

Human Capital



Strengthening our human resources and organizational capabilities through employee development, based on the desire to serve our customers



Yuko Onizawa

General Manager of
Group Human Resources
Benesse Holdings

Our desire to support people's well-being (Benesse) is the fundamental idea behind the products and services we provide to our customers. In order to make this possible, we would like to assist our employees in taking care of their own well-being, and to that end, we would like to have personnel systems and personnel policies which support this objective.

It is nothing short of rewarding when each of the Benesse Group's employees feel as though they are helping to solve the problems of customers through their work, if only slightly, which in turn is helping to address social issues. Our goal is for each employee to fully demonstrate his or her abilities, and to link the accumulation of small daily challenges to their individual growth and to the growth of our business. "Management is centered on people," and "When our employees in the field are bursting with vitality, that is precisely when our business grows." These are the messages that top-level management constantly sends out, and I believe that it is the responsibility of personnel departments to bring them to fruition.

In today's rapidly changing environment, which is centered on digital transformation (DX), personnel departments are working to create a more comfortable work culture, which means an environment that can create customer value, through a focus on the following three points.

The first point is getting a learning culture to take root as our corporate climate. Employees' desires to "provide these kinds of services to our customers" and "offer more of these sorts of things" will be the starting point, and they will realize that they

will need to develop certain abilities and gain more knowledge in order to do so, which will lead to learning. I call upon all employees to strive for a state of affairs in which personnel development improves organizational capabilities, which then leads to the creation of customer value and business growth. In particular, in the area of DX support, which is becoming increasingly important, we are increasing opportunities for skill development in cooperation with Digital Innovation Partners (DIP).

The second point is implementing work style reforms that are suited to this era. Within the Group, the COVID-19 pandemic has had a major impact on how employees work. Benesse Corporation has standardized hybrid work that combines remote work and in-office work to guarantee safety and security for our employees, while also experimenting with more productive ways of working by balancing tasks that can be completed by individuals and tasks which emphasize teamwork. In addition, the entire Group is examining ways to increase the flexibility of work styles as the job types, preferences, and lifestyles of individuals grow more and more diverse.

The third point is fostering a sense of unity between employees and management, creating a more open workplace, and improving engagement. As mentioned in the previous Message from the CEO, the Group believes that frontline employees who face customers are the sources which create value. It has been a matter of course for us to take the voices and perceptions of each and every employee, and reflect them in our products and services. However, now that the business environment is changing rapidly and it is difficult to foresee the future, we aim to increase the awareness of each and every employee that they are participating in the management of the company by gathering their wisdom and firmly incorporating mechanisms into management to link their insights to business proposals and operational reforms.

Executive development

Implementing a program to train next-generation leaders

As part of our measures to strengthen our pipeline for management human resources, we are implementing a program to train the next generation of leaders. We have shortlisted about 100 candidates from across the Group, and are continuing to implement the program under a development plan that combines induction courses, external training, and coaching to develop human resources with a big-picture view who can drive the growth of the Benesse Group over the medium to long term, even in a rapidly changing business environment.

In this training program, business proposals made by the participants are turned into projects and considered for commercialization moving forward, among other initiatives which will lead to business growth.

Regarding the development of the next generation of leaders, we are making steady progress with succession through actions such as sharing information with management, establishing regular opportunities to conduct reviews from various perspectives, and further developing these human resources by appointing them to important jobs.

Fostering a learning culture

Training young human resources (Benesse University (programs))

We launched the “Benesse University” programs in fiscal 2018, mainly targeting young employees in their 20s and early 30s, as part of our measures to provide employees with learning opportunities and support their growth. About 80 people in total from nine Group companies have participated up to this point. Since fiscal 2021, the programs have also allowed employee participation via open recruitment in addition to on-site recommendations, providing opportunities for employees to learn independently.

These training programs offer lectures by senior management and outside lecturers, leadership development, and action learning that challenges participants to solve problems in their current jobs from a higher perspective. By having participants present their results to Benesse Holdings management at the end, the programs attempt to develop “proactive action-takers.”

As for the status of the participating employees after program completion, more than 70% of them have been promoted to management and other leadership positions. Chances for each employee to grow through friendly competition across the Group stimulate their desire to grow, lead to the formation of intrinsic motivation, and serve as opportunities for them to reconsider the meaning and purpose of their work and to elevate their perspective on the Group's contribution to society to a higher level.

Making our philosophy widespread through organizational learning opportunities

Our Group sets the corporate philosophy of Benesse (well-being) as the linchpin for our business operations. It is our belief that each and every employee having a solid understanding of our philosophy and being able to put it into practice will lead to the provision of high-quality products and services in our business. At each Benesse Group company, in order to instill their own respective philosophies and value standards, they are implementing initiatives such as verbalizing their value standards and making their employees feel ownership through training and practice.

As an example, at Benesse Style Care, which operates our Nursing Care and Childcare Business, we have compiled our code of conduct in the form of the Benesse Style Care Declaration. The code of conduct is established as part of our corporate climate through regular learning opportunities, such as having all employees read the code of conduct together once a year and reflect on each other's experiences with episodes from the actual workplace.

Developing and training DX capabilities

In order to successfully “evolve core businesses” and “expand into new fields,” as are set forth in the medium-term management plan, improving our organizational DX capabilities and developing DX human resources are urgent challenges for us.

In order to improve the organizational capabilities for promoting DX in Benesse Corporation, we are working to understand the current state of literacy by conducting DX knowledge assessments for all employees and to improve their specialized skills through training. In addition, we are working to improve the DX capabilities of the entire Group by expanding the DX training conducted at Benesse Corporation to other Group companies.

→ Refer to pages 47–50 for more information on our DX strategy.

Creating a comfortable working environment

Promoting diversity

The Group is striving to practice management based on the Benesse Group Human Rights Policy Statement, which seeks to recognize diversity in human resources, irrespective of qualities such as nationality, ethnicity, gender, and age, and to make best use of those differences.

With regard to promoting women's participation and advancement in the workplace, Benesse Corporation introduced a child care leave system in 1988, before the Child Care and Family Care Leave Act was enacted, to prevent employees from leaving the company due to childbirth, and has been revising and operating the system for over a quarter of a century, taking into account the actual utilization of the system by employees and their opinions. Currently, we have moved past the "helping employees to balance work and family life" stage and are focusing on "providing career support while employees are balancing work and family life," with the percentage of women in management positions at 34% in fiscal 2020. In addition, we are aiming to thoroughly implement systems and measures such as child care and nursing care as personnel policies for all employees, including men. We will continue to work to

Acquired Eruboshi certification



The Eruboshi certification, based on the Act on the Promotion of Female Participation and Career Advancement in the Workplace, is a certification system which is issued to companies that meet certain standards and have excellent conditions related to the promotion of women's participation and advancement in the workplace. In April 2016, Benesse Corporation was granted "Grade 3," the highest grade attainable.

appropriately respond to the changes in career awareness and values regarding work styles of our increasingly diverse employees, in order to ensure that a varied range of human resources will be able to flourish in the future.

Reforming our work styles and offices to accomplish both infection prevention and business continuity

In response to the spread of COVID-19, the Benesse Group is promoting hybrid work, a combination of remote and office work, in order to reduce the risk of infection among employees while conducting efficient business operations.

In addition to taking measures to prevent infections in the office, such as having employees wear masks, encouraging hand washing, and installing acrylic panels and making disinfectant available, we are also reevaluating our ideas about what offices should be, and building offices from the perspective of creating value with the team, thereby devising ways to create high-quality products and services even in a hybrid work environment.

Specifically, at Benesse Corporation, senior management and frontline employees have launched a project which brings them together to consider what offices should be like, going back to their *raison d'être* (their purpose), and reaffirming their common understanding that the office is a place to "create value with the team (co-creation)." As a result, we have reduced office space by 40%, while simultaneously increasing the number of team-building and collaboration spaces, by changing to a free address system where employees can choose the most appropriate location according to the nature of their work in order to increase productivity. Through these efforts, we will create value (co-creation) in teams, and further aim to create value that will make the well-being of our customers and employees a reality.

Recognized as a 2021 Certified Health & Productivity Management Organization (White 500)



Michiko Kobayashi

Human Resources Division
Project Leader
for Health Management
Benesse Holdings

The Benesse Group announced that it would work to improve employee health maintenance for its employees and their families, with the aim of creating a workplace where employees can work in a vigorous and enthusiastic way, and has been implementing a variety of health maintenance and promotion measures, with management and frontline employees acting in tandem. In fiscal 2020, the Benesse Group launched Group-wide online programs on exercise habits, mental health, and work and nursing care

(family health), and 1,760 employees participated. Sixty percent of the participants have successfully made new initiatives and health measures into habits, demonstrating that triggers can change awareness, change behavior, and change habits.

One of the reasons for this is connections with peers. We set up interactive communication opportunities in all programs so that participants would be able to interact with each other and feel connected to their peers, even amidst the COVID-19 environment, and the satisfaction rate for all programs exceeded 95%, which was an excellent rating. In recognition of these efforts, Benesse was certified as one of the corporations in the 2021 Certified Health & Productivity Management Organizations Recognition Program (White 500).



Fostering a culture of openness

A Group-wide system for working on proposals

Benesse's organizational culture and DNA of achieving solutions to customer issues and business problems through ideas developed in the field has been passed down since it was founded. The awareness of our frontline employees concerning the issues they perceive while interacting with customers, as well as what they think needs to be improved in their work, has been the driving force which has empowered Benesse up to this point.

In recent years, amidst rapid changes to societal demands and the business environment, the importance of the field, which is the front line of our business, has become even more vital. In fiscal 2021, in order for the Benesse Group to remain indispensable to the world, we launched "B-Stage," a system for making new business and operational reform proposals, as a method for bringing management and frontline workers together to create the next Benesse.

B-Stage is available to all employees of the Group, who can propose various solutions and ideas which transcend the boundaries of their company, division, or work responsibilities. We hope that through this proposal system, each and every Group employee will have a sense that all employees participate in management, and that this will foster a free and open-minded organizational culture.

B-Stage, where all group employees participate openly



Making Group-wide efforts to address issues which arise in day-to-day operations, and cannot be solved solely on the frontline

Disclosure of job satisfaction scores and our current initiatives



Tetsuya Matsushita

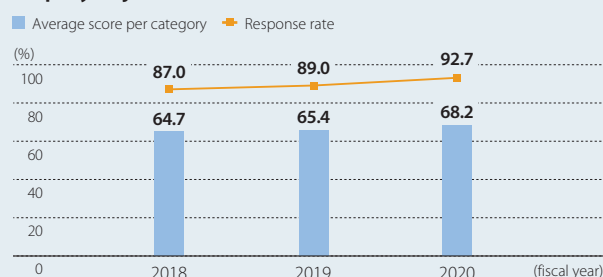
Human Resources Division
Benesse Holdings

In order to implement people-focused management, the Benesse Group has conducted organizational assessments for over 20 years. We are incorporating the PDCA cycle into our group and company management systems to make the state of the organization visible and improve issues through actions such as reporting on results at Board meetings and reflecting them in our business plans. Our organizational assessments consist of the categories of "management," "organizational management," "job satisfaction," and "compliance," and the job satisfaction score has risen every year for the last three years. Notably, in 2020, amidst the COVID-19 pandemic and significant environmental changes, we have been working to be familiar with the challenges faced by our customers, solve problems, and create new value. As a result, employees have

become aware of their own growth and realized that they are valuable to customers and society, which has led to an increase in job satisfaction.

We will continue working to resolve organizational issues and make improvements at each company through various measures in order to promote a learning culture, a comfortable working environment, and a culture of openness, with the aim of further improving job satisfaction.

Employee job satisfaction score



* Category average for job satisfaction-related questions, such as motivation to work and level of satisfaction, in the organizational climate survey

Intellectual Capital



Combining our accumulated knowledge and expertise with digital technology to create new value

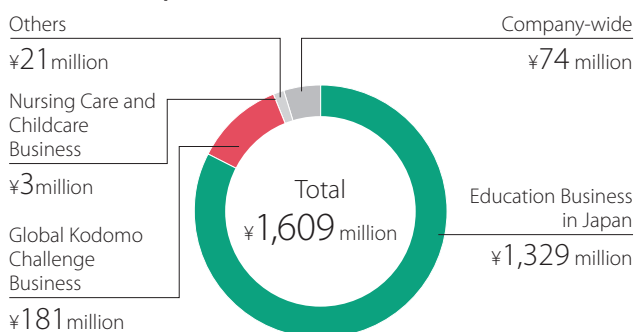
Diverse intellectual capital as a foundation for value creation

Leveraging intellectual capital for the growth of the Benesse Group

In the 1960s, the Benesse Group began offering mock exams and correspondence courses. Since then, the Group has gone on to expand its business into many other fields including languages and nursing care, thereby creating new markets. The marketing knowledge and expertise in product and service development that we have acquired along the way in these different fields constitute valuable intellectual capital for the Group. We are currently engaged in a variety of R&D activities including business research and questionnaire surveys, through which we will create superior products and services while growing our intellectual capital.

The Benesse Group has also accumulated big data from children's learning histories and residents' life records, in addition to a wealth of implicit expertise-type knowledge based on long years of business operations. Using advanced digital technology to analyze, verbalize, and systematize this big data and implicit knowledge, we aim to create new value that drives the growth of the Group.

Breakdown of Group R&D expenditures (Benesse Group, FY2020)



Turning intellectual capital into social assets

Benesse Style Care embodies "sharing of knowledge with society," which has been positioned as one of the Group's key tasks. It operates Kaigo Antenna, a portal site that supplies busy nursing staff nationwide with information they can trust.

Kaigo Antenna is rooted in the know-how and expertise developed by Benesse Style Care during its over 25 years of nursing home management. It provides information regarding the Benesse Method and previously confidential know-how regarding nursing technologies. It also contains information on seminars and materials for use in recreational and other activities, for which there is a high level of demand among nursing staff.

First published in September 2019, it now has registered recipients in every one of Japan's prefectures, and access rates are rising. We aim for Kaigo Antenna to serve as an invaluable resource for anyone experiencing difficulties in the nursing field and to improve the overall quality of the nursing industry by sharing various knowledge not only with nursing staff across the country, but also with all those involved with nursing, including those providing nursing care to family members at home.



Kaigo Antenna: <https://www.kaigo-antenna.jp/>
(only available in Japanese)

Think tanks complement the Group's intellectual capital

The Benesse Educational Research and Development Institute and the Benesse Senior/Nursing Care Research Institute are our two laboratories which serve as think tanks, carrying out original

surveys and research based on knowledge the group has accumulated in the education and nursing care businesses. These laboratories not only utilize their research findings for the development of business in the Benesse Group, but they also widely disseminate their findings in society through reports, websites, and symposiums, thereby contributing to solutions to social problems involving education and the elderly.

Benesse Educational Research and Development Institute (BERD)

Using the results of multifaceted surveys and research to benefit society

The Benesse Educational Research and Development Institute is an in-house think tank that came into being in 2013 through the merging of several Benesse Group research departments. Taking a comprehensive view of parenting and the educational environment, the BERD conducts multifaceted surveys and research in the field of education regarding a wide range of people, covering everyone from infants to college students, working adults, parents, and teachers.

The BERD is made up of four different research offices, each of which collaborates with educational institutions and researchers in Japan and abroad while carrying out research in their particular areas of specialization, e.g., the talents and abilities that will be needed in society in the future, ways for acquiring those talents and abilities, and assessment based on testing theory. Since the founding of the predecessor to this research institute in 1980, more than 400 studies have been carried out, the results of which are being presented through our website and printed publications, and which are presently being put to actual use in parenting and education.

Examples of research



"Skills for Social Progress—The Power of Social and Emotional Skills"
Author: Organisation for Economic Cooperation and Development (OECD), Planning and production: Benesse Educational Research and Development Institute (BERD), Akashi Shoten (2018)

This publication presents measures, practices, and research from around the world related to social emotional skills (non-cognitive skills), which are important for improving wellbeing and achieving success in society.



"Tracking the Learning and Development of Children—Results from a Panel Survey of 20,000 Children and Their Parents"
Editor: Institute of Social Science, The University of Tokyo & Benesse Educational Research and Development Institute (BERD), Keiso Shobo (2020)

This publication presents the interim findings of an ongoing study of 20,000 children and their parents which began in 2015. It covers how children develop and become independent.



Satoshi Okabe

Child Sciences and Parenting
Research Office
Benesse Educational Research
and Development Institute

How the COVID-19 pandemic and the GIGA School Project are changing school and home study

In spring 2020, schools were temporarily shut down to prevent the spread of COVID-19. During the 2021 academic year, tablet computers have been distributed to each and every elementary school and junior high school student. The school environment surrounding children is undergoing profound change. Will these sudden changes enrich children's learning? Will they contribute to the development of diverse talents and abilities? Or will they demotivate children and lead to greater educational inequality?

One approach, in the face of the uncertain future that is drawing closer, is to identify the sources and signs of change. The signs of change can be seen in schools (among teachers) and in homes (among guardians and children). Identifying these changes requires steady observation, with identical conditions before and after the changes, and study design and statistical analysis based on academic knowledge.

We are conducting a nationwide sampling survey that aims to identify changes in school educational guidance, home education selection, and children's learning over the medium and long term. How will children, the generation of the future, grow and develop the independence they will need in changing school and home environments? This book points out issues, based on solid evidence, and actively provides recommendations on how those issues can be addressed.

Social Capital



Creating new value through the strength of the relationships we have cultivated with people and society

Education Business in Japan

Improving customer satisfaction and education in communities

We are working hard each day to maintain and improve customer satisfaction in Shinkenzemi and Kodomo Challenge by providing educational materials that support each and every enrollee. The Shinkenzemi individual tutoring lessons offered through our prep schools contribute to education in the region by coordinating with regional and local prep schools to provide Shinkenzemi students studying at home with teaching that helps them improve their own learning abilities.

• "Iid Awards" customer satisfaction survey

Worldwide Kids was awarded the top prize in the Children's English Teaching Materials - Preschool (Age 0 to 6) category*

* From an internet survey of parents of 1,168 children using children's English teaching materials.



Benesse signs GIGA School Project collaboration agreement with Gifu Prefecture's Ogaki City

In October 2020, Benesse Corporation and Ogaki City, Gifu Prefecture, entered an Agreement on Coordination and Cooperation in Enriching Educational Environments Using State-of-the-art Technology. The aim of this agreement is the promotion of Ogaki City's GIGA School Project, based on Japan's national GIGA School Project. Benesse has entered comprehensive cooperation agreements with municipal governments in the past, but this is its first cooperation agreement related to the GIGA School Project.

Mirai Seed tablet learning software will be installed in the tablet computers distributed to students by the city government and used for purposes including study drills and sharing opinions during class. We also plan to ensure that students can

smoothly take advantage of rich study opportunities by providing various types of support, such as creating more detailed visions of school and home study, utilizing cloud technology, enriching information ethics education, and more.

Accommodating GTEC English exam test-takers with disabilities

The Global Test of English Communication (GTEC), an English examination administered by Benesse Corporation, evaluates all four skills of English language proficiency (listening, reading, speaking, and writing) in the form of a score-based absolute assessment. However, there are situations in which the English proficiency of people with disabilities cannot be accurately evaluated using the standard testing format. This is why we offer 11 types of disability accommodation, based on each test-taker's individual disability status. During the course of developing these accommodations, we conducted multiple interviews with experts and related associations. We established methods of providing support through multiple rounds of development, testing, and refinement to ensure that the methods were effective and that the test remained fair. A total of 19 of the people that took the GTEC administered in July 2020 made use of these disability accommodations.

Nursing Care and Childcare Business

Benesse enters agreement on protective monitoring network for seniors

Led by its desire to contribute to the healthy lives of the members of customers' communities, Benesse Palette, which offers food delivery services for seniors, is an active participant in the protective monitoring programs operated by individual local governments. It has signed agreements regarding local protective monitoring networks, etc., with Tokyo's Shinagawa, Suginami, Nerima, Bunkyo, and Nakano wards.

Benesse Art Site Naoshima

Benesse Art Site Naoshima is the collective name for the art-related activities we conduct in conjunction with the Fukutake Foundation on the islands of Naoshima, Teshima, and Inujima in the Seto Inland Sea. These activities have contributed to community development in the area for over three decades.

Offering an “art thinking” course through Udemy, set in Naoshima

In May 2021, Udemy, an online learning platform operated through a capital alliance with Benesse Holdings, conducted a course titled, “Art Thinking’ for Adults - Developing Three Abilities at Naoshima, the Art Island of the Seto Inland Sea.” In the hands-on, online course, participants closely observed artworks on Naoshima and developed their ability to see things from their own unique perspectives and come to their own conclusions.



Students study *Water-Lily Pond*, a Claude Monet work in the Chichu Art Museum’s collection

Full-fledged launch of programs for schools, companies, and organizations

Benesse Art Site Naoshima offers programs for schools, companies, and organizations. The program, which went into full-fledged operation in 2020, provides participants with the experience of engaging in dialog, deliberation, and empathetic communication through art appreciation, and offers opportunities to take an active approach to thinking by developing numerous new perspectives, such as the contemporaneous social issues that underlie works of art and lessons to be learned regarding community involvement.



Senior high school training program tour

Benesse and Okayama University begin joint research focused on SDGs

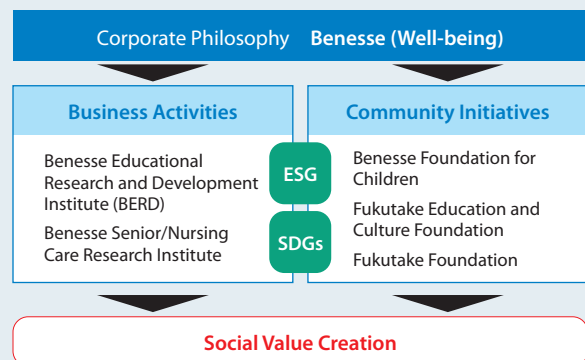
Benesse Holdings and Okayama University are conducting a three-year joint academic research program, from fiscal 2020 to fiscal 2022, on community sustainability and well-being. We are studying the changes in the well-being of the communities and residents of Naoshima, Inujima, and Teshima and the surrounding area being brought about by the “Naoshima Method” and “public interest capitalism” activities of Benesse Art Site Naoshima, and the mechanisms behind those changes. We plan to compile and present the academic results of the study, including information on the creation of a model which can be applied to other regions and countries as well.

Foundation activities —Initiatives geared toward the creation of well-being—

Our commitment to the Benesse corporate philosophy of well-being is not limited to our business activities, but is also reflected in the activities of our foundations that engage in community initiatives. Our two foundations aim to create social value by aiding regional development and assisting children.

• Fukutake Foundation

The Fukutake Foundation (formerly the Naoshima Fukutake Art Museum Foundation) was established together with the Chichu Art Museum, which opened in 2004, and assumed its current name after a merger of two aid foundations in October 2012. The foundation carries out three different types of activities. The first is museum operation, mainly in Naoshima, Teshima, and Inujima. The second is assisting with culture- and art-driven regional development activities throughout Japan. The third is independently and jointly organizing events such as Setouchi Triennale.



• Benesse Foundation for Children

The Benesse Foundation for Children is working to create environments where children can learn with peace of mind; to assist children dealing with economic issues, sickness, disabilities, or other obstacles to learning; and to aid the study and growth of children who have been affected by disasters (emergency assistance). The foundation is also ambitiously attempting to go beyond simply providing assistance for overcoming problems to also nurturing and educating children who will play prominent roles in building an even better society.

Environmental Initiatives

Seeking further growth, Benesse formulates medium- to long-term environmental targets, and we actively strive to reduce our environmental footprint while improving external assessments of our activities.

Environmental policy

In March 2021, the Benesse Group revised the Environmental Policy which it formulated in 2011. Benesse will not only work to promote climate control and environmental consciousness in products and services, as well as in sales and other activities, but also engage with society to encourage energy conservation and waste reduction for climate control, recycling, the preservation of biodiversity, and the conservation of water resources, including the efficient use of water.

Climate control measures

With the year ending March 31, 2018 (fiscal 2017) as the reference year, Benesse Corporation revised its reduction targets upward in line with the WB 2°C target (2°C target for Scope 3) in accordance with SBT standards, and has set the following medium- to long-term targets for reducing greenhouse gas emissions (with regard to the data, it has received third-party verification via the Japan Quality Assurance Organization).

To achieve this goal, in fiscal 2020, we made progress on further reducing the burden we place on the environment through actions such as reducing the amount of paper we use by promoting digitalization of products and services, as well as facilitating energy conservation via remote work and web meetings in connection with the COVID-19 pandemic.

Medium- to long-term environmental targets

		(Years ended March 31)		
		2020	2030	2050
Reduce CO ₂ emissions (compared to 2018)	Scope 1 and 2	6.0%	36.2%	100%
	Scope 3	2.5%	14.8%	39.4%

Reference year: 2018

Actual greenhouse gas emissions (per basic unit)

(Years ended March 31)			
	Reference year 2018	2020	2021
Scope 1+2+3 (t-CO ₂)	0.0023	0.0022	0.0024
Yearly change	—	104.5%	109.4%

Assessment and endorsement of initiatives

• Acquired SBT certification

The Benesse Corporation's greenhouse gas emission targets for 2030 and 2050 were certified by the SBT Initiative* based on scientific evidence to "keep the global average temperature increase well below 2°C and maintain it below 1.5°C compared to pre-industrial levels" under the Paris Agreement. We also received SBT certification from the Initiative.



* SBT Initiative: Established in 2015 by four organizations—CDP, the UN Global Compact, the World Resources Institute (WRI), and WWF (World Wildlife Fund for Nature)—to promote achieving science-based targets (SBT) for the reduction of greenhouse gas emissions, in order to limit the temperature increase from pre-industrial levels to below 2°C.

• Evaluation by the CDP

In the CDP's climate change survey, we were selected in 2020 as an A List company—the highest evaluation for companies that conduct outstanding activities in areas such as reducing greenhouse gas emissions and implementing measures to mitigate climate change—for the third straight year.

In addition, we have received the highest evaluation of A in the CDP's Suppliers Engagement Valuation for two straight years, continuing from last year. Furthermore, 396 companies from around the world who are taking action on climate change have obtained the highest evaluation on the CDP supplier engagement leader board, and we were one of the companies to be chosen.



• Agreement with TCFD

In 2019, we expressed our agreement with recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD), and were the first education business operator in Japan to do so.



Conducted a scenario analysis in accordance with TCFD recommendations

The Benesse Group conducted a scenario analysis of its education business in Japan in accordance with TCFD recommendations to make an in-depth analysis of the risks and opportunities for its business due to the impact of climate change.

• Analytical estimation of risks and opportunities

Analysis of the risks and opportunities that affect Benesse is conducted on two key points: probability of occurrence and level of influence.

Transitional Risks	<ul style="list-style-type: none"> Switch to alternative materials (recycled plastics, etc.) Increase in shipping costs (by truck) 	<ul style="list-style-type: none"> Increase in digital educational materials (rare metals, etc.) Increase in energy costs
Physical Risks	<ul style="list-style-type: none"> Procurement failures from suppliers Major damage at logistics hubs Changes in shipping methods due to suspension of the logistics network 	<ul style="list-style-type: none"> Restructuring of the logistics network due to environmental changes and the spreading of infectious diseases
Opportunities	<ul style="list-style-type: none"> Changes in the environmental awareness of consumers Initiatives towards global environmental preservation 	<ul style="list-style-type: none"> Competitive advantages through innovations in environmental technology Highly resilient logistics base



• Future strategies and initiatives

Benesse will advance the following strategies and initiatives in the future based on the results of our climate change-induced risk-opportunity analysis.

Transitional Risks	Research into alternative materials that consider reductions in CO ₂ , resource circulation initiatives (recycling), and reductions in shipping fees through the adoption of digital educational materials
Physical Risks	Reduction in risks through the decentralization of production bases, securement of alternate means of transport, strengthening of flood control measures at logistics hubs, etc.
Opportunities	The promotion of new environmental education, and reflecting innovations in environmental technology, etc., on products, services, and marketing activities based on changes in consumer behavior

Business initiatives **Support for environmental education**

Benesse is working to provide support for environmental education from an early stage. In 2020, we held an online event, the Benesse STEAM Festival, where junior high and high school students present research and initiatives that will lead to solving problems in the real world. There were many presentations themed around social innovation, and they have been made available on our Library. We also conducted the 2020 National Research Contest on Manavision. A total of 300 high school students from across Japan participated, and among their research projects, many of them were seen to touch on the topic of the SDGs.



Benesse STEAM Festival