

# Integrated Report 2023

[ Corporate Report ]

(Note)

This document has been translated from the Japanese original\* for reference purposes only.  
In the event of any discrepancy between this translated document and the Japanese original,  
the original shall prevail.

\*<https://corp.asahi.co.jp/ja/company/report.html>

---

Introduction**Business Philosophy / Vision**

## Business Philosophy

**The ABC Group continues to evolve  
as a dynamic and creative corporate  
organization, adapting to  
social change and contributing to  
the development of society.**

Medium-Term Management Strategy 2021-2025 *NEW HOPE* Vision**Creating and Delivering *New Happiness***

ABC

## Introduction

## Contents

## Value Creation

- 5 Identification of Materiality
- 8 Message from the President
- 13 ABC Value Creation Process
- 14 Roadmap for Enhancing Corporate Value  
Medium-Term Management Strategy 2021-2025  
*NEW HOPE*
- 15 Medium-Term Management Strategy,  
*NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (1)  
Human Resources Crossroads Initiative  
ABC Group Initiatives for Strengthening Human Resources
- 17 Featuring Human Resources Crossroads Initiative Concept  
ABC College & ABC Salon
- 22 Medium-Term Management Strategy,  
*NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (2)  
Business Creation Through DX  
From promotion to implementation  
– Creation of new sales channels and value through DX
- 23 Medium-Term Management Strategy,  
*NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (3)  
Naniwa-suji / Nakanoshima ART ARC Initiative  
Increasing value of individual areas to create energetic  
communities

## Business Strategies

- 25 Business of the Asahi Broadcasting Group
- 26 Financial Highlights
- 27 Broadcasting and Content Businesses
- 28 Business Strategies  
Broadcasting and Content Businesses
- 31 Initiatives to Recreation of the Value of Television Media
- 32 1. Animation business as a key driver
- 35 2. Dramas as a new pillar for content business
- 37 Lifestyle Business
- 38 Business Strategies  
Lifestyle Business
- 40 An outdoor event held at WELL BE MINOH through  
the unification of the Group power

## Sustainability

- 42 ABC Vision  
Sustainability in the Asahi Broadcasting Group

## Foundation of Value Creation

- 45 Outside Directors' Messages
- 49 Skill Matrix
- 50 Corporate Executives
- 52 Corporate Governance
- 56 Dialogue with Shareholders and Investors
- 57 Nomination and Compensation Committee
- 58 Compliance and Risk Management
- 59 Information Security and Privacy Protection

## About Us

- 61 ABC Trajectory
- 63 Current State of Asahi Broadcasting Group
- 64 11-year Financial and Non-Financial Data  
(on a consolidated basis)
- 65 Consolidated Balance Sheet
- 66 Consolidated Statement of Income  
Consolidated Statement of Cash Flows
- 67 Stock Information



# Value Creation

- 5 Identification of Materiality
- 7 Identification Process
- 8 Message from the President
- 13 ABC Value Creation Process
- 14 Roadmap for Enhancing Corporate Value  
Medium-Term Management Strategy 2021-2025 *NEW HOPE*
- 15 Medium-Term Management Strategy,  
*NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (1)  
Human Resources Crossroads Initiative  
ABC Group Initiatives for Strengthening Human Resources
- 17 Featuring Human Resources Crossroads Initiative Concept  
ABC College & ABC Salon
- 22 Medium-Term Management Strategy,  
*NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (2)  
Business Creation Through DX  
From promotion to implementation  
– Creation of new sales channels and value through DX
- 23 Medium-Term Management Strategy,  
*NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (3)  
Naniwa-suji / Nakanoshima ART ARC Initiative  
Increasing value of individual areas to create energetic communities



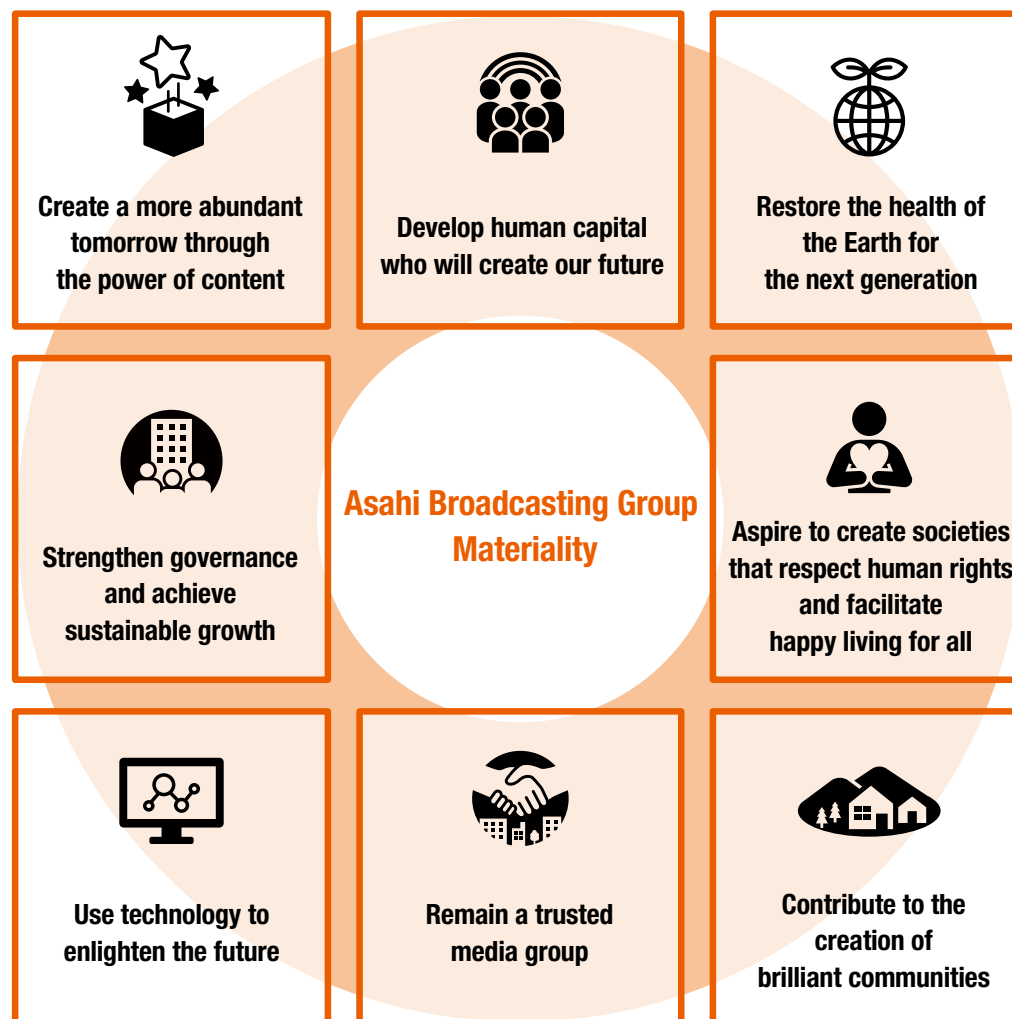


## Value Creation

## Identification of Materiality

## Asahi Broadcasting Group Materiality

Based on the corporate philosophy, we have identified the materiality of the Asahi Broadcasting Group as material issues that should be prioritized for creating sustainable societies and ensuring the stable enhancement of corporate value.



Value Creation

Identification of Materiality

Asahi Broadcasting Group Materiality









The ABC Group continues to evolve as a dynamic and creative corporate organization, adapting to social change and contributing to the development of society. Based on this corporate philosophy, the Company has identified materiality, or issues that the ABC Group should prioritize. We identified eight material issues and established specific initiatives for each material issue.

We operate in a rapidly changing business environment. At the same time, sustainability is becoming increasingly important. We intend to strengthen the Group’s sustainability strategy through efforts to address the materiality we identified. As we strive to grow together with society, we will pass on a better future to the next generation.

See the Sustainability Report\* for details regarding the initiatives.

 Sustainability Report\*  
<https://corp.asahi.co.jp/ja/csr/report.html>

\*Available only in Japanese

Materiality			Areas
	Develop human capital who will create our future	Revitalize our organization through diversity and inclusion (D&I) Foster a corporate culture of resilience and willingness to take on challenges Improve work environments and systems for human and organizational growth	Human Capital
	Create a more abundant tomorrow through the power of content	Provide content and experiences that inspire the world Contribute to inclusive, hopeful societies Support the healthy development of children	Society & Business
	Restore the health of the Earth for the next generation	Communicate information that protects the global environment and biodiversity Strengthen reporting related to disaster prevention and mitigation to protect lives and livelihoods Engage in environmentally friendly business activities, including achieving carbon neutrality	Environment & Business
	Remain a trusted media group	Hold firm to fairness and impartiality as a media company Communicate information in response to changes in technology and lifestyles Foster a healthy information society and eliminate information disparity	Society
	Aspire to create societies that respect human rights and facilitate happy living for all	Improve the understanding of human rights and prevent human rights violations Consider the health and safety of people involved in our supply chain Protect privacy through rigorous information management	Human Rights
	Strengthen governance and achieve sustainable growth	Continue to advance corporate governance Strengthen compliance and information security Foster more effective stakeholder dialogue and information disclosure	Governance
	Use technology to enlighten the future	Create business opportunities through the use of digital technology Incorporate DX in business activities Improve digital literacy	Technology
	Contribute to the creation of brilliant communities	Communicate information highlighting local attractions and issues Contribute to local cultures and economic revitalization	Regional Revitalization

## Value Creation

## Identification Process

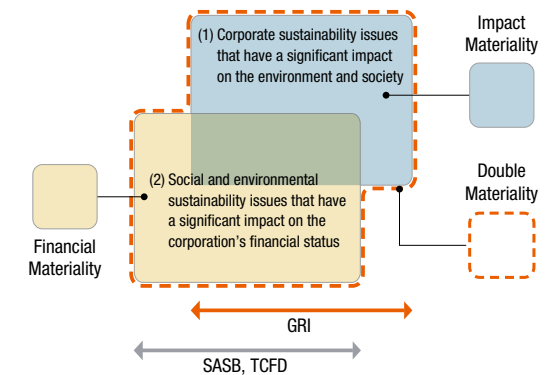
## Materiality Identification Process

We identified materiality through a four-step process. First, we formed a cross-group project team to conduct four analyses, referencing information disclosure guidelines such as the Global Reporting Initiative (GRI). Based on these analyses, the project team identified sustainability issues across environmental, social, and economic spheres. After consolidating the 174 issues identified into 41, the team assigned varying levels of importance based on the double materiality concept. Our Board of Executive Officers and directors in charge prioritized and finalized the issues, after which the Board of Directors gave final approval. We identified materiality in December 2023.

## Future Initiatives

In the future, we intend to set specific action goals, KPIs, etc., for the materiality identified, and pursue efforts to solve issues in coordination with each Group business strategy. We will also review and disclose this materiality from time to time in response to changes in the social environment.

## All Sustainability Issues Related to the Asahi Broadcasting Group



## STEP 1

Identify and Analyze  
Impact of Material Issues

Identify and analyze issues through the formation of internal project team

## STEP 2

Assess the Importance  
of Issues Identified

Asahi Broadcasting Group Holdings and Asahi Television Broadcasting, Group company presidents rate the importance of issues

## STEP 3

Prioritize and  
Finalize Issues Identified

Executive officers and directors in charge discuss, and prioritize the importance of issues

## STEP 4

## Validate and Identify

Deliberate the appropriateness of final format

## Value Creation

## Message from the President

# Bringing happiness to stakeholders through creativity

The Asahi Broadcasting Group Holdings Integrated Report 2023 is being published.

The global business environment surrounding the ABC Group has undergone significant change. The popularization of video streaming and generative artificial intelligence (AI) are now changing production standards. In addition, diversification and globalization of the monetization of intellectual properties (IPs) have accelerated.

In the face of such significant changes, we see a great opportunity to expand business.

While the terrestrial broadcasting business has a long history, our activities have been in broadcasting areas and markets limited by broadcast licensing. Despite this limitation, we have been successful in achieving steady growth for more than 70 years.

We have now entered the age of content; and because content is not limited by broadcasting area or national borders, we can freely transmit content around the world.

The ABC Group continues searching for new challenges leveraging its strengths as a comprehensive content business group that includes a terrestrial broadcasting business, a content business, and a lifestyle business.

We have, of course, encountered difficulties, some more challenging than others. Needless to say, we have experienced the inevitable ups and downs of navigating an ever-changing business environment. However, we have leveraged our

experience and know-how in setting new goals and creating effective strategies to achieve them. This has helped us to make steady steps forward, grow both companies and nurture human resources.

The ABC Group boasts trusted brands, unique human resources skilled in production, and a strong capability for effective promotion.

With such valuable resources, the ABC Group continues expanding and delivering *New Happiness*.

Over the past few years, we have been carefully preparing for our new journey and gradually visualizing the routes that will take us to our desired destination.

From this point, we will be switching gears to accelerate each step of our journey.

As we embark on this exciting journey with all of our employees, we are very excited to imagine the scenery that will open up before us as we move together into the future.

The ABC Group holds true to its principles.

We know that it will be a challenging journey. However, we will continue moving forward, pulling ourselves up when we fall, and continuing step by step toward our goal.

**Susumu Okinaka**

Representative Director and President





Value Creation

Message from the President

The Purpose of the Group

“Human Resources Crossroads” where diverse human resources interact

The business environment has been experiencing significant change along with technological progress and changes in the browsing environment and people’s awareness of time. Under these circumstances, the ABC Group strives to serve as a comprehensive content business group.

Although the environment within which we operate has changed, essential concepts remain the same. These concepts are that content is essential, and that our mission is to deliver that content to customers.

In order to do so, we continue to welcome challenges.

For example, in April 2023, we began broadcasting a nationwide network drama in the prime time for the first time in 28 years.

The source of our eagerness to welcome challenges and our striving for growth is our human resources, which are our biggest assets. Furthermore, due to diverse workstyles, delayed retirement and many other reasons, people are changing jobs with increased frequency. Other major Group themes are to improve group-wide workstyles to attract outstanding employees to ABC Group companies, and to strengthen our investment in human capital.

One of the concepts that serves as a foundation in achieving these themes is the “Human Resources Crossroads.”

We strive to ensure that workplaces are comfortable environments where individuals with diverse backgrounds and talents from both in- and outside of the Group

gather, interact, and stimulate one another. “Interaction” here means not only that mid-career hires exercise their individual capabilities in roles at ABC Group companies, but also that the ABC Group employees jump outside of the Group to produce new networks and build good chemistry with talented people. We then expect that those individuals will return to the Group to exercise the new skills they’ve learned. We strive to be a unique company that facilitates such lively and diverse interactions with the goal of producing attractive content and driving the growth of the Group as well as the growth of stakeholders and regional society.

Progress in the Medium-Term Management Strategy  
NEW HOPE enters the 2<sup>nd</sup> STAGE

Priority Targets

1 Strengthen and diversify human resources throughout the group

2 Leverage the power of broadcasting, and strengthen and deepen group collaboration

3 Build a data utilization system and pursue the use of digital technologies

4 Create businesses that contribute to regional revitalization and solutions to social issues

Achieve consolidated sales of 100 billion yen by FY2025

•Foundation built over the past two years  
NEW HOPE, the medium-term management strategy of the ABC Group, has been initiated to achieve consolidated sales of 100 billion yen by FY2025 with

four priority goals: Strengthen and diversify human resources throughout the group; Leverage the power of broadcasting, and strengthen and deepen group collaboration; Build a data utilization system and pursue the use of digital technologies; and Create businesses that contribute to regional revitalization and solutions to social issues.

We have made various approaches over the past two years.

First, based on the Colorful@ABC Statement, we improved the work environment and diversified human resources.

We have also vitalized employee interactions, town meetings, and collaboration among Group companies to reinforce cooperation.

In regard to the digital domain, while improving digital literacy among employees, we have strengthened the base to maximize the group-wide utilization of data, and started the digital sales business for companies utilizing accumulated ICT skills.

In regard to regional revitalization and solving social issues, we have advanced discussions with regional business providers and local governments, and we have already started collaboration with some of these. In addition, based on the ABC Green Declaration, we strive to achieve CO<sub>2</sub>-free power generation as well as contribute to the promotion of sustainability through the establishment of a fund that invests in ventures focusing on achieving SDGs and solving other social issues.

•Three additional new priority measures  
In the 2<sup>nd</sup> STAGE, we consider human capital investment as one of the highest priorities. In the digital business

## Value Creation

## Message from the President

as well, we continue vitalizing data utilization and are initiating new businesses such as AI and WEB3.0. In regard to regional revitalization, preparing for Expo 2025 Osaka, Kansai, Japan, we will play a significant role in contributing to regional society as a company whose head office is situated in Osaka.

Considering these factors, in the *NEW HOPE 2<sup>nd</sup> STAGE*, the ABC Group summarized priority issues to be worked on by the end of the final year, and added the following to the priority measures: the Human Resources

Crossroads Initiative, Create Businesses Through Digital Transformation (DX), and the Naniwa-suji / Nakanoshima ART ARC Initiative, through which we contribute to regional vitalization and the establishment of new businesses as a group of creators.

- **The animation business has great potential to win.**  
**Ensuring human resources and funds are the key.**  
*NEW HOPE* has set the goal of achieving consolidated net sales of 100 billion yen and an operating income of 5.7

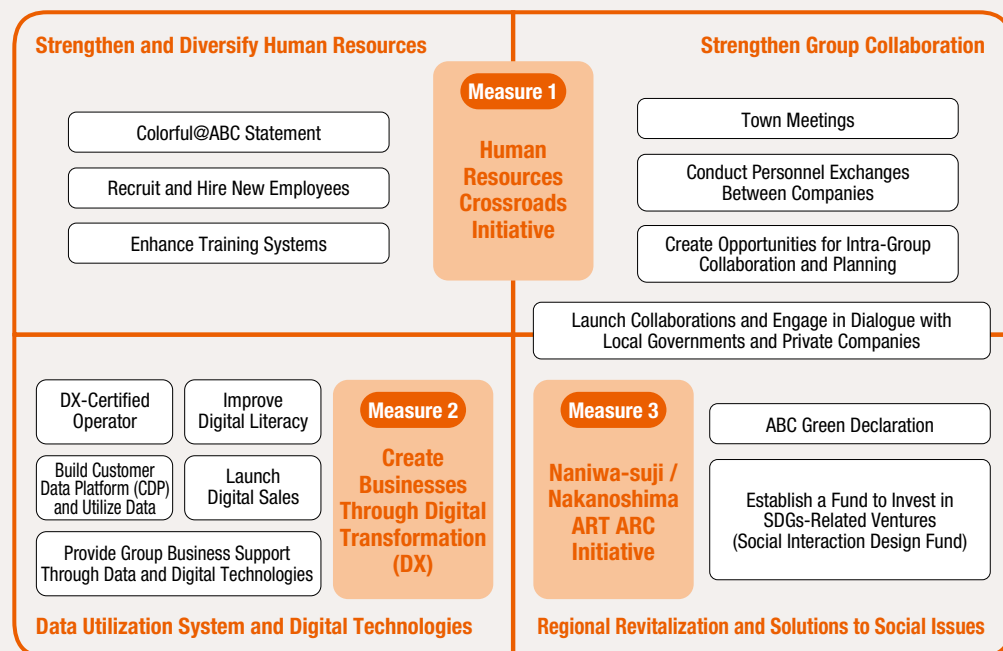
billion yen by FY2025, the last year of the strategy.

We offer our attractive content not only through broadcasting, but also through streaming, overseas sales, staging, merchandise, and more to maximize value.

The animation business has shown the highest growth over the past few years, and we continue investing our management resources into the business. Japanese animation is very popular overseas, and prompted ABC ANIMATION to promote overseas sales. We acquired a company engaged in producing goods

## NEW HOPE 2<sup>nd</sup> STAGE Priority Measures

\*  is a measure taken in the past two years.



## Measure 1 Human Resources Crossroads Initiative

We maximize the power of the individual and the Group, both internally and externally, to develop a Group of talented professionals in all capacities, accelerate the creation of content and business ideas, and expand monetization more diversely and freely.

## Measure 2 Create Businesses Through Digital Transformation (DX)

Our DX business is shifting from the pursuit to practical implementation phase. Using DX base strengths such as customer data platform (CDP) establishment, research and development of technologies, digital marketing, and improvement of Group-wide digital literacy, which have been enhanced over the past two years, we have expanded in a wide variety of areas, including data marketing, digital sales, new technology development, and human resource cultivation, aiming to achieve business creation through DX.

### Measure 3 Naniwa-suji / Nakanoshima ART ARC Initiative

The area around Naniwa-suji, Nakanoshima, and our head office (Fukushima-mu, Osaka), which has easy access to the main venue of the Expo 2025 Osaka, Kansai, Japan is developing under the concepts of art and health. We aim to utilize our ability to create and deliver our own content in this area, with the goal of evolving it into an Arts and Entertainment District in collaboration with the local community. At the same time, we also intend to establish a second creation factory as a base for content production, as well as a base for communications toward regional revitalization around our head office.

## Value Creation

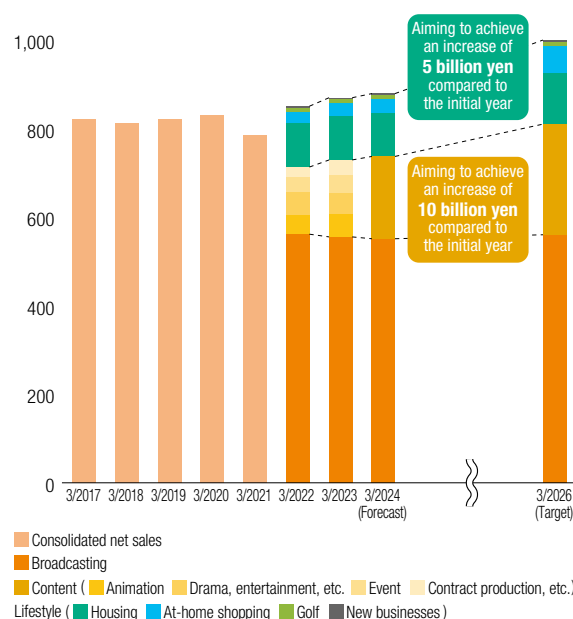
## Message from the President

related to popular animations in September 2022, and reformed animation companies in the group centering on ABC ANIMATION to facilitate prompt decision-making and enhance the supply chain in October 2023. In the same month, we incorporated a company engaged in CG movie production into the Group. Through such approaches, we strengthen production capability and revenue diversification.

We strive to grow our lifestyle business centering on EC. Although we have advanced new approaches in existing businesses, we also plan to grow through M&A. Utilizing the diversification of media and maximizing strengths, we will be making great proposals for new lifestyles that will lead to wellbeing through different scenarios.

We also need to plan strategically to effectively grow our business. Investment in animations and dramas, for example, is not always successful. Therefore, it is essential that our portfolio contain a significant number of items. In order to do so, it is also necessary to have outstanding human resources, sufficient funds and time

FY2025 Target (Quantitative Targets) (Unit: 100 million yen)



to continue creating content on a mid- and long-term basis. To enhance these different resources, we have promoted optimal asset allocation, including the further strengthening of human resources both in- and outside the Group, and appropriate fund management.

## Financial highlights and capital policy

•Increased revenues and decreased profits through prior investment under favorable conditions

In FY2022, our revenue increased mainly due to a rise in content sales and the full-year operation of the TV shopping business, which was newly launched in FY2021. Despite this, however, we experienced decreased profits due to depreciation and an increase in content-related expenses.

In FY2023, through an increase of TV broadcasting on nationwide networks, a favorable expansion of TVer, increase in streaming content, expansion of the animation

## Numerical Plan by FY2025 (Rolling Plan 2022)

## Rolling Plan 2023

(Unit: million yen)

By reportable segment	FY2021 (Actual)		FY2022 (Actual)		FY2023		FY2024		FY2025	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Broadcasting and Content	71,348	3,654	72,967	2,602	75,400	2,300	77,700	3,300	81,000	4,500
Lifestyle	13,751	874	14,061	433	14,600	600	16,300	1,050	19,000	1,650
Total	85,100	4,203	87,028	2,594	90,000	2,500	94,000	3,900	100,000	5,700

Note: We anticipated operating income-related adjustments of -400 million yen in FY2023 and -450 million yen in the FY2024-2025 time frame, recorded as Adjustments, Other for items not allocated to a specific segment (not shown in table).

Value Creation

Message from the President

business, and the strengthening of new EC sites as well as existing at-home shopping, we expect to increase sales. Due to the continual increase in drama content production expenses and other prior investments, however, operating income is expected to decrease relative to the previous fiscal year.

(Unit: million yen)

	3/2023 (Actual)	3/2024 (Forecast)	YoY	% Change
Net Sales	87,028	88,000	972	1.1%
Operating income	2,594	1,300	-1,294	-49.9%
Ordinary income	2,661	1,500	-1,161	-43.6%
Profit attributable to owners of parent	1,354	1,000	-354	-26.1%

Investing in growing segments aiming to achieve an ROE of 5% or greater

The Tokyo Stock Exchange (TSE) asks listed companies to distribute management resources in light of the cost of capital for investment. Improvement of the capital efficiency of the ABC Group will be possible through the promotion of the Medium-Term Management Strategy, *NEW HOPE* and its 2<sup>nd</sup> STAGE. Our immediate goal is to achieve the Medium-Term Management Strategy by the end of March 2026, and an ROE of 5% or greater. In regard to management resource allocation, it is necessary for us to shift resources from the mature segments to other segments with the potential for significant growth. The ABC Group also plans to optimize its business portfolio.

Where we need to keep investing for business growth, we will work on the selling of cross-shareholdings and other effective asset utilization while procuring

external funds to maintain an appropriate balance between financial health and financial leverage.

The capital secured by these methods will be used for investment to improve the content and lifestyle businesses, strengthen DX, and invest in human capital.

Aiming to achieve stable shareholder returns

Shareholder returns are a very important element. In August 2023, we changed the standards for dividend payout ratio for profit from the current net profit per share to consolidated operating income after deducting an amount equivalent to the effective statutory tax rate (deemed net profit).

This is to achieve stable shareholder returns based on our profits from main businesses, and we have set an annual dividend of 12 yen per share as the lower limit by increasing 2 yen from the existing 10 yen per share.

For our stakeholders

More than 70 years have passed since its foundation in radio broadcasting, and the ABC Group has continued to evolve along with the times. It is now encountering a new phase of reformation.

We considered what society expects of us, sorted out the priority items required to fulfill our responsibilities and achieve our targets, and identified these as materiality (material issues). We will enhance our corporate existence and value in society by working on such issues.

We believe that we are capable of working our way through any difficulties with our human resources, which are our biggest assets, and the power of the brands we have developed over 70 years.

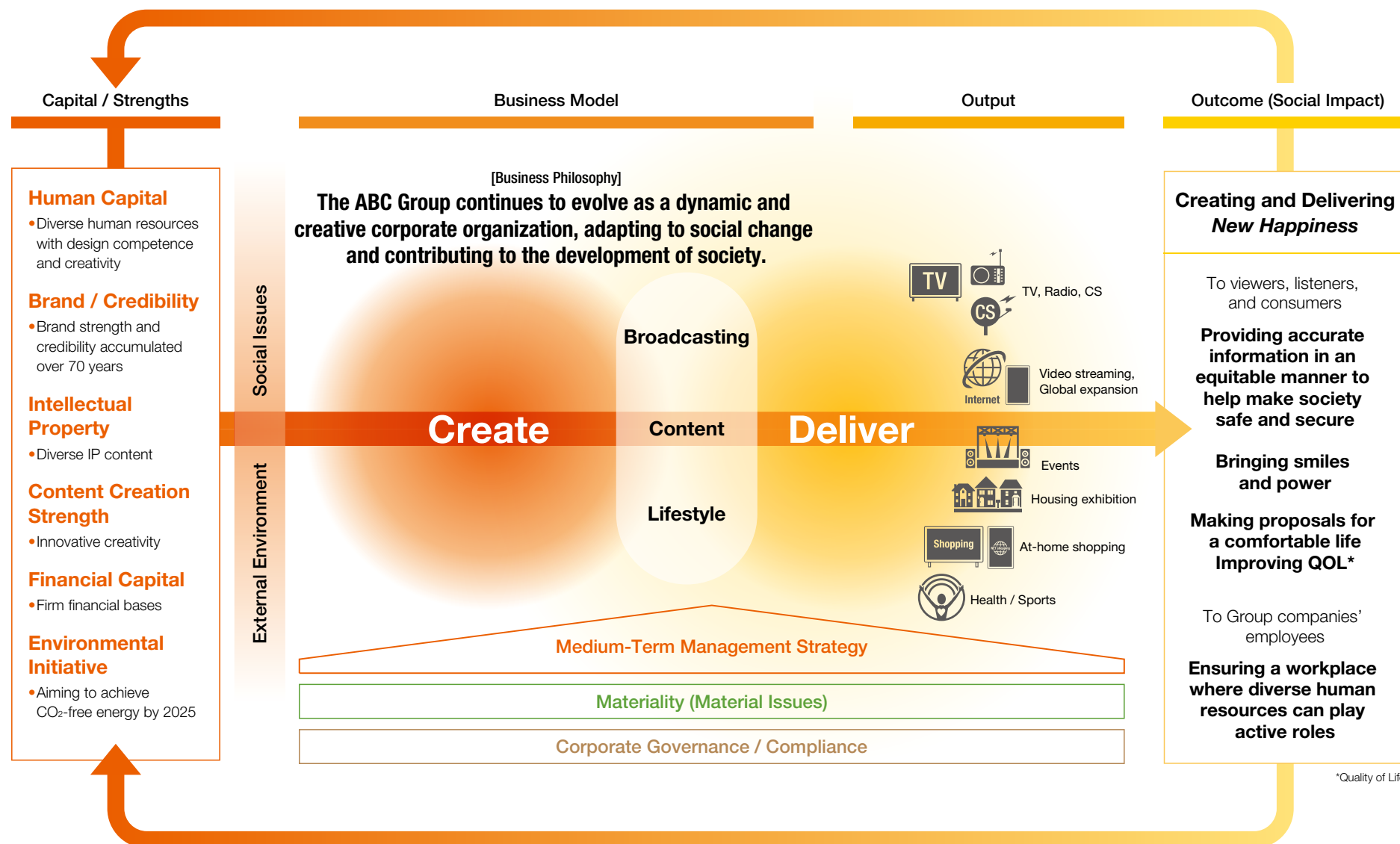
We continue being a challenger that seeks success. Rest assured that you can look forward to our further growth as a comprehensive content business group.





## Value Creation

## ABC Value Creation Process



Value Creation Roadmap for Enhancing Corporate Value

**Medium-Term Management Strategy 2021-2025 NEW HOPE****Creation and delivery of a broad range of content for continual growth****The 2<sup>nd</sup> STAGE has begun in 2023 to accelerate growth**

Medium-Term Management Strategy  
<https://corp.asahi.co.jp/en/ir/plan.html>

**May 2021**  
**Released *NEW HOPE*,  
 the Medium-Term Management Strategy**

**Priority Measures**

1. Human Resources Crossroads Initiative
2. Create Businesses Through Digital Transformation (DX)
3. Naniwa-suji / Nakanoshima ART ARC Initiative

Message from the President (Priority Measures) p.10

**Priority Targets**

1. Strengthen and diversify human resources throughout the group
2. Leverage the power of broadcasting, and strengthen and deepen group collaboration
3. Build a data utilization system and pursue the use of digital technologies
4. Create businesses that contribute to regional revitalization and solutions to social issues

**Moving toward  
 the 2<sup>nd</sup> STAGE of  
*NEW HOPE* in 2023**

**2025  
 Consolidated  
 Financial Targets**

Net sales of  
**100 billion yen**  
 Operating income of  
**5.7 billion yen**

**Improving the Capital Efficiency toward  
 FY2025****1**

Business portfolio  
 optimization

**2**

Investment  
 based on two axes,  
 mid- and long-term  
 perspectives  
 and speed

**3**

Effective asset  
 utilization  
 (Sale of cross-shareholdings)

**Current Targets**  
 ROE 5%  
 by FY2025

Page 21 of Presentation for the Second Quarter of Fiscal 2023  
[https://corp.asahi.co.jp/en/ir/library/presentation/main/00/teaserItems1/04/linkList/08/link/presentation\\_20231120.pdf](https://corp.asahi.co.jp/en/ir/library/presentation/main/00/teaserItems1/04/linkList/08/link/presentation_20231120.pdf)

85.1  
billion yen4.2  
billion yen100  
billion yen5.7  
billion yen

**Broadcasting and Content Businesses**  
 Increase net sales by  
**10 billion yen**  
 Compared with FY2021

**Lifestyle Business**  
 Increase net sales by  
**5 billion yen**  
 Compared with FY2021

FY2021 (Actual)

Net Sales Operating Income

FY2025

Value Creation Medium-Term Management Strategy, *NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (1) Human Resources Crossroads Initiative

## ABC Group Initiatives for Strengthening Human Resources

**Contributing to the improvement of mid- and long-term corporate value through employee diversification and the creation of a comfortable working environment**



### Akio Shiohama

Manager in charge of the Personnel Affairs Strategy,  
Group Strategy Division,  
Asahi Broadcasting Group Holdings Corporation  
General Manager of the Personnel Affairs Division,  
Asahi Television Broadcasting Corporation

**Q1**

Would you please tell us about the ABC Group concept for human capital (human resources)?

**A** We released the Medium-Term Management Strategy, *NEW HOPE 2<sup>nd</sup> STAGE*, in May 2023, in which we set the Human Resources Crossroads Initiative as a priority issue. It includes the desire for the Group to be a place where individuals, both in- and outside the company, with a broad range of backgrounds and skills interact and grow together. Through the influence of diverse Group business operations, not only have business activities become more diverse, but the Group's range of human resources has also greatly diversified. We strive to develop an environment in which such diverse individuals exercise their skills and leverage their human networks, sometimes moving into external environments that differ significantly from the Group ecosystem to build relationships and gain experience with the firm belief that such interactions will spur growth and generate innovation.

**Q2**

It's been one year since the Company released its *Colorful@ABC Statement*, which aims to encourage workstyle and employee diversity. What kind of changes are being seen in the company?

**A** The *Colorful@ABC Statement* was developed to encourage all employees of the Group to maximize cooperation with one another through the encouragement of workstyle and employee diversity, and to ensure an environment in which all individuals are able to exercise their capabilities in their own ways.



Consumer preferences have been changing, changes to which young, mid-level, and veteran employees of the Group have been responding using their own individualities and experience. The Group also considers it important to provide individual employees with support that is suited to their life stage, and support that will help them to exercise their capabilities.

Employee awareness about workstyles has changed significantly in the past year, especially awareness about male employees taking childcare leave. Before the *Colorful@ABC Statement* was publicized, the rate of male employees who took childcare leave was only 15.4% (FY2021). It has now risen to an impressive 88.2% (FY2022). The increased amount of childcare leave being taken by male employees working in program production,

Value Creation

Medium-Term Management Strategy, *NEW HOPE* 2<sup>nd</sup> STAGE Priority Measures (1) Human Resources Crossroads Initiative

ABC Group Initiatives for Strengthening Human Resources

where the use of childcare leave has traditionally been nearly impossible, greatly helped to raise the rate. This has been made possible with support from co-workers, and I think it is an epoch-making result. In FY2023, we have strived to achieve a 100% rate for both male and female employees. In addition to support for employees providing nursing care for family members, I believe that having a comfortable working environment is key to ensuring that all employees are able to exercise their creativity to the fullest.

We started office renovation in April 2022, and sequentially implemented an open office system. These approaches have already resulted in generating interactions among employees in different divisions and departments. I am confident that these new systems will lead to new business ideas.

Q3

Would you please tell us about recent approaches?

**A** Japan has long since entered the era of the 100-year life expectancy, and individual workers have come to think more deeply about the meaning and purpose of work. To respond to this paradigm shift, Asahi Television Broadcasting Corporation has advanced its personnel affairs system reform, Next Stage 2.0. The purpose of this project is the establishment of a personnel affairs system that ensures that those who work hard are always rewarded, and develops a work environment that encourages employees. The biggest resource of the Company is, needless to say, its human resources; however, the biggest risk is the interruption of career formation. This reform is essential in enabling us to focus on supporting the career formation of individual employees, improve work satisfaction, and lead such

change to the further improvement of productivity.

The slogan of this personnel affairs system reform is “changing from a good company to a strong company” with the hope of becoming a strong company that grows together with all of its employees, from young to old.

We are also working to improve the training system. The purpose of implementing a multi-faceted training system is to provide individual employees the opportunity to acquire necessary business skills; however, we also try to vitalize interactions among employees. For example, employees engaging in different work have chances to interact through level-specific programs while sharing problems and issues among employees in managerial positions through role-specific programs. We are confident that these programs will lead to growth beyond business skills.

Q4

Would you please tell us the current issues that you are working on?

**A** The Group strives for growth as a comprehensive content business group beyond the boundaries of the broadcasting business. Through this process of growth, the number of Group companies has been increasing, and the abilities required by employees have diversified due to the broad range covered by the businesses. In addition, since we’ve started producing dramas in the prime time on a nationwide network for the first time in 28 years, it is essential for us to develop and secure human resources capable of supporting such growth. As I’ve mentioned our efforts in ensuring a work environment that motivates each employee to work hard through reform of the personnel affairs system, I think that understanding each employee’s strength, promoting re-skilling to respond to changing environments, and appropriate assignment of individual

potential through the improvement of management ability are also important tasks for the Personnel Affairs Division. Considering personnel reshuffling as a short-term response, and the well-balanced recruitment of new graduates and promotion of mid-career recruitment as mid- and long-term responses, we are currently initiating multiple measures to promote the *NEW HOPE* strategy as well as improvement of the internship system, clarification of human resource requirements, improvement of our recruiting processes, and reconsideration of our human resource development system, including support for mid-career hires.

Our Corporate Vision’s slogan is *All for Content*. It is our human resources who create the content. To keep creating better content as a comprehensive content business provider, it is essential to improve individual employees’ skills and capabilities. Individual employees begin with us; however, being in an environment where they can improve themselves through interactions with others enables them to fulfill their potential as valuable and talented human resources. Our mission as members of the Personnel Affairs Division is to ensure such an environment.





Value Creation Medium-Term Management Strategy, *NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (1) Human Resources Crossroads Initiative

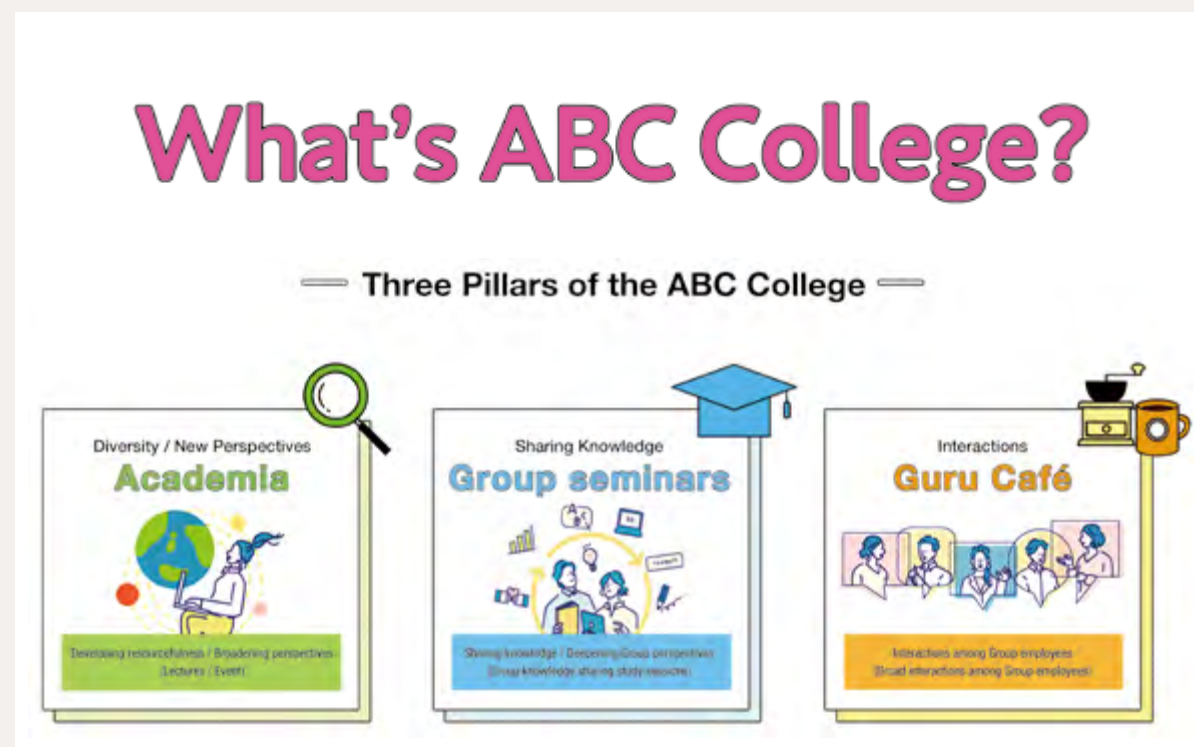
## ABC Group Initiatives for Strengthening Human Resources

# TOPICS

Featuring Human Resources Crossroads Initiative Concept **ABC College & ABC Salon**

The Medium-Term Management Strategy, *NEW HOPE 2<sup>nd</sup> STAGE*, clearly stated a focus on human capital investment, and the Human Resources Crossroads Initiative was released. As a part of this, we created opportunities where people in- and outside the company gather and build relationships, which lead to the development of human resources with innovative ideas, and the broadening of human networks.

### 1. ABC College (Opened in July 2023)



#### Academia

Academia includes lectures and events covering a broad range of fields to expand perspectives, create new ideas, and increase resourcefulness. We invite guest speakers from outside the company to give presentations.

- We held presentations three times up to December 2023, with teamLab, which actively works on the global stage, TYPICA, which is a coffee industry start-up with a high awareness of sustainability, and a professor of early childcare and education from Osaka Kyoiku University.
- These presentations were provided in both face-to-face and online formats. The Q&A periods were very active, and all participants were enthusiastic about the opportunity to hear talks given by specialists.



Value Creation Medium-Term Management Strategy, *NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (1) Human Resources Crossroads Initiative

## ABC Group Initiatives for Strengthening Human Resources

# TOPICS

Featuring Human Resources Crossroads Initiative Concept **ABC College & ABC Salon**

### Group Seminars

Group employees serve as presenters to share their knowledge about Group companies and individual divisions with participants to deepen their understanding of Group companies, and create chances for future collaboration.



- A wide range of companies have been incorporated in the ABC Group, and mid-career hires with a broad range of experience have joined Group companies. These have significantly advanced the diversification of the Group's human resources.
- Our seminars provide Group companies and employees chances to share their specialized knowledge and experience aiming to raise the standards of the organization and generate new ideas.

### Guru Café

Guru Café is a social gathering for Group employees involving areas of interest other than business activities. A broad range of meetings are held. Some are on specific themes and others are held to enjoy hobbies. These are great chances for employees to meet one another outside of work.



- For example, those who would like to enjoy both work and free time, gather after work to enjoy craft beer, or male employees who are raising children get together for lunch and share information about childrearing, recipes, and good spots to visit with their kids. We aim to provide chances for interactions among employees that are more fun and relaxing, and that are different from Academia and Group seminars.

## 2. ABC Salon

- ABC Salon was established with a focus on interactions with people outside the company. The first salon was held on October 19, 2023. This commemorative ABC Salon featured Ryuichi Morotomi, President of Hankyu Hanshin Properties Corporation, who shared his passion for redevelopment of the Umeda area in Osaka City, and the role of the private sector in the future of the Kansai region. We are planning to invite not only renowned businesspersons, but also people in the entertainment industry and administrative agencies.
- ABC Salon was born of the recognition that we must continue changing in order to continue creating new content that responds to our changing world. A wide range of mid-career hires have joined the ABC Group, and this has generated a great innovation. We expect that Group employees will jump into the external world and its currents, and generate synergy. To achieve this expectation, the ABC Salon invites top management from a broad range of corporations and other organizations to generate new networks among their employees and ABC Group employees and staff through interactions.



**Value Creation**    Medium-Term Management Strategy, *NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (1) Human Resources Crossroads Initiative

**ABC Group Initiatives for Strengthening Human Resources**

## Cultivating the Power of the Individual and maximizing the Power of the Group

### Human Resources Development Policy

Human resources capable of responding to change are necessary for self-innovation of existing businesses and to foster the development of new businesses in order to achieve sustainable growth over the entire Group. The required capabilities are leadership, management skill and innovative thinking. To foster such capabilities, we not only provide leadership development and other training, but also provide training with external parties and dispatch employees to external assignments. In addition, we will promote training assignments and selective personnel promotions that span divisions within each Group company as well as personnel interchange (interactions) in- and outside the Group.

### Building a Multi-faceted Training System

In addition to level-specific training, leader development, and training sessions in different industries provided by Asahi Television Broadcasting Corporation, which is the Group's main pillar, we also conduct group-wide training for employees selected from Group companies to cultivate diverse human resources for the future.

Furthermore, through the Group internship system, we broaden employees' knowledge beyond the boundaries of individual companies and expand their viewpoints with the goal of improving the comprehensive capabilities of the ABC Group.

\*Providing internship for students  
Asahi Television Broadcasting Corporation runs annual internships (Open Company). Asahi Broadcasting Group Holdings Corporation also sought participants for a long-term internship (paid) exclusively for IT engineers as a first approach in June 2023. Three individuals were selected to participate in projects to establish and improve databases as well as projects in other areas in August and September, 2023.

Training and Human Resource Development Scheme for Asahi Television Broadcasting Corporation (FY2023)

	Level-specific	Strengthening leadership	Strengthening business skills	Other
Required	<div>General manager</div> <div>Manager</div> <div>Newly appointed members of management</div> <div>Section chief</div> <div>Chief</div> <div>General employees (7-9<sup>th</sup> year)</div> <div>General employees (3<sup>rd</sup> year)</div> <div>General employees (1<sup>st</sup> year)</div> <div>New employees</div>			<div>Evaluator training</div> <div>Supporter training</div> <div>Career design training (Career women aged 45, 50, and 55)</div> <div>Compliance training</div> <div>Information security training</div>
Selected members		<div>Top leaders</div> <div>Next leaders</div> <div>Future leaders</div> <div>Kagayaki juku* *A training program to develop resourcefulness for next leaders</div>	<div>For members of management</div> <div>Open innovation (Cross-industry participation)</div>	
Open for applications				<div>Internship within the Group</div>
Optional (cost subsidies)		<div>Skill development training</div>		

■ Management position
■ Core position
■ Including all Group companies
■ Both management and core positions

Value Creation

Medium-Term Management Strategy, *NEW HOPE 2<sup>nd</sup>* STAGE Priority Measures (1) Human Resources Crossroads Initiative  
**ABC Group Initiatives for Strengthening Human Resources**

# Promoting Human Resource Diversity, and Creating a Diverse and Creative Workforce

Policy for Initiatives Making the Asahi Broadcasting Group More Colorful

The ABC Group believes that fostering a corporate culture where everyone can reach their fullest potential will lead naturally to an environment where women can play an even more important role. With this in mind, in order to contribute to the enhancement of both local society and culture through the provision of various content and services, we are creating a working environment where each person is respected and acknowledged irrespective of sex, age, nationality, religious preference, life stage, disability or sexual orientation, striving for a company where the diverse capabilities of every member of the ABC family can shine through as the Japanese proverb “Junin Toiro”(So many men, so many minds) indicates.

## Colorful@ABC Statement

The ABC Group sees its workplaces as working environments where all employees can collaborate with consideration for others by encouraging work-style and employee diversity to facilitate the active involvement of all employees as they see fit.

The Colorful@ABC Statement declares our intent toward facilitate more colorful, more inclusive environments within the Group.



## Colorful@ABC Statement Initiative [Work-style]

### Enriching work-style diversity, and promoting a comfortable work environment creation

We aim to create comfortable work environments across the Group by introducing a telework system, expanding shortened work-hour systems, and other measures. We will also pursue initiatives to increase diversity in employee work styles to give each employee the opportunity to flourish in their own way, including the development of leave programs and other systems. We are committed to creating mechanisms that support employee success as individuals to encourage employee retention.

**Rate of employees taking paid leaves**  
HD + TV = Sum total of Holdings and ABC TV

	FY2020	FY2021	FY2022
HD + TV	35.9%	38.9%	41.6%

**Turnover rate of employees hired within the last three years**

	Entire Group	HD + TV
Number of employees hired between FY2020 to FY2022 (including new hires, mid-career hires, and contract employees, etc.)	412	63
Number of employees resigning within the last three years	49	1
Turnover rate for the last three years as of April 1, 2023	11.9%	1.6%
Number of employees hired between FY2019 to FY2021 (Including new hires, mid-career hires, and contract employees, etc.)	362	53
Number of employees resigning within the last three years	53	4
Turnover rate for the last three years as of April 1, 2022	14.6%	7.5%
Number of employees hired between FY2018 to FY2020 (Including new hires, mid-career hires, and contract employees, etc.)	351	53
Number of employees resigning within the last three years	48	4
Turnover rate for the last three years as of April 1, 2021	13.7%	7.5%



## Value Creation Medium-Term Management Strategy, *NEW HOPE 2<sup>nd</sup>* STAGE Priority Measures (1) Human Resources Crossroads Initiative

### ABC Group Initiatives for Strengthening Human Resources

#### Colorful@ABC Statement Initiatives [Promoting the participation of women in the workplace / Diversity]

##### Child rearing support: Significant improvement in the rate of male employees taking childcare leave

Centering on the Asahi Television Broadcasting Corporation, the ABC Group has held Mother Gathering and Father Gathering to ensure a work environment in which individual employees feel free to take childcare leave. Through the development of systems that support both male and female employees' childrearing, we aim to improve the rate of employees taking childcare leave. (FY2023 target for the Asahi Broadcasting Group Holdings Corporation, Asahi Television Broadcasting Corporation: 100% for both male and female employees)

##### Number of employees taking childcare leave

HD + TV = Sum total of Holdings and ABC TV

		FY2018	FY2019	FY2020	FY2021	FY2022
Entire Group						
Male	Number of employees eligible for childcare leave	26	31	27	32	31
	Ratio of employees taking childcare leave	3.9%	0%	18.5%	9.4%	67.7%
Female	Number of employees eligible for childcare leave	23	23	28	24	20
	Ratio of employees taking childcare leave	100%	100%	100%	100%	100%
Ratio of employees taking childcare leave (total)		49.0%	42.6%	60.0%	48.2%	80.4%
Ratio of employees returning to work after taking childcare leave		100%	100%	100%	100%	100%
HD + TV						
Male	Number of employees eligible for childcare leave	18	15	16	13	17
	Ratio of employees taking childcare leave	5.6%	0%	31.3%	15.4%	88.2%
Female	Number of employees eligible for childcare leave	10	11	10	10	5
	Ratio of employees taking childcare leave	100%	100%	100%	100%	100%
Ratio of employees taking childcare leave (total)		39.3%	42.3%	57.7%	52.2%	90.9%
Ratio of employees returning to work after taking childcare leave		100%	100%	100%	100%	100%

##### Promoting greater career opportunities for women: Both the number of female employees and ratio of female employees in management positions have steadily increased

The ABC Group has promoted career opportunities for women and approaches to further enhance workforce diversity. The Asahi Television Broadcasting Corporation, which is the Group's main pillar, aims to increase the ratio of female employees in management positions by 2027 to 17%, which is equivalent to the ratio of female employees in the age segment for management positions (aged 43 or older). Furthermore, we also aim to achieve a 20% or more ratio of female employees in management positions in 2030.

##### Number and ratio of female employees by age

	20s	30s	40s	50s	60s	Total
Entire Group	330	434	454	379	104	1,701
Number of female employees	177	165	130	107	19	598
Ratio of female employees	53.6%	38.0%	28.6%	28.2%	18.3%	35.2%
Employees originating from ABC TV	82	138	187	225	57	689
Number of female employees	39	32	36	49	6	162
Ratio of female employees	47.6%	23.2%	19.3%	21.8%	10.5%	23.5%

\*As of April 1, 2023

##### Number and ratio of female employees in management positions

	FY2021	FY2022	FY2023
Entire Group	289	314	333
Number of female employees in management positions	42	52	58
Ratio of female employees in management positions	14.5%	16.6%	17.4%
Employees originating from ABC TV	168	168	173
Number of female employees in management positions	14	16	20
Ratio of female employees in management positions	8.3%	9.5%	11.6%

\*As of April 1 each year

#### Health and Occupational Safety Initiatives

Each Group company implements initiatives addressing employee health and safety based on the regulations in place at each company.

In addition, our core subsidiary, the Asahi Television Broadcasting Corporation, conducts stress-check tests once a year, and provides follow-up consultations with an industrial physician for employees experiencing high levels of stress. Further, we are working to maintain and promote employee health by implementing a follow-up system for employees with findings resulting from a regular health check-up diagnosis.

##### Number of employees taking time off due to workplace accidents (occupational hazards (including death and serious injury))

	FY2022
HD + TV	0

##### Occupational accident frequency rate

	FY2022
HD + TV	0%

Value Creation Medium-Term Management Strategy, *NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (2) Business Creation Through DX

## From promotion to implementation – Creation of new sales channels and value through DX

With both axes, discovery of new digital sales channels and formation of new supply chain and business growth through data utilization, the ABC Group will produce new value and pursue the growth of business.

### Promotion structure for business creation through DX

The integration of two teams, the Business Marketing and Digital Media Teams composed of the DX and Media Design Division of Asahi Broadcasting Group Holdings Corporation, will create new value and businesses utilizing digital transformation, and lead to the growth of the Group.

#### Mission 1

Discovery of digital sales channels and formation of new supply chains

Perceiving  
new customer needs

Discovery of  
digital sales channels

Supply chains formed  
by the ABC Group

### Creating new value through DX

Accumulating data from each  
Group company through CDP\*

Data visualization  
and thorough analysis

Creation and implementation  
of strategies based on analysis

#### Mission 2

Data-driven business growth

\*CDP stands for customer data platform (a customer data platform for individual Group companies). It serves as a base for data utilization by the entire Group.

#### Business Marketing Team

##### Creating new sales channels through the digital sales business (From June 2022)

The Business Marketing Team was established to discover new digital sales channels and form new supply chains. The team has helped address issues regarding corporate promotion in new digital markets using digital products, and has steadily expanded the number of new customers. The team has acquired more than 40 new customers in the past year, and acquired 4,200 sales leads (prospective clients). The team has offered solutions for a broad range of companies nationwide that have encountered difficulties with digital measures. Along with this, the team will also guide customers to existing sales channels (TV and radio advertisement, etc.) to maximize Group-wide profits.

#### Digital Media Team

##### Aiming to create businesses through the utilization of data

We've strived to improve businesses through data-driven strategy through CDP implemented in 2021.



"Katte Yokatta Summit 2023  
Kore ga watashi no kami tsuhan"

Example: The Digital Media Team analyzed the user behavior data accumulated on the CDP to design measures and customer experiences that match their needs during a special at-home shopping program produced by the Asahi Television Broadcasting Corporation in cooperation with ABC FUN LIFE Inc.

With each broadcasting, the viewer access and purchase rates, and sales per customer have increased. With the third broadcasting, sales increased 1.6 times the first broadcast, which was a record high among all at-home shopping programs broadcasted.

**Value Creation** Medium-Term Management Strategy, *NEW HOPE 2<sup>nd</sup> STAGE* Priority Measures (3) Naniwa-suji / Nakanoshima ART ARC Initiative

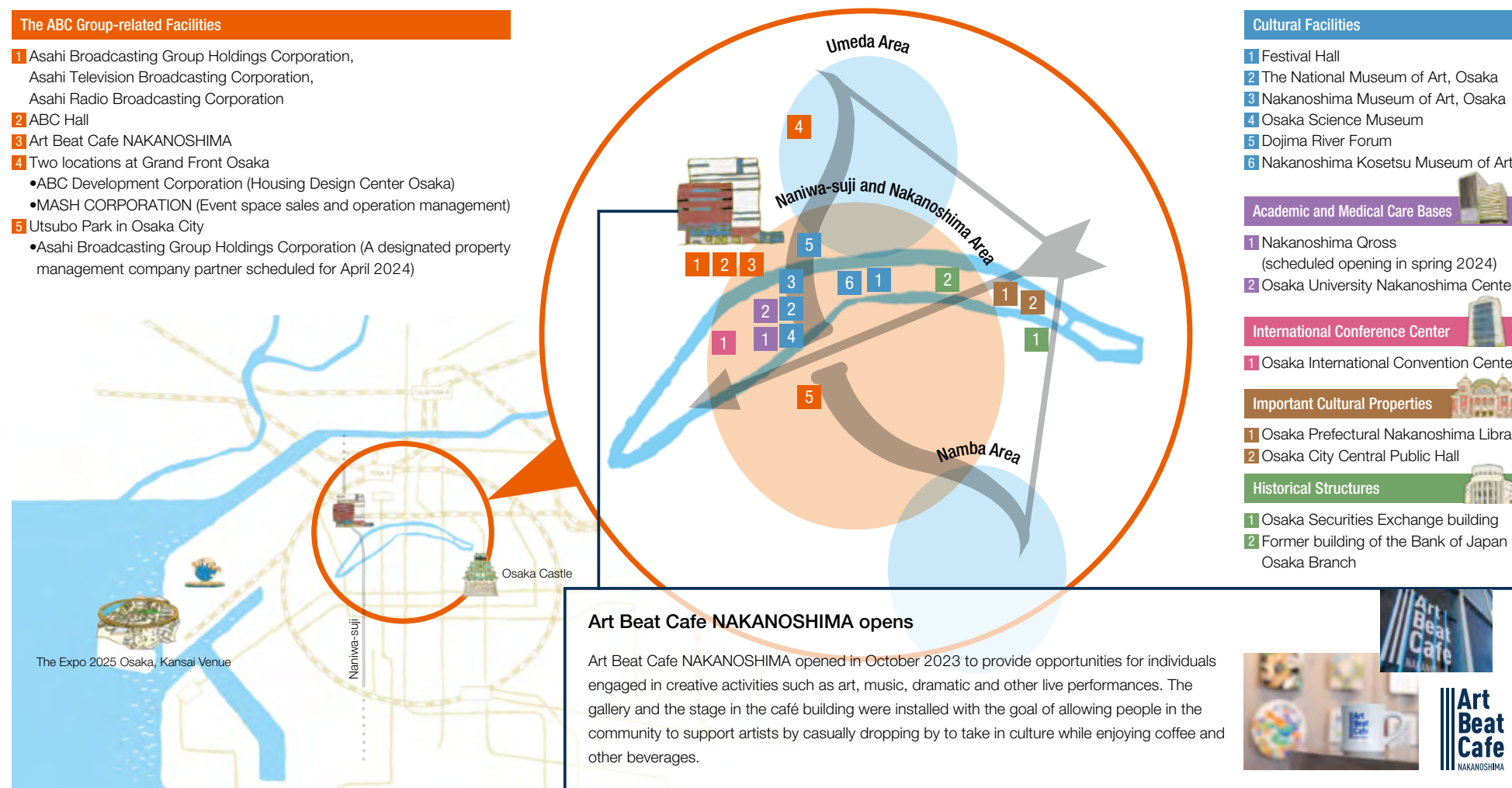
## Increasing value of individual areas to create energetic communities

The Naniwa-suji and Nakanoshima area, home to our head office, has a wide variety of historical structures and cultural facilities such as art museums and concert halls. The areas also afford great access to the venues of the Expo 2025 Osaka, Kansai, Japan, and have been undergoing re-development through the collaborative efforts of government entities and the private sector. Focusing on the benefit of location, the Company announced its ART ARC Initiative as a priority measure of its *NEW HOPE 2<sup>nd</sup> STAGE*, which aims to create energetic communities and highlight their attractiveness through the provision of information on the theme of Art and Entertainment in the lead up to the Expo, an event that itself highlights the global attractiveness of Osaka.

Leveraging our ability to create and deliver, we are actively producing events related to the Expo by as we contribute as a local business to the vitalization of the areas aiming to improve our performance.

### The ABC Group-related Facilities

- 1 Asahi Broadcasting Group Holdings Corporation,  
Asahi Television Broadcasting Corporation,  
Asahi Radio Broadcasting Corporation
- 2 ABC Hall
- 3 Art Beat Cafe NAKANOSHIMA
- 4 Two locations at Grand Front Osaka
  - ABC Development Corporation (Housing Design Center Osaka)
  - MASH CORPORATION (Event space sales and operation management)
- 5 Utsubo Park in Osaka City
  - Asahi Broadcasting Group Holdings Corporation (A designated property management company partner scheduled for April 2024)



# Business Strategies

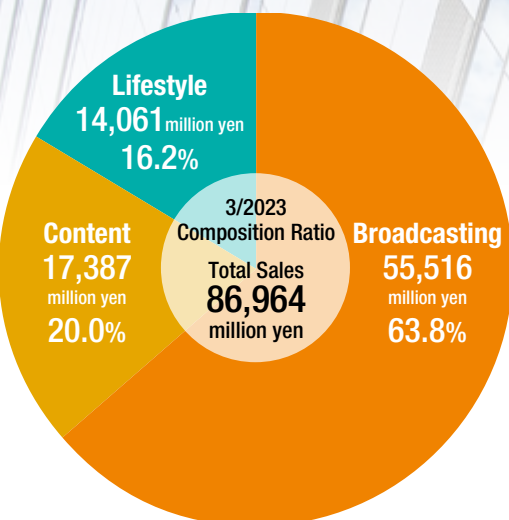
- 25 Business of the Asahi Broadcasting Group
- 26 Financial Highlights
- 27 Broadcasting and Content Businesses
- 28 Business Strategies  
Broadcasting and Content Businesses
- 31 Initiatives to Recreation of the Value of Television Media
- 32 1. Animation business as a key driver
- 35 2. Dramas as a new pillar for content business
- 37 Lifestyle Business
- 38 Business Strategies  
Lifestyle Business
- 40 An outdoor event held at WELL BE MINOH through  
the unification of the Group power





## Business Strategies

## Business of the Asahi Broadcasting Group



## Broadcasting Business

The broadcasting business is composed of three core companies with the Group's top profitability and brand power. A major source of income is advertisement. With the further enhancement and utilization of market reach and brand power, we will strengthen group-wide profitability.



## Content Business

The content business is a key driver of the growth of the ABC Group. We continue creating diverse, high-quality content, and further expanding the streaming, overseas sales, movie adaptations, staging (plays), and the sale of goods.



## Lifestyle Business

The lifestyle business provides services such as housing exhibitions, TV shopping, and golf course management to enrich lives. We strive to expand our business through the development of new businesses that satisfy the needs of customers regarding their health and lifestyles.



## Other Major Group Companies

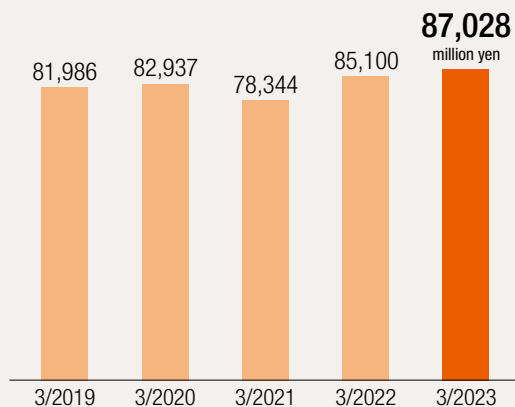




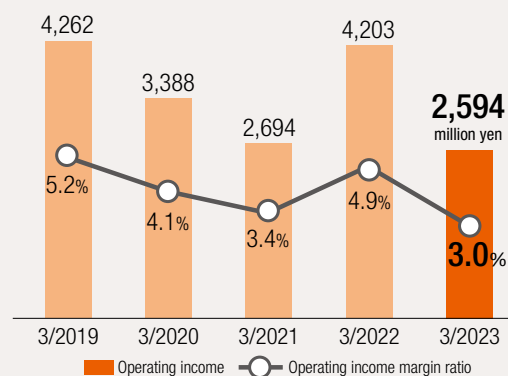
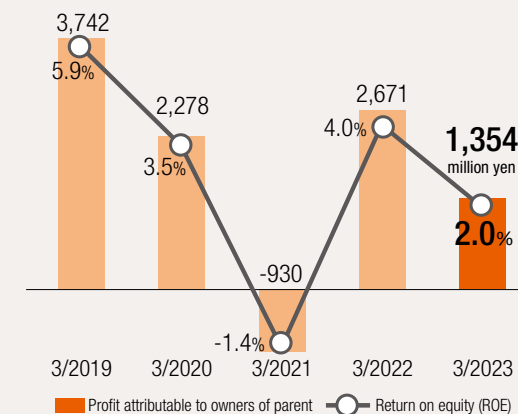
## Business Strategies

## Financial Highlights

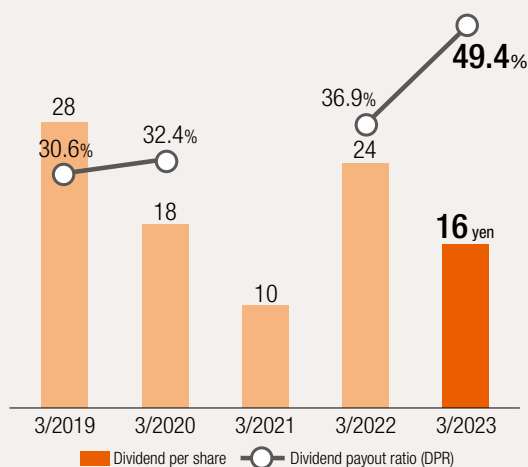
Consolidated net sales



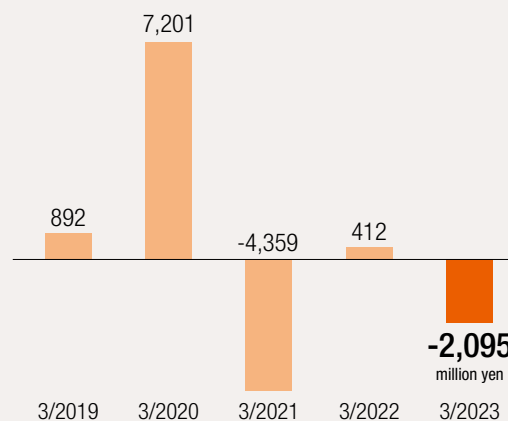
Operating income / Operating income margin ratio

Profit attributable to owners of parent /  
Return on equity (ROE)

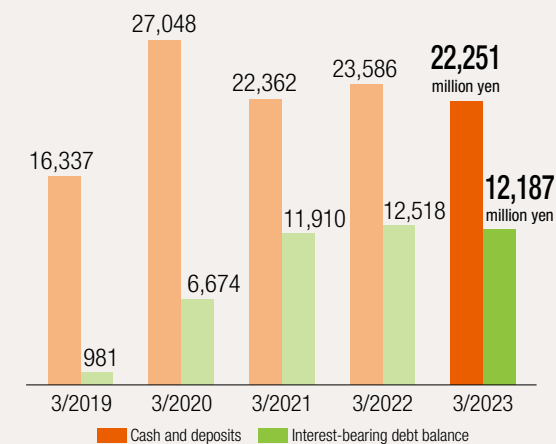
Dividend per share / Dividend payout ratio (DPR)



Free cash flow



Cash and deposits / Interest-bearing debt balance



## Business Strategies

# Broadcasting and Content Businesses

We continue growing our business with the brand power and content creative capacity we have accumulated over 70 years using the time of change as a great chance.

## Ideal Feature

We leverage the diverse power of the Group to create and deliver content, *New Happiness*, and new value to individual consumers.

## Broadcasting Business

Terrestrial TV broadcasting, a core business of the Asahi Television Broadcasting Corporation and the ABC Group, has great strength as a free-of-charge information infrastructure with a history stretching over 70 years. Its news business is particularly proud of its credibility and fairness, which it is able to bring to Internet streaming. Terrestrial TV broadcasting is also the most important infrastructure in times of disaster for the protection of life. Furthermore, the power of transmission and market reach of TV broadcasting is outstanding; therefore, the value of TV broadcasting has been re-recognized even with the rapid growth of the Internet market.

Asahi Television Broadcasting Corporation and Asahi Radio Broadcasting Corporation, and a CS broadcasting service provider, sky-A Inc., all of which are the basic broadcasters of the Group, strive to improve Group brand value by increasing credibility and contributing to the creation of a safe and secure society while improving the profitability of the broadcasting and content businesses by strengthening the planning and proposal capabilities of the ABC Group.

In addition, to make ABC Group content available to as many users, viewers, and consumers as possible, we are enhancing business expansion to match the needs of the new era, including investment in TVer\* and collaboration with a wide range of video streaming platforms.

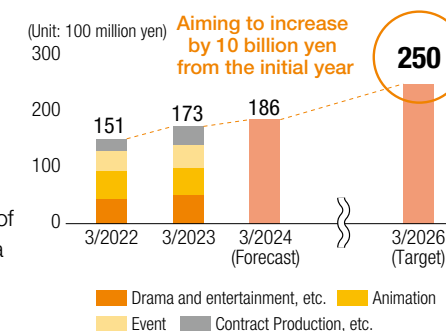
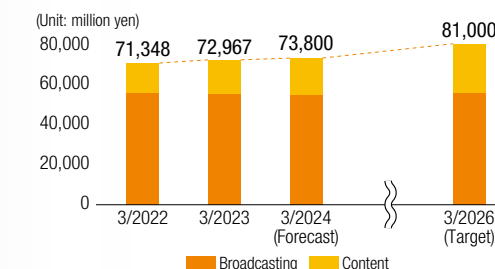
\*AVOD (Advertising Video On Demand) streaming service for viewing TV content

## Content Business

The key driver of growth for the ABC Group continues to be the content business. Through the implementation of priority measures, we are creating and delivering more diverse and high-quality content than ever.

In the *NEW HOPE 2<sup>nd</sup> STAGE*, we are further strengthening the structure to continue creating diverse and high-quality content through the implementation of three priority measures, and expanding the content business via multiple media such as streaming, overseas sales, movie adaptations, staging (plays), and the sale of goods, aiming to achieve an increase of 10 billion yen in consolidated sales during the targeted period of the Medium-Term Management Strategy.

Broadcasting and Content Businesses in FY2025 Target  
(Consolidated Sales)



### 1 Drama, Entertainment, Documentary, etc.

In the content business, it is essential to expand through not only terrestrial TV broadcasting, but also streaming as well as other diverse platforms, and create content taking overseas markets into account.

In the 2<sup>nd</sup> STAGE, in addition to the strengthening of the existing categories, we accelerate approaches to making drama one of our main content areas. We established a nationwide network drama slot at 10:00 pm on Sunday night in April 2023. It was a new attempt to produce a drama for prime time (7:00 – 11:00 pm) for the first time in 28 years. All the Group companies continue to support this attempt both directly and indirectly.

### 2 Animation

Along with the terrestrial TV broadcasting, animation is one of the major segments of our content business, through which we are planning to increase profits via multiple media such as streaming and overseas sales. In FY2022, we included animation merchandise business provider Zero G Act Co., Ltd. in the ABC Group to strengthen the merchandise business. We will further enhance our animation-related business and overseas business expansion.

### 3 Event, Staging (plays), Music

Performances promoted through collaboration among the Group companies, including events, plays, and music, are important opportunities for us to broaden business and increase engagement with fans in a face-to-face manner as a part of the expansion of content through multiple media. We are continuing to improve content.

## Business Strategies Broadcasting and Content Businesses

## Creating new value by maximizing the potential of content through broadcasting power

The influence of digitalization on the broadcasting business has been significant. For the further growth of the business, it is necessary to shift to multi-faceted and global content business utilizing digitalization. Combining the local perspective as one of the companies in the Kansai region, a large Kansai region network, with strong market reach as nationwide network programs, we are continuing to create new value by leveraging the unified capabilities of the Group.

### ABC Group content

#### Content means all the services we provide

The ABC Group considers all of the services we provide as content, not only video content such as TV programs and Internet streaming, but also events and ideas.

Asahi Television Broadcasting Corporation, which handles the largest amount of content within the Group, (hereinafter, ABC TV) also considers the personnel and technologies involved in the creation of content as important content, and has chosen *All for Content* as its slogan since 2018.

### Achieving an increase of 10 billion yen in consolidated sales over five years – Medium-Term Management Strategy Target

#### Striving to develop profitable content and achieve targets through close cooperation among Group companies

In the Medium-Term Management Strategy, the ABC Group has set a target for the content business to achieve an increase of 10 billion yen in consolidated sales in FY2025 over the initial fiscal year. However, the broadcasting business cannot be expected to gain a significant increase in advertisement income; therefore, monetization by the content business is the major pillar of the strategy.

The Medium-Term Management Strategy sets the following three targets for the content business:

1. Improve planning and production capabilities to respond to a variety of needs and devices

2. Maximize the value of content and expand/strengthen sales channels

3. Optimize the value chain.

It is forecasted that achieving these targets will steadily increase the consolidated sales of the content business from 350 million yen in FY2019 to 5.9 billion yen in FY2023.

To achieve further growth, however, it is essential for all Group companies work together to develop new profitable content. In order to do so, we must change employee awareness at ABC TV, the largest content producer within the Group, reform the organization, and implement effective cross-sectional content strategy.

### Broadcasting and Content Businesses – Growth Strategy (1) Changing the shift for the ABC TV

#### Aiming to improve business performance with the increase of high-quality content and improved broadcasting value through the implementation of content-oriented strategy beyond the program timetables

ABC TV, a core business of the ABC Group, had long secured profit mainly through advertisement income based on TV program timetables, and businesses other than broadcasting were simply secondary use of the broadcasted programs. However, along with the development of new digital devices, the environment has changed significantly by providing media other than TV capable of delivering content.

In response, the ABC Group has shifted its strategic



focus from broadcasting to content, centering on ABC TV. While engaging in production with content-oriented business expansion through multiple media, we are also implementing a business model that maximizes the use of broadcasting, which is our biggest strength.

We are also refining the production system through integration of the broadcasting and content businesses. Regarding the budget, we are aiming to shift from a budget based on broadcasting according to the timetable, to a budget with revenue from the content business in mind. Increasing profits from the content business would be beneficial in enabling us to increase the amount of content and products without being affected by limited TV broadcasting slots and hours.

This will also allow us to commit resources to the production of content-oriented programs and services that cannot be provided through conventional TV programs. Considering the increase in media available for the delivery of content as a positive factor, we will strive to maximize the value of the content business.

#### Implementing awareness reform by sharing the sense of urgency among ABC TV employees, and updating the “COMPASS” to respond to changes of consumer needs and preferences

We are also increasing individual employee awareness. TV stations tend to focus on program timetables and broadcasting content to compete with other TV stations. In order to change this thinking, share the sense of urgency, and create a working five-year vision, ABC TV established a working group to consider a vision for 2028

Business Strategies

Broadcasting and Content Businesses

Creating new value by maximizing the potential of content through broadcasting power

in July 2023.

In 2021, ABC TV also established COMPASS, which indicates the direction in which business is to be promoted through unified cooperation among all employees. Since then, we have been updating the content each year through discussion to respond to the changes in consumer needs.

COMPASS 2023 evolved into the interaction between “what consumers desire” and “what our creative talents are capable of.” We analyze marketing data acquired during informational programs in the morning and news and informational programs in the evening from Monday to Friday, which are the closest to consumers, and use the results for content creation.



Broadcasting and Content Businesses – Growth Strategy (2)

Cross-sectional content development among Group companies

A key driver for the growth is the animation business\*

\*See p.32 (Interviews with the responsible Executive Officer) for details of animation strategy.

The animation business has been steadily expanding as a key driver of content business growth through a wide range of forms such as movie adaptations, merchandise and overseas sales. The *Precure* series, which is celebrating its 20th year, has become a model for business expansion in multiple ways. In 2023, the series has become popular in film, events, and overseas sales.

ABC ANIMATION, Inc. (hereinafter “ABC ANIMATION”) was established in 2016 and handles planning, production, and overseas sales as the driving force of the

Group’s animation business. Through collaboration with renowned animation production companies, it has been releasing hit programs. “Lycoris Recoil,” broadcasted in the late-night slot that started in July 2022, has achieved an extremely favorable result, and has contributed to business performance through Internet streaming, etc.

To further ensure the strength of animation business growth, we reformed the organization in October 2023, placing ABC ANIMATION at the helm. Additionally, SILVERLINK., which is engaged in 2D animation production, Zero G Act, which plans and produces animation goods, and CGCG Studio, which produces CGs and joined as the newest member of the ABC Group in December 2023, have been incorporated into the same animation group to reinforce the value chain with the goal of achieving consolidated sales of 8 billion yen in FY2025.

Aiming to improve the ABC brand value and strengthen profitability with our new pillar, drama production\*

\*See p.35 for details of the drama strategy.

To reinforce our drama production capability, we have begun investment in both human resources and funding. Creating strong content will be another key driver in achieving our goals.

Since 2018, we have been producing and broadcasting serial dramas for the late-night slot on a local network in Kansai. From April 2023, we started broadcasting a serial drama solely produced by ABC TV for the prime time slot (7:00-11:00 pm) from 10:00 pm on Sunday night on a nationwide network for the first time in 28 years. Competition among dramas is fierce in the prime time slot on nationwide networks, and the quality must be high. However, hits and great reviews in this time slot lead to movie adaptations and merchandising as well as broadcast and video streaming, for which demand is high both at home and abroad, leading to the creation of profitable IP content.

Production for the drama slot at 10:00 pm on Sunday is based on original scenarios written by renowned drama scriptwriters. It aims to differentiate our program from other TV stations while achieving superiority in profitability leveraging delivery through video streaming and other media. The Internet has become a common platform for drama viewing, and the number of viewers watching dramas on TV in real time has been decreasing, which has lowered real-time viewer ratings. This movement has significantly influenced broadcasting revenue (mainly advertisement revenue), which accounts for about 60% of consolidated sales. However, we would like to create attractive drama content that viewers are excited about watching both in real time and via streaming by combining viewer (market) needs with what we would like to create.

Content / IP strategy considering overseas markets:

Not only animation, but also other content

The animation business has entered overseas markets and has achieved good results. We are urgently working on monetization through dramas and other content business.

We have two major overseas strategies. One is to increase the type and amount of content for the secondary-use business, such as the sale of archives of content produced in the past and streaming on various streaming platforms; in other words, increase the number of products. In order to do so, we must reinvest in content using profit gained from it, increase the number of products, and achieve monetization. In Thailand and Vietnam, “Medical Check-up Show,” produced by ABC TV in the past, has been relicensed and sold. To gain profit from the secondary use of existing programs and content like this, it is necessary to increase the types and amount of content.

Our primary focus is strengthening our relationships with strong partners (IP holders) to create content together. We believe that collaboration and cooperation

## Business Strategies Broadcasting and Content Businesses

## Creating new value by maximizing the potential of content through broadcasting power

with on-site production companies to create content together leads not to competition to monopolize a small pie, but to the creation of a large pie which can be shared. If we can create such a structure, it will be a unique scheme achieved by the ABC Group.

## Strength and issues of the ABC Group

## Strategy : Our strong Kansai media reach differentiates the content with uniqueness

The ABC Group is proud of its power and ability to create content, which is offered mainly by ABC TV, and the power and ability to deliver the content, which has outstanding market reach among the TV stations in Osaka. Using this strength, we will increase competitiveness based on program IPs through multiple media.

For example, the variety program, “Aiseki Shokudo

(Can You Share A Table?),” that was originally broadcasted only in Kansai, is now available nationwide via TVer. Featuring the comedy duo Chidori, this very funny program became wildly popular nationwide, achieving the top spot in annual viewership for programs produced by broadcasting companies in Kansai on TVer for three years consecutively. ABC TV also produced original “Aiseki Shokudo” content in collaboration with and exclusively for Prime Video. This program was also originally limited to Kansai, but is now delivered to 150 countries and regions around the world. This is proof that the ABC Group’s power and ability to create content is highly regarded, and represents a case of a program that was originally available only within Kansai expanding throughout the world by the power and ability to deliver content via streaming.

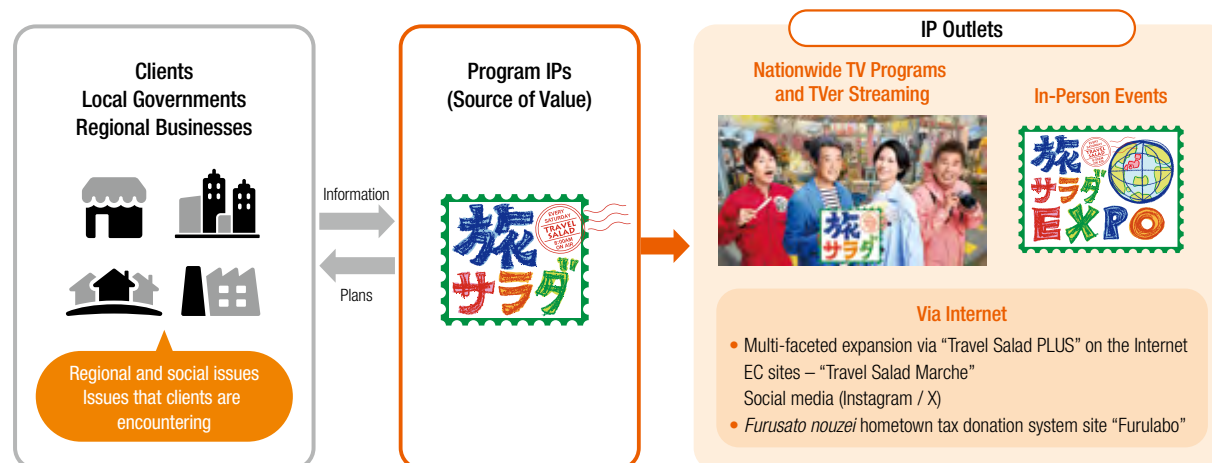
## Competing with other broadcasting companies using the ABC Group’s unique strategy rooted in Osaka

Broadcast stations in Osaka and key stations in Tokyo are different in scale in all aspects. However, having the local perspective that stations in Osaka have, which the key stations in Tokyo lack, is a strong advantage for us. Furthermore, using the market reach of nationwide network programs as well as local programs loved by viewers in the region, we will promote differentiation from key stations in Tokyo while implementing the ABC Group’s unique strategies.

We are striving to create new business by connecting the individual groups via unified content. The animation group has production companies, animation product planning companies, and event planning and operation companies. Similarly, in all other groups, utilization and dissemination of IPs should be promoted through collaboration among companies to win with the uniqueness of the ABC Group.

## Maximization of IP value and regional revitalization through multiple media

The nationwide network program, “Travel Salad - Discovering fresh sites of Japan”, is delivered through multiple media in a style that satisfies consumer needs. A wide range of outlets can also be used as a base to deliver IP of “Travel Salad” to provide regional information.



## Implementing strategies and securing human resources to achieve them

## Promoting the shift of human resources and mid-career hires, and using such diverse human resources as a driving force for business growth

To implement reform following the high targets specified by the Medium-Term Management Strategy, it is essential to secure human resources. Securing human resources in the drama segment is particularly urgent. Therefore, we will cooperate with Group companies performing different functions, such as production and sales, to secure human resources and strengthen the production system through unified effort. In addition, through cooperation with external organizations, we are cultivating producers who are able to gather excellent creators while promoting mid-career hires.

The ABC Group continues to improve its work environment by providing a place where diverse human resources with a wide variety of careers gather together, grow while stimulating one another, while it evolves as a dynamic and creative corporate organization that creates and delivers attractive content.



## Business Strategies Broadcasting and Content Businesses

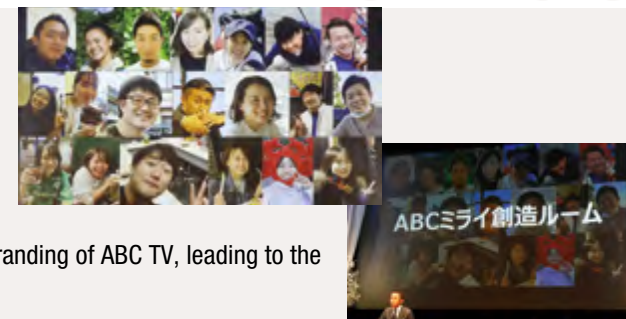
## Initiatives to Recreation of the Value of Television Media

## TOPICS

## Business Topics

Rebranding TV media by Young Employees  
– Start-up of the ABC Mirai Sozo Room (Future Creation Room)

In the midst of media diversification, Asahi Television Broadcasting Corporation (hereafter, “ABC TV”) started its rebranding initiatives by reviewing TV media and creating new value in 2022. From April 2023, the ABC Mirai Sozo Room was established to perform specific activities. Centering on 20 young employees whose average age is 32, we will promote rebranding of ABC TV, leading to the rebranding of TV media to become media preferred by consumers.



## Aiming to create the future of TV

The purpose of rebranding by the ABC Mirai Sozo Room is to increase viewer awareness of ABC TV content and activities as well as to recreate the value of TV, which, in other words, is to create the future of TV.

We asked more than 200 employees in their 20s and 30s, “What would you like people to think about ABC TV in 10 and 20 years, and what do you think is necessary to achieve that?” At the same time, we also conducted a survey of consumers about the image of ABC TV. As a result, we extracted three important keywords: credibility, familiarity, and uniqueness.

Starting to take specific measures based on  
consumer survey results

Maintaining the uniqueness of ABC TV requires good valuation driven by increased employee self-awareness and viewer recognition. Our survey on the image of ABC TV showed that consumers are unaware that much of ABC TV content is actually produced by ABC TV. To change this, we produced a rebranding CM, MADE BY ABC TV, to highlight the uniqueness of the content, and started broadcasting and streaming.

The survey on the image of ABC TV also highlighted that Generation Z mainly watches YouTube and other media content rather than TV programs through their TV screen, and that ABC TV content is weak in terms of novelty for them. To create new content that increases the attractiveness of TV programs, it is essential to create a new ABC culture. To accomplish this, we began promoting the improvement of communication by opening a bar in the office once a month as a place where Groups could interact.

## Rebranding CM, MADE BY ABC TV

We highlight that popular ABC TV content such as “Detective Knight Scoop,” “Aiseki Shokudo (Can You Share A Table?),” and “M-1 Grand Prix” are produced by ABC TV. At the end of the year, we also schedule airing of “Who is the Real Celebrity?”



## Bar SAKUICHI, a place for interactions among the Group

We host a cost-free bar once a month at the entrance of the head office and Tokyo office buildings where in-house employees and employees from Group companies can gather and generate ideas. Employees are welcome to drop in casually after work and exert their creativity.



Business Strategies

Broadcasting and Content Businesses

1. Animation business as a key driver

Reorganization and M&A boost capabilities for growth

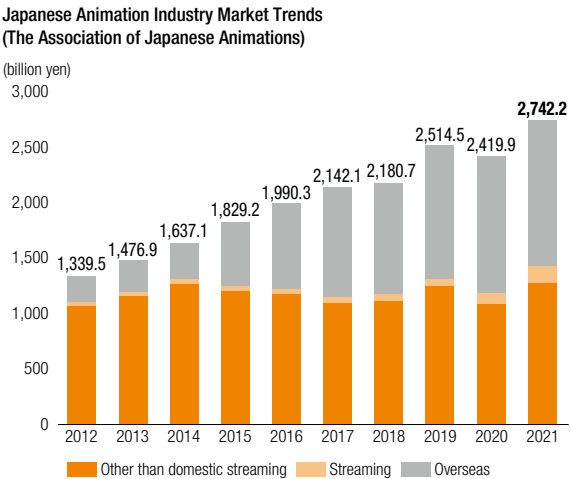


Masayuki Nishide

Executive Officer  
Asahi Broadcasting Group Holdings Corporation  
Representative Director and Chairman  
ABC ANIMATION, INC.

Grow as an Animation Group: expand product line-ups to deliver to a rising global market via multiplied screens

The Japanese animation industry market in 2021 marked its highest record by exceeding 9.1% of 2019 during the COVID-19 pandemic supported by the expansion of revenue from overseas sales and domestic distribution. Founded in 2016, ABC ANIMATION, INC. (“ABC ANIMATION”) has also grown along with the expansion of the market.



Some have forecasted that the domestic market would enter a contraction phase due to the decreasing birthrate and aging population, and that the overseas market would peak globally, especially in the streaming segment. However, the global animation industry market in 2022 is expected to expand to more than 391 billion USD, a 5% of increase from the 372.4 billion USD achieved in the corresponding period of the previous year. It is also expected that continual business

expansion through multiple media will help exceed 5% of the annual average growth rate between 2021 and 2030, and achieve 587 billion USD by 2030.

Source: Precedence Research; Internet World Stats provided by Statista (<https://www.marketstatsnews.com/animation-market-2/>)

Furthermore, it is also predicted that the global 3D animation market will record a new high along with the upward trend of the entire animation industry. According to the most recent information from industry sources, the market scale in 2022 was approximately 18 billion USD, and this is expected to grow more than 50% between 2022 and 2026.

Responding to this external environment, we will focus on the global market as well as promote stable growth in the domestic market, and expand its animation business based on three strategies.



"Miss Kobayashi's Dragon Maid S"

©Coolkyousinnjya, Futabasha Publishers / Dragon Seikatsukojo Association

## Business Strategies Broadcasting and Content Businesses

## 1. Animation business as a key driver

## Evolving IP creativity

Continue the process using innovative creativity, businesses and technologies as resources.

## Solidifying animation business solutions

Improve one-stop services for planning, production, and secondary use through the management of animation companies and the continual expansion of business lineups.

## Expanding to the global market

Achieve overseas business expansion through application of the distribution channel from overseas to global markets as well as from Japan to the global markets, centering on 3DCG and kids' content.

These three strategies are essential for the growth of the animation business. In particular, the expansion of global business is a new challenge for us. The expansion of global business is also the key to achieving speedy growth. In addition to the existing distribution channel, which produces content in Japan and sells it in overseas markets, we strive to expand our animation business by applying a new distribution channel, which produces content overseas for sale in the global markets.

## Target: 8.0 billion yen of revenue by FY2025

## Human capital investment is the key driver of scalability

ABC ANIMATION has expanded its business lineups through the establishment of new in-house businesses and M&A. The rationale for this is that the expansion of business lineups will increase profits derived from individual IPs, extend the acquisition of IP revenues and increase sales. The profits acquired from such businesses will be reinvested by future businesses, which will also lead to further growth of the animation business.

Through Group reform on October 1, 2023, SILVER LINK., which handles 2D animation production, and Zero

G Act, which handles design and production of animation goods, became a direct subsidiary of ABC ANIMATION, and CGCG Studio, which handles CG production, joined in December 2023. This contributes to the strengthening of our value chain. Our animation business group has more than 300 employees, which will make it possible to achieve sales of 8 billion yen in 2025. We are planning to add a game business and an overseas product sales business, aiming to achieve sales of 10 billion yen in 2030.



"Free! -the Final Stroke- the Second Volume"  
©Koji Oji / Kyoto Animation / Iwatobi Town Supporters Association 2021



"Hirogaru Sky! Precure"  
©ABC-A, Toei Animation



"Lycoris Recoil"  
©Spider Lily / Aniplex, ABC ANIMATION, BS11



## Business Strategies Broadcasting and Content Businesses

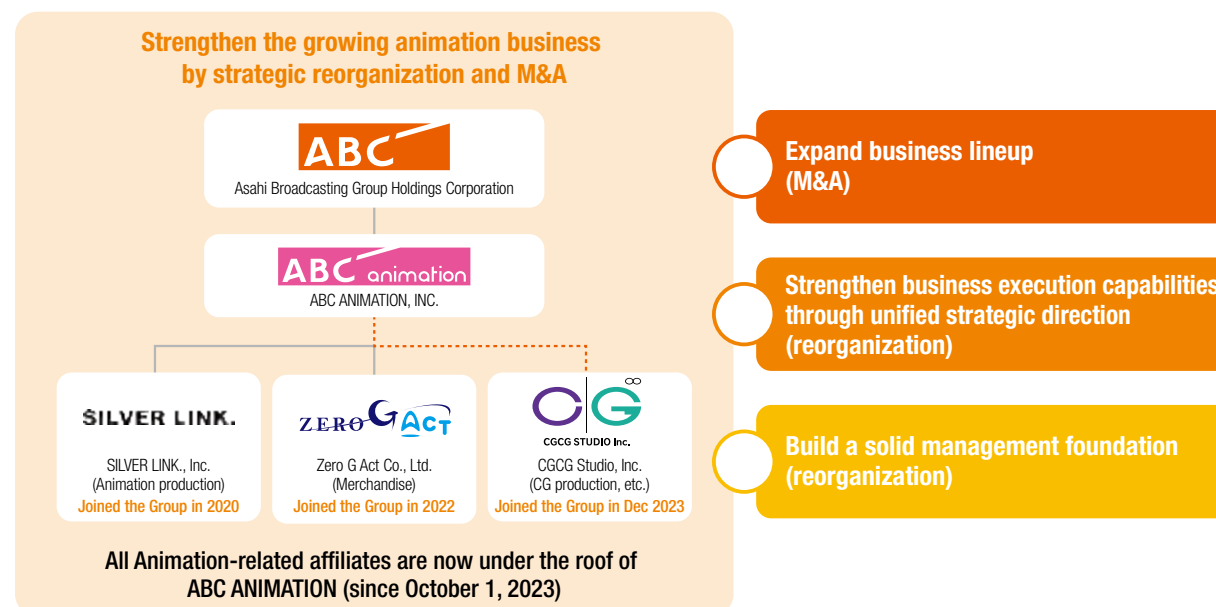
### 1. Animation business as a key driver

It is of urgent importance to nurture human resources for business administration and develop systems that enable the rapid expansion of the Group while ensuring close cooperation among the top management of animation group companies. Therefore, in line with the reform of the animation group companies, we established the Animation Business Strategy Committee to manage the creation and enforcement of overall strategy as well as the administration and business strategies of the Group companies. In regard to the human resources for business administration, we strive to gather individuals capable of exercising their administrative ability in the animation business from both in- and outside of the

Group through close information exchange with the Group Strategy Division and Corporate Management Division (in charge of the Group's human resource strategy) of Asahi Broadcasting Group Holdings.

Needless to say, we have also increased creators. Our most pressing challenge is to find planning supervisory personnel and producers, who are the key components of the business. Although the industry itself is small, making it difficult to find such personnel quickly, we highlight the attractiveness of the ABC Group, which is to provide employees with the opportunity to enjoy themselves by pursuing projects that interest them.

#### Business Portfolio Optimization: Animation Business Initiative



#### Acquisition of IP is another issue Continue being a partner to work together

Along with the rapid growth of the animation market, the importance of original comics and light novels has continued to increase. Overseas licensees determine the price of licenses to be offered based on the titles and number of copies sold. Utilizing the strength of the broadcasting business group, we plan to make proposals for promotion measures and broadcast slots that can create a movement by attracting more people who enjoy both the originals and animations.

For the publishers of each original work, lock-in through capital tie-up is not realistic. Therefore, we continue making attractive proposals and strive to be selected as a partner by publishers.

Business Strategies   Broadcasting and Content Businesses

2. Dramas as a new pillar for content business

A serial drama produced exclusively by ABC TV and broadcasted through a nationwide network starts for the first time in 28 years  
Entering the content market with original dramas produced in tie-ups with renowned scriptwriters

Drama content is in high demand not only in Japan, but also in overseas markets centered in Asia. TV stations not only in Tokyo, but also in local areas engage in drama production for video streaming platforms. Cooperation with overseas platforms and the establishment of production committees composed of several investors has become more common and has contributed to the establishment of fund procurement schemes. This has resulted in the lowering of barriers to entering drama production. An important point in growing business has become the power of drama content, including the planning and production of dramas rather than sole funding.

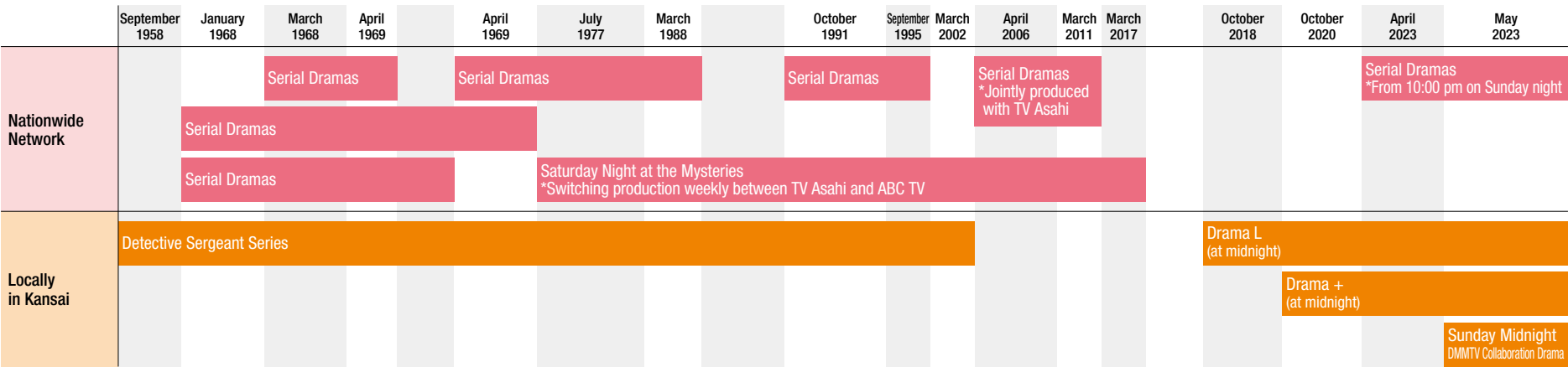
We have produced a number of hit TV entertainment programs with its high production capability. In spite of its long history of drama production, however, the

nationwide network serial drama time slots ended 12 years ago (jointly produced with TV Asahi); and since then, we have only produced two-hour dramas and a few special dramas per year. In response to the increase in demand for drama content through video streaming, we established a midnight drama time slot for local broadcast in Kansai in 2018, and increased the midnight drama time slots in 2020. Through such efforts to strengthen drama production capability, we were successful in launching a nationwide network serial drama time slot (from 10:00 pm on Sunday night) in April 2023. It’s been 28 years since ABC TV has individually produced a nationwide network serial drama for the prime time slot (7:00 – 11:00 pm).

While not only key stations in Tokyo, but also stations in Osaka have entered nationwide network drama production, our content business focusing on drama

has just begun. To differentiate from other dramas, we create dramas based on completely original scripts in cooperation with well-known scriptwriters highly recognized both in- and outside Japan for broadcast in nationwide network drama slots. We share information about the characteristics of broadcast time zones and audiences with scriptwriters in order to deliver dramas that tell high-quality stories and satisfy the needs of viewers. At the same time, focusing on original stories rather than the dramatization of existing novels and mangas, etc. contributes to the securing of intellectual properties. With the goal of growing as a comprehensive content business group, the strategy of securing IPs will help us to nurture dramas as our new flagship content and pillars of strong growth.

Serial Drama Production History





## Business Strategies Broadcasting and Content Businesses

## 2. Dramas as a new pillar for content business

Working with scriptwriters to create and deliver high-quality dramas

Nationwide network drama from 10:00 pm on Sunday night



The 1<sup>st</sup> drama: "At Least On Sunday Night" received the Galaxy Monthly Award and the Japan Commercial Broadcasters Association Award for Outstanding TV Drama.

For the nationwide network drama slot in the Sunday 10:00 pm that launched in April 2023, we worked with renowned scriptwriter Yoshikazu Okada, for the first drama, Shinji Nojima, for the second drama, and Taeko Asano, for the third drama, to deliver high-quality dramas to viewers. The first one, entitled "At Least On Sunday Night," which was broadcast from April to June, addressed current social issues in Japan through the friendship of three women, issues such as social isolation and nursing care, and was recognized with the Galaxy Monthly Award and the Japan Commercial Broadcasters Association Award for Outstanding TV Drama. The second one, entitled "The Birthday Mystery" (broadcast from August to October), included many subplots to create a story with many twists and turns. The third

drama, entitled "Every Precious Moment" (broadcast from October to December), was a beautiful love story full of joy and sorrow.

Delivering high-quality dramas in prime time on a nationwide network and being highly regarded will lead to expansion into movie adaptations and merchandising. Producing high-quality dramas that are remembered by customers and break records will increase ABC TV's drama brand value, leading to increased value for and evaluation by platforms and overseas markets.



"The Birthday Mystery"



"Every Precious Moment"

Aiming to produce midnight local dramas that will be big hits through cooperation with platforms rather than terrestrial broadcasting

We supply content via a broad range of video streaming platforms not owned by us. We also work on joint

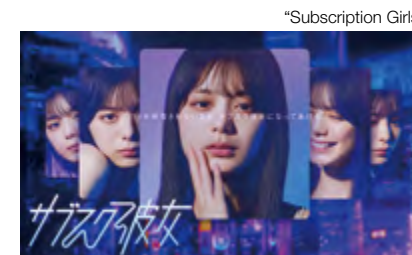
projects with such platforms.

In April 2023, we began a joint drama production project with DMM TV. This contributed

to the establishment of a stable drama supply scheme and the organization of a mass production system for dramas. Increasing opportunities to produce dramas increases the experience of the production staff, which creates a culture of producing hit dramas. Through the popularization of online video streaming, we are able to deliver dramas, that were once only broadcast locally in Kansai via terrestrial broadcasting, to viewers nationwide. We will enter larger markets to make hits and show our capability for drama production, which will lead to the discovery of new platforms to work with and create a positive cycle of success. Although different platforms require different products, we strive to satisfy individual requests and make big hits.

Our goal is to produce trending dramas that impress viewers

A drama should impress audiences. A drama broadcast at 10:00 pm on a Sunday night should be a high-quality original program aiming to improve the value of the brand of the time slot, the brand of the drama itself, and the brand of the production staff. We follow the topics of the times, anticipate the trends, and capture topical themes to deliver via TV, Internet, and various other media.



"Subscription Girls"

## Business Strategies

## Lifestyle Business

Providing a broad range of products and information useful in enriching consumers' lifestyles with the aim of expanding and evolving the business

## Vision

Based on real experience and interactive communication with viewers, listeners, and consumers through a wide variety of ABC Group contact points and channels, we deliver happiness to visitors through real experiences at housing exhibitions, the Housing Design Center, and a golf course, and deliver happiness to consumers through information and products that enrich their lifestyles via at-home shopping.

## Housing

We aim to grow and evolve as a composite lifestyle information platform that provides a wide range of information about lifestyles and day-to-day living.

The housing business (conducted by ABC Development Corporation, hereinafter "ABC Development") has two major pillars: a housing exhibition, which offers visitors the experience of visiting model homes, and the Housing Design Center (HDC), where a wide variety of related companies handling kitchen and other appliances, interiors, and remodeling exhibit their products. In March 2023, ABC Development opened a composite facility in cooperation with local government to contribute to regional vitalization. In addition, a new information platform called "Onnela," jointly operated by ABC Development and ABC TV, offers tips and ideas that make lifestyles more fun, and is proud to have 1.5 million followers (as of December 2023). ABC Development and ABC TV have also launched "Uchitsuku by Onnela" to introduce consumers to housing companies in the Tokyo metropolitan area and the Kansai region via online consultation.



Housing Design Center (HDC)



Housing Exhibition (Kusatsu Housing Park)

## At-home shopping

We promote business expansion through TV shopping programs using the reach of broadcasting and e-commerce via websites and social media.

Renamed in April 2023, ABC FUN LIFE Inc. serves as a core component of the at-home shopping business to develop and sell products that contribute to the *FUN LIFE* of consumers and others in the community. At the same time, we established the e-commerce site, "itomani" (literally, leisure time), which sells products for free-time activities.



E-commerce site "itomani"

## Golf

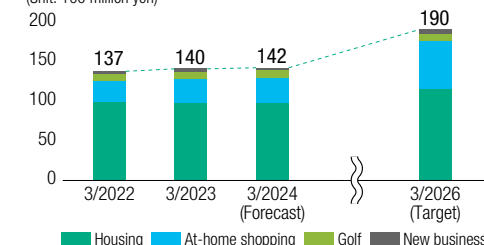
ABC GOLF CLUB INCORPORATED utilizes its brand as a renowned golf club to offer an enjoyable golfing experience to a broad range of people. We also work on social issues such as decarbonization, community co-creation, and local production for local consumption. We continue to create a space where everyone can enjoy themselves in comfort.



ABC GOLF CLUB

Lifestyle Business in FY2025 Target  
(Consolidated Sales)

(Unit: 100 million yen)



## Business Strategies Lifestyle Business

## Continue growing through cooperation among Group companies on the theme of enriching consumers' lifestyles

The housing and at-home shopping businesses are the key to growth. For the housing business, we expand in a multi-faceted manner by strengthening our information provision function. For the at-home shopping business, we promote further improvement of the e-commerce business and product lineups by focusing on securing human resources.

### Shifting the housing business to a composite lifestyle information platform

Conducted mainly through housing exhibitions, the housing business has come to a significant turning point due to a decline in the number of housing starts and diversification of the methods of accessing information about houses on market, including digitalization, along with the trend toward depopulation. With this in mind, we are shifting from a strategy focused solely on increasing the number of visitors to that of becoming a composite lifestyle information platform that offers a wide range of information useful to consumers in enriching their lifestyles based on the ABC Group Business Philosophy, *contributing to the development of society as a creative corporate organization*, and a vision of the Medium-Term Management Strategy, *New Happiness*.

In March 2023, ABC HOUSING WELL BE MINOH opened in Minoh City, Osaka Prefecture as a symbol of this transformation. This complex, which combines the largest housing exhibition in West Japan, a café, a park, and an event space, attracted an impressive number of visitors, exceeding 10,000 groups within six months of opening. Housing companies exhibiting houses also gave high praise to the facility.

Prior to the opening, the ABC Development signed a comprehensive partnership agreement with Minoh City. Industry and government collaborate to promote events and other activities that serve to vitalize the community. We continue to enhance the direction of our future business as a new style of housing business to achieve growth, affluent lives for everyone in the community, and regional revitalization.

ABC Development, which is in charge of this business, is a pioneer in housing exhibition with more than 330 houses at 21 venues in the Tokyo metropolitan area and Kansai region. Using the advantage of scale and its strength as a member of a broadcasting business Group with high creativity and credibility, we will expand the housing business to respond to the needs of both consumers and housing companies through the increase of venues and improvement of existing venues.

### ABC HOUSING WELL BE MINOH opens

In March 2023, ABC HOUSING WELL BE MINOH opened as a place for people to gather and have fun together, a place that provides information about housing and lifestyles, on the theme of *sustainable lifestyle and wellbeing*.

This facility is located in an area where a new train station, the Minoh-kayano Station on the Kita-Osaka Kyuko Railway, is scheduled to open in March 2024. It's one of the largest composite housing exhibition facilities in West Japan with 42 model homes built by 27 housing companies, and features a café, a flower and green shop, athletic grounds, an event garden and much more on the theme of comfortable living and lifestyles.

Keeping pace with diversification of the consumer market's sense of value, this facility is designed to serve as a bridge between housing companies and visitors by making a wide range of services available in an environment that helps visitors find a lifestyle that improves their wellbeing.



### Creating a venue that's friendly to people and the environment

We use an environmentally friendly structure and materials such as high thermal insulation sash windows, Low-E glass, LED lighting, and reusable wooden materials with long service life.





## Business Strategies Lifestyle Business

## Continue growing through cooperation among Group companies on the theme of enriching consumers' lifestyles

The ABC Group launched its Housing Design Center (HDC) business 30 years ago for the display of model houses built by a wide range of housing-related companies. The business has the opportunity to expand along with the spread of online-merge-offline (OMO\*) marketing. We aim to expand the HDC business in a multi-faceted manner in a relatively small- to medium-size scale as a showrooming store for living and lifestyles by fully utilizing our existing housing exhibition facilities and group networks.

## Strengthening direct marketing for the at-home shopping business

In the at-home shopping business, we aim to produce circulation capable of maximizing the value of the Group through the provision of information and products that enrich consumers' lifestyles using strong market reach supported by the broadcasting business as we continue

maximizing the number of Group fans through high customer satisfaction.

At-home shopping and e-commerce markets have continued to expand. (According to a FY2022 E-Commerce Market Survey by the Ministry of Economy, Trade and Industry, the e-commerce market scale expanded by 5.37% from the previous fiscal year.) Leveraging the ABC Group's high credibility and creativity, we strive to strengthen direct marketing as we continue proposing a wide variety of lifestyles in the e-commerce business.

\*OMO stands for online-merge-offline marketing, an approach that enables the convergence of online and offline customer bases while providing a unified shopping experience.

## Improving consumer satisfaction using DX for lifestyle business

We have applied a data-driven strategy (decision-making through data-oriented analyses and judgments) based on

the customer data platform (CDP) using data on visitors and purchasers to improve the planning, services, and products that satisfy consumers.

We've implemented a customer relationship management (CRM\*) system to effectively perceive the needs of visitors and consumers at housing exhibition venues and HDCs, and promote the creation of plans that effectively attract and satisfy visitors.

In regard to the at-home shopping business, we acquire and accumulate user data on CDP via special TV programs in collaboration between ABC TV and ABC FUN LIFE to analyze viewing and purchasing behaviors while improving smartphone functions to increase website page views and raise purchase rates.

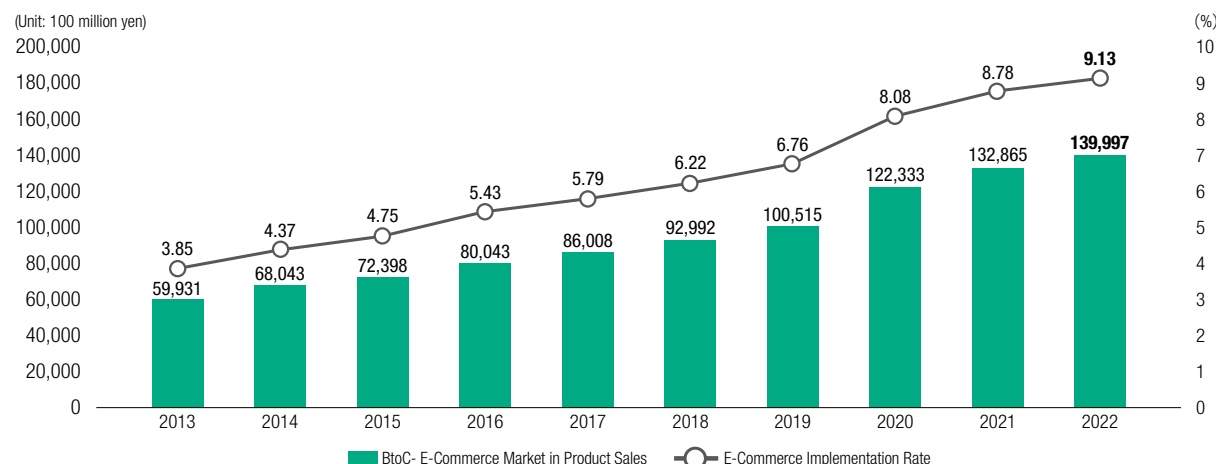
\*CRM stands for customer relationship management, a system designed to unify the management of consumer information.

## Increasing corporate value through integration of the lifestyle business and collaboration among Group companies

In addition to strengthening promotion in the housing business via TV and radio by fully utilizing the high market reach of broadcast programs, the ABC Group's greatest strength, we also utilize housing exhibition facilities and HDCs as face-to-face contact sites connecting Group companies with viewers, listeners, and consumers to attract new ABC Group fans and gather visitors to the venue aiming to increase the value of the facilities.

In the at-home shopping business, we are strengthening the development of original products through collaboration with broadcasting programs. In addition, utilizing the Group's sales channels for overseas markets, we continue to advance product development and implement business strategies considering entry to overseas markets.

BtoC- E-Commerce Market and E-Commerce Implementation Rate in Product Sales



Source: FY2022 E-Commerce Market Survey by the Ministry of Economy, Trade and Industry

Business Strategies

Lifestyle Business

TOPICS

An outdoor event held at WELL BE MINOH through the unification of Group power

ABC HOUSING WELL BE MINOH has also been used for ABC Group collaboration. One example is the “At-home Camping – Outdoor Festa” held between September 16 and 18, 2023. The event was planned by ABC Glamp&Outdoors Inc. (“ABC GO”), which designs and makes proposals for glamping and outdoor events in cooperation with MASH CORPORATION (“MASH”), which engages in event planning and operation, and ABC Development. We interviewed Rie Hikasa from ABC GO, Yuta Ondo from MASH, and Ko Uehara from ABC Development about the event.



The potential of Group collaboration felt during the joint operation

**Hikasa:** With the idea of holding an event for people in the community as a part of our business, ABC GO consulted with MASH. We found that the WELL BE MINOH facility tour participants (families with children) were a good match for our event, and decided to go ahead with planning.

**Ondo:** MASH thought it was a great idea, and offered to join in the planning, production, and operation of the event.

**Uehara:** ABC Development suggested that ABC GO use WELL BE MINOH, as it is one of the ABC Group’s few

brick-and-mortar venues. With the facility’s location, we were confident that this would be the best venue to allow visitors to feel the nature of the surrounding environment.

**Ondo:** We also thought that the collaborative structure among three companies would be reinforced, and that this would be a future asset for us.

**Hikasa:** ABC GO lacked experience in holding and operating events, and so it really was the support from Group companies that made this event possible. We successfully leveraged the power of the Group with ABC TV announcing the event, and then covering the event in the news.

**Ondo:** The Group has an event venue, and can obtain cooperation for advertising through broadcasting and programs. I felt that such group collaboration is highly effective. I think we will be able to work well together in the future too.

**Uehara:** The theme, *outdoor*, matches the facility concept well. From now, too, we can hold events on the theme of lifestyle using the strength of each Group company to synergistically liven up the ABC Group.

Proposing comfortable outdoor lifestyles from WELL BE MINOH

**Hikasa:** The event featured a workshop for outdoor cooking with an emphasis of camping, a special gift event, and a comfortable space with outdoor chairs and tents. I think we succeeded in increasing interest in outdoor activities, and we continue showcasing the attractiveness of outdoor activities in different ways. In addition, via the WELL BE MINOH, we will ask neighboring glamping facilities and camping sites to partner with us and continue presenting ideas for comfortable lifestyles using outdoor facilities.



Mr. Ondo, Ms. Hikasa, and Mr. Uehara (from the left)





# Sustainability

## 42 ABC Vision

Sustainability in the Asahi Broadcasting Group



## Sustainability ABC Vision

## Sustainability in the Asahi Broadcasting Group

## Sustainability Policy and Related Policies

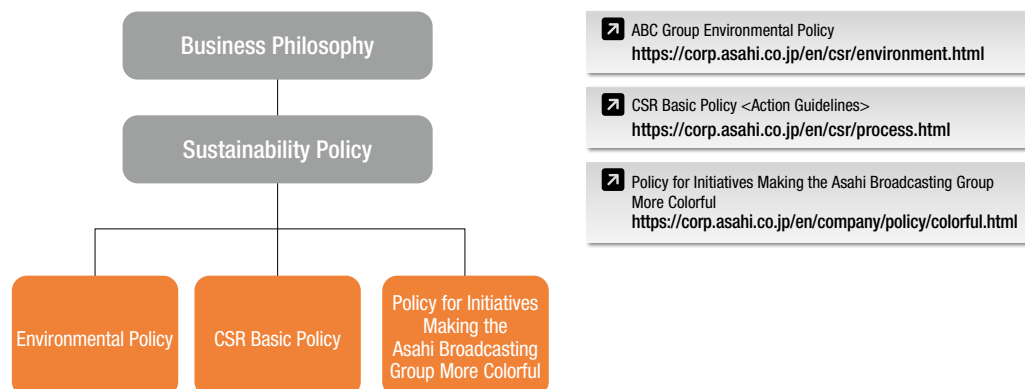
## Sustainability Policy

In line with our Business Philosophy, the Asahi Broadcasting Group will fulfill our mission and responsibilities as a media group, striving to achieve a sustainable society and improve corporate value on a sustained basis.

- Accelerate initiatives related to achieving the SDGs and other social issues.
- Promote cross-organizational ESG management throughout the Group.
- Pursue cooperation and synergies among all group companies through sustainability activities.

## Related Policies

We are making efforts to promote sustainability in line with three related policies, the Environmental Policy (guidelines for tackling environmental issues), the CSR Basic Policy (which outlines key challenges that need to be addressed), and the Policy for Initiatives Making the Asahi Broadcasting Group More Colorful (guidelines for developing a workplace environment that respects the individual).



For details on sustainability initiatives, see the Sustainability Report.\*

[Sustainability Report\\*](https://corp.asahi.co.jp/ja/csr/report.html)  
<https://corp.asahi.co.jp/ja/csr/report.html>

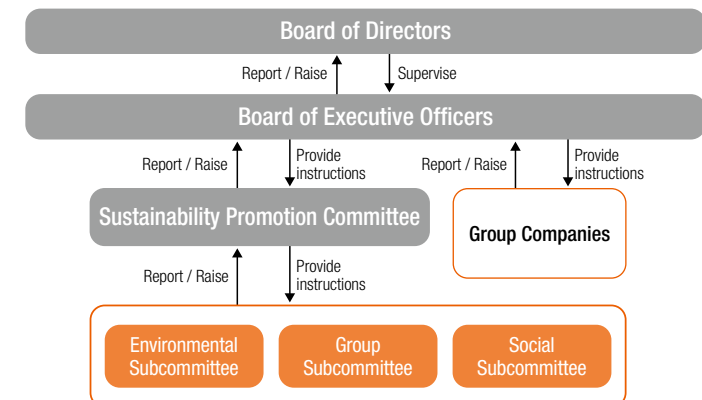
\*Available only in Japanese

## Sustainability Promotion Framework

The Sustainability Promotion Committee was established in August 2021. The executive officer in charge of sustainability promotion of the Asahi Broadcasting Group Holdings Corporation (the Company) serves as the committee chair. Committee members consist of executive officers and general managers from the management divisions of the Company, as well as representatives from Group companies.

The Committee receives proposals from the Environmental Subcommittee (which works on environmental issues), the Group Subcommittee (which promotes Group CSR and sustainability activities), and the Social Subcommittee (which is responsible for promoting the respect of human rights, working environment considerations, and diversification) acting under its umbrella. These serve as the basis for deliberation for enhancing sustainability across the Group.

Committee activities and agenda items raised are reported to and raised at meetings of the Board of Directors through the Board of Executive Officers. This framework allows for proper supervision by the Board of Directors. In addition, if necessary, instructions are given to Group companies via the Board of Executive Officers, and matters related to sustainability are reported on and raised by Group companies to be deliberated upon.



[Sustainability Promotion Framework](https://corp.asahi.co.jp/en/csr/system.html)  
<https://corp.asahi.co.jp/en/csr/system.html>



## Sustainability ABC Vision

## Sustainability in the Asahi Broadcasting Group

## E Environment

We are promoting an initiative to relay information on protecting lives and lifestyles that prioritizes responding to natural disasters through energy conservation, recycling, and media such as broadcasting in the Group in accordance with the ABC Group Environmental Policy.

Having published the ABC Green Declaration in January 2022, we aim to contribute to the creation of a green society through the implementation of CO<sub>2</sub>-free electricity, LED lighting, and solar power generation, focusing on the electricity used by the entire Group.

First of all, we have effectively achieved 100% CO<sub>2</sub>-free power generation for the headquarters building in April 2022. In 2023, we are planning to achieve CO<sub>2</sub>-free power generation for the Annex Building occupied by seven Group companies, Ikoma Television Transmission Station, and Takaishi Radio Transmission Station, and all ABC Group companies, including the Tokyo Office,

in 2025. In line with solar power generation business conducted from 2013, such as implementing LED lighting in offices and studios, we are working on reducing greenhouse gas emissions.

Both the headquarters and Annex building have advanced the recycling of wastes to achieve a high recycling rate of 70% in FY2018 and FY2022. The ABC Development Corporation, one of the ABC Group companies, put effort into waste separation at its headquarters, and this resulted in having been certified as an excellent building for waste recycling by Osaka City in FY2022. The entire Group continues working on environmentally friendly approaches to contribute to the reduction of environmental load.

 TCFD  
<https://corp.asahi.co.jp/en/csr/environment/tcfd2022.html>

### Numerical target: CO<sub>2</sub>-free power generation

- ABC TV headquarters building was effectively converted to 100% renewable energy in 2022.
- The ABC Group aims for CO<sub>2</sub>-free electricity by 2025.

### Numerical target: Implementation of LED lighting

- The ABC Group aims to install LED lighting in all broadcast studios and other group facilities by 2025.

### Solar power generation


- Now and Forever!

The ABC Group will continue to contribute to a decarbonized society through solar power and other green power.



## S Human Resources

- Colorful Work-Styles Statement
- Colorful Employees Statement

 ABC Group Initiatives for Strengthening Human Resources p.15

## G Governance

- Corporate Executives
- Skill Matrix
- Corporate Governance

 Corporate Governance p.52

# Foundation of Value Creation

- 45 Outside Directors' Messages
- 49 Skill Matrix
- 50 Corporate Executives
- 52 Corporate Governance
- 56 Dialogue with Shareholders and Investors
- 57 Nomination and Compensation Committee
- 58 Compliance and Risk Management
- 59 Information Security and Privacy Protection





## Foundation of Value Creation

## Outside Directors' Messages

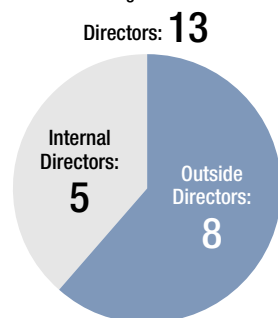
**Unique and special Outside Directors with diverse specializations contribute to the nurturing of the ABC Group, adding significantly to its creativity and the trust gained from the local community while strengthening sociability and soundness.**



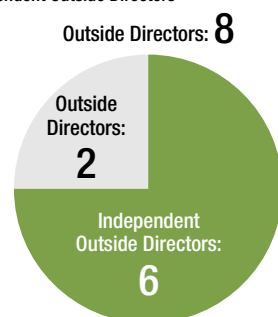
## Foundation of Value Creation

## Outside Directors' Messages

## •Number of Outside Directors among the total number of Directors



## •Number of Independent Outside Directors



## •Number of Outside Directors among the total number of Audit and Supervisory Committee Members

Audit and Supervisory Committee Members: 4



## Creating everlasting value by seeking profit and solutions to social issues

I am in management at a comprehensive energy company in Kansai engaged in delivering safe, secure, and stable energy to support businesses and lifestyles.

The management environment for companies in the broadcasting industry as well as the energy industry has been undergoing significant change. In order for companies to promptly and effectively respond to such changes, it is essential for them to place a priority on maintaining a clear vision and sense of value at all times. I think a combination of seeking profit and striving to provide solutions to social issues are a company's unchanging values. With this firmly in mind, I will dedicate my efforts to discovering what should and shouldn't be changed throughout the Company.

I believe that the role of an outside director is to evaluate whether management is appropriately responding to the expectations of all stakeholders in a well-balanced manner, and then to provide proper advice and proposals. I shall use my knowledge and experience with a focus on providing advice and cooperation to the Company to enhance its ability to respond to future issues to ensure the growth of the company and the improvement of management quality.

## Takehiro Honjo

Outside Director Independent Officer

Specialization / Skills

Corporate management

Finance and accounting

Governance

Sustainability and ESG



## Raising awareness through Board of Directors meetings to support innovation

Kokuyo's corporate activity over 120 years was the supply of office furniture for better working comfort, goods for better learning, and daily-use stationery for better living for the Japanese. The value offered by Kokuyo was providing convenient and inexpensive products that were always in stock and available.

However, rapid diversification in recent years has driven a shift in value from "products" to "experiences"; that is, how we work, learn and live. Our goal is to help navigate these changes by ensuring close cooperation among corporate officials and employees in establishing and pursuing goals and strategies at critical points.

Since advertising revenue for the broadcasting business, the heartbeat of the Asahi Broadcasting Group, is vulnerable to changes in sponsors, it is essential to ensure that the content and lifestyle businesses are unique, that employees have flexible mindsets, and that the Group is continuously attracting outstanding human resources. Along with these priorities, it is also critical to have robust measures for compliance and governance in place to guide transformation.

As an outside director, I use my position on the Board of Directors to raise awareness and support current corporate officials.

## Akihiro Kuroda

Outside Director Independent Officer

Specialization / Skills

Corporate management

Diversity

Governance

Sustainability and ESG



Foundation of Value Creation

Outside Directors' Messages

Proposals aimed at strengthening content creation and expanding market reach

I assumed the position of President of TV Asahi Holdings Corporation and TV Asahi Corporation in June 2022, and I have been serving as an Outside Director for the Company since that time.

Since joining TV Asahi, I have spent the majority of my time producing news programs. Before becoming President, I was also in charge of Internet strategy. The broadcasting industry is undergoing significant change and bouncing along a rocky road, but we also see the situation as an opportunity to leverage my know-how and experience to drive further growth.

With declining TV advertising revenue, broadcasters are facing pressure to diversify their business portfolios. The priority, however, is continuing to deliver quality content and maintain the viewer trust that we have built up over the years.

To fulfill our mission to contribute to the development of society as a dynamic and creative corporate organization, we strive to further strengthen our content production as we expand our market reach. In order to do so, I would like to make as many useful proposals as possible.

Hiroshi Shinozuka

Outside Director

Specialization / Skills

Corporate management

Knowledge about media industry

DX / Technology

Governance



Promoting measures for “People” – Customers, Females in Management, Employees

As an outside director of the Company that has significant influence in the Kansai region, I am committed to making full use of my knowledge and experience to promote continuing growth.

I was involved in cultural and sports events at The Asahi Shimbun Company for years before becoming Board Director, Chief Regional Officer for West Japan and Representative of Osaka Head Office in April 2023. Each and every day, I feel the significance and thrill of working at the center of history and culture. In particular, the live-event market that has shown recovery from COVID-19 is expected to experience increased revenue and opportunities for improved engagement with loyal customers as recovery from the COVID-19 pandemic continues. Seeing this as an opportunity for further growth, I look forward to contributing to the expansion of the live-event business at the Company.

I am invigorated by the open and lively exchange of opinions shared by individuals from diverse fields each time I attend meetings of the Board of Directors. Exemplifying its commitment as a media company to workstyle reform and seeing more women in executive positions, half of the Company’s outside directors are female. I expect to see even more progress toward the appointment of more female officers among full-time employees of the Company.

In addition, I am excited about promoting the “Human Resources Crossroads Initiative” included as a priority measure in the 2<sup>nd</sup> STAGE of Medium-Term Management Strategy, which recognizes that “people are the source of content creation.”

Reiko Horikoshi

Outside Director

Specialization / Skills

Corporate management

Knowledge about media industry

Organizational structures and human resources development

Diversity



Proposals based on benchmarks beyond conventional timeframes and values

I joined as an outside director from this fiscal year.

I have practiced Ikebana for many years. This very traditional art has a long cultural history that developed from the flower offerings in Buddhism, but it is also part of lifestyle culture that anyone can enjoy.

There is a similarity between ikebana’s concern with *creating and enhancing universal value and grasping the spirit of life over time and presenting it in changing times and conditions*, and media’s ongoing need to be sensitive to change. Information has value and the ability to change society, and I would like to present proposals that apply a different benchmark, one that reaches beyond the conventional timeframes and values.

Expo 2025 Osaka, Kansai, Japan is just around the corner, and we are once again being asked how to build a prosperous society in which individual life shines brightly. Reflecting the unique freedom and brilliance of the Kansai region, I will leverage its strengths to ensure that its appeal shines brightly in Japan and around the world.

Senko Ikenobo

Outside Director Independent Officer

Specialization / Skills

Organizational structures and human resources development

Diversity

Governance

Sustainability and ESG





Foundation of Value Creation

Outside Directors' Messages

Enhancing corporate value through effective risk management

I became a director in 2018, when the Company was transitioning to include an Audit and Supervisory Committee. Over the five years that have passed since then, I have seen steady progress in the governance system.

The Board of Directors is diverse, with outside directors comprising the majority, and the promotion of women being advanced. In addition, the effectiveness of the Board is continuously being improved through opportunities for informal discussions on management issues.

As mass media is facing a major turning point, the Company is striving for further growth as a comprehensive content group. I firmly believe that the key to growth is the expansion of content and the strengthening of profitability. Accomplishing these goals requires that we take the risk of pursuing new business through collaboration and M&A while mitigating that risk with effective risk management.

I would like to apply my experience in financial business and stock exchange management to contribute to the improvement of our corporate value by providing advice on the establishment and operation of effective internal control, including risk management.

Michio Yoneda

Outside Director Independent Officer

Specialization / Skills

Corporate management

Finance and accounting

Governance

Sustainability and ESG



Developing programs and products that satisfy consumer needs

I'm the President of Teikoku Seiyaku Co., Ltd., which handles the manufacture and sales of medical patches and other pharmaceutical products (Headquarters: Kagawa Prefecture). I'm from Hyogo Prefecture. In 2020, I replaced Mr. Yoshifumi Kato as Director and Audit and Supervisory Committee Member as the first female director at the Company. Mr. Kato was also serving as the Representative Director & Chairman of Keihan Electric Railway Co., Ltd. The broadcasting business is required to retain its public nature and bear social responsibility as a licensed business specified by the Broadcasting Act.

As there are already four female Outside Directors representing a variety of industries, it is clear that diversity in the Board of Directors is progressing.

We are past the time in the industry when you could sell any product (program) by simply putting it on the air. Competition from people in different industries who enter the market on the Internet is growing. As is true in the manufacturing industry, it is essential to identify market needs.

I would like to use my perspective as an outside director to support the development of our programs and products that satisfy consumer needs while maintaining the objectiveness and fairness required in the broadcasting business.

Misako Fujioka

Outside Director Independent Officer


Specialization / Skills

Corporate management

Finance and accounting

Diversity

Governance



Responding to changes, investing in human resources and future business expansion

I was involved in on-site operations and management in the airline industry in my previous career. Although the broadcasting business is different from the airline business, social responsibility and risk management are the same in any industry. I greatly appreciate the support I receive from everyone, and I strive to fulfill my duty to repay everyone for that support.

The broadcasting industry has been undergoing change, and keeping pace with that change is the key to business continuity. We have been discussing ways to respond. We must be sensitive to what society needs and adjust to the surrounding environment to meet these needs as we shift to next-generation media. In my previous career, I felt the strength of people who are able to produce unexpected excitement and value as well as to satisfy customer needs. Our strength is human resources, and I am committed to providing the best advice possible to ensure investment in human resources and future business expansion that produces corporate value while responding to changes.

Junko Okawa

Outside Director Independent Officer

Specialization / Skills

Corporate management

Organizational structures and human resources development

Diversity

Sustainability and ESG





## Foundation of Value Creation

## Skill Matrix

The tables below outline the four key skill areas expected of each director based on their experience and other qualifications.

\*These table do not indicate the entirety of the knowledge and skills that each Director has.

Position	Name	Outside	Independent	Newly elected / Re-elected	Years serving as Director	Number of Board of Directors meetings attended	Number of Audit and Supervisory Committee meetings attended	Nomination and Compensation Committee	Corporate management	Media industry knowledge	Finance and accounting	DX / Technology	Organizational structures and human resources development	Diversity	Governance	Sustainability and ESG
Representative Director and President	Susumu Okinaka			Re-elected	12 years	10 / 10 times		●	●		●	●			●	
Representative Director and Vice President	Shinya Yamamoto			Re-elected	12 years	10 / 10 times			●	●			●			●
Director and Executive Officers	Koichi Yamagata			Re-elected	2 years	10 / 10 times						●	●		●	●
	Hironobu Nakamura			Newly elected	—	—				●	●		●		●	
Directors	Takehiro Honjo	●	●	Re-elected	2 years	10 / 10 times		●	●		●				●	●
	Akihiro Kuroda	●	●	Re-elected	5 years	10 / 10 times	3 / 3 times	●	●					●	●	●
	Hiroshi Shinozuka	●		Re-elected	1 year	7 / 7 times			●	●		●			●	
	Reiko Horikoshi	●		Newly elected	—	—			●	●			●	●		
	Senko Ikenobo	●	●	Newly elected	—	—							●	●	●	●
Directors (Audit and Supervisory Committee Members)	Natsuto Tanaka			Re-elected	3 years	10 / 10 times	11 / 11 times				●		●		●	●
	Michio Yoneda	●	●	Re-elected	5 years	9 / 10 times	10 / 11 times	●	●		●				●	●
	Misako Fujioka	●	●	Re-elected	3 years	9 / 10 times	10 / 11 times		●		●			●	●	
	Junko Okawa	●	●	Re-elected	1 year	7 / 7 times	8 / 8 times		●				●	●		●

Note 1: These charts are based on the meetings held between June 23, 2022 and June 28, 2023.

Note 2: Hironobu Nakamura served as Director (Audit and Supervisory Committee Member) from June 2020 to June 2022.

Note 3: Akihiro Kuroda attended the Board of Directors' meetings three times as an Outside Audit and Supervisory Committee Member, and seven times as an Outside Director.

## (Note on the independence of Outside Directors)

Our Outside Directors satisfy the standards for the independence of outside directors specified by the Company and the standards for independence officers required by the Tokyo Stock Exchange (TSE) to ensure general shareholder protection.

 Independence Standards for Outside Directors  
<https://corp.asahi.co.jp/en/ir/governance/standard.html>




The Company has implemented an executive officer system. The following table outlines the four main skills concerning business execution possessed by each executive officer other than those concurrently serving on the Board of Directors based on the medium-term management strategy *NEW HOPE*.




Position	Name	Management strategy and financial accounting	Media industry knowledge	Content business	Lifestyle business	Organizational structures and human resources development	DX / Technology	Marketing	Risk management
Managing Executive Officers	Takao Yasuda	●			●	●			●
	Yoshiki Mato	●	●		●				●
Executive Officers	Toshiaki Imamura		●	●		●		●	
	Atsushi Shimizu		●	●			●	●	
	Masayuki Nishide	●		●			●	●	
	Naohiko Takeda		●	●		●		●	
	Tomoaki Asano	●			●		●		●
	Hiroshi Noshita	●		●			●		●




Foundation of Value Creation

Corporate Executives (As of the end of September 2023)

Directors

	 <div> <b>Susumu Okinaka</b>  <b>Representative Director and President</b>  Overall Management  Internal Auditing  Nomination and Compensation Committee Member </div>	 <div> <b>Shinya Yamamoto</b>  <b>Representative Director and Vice President</b>  Overall Management Support  Chief Broadcasting Officer </div>	 <div> <b>Koichi Yamagata</b>  <b>Director and Executive Officer</b>  General Affairs, Investor Relations, Communication Strategy, Sustainability Promotion, Personnel Affairs, Diversity &amp; Inclusion, Work-Life Balance </div>
Other material positions	Non-Executive Director of Asahi Television Broadcasting Corporation	Representative Director and President of Asahi Television Broadcasting Corporation Member of the Board of TV Asahi Corporation	Director of Asahi Television Broadcasting Corporation
Inauguration	April 2018 (Representative Director)	April 2018 (Representative Director)	June 2021
Number of the Company shares owned	116,377 shares	92,821 shares	21,581 shares





	 <div> <b>Hironobu Nakamura</b>  <b>Director and Executive Officer</b>  Legal and Compliance, Accounting  Internal Audit Support </div>	 <div> <b>Takehiro Honjo</b>  <b>Director</b>  Nomination and Compensation Committee Member  Outside Director  Independent Officer </div>	 <div> <b>Akihiro Kuroda</b>  <b>Director</b>  Nomination and Compensation Committee Member  Outside Director  Independent Officer </div>
Major career (Outside Director)		April 2015: Representative Director and President, Executive President of Osaka Gas Co., Ltd.	August 1989: Representative Director and President of KOKUYO Co., Ltd. (March 2011 -: Representative Director, President and CEO of KOKUYO Co., Ltd.) March 2015: Representative Director, Chairman of KOKUYO Co., Ltd.
Other material positions	Director of Asahi Television Broadcasting Corporation	Chairman and Director of Osaka Gas Co., Ltd.	Chairman (part-time) of KOKUYO Co., Ltd.
Inauguration	June 2023	June 2021	June 2018: Audit and Supervisory Committee Member June 2022: Current Position
Number of the Company shares owned	3,053 shares	0 shares	0 shares

	 <div> <b>Hiroshi Shinozuka</b>  <b>Director</b>  Outside Director </div>	 <div> <b>Reiko Horikoshi</b>  <b>Director</b>  Outside Director </div>	 <div> <b>Senko Ikenobo</b>  <b>Director</b>  Outside Director  Independent Officer </div>
Major career (Outside Director)	June 2014: Member of the Board of TV Asahi Holdings Corporation	June 2021: Board Director of The Asahi Shimbun Company	November 1989: Took solemn vows as a Buddhist nun, and was bestowed the name "Senko." Appointed as Ikenobo Headmaster Designate.
Other material positions	President of TV Asahi Holdings Corporation President of TV Asahi Corporation	Board Director, Chief Regional Officer for West Japan / Representative of Osaka Head Office of The Asahi Shimbun Company	Vice Chairman of the Board of Directors, Ikenobo Society of Floral Art Vice Chairman of the Kyoto Association of Corporate Executives
Inauguration	June 2022	June 2023	June 2023
Number of the Company shares owned	0 shares	0 shares	0 shares

Foundation of Value Creation

Corporate Executives (As of the end of September 2023)

Directors (Audit and Supervisory Committee Members)

	 <div> <b>Natsuto Tanaka</b>                      Director                      Audit and Supervisory Committee Member                 </div>	 <div> <b>Michio Yoneda</b>                      Director                      Nomination and Compensation Committee Member                      Audit and Supervisory Committee Member                      Outside Director                      Independent Officer                 </div>	 <div> <b>Misako Fujioka</b>                      Director                      Audit and Supervisory Committee Member                      Outside Director                      Independent Officer                 </div>	 <div> <b>Junko Okawa</b>                      Director                      Audit and Supervisory Committee Member                      Outside Director                      Independent Officer                 </div>
Major career (Outside Director)	April 2001: Executive Director (Member of the Board) of Osaka Securities Exchange Co., Ltd. December 2003: President & CEO of Osaka Securities Exchange Co., Ltd. January 2013: Director & Representative Executive Officer, Group COO of Japan Exchange Group, Inc.			
Other material positions	Audit and Supervisory Board Member of Asahi Radio Broadcasting Corporation	Outside Corporate Auditor of Sumitomo Chemical Co., Ltd. Outside Director of Toyo Tire Corporation	President & CEO of Teikoku Seiyaku Co., Ltd. Representative Director & Chairman of FUSO CHEMICAL CO., LTD.	June 2013: Director and Senior Managing Executive Officer of Japan Airlines Co., Ltd. April 2016: Representative Director and Senior Managing Executive Officer of Japan Airlines Co., Ltd. April 2018: Director and Vice Chairperson of Japan Airlines Co., Ltd.
Inauguration	June 2020	June 2018	June 2020	June 2022
Number of the Company shares owned	8,700 shares	0 shares	0 shares	0 shares

Executive Officers

	<b>Takao Yasuda</b> Managing Executive Officer Chief Lifestyle Officer Real Estate	<b>Yoshiki Mato</b> Managing Executive Officer Event Business, Expo 2025 Osaka, Kansai, Japan	<b>Toshiaki Imamura</b> Executive Officer Chief Content Officer	<b>Atsushi Shimizu</b> Executive Officer DX and IT Promotion, Media Strategy
Other material positions	Representative Director and President of ABC Development Corporation	Director of Asahi Television Broadcasting Corporation	Director of Asahi Television Broadcasting Corporation	
Inauguration	April 2020 (Managing Executive Officer)	April 2022 (Managing Executive Officer)	April 2020	April 2021
Number of the Company shares owned	29,863 shares	7,704 shares	15,225 shares	45,054 shares

	<b>Masayuki Nishide</b> Executive Officer Content Business Support Overseas Business	<b>Naohiko Takeda</b> Executive Officer Sports Business Event Business Support	<b>Tomoaki Asano</b> Executive Officer Business Development Investor Relations, Lifestyle Business Support	<b>Hiroshi Noshita</b> Executive Officer Group Strategy, Business Planning
Other material positions	Representative Director and Chairman of ABC ANIMATION, INC.	Director of Asahi Television Broadcasting Corporation	Representative Director and Chairman of ABC FUN LIFE Inc.	Director of Asahi Television Broadcasting Corporation
Inauguration	April 2021	April 2022	April 2022	April 2023
Number of the Company shares owned	10,562 shares	15,967 shares	6,177 shares	3,053 shares

## Foundation of Value Creation

## Corporate Governance

## Basic Views

Considering that appropriate cooperation with a diverse range of stakeholders, including shareholders, viewers, listeners, advertisers, business partners, employees and local communities is essential, the Company advances the improvement of its governance environment.

As a corporate group with the broadcasting business as its core, we firmly recognize the highly public nature of broadcasting and our own social responsibilities and contribute to the development of society and culture. We build good relationships with stakeholders and strive for

improved corporate value to meet their expectations. This is prefaced on maintaining a management base capable of sustaining information dissemination that preserves and develops the daily lives of residents as a media organization with a mandate to utilize the broadcasting spectrum, a public asset, in an effective manner.

As an institutional design for corporate governance, the Company has chosen an Audit and Supervisory Committee-based framework. The Company has devised a structure whereby the role of the Board of Directors

is to promote sustainable corporate growth and the increase of corporate value, while outside directors and the Audit and Supervisory Committee conduct monitoring and audits essential to highly effective management.

**(Board of Directors)**

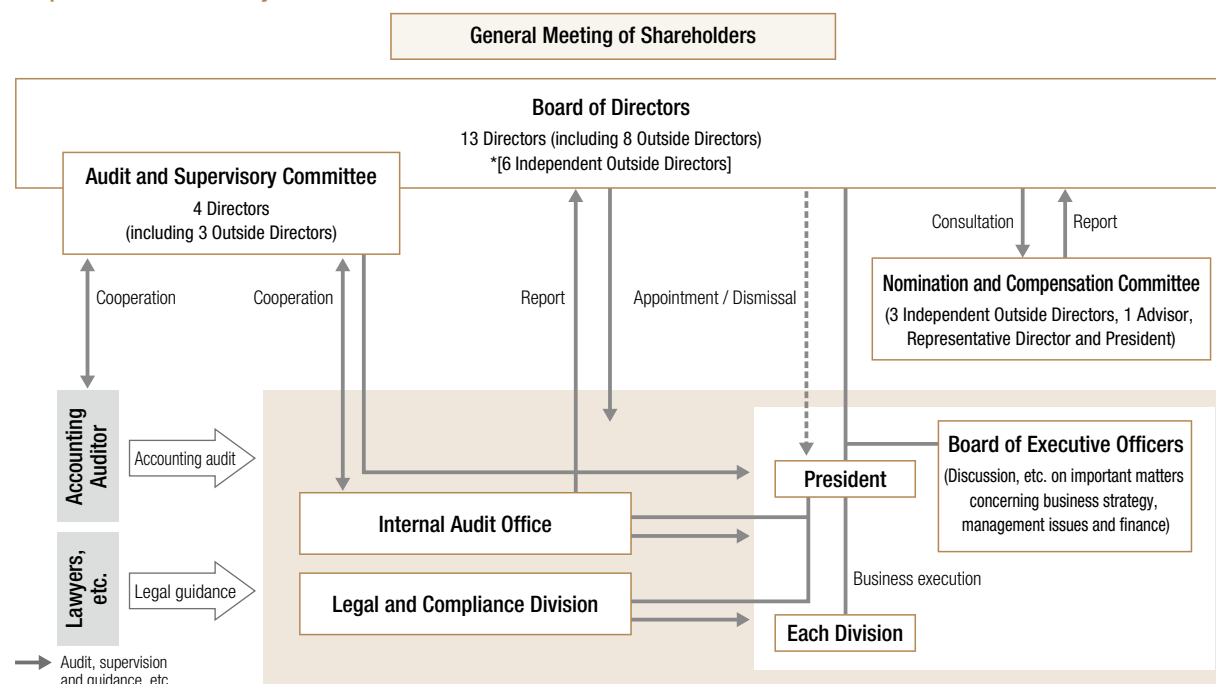
One of the major responsibilities of the Board of Directors is to provide highly effective supervision of the management team and directors. The Company's Board of Directors consists of Executive Directors, who possess knowledge and experience that enables them to manage or monitor the Group's operations effectively, particularly those centered around the broadcast business. They also possess practical knowledge and mature decision-making capabilities. Additionally, the Board includes a variety of Outside Directors who bring extensive corporate management experience and knowledge.

**(Audit and Supervisory Committee)**

At the Audit and Supervisory Committee, one standing Audit and Supervisory Committee member and outside Audit and Supervisory Committee members collaborate in adequately fulfilling their supervisory function over executive directors such as by conducting effective audits based on audit standards prescribed by the Audit and Supervisory Committee. Initiatives to strengthen the function of the Audit and Supervisory Committee are implemented such as by appointing an office director who is independent from the business executives to the Audit and Supervisory Committee Office.

The Audit and Supervisory Committee and the independent auditor hold regular briefings concerning the Audit and Supervisory Committee's audit plans and audit implementation to fulfill the expected supervisory functions. The general manager of the Company's Legal and Compliance Division reports immediately to the Company's Audit and Supervisory Committee upon

## Corporate Governance System






## Foundation of Value Creation

### Corporate Governance

receipt of reports of matters that could materially impact the operations or financial position of the Company and its subsidiaries, or reports of matters that could constitute compliance violations.

#### (Nomination and Compensation Committee)

The Company has voluntarily established its Nomination and Compensation Committee as an advisory body to the Board of Directors. See p.57 for details.


 Nomination and Compensation Committee p.57

#### (Internal Audit Office)

The Company has established an Internal Audit Office under the direct authority of the Representative Director and President to audit the operational status of business execution, compliance systems, risk management and internal control systems of the Company and its subsidiaries based on the Internal Audit Regulations. The results will be reported to the Representative Director and President, Board of Directors, and Audit and Supervisory Committee in the form of an internal audit report.

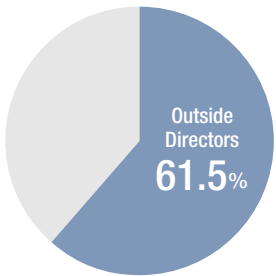
#### (Board of Executive Officers)

The Company clearly separates the supervision and business execution functions, and implements an executive officer system to reinforce corporate governance. The Board of Executive Officers holds meetings to discuss business strategies, management issues, and important financial matters, take charge of decision-making for business execution beyond the range of the resolutions of the Board of Directors, and promote information sharing. Any item placed on the agenda of the Board of Directors meetings is in principle discussed at the Board of Executive Officers meetings in advance.

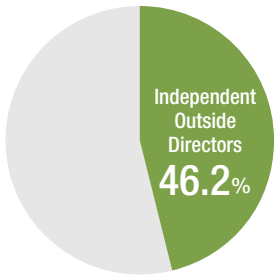
### The Trends of Governance Enhancement

		FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Board of Directors	Board of Directors	15	14	13	12	12	13
	Outside Directors	6	6	6	6	7	8
	Independent Outside Directors	4	4	4	4	5	6
Audit and Supervisory Committee	Audit and Supervisory Committee	5	5	5	5	4	4
	Outside Directors	3	3	3	3	3	3
Nomination and Compensation Committee	Nomination and Compensation Committee		4	4	5	5	5
	Independent Outside Directors		2	2	3	3	3
Initiatives for governance enhancement		Transition to a company with the Audit and Supervisory Committee					
		Implementation of the restricted stock (RS) compensation plan					
		Implementation of the Executive Officer system					
		Establishment of the Nomination and Compensation Committee					
		Establishment of the Sustainability Promotion Committee					
Stock listing market		Tokyo Stock Exchange First Section → Transition to the Prime Market					

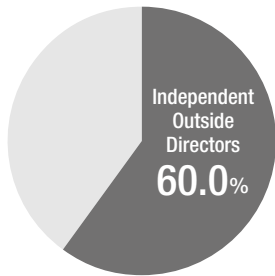
Ratio of the Outside Directors on the Board of Directors



Ratio of the Independent Outside Directors on the Board of Directors



Ratio of the Independent Outside Directors on the Nomination and Compensation Committee



Foundation of Value Creation

Corporate Governance

Composition of the Board of Directors

The Company specified in the basic regulations governing directors that more than one-third of all Directors must be Outside Directors and more than one of them must be an Independent Outside Director. As a company listed on the Prime Market, the Company selects Outside Directors with consideration for diversity, such as gender and individual skills.

As of the end of June 2023, the Board of Directors comprises 13 Directors, eight of which are Outside Directors, which accounts for more than one-third of all Directors, and six are Independent Outside Directors.

Compensation for Directors

(Designing and Determining Procedures for Compensation for Directors)

The Board of Directors resolves the basic design of compensation for executive directors following consultation with the Nomination and Compensation Committee. The annual compensation, etc. for each executive director is determined by resolution of the Board of Directors’ meeting held after the conclusion of the Ordinary General Meeting of Shareholders each year, in line with the basic design, including the resolution to delegate the decision to the Representative Director and President who oversees the overall Company. For non-cash compensation (stock-based compensation), the Board of Directors resolves the number of shares to be delivered to each individual director considering reports from the Nomination and Compensation Committee.

Regarding compensation of Outside Directors, taking into account their independence from business execution, the Company has established compensation systems and levels that exclude elements pegged to fluctuations

in business performance.

Compensation for Audit and Supervisory Committee members consists solely of annual compensation (fixed compensation). The amount of compensation is determined through discussion by the Audit and Supervisory Committee within the maximum amount of compensation for Directors approved by resolution at the general meeting of shareholders.

<i>
**Maximum amount of compensation  
(Resolved at the 91<sup>st</sup> Ordinary General Meeting of Shareholders held on June 21, 2018)**

The maximum amount of compensation for directors (excluding directors who are Audit and Supervisory Committee members):  
¥500 million per year, of which compensation for outside directors is ¥50 million

The maximum amount of compensation for directors who are Audit and Supervisory Committee members:  
¥110 million per year, of which compensation for outside directors is ¥30 million

<i>
**Compensation paid to Directors  
(Fiscal year ended March 31, 2023)**

Directors (excluding Audit and Supervisory Committee members and outside directors):  
Total of ¥93 million for 4 individuals  
Directors (Audit and Supervisory Committee members. Excluding outside directors):  
Total of ¥28 million for 2 individuals  
Outside Directors:  
Total of ¥56 million for 9 individuals

At the Ordinary General Meeting of Shareholders held on June 29, 2005, the Company abolished its retirement benefit payment plan for officers; there are no eligible persons.

(Medium- and Long-Term Incentive Remuneration)

From the perspective of sharing interests with shareholders regarding stock prices and encouraging management from a shareholder’s perspective, as well as providing medium to long-term performance improvement incentives, the Company grants to executive managing directors restricted stock within a maximum amount of ¥80 million per year as monetary remuneration claims and a maximum of 150,000 shares per year, in addition to the monetary compensation, by resolution of the Board of Directors; these shares cannot be sold during the directors’ tenure.

Foundation of Value Creation

Corporate Governance

Status of the Initiatives to Improve Corporate Governance

(Board of Directors)

In FY2022, the Company held 10 Board of Directors meetings and had active discussions based on reports from the Broadcasting and Content, and Lifestyle Business segments, and internal audit reports from the viewpoint of medium- and long-term growth, governance, and sustainability, including new businesses and the revision of business segments at Group companies.

After the Board of Directors meetings, opinion exchange sessions regarding management issues took place with Outside Directors on such topics as environmental issues, initiatives for DX, and growth strategy for the Content and Lifestyle Businesses.

(Audit and Supervisory Committee)

Audit and Supervisory Committee meetings were held 11 times in FY2022, and the Committee fulfilled its supervising functions regarding Directors. The Committee also conducted audits on “the state of improvement and operation of the internal control and management structure of the Group companies” and “the state of risk management in business execution to achieve the goals of the Medium-Term Management Strategy.”

(Nomination and Compensation Committee)

Nomination and Compensation Committee meetings were held three times in FY2022 with the participation of all committee members. The Committee discussed the selection of Executive Officers and candidates for Directors, and the reappointment of the Representative Director and President. The Committee members discussed and determined the basic design and the amount of compensation for directors at the committee meeting held in May 2022.

Ensuring the Effectiveness of the Governance Structure of the Listed Subsidiaries

The Company has a listed subsidiary, DLE, Inc. (“DLE”). The Company has set the “Asahi Broadcasting Group Companies Management and Administration Regulations” and defined rules concerning the sharing of information and reporting of business operations within the Group; in parallel, under “Group Companies Management and Administration Regulations” formulated by subsidiaries, subsidiaries are obligated to report their important information to the Company. However, these regulations do not apply to DLE and its subsidiaries. By executing an individual governance agreement, we are striving to ensure independent decision-making as a listed company.

Cross-Shareholdings

(Cross-Shareholdings Policy)

The Company does not hold shares for the purpose of pure investment. However, the Company does not deny the possibility of acquiring and holding the shares of the relevant companies (cross-shareholdings) for purposes other than pure investment.

In the case of acquiring new cross-shareholdings, the Board of Executive Officers approves acquisition proposed by the Cross-Shareholdings Evaluation Committee, an advisory body of the Company, in accordance with the Corporate Governance Code (1-4), after specific and sufficient discussion, and confirmation that the benefits and effects gained by the acquisition of shares compensate for the cost of capital.

Similarly, when the Company continues to hold cross-shareholdings, the Cross-Shareholdings Evaluation Committee examines the validity and reports the results to the Board of Directors annually. The Company, following necessary and sufficient dialogue with the counterpart company, obtains the approval of the Board of Executive Officers and sells any cross-held shares for which continued ownership is not judged to be relevant.

\*Purposes and effects of holding specified equity securities, and reasons for increase/decrease of the equities are as described in the Annual Securities Report\* submitted on June 29, 2023.


Annual Securities Report\*, The Fiscal Year Ended March 31, 2023 (96<sup>th</sup> Term)  
Status of Shares p57-58  
<https://corp.asahi.co.jp/ja/ir/library/securities.html>

\*Available only in Japanese

Foundation of Value Creation

# Dialogue with Shareholders and Investors

The Company takes the initiative in promoting constructive dialogue with shareholders.

1. The Company formulated the IR and Information Disclosure Policy, which concerns the systems and initiatives to foster constructive dialogue with shareholders and investors, and posts this on the Company's website.
2. In principle, the Company holds biannual financial results briefings for analysts and institutional investors (May and November), attended by the Representative Director and President. In these briefings, we explain business performance and the progress of medium-term management strategies, etc. We publish scripts of the briefings, including Q&A sessions, on the Company's website.
3. The Corporate Strategy Department of Communication Strategy Division is in charge of shareholder relations and the preparation of important IR tools. The department works in cooperation with the Corporate Management Division, which is in charge of corporate accounting, and the Group Strategy Division, which is in charge of group strategy.
4. Opinions obtained through dialogue with shareholders and investors are reported to management at the Board of Executive Officers and other meetings as necessary.
5. Personnel involved in IR operations are knowledgeable about the appropriate management of insider information. In addition, the three-week period prior to the announcement of quarterly financial results is a quiet period during which we refrain from responding to and commenting on inquiries regarding financial results.

In addition to the preceding, the Company discloses quarter financial results in English simultaneously for the benefit of overseas institutional investors, posting graphs of business performance and financial highlights in English on the Company's website. We also post a script of the financial results briefing, including the Q&A session, on the Company's website at a later date. In FY2022, we began publishing a digest of our Integrated Report, translated into English, on the Company's website.

**Status of Dialogues with Shareholders and Investors, etc.**

**1. Results of Dialogues and Main Representatives**

To expand opportunities for dialogue with shareholders and investors, increase occasions for contact with investors, and improve engagement, the Company conducts individual interviews and meetings with securities firms and institutional analysts as needed. The Company's representative director and president and executive officer in charge of investor relations mainly conduct individual interviews and meetings. As of September 2023, we held five interviews with investors and analysts in Japan. We expect to conduct the same frequency of interviews in the second half of the fiscal year. Beginning in fiscal 2023, we began conducting interviews with overseas investors in earnest, holding a total of eight interviews with investors in Europe and the U.S. in July.

**2. Overview of Participating Shareholders and Investors**

In Japan, we engage mainly with sell-side and buy-side analysts covering the media and entertainment sector. Overseas, we engage mainly with investors, investment advisers, etc., representing a variety of investment styles, including value investors and growth investors.

**Main Dialogue Topics**

- Background on outlooks of future performance
- Progress in medium-term management strategies, outlook for content business
- Capital policies, including shareholder returns
- Status of cross-shareholdings, growth investment strategies

**Feedback and Incorporation of Feedback in Company Management**

The many opinions and issues obtained through dialogue are reported back to management through the Board of Executive Officers, the Board of Directors, and other meetings as necessary and appropriate.

In addition, we strive to enhance information disclosure to meet the needs for such disclosure learned through dialogues. Specifically, we endeavor to enhance the disclosure of non-financial information in response to the increasing number of questions regarding non-financial information, such as the role our business plays in social issues. Such non-financial information includes disclosure of our investment in human capital in our integrated report and other materials.

**Actions to Conduct Management Conscious of the Cost of Capital and Share Prices**

We discussed the analyses and evaluations of the current state of corporate management at meetings of the Board of Executive Officers and Board of Directors, established policies to improve issues based on discussions, and disclosed the results in the Corporate Governance Report (Updated on November 8, 2023, [https://corp.asahi.co.jp/en/ir/news/auto\\_20231129596634/pdfFile.pdf](https://corp.asahi.co.jp/en/ir/news/auto_20231129596634/pdfFile.pdf)).

Details of initiatives are described in the report.

→Message from the President “Financial Highlights and Capital Policy” p.11- / Medium-Term Management Strategy p.14 Cross-Shareholdings and the Policy p.55

Refer to the Sustainability Report\* for details about sustainability and diversity.

→<https://corp.asahi.co.jp/ja/csr/report.html>

\*Available only in Japanese



## Foundation of Value Creation

# Nomination and Compensation Committee

## Composition and Initiatives of the Nomination and Compensation Committee

The Company voluntarily establishes the Nomination and Compensation Committee as an advisory body to the Board of Directors. The committee consists of a majority of independent outside directors, which meets multiple times a year to discuss and make decisions about various issues such as the evaluation of the Representative Director and President, the successor grooming plan, the selection of Director candidates, and basic design for compensation for directors. The current committee consists of three independent Outside Directors, one External Expert, and the Representative Director and President, five members in total, enabling highly effective discussions.

## Evaluation, Appointment and Dismissal of the Representative Director

The Representative Director and President, as the Chief Executive Officer (CEO) of the Company, presents management policy, mid- and long-term priority targets, and short-term business targets at the annual meeting, and reports achievements. Committee members other than the President evaluate the achievements, and provide appropriate advice. Based on this, the committee discusses and determines the appointment and dismissal of the Representative Director and President.

## The Successor Grooming Plan (Succession Plan)

One of the important responsibilities of the committee is to develop the successor grooming plan (Succession Plan). Based on the current Medium-Term Management Strategy, the Representative Director and President identifies the qualifications required for the next

President, and selects several candidates who satisfy the requirements. Then, each member of the Nomination and Compensation Committee interviews and evaluates all the candidates separately to narrow down the list of candidates.

## Selection of the Director Candidates

For Director candidates selected at the Ordinary General Meetings of Shareholders (excluding Outside Directors) and the assignment of Executive Officers, the Representative Director selects individuals with the experience, knowledge, and ability required to integrate the corporate divisions and businesses, and refers the candidates to the Nomination and Compensation Committee. The committee screens each candidate and reports to the Board of Directors.

## Basic Design of Directors' Compensation

Concerning the compensation, etc. of executive directors, the Company has established compensation systems and levels commensurate with their respective responsibilities, considering the need to secure and retain

outstanding human resources to respond to the mandate of shareholders and the need to provide incentives to improve business performance. The Nomination and Compensation Committee discusses the basic design of Directors' compensation taking account of conditions in- and outside the company.

The current compensation of executive directors comprises annual compensation and bonuses. In addition to basic compensation, position-based compensation and representative compensation, which are fixed compensation, annual compensation consists of short-term performance-linked compensation as performance-based compensation, each of which has its own calculation criteria. Basic compensation, position-based compensation and representative compensation consist of cash compensation. Other compensation consists of cash and stock-based compensation as a long-term incentive. Bonuses for executive directors are paid once annually in line with Group operating results for the previous fiscal year, subject to the condition that the Group records positive consolidated ordinary income which exceeds more than a certain amount.

## Message from Akihiro Kuroda, Chairman of the Nomination and Compensation Committee (From March 2021 to the present)

In the midst of increasing changes in the environment surrounding the Company, it is necessary to have flexible thinking, strong intension, and fairness in corporate management to respond to issues in a speedy and flexible manner. The Nomination and Compensation Committee repeatedly engages in discussions with a priority on said matters in grooming candidates for Representative Director and President, who serves as the CEO of the Company. We've also discussed the design of compensation for executive officers including appropriate incentives that lead to the improvement of corporate business performance.

Foundation of Value Creation

Compliance and Risk Management

Internal Control System

The Company has established an internal control system as a framework to ensure proper business operation and prevent damage to shareholders and stakeholders. We have established a basic policy that includes measures and systems for compliance, internal audits, and risk management to ensure that the internal control system functions reliably throughout the Group.

Basic Policy for Building the Internal Control System  
<https://corp.asahi.co.jp/en/ir/governance/foundation.html>

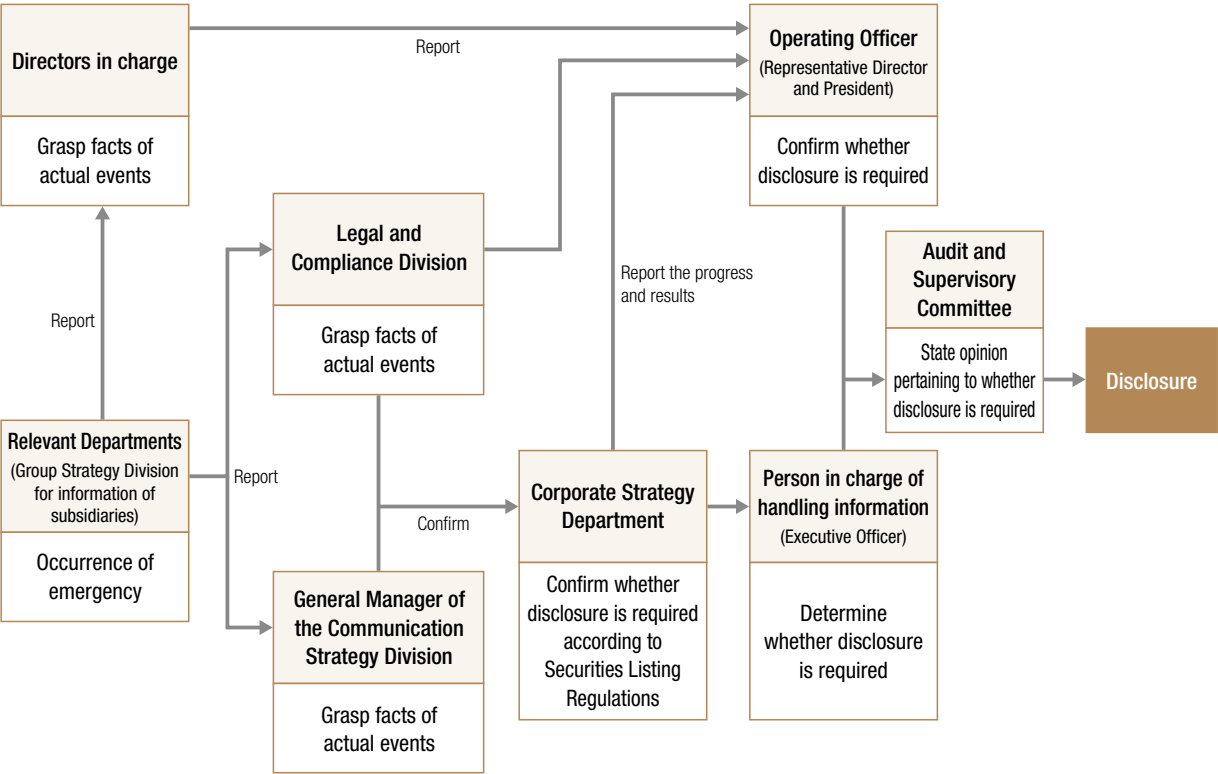
Compliance Promotion Structure

The ABC Group has formulated the “Asahi Broadcasting Group Compliance Charter” and “Asahi Broadcasting Group Compliance Code of Conduct.” We prescribe in its Code of Conduct that “it is steadfastly committed to resisting any pressure from antisocial groups or individuals and will never be associated with any such groups or individuals” and has also established the Regulations for Rejection of Antisocial Forces to ensure that officers and employees of the Group companies are thoroughly aware that they must not provide any profit or accommodation to antisocial forces.

(Fulfillment of Whistleblowing System)

The Company established both internal and external whistleblower hotlines (provided by a law firm) to prevent any whistleblower or cooperative witnesses from being treated disadvantageously, and designated personnel to handle tasks related to whistleblowers. In addition, the Company provides e-learning seminars to ensure that employees groupwide are thoroughly aware of the internal reporting desk and that they can be used with peace of mind.

•Disclosure System for the Information Concerning Facts of Actual Events Pertaining to the ABC Group



## Foundation of Value Creation

## Information Security and Privacy Protection

## Information Security

The ABC Group provides education and enlightenment activities for information system security measures and increasing literacy for information security in accordance with its Information Security Basic Policy. The Company also established the Information Security Committee and the Asahi Broadcasting CSIRT (Computer Security Incident Response Team) thereunder, and created manuals for the handling of incidents. In addition, some Group companies have provided video lectures on the handling of cyber-attacks, and training for the handling of targeted e-mail attacks.

 Information Security Basic Policy\*  
<https://corp.asahi.co.jp/ja/security/index.html>

\*Available only in Japanese

## Privacy Protection Structure

Considering the appropriate management and maintenance of information, and the provision and transmission of information to society as the foundation of the ABC Group's existence, individual Group companies place a priority on handling personal information received from viewers and users in strict accordance with the Basic Policy for the Handling Personal Information to protect information from loss, misuse, leakage, and other threats and reinforce trusting relationships with all stakeholders.

 Basic Policy for the Handling Personal Information  
<https://corp.asahi.co.jp/en/privacy.html>

## ABC's Principle

- With a peaceful and free mind, we strive to work for the good of the development of the local community and culture.
- With an open-minded heart and a willingness to improve, we take responsibility and dignity in a serious manner and will do our very most to gain the trust of society.
- We will always do our best to promptly and fairly deliver accurate news and give appropriate comments to the public.
- Through our programs, we strive to bring a delightful and peaceful atmosphere to the audiences while increasing their ability to think and judge as well.
- By using creative advertisements rather than exaggerated advertisements, we ensure the success of the industry.

The ABC's Principle includes the basic creeds created by the Asahi Broadcasting Corporation in 1966. The governance and compliance of the Group companies are all based on these five creeds.

## Initiatives to Improve Our Programs

Asahi Television Broadcasting Corporation, Asahi Radio Broadcasting Corporation, and sky-A Inc. established the Programming Excellence Council to promote the appropriateness of broadcasting programs in accordance with the Broadcast Act as well as the broadcast standards specified by the Japan Commercial Broadcasters Association and Japan Satellite Broadcasting Association, and other criteria specified for individual programs and advertisements.

Furthermore, Asahi Television Broadcasting established the Broadcasting Programs Examination Committee to prevent issues regarding broadcasting ethics with a priority on human rights issues, and falsifications and fabrications. Along with the Broadcasting Program Examination Working Group, which meets weekly, this Committee is positioned as an important body for the continuation of appropriate

broadcasting. We also carefully examine advertiser business content (services) and expressions used in commercial messages to ensure they are true and useful for viewers.

TV and radio programs have often been made in cooperation with production companies and cooperative partners. We comply with the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors, strictly observe other laws and regulations, and bear in mind the importance of preventing abuse of superior bargaining position. In regard to the selection of suppliers, products, and services, we act rationally and systematically while continuing to discover new business partners and improve transaction conditions with existing business partners.



## About Us

- 61 ABC Trajectory
- 63 Current State of Asahi Broadcasting Group
- 64 11-year Financial and Non-Financial Data  
(on a consolidated basis)
- 65 Consolidated Balance Sheet
- 66 Consolidated Statement of Income  
Consolidated Statement of Cash Flows
- 67 Stock Information

ABC

ABC Hall  
River Deck →



## About Us

## ABC Trajectory

Achievements in creating and delivering programs and content that have led the times by responding to changing times

## 1951 – Founding period

- 1951 Commences radio broadcasting
- 1956 Commences TV broadcasting
- 1961 Listed on the Osaka Securities Exchange Second Section

Our Events

- 1964 Tokyo 1964 Olympic Games
- 1970 Expo Osaka

## 1980 – Golden age of television programs

- 1985 Arrival and collapse of the Bubble era of Japan

## 1990 – Opening of the time of changes

- Arrival of digital era
- 1995 The Great Hanshin-Awaji Earthquake

## Rapid progress of the Company begins from Japanese comedy

Creating many hit programs through radio and television

## Nature of the Company that has enabled us to stay close to consumers since our foundation

Development of viewer- and listener-participation programs successively



"Welcome, Newlyweds!"



"Ohayo Personality Ogata Yusuke Desu"



"Ohayo Personality Furukawa Masaki Desu"

## Contribution to Japanese comedy culture

Planning and broadcasting "ABC Manzai &amp; Rakugo New Face Competition"

## Start of a morning information program rooted in the local area

Start of broadcasting of the "Ohayo Asahi Desu," a popular morning program in the Kansai region



"Ohayo Asahi Desu"

## The ever-evolving ABC comedy

Comedy and Intellectual Curiosity  
("Takeshi no Banbutsu Souseiki," etc.)  
Comedy and Viewers ("Detective Knight Scoop," etc.)



"Detective Knight Scoop"

## Starting to broadcast on a nationwide network that delivers the attractiveness of regions in Japan and around the world



"Travel Salad -Discovering fresh sites of Japan-"

## Achievements in delivering inspiration to viewers and listeners through sports

Starting live broadcasting of the National High School Baseball Championships      Jointly produces "Nettoh Koshien" with TV Asahi

## Achievements in gaining trust through news programs

Regional news coverage / day-to-day news

"Sunday Project" in Sunday morning on nationwide network  
\*Jointly produced with TV Asahi

## History of taking on the challenge of new business

Developing Japan's first housing exhibition venue  
(Present-day Housing Business)

Opening of the ABC GOLF CLUB  
Entering the TV shopping business

## About Us

## ABC Trajectory

Responding to the needs of the time by keeping consumers first, and aiming to become a comprehensive content business group

2000 – Integration of traditional and innovation

2010 – Full-scale delivery of programs and content via multiple media

•2014 Listed on the Tokyo Stock Exchange First Section

•2018 Transitioned to a certified broadcasting holding company

•2021 Announced the medium-term management strategy *NEW HOPE*

•2022 Transitioned to the Prime Market of the Tokyo Stock Exchange

•2008 The financial crisis

•2011 The Great East Japan Earthquake

•2021 COVID-19 pandemic spreads worldwide

ABC becomes known nationwide for variety programs



"M-1 Grand Prix 2023"



"Who is the Real Celebrity?"

Creation of programs popular with viewers



"In the middle of nowhere"



"Aiseki Shokudo (Can You Share A Table?)"

Creating and delivering *New Happiness* as a comprehensive content business group

Enrichment of content  
Full-scale entry to the drama market too

Full-scale entry to the animation market



"Hiogaru Sky! Precure"  
©ABC-A, Toei Animation

Entry to late-night animation slots



"Free! -the Final Stroke- the Second Volume"

©Koji Oji / Kyoto Animation / Iwatobi Town Supporters Association 2021



"Lycoris Recoil"

©Spider Lily / Aniplex, ABC ANIMATION, BS11

Expansion of IP outlets  
Event development

Achievements in delivering inspiration to viewers and listeners through sports

Starting streaming of "Virtual High School Baseball"

Achievements in gaining trust through news programs

"Sunday LIVE!!" in Sunday morning on nationwide network  
\*Jointly produced with TV Asahi and Nagoya Broadcasting Network

Content development  
beyond national boundaries

History of taking on the challenge of new business

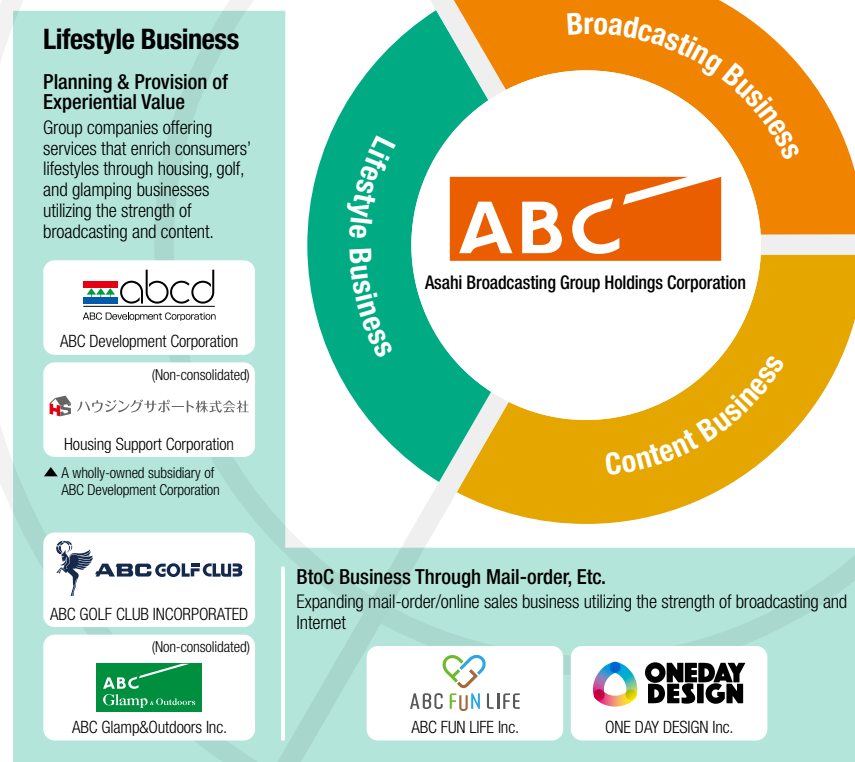
Entering the TV shopping business

Full-scale implementation of e-commerce business

Consumer- and region-oriented  
provision of new value

## About Us

## Current State of Asahi Broadcasting Group



## Other Main Non-Consolidated Group Companies &amp; Affiliates

## Venture Investment, etc.



ABC DREAM VENTURES, Inc.



ABC HORIZON PTE. LTD.

Facility Management  
(security & reception)

ABC Kosan Co., Ltd.

## Other Affiliates



NTT Sportict Corporation

▲ A 21.7% subsidiary of Asahi Broadcasting Group Holdings Corporation (Non-consolidated)

## Broadcasting Business



Asahi Television Broadcasting Corporation



Asahi Radio Broadcasting Corporation



sky-A Inc.

## Content Business

## Content Creation

Group companies advance entry to digital media and regional revitalization using characteristic content such as sports, history, and entertainment information based on their core production business centering on live-action content.



ABC ARC, INC.

▲ A wholly-owned subsidiary of Asahi Television Broadcasting Corporation



ABC Libra Co., Ltd.



Bestie Corporation



BuzzFeed Japan Corporation

(Equity-method affiliate)



ABC ANIMATION, INC.



Zero G Act Co., Ltd.

▲ A wholly-owned subsidiary of ABC ANIMATION, INC.



SILVER LINK., Inc.

▲ A wholly-owned subsidiary of ABC ANIMATION, INC.



CG Studio, Inc.

▲ A wholly-owned subsidiary of ABC ANIMATION, INC.

## Content Production Technology

Group companies supporting the production of broadcasting business-related content. They've expanded business to the planning of VR events, dubbing for streaming programs, and audio production for animation.



i-NEX corporation



Procen Studio Co., Ltd.

## Rights Business

Discovering new markets through the utilization of the Group IPs in multiple media and overseas market expansion.



ABC Frontier, Inc.

## Online Content Production

Providing solutions for digital content in cooperation with the DX and Media Design Division, Asahi Broadcasting Group Holdings Corporation.



Digiasa Inc.

## Planning &amp; Management of Events / Stage Performances

Connecting society and the Group through the planning and production of events and stage performances. Actively promoting the planning of events related to ABC TV content, and the use of Group IPs.



MASH CORPORATION



ABC&amp;SET, INC.

▲ A 60% subsidiary of ABC Frontier, Inc.

## DLE Group

DLE Fast Entertainment is centered on conducting game development, corporate branding, and managing the rights business for world celebrity portraits.



DLE, Inc.



Churapps Co., Ltd.

▲ A wholly-owned subsidiary of DLE, Inc.



AMIDUS, Inc.

▲ An 80% subsidiary of DLE, Inc.



CARAVAN Japan, Inc.

▲ A 51% subsidiary of a 100% subsidiary of DLE, Inc.

## About Us

## 11-year Financial and Non-Financial Data (on a consolidated basis)

	(Unit: million yen)										
(Fiscal Year)	3/2013	3/2014	3/2015	3/2016	3/2017	3/2018	3/2019	3/2020	3/2021	3/2022	3/2023
<b>Profit and loss</b>											
Net sales	78,847	81,484	80,691	81,059	82,302	80,991	81,986	82,937	78,344	85,100	<b>87,028</b>
Gross profit	28,766	29,131	27,823	27,104	28,514	27,985	28,522	27,977	25,951	29,518	<b>28,961</b>
Selling, general and administrative expenses	23,017	23,339	23,138	23,039	23,541	23,735	24,260	24,588	23,256	25,315	<b>26,366</b>
Operating income	5,748	5,791	4,684	4,064	4,972	4,250	4,262	3,388	2,694	4,203	<b>2,594</b>
Ordinary income	5,820	6,025	4,830	4,407	5,261	4,539	4,591	3,633	3,033	4,792	<b>2,661</b>
Profit attributable to owners of parent	2,774	3,254	2,203	2,372	3,416	2,691	3,742	2,278	(930)	2,671	<b>1,354</b>
<b>Cash flows</b>											
Cash flows from operating activities	6,271	7,350	5,947	(126)	6,806	4,803	3,286	4,546	5,952	4,689	<b>2,951</b>
Cash flows from investing activities	(5,317)	(3,934)	(6,562)	209	(579)	(5,113)	(2,394)	2,655	(10,311)	(4,276)	<b>(5,046)</b>
Free cash flow	953	3,415	(615)	83	6,226	(309)	892	7,201	(4,359)	412	<b>(2,095)</b>
Cash flows from financing activities	(3,385)	(1,576)	(1,757)	(1,860)	(1,202)	(2,260)	(53)	3,203	4,583	543	<b>(1,610)</b>
<b>Financial position (as of the end of fiscal year)</b>											
Total assets	93,986	97,833	103,116	99,596	101,979	102,680	107,788	114,786	119,079	123,788	<b>122,305</b>
Interest-bearing liabilities	3,904	2,975	1,946	1,014	592	495	981	6,674	11,910	12,518	<b>12,187</b>
Shareholders' equity	56,495	58,625	54,554	53,279	56,750	61,625	65,223	65,230	66,035	66,975	<b>69,259</b>
<b>Per-share data</b>											
Profit (loss) attributable to owners of parent (EPS) (JPY)	67.93	79.70	53.95	58.11	83.66	65.92	91.55	55.63	(22.69)	64.97	<b>32.42</b>
Net assets per share (BPS) (JPY)	1,383.45	1,435.60	1,335.91	1,304.70	1,389.70	1,509.06	1,594.83	1,591.64	1,609.44	1,604.91	<b>1,659.63</b>
Dividend (JPY) <sup>1)</sup>	12	16	18	18	26	20	28	18	10	24	<b>16</b>
Payout ratio	17.7%	20.1%	33.4%	31.0%	31.1%	30.3%	30.6%	32.4%	—	36.9%	<b>49.4%</b>
<b>Financial indicators</b>											
Operating income margin ratio	7.3%	7.1%	5.8%	5.0%	6.0%	5.2%	5.2%	4.1%	3.4%	4.9%	<b>3.0%</b>
Ordinary income margin ratio	7.4%	7.4%	6.0%	5.4%	6.4%	5.6%	5.6%	4.4%	3.9%	5.6%	<b>3.1%</b>
Return on equity (ROE)	5.0%	5.7%	4.2%	4.4%	6.2%	4.5%	5.9%	3.5%	(1.4%)	4.0%	<b>2.0%</b>
Equity-to-asset ratio	60.1%	59.9%	52.9%	53.5%	55.6%	60.0%	60.5%	56.8%	55.5%	54.1%	<b>56.6%</b>
Capital investment	2,416	2,960	2,641	4,474	3,900	5,477	2,689	2,585	5,116	8,468	<b>7,991</b>
Depreciation and amortization	3,567	3,394	3,347	3,299	2,841	2,971	3,031	3,223	3,088	3,246	<b>3,740</b>
<b>Non-financial data</b>											
Number of Group employees (consolidated basis)	845	850	869	883	907	918	1,167	1,356	1,456	1,509	<b>1,561</b>
Television viewer ratings [Household] According to Video Research surveys (Kansai)											
All Day (6:00-24:00) (Ranking)	8.1% (1st)	7.8% (3rd)	7.5% (2nd)	7.4% (2nd)	7.6% (2nd)	7.4% (2nd)	7.3% (4th)	7.3% (3rd)	7.5% (3rd)	7.0% (2nd)	<b>6.4% (2nd)</b>
Golden Time (19:00-22:00) (Ranking)	12.8% (1st)	12.2% (1st)	11.3% (2nd)	11.1% (2nd)	11.1% (2nd)	10.8% (2nd)	10.8% (3rd)	10.9% (2nd)	10.8% (3rd)	10.1% (3rd)	<b>9.7% (1st)</b>
Prime Time (19:00-23:00) (Ranking)	13.5% (1st)	12.8% (1st)	12.1% (2nd)	11.7% (2nd)	11.7% (2nd)	11.3% (2nd)	11.3% (2nd)	11.5% (1st)	11.4% (1st)	10.6% (1st)	<b>10.0% (1st)</b>
Prime 2 (23:00-25:00)*1:00 on the next day (Ranking)	9.6% (1st)	9.5% (1st)	8.8% (1st)	8.4% (1st)	8.2% (1st)	7.6% (1st)	7.1% (2nd)	6.5% (2nd)	6.0% (2nd)	5.5% (2nd)	<b>5.2% (2nd)</b>
Television viewer ratings [Individual (All)] According to Video Research surveys (Kansai)											
All Day (6:00-24:00) (Ranking)	—	—	—	—	—	3.9% (2nd)	3.9% (3rd)	3.9% (3rd)	4.0% (3rd)	3.8% (2nd)	<b>3.6% (2nd)</b>
Prime Time (19:00-23:00) (Ranking)	—	—	—	—	—	6.3% (2nd)	6.5% (2nd)	6.6% (2nd)	6.6% (2nd)	6.1% (2nd)	<b>5.9% (2nd)</b>
In-house production ratio <sup>2)</sup>	35.7%	34.0%	34.1%	35.0%	34.9%	34.0%	33.8%	36.9%	38.0%	37.6%	<b>38.8%</b>
Total waste volume <sup>3)</sup>	196.2t	179.9t	206.2t	210.9t	207.9t	192.4t	178.2t	195.9t	161.7t	157.5t	<b>173.1t</b>
Recycle rate	60.6%	65.7%	68.4%	68.0%	68.0%	67.2%	70.8%	72.2%	71.2%	69.7%	<b>74.0%</b>

Note 1: The stock was split 10 for 1 in July 2010.

Note 2: In-house production ratio is calculated by the number of program hours produced by Asahi Broadcasting Group companies divided by the total number of broadcasting hours (based on TV listings as of April)

Note 3: Total waste generated at the head office and annex building



## About Us

## Consolidated Balance Sheet

(Unit: million yen)

	March 31, 2022	March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	23,586	<b>22,251</b>
Notes and accounts receivable-trade, and contract assets	15,497	<b>15,934</b>
Short-term investment securities	4,715	<b>2,208</b>
Inventories	3,149	<b>2,828</b>
Income taxes receivable	279	<b>600</b>
Other	2,527	<b>2,704</b>
Allowance for doubtful accounts	(11)	<b>(142)</b>
Total current assets	49,744	<b>46,385</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	35,616	<b>34,819</b>
Accumulated depreciation	(16,762)	<b>(17,596)</b>
Buildings and structures, net	18,854	<b>17,223</b>
Machinery equipment and vehicles	23,536	<b>23,220</b>
Accumulated depreciation	(16,144)	<b>(15,954)</b>
Machinery equipment and vehicles, net	7,392	<b>7,266</b>
Tools, furniture and fixtures	1,587	<b>1,831</b>
Accumulated depreciation	(1,077)	<b>(1,277)</b>
Tools, furniture and fixtures, net	509	<b>554</b>
Land	14,252	<b>15,512</b>
Lease assets	143	<b>129</b>
Accumulated depreciation	(86)	<b>(93)</b>
Lease assets, net	57	<b>35</b>
Construction in progress	484	<b>590</b>
Total property, plant and equipment	41,550	<b>41,181</b>
Intangible assets		
Software	2,313	<b>2,055</b>
Software in progress	60	<b>97</b>
Goodwill	986	<b>955</b>
Other	111	<b>120</b>
Total intangible assets	3,472	<b>3,229</b>
Investments and other assets		
Investment securities	16,900	<b>17,928</b>
Long-term loans receivable	310	<b>290</b>
Long-term prepaid expenses	1,561	<b>4,681</b>
Deferred tax assets	7,426	<b>5,582</b>
Other	2,817	<b>3,094</b>
Allowance for doubtful accounts	(31)	<b>(94)</b>
Total investments and other assets	28,985	<b>31,483</b>
Total non-current assets	74,009	<b>75,894</b>
Deferred assets		
Bond insurance cost	34	<b>25</b>
Total deferred assets	34	<b>25</b>
Total assets	123,788	<b>122,305</b>

(Unit: million yen)

	March 31, 2022	March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	50	<b>202</b>
Current portion of long-term borrowings	513	<b>337</b>
Current portion of bonds payable	26	<b>13</b>
Lease obligations	21	<b>19</b>
Accounts payable – other	8,131	<b>8,364</b>
Accrued expenses	2,264	<b>2,088</b>
Income taxes payable	1,277	<b>180</b>
Provision for directors' bonuses	102	<b>52</b>
Provision for loss on venue closing	—	<b>127</b>
Other	6,134	<b>8,215</b>
Total current liabilities	18,520	<b>19,601</b>
Non-current liabilities		
Long-term loans payable	1,852	<b>1,593</b>
Bonds payable	10,013	<b>10,000</b>
Lease obligations	42	<b>21</b>
Net defined benefit liability	13,203	<b>9,339</b>
Long-term guarantee deposited	6,597	<b>6,499</b>
Deferred tax liabilities	1,040	<b>389</b>
Other	2,020	<b>2,414</b>
Total non-current liabilities	34,770	<b>30,257</b>
Total liabilities	53,290	<b>49,859</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	5,299	<b>5,299</b>
Capital surplus	5,984	<b>5,999</b>
Retained earnings	54,923	<b>55,150</b>
Treasury stock	(50)	<b>(62)</b>
Total shareholders' equity	66,157	<b>66,386</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,826	<b>1,900</b>
Foreign currency translation adjustment	(126)	<b>(121)</b>
Remeasurements of defined benefit plans	(881)	<b>1,093</b>
Total accumulated other comprehensive income	818	<b>2,872</b>
Subscription rights to shares	8	<b>8</b>
Non-controlling interests	3,513	<b>3,177</b>
Total net assets	70,497	<b>72,445</b>
Total liabilities and net assets	123,788	<b>122,305</b>

## About Us

Consolidated Statement of  
Income

	(Unit: million yen)	
	FY 2021 (April 1, 2021 to March 31, 2022)	FY 2022 (April 1, 2022 to March 31, 2023)
Net sales	85,100	<b>87,028</b>
Cost of sales	55,581	<b>58,067</b>
Gross profit	29,518	<b>28,961</b>
Selling, general and administrative expenses	25,315	<b>26,366</b>
Operating income	4,203	<b>2,594</b>
Non-operating income		
Interest and dividends income	187	<b>217</b>
Subsidy income	497	<b>342</b>
Other	112	<b>160</b>
Total non-operating income	797	<b>720</b>
Non-operating expenses		
Interest expenses	30	<b>32</b>
Share of loss of entities accounted for using equity method	—	<b>32</b>
Loss on disposal of non-current assets	23	<b>117</b>
Provision of allowance for doubtful accounts	—	<b>202</b>
Loss on investments in partnership	67	<b>220</b>
Loss on investments in silent partnership	25	—
Commission expenses	26	—
Other	33	<b>48</b>
Total non-operating expenses	207	<b>653</b>
Ordinary income	4,792	<b>2,661</b>
Extraordinary income		
Gain on sales of non-current assets	—	<b>210</b>
Gain on sales of investment securities	267	—
Total extraordinary income	267	<b>210</b>
Extraordinary loss		
Loss on valuation of investment securities	121	<b>249</b>
Impairment loss	369	<b>491</b>
Loss on venue closing	—	<b>127</b>
Special retirement expenses	—	<b>65</b>
Total extraordinary loss	491	<b>933</b>
Profit before income taxes	4,568	<b>1,938</b>
Income taxes - current	1,809	<b>787</b>
Income taxes - deferred	274	<b>138</b>
Total income taxes	2,083	<b>926</b>
Profit	2,485	<b>1,012</b>
Profit (loss) attributable to non-controlling interests	(185)	<b>(341)</b>
Profit attributable to owners of parent	2,671	<b>1,354</b>

## Consolidated Statement of Cash Flows

	(Unit: million yen)	
	FY 2021 (April 1, 2021 to March 31, 2022)	FY 2022 (April 1, 2022 to March 31, 2023)
Cash flows from operating activities		
Income before income taxes	4,568	<b>1,938</b>
Depreciation and amortization	3,246	<b>3,740</b>
Impairment loss	369	<b>491</b>
Amortization of goodwill	127	<b>114</b>
Increase (decrease) in allowance for doubtful accounts	(7)	<b>194</b>
Increase (decrease) in provision for loss on venue closing	—	<b>127</b>
Increase (decrease) in net defined benefit liability	(1,308)	<b>(1,173)</b>
Interest and dividend income	(187)	<b>(217)</b>
Interest expenses	30	<b>32</b>
Loss (gain) on disposal of non-current assets	23	<b>117</b>
Loss (gain) on sale of non-current assets	—	<b>(210)</b>
Loss (gain) on sales of investment securities	(267)	—
Loss (gain) on valuation of investment securities	121	<b>249</b>
Loss (gain) on investments in partnership	67	<b>220</b>
Loss (gain) on investments in silent partnership	25	—
Decrease (increase) in notes and accounts receivable – trade	(2,275)	<b>(428)</b>
Decrease (increase) in inventories	(160)	<b>314</b>
Increase (decrease) in notes and accounts payable-trade	1,320	<b>299</b>
Decrease (increase) in investment	(130)	<b>(201)</b>
Other, net	657	<b>(686)</b>
Subtotal	6,223	<b>4,923</b>
Interest and dividend income received	195	<b>270</b>
Interest expenses paid	(31)	<b>(32)</b>
Income taxes paid	(1,698)	<b>(2,210)</b>
Net cash provided by (used in) operating activities	4,689	<b>2,951</b>
Cash flows from investing activities		
Payments into time deposits	(297)	<b>(290)</b>
Proceeds from withdrawal of time deposits	330	<b>427</b>
Proceeds from redemption of securities	1,100	<b>100</b>
Decrease (increase) in short-term loans receivable	(126)	<b>(102)</b>
Purchase of property, plant and equipment	(3,726)	<b>(3,978)</b>
Proceeds from sales of property, plant and equipment	—	<b>1,301</b>
Purchase of intangible assets	(709)	<b>(881)</b>
Purchase of investment securities	(752)	<b>(1,559)</b>
Proceeds from sales of investment securities	299	—
Payments for investments in silent partnership	(100)	—
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	<b>(38)</b>
Other, net	(293)	<b>(24)</b>
Net cash provided by (used in) investing activities	(4,276)	<b>(5,046)</b>
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	50	<b>5</b>
Proceeds from long-term loans payable	1,222	<b>130</b>
Repayments of long-term loans payable	(620)	<b>(489)</b>
Redemption of bonds	(26)	<b>(26)</b>
Proceeds from share issuance to non-controlling shareholders	4	<b>30</b>
Proceeds from sales of treasury shares	435	—
Purchase of treasury stock	—	<b>(47)</b>
Cash dividends paid	(492)	<b>(1,127)</b>
Dividends paid to non-controlling interests	(11)	<b>(13)</b>
Repayments of lease obligations	(17)	<b>(22)</b>
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	<b>(49)</b>
Net cash provided by (used in) financing activities	543	<b>(1,610)</b>
Effect of exchange rate change on cash and cash equivalents	(0)	<b>1</b>
Net increase (decrease) in cash and cash equivalents	956	<b>(3,704)</b>
Beginning balance of cash and cash equivalents	26,739	<b>27,695</b>
Ending balance of cash and cash equivalents	27,695	<b>23,991</b>

## About Us

## Stock Information

## Stock Information (As of the end of March 2023)

Total number of shares authorized: 144,000,000

Total number of shares issued: 41,833,000

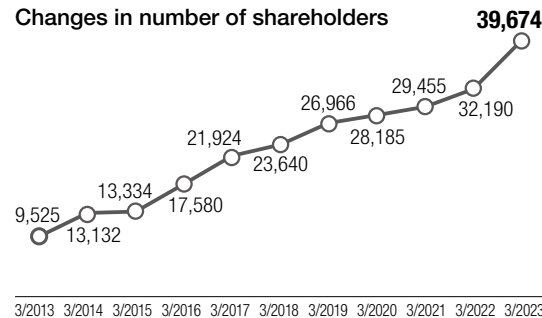
Number of shareholders: 39,674

## Major shareholders (Top 10 shareholders)

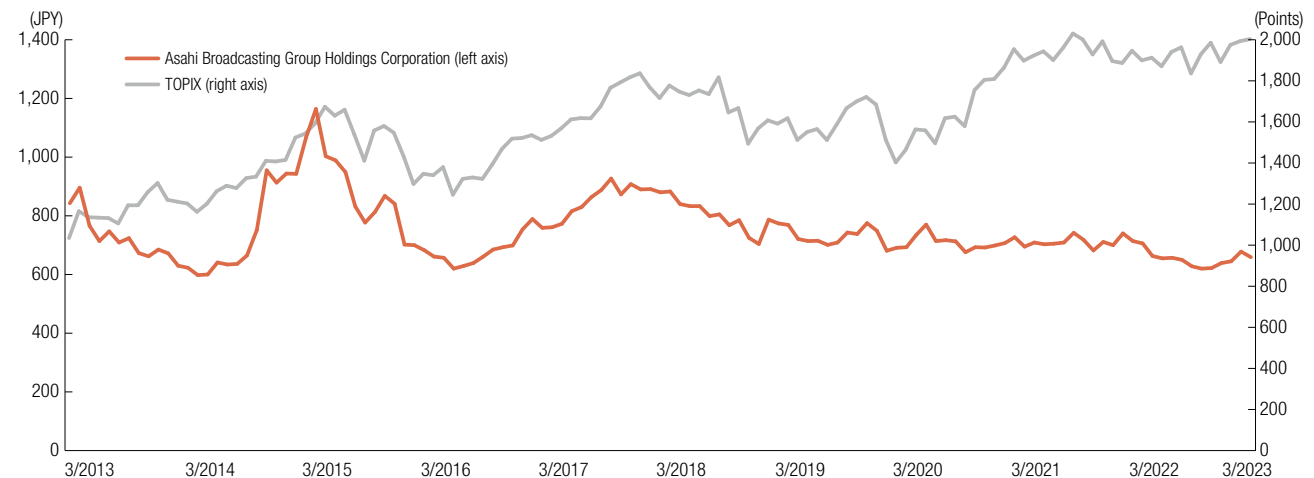
Name of shareholders	Number of shares held	Shareholding ratio (%)
The Asahi Shimbun Company	6,224,900	14.92
TV Asahi Holdings Corporation	3,877,600	9.29
Kosetsu Museum of Art Public-interest Incorporated Foundation	2,930,000	7.02
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,597,400	3.83
Teikyo University	1,571,000	3.76
Asahishimbun Credit Cooperative	1,500,000	3.59
Osaka Gas Co., Ltd.	1,065,000	2.55
Nippon Life Insurance Company	954,900	2.29
Kintetsu Bus Co., Ltd.	800,000	1.92
Takenaka Corporation	776,600	1.86

Note: The Company owns 101,209 shares of treasury stock. Further, calculations of shareholding ratios do not take treasury stock into account.

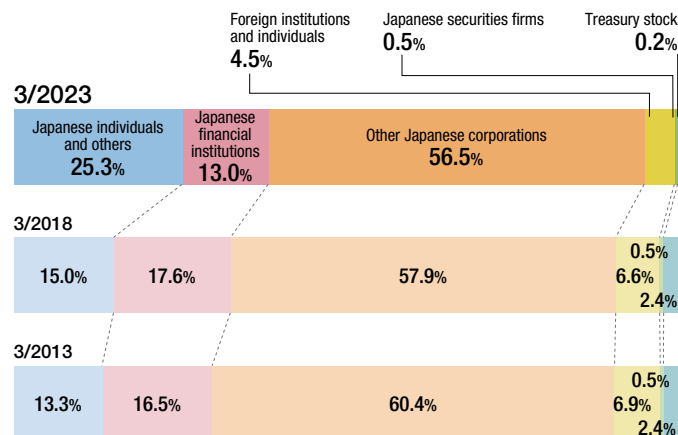
## Changes in number of shareholders



## Share price trends (March 2013 to March 2023)



## Distribution by shareholder type



## Total shareholder return (TSR)\*

	3/2019	3/2020	3/2021	3/2022	3/2023
Asahi Broadcasting Group Holdings Corporation	91.14	83.75	88.98	90.23	85.80
TOPIX (including dividends)	95.0	85.9	122.1	124.6	131.8

\*Shows the shareholder return from capital gains from share price increases and dividends. Shareholder returns are calculated based on an investment made at close of day at the end of March 2018 through to end of day for the end of March for each subsequent year.

## Dividends and payout ratio

	3/2019	3/2020	3/2021	3/2022	3/2023
Dividend (JPY)	28	18	10	24	16
Payout ratio (%)	30.6%	32.4%	—	36.9%	49.4%

\*As a net loss was recorded for the period ending March 2021, no payout ratio is shown for this period.

# Asahi Broadcasting Group Holdings Corporation

1-1-30 Fukushima, Fukushima-ku, Osaka 553-8503

<https://corp.asahi.co.jp/en/>

## Corporate Profile

### Name

Asahi Broadcasting Group Holdings Corporation

### Representative Director and President

Susumu Okinaka

### Date of Establishment

March 15, 1951

### Capital

5,299,800,000 yen

### Stock Exchange Listings

Tokyo Stock Exchange Prime Market (Securities code: 9405)

### Business

Certified Broadcasting Holding Company

### Head Office

1-1-30 Fukushima, Fukushima-ku, Osaka 553-8503

TEL: 06-6458-5321 (main)

### Tokyo Office

18F NIPPON LIFE HAMAMATSUCHO CREA TOWER 2-3-1

Hamamatsucho, Minato-ku, Tokyo 105-0013

## Information Disclosure System

 Website <https://corp.asahi.co.jp/en/>

### Financial Information

- Business reports (shareholder news)\*
- Medium-term management strategy presentation materials
- Financial statements presentation materials
- Materials accompanying financial statements
  - Securities reports\*
  - Consolidated financial reports
  - Earnings reference
- Notice of Convocation Annual General Meeting

#### Integrated Report (Corporate Report)



### Non-financial Information

#### Sustainability Report



 Sustainability Report\*  
<https://corp.asahi.co.jp/ja/csr/report.html>

\*Available only in Japanese

● Corporate Governance Report

## IR and Information Disclosure Basic Policy

Asahi Broadcasting Group Holdings Corporation views all of its many stakeholders, including shareholders and investors, viewers, listeners, advertisers, business partners, employees, and local communities as supporters of the Group and ABC fans. Based on this, the Group conveys information on its current status and operating results, and its management policies and growth strategies in a fair, accurate, and accessible manner, and strives to deepen understanding of the Group through robust communication with its diverse base of stakeholders.

### Period Covered

The current reporting period is for the fiscal year ending March 2023 (April 1, 2022 to March 31, 2023). However, commentary may also be provided on prior or subsequent terms as required.