

Benesse Holdings, Inc.

2024 CDP Full Corporate Questionnaire

Word Virsion

Important: This export does not include questions which have not yet been answered.

This document is an export of your organization's CDP survey responses. The document contains all the data points for questions that have been answered or are in progress. There may be requested questions or data points which have yet to be answered and are therefore not included in this document. It is the customer's responsibility to ensure that the survey is complete before submission. CDP does not accept responsibility for incomplete responses.

[Disclosure Conditions for Corporate Survey 2024 - CDP](#)

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C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☒ Japanese

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☒ JPY

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☒ Privately owned organization

(1.3.3) Description of organization

Benesse. The heart of "Benesse" is about enjoying the process of moving forward step by step, with "resolve," toward the realization of your dreams and aspirations. Benesse empowers people to solve issues for themselves and to enjoy life to the full at every stage by offering them the tools and support they need to create well-being. We aim to be a globally respected corporate group that is supported by and indispensable to customers, communities, and society. United under the above Corporate Philosophy, we make strenuous efforts as members of a leading company in the fields of education and nursing care to deliver "services that enrich people's lives" and embody an "indispensable group of companies" that customers, communities, and society as a whole can support. We support the well-being of all people through our operations in the following business domains: i) Pregnancy and child-rearing support business: (a) Magazines "Tamago Club" and "Hiyoko Club", (b) Web services related to pregnancy, childbirth and childcare, (c) Online shopping, (d) "Tamahiyo Photo Studio", (e) Various App services and events, etc. ii) Infant education business: (a) Correspondence course "Kodomo Challenge", (b) Members-only childcare information site "Shimajiro Club", (c) Child-rearing information site "Kosodate Info", (d) Correspondence course in English "Kodomo Challenge English", (e) English classes "BE Studio", etc. iii) Elementary school education business: (a) Correspondence courses "Shinkenzemi Elementary School Courses", (b) Classroom tutorial "Shinkenzemi Tutorial Class", (c) Online learning materials in English "Challenge English", (d) English classes "BE Studio", (e) Japanese classes "Benesse Grim School", (f) After-school care centers "Benesse After-School Care Center", (g) Online training "Challenge School", (h) "Programming" for high school students, etc. iv) Junior high school education business: (a) Correspondence courses "Shinkenzemi Junior High School Courses" and "Shinkenzemi Top-level Private Integrated Junior and Senior High School Courses", (b) Online learning for top-level high school entrance exams "EVERES", (c) Classroom tutorials "Shinkenzemi Tutorial Class", (d) Online learning materials in English "Challenge English", (e) Online

training “Challenge School”, high-level online cram school “EVERES” v) High school education business: (a) Correspondence courses “Shinkenzeni High School Courses” and “Shinkenzeni Top-level Private Integrated Junior and Senior High School Courses”, (b) Support for studying abroad “Benesse Study Abroad Center”, (c) Cram school for top-level overseas universities “Route H”, (d) High-level online cram school “EVERES”, etc. vi) Education business for working adults and schools: (a) Mock examinations “Shinken Moshi”, (b) English certificate examinations “GTEC for STUDENTS” and “GTEC”, (c) Certificate examinations “Literas Logical Language Proficiency Examination” and “P Plus Digital Information Utilization Examination”, (d) Teaching aids for schools “Benesse Dictionary”, “Benesse Elementary School Drill”, “Study Support”, “Academic and Career Path Map”, “ICT Support”, “Tankyu Navi” and “AI-based Speaking Skills Assessment Support Software Speaking Quest”, (e) Information site for academic and career path support “Benesse Manavision”, (f) ICT-based cloud services to support teachers and schools “Classi” and “Tablet-based Learning Platform Mirai Seed”, (g) ICT learning tailored to developmental stage “Marugu Land for School”, (h) Online learning services “Udemy” and “Udemy Business”, etc. vii) Lifestyle- and pet-related support business: (a) Direct mail magazines “Dog’s Heart” and “Cat’s Heart”, (b) Lifestyle information magazine “THANK YOU!”, (c) Online lifestyle information forum “Kuchikomi THANK YOU!”, etc. viii) Nursing care and childcare business: the facility owner exists separate, and our job is to provide daily care services to elderly people who require nursing care. For that purpose, we are honing our nursing care skills and engaging in human resource development. We are also developing a support system that uses AI to improve the quality of nursing care service. The business philosophy of Benesse Style Care’s nursing care service is to “obtain a deep understanding of what makes each person a unique individual” and “provide the services that we would want for ourselves and our families.” Based on this philosophy, we place great importance on sincere interaction with our customers and their families, and we constantly strive to express our feelings in every one of our actions. To empower people to live their best life, we start by learning about each person’s life. We continue to learn about each person’s life in order to help them realize their best way of living.

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

03/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

☒ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:

☒ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:

☒ 1 year

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:

☒ 1 year

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:

☒ 1 year

(1.4.1) What is your organization’s annual revenue for the reporting period?

442848922690

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☒ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

JP3835620000

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

JP3835620000

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

081794109

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

9783

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

6121927

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

549300XOPEJA8L2IV934

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

[Fixed row, add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply:

☒ China

☒ Japan

☒ Taiwan (China)

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☒ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply:

☒ Upstream value chain

☒ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☒ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☒ All supplier tiers known have been mapped

(1.24.7) Description of mapping process and coverage

Our Purchasing Department manages all suppliers other than those providing “soft content.” The department places importance on transparency in transactions and conducts ongoing transactions in accordance with our procurement policies and standards. The department holds regular meetings to understand information, ensure thorough implementation of policies, and conduct audits. In some cases, the department issues instructions for improvements. The reason the department does not manage suppliers who provide “soft content” is that writers, designers, cartoonists, and other suppliers who provide “soft content” do not manufacture or transport physical goods, and therefore their GHG emissions are overwhelmingly lower than those of suppliers who manufacture and transport physical goods.

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Primary reason for not mapping plastics in your value chain	Explain why your organization has not mapped plastics in your value chain
	Select from: ☒ No, but we plan to within the next two years	Select from: ☒ Not an immediate strategic priority	<i>Paper has the largest usage volume by far. The next largest is metal used in tablets, which has high priority.</i>

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities introduction

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This has been incorporated into the office's energy-saving measures and equipment repair plans, and budgets have also been allocated.

Medium-term

(2.1.1) From (years)

1

(2.1.3) To (years)

6

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We have set reduction targets for 2030 for Scope 1 and 2. We are incorporating these targets into our renewable energy introduction plan in addition to plans for implementing energy-saving measures and repairing equipment in offices.

Long-term

(2.1.1) From (years)

6

(2.1.2) Is your long-term time horizon open ended?

Select from:

☒ No

(2.1.3) To (years)

18

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We have set a target of 100% reduction by 2041 for Scope 1 and 2. We are incorporating this target into our transition plan.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☒ Yes	Select from: ☒ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☒ Yes	Select from: ☒ Both risks and opportunities	Select from: ☒ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply:

☒ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply:

☒ Dependencies

☒ Impacts

☒ Risks

☒ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply:

- ☒ Direct operations
- ☒ Upstream value chain
- ☒ Downstream value chain
- ☒ End of life management

(2.2.2.4) Coverage

Select from:

- ☒ Full

(2.2.2.5) Supplier tiers covered

Select all that apply:

- ☒ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- ☒ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- ☒ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply:

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk

Select from:

- ☒ Integrated into multidisciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply:

- ☒ Site-specific
- ☒ Local
- ☒ National
- ☒ Not location specific

(2.2.2.12) Type of tools and methods used

Enterprise Risk Management

- ☒ Enterprise Risk Management
- ☒ Risk models

International methodologies and standards

- ☒ Environmental Impact Assessment
- ☒ IPCC Climate Change Projections
- ☒ ISO 14001 Environmental Management Standard
- ☒ Life Cycle Assessment

Databases

- ☒ Regional government databases

Other

- ☒ Desk-based research
- ☒ Materiality assessment
- ☒ Partner and stakeholder consultation/analysis
- ☒ Scenario analysis

(2.2.2.13) Risk types and Criteria considered

Acute physical risks

- ☒ Flood (coastal, fluvial, pluvial, ground water)
- ☒ Heavy precipitation (rain, hail, snow/ice)
- ☒ Storm (including blizzards, dust, and andstorms)

Chronic physical risks

- ☒ Changing precipitation patterns and types (rain, hail, snow/ice)
- ☒ Increased severity of extreme weather events
- ☒ Temperature variability

Policy

- ☒ Carbon pricing mechanisms
- ☒ Changes to international law and bilateral agreements
- ☒ Changes to national legislation

Market

- ☒ Availability and/or increased cost of raw materials
- ☒ Changing customer behavior

Reputation

- ☒ Impact on human health
- ☒ Increased partner and stakeholder concern and partner and stakeholder negative feedback

Technology

- ☒ Transition to lower emissions technology and products

Liability

- ☒ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply:

- ☒ Customers
- ☒ Employees
- ☒ Investors
- ☒ Regulators
- ☒ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- ☒ No

(2.2.2.16) Further details of process

Due to the nature of Benesse's businesses (pregnancy and child-rearing support business, infant education business, elementary school education business, junior high school education business, high school education business, education support business for working adults and schools, nursing care and after-school childcare services), we regularly deliver products and services to many customers. We procure the raw materials used in these products and services from carefully selected suppliers both in Japan and overseas. Benesse has decided to raise its Scope 1 and 2 targets to 1.5°C. In addition to our 2030 targets, we have set the targets of 100% reduction and carbon neutrality by 2041. Benesse's analyses and revisions have been based a target goal in line with a 1.5°C global warming scenario as well as four scenarios that assume future outcomes. Risk management assessment is carried out 24 times a year. Climate-related risks should be addressed through three steps: (1) Based on Benesse's business characteristics, identifying the key business bases that can pose a significant impact on the value chain of our products and services as well as the estimated level of potential damage; (2) Identifying various factors that affect our external environment, ranging from human resources and suppliers, changes in customer behavior and preferences, reinforcement of policies, laws, and regulations, requests from investors, and the need to secure alternative goods and routes, to the scope of influence by new market entrants; (3) Identifying potential risks and opportunities on the basis of their level of impact and probability of occurrence. More specifically, we have evaluated the level of impact and probability of occurrence for dependence, impact, risk, and opportunities on three different levels. When examining the financial impact under each scenario, we set influential variables and confirmed what kind of financial impact would occur in each year and scenario. For example, an increased carbon tax rate on Scope 1 emissions will lead to cost increases for Scope 1 emissions while an increased rate for purchasing electricity will increase power prices for purchased electricity. As a result, we identified physical and transition risks, as well as opportunities with large impact and high to medium probability of occurrence as follows:

- *Physical Risks: Climate change exacerbates extreme weather conditions and increases the frequency and intensity of typhoons and flooding. This can cause changes in delivery methods due to disruptions to the logistics network, the relocation of factories and business sites, the restructuring of supply chains due to environmental changes, and the spread of infectious diseases.*

- *Transition Risks: Climate change causes changes in precipitation patterns and exacerbates deforestation, which in turn leads to sharp increases in paper prices. Delivery costs can also increase sharply due to higher delivery fees following carbon tax and shipping fuel price hikes. The results of the analysis indicate that physical risks will have the largest impact on the Benesse Group. If climate change increases the frequency and intensity of typhoons and flooding, there will be an increasing number of customers who will not be able to receive our services. Potential challenges faced by the Benesse Group will be the need to change delivery*

methods due to the suspension of logistics networks as well as the loss of sales opportunities. Put in more concrete terms, costs borne to change delivery methods in the event of disasters of different levels and scenarios are as follows: (a) Torrential rains equivalent to the 2018 West Japan disaster would cause widespread damage for a few days and require approximately 10 million JPY to manage their impact due to the logistics center being located in Okayama Prefecture (probability of occurrence: once under a 1.5°C global warming in 2030 scenario, once under a 4°C global warming in 2030 scenario, once under a 1.5°C global warming in 2050 scenario, and twice under a 4°C global warming in 2050 scenario), (b) A Great East Japan Earthquake level disaster would cause extensive widespread damage for about 3 weeks and require approximately 150 million JPY to manage its impact (probability of occurrence: once under a 4°C global warming in 2050 scenario). Our SCM Department is in charge of making the necessary preparations to secure alternative delivery methods based on the above analysis. Physical risks are listed below with explanations on how they are to be managed. (1) As a short-term plan, acute physical risks related to disaster response caused by exacerbated extreme weather conditions, including massive typhoons and flooding, will require immediate actions to be taken to ensure seamless services to our customers. Benesse has established the “Contact Center Department”, which is dedicated to making decisions promptly to improve customer experience such as securing alternative means of transport to make sure our products and services are delivered smoothly to our customers. When there is a risk of a decrease in revenues due to loss of sales opportunities caused by voluntary suspension of sales activities in disaster-affected areas, we plan to work to minimize losses by adjusting the timing of sales and changing sales methods from direct mail to web-based marketing activities. (2) As a short-term plan and medium-term plan, Business Continuity Planning measures are set forth below. These measures clarify necessary steps and periodic training to be taken to prepare or respond to emergency situations such as torrential rain and large scale typhoons. Major transition risks include increase in energy costs caused by the introduction of the Global Warming Countermeasure Tax to be imposed on fossil fuels (medium- and long-term). Transition risks are listed below with explanations on how they are to be managed. Climate change causes changes in precipitation and exacerbates deforestation, which can lead to sharp increases in paper prices. Delivery costs can also increase sharply due to higher land-based transportation costs following carbon tax and shipping fuel price hikes. Long-term risks caused by environmental changes include increases in paper procurement prices caused by deforestation that is exacerbated by changes in precipitation and weather patterns. This would have a great impact on our business, which depends heavily on paper. (Benesse consumes about 0.6% of the total printing and information processing paper produced in Japan). Delivery of paper-based products accounts for the majority of our delivery volume. In our (3) mid-term plan and long-term plan, we are promoting the digitalization of our products and services to mitigate such risks. • We are digitalizing our learning materials and making them paperless to reduce paper consumption, curb cost increases and eventually enhance our competitiveness. • Benesse offers “Aka Pen (red pen) services” to elementary, junior high and high school students. Our instructors are called “Aka Pen Sensei” (red pen teachers) and are assigned to individual students to provide advice tailored to the academic progress of every student. We can reduce delivery costs by switching to web-based distribution of assignments and allocate extra resources to provide additional services to our subscribers, leading to improvement of the learning experience through LMS, increased added value and enhanced customer loyalty. • Digitalization of learning materials will enable us to compile large amounts of customer data, including learning records and methods, to improve our understanding of our customers’ needs, seize opportunities by providing suitable products and services, improve the learning experience and increase membership retention rates, and will consequently boost our sales and profits. • We perform monthly management of our monthly paper consumption expenditure using an in-house management system called BENKEI. In case excessive consumption is detected in comparison to our target, we analyze the cause and take due measures. • We select paper manufacturers through a simultaneous bidding process. Those who can provide paper with low environmental impact will be selected for annual contracts. We also engage in price negotiation with the paper manufacturers. We are well-versed in future trends of the paper industry, including the outlook for the coming few years. We have continuously renewed our ISO 14001 certification since 2004. We make further improvements each year under a PDCA cycle. This process includes review by the management on climate-related risks as well as opportunities. (4) As part of energy management methods in our medium- and long-term plans, we have been considering the introduction of energy-saving equipment utilizing the latest technology at company-owned buildings. Additionally, we are promoting “work style reform” and working on the reduction of electricity consumption by approximately 40% as we cut rented office space by nearly 50%, under the supervision of the General Affairs Department. We will obtain competitive quotes from multiple companies and award the contract after careful consideration. Progress on each project will be monitored to ensure project goals are met. We

are also working toward making climate-related opportunities feed positively into our business operations; for example, we are actively installing solar power generation panels at company-owned facilities, installing high-efficiency air conditioning equipment and multi air conditioning units with motion sensors, switching to LED lighting in all buildings, refurbishing plumbing and toilets, renovating elevators, and replacing/upgrading the voltage transformer in the electricity generating room and replacing/upgrading the ventilation and exhaust fans . In addition, at the decision of the Representative Director and President, CEO, additional renewable energy sources were introduced starting in April 2022, with a renewable energy ratio target of 100% in March of FY2041. (However, the contract was terminated midway through the fiscal year when a new power company withdrew from business.) At the same time, the company is also considering the introduction of its own solar power generation facilities or off-site PPAs (power purchasing agreements) and other methods. Furthermore, in terms of market opportunities, there is a possibility that the promotion of GX strategies and changes in people's awareness of their behaviors will lead to increased corporate value and sales through the promotion of environmental activities and educational needs. There is also the possibility that the promotion of DX strategies will reduce manufacturing and transportation costs.

Row 2

(2.2.2.1) Environmental issue

Select all that apply:

- ☒ Climate change
- ☒ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply:

- ☒ Dependencies
- ☒ Impacts
- ☒ Risks
- ☒ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply:

- ☒ Direct operations
- ☒ Upstream value chain
- ☒ Downstream value chain

- ☒ End of life management

(2.2.2.4) Coverage

Select from:

- ☒ Full

(2.2.2.5) Supplier tiers covered

Select all that apply:

- ☒ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- ☒ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- ☒ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply:

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk

Select from:

- ☒ Integrated into multidisciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply:

- ☒ Site-specific
- ☒ Local
- ☒ Sub-national
- ☒ National

(2.2.2.12) Type of tools and methods used

Commercially/publicly available tools

- ☒ ENCORE
- ☒ IBAT – Integrated Biodiversity Assessment Tool
- ☒ LEAP (Locate, Evaluate, Assess and Prepare) approach, TNFD
- ☒ TNFD – Taskforce on Nature-related Financial Disclosures

International methodologies and standards

- ☒ IPCC Climate Change Projections
- ☒ ISO 14001 Environmental Management Standard

Databases

- ☒ Nation-specific databases, tools, or standards
- ☒ Regional government databases

Other

- ☒ Desk-based research
- ☒ Materiality assessment

(2.2.2.13) Risk types and Criteria considered

Acute physical risks

- ☒ Drought

- ☒ Flood (coastal, fluvial, pluvial, ground water)
- ☒ Heavy precipitation (rain, hail, snow/ice)
- ☒ Storm (including blizzards, dust, and sandstorms)
- ☒ Wildfires

Chronic physical risks

- ☒ Changing precipitation patterns and types (rain, hail, snow/ice)
- ☒ Declining ecosystem services
- ☒ Increased ecosystem vulnerability
- ☒ Increased severity of extreme weather events
- ☒ Temperature variability

Policy

- ☒ Changes to international law and bilateral agreements
- ☒ Changes to national legislation

Market

- ☒ Availability and/or increased cost of certified sustainable
- ☒ Availability and/or increased cost of raw materials
- ☒ Changing customer behavior

Reputation

- ☒ Increased partner and stakeholder concern and partner and stakeholder negative feedback

Technology

- ☒ Transition to lower emissions technology and products

Liability

- ☒ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply:

- ☒ Customers
- ☒ Employees
- ☒ Investors
- ☒ Regulators
- ☒ Suppliers

- ☒ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- ☒ Yes

(2.2.2.16) Further details of process

*In line with the TNFD, we conducted the following new analysis and developed measures. Due to the nature of Benesse's businesses (pregnancy and child-rearing support business, infant education business, elementary school education business, junior high school education business, high school education business, education support business for working adults and schools, nursing care and after-school childcare services), we regularly deliver products and services to many customers. We procure the raw materials used in these products and services from carefully selected suppliers both in Japan and overseas. Benesse has decided to raise its Scope 1 and 2 targets to 1.5°C. In addition to our 2030 targets, we have set the targets of 100% reduction and carbon neutrality by 2041, reduction in the amount of paper used, and maintenance of 100% procurement of deforestation-free paper. We analyze dependence, impacts, risks, and opportunities regarding biodiversity, and then formulate and implement strategies and initiatives. Response to general disclosure requirements and materialities: The Benesse Group's materialities and our response to biodiversity restoration and resource conservation when formulating materialities are included in "conservation of a sustainable global environment." • Scope of disclosure: Our evaluation covers the entire value chain from the founding of our company and upstream to downstream of the Domestic Education Business. • Location of nature-related issues: We conducted an IBAT (Integrated Biodiversity Assessment Tool : Biodiversity Assessment Tool) survey of biodiversity around our own sites and our supplier's paper mills and printing plants. *In regards to identifying the location of raw materials, it is difficult to identify the procurement locations of suppliers that only supply to our company, so we conducted a check on the procurement sources of all of our suppliers. • Integration with other sustainability-related disclosure: Disclosed information on general sustainability on our sustainability website; disclosed information particularly related to our businesses in our securities reports In accordance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD), separately analyzed and disclosed climate-related information for Domestic Education, Elderly Care, and Childcare. In the Domestic Education field, we conduct TNFD analysis while also referring to the TCFD analysis method. • Considered time period: Conduct TNFD analysis up to 2030. • Engagement with indigenous peoples, local communities, and affected stakeholders when assessing and identifying our organization's nature-related issues: We engage in environmental communication with stakeholders (local communities, business partners, customers, employees, etc.) throughout the year, and we also conduct questionnaire surveys of suppliers Overview of analysis based on LEAP approach: As the first step, we clarified the relationship with natural capital. Based on the degree of dependence, degree of impact on nature and the weight, paper and mineral resources were identified as the resources that Benesse will focus on. Next, we surveyed suppliers. Paper manufacturers: Confirmed that they are not engaging in deforestation and land conversion that damages natural capital. Printing and bookbinding companies: Compared to paper manufacturers, there are fewer companies that incorporate environmental management; however, they are switching to more environmentally-*

friendly inks and printing methods(*), so we confirmed that the environmental impact is not high. When surveying Benesse's own facilities, we found that the majority of activities are essentially office activities, so we confirmed that the environmental impact during operations is not high. However, the Okayama Head Office Building owns its own facilities within a protected area, so we judged that a certain level of consideration must be given to biodiversity. Based on these analyses, we are formulating future strategies and initiatives. (*) Environmentally-friendly: Most commonly used inks are derived from petroleum. The term "environmentally-friendly" refers to replacing such petroleum materials with biomass raw materials, using non-VOC inks (the ink surface does not emit VOCs (volatile organic compounds) that are harmful to the human body or the natural environment, and the VOC content in the manufacturing process is less than 1%), engaging in green printing, etc.

Assessment of risks and opportunities: Based on analysis conducted in accordance with the LEAP approach, we assessed risks and opportunities as follows: Risks: Impact on supply chains and company-owned facilities due to damage to natural capital caused by increased damage from storms and floods, fluctuation in purchasing prices for paper, mineral resources, etc., tighter regulations on plastics, rising delivery fees and costs due to switching to renewable energy

Opportunities: Reduce raw materials usage through digitalization, reduce tablet manufacturing costs and avoiding the risk of fluctuations in mineral resource prices through BYOD, reduce raw material usage and costs by reducing direct mail delivery, increase sales through increased environmental education opportunities, increase awareness of the brand for its low environmental impact, etc.

Future strategies and initiatives: As a result of considering the above items, we developed and formulated the following strategies and initiatives. Efficient use of resources (promote of digital transformation, consider and implement BYOD), address natural capital in supply chain management (maintain communication with paper manufacturers and printing/bookbinding companies in regard to initiatives in formulating environmental policies and expand the use of environmentally friendly printing and inks, and make requests and considering collaboration as necessary), resource circulation (continue recycling of educational toys and materials, continue and expand tablet reuse, continue waste recycling at each site), collaborate with stakeholders (consider a survey on the possibility of registering a nature symbiosis site, explore nature-positive activities), environmental education (strengthen the provision of opportunities for environmental education according to the developmental stage)

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☒ Yes

(2.2.7.2) Description of how interconnections are assessed

Benesse conducted analysis in line with the TCFD and TNFD and assessed the overall relationships between dependencies, impacts, risks, and opportunities as follows. Due to the nature of Benesse's business (pregnancy and child-rearing support, education for infants, elementary school students, junior high school students and high school students, education support for working adults and schools, nursing care and childcare services), we regularly deliver products and services to many customers, and obtain raw materials from carefully selected suppliers both in Japan and overseas. The raw material which Benesse uses the most of is paper. From this perspective, we are dependent on nature and are exposed to acute physical risks such as forest fires and the intensification of extreme weather events such as large typhoons and floods due to climate change. Increases or decreases in paper usage have an impact on nature in terms of raw material use. Increases or decreases in GHG emissions associated with delivery also impact nature. Therefore, advancing a DX strategy for products and services can reduce paper use,

thereby reducing dependence on nature, mitigating risks, and reducing the impact on nature. DX is also an opportunity to reduce paper use and delivery costs. DX will enable us to compile large amounts of customer data, including learning records and methods, to improve our understanding of our customers' needs and seize opportunities by providing suitable products and services, thereby improving the learning outcomes and increasing satisfaction in products and services. This will lead to increased sales and profits.

[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☒ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply:

☒ Direct operations

(2.3.3) Types of priority locations identified

Sensitive locations

☒ Areas important for biodiversity

Locations with substantive dependencies, impacts, risks, and/or opportunities

☒ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity

(2.3.4) Description of process to identify priority locations

Clarify the relationship with natural capital: We conducted an analysis from the perspective of dependence on nature and impact on nature. • We confirmed the usage status of important resources in value chain analysis, ENCORE, and the High Impact Commodity List, and organized the relationship between business and natural capital • Based on the impact on nature and the weight used, we identified paper and mineral resources as the resources requiring focus by Benesse Supplier Survey: We administered a questionnaire survey for the following business partners. • Paper manufacturers: Confirmed that there is no deforestation or land conversion that damages natural capital. • Printing/bookbinding companies: Compared to paper manufacturers, fewer companies have incorporated environmental management, but they are switching to eco-friendly inks and printing methods. We confirmed that the environmental impact is not high. *We also used*

IBAT to conduct surveys at factories of each supplier involved in deliveries to Benesse, and provided the results to each company. Survey of Benesse sites: We used IBAT to conduct surveys at all company sites · Confirmed that the majority of company sites conduct essentially office activities, and that the environmental impact during operations is not high · The Okayama Head Office owns its own facilities within the Okayama Plain, a protected area. We found that a certain degree of consideration for biodiversity is necessary.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☒ Yes, we will be disclosing the list/geospatial map of priority locations

(2.3.6) Provide a list and/or spatial map of priority locations

IBAT Survey Results.pdf
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply:

☒ Qualitative

☒ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☒ Direct operating costs

(2.4.3) Change to indicator

Select from:

☒ Absolute increase

(2.4.5) Absolute increase/decrease figure

1280000000

(2.4.6) Metrics considered in definition

Select all that apply:

- ☒ Frequency of effect occurring
- ☒ Time horizon over which the effect occurs
- ☒ Likelihood of effect occurring

(2.4.7) Application of definition

Climate change exacerbates extreme weather conditions and increases the frequency and intensity of typhoons and flooding. This can cause changes in delivery methods due to disruptions to the logistics network, the relocation of factories and business sites, the restructuring of supply chains due to environmental changes, and the spread of infectious diseases. Benesse's main education businesses, such as our "Kodomo Challenge" and "Shinkenzemi" programs (elementary, junior high, high school and junior high/high school courses), deliver products and services directly from the Benesse Logistics Center in Setouchi City, Okayama Prefecture, to our many customers throughout Japan. It is anticipated that delivery costs will increase in the future, with the delivery fee unit costs reflecting the sharp rise in carbon taxes in the medium to long term, as well as cost increases associated with the switch to EV trucks and/or the switch to renewable energy sources in the short term when more rigorous policies, laws and regulations are introduced to address climate change. Costs to deliver our products to our customers have a significant impact on our business, which depends heavily on paper. Our paper consumption totaled 38,253 tons for the reporting year. Our main education business relies on direct mailing as its primary sales method, which makes Benesse the second largest sender of direct mail in Japan, in addition to sending learning materials out on a monthly basis. An increase in delivery costs would have a significant impact on our financial status. Benesse consumes about 0.6% of the total printing and information processing paper produced in Japan, while delivery of paper-based products and services accounts for 15.9% of its sales expenses. The assumption for the future is that if carbon taxes are imposed in the medium term on a par with those in Europe and the U.S., it is highly likely that this will be passed on to delivery costs in a significant way. Also, if fuel costs rise in the short term, this is likely to lead to similar price increases in delivery costs, leading to higher costs for Benesse. Changes in the means of transportation, based on the estimate that the ratio of plug-in hybrid vehicles, battery electric vehicles and fuel cell vehicles in Japan will reach 64% in 2030 and 100% in 2050 under the scenario in which global warming is to be capped at 1.5°C, are another factor that could lead to cost increases. Delivery-related labor costs and wages have also trended upward in recent years, so businesses are beginning to rely on automation and gig workers. In this situation, labor costs can rise in the short term, while automation and improved efficiency can keep the costs down over the medium- to long-term. When there are hurdles to automation, costs can rise. However, these factors were not incorporated into our current assumptions, as they do not fall within the scope of climate change.

Opportunities

(2.4.1) Effect type

Select all that apply:

- ☒ Qualitative
- ☒ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- ☒ Direct operating costs

(2.4.3) Change to indicator 選択:

Select from:

- ☒ Absolute decrease

(2.4.5) Absolute increase/decrease figure

1765800000

(2.4.6) Metrics considered in definition

Select all that apply:

- ☒ Frequency of effect occurring
- ☒ Time horizon over which the effect occurs
- ☒ Likelihood of effect occurring

(2.4.7) Application of definition

Intensifying global warming due to climate change can trigger depletion of the forests that supply the primary raw material for paper. Learning materials constitute the majority of our products. Since the majority of learning materials at schools are printed on paper, we also provide most of our learning materials printed on paper. Therefore, Benesse consumed 38,253 tons of paper for the reporting year, or about 0.6% of the total printing and information processing paper produced in Japan. This is a large amount of paper. As part of efforts to prevent climate change by halting deforestation, if we can reduce our paper consumption, which accounts for the largest part of our Scope 3 raw material procurement emissions, we can reduce not only our greenhouse gas emissions but also our paper costs. By implementing DX as a medium-term plan, we can also improve customer satisfaction through improved learning outcomes, thus realizing three benefits through a single initiative. The goal of our digitalization strategy is to cut down on paper-based products and services and gradually switch to digitalized products over the next few years. We

implemented this strategy to digitalization continuously from FY2014 to FY2022 and reduced paper consumption by 61% compared to FY2011. We are still working on the strategy today. Our focus on promoting the shift toward digital products and services constitutes one of the priority measures in our new Medium-Term Management Plan. We are accelerating measures to reduce paper consumption by switching to digitalizing documents and information exchanged between offices, employees, clients/suppliers, and customers (such as Quotations, Purchase Orders, Statements of Delivery, Inspection Documents, Mock Exam Reports, etc.) and sending them online. Reducing paper usage also creates an opportunity to reduce delivery costs. Benesse's main education businesses, such as our "Kodomo Challenge" and "Shinken Zemi" programs (elementary, junior high, high school and junior high/high school courses), deliver products and services directly from the Benesse Logistics Centre in Setouchi City, Okayama Prefecture, to our many customers throughout Japan. It is anticipated that delivery costs will increase in the future, reflecting the sharp rise in carbon taxes moving toward 2030 as well as cost increases associated with the switch to EV trucks and/or the switch to renewable energy sources when more rigorous policies, laws and regulations are introduced to address climate change. This would have a great impact on our delivery costs, which depend heavily on paper. (Benesse consumes about 0.6% of the total printing and information processing paper produced in Japan). Benesse ships its products nationwide from its own Logistics Center in Setouchi City, Okayama Prefecture, and although external factors such as climate change may increase transport costs, our digitalization strategy enables a significant reduction in paper use and lower costs for the delivery of our goods and services. Therefore, we are working to reduce delivery costs by digitalizing some of our paper-based learning materials and tapping into AI technology to provide individualized online instruction for ease of use, to improve the ease of learning and learning outcomes, and to ensure profitability. Our learning materials are used on tablets by 70% of our elementary and junior high school subscribers, while nearly 100% of our high school subscribers are using smartphones to study our materials. Through our "Shinken zemi" home study program for elementary to high school students, we create and deliver a unique program of tablet-based learning materials. In addition, we have also begun a tablet reuse initiative for those who wish to use such tablets, with plans to expand this initiative in the future.

[Add row]

C3. Disclosure of dependencies, risks, and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☒ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☒ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☒ Not an immediate strategic priority

(3.1.3) Please explain

Due to the nature of Benesse's businesses that include pregnancy and child-rearing support, infant education, elementary school education, junior high school education, high school education, and education support business related to working adults and schools, and nursing care and after-school childcare services, we periodically deliver products and services to a large number of customers. Paper consumption is by far the largest amount of raw materials consumed for those products and services, followed by metal for tablets and then plastics.

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk1

(3.1.1.3) Risk type and primary environmental risk driver

Policy

☒ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/are a where the risk occurs

Select all that apply:

☒ Japan

(3.1.1.9) Organization-specific description of risk

Climate change exacerbates extreme weather conditions and increases the frequency and intensity of typhoons and flooding. This can cause changes in delivery methods due to the suspension of logistics networks, the relocation of factories and business sites, the restructuring of supply chains due to environmental changes, and the spread of infectious diseases. Benesse's main education businesses, such as our "Kodomo Challenge" and "Shinkenzemi" programs (elementary, junior high, high school and junior high/high school courses), deliver products and services directly from the Benesse Logistics Center in Setouchi City, Okayama Prefecture, to our many customers throughout Japan. It is anticipated that delivery costs will increase in the future, reflecting the sharp rise in carbon taxes in the medium to long term, as well as cost increases associated with the switch to EV trucks and/or the switch to renewable energy sources in the short term when more rigorous policies, laws and regulations are introduced to address climate change. Delivery costs to our customers have a significant impact on our business, which depends heavily on

paper. Our paper consumption totaled 38,253 tons for the reporting year. Our main education business relies on direct mailing as its primary sales method, which makes Benesse the second largest sender of direct mail in Japan, in addition to sending learning materials out on a monthly basis. An increase in delivery costs would have a significant impact on our financial status. Benesse consumes about 0.6% of the total printing and information processing paper produced in Japan, while delivery of paper based products and services accounts for 15.9% of its sales expenses. The assumption for the future is that if carbon taxes are imposed in the medium term on a par with those in Europe and the U.S., it is highly likely that this will be passed on to delivery costs in a significant way. Also, if fuel costs rise in the short term, this is likely to lead to similar price increases in delivery costs, leading to higher costs for Benesse. Changes in the means of transportation, based on the estimate that the ratio of plug-in hybrid vehicles, battery electric vehicles and fuel cell vehicles in Japan will reach 64% in 2030 and 100% in 2050 under the scenario in which global warming is to be capped at 1.5°C, are another factor that could lead to cost increases. Delivery-related labor costs and wages are also trending upward in recent year, so businesses are beginning to rely on vehicles and gig workers. In this situation, labor costs can rise in the short term, while automation and improved efficiency can keep the costs down over the medium- to long-term. When there are hurdles to automation, costs can rise. However, these factors were not incorporated into our current assumptions, as they do not fall within the scope of climate change.

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply:

☒ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ Virtually certain

(3.1.1.14) Magnitude

Select from:

☒ High

(3.1.1.16) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

The potential financial impact of shipping our learning materials is estimated at between 1.28 billion JPY to 3.7 billion JPY based on the assumption that the volume

will remain the same. (However, we are working on reducing the number of educational materials to be shipped.)

Minimum: Learning materials shipment of 28 million items X 10 JPY / item + direct mail

200 million items X 5 JPY / item = 1.28 billion JPY

Maximum: Learning materials shipment of 28 million items X 25 JPY / item + direct mail

200 million items X 15 JPY / item = 3.7 billion JPY

Explanation of the Above Figures

• *Our estimates for the impact on 2030 targets for the scenario in which global warming is capped at 1.5°C anticipate advances in decarbonization and automation. (1) Fuel Cost: Crude oil price will decrease by approx. 15% from the 2020 level (WEO 2021). About 5% of trucks will be switched to EVs. Switching to renewable energy sources will push up costs that will be reflected in unit prices.*

(2) Carbon Tax: 3 JPY will be added to learning material shipping fees while 2 JPY will be added to direct mail shipping fees.

Learning material shipping fee + 25 JPY/ item, direct mail shipping fee +15 JPY / item

Our estimates for the impact on 2030 targets for the scenario in which global warming reaches 4°C anticipate business as usual in terms of decarbonization but the same progress in automation as that used in setting 2030 targets for the scenario in which global warming is capped at 2°C. (1) Fuel Cost: Crude oil price will increase by approx. 83% from the 2020 level (WEO 2021). This will be reflected in a 3 JPY increase in unit prices.

(2) Carbon Tax: “Approx. 7,000 JPY/t-CO₂” will be added to the delivery costs (estimated to be an increase of around 2 JPY in unit prices)

⇒ Learning material shipping fee + 10 JPY/ item, direct mail delivery fee + 5 JPY / item

The above delivery cost increase is based on the following assumptions

• *Japan Post Co., Ltd. has a monopoly on postal services (postcards, etc.) in Japan, which makes it easier for the company to raise prices. When it comes to door-to-door parcel delivery service, however, there are multiple operators with similar price ranges, which makes it more difficult for them to raise prices. (However, Yamato Holdings revised its prices and there is an overall trend of rising unit prices.)* • *Against such a backdrop, our calculation of the financial impact of delivery costs is based on the assumption that “fluctuating factors, such as increases in crude oil prices or labor costs, will be reflected in prices.”* • *Labor costs and wages are trending upward in recent years, so businesses are beginning to promote automation and reliance on gig workers. In this situation, (1) labor costs can rise in the short term, and (2) when there are hurdles to implementing automation, the rise in labor costs can be reflected in prices.* • *When carbon taxes are introduced, there is good possibility this cost will be added to delivery prices.* • *Yamato Holdings is committed to net zero carbon emissions by 2050.* • *Japan Post is promoting the switch to EVs based on its low emissions goals. Costs associated with switching to EVs are identified as a risk factor (based on Article 13 of the Act on Japan Post Holdings Co., Ltd.). Changes in the means of transportation are estimated to result in the ratio of plug-in hybrid vehicles, battery electric vehicles and fuel cell vehicles reaching 64% in 2030 and 100% in 2050 under targets aimed at capping global warming at 1.5°C.*

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term–minimum (currency)

1280000000

(3.1.1.22) Anticipated financial effect figure in the medium-term– maximum (currency)

3700000000

(3.1.1.25) Explanation of financial effect figure

The potential financial impact of shipping our learning materials is estimated at between 1.28 billion JPY to 3.7 billion JPY based on the assumption that the volume will remain the same. (However, we are working on reducing the number of educational materials to be shipped.)

Minimum: Learning materials shipment of 28 million items X 10 JPY / item + direct mail

200 million items X 5 JPY / item = 1.28 billion JPY

Maximum: Learning materials shipment of 28 million items X 25 JPY / item + direct mail

200 million items X 15 JPY / item = 3.7 billion JPY

Explanation of the Above Figures

• *Our estimates for the impact on 2030 targets for the scenario in which global warming is capped at 1.5°C anticipate advances in decarbonization and automation. (1) Fuel Cost: Crude oil price will decrease by approx. 15% from the 2020 level (WEO 2021). About 5% of trucks will be switched to EVs. Switching to renewable energy sources will push up costs that will be reflected in unit prices.*

(2) Carbon Tax: 3 JPY will be added to learning material shipping fees while 2 JPY will be added to direct mail shipping fees.

Learning material shipping fee + 25 JPY/ item, direct mail shipping fee +15 JPY / item

Our estimates for the impact on 2030 targets for the scenario in which global warming reaches 4°C anticipate business as usual in terms of decarbonization but the same progress in automation as that used in setting 2030 targets for the scenario in which global warming is capped at 2°C. (1) Fuel Cost: Crude oil price will increase by approx. 83% from the 2020 level (WEO 2021). This will be reflected in a 3 JPY increase in unit prices.

(2) Carbon Tax: “Approx. 7,000 JPY/t-CO₂” will be added to the delivery costs (estimated to be an increase of around 2 JPY in unit prices)

⇒ Learning material shipping fee + 10 JPY/ item, direct mail delivery fee + 5 JPY / item

The above delivery cost increase is based on the following assumptions

• Japan Post Co., Ltd. has a monopoly on postal services (postcards, etc.) in Japan, which makes it easier for the company to raise prices. When it comes to door-to-door parcel delivery service, however, there are multiple operators with similar price ranges, which makes it more difficult for them to raise prices. (However, Yamato Holdings revised its prices and there is an overall trend of rising unit prices.) • Against such a backdrop, our calculation of the financial impact of delivery costs is based on the assumption that “fluctuating factors, such as increases in crude oil prices or labor costs, will be reflected in prices.” • Labor costs and wages are trending upward in recent years, so businesses are beginning to promote automation and reliance on gig workers. In this situation, (1) labor costs can rise in the short term, and (2) when there are hurdles to implementing automation, the rise in labor costs can be reflected in prices. • When carbon taxes are introduced, there is good possibility this cost will be added to delivery prices. • Yamato Holdings is committed to net zero carbon emissions by 2050. • Japan Post is promoting the switch to EVs based on its low emissions goals. Costs associated with switching to EVs are identified as a risk factor (based on Article 13 of the Act on Japan Post Holdings Co., Ltd.). Changes in the means of transportation are estimated to result in the ratio of plug-in hybrid vehicles, battery electric vehicles and fuel cell vehicles reaching 64% in 2030 and 100% in 2050 under targets aimed at capping global warming at 1.5°C.

(3.1.1.26) Primary response to risk

Diversification

☑ Develop new products, services and/or markets

(3.1.1.27) Cost of response to risk

85000000

(3.1.1.28) Explanation of cost calculation

It is anticipated that delivery costs will increase in the future, reflecting the sharp rise in carbon taxes moving toward 2030 as well as cost increases associated with the switch to EV trucks and/or the switch to renewable energy sources when more rigorous policies, laws and regulations are introduced to address climate change. Benesse’s paper consumption is still high, accounting for approximately 0.6% of the total printing and information paper produced in Japan. Delivery of paper-based products accounts for the majority of our delivery volume. In our medium-term plan, we are promoting a digitalization strategy for our products and services to mitigate such risks. • We are digitalizing our learning materials and making them paperless to reduce paper consumption, curb cost increases and eventually enhance our competitiveness. Our short term plan for operations is as follows. • We manage our monthly paper consumption expenditure using an in-house system called BENKEI and review the results at the Executive Committee meeting on a quarterly basis. In case excessive consumption is detected in comparison to our target, we

analyze the cause and take due measures. ・ We select paper manufacturers through a simultaneous bidding process. Those who can provide paper with lower environmental impact will be selected for annual contracts. We also engage in price negotiation with the paper manufacturers. We are well-versed in future trends of the paper industry, including the outlook for the coming few years. We have continuously renewed our ISO 14001 certification since 2004 and established, implemented and maintained an environmental management system based on its requirements. We make continual improvements every year under a PDCA cycle which includes review by the management on risks and opportunities related to climate change. ・ Annual depreciation of system development costs is calculated based on a 5-year period. Administrative cost per year is calculated as 425 million JPY X 20% = 85 million JPY.

(3.1.1.29) Description of response

In our medium-term plan, we are promoting a digitalization strategy for our products and services to mitigate risks. ・ We are digitalizing our learning materials and making them paperless to reduce paper consumption, curb cost increases and eventually enhance our competitiveness. ・ Benesse offers “Aka Pen” (red pen) services to elementary school and high school students. Our instructors are called “Aka Pen Sensei” (red pen teachers) and are assigned to individual students to provide advice tailored to the academic progress of every student to encourage them, in addition to making corrections to the assignments submitted by post or online. We can reduce delivery costs by switching to web-based distribution of assignments and allocate extra resources to provide additional services to our subscribers, leading to improvement of the learning outcomes, increased added value and enhanced customer loyalty. ・ Digitalization of learning materials will enable us to compile large amounts of customer data, including learning records and methods, to improve our understanding of our customers’ needs, seize opportunities by providing suitable products and services, improve the learning outcomes and increase membership retention rates, and will consequently boost our sales and profits. Our membership retention rate is one of our major KPIs (Key Performance Indicators). An increase of 1% in our retention rate (defined as members of the previous month do not quit and continue using our products and services) will lead to annual revenue growth of 5%. Our short term plan for operations is as follows. ・ We manage our monthly paper consumption expenditure using an in-house system called BENKEI and review the results at the Management Meeting on a quarterly basis. In case excessive consumption is detected in comparison to our target, we analyze the cause and take due measures. ・ We select paper manufacturers through a simultaneous bidding process. Those who can provide paper with lower environmental impact will be selected for annual contracts. We also engage in price negotiation with the paper manufacturers. We are well-versed in future trends of the paper industry, including the outlook for the coming few years. We have continuously renewed our ISO 14001 certification since 2004 and established, implemented and maintained an environmental management system based on its requirements. We make continual improvements every year under a PDCA cycle which includes review by the management on risks and opportunities related to climate change. As a result of these efforts between FY2014 and FY2022, our learning materials are used on tablets by 70% of our elementary and junior high school subscribers, while nearly 100% of our high school customers are using smartphones to study our materials. Consequently, paper consumption has been reduced 60% per elementary and junior high school student who opted for tablet-based learning materials. Of our paper costs that total 4.684 billion JPY, 67.7% are for costed items and 32.3% are for non-costed items (data for the reporting year).

[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☒ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

12043161510

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☒ 1~10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

12043161510

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☒ 1~10%

(3.1.2.7) Explanation of financial figures

A transition risk faced by Benesse is increased delivery costs (for example, freight and communication costs) due to stricter policies and regulations. A physical risk faced by Benesse is impact on the delivery network (for example, freight and communication costs) caused by floods and other disasters arising from acute climate change.

[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☒ Yes

(3.5.1) Select the carbon pricing regulations(s) which impact your operations.

Select all that apply:

☒ Japan carbon tax

(3.5.3) Complete the following table for each of the tax systems you are regulated by.

Japan carbon tax

(3.5.3.1) Period start date

04/1/2022

(3.5.3.2) Period end date

03/31/2023

(3.5.3.3) % of total Scope 1 emissions covered by tax

2.6

(3.5.3.4) Total cost of tax paid

3609610

(3.5.3.5) Comment

The unit price of the carbon tax in Japan for the reporting year is 289 yen, so Scope 1 emissions is multiplied by 289 yen.
[Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Based on Article 8 of the management rules of the Central Environment Council of Japan's Ministry of the Environment, the Subcommittee on the Use of Carbon Pricing was established and deliberations were held. It discussed measures to deal with climate change that were included in the "Green Growth Strategies" published in December 2020 and how they could be used as opportunities for economic growth. The Ministry of Economy, Trade and Industry then published the Basic Concept of the GX (Green Transformation) League and began enlisting endorsements from businesses. Benesse endorsed the Basic Concept of the GX League in March 2022. Specifically, the GX League supports Japan's goal of achieving carbon neutrality by 2050 by such measures as developing a vision of a future carbon neutral society, creating new markets and devising rules for them, and establishing a system called "carbon pricing" (developing rules for implementing a voluntary carbon credit exchange scheme). Benesse participated in the GX League as a core member of "The Future Society" platform and made a presentation as a representative team at the GX League Symposium sponsored by the Ministry of Economy, Trade and Industry in November 2022. Discussion on the rules for the "carbon pricing" carbon credit exchange proceeded with a view to implementation during FY2023, with actual trading to proceed on a voluntary basis. Activity commenced in full in April 2023, and Benesse is taking part. Since Benesse's emissions are small, it is included in Group X (participating companies with direct emissions of under 100,000 t-CO₂ during FY2021), so its impact will not be large; however, Japan's environmental policies are expected to be further strengthened in the future, so we believe Benesse's actions will have some impact down the line. Voluntary trading on the carbon credit exchange began during FY2023, and work on the development of rules has also started, so it is possible that new legal regulations will be applied in the future. Benesse is also participating in the GX Human Resources Market Creation Working Group from September 2024. Benesse also endorses the Ministry of the Environment's climate change measure urging Japan's people to make "wise choices" under the slogan "Cool Choice." We also support the Deco-Katsu initiative that started in August 2023, and are striving to reduce our energy consumption by continuing to communicate the need to set thermostats to appropriate levels and adjust clothing suited to those settings under the slogans "Cool Biz" in summer and "Warm Biz" in winter. We have also endorsed the TCFD (the Task Force on Climate-related Financial Disclosures) framework and disclose related information. For Scope 1 and Scope 2, Benesse's goal is reductions of 42.4% (compared to the base year 2022) in 2030 and reductions of 100% in 2041 in line with a goal of capping warming at 1.5°C. To achieve these targets, we have developed a plan to reduce Scope 1 and 2 emissions and are considering a plan to consult with our customers as we digitalize our products with a view to reducing our Scope 3 emissions.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	Select all that apply: ☒ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☒ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☒ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply:

☒ Japan

(3.6.1.8) Organization specific description

As background, intensifying global warming due to climate change can trigger depletion of the forests that supply the primary raw material for paper. Learning materials constitute the majority of our products. Since school materials are mostly on paper, we also provide our products as materials printed on paper. Benesse consumed 38,253 tons of paper for the reporting year, or about 0.6% of the total printing and information processing paper produced in Japan. This is a large amount of paper. As part of efforts to prevent climate change by halting deforestation, if we can reduce our paper consumption, which accounts for the largest part of our Scope 3 raw material procurement emissions, we can reduce not only our greenhouse gas emissions but also our paper costs. By implementing DX as a medium-term plan, we can also improve customer satisfaction through improved learning outcomes, thus realizing three benefits through a single initiative. The goal of our digitalization strategy for products and services is to cut down on paper-based products and gradually switch to digitalized products over the next few years. We

implemented this strategy to digitalization continuously from FY2014 to FY2022 and reduced paper consumption by 60% compared to FY2011. We are still working on the strategy today. Our focus on promoting the shift towards digital products constitutes one of the priority measures in our new Medium-Term Management Plan. We are accelerating measures to reduce paper consumption by switching to digitalizing documents and information exchanged between offices, employees, clients/suppliers, and customers (such as Quotations, Purchase Orders, Statements of Delivery, Inspection Documents, Mock Exam Reports, etc.) and sending them online. Reducing paper usage also creates an opportunity to reduce delivery costs. Benesse's main education businesses, such as our "Kodomo Challenge" and "Shinkenzemi" programs (elementary, junior high, high school and junior high/high school courses), deliver products and services directly from the Benesse Logistics Centre in Setouchi City, Okayama Prefecture, to our many customers throughout Japan. It is anticipated that delivery costs will increase in the future, reflecting the sharp rise in carbon taxes moving toward 2030 as well as cost increases associated with the switch to EV trucks and/or the switch to renewable energy sources when more rigorous policies, laws and regulations are introduced to address climate change. This would have a great impact on our delivery costs, which depend heavily on paper. (Benesse consumes about 0.6% of the total printing and information processing paper produced in Japan). Benesse ships its products nationwide from its own Logistics Center in Setouchi City, Okayama Prefecture, and although external factors caused by climate change may increase transport costs, our digitalization strategy enables a significant reduction in paper use and lower costs for the delivery of our goods and services. We are working to reduce delivery costs by digitalizing some of our paper-based learning materials and tapping into AI technology to provide individualized online instruction for ease of use, to improve the learning outcomes, and to ensure increased profitability. Our learning materials are used on tablets by approximately 70% of our elementary and junior high school subscribers, while nearly 100% of our high school customers are using smartphones to study our materials. Through our "Shinkenzemi" home study program for elementary to high school students, we create and deliver a unique program of tablet-based learning materials to realize even better learning results. In addition, we have also begun a tablet reuse initiative for those who wish to use such tablets, with plans to expand this initiative in the future.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☒ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply:

☒ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☒ Virtually certain

(3.6.1.12) Magnitude

Select from:

☒ High

(3.6.1.14) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

Learning materials constitute the majority of our products. Since school materials are mostly on paper, we also provide our products as materials printed on paper. Benesse consumed 38,253 tons of paper for the reporting year, or about 0.6% of the total printing and information processing paper produced in Japan. This is a large amount of paper. As part of efforts to prevent climate change by halting deforestation, if we can reduce our paper consumption, which accounts for the largest part of our Scope 3 raw material procurement emissions, we can reduce not only our greenhouse gas emissions but also our paper costs. By implementing DX as a medium-term plan, we can also improve customer satisfaction through improved learning outcomes, thus realizing three benefits through a single initiative. The goal of our digitalization strategy for products and services is to cut down on paper-based products and gradually switch to digitalized products over the next few years. We implemented this strategy to digitalization continuously from FY2014 to FY2022 and reduced paper consumption by 60% compared to FY2011. We are still working on the strategy today. Our focus on promoting the shift toward digital products and services constitutes one of the priority measures in our new Medium-Term Management Plan. We are accelerating measures to reduce paper consumption by switching to digitalizing documents and information exchanged between offices, employees, clients/suppliers, and customers (such as Quotations, Purchase Orders, Statements of Delivery, Inspection Documents, Mock Exam Reports, etc.) and sending them online. Reducing paper usage also creates an opportunity to reduce delivery costs. Benesse's main education businesses, such as our "Kodomo Challenge" and "Shinkenzeni" programs (elementary, junior high, high school and junior high/high school courses), deliver products and services directly from the Benesse Logistics Centre in Setouchi City, Okayama Prefecture, to our many customers throughout Japan. It is anticipated that delivery costs will increase in the future, reflecting the sharp rise in carbon taxes moving toward 2030 as well as cost increases associated with the switch to EV trucks and/or the switch to renewable energy sources when more rigorous policies, laws and regulations are introduced to address climate change. This would have a great impact on our delivery costs, which depend heavily on paper. (Benesse consumes about 0.6% of the total printing and information processing paper produced in Japan). Benesse ships its products nationwide from its own Logistics Center in Setouchi City, Okayama Prefecture, and although external factors such as climate change may increase transport costs, our digitalization strategy enables a significant reduction in paper use and lower costs for the delivery of our goods and services. We are working to reduce delivery costs by digitalizing some of our paper-based learning materials and tapping into AI technology to provide individualized online instruction for ease of use, to improve the learning outcomes, and to ensure increased profitability. Our learning materials are used on tablets by approximately 70% of our elementary and junior high school subscribers, while nearly 100% of our high school customers are using smartphones to study our materials. Through our "Shinkenzeni" home study program for elementary to high school students, we create and deliver a unique program of tablet-based learning materials to realize even better learning results. In addition, we have also begun a tablet reuse initiative for those who wish to use such tablets, and are working on measures to expand this initiative in the future. In addition to leading to a reduction of greenhouse gas emissions, this is an opportunity to reduce costs and increase our corporate social value.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☒ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

1765800000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

2059800000

(3.6.1.23) Explanation of financial effect figures

Total Reduction of Paper Consumption and Delivery Costs

1.5°C global warming cap scenario as the minimum

Paper consumption reduction effect 1.357 billion JPY + Delivery cost reduction effect 408.8 million JPY = 1.7658 billion JPY

4°C global warming scenario as the maximum

Paper consumption reduction effect 1.357 billion JPY + Delivery cost reduction effect 702.8 million JPY = 2.0598 billion JPY

Breakdown: Reduction of Paper Consumption

5.9 billion JPY X 0.1 (cost increase accompanying a 10% increase in paper unit price) – [5.9 billion JPY X 1.1 (10% increase in paper unit price) X 0.3 (paper consumption reduced to 70%) = ▲ 1.357 billion JPY (cost reduction estimated at 1.357 billion JPY)

**The basis of a 10% increase in paper procurement costs is as follows: Review based on the “Paper and Paperboard” index in the Bank of Japan Corporate Goods Price Index. Paper prices are subject to various factors as listed below. Following the price increase of 10% from 2015 to 2020, this calculation is based on the assumption that paper prices will continue to increase at the same rate from 2020 to 2030; thus there will be a 10% price increase up to 2030. Factors Affecting Paper Price Volatility*

• Advances in digitalization; decrease in paper media due to the impact of the COVID-19 pandemic; crude oil price hikes; sharp rise in pulp prices and tight supply in the global pulp market; increase in logistics costs; deterioration of the supply-demand balance; structural factors that affect demand and supply such as an aging society combined with a declining birth rate.

<https://www.toshibatec.co.jp/products/office/loopsspecial/blog/20201106-49.html>

**Paper consumption reduced to 70% through product and service planning. Impact of Reduction on Delivery Costs*

1.5°C global warming cap scenario as the minimum

28 million items X 70% X 132 JPY/item – 28 million items x 107 JPY/item = ▲ 408.8 million JPY (impact of delivery cost reduction estimated at 408.8 million JPY)

4°C global warming scenario as the maximum

28 million items X 70% X 117 JPY/item – 28 million items x 107 JPY/item = ▲ 702.8 million JPY (impact of delivery cost reduction estimated at 702.8 million JPY)

Explanation of Impact of Reduction on Delivery Costs

• 30% reduction in delivery volume through strategic digitalization of products and services. 1.5°C global warming cap scenario for 2030 anticipates advances in decarbonization, automation and efficiency improvement. (1) Fuel Cost: Crude oil price will decrease by approx. 15% from the 2020 level (WEO 2021). About 5% of trucks will be switched to EVs. Switching to renewable energy sources will push up costs that will be reflected in unit prices.

(2) Carbon Tax: 3 JPY will be added to learning material shipping fees while 2 JPY will be added to direct mail shipping fees.

Learning material shipping fee + 25 JPY/ item, direct mail shipping fee +15 JPY / item

Our estimates for the impact on 2030 targets for the scenario in which global warming reaches 4°C anticipate business as usual in terms of decarbonization but the same progress in automation and efficiency improvement as that used in setting 2030 targets for the scenario in which global warming is capped at 1.5°C. (1) Fuel Cost: Crude oil price will increase by approx. 83% from the 2020 level (WEO 2021). This will be reflected in a 3 JPY increase in unit prices.

(2) Carbon Tax: “Approx. 7,000 JPY/t-CO₂” will be added to the delivery costs (estimated to be an increase of around 2 JPY in unit prices)

⇒ Learning material shipping fee + 10 JPY/ item, direct mail delivery fee + 5 JPY / item

The above delivery cost increase is based on the following assumptions

• Japan Post Co., Ltd. has a monopoly on postal services (postcards, etc.) in Japan, which makes it easier for the company to raise prices. When it comes to door-to-door parcel delivery service, however, there are multiple operators with similar price ranges, which makes it more difficult for them to raise prices. (However, Yamato Holdings revised its prices and there is an overall trend of rising unit prices.) • Against such a backdrop, our calculation of the financial impact of delivery costs is based on the assumption that “fluctuating factors, such as increases in crude oil prices or labor costs, will be reflected in prices.” • Labor costs and wages are trending upward in recent years, so businesses are beginning to promote automation and reliance on gig workers. In this situation, (1) labor costs can rise in the short term, and (2) when there are hurdles to implementing automation, the rise in labor costs can be reflected in prices. • When carbon taxes are introduced, there is good possibility this cost will be added to delivery prices. • Yamato Holdings is committed to net zero carbon emissions by 2050. • Japan Post is promoting the switch to EVs based on its low emissions goals. Costs associated with switching to EVs are identified as a risk factor (based on Article 13 of

the Act on Japan Post Holdings Co., Ltd.). The ratio of plug-in hybrid vehicles, battery electric vehicles and fuel cell vehicles will reach 64% in 2030 and 100% in 2050 under targets aimed at capping global warming at 1.5°C.

(3.6.1.24) Cost to realize opportunity

85000000

(3.6.1.25) Explanation of cost calculation

As background, intensifying global warming due to climate change can trigger depletion of the forests that supply the primary raw material for paper. Learning materials constitute the majority of our products. Since school materials are mostly on paper, we also provide our products as materials printed on paper. Benesse consumed 38,253 tons of paper for the reporting year, or about 0.6% of the total printing and information processing paper produced in Japan. If we can reduce our paper consumption, we can curb deforestation, and that, in turn, can alleviate climate change. It also creates the possibility of reducing our paper procurement costs. This will have a positive impact that will outweigh the rise in costs caused by tablet-based learning materials. Our main education business relies on direct mailing as its primary sales method, which makes Benesse the second largest sender of direct mail in Japan, in addition to sending learning materials out on a monthly basis. An decrease in delivery costs would have a significant impact on our financial status. Paper consumption and delivery accounts for nearly 60% of our Scope 3 emissions (with the increase in use of our tablet-based learning materials taken into account). In our medium-term plan, we are promoting a digitalization strategy for our products and services. The goal of our digitalization strategy is to cut down on paper-based products and gradually switch to digitalized products over the next few years. Our short term plan for operations is as follows.

- We manage our monthly paper consumption expenditure using an in-house system called BENKEI and review the results at the Management Meeting on a quarterly basis. In case excessive consumption is detected in comparison to our target, we analyze the*

cause and take due measures.

- We have continuously renewed our ISO 14001 certification since 2004 and established, implemented and maintained an environmental management system based on its requirements. We make continual improvements every year under a PDCA cycle, which includes review by the management on risks and opportunities related to climate change. In our short-term plan, we select paper manufacturers through a simultaneous bidding process. Those who can provide paper with lower environmental impact (do not engage in illegal logging) will be selected for annual contracts. We also engage in price negotiation with the paper manufacturers. We are able to control costs because we have an understanding of future trends in the paper industry, including a forecast for the coming few years.*
- Annual depreciation of system development costs is calculated based on a 5-year period. Administrative cost per year is calculated as 425 million JPY X 20% = 85 million JPY.*

(3.6.1.26) Strategy to realize opportunity

As background, intensifying global warming due to climate change can trigger depletion of the forests that supply the primary raw material for paper. Learning materials constitute the majority of our products. Since school materials are mostly on paper, we also provide our products as materials printed on paper. Benesse consumed 38,253 tons of paper for the reporting year, or about 0.6% of the total printing and information processing paper produced in Japan. If we can reduce our paper consumption, we can curb deforestation, and that, in turn, can alleviate climate change. It also creates the possibility of reducing our paper procurement costs. This will have a positive impact that will outweigh the rise in costs caused by tablet-based learning materials. Our main education business relies on direct mailing as its primary sales method, which makes Benesse the second largest sender of direct mail in Japan, in addition to sending learning materials out on a monthly basis. An decrease in delivery costs would have a significant impact on our financial status. Paper consumption and delivery accounts for nearly 60% of our Scope 3 emissions (with the increase in use of our tablet-based learning materials taken into account). In our medium-term plan, we are promoting the digitalization of our products and services. The goal of our digitalization strategy is to cut down on paper-based products and gradually switch to digitalized products over the next few years. Promoting the shift towards digital through a digital strategy for products and services constitutes one of the priority measures in our new Medium-Term Management Plan.

- We have also been reducing paper consumption by digitalizing a portion of our paper-based learning and teaching materials and tapping into AI technology to provide individualized online instruction to enhance usability and profitability and improve the learning outcomes. We can enhance our competitiveness at the same time. We are accelerating measures to reduce paper consumption by switching to digitalizing documents and information exchanged*

between offices, employees, clients/suppliers, and customers (such as Quotations, Purchase Orders, Statements of Delivery, Inspection Documents, Mock Exam Reports, etc.) and sending them online. · Benesse offers “Aka Pen” (red pen) services to elementary school and high school students. Our instructors are called “Aka Pen Sensei” (red pen teachers) and are assigned to individual students to provide advice tailored to the academic progress of every student to encourage them, in addition to making corrections to the assignments submitted by post or online. We can reduce delivery costs by switching to web-based distribution of assignments and allocate extra resources to provide additional services to our subscribers, leading to improvement of the learning outcomes, increased added value and enhanced customer loyalty. Our short-term plan for operations is as follows. · We manage our monthly paper consumption expenditure using an in-house system called BENKEI and review the results at the Management Meeting on a quarterly basis. In case excessive consumption is detected in comparison to our target, we analyze the

cause and take due measures. · We have continuously renewed our ISO 14001 certification since 2004 and established, implemented and maintained an environmental management system based on its requirements. We make continual improvements every year under a PDCA cycle, which includes review by the management on risks and opportunities related to climate change. As a result of efforts between FY2014 and FY2022, our learning materials are used on tablets by 70% of our elementary and junior high school subscribers, while nearly 100% of our high school customers are using smartphones to study our materials. Consequently, paper consumption has been reduced 60% per elementary and junior high school student who opted for tablet-based learning materials. Of our paper costs that total 46.84 billion JPY in the reporting year, 67.7% are for costed items and 3% are for non-costed items.

[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☒ OPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

40000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☒ Less than 1%

(3.6.2.4) Explanation of financial figures

Benesse also continues to implement “B-STAGE,” a system for proposing new business development and operational improvements. B-STAGE generates a wide range of operational improvement measures which will lead to the development of new products and services with low greenhouse gas emissions and to a reduction in greenhouse gas emissions. This started in FY2021 and is ongoing in FY2024. The estimated cost to manage this new system totals 40 million JPY, which covers fees for training, financial incentives, and outsourcing. It does not include labor costs.

[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☒ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☒ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply:

☒ Executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☒ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

Based on our corporate philosophy of "Well-Being," the Benesse Group has developed businesses with people at the core. In order to support these businesses and help solve social issues, it is important to have an environment in which diverse human resources with different ideas and values can fully demonstrate their individuality and abilities and play an active role. In addition to the Benesse Group Human Rights Policy, the Benesse Group DE&I Policy Statement outlines our stance and intention to promote diversity, equity, and inclusion (DE&I) in order to realize an organization where people can work as they wish and where each individual can utilize his/her individuality and diversity as strengths. The Benesse Group's DE&I is composed of the following three elements: 1) Diversity - We respect and recognize all kinds of diversity, including nationality, race, ethnicity, religion, ideology, gender, age, disability, culture, experience, values, work style, gender identity, sexual orientation, and gender expression. Equity - We respect and recognize the opportunity to learn, to grow, to be supported according to individual needs, and to be challenged fairly, regardless of age or generation. Inclusion - Inclusion is the recognition of unconscious biases and the mutual support and

utilization of each other's talents and abilities so that each individual can realize his or her own individuality and abilities. We strive to be an organization that is built to enable diverse human resources to play an active role and that is vitalized.

(4.1.6) Attach the policy (optional)

[Benesse Group DE&I Policy Statement](#)

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	Select from: ☒ Yes
Biodiversity	Select from: ☒ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board’s oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply:

☒ Chief Executive Officer (CEO)

(4.1.2.2) Positions’ accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply:

☒ Board Terms of Reference

☒ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☒ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply:

☒ Overseeing the setting of corporate targets

☒ Reviewing and guiding annual budgets

☒ Overseeing and guiding scenario analysis

☒ Overseeing and guiding the development of a business strategy

☒ Monitoring the implementation of the business strategy

☒ Overseeing and guiding acquisitions, mergers, and divestitures

☒ Monitoring progress towards corporate targets

☒ Reviewing and guiding innovation/R&D priorities

☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☒ Monitoring compliance with corporate policies and/or commitments

☒ Overseeing and guiding the development of a climate transition plan

☒ Approving corporate policies and/or commitments

☒ Monitoring the implementation of a climate transition plan

☒ Overseeing and guiding major capital expenditures

☒ Overseeing and guiding public policy engagement

(4.1.2.7) Please explain

Benesse Holdings Representative Director and President, CEO, is currently a member of the Sustainability and ESG Promotion Committee, which has oversight of Benesse's environmental protection and climate change initiatives. Environmental issues are a vital global challenge, and Benesse believes that corporations have a duty to play an active role in promoting environmental protection efforts. To put its Corporate Philosophy "Benesse = Well-Being" into practice, the Benesse Group has positioned "protection of the environment" as a key management priority and works strenuously on environmental protection initiatives, reflecting the fact that

many of its business domains center around education. It is very important for the Benesse Group, a leading company in the education business, to “pass on a rich global environment to the children of the future”, since children are our main customers. The CEO takes responsibility for the advancement of environmental protection initiatives and overall sustainability management and decided to publicly endorse the TCFD framework in July 2019. Furthermore, in September 2023, we declared our agreement with TNFD and participated in the TNFD Forum. In December 2023, we registered as a TNFD Early Adopter and made the decision to disclose information. Benesse supports the TCFD framework together with the 1.5°C goal of the Paris Agreement on climate change. We positioned climate change as a serious challenge to be addressed and established the Sustainability Promotion Committee to oversee environmental protection and climate change initiatives with the Representative Director and President, CEO bearing primary responsibility in these areas. Sustainability Promotion Committee meetings are held three times a year; in addition, the CEO submits a report at the end of the fiscal year, and there is consultation, approval, and reporting at management meetings as necessary. The members of the Sustainability Promotion Committee are all full-time Directors, making Board Meetings a forum to review strategies for confronting future environmental challenges. Concrete steps are taken under the direction of the Representative Director and President, CEO and are based on the results of the review process, which are drafted by the Environment Promotion Secretariat. In line with TCFD recommendations, Benesse established a mechanism to identify environmental changes happening in the environs of our organization, followed by climate-related scenario analysis, a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis, and a materiality analysis to get a grasp of our dependency, impact, risks and opportunities. Managers will identify the risks and opportunities of their respective divisions, and those seen as important will be reflected in our business strategy. Under the direction of the Representative Director and President, CEO, we set greenhouse gas emissions reduction targets for each year as well as for 2030 and 2041. In this way, progress and results in reducing CO₂ emissions is reviewed each year and reported to the CEO, who then gives guidance on the policy for the following fiscal year (FY). As one facet of our internal communication measures, we conduct an in-house survey regarding the materiality of environmental activities Benesse should undertake to which almost all employees give their feedback. We also conduct a survey of different stakeholders as an external communication measure. The results are analyzed to create a full picture of the materiality of potential measures and are reported to the CEO for review so that they can be reflected by revising our strategies, if necessary.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply:

☒ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply:

☒ Board Terms of Reference

☒ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- ☒ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply:

- | | |
|--|---|
| ☒ Overseeing the setting of corporate targets | ☒ Overseeing and guiding the development of a climate transition plan |
| ☒ Overseeing and guiding the development of a business strategy | ☒ Overseeing and guiding major capital expenditures |
| ☒ Monitoring the implementation of the business strategy | ☒ Overseeing and guiding acquisitions, mergers, and divestitures |
| ☒ Overseeing and guiding the development of a climate transition plan | ☒ Monitoring progress towards corporate targets |
| ☒ Approving corporate policies and/or commitments | ☒ Reviewing and guiding innovation/R&D priorities |
| ☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities | |
| ☒ Monitoring compliance with corporate policies and/or commitments | |

(4.1.2.7) Please explain

We also take the same approach with regard to biodiversity. Furthermore, in September 2023, we declared our agreement with TNFD and participated in the TNFD Forum. In December 2023, we registered as a TNFD Early Adopter. At the same time, we analyzed the domestic education sector in line with the TNFD, and disclosed related information in our securities report and on our company website in June 2024.

[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

- ☒ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply:

- ☒ Consulting regularly with an internal, permanent, subject expert working group
- ☒ Engaging regularly with external stakeholders and experts on environmental issues
- ☒ Regular training for directors on environmental issues, industry best practice, and standards (e.g.,TCFD, SBTi)
- ☒ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Additional training

- ☒ Course certificate (relating to environmental issues), please specify :[UK CMI Certified Sustainability \(CSR\) Practitioner Qualification Course](#)

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	Select from: ☒ Yes
Biodiversity	Select from: ☒ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- ☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities
- ☑ Assessing environmental dependencies, impacts, risks, and opportunities
- ☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ☑ Managing engagement in landscapes and/or jurisdictions
- ☑ Managing public policy engagement related to environmental issues
- ☑ Managing supplier compliance with environmental requirements
- ☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ☑ Monitoring compliance with corporate environmental policies and/or commitments
- ☑ Measuring progress towards environmental corporate targets
- ☑ Measuring progress towards environmental science-based targets
- ☑ Setting corporate environmental policies and/or commitments
- ☑ Setting corporate environmental targets

Strategy and financial planning

- ☑ Developing a climate transition plan
- ☑ Implementing a climate transition plan
- ☑ Conducting environmental scenario analysis
- ☑ Developing a business strategy which considers environmental issues
- ☑ Implementing the business strategy related to environmental issues
- ☑ Managing environmental reporting, audit, and verification processes
- ☑ Managing acquisitions, mergers, and divestitures related to environmental issues
- ☑ Managing major capital and/or operational expenditures relating to environmental issues
- ☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ More frequently than quarterly

(4.3.1.6) Please explain

Benesse supports the TCFD framework together with the goals of the Paris Agreement on climate change. We positioned climate change as a serious challenge to be addressed and established the Sustainability Promotion Committee to oversee environmental protection and climate change initiatives with the Representative Director and President, CEO bearing primary responsibility in these areas. Sustainability Promotion Committee meetings are held three times a year; in addition, the CEO submits a report at the end of the fiscal year, and there is consultation, approval, and reporting at management meetings as necessary. The members of the Sustainability Promotion Committee are all full-time Directors, making Board Meetings a forum to review strategies for confronting future environmental challenges. Concrete steps are taken under the direction of the Representative Director and President, CEO and are based on the results of the review process, which are drafted by the Environment Promotion Secretariat. In line with TCFD recommendations, Benesse established a mechanism to identify environmental changes happening in the environs of our organization, followed by climate-related scenario analysis, a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis, and a materiality analysis to get a grasp of our risks and opportunities. Managers will identify the risks and opportunities of their respective divisions, and those seen as important will be reflected in our business strategy. Under the direction of the Representative Director and President, CEO, and in accordance with the 1.5°C goal of the Paris Agreement, we set greenhouse gas emissions reduction targets for each year as well as for 2030 and 2041. Furthermore, in September 2023, as an initiative to restore biodiversity that is closely linked to climate change, we declared our agreement with TNFD and participated in the TNFD Forum. In December 2023, we registered as a TNFD Early Adopter and made the decision to disclose information. Through these efforts, the Benesse Group has also revised its environmental policy to clearly state its commitment to addressing climate change, restoring biodiversity, conserving resources, expanding environmental education, and collaborating with various stakeholders.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- ☒ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☒ Assessing future trends in environmental dependencies, impacts, risks, and opportunities
- ☒ Assessing environmental dependencies, impacts, risks, and opportunities
- ☒ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ☒ Managing engagement in landscapes and/or jurisdictions
- ☒ Managing public policy engagement related to environmental issues
- ☒ Managing supplier compliance with environmental requirements
- ☒ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ☒ Monitoring compliance with corporate environmental policies and/or commitments
- ☒ Measuring progress towards environmental corporate targets
- ☒ Measuring progress towards environmental science-based targets
- ☒ Setting corporate environmental policies and/or commitments
- ☒ Setting corporate environmental targets

Strategy and financial planning

- | | |
|---|---|
| ☒ Developing a climate transition plan | ☒ Managing environmental reporting, audit, and verification processes |
| ☒ Implementing a climate transition plan | ☒ Managing acquisitions, mergers, and divestitures related to environmental issues |
| ☒ Conducting environmental scenario analysis | ☒ Managing major capital and/or operational expenditures relating to environmental issues |
| ☒ Developing a business strategy which considers environmental issues | ☒ Managing priorities related to innovation/low-environmental impact products or services (including R&D) |
| ☒ Implementing the business strategy related to environmental issues | |

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☒ More frequently than quarterly

(4.3.1.6) Please explain

Benesse supports the TCFD framework together with the goals of the Paris Agreement on climate change. We positioned climate change as a serious challenge to be addressed and established the Sustainability Promotion Committee to oversee environmental protection and climate change initiatives with the Representative Director and President, CEO bearing primary responsibility in these areas. Sustainability Promotion Committee meetings are held three times a year; in addition, the CEO submits a report at the end of the fiscal year, and there is consultation, approval, and reporting at management meetings as necessary. The members of the Sustainability Promotion Committee are all full-time Directors, making Board Meetings a forum to review strategies for confronting future environmental challenges. Concrete steps are taken under the direction of the Representative Director and President, CEO and are based on the results of the review process, which are drafted by the Environment Promotion Secretariat. In line with TCFD recommendations, Benesse established a mechanism to identify environmental changes happening in the environs of our organization, followed by climate-related scenario analysis, a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis, and a materiality analysis to get a grasp of our risks and opportunities. Managers will identify the risks and opportunities of their respective divisions, and those seen as important will be reflected in our business strategy. Under the direction of the Representative Director and President, CEO, and in accordance with the 1.5°C goal of the Paris Agreement, we set greenhouse gas emissions reduction targets for each year as well as for 2030 and 2041. Furthermore, in September 2023, as an initiative to restore biodiversity that is closely linked to climate change, we declared our agreement with TNFD and participated in the TNFD Forum. In December 2023, we registered as a TNFD Early Adopter and made the decision to disclose information. We also disclosed information in the June 2024 securities report. Through these efforts, the Benesse Group has also revised its environmental policy to clearly state its commitment to addressing climate change, restoring biodiversity, conserving resources, expanding environmental education, and collaborating with various stakeholders.

[Fixed row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☒ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

(4.5.3) Please explain

Quantitative information on incentives and performance indicators for the CEO is as follows. (1) Continued inclusion in FTSE and MSCI indexes (annually), including evaluation of the setting of targets, progress and implementation of measures to address climate change-related issues (2) Active involvement in the Global Compact COP program, including assessment of the setting of targets, progress and implementation of measures to address climate change related issues (e.g., continued endorsement and continued improvement of COP-related endeavors) (3) Continued holding of ES briefings (at least once a year), including assessment of the setting of targets, progress and implementation of measures to address climate change-related issues.

[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☒ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply:

☒ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☒ Progress towards environmental targets

☒ Organization performance against an environmental sustainability index

Strategy and financial planning

- ☒ Board approval of climate transition plan
- ☒ Shift to a business model compatible with a net-zero carbon future

Emission reduction

- ☒ Reduction in absolute emissions

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- ☒ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Quantitative information on incentives and performance indicators for the CEO is as follows. (1) Continued inclusion in FTSE and MSCI indexes (annually), including evaluation of the setting of targets, progress and implementation of measures to address climate change-related issues (2) Active involvement in the Global Compact COP program, including assessment of the setting of targets, progress and implementation of measures to address climate change-related issues (e.g., continued endorsement and continued improvement of COP-related endeavors) (3) Continued holding of ES briefings (at least once a year), including assessment of the setting of targets, progress and implementation of measures to address climate change-related issues.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The CEO is ultimately responsible for Benesse's environmental protection and climate-change initiatives, and our policy, governance structure, risk management, creation of opportunities and setting of indicators and targets are all in his area of responsibility. Progress in achieving these goals is reflected in the CEO's remuneration. This means that active involvement in representative indexes and the UN Global Compact COP (including assessment of the setting of targets, progress and implementation of measures to address climate change-related issues), holding of ES briefings, and response to questions are directly linked to assessment of remuneration for the Representative Director and President, CEO. The affected percentage is 5% of total remuneration.

[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☒ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply:

- ☒ Climate change
- ☒ Biodiversity

(4.6.1.2) Level of coverage

Select from:

- ☒ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply:

- ☒ Direct operations
- ☒ Upstream value chain
- ☒ Downstream value chain
- ☒ Portfolio

(4.6.1.4) Explain the coverage

The target is a variety of stakeholders, including employees, suppliers, shareholders, customers, local governments, and the community and society.

(4.6.1.5) Environmental policy content

Environmental commitments

- ☒ Commitment to a circular economy strategy
- ☒ Commitment to avoidance of negative impacts on threatened and protected species
- ☒ Commitment to comply with regulations and mandatory standards
- ☒ Commitment to take environmental action beyond regulatory compliance
- ☒ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

- ☒ Commitment to net-zero emissions
- ☒ Commitment to not funding climate-denial or lobbying against climate regulations

Additional references/Descriptions

- ☒ Description of biodiversity-related performance standards

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply:

- ☒ Yes, in line with the Paris Agreement
- ☒ Yes, in line with the Kunming-Montreal Global Biodiversity Framework

(4.6.1.7) Public availability

Select from:

- ☒ Publicly available

(4.6.1.8) Attach the policy

[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☒ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply:

- ☒ Japan Climate Initiative (JCI)
- ☒ Science-Based Targets Initiative (SBTi)
- ☒ Task Force on Climate-related Financial Disclosures (TCFD)
- ☒ Task Force on Nature-related Financial Disclosures (TNFD)
- ☒ Other, please specify : Keidanren Biodiversity Declaration Initiative

(4.10.3) Describe your organization's role within each framework or initiative

Participation in the Japan Climate Initiative (JCI): Benesse Holdings supports the JCI declaration of “Joining the front line of the global push for decarbonization from Japan” as an activity consistent with the Paris Agreement. We also support the JCI Message of “Now is the time to accelerate renewable energy deployment. -Calling for stronger climate change action in the midst of the fossil energy crisis-” as announced on June 3, 2022. In order to leave a beautiful global environment for the children of the future, Benesse supports the Paris Agreement and the decarbonization policy of the Japanese government, and complies with the Act on the Rational Use of Energy (Energy Efficiency Act) and the Act on Promotion of Global Warming Countermeasures, which are national climate change-related laws and regulations in Japan. We also engage in environmental activities such as submitting annual reports to the government on energy consumption, progress toward energy conservation targets, and greenhouse gas emissions. Furthermore, as part of activities in line with the JCI, we have raised the Scope 1 and Scope 2 targets of our major subsidiary, Benesse Corporation, to be consistent with a target of capping global warming at 1.5°C (by December 31, 2021) and will continue our reduction activities toward achieving this target. At the same time, we have set our renewable energy adoption target at 100% for the fiscal year ending March 31, 2041. With the aim of achieving decarbonization, Benesse actively participates in seminars and study sessions held by the JCI. We incorporate the information gained at these events into our own initiatives, while also considering the utilization of advanced cases and technologies from member companies, local governments, organizations, NGOs, and other entities. Information on these and other activities of Benesse Holdings can be found on the JCI website. We will continue to cooperate with stakeholders who are members of JCI to proactively make policy recommendations toward the realization of a decarbonized society. In May 2021, Benesse Corporation, a major subsidiary of the Company, received SBT Initiative Certification for its greenhouse gas emissions reduction targets. The SBTi has recognized

that Benesse Corporation's greenhouse gas emissions targets for 2030 and 2050 are based on science-based evidence to "keep a global temperature rise this century well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5°C," as stated in the Paris Agreement. Furthermore, for Scopes 1 and 2, Benesse Corporation has updated its targets to be consistent with a target of capping global warming at 1.5°C and has been re-certified by the SBTi. We have set two targets for Scope 3. Using 2018 as our base year, we have set the following reduction targets. • Scope 1 and Scope 2: 52.8% in 2030, 100% in 2041, 100% in 2050 • Scope 3: 14.8% in 2030, 39.4% in 2050

Endorsement of the Task Force on Climate-related Financial Disclosures (TCFD) and compliance with information disclosure

• In July 2019, in order to endorse the Paris Agreement, we became the first educational provider in Japan to declare our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) (established by the Financial Stability Board (FSB)). Endorsement of the Taskforce on Nature-related Financial Disclosures (TNFD) and compliance with information disclosure

Benesse Holdings endorses the Taskforce on Nature-related Financial Disclosures (TNFD), which calls for the disclosure of information on business opportunities and risks from the perspective of natural capital and biodiversity, and is also a participant in the TNFD Forum, which was established to help supporting companies build a framework for risk management and disclosure regarding natural capital. As an organization that intends to proceed with disclosure in line with the TNFD recommendations, Benesse Holdings has registered as a TNFD Early Adopter on the TNFD website and engaged in information disclosure.

Responding to and supporting public regulations

At each of its sites, Benesse Holdings supports laws, regulations (in Japan, such as the Act on Promotion of Global Warming Countermeasures (Global Warming Countermeasures Act) and the Act on the Rational Use of Energy (Energy Conservation Act)), policies, etc., related to climate change and reducing energy usage, and responds appropriately to these laws and regulations. Furthermore, Benesse Corporation, a major subsidiary of the Company, has expressed its endorsement of the Ministry of Economy, Trade and Industry's GX League Basic Concept, which is a challenge set forth by the Japanese government to quickly transition to carbon neutrality, and is participating in GX League activities. In particular, Benesse Corporation is participating in activities to formulate a vision of a carbon-neutral future society in 2050, which is one of the activities of the GX League. Support for the Ministry of Economy, Trade and Industry's Green Transformation (GX) Basic Concept and participation in the GX League

Benesse Corporation endorses the GX Basic Concept, which is the result of discussions held by the "Study Group on Economic Methods to Achieve Carbon Neutrality Worldwide" (Chairman: Hiroshi Ohashi, Dean, Graduate School of Public Policy, The University of Tokyo), and participates in the GX League. In FY2022, we participated as a member of studying the formulation of a vision of future society in 2050. Benesse Holdings endorses the Keidanren Biodiversity Declaration Initiative and is promoting biodiversity initiatives. *The Keidanren Declaration on Biodiversity Initiative communicates and introduces the logos, future-oriented action policies and examples of activities of companies and organizations that are involved in more than one of the seven items of the Keidanren Declaration on Biodiversity and Action Guidelines (revised version), or that support the overall aims of the initiative, on a special website for internal and external use.

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply:

☒ Yes, we engaged directly with policy makers

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select all that apply:

☒ Yes, we have public commitments and position statements in line with the United Nations Framework Convention on Climate Change and policy goals.

(4.11.3) Global environmental treaties and policy goals in line with public commitments and position statements

Select all that apply:

☒ The Paris Agreement

(4.11.4) Attach commitment or position statement

4.11.4 [Involvement in Policies, Laws and Regulations.pdf](#) [Japanese]

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☒ Unknown

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Ministry of Economy, Trade and Industry's GX League

The GX Leagues was created as an endorsement of the GX Basic Concept, which is the result of discussions held by the "Study Group on Economic Methods to Achieve Carbon Neutrality Worldwide" (Chairman: Hiroshi Ohashi, Dean, Graduate School of Public Policy, The University of Tokyo), which is an activity consistent with the Paris Agreement. In FY2022, there was a call for members to serve as study members for formulating a vision of future society in 2050. Benesse received permission to participate and is working on this theme as an activity consistent with the Paris Agreement. The vision of future society that was created was also presented at a forum in November 2022. As part of this activity, ideas and processes for realizing a decarbonized society were considered and proposed as part of formulating a vision of the future society consistent with the Paris Agreement. Announcing support for the Japan Climate Initiative (JCI) declaration Benesse Holdings supports JCI's declaration "Now is the time to accelerate renewable energy deployment -Calling for stronger climate change action in the midst of the fossil energy crisis-" that was announced in June 2022, and has worked to influence related policy.

[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

GX promotion Act

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply:

☒ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Environmental impacts and pressures

☒ Emissions – CO2

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☒ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply:

☒ Japan

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

- ☒ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply:

- ☒ Regular meetings
- ☒ Discussion in public forums
- ☒ Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The GX League was created as an endorsement of the GX Basic Concept, which is the result of discussions held by the “Study Group on Economic Methods to Achieve Carbon Neutrality Worldwide” (Chairman: Hiroshi Ohashi, Dean, Graduate School of Public Policy, The University of Tokyo), which is an activity consistent with the Paris Agreement. In FY2022, there was a call for members to serve as study members for formulating a vision of future society in 2050. Benesse received permission to participate and is working on this theme as an activity consistent with the Paris Agreement. The vision of future society that was created was also presented at a forum in November 2022. As part of this activity, ideas and processes for realizing a decarbonized society were considered and proposed as part of formulating a vision of the future society consistent with the Paris Agreement. This support is intended to prepare for trial introduction of the emissions trading scheme from FY2023 onwards.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select all that apply:

- ☒ Yes, we have evaluated, and it is aligned.

(4.11.1.12) Global environmental treaties or policy goals that are aligned with the organization's approach to this policy, law, or regulation

Select all that apply:

☒ The Paris Agreement

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☒ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☒ environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply:

☒ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply:

☒ Climate change

(4.12.1.4) Status of the publication

Select from:

☒ Complete

(4.12.1.5) Content elements

Select all that apply:

- ☒ Content of environmental policies
- ☒ Governance
- ☒ Risks & Opportunities
- ☒ Strategy
- ☒ Emission targets

(4.12.1.6) Page/section reference

P.1521

(4.12.1.7) Attach the relevant publication

[Benesse Securities Report \(FY Ended March 2023\).pdf](#) [Japanese]

(4.12.1.8) Comment

The report clearly states Benesse's overall approach to sustainability, as well as its initiatives, governance, strategies, risk management, indicators and targets. It also positions "conservation of a sustainable global environment" as an important materiality these elements. Furthermore, in line with the TCFD, the report lists Benesse's approach to the environment (climate change-related items, etc.), initiatives, governance, strategies (outline of climate change scenario analysis, assessment of the importance of risks and opportunities, future strategies and initiatives), risk management, indicators, and targets.

[Add row]

C5. Business Strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☒ Yes

(5.1.2) Frequency of analysis

Select from:

☒ More than once a year

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☒ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

- ☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply:

- | | |
|--|--|
| ☒ Policy | ☒ Acute physical |
| ☒ Market | ☒ Chronic physical |
| ☒ Reputation | |
| ☒ Technology | |
| ☒ Liability | |

(5.1.1.6) Temperature alignment of scenario

Select from:

- ☒ 1.5°C or lower

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply:

- ☒ 2030
- ☒ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☒ Changes to the state of nature
- ☒ Number of ecosystems impacted

- ✓ Changes in ecosystem services provision
- ✓ Speed of change (to state of nature and/or ecosystem services)
- ✓ Climate change (one of five drivers of nature change)

Finance and insurance

- ✓ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

- ✓ Consumer sentiment
- ✓ Consumer attention to impact
- ✓ Impact of nature footprint on reputation
- ✓ Impact of nature service delivery on consumer
- ✓ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes

- ✓ Global regulation
- ✓ Political impact of science (from galvanizing to paralyzing)
- ✓ Level of action (from local to global)
- ✓ Global targets
- ✓ Methodologies and expectations for science-based targets

Relevant technology and science

- ✓ Granularity of available data (from aggregated to local)
- ✓ Data regime (from closed to open)

Direct interaction with climate

- ✓ On asset values, on the corporate
- ✓ Perception of efficacy of climate regime

Macro and microeconomy

- ✓ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

• A carbon tax price for the 1.5°C warming cap scenario was set based on the estimated prices of the advanced economies published in WEO 2021 NZE.

*Reference made to the highest figure. • The renewable energy price for the 1.5°C warming cap scenario was estimated to be 10,000 JPY/t-CO₂. • Electricity prices for the 1.5°C warming cap scenario reflect no increase in the difference between renewable and non-renewable energy prices in 2030. Power from fossil fuels + carbon tax will lead to +4 JPY/kWh in 2030 and +8 JPY/kWh in 2050. • The crude oil price was estimated at 4,680 JPY/bbl in 2030 and 3,120 JPY/bbl in 2050. (Exchange rate of 1 USD=130 JPY)

(5.1.1.11) Rationale for choice of scenario

Sustainable development is progressing at a rapid pace and inequalities resulting from climate change are being reduced. The scenario was selected with the aim of realizing a society in which human wisdom has made progress in technological innovation that contributes to climate change countermeasures and which is more environmentally conscious, through measures such as low-carbon energy and improved productivity in land use.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☒ IEA STEPS (previously IEA NPS)

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply:

- ☒ Policy
- ☒ Market
- ☒ Reputation
- ☒ Technology
- ☒ Liability

- ☒ Acute physical
- ☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

- ☒ 4.0°C and above

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply:

- ☒ 2030
- ☒ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☒ Changes in ecosystem services provision
- ☒ Climate change (one of five drivers of nature change)

Finance and insurance

- ☒ Cost of capital
- ☒ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

- ☒ Consumer sentiment

- ☑ Consumer attention to impact
- ☑ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes

- ☑ Political impact of science (from galvanizing to paralyzing)
- ☑ Level of action (from local to global)

Relevant technology and science

- ☑ Granularity of available data (from aggregated to local)
- ☑ Data regime (from closed to open)

Direct interaction with climate

- ☑ On asset values, on the corporate

Macro and microeconomy

- ☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

· A carbon tax price for the 4°C business-as-usual global warming scenario was set based on the estimated prices in the EU published in the WEO 2021 Stated Policies Scenario. *Reference made to the highest figure. · The renewable energy price for the 4°C global warming scenario was estimated at 5,000 JPY/t CO₂. · Electricity prices for the 4°C global warming scenario reflect a difference between renewable and non-renewable energy prices in 2030 of +4 JPY/kWh. Power from fossil fuel + carbon tax will lead to +2 JPY/kWh in 2030 and +3 JPY/kWh in 2050. · The crude oil price was estimated at 10,010 JPY/bbl in 2030 and 11,440 JPY/bbl in 2050. (Exchange rate of 1 USD=130 JPY)

(5.1.1.11) Rationale for choice of scenario

This scenario envisages the continuation of conventional development resulting in a society in which climate change policies are lagging behind, energy demand is high and the country is unable to move away from fossil fuels, and measures to mitigate climate change are limited.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☒ RCP 1.9

(5.1.1.2) SSPs used in conjunction with scenario

Select from:

☒ SSP1

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply:

☒ Policy

☒ Market

☒ Reputation

☒ Technology

☒ Liability

☒ Acute physical

☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☒ 1.5°C or lower

(5.1.1.7) Reference year

(5.1.1.8) Timeframes covered

Select all that apply:

- ☒ 2030
- ☒ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☒ Changes to the state of nature
- ☒ Number of ecosystems impacted
- ☒ Changes in ecosystem services provision
- ☒ Speed of change (to state of nature and/or ecosystem services)
- ☒ Climate change (one of five drivers of nature change)

Finance and insurance

- ☒ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

- ☒ Consumer sentiment
- ☒ Consumer attention to impact
- ☒ Impact of nature footprint on reputation
- ☒ Impact of nature service delivery on consumer
- ☒ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes

- ☒ Global regulation
- ☒ Political impact of science (from galvanizing to paralyzing)
- ☒ Level of action (from local to global)
- ☒ Global targets
- ☒ Methodologies and expectations for science-based targets

Relevant technology and science

- ☒ Granularity of available data (from aggregated to local)
- ☒ Data regime (from closed to open)

Direct interaction with climate

- ☒ On asset values, on the corporate
- ☒ Perception of efficacy of climate regime

Macro and microeconomy

- ☒ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

1.5°C Scenario IPCC: Reference made to a temperature rise is estimated at 1.5°C in 2030 and 1.6°C in 2050 per SSP1-1.9 (AR6 WGI, II). • Exchange rate of 1 USD=130 JPY

(5.1.1.11) Rationale for choice of scenario

Sustainable development is progressing at a rapid pace and inequalities resulting from climate change are being reduced. The scenario was selected with the aim of realizing a society in which human wisdom has made progress in technological innovation that contributes to climate change countermeasures and which is more environmentally conscious, through measures such as low-carbon energy and improved productivity in land use.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

- ☒ RCP 8.5

(5.1.1.2) SSPs used in conjunction with scenario

Select from:

☒ SSP5

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply:

☒ Policy

☒ Market

☒ Reputation

☒ Technology

☒ Liability

☒ Acute physical

☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☒ 4.0°C and above

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply:

☒ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☑ Changes in ecosystem services provision
- ☑ Climate change (one of five drivers of nature change)

Finance and insurance

- ☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

- ☑ Consumer sentiment
- ☑ Consumer attention to impact
- ☑ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes

- ☑ Political impact of science (from galvanizing to paralyzing)
- ☑ Level of action (from local to global)

Relevant technology and science

- ☑ Granularity of available data (from aggregated to local)
- ☑ Data regime (from closed to open)

Macro and microeconomy

- ☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

4°C Scenario IPCC: Reference made to a temperature rise is estimated at 1.6°C in 2030 and 2.4°C in 2050 per SSP5-8.5 (AR6 WGI, II). • Exchange rate of 1 USD=130 JPY

(5.1.1.11) Rationale for choice of scenario

This scenario envisages the continuation of conventional development resulting in a society in which climate change policies are lagging behind, energy demand is high and the country is unable to move away from fossil fuels, and measures to mitigate climate change are limited.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply:

- ☒ Risk and opportunities identification, assessment and management
- ☒ Strategy and financial planning
- ☒ Resilience of business model and strategy
- ☒ Capacity building
- ☒ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

- ☒ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Focal questions

In order to understand how climate change would affect our business strategy and financial plans, we needed to clarify the answers to the following questions. In order to achieve a carbon-neutral society, would it be possible to continue our main existing business, the education business, in a world where the average global temperature has risen by 1.5°C or by nearly 4°C since pre-industrial times? If so, what would be the major challenges? Could our moves to develop and revise our products and services in line with our digitalization strategy, which is the direction in which our business is being transformed, as well as the changing needs of our customers, who are increasingly concerned about climate change and reducing our impact on the global environment, be business opportunities for us? How can we increase the value we provide to our customers as we strive toward the realization of a carbon-neutral society, and at the same time, how can we enhance and develop product and service development capabilities, marketing capabilities, and expertise in line with our Corporate Purpose ("Anybody can enjoy lifelong growth. Toward a world in which everyone can live their own life. Benesse will continue to aim for these ideals.")? What impact could the risk of natural disasters and new regulations due to global warming have on the company and its supply chain? What would be the economic impact if global warming is capped at 1.5°C? What would it be if global warming rose 4°C? What policies and measures are needed to address these risks? To answer these questions, an objective analysis based on the

TCFD framework was conducted. When greenhouse gas (GHG) emission regulations are reinforced or more stringent reduction obligations are put into place, there will be financial consequences in terms of the delivery and administrative costs of logistics companies, which may switch to transportation means with a smaller carbon impact. There is also growing awareness and engagement in environmental initiatives taken by businesses among members of Generation Z and their families, who constitute our main customer base. (1) The surge in delivery costs due to climate change will have a significant impact on our business.

Benesse's main education businesses, such as our "Kodomo Challenge" and "Shinken Zemi" programs (elementary, junior high, high school and junior high/high school courses), deliver products and services directly from the Benesse Logistics Center in Setouchi City, Okayama Prefecture, to our many customers throughout Japan. Since we send out our products across the country from the Logistics Center in Okayama Prefecture, it is anticipated that delivery costs will increase to reflect the sharp rise in carbon taxes. We also anticipate cost increases associated with the switch to EVs and/or renewable energy sources when stricter policies, laws and regulations are introduced to address climate change. (2) Due to the large volume of paper consumption in our business, there is a risk to our reputation if we are seen as a company that has a negative impact on the environment. Benesse's main educational businesses, our "Kodomo Challenge" and "Shinken Zemi" programs (elementary, junior high, high school, and junior high/high school courses), use a great deal of paper, since their teaching materials are physically delivered to customers' homes. Compared to FY2011, paper consumption was reduced by 60% in FY2022, but even so, Benesse's paper consumption is still high, accounting for approximately 0.6% of the total printing and information paper produced in Japan. Therefore, in terms of our Scope 3 raw material use, it is possible that our reputation will be harmed if the company is regarded as insufficiently responsive or as a company having a high environmental impact. Conversely, if a company is regarded as having an excellent approach to climate change and environmental issues, it could be seen as an opportunity to increase its corporate value. Results of the climate-related scenario analysis with respect to the focal questions

(1) Since we send out our products across the country from the Benesse Logistics Center in Okayama Prefecture, it is anticipated that delivery costs will increase to reflect a sharp rise in carbon taxes. We also anticipate cost increases associated with the switch to EVs and/or renewable energy sources in the lead-up to 2030, when stricter policies, laws and regulations are expected to be introduced to address climate change. Benesse's paper consumption is still high, accounting for approximately 0.6% of the total printing and information paper produced in Japan. Delivery of paper-based products accounts for the majority of our shipping volume. The results of climate-related scenario analyses are as below. As deliveries are made directly across Japan from a logistics center in Setouchi City, Okayama Prefecture, rising oil prices lead to higher petrol costs, which directly translate into higher land transport fares. The expected rise in carbon taxes will also increase land transport fares, and that will push up delivery costs. On the other hand, as decarbonization moves forward, it will push down crude oil prices leading to a possible reduction in shipping costs. A rise in labor costs can be offset with automation and lead to a decrease in delivery costs. However, if automation cannot be successfully implemented, there may be a rise in delivery costs. The results of these scenario analyses highlight the need to promote decarbonization, curb price hikes in crude oil and further automate our delivery processes. As countermeasures to deal with the difficulties projected in our scenario analyses, Benesse has reduced the size of its teaching materials and packaging to meet set standards in order to reduce energy use in delivery every month starting in 2021. In addition, it has coordinated its monthly delivery volumes with the shipping companies it uses in advance to ensure that containers and trucks are loaded without waste. This use of containers and trucks has proven successful. The company will further strengthen its efforts in this area starting in 2023. This will not only reduce energy consumption during delivery, but also delivery costs. It is assumed that carbon tax and delivery costs will have a larger impact if global warming is to be capped at 1.5°C than if it is allowed to rise 4°C. (2) Due to the large volume of paper consumption in our business, there is a risk to our reputation if we are seen as a company having a negative impact on the environment. Benesse's correspondence education businesses, "Kodomo Challenge" and "Shinken Zemi" (elementary, junior high, high school and integrated junior high and high school courses) for students from pre-school through high school age, are paper-intensive, and if the growing environmental awareness of our customers leads to them being deemed to be placing a burden on the environment by using a lot of paper, this could lead to a decrease in sales and a decline in the price of Benesse's stock. Conversely, if a company is regarded as having an excellent approach to climate change and environmental issues, it could be seen as an opportunity to increase its corporate value. Our main business focuses on education and our customers are mainly children (from pre-schoolers up to senior high school and university students) or who we call "the exchange students from the future." In the medium to long term, education has a huge influence on people and society and is recognized as having the power to bring about social change. The results of climate-related scenario analyses are as below. Increased environmental awareness among people and society has led to an increase in alternative, environmentally friendly services, a trend that has led to the rise of

competitors, and as Benesse's main business is the education business, centering on "Kodomo Challenge" and "Shinken Zemi", if its response to climate change is deemed inadequate, the resulting damage to or decline in its reputation could lead to a decline in customer numbers and sales. This, in turn, could lead to a decline in the price of Benesse's stock. Conversely, if the company is regarded as being proactive in terms of its environmental initiatives, this may lead to opportunities to increase corporate value. Increased environmental awareness among people and society will also lead to increased ESG (Environment, Social, Governance) investment, and if the company's climate change measures are assessed as insufficient, this could also lead to a decline in the price of our stock. Conversely, if the company is regarded as being proactive in terms of its environmental initiatives, this may lead to opportunities to increase corporate value. These results of our scenario analysis highlight the need to switch to more eco-friendly services, the need to improve our reputation and increase our corporate social value in order to prevent our reputation from damage or declining, and the need to strengthen our climate change countermeasures so that they are highly evaluated and lead to greater economic value. The results of an actual customer awareness survey show that the results of this analysis are increasingly reliable, as customer awareness is steadily changing, and our plans to offer contents about climate change and global environmental protection, such as the concept of "Mottainai" (What a waste!), are highly evaluated. In order to meet the expectations of our customers, Benesse is not only providing environmental education tailored to our customers' developmental stages through its education programs such as "Kodomo Challenge" and "Shinken Zemi", but since 2020, it has also started a program offering Benesse's original tablets for reuse by those who wish to use them, and plans to expand the scale of reuse of these tablets. A campaign to increase the tablet reuse has been implemented starting in 2023. Other environmentally-friendly measures that have been taken include the introduction of biomaterials in film envelopes for direct mail from Benesse from November 2022 onwards (switching to all film envelopes). Other measures under consideration include BYOD (bring your own device) for the tablets themselves, and new decisions are exerting their influence one after another and additional measures are being implemented. It is assumed that the development of eco-friendly alternative services, safeguarding the brand image, and ESG investment will have a larger impact if the goal is capping global warming at 1.5°C than if it is to be allowed to rise 4°C.

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☒ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☒ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☒ No, but we plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

Japan's domestic electricity generation mix has yet to move away from fossil fuels. Even if a company's environmental policy clearly states that it will introduce renewable energy and its CEO intends to introduce renewable energy, in reality it is still difficult to switch all electricity to renewable energy. Benesse is considering introducing renewable energy for its own business, mainly through PPAs. It is particularly difficult to find suitable sites for PPAs in the Kanto area, where energy consumption is the highest in Japan. Therefore, Benesse is working with many companies to search for and consider locations. For this reason, we support JCI's statement to the Japanese government regarding reduction targets and increasing the proportion of renewable energy. Benesse is continuously working to realize a decarbonized society throughout Japan.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☒ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

The IR (Investor Relations) Department engages in dialogue with asset managers and investors. About 200 briefings and SR (Shareholder Relations) /ESG (Environment, Social, Governance) meetings with asset managers and investors were held during the reporting year (with ESG briefings starting in FY2022), during which dialogue is promoted and we receive feedback about our activities. Being a relatively small greenhouse gas emitter, we got a limited number of questions that focused on how we had established our goals for reductions in greenhouse gas emissions, how we track and manage progress toward our goals, as well as about specific measures to be implemented to achieve our reductions. We explained a number of concrete steps we have been taking, such as raising our renewable energy targets at the same time as we were revising the targets for Scope 1 and 2 emissions in line with capping global warming at 1.5°C. Additionally, we have been promoting the digitalization of our products and services to work on Scope 3 emission reductions, which are difficult targets. We have also reviewed and updated our information disclosure based on the TCFD recommendations for our revised target goal for Scope 1 and 2 emissions in line with the 1.5°C global warming scenario. The information is published on our website. Our main subsidiary Benesse Corporation received renewed approval from the SBTi in September 2022 and a statement was made on the website to that effect. Due to the delisting of Benesse Holdings, Inc. in May 2024, the only shareholders will be the founding family and EQT. FB mechanisms are currently being restructured to enable the establishment of closer communication going forward.

(5.2.9) Frequency of feedback collection

Select from:

☒ More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

The premise is that the company's own buildings are capable of being managed in a way that enables procurement of renewable energy. The reason behind this premise is that the current transition plan for introducing renewable energy involves off-site PPAs and introduction plans for company-owned facilities. Another prerequisite for Scope 3 reduction is that the digital transformation of the company's business progresses smoothly through dialogue with customers. The reason behind this prerequisite is that our largest purchase is paper.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

The annual reduction target for Scope 1 and 2 combined is 5.3%. The actual reduction has been progressing as planned at 5.6%. This progress is due to the start of additional introduction of renewable energy. Reducing the paper consumption amount, which has a major impact in Scope 3, has also contributed to progress, with a 17% reduction in paper consumption compared to the previous year.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

5.2.12 Transition Plan Results.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply:

☒ Biodiversity

(5.2.14) Explain how the other environmental issues are considered in your climate transition plan

Benesse's reliance on nature for biodiversity is due to our use of paper resources. In Scope 3 of our climate change transition plan, we are reducing our consumption of paper resources through digital transformation. Digital transformation is a plan that is consistent not only with the climate change transition plan, but also with restoring biodiversity. Furthermore, we are currently considering the introduction of BYOD tablets. In addition to leading to reductions in Scope 3 emissions, this measure is also consistent with restoring biodiversity.

[Fixed row]

(5.3) Have environmental risks and opportunities influenced your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

- ☒ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply:

- ☒ Products and services
☒ Upstream/downstream value chain
☒ Investment in R&D
☒ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have influenced your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply:

- ☒ Risks
☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply:

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

The biggest risk our company faces in relation to the climate is increased paper costs due to deforestation caused by changes in precipitation and other weather patterns. As a medium-term strategy to manage this risk, over the next few years we will strive to cut down on the amount of paper-based products we offer by gradually switching from paper-based learning materials for elementary school through high school students who are studying in our “Shinken Zemi” program to tablet based digital learning materials called “Challenge Touch.” This strategy is intended to ensure an optimum balance between our concern for the environment and our goal of providing effective learning materials for our customers. As an example of a future timeline, looking ahead to 2030, we estimate that the financial impact of increased paper costs will be approximately 570 million JPY; however, through our shift to digital products and services, we are planning to strategically reduce our

paper consumption and thus reduce medium- to long-term paper costs by approximately 1.357 billion JPY despite the above-mentioned anticipated increases in the cost of paper.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply:

☒ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply:

☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

It is anticipated that climate change may impact our supply chain and/or value chain for the production of our learning materials and toys. In the event of a major natural disaster that leads to suspension of production by our suppliers or stoppage of the delivery of products and materials from our suppliers to Japan, recovery of our supply chain may need to involve air freight, which would lead to an estimated 100 million JPY increase in cost per each air shipment. We are therefore investigating possible countermeasures such as relocating our production sites and factories.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply:

☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply:

☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Global warming due to climate change can affect ecosystems, accelerate desertification and intensify the frequency of unanticipated torrential rains and other extreme weather conditions. It is anticipated that such risks may well lead to deforestation, and as the number of trees decreases, the cost of paper, which is made from trees, will rise. The challenges we face also include the possibility of the need to change delivery methods due to the suspension of logistics networks caused by typhoons, floods and other extreme weather conditions as well as sharp increases in paper prices due to deforestation caused by changes in precipitation patterns resulting from climate change. To deal with these challenges, Benesse has adopted a strategy of digitalizing the products and services in our main lines of business, including “Shinken Zemi”. This strategy is enhancing our customers’ learning experiences while also leading to reduced paper consumption and allowing us to mitigate the impact of price increases. Thus, we are able to provide better products and services and boost our competitiveness. We are expanding our use of information technology in our line-up of products and services for schools, and our research and development in the areas of educational content and programs as well as tools has enabled us to strengthen our line-up of tablet-based products and services. This, in turn, has allowed us to compile a wealth of customer data, which should make it possible to provide products that better meet our customers’ needs, thereby boosting our sales and profits. Specifically, digitalization leads to enhanced products and services that build on Benesse’s strengths in guiding students and boosting their motivation by deepening their understanding of the learning materials and improving their comprehension through faster confirmation of whether their answers to questions are right or wrong. This enhances the learning experience, thereby improving customer satisfaction and increasing membership retention rates, thus boosting our sales and profits. This is the medium-term strategy which we plan to implement in the next few years. We do not believe that we can completely eliminate our use of paper, however, since we need to find the optimum balance between our ecological goals and our customers’ needs. Benesse invests 280 million JPY annually on R&D projects related to the shift to digital products.

Operations

(5.3.1.1) Effect type

Select all that apply:

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply:

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Benesse faces the risk of being forced to change the methods it uses to deliver its products and services to customers in the event that climate change-induced shifts in precipitation patterns lead to typhoons, flooding and other natural disasters that cause suspension of operations in its logistic networks. Based on past experience, we can estimate that in cases such as (a) logistic suspensions lasting a few days, such as occurred during the delivery stoppage due to torrential rainfall in western Japan because our logistics center is located in Okayama, the company would suffer a setback of approximately 10 million JPY per suspension; (b) suspensions lasting around three weeks, as in the case of the Great East Japan Earthquake, it would take about 150 million JPY to handle each suspension. Our SCM (Supply Chain Management) Department is currently in charge of making preparations to secure alternative delivery methods in such cases. In addition, as an internal

operation, in order to mitigate the risk of difficulties in procuring paper used by the Company due to shortages of wood pulp caused by deforestation resulting from the risk of climate change-induced changes in precipitation patterns, we are working to shift to paperless communication within our group companies and divisions. We will realize this shift over the medium-term period of a few years. (1) We are promoting paperless operations through the use of digital invoices and receipts for transactions between group companies (starting in November 2015). We have also begun issuing electronic estimates and purchase orders, and plan to extend digitalization throughout the entire Benesse group of companies. (2) Our Operations Division, which serves schools and teachers, has also introduced an electronic ordering system for schools and teachers who are our clients in order to promote paperless operations. (3) By digitalizing the editing process used in the production of our products and services, we were able to cut back on the use of paper used to print out proofs as well as on delivery costs and outsourcing commissions. Previously, we had incurred costs due to the output of proof paper and delivery costs with staff (from FY2020). Investments for the above three measures were approximately 60 million JPY, while annual savings due to paperless operations reached 57 million JPY.

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have influenced your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply:

- ☒ Revenues
- ☒ Direct costs
- ☒ Indirect costs

(5.3.2.2) Effect type

Select all that apply:

- ☒ Risks
- ☒ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply:

- ☒ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

1) Potential impact on revenues

• Opportunities related to products and services

Our efforts to reduce CO₂ emissions through reducing the use of paper by digitalizing our “Shinken Zemi” learning materials for students of elementary school through high school have allowed us to compile a wealth of data on our customers’ study history and methods, which should make it possible to provide products and services that better meet their needs; research has shown that this will improve their learning experience while also boosting our sales. These research results have been reflected in our financial plan as anticipated increases in sales thanks to a rise in our subscriber “retention rate”, a major financial index. The results of research on changes in consumer behavior due to climate change (awareness of the reduction in paper use and enhanced learning experience thanks to digitalization of the learning materials) are also reflected in our financial plan. Based on past business performance, a 1% rise in our retention rate (defined as the percentage of subscribers from the previous month who continue to use our products and services without canceling their contracts), which is one of our company’s major KPIs (key performance indicators), will lead to an annual growth in revenues of around 5%. 2) Potential impact on direct spending

Risks and opportunities related to climate may well have an impact on our revenues. The risks that Benesse has identified include those related to changes in consumer behavior and those resulting from unexpected occurrences such as natural disasters. Identified opportunities include those involving our products and services and those created by more efficient use of resources. For example, the risks that may arise from unexpected occurrences include the possible need to change the methods we use to deliver materials such as “Kodomo Challenge” and “Shinken Zemi” in case our logistics networks suspend operations. (1) Risks arising from unexpected occurrences

Based on past experience, we estimate that costs related to the need to change the methods by which we ship “Kodomo Challenge” and “Shinken Zemi” learning materials to areas affected by natural disasters when our logistics networks have suspended operations would run to approximately 10 million JPY each time a wide area is affected for several days, as in the case of the torrential rains that ravaged western Japan in 2018, or 150 million JPY each time an extremely large region is affected for approximately 3 weeks, as it was after the Great East Japan Earthquake in 2011. (2) Possible opportunities

Our strategy of producing more digital products and services such as “Challenge Touch” will minimize the influence of rising paper costs through the reduction of the use of paper, and thus potentially increase our competitiveness. The impact of our reduced paper consumption may potentially lead to medium- to long-term savings of 1.357 billion JPY despite possible increases in paper costs due to paper shortages. 3) Potential impact on indirect costs

Risks due to legal restrictions and new policies

A corporate scandal in 2014 had a major negative financial impact on the Benesse Group, including large losses of existing customers, missed opportunities to enroll new customers and new costs incurred in striving to rebuild trust. In the face of such severe financial conditions, it was difficult to switch to renewable energy sources, so we have been relying on 8,062 MWh of electricity generated using fossil fuels annually to keep the financial impact to a relatively low level. However, given the possibility that a tax on fossil fuel use may be introduced in Japan to counter global warming, this reliance on fossil fuels is accompanied by the risk of increased energy costs. If the cost of procuring energy rises 5%, our operating costs will rise by about 10 million JPY annually. In the face of new laws concerning climate change and the use of fluorocarbons, our CEO approved the following measures. In FY2020, high-efficiency air cooled chillers and multiple air conditioning units that can make accurate output adjustments based on motion sensors were installed at the Benesse Logistics Center, resulting in an annual reduction of energy equivalent to 67 kiloliters of crude oil a year. In addition, toilet renovation is now underway (2021 to 2023). Plumbing work at the Minamigata Headquarters Building undertaken in 2020 led to a reduction in water consumption for flushing toilets by 240 m³/year (0.6t CO₂/year). In addition, a shift to LED lights and a reduction in electricity consumption for lighting and air conditioning reduced electricity consumption by 12,696 kwh (3.3 kl/year), while the elevators in our high buildings are undergoing renovation between 2021 and 2024 with the expectation that this will reduce carbon dioxide emissions by 6t/year. At our Tama Office Building, upgrades in the lighting equipment and the installation of insulation film in offices and on glass windows reduced electricity use by an estimated 82.82kl during FY2020, while refurbishment of plumbing and toilets is being undertaken between 2020 and 2023 and is expected to reduce water consumption for flushing toilets by 15,000 m³/year (7t CO₂/year). In addition, we are planning on upgrading the voltage transformer and the ventilation and exhaust fans in the electricity generating room to reduce

electricity consumption.

[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	Select from: ☒ Yes	Select all that apply: ☒ Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☒ Other, please specify : Calculations for each global warming scenario were made based on the following definition data and confirmed with our divisions. • Taken from the IEA World Energy Outlook 2020, 2021, IPCC Fifth Assessment Report, IPCC Sixth Assessment Report and Reports of WG1 and WG2; Physical risks: Hazard maps issued by regional authorities and local municipalities; Carbon tax: Set with reference to the World Energy Outlook 2021 (2030 targets for a scenario of capping global warming at 1.5°C as shown in the WEO2021 Net Zero Emissions by 2050 Scenario.

(5.4.1.5) Financial metric

Select from:

☒ Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

87000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

0.01

(5.4.1.8) Percentage share selected financial metric planned to align in 2025 (%)

0.02

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

1

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

The simulation of our increase in sales resulting from environmental education is as follows: In order to cap global warming at 1.5°C by 2030, sales for a 1% market share (30 million JPY + 57 million JPY) X our future market share

**For 2050, sales for a 1% market share will be multiplied by the projected decline in the number of schools (61%).*

[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☒ Yes	Select all that apply: ☒ Carbon

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

- ☒ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply:

- ☒ Drive low-carbon investment
- ☒ Drive energy efficiency
- ☒ Identify and evaluate financing opportunities
- ☒ Identify and seize low-carbon opportunities
- ☒ Influence strategy and/or financial planning
- ☒ Reduce upstream value chain emissions

(5.10.1.3) Factors considered when determining the price

Select all that apply:

- ☒ Cost of required measures to achieve climate-related targets
- ☒ Scenario analysis

(5.10.1.4) Calculation methodology and assumptions made in determining the price

The introduction of biomaterials in film envelopes used in direct mailing of our products could be linked to cost increases; however, priority was placed on changes in in-house operations such as investment in low-carbon activities, reduction in emissions along the supply chain and responding to our customers' expectations, and the CEO himself decided to adopt biomaterials even if this led to higher costs. As part of efforts to introduce film envelopes, in addition to establishing a production system, we also worked with suppliers to conduct multiple tests (adjusting the adhesive strength of the glue, etc.), and ultimately introduced the film envelopes. The price was calculated by dividing the cost increase for the reporting year by the corresponding reduction of GHG emissions in Category 1 of Scope 3.

(5.10.1.5) Scopes covered

Select all that apply:

☒ Scope 3, Category 1 -Purchased goods and services

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☒ Differentiated

(5.10.1.7) Indicate how and why the price is differentiated

This figure is unique to Benesse, as it was calculated by dividing the increase in costs to the company by the GHG emissions to be reduced. Another benefit of this initiative is that we have created and posted our own original mark on direct film envelopes to inform customers of the use of bio-based materials.

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☒ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

This initiative is ongoing; however, it is subject to change depending on fluctuations in procurement prices and the amount of GHG emissions reductions.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

1575

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

1575

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply:

☒ Operations

☒ Procurement

- ☒ Risk management
- ☒ Value chain engagement

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

- ☒ Yes, for some decision-making processes, please specify :Procurement of film envelopes for direct mail

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

0.03

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

- ☒ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

The matter was discussed in a committee consisting of the heads of the relevant departments that make procurement decisions and the CEO, and was ultimately decided upon by the CEO. This initiative will be subject to annual monitoring and evaluation.

[Add row]

(5.11) Do you engage with your value chain on environmental issues?

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

- ☒ Yes

(5.11.2) Environmental issues covered

Select all that apply:

☒ Climate change

Clients

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☒ Yes

(5.11.2) Environmental issues covered

Select all that apply:

☒ Climate change

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☒ No, but we plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☒ No standardized procedure

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

The IR (Investor Relations) Department engages in dialogue with asset managers and investors. About 200 briefings and SR (Shareholder Relations) /ESG (Environment, Social, Governance) meetings with asset managers and investors were held during the reporting year (with ESG briefings starting in FY2022), during which dialogue is promoted and we receive feedback about our activities. Being a relatively small greenhouse gas emitter, we got a limited number of questions that focused on how we had established our goals for reductions in greenhouse gas emissions, how we track and manage progress toward our goals, as well as about specific measures to be implemented to achieve our reductions. We have responded to questions and comments received and conveyed them to relevant internal

departments, and are conducting necessary reviews. However, due to the delisting of Benesse Holdings, Inc. in May 2024, we are currently only considering the process for collaboration.

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☒ No, but we plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☒ Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

We have identified priority suppliers in the value chain, and will give priority to benefits for these preferred suppliers.

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☒ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply:

- ☒ Contribution to supplier-related Scope 3 emissions
- ☒ Dependence on ecosystem services/environmental assets

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

- ☒ 76~99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

Since Benesse's business is a continuing business, whether or not the company purchases physical materials that have high GHG emissions as a continuous supplier is consistent with climate change. This does not apply to providers of only soft content (designs, manuscripts, etc.) and data, which have extremely low GHG emissions. The target is suppliers who have an annual transaction volume of at least a certain level and who can provide information and consultation regarding initiatives, such as cooperation in calculating GHG emissions.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

- ☒ 76~99%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

10
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☒ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply:

☒ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

(5.11.2.4) Please explain

*Benesse has established a procurement policy for the procurement of paper and supplies for the manufacture of learning materials and toys and made it public. This policy is based on the Benesse Group's environmental policy that addresses climate change, among other issues, and strives to ensure that all processes along the supply chain, including procurement and logistics, are conducted with the environment in mind. Our policy promotes low-waste product specifications, procurement that takes the environment, including climate change, into account, and increased accuracy in our production numbers. We are also working with our trading partners to evaluate measures to protect the environment and take climate change into consideration and promote efficient delivery methods. The Benesse Logistics Center, our main logistics hub, is striving to reduce CO₂ emissions. Benesse has established a product procurement policy and standards as well as an in-house inspection system. We use only suppliers who fully meet Benesse's standards. In particular, we have implemented a stringent checking system based on rules strictly prohibiting the use of materials that have an adverse impact on the environment. Since paper constitutes the largest proportion of our resource consumption, we have established paper procurement standards and conduct strict screening of the paper we consume. (*Our paper procurement standard is disclosed to our suppliers.) Benesse provides these standards in writing to all of our primary and secondary agents as well as to the paper manufacturers so that they can confirm them. To ensure that this type of strict management is carried out on a daily basis, our engagement covers not only suppliers of products and services, but all suppliers, from those who provide marketing tools and packaging to those who handle delivery. Moreover, we hold monthly meetings with our suppliers and are considering ways to strengthen our measures to protect the environment and control climate change.*

[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☒ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☒ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Benesse's main business is the supply of "Kodomo Challenge" and "Shinken Zemi" learning materials in paper-based and tablet forms. We work with our suppliers to evaluate the environmental impact of each phase of the work, including by conducting audits and inspections of environmental measures at manufacturing sites and reviewing our delivery methods. By continuing to award contracts to suppliers who meet our standards, we help stabilize their business operations. This collaboration with our suppliers not only helps reduce the impact of our business on climate change and other environmental challenges, but also enables us to offer safe products. We view this consideration of both the environment and product safety as a hallmark of Benesse's business. As a company that outsources the manufacture of learning materials and tablets, we take our responsibility over the supply chain seriously. We therefore view our ability to conduct audits and inspections of environmental initiatives to enable us to provide products that meet rigorous standards as a benchmark of our success. 100% of the paper procured by Benesse meets the environmental standards we set. We are using the ratio of supplier compliance with Benesse environmental standards as the KPI (key performance indicator) to measure our success in engagement. Our target is 100% compliance and we are meeting that goal. This is the result of preliminary surveys to ascertain whether suppliers meet our standards and our rule that we will not begin doing business with suppliers whose survey answers show that they do not meet these standards, as well as our system of multiple checks to meet our policy of not shipping out products from suppliers that do not meet our standards.

[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☒ Disclosure of GHG emissions to your organization (Scope 1,2 and 3)

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply:

☒ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☒ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☒ 100%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☒ 76~99%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☒ 76~99%

(5.11.6.9) Response to supplier noncompliance with this environmental requirement

Select from:

☒ Retain and engage

(5.11.6.10) % of noncompliant suppliers engaged

Select from:

☒ None

(5.11.6.11) Procedures to engage noncompliant suppliers

Select all that apply:

- ☒ Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics
- ☒ Providing information on appropriate actions that can be taken to address non-compliance
- ☒ Re-integrating suppliers back into upstream value chain based on the successful and verifiable completion of activities

(5.11.6.12) Comment

Our suppliers submit the data necessary for annual calculations of GHG emissions. Even though there are some slight discrepancies in the schedule, they ultimately provided the data and we continue to ask for their cooperation.

[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

- ☒ Emissions reduction

(5.11.7.3) Type and details of engagement

Information collection

- ☒ Collect climate transition plan information at least annually from suppliers

Innovation and collaboration

- ☒ Collaborate with suppliers on innovations to reduce environmental impacts in products and services
- ☒ Run a campaign to encourage innovation to reduce environmental impacts on products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply:

- ☒ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 76~99%

(5.11.7.6) % of tier 1 supplier-related scope3 emissions covered by engagement

Select from:

☒ 76~99%

(5.11.7.9) Describe of the engagement and explain the effect of your engagement on the selected environmental action

- Collecting greenhouse gas emissions data from suppliers at least once a year: Suppliers provide the data necessary for Scope 3 calculations every year, and we hold explanatory meetings as necessary to build ongoing cooperative relationships. · Collaborating with suppliers on innovations to reduce the environmental impact of their products and services: Announcements to students of our correspondence courses are sent via direct mail, web mail and SNS messages, with 90% of the direct mail announcements sent in OPP (biaxially oriented polypropylene) envelopes. It was decided to blend bio-based materials in the material used to manufacture these envelopes, and to that end, we worked with the suppliers to develop a glue to seal these envelopes, because the new vinyl envelopes tore when sealed with the glue we had been using up to that point. We repeatedly developed, improved and tested new glues and were finally able to produce one of the right adhesive strengths for the new envelopes. The reduction in emissions due to this measure is only 5% due to the fact that our use of envelopes for direct mail is low. However, we began work on this measure with the intent of undertaking initiatives to reduce even small amounts of emissions whenever possible. We are planning to continue our efforts to increase such activities with possible collaborators among our business partners in the future. · Campaign to encourage innovation to reduce the environmental impact of products and services: Paper is normally purchased by the ream, but since we don't need an exact number of reams, we had been asking our paper suppliers to dispose of the leftover paper. We recently changed our procurement contracts so that the leftover fraction would be counted and collected for a half year, with the profit accrued then split between the supplier and Benesse. This not only reduced waste but also reduced paper consumption, thereby contributing to Benesse's climate change measures by reducing our Scope 3 emissions. The total paper used for learning materials and direct mailing resulted in an annual incentive of approximately 2 million JPY for the suppliers.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☒ Yes, please specify the environmental requirement : Request the provision of data necessary for Scope 3 calculations and provide support as necessary

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☒ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☒ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

Innovation and collaboration

☒ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☒ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☒ 51~75%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

We view children as “exchange students from the future” and define the environmental activities we are engaged in as working to bring the Earth to a sustainable state so that children can bring about a state of well being that is in keeping with our corporate philosophy: “Benesse = Well-Being.” We are conscious of the fact that carrying out environmental education, including education about climate change, is extremely important for Benesse, a company whose main business is education, because we know that it is the role of education to transform society over the medium and long term. Our operations are in line with the Paris Agreement on Climate Change. Benesse is striving to help make society carbon neutral, not only through its daily operations, but also through its “Kodomo Challenge” and “Shinken Zemi” programs, by providing products, services and opportunities for children to learn about why climate change is occurring and how it can be adapted to and mitigated now and into the future. Additionally, engagement to encourage innovation for reducing environmental impact is targeted at elementary, junior high and high school student customers who use tablets and smartphones. This is the generation that will play an instrumental role in protecting the global environment through climate control strategies in the future, and we believe that continuous education on the environment tailored to their developmental stages could be an important strategy in addressing climate change. Moreover, from FY 2023, we have expanded a campaign to promote the reuse of tablets.

(5.11.9.6) Effect of engagement and measures of success

The threshold for success is providing environmental education to 100% of customers. We provide environmental education, including education about how to mitigate climate change and adapt to it, that is in conformity with the course guidelines of Japan’s Ministry of Education, Culture, Sports, Science and Technology (MEXT) to 100% of our customers, with our own contents and events that are tailored to each stage of a child’s development. At our events, we ask participants to make “Eco Friendly Declarations” about energy reduction measures they can put into practice in their daily lives from now on. This consciousness-raising activity encourages them to pledge to make changes in their daily lives to mitigate climate change through measures such as reducing energy consumption in their home, replacing gasoline-driven cars with electric vehicles, driving in an eco-friendly manner and so on. Customers learn about the environment and climate change not only in our science and social studies materials, but also in the environmental education contents of such products as our “Shimajiro: A World of Wow! “Mamimume ‘Mottainai’ (Wasteful!)” and “Eco Challenge for Parents and Children”, as well as by participating in such activities as our “Summer Challenge: Contest to Create a Future for Elementary School Students Nationwide”, the Environmental Essay Contest for High School Students, the Benesse STEAM Festival, and the National Exploration Contest, and by viewing the prize-winning entries in these programs. In these ways, Benesse is helping to raise customers’ consciousness about climate change and other environmental concerns. <https://benesse-hd.disclosure.site/ja/themes/150>

The biggest success in our innovation campaign comes through the initiation of courses using tablets. For “Shinken Zemi”, Benesse’s main product for elementary, junior high and high school students. Attendance rates for tablet-based courses, our KPI (Key Performance Indicator) in this area, reached approximately 70% for elementary and junior high school students and 100% for high school students for the reporting year. This increase over the previous year is a sign of the success of this measure. Furthermore, we were able to reduce paper consumption by 17% from the previous year, and we were able to reduce emissions in the transportation, use and waste categories. Results are also being generated by the campaign to promote tablet reuse, which began in 2023.

[Add row]

C6. Environmental Performance – Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

	Consolidation approach used	Provide the rationale for the choice of consolidation approach
Climate change	Select from: ☒ Financial control	<i>For financial management purposes, we calculated environmental performance data for sales ratios of 95% or more.</i>
Plastics	Select from: ☒ Financial control	<i>The listing focuses on Benesse Corporation, which is the company's main subsidiary and is primarily being used.</i>
Biodiversity	Select from: ☒ Financial control	<i>The listing focuses on Benesse Corporation, which is the company's main subsidiary, and Benesse House, which is located within Setouchi National Park.</i>

[Fixed row]

C7. Environmental Performance – Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☒ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply: ☒ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
	Select all that apply: ☒ Yes, a change in	Until last year, the focus was on our main subsidiary, Benesse Corporation. However, starting this year, we have switched to a boundary covering the entire Benesse Group.

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
	boundary	

[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2 ?

(7.1.3.1) Base year recalculation

Select from:

☒ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply:

☒ Scope 1

☒ Scope 2, location-based

☒ Scope 2, market-based

☒ Scope 3

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

The only change was to expand the boundary to the entire Group. We have not changed the emissions methodology for the base year.

(7.1.3.4) Past years' recalculation

Select from:

☒ Yes

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply:

☒ Act on the Rational Use of Energy

☒ Japan Ministry of the Environment, Law Concerning the Promotion of the Measures to Cope with Global Warming, Superseded by Revision of the Act on Promotion of Global Warming Countermeasures (2005 Amendment)

☒ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☒ The Greenhouse Gas Protocol: Scope 2 Guidance

☒ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☒ We are reporting a Scope 2, location-based figure	Select from: ☒ We are reporting a Scope 2, market-based figure	Calculations for electricity, steam, and cold water usage in Japan, Taiwan (China), and China based on location and market standards

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☒ No

(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Row 1

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply:

- | | |
|---|---|
| ☒ Scope 1 | ☒ Scope 3: Other (upstream) |
| ☒ Scope 3: Investments | ☒ Scope 3: Other (downstream) |
| ☒ Scope 3: Business travel | ☒ Scope 2 (market-based) |
| ☒ Scope 3: Capital goods | ☒ Scope 3: Processing of sold products |
| ☒ Scope 3: Employee commuting | ☒ Scope 3: Use of sold products |
| ☒ Scope 3: Franchises | ☒ Scope 3: Waste generated in operations |
| ☒ Scope 2 (location-based) | ☒ Scope 3: Downstream transportation and distribution |
| ☒ Scope 3: Upstream leased assets | ☒ Scope 3: End-of-life treatment of sold products |
| ☒ Scope 3: Downstream leased assets | ☒ Scope 3: Purchased goods and services |
| ☒ Scope 3: Upstream transportation and distribution | ☒ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) |

[Add row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

(7.5.3) Methodological details

*(Calculated using (amount of oil and gas consumed) (each coefficient), [Source] Ministry of the Environment Emissions Coefficients Related to Fuel Consumption
https://ghg-santeikohyo.env.go.jp/files/about_document/2018/gaiyo_3.pdf
 Emissions associated with fuel consumption within the company.*

Scope 2 (location-based)

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

41635

(7.5.3) Methodological details

*Calculated using (amount of electricity, steam, and cold water consumed) (each coefficient), [Source] Ministry of the Environment Emissions Coefficients Related to Fuel Consumption
https://ghg-santeikohyo.env.go.jp/files/about_document/2018/gaiyo_3.pdf
 Emissions associated with the procurement of fuel necessary for generating electricity, heat, etc., procured from other companies.*

Scope 2 (market-based)

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

43085

(7.5.3) Methodological details

Calculated using (amount of electricity, steam, and cold water consumed) (each coefficient), [Source] Ministry of the Environment Emissions Coefficients Related to Fuel Consumption https://ghg-santeikohyo.env.go.jp/files/about_document/2018/gaiyo_3.pdf Indirect emissions due to the use of electricity, heat and steam provided by other companies on a market base

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO₂e)

351919

(7.5.3) Methodological details

Energy consumption X weight of waste calculated using the emission coefficient fuel consumption method and the revised ton-kilometer method X purchase price of goods per standard physical unit X standard unit of emissions [Source] (1) Emission coefficient for each provider of energy (for use in calculating greenhouse gas emissions by specific producers of such emissions) –Records for FY2021– Published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry (https://ghg-santeikohyo.env.go.jp/files/calc/r05_coefficient_rev4.pdf) · List of coefficients for global warming countermeasures for reporting “Household and Industrial Water Consumption” (<https://www8.kankyo.metro.tokyo.lg.jp/ondanka/report/pdf/keisuuitiran.pdf>) (2) Fuel Emission coefficients for fuel consumption taken from the list of Emission Coefficients and Calculation Methods for Use in the System for Calculating, Reporting and Publishing Fuel Consumption (Reference 1) https://ghg-santeikohyo.env.go.jp/files/about_document/2018/gaiyo_3.pdf (3) Waste Database of Emissions Unit Values for Use in Calculating an Organization’s Greenhouse Gas Emissions Throughout Its Supply Chain (Version 2.5) Ministry of the Environment, Section 8: Unit Values for Emissions According to Waste Type and Disposal Method, Table 8: Unit Values for Emissions According to Waste Type and Disposal Method For cases in which the disposal method was unknown, we used Table 9: Unit Values for Emissions According to Waste Type https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/DB_V2-5.pdf Database of Emissions Unit Values for Use in Calculating an Organization’s Greenhouse Gas Emissions Throughout Its Supply Chain (Ver.2.5) Section 5: Unit Values of Emissions According to Industry Based on Input-Output Tables https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/DB_V2-5.pdf Calculations for paper and printing emissions were directly made using data provided by our suppliers. Emissions unit values for office supplies were calculated using profit and loss data and the Embodied Energy and Emission Intensity Data for Japan Using Input-Output Tables data book published by the Center for Global Environmental Research of the National Institute for Environmental Studies <http://www.cger.nies.go.jp/publications/report/d031/jpn/datafile/embodied/2005/403.htm>

Scope 3 category 2: Capital goods

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

16279

(7.5.3) Methodological details

The emissions unit value per unit of capital goods was calculated using the cost of acquisition of tangible fixed assets as shown in the cash flow statement. The emissions unit values shown on the Green Value Chain Platform jointly established by the Ministry of the Environment and the Ministry of Economy, Trade and Industry were used in this calculation.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

9977

(7.5.3) Methodological details

(Benesse electricity intake data) X (average emissions unit value for all sources of electricity)

(Benesse heat intake data) X (emissions unit value)

References

(1) Energy · Emission coefficient for each provider of electricity (for use in calculating greenhouse gas emissions by specific producers of such emissions) – Records for FY2021 – Published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry (https://ghg-santeikohyo.env.go.jp/files/calc/r05_coefficient_rev4.pdf) · List of coefficients for global warming countermeasures for reporting “Household and Industrial Water Consumption” (<https://www8.kankyo.metro.tokyo.lg.jp/ondanka/report/pdf/keisuuitiran.pdf>) (2) Fuel Emission coefficients for fuel consumption taken from the list of Emission Coefficients and Calculation Methods for Use in the System for Calculating, Reporting and Publishing Fuel Consumption (Reference 1): https://ghg-santeikohyo.env.go.jp/files/about_document/2018/gaiyo_3.pdf Emission units for fuel procured from other companies and the procurement of fuel needed to generate electricity, heat, etc. were calculated using the IDEA database.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

8543

(7.5.3) Methodological details

Fuel consumption method and the revised ton-kilometer method The emissions unit values were calculated using the following methods: Figures available in the Greenhouse Gas Emissions Throughout Its Supply Chain database (Version 2.5) developed by the Ministry of the Environment (https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/DB_V2-5.pdf) In calculating the volume of emissions related to upstream and downstream shipping of printed materials and tablets, the emission unit values were determined according to the reporting rules of the individual shippers.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

9635

(7.5.3) Methodological details

Total emissions from waste generated at company-owned buildings were calculated by multiplying the weight of each type multiplied by its emission coefficient. Manifest data was used to calculate the emissions unit values for industrial waste (based on the unit values shown in the Ministry of the Environment's database).
References

Database of Emissions Unit Values for Use in Calculating an Organization's Greenhouse Gas Emissions Throughout Its Supply Chain (Version 2.5)

Ministry of the Environment, Section 8: Unit Values for Emissions According to Waste Type and Disposal Method

Table 8: Unit Values for Emissions According to Waste Type and Disposal Method

For cases in which the disposal method was unknown, we used Table 9: Unit Values for Emissions According to Waste Type
https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/DB_V2-5.pdf Database of Emissions Unit Values for Use in Calculating an Organization's Greenhouse Gas Emissions Throughout Its Supply Chain (Version 2.5): Unit Values of Emissions According to Industry Based on Input-Output Tables
https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/DB_V2-5.pdf Generated waste (paper, plastic, burnable garbage, bottles, cans, PET (polyethylene terephthalate) bottles and other waste)

Scope 3 category 6: Business travel

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

4099

(7.5.3) Methodological details

Calculations of emissions related to business travel were based on total expenditures on business travel as reflected in Benesse's in-house BENKEI system for managing annual domestic and overseas travel and accommodation expenses, as well as management records of actual travel shown in the business travel navigation data system. Emission unit values were based on the Unit Values of Emissions According to Industry Based on Input-Output Tables of the Database of Emissions Unit Values for Use in Calculating an Organization's Greenhouse Gas Emissions Throughout Its Supply Chain (Version 2.5)
https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/DB_V2-5.pdf

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

03/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

1363

(7.5.3) Methodological details

- *Commuting expenses*

Amount spent on employee commuting expenses X emissions unit value

- *Emissions unit value calculated using the following database: Database of Emissions Unit Values for Use in Calculating an Organization's Greenhouse Gas Emissions Throughout Its Supply Chain https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/DB_V2-5.pdf*

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable (due to its inclusion in Scope 1 and 2 calculations)

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

10277

(7.5.3) Methodological details

Emissions from product shipments (including transport of products from Benesse and downstream thereafter) and warehouse storage. Fuel consumption method and the revised ton-kilometer method

■ *Ton-kilometer method: ton-kilometer transport (cargo weight in tons X distance transported in kilometers) X emissions unit value for ton-kilometer fuel consumption [D] X unit value (heating value units [A] X emissions coefficient [B] X 44/12)*

Emissions unit values were taken from the Database of Emissions Unit Values for Use in Calculating an Organization's Greenhouse Gas Emissions Throughout Its Supply Chain (Ver. 2.5), published by the Ministry for the Environment https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/DB_V2-5.pdf

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

03/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Due to the nature of our business, which is selling finished products, there are no Scope emissions in this category.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

347

(7.5.3) Methodological details

Calculated emissions related to the electricity used by the tablets we sold: Power consumption during tablet use X number of tablets sold X emission coefficient

Emission coefficient for each provider of electricity (for use in calculating greenhouse gas emissions by specific producers of such emissions) – Records for FY2017 – Published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry (<https://www.env.go.jp/content/900528174.pdf>)

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

6266

(7.5.3) Methodological details

Calculated emissions related to disposal of sold printed materials, educational toys and mail-order products: Weight of waste X emissions unit value

Source of emissions unit values used: • Database of Emissions Unit Values for Use in Calculating an Organization's Greenhouse Gas Emissions Throughout Its Supply Chain (Ver. 2.5), published by the Ministry for the Environment, Section 8: Unit Values for Emissions According to Waste Type and Disposal Method, Table 8: Unit Values for Emissions According to Waste Type and Disposal Method

*• For cases in which the disposal method was unknown, we used Table 9: Unit Values for Emissions According to Waste Type
https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/DB_V2-5.pdf*

Scope 3 category 13: Downstream leased asset

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

18074

(7.5.3) Methodological details

Calculate the indirect emissions associated with the use of electricity, heat, and steam supplied by other parties on a market basis to users of nursing care services.

Scope 3 category 14: Franchises

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We checked, but there are no emissions generated from this type of business.

Scope 3 category 15: Investments

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Since the primary focus of our business is not finance, we excluded this category as irrelevant.

Scope 3: Other (upstream)

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

(7.5.3) Methodological details

We checked, but since our main business is in the field of education, there were no emissions generated in this category.

Scope 3: Other (downstream)

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We checked, but since our main business is in the field of education, there were no emissions generated in this category.
[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

	Gross global Scope 1 emissions (metric tons CO2e)	End date	Methodological details
Reporting year	12490	—	(Calculated using (amount of oil and gas consumed) (each coefficient), [Source] Ministry of the Environment Emissions Factors Related to Fuel Consumption https://ghg-santeikohyo.env.go.jp/files/about_document/2018/gaiyo_3.pdf Emissions associated with fuel consumption within the company.
Past year 1	13447	03/31/2022	(Calculated using (amount of oil and gas consumed) (each coefficient), [Source] Ministry of the Environment

	Gross global Scope 1 emissions (metric tons CO2e)	End date	Methodological details
			<i>Emissions Factors Related to Fuel Consumption</i> https://ghg-santeikohyo.env.go.jp/files/about_document/2018/gaiyo_3.pdf <i>Emissions associated with fuel consumption within the company.</i>

[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

41217

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

40878

(7.7.4) Methodological details

Calculated using (amount of electricity, steam, and cold water consumed) (each coefficient), [Source] Ministry of the Environment Emissions Coefficients Related to Fuel Consumption https://ghg-santeikohyo.env.go.jp/files/about_document/2018/gaiyo_3.pdf Use of electricity, steam, and cold water provided by others is calculated based on location standards and market standards

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

41635

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

43085

(7.7.3) End date

03/31/2022

(7.7.4) Methodological details

*Calculated using (amount of electricity, steam, and cold water consumed) (each coefficient), [Source] Ministry of the Environment Emissions Coefficients Related to Fuel Consumption https://ghg-santeikohyo.env.go.jp/files/about_document/2018/gaiyo_3.pdf Use of electricity, steam, and cold water provided by others is calculated based on location standards and market standards
[Fixed row]*

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

309798

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Hybrid method

☒ Fuel-based method

☒ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

99

(7.8.5) Please explain

Calculations included emissions related to the procurement of raw materials for our printed materials, water use during the production of printed materials and tablet products, procurement of educational toys and mail order products, repair of and insurance for vehicles used by our sales department, use of water in our offices, and emissions related to our purchase of office supplies and so on. We received weight and price data for each item from our suppliers.

Capital goods

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

14497

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Tangible fixed assets in cash flow statements.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

9601

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions associated with the procurement of fuels from other companies, and the procurement of fuels required for the generation of electricity, heat and other power. Emission units were calculated using the IDEA database.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

6793

(7.8.3) Emissions calculation methodology

Select all that apply:

- ☒ Fuel-based method
- ☒ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Calculated emissions related to transportation (both upstream and downstream) during production of printed learning materials and tablets. The emission unit values were determined according to the reporting rules of the individual shippers.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

- ☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

9904

(7.8.3) Emissions calculation methodology

Select all that apply:

- ☒ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Waste generated at company-owned buildings (paper, plastic, burnable garbage, bottles, cans, PET (polyethylene terephthalate) and other)

Business travel

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

6443

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculations of emissions related to business travel were based on total expenditures on business travel as reflected in Benesse's in-house BENKEI system for managing annual domestic and overseas travel and accommodation expenses, as well as management records of actual travel shown in our business travel navigation data system.

Employee commuting

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

7216

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculations are made in advance based on annual totals of actual commuting expenses recorded in the human resources management system and Benesse's in-house BENKEI system.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Since our main business is in the field of education, there are no emissions generated in upstream leased assets.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

7625

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Fuel-based method

☒ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions from product shipments (including transport of products from Benesse and downstream thereafter) and warehouse storage were calculated. We received data on cargo weight (t) and transport distance (km) from the supplier.

Processing of sold product

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Since we only sell finished products, we do not generate emissions in this Scope category.

Use of sold products

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

304

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions related to the electricity consumed when the tablets we sell are used were calculated.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

31219

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions related to the disposal of waste from the printed materials, educational toys and mail-order products sold in Japan were calculated.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

26531

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Use of electricity etc., in tenant spaces. Indirect emissions due to the use of electricity, heat and steam provided by other companies on a market base

Franchises

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We checked, but there are no emissions generated from this type of business.

Investments

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.5) Please explain

Since the primary focus of our business is not finance, we excluded this category as irrelevant.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

0

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We checked, but no emissions are generated due to the nature of our business

Other (downstream)

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply:

☒ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We checked, but no emissions are generated due to the nature of our business.

[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

03/31/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

351919

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

16279

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

9977

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

8543

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

9635

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

4099

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

1363

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

10277

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

347

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

6266

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

18074

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

First year of calculating Scope 3 emissions for the entire Group
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Select from: ☒ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Select from: ☒ Third-party verification or assurance process in place
Scope 3	Select from: ☒ Third-party verification or assurance process in place

[Fixed row]

(7.9.1)) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☒ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.1.4) Attach the statement

[Independent Assurance Report](#)

(7.9.1.5) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-4

(7.9.1.6) Relevant standard

Select from:

☒ ISO14064-3

(7.9.1.7) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.2) Provide further details of the certification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☒ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.2.5) Attach the statement

[Independent Assurance Report](#)

(7.9.2.6) Page/section reference

“Independent Assurance Report” by SOCOTEC Certification Japan P.1-4

(7.9.2.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:

☒ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.2.5) Attach the statement

[Independent Assurance Report](#)

(7.9.2.6) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-4

(7.9.2.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply:

☒ Scope 3:Purchased goods and services

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

[*Independent Assurance Report*](#)

(7.9.3.6) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-4

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

98

Row 2

(7.9.3.1) Scope 3 category

Select all that apply:

☒ Scope 3:Capital goods

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

[Independent Assurance Report](#)

(7.9.3.6) Page/section reference

“Independent Assurance Report” by SOCOTEC Certification Japan P.1-3

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 3

(7.9.3.1) Scope 3 category

Select all that apply:

☒ Scope 3:Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

[Independent Assurance Report](#)

(7.9.3.6) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-3

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 4

(7.9.3.1) Scope 3 category

Select all that apply:

☒ Scope 3:Upstream transportation and distribution

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

[Independent Assurance Report](#)

(7.9.3.6) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-3

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 5

(7.9.3.1) Scope 3 category

Select all that apply:

☒ Scope 3:Waste generated in operations

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

[Independent Assurance Report](#)

(7.9.3.6) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-3

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 6

(7.9.3.1) Scope 3 category

Select all that apply:

☒ Scope 3: Business travel

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

[Independent Assurance Report](#)

(7.9.3.6) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-3

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 7

(7.9.3.1) Scope 3 category

Select all that apply:

☒ Scope 3: Employee commuting

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

Scope 3 and Waste Independent Third Party Assurance Report (Japanese version).pdf

(7.9.3.6) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-3

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

Row 8**(7.9.3.1) Scope 3 category**

Select all that apply:

☒ Scope 3: Downstream transportation and distribution

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

[Independent Assurance Report](#)

(7.9.3.6) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-3

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 9

(7.9.3.1) Scope 3 category

Select all that apply:

☒ Scope 3: Use of sold products

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

[Independent Assurance Report](#)

(7.9.3.6) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-3

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 10

(7.9.3.1) Scope 3 category

Select all that apply:

☒ Scope 3: End-of-life treatment of sold products

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

[Independent Assurance Report](#)

(7.9.3.6) Page/section reference

“Independent Assurance Report” by SOCOTEC Certification Japan P.1-3

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

Row 11

(7.9.3.1) Scope 3 category

Select all that apply:

☒ Scope 3: Downstream leased assets

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

[*Independent Assurance Report*](#)

(7.9.3.6) Page/section reference

"Independent Assurance Report" by SOCOTEC Certification Japan P.1-3

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:

☒ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO₂e)

2342

(7.10.1.2) Direction of change in emissions

Select from:

☒ Decreased

(7.10.1.3) Emissions value (percentage)

4.1

(7.10.1.4) Please explain calculation

Introduction of renewable energy resulted in reductions of 2,342t-CO₂

Scope 1 and 2 emissions for the previous year were 56,775t-CO₂, so the rate of reduction can be calculated as $2,342/56,775 \times 100 = 4.1\%$

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO₂e)

1065

(7.10.1.2) Direction of change in emissions

Select from:

☒ Decreased

(7.10.1.3) Emissions value (percentage)

1.9

(7.10.1.4) Please explain calculation

Introduction of electric equipment in the Headquarters building's cafeteria resulted in reductions of 1,065t-CO₂

Scope 1 and 2 emissions for the previous year were 56,775t-CO₂, so the rate of reduction can be calculated as $1,065/56,775 \times 100 = 1.9\%$

Divestment

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

35

(7.10.1.2) Direction of change in emissions

Select from:

☒ Decreased

(7.10.1.3) Emissions value (percentage)

0.1

(7.10.1.4) Please explain calculation

Elevator renovation work and electrical room/electric transformer replacement work as part of the periodic repair plan resulted in reductions of 35t-CO₂. Scope 1 and 2 emissions for the previous year were 56,775t-CO₂, so the rate of reduction can be calculated as $35/56,775 \times 100 = 0.1\%$

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change

[Add row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:

☒ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:

☒ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:

☒ No

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
China	0	628	628
Japan	12490	40206	39859
Taiwan(China)	0	383	391

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply:

☒ By business division

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric tons CO2e)
Row 1	Education services	939
Row 2	Nursing care services	11379

	Business division	Scope 1 emissions (metric tons CO2e)
Row 3	Hotel Management	172

[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity
Row 2	Use of city gas on the site
Row 3	Use of Gasoline for Company Vehicles

[Add row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply:

☒ By business division

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	<i>Education services</i>	<i>12706</i>	<i>11234</i>
Row 2	<i>Nursing care services</i>	<i>27584</i>	<i>28858</i>
Row 3	<i>Hotel Management</i>	<i>927</i>	<i>786</i>

[Add row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity
Row 2	<i>Logistics Center</i>
Row 3	<i>Classroom</i>
Row 4	<i>Scoring Venue</i>
Row 5	<i>Office</i>

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

12490

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

41217

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

40878

(7.22.4) Please explain

Total value of consolidated subsidiaries in terms of finance

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

No occurrence due to only consolidated subsidiaries

[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

☒ Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

Benesse Corporation

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 1260001011820

(7.23.1.11) Other unique identifier

National Tax Agency Corporation Number 1260001011820

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

73

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

3700

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

(7.23.1.15) Comment

Education services (comprehensive educational services for infants, elementary school students, junior high school students, high school students, university students, and working adults)

Row 2**(7.23.1.1) Subsidiary name**

Classi Corp.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 1010401109149

(7.23.1.11) Other unique identifier

National Tax Agency Corporation Number 1010401109149

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

25

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

(7.23.1.15) Comment

Multifaceted support for ICT in schools

Row 3**(7.23.1.1) Subsidiary name**

Tokyo Individualized Educational Institute, Inc.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ ISIN code – bond

☒ ISIN code - equity

☒ Ticker symbol

☒ Other unique identifier, please specify

(7.23.1.4) ISIN code – bond

JP3576500007

(7.23.1.5) ISIN code - equity

JP3576500007

(7.23.1.7) Ticker symbol

4745

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 3010001061962

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

301

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

3091

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

3087

(7.23.1.15) Comment

Operation of private tutoring schools

Row 4

(7.23.1.1) Subsidiary name

UP Inc.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 7140001067869

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 7140001067869

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

130

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

2108

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

1802

(7.23.1.15) Comment

Comprehensive educational services centered on cram schools and preparatory schools for infants, elementary school students, junior high school students, high school students, university students, and working adults

Row 5

(7.23.1.1) Subsidiary name

Shinken-AD Co., Ltd.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 2120001144773

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 2120001144773

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

33

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

154

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

108

(7.23.1.15) Comment

Support services for universities, junior colleges, graduate schools, and vocational schools throughout Japan

Row 6

(7.23.1.1) Subsidiary name

EDUCOM Corporation

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 5180001073790

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 5180001073790

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

49

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

26

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

27

(7.23.1.15) Comment

Comprehensive support for ICT in schools, including support services for official duties of teachers

Row 7

(7.23.1.1) Subsidiary name

Learn-S Co., Ltd.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 7260001007771

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

74

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

68

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

52

(7.23.1.15) Comment

Services to provide learning materials mainly for schools in Japan

Row 8

(7.23.1.1) Subsidiary name

Tokyo Educational Institute Co., Ltd. (Tetsuryokukai)

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 7260001007771

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 9010001123138

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

736

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

703

(7.23.1.15) Comment

Operation of the university entrance exam preparatory school "Tetsuryokukai" specializing in entrance exams to top universities

Row 9

(7.23.1.1) Subsidiary name

Benesse Base-Com, Inc.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 2260001007958

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 2260001007958

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

7

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

62

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

50

(7.23.1.15) Comment

Mainly responsible for sales management, production and logistics management, and creation of grading data for Benesse's mock exams and learning materials aimed at elementary schools, junior high schools, and high schools

Row 10

(7.23.1.1) Subsidiary name

Benesse Consulting for Educational-Producing (Shenzhen) Co., Ltd.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : Taxpayer Identification Number 914403007852746334

(7.23.1.11) Other unique identifier, please specify

Taxpayer Identification Number 914403007852746334

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

29

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

168

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

36

(7.23.1.15) Comment

Production and management of educational materials and toys for distribution in Japan

Row 11

(7.23.1.1) Subsidiary name

Benesse Corporation China/ Benesse Hong Kong Co., Ltd. / Shanghai Children's Epoch Benesse Culture Development Co., Ltd.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : Taxpayer Identification Number 91310000717880703C, and others

(7.23.1.11) Other unique identifier, please specify

Taxpayer Identification Number 91310000717880703C, and others

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

573

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

573

(7.23.1.15) Comment

Company engaged in procurement of educational materials and toys, and sales of publications/Company engaged in sales of educational materials/Company engaged in R&D and design of cultural products, and consulting on cultural information/Guangzhou Branch of Benesse Corporation China

Row 12

(7.23.1.1) Subsidiary name

Plandit Co., Ltd.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 5013401002328

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 5013401002328

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

82

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

68

(7.23.1.15) Comment

General production of learning materials

Row 13

(7.23.1.1) Subsidiary name

Benesse Music Publishing Co.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 8013401001574

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 8013401001574

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

0

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Copyright management services

Row 14

(7.23.1.1) Subsidiary name

Benesse i-Career Co., Ltd.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 8011101072985

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 8011101072985

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

67

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

55

(7.23.1.15) Comment

Provision of career education and career development support services for university students and working adults

Row 15

(7.23.1.1) Subsidiary name

Benesse Style Care Co., Ltd. / Benesse MCM Corp. / Benesse Palette Co., Ltd. / Benesse Senior Support Co., Ltd. / Heart Medical Care Co., Ltd.

(7.23.1.2) Primary activity

Select from:

☒ Health care services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 5011001034163, and others

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 5011001034163 , and 4 other companies

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

11379

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

27584

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

28858

(7.23.1.15) Comment

Provision of nursing care and childcare services; Personnel introduction and dispatch business specializing in the recruitment of nurses, caregivers, public health nurses, and physical therapists; Provision of nutritionally balanced meals for elderly people living at home; Fee-based nursing home introduction business as a service for general customers; Personnel introduction and dispatch services for the medical, nursing care, and welfare industries, as well as the provision of products and services related to these industries

Row 16

(7.23.1.1) Subsidiary name

Benesse InfoShell Co., Ltd

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 4260001027946

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 4260001027946

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

348

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

274

(7.23.1.15) Comment

Maintenance/operation of information systems for Benesse's educational business, and consulting on the information processing services business, information systems, and information security

Row 17

(7.23.1.1) Subsidiary name

Naoshima Cultural Village Co., Ltd.

(7.23.1.2) Primary activity

Select from:

☒ Hotels & lodging

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 1260001004849

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 1260001004849

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

172

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

927

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

786

(7.23.1.15) Comment

Management company of the hotel "Benesse House"

Row 18

(7.23.1.1) Subsidiary name

Benesse Business-mate, Inc.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 4013401004473

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 4013401004473

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

10

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

14

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

12

(7.23.1.15) Comment

Support for education business such as cleaning, email, office automation, general affairs and accounting services, massage services, etc., at the Benesse Headquarters building

Row 19

(7.23.1.1) Subsidiary name

Benesse Socius, Inc.

(7.23.1.2) Primary activity

Select from:

☒ Health care services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 7012401031442

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 7012401031442

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

397

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

116

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

122

(7.23.1.15) Comment

*A welfare service business for people with disabilities based on the Act on the Comprehensive Support for the Daily and Social Life of Persons with Disabilities.
Laundry services, repair and storage of clothing and clothing-related items, etc., for nursing care services*

Row 20

(7.23.1.1) Subsidiary name

Academic Ability Evaluation Organization, Inc.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 8011101080609

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 8011101080609

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

2

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

196

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

182

(7.23.1.15) Comment

Grading of mock exams

Row 21

(7.23.1.1) Subsidiary name

StudyHacker Inc.

(7.23.1.2) Primary activity

Select from:

☒ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply:

☒ Other unique identifier, please specify : National Tax Agency Corporation Number 8130001044926

(7.23.1.11) Other unique identifier, please specify

National Tax Agency Corporation Number 8130001044926

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

5

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

126

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

111

(7.23.1.15) Comment

Management of preparatory schools, management of English gyms, development of educational apps, management of media
[Add row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☒ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energyrelated activity in the reporting year
Consumption of fuel (excluding feedstocks)	Select from: ☒ Yes
Consumption of purchased or acquired electricity	Select from: ☒ Yes
Consumption of purchased or acquired heat	Select from: ☒ No
Consumption of purchased or acquired steam	Select from: ☒ Yes
Consumption of purchased or acquired cooling	Select from: ☒ Yes
Generation of electricity, heat, steam, or cooling	Select from: ☒ Yes

[Add row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

1066

(7.30.1.4) Total (renewable + non-renewable) MWh

1066

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

5740

(7.30.1.3) MWh from non-renewable sources

85799

(7.30.1.4) Total (renewable + non-renewable) MWh

91539

Consumption of purchased or acquired steam

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

1834

(7.30.1.4) Total (renewable + non-renewable) MWh

1834

Consumption of purchased or acquired cooling

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

1814

(7.30.1.4) Total (renewable + non-renewable) MWh

1814

Consumption of self-generated nonfuel renewable energy

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

629

(7.30.1.4) Total (renewable + non-renewable) MWh

629

Total energy consumption

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

6369

(7.30.1.3) MWh from non-renewable sources

90513

(7.30.1.4) Total (renewable + non-renewable) MWh

96882

[Fixed row]

(7.30.6) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Select from: ☒ No
Consumption of fuel for the generation of heat	Select from: ☒ Yes
Consumption of fuel for the generation of steam	Select from: ☒ No
Consumption of fuel for the generation of cooling	Select from: ☒ No
Consumption of fuel for co-generation or tri-generation	Select from: ☒ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No use

Other biomass

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No use

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No use

Coal

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No use

Oil

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

142

(7.30.7.8) Comment

Gasoline for automobiles, some kerosene, and heavy oil A for emergency power supplies

Gas

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

(7.30.7.8) Comment

Consumption of city gas

Other nonrenewable fuels (e.g. nonrenewable hydrogen)

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No use

Total fuel

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

1066

(7.30.7.8) Comment

Total value
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

837

(7.30.9.2) Generation that is consumed by the organization (MWh)

629

(7.30.9.3) Gross generation from renewable sources (MWh)

837

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

629

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7

Row 1

(7.30.14.1) Country/area

Select from:

☒ Japan

(7.30.14.2) Sourcing method

Select from:

☒ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.14.3) Energy carrier

Select from:

☒ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☒ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

(7.30.14.6) Tracking instrument used

Select from:

☒ Contract**(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute**

Select from:

☒ Japan**(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?**

Select from:

☒ Yes**(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2017

(7.30.14.10) Comment

Procurement of renewable energy from Asuene from April to December 2022 (this contract was subsequently suspended due to the company's withdrawal from the renewable energy business), introduction of Chubu Electric Power Miraiz as a tenant in the Nagoya Office, and introduction of RE100 electricity from Kansai Electric Power in a tenant building in the Kansai Office

[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.**China****(7.30.16.1) Consumption of purchased electricity (MWh)**

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total heat/steam/cooling energy consumption (MWh)

929.00

Japan

(7.30.16.1) Consumption of purchased electricity (MWh)

90667

(7.30.16.2) Consumption of self-generated electricity (MWh)

629

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

12901

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total heat/steam/cooling energy consumption (MWh)

104197.00

Taiwan (China)

(7.30.16.1) Consumption of purchased electricity (MWh)

573

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

232

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total heat/steam/cooling energy consumption (MWh)

805.00

[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

1.2e-7

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

53368

(7.45.3) Metric denominator

Select from:

☒ unit total revenue

(7.45.4) Metric denominator: Unit total

445389627100

(7.45.5) Scope 2 figure used

Select from:

☒ Market-based

(7.45.6) % change from previous year

8.5

(7.45.7) Direction of change

Select from:

☒ Decreased

(7.45.8) Reasons for change

Select all that apply:

☒ Change in renewable energy consumption

(7.45.9) Please explain

Procurement of renewable energy at Benesse Corporation from Asuene from April to December 2022 (this contract was subsequently suspended due to the company's withdrawal from the renewable energy business), introduction of Chubu Electric Power Miraiz as a tenant in the i-Carerr Nagoya Branch, introduction of RE100 electricity from Kansai Electric Power in the Nagoya Branch, Chubu Electric Power Miraiz, and a tenant building of Kansai electric renewable energy in Kansai
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply:

☒ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☒ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☒ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

☒ 1.5°C aligned

(7.53.1.5) Date target was set

03/16/2023

(7.53.1.6) Target coverage

Select from:

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply:

☒ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply:

☒ Scope 1

☒ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☒ Market-based

(7.53.1.11) End date of base year

03/30/2022

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

13447

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

43085

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

56532.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

03/30/2030

(7.53.1.55) Targeted reduction from base year (%)

42.4

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

32562.432

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

12490

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

40878

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

53368.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

13.20

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Covers more than 95% of the Group's total sales. Does not include companies that were not in the base year due to M&A. Does not include Berlitz, which was removed from the Group midway through the base year.

(7.53.1.83) Target objective

When considering the current situation of unabated global warming, we have set a target that is higher than the 1.5°C level of the Paris Agreement. We have set a 2030 target that assumes an annual reduction of 5.3%, working backwards from the ultimate goal of a 100% reduction by FY2040 (period ending March 31, 2041).

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

For Scope 1, we are considering and planning switching from gas to electrification, introducing biogas, and introducing EVs. For Scope 2, we are considering energy saving measures (switching to LED and other energy efficient equipment), procuring renewable energy, and introducing PPAs. We were able to achieve a 5.6% reduction, exceeding our annual reduction target of 5.3%. The measure that contributed most to emissions reductions during the reporting year was the procurement of electricity through solar power generation. However, we ended our contract at the end of the fiscal year due to Asuene's withdrawal from the electricity business. Therefore, we are now specifically considering a new corporate PPA.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ No

Row 2

(7.53.1.1) Target reference number

Select from:

☒ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☒ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

☒ 1.5°C aligned

(7.53.1.5) Date target was set

03/16/2023

(7.53.1.6) Target coverage

Select from:

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply:

☒ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply:

☒ Scope 1

☒ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☒ Market-based

(7.53.1.11) End date of base year

03/31/2022

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

13447

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

43085

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

56532.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

03/31/2041

(7.53.1.55) Targeted reduction from base year (%)

100

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

0.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

12490

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

40878

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

53368.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

5.60

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Covers more than 95% of the Group's total sales. Does not include companies that were not in the base year due to M&A. Does not include Berlitz, which was removed from the Group midway through the base year.

(7.53.1.83) Target objective

When considering the current situation of unabated global warming, we have set a target level that is higher than the 1.5°C level of the Paris Agreement. Our ultimate goal is a 100% reduction by FY2040 (period ending March 31, 2041). We set these goals in order to leave a beautiful, livable global environment for children, who are our main customers to be able to realize our corporate philosophy of "Benesse = Well-being."

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

For Scope 1, we are considering and planning switching from gas to electrification, introducing biogas, and introducing EVs. For Scope 2, we are considering energy saving measures (switching to LED and other energy efficient equipment), procuring renewable energy, and introducing PPAs. We were able to achieve a 5.6% reduction, exceeding our annual reduction target of 5.3%. The measure that contributed most to emissions reductions during the reporting year was the procurement of electricity through solar power generation. However, we ended our contract at the end of the fiscal year due to Asuene's withdrawal from the electricity business. Therefore, we are now considering a new corporate PPA. Looking ahead to 2041, we expect to expand installation of solar power equipment and adoption of PPA.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply:

☒ Net-zero targets

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☒ NZ1

(7.54.3.2) Date target was set

03/17/2022

(7.54.3.3) Target coverage

Select from:

☒ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select from:

☒ Abs2

(7.54.3.5) End date of target for achieving net zero

03/31/2041

(7.54.3.6) Is this a scienc ebased target?

Select from:

☒ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply:

- ☒ Scope 1
- ☒ Scope 2

(7.54.3.9) Greenhouse gases covered by target

Select all that apply:

- ☒ Carbon dioxide (CO2)

(7.54.3.10) Explain target coverage and identify any exclusions

Covers more than 95% of the Group's total sales. Does not include companies that were not in the base year due to M&A. Does not include Berlitz, which was removed from the Group midway through the base year.

(7.54.3.11) Target objective

When considering the current situation of unabated global warming, we have set a target that is higher than the 1.5°C level of the Paris Agreement. Our ultimate goal is a 100% reduction by FY2040 (period ending March 31, 2041). We set these goals in order to leave a beautiful, livable global environment for children, who are our main customers to be able to realize our corporate philosophy of "Benesse = Well-being."

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

- ☒ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

- ☒ Yes, and we have already acted on this in the reporting year

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply:

☒ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

For Scope 1, we are considering and planning switching from gas to electrification, introducing biogas, and introducing EVs. For Scope 2, we are considering energy saving measures (switching to LED and other energy efficient equipment), procuring renewable energy, and introducing PPAs. We were able to achieve a 5.6% reduction, exceeding our annual reduction target of 5.3%. The measure that contributed most to emissions reductions during the reporting year was the procurement of electricity through solar power generation. However, we ended our contract at the end of the fiscal year due to Asuene's withdrawal from the electricity business. Therefore, we are now considering a new corporate PPA. Looking ahead to 2041, we expect to expand installation of solar power equipment and adoption of PPA. The milestone is expected to be the mid-term target set for 2030.

(7.54.3.16) Describe the actions to mitigate emissions beyond your value chain

We have been using Okayama City's "Local Recycling Carbon Offset Scheme" since FY2014 and our general stockholder meetings are organized in an environmentally friendly way. During the reporting year, 24 t-CO₂ were offset at a cost of 1,500JPY/t-CO₂, and this "Write off" was certified (a certificate showing the amount was issued). Carbon offsets were arranged for the following measures:

- Lighting and air conditioning during the stockholder meetings and rehearsals for them*
- The creation and sending of invitations to the stockholder meetings*
- Transportation of stockholders and company staff to the stockholder meetings*

For information on our use of Okayama City's Carbon Offset Scheme, see: https://benesse.co.jp/kankyo/office/own_building.html#anc03 Benesse's carbon offset certificate for the reporting year can be seen at: https://sustainability-cms-benesse-hd-s3.s3-ap-northeast-1.amazonaws.com/ja/pdf/carbon_offset_certificate21.pdf

(7.54.3.17) Target status in reporting year

Select from:

☒ Underway

(7.54.3.19) Process for reviewing target

When considering the current situation of unabated global warming, we have set a target for the entire Benesse Group that is higher than the 1.5°C level of the Paris Agreement. Our ultimate goal is a 100% reduction by FY2040 (period ending March 31, 2041). We set these goals in order to leave a beautiful, livable global environment for children, who are our main customers to be able to realize our corporate philosophy of "Benesse = Well-being." Three target proposals, including the SBTi 1.5°C level, were prepared and discussed with the CEO and executives, and the above target was set as the most ambitious.

[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☒ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tons CO2e (only for rows marked *)
Under investigation	1	Enter a value
To be implemented	1	9.6
Implementation commenced	2	117.5
Implemented	1	4.8
Not to be implemented	0	Enter a value

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative type

Energy efficiency in production processes

☒ Other, please specify : *Electrical room: Transformer replacement work*

(7.55.2.2) Estimated annual CO2e savings (metric tons CO2e)

4.8

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply:

☒ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☒ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

131399

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

16500000

(7.55.2.7) Payback period

Select from:

☒ >25 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☒ 21-30 years

(7.55.2.9) Comment

Electrical room: Transformer replacement work

[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☒ Financial optimization calculations

(7.55.3.2) Comment

Decisions are made by comparing investment and recoupment plans and then deciding on priorities for investments in energy reduction and other investments.

Row 2

(7.55.3.1) Method

Select from:

☒ Employee engagement

(7.55.3.2) Comment

We have adopted a method of collaborating with employees to improve processes and review plans in accordance with each department's environmental protection action plan.

Row 3

(7.55.3.1) Method

Select from:

☒ Employee engagement

(7.55.3.2) Comment

We recruit proposals from all Group employees through a system called B-STAGE, and promote activities that lead to the reduction of GHG emissions through business improvement and new business proposals.

[Add row]

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☒ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☒ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☒ Other, please specify : *The digitalization of our provided learning materials, which were previously mainly paper-based but are now being made available for use on tablets, has led to a reduction in our use of paper and a corresponding reduction in our Scope 3 emissions target*

(7.74.1.3) Type of product(s) or service(s)

Select from:

☒ Other, please specify : *We plan to reduce paper consumption as well as greenhouse gas emissions during delivery by digitalizing our learning materials*

(7.74.1.4) Description of product(s) or service(s)

Our learning materials, which are targeted at grade levels from pre-school through the end of high school, have been mainly provided in printed form up until now; by digitalizing our materials and shifting to tablet-based programs that reduce the amount of paper consumed as well as the number and weight of product deliveries, we are currently working on and planning the reduction of not only our paper usage but also our Scope 3 greenhouse gas emissions.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☒ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☒ Other, please specify : *Our learning materials, which are targeted at grade levels from pre-school through the end of high school, have been mainly provided in printed form up until now; by digitalizing our materials and shifting to tablet-based programs that reduce the amount of paper consumed as well as the number and weight of product deliveries, we are currently working on and planning the reduction of not only our paper usage but also our Scope 3 greenhouse gas emissions.*

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☒ Cradle-to-grave

(7.74.1.8) Functional unit used

Digitalization of the learning materials that we provide on a monthly basis contributed to a reduction in paper consumption as well as reductions in emissions due to transport, use and disposal; on the other hand, emissions arising from the tablets that are used in place of the paper-based materials had to be subtracted from these projected reductions in emissions in other areas. We are considering trying to achieve further reductions through digitalization by increasing the proportion of students studying tablet-based materials and also, by encouraging them to use their own devices.

(7.74.1.9) Reference product/service or baseline scenario used

Assumptions regarding continuing to provide paper-based learning materials without tablets

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☒ Cradle-to-grave

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

12532

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

The asset value of Shinken Zemi's elementary school and junior high school courses, which provide tablets, was calculated based on an approximately 60% reduction in enrollment if the business had continued to provide paper-based learning materials instead of providing tablets

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

14.7

[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☒ Yes

(7.79.1) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Row 1

(7.79.1.1) Project type

Select from:

☒ Waste management

(7.79.1.2) Type of mitigation activity

Select from:

☒ Emissions reduction

(7.79.1.3) Project description

We have been using Okayama City's "Local Recycling Carbon Offset Scheme" since FY2014. This carbon offset scheme recycles used cooking oil from homes and the cafeterias of local businesses and uses it as fuel for city buses.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

24

(7.79.1.5) Purpose of cancelation

Select from:

☒ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☒ Yes

(7.79.1.7) Vintage of credits at cancelation

2022

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☒ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☒ Other regulatory carbon crediting program, please specify : We used the “Local Recycling Carbon Offset Scheme” of Okayama City where our Headquarters building is located

(7.79.1.10) Methods the program uses to assess additionality for this project

Select all that apply:

☒ Consideration of legal requirements

☒ Investment analysis

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply:

☒ No risk of reversal

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply:

☒ Upstream/downstream emissions

(7.79.1.13) Provide details of other issues the selected program requires projects to address

One of the requirements for registering projects in the J credit system is that “Environmental concerns are taken into account and sustainability is ensured,” so these conditions are requirements for registration in the J credit system.

(7.79.1.14) Please explain

• Method(s) the program uses to assess additionality for this project

Consideration of legal requirements, investment analysis

*As criteria used to judge the additionality of the project when it was registered, we confirmed that it was not being planned in view of legal obligations, and that it fulfilled the standard of recovery of investment in 3 years or more (e.g., if the investment recovery period was long and there was no credit incentive, there would have been a high possibility that the project would not have been undertaken.) *See the following link for an outline of the results of the evaluation of the project in question. https://www.japancredit.go.jp/jcdm/items/data/1346_2.pdf • Potential sources of leakage that entail obligatory evaluation of the project in question in the selected program → upstream/downstream emissions Because it says “The use of power systems and methanol to power BDF (biodiesel fuel) facilities could be listed as potential sources of leakage, but these are included in our calculations of leakage emissions.” *See the above link.*

[Add row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☒ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply:

☒ Education & awareness

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Select from: ☒ Yes, we use indicators	Select all that apply: ☒ Response indicators

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Select from:

☒ Yes

(11.4.2) Comment

Benesse Holdings and the Fukutake Foundation (a public interest incorporated foundation) are working to create better communities through the promotion of contemporary art and culture. For approximately 30 years, the Benesse Group has been conducting art activities collectively known as Benesse Art Site Naoshima on the islands of the Seto Inland Sea. Benesse Art Site Naoshima is characterized by its activities of regenerating relationships with local residents while introducing new contemporary art without denying history or culture. Every year, many people visit the site, which has become a place where people can reflect on “Benesse = Well-being” through artworks, the scenery of Setouchi, and interactions with local people. Benesse House, as part of Benesse Art Site Naoshima, aims to contribute to the realization of a sustainable society and promotes sustainability in various areas such as environmental friendliness, health and safety. Hotel Benesse House is located on Naoshima Island in Setonaikai National Park, which is classified as Category II (national park) by the International Union for Conservation of Nature (IUCN), is engaged in the following environmental activities: [Preservation of Natural Landscape] · The structures at the Benesse Art Site Naoshima have been meticulously designed to harmoniously integrate with the picturesque Seto Inland Sea and island, with a primary focus on preserving the natural landscape. [Energy Conservation and Carbon Emission Reduction] · Since 2014, all lighting fixtures throughout the facility have been replaced with energy-efficient LED lamps, and the usage of incandescent bulbs has been fully discontinued. · Upgrades are in progress to replace traditional air conditioning systems and elevators with more energy-efficient inverter types. · A shift is being made from traditional heavy oil boilers to more eco-friendly electric boilers. · A demand power monitoring system and thermal storage tank have been implemented to optimize the utilization of power during off-peak hours. [Water Conservation] · Guests have the option to decline room cleaning and linen replacement during their stay as a means of reducing water and detergent usage. · To decrease the use of tap water for activities such as watering plants, several sedimentation tanks have been installed on the grounds for recycling water. · The facility has adopted a membrane filtration system for achieving clear wastewater with minimal energy consumption. · Efforts have been made to maximize the use of rainwater from underground pits in water features and to construct a system that requires minimal supplementary water. [Waste Management] · Garbage is meticulously sorted according to the regulations of Naoshima Town, and subsequently collected for future reuse or disposal. · Original tags and keyholders produced from repurposed acrylic waste and original water bottles for take-out beverages are available for purchase in the shops. · Products are developed with an emphasis on minimizing their environmental impact, such as utilizing natural materials and waste materials from Naoshima that are less likely to release harmful substances during disposal. · Reusable plastic bags are provided for use. [Additional Environmental Protection Measures] · Recyclable engineered wood is utilized for the construction of the park and beach area. · Food waste is minimized through the utilization of reservation-based restaurant and strict management of portions, as well as accommodations for allergies and dietary restrictions. · Steps are taken to reduce plastic waste, such as the adoption of paper straws and biodegradable cups and the promotion of reusable water bottle). · Ingredients sourced from neighboring regions of Chugoku and the Seto Inland Sea, such as olive beef produced in Kagawa Prefecture, are used to support local producers and decrease environmental impact caused by long-distance transportation. · Guest rooms feature Benesse House's original organic fair trade bird-

friendly coffee made with beans from farms that protect natural forests, and Rainforest Alliance certified Teatulia tea made with materials produced under strict guidelines for forest and ecosystem preservation and producer livelihood security. • Small, reusable bags are provided for guests to take the soap home from their room. • Guest room amenities are provided by THANN, a brand that uses 95% or more plant and mineral-based ingredients and does not conduct animal testing, does not use mineral oil, animal-based ingredients, dyes, or perfumes in most of its products.

UNESCO World Heritage Site

(11.4.1) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Select from:

☒ No

(11.4.2) Comment

Not applicable

UNESCO Man and the Biosphere

(11.4.1) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Select from:

☒ No

(11.4.2) Comment

Not applicable

Ramsar Convention Wetlands

(11.4.1) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Select from:

☒ No

(11.4.2) Comment

Not applicable

Important Area for Biodiversity Conservation

(11.4.1) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Select from:

☒ Yes

(11.4.2) Comment

The Benesse Okayama Head Office Building, located in the southern part of Kita-ku, Okayama City, Okayama Prefecture, is on the Okayama Plain, which is a Key Biodiversity Area (KBA) that significantly contributes to the global persistence of biodiversity.” Furthermore, within three neighboring areas, there is the Asahi River, which is a Protected Area (Common Fishing Rights Area, IUCN VI) and is classified as water risk (Aqueduct results) Low-Medium 1-2. For this reason, the Head Office Building cafeteria participates in Okayama City’s activity to promote the recycling of used tempura oil by providing our used oil. Also, the waste from the meals served is composted and provided for use to the company that manages the building’s garden. Additionally, environmental workshops are held for children who come to visit the workplace or for work experiences. This provides the children with opportunities for environmental education. The building’s gardens are regularly maintained, and it is now possible to see peregrine falcons, a rare species of wild flora and fauna in Japan.

Other areas important for biodiversity

(11.4.1) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Select from:

☒ No

(11.4.2) Comment

Not applicable

[Fixed row]

(11.4.1) Disclose details of business activities carried out in the reporting year in areas important for biodiversity or nearby.

Row 1

(11.4.1.2) Types of area important for biodiversity

Select all that apply:

☒ Legally protected areas

(11.4.1.3) Protected area category (IUCN classification)

Select from:

☒ Category Ia-III

(11.4.1.4) Country/area

Select from:

☒ Japan

(11.4.1.5) Name of the area important for biodiversity

Setonaikai National Park

(11.4.1.6) Proximity

Select from:

☒ Overlap

(11.4.1.7) Area of overlap (hectares)

4.5

(11.4.1.8) Briefly describe your organization's activities in the reporting year located in or near to the selected area

We operate a hotel.

(11.4.1.9) Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Select from:

☒ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply:

- ☒ Physical controls
- ☒ Operational controls
- ☒ Abatement controls

(11.4.1.11) Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Benesse House, located in Naoshima Town, Kagawa Prefecture in the Seto Inland Sea National Park, accepts lodgers and offers restaurants and accommodation services. These activities generate energy, water, the use of goods associated with services, and waste, all of which have an impact on biodiversity. Therefore, as described in 11.4, we are engaged in a wide range of environmental activities.

Row 2

(11.4.1.2) Types of area important for biodiversity

Select all that apply:

☒ Important Area for Biodiversity Conservation

(11.4.1.4) Country/area

Select from:

☒ Japan

(11.4.1.5) Name of the area important for biodiversity

Okayama Plain

(11.4.1.6) Proximity

Select from:

☒ Overlap

(11.4.1.7) Area of overlap (hectares)

0.4

(11.4.1.8) Briefly describe your organization's activities in the reporting year located in or near to the selected area

The Head Office building is used as an office, and its garden is open to the public as a residential garden.

(11.4.1.9) Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Select from:

☒ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply:

☒ Physical controls

☒ Operational controls

☒ Abatement controls

(11.4.1.11) Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

The Benesse Okayama Head Office Building, located in the southern part of Kita-ku, Okayama City, Okayama Prefecture, is on the Okayama Plain, which is a KBA.

In addition to using energy and water as an office, the office also has a cafeteria, which generates a small amount of waste. Therefore, as described in 11.4, we are conducting environmental activities aimed at conserving biodiversity.

[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☒ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply:

☒ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☒ Electricity/Steam/Heat/Cooling consumption

☒ Fuel consumption

☒ Other data point in module 7, please specify : Scope 1 and 2 (market-based and location-based) data for the reporting year

(13.1.1.3) Verification/assurance standard

Climate change-related standards

☒ ISO 14064-3

(13.1.1.4) Further details of the third-party verification/assurance process

We asked SOCOTEC Certification JAPAN, an external verification organization, to explain, confirm, and check the calculated Scope 1 and 2 and energy usage data, as well as to conduct on-site inspections. After SOCOTEC conducted a review as an external verification organization, it issued a verification and assurance report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

[Independent Assurance Report](#)

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply:

☒ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☒ Waste data

☒ Other data point in module 7, please specify : Data by Scope 3 category

(13.1.1.3) Verification/assurance standard

Climate change-related standards

☒ ISO 14064-3

(13.1.1.4) Further details of the third-party verification/assurance process

We asked SOCOTEC Certification JAPAN, an external verification organization, to explain, confirm, and check the calculated Scope 3 and amount of waste generated, as well as to conduct on-site inspections. After SOCOTEC conducted a review as an external verification organization, it issued a verification and assurance report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

[Independent Assurance Report](#)

[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Benesse Holdings, Inc. Representative Director and President, CEO

(13.3.2) Corresponding job category

Select from:

☒ Chief Executive Officer (CEO)

[Fixed row]

