



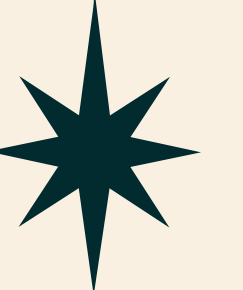
*m* POWER

2023 SUSTAINABILITY REPORT



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# Foreword

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We are excited to share with you MPower's 2023 Sustainability Report! We just celebrated our 3rd anniversary as a fund, and we're proud to provide an update on our continued ESG commitment and actions we've taken on environmental, social, and governance factors most material to our fund. In particular, we've accelerated our diversity efforts and continued to support our portfolio companies and the Japanese startup ecosystem to identify ways to incorporate ESG factors into their planning and operations.

Our portfolio companies have made impressive progress in their own ESG journeys, with many now demonstrating what they've achieved through their own ESG strategies and sustainability reports.

We hope our report increases the awareness of some of our initiatives, as we are eager to engage with anyone who is interested in collaborating to revolutionize Japan's startup ecosystem and enable sustainable, long-term growth for our country.



**Kathy Matsui, Yumiko Murakami, and Miwa Seki**

ESG AT  
*m* POWER

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# OUR ESG CHARTER

Long before ESG investing became mainstream in financial markets, the founding general partners of MPower have championed non-financial factors, such as diversity and governance, in economic and financial analysis. We believe that the thoughtful consideration and integration of Environmental, Social, and Governance (ESG) factors into companies, including startups, provides them with a core lever for long-term value creation.

With the launch of MPower Partners, we are committed to integrating the highest standards of ESG in all aspects of our own fund operations in order to achieve our mission of empowering bold, globally-minded entrepreneurs providing tech-enabled solutions to societal challenges; helping innovative companies drive sustainable growth through ESG integration; and revolutionizing Japan's venture ecosystem via greater globalization, diversity, and innovation. Through our activities, we will promote ESG-integrated investing in the venture ecosystem.

[FIND OUT ABOUT OUR GOALS >>>](#)

# OUR GOALS

The following are our materialities and goals to achieve the MPower Partners mission

## ENVIRONMENTAL

- **Resource management in our own operations** – be as efficient as possible in our use of resources
- **Greenhouse gas emissions** – measure, reduce, and offset our carbon emissions

## SOCIAL

- **Diversity, equity, and inclusion** – promote a startup ecosystem, which includes our own workplace, that is diverse, equitable, and inclusive
- **Knowledge, awareness, and development** – enable learning and betterment for our employees, as well as the broader public, on ESG topics
- **Health, safety, and wellness** – ensure health, safety, and wellness of our employees

## GOVERNANCE

- **Ethical conduct** – uphold the highest level of ethical conduct for all of our activities
- **Accountable leadership** – ensure the highest standards of governance in our fund management and operations
- **Transparency and reporting** – provide transparency in our policies and activities, especially to our employees and investors
- **Data privacy and security** – comply and stay up-to-date with all data-related best practices and regulations

# OUR INVESTMENT APPROACH

ESG is core to our investment thesis, and we integrate ESG principles in every stage of our investment process

In **deal sourcing**, we identify investment opportunities that promote tech-enabled sustainable living, while excluding sectors that we believe stand in contrast to ESG (e.g., tobacco, gambling, fossil fuels) as well as businesses with known, repeated, or unresolved human rights violations. We look for an ESG-aligned mindset within leadership teams. We enable access for diverse founding teams.

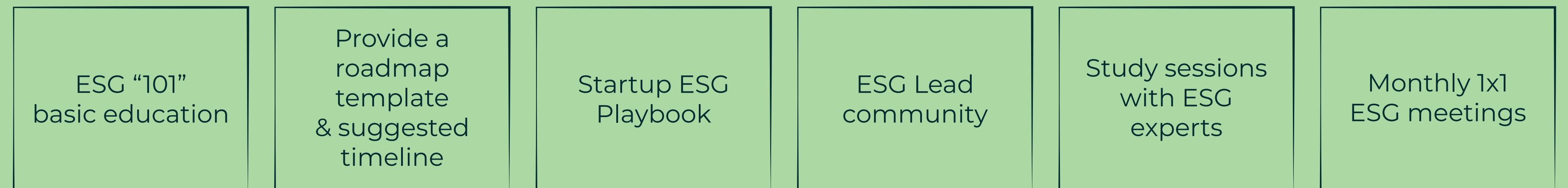
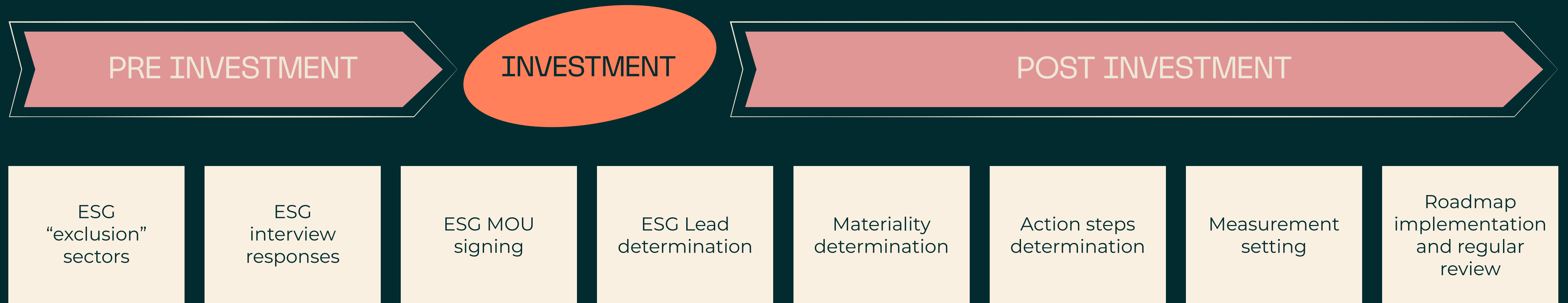
In **due diligence**, alongside our fundamental assessment of a business, we also conduct a high-level ESG evaluation, in order to understand where environmental, social (including human rights), and governance-related risks may lie and how we can help add value in the company's ESG integration process. In order to ensure that the founders are committed to their ESG agenda, we request them to sign an ESG Memorandum Of Understanding prior to our investment.

**Post-investment**, we provide hands-on support for each of our portfolio companies to determine the most material ESG factors for their businesses, and based on these, we help them create an ESG roadmap, including specific KPIs. We then maintain a continuous dialogue with each company regarding their roadmaps and closely monitor their progress.

Furthermore, ESG principles are embedded in MPower Partners' own operations and on June 26, 2021, we became an official signatory of the United Nations Principles for Responsible Investment (UNPRI).

# ESG INTEGRATION AT MPOWER

ESG is integrated in each stage of our investment process



**MPOWER  
ESG VALUE-ADD**



*m* POWER  
FAMILY

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# OUR TEAM



**Kathy Matsui**  
GENERAL PARTNER



**Yumiko Murakami**  
GENERAL PARTNER



**Miwa Seki**  
GENERAL PARTNER



**Lisa Shalett**  
OPERATING PARTNER



**Masatoshi Fukasawa**  
PARTNER



**Yuna Sakuma**  
VENTURE PARTNER



**Xia Ye**  
PRINCIPAL



**Kirara Tsutsui**  
ASSOCIATE



**Kazuhiro Hosaka**  
ASSOCIATE



**Yuuki Umeda**  
FUND OPERATION



**Chi Guillemette**  
LEGAL AND COMPLIANCE



**Shizuka Schweiger**  
OFFICE MANAGER

## INDUSTRY EXPERTS



**Simeon Bochev**  
AI



**Trista Bridges**  
ESG



**Paul N. Matsui**  
HEALTHCARE



**Kanoko Oishi**  
HEALTHCARE



**Mihoko Manabe**  
FINANCE

# OUR PORTFOLIO



Childcare healthcare IoT and workflow DX to empower childcare providers and parents



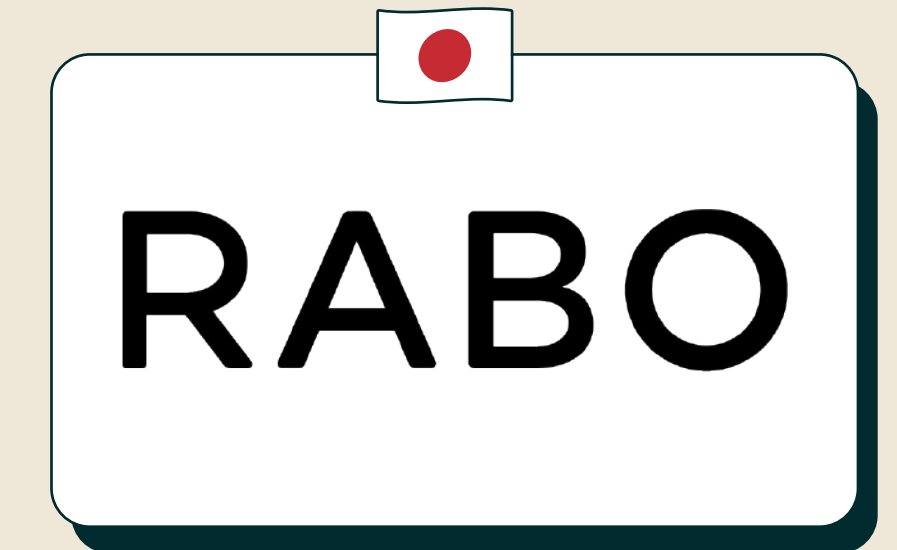
No-code multilingual translation SaaS to enable inclusion for websites and applications



Leader in predictive data and analytics for climate risk and resilience



Video-based management support system to enhance organizational performance at multi-store businesses



Pet tech solutions to monitor daily movement and health conditions of beloved cats



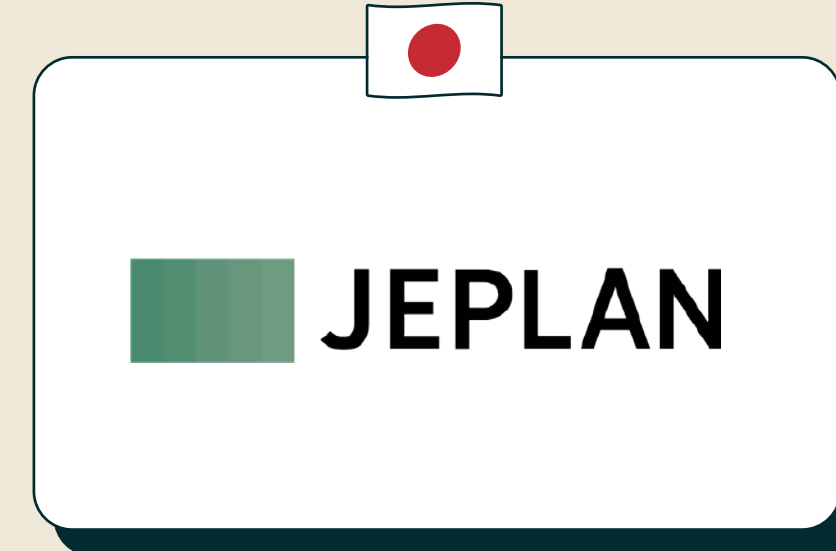
A matching platform for the construction industry to solve labor supply and demand challenges



Sales quote comparison and order placement platform that empowers small businesses



Hyperlocal air pollution and greenhouse gas measurement and analysis platform



Circular economy business with a proprietary chemical recycling technology



Reskilling and career support platform that help women meet their life and career goals



Novel method to process and harvest rare earth elements (REE) and other critical minerals from mining waste



Art agency for artists with intellectual disabilities



All-in-one AIPaaS (AI Process as a Service) solution

# ESG HIGHLIGHTS: our operations

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## WE UPDATED OUR EVENT POLICY

We will speak at conferences where the total percentage of diverse speakers (defined as women, LGBTQ+, foreigners, persons with disabilities) is at least 20%

In December, 10 team members participated in the MDRT Charity Relay Marathon at the Tokyo National Stadium



We hosted and supported events to foster dialogue (on topics such as ESG and Japan in the context of the global ecosystem) in the venture community

### APRIL

Portfolio session on increasing female managers



### JULY

Startup and VC interest event for MBA women



### OCTOBER

MOMENT 2023 for METI with Andreessen Horowitz



### OCTOBER

Diverse founders & VC event



Participated in over 60 speaking engagements covering ESG in VC and startups, as well as DEI topics

Completed our first PRI assessment cycle and achieved top scores across all modules

Thought pieces published on topics such as ESG integration, the impact of AI, the future of work, and diversity

Conducted our first study examining ESG activities amongst Japan-based VCs and ran the 2nd wave of our ESG x Startup Survey

# DIVERSITY - OUR NUMBERS

## Internal diversity statistics

	% women	% non-Japanese
GPs	100%	33%
Other investment team	67%	33%
Other team	100%	33%
External advisors	50%	33%
Industry experts	50%	75%

## Pipeline

Founder identifies as:	% of pipeline	
	2020-2022	2023
Female	14.4%	15.0%
Minority	6.0%	5.2%
Female & minority	1.4%	1.1%
Other	78.1%	78.7%

## Portfolio

Female founded/co-founded or led (CEO) at the time of our investment

By number of companies	40%
By investment value	38%

Out of 13 portfolio companies

- 8** have at least 30% women employees
- 6** have over 20% women managers
- 5** have over 20% women in senior management roles
- 10** have at least 1 female board director

# Our Engagements

Our engagements with organizations in the broad startup ecosystem and policymakers help us amplify our influence, particularly with regard to our materialities around DEI and knowledge. Here are some of our involvements.

## STARTUP ECOSYSTEM

The **Japan Venture Capital Association** is a group of more than 200 VC and CVCs. Kathy Matsui serves as a director

**Tokyo Women in VC** is a community dedicated to foster collaboration and support women in venture capital and startup investment. We are active individual members, and Kathy Matsui serves as advisor

**VentureESG** is a global initiative to increase ESG integration among VCs. Yuna Sakuma serves on the steering committee

**DiversityVC** is a non-profit that offers an assessment and certification process that measures a fund's internal and external DEI policies and programs. We obtained a Level 2 certification, the highest level awarded. We are also proud to be Diversity VC's first certified fund in Asia

The **Environment and Energy Innovation Community** was launched by CIC Tokyo and U3 Innovations with the aim of promoting innovation in the environment and energy field. Yumiko Murakami serves as advisor

**Endeavor** is the leading global community of, by, and for High-Impact Entrepreneurs — those who dream bigger, scale faster, and pay it forward. MPower is a supporter of Endeavor Japan

## POLICYMAKERS

Yumiko Murakami sits on **Prime Minister Kishida's panel on "the New Form of Capitalism"**

MPower supported the **Ministry of Economy, Trade and Industry's** J-StarX program in putting on day 2 of MOMENT 2023, alongside Andreessen Horowitz

MPower is a signatory of the **United Nations Principles for Responsible Investment** since June 26, 2021. We had our first assessment cycle, resulting in above average scores for all modules

Yuna Sakuma serves on the **Ministry of Environment** "working group on climate tech impact measurement and management"

Kirara Tsutsui participated in the **International Labor Organization** "working group on business and human rights for investors"

# RESEARCH HIGHLIGHTS

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# ESG x VC Report

Published July 2024



Supported by



This study conducted and resulting report prepared to explore how VCs are approaching ESG within the strategies of their funds. The report is comprised of two main sections. The first is a quantitative assessment of the current state of ESG efforts among Japan-based VC funds via a survey of 22 domestic VCs. The section examines the extent to which Japan-based VCs integrate ESG into their investment decision process. The second section, highlights the ESG actions taken by Japan-based VCs and presents 2 case studies of VCs that are particularly engaged in ESG efforts.

Sources: <https://prtmes.jp/main/html/rd/p/000000021.000079736.html>

# エグゼクティブサマリー (1/2)

社会におけるESG重視の機運の高まりへの対応、また投資先の成長ポテンシャルの判断のため、大半の国内VCは投資プロセス上で何らかのESG要素を考慮している。本調査結果からも91%のVCが何らかのESG要素を考慮し、特に82%がデューデリジェンス (DD) フェーズで考慮していることが分かった

それに加えて、ESG要素を考慮したVC20社の95%が投資判断・事業運営への貢献を実感しているため、ESGに取り組む戦略的なインパクトは十分に大きいと言える

VCの投資判断における"E"、"S"、"G"それぞれの重要度は異なる

- Environment: 過半数のVCは投資検討先のGHG排出量算定・削減を考慮しておらず、特定のケース以外では重要度が低いと言える
- Social: 約半数のVCが投資先のDEI<sup>1</sup>やタレントエンゲージメントの取り組みを重視している。Governanceとも関わるデータプライバシーに関する規制の順守は約8割のVCが考慮
- Governance: アーリーステージの投資先を検討するVCの約半数が独立取締役の設置を、レイターステージではこれに加え、取締役の着任・退任状況を考慮。ESGに対するオーナーシップは経営層が持っているケースが大半と判明

スタートアップの取り組みとVCの投資先に対する期待値の間には大きなギャップはほぼなかったが、一点だけ浮かび上がったのが取締役・リーダーシップや管理職における多様性 (特にジェンダー) に関するギャップであった。回答したVCの約5割が組織の多様性を考慮しており、「取締役・リーダーシップ」や「管理職」の性別・ジェンダーの多様性を求めていると回答。しかし、スタートアップのうち女性幹部 (CXO) 比率が2割以上の企業は18%にとどまる

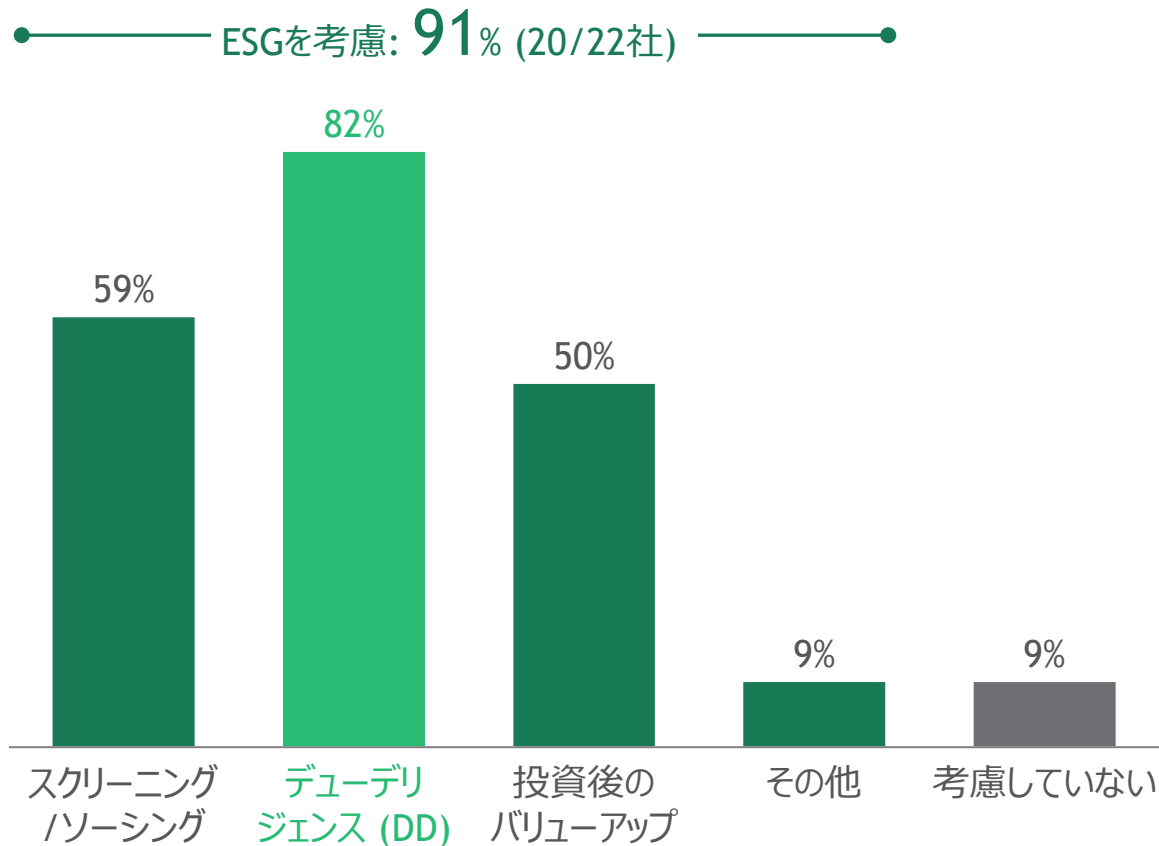
今後ESGを投資判断プロセスに取り込む際の主なボトルネックとして「フレームワークの欠如」や「リソース不足」が挙げられた。さらに、今後の投資判断への取り込み加速に向けて、過半数のVCが具体的なガイダンスを必要としていると回答

1. ダイバーシティ・エクイティ & インクルージョン



# 回答したVCの91%は投資プロセスで何らかのESG要素を考慮し、中でもDDでは82%が考慮

貴社では、投資プロセスでESG要素をどのように考慮していますか



- スクリーニング/ソーシング
- 今後ESGの観点で社会に貢献できる事業内容か検討
  - 投資時に最低限の資金管理状況を確認
  - ESGに関する企業のニーズを捉える事業領域に注目

- デューデリジェンス (DD)
- 「創業者/経営者のESGに対するマインドセットの確認」、「ESGデューデリジェンス」、「ESGに関する法的合意」といったアクションを投資プロセスに統合
  - 投資候補先の製品の環境負荷やネガティブ・インパクトを確認
  - 投資先のESGに対するコミットメントを要求する契約を特約として追加し、創業者に署名を要求
  - ガバナンスの整備状況、および経営執行者と株主の意思の不整合がないことを確認

- 投資後のバリューアップ
- ESGへの貢献度合いを考慮しながらEXITに向け継続支援
  - ガバナンス強化を目的に取締役会を設置して積極的なエンゲージメントを実施
  - 重大なESGリスクについてモニタリング
  - チェックシートを投資後のモニタリング/バリューアップで用いて、継続的な支援を行う
  - 半期ごとにコンプライアンス、ガバナンス状況をチェックするアンケート調査を実施
  - 投資後にポリシーを導入

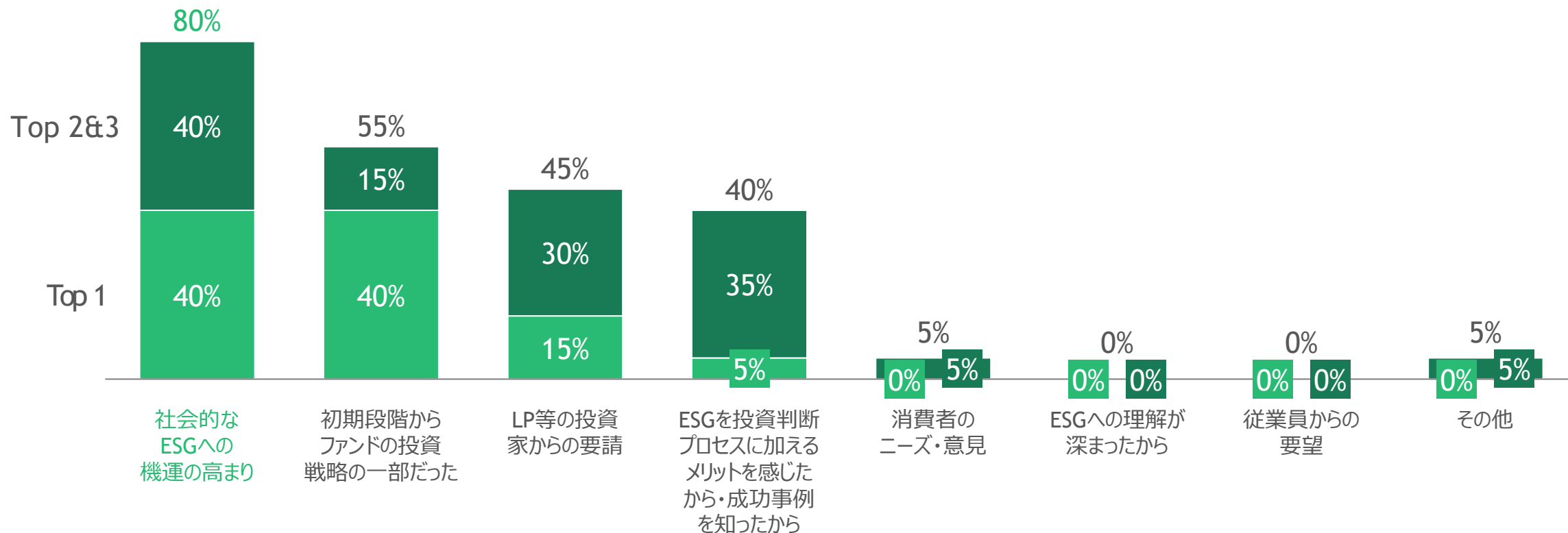
- その他
- 年に一度、投資先の事業がESGの観点から何らかの категорияに分類されるかをチェック

注: 回答した全VCが対象 (n=22)  
出所: MPower・BCG「ESGへの取り組みに関するサーベイ (2024)」



# ESGを投資判断に取り込んだきっかけ・出来事として、 80%が社会的なESGへの機運の高まりを挙げる

ESGを投資判断に取り込んだきっかけ・出来事を選択してください  
(最も当てはまる選択肢を最大3つまで順番にランクしてください)

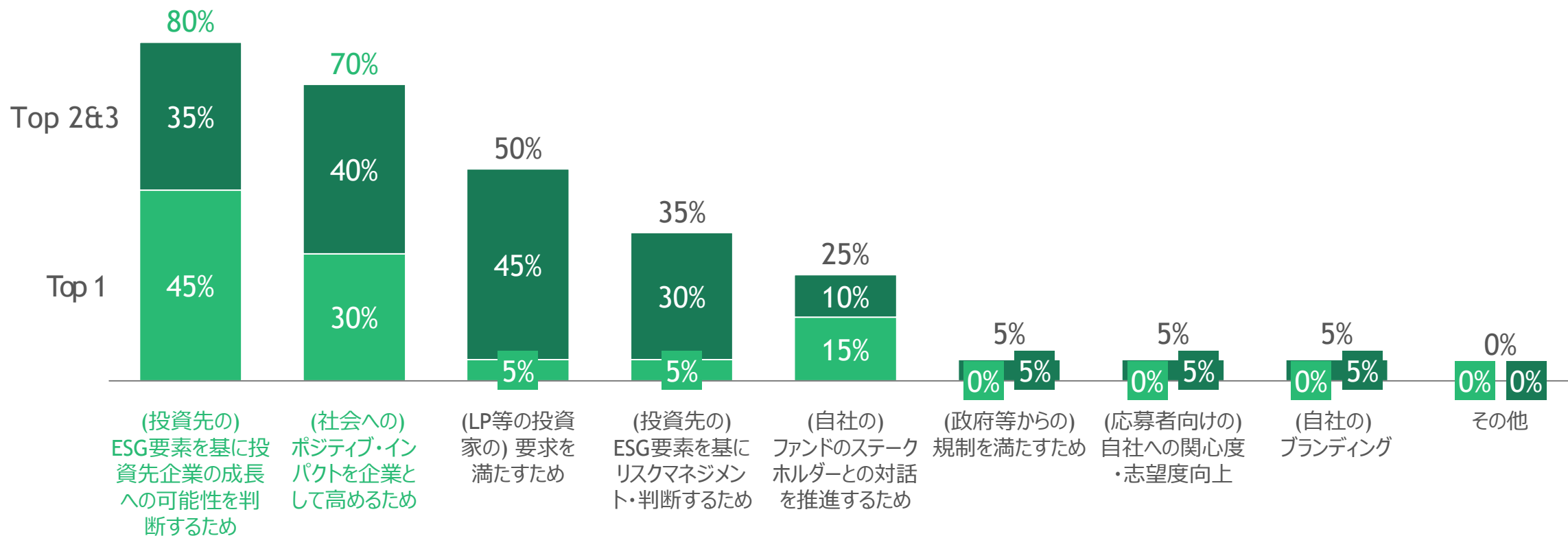


注: ESG要素を考慮するVCが対象 (n=20)  
出所: MPower・BCG「ESGへの取り組みに関するサーベイ (2024)」



# ESGを投資判断に取り込む目的・狙いは主に投資先の成長性の判断と社会へのポジティブ・インパクト創出という攻めの要素

ESGを投資判断に取り込む目的・狙いを選択してください  
(最も当てはまる目的を最大3つまで順番にランクしてください)

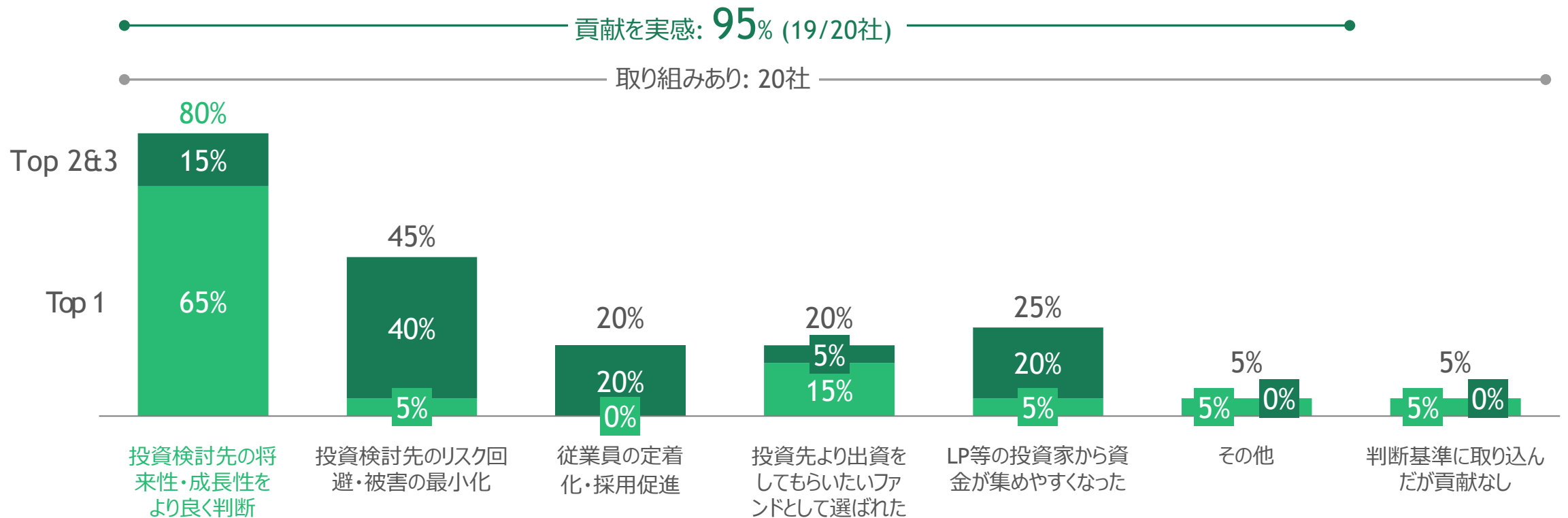


注: ESG要素を考慮するVCが対象 (n=20)  
出所: MPower・BCG「ESGへの取り組みに関するサーベイ (2024)」



# ESGを投資判断に取り込んだ調査対象VCの95%が投資判断・事業運営への貢献を実感、特に投資検討先の将来性・成長性を判断する際に役立ったと80%が実感

ESGへの取り組みにより自社の投資判断・事業運営への貢献につながった要素を選択してください  
(最も当てはまる選択肢を最大3つまで順番にランクしてください)

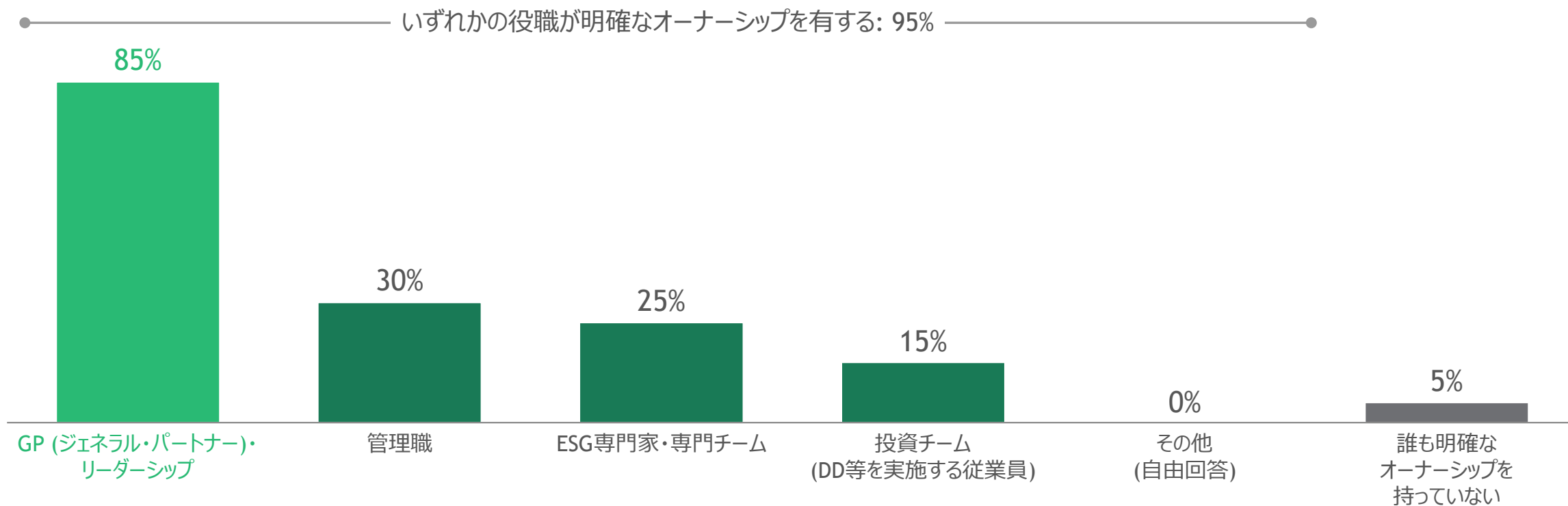


注: ESG要素を考慮するVCが対象 (n=20)  
出所: MPower・BCG「ESGへの取り組みに関するサーベイ (2024)」



## ESGを投資判断に取り込んだ調査対象VCの85%で、 トップマネジメント層がESGの取り組みのオーナーシップを持っている

貴社ではファンド内の活動に対し、ESGの取り組みのオーナーシップは誰が持っていますか (複数選択可)



注: ESG要素を考慮するVCが対象 (n=20)  
出所: MPower・BCG「ESGへの取り組みに関するサーベイ (2024)」

# ご協力いただいた企業 (23社)






※社名公開のご許可をいただいた企業のみ記載 ※アルファベット順>五十音順



## アンケートへ

ご協力いただいた企業

(22社 ※8社が社名非公開をご希望)

- 1 Angel Bridge Angel Bridge
- 2  anri ANRI
- 3  Beyond Next Ventures Beyond Next Ventures
- 4 JAFSCO JAFSCO
- 5  MPOWER MPower Partners
- 6  SHIZEN CAPITAL Shizen Capital
- 7  XTech Ventures XTech Ventures

- 8 INCUBATEFUND インキュベイトファンド
- 9  ICJ Inclusion Japan インクルージョン・ジャパン
- 10  Lifetime Ventures ライフタイムベンチャーズ
- 11  KII 慶応イノベーション・イニシアティブ
- 12  SBI GROUP 新生企業投資 新生インパクト投資
- 13  TUSIC TOKYO UNIVERSITY OF SCIENCE INNOVATION CAPITAL 東京理科大学 イノベーション・キャピタル
- 14  THVP 東北大学ベンチャーパートナーズ



## インタビューへ

ご協力いただいた企業

(4社)

- 1  anri ANRI
- 2  ANTLER Antler
- 3 JAFSCO JAFSCO
- 4  SHIZEN CAPITAL Shizen Capital



# ESG x Startup Survey 2024



Supported by



The report is the second edition of the startup ESG survey and report, with the aim of helping startups to successfully implement ESG. This version provides a quantitative assessment of the current state of ESG efforts among Japanese startups based on a survey of 51 startups. It examines the actual initiatives implemented across ESG areas and obstacles which startups encounter, in addition to the actual impact of ESG initiatives on business performance, among other topics.

## 全体

- ESGへの取り組みは、「社会におけるESG重視の気運の高まり」や「投資家や従業員の要望」により促進
- ESGに取り組む目的は主に、「ブランディング」「自社へのロイヤリティ・リテンション向上」「自社サービス・プロダクトの購入・利用促進」「戦略作り」の4つ
- ESGに取り組んだスタートアップの9割は事業のパフォーマンスとオペレーションへの実質的な影響を実感している
- ESGへの取り組みの最も大きなボトルネックは圧倒的に「リソース不足」であり、スタートアップはESGに関する追加の調達やリソースを求めている

## 環境

- スタートアップによる「GHGガス排出量の測定や削減への取り組み」はまだ限定的

## 社会

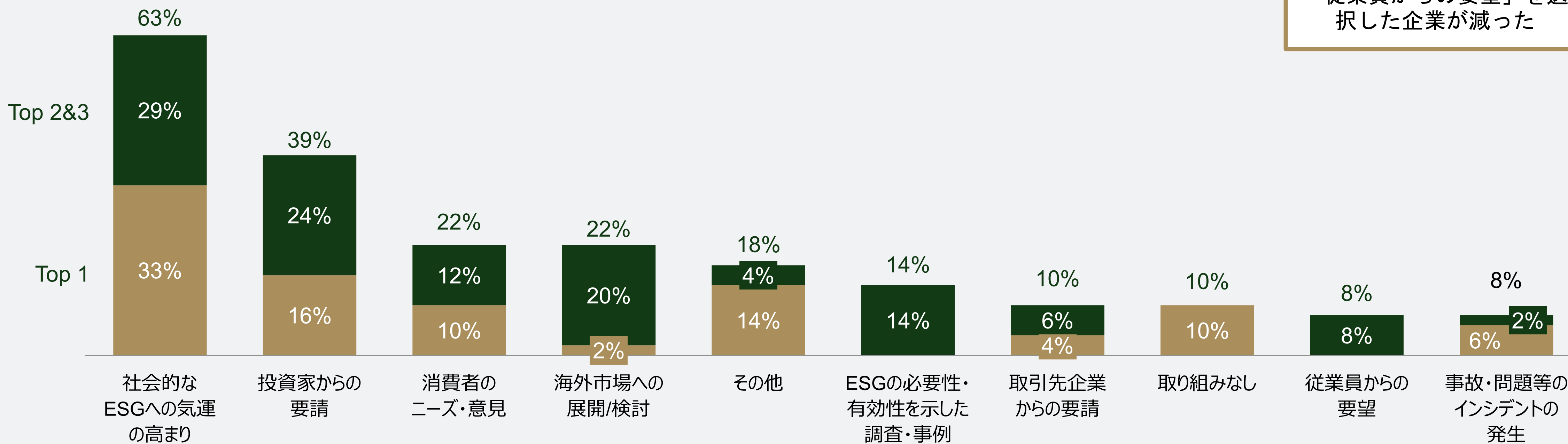
- 86%の企業が育児休暇制度を実施しており、84%の企業がリモートワークに対応している
- 45%の企業がDEIに取り組んでいない一方で、33%の企業はバイアストレーニングに投資している
- 女性従業員が20%以上いる企業は77%である一方で、女性管理職が20%以上は29%、女性CXOが20%以上は24%にとどまる
- 男女間賃金格差を試算しているスタートアップはほぼない

## ガバナンス

- 50%のスタートアップにおいて少なくとも1人は女性が取締役会にいる一方で、取締役会役員の多様性は依然限定的
- ほとんどのスタートアップが何らかの内部告発のプロセスを有しており、社内窓口や人事部に伝えるシステムが最も一般的な取り組みである
- 「プライバシー規則の遵守」は企業が最も取り組んでいるデータセキュリティ/プライバシー施策であり、次点で「従業員が使用する情報端末のセキュリティ管理」である
- 51%の調査対象のスタートアップがデータ・プライバシーインシデント追跡システムを導入している

# ESGへの取り組みは、「社会におけるESG重視の気運の高まり」や「投資家や従業員の要望」により促進

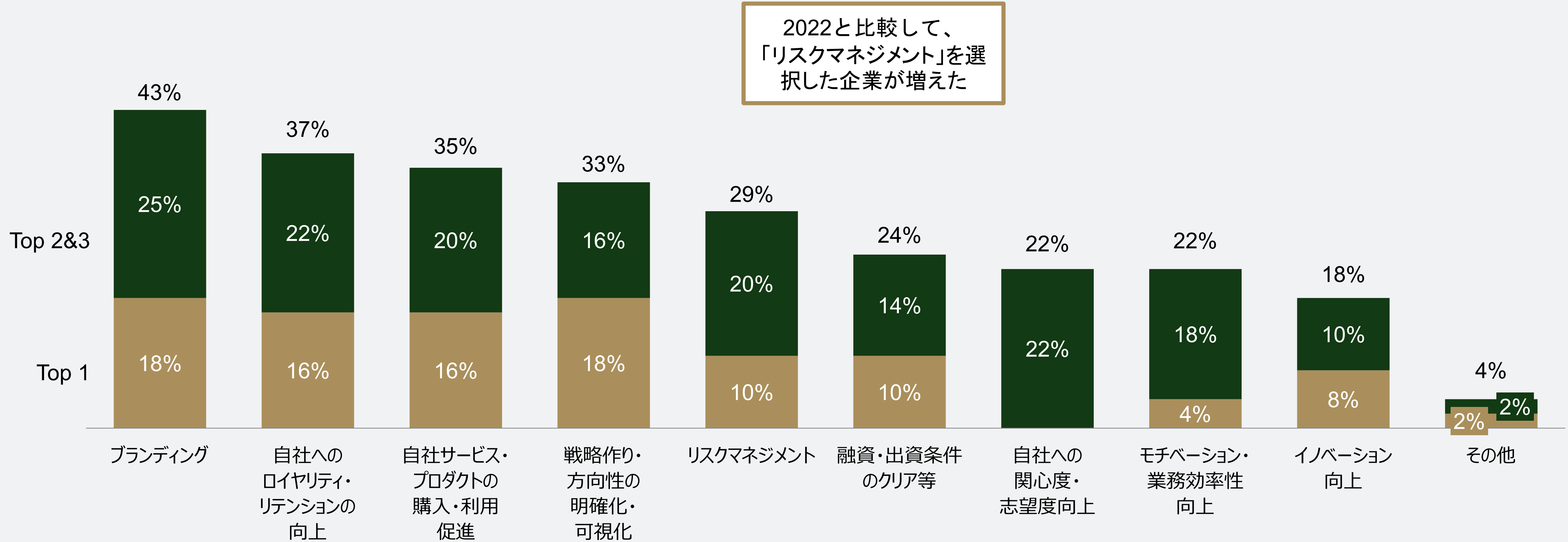
ESGへの取り組みを始める・加速するきっかけとなった要因・出来事を選択してください  
(最も当てはまる選択肢を最大3つまで順番にランクしてください)



2022年と比較して、「消費者のニーズ・意見」を選択した企業が増え、「従業員からの要望」を選択した企業が減った

# ESGに取り組む目的は主に、「ブランディング」「自社へのロイヤリティ・リテンション向上」「自社サービス・プロダクトの購入・利用促進」「戦略作り」の4つ

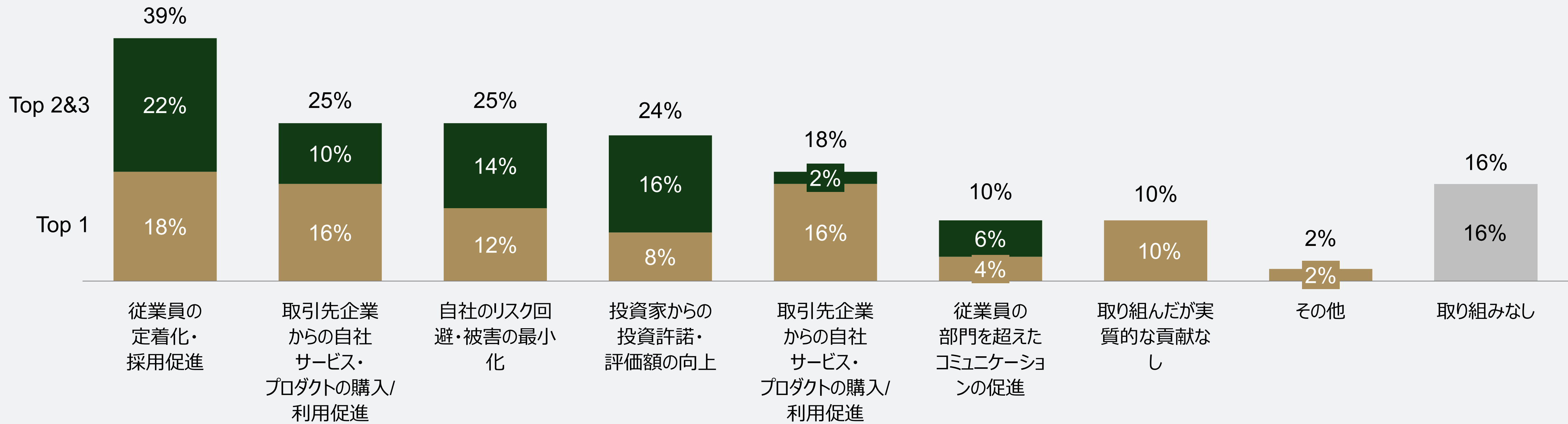
ESGに取り組む目的・狙いを教えてください  
(最も当てはまる目的を最大3つまで順番にランクしてください)



注: n = 51  
出所: Mpower・BCG 「ESGへの取り組みに関するサーベイ (2024)」

# ESGに取り組んだスタートアップの9割は事業のパフォーマンスとオペレーションへの実質的な影響を実感している

ESGへの取り組みにより自社の事業運営・業績への実質的な貢献につながった要素を選択してください  
(最も当てはまる選択肢を最大3つまで順番にランクしてください)

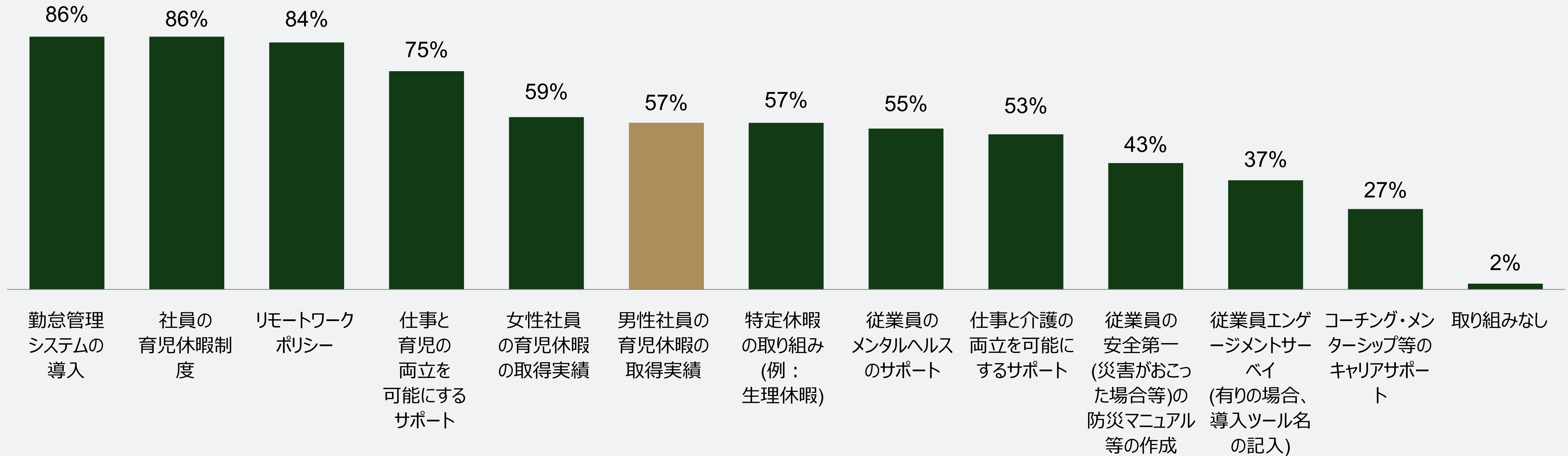


注: n = 51  
出所: Mpower・BCG 「ESGへの取り組みに関するサーベイ (2024)」

# 86%の企業が育児休暇制度を実施しており、84%の企業がリモートワークに対応している

タレントエンゲージメントのための取り組み  
(複数選択可)

男性の育児休暇への注目は高まっているが、スタートアップの取得実績の観点ではあまり変化はない

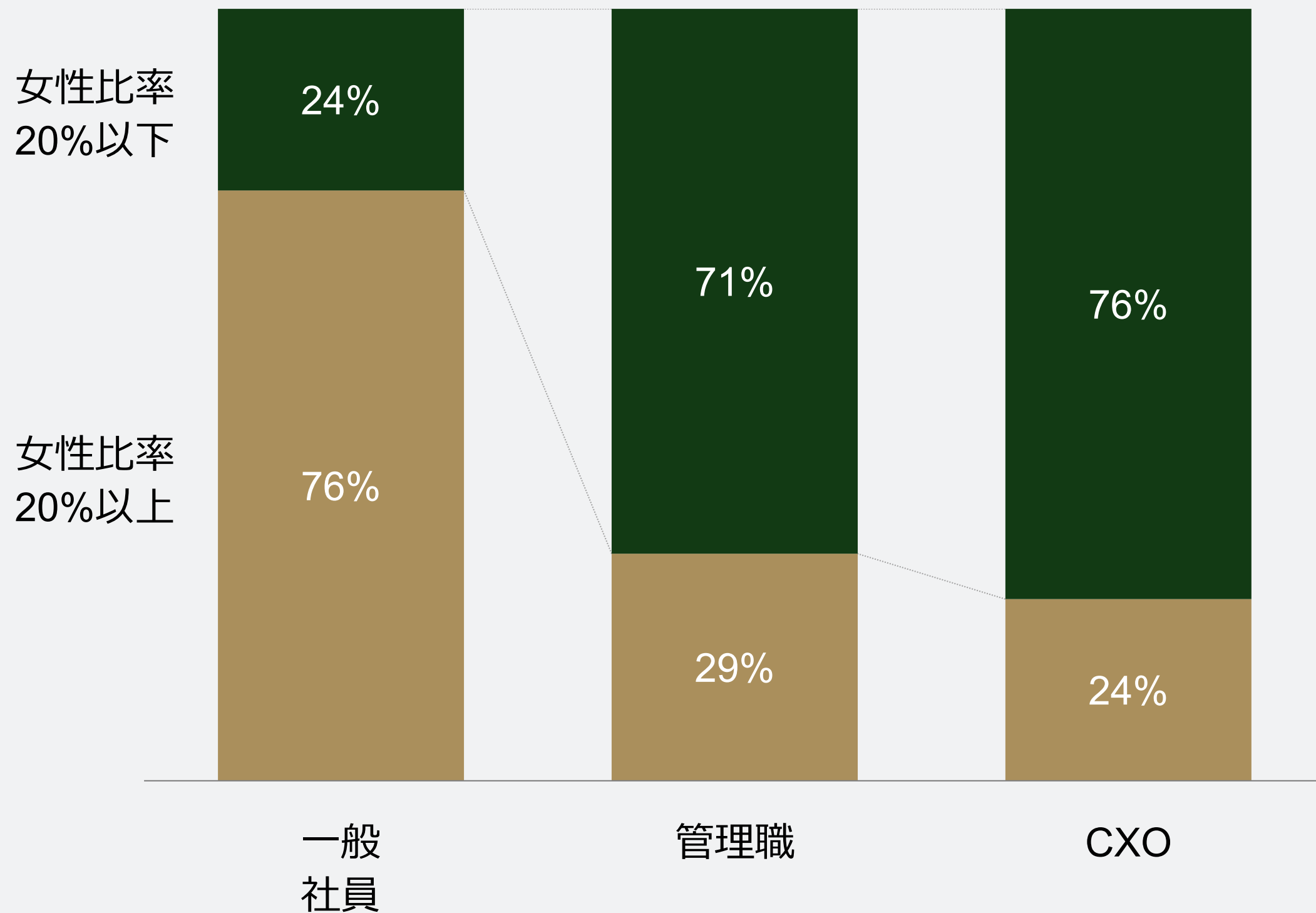


注: n = 51  
出所: Mpower・BCG 「ESGへの取り組みに関するサーベイ (2024)」

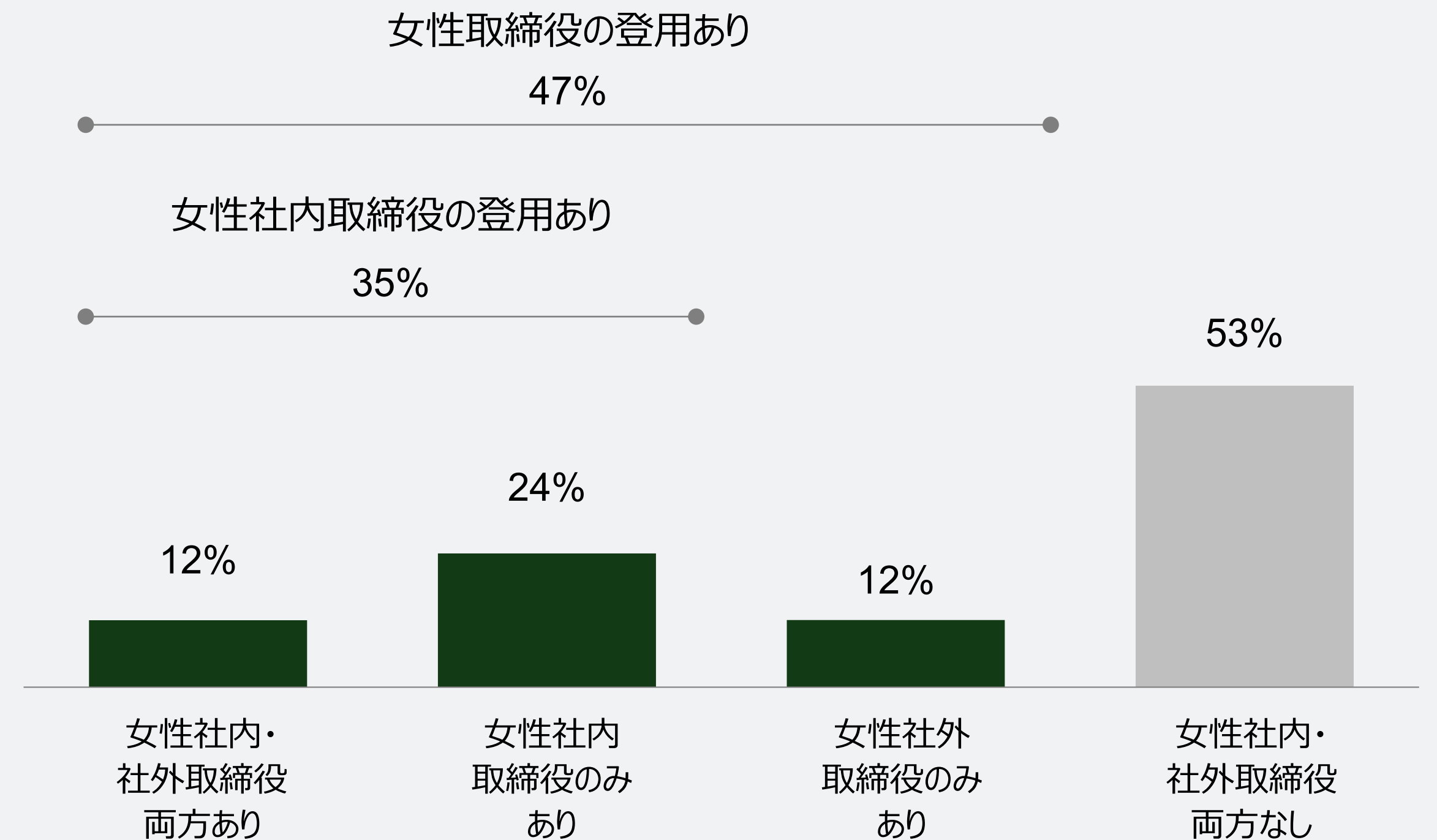
女性従業員が20%以上いる企業は77%である一方で、女性管理職が20%以上は29%、女性CXOが20%以上は24%にとどまる。50%のスタートアップにおいて少なくとも1人は女性が取締役会にいる。

### 各階層に占める女性従業員の比率

社数 (%)

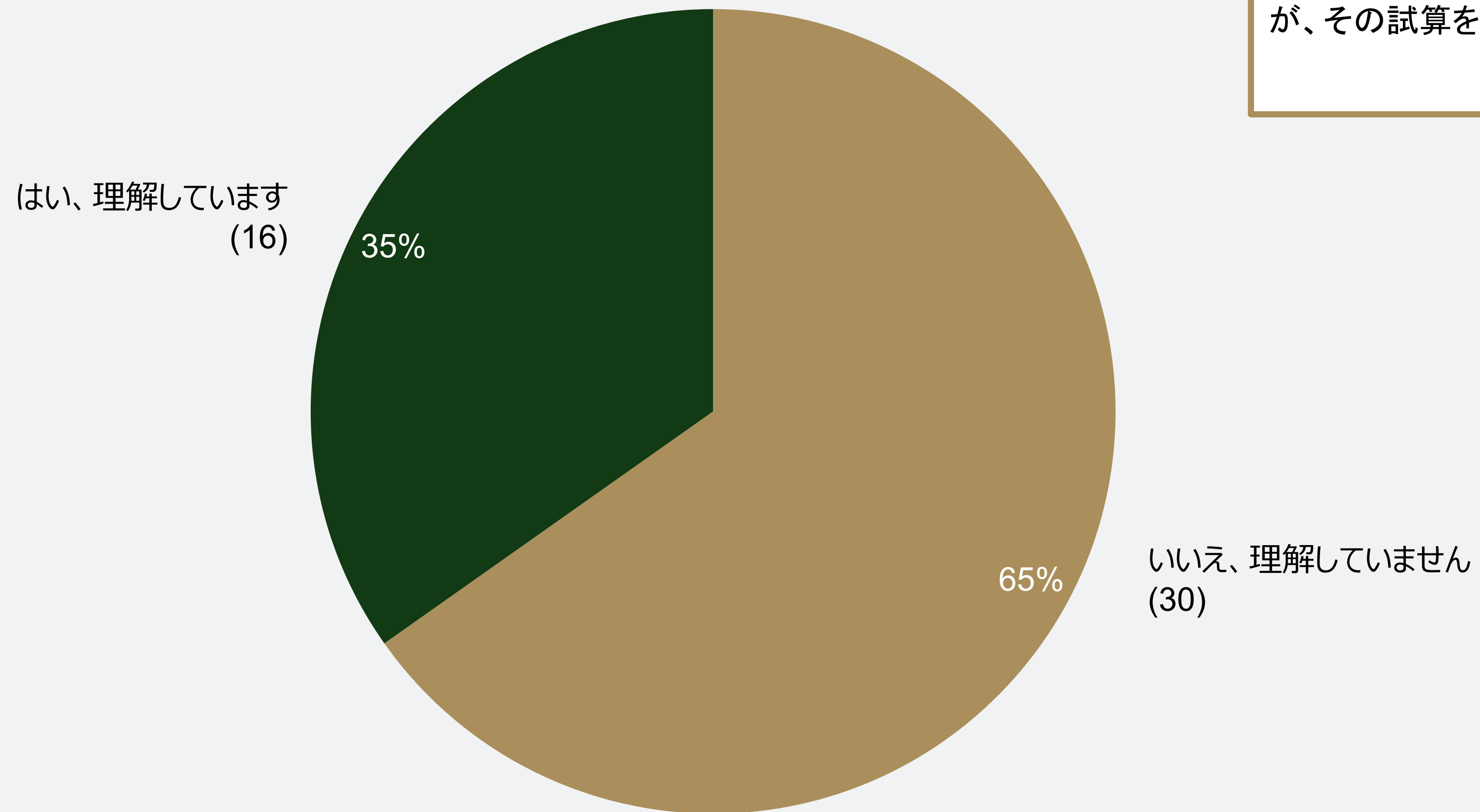


### 社内外取締役: 女性



# 男女間賃金格差を試算しているスタートアップはほぼない

## 男女間賃金格差の認知



男女間賃金格差への注目は高まっているが、その試算を実施しているスタートアップはほぼない



## ご回答いただいた企業（26社）

※ 社名公開許可をいただいた企業のみ記載

※ 25社が企業名非公開を希望

※ 五十音順＞アルファベット順

株式会社オリィ研究所

コングラント株式会社

株式会社クラッソーネ

株式会社サイトーファクト

株式会社シェアデザイン

株式会社助太刀

フリー株式会社

株式会社ヘラルボニー

ベースフード株式会社

株式会社ミツモア

ユニファ株式会

株式会社ログラス

株式会社Arblet

ClipLine株式会社

株式会社eiicon

株式会社enechain

株式会社esa

FastLabel株式会社

株式会社Gotoschool

株式会社komham

Mantra株式会社

MIG株式会社

株式会社NearMe

newmo株式会社

SHE株式会社

Wovn Technologies株式会社

株式会社Yuimedi

# PORTFOLIO ESG PERSPECTIVES

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**CEO AND REPRESENTATIVE DIRECTOR  
YUKIYO IYO**

## RABO

Pet tech solutions to monitor daily movement and health conditions of beloved cats

 JAPAN

# RABO

## IMPROVING THE QUALITY OF LIFE FOR CATS AND HUMANS CONTRIBUTES TO A SUSTAINABLE SOCIETY

RABO's mission is to "use technology to watch over the lives of cats so that cats and their owners all over the world can spend even one more second together.", an objective that Iyo has identified as falling into the "S" (society) category of ESG. The goal of "improving cats' well-being" is a concept rooted in animal welfare, which takes into account both the physical and mental state of the animal.

Furthermore, if a cat's quality of life (QoL) improves, it goes without saying that the well-being of the humans who live with them will also improve. In RABO's view, the happiness of spending time with beloved family members is the same whether they are human or a cat. However, even though the idea that "cats are part of the family" has become widely accepted, there have been few ways to truly understand their well-being.

RABO's technologies enable this understanding, as well as its ultimate vision of "a world where we cherish and value the things that are important to us." And in the pursuit of this vision, ESG practices have come to be a natural part of how RABO operates, both for their customers (pet owners and cats themselves) and its employees.

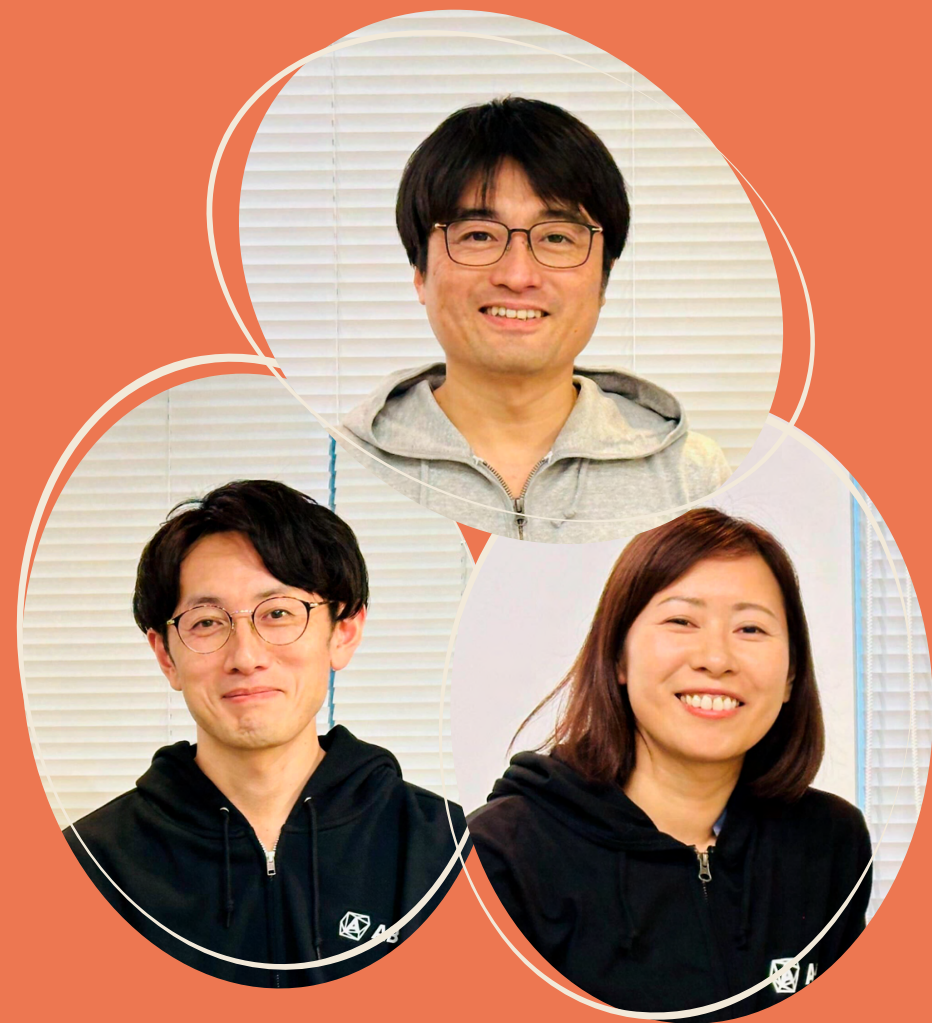
## "EVERYTHING IS FOR THE CATS." S AND E INITIATIVES NATURALLY EMERGE

With many employees being animal lovers and cat owners, the business's purpose has led to high employee engagement. In addition, the "cat owners" who make up 60% of RABO's employees, view the ability to immediately try out new features and consult with advisory veterinarians as a major perk of working at RABO.

They also provide employee benefits that are in line with their mission, allowing employees to work remotely for up to one month if they adopt a cat less than six months old, and allow employees to take special leave for special occasions such as when they are looking after their cats.

In the E (environment) area, they designed the cardboard packaging for the "Catlog Board" so that it can be reused as a cat bed, and the cushioning material can be reused as a scratching pad. From a cost perspective, regular packaging materials are cheaper, but this idea, born from the idea that "everything is for cats," has been well received by cats who have used it.

CEO AND REPRESENTATIVE DIRECTOR  
HAYATO TAKAHASHI



CFO  
YUSUKE WATANABE

BUSINESS MANAGER  
MAYUKA INOUE

## CLIPLINE

Video-based management support system to enhance organizational performance at multi-store businesses

📍 JAPAN



### CLIPLINE'S BUSINESS GROWTH = PROVIDING A SOLUTION TO THE SOCIAL ISSUE OF LABOR SHORTAGES

With the mission of "increasing what we can do," ClipLine is working to improve the working environment for people in the service industry and resolve Japan's challenging labor shortage. It is no exaggeration to say that the very act of carrying out this business is a practical application of S (society).

"According to external organizations, by 2030, the service industry will be short of approximately four million workers. The only way to solve an issue of that scale is to increase productivity across the entire industry. In other words, expanding our business will present a solution to this problem," says Watanabe.

### ESG IS NOT A SOCIAL CONTRIBUTION ACTIVITY, BUT A FRAMEWORK FOR BUSINESS GROWTH

Currently, 10 employees at SHE are on maternity or parental leave. ClipLine worked once a month with MPower, over the course of six months, to develop its ESG roadmap. It is also transparent about its ESG priorities, having published its materiality and action plans on its website.

"By examining the various initiatives or actions we consider when running our business through an ESG lens, it has become easier to decide whether or not to implement them. In the sense that it provides a criterion for making choices, I feel that ESG is a framework that contributes to business growth."

### S PROVIDES THOROUGH SUPPORT TO EMPLOYEES, WHILE G HAS ESTABLISHED A COMPREHENSIVE RISK MANAGEMENT SYSTEM.

ClipLine values a "people-focused" worldview not just in their services but also in their company culture. In terms of employee benefits, the company provides generous support for individual well-being and skill development, such as providing more paid leave than the legal minimum and subsidizing learning expenses aimed at improving skills. In addition, the company's policy of subsidizing expenses for gatherings of three or more people from different departments has been well received by employees, who say that "it has promoted communication outside the office and made it easier to get work done."

Conscious of going public from the early days, ClipLine established a board of directors and an auditors' board at an early stage. It has also established a management system on par with that of large corporations, including setting up a risk management committee and whistleblower hotline, formulating a BCP (Business Continuity Plan) in preparation for emergencies, and maintaining privacy mark certification.

Source: [www.mpower-partners.com/blog-jp/clipline-esg-interview/](http://www.mpower-partners.com/blog-jp/clipline-esg-interview/)

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Please be aware that currently, there is no single, universally accepted framework, whether legal, regulatory, or otherwise, that defines what constitutes "sustainable", "responsible" or equivalent "ESG" investment, product or offering. There is also no market consensus on these terms. Further, it cannot be guaranteed that such a universally accepted framework or consensus will be established and adopted in the future. While certain jurisdictions, particularly the European Economic Area, have made regulatory efforts to define these concepts, the legal and regulatory framework governing sustainable finance is still in development.

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