

We delight people beyond

:DeNA 2022

Integrated Report

Value Creation Story

DeNA Co., Ltd.

their wildest dreams.



Delight

Noun:

1. a high degree of gratification or pleasure;
2. something that gives great pleasure

Verb:

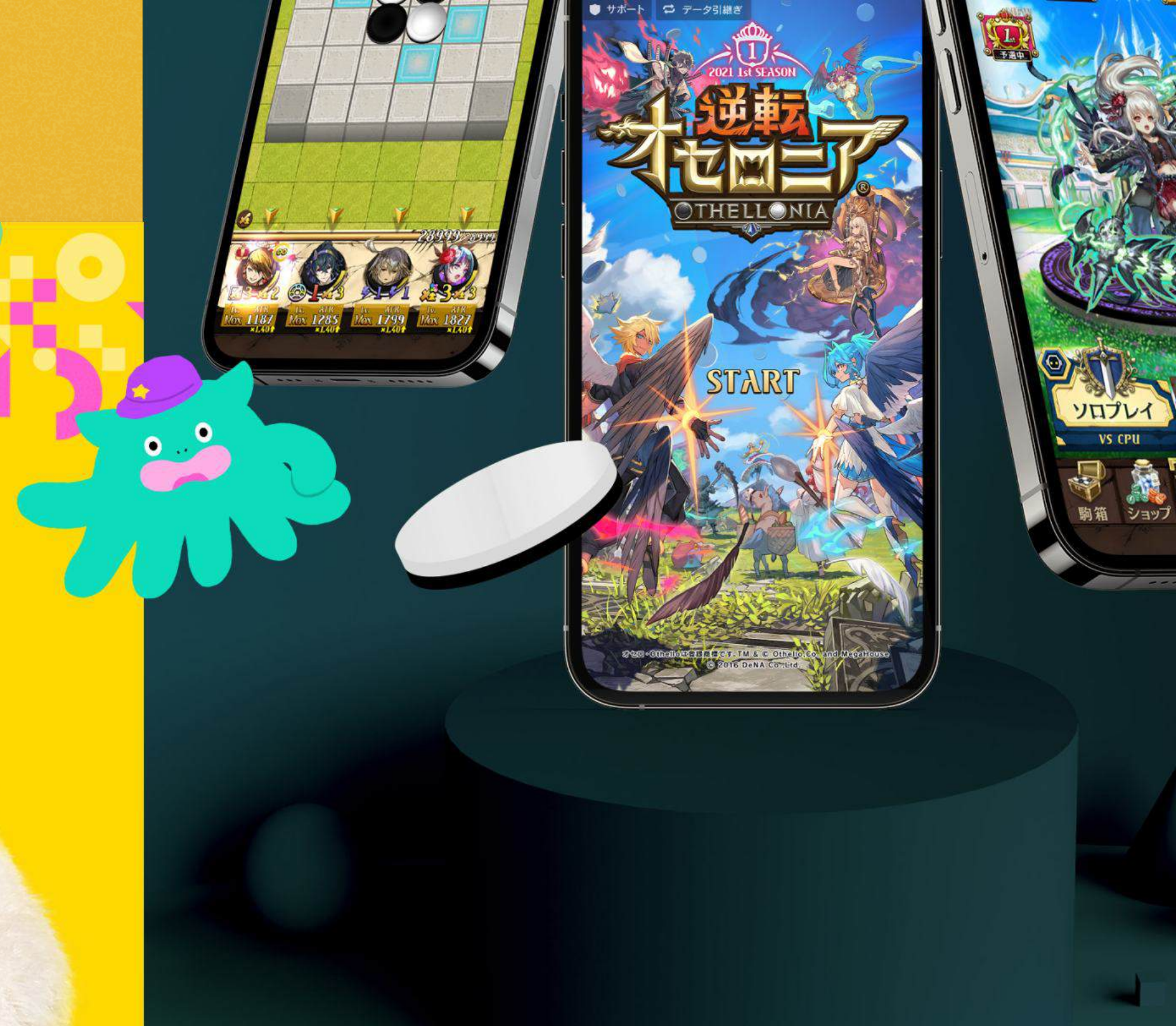
1. to take great pleasure;
2. to give keen enjoyment

Merriam-Webster definition





At DeNA we always
pursue new challenges





かち
くなる、野球がある。





STORY



PICKFIVE
NFT (Non-Fungible Token) カードを使い、試合で活躍する選手を予想して楽しむことのできるサービスです。
ヘッドコーテジ目録で選手を選ぶもよし、応援の意味を込めて好きな選手を選ぶもよし。チームの勝敗だけにとらわれない新しい応援の形を

PLAYER CARD

 Captain Score 1,480	 1st Quarter Score 740	 2nd Quar Score
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LATEST RESULTS



エレクトロニクス POMPADOUR オカザキ ハカムラ メモリアル



リウスイホーム

郵便局

MISSION

**We delight people beyond
their wildest dreams.**

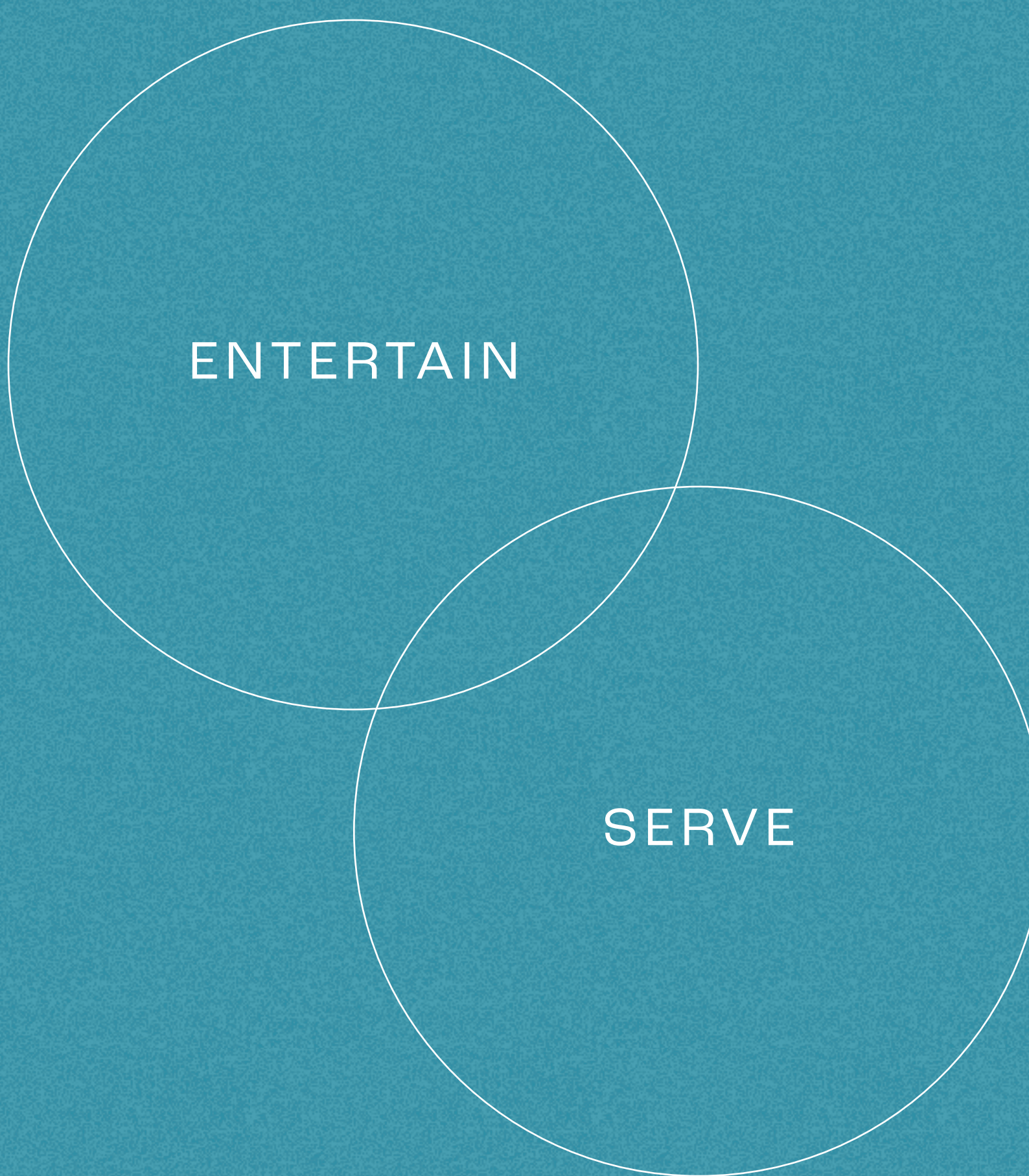


Continuing to challenge
ourselves to drive change

VISION

We will be the world's premier provider of internet and AI technology to delight people everywhere.

We seek to entertain and enrich lives, and to serve and make the world a better place. Each of us harnesses our individual strengths to make our unique business succeed.



ENTERTAIN

SERVE



We seek to entertain
and to serve



VALUE

DeNA Promise

Our Social Promise

Commitment to Product & Service Quality

We deliver delight to our customers through an obsessive commitment to making our products and services trustworthy and easy to use.

Cooperation & Prosperity for All

We cooperate with business partners and other members of the community to create prosperity for everyone.

Overcoming Challenges

We provide delight that surpasses expectations. We challenge ourselves to develop new technology and services while overcoming any issues that may arise.

Acting with Transparency

As a member of the community, we believe that transparency should be reflected in the actions of everyone on staff and in management.

Providing Growth Opportunities

We seek to provide a unique and invaluable work experience, enabling our employees to contribute to society.

Acting Sustainably

As a global citizen, we strive for harmony with the economy, society, and the environment in order to contribute to a sustainable future.

DeNA Quality

One Team in Pursuit of Delight

Focus on Substance

We focus on providing value, and each of us works as a part of an effective, purposeful team.

Being Our Best

We strive for the highest degree of professionalism in all our actions.

Speak Up & Listen

We share our thoughts and listen carefully, regardless of our position in the organization.

Respect Diversity

We appreciate the diverse strengths of our colleagues and harness them to achieve success.

Enjoy the Journey

Mindful that challenges can lead to success or failure, we thoroughly enjoy the journey.



Calling all those who
enjoy a challenging
environment



SHIBUYA



YOKOHAMA



The Making of this Integrated Report

This marks the first occasion of DeNA issuing an Integrated Report.

This Integrated Report was written based on the discussions at the DeNA Board of Directors meetings and management meetings.

In particular, we aim to introduce how we have pursued value creation and our growth strategy using our core competencies of Technology and *Monozukuri*, Organization & People, and our Home Base (Yokohama / Kanagawa) from our founding until the present, and how we will continue into the future while referring to the framework of the Integrated Reports.

In 2022 DeNA reached our 23rd year since our founding. Since our beginnings in operating an online auction site, we have focused on internet businesses, including a shopping mall, games, and a social networking service. In 2011 we entered into professional baseball, and have subsequently started a Live Streaming Business, Healthcare Business, Automotive Business, and more. Throughout our history we have challenged ourselves to take on new opportunities, not limiting our business areas. A unique aspect of DeNA is that we have not only accumulated knowledge & experience in the development & live operation of internet services, but we have also used the knowhow from our existing businesses to pioneer development of new areas, and expanded out from the internet space into the real world.

Last year we transitioned to a new management structure and renewed our Mission, Vision, and Value. In our mission “We delight people beyond their wildest dreams,” we redefined our raison d’etre as a company upon reflection on our principles as DeNA of creating new value and continuing to deliver Delight to the world in the context of social changes and changes in our businesses & organization. We at DeNA aim to bring about a society of plenty where all people can live as themselves. We aim to achieve sustainable growth by continuing to challenge ourselves and adapting to future changes. We will continue to entertain and enrich lives, and to serve and make the world a better place, and in so doing deliver Delight for the future.

I hope that you will continue to expect great things from DeNA.

Founder & Executive Chairman

Tomoko Namba

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See what DeNA does as a company,
including our businesses
and our *monozukuri* approach.

The following information was originally prepared and published by DeNA in Japanese. This English translation is for your convenience only. To the extent there is any discrepancy between this English translation and the original Japanese version, please refer to the Japanese version.

Harnessing DeNA's
Unique Characteristics
to Deliver New Delight
to the World

President & CEO

Shingo Okamura

CEO MESSAGE



Our Intention Behind our Mission, Vision, and Value

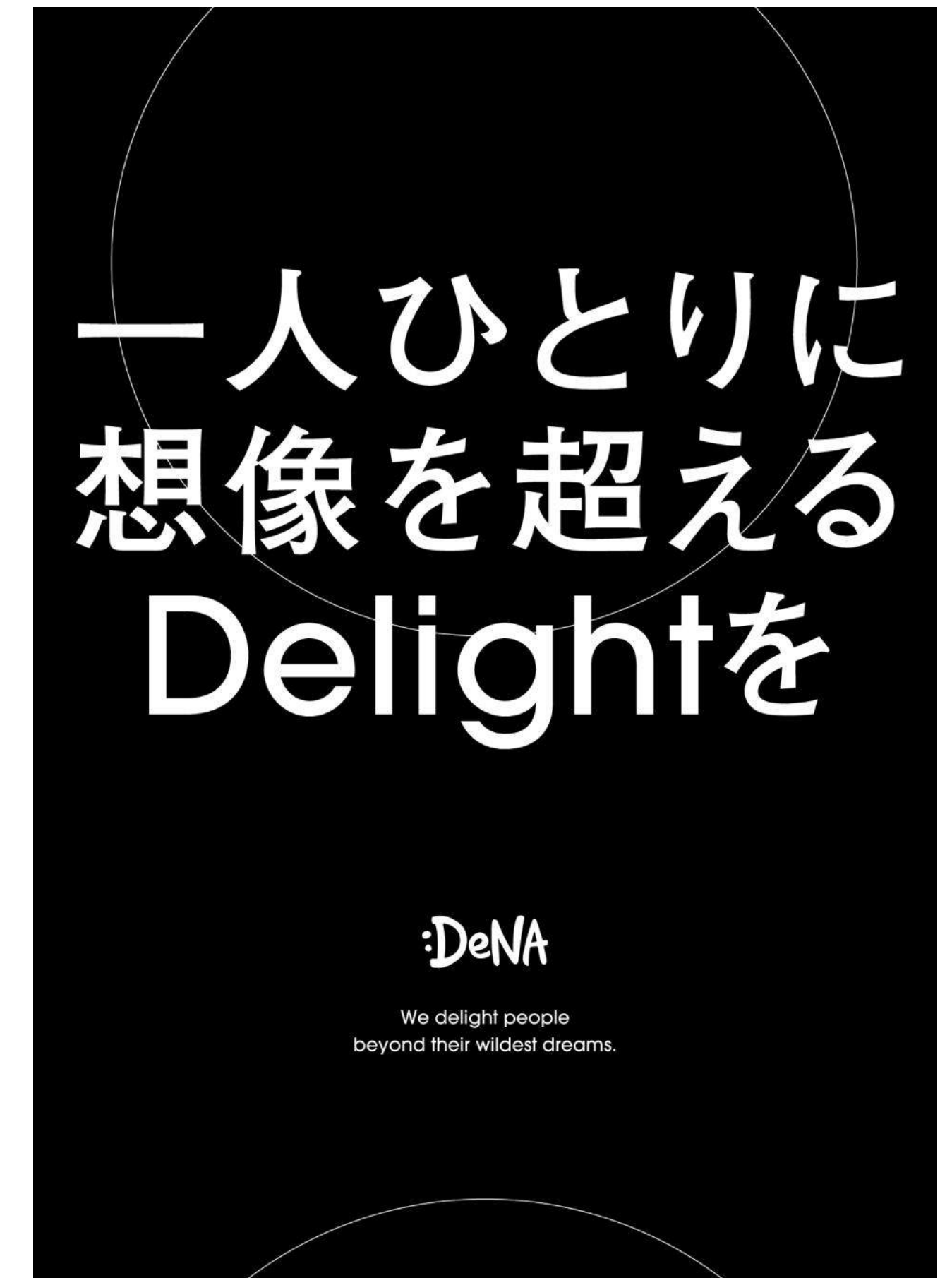
Being an eternal venture is an unchanging value that is integral to our nature at DeNA.

Previously in my role at the Ministry of Internal Affairs and Communications I watched DeNA's growth from the outside. I remember being intrigued by DeNA's approach to creating new value in the limitless fertile field of the internet and feeling that DeNA had a clearly different organizational culture to that of existing large companies. DeNA's journey appealed to me. DeNA's flat organizational structure, the individual team members acting independently to realize their full potential, and challenging themselves without hesitation to enter into new areas, all made me feel that this was the company with the potential to drive the 21st century. I was fortunate enough to have the opportunity to join DeNA in 2016, and since then my impression of the company has not changed. I place the utmost value on maintaining that unique DeNA nature going forward.

More than twenty years have passed since DeNA's founding. Together with the growth of the internet, we have harnessed technology to expand our areas of operations from games to include live streaming, sports, and healthcare. This enabled us to grow to a certain scale, but for us to reach the next stage and further evolve, we discussed together with the team at DeNA what kind of company DeNA should be, what are our core competencies, and how we should grow, considering our uniqueness as an eternal venture. The result of these discussions were the revamped Mission, Vision, and Value (MVV) that were announced at the same time as I took over as CEO, clearly defined to show to both our own team and the world beyond.

"We delight people beyond their wildest dreams." With this mission as our foundation, we at DeNA aim to evolve to become a corporate group that serves society and proposes ideas to shape society in the future. The internet has permeated many scenes in our daily lives, and the possibilities for individuals have grown to incredible levels. The ways that people can connect, our lifestyles, and society in general have become more complex and diverse, and we face many new issues as well. Unlike in the 20th century, the era of the nation state, now a uniform response by government alone cannot address the challenges we face. Companies must step up and actively participate as agents to form public society by creating services that pick up the thoughts of many individual people, and forming varied, diverse solutions. DeNA in particular has a core competence in technology, and we work to Entertain, where we have our Game Business and Live Streaming Business, and to Serve, where we have our Healthcare Business and Sports Business, amidst the development of the internet and the changes in society it has wrought. My aim is to make use of this unique characteristic of DeNA and contribute to creating a better social system and better ways of living.

Fortunately, DeNA is a magnetically attractive place that draws in many employees filled with an enterprising spirit. Our team makes the most of their individual strengths, and we are working to bring about new world-class Delight in each of our fields.



DeNA MVV Poster

Three Core Competencies Supporting Growth

DeNA looks to Entertain and to Serve through our businesses. The Game Business and Live Streaming Business, which fall under Entertain, are volatile in the short term, but have been core business areas for DeNA so far, and we intend to grow corporate value quantitatively & qualitatively through agile growth investment and cost control appropriate to each business characteristics.

Under Serve, for the Sports Business, while there is temporary impact from COVID-19, we have achieved DeNA-like growth. For the Healthcare Business our goal of achieving meaningful profit by FY2023 is in sight, and we expect to be able to achieve steady growth for both businesses in the upcoming five to ten years. For both Entertain and Serve, we will steadily build strong businesses centered on our strategy to establish structural strengths in each business.

We aim to achieve DeNA-like leaps in growth by building up an evolution (deepening) of our existing business areas and changing & evolving our portfolio by boldly challenging ourselves to enter into peripheral areas and new growth areas.

For this aim, our three core competencies, Technology & *Monozukuri*, Organization & People, and Home Base (Yokohama / Kanagawa), are incredibly important as drivers of DeNA growth.



Technology & *Monozukuri*, our first core competence, relies upon the fact that DeNA is a company born and raised first and foremost due to technology. Since DeNA's founding, consistently we have stayed on top of advanced technology trends such as in the internet and AI, and mastered these technologies to enhance the rich Delight experience for users as part of our *monozukuri*. It is clear that social changes going forward will accelerate along with the evolution of the internet. The recent trend of Web3 is an inevitable transformation rooted in the autonomous and decentralized essence of the internet, and will undoubtedly have a dramatic impact on political decision-making and even the nature of companies. To begin with, I believe that DeNA, with our flat structure and autonomous businesses, is the right company to form a growth point for social change while responding immediately to the technological trend of Web3. Our Organization & Technology are also a core competence. We have an extremely diverse workforce, with a wide range of people working in Japan and overseas, including new graduates and mid-career hires, as well as business professionals, engineers in various specialized fields such as AI, designers, and even people from professional sports backgrounds. The flat and flexible organization that supports these talented people, that allows them to work laterally without being tied by business areas, is nurturing a succession of personnel resources with a wide range of knowledge and experience, from Entertain to Serve. Further, while DeNA grew as an internet company, another core competence that must be mentioned is our real Home Base in Yokohama and Kanagawa. Not only are we active globally in the virtual sphere, but we also play a role in the real and local sphere through sports to increase the enthusiasm of the community beyond the fan base in Kanagawa Prefecture, a community of nearly 10 million people. Specifically, DeNA operates the Yokohama DeNA BayStars, the Kawasaki Brave Thunders in the B.LEAGUE, and we participate in the management of SC Sagami-hara in the J League. With these invaluable professional sports teams, the pride of their areas, as a starting point, we are working on a variety of measures to bring vibrancy to people and the community. While being aware of and developing our core competencies and areas of expertise, we will continue to form an attractive and strong business portfolio and in addition to detailed figures, we will show you how we are steadily growing.

Long Term Strategy for Next Ten Years and Focus Points for Next Three Years

Currently DeNA is formulating our mid to long term strategy and promoting initiatives for future growth. Looking forward to the next ten years, our aim is to embody a new evolution as a technology company, including the long term pursuit of our businesses in Entertain and Serve as well as forming synergies between the approaches. To achieve this goal, we have set our focus points for the next three years, until FY2023.

In the Game Business, we are streamlining our business structure and engaging in development and live operations in our studios in Japan and China. We have a structure in place to release approximately 3-5 titles per year on average, focused on major IP for the global market. In addition, we aim to create business opportunities in the broader entertainment space making use of our core competence in partnerships and technology, etc.

In the Live Streaming Business, in addition to growing Pococha Japan, we are using our knowhow from Japan to expand Pococha into the US and India. Currently we are engaged in testing to enhance the service and updating our service content for each country. We are also expanding into new genres, including the anime character live streaming app IRIAM that takes advantage of Japan's strength in this sphere.

In the Healthcare Business, we are now accelerating our mid to long term growth strategy, including our health big data strategy. Currently, with DATA HORIZON, which recently was made a subsidiary in August, 2022, and our business alliances with Houken and Medical Data Vision, etc. we have combined databases of over 15 million insured people, the largest in Japan (as of April 30, 2022). Based on this, we are endeavoring to support health promotion for people and the insured, and promoting our data use business. In May we announced the conversion of Allm into a subsidiary, and through that we are promoting the digital transformation of the medical space. In this way, we work to enhance our earnings base in Serve.

In the Sports Business, we participate in the management of major professional sports in Japan in three ordinance-designated cities in Kanagawa Prefecture. This is a core competence for DeNA. We are sharing experience and knowhow between the three teams, and will further enhance the value of the sports content itself while also creating new business opportunities. Making sure the vibrancy created through sports is spread throughout the neighboring community is also an extremely important topic, and part of our aim for our Smart City Business initiatives.



DeNA Sustainability Management

Under the new Mission, Vision, and Value, DeNA has also defined our sustainability approach. In particular, under DeNA Promise in Value we have “Acting Sustainably” wherein we promise “As a global citizen, we strive for harmony with the economy, society, and the environment in order to contribute to a sustainable future.” The environment surrounding us is constantly changing, including the impact of the spread of COVID-19 and the intensification of disasters due to climate change. In addition, as the world's values become more complex and diverse, we believe it is important to bring the wishes of various people to fruition. Under these circumstances, a company, a place where many people spend their lives, must be able to contribute to passing on the global environment and culture to the next generation. For that purpose, DeNA will further enhance our three non-financial core competencies of Technology & *Monozukuri*, Organization & People, and Home Base (Yokohama / Kanagawa).

For our Home Base, if you examine a map of the Yokohama you will see how Yokohama Stadium is at the heart of the city. The stadium is the pride of the people of Yokohama, and is a connecting point for many appealing spots such as Yokohama Chinatown, Yamashita Park, and Isezakicho. In this location, being able to provide not only sports content but also start to build up experience activating the community is incredibly meaningful.

In this way, we at DeNA will contribute in our own way to the communities, regions, and spheres in which we are involved, and strive to create even greater value. Making the aspirations of many people come true and passing that on to the next generation is how we can contribute to sustainability.

We will continue to pursue sustainability in a broad sense, including not only environmental issues such as climate change and energy, but also cultural and social value creation, in cooperation with various stakeholders, and deliver on DeNA's mission, "We delight people beyond their wildest dreams."





Financial Highlights

DeNA regards continuing growth of our corporate value to be the most important management priority, while also considering ROE.

Therefore, we view such indicators as revenue, operating profit, and EPS, etc. to be important management indicators, and we engage in initiatives in line with each business characteristics and phases, while endeavoring to increase our non-GAAP operating profit.

We are using our healthy balance sheet for investment into new growth and initiatives. In FY2021 we had multiple M&A, as described on the next page, and in the period leading up to the publication of this report we made major progress in enhancing our business portfolio through the announcement of initiatives to make Allm Inc. and DATA HORIZON CO., LTD. into subsidiaries.

Going forward we will focus on further growth of our strengthened business portfolio and earnings base enhancement to achieve our goal for our mid to long term strategy. To increase asset efficiency we reviewed our shareholdings for policy purposes and endeavor to deliver shareholder returns, including share buybacks.

Initiatives in FY2021 and as of the date of this report.

Investment in New Growth & Initiatives	FY2021 - In the live streaming space made IRIAM Inc. a subsidiary (August 2021) - In the healthcare space made Nippontect Systems Co., Ltd. a subsidiary (September 2021)
	FY2022 - Made DATA HORIZON CO., LTD. a subsidiary to accelerate the health big data strategy (August 2022) - Concluded a basic agreement to make Allm Inc. a subsidiary to expand & leap into a peripheral area (May 2022)
Increasing Asset Efficiency	- Updated shareholdings for policy purposes - With the update, sold approx. half of DeNA-held shares of Nintendo Co., Ltd. (May 2022)
Shareholder Returns	- Total amount of own shares repurchased in FY2021: 10.9 billion yen - Share buyback with a maximum of 15.0 billion yen underway since July 2022 - In accordance with our dividend policy, the dividend for FY2021 was set at 39 yen per share of DeNA common stock (consolidated payout ratio of 15%, total dividend amount 4.6 billion yen)

Billions of yen

	As of Mar. 31, 2022	YoY
Current assets	110.4	-19.5
Cash and cash equivalents	78.3	-19.0
Non-current assets	230.2	32.9
Property and equipment & Right-of-use assets	20.5	1.4
Goodwill	17.5	11.6
Intangible assets	13.1	7.1
Investments accounted for using the equity method	55.9	14.9
Other non-current financial assets	122.2	-1.8
Total assets	340.6	13.4
Total liabilities	95.7	-2.8
Total equity	244.9	16.2
Total liabilities and equity	340.6	13.4
ROE (%)	13.2	

01

Value Creation

Introduction to businesses and
services from multiple angles



DeNA Milestones

DeNA was founded in 1999, the dawn of the internet era,
starting with the launch of an online auction service.

Over the more than twenty years since then,
we at DeNA have challenged ourselves in many different businesses while
keeping up with the development of the internet and accompanying changes in society.

Founding

1999-

DeNA's first service Bidders born in the
dawn of the internet era



Shift to Mobile

2004-

Early focus on mobile with camera phones and fixed
price data plans making for conducive environment



Entry into Sports

2011-

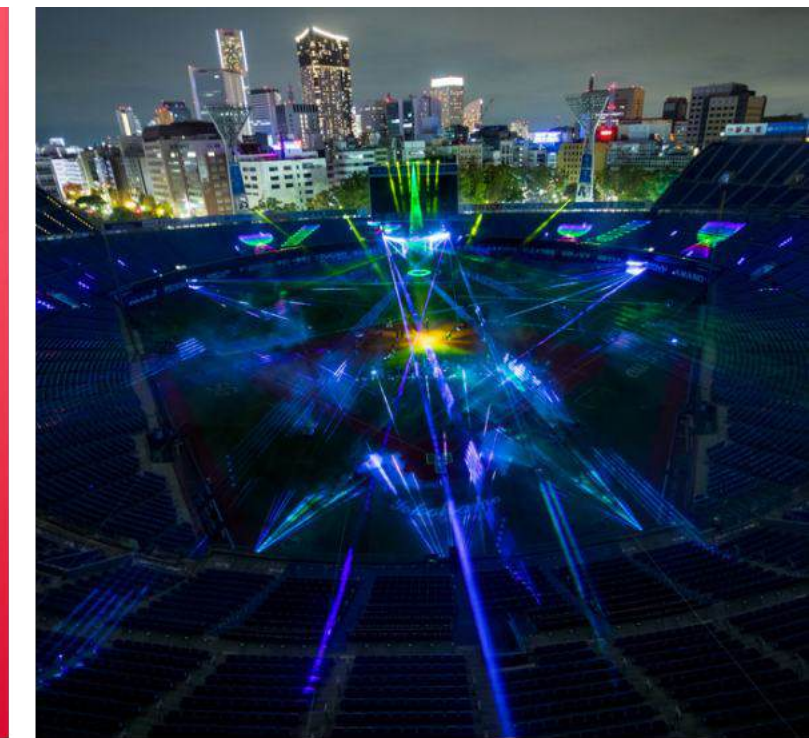
Start of previously unknown
professional baseball club operations,
no restrictions on business areas



Internet & Real Industries

2014-

Start of healthcare and automotive businesses, combining existing industry strengths and our technology capabilities



Entertain & Serve

2019-

Making use of the knowhow built over the past twenty plus years to create synergies



DeNA was founded in March 1999 to begin an online auction service. DeNA launched Bidders, a PC auction site that aimed to bring the online auction services popular in the US to Japan in November 1999, and while the business did not immediately take off, we were able to significantly grow our financial performance by incorporating shopping mall functionality to the auction service for greater user convenience.

In 2004 with the increased transmission speed, fixed price data plans, and camera phones more widely available, we determined that the environment was now conducive to a mobile service, and we quickly began our focus on this area. We used our online auction service knowhow to start the service Mobaoku, where the bidding and subsequent procedures could all be completed on your phone, and at the same time also started a phone-dedicated affiliate service. The next challenge we took on was the creation of the mobile game and social networking service Mobage Town. We gathered users and engaged the community through free games, and virtual avatars became popular particularly among those in their teens and twenties.

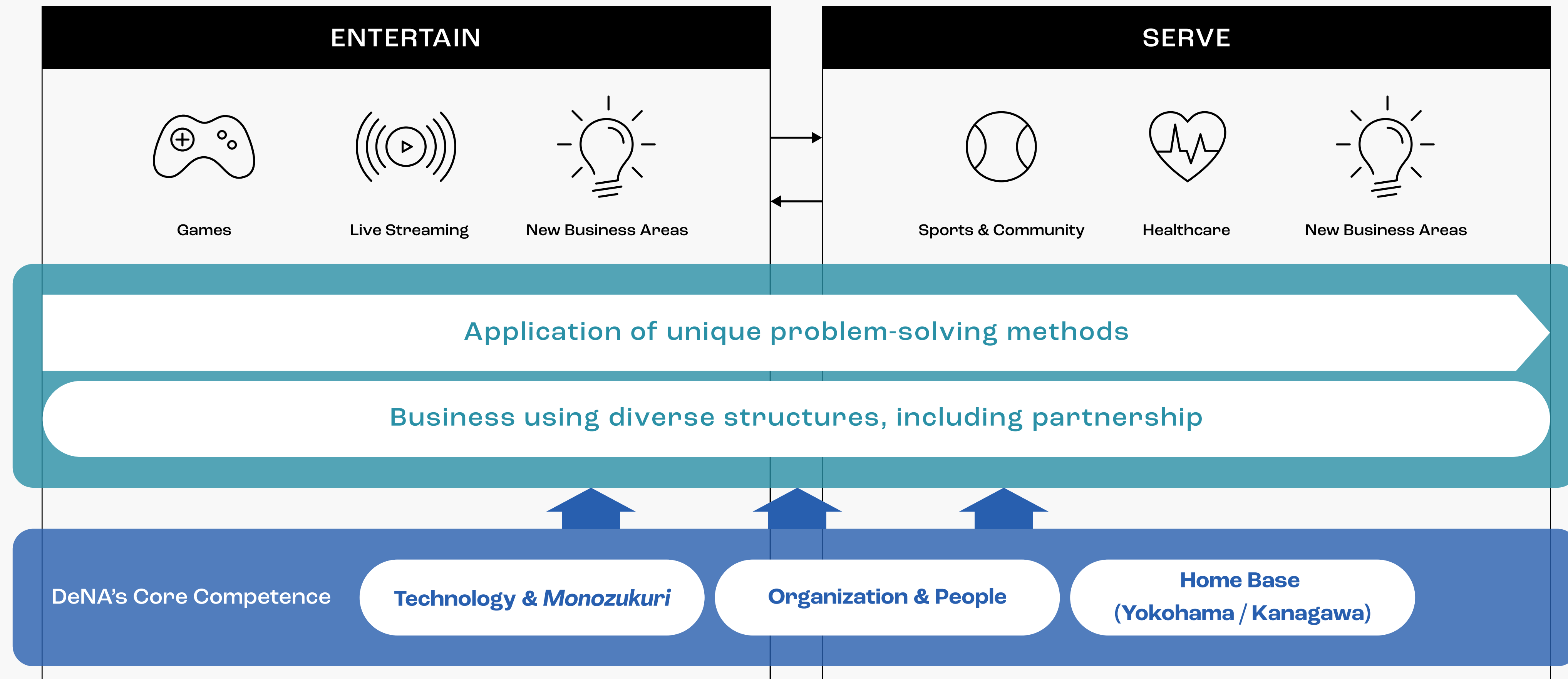
Then in 2009 we spotted that game social apps were gaining popularity, mainly on Facebook, and entered in to the social game business. *Kaito Royale* was born, among other popular games, and a few months later we opened Mobage Town as a game platform.

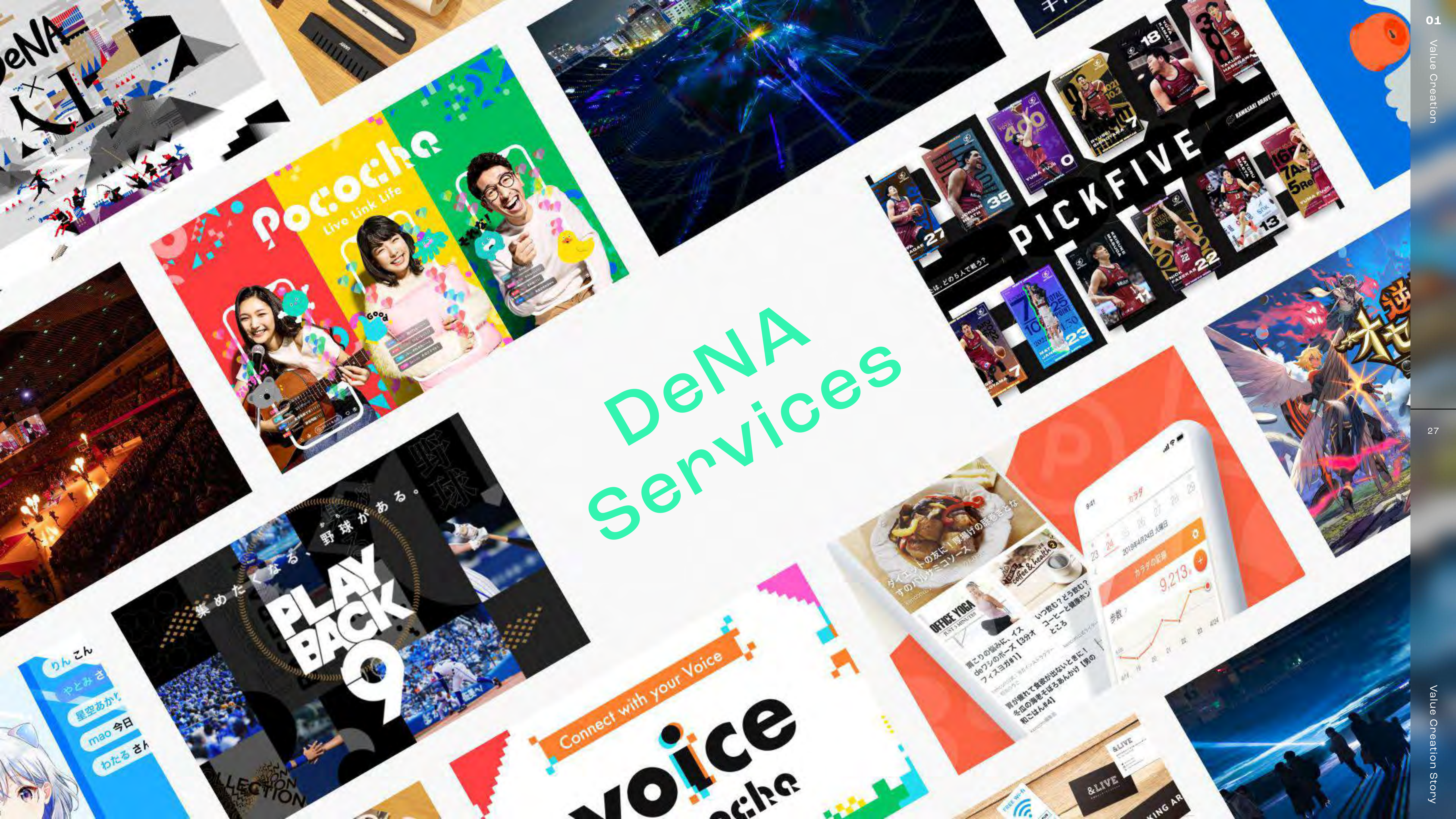
In 2011 we entered into professional baseball. This was a completely different area than our previous businesses, but in line with our history of challenging ourselves to take on unknown fields. We focused on the pursuit of Delight, and also evolved through the realization of joint management of the baseball club and stadium. We utilize our knowhow from professional baseball management for professional basketball and soccer, and also combine that with our problem-solving methods from our businesses under Entertain to expand into *machizukuri*, centered on sports.

From 2013 onwards we have used our expertise in internet and AI technology to enter into a diverse range of industries, such as healthcare, live streaming, and automotive, under our approaches to Entertain and to Serve.

DeNA Value Creation Model

The DeNA value creation model is to deliver new Delight to the world, harnessing our unique strengths and using internet and AI technology to entertain and enrich lives, and to serve and make the world a better place.





DeNA Services

Connect with your Voice
Voice
pocha

PICK FIVE



Game Business

In our Game Business we provide smartphone games. We develop and operate titles ourselves and also partner with other companies on partner titles in a variety of genres. We have locations in Japan and China, and one of our core competencies is our KPI improvement through community initiatives and analytics that makes use of our community operations knowhow built through our history as a company that operates technology and web services.

Percentage of Revenue

57.1%

[74.7 billion yen]



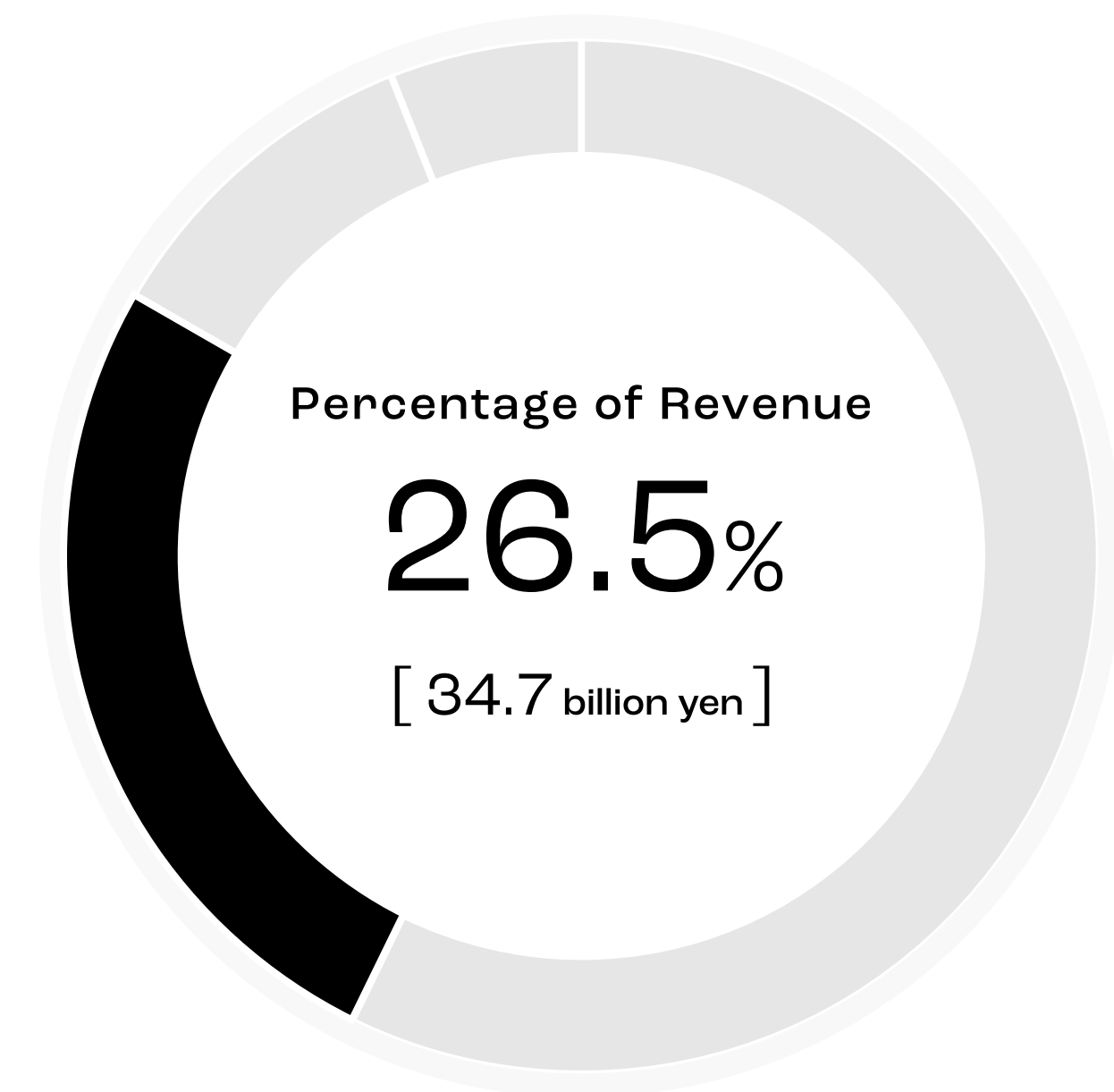
Pococha



ENTERTAIN

Live Streaming

We launched the live communication app Pococha in January 2017 in Japan, and we have since expanded to also provide service in the US and India. In August 2021 we also welcomed IRIAM Inc., who operate the anime character live streaming app IRIAM, into the DeNA Group.



Connect with your Voice

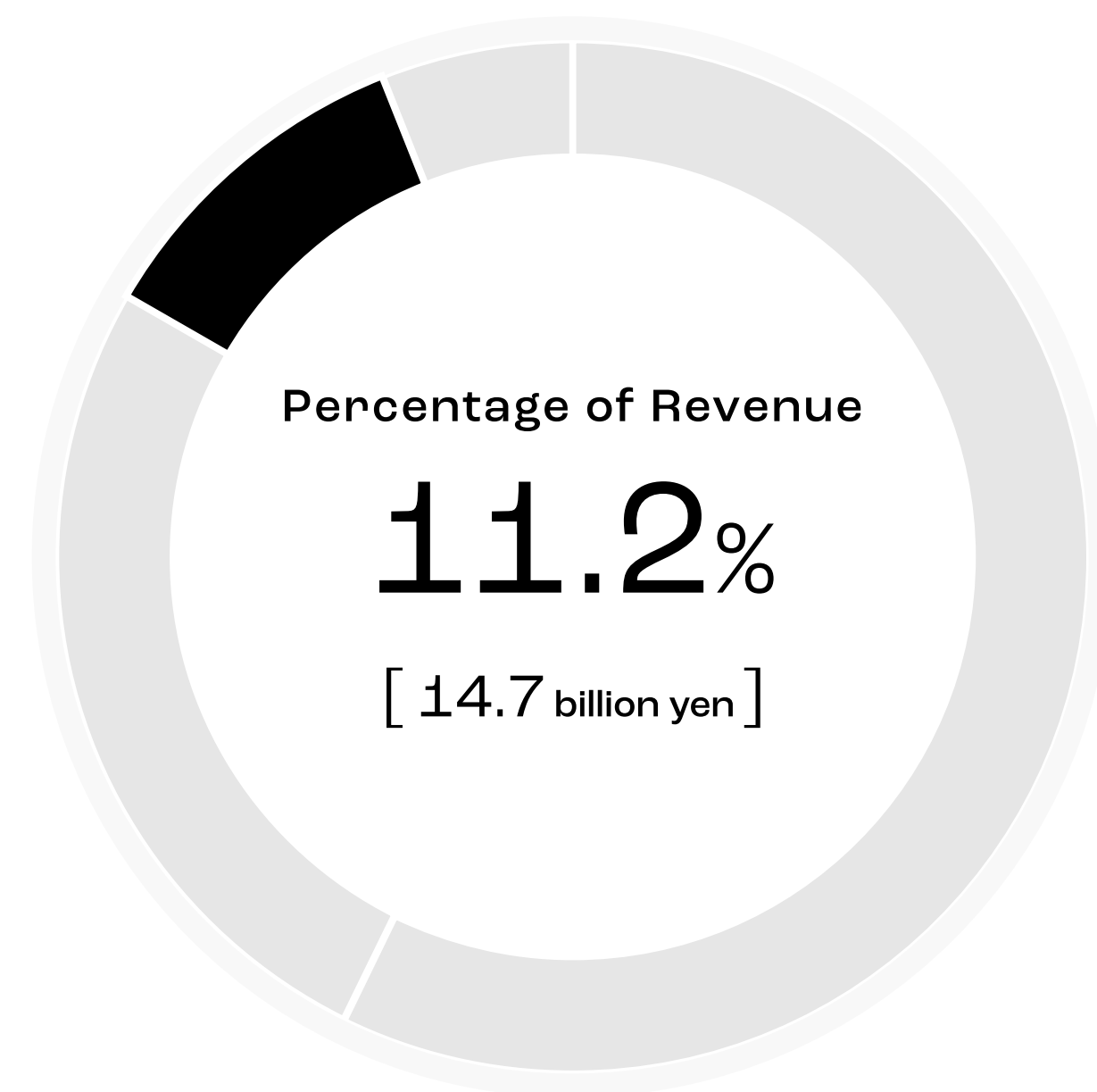
voice
Pococha

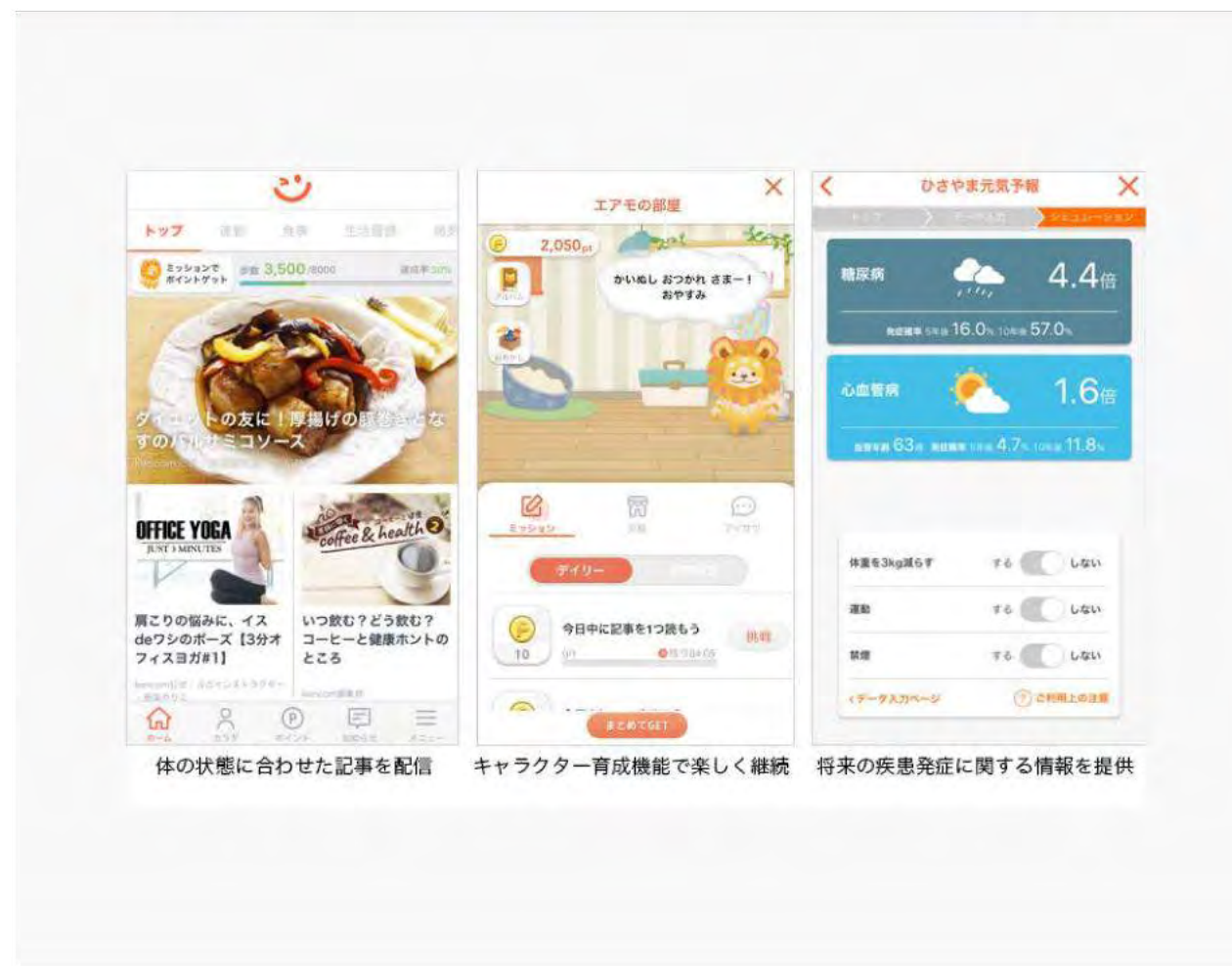
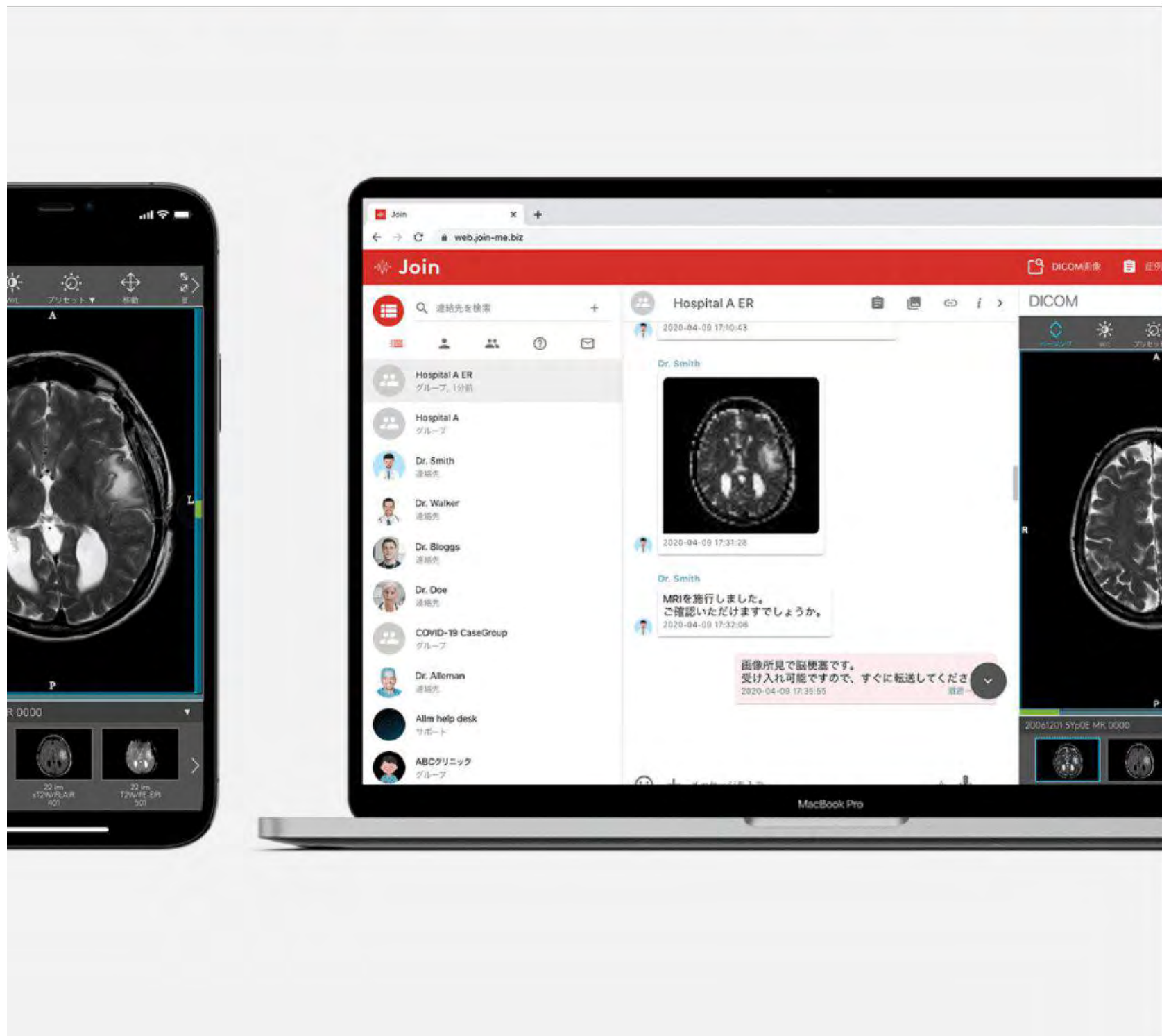


SERVE

Sports Business

Since we joined the professional baseball league in 2011, we have expanded our Sports Business, including succeeding to the operations of the Kawasaki Brave Thunders in the B.LEAGUE in 2018 and beginning participation in the management of SC SAGAMIHARA in 2021 in the J League. Our mission is “Delighting People and the Community Through Sports” and we are engaged in *machizukuri* focused on sports and surrounding facilities.

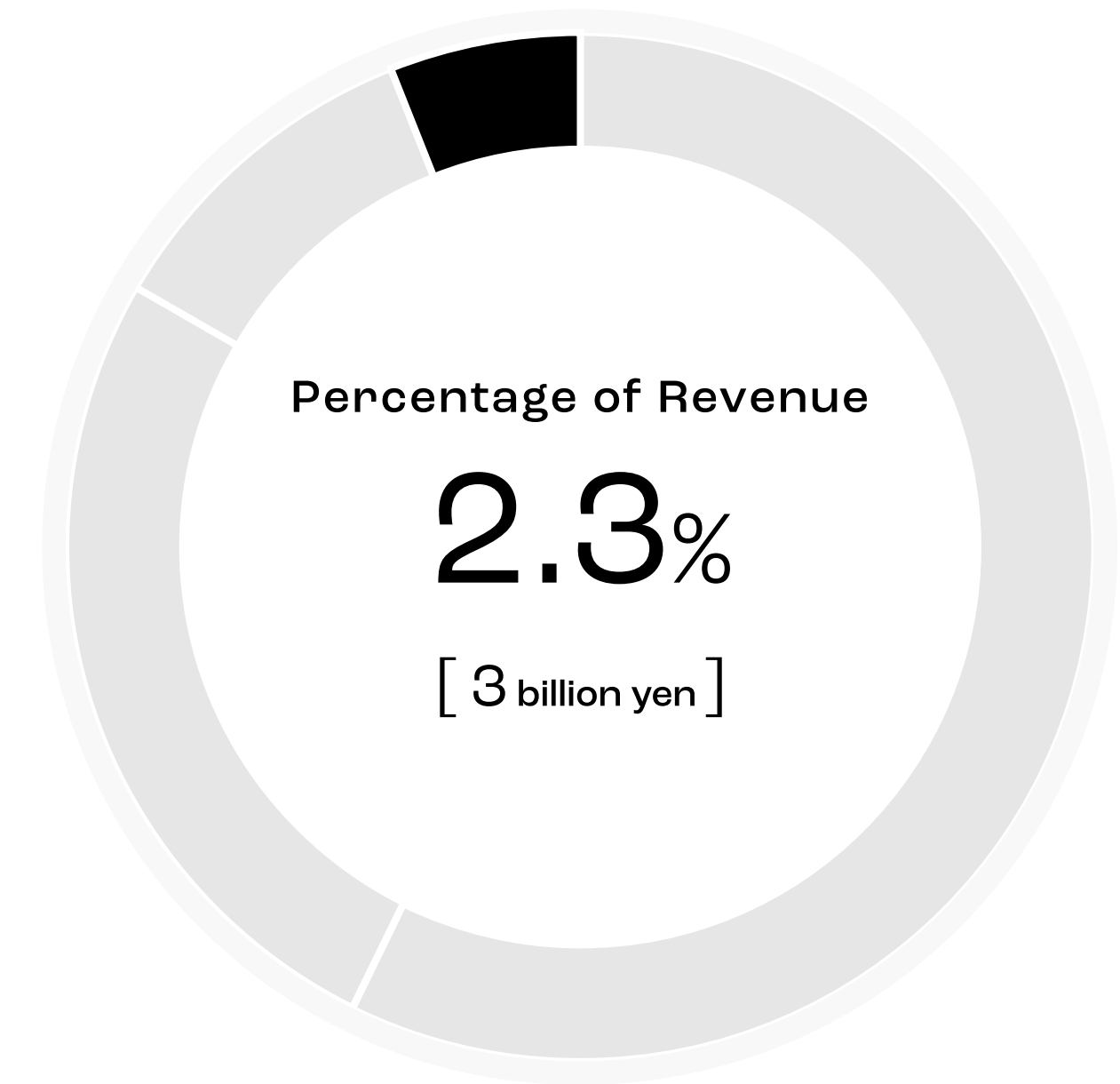




SERVE

Healthcare Business

“Making the shift from ‘sick care’ to ‘healthcare’ and lengthening healthy lifespans” is the mission for our Healthcare Business, and we have made use of the knowhow gained from services under Entertain as well as internet and AI technology to provide services that encourage health promotion and behavior change, and the creation of evidence from accumulated data. Going forward, we will accelerate our growth strategy, such as our health big data strategy.





At DeNA we always
pursue new challenges

DeNA Core Competence

At DeNA, we seek to Entertain and to Serve through our businesses.
Our unique business portfolio is supported by our core competencies in
Technology & *Monozukuri*, Organization & People, and Home Base (Yokohama / Kanagawa).

ACHIEVEMENT

Technology & Monozukuri

Deliver Quality at a High Level

At DeNA, all the people involved in service development gather from the start to share assumptions, such as user needs. The people who will actually engage in the work, such as designers and engineers, gain a deeper understanding of that context and work to shape the service into reality. We also aim to provide that high level of expected quality for all our services, including making sure there are no bugs, the service doesn't drop, and that it is safe. To ensure this we have a variety of professionals in design and product as well as infrastructure, security, quality management, and customer support in house,

and do not solely rely on external contractors. These diverse professionals communicate closely to coordinate and improve in an agile and seamless way to deliver the expected high level of quality. In addition, in our vision we say that "We will be the world's premier provider of internet and AI technology to delight people everywhere." DeNA boasts many AI technology specialists, including accomplished Kagglers (see page 54), with high-level expertise in video processing, speech generation, reinforcement learning, and natural language processing among other fields.



CULTURE

Organization & People

Culture of Challenging Ourselves to Pioneer New Business Areas

Since our founding, DeNA started out in e-commerce and expanded into games, sports, live streaming, and healthcare, and our businesses now cover internet services to businesses in the real world related to society and the public sphere. The driver behind our business area expansion and growth is our culture of challenging ourselves and our diverse people. We keep abreast of the trends in our ever-changing world, ascertain the changes we need to make for the future, and connect that to new challenges to pursue. Constantly delivering on these challenges while enjoying the change is our DeNA culture. For us to engage in our initiatives in a variety of areas and create significant value, we need to have diverse personnel with diverse strengths & values who enjoy taking on even tough challenges. We build new businesses by having diverse team members with their unique strengths speedily collaborate together across departments. By flexibly assigning passionate employees to new businesses from existing businesses, we are able to create personnel synergies through the use of knowhow, for example for community live operations and how to encourage continued enjoyment of a service in an existing business.



HOME BASE Home Base (Yokohama / Kanagawa)

Creating an Exciting Community Through Sports

We joined professional baseball in 2011 when we became the owners of the Yokohama DeNA BayStars. We worked on various initiatives to bring fans to the home Yokohama Stadium, and in 2019 we achieved a record high annual cumulative stadium attendance of 2.28 million people. Having over 2 million people annually gather in our home stadium also means a variety of possible opportunities for business in the surrounding area and facilities. We will create vibrancy in the community, spread that to the surrounding area, and eventually create excitement throughout the community of Yokohama all through the year. This includes our efforts in the City of Yokohama old city hall redevelopment project and the first permanent live viewing area in Japan.*

We will also draw out even further potential from the City of Yokohama through various approaches, including supporting the establishment of sustainable frameworks for last mile mobility, where mobility is enhanced with smooth movement between various tourist spots around Yokohama, as well as reducing energy consumption and waste generation. We also plan to expand these initiatives to Kawasaki and Sagami-hara through basketball and soccer.

*First permanent live viewing area in Japan with sports, food & beverage, and live broadcasting with a large screen (Per Tanseisha Co., Ltd., June 2022)



02

Growth Strategy

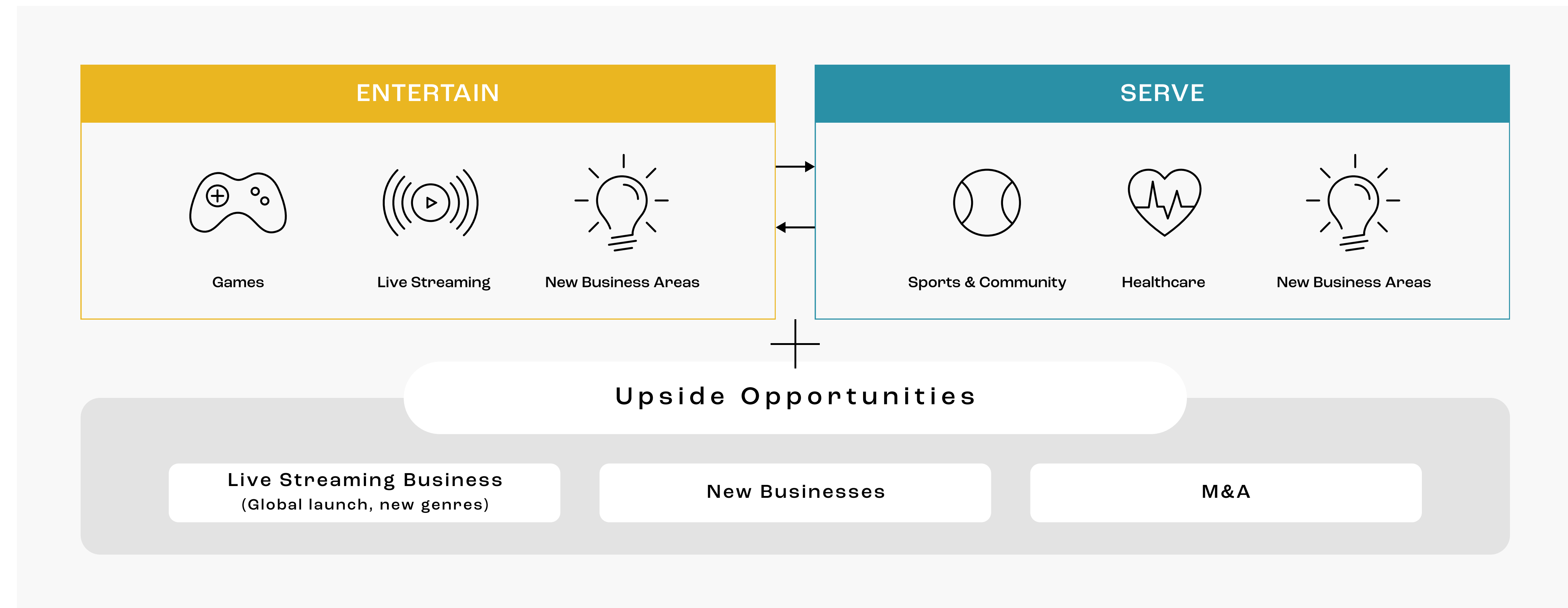
Introduction to DeNA's long term
growth strategy and initiatives
in each area and business



Long Term Portfolio and Initiatives to Enhance Financial Performance & Growth

In the long term, DeNA will evolve into a new, unique kind of tech company, working to entertain and to serve through our businesses and encouraging synergy between the two approaches.

We aim to form an earnings base on these two approaches and challenge ourselves to achieve leaps in growth.



ENTERTAIN

Game Business



Business Content & Characteristics

The DeNA mobile game business began with the success of the hit title *Kaito Royale*, launched in 2009, and our business expanded from there in line with changes in the market (see the next page). Currently we have many app games available in Japan and internationally, and legacy mobile browser games also in Japan. Our Game Business is composed of three business units. We have our Game Business Unit, which handles game development and live operations from Japan, our Solution Business Unit, which operates the Mobage platform and promotes collaborations with partners, and our Cross Border Promotion Unit, which supports international expansion. We have locations in both Japan and China where we do development and live operations.

Strengths & Advantage

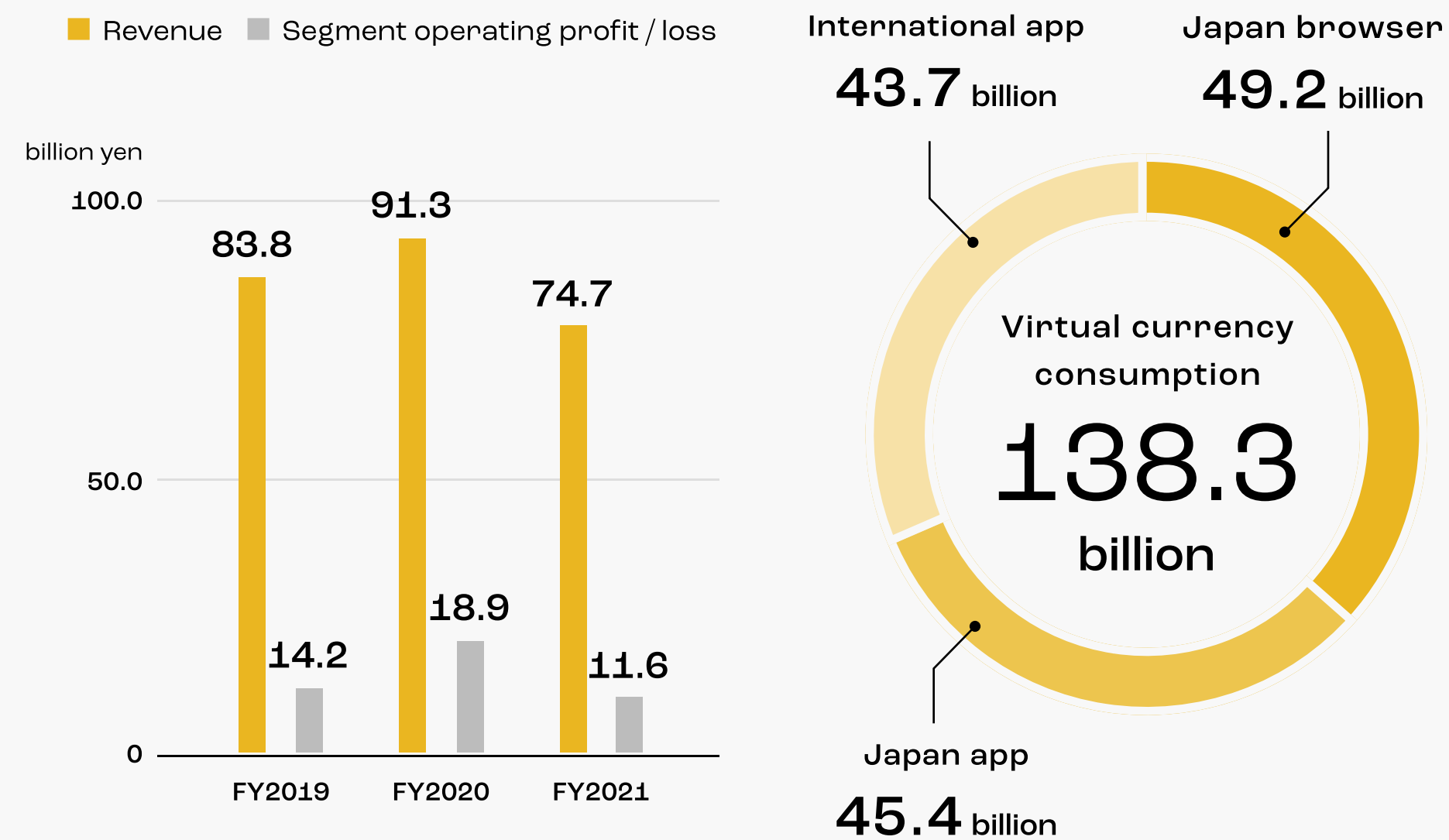
- As a company with origins in internet services, we boast data analytics with our dashboard of service data, game live operations with a high speed PDCA cycle, and infrastructure operations that can accommodate traffic for large-scale global game titles
- Partnership with IP holders
- Unique development & live operations structure in Japan & China

Looking Back on FY2021

In FY2021 performance was mainly driven by existing titles, and compared to FY2020 where we had growth from new titles, we saw a decline in Game Business revenue and segment profit.

In FY2021 we had two new title launches. While we had relatively little new contribution, we also reaffirmed our strength in existing title live operations with the return to growth of *Pokémon Masters EX* two years after launch. In the Game Business we aim to create a structure capable of producing stable cash flow, and we updated our strategy for FY2022 onwards following an evaluation of our individual title trends mainly in 2H and identifying issues in our new title development, etc.

Game Business Performance

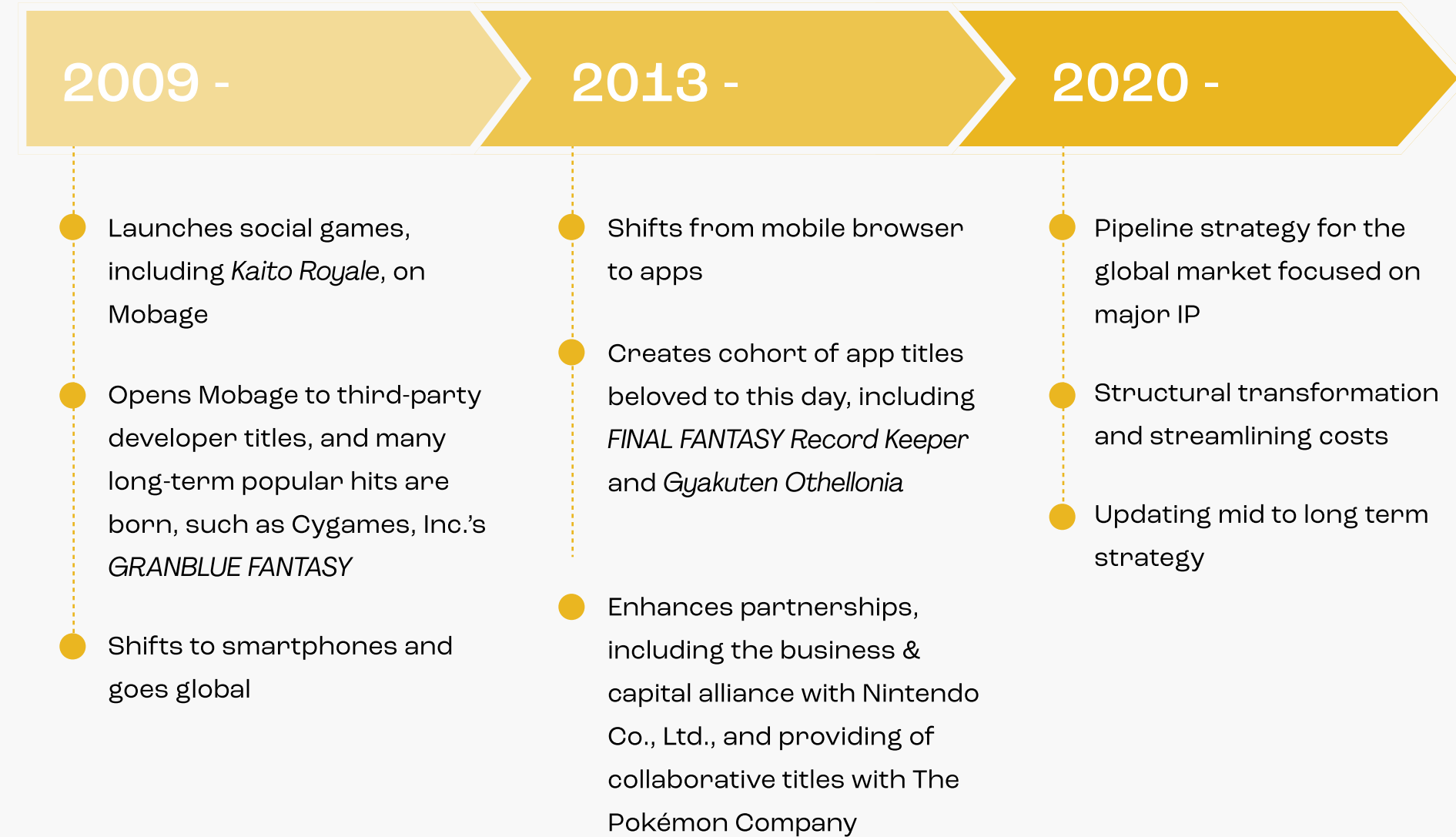


Business Opportunity

- The Japan smartphone game market was over 1.3 trillion yen in 2021,* and while it is maturing it is a major entertainment market
- The global smartphone game market was over 9 trillion yen in 2021,* and China, where we have a development & live operations location, and the West, where we provide many partnership titles, made up a majority of the market

Source: *Famitsu Mobile Game White Paper 2022 (KADOKAWA ASCII Research Laboratories, Inc.)

Game Business History



Growth Strategy

Existing title performance currently makes up the majority of performance for the Game Business, and we are continuing to address structural issues including the need to create new hits and streamline our cost structure. Meanwhile, we will continue to update our strategy for FY2022 onward, including aiming to create business opportunities in the broader entertainment space, in order to achieve enhancement of our long term business value. In the long term we aim to secure a good level of profit in the entertainment space, despite the volatility in games.

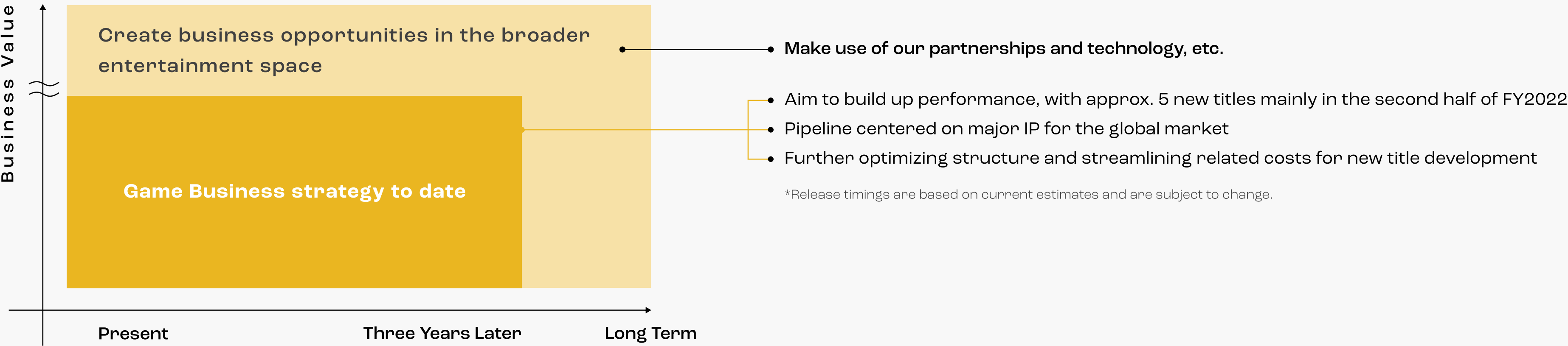
Initiatives to Achieve Leaps in Growth

Game Business Strategy To Date

Recently we pursued a pipeline strategy centered on major IP for the global market, based on our strengths of the development & live operations in China and Japan, partnership with IP holders, and global publishing structure. We have a structure in place to release 3-5 new titles per year, and we plan to release approx. 5 titles mainly in the second half of FY2022. We are also further optimizing our structure and streamlining related costs for new title development, and aiming to secure sound profitability.

Initiatives To Achieve Long Term Business Value Enhancement

In addition to our strategy to date, going forward we aim to proactively create business opportunities in the broader entertainment space, making use of our strengths including our partnerships and technological expertise. DeNA and Nintendo have had a business & capital alliance since March 2015. During that time, we have built a solid relationship of trust while jointly working on various projects. Going forward, we will move to the next stage in enhancing the relationship between the two companies, focused on business initiatives, building on the foundation established over the past 7 years. Shueisha and DeNA have been making use of each others' core competencies in cooperation in the broader entertainment space since 2019. Going forward we will work to accelerate the business further, including additional investment in stages into the joint venture Shueisha DeNA Projects.



ENTERTAIN

Live Streaming Business



Business Content & Characteristics

We operate Pococha, a live broadcasting service where anyone can broadcast easily with just a smartphone, and IRIAM, a live streaming service featuring anime characters.

Through these services people can use their free time to join diverse communities that match their unique preferences, so we can appeal to a wide variety of broadcasters and viewers. We provide a new type of entertainment, a place for self expression for the broadcasters, and through item purchases by the viewers broadcasters can receive compensation in line with the engagement in their broadcast.

Strengths & Advantage

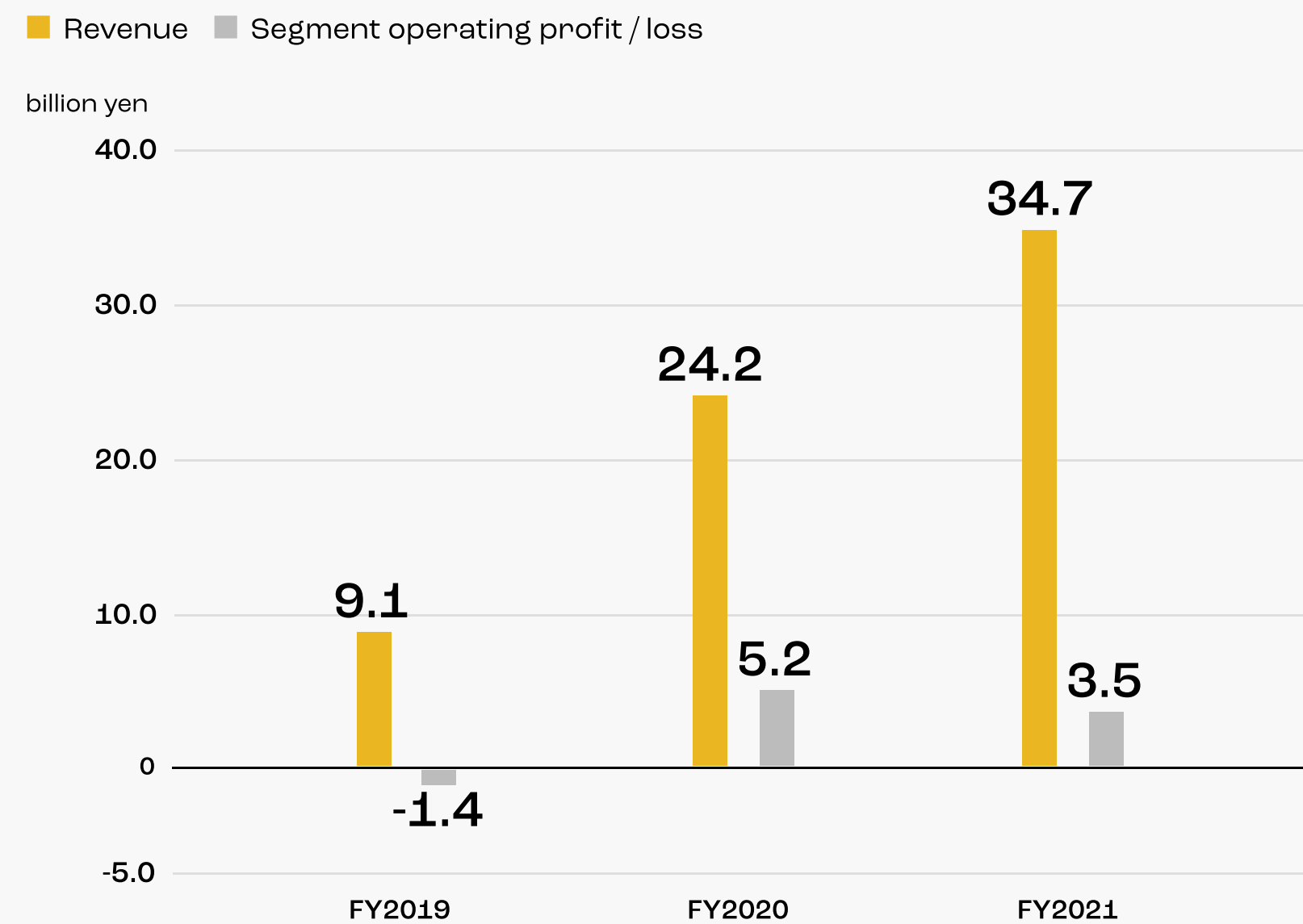
- Our services have a unique strength in the formation of communities of broadcasters and viewers, and the service evolves through exchanging opinions with users
- Design focused on UI/UX (Pococha first live broadcasting app to receive Good Design award in 2020)
- Educational activities and AI & system-powered monitoring to prevent issues in the community, building on knowhow from other service live operations

Looking Back on FY2021

Revenue for FY2021 grew 1.4x year over year, and we proactively invested to achieve leaps in growth. Pococha Japan achieved 3.72 million downloads as of March 31, 2022. Pococha also launched in the US in May 2021 and has achieved 430,000 downloads as of March 31, 2022. Various KPI are also seeing steady growth.

We also made IRIAM Inc., who provide a novel genre of streaming, namely an anime character streaming service, into a subsidiary from August 2021, and the company achieved approx. 4x growth year over year.

Live Streaming Business Performance



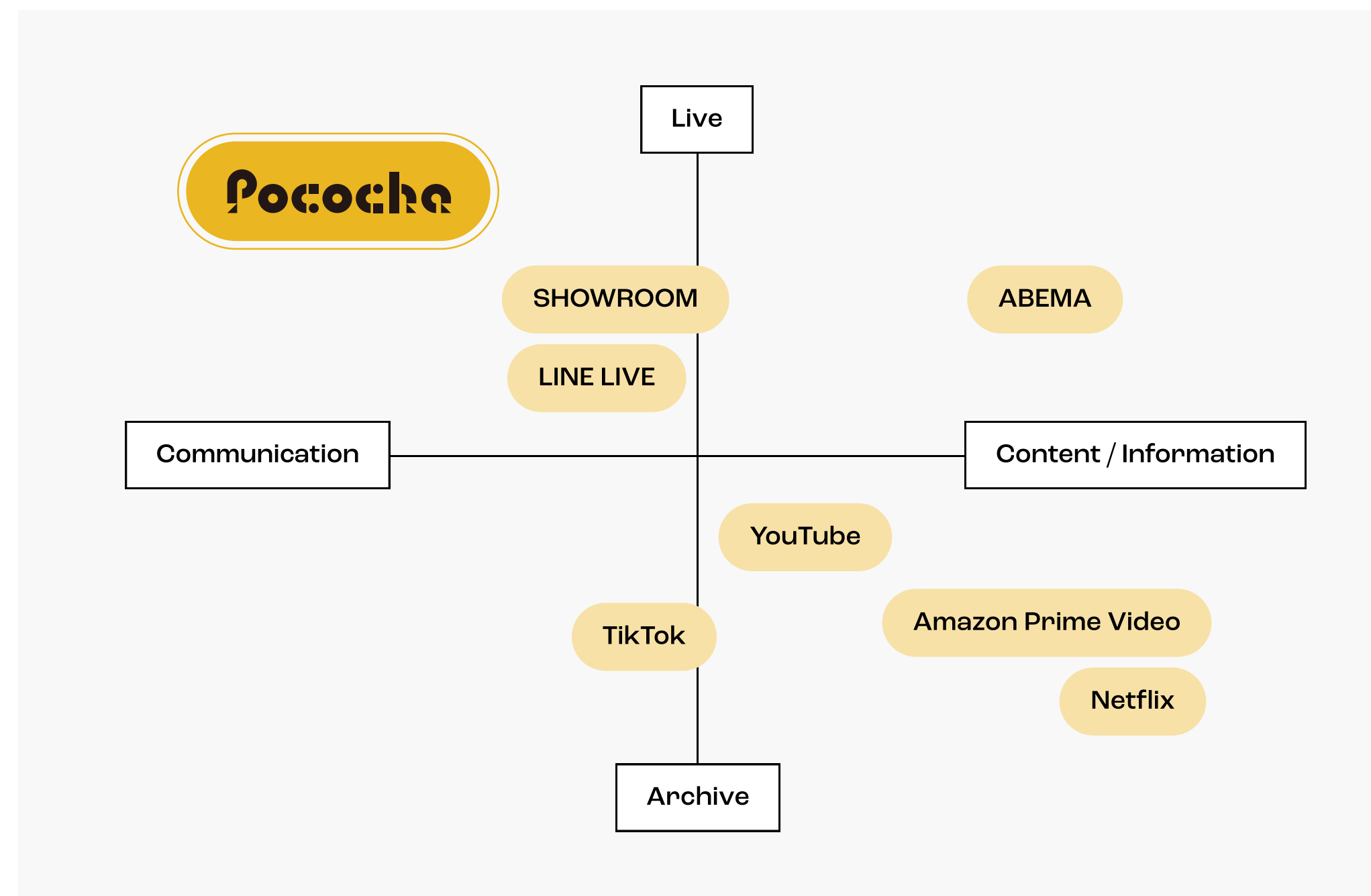
Business Opportunity

- Vibrantly interactive, real time live streaming
- Development of an internet service that empowers individuals
- Growth opportunities in Japan & overseas

Pococha Positioning

Characteristics:

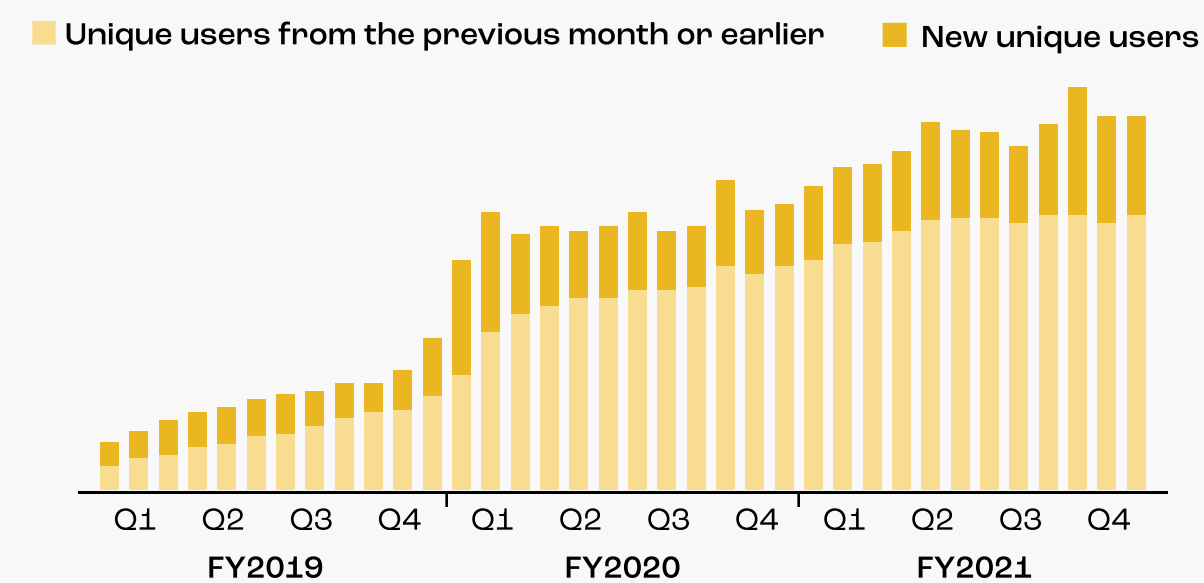
- Easy live broadcasting with just a smartphone
- Two-way communication between broadcaster and their viewers



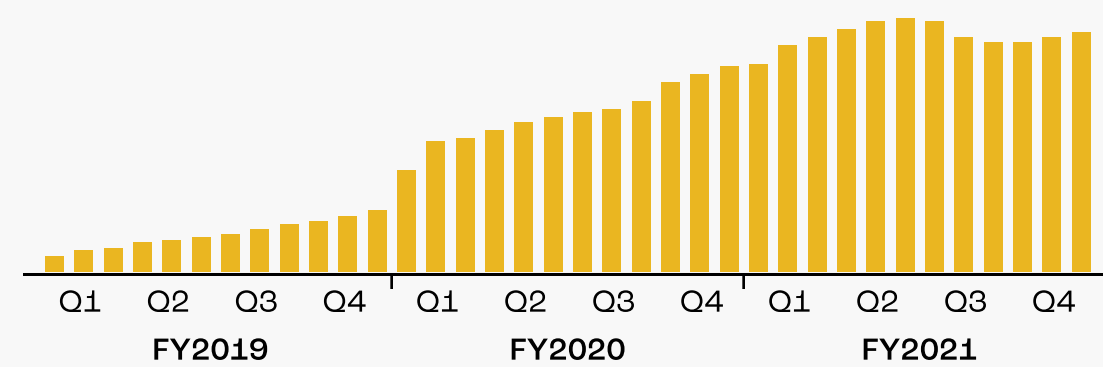
Growth Strategy

The Live Streaming Business is in the growth phase, and we continue to pursue sustained growth in Pococha Japan while also continuing growth investment into our initiatives to achieve leaps in growth, including the global version and new genres. For Pococha Japan, there will be short-term variability depending on the degree of openness of social activities. We are focusing on intrinsic service measures and marketing measures to establish a solid business foundation with a view to a return to a good growth pace.

Pococha Japan User Trends



Monthly paying unique users



Initiatives to Achieve Leaps in Growth

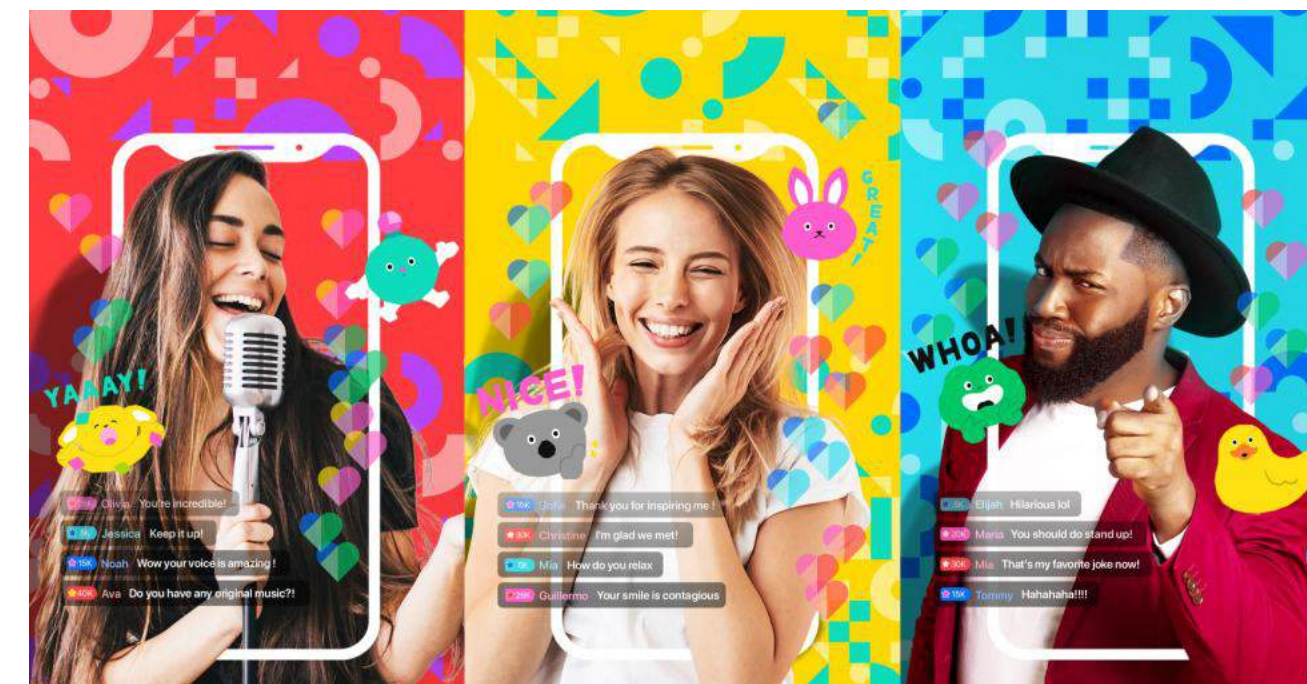
Pococha Global Expansion

“Live Link Life. Enjoy this moment, forever.” With this concept, we launched our service in the US in May 2021. We achieved 430,000 downloads as of March 31, 2022, and we are seeing steady growth in various KPI. We are continuing to focus on this service in FY2022 to get on a growth track.

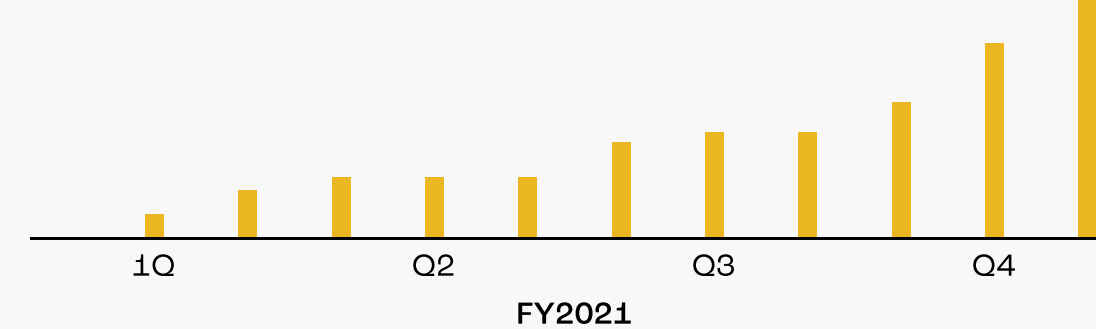
Expansion into New Live Streaming Genres

IRIAM is an app where anyone can enjoy anime character live streaming anytime, anywhere, using just a smartphone and an illustration. Simply by uploading a character illustration, our AI automatically decides how to make the character move corresponding to your movements captured by your smartphone camera, making it possible to have a character live streaming performance with mouth and eye movements. We saw strong growth in FY2022, including achieving approx. 750,000 downloads as of March 31, 2022 and 4x revenue growth year over year.

Global Pococha



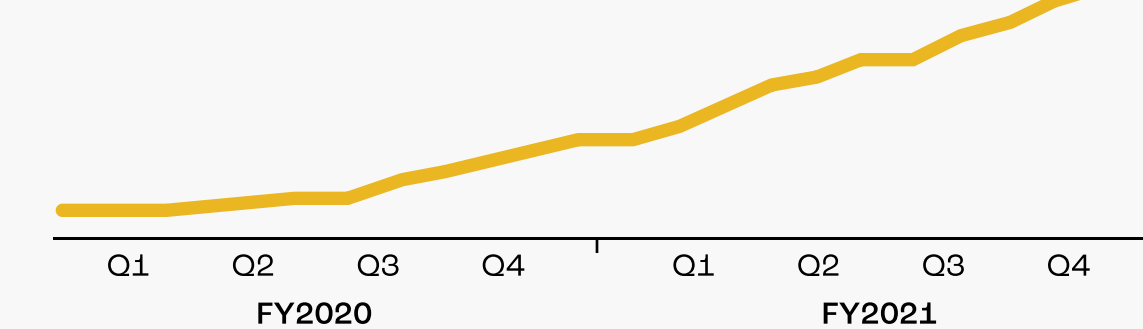
Pococha US monthly paying unique users



Anime Character Live Streaming App IRIAM



Monthly average DAU



SERVE

Sports Business



Business Content & Characteristics

DeNA participates in the management of major Japanese professional sports teams in three ordinance-designated cities in Kanagawa Prefecture, namely baseball, basketball, and soccer. Through joint management of the professional baseball club & the stadium and coordination with the surrounding area we have increased our stadium attendance and created vibrant activity in the community. We also share knowhow accumulated in each team laterally and have established our DeNA SPORTS GROUP including baseball, basketball, soccer, and track & field and have begun initiatives in collaboration with partner companies to create the future “for sports and the further evolution of society.” We are using the power of sports to inspire passion in people to bring excitement to the community and contribute to new *machizukuri*.

Strengths & Advantage

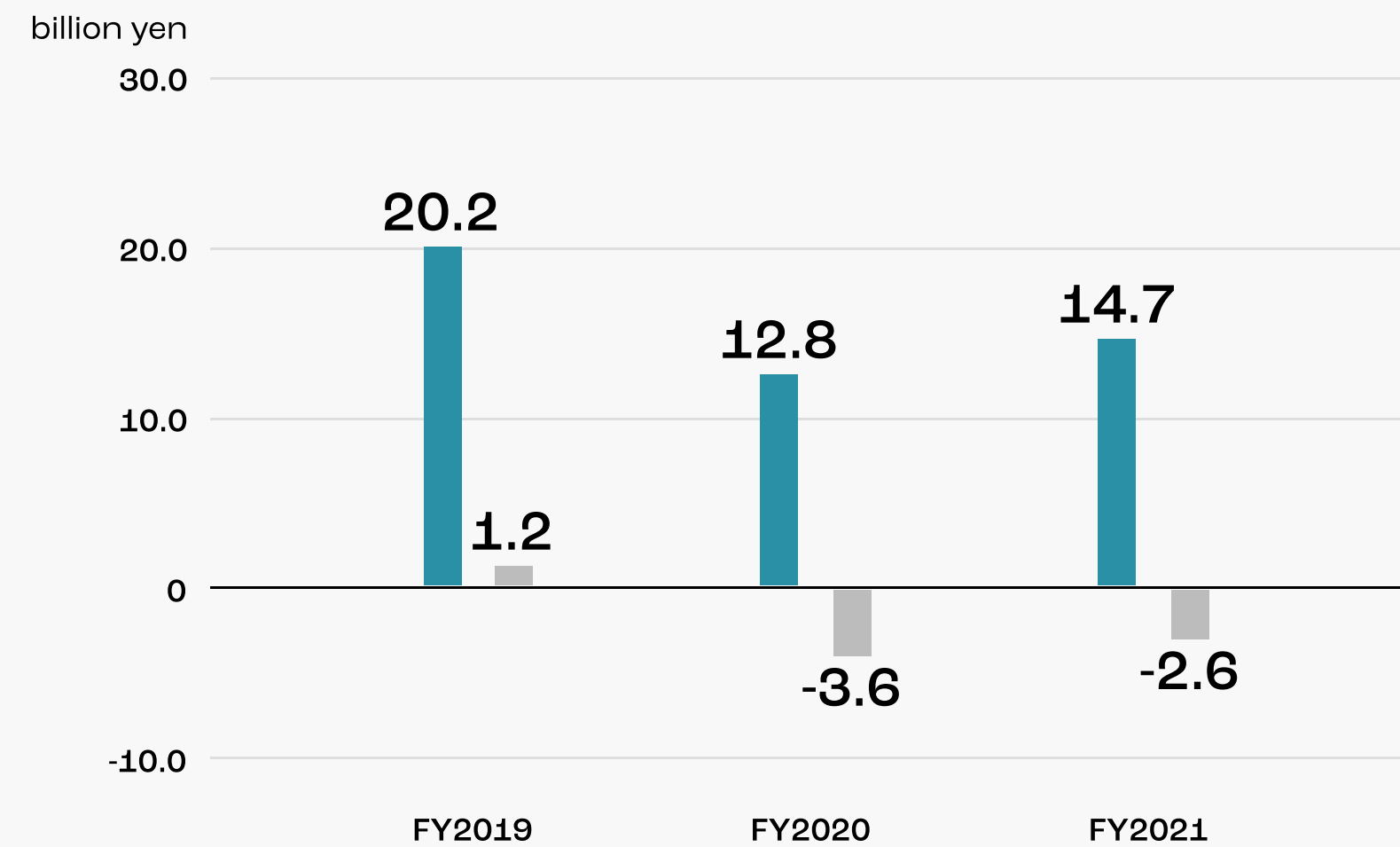
- Accumulation of professional sports knowhow through operations of baseball, basketball, and soccer (planning & performance, social media operations, data analysis, activating fan communities)
- Trust & expectation from government (city) and region through commitment to the area
- Partnerships, including field tests with diverse companies

Looking Back on FY2021

In FY2021 despite some impact from COVID-19 attendance restrictions, we saw a 1.9 billion yen year over year increase in revenue and 1.0 billion yen operating profit / loss improvement. Yokohama Stadium was also used as the venue for the Tokyo 2020 Olympics held in August 2021. In the 2022 season we saw record-high Yokohama Stadium attendance. As we have evolved to adapt to the post-COVID-19 world, we began service on a live streaming app called BayStars Prime Camera powered by au 5G to enjoy multiple camera angles during games, and the NFT content collection services PLAYBACK9 and PICKFIVE.

Sports Business Performance

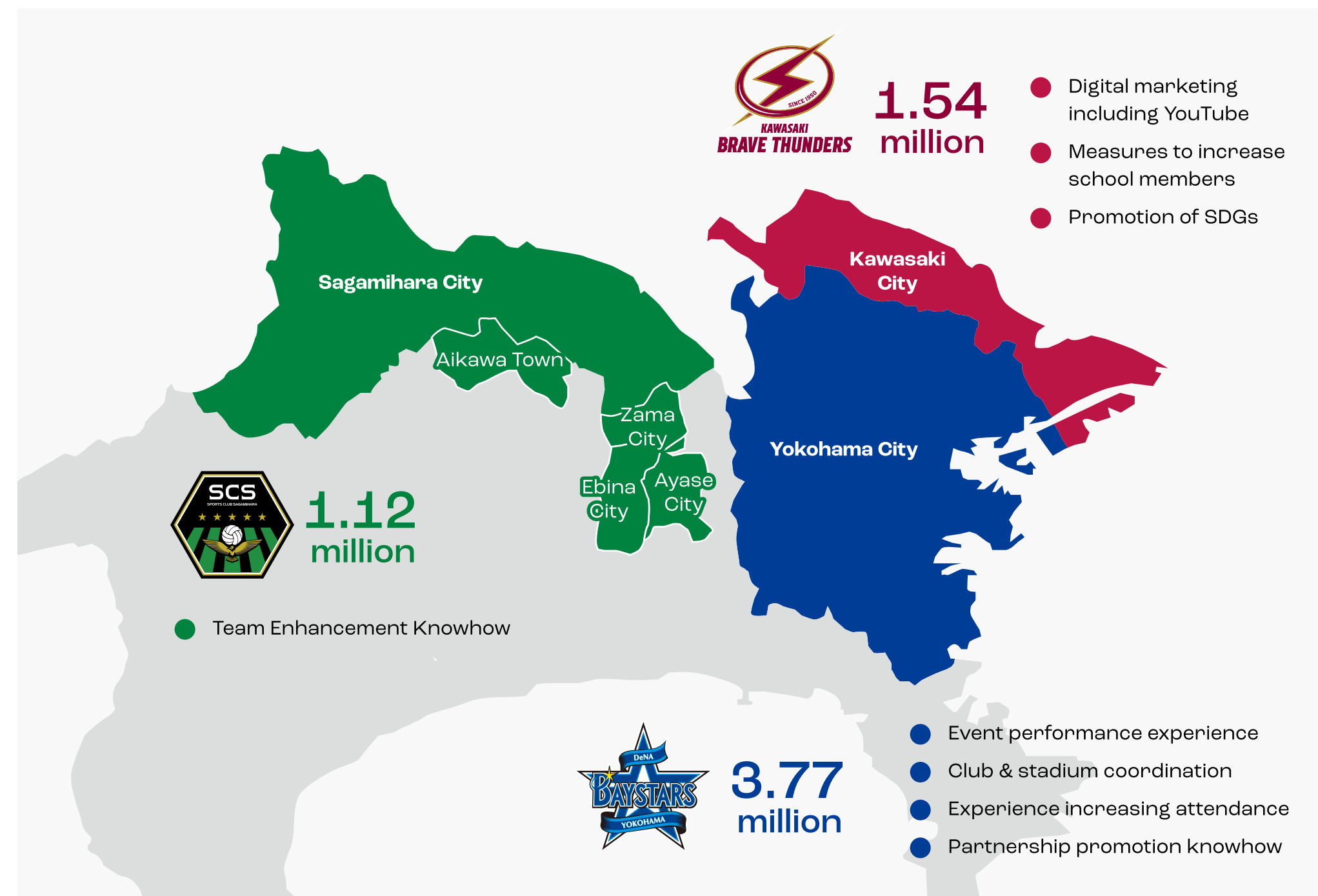
■ Revenue ■ Segment operating profit / loss



Business Opportunity

- *Machizukuri* in City of Yokohama, such as old city hall district development project
- Home bases in three ordinance-designated cities, home base populations cover 60% of Kanagawa Prefecture population

Creating business opportunities & synergies by sharing experience & knowhow and establishing the DeNA SPORTS GROUP brand

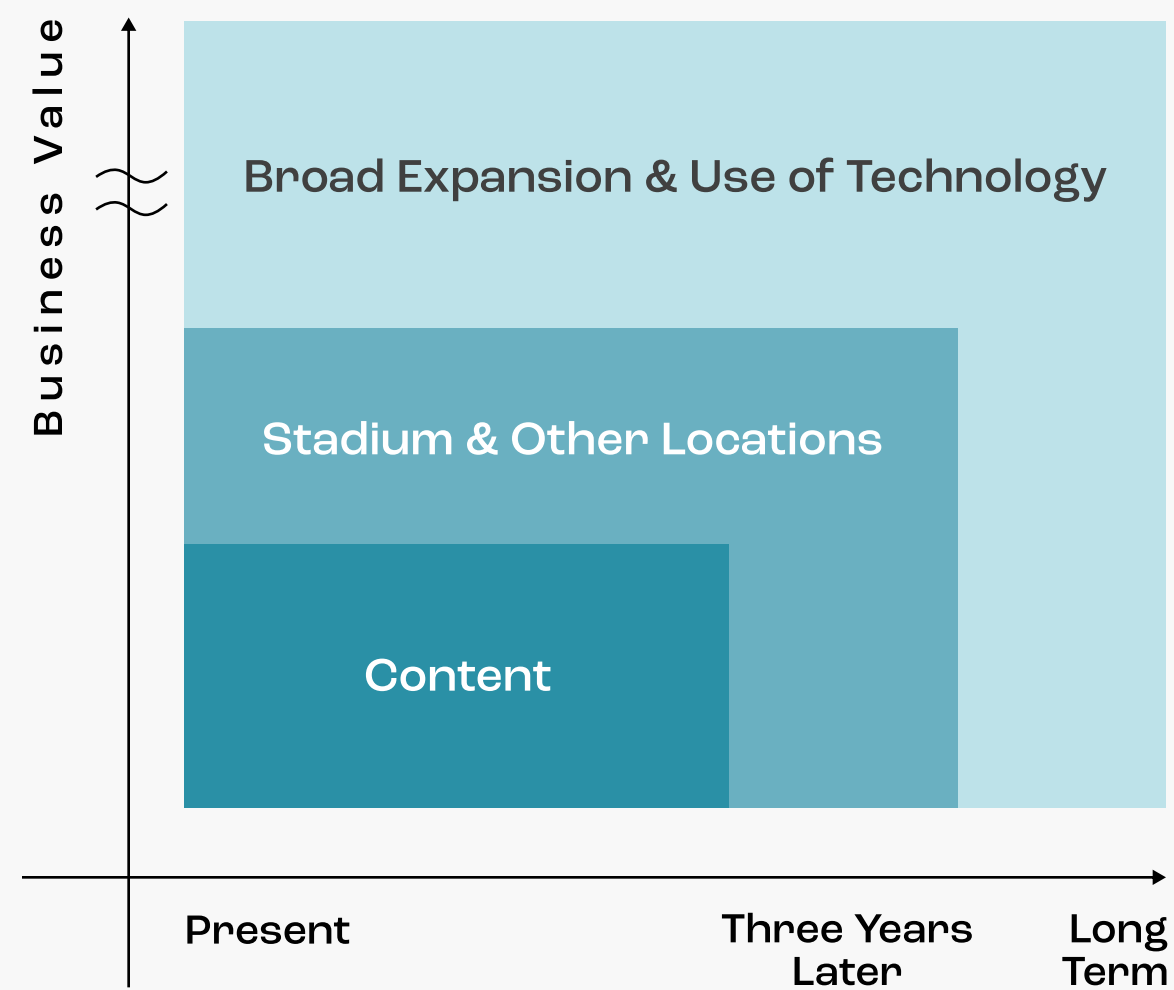


*Population data source: Kanagawa Prefecture Population Census(Monthly Report) April, 2022

Growth Strategy

Delighting People and the Community through Sports

We aim to develop a Delightful City that has fans not only among the residents but also visitors. We are providing content and drawing out the appeal of the community by enhancing our sports content with strong connection to fans, expanding real businesses that make use of local businesses and our locations, and expanding into a broader area & utilizing technology.



Continuous Initiatives

Maximizing Sports Content Value

By continuing to invest in baseball, basketball, and soccer, we grow the business & content value, expand our earnings base, and secure stable profitability. We will enhance this business as a foundation for mid to long term growth and business opportunities.

Real Business Expansion Using Local Businesses & Locations

We will expand into areas with high affinity for our content, including our stadium, arena, merchandise shops, schools, and other commercial facilities. We are also involved in the live viewing arena and edutainment facility in the City of Yokohama old city hall redevelopment project next to our stadium, which is planned for a 2026 opening.



Enhancing measures to deliver new Delight, including digital entertainment such as NFT services and live broadcast services

Stepping Stone to the Future

Broad Expansion & Use of Technology

● Providing Exciting Experiences Even At a Distance

We are expanding into digital and lifestyles areas, including online streaming, fan clubs, and merchandise and food & beverage.

● Development into Delightful City

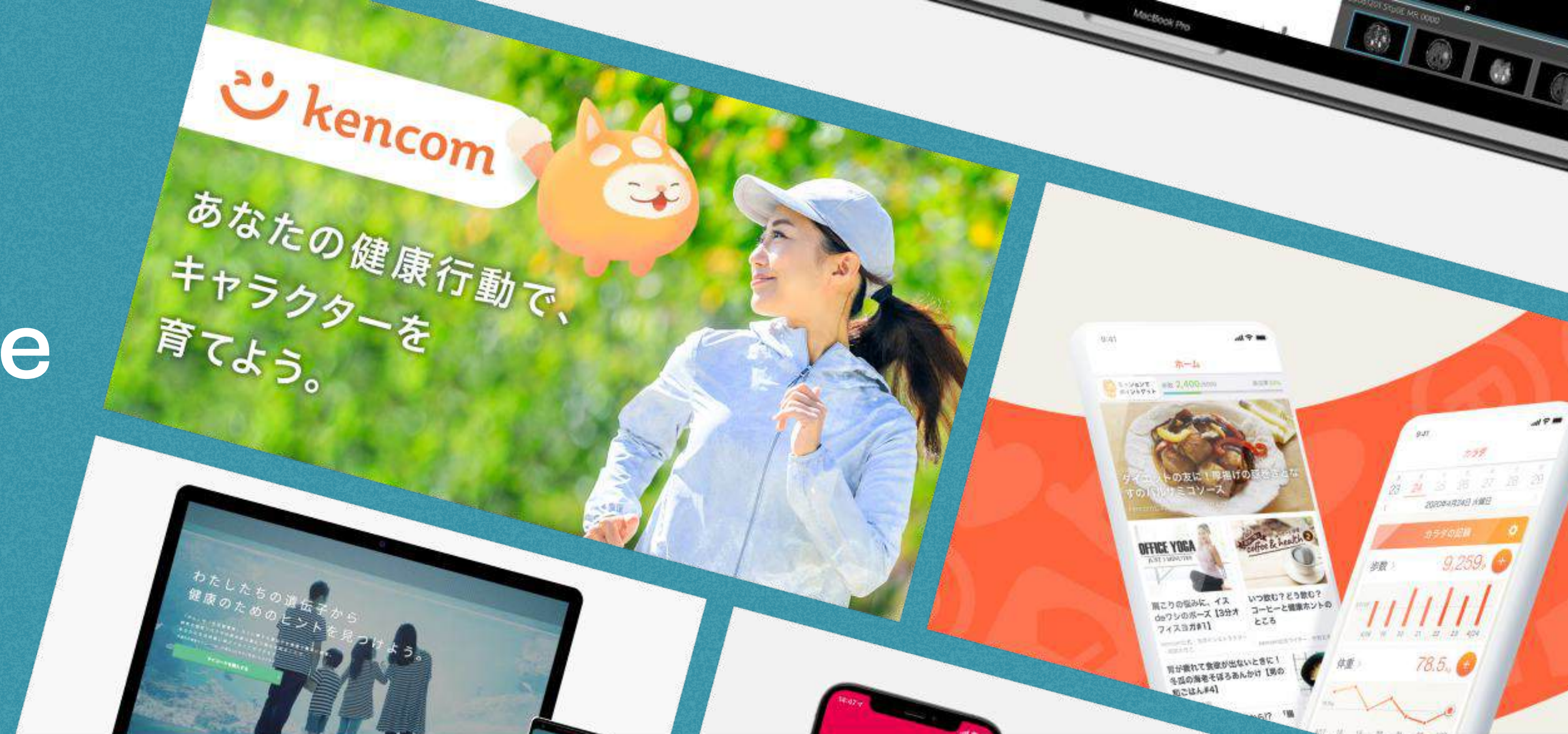
In addition to providing content to attract visitors from within and outside the region to the stadium and surrounding facilities, we will contribute to sustainable development by collaborating with the City of Yokohama and local businesses and organizations to promote a system that supports the vibrancy of the area and takes into consideration issues such as energy consumption and waste disposal that occur behind the scenes.



Live viewing arena

SERVE

Healthcare Business



Business Content & Characteristics

In the Healthcare Business our mission is “Making the shift from ‘sick care’ to ‘healthcare’ and lengthening healthy lifespans.” We provide a variety of services, from the healthcare entertainment app kencom to other services that encourage health promotion and behavior change. We also proactively work to create evidence from the data accumulated in these services. To take these insights & data and serve & solve social problems, we are accelerating our initiatives to develop industry use, such as in local municipalities, academia, and the healthcare industry.

Strengths & Advantage

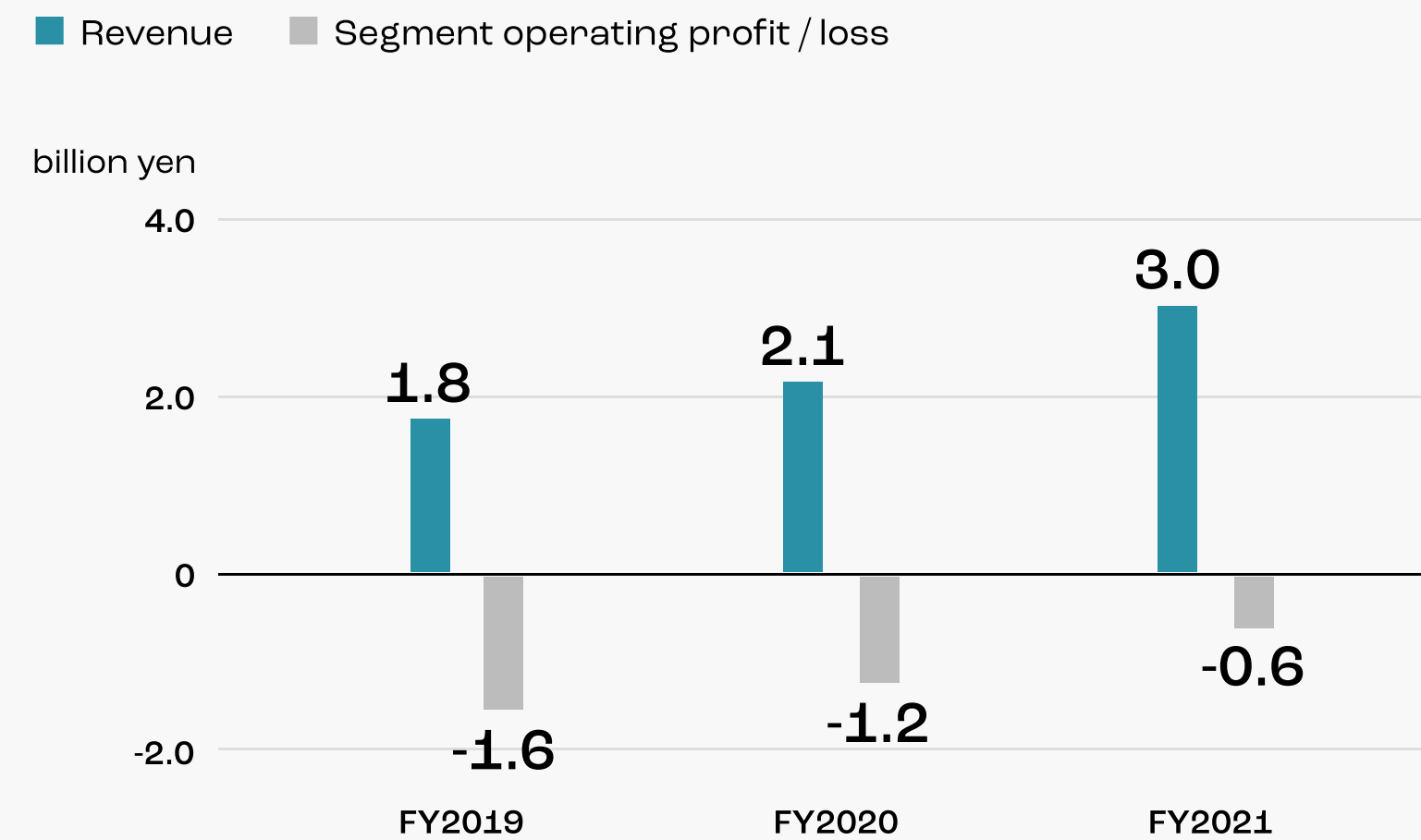
- Services that can be enjoyed over the long term and guide people to health by making use of engagement science accumulated in the Game Business & elsewhere, including gamification and data science
- Relationships with local municipalities and health insurance societies through our data health business that contributes to the rationalization of medical costs
- Collaborative structure between industry, government, and academia, such as with Hisayama Town in Fukuoka Prefecture and Kyushu University

Looking Back on FY2021

We are making steady progress in achieving a meaningful profit for the business overall in the three years until FY2023. In FY2021 we had a 43% increase in revenue year over year. While continuing growth investment, the segment operating profit / loss has improved, and in Q3 we achieved our first quarterly profit.

In FY2021 we made Nippontect Systems Co., Ltd., who boast dementia-related services, into a subsidiary, and we enhanced our capital relationship with DATA HORIZON CO., LTD. We are moving forward on collaborations with local municipalities, services for the elderly, and the expansion of health big data, all of which contribute to significant progress in enhancing our business portfolio.

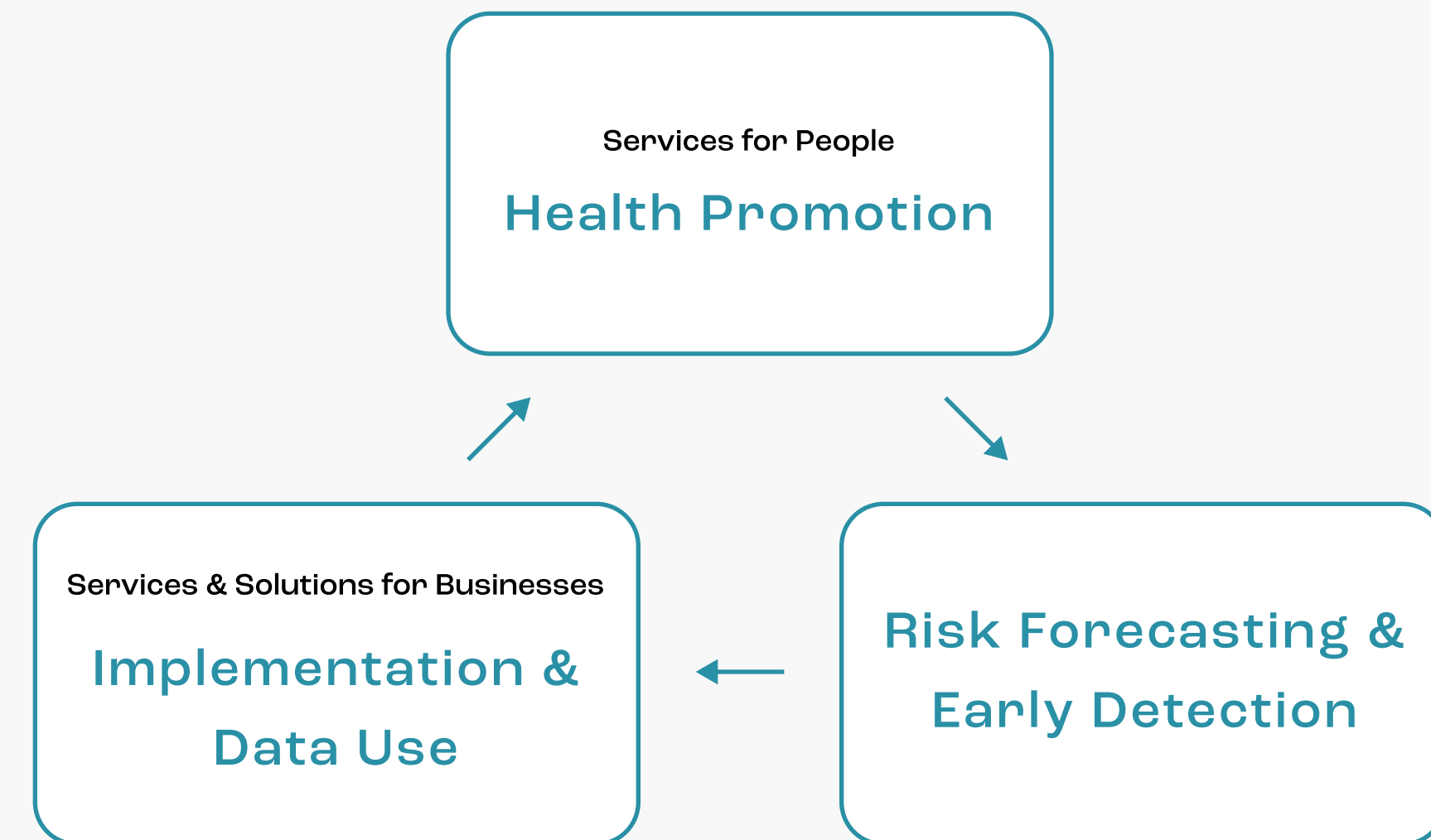
Healthcare Business Performance



Business Opportunity

- Increased opportunities to use digital technologies in the healthcare and medical spheres, including addressing dementia and the three major adult diseases in conjunction with Japan's increasingly super-aged society
- National & regional local municipality initiatives to rationalize medical costs
- Wave of digital transformation dramatically changing how medical services work and addressing medical sustainability

DeNA Healthcare Business Approach



Growth Strategy

Health Big Data Strategy

Since about 2020 we have been enhancing our partnerships to develop industry use in our Serve approach of insight and data we gain from providing services in the Healthcare Business.

As part of this, we formed a capital & business alliance with DATA HORIZON CO., LTD. in 2020 and announced a series of transactions to make the company into a subsidiary in June 2022. We also agreed to a partnership with Medical Data Vision Co., Ltd. in May 2022.

With these two partnerships, we created the largest database of insured people in Japan, over 15 million people in total from the healthy to those with high risk (as of April 30, 2022).

Going forward, we will promote measures including analysis in combination with hospital data, and by encouraging industry use we will contribute to lengthening healthy lifespans and enhance the sustainability of the national health insurance system.

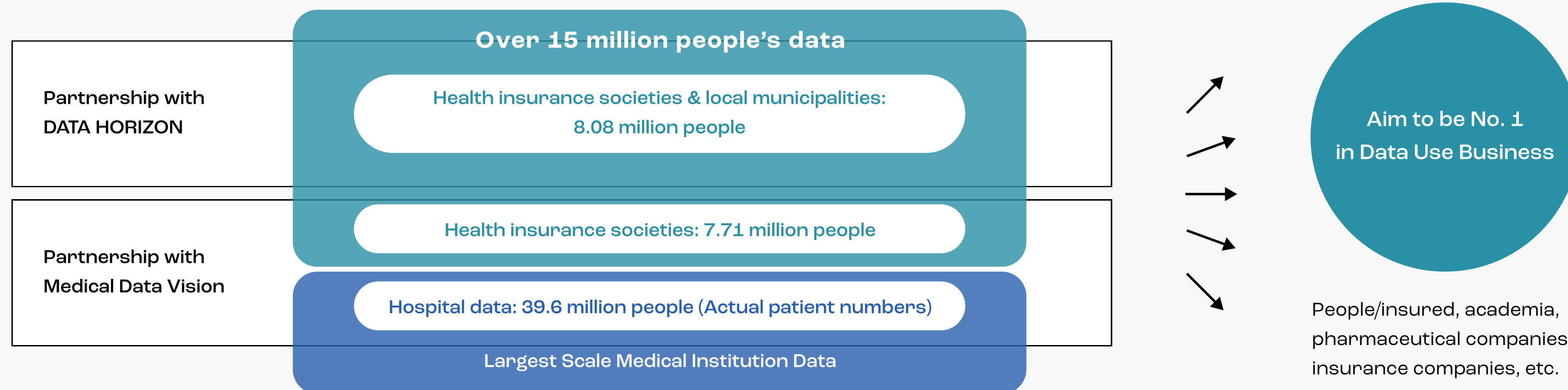
Enhancing Earnings Base in Serve

To build a set of businesses under Serve to achieve stable and sustained growth, in the Healthcare Business we consider M&A among our strategic options, and proactively pioneer the development of growth opportunities.

In May 2022 we concluded a basic agreement to make Allm Inc., the medical ICT startup, into a subsidiary.

In the medical and care field, the wave of digital transformation to massively change medical services is coming. Going forward we believe Allm will significantly contribute to solving many issues, including sustainability issues, such as the 2024 doctor problem (the severe shortage and uneven distribution of doctors), and remote treatment.

DeNA will proactively work to accelerate Allm's growth and create synergies with the DeNA Group's businesses, mainly with our health big data strategy.



*For more details see the press release dated May 10, 2022.

**By DeNA calculations of databases of the insured and of medical institutions. All figures in diagram are as of April 30, 2022

Allm's Main Solutions & Healthcare Services

Join, a Secure Communication App for Medical Practitioners

Join became the medical device program covered by insurance in Japan in 2016. Join has been introduced to approx. 470 medical institutions in Japan, including core hospitals at the center of regional medicine, and it is available in 30 countries globally, in a total of approx. 1,100 medical institutions globally.



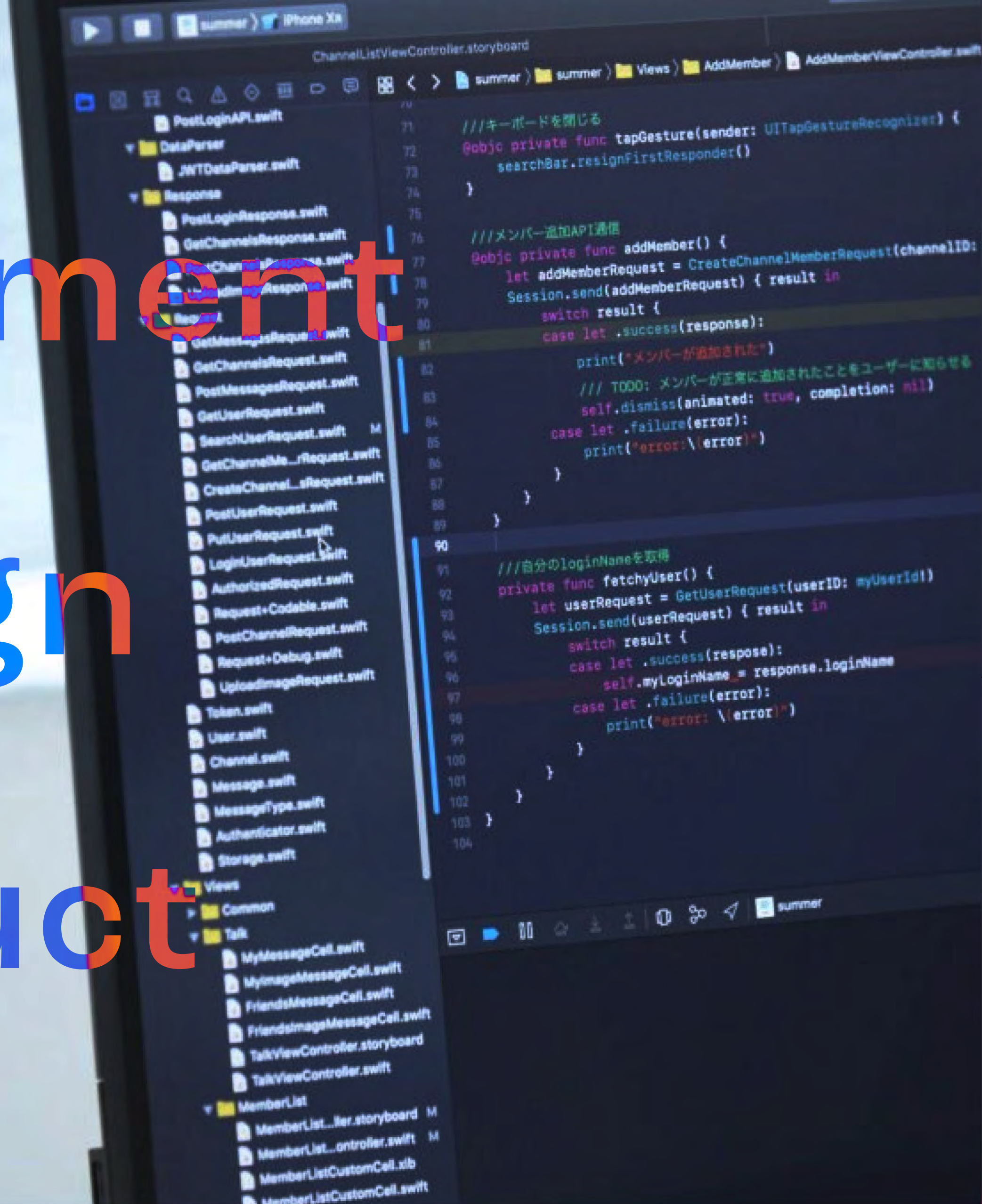
Emergency Medicine & Health Support App MySOS

MySOS is an app that supports smooth handling of emergency situations by keeping a record of an individual and their family's health and medical data. It was also adopted by the Ministry of Health, Labour and Welfare of Japan Health Monitoring Center for Overseas Entrants as the health and location monitoring app for overseas entrants as a part of the COVID response, and has accumulated over 2 million users.





Development × Design × Product



Technology & Monozukuri Strategy

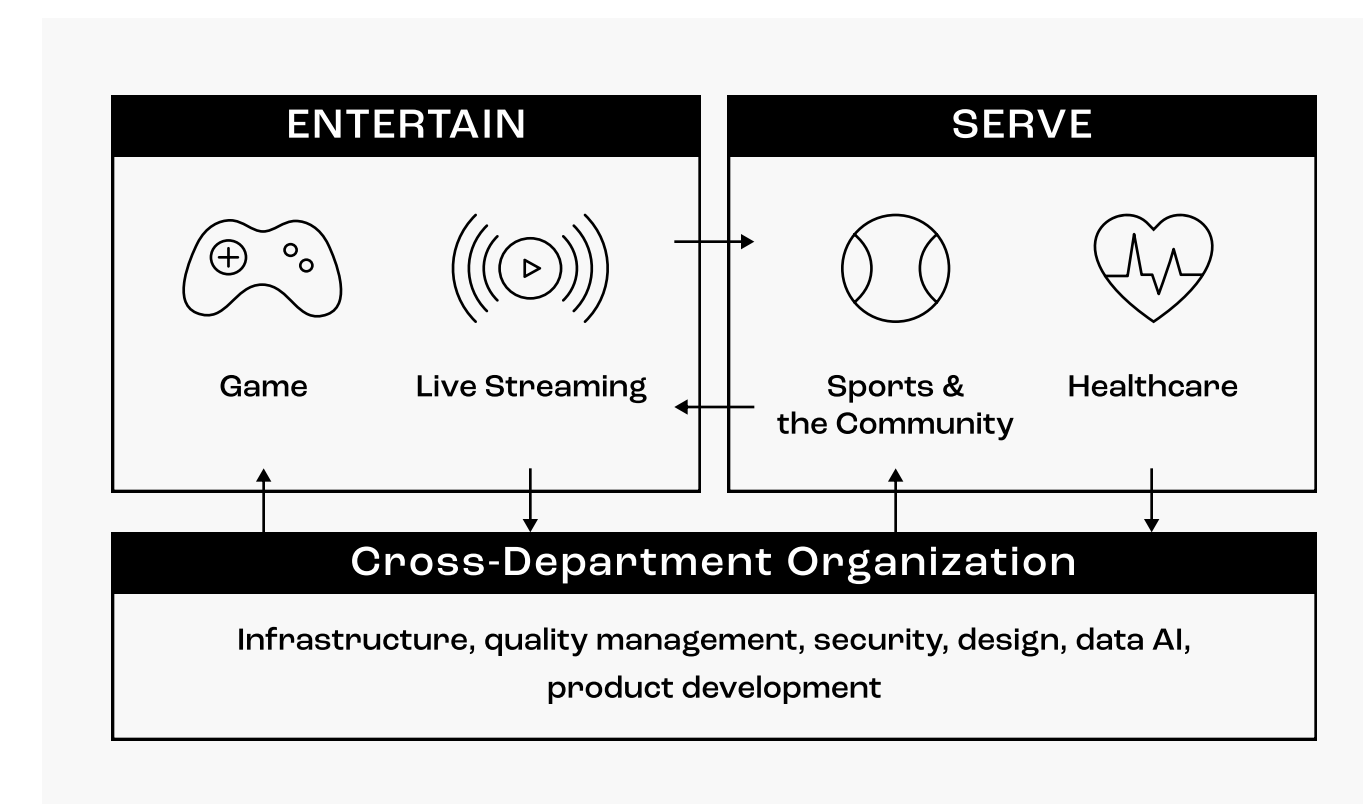
Our technology & *monozukuri* strategy looks beyond internet technology trends.

Basic Approach & Structure

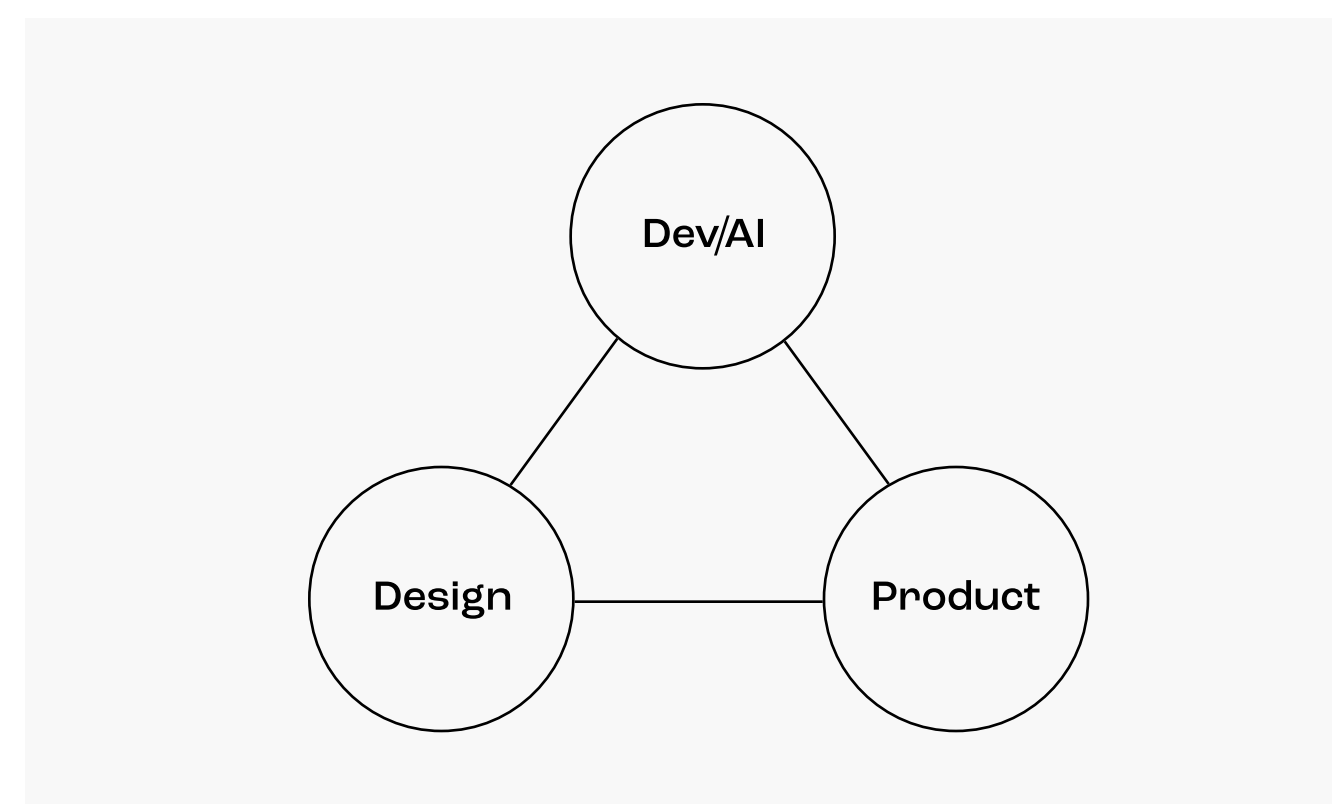
| We maximize the power of design and technology and deliver Delight to users through the creation of new value.

At DeNA, to deliver Delight based on our MVV (pages 7-11), we have business side engineers who are placed in each of our businesses, including the Game, Live Streaming, Sports, and Healthcare Businesses, and who work close to users, and cross-department engineers with high level specialization who accumulate experience and knowhow that they use to contribute to the whole company. These engineers organically collaborate to engage in *monozukuri* for DeNA as a whole. A unique feature of our *monozukuri* is our focus on the basic functions of Development, Design, Product, as well as the Infrastructure, Security, and Quality that serve as their foundation, and how we have specialist departments set up for each of these aspects across the organization. No matter how novel or revolutionary a service may be, if users feel uncertain about any aspect of using it, the appeal of the service will not be conveyed, and not only that, but trust in DeNA as the service provider will be lost. For this reason, we have built a framework to ensure quality so that users have a better than expected experience using our products for the first time.

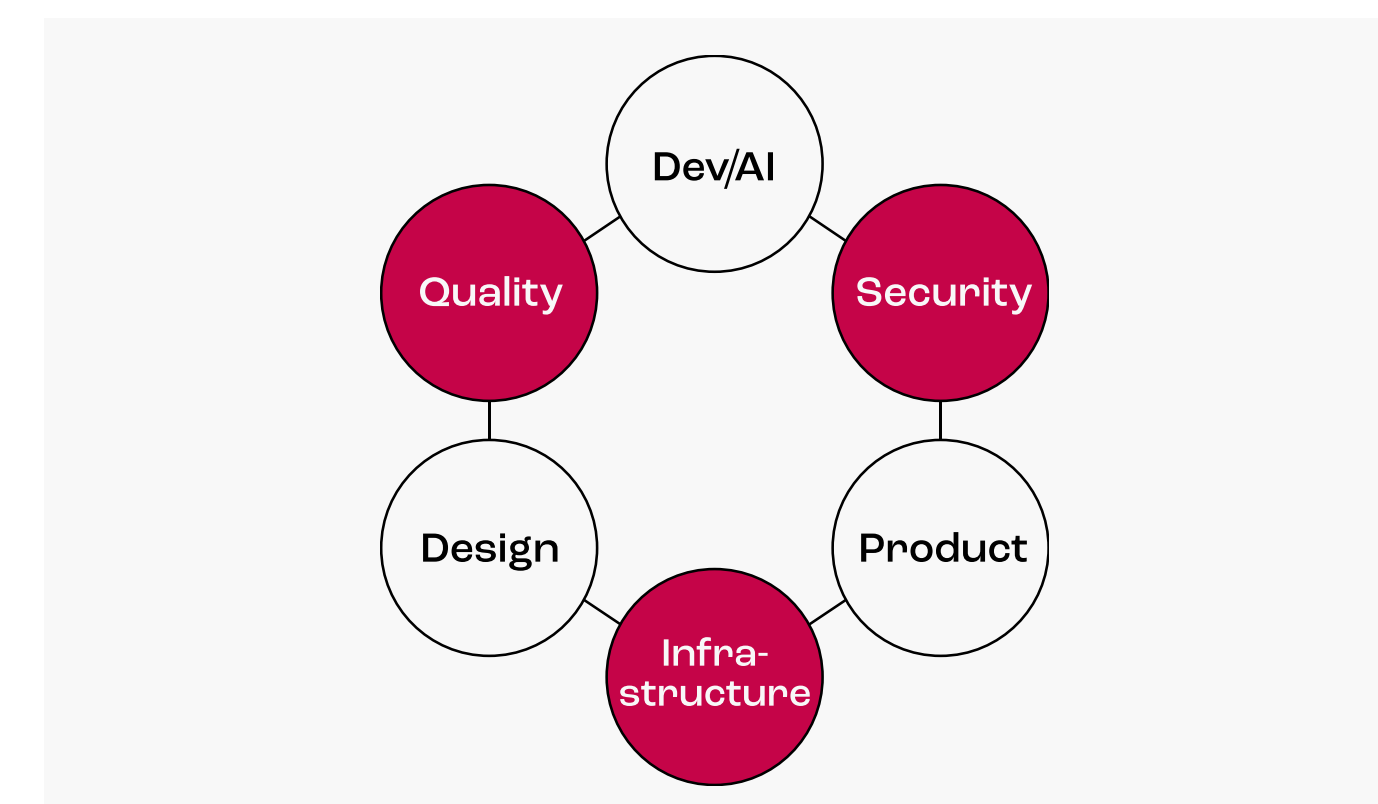
We also have functions we can share across departments and customize them to meet the needs of the business utilizing knowhow accumulated in each of our business departments. For example, we use the knowhow from handling large-scale traffic on Mobage and other services in our system infrastructure team for the Live Streaming Business. This organizational framework allows the DeNA Group to gather experience while enhancing our specialization, and also engage in more efficient *monozukuri*. In January 2022 we newly established the Product Development Dept. as a cross-departmental organization directly under the Chief Technology Officer (CTO). Amidst DeNA's initiatives to grow our businesses under Entertain and Serve, this department works to create new businesses from zero to one in the area not covered by existing businesses despite being an area or market where we feel there is future potential.



DeNA *Monozukuri* Structure



Typical *Monozukuri* Structure

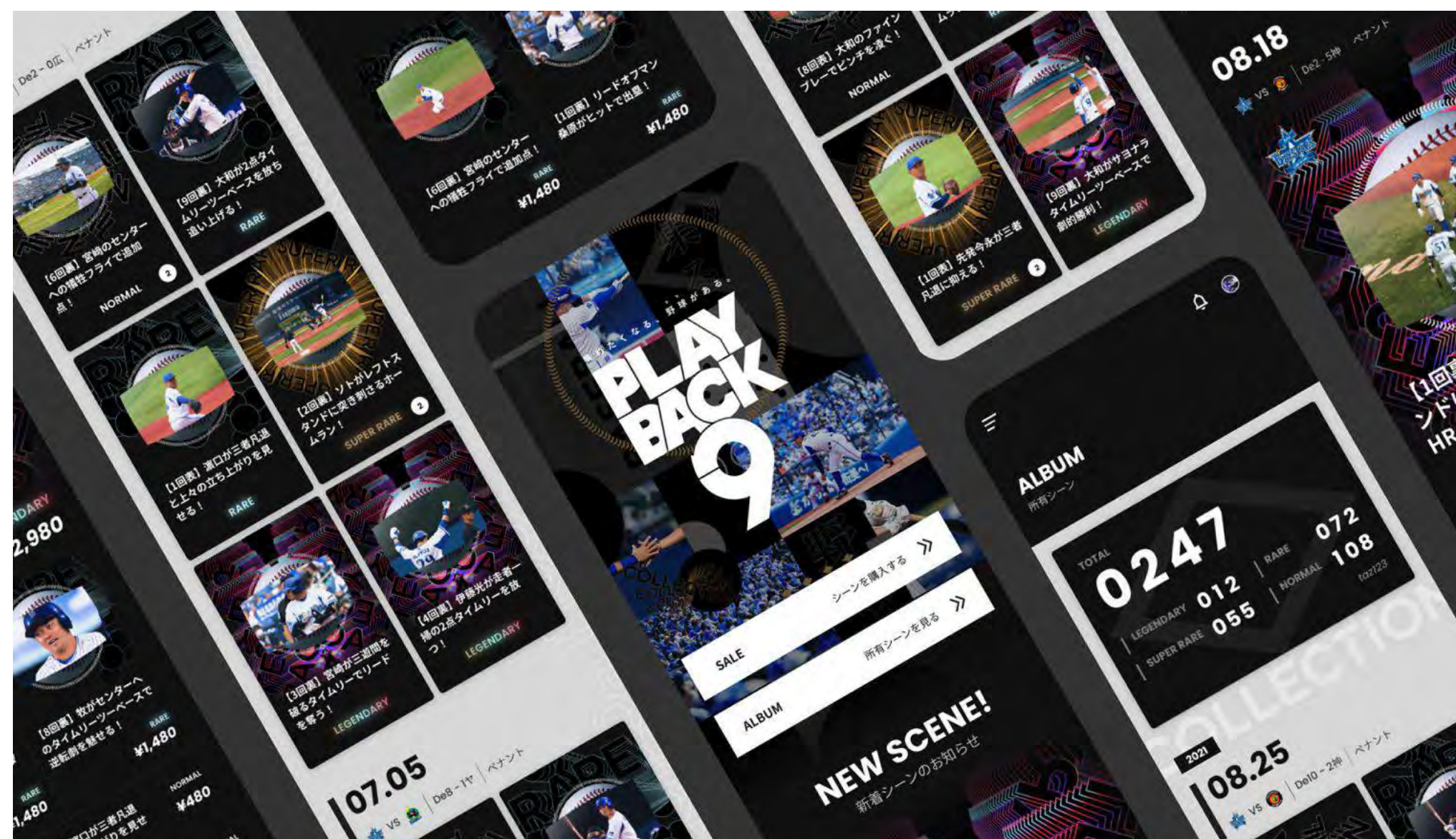


DeNA View on *Monozukuri* Structure

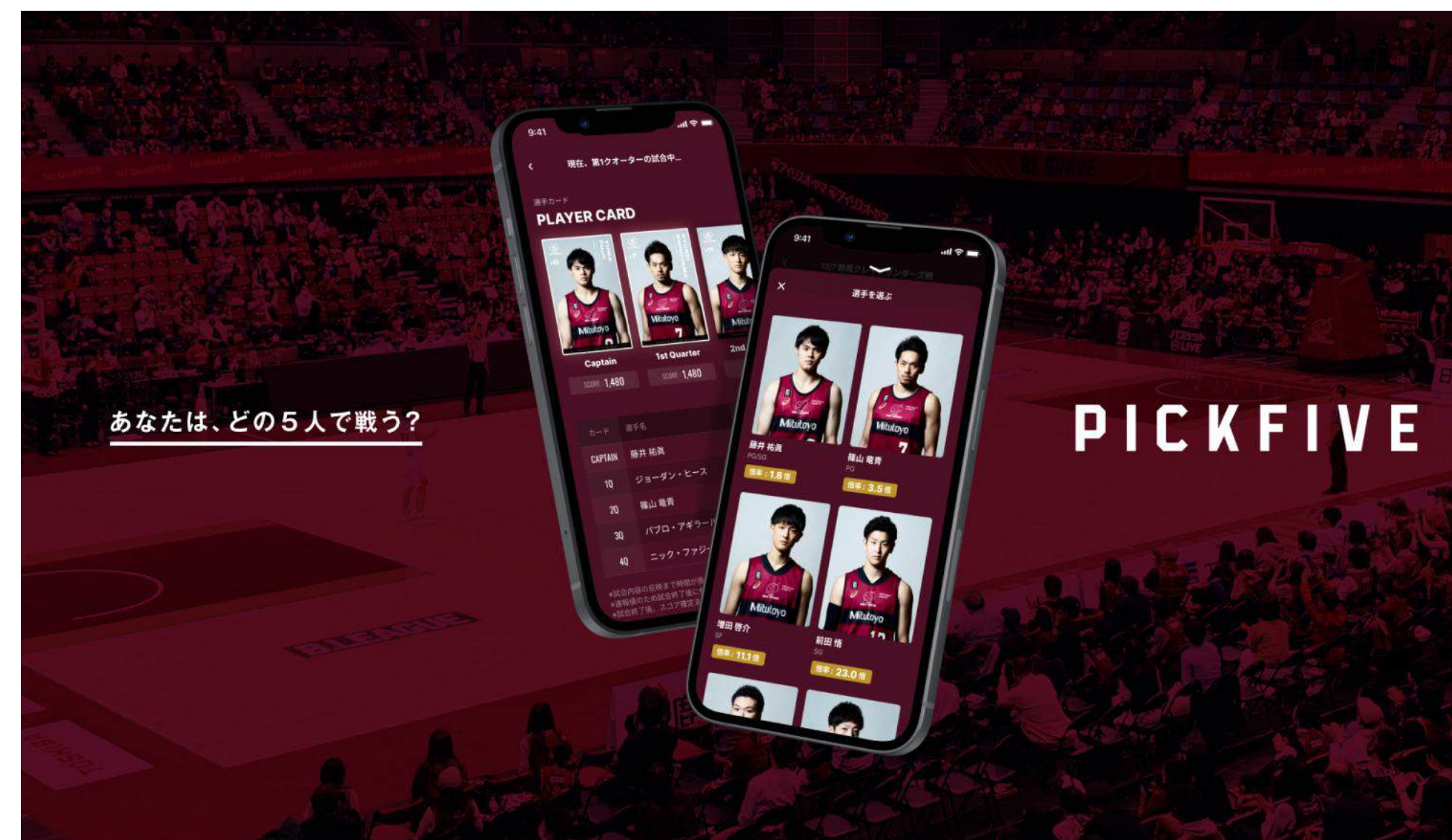
Investing in latest technologies with a three year view while building a system environment to support service development

At DeNA, in our view technology is for creating businesses and for delivering Delight to customers through our businesses. Based on our market-in mindset, we will continue to enhance our existing technology areas. In addition, we will focus on technology to build services that use new internet and digital technologies, such as increasing the productivity of mobile applications and enhancing the web front end. For the underlying technology, we look at the technology trends over a three year span and explore potential business use. We are focusing on research in the most recent trends in Web3 and XR, with particular focus on investment into blockchain. We have had specialist engineers engaged in research for several years, and we are starting to see the fruits of that research, such as the launch of NFT digital collection services (PLAYBACK 9, PICKFIVE, NFT Collection).

From 2018 over a period of three years DeNA migrated from an on-premises system with approx. 3,000 servers to a cloud system. This enabled us to build an agile development environment to speedily launch new businesses in a DeNA-like manner, while also building a framework to provide stable service, for example seamlessly shifting servers in the event of a major natural disaster or outage in one region. We have also been continuously making use of AI and data science, such as through our mechanisms to match users with similar interests in the Game and Live Streaming Businesses and our mechanisms to ensure safe and sound services. We also use AI and data science in our Sports Business for analysis of match footage data, and going forward we are proactively challenging ourselves to create new value using AI technology.



PLAYBACK 9



PICKFIVE

Enhancing resource capabilities through engineer portfolio management

Excellent engineers are indispensable for our technology & *monozukuri* strategy. At DeNA we practice portfolio management for our technical personnel. We already have many expert engineers on our team active in the web and software industry, including Google Developers Experts and Rails Committers. To further enhance our resources and capabilities, we are working on expanding our mid-career hiring for excellent engineers around Japan in the short term by using remote work and not limiting ourselves by location or personal characteristics. We are also collaborating with partner companies to build a flexible structure capable of adapting to role divisions in accordance with the business phase, and in the mid to long term we are enhancing our new graduate hiring. We host technical events for external engineers every year, publish technical research papers and articles, and otherwise disseminate information about the *monozukuri* and technology we are working on at DeNA. We will continue to share about DeNA *Monozukuri* and our corporate culture while at the same time focusing on training and securing high class engineers to enhance our development organization. As a part of this, we formulated our DeNA Engineer Quality (DEQ), where we define our values as engineers. Our DEQ has three components: “Craftsmanship,” where we maximize use of our specialization; “Intrepid and Insightful,” where we identify the heart of the issue and create impact; and “Expand your horizons,” where we draw on our inquisitiveness and ambition to refine our abilities.

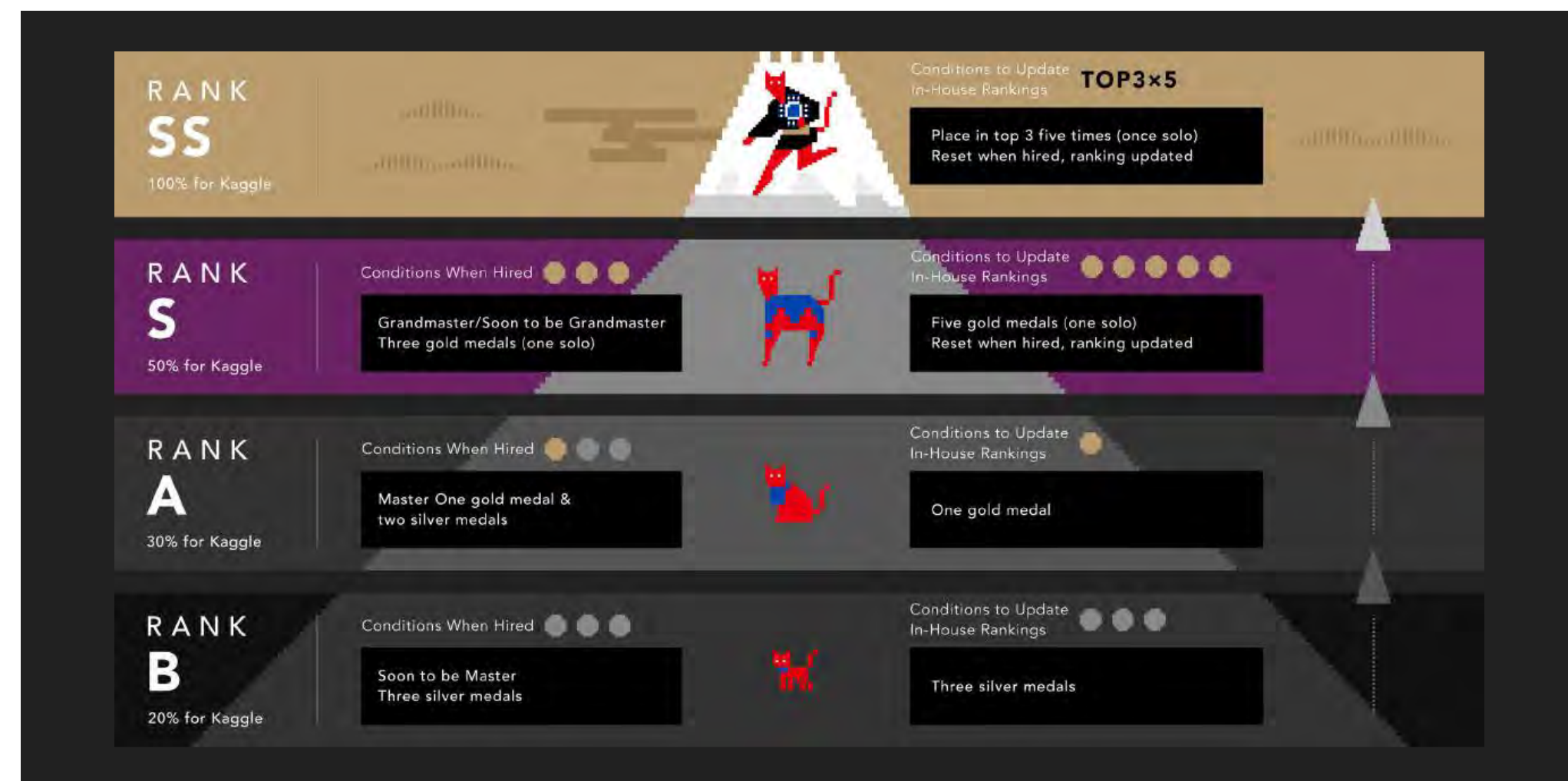


DEQ Components

All of our engineers on the ground keep these values in mind and strive to embody them, while DeNA as a company promises to work to understand and resonate with these values and create an environment where engineers are able to work easily and produce results. We run a DEQ survey for engineers once every six months to see if the values are being realized and supported in each organization and make plans for continuous improvement.

Kaggle Grandmasters on Team

Kaggle is the largest data science competition platform where thousands of people from around the world compete to solve problems submitted by companies and researchers. The participants hone their skills through frequent competition and when they produce results in addition to rewards the titles of Grandmaster and Master are also bestowed. At DeNA we currently have four Kaggle Grandmasters, out of only twenty in Japan, and including the Master class we have about twenty Kagglers on staff.



DeNA Kaggle Rank Program

Personnel Strategy

Promoting a personnel strategy that attracts challenge-oriented people, leverages the individuality of each person, and creates business synergies through people.

Basic Approach to Human Capital

Our basic approach is the DeNA Promise, and we welcome diversity and commit to personnel growth

At DeNA we have the DeNA Promise within our Value (page 11) as our basic approach to human capital. We welcome the diversity of our employees and are committed to developing a workforce that will be active and contribute to society both within and outside of our company by making the experience with us irreplaceable for all employees involved and enriching their individual lives and careers. We define diversity as bringing different strengths and multiple perspectives to the organization based on each individual's background, experience, skills, and personality, and we have introduced various measures to attract such diverse human resources and provide them with opportunities and venues to make the most of their individuality.

Focus Investment for Human Capital

- Proactive transfers of key personnel
- Programs to allow employees to choose their own locations for growth
- Enabling pursuit of challenges in business creation at Delight Ventures, the DeNA Group's fund, and at investment target companies
- Going independent, founding a startup, and spinouts available as official career path

Objective	Approach & Topics			Specific Measure Examples
Attracting diverse challenge-oriented people, leveraging the individuality of each person, and creating business synergies through people	Creating opportunities to leverage individuality	Talent acquisition	• Focus on talent quality • Updating framework and foundation to support future hiring, not limiting ourselves to existing methods	Separate new graduate hiring, Direct recruiting, Referral hiring, DeNA Alumni, Owned media, Use of side jobs, Hiring of people living in distant locations
			• Going independent, founding a startup, and spinouts available as official career path	
	Creating venues to leverage individuality	Personnel training & allocation	• Proactive transfers of key personnel • Programs to allow employees to choose their own locations for growth • Enabling pursuit of challenges in business creation at Delight Ventures, the DeNA Group's fund, and at investment target companies	OpenQuest, Shake Hands program, Cross Job & Side Job programs, Group Executive Program, Delight Ventures, Career consultation, 360 degree feedback, Monthly survey
		Corporate culture	• Creation of organization with feeling of solidarity through employee dialogue and exchange • Establishing organization structure to allow diverse employees to exercise their unique strengths, create synergy, and work to the fullest	Onboarding program, All Hands Meeting, Employee sports game visits, Family Day, Distant location work program, Hybrid work combining office and remote work, DeNA LIFE DESIGN PROJECT
		Working environment	• Initiatives to support employees in balancing their work and private lives • Organization that enables employees to feel secure in giving their best performance mentally and physically	

More information about [DeNA careers](#) and [our working environment](#) may be found on our website (Japanese only).

Various Programs to Provide Opportunities and Venues to Make the Most of Individuality

Creating Opportunities to Make the Most of Individuality

Talent Acquisition

In order to strengthen the recruitment of generalist new graduates and high-level mid-career hires who can be successful in any business or environment, DeNA's executives and other ace-level personnel in the business divisions are taking the lead in recruiting activities, customizing the selection flow by job type and updating events through trial and error every year. We are also working to expand our means of acquiring engineers and designers, including the use of side jobs, and have focused on expanding the number of direct hires and branding through owned media, while collaborating with recruiting agencies. In the future, we will focus on acquiring workers in distant locations and expanding our recruitment of engineers, including new graduates.

Human Resource Development and Placement

For human resource development, we have introduced our own in-house recruiting system (OpenQuest) to support employees' autonomous career development, and we are building a place where employees can take on challenging and rewarding work through the latest HR technology and management enhancements. We are also actively engaged in manager training and support. In terms of human resource allocation, we are actively transferring core personnel so that they can experience various businesses. We also have various systems in place, such as the "Shake Hands System," which allows employees to transfer regardless of the wishes of their current department if the general manager of the other department (the host department) agrees, the "Cross Job System," which allows employees to concurrently work in other departments for up to 30% of their work time at their own request, and the "Side Job System," which allows employees to work outside the company on the side.



PERSONNEL STRATEGY

Creating Venues to Leverage Individuality

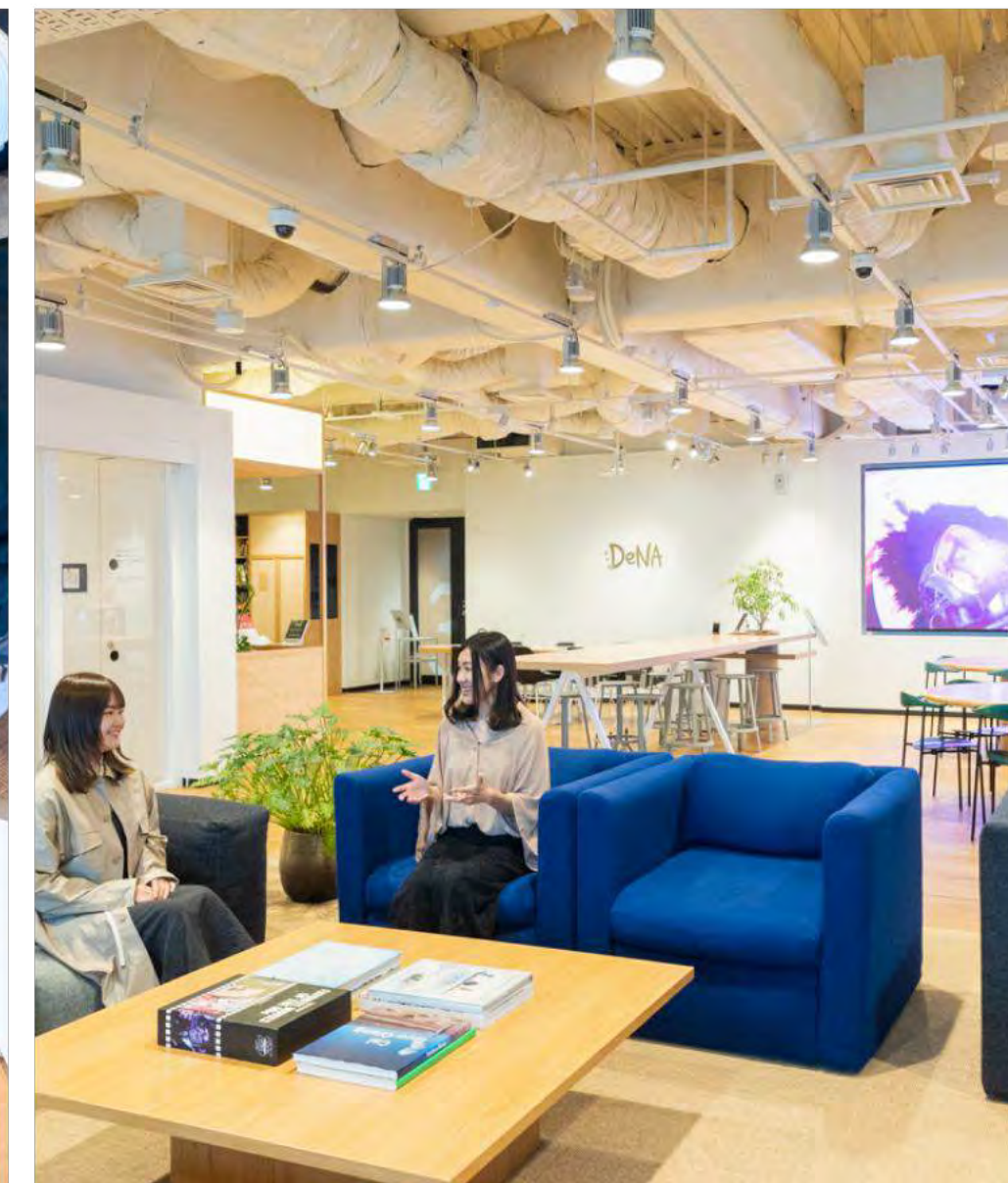
Corporate Culture

In order to create an organization where DeNA Quality and the DeNA Promise (page 11) are disseminated and put into practice, DeNA implements an onboarding program to support employees who are new to the organization so that they can play an active role as quickly as possible. In addition, to strengthen management that makes the most of diverse human resources, DeNA conducts management training, 360 degree feedback, monthly surveys, and other programs. In addition, to create an organization with a sense of solidarity through dialogue and interaction, we conduct status checks twice a year by means of an organizational status questionnaire, organize employee sports viewing events, and promote a hybrid work style that combines work at home and remote work.

Working Environment

In addition to promoting a transformation of the conventional working style, DeNA is working to create an office environment that allows flexible work by combining work at the office and remote work depending on the nature of the work, and create the optimal work environment for the post-COVID-19 era. In addition, we also have been developing new systems to secure workers, including a multi location system that allows employees to flexibly choose where to work from depending on the situation, workation options, side jobs and so on. To create an environment in which a diverse range of employees can play an active role, we launched the DeNA LIFE DESIGN PROJECT in October 2019. This project is designed to support employees in balancing work with various life events that occur regardless of gender, such as marriage, childcare, family care/ nursing care, and their own illness and self-care. Along with regular reviews of systems and benefits, we have established a contact point to receive consultation from employees. For childbirth and childcare support, in addition to systems and benefits such as shorter working hours, babysitter subsidies, and financial support for early return to work, we provide pre-maternity leave interviews, workshops for those returning to work after maternity leave, and return-to-work interviews. As a result of these efforts, the number of resignations due to work-life balance has decreased significantly over the past several years.

[DeNA LIFE DESIGN PROJECT site \(Japanese only\)](#) 



Our Team

We share information about working at DeNA through our owned media. (Japanese only)

Study abroad in Japan, from
technology startup to DeNA
The growth story of a Pococha
Android engineer

#TECHNOLOGY & MONOZUKURI

#PERSONNEL TRAINING

#CORPORATE CULTURE



MORE



Contributing to business strategy and
organization creation as a UI/UX
designer making use of strength in
plentiful experience in multiple services

#TECHNOLOGY & MONOZUKURI

#PERSONNEL TRAINING



MORE



Challenges and career path as
Mobage server side engineer

#TECHNOLOGY & MONOZUKURI

#WORKING ENVIRONMENT



MORE



Human Resource Unit head and
recruiter discuss working style and
meaning of working at DeNA

#WORKING ENVIRONMENT

#CORPORATE CULTURE



MORE



03 ESG

Introduction to ESG initiatives that support sustained growth at DeNA



Outside Director Message



Building a Management Structure to Facilitate DeNA Core Competencies and Lead to Accumulation and Continuation of Customers

Nomination Committee Chair (FY2021)
Outside Director

Hiroyasu Asami

The DeNA Board of Directors fulfills important roles and functions, including leading the mid to long term growth of the DeNA Group, overseeing business execution, and engaging in personnel selection for representative directors. I believe DeNA needs to enhance the company ability to accumulate and maintain strengths such as in technology and growing and maintaining customers, and since my appointment in 2020 I have made my statements to the Board of Directors with that in mind. DeNA has established the Nomination Committee and Compensation Committee in order to increase the objectivity and transparency of management leadership by the Board of Directors. The other outside directors and I are members of these committees, and I am chair of the Nomination Committee.

In 2021 we disclosed a list of director skills following discussion in the Nomination Committee, including “Ability to spark discussion with the right questions,” “Good sense of balance, flexibility to input,” “Ability to see big picture,” and “Ability to direct organizational transformation.” In addition to putting these already necessary elements for directors into writing, we also explored other skills and made a list. We have devised a tool for communication with the market and others that is not just generic, but also expresses in a straightforward manner the elements that we consider to be important.

When nominating candidates for director, executive officer, unit heads and others in important management positions I held interviews with the individual candidates. During those interviews I assessed whether the candidate would contribute to the big picture development of the company, including examining their enthusiasm and personal characteristics. The group executive program launched in April 2022 was explored in the Nomination Committee, and under this program we expect to develop diverse human resources who will lead the business, build a stronger business execution system, and produce candidates for the next management team.

Going forward, the Nomination Committee will further endeavor to function to increase the transparency and objectivity of management nomination.



Achieving a Highly Transparent Compensation Program That Contributes to Mid to Long Term Corporate Value Growth

Compensation Committee Chair (FY2021)
Outside Director

Koji Funatsu

The DeNA Group revamped the Mission, Vision, and Value in April 2021, and in May 2021 announced the vision for the long term portfolio and corporate value creation. Since I was appointed an outside director in 2019 I believe the big picture discussions for mid to long term growth have become more active in the Board of Directors. I have continued to proactively share my opinion on the probability of business growth, the function of the Board of Directors, and the nature of our discussions.

Regarding nomination and compensation, a key function of the Board of Directors, I served as the chair of the Compensation Committee until June 2022. In the Compensation Committee we review the executive compensation structure and discuss the allocation of individual compensation for executives, including the directors.

The director compensation structure ought to contribute to the realization of the mid to long term growth I mentioned above. For that reason the Compensation Committee has set up a structure that keeps in mind the compensation levels of other companies while also making mid to long term objectives an evaluation metric for director compensation. In response to the most recent business portfolio review, we have been discussing and working with the Board of Directors to introduce quantitative indicators, such as key KPIs in focus businesses, rather than just group-wide operating profit and other management indicators.

DeNA also has the Mission, Vision, and Value as the basic approach for sustainability initiatives, and this was disclosed in the 2021 Corporate Governance Report and other locations. The Compensation Committee also confirms that our compensation structure contributes to the realization of these missions, etc., i.e. the realization of sustainability.

I hope that the design of the officer compensation functions appropriately as an incentive for corporate value growth, and that DeNA delivers even more Delight to the world in the mid to long term.

Corporate Governance

Directors



Representative Director &
Executive Chairman
Chairperson for the Board
Meetings
Nomination Committee Member
Compensation Committee
Member

Tomoko Namba

- 1986 Entered McKinsey & Co., Inc. (Japan)
- 1999 Established DeNA and became Representative Director
- 2004 Representative Director and President of DeNA
- 2015 Director and Owner of YOKOHAMA DeNA BAYSTARS BASEBALL CLUB, INC. (present)
- 2017 Representative Director and Executive Chairman of DeNA (present)



Representative Director,
President & CEO

Shingo Okamura

- 1995 Entered Ministry of Posts and Telecommunications (currently Ministry of Internal Affairs and Communications)
- 2016 Entered DeNA
- 2017 Executive Officer, Head of the Sports Business Unit of DeNA
- 2019 Director, COO, and Head of the Sports Business Unit of DeNA
- 2021 Representative Director, President and CEO of DeNA (present)



Director & CFO

Jun Oi

- 1995 Entered Ministry of Home Affairs (currently Ministry of Internal Affairs and Communications)
- 2013 Entered DeNA
- 2015 Executive Officer, Head of the Healthcare Business Division of DeNA
- 2021 Director, CFO, and Head of the Corporate Unit of DeNA
- 2022 Director and CFO of DeNA (present)



Director & CBO*

Keigo Watanabe

- 2001 Entered Zenyaku Kogyo Co., Ltd.
- 2002 Entered DeNA
- 2014 Executive Officer, Head of the External Partnership & Alliances Unit of DeNA
- 2021 Director, CBO, and Head of the External Partnership & Alliances Unit of DeNA
- 2022 Director and CBO of DeNA (present)

*CBO: Chief Business development Officer



Outside Director
Nomination Committee
Member
Compensation Committee
Member

Koji Funatsu

- 1981 Entered Japan Recruit Center Co., Ltd. (Currently Recruit Holdings Co., Ltd.)
- 1998 Entered transcosmos inc.
- 2003 Chairman & CEO of transcosmos inc.
- 2019 Outside Director of DeNA (present)



Outside Director
Nomination Committee Chair
Compensation Committee
Member

Hiroyasu Asami

- 1980 Entered Nippon Telegraph and Telephone Public Corporation (Currently NIPPON TELEGRAPH AND TELEPHONE CORPORATION)
- 2016 Senior Executive Vice President, Representative Member of the Board of Directors of NTT DOCOMO INC.
- 2019 Representative Director and President of DOCOMO CS Inc.
- 2020 Outside Director of DeNA (present)



Outside Director
Compensation Committee
Chair
Nomination Committee
Member

Haruo Miyagi

- 2000 Established the Non-Profit Organization ETIC. (Entrepreneurial Training for Innovative Communities) and became CEO
- 2021 Outside Director of DeNA (present)

CORPORATE GOVERNANCE

Corporate Auditors



Standing Outside Corporate Auditor

Shinichi Koizumi

1971 Joined Toray Industries, Inc.

2008 Executive Vice President and Representative Member of the Board of Toray Industries, Inc.

2017 Standing Corporate Auditor of DeNA (Outside Corporate Auditor, present)



Outside Corporate Auditor

Nobuko Inaba

1989 Entered NIPPON TELEGRAPH AND TELEPHONE CORPORATION

1993 Entered Century Audit Corporation (currently Ernst & Young ShinNihon LLC)

2007 Founded PAS Co., Ltd. (currently Hayabusa Consulting Co., Ltd.) and became Representative Director (present)

2019 Outside Corporate Auditor of DeNA (present)



Outside Corporate Auditor

Atsuko Sato

1989 Entered Goldman Sachs (Japan) Ltd. (currently Goldman Sachs Japan Co., Ltd.)

2007 Entered Unison Capital, Inc.

2017 Associate Professor, Faculty of Economics, Takasaki City University of Economics (present)

2019 Outside Corporate Auditor of DeNA (present)



Outside Corporate Auditor

Hirohiko Imura

1981 Joined Sumitomo Corporation

2017 Representative Director and Senior Management Executive Officer of Sumitomo Corporation

2020 Chairman of the Board and Representative Director of Jupiter Telecommunications Co., Ltd. (currently JCOM Co., Ltd.)

2022 Outside Corporate Auditor of DeNA (present)

Executive Officers

Representative Director, President & CEO
Shingo Okamura

Director (CFO)
Jun Oi

Director (CBO)*
Keigo Watanabe

Managing Executive Officer & CTO
Atsushi Kobayashi

Managing Executive Officer & CSO**
Akinori Harada

*CBO: Chief Business development Officer
**CSO: Chief Strategy Officer

Introduction of the Group Executive System

From April 2022 DeNA decided to implement a Group Executive System to make personnel who fulfil an important role in business operations into group executives. Through the implementation of this program, DeNA aims to incubate and produce more leaders from among our diverse personnel to lead our businesses, and build an even stronger business execution structure. Please see our website for a list of the group executives.

<https://dena.com/intl/company/officer.html>

Basic Approach

The DeNA Group mission is “We delight people beyond their wildest dreams.” Included in this mission is the goal of the Group to bring delight and joy to each and every customer, beyond their imagination, and create a world where people’s individuality can shine.

We will embody our mission through appropriate dialogue and cooperation with a variety of stakeholders including customers, partners, employees, shareholders, and regional society. We will continue to establish and enhance effective corporate governance and aim to continuously maximize our corporate value.

Corporate Governance Structure

Organization Form

DeNA is a company with a board of corporate auditors. DeNA believes that we can vigorously pursue our business strategy through prompt decision-making regarding important management issues by the Board of Directors consisting of directors who are familiar with our business. At the same time, we aim to ensure oversight and supervision through the double system of supervision, with monitoring by the Board of Directors, which includes multiple outside directors with a high degree of independence, and auditing by the Board of Corporate Auditors. The outside directors and corporate auditors share information, exchange opinions, and coordinate as necessary to ensure effective oversight of management via the double system of oversight and supervision through the outside directors and corporate auditors.

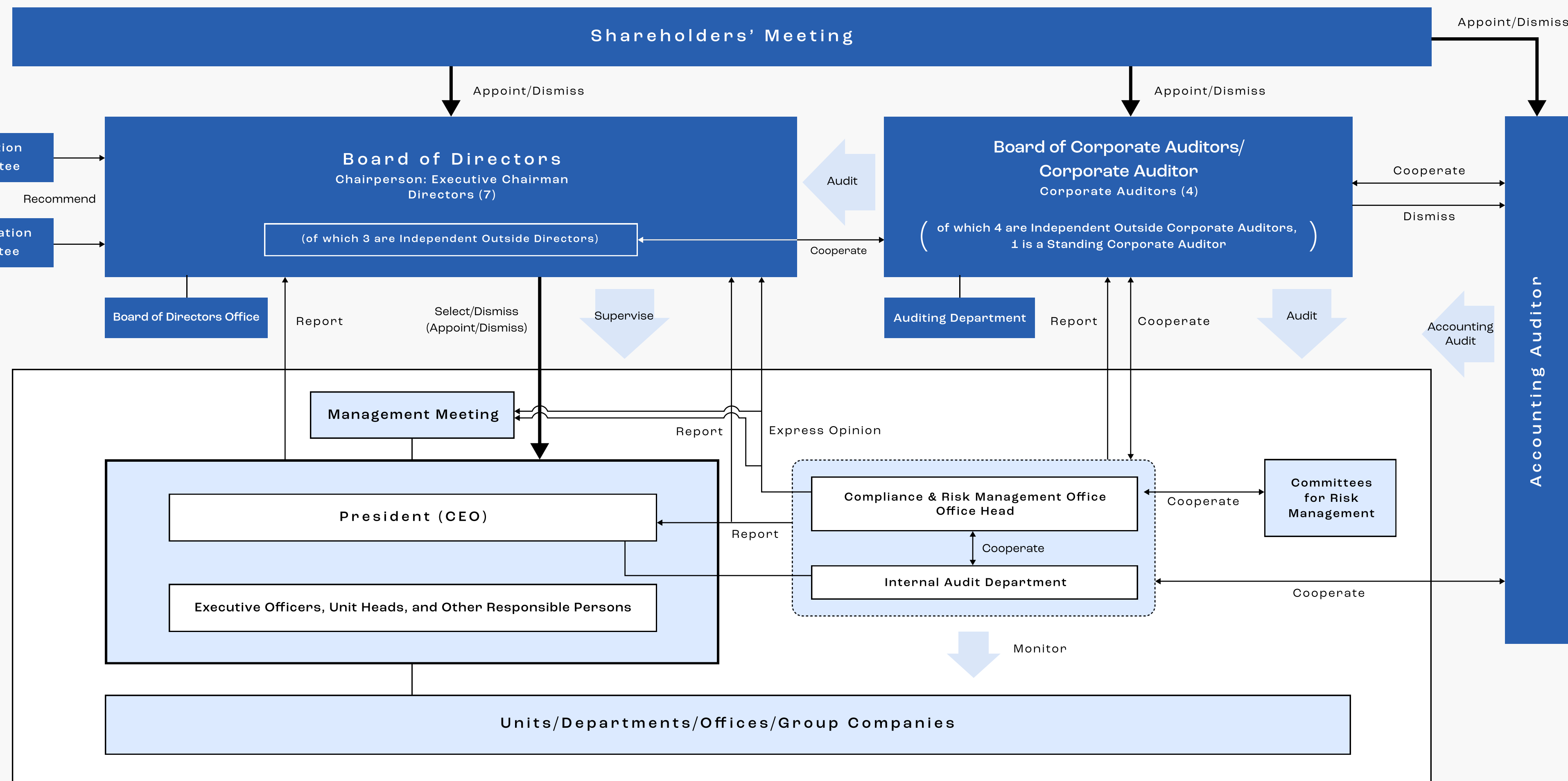
The outside directors fulfill their roles as members of the Nomination Committee and Compensation Committee, both advisory bodies for the Board of Directors, and in so doing function to supervise business execution.

Board of Directors

The Board of Directors is composed of seven directors, three of whom are independent directors. In addition to regular monthly Board meetings, the Board convenes extraordinary meetings when necessary. The Board of Directors makes important management decisions and performs an oversight function for overall business execution under the executive officer system, which is centered on the President & CEO.

The Chairperson for the Board Meetings will be selected at the meeting of the Board of Directors every fiscal year, and will be the director in the Board of Directors most appropriate to serve an oversight function. The Chairperson for the Board Meetings will officiate the approval and denial of agenda items and the setting of the agenda, including deliberation and resolution items for the Board of Directors, and reports on business execution.

The term for directors is one year. The Board of Directors has delegated decision-making authority on specific business execution issues to executive officers, unit heads, and other responsible persons. By doing so, DeNA aims to enhance oversight of business execution, as well as place greater focus on management strategy, etc. discussions from a mid to long-term perspective as well as a big picture perspective. Also, DeNA analyses and evaluates the effectiveness of the Board of Directors as a whole, engages in discussion to further enhance the effectiveness of the Board of Directors, and engages in other initiatives to strengthen the functions of the Board of Directors. DeNA has established the Board of Directors Office as a department to support the operations of the Board of Directors.



CORPORATE GOVERNANCE

Advisory Committees

DeNA has established a Nomination Committee and a Compensation Committee, which are voluntary advisory bodies for the Board of Directors. This is in order to ensure transparency and objectivity, including the appropriate participation of and advice from outside directors, in matters regarding personnel selection and compensation, which are key factors for the Board of Directors to fulfill its oversight function.

Both committees are made up of a majority of independent outside directors, who fulfill the Tokyo Stock Exchange requirements for independent outside directors in addition to the standard separately established by DeNA. The chairman is also chosen from among the independent outside directors, to enhance independence and objectivity. An executive director also serves as a committee member so that the business execution viewpoint is considered for substantive discussion on personnel selection and compensation.

Compensation Committee

The Compensation Committee is providing recommendations regarding initial proposals for the compensation structure for directors and individual allocation, as well as the compensation structure, incentive plans, and evaluation criteria for executive officers, and the Board of Directors duly considers the recommendations before making resolutions regarding compensation. The Compensation Committee met six (6) times in fiscal year 2021, and all four then-committee members attended 100% of meetings.

Nomination Committee

The Nomination Committee is providing recommendations regarding the initial proposals and basic approach to nomination policy for directors, corporate auditors, and executive officers, and providing recommendations on advice regarding initial proposals for the succession plan and the approach for training management and executive officer candidates. For these recommendations on proposals related to nomination and dismissal, etc. the independent outside director committee members meet with candidates to select an individual with an excellent diversity of insight and who has the skills required to realize the Group mission, vision, and value, regardless of individual candidate characteristics such as gender or age, etc., and the Board of Directors duly consider the recommendations before making resolutions regarding nomination. The Nomination Committee met seven (7) times in fiscal year 2021.

Delegation of Authority

DeNA is proceeding with delegating authority to executive officers, unit heads, and other responsible persons in order to clarify roles and responsibilities for oversight and execution, and with the aim to enhance the oversight function of the Board of Directors while also improving the efficiency of business execution. Each responsible person is responsible for business execution related to proposing and carrying out strategy and plans for each business or functional area. The representative directors shall be responsible for and oversee the business execution by these responsible persons.

CORPORATE GOVERNANCE

Management Meeting

The management meeting in principle is held weekly and is made up of the executive directors who were selected as executive officers, and managing executive officers. The management meeting's chairman is a constituent member determined beforehand in the management meeting, and the management meeting makes decisions regarding important business execution matters. Also, in order to ensure consistency in execution approach, and improve efficiency, reports and deliberations about each area shall be conducted by the respective responsible person. Further, resolutions of the management meeting are approved by a majority vote of the constituent members present (at least one for vote must be from a constituent member who is not a representative director), in order to better ensure the effectiveness of governance for decision-making in important business execution matters.

Internal Audit

The internal audit department conducts internal audit of DeNA. Based on DeNA's rules for internal audit and an internal audit plan approved by the Board of Directors, the internal audit department conducts audits of each relevant department or division (including material subsidiaries of DeNA). The internal audit department only reports directly on the results of each audit to DeNA's representative directors, the Board of Directors, and the Board of Corporate Auditors. The department/division subject to such audit also receives notice of the results of such audit and thereafter, the internal audit department follows up on improvements made based on recommendations from such audit.

Corporate Auditors / Board of Corporate Auditors

DeNA has four (4) corporate auditors, all of whom are independent outside corporate auditors. The standing corporate auditor was selected from among the independent outside corporate auditors. Two of the outside corporate auditors have extensive experience in finance and accounting at a business corporation, one worked on audit operations among others primarily for financial institutions for many years, and the last has many years of experience working in finance and accounting in a financial institution, and each has considerable expertise in finance and accounting.

Each corporate auditor attends meetings of the Board of Directors and the management meetings, interviews officers and employees, reviews materials relating to important decisions and authorizations and broadly monitors the management of DeNA in general. Each corporate auditor conducts appropriate monitoring of management from an independent standpoint while also sharing information with the other corporate auditors at meetings of the Board of Corporate Auditors, and strives to perform his/her audit duties efficiently and with a high degree of effectiveness. DeNA has established the Corporate Auditors Office as a department to support the duties of the corporate auditors.

Accounting Auditor

DeNA has engaged Ernst & Young ShinNihon LLC as its accounting auditor. Further, the certified public accountants who conduct DeNA's audit are changed regularly in compliance with the Certified Public Accountants Act.

Board of Directors Meeting Composition Approach

In DeNA's view, members of the Board of Directors and Board of Corporate Auditors, who fulfill important corporate management functions, must at a minimum have the ability to achieve and encourage the following.

- Sustained enhancement of corporate value
- Ensuring management transparency and fairness
- Establishing and maintaining a compliance structure

“We delight people beyond their wildest dreams” is the DeNA mission. We have technology, *monozukuri*, organization, personnel, and the home base (base for initiatives in the real space, specifically Yokohama and Kanagawa) as strengths, including a focus on them in our vision and value, and we endeavor to entertain and to serve. DeNA aims to bring Delight across country borders, from the virtual world to the real world, especially Yokohama and Kanagawa, and contribute to creating a world where everyone is able to shine.

For DeNA to achieve our mission, the Board of Directors must fulfill important functions and roles in the following areas.

Important functions and roles for the Board of Directors

- Leadership for growth in the mid to long term
- Checks and monitoring of whether management decision-making and business execution are being done appropriately
- Personnel selection for representative directors

To realize the above mission and to ensure the function and effectiveness of the role of the Board of Directors meetings, DeNA has defined the following important skills for directors.

- Ability to spark discussion with the right questions in the Board of Directors meeting rather than encouraging discussion solely based on personal experience or strengths
- Good sense of balance, flexibility to input (Ex: opinions of others and new information)
- Ability to see big picture dynamism in the global market and discuss the investment/business portfolio with a big picture view
- Ability to direct organization transformation to draw out the abilities of officers and employees to the maximum

DeNA considers the above elements and skills as necessary conditions when nominating director candidates. In addition, we consider skills other than the above valuable to realize our mission, vision, and value, as well as the business strategy, as described below.

Other skills include the following, and each skill is an important element that has been extracted from the DeNA mission, vision, and value.

- DeNA Group management experience
- Management experience outside the DeNA Group
- Insight into entertain domain
- insight into serve/public works domain
- Organization & personnel training experience

Other skills include the above, and each skill is an important element that has been extracted from the DeNA mission, vision, and value.

In addition, the DeNA approach is to select director candidates who have superior diverse insight, regardless of characteristics such as gender or age, and ensure a well-balanced Board of Directors meeting composition.

The composition approach for the Board of Directors aside from the director elements and skills are as follows.

- In order to ensure transparency and fairness, the Board must include Outside Directors with a high level of independence; and
- In order to allow for active discussion and prompt decision-making, the Board must have an appropriate number of members.

DeNA Director Skills

	Required Skills	Other				
	● Ability to draw out discussion with right questions ● Sense of balance and input flexibility ● Big picture view of global markets ● Ability to guide organizational transformation to enable people to succeed	DeNA Group Management Experience	Management Experience Outside the DeNA Group	Insight into Entertain Domain	Insight into Serve / Public Works Domain	Organization & Personnel Training Experience
Tomoko Namba Representative Director & Executive Chairman	◎	○		○		○
Shingo Okamura Representative Director, President & CEO	◎	○			○	○
Jun Oi Director	◎	○			○	
Keigo Watanabe Director	◎	○		○		
Koji Funatsu Outside Director	◎		○	○		○
Hiroyasu Asami Outside Director	◎		○	○	○	○
Haruo Miyagi Outside Director	◎		○		○	○

Key:
◎: Most important skills, universally required for DeNA directors
○: Skills that are not universally required, but particular strengths of individual directors that are valuable to realize the DeNA mission, vision, and value, as well as the business strategy

Evaluation of the Board’s Effectiveness

DeNA has a policy of analyzing and evaluating the Board’s effectiveness as a whole (hereinafter referred to as “Effectiveness Analysis”) at least once per year. DeNA performed the Effectiveness Analysis from October to December 2021, and the summary of the results are as follows.

Key Points for Analysis and Evaluation

During the Board meeting held on October 27, 2021, the previous Effectiveness Analysis (from October to December 2020) was reflected on, and after deliberation the following key points were confirmed.

- Whether the Board meeting was fulfilling the above roles and functions (page 63)
- Whether the operation of the Board meeting was appropriate
- Whether there was improvement on previously identified improvement points

Implementation Method

- | | |
|-------------------------|--|
| ● Director in charge | Chairperson for the Board Meetings |
| ● Office in charge | Board of Directors Office |
| ● Participants | all the directors and corporate auditors
(the opinion of outside legal counsel and Board of Directors Office was also considered) |
| ● Implementation method | DeNA provided a questionnaire, and based on those responses, the Chairperson for the Board Meetings held individual meetings with outside directors and others as requested. Afterwards discussions were held at the Board meeting and the future approach was put together. |

Questionnaire questions

1. Whether the Board (and the Nomination Committee and Compensation Committee) were fulfilling their role and function
2. Whether the operations of the Board meeting was appropriate
3. Other free response

Results of Effectiveness Evaluation Conducted in 2021

Main Evaluation Opinions

Regarding the Board meetings

- The frequency and breadth of discussion on the mission, vision, and value, and matters other than numbers, have increased
- Sufficient time is secured for discussion
- Progress is being made in information sharing, such as for offsite meeting content and concerning risk
- Provision of information for resolutions matters is appropriate. Progress is being made in making management meeting discussion content more visible
- The checking and monitoring function for decision-making and business execution status is being fulfilled appropriately
- The Board meeting structure has changed and the relationship between business execution and monitoring has become clearer. The two are also being balanced
- Open, frank, and constructive discussions are being held, and the quality, frequency, and depth are appropriate
- Progress is being made in other operations improvements

Regarding matters other than the Board meetings

- The free discussions and offsite meetings are effective
- The Nomination Committee and Compensation Committee are serving to ensure the objectivity and rationality of nomination and compensation
- The meeting between the outside directors and corporate auditors is meaningful for sharing information on compliance and risk management

Main Opinions on Scope for Further Improvement and Approach

Opinion :

Further discussions on leading mid to long-term growth.

- Secure time for this objective (For example, delineate clear time during the Board meeting, make more use of free discussion, increase the frequency of offsite meetings, etc.)

Opinion :

While there are full deliberations at the Board meetings, too much time may be being spent on detailed discussions

- Check whether the state of deliberations is appropriate, and also take into account the positive opinions on the current deliberations from multiple directors and consider external viewpoints, such as from shareholders, etc., to continue full deliberations. Meanwhile, continue to strengthen visibility for the Board meetings into discussion content from the management meeting where executive directors and executive officers have discussions

Opinion :

Consider whether the external view on the CEO succession plan should be prioritized

- The Nomination Committee will consider the approach

Officer Compensation

Method for Determining the Policy for Determining Compensation Content for Individual Officers

The representative directors create a proposal for the director compensation structure and incentive plans (including the policy for determining the content of compensation for individual directors), and submit such proposal to the Compensation Committee, a voluntary advisory committee established by the Board of Directors. The Compensation Committee deliberates and provides a recommendation to the Board of Directors. The Board of Directors considers the Compensation Committee's opinion on said proposal and determines the compensation structure and incentive plans (including the policy for determining the content of compensation for individual directors).

The policy for determining the content of compensation for corporate auditors is determined by discussion of the corporate auditors.

Summary of Policy for Determining Content of Compensation for Individual Officers

The compensation of directors consists of cash compensation and compensation in the form of stock options, and the compensation of corporate auditors consists of only cash compensation.

Total Amount of Officer Compensation, etc. for FY2021

Category	Compensation, etc. total (millions of yen)	Compensation, etc. total (millions of yen)			Recipients
		Fixed portion (cash compensation)	Performance-linked portion		
			Cash compensation	Stock options	
Directors (of that, outside directors)	302 (38)	228 (38)	37 (-)	37 (-)	8 people (3 people)
Corporate auditors (of that, outside corporate auditors)	39 (33)	39 (33)	-	-	4 people (3 people)
Total	342	268	37	37	12 people

*From the perspective of continuously enhancing the corporate value of the DeNA Group and performing a multifaceted evaluation of our business and organizational status, etc., using specified management indicators for the fiscal year, we set the targets for performance-linked compensation indicators as the percentage of achievement of operating indicators, which were determined by comprehensively considering consolidated revenue, consolidated operating profit, important KPIs in the DeNA Group's business, and qualitative evaluation of priority initiatives.

Cash compensation

Cash compensation for directors other than outside directors includes a fixed portion and a variable portion based on DeNA's performance in the previous fiscal year. Cash compensation for outside directors and corporate auditors consists of a fixed portion only.

The upper limit on cash compensation for directors was set at the 15th Ordinary General Meeting of Shareholders held on June 22, 2013, and the 19th Ordinary General Meeting of Shareholders held on June 24, 2017. For the fixed portion, the upper limit was set at 320 million yen per year (of which the amount allocable to outside directors was set at 60 million yen per year), while the limit for the performance-linked portion was set at an amount equal to 1.0% of the amount of the Company's profit for the year attributable to owners of the parent as set forth in the consolidated income statement for the previous fiscal year. Such amount may not exceed 1.0% of such profit when such performance-linked portion is added to the compensation derived from stock options (for the year).

Outside directors are not eligible for performance-linked compensation due to the nature of their duties and services. Cash compensation for corporate auditors was set at the Extraordinary General Meeting of Shareholders held on September 28, 2004, and may not exceed 60 million yen per year.

Stock option incentive system

The stock option incentive system ensures that directors share with DeNA's shareholders the benefits of rising stock prices as well as the risks of falling stock prices, giving the directors an incentive to contribute to the overall performance of DeNA and increase our corporate value. This system also helps to raise the directors' awareness of shareholder-oriented management.

The upper limit on stock option compensation for directors, which is separate from cash compensation, was approved by the resolution of the 15th Ordinary General Meeting of Shareholders held on June 22, 2013. For directors other than outside directors, this was set at an amount equal to 1.0% of the amount of DeNA's profit for the year attributable to owners of the parent as set forth in the consolidated income statement for the previous fiscal year. However, such amount may not exceed 1.0% of such profit when added to the cash compensation (for the year) for such directors. In addition, the upper limit for the number of stock acquisition rights to be issued as stock options per year was set at 160,000 units. For outside directors, in consideration of the nature of their duties and services, the amount of stock option compensation is limited to 20 million yen per year and the upper limit for stock acquisition rights to be issued as stock options per year was set at 15,000 units.

Procedures for determining individual compensation allocations

The representative directors create a proposal for individual allocation of director compensation (subject to the limitations described above), and submit such proposal to the Compensation Committee, a voluntary advisory committee established by the Company. The Board of Directors considers the Compensation Committee's opinion on said proposal and determines the individual allocation of director compensation.

The individual allocation of corporate auditor compensation is determined by discussion of the corporate auditors.

Method for determining individual director compensation

The current method for determining individual director compensation is as follows.

Basic approach (compensation structure)	● Director compensation, etc. is composed of a fixed portion and a variable portion based on DeNA's performance in the previous fiscal year (performance-linked compensation), and both types of compensation are provided as cash compensation or stock option compensation. ● Of the director compensation, etc., the fixed portion shall be only provided as cash compensation. ● Due to the nature of their duties and services, the outside directors' compensation, etc. shall only be a fixed portion.
Method for determining individual compensation allocations for fixed compensation, etc. (includes method for determining the timing to give compensation and the conditions, etc.)	● The fixed portion of the cash compensation shall be a monthly fixed amount, and this monthly compensation amount shall be determined for the representative directors, other executive directors, and outside directors respectively with consideration for the nature of their responsibilities, duties, and services, and taking into account the standards of other companies. However, there may be instances where compensation that is not based on the above classification is paid after considering the actual state of their responsibilities, duties, and services. ● The payment date shall be in compliance with the rules related to officer compensation, etc.
Method for determining the calculation method for the details, amount, or number of the performance-linked compensation, etc. and non-monetary compensation, etc. (includes method for determining the timing to give compensation and the conditions, etc.)	● In order to evaluate the role and performance of each director in their duties from multiple perspectives, the key indices and key initiatives, etc. for the performance-linked portion of cash compensation and stock option compensation for directors other than outside directors shall be set for each fiscal year based on the evaluation of indices, quantitative standards, and qualitative items set in accordance with the business plan, etc. ● The performance-linked portion of the cash compensation shall be calculated based on the evaluation of the indices, quantitative standards, and qualitative items, and paid as a bonus every year at a certain time. ● The stock option compensation for the performance-linked portion shall be the standard amount calculated based on the evaluation of the indices, quantitative standards, and qualitative items, and an equivalent amount of new stock acquisition rights shall be allocated every year at a certain time.
Method for determining the fixed compensation amount and performance-linked compensation, etc. or the ratio of the individual director compensation, etc. of the non-monetary compensation, etc. amount	● The ratio of each type of director compensation, etc. for directors other than outside directors shall be such that the standard amount for the performance-linked compensation (the amount of performance-linked compensation in the case of a standard evaluation of results related to performance-linked compensation) shall not exceed 1/2 of the expected total compensation (the total amount of compensation, etc. in the case of a standard evaluation of results related to performance-linked compensation). The ratio of performance-linked compensation for the representative directors shall be set higher than for the other directors. Depending on the degree of achievement of results related to performance-linked compensation, the monetary amount of the performance-linked compensation may exceed the monetary amount of fixed compensation. ● As a rule, the aim for the ratio of the cash compensation to stock option compensation in the performance-linked compensation, which is for the directors other than the outside directors, shall be 1:1. ● The outside directors' compensation, etc. shall only be fixed compensation in cash.
Method for determining the details of the individual director compensation, etc.	● The representative directors shall create a draft method and proposal for the individual allocation for director compensation (including draft indices, quantitative standards, and qualitative items related to the performance-linked portion that should be set for each fiscal year), and submit it to the Compensation Committee, a voluntary advisory committee to the Board meeting. The Compensation Committee shall deliberate on the method and individual allocation proposal and make a recommendation to the Board meeting. The Board meeting shall make a determination on the method for individual allocation and actual individual allocation of compensation for directors for the fiscal year. Making changes to the already determined method for individual allocation and the actual individual allocation of director compensation shall undergo the same process. ● The details of officer compensation shall be determined by the date three months after the beginning of the period, in accordance with the rules related to officer compensation, etc.

Shareholdings for Policy Purposes

DeNA's internal rules require Board of Directors approval or report to the Board in the event DeNA acquires shares or other equity interests in another company in excess of a specified amount or voting percentage. In addition, when DeNA considers investing in the share or other equity interests of another company for policy purposes, it considers the factors below. If such shareholdings are not determined to be meaningful, DeNA will not invest.

- whether the investment will lead to an increase in DeNA's corporate value over the mid to long term
- whether the investment would adversely affect the financial health of DeNA
- whether the amount of the investment and its shareholding percentage exceed a level that is reasonably necessary

In the case of any such investment, the Board of Directors reviews the appropriateness of the investment objective and the benefits & risks versus the capital costs, among other measures, for such investment at least annually. If said review finds that the investment is not justified, DeNA considers reducing it. The Board of Directors has confirmed the appropriateness of each investment individually after such review. With respect to exercising voting rights arising from such investment, DeNA's internal rules require approval of the corporate departments and comprehensive review (in light of the above factors) of the business and financial condition of the investment target from the standpoint of increasing DeNA's corporate value over the mid to long term.

Risk Management

Basic Approach

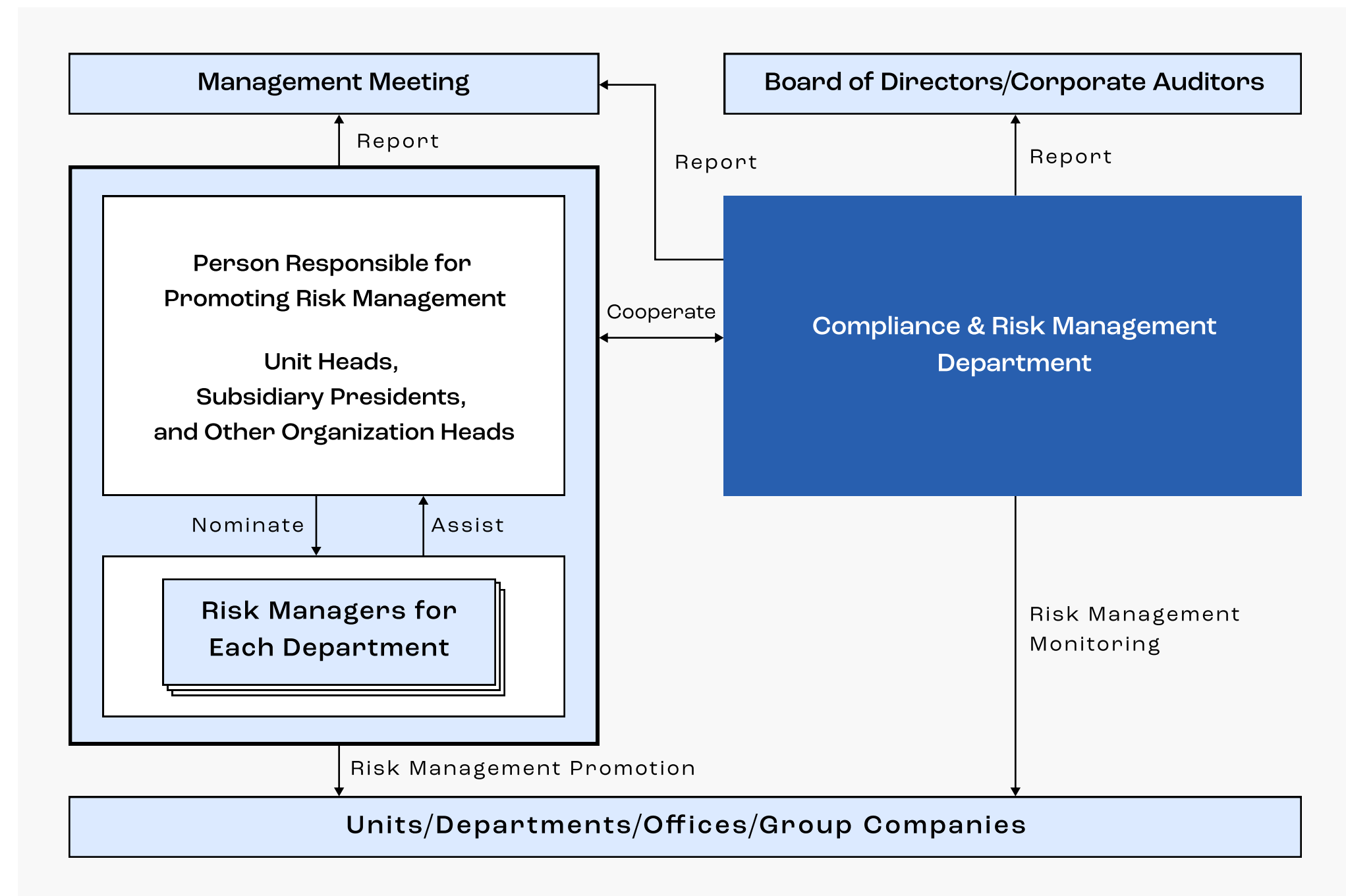
In the midst of a dramatically changing social environment, in order for a company to grow and develop, it is important to correctly identify risks and implement appropriate controls to avoid or reduce negative consequences that may occur in the future, as well as to invest for growth. The DeNA Board of Directors has established a basic policy for internal control systems and we have developed a risk management system based on this policy. We have established and are operating a risk management flow in order to promote risk management led by our on-the-ground teams. To prepare for emergencies, we have established a crisis management system and business continuity plan, and as part of our compliance activities, we formulate and disseminate rules and guidelines, and conduct ongoing training.

Risk Management Structure & Flow (Japanese only)

We have established a Compliance and Risk Management Department. This department oversees the company-wide risk management flow (a series of flows related to risk identification, management, and monitoring) and supports the risk management of each department. This department also works with the corporate planning department, internal audit department, and various risk management-related committees to comprehensively identify the DeNA Group's business and management risks, analyze and evaluate risks, compile measures, and centrally manage and monitor risk information on an ongoing basis.

The status of risk management and monitoring shall be reported regularly to the Board of Directors, corporate auditors and the management meeting. In each department, the department head, president of a subsidiary, or other head of the organization shall be responsible for promoting risk management, and shall analyze, evaluate, and manage the business and operational risks for which they are responsible on an organizational basis.

Diagram of Risk Management Structure Led By On-The-Ground Teams



Risk Management & Flow



Crisis Management

A crisis management system is in place to ensure prompt and accurate reporting, communication, and response in the event of unforeseen events. Each crisis is classified into levels according to the impact of damage on business operations and management, and escalation flows and crisis management teams are established according to the level of the crisis to respond to it. In addition, as an after-the-fact response, we review the crisis, take steps to prevent recurrence, and reflect them in our risk management activities during normal times.

Business Continuity Planning

We have formulated a Business Continuity Plan (BCP) to maintain or quickly restore our business as much as possible in the event of a natural disaster such as a large-scale earthquake, the spread of infectious diseases, or terrorism.

The Compliance and Risk Management Department, in cooperation with each organization, is reviewing the business continuity plan and adding a new business continuity plan for infectious diseases to establish a response flow in the event of an unforeseen event.

In the COVID-19 pandemic that broke out in 2020, various guidelines were established for employment, travel, etc. according to the infection spread situation, and as a result, we have maintained stable business operations.

Compliance (Japanese only) ㊦

The DeNA Group is deeply aware of our corporate social responsibility, and we have established the Group Code of Conduct to ensure compliance with laws and regulations and conformity with social ethics in our daily work. The Code of Conduct stipulates matters that all officers and employees must comply with. The Compliance and Risk Management Department, in cooperation with the legal department, identifies compliance-related issues and formulates and implements various regulations, guidelines, manuals, and other rules to ensure more effective management and operation. In addition, to further improve compliance knowledge and prevent compliance violations, DeNA conducts educational activities such as distribution of a compliance handbook and monthly compliance training sessions.

More information about business etc., risks may be found in the Securities Report (Japanese only).

<https://dena.com/jp/ir/library/report.html>

Information Security / Privacy Management

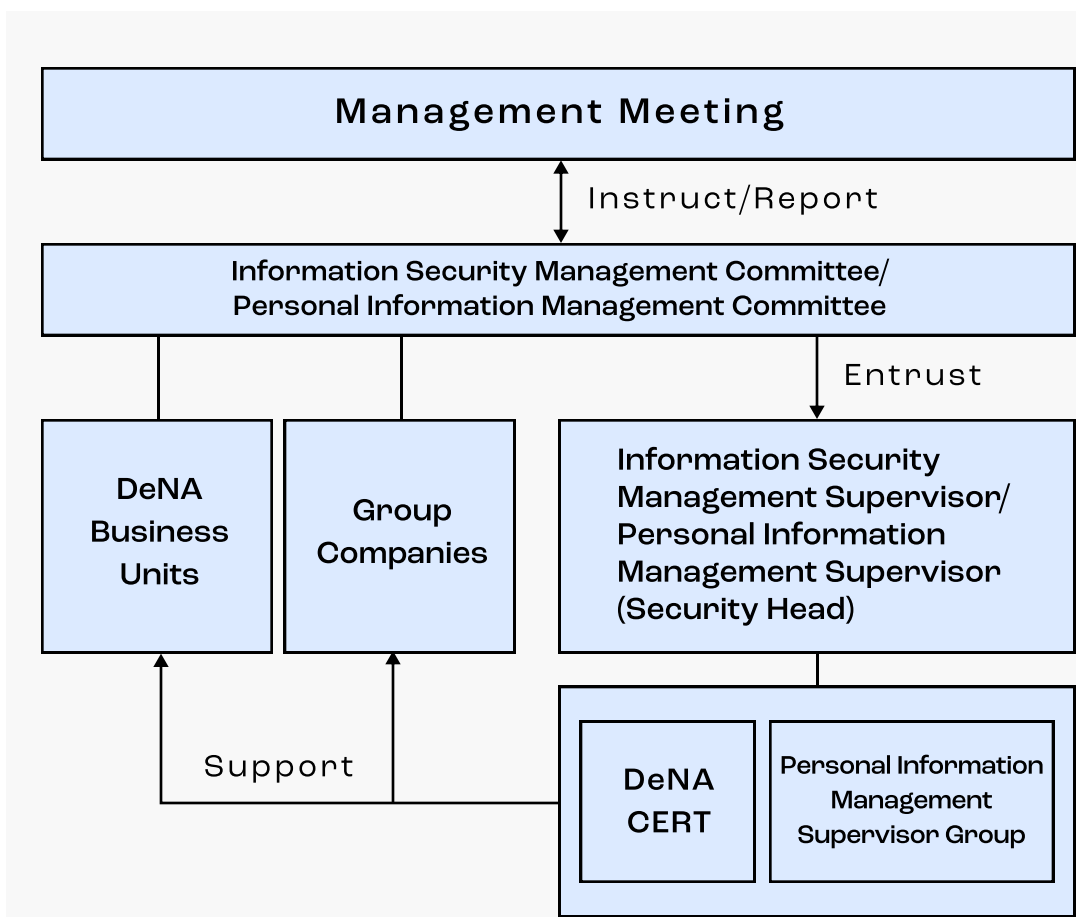
Basic Approach

DeNA provides a variety of services using the internet and AI to delight people beyond their wildest dreams. However, by their nature these services face the threat of cyberattack and privacy violation. For this reason, at DeNA our basic approach for information security is to protect customer information appropriately and ensure the security of the services we provide and our internal systems, and in that way provide safe and secure services.

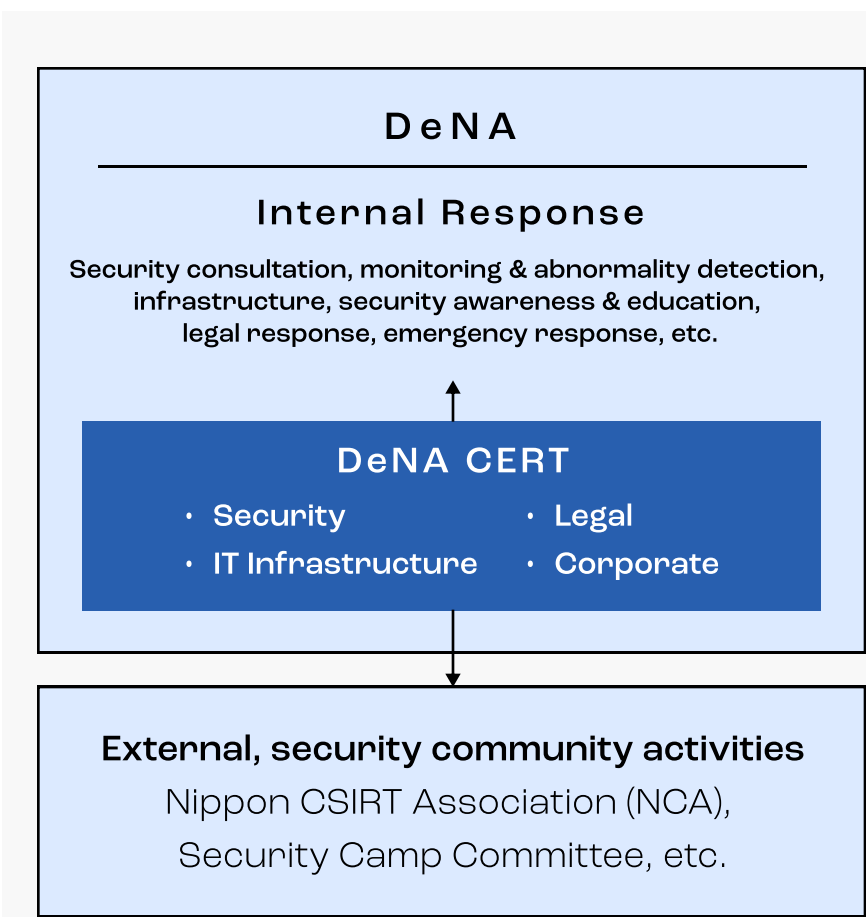
Information Security and Privacy Governance Structure (Japanese only) ㊦

At DeNA we have a personal information management committee and an information security management committee, both with the Representative Director & President as head, and have established and operate a personal information and information security management structure that covers the entire DeNA Group. Matters discussed at the personal information management committee / information security management committee are regularly reported to the management meeting, and matters important to management are discussed at the management meeting, with highly important matters being reported to the Board of Directors. The DeNA Group information security management structure is also inspected by the security department and its effectiveness is audited by the internal audit department.

Information Security Structure



Role of DeNA CERT



Security Response Team DeNA CERT*

DeNA CERT is a cross-departmental security response team centered on the security department. In ordinary times DeNA CERT supports the security side for business departments and focuses on providing safe and secure services. However, in the event of a suspected incident, the cross-departmental team members utilize their expert knowledge and respond rapidly to first and foremost protect customers.

*CERT: Computer Emergency Response Team

Group Information Security Policy

We have established the DeNA Group Information Security Policy to make our basic approach a reality. We also have the Group Information Management Standard, stipulating appropriate handling of information assets, and the Group Information System Standard, stipulating security measures to incorporate into service development and operations, and these standards apply to all DeNA Group companies.

Privacy Protection ㊦

The DeNA Group respects our customers' rights to privacy. We acquire personal information from customers in various services, and we always share the usage purpose in advance before using such customer personal information. For this purpose we have established the Group Personal Information Management Guidelines, and we endeavor to handle personal information appropriately, including acquiring the minimum amount of information necessary, optimizing our access permissions, and deleting information after the usage purpose has been achieved.

Education & Training

To ensure that our workers all abide by and give due consideration to the rules for personal information and security, we conduct education and training appropriate to an individual's role when they begin work, annually, when they take up a management position, during a period of change in the internal or external environment, and at other appropriate timings.

Security Measures

The DeNA Group has introduced security measures based on attack scenarios. We reduce risk by implementing multi-layered measures, including controlling transmissions not required for business, monitoring and analyzing transmissions, responding to vulnerabilities,* secure coding, and encryption of data item by item. Vulnerability diagnosis of smartphone apps, hacking countermeasures, and automatic auditing of cloud settings are particularly important to us as a company that provides services over the internet, so we have developed our own countermeasure tools and implemented measures tailored to the DeNA Group.

*Vulnerability: A software security flaw caused by a program defect or design flaw.

Sustainability Management | Environment

Approach to Climate Change

Basic Approach

The DeNA Group has our mission, vision, and value as the basic approach for DeNA sustainability initiatives.

DeNA's mission is "We delight people beyond their wildest dreams." DeNA collaborates with various stakeholders as appropriate with the aim to deliver Delight to a variety of areas and contribute to creating a world where all people can shine.

The DeNA Promise (Our Social Promise), part of the value, includes "Acting Sustainably." As a global citizen, DeNA will contribute to a sustainable future by promoting corporate activities that emphasize harmony among the economy, society, and the environment.

Among social issues, DeNA believes that climate change has a particularly large impact on society, and as a corporate group that upholds the above mission, vision, and value, DeNA recognizes the importance of addressing climate change. With this in mind, DeNA announced our support of the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) in June 2022 and provides information disclosure based on TCFD recommendations.

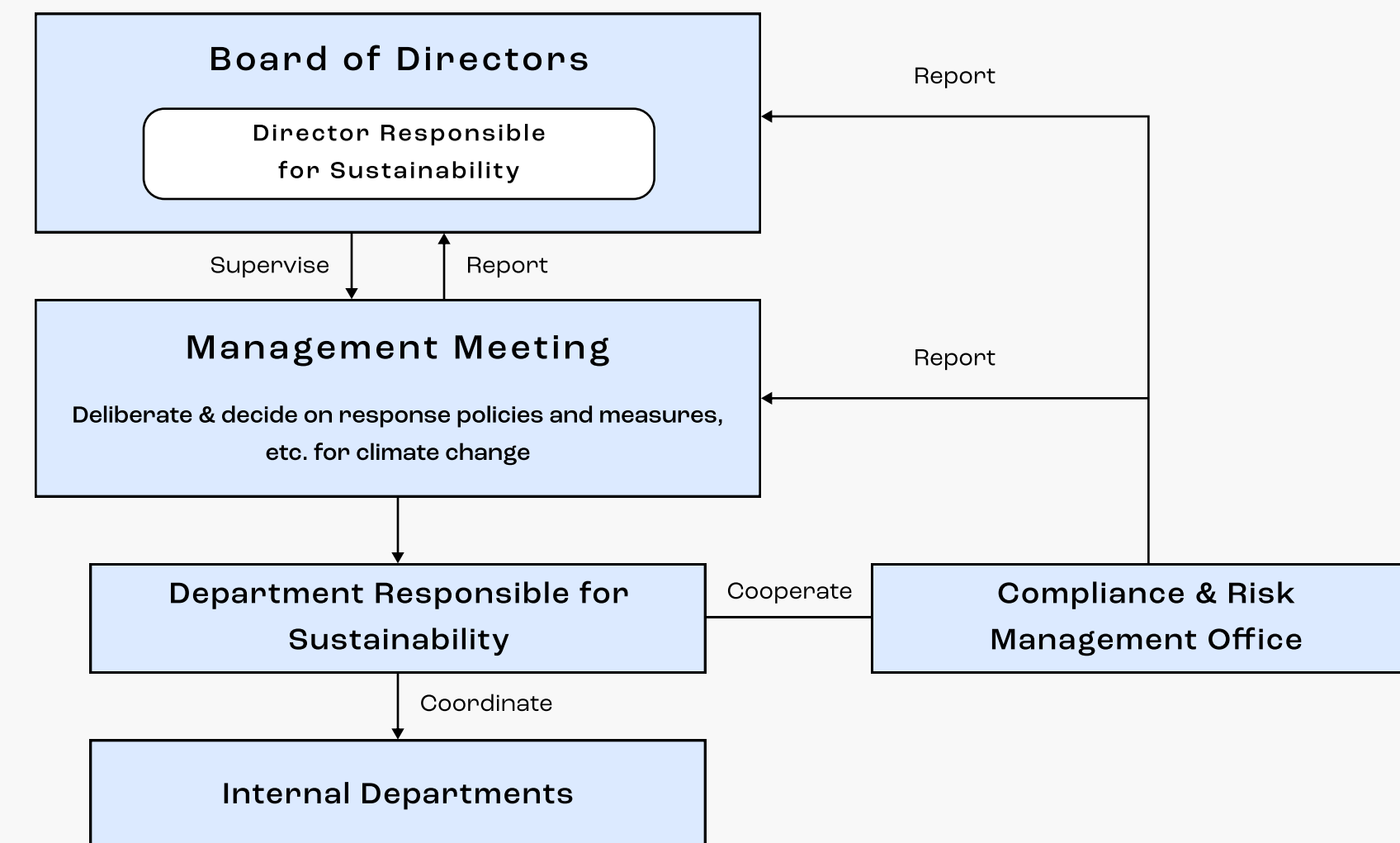


Governance

The DeNA Board of Directors oversees DeNA's climate change response policies and measures, etc., based on DeNA's basic policy on efforts surrounding sustainability and recognition of the risks and opportunities of climate change.

The DeNA management meeting deliberates and decides on policies and measures to address climate change, and reports regularly to the Board of Directors on the progress of these measures and other matters.

The department responsible for sustainability, centered on the CFO, who is the director responsible for sustainability, coordinates the response policies and measures, etc. decided at the management meeting and each internal department takes the initiative in promoting said response policies and measures, etc.



Strategy

The DeNA Group currently recognizes the following risks, measures, and opportunities posed by climate change, taking into account the characteristics of the Group's business.

In considering risks, measures, and opportunities, we have divided them into two scenarios: the below 2°C scenario in which the transition to a decarbonized society is promoted and the average temperature increase is limited to less than 2°C (assume mainly transition risks* will materialize), and the 4°C scenario in which the transition to a decarbonized society is not promoted and the average temperature increases 4°C (assume physical risks will materialize).

*Transition risks: Risks associated with the transition to a low-carbon economy (policy and law (e.g., tightened regulation), technology (e.g., costs of introducing new technology), markets (e.g., consumer preferences), reputation)

Risk Management

For risks related to climate change, the department responsible for sustainability coordinates with the Compliance & Risk Management Office, which oversees the company-wide risk management process, to promote recognition of individual risks and formulate response policies by each internal department.

Such risks are reported to the Board of Directors and the management meeting on a regular basis in accordance with the company-wide risk management process.

Indices and Targets

DeNA has calculated the greenhouse gas emissions on a non-consolidated basis as an indicator for managing climate-related risks and opportunities for the DeNA Group.

DeNA's actual greenhouse gas emissions are as follows.

Greenhouse Gas Emissions (Coverage: DeNA non-consolidated, unit: t-CO2)

	FY2019	FY2020	FY2021
Scope 1	39	19	13
Scope 2	1,138	514	453

*Scope 1: All direct greenhouse gas emissions
Scope 2: Indirect greenhouse gas emissions from purchased electricity, heating, or steam consumption

In the future, DeNA will also explore the possibility of calculating the Group's Scope 1, 2, and 3 greenhouse gas emissions.

	Risk (Negative Effect)	Measures	Opportunity (Positive Effect)
Below 2°c scenario	- Increased costs from conversion to renewable energy (including introduction of carbon tax and regulations) - Loss of reputation and market recognition among stakeholders due to lack of action on climate change - Loss of reputation and deterioration of business profitability in the event that DeNA is unable to respond to changes in behavior and values from heightened environmental awareness	- Promotion of energy conservation and efficient use of renewable energy - Prompt compliance with regulations - Development of a system for decarbonization that meets the needs of stakeholders and customers	- Development of new businesses and services that respond to changes in behavior and values due to heightened environmental awareness - Capturing of new business opportunities by leveraging strengths and assets, such as technology and human resources, to contribute to sustainable community development (machizukuri) - Enhancement of corporate brand image and reputation through realization of the above measures
4°c scenario	- Physical and human damage to DeNA offices, entertainment facilities, data centers, etc., and supply chain disruptions due to the severity and frequency of disasters - Increased costs to cope with rising temperatures - Decline in profitability of business (sports entertainment, etc.) due to changes in consumer trends (refraining from going out) and regulations caused by rising temperatures, infectious disease outbreaks, etc.	- Strengthening of business continuity plan (BCP) (including promotion of work from home and use of shared office spaces) - Diversification of risk of damage to facilities by moving data centers to the cloud - Promotion of businesses that make better use of online and digital technologies	- Expansion of business in response to increasing demand for businesses that can be enjoyed and used from home - Diversification of earnings and improvement of profitability by promoting businesses that make greater use of online and digital technologies - Enhancement of corporate brand image and reputation through the realization of the above measures

Sustainability Management | Social

Co-Existence with Consumers and Regional Society

Training Human Resources to Use IT

Through programming education, internet awareness activities, and other content tailored to the growth process, DeNA supports the development of human resources who understand the convenience and challenges of IT and can actively utilize it.

For example, we have been providing programming education for elementary school students since 2014. For classes, we support children's learning using Programming Zemi, a free programming learning app that we developed with input from the impressions of the children who use it and the teachers who work with it on the ground. Since 2016, we have been holding DeNA TechCon, a technology conference for students and working adults, with the aim of contributing to the improvement of technology in society by disseminating the knowledge our engineers have gained through their work. 2021 saw four sessions held online under the theme of Modulation.

In addition, four Shibuya-based technology companies, DeNA, CyberAgent, GMO Internet, and mixi, launched the BIT VALLEY project in July 2018 with the hope of accelerating technology innovation in Japan. Through conferences and other activities, the companies are working on measures to develop IT human resources and raise the skills of those involved in IT *monozukuri*.



Realization of the SDGs Future City Yokohama Conclusion of Partnership Agreement on Sustainable *Machizukuri*

In the smart city area, we are promoting the "Delightful City" concept with the mission of creating a new urban space that will continue to develop sustainably and improve people's quality of life by providing more convenient daily lives and exciting extraordinary experiences, centering on sports. We believe that in future *machizukuri*, it is important not only to create prosperity, but also to consider issues such as energy consumption and waste disposal that occur behind the scenes of prosperity, and we have paid attention on collaboration with government and business organizations to develop a framework to support prosperity. Therefore, in April 2022, we concluded a partnership agreement with the City of Yokohama, which was selected as an "SDGs Future City" in 2018 and is further accelerating its efforts to achieve the SDGs and realize a decarbonized society, on sustainable urban development to realize the SDGs Future City Yokohama. The two parties signed the "I☆YOKOHAMA Agreement" in March 2017, and have been collaborating on sports promotion and local economic revitalization. By signing a new agreement on sustainable urban development, the two parties will expand the scope of our collaboration even further, solve mutual issues, create a system that allows citizens and visitors to enjoy themselves while working on decarbonization and the SDGs, and accelerate collaboration among companies and organizations.

Main Partnership Content

- Creating a framework to enable initiatives for decarbonization and achieving the SDGs while also enabling enjoyment for citizens and visitors
- Promoting participation by business operators (companies and organizations) utilizing the Yokohama SDGs Design Center network

Providing kencom to Enable People to Become More Healthy While Having Fun

The DeNA Group provide the healthcare entertainment app kencom, with a theme of becoming more healthy while having fun, to support individual health promotion. This app allows people to view their medical checkup results as well as see health information tailored to their results, including relevant columns and recommended exercise. In addition, the app offers various ways to educate people about healthy habits while having fun, such as points that can be accumulated just by using the app, a function that allows users to challenge themselves with health activities while raising pet characters, and walking events where users can compete within the app for the number of steps they have taken.

To date, the app has been provided to approximately 100 health insurance societies and local municipalities (totaling approximately 4.8 million users), and the retention rate for use of the app has remained at over 60%. In addition, 37% of those who have used the app for one month after registration say their awareness of exercise and their habits have improved, and 29% say their awareness of diet and their habits have improved, indicating that the app has contributed to improved awareness and habits. Furthermore, kencom is conducting research on "Preliminary Evaluation of Continuous Use of ICT-based Health Promotion Services and Prevention of Lifestyle-related Diseases," for which it received an academic award at the 28th Annual Conference of the Japanese Society for Health Education in 2019.

Creating a Workplace Environment Where Diverse Employees Thrive

Approach to Securing Diversity

The DeNA vision states in part that “Each of us harnesses our individual strengths to make our unique business succeed.” The DeNA value includes “Providing Growth Opportunities” in the DeNA Promise, which is our social promise, and “Respect Diversity” in DeNA Quality, which is the cornerstone for employee decision-making to provide Delight. Under DeNA’s basic approach, securing diversity is necessary to provide Delight to society and continuously raise corporate value. Diversity means that each individual brings their own unique strengths and diverse view on matters to the organization from their background, experience, skills, and personality. While DeNA acknowledges that gender, nationality, hiring channel, and other characteristics are related to such diversity, these characteristics are used as one alternative metric. On the basis of the above approach, DeNA does not only prioritize quantitative measures such as the number of employees with a particular gender, nationality, hiring channel, or other characteristic information. DeNA aims to create a situation where all diverse employees feel they can be successful regardless of their individual characteristics and perform to the fullest to provide Delight. As a part of this effort, DeNA conducted a survey to analyze if employees felt that their gender, nationality, hiring channel, or other characteristic information caused difficulty in being promoted to important positions or achieving success. This survey was titled “Survey on Environment for Diverse Personnel Success,” and conducted from September to October 2021. Of the respondents (702 of 1,346 DeNA regular employees), the percentage of those with a particular characteristic that perceived difficulty in achieving success due to the relevant characteristic were as follows.

Women: 20.6%, foreign nationals: 22.2%, mid-career hires: 15.4%

Based on the above results, DeNA aims to lower the percentage of employees who feel there is difficulty in achieving success in all of the question items and establish an environment and promote various initiatives so that diverse employees can succeed.

Enhancing Flexibility in Work Location and Time

We have been promoting the introduction of work from home since before the spread of COVID-19, and on July 1, 2020, we fully introduced a remote work system to promote diversity in working locations. We are also implementing digital transformation (DX) for operations that used to require coming to the office, such as use of the official company seal and expense reports, and are implementing technical measures to ensure information security in remote work. Meanwhile, as remote work becomes more prevalent and new ways of working are required, the office as a “gathering place” is still highly important, and we expect that high-quality offline communication will be realized through real gatherings using the co-creation space. In August 2021, we moved to a new office in Shibuya Scramble Square and at the same time opened the Yokohama office. The new office has a free address system, a co-creation space, lounge, personal booths, and other office spaces that can meet various needs. For working hours we have introduced a discretionary work system or a flex system, which allows for flexible work styles according to individual work and work-life balance.



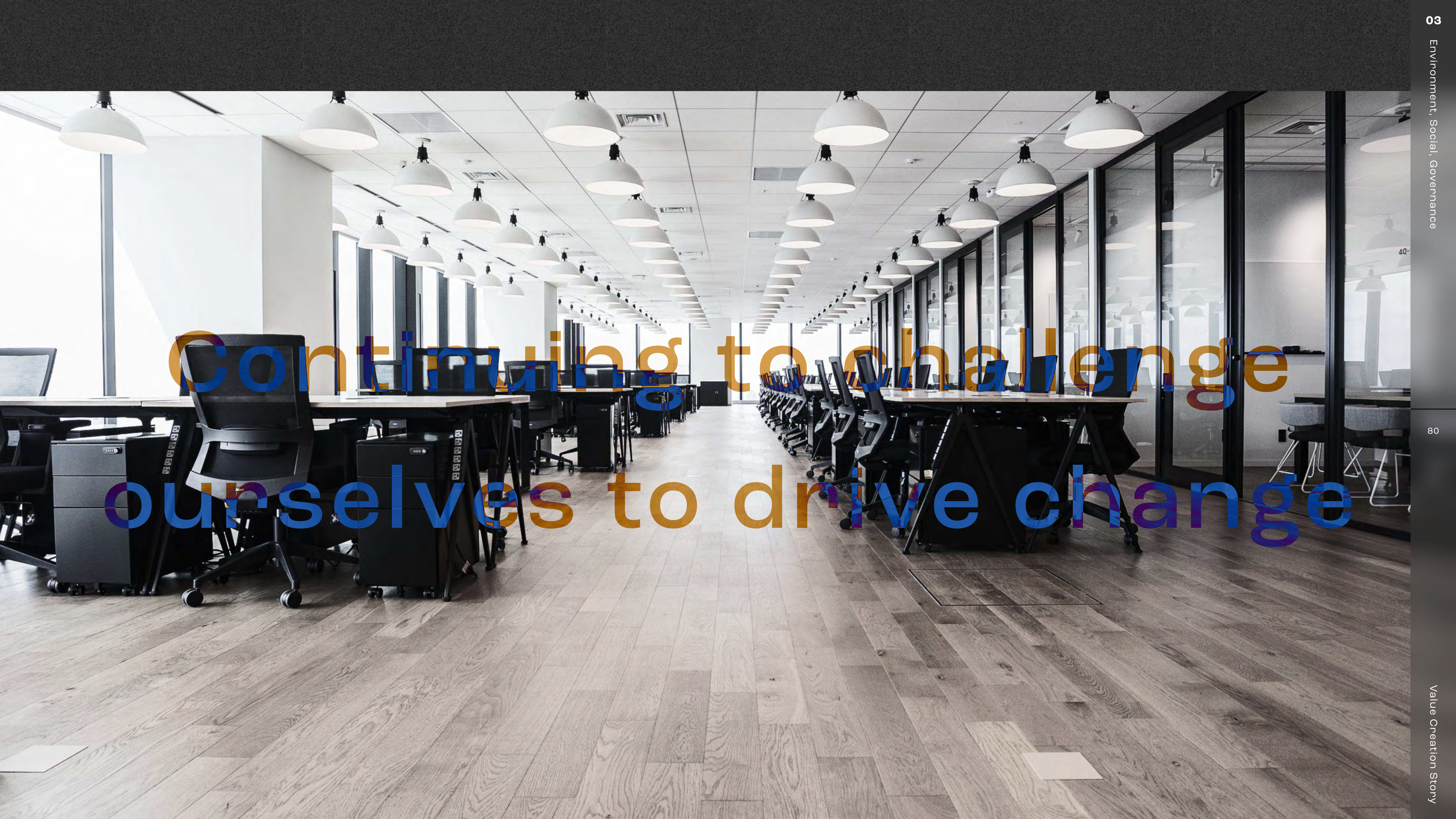
Promoting Health Management During COVID-19

We believe that when each individual's life becomes richer and more vibrant, it gives the company the vitality to provide better services, which in turn leads to the company's own development. Based on this belief, in 2016 we established the Chief Health Officer (CHO) Office, a department dedicated to supporting employee health, in addition to the human resources and general affairs department, which is in charge of overall health management, including working hours and sanitary conditions, and our resident industrial physicians and public health nurses. The CHO Office conducts regular employee surveys in the four main areas of exercise, diet, sleep, and mental health, and conducts a variety of seminars, programs, and training with the cooperation of outside experts, focusing on issues identified from the survey results. In addition, amidst COVID-19 we have been challenging ourselves to adapt to new work styles premised on remote work and implementing measures aimed at promoting communication under remote work. In recognition of these efforts, we were selected as a 2022 Health & Productivity Company (White 500) under the program jointly conducted by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE). In particular, DeNA received high marks in the three categories of “health maintenance and promotion, including health issues specific to women,” “promotion of communication among employees,” and “prevention of decline in employee productivity and prevention of accidents.” This is the sixth year running for DeNA to be selected as a Health & Productivity Company (White 500), and in 2019 and 2020, DeNA was also selected as one of the Health & Productivity Stocks.

We will continue to promote health management by leveraging the knowledge we have gained from our healthcare business and internal health support initiatives.

*The term “health and productivity management” is a registered trademark of the Nonprofit Organization Kenkokeiei.





Continuing to challenge
ourselves to drive change

Financial Data

5 Year Summary

		FY2017	FY2018	FY2019	FY2020	FY2021
Revenue	(Millions of yen)	139,390	124,116	121,387	136,971	130,868
Operating profit (loss)	(Millions of yen)	27,503	13,512	-45,676	22,495	11,462
Finance income	(Millions of yen)	1,137	3,349	2,667	5,625	5,195
Finance costs	(Millions of yen)	-821	-668	-567	-137	-1,463
Share of profit (loss) of associates accounted for using the equity method	(Millions of yen)	2,571	1,875	3,341	3,275	14,226
Profit (loss) before tax	(Millions of yen)	30,390	18,069	-40,235	31,259	29,419
Profit (loss) for the period attributable to owners of the parent	(Millions of yen)	22,981	12,709	-49,166	25,630	30,532
Total capital attributable to owners of the parent	(Millions of yen)	263,285	251,737	180,486	223,711	240,626
Total assets	(Millions of yen)	344,609	296,460	255,740	327,121	340,570
Total interest-bearing liabilities (Borrowings and lease liabilities)	(Millions of yen)	4,000	-	12,836	27,139	28,269
Equity per share attributable to owners of the parent	(yen)	1,810.25	1,727.52	1,432.14	1,826.73	2,024.39
Basic earnings (loss) per share attributable to owners of the parent	(yen)	158.34	87.47	-352.49	207.54	256.45
Diluted earnings (loss) per share attributable to owners of the parent	(yen)	150.08	87.35	-352.49	207.24	256.20
Ratio of equity attributable to owners of the parent	(%)	76.4	84.9	70.6	68.4	70.7
Ratio of profit to equity attributable to owners of the parent	(%)	9.3	4.9	-22.8	12.7	13.2
Price-earnings ratio	(Ratio)	12.1	19.1	-	10.4	7.3
Net cash flows from (used in) operating activities	(Millions of yen)	37,672	22,979	12,946	29,967	18,375
Net cash flows from (used in) investment activities	(Millions of yen)	-16,520	-21,008	-8,706	-8,640	-19,924
Net cash flows from (used in) financing activities	(Millions of yen)	-5,390	-4,656	-32,154	6,614	-18,549
Free cash flows	(Millions of yen)	21,152	1,971	4,240	21,327	-1,548
Cash and cash equivalents at end of period	(Millions of yen)	103,668	101,386	73,536	97,301	78,296
Depreciation and amortization	(Millions of yen)	11,408	10,883	11,543	6,703	5,593
Impairment loss	(Millions of yen)	1,411	1,193	51,165	5,146	4,244
Goodwill	(Millions of yen)	46,335	46,048	5,883	5,883	17,451
Dividends per share	(yen)	32	40	20	32	39
Total dividends	(Millions of yen)	4,645	5,814	2,510	3,906	4,623
Payout ratio (consolidated)	(%)	20.2	45.7	-	15.4	15.2
Expenses for acquisition of treasury stock	(Millions of yen)	0	0	33,852	5,557	10,868
Total number of shares issued at the end of the period	(Shares)	150,810,033	150,810,033	150,810,033	130,210,945	130,210,945
Total number of shares of treasury stock at the end of the period	(Shares)	5,656,793	5,460,269	25,310,018	8,152,593	11,674,919

Financial Results by Segment

	(Millions of yen)		
	FY2019	FY2020	FY2021
Revenue	121,387	136,971	130,868
Game	83,818	91,307	74,697
Live Streaming	9,140	24,211	34,664
Sports	20,189	12,821	14,712
Healthcare	1,785	2,099	3,000
New Businesses and Others	6,695	6,826	3,850
Adjustments	-240	-294	-55
Operating Profit (Loss) (IFRS)	-45,676	22,495	11,462
Operating Profit by Segment	2,019	16,861	8,717
Game	14,225	18,869	11,596
Live Streaming	-1,356	5,191	3,484
Sports	1,203	-3,589	-2,575
Healthcare	-1,559	-1,194	-624
New Businesses and Others	-8,901	-162	-326
Overhead costs and Adjustments	-1,594	-2,254	-2,838
Other income	4,369	11,323	7,145
Other expenses	-52,064	-5,689	-4,400
Non-GAAP Operating Profit (Loss)	-963	15,625	7,469
Accounting adjustments related to seasonality & one-time factors (Net)	13	-357	128
Acquisition and restructuring related expenses	48,322	3,420	0
Sales and disposition related gains	-3,621	-9,934	-4,121

ESG Data

Governance

	FY2019	FY2020	FY2021
No. of directors	5	5	7
No. of outside directors	2	2	3
Percentage of independent outside directors	40.0	40.0	42.9
No. of corporate auditors	4	4	4
No. of outside corporate auditors	3	3	3
Percentage of women among officers	33.3	33.3	27.3

Environment

			FY2019	FY2020	FY2021
CO ₂ Emissions	Scope 1	(t-CO ₂)	39	19	13
	Scope 2	(t-CO ₂)	1,138	514	453

*Above figures are on a DeNA standalone basis.

Social

		FY2019	FY2020	FY2021
No. of employees (consolidated / standalone)*		2,588 / 1,622	2,100 / 1,251	2,194 / 1,264
Average no. of temporary employees (consolidated / standalone)**		892 / 554	732 / 359	710 / 266
No. of dispatch employees		593	398	328
Percentage of women	Total employees	23.2	25.5	25.5
	Management	9.0	10.2	9.1
Percentage of foreign nationals	Total employees	4.8	5.0	4.9
	Management	2.5	2.3	2.4
Percentage of local hires in management at overseas offices***		95.7	91.8	93.8
Percentage of mid-career hires	Total employees	80.3	76.4	75.7
	Management	81.2	87.4	79.7
	Officers	100	100	100
Average age		35.4	36.1	36.8
Average tenure		3 years 11 months	5 years 0 months	5 years 6 months
Men		3.7 years	4.8 years	5.4 years
Women		4.7 years	5.7 years	6.4 years
No. of people taking maternity leave		22	18	17
No. of people taking childcare leave		47	35	64
Of that, no. of men		25	16	29
Percentage of people who return from childcare leave****		97	100	100
Percentage of male employees who take childcare leave*****		26.5	30.2	33.0
Percentage of employees with disabilities		2.3	2.5	2.5
Percentage of people using side job program		10.3	14.1	13.4

Unless stated otherwise all figures are on a DeNA standalone basis.

* Within this chart “employees” refers to the number of employees excluding temporary employees and dispatch employees, unless stated otherwise. The figures exclude DeNA employees seconded to other companies, and include employees seconded from other companies to DeNA. In FY2020 Mobility Technologies Co., Ltd., DeNA SOMPO Mobility Co., Ltd., DeNA SOMPO Carlife Co., Ltd., SHOWROOM Inc., and PFDeNA Inc. became equity method affiliates, and their employees are not included as of the fiscal-year end.

**Temporary employees include part time and contract employees, and excludes dispatch employees.

***This is the percentage of employees in management positions in DeNA Group overseas offices who were hired locally.

****This is the percentage of male employees who took childcare leave among those with a spouse who gave birth.

*****This is the sum total of standalone, special subsidiaries, and group affiliate companies.

Stock Information

Overview

Total number of authorized shares	540,900,000 shares (as of March 31, 2022)
Total number of shares issued	130,210,945 shares (as of March 31, 2022)
Total number of treasury shares	11,674,919 shares (as of March 31, 2022)*
Share listing	The Prime Market of the Tokyo Stock Exchange
Number of shares per unit	100
Number of shareholders	31,915 (as of March 31, 2022)
Ordinary General Meeting of Shareholders held	June
Base date	March 31
Share transfer agent	Mitsubishi UFJ Trust and Banking Corporation
Administrative dept.	Mitsubishi UFJ Trust and Banking Corporation Corporate Agency Division 1-1, Nikko cho, Fuchu-shi, Tokyo, Japan Telephone: +81-42-204-0303

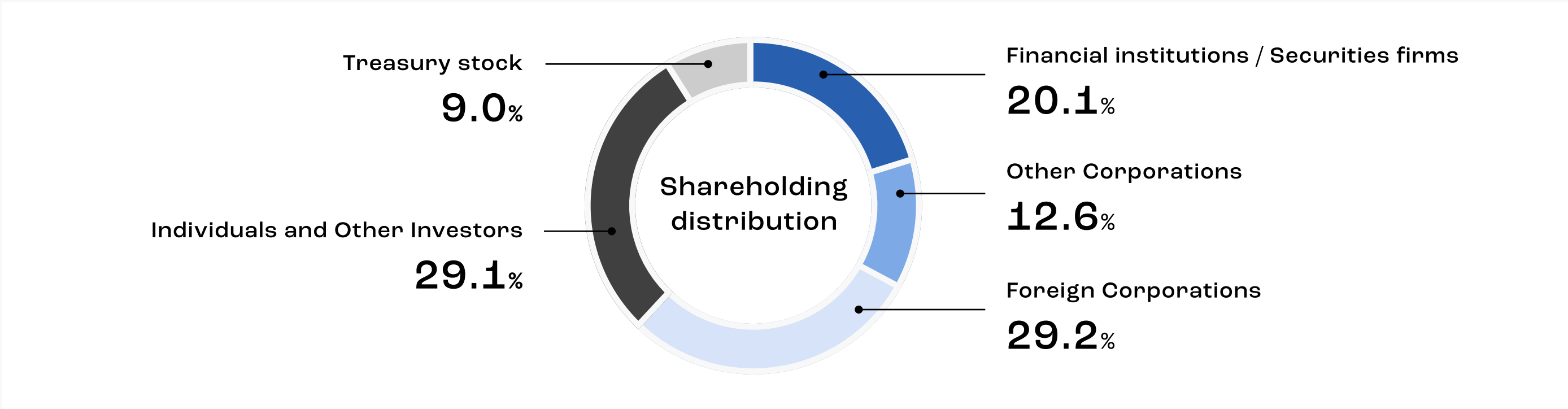
*Includes 191,158 shares of DeNA stock held through the trust for the DeNA employee stock ownership plan (ESOP) as of March 31, 2022

Top 10 Shareholders (as of March 31, 2022)

Shareholders	Shares Owned	Shareholding Ratio (%)
Tomoko Namba	19,800	16.70
The Master Trust Bank of Japan, Ltd.	17,320	14.61
Nintendo Co., Ltd.	15,081	12.72
Custody Bank of Japan, Ltd.	6,168	5.20
Shogo Kawada	3,787	3.20
BNP PARIBAS SECURITIES SERVICES LUXEMBOURG/JASDEC SECURITIES/UCITS ASSETS	3,512	2.96
NORTHERN TRUST CO. (AVFC) RE SILOCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	2,568	2.17
J.P. MORGAN BANK LUXEMBOURG S.A. 381572	1,970	1.66
JP MORGAN CHASE BANK 380684	1,711	1.44
STATE STREET BANK AND TRUST CLIENT OMNIBUS ACCOUNT OM02 505002	1,595	1.35

Note 1: The Company owns 11,674,919 shares (8.97%) (including 191,158 shares of Company stock held through the trust for the Stock Grant Employee Stock Ownership Plan "ESOP") of treasury stock, but this has been omitted from the major shareholders list above.
Note 2: The Percentage is calculated using the total number of issued shares (130,210,945) excluding the treasury stock owned by the Company (11,674,919 shares, including 191,158 shares of Company stock held through the trust for the Stock Grant Employee Stock Ownership Plan "ESOP").

Distribution of the shares (as of March 31, 2022)



Company Information

Overview

Company name	DeNA Co., Ltd.
Name & title of representatives	Tomoko Namba, Representative Director & Executive Chairman Shingo Okamura, Representative Director, President & CEO
Headquarters	Shibuya Scramble Square, 2-24-12 Shibuya, Shibuya-ku, Tokyo 150-6140, Japan
Established	March 4, 1999
Stated capital	10,397 million yen (as of March 31, 2022)
Employees	Consolidated: 2,194 (standalone: 1,264) (as of March 31, 2022)
Fiscal year-end	March 31
Independent accounting auditor	Ernst & Young ShinNihon LLC

Websites

- DeNA site <https://dena.com/intl/>
- Investor site <https://dena.com/intl/ir/>
- Sustainability site (Japanese only) <https://dena.com/jp/sustainability/>

ESG Ratings

 FTSE Blossom Japan Sector Relative Index *	The FTSE Blossom Japan Sector Relative Index reflects the relative environmental, social, and governance (ESG) performance of Japanese companies in each sector. In 2022, DeNA was selected as a constituent for the first time.
 2021 CONSTITUENT MSCI日本株女性活躍指数 (WIN) **	The MSCI Japan Empowering Women Index (WIN) is an index built on select companies with superior gender diversity in their industry, based on gender diversity scores. DeNA has also been selected for the MSCI Japan Empowering Women Index Select Index.
 2022 健康経営優良法人 Health and productivity ホワイト500	DeNA has been certified as a Health & Productivity Company (White 500) for six years running since 2017, under a program to select companies with excellent health and productivity management jointly run by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. DeNA was also selected as a Health & Productivity Stock in 2019 and 2020. *The term "health and productivity management" is a registered trademark of the Nonprofit Organization KenkoKeiei.
	DeNA has been certified under the Act on Advancement of Measures to Support Raising Next Generation Children, and granted the right to use the kurumin mark, a symbol of a company supporting childcare. DeNA proactively promotes the creation of an environment where employees are able to perform to the fullest within a limited amount of time, even in a variety of life events such as childbirth, childcare, child rearing, as well as family nursing, caregiving, and personal health and wellness.

* FTSE Russell (a registered trademark of FTSE International Limited and Frank Russell Company) hereby certifies that DeNA Co., Ltd. fulfills the requirements to be included in the FTSE Blossom Japan Sector Relative Index after a third party investigation, and has included DeNA in said index. The FTSE Blossom Japan Sector Relative Index is widely used to create and evaluate sustainable investment funds and other financial products.

** THE INCLUSION OF DeNA Co., Ltd. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF DeNA Co., Ltd. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Disclaimer: The forward-looking statements in this document are based on information currently available to DeNA and certain assumptions that are judged to be reasonable, and are not intended as a promise by DeNA that they will be achieved. Actual results may differ significantly due to various factors.

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