsidiary, renamed Eight Hundred, Inc., and have since continued to expand the consulting business.

Postgraduate placement programs through industry-academia partnerships

Alongside our internal training programs, we provide a wide variety of employees with opportunities to hone their skills, including receiving training from invited lecturers from partner companies and development opportunities through industry-academia collaboration. Company-sponsored study programs with Shiga University's Graduate School of Data Science, to which we have continuously dispatched employees since 2019, have enabled our data scientists to further deepen their capabilities and knowledge. From FY2025, the number of graduate schools to which employees are dispatched will be expanded and the recruitment method will be changed from recommendation by others to self-recommendation in order to widen the scope of opportunities for employees to develop their careers autonomously.

Placement locations (from FY2025 onward)

Shiga University Graduate School of Data Science	Yokohama City University Graduate School of Data Science	Shiga University Master of Business Analytics (MBAN) Program
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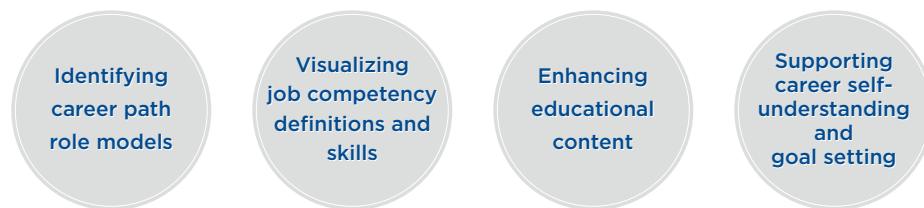
Our subsidiary Eight Hundred has also concluded an industry-academia collaboration in the area of data science with Hitotsubashi University and Tokyo University of Science, with the aim of further developing the data science field through joint research and the training of personnel who will lead the next generation.

An Organizational Culture Where Employees Are Highly Motivated

Initiatives to deepen engagement

We have administered a Group-wide employee satisfaction survey since 2016. In 2023, we introduced a new survey, called "Survey for Challenging & Happy Workplace", to more specifically identify our strengths and issues. We regularly examine our strengths and areas needing improvement, and formulate action plans for each company and division for the following fiscal year based on the results. By posting these action plans on the intranet, we are taking steps across the Group that will lead to ongoing improvements in the workplace environment.

Main actions of each division



Fostering collaboration and relationships between employees

We are pursuing several initiatives to encourage greater collaboration and closer relationships between employees. The Company has for many years carried out club (circle) activities to support employees' physical and mental well-being through hobbies. There are currently 19 active official circles.

Macromill Circle

The Macromill Circle support system fosters active communication across division boundaries and job positions.



A culture of mutual appreciation

To enhance the value the Group provides to clients and society and to help to bring about improvements in society, we believe it is vital for all of our employees to embody the Group's Values. A culture of mutual appreciation, nurtured through opportunities to celebrate fellow employees for their actions and achievements based on these Values, is the driving force behind improving the quality of daily work.

"Tataete Mill"

The "Tataete (meaning celebrate or praise in Japanese) Mill" is a system for exchanging appreciative comments. Each quarter, employees send more than 9,000 comments to their colleagues, and employees who receive a particularly high number of comments are featured on the intranet, where they share their approach to daily work.

My Work

To share the efforts of employees who have achieved solid performance as broadly as possible in the Group, we continue to invite such employees to give presentations about their approach to work and the process by which they reach their goals.

MVP Program

We have established a distinctive, in-house MVP Program to recognize the achievements of employees during a six-month period. Notably, throughout the Group, we highlight employees 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.

Division awards

In addition to Group-wide awards, each division has put its own system in place to award employees. Reflecting on the differing characteristics of each division, these award systems present awards to employees quarterly.



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 QO, Inc.), 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.



QO, 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 Framework 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.

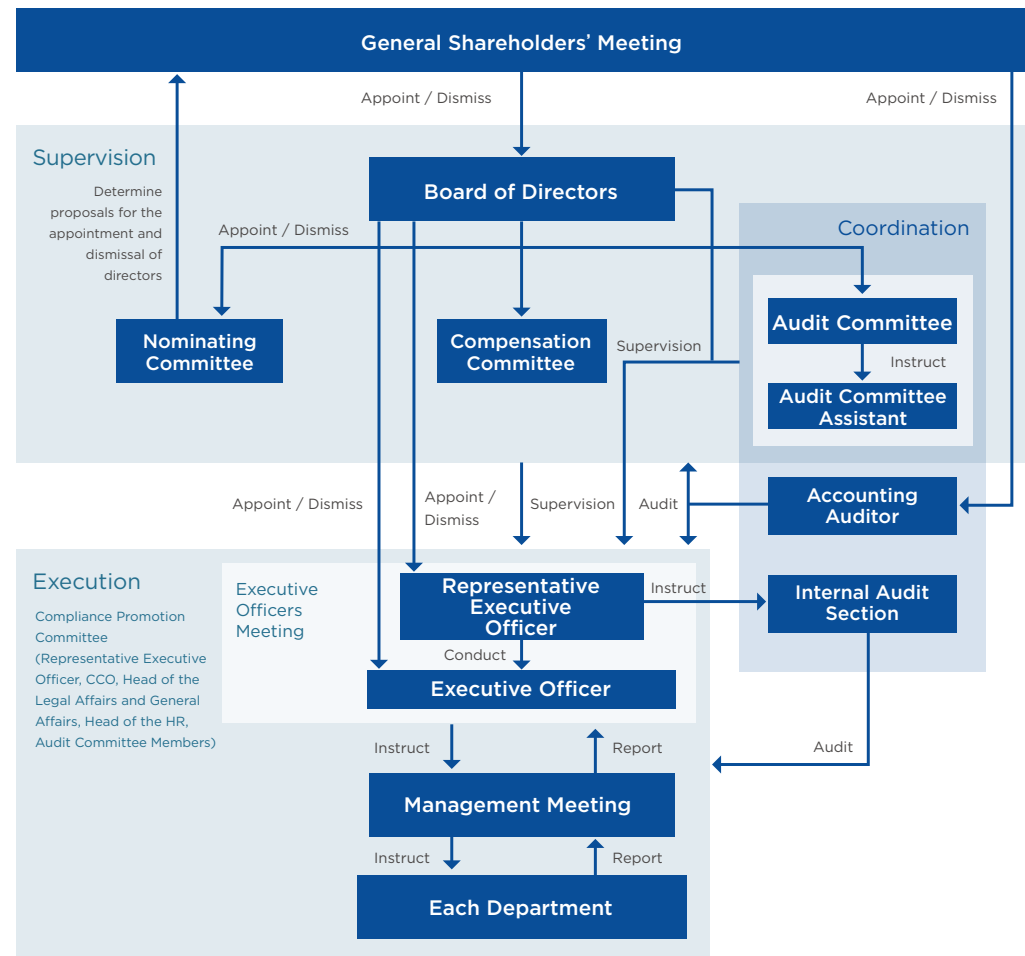
Code of Conduct

<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. We build and maintain a responsive management structure that creates harmony between the company and its stakeholders. We also have an effective corporate governance framework that steers the management course with the understanding that our shareholders matter.

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, five 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 all 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, all 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.

Successor planning for the CEO and other management members

The Board of Directors continuously monitors the cultivating of personnel to take up the reins of management in the next generation, from short-, medium-, and long-term perspectives, in light of the Company’s management principles and strategies. Meanwhile, the Nominating Committee selects candidates for such positions at the appropriate time. We will continue to consider a range of issues as basic initiatives to be discussed by the Nominating Committee and in other forums, while also taking into account the opinions of the current CEO, including the issues of: (1) necessary human resources requirements, (2) the timing of succession, (3) forming a candidate pool and appropriately cultivating candidates over time (including key career appointments of candidates), (4) grasping the character of candidates on the part of each member of the Nominating Committee, and (5) selection of candidates. We will furthermore focus on devising and implementing specific training programs to ensure that adequate time and resources are given to systematically training successor candidates.

Board of Directors

★ Chair



Toru Sasaki
Director,
Representative Executive Officer,
CEO



Yukiko Nakagawa
Outside Director
Compensation Committee Member★
Audit Committee Member



Yuji Shiga
Outside Director
Nominating Committee Member
Audit Committee Member★



Kimitake Ito
Outside Director
Nominating Committee Member★
Compensation Committee Member



Kovari-Krecsmaty B. Szilvia
Outside Director
Nominating Committee Member
Compensation Committee Member



Tsuyoshi Nishitani
Outside Director (Newly appointed)
Audit Committee Member

Executive Officers



Toru Sasaki
Director,
Representative Executive Officer
and CEO



Taro Dohi
Executive Officer,
CCO



Shintaro Hashimoto
Executive Officer,
CFO, CGO



Ken Inoue
Executive Officer,
CTO

Attendance at Board of Directors meetings

Director	Toru Sasaki	18/18	Outside Director	Kimitake Ito	15/15
Outside Director	Yukiko Nakagawa	18/18	Outside Director	Yuji Shiga	15/15
Outside Director	Yuji Shiga	18/18	Outside Director	Tsuyoshi Nishitani (Newly appointed)	

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.

Executive Officer compensation

Compensation for executive officer is determined 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. Executive officers receive a fixed base salary, incentives, and stock options. Performance-linked compensation is decided based on our policy and is awarded as an incentive to improve Group corporate value. Group business profit are used as the benchmarks for earnings performance, with the total amount paid decided by the following method.

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 business profit target for the fiscal year

Introduction of a performance-linked share-based compensation system

The Company’s Compensation Committee decided to introduce a performance-linked share-based compensation system with the aim of making the link between the remuneration of executive officers and corporate officers and the Company’s performance and share value clearer, so that the executive officers and corporate officers share with shareholders the benefits and risks of a higher share price and have a greater awareness of their contribution to improving performance and increasing corporate value over the medium to long term. The benefit to each officer is calculated in each financial year in terms of points corresponding to his or her position (i. basic portion) and according to the degree of achievement of performance (ii. performance-linked portion). The shares are awarded in proportion to the accumulated number of points held at the time of retirement from the position.

Points calculation formula

- i. Basic portion*1
Points awarded = standard amount for each position ÷ standard share price x (number of months served as officer ÷ 12)
- ii. Performance-linked portion*2
Points awarded = performance-linked standard amount for each position ÷ standard share price x appraisal coefficient
- *1 The standard amount for each position and the standard share price shall be determined in accordance with the Regulations on Executive Share Benefits.
- *2 The performance-linked standard amount for each position and standard share price shall be determined by the Regulations on Executive Share Benefits. The appraisal coefficient shall be determined in accordance with the degree of achievement from 0 to 2.0 of the business profit targets defined in the consolidated earnings forecasts for the financial year in question.

Total compensation for FY6/2024

Executive Position	Total Compensation Allocation (Millions of yen)	Allocation by Type of Compensation (Millions of yen)			Number of Eligible Recipients
		Fixed Compensation	Performance-linked Compensation, etc.	Non-monetary Compensation, etc.	
Directors (of which Outside Directors)	39 (38)	39 (38)	- (-)	- (-)	7 (6)
Executive Officers	172	122	31	18	4
Total (of which Outside Directors)	212 (38)	162 (38)	31 (-)	18 (-)	11 (6)

Directors' skill matrix

Skill category	Toru Sasaki	Yukiko Nakagawa	Yuji Shiga	Kimitake Ito	Kovari-Krecsmay B. Szilvia	Tsuyoshi Nishitani
		Outside	Outside	Outside	Outside	Outside
		Independent	Independent	Independent	Independent	Independent
Company management	●			●		
Finance, Accounting and M&A			●	●		●
Legal and Risk management			●			●
Global		●	●		●	●
Data and Digital	●				●	
Marketing and Industry knowledge	●				●	
Sustainability		●				
Human Resources Management		●		●		

Compliance

Initiatives to prevent and eliminate corruption

Aiming to prevent corruption, the Group stipulates the prohibition of harassment and child labor as well as restrictions on gifts and entertainment in the Macromill Code of Conduct. We hold compliance training for all employees once a year to promote understanding of these issues. Compliance training is also conducted as needed for mid-career hires.

Training participation rate in FY2024

Compliance training: 100%	*At domestic Group companies
Harassment prevention training: 100%	*At the Company

In addition, a shared Group whistleblower contact point, the Hotline, has been set up so that anyone who discovers a breach of laws and regulations, or the Code of Conduct can consult the Hotline under their own name or anonymously.

Code of Conduct

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

Examples of main cases reported

- Actions that breach laws and regulations
- Actions that breach the Code of Conduct
- Actions contrary to internal processes
- Other actions contrary to morality or ethics

Code of Conduct

- 1.Compliance with laws and regulations
 - (1) Compliance with related laws and regulations
 - (2) Sound employment and labor
 - (3) Fair and free competition
 - (4) Prevention of conflicts of interest
 - (5) Prohibition of insider trading
- 2.Relationships with society
 - (1) Environmental conservation
 - (2) Political activities, political funding
 - (3) Stance towards anti-social forces
- 3.Respect for human rights
 - (1) Prohibition of discrimination and harassment
 - (2) Prohibition of forced labor and child labor
- 4.Honest corporate activities
 - (1) Safety and quality of products and services
 - (2) Creation and management of accurate information
 - (3) Appropriate accounting treatment and tax declarations
 - (4) Protection and respect for intellectual property rights
 - (5) Protection of privacy
 - (6) Management of confidential information
 - (7) Restrictions on gifts, entertainment, etc.
 - (8) Establishment, maintenance of an internal reporting system
 - (9) Appropriate advertising, promotion
 - (10) Management of Company property

Information Security Initiatives

Acquisition of latest ISMS international standard ISO/IEC 27001:2022 certification

Recent years have brought dramatic changes in consumer awareness and behavior, along with increasingly diverse values. An understanding of consumers that can inform corporate marketing and decision-making requires even more wide-ranging data utilization and analysis than ever.

In line with changes and demands in society, we want to ensure that our clients can continue using our services without concern. 4 In addition, information security training is conducted for all employees once a year, and the training participation rate was 100% in FY2024.

ISMS

An abbreviation for information security management systems, these systems are designed to protect information assets held by an organization from various risks. In 2023, we became the first company in Japan's marketing research industry to receive this certification for all business areas.*

We are endeavoring to further strengthen and expand information security for data obtained at the Shinagawa Connected Office, the business locations of Macromill Base Fukuoka, and via Group company Macromill Carenet in 2024.

*The first for a company listed on the Japan Marketing Research Association (JMRA) full member company list to receive certification for all business areas. Based on our search on the ISMS certification organization site (<https://isms.jp/1st/ind/>). As of June 28, 2023.

Privacy Mark

The Privacy Mark system evaluates whether businesses have established a system to take appropriate measures to handle and manage personal information. It permits companies to use this mark in their business activities as proof of this. We acquired Privacy Mark certification in 2004 and have renewed this certification every two years.



The Information Security Department carries out educational activities to raise awareness of security within the Group. We use the original character Joe Mamoru ("joh" meaning "lock" and "mamoru" meaning "protect" in Japanese) to convey information in an approachable manner.

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 internet 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 staff from across the Group. 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.

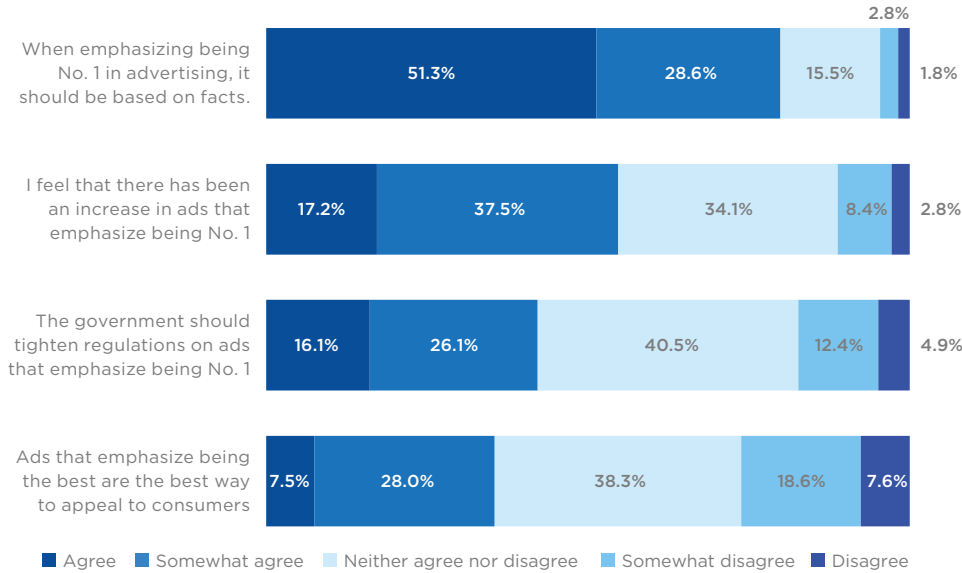
Rules for a client company publishing the results of the “No. 1 Survey” through Macromill (example)

- 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 have 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



Fundamental Policy and Supported Initiatives

Fundamental Policy

We have formulated the following basic policy regarding the environment, including climate change.

- Based on the Macromill Code of Conduct, we will pursue initiatives to reduce CO2 emissions and strive to improve the natural environment.
- Through marketing research, we will strive to address environmental issues and enhance corporate value.
- We will strive for ongoing improvements with the aim of enhancing environmental performance by seeking to achieve our environmental targets and evaluating the impact of our business activities on the environment.
- We will actively strive to prevent pollution, mitigate climate change, and preserve biodiversity and ecosystems.

Supported Initiatives

We support the Japanese Government's declaration of carbon neutrality (2020) and the declaration of greenhouse gas reduction targets for 2030 (2021). We will continue to work on climate change mitigation through collaboration with a wide range of stakeholders, including governments, businesses, and industry associations, towards the realization of a low-carbon society in order to achieve the targets of the Paris Agreement (2015), which sets out an international framework for reducing CO2/GHG (greenhouse gases) emissions.

TCFD: Task Force on Climate-related Financial Disclosures

The Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB) recommends that companies understand and disclose the financial implications of the risks and opportunities posed by climate change. In August 2022, the Company expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).



JCI: Japan Climate Initiative

The Japan Climate Initiative (JCI) is a network to strengthen the dissemination of information and exchange of views among companies, local authorities, organizations, and NGOs that are actively working to combat climate change. The Company signed up to the initiative in August 2024 and supports the declaration of 'Joining the front line of the global push for decarbonization from Japan.'



KEIDANREN (Japan Business Federation): Charter of Corporate Behavior

As a member company of KEIDANREN, we respect and put into practice the spirit of the Charter of Corporate Behavior in order to realize a sustainable society.

KEIDANREN (Japan Business Federation): Charter of Corporate Behavior

<https://www.keidanren.or.jp/en/policy/csr/charter2022.html>

Support for the Save Earth Foundation

Since October 2024, the Company has been a supporting member of the Save Earth Foundation, providing support for activities to maintain and improve biodiversity in reforestation activities.



Governance system for climate change-related matters

Governance system for climate change-related matters

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

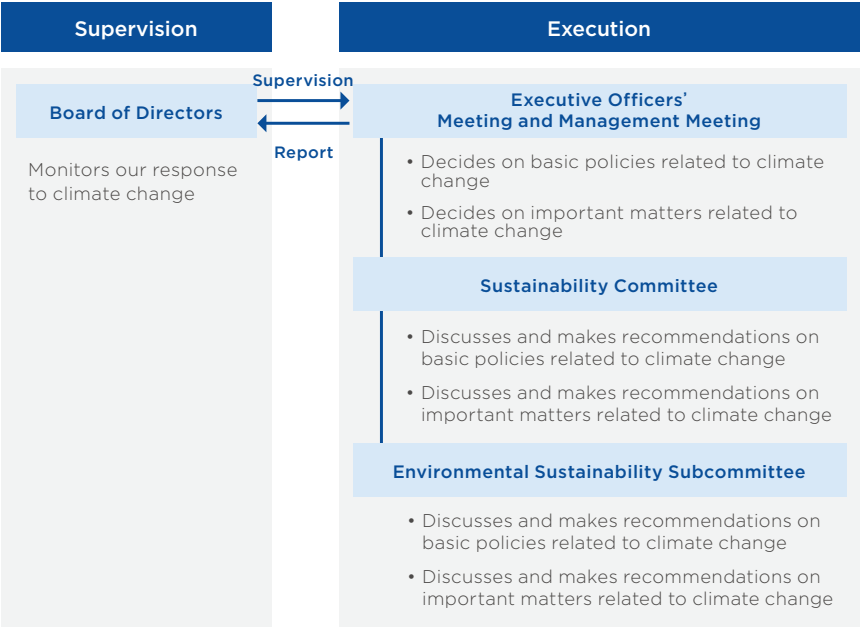
The Board of Directors serves as the oversight body on the environment, including climate change. The Executive Officers’ Meeting and Management Meeting make decisions on basic policies and other important matters, while substantive discussion and examinations take place in the Sustainability Committee, which serves as an advisory body.

Executive officers and corporate officers participate in the Sustainability Committee, taking reports on environmental risk assessments, including climate change, and on the progress of initiatives, and discussing policies going forward. Preparation of reports and agendas is the purview of the Environmental Subcommittee under the Sustainability Committee. The Executive Officers’ Meeting and Management Meeting monitor initiatives related to climate change and related issues based on the deliberations of the Sustainability Committee, discussing ways of managing progress and basic policies and important matters requiring decisions.

As outlined above, the Sustainability Committee consults on the Company’s basic policies and important matters related to the environment. The policies and matters are then decided by the Executive Officers’ Meeting and Management Meeting, before receiving final approval from the Board of Directors.

Governance framework for climate change-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



*Measures are being pursued under a similar structure in the areas of HR, data governance, and society.

Climate change-related risks

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	Timeline	Countermeasures
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 	<p>Medium to long term</p> <p>Medium to long term</p>	<p>As some industries to which our clients belong have a high degree of both risk and opportunity, we will diversify risk by closely monitoring the performance of individual clients and suppliers, in addition to industry-wide trends.</p> <ul style="list-style-type: none"> We will comply with all current relevant laws and regulations, reduce our internal electricity consumption, and promote occupancy in buildings where there are initiatives to become more environmentally friendly and energy efficient. By promoting and disclosing information on ESG initiatives, including climate change-related issues, we will pursue dialogue with shareholders, investors, and other stakeholders and continuously work to improve our ESG score with each assessment body.
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 	<p>Short to long term</p> <p>Medium to long term</p>	<p>We aim to diversify risk and increase opportunities by considering the expansion of businesses and services into industries with lower risks and greater opportunities even in the 4° C scenario.</p> <ul style="list-style-type: none"> Ongoing BCP review and internal training We aim to diversify risk by keeping a close eye on the performance of our clients and suppliers

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"

Climate change-related opportunities

	Opportunities	Timeline	Countermeasures
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"> 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 	<p>Medium to long term</p> <p>Short to long term</p>	<ul style="list-style-type: none"> Expanding the online research capacity structure and promoting efficiency to tap into demand and improve sales Capturing changes in consumer behavior and communicating them to society, and increasing sales through proposal activities to clients
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"> 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 	<p>Medium to long term</p> <p>Short to long term</p>	<ul style="list-style-type: none"> Developing and providing a variety of online research solutions, such as shifting offline research online, to increase sales Capturing changes in consumer behavior and communicating them to society, and improving sales through proposal activities to clients

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.

Initiatives and Goals

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.

Initiatives to reduce GHG emissions

Promotion of paperless operations and recycling

We are committed to the digitalization of our operations and working towards a paperless environment. Specifically, we are working on digitalizing internal documents such as the minutes of meetings, invoices, and contracts. We have also introduced a system whereby printing is carried out after authentication using ID cards issued to each individual at the time of printing, which enables us to monitor the amount of photocopy paper used and raise awareness of the need to reduce it. In addition, 100% of office paper waste is recycled, with used documents being recycled using dedicated recycling bins to ensure both confidentiality and recycling.

Occupancy of a building with initiatives to become more environmentally friendly and energy efficient

Shinagawa East One Tower, where the Company is located, obtained an ‘S Rank’ under the 2021 SDGs compliant version of the CASBEE® (Comprehensive Assessment System for Built Environment Efficiency) Real Estate Evaluation System, the highest rating as a ‘Green Building’ with high environmental performance in areas such as energy conservation. Efforts are continuing to improve environmental performance, including the acquisition of Net Zero Energy Building (ZEB) certification under the e Building-Housing Energy-efficiency Labeling System (BELS) in 2023. As a tenant, we work to contribute to the environmental and energy-saving initiatives promoted by the building.

Goals

The short-term goal is to achieve net zero CO2 emissions (Scope 1+2) by FY2030, and the long-term goal is to maintain net zero CO2 emissions (Scope 1+2) in FY2050.

Analysis of current situation

The Company promotes hybrid working styles, including remote working, which has resulted in a downward trend in electricity consumption and CO2 emissions. In data management, the migration from on-premise data centers to the cloud, which was implemented in 2016, has resulted in a significant reduction in energy consumption.

CO2 emissions associated with office electricity consumption

In line with the switch to renewable energy for our main offices, including headquarters, we significantly reduced CO2 emissions from electricity consumption in FY2024, cutting them to a level close to our goal of almost zero. Going forward, we will continue to contribute as a tenant to the environmental and energy conservation initiatives of the buildings we occupy, taking various actions such as switching to renewable energy for office electricity and using data centers with low environmental impact. We will also aim to gauge the current situation and carry out measures toward achieving carbon neutrality.

Data

The following figures are CO2 emissions for Macromill.

CO2 emissions (t-CO2)	FY6/2018	FY6/2019	FY6/2020	FY6/2021	FY6/2022	FY6/2023	FY6/2024
Scope 1	0	0	0	0	0	0	0
Scope 2 Office electricity consumption*1	516	520	435	349	155	22	2
Scope 3 *2							
Category 1 Purchased goods and services	*3	*3	*3	*3	*3	*3	3,737
Category 1 The use of cloud services *4	*3	*3	*3	217	131	61	6
Category 3 Fuel- and energy-related activities (not included in scope 1 or scope 2)	*3	*3	*3	*3	*3	44	43
Category 6 Business travel	*3	*3	*3	*3	*3	99	121
Category 7 Employee commuting	*3	*3	*3	*3	*3	143	168

*1 Figures for FY2022/6 and FY2023/6 have been revised as some sites had switched to renewable energy.

*2 Not applicable for categories 2, 8, and 9 to 15 in Scope 3.

*3 Figures not provided due to the difficulty of calculation.

*4 CO2 emissions for cloud service providers are calculated using the calculation tools they provide.

Initiatives for All Stakeholders

Social Issues



Contributing to Society via Marketing Research

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 2013, 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/service/weeklyindex/jp/> (Japanese only)

Macromill Weekly Index Asia

<https://www.macromill.com/service/weeklyindex/asia/> (Japanese only)

Interview with Cabinet Office

<https://www.macromill.com/service/case/008/> (Japanese only)

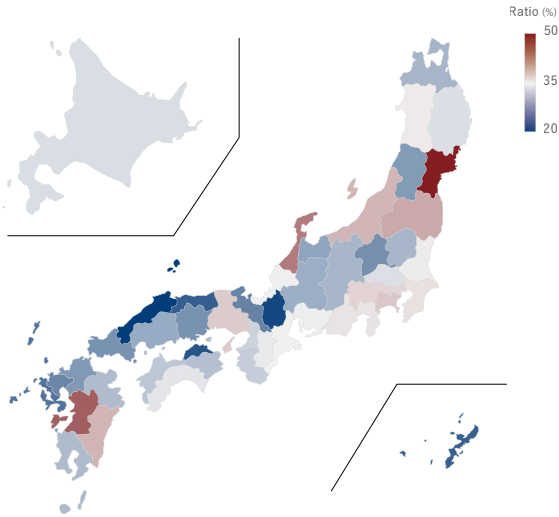
Using a Survey on the Great East Japan Earthquake to keep the disaster from fading from public memory

Since 2017, we have partnered with Kahoku Shimpō 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.

Support for areas affected by the Noto Peninsula earthquake / Dissemination of the results of the national disaster awareness survey of 200,000 people

We conducted a charity survey to support the areas affected by the Noto Peninsula earthquake that occurred in January 2024, and responses were received from 200,000 Macromill monitors nationwide. This survey aims to visualize awareness of disasters and disaster prevention to help in the consideration of future countermeasures, and the report is available to the public. In addition, a total of ¥7 million, including point donations from Macromill monitors and donations from the Company, was donated through the Japanese Red Cross Society on April 22, 2024. Furthermore, in August 2024, we released the results of the prefecture-by-prefecture analysis of the nationwide charity questionnaire, which had received 200,000 responses, in response to a series of natural disasters and the announcement of additional information about a possible Nankai Trough earthquake. Using rankings and map graphs, the results provide an easy-to-understand picture of the current state of disaster awareness by prefecture. The results of the analysis were widely reported in the media, including via television and newspapers. The Company also aims to deliver the results of this analysis to local authorities, thereby helping them in their disaster preparedness. We will continue to conduct surveys in the future to contribute to raising disaster awareness.

Example question: Have you prepared a method through which your family members can confirm each others' safety in the event of a disaster? Respondents: 200,000/single response



Contributing to Society through Employee Activities

Goodmill's social contribution activities

Goodmill is a social contribution program we have carried out since 2018, based on our belief that we can use research to make the world a better place. As part of our CSR strategy, we are engaging in a variety of initiatives, including research support for NPOs and other non-profit organizations, as well as volunteer activities and other efforts.

- 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.



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



Picture book campaign

We are taking part in a campaign to deliver picture books sponsored by the Shanti Volunteer Association. We helped with volunteer activities to create and deliver picture books using stickers translated into local languages to children in Southeast Asia.



School Visits

We provide school visits for upper elementary to high school students to teach the basics of marketing research in an easy-to-understand way.



