Analysis Using the Biodiversity LEAP Approach

Risks and Opportunities, Strategies and Initiatives

June 27, 2024
Benesse Holdings, Inc.

Approach to restoring biodiversity

As the nature that supports our lives is rapidly disappearing, Benesse will contribute to the international community's goal of "achieving nature positive" in order to leave a global environment in which children can continue to live with peace of mind in the future.

Benesse's business activities are based on the use of various natural capital resources, including paper resources. To ensure that our business activities do not have a negative impact on biodiversity or the natural environment, Benesse will reduce the amount of resources we use by implementing digital transformation (DX) of our business model. When procuring raw materials, we will procure sustainable raw materials that are considerate of the natural environment, and promote recycling and reuse.
Furthermore, when considering how the Benesse Group's business is centered on education, we will expand our educational services that lead to environmental education and biodiversity conservation for people of all ages, thereby raising awareness toward the value of natural capital in society and encouraging changes in people's behavior. This will contribute to the achievement of nature-positive as set out in the Kunming-Montreal Global Biodiversity Framework and the National Biodiversity Strategy of Japan.
Based on the above approach, we revised the Benesse Group Environmental Policy in April 2024 to clarify our response to biodiversity restoration and resource conservation. https://benesse-hd.disclosure.site/ja/themes/147

In 2023, as part of our efforts to protect biodiversity, which is closely related to climate change, we declared our support for the TNFD (Taskforce on Nature-related Financial Disclosures), participated in the TNFD Forum, and registered as a TNFD Early Adopter.
We are evolving our activities every year in order to achieve nature positive.

TNFD Forum Member

Assumptions of information disclosure (general requirements)

This analysis and information disclosure is based on the following assumptions.

Adaptation to materialities	Please refer to the following URL for information on the Benesse Group's materialities and our materiality formulation process. Restoring biodiversity and conserving resources is included in the "preservation of a sustainable global environment" https://www.benesse-hd.co.jp/ja/sustainability/materiality/index.html
Scope of disclosure	In the first year of disclosure, our analysis was focused on Domestic Education (Benesse Corporation) within the Benesse Group. Our evaluation covers the entire value chain from upstream to downstream of the domestic education business.
Location of nature-related issues	Conducting an IBAT (Integrated Biodiversity Assessment Tool) survey of biodiversity around company-owned sites and supplier paper mills and printing plants *Our suppliers procure raw materials from multiple locations and it is difficult to identify which of those locations is the source of materials delivered to Benesse. Therefore, we investigated all locations from which the supplier procures raw materials
Integration with other disclosures related to sustainability	Disclose information on general sustainability on our sustainability website; disclose 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 analyze and disclose 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 https://benesse-hd.disclosure.site/ja/themes/148
Envisioned timeline	TNFD conducts analysis up to 2030
Engagement with indigenous peoples, local communities, and affected stakeholders when assessing and identifying our organization's nature-related issues	Engagement in environmental communication with stakeholders (local communities, business partners, customers, employees, etc.) throughout the year; conduct questionnaire surveys of suppliers

Governance

Use of the following structure to promote biodiversity and other sustainability and ESG initiatives

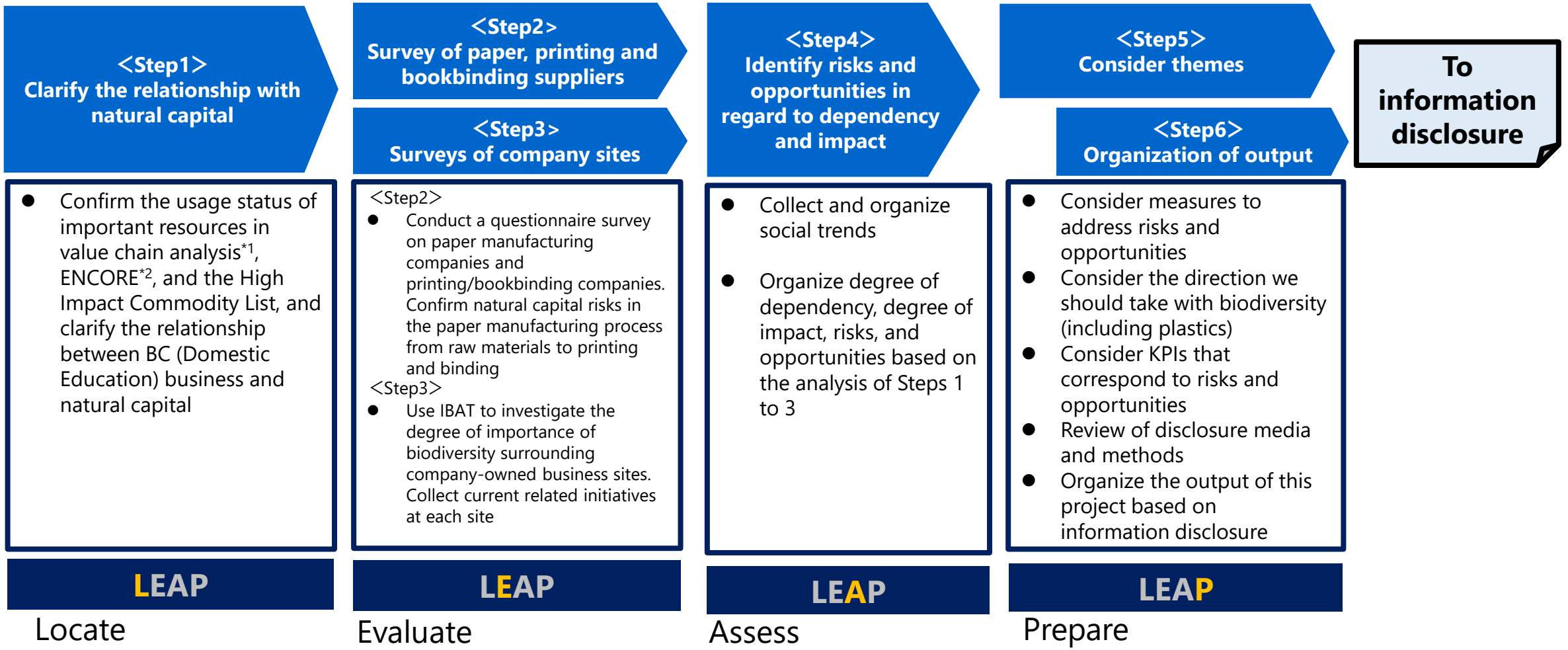
● **Representative Director and President, CEO of Benesse Holdings, Inc.**
Head of ESG issues, including biodiversity

● **Sustainability Promotion Committee**
The committee is chaired by the Executive Officer in charge of sustainability and consists of full-time directors, including the Representative Director and President, CEO and heads of business divisions. The committee holds discussions to improve the Benesse Group's sustainability activities (meetings are held several times a year and as necessary depending on the agenda).
The activities of the committee are appropriately supervised by the Board of Directors. Matters discussed by the committee are regularly submitted to and reported on by the Executive Committee and the Board of Directors.
In addition to the members listed above, outside directors, corporate auditors, and other persons designated by the chairperson may attend each meeting as observers.

- Sustainability Promotion System
https://www.benesse-hd.co.jp/ja/sustainability/framework/index.html#sustaina_framework011

Strategy: How to conduct a TNFD analysis

Through cooperation with external experts, we conducted an analysis on BC education from the perspective of biodiversity. In line with the LEAP approach recommended by the TNFD, we used the following process.



*1 Value chain analysis is a method to analyze each process of a business, from purchasing raw materials, manufacturing, shipping, and sales to marketing, providing services, and disposal

*2 ENCORE (Exploring Natural Capital Opportunities, Risks and Exposures) is a tool developed by Global Canopy, UNEP FI (United Nations Environment Programme Finance Initiative), and UNEP-WCMC (United Nations Environment Programme-World Conservation Monitoring Center) to investigate exposure to nature-related risks and understand dependence on and impacts on nature

[Steps 1 to 3] Summary

The results of Steps 1 to 3 are as follows (details are given in the appendix):

＜Step1＞ Clarify the relationship with natural capital

● **Based on the degree of impact on nature and the weight, paper and mineral resources were identified as the resources that Benesse will focus on**

- 38,000 tons of paper is used, which is about 0.6% of the annual paper produced for printing and communication in Japan
- Approximately 140,000 tablets were shipped, which is about 2.3% of the estimated annual tablet sales in Japan

＜Step2＞ Survey of paper, printing and bookbinding suppliers

● **Paper manufacturing companies: Confirmed that they are not engaging in deforestation and land conversion that damages natural capital**

Printing and bookbinding companies: Compared to paper manufacturing companies, there are fewer companies that incorporate environmental management; however, they are switching to more environmentally-friendly inks and printing methods, so the environmental impact is not high

⇒**Continue to communicate and monitor progress**; for example, request the formulation of an environmental policy

＜Step3＞ Survey of company sites

● **The majority of activities at BC's own facilities are essentially office activities, so the environmental impact during operations is not high**

● **The Okayama Head Office owns its own facilities within a protected area, so a certain level of consideration must be given to biodiversity**

⇒There is a possibility of registration as an OECM and **room for social contribution to the conservation of biodiversity** on a local level

*OECM (other effective area-based conservation measures):
a geographically defined area other than a Protected Area (for example, a national park, etc.) which is governed and managed in ways that achieve positive and sustained long-term outcomes for the in situ conservation of biodiversity, with associated ecosystem functions and services and, where applicable, cultural, spiritual, socioeconomic, and other locally relevant values
(defined at COP 14)

[Step 4] Results of identifying and evaluating risks/opportunities

<Step4>
Identify risks and opportunities in regard to dependency and impact

Risks and opportunities that may affect BC's finances are as follows.

Risk	**Impact on supply chains and company sites due to damage to natural capital caused by intensification of storm and flood damage, fluctuation in purchasing prices of paper, mineral resources, etc., strengthening regulations on plastics, rising delivery fees and rising costs due to switching to renewable energy, etc.**
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 direction

● Strategies that Benesse Corporation is implementing and planning are aligned with reducing natural capital risks and enhancing opportunities

It is important to consider digital transformation and BYOD to address risks to raw materials, and to manage supply chains

⇒Continue these activities to help minimize the impact on natural capital

● In regard to contributions to the global goal of nature positive, Benesse Corporation's greatest contributions are providing opportunities for environmental education, raising the environmental awareness of stakeholders, and leading to social change

* "Nature positive" refers to halting and reversing the loss of biodiversity in order to ensure that nature is on a path to recovery. Achieving nature positive by 2030 is a short-term goal toward achieving the 2050 Vision (goal set at COP15 in December 2022).
https://policies.env.go.jp/nature/biodiversity/j-gbf/about/naturepositive/

[Step 5] Future strategy and initiatives

<Step5>
Consider themes

Main details of the specific strategies and initiatives are as follows:

Initiative themes	Main contents for FY2030
Increase the efficiency of resource use	・Promote DX ・Consider and implement BYOD
Address natural capital in supply chain management	・Maintain communication with paper manufacturing companies and printing/bookbinding companies, and consider requests and collaboration as necessary ・Request printing/bookbinding companies to formulate environmental policies and promote environmentally-friendly printing and inks, etc.
Resource circulation	・Continue recycling of educational toys ・Continue reuse of tablets ・Continue recycling of waste at each site, etc.
Collaboration with stakeholders	・Environmental activities at each site Consider holding OECM feasibility studies, etc. ・Explore nature-positive activities
Environmental education	・Cooperate with each department to strengthen the provision of environmental education opportunities according to developmental stages

Overall sustainability risk management

Benesse Holdings has established a Risk Management and Compliance Committee for the purpose of promoting risk management and compliance throughout the entire Group.
The committee is chaired by the head of the administrative division overseeing risk management and compliance. Participants include the CEO, the head of our administrative division, the President of Benesse Corporation, the president of Benesse Style Care, and the heads of businesses at these companies.
The committee consolidates the results of various risk assessments for each Group company, including human resource risks, information security, and sustainability-related risks such as BCP. It also formulates and manages countermeasures to risks across the Group. It also periodically reports the results to the Board of Directors and receives necessary instructions.
Furthermore, in regard to human rights and the environment, the Sustainability Promotion Committee conducts detailed risk evaluation for each Group company. Based on the collected evaluations, the committee formulates countermeasures and promotes/manages the implementation of those countermeasures. The committee also reports and makes recommendations on the results to the Board of Directors.

Benesse Corporation, one of our major subsidiaries, has been ISO 14001 certified since 2004 and manages risks within that process.
Specifically, each division draws up a plan each year in line with its customers and business stage, and promotes environmental education and reduction of environmental impact. These efforts include reducing GHG emissions and restoring biodiversity.
Benesse Corporation also provides online environmental training to all employees in order to raise awareness. As part of these activities, the company also conducts a management review with the president every year.

Indicators and goals

Measures	KPI and 2030 targets
(1) Procure paper that does not lead to deforestation	**Reduce paper usage and maintain 100% procurement of deforestation-free paper**
(2) Reduce GHG emissions (same as TCFD)	**Scope 1 & 2: 52.8% reduction, using 2018 as the base year** **Scope 3: 14.8% reduction**
(3) Reduce resource usage	**・Reducing paper usage through digital transformation** (monitor paper usage) **・Consider and implement BYOD**
(4) Use printing methods with low environmental load (Use environmentally-friendly inks, adopt green printing certified materials at printing companies, use process-free CTP plates, etc.)	**・Expand environmentally-friendly printing methods** **・Expand use of environmentally-friendly inks**
(5) Promote recycling and reuse of teaching materials and equipment	**・Continue collection of educational toys** ・Continue and expand reuse of tablets (remove when BYOD reaches 100%) ・Continue recycling of waste at each site
(6) Promote activities to improve biodiversity in areas surrounding our business sites	**Collaborate with the General Affairs Department and the SCM Department to conduct site activities** **・OECM feasibility studies**
(7) Promote supply chain management related to natural capital	**・Cooperate with the SCM Department to maintain communication with paper manufacturing companies and printing/bookbinding companies, and consider requests and collaboration as necessary**
(8) Promote environmental education services that include biodiversity	**Enhance provided content**

Appendix

[Step 1] Relationship between BC and natural capital: Survey results

Based on the degree of impact on nature and the weight, paper and mineral resources were identified as the resources that Benesse will focus on

- **31,000 tons (results in FY2023) of paper is used, which is about 0.5% of the annual paper produced for printing and communication in Japan**
- **Approximately 140,000 tablets were shipped, which is about 2.3% of the estimated annual tablet sales (approx. 6 million tablets) in Japan**

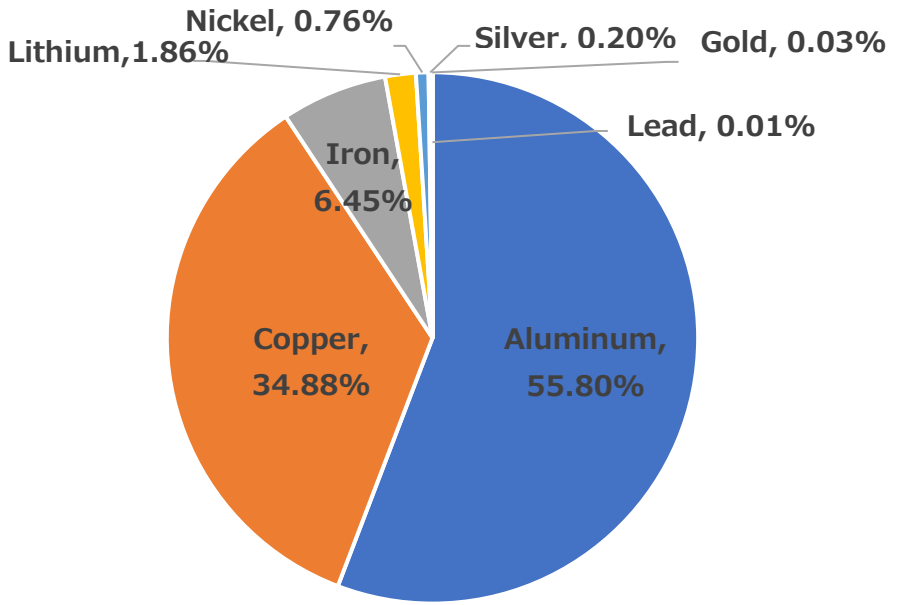
[Use of raw materials listed on the High Commodity Impact List]

*High Impact Commodity List: This tool is published by SBTs for Nature. It lists commodities (raw materials) that are considered to have a large impact on the environment and is distributed in the form of a spreadsheet file.

● Record of paper usage

FY	When using FY2017 as 100%
2017	100.0%
2018	99.9%
2019	98.5%
2020	92.6%
2021	81.9%
2022	68.4%
2023	55.3%

● Record of tablets FY22 data



*In addition to the above, the tablets contain rare metals such as platinum, cobalt, and tantalum. However, these rare metals are not included in the BTN's High Impact Commodity List and are therefore omitted.

[Step 1] Relationship between BC and natural capital: Survey results

As a result of value chain analysis, use of the ENCORE tool, and summary of the usage of important resources, the dependency and impact on natural capital in the value chain of Benesse Corporation's Domestic Education Business is as follows:

Dependency			Upstream (purchasing and production)	BH (planning and development, packaging, delivery, marketing and sales, business support)	Downstream (use, disposal)
Provision services	Provision of freshwater	Changes in water volume used in forests, mineral mining and refining, and printing	VH	M	
	Provision of biomass	Reduction of forests	VH		
Adjustment services	Pollination	Changes in forests	H		
	Biological control	Forest systems for pests and disease	H		
	Soil and sediment retention	Forest erosion	VH	L	
	Flood mitigation	Use of forests to prevent floods	H		
	Water flow adjustment	Forest growth due to maintenance of water flow, minerals	H		
	Local climate adjustment	Forest growth	VH		
	Global climate control	Forest growth	VH		
	Solid waste cleanup	Microbial purification of environmental contamination	M	VL	
	Soil adjustment	Forest growth	H		
	Mitigation of heavy wind/rain	Use of forests to mitigate heavy wind/rain	H		
	Water purification	Forest growth	VL		
	Air purification	Forest growth	VL		

Impact			Upstream (purchasing and production)	BH (planning and development, packaging, delivery, marketing and sales, business support)	Downstream (use, disposal)
Changes in use of land, freshwater, and marine resources	Use of terrestrial ecosystems	Decrease in forests and terrestrial ecosystems due to mining development	VH		
	Use of freshwater terrestrial ecosystems	Decline in freshwater organisms due to pollution from mines	H		
Climate change	GHG emissions	GHG emissions contribute to climate change	H	VL	L
Pollution/ pollution removal	Air pollutants	Air pollution	M	VL	VL
	Water pollutants	Water pollution due to wastewater, etc.	H	VL	VL
	Soil pollutants	Soil pollution due to chemical substances, etc.	H	VL	VL
	Waste	Waste of used educational materials	H	L	M
	Noise and vibration	Noise and vibration due to factories	M		
Resource utilization/ replenishment	Water usage	Reduced water volume	VH	L	
	Use of other resources	Use of mineral resources	H		
Intrusion/ removal of foreign species	Intrusion of invasive foreign species	Intrusion of foreign species during imports from overseas production sites	VL		

*Five levels are implemented: VH (Very High), H (High), M (Medium), L (Low), VL (Very Low)

[Step 2] Results of surveys on paper, printing, and bookbinding companies

- **Paper manufacturing companies: Confirmed that these companies are taking the initiative for sustainable forest management, and do not engage in deforestation and land conversion that damages natural capital**
- **Printing and bookbinding companies: Compared to paper manufacturing companies, there are fewer companies that incorporate environmental management; however, they are switching to more environmentally-friendly inks and printing methods, so the environmental impact is not high**

⇒**Continue to communicate and monitor progress; for example, request the formulation of an environmental policy**

[Paper manufacturing company results (6 target companies)]

Percentage of companies that have sustainable procurement policies for timber resources and human rights policies		100%
Percentage of timber that is not deforested		100%
Identification rate of origins of wood resources *Origins for paper used by BC has not yet been identified; however, we use over 50 species of wood from up to 16 countries		100%
Breakdown	Natural forest (low-quality timber/secondary forests)	10.3%
	Plantation trees	81.7%
	Other	7.8%
Presence or absence of biodiversity risk survey		83%
Rate of ecosystem risk surveys around production sites		40%
Rate of environmentally-friendly activities		100%

[Printing and bookbinding company results (8 target companies)]

Percentage of companies that have environmentally-friendly policies		37.5%
Rate of ecosystem risk surveys around production sites		12.5%
Sites with high levels of water stress		0 sites
Rate of collection of environmental data	Water pollutants	12.5%
	Air pollutants	37.5%

[Step 3] Results of surveys of company sites

BC company sites: The majority of activities at BC's own facilities are office activities, so the environmental impact during operations is not high. However, we did confirm the following:

⇒**We discovered that the Okayama Head Office and Tohoku Branch Office are located within a protected area**
These sites are located in an urban area and the Tohoku Branch Office is a tenant that does not engage in intentional land use, so the site does not have a high environmental impact

⇒**The Okayama Head Office owns the land and engages in land modification and planting, so some consideration must be given to biodiversity**
We confirmed that plants native to the Okayama Plain are planted on the premises
There is room for considering the possibility of registration as an OECM and engaging in social contribution to the conservation of biodiversity on a local level

*OECM (other effective area-based conservation measures):
a geographically defined area other than a Protected Area (for example, a national park, etc.) which is governed and managed in ways that achieve positive and sustained long-term outcomes for the in situ conservation of biodiversity, with associated ecosystem functions and services and, where applicable, cultural, spiritual, socioeconomic, and other locally relevant values

Company sites	Presence or absence of ecological risk (within a 3 km radius)	Water stress	Current initiatives
Okayama Head Office Building	**Located within a key biodiversity area (Okayama Plain)**	Low-Medium	**-Based on the concept of an "office inside a park," plants that match the vegetation of Okayama are planted and fish from Asahikawa River are raised in an aquarium, helping to raise awareness of biodiversity among employees and local residents.** **-Food waste is composted and used for planting. Used vegetable oil is provided as fuel for Okayama city buses.** **-SDGs workshops are held as part of work experience**
Tama Building	**Adjacent** (within 3 km) to Tama Hills Prefectural Natural Park, a Key Biodiversity Area (upstream of Tama River), and a Prefectural Wildlife Protection Area (Zushi Onoji)	Low-Medium	-Food waste is turned into feed for Tokyo X pigs -Plantings on the premises are ordinary, but carp from the former Yamakoshi Village were released into the pond after the Niigata Chuetsu Oki Earthquake -Opened a planetarium and held environmental workshops -Tree planting activities using *Aka-Pen Sensei* (a study method in which students send answer sheets to Benesse for correction)
Takayanagi Building	**Adjacent** (within 3 km)to Asahikawa River, which is a Ramsar General Fishing Rights Area (Okayama)	Low-Medium	-Clean-up activities are performed monthly in the Takayanagi district
BL Center	**Adjacent** (within 3 km) to the Yoshii River Churyu Prefectural Natural Park, Mitaniyama Prefectural Wildlife Conservation Area, and Okayama Plain (KBA)	Low-Medium	-Maintain greenery (mostly grass) in 30% of the park -Hold neighborhood cleanup activities

[Step 4] Identifying and evaluating risks/opportunities

Based on the results of Steps 1-3, identify the risks and opportunities related to Benesse Corporation's natural capital and conduct an evaluation based on the following criteria (qualitative evaluation based on TCFD analysis)

●Criteria for evaluating risks and opportunities

Risk	**Degree of impact**	• Depth of impact: Rate of increase/decrease in sales, rate of increase/decrease in cost, impact on assets, amount of damage, potential casualities • Breadth of impact: Affected percentage of the company, affected percentage of revenue, affected percentage of costs • Possibility of recovery: Necessity of changing the business model itself in the event of an incident, number of days required to restore facilities
	Possibility of occurrence	• For transition risks: 3: Already occurred/expected to occur, 2: Partial occurrence/possibility of occurrence, 1: Latent/low probability of occurrence • For physical risks: 3: Will occur by 2030, 2: Will occur by 2050, 1: Lower probability of occurrence than category 3 or 2
Opportunities	**Degree of impact**	• Estimated market size • Financial impact: Rate of increase/decrease in sales, rate of increase/decrease in unit price • Need to restructure business models and value chains
	Possibility of occurrence	Also consider the following in addition to the degree of possibility: • Technology: Already practically implemented - No expectation for practical implementation • Is it possible to allocate the company's resources (costs such as R&D expenses, capital investment, etc., and human resources) to opportunities? • Is there market acceptance (in the early adopter stage or expanded to the majority)?

[Step 4] Identifying and evaluating risks

■ Physical risks ● Transition risks

Degree of impact

3	● Damage to reputation from customers	■ **Damage to logistics centers due to wind and flood damage** ■ **Large-scale natural disasters disrupt logistics from suppliers to Japan** ■ **Decrease in sales due to disruption of logistics network** ■ **Rising paper prices**	■ **Changes in delivery methods due to disruptions to the logistics network** ● **Rising mineral resource prices** ● **Purchasing prices and shipping costs increase due to the introduction of carbon tax**
2		● Strengthening collection of used products ● Rising prices of biomass plastics	● **Strengthening plastic regulations** ● **Rising costs due to switching to renewable energy**
1	● Introduction of new technologies (machines) with low environmental impact during printing, etc., and increased burden on suppliers	■ Rising prices due to lower cotton yields ● Increasing costs due to strengthened laws and regulations in regard to environmental due diligence ● Declining sales of paper-based distance learning	● Strengthening efforts to collect information on and improve traceability of natural capital ● Rising costs due to the switch to EVs
	1	**2**	**3** **Possibility of occurrence**

[Step 4] Identifying and evaluating opportunities

Degree of impact

3		● **Increase awareness of our brand as an environmentally-friendly brand**	● **Reduce tablet production and transportation costs through BYOD** ● **Marketing reform: Reduce costs, emissions, and resource usage by decreasing the volume of direct mail delivery** ● **Reduce paper usage amount and logistics through digitalization** ● **Increase sales and improve reputation through heightened awareness toward reducing environmental load and enhanced opportunities for environmental education**
2			● **Reduce raw material procurement costs by conserving resources** ● **Strengthen relationships with local communities through ecosystem conservation activities**
1			● Reduce GHG emissions and stabilize costs through the use of renewable energy and switching to EVs ● Reduce waste disposal costs by turning food waste into compost
	1	**2**	**3** **Possibility of occurrence**

[Step 4] Identifying and evaluating risks: Details of important risks

Risk item		Impact on business
Physical risk	**Changes in delivery methods due to disruptions to the logistics network**	If extreme weather intensifies and rail freight is halted, there may be switching costs associated with the use of alternative logistics.
	Damage to logistics centers due to wind and flood damage	If climate change causes extreme weather to intensify and large-scale flooding (storms and floods) occurs in the area where the logistics center is located and causes damage to the logistics center, it could result in repair costs.
	Large-scale natural disasters disrupt logistics from suppliers to Japan	If climate change causes extreme weather to intensify and large-scale flooding (storms and floods) occurs in areas where our suppliers (China, Vietnam, Cambodia) are located and causes delays in the shipment of educational materials and other items from the suppliers, there is a possibility that costs will be incurred in using alternative logistics or procuring alternative parts and materials.
	Decrease in sales due to disruption of logistics network	If extreme weather intensifies, disrupts our logistics network, and makes it impossible to provide educational materials to our customers for more than a month, we may lose one month's worth of sales revenue.
	Rising paper prices	Changes in the suitable habitats for certain tree species due to climate change, the severity of forest fires and storm/flood damage, landslides, and the effects of disease and pests will destabilize forest resource yields, thereby increasing the cost of procuring paper.

[Step 4] Identifying and evaluating risks: Details of important risks

Risk item		Impact on business
Transition risk	**Rising mineral resource prices**	Copper prices may rise as demand for mineral resources increases due to expanded production of renewable energy and related components (storage batteries, etc.).
	Purchasing prices and shipping costs increase due to the introduction of carbon tax	If the carbon tax introduced as a measure against climate change is passed on to the costs of raw materials, electricity, and logistics, there will be an increase in purchasing prices and shipping fees.
	Strengthened plastic regulations	If legal regulations (public procurement criteria and eco-design directives) such as setting the usage rate of recycled plastics/bioplastics and taxing plastic containers/packaging are enacted, there is a possibility that procurement sources will change and costs will increase.
	Rising costs due to switching to renewable energy	Switching to renewable energy sources will increase costs.

[Step 4] Identifying and evaluating risks: Details of important opportunities

Opportunity item	Impact on business
Reduce tablet production and transportation costs through BYOD	Eliminating the need to manufacture tablets due to BYOD not only reduces manufacturing and transportation costs, but also makes it possible to avoid risks such as fluctuations in the prices of mineral resources.
Marketing reform: Reduce costs, emissions, and resource usage by decreasing the volume of direct mail delivery	By advancing marketing reforms, direct mail delivery fees will decrease, which will lower costs and reduce GHG emissions and the use of paper/plastic.
Reduce paper usage amount and logistics through digitalization	By advancing the digitalization of educational materials, it will be possible to reduce the amount of paper used and thus cut costs. It will also lead to a reduction in GHG emissions.
● Increase sales and improve reputation through heightened awareness toward reducing environmental load and enhanced opportunities for environmental education	School education will see an increase in the number of classes on the environment and sustainability, and the market for educational materials used in these classes will grow. As the market for sustainability and GX talent for working adults expands, the market for related content aimed at adults will also expand.
Increase awareness of our brand as an environmentally-friendly brand	As customers become increasingly conscious of sustainability, increasing recognition of the brand as one that provides services with a low environmental impact will boost member loyalty.
Reduce raw material procurement costs by conserving resources, reducing delivery costs, and preventing re-delivery	By promoting resource conservation in educational materials, direct mail, etc. (including reducing the number of items as well as making them lighter and thinner), the amount of raw materials procured will be reduced, thus leading to decreased costs. It will also reduce delivery costs and redelivery.
Strengthen relationships with local communities through ecosystem conservation activities	Relationships with local communities can be strengthened through ecosystem conservation activities centered on company sites.