



2025 INTEGRATED REPORT

Regarding the Publication of the Integrated Report



In December 2025, DENTSU SOKEN will celebrate the milestone of its 50th anniversary.

In preparing the DENTSU SOKEN Integrated Report 2025, which will be issued in this memorable year, we revised its layout around the keyword “challenge,” the driving force behind the Company’s growth, to reflect the valuable opinions of our stakeholders on last year’s integrated report.

In the “Top Message,” I share in my own words our commitment to bold and continuous efforts toward greater self-transformation for the DENTSU SOKEN Group, as we look ahead to the next 50 years of growth. As a specific example of these efforts, under the banner of “New Value Creation Challenges,” we introduce our Company’s latest initiatives to address social and environmental issues such as economic security, carbon neutrality, and neurodiversity.

The Integrated Report 2025 presents topics in a clear and specific format, including: business strategies outlined in our long-term management vision, “Vision 2030,” and our new medium-term management plan, “Contributing to Progress in Society 2027;” the strengths of each business segment; case studies of our unique solutions; progress in sustainability management, including governance; and the Company’s current status and future aspirations. These are conveyed through messages and dialogues with various members of our management team.

I hope this report will deepen your understanding of our Company and serve as a catalyst for ongoing dialogue.

Hirohisa Iwamoto

President and Representative Director, CEO & COO

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Our History

Origin of Our Founding

The history of our company dates back to 1970, when Dentsu Inc. (currently Dentsu Group Inc.) and General Electric Company (GE) agreed to jointly develop the time-sharing service (TSS: a service for shared use of computers) business in Japan.

At the time, although the use of computers by individual companies was gaining momentum in Japan, the communication lines were effectively under government control. Since strict regulations were imposed on private companies for using their own communication lines, such as limiting data communications to dedicated lines within their own facilities, calls for deregulation from the industrial sector to enable more advanced computer utilization were growing steadily.

Against this backdrop, GE, which had already commercialized TSS for business use in the global market, approached Dentsu, which had a strong customer base, about forming a business alliance to enter the Japanese market.

The lead negotiator, Takeo Otake (then-managing director and later the first president of our company), recognized the future potential of the information and communications services industry and actively pursued discussions with GE, leading to the signing of an agreement for a business alliance between these two companies in 1970. Dentsu, along with other players, actively lobbied the government to open up communication lines, and in 1971,

the government amended the Public Telecommunications Act resulting in the first opening of communication lines. This development made it possible for private companies to provide online information processing services, so Dentsu established the Time-sharing Service Division at its Tokyo headquarters, launching MARK I—the first commercial TSS offered by a private company in Japan.

In December 1975, the TSS Division was spun off from Dentsu to further expand the business, and Information Services International-Dentsu, Ltd. (ISID, currently DENTSU SOKEN INC.) was established as a joint venture between Dentsu and GE.

The source of the foundation of ISID is a pioneering spirit, and the pillar of this spirit is the demonstration of creativity and innovation.

Takeo Otake, the first president of the Company

Our History

Business Domain Expansion and Strengths

As our MARK III service, the successor to MARK I, consisted of computer centers in the U.S. and Europe and an international network spanning major global cities, it was adopted by many Japanese financial institutions pursuing global expansion, contributing to the advancement of global operations management and the expansion of international financial transactions. We also installed advanced computer-aided engineering (CAE), such as structural analysis and mold flow analysis, for the manufacturing industry, supporting the innovation of product development processes from an IT perspective. These business areas that took advantage of the unique and powerful MARK III platform are the origin of the current Financial Solutions and Manufacturing Solutions businesses.

Thereafter, we were one of the first in the industry to adopt the title of “system integrator,” and have continued to grow by shifting to system integration and working toward its expansion, handling tasks from custom system development to software sales, including in-house software, and outsourcing. We currently have four business segments. In addition to Financial Solutions and Manufacturing Solutions, Business Solutions provides Group management solutions focusing on the human capital and accounting areas, and Communication IT provides solutions utilizing the experience gained in building and operating ICT infrastructure, as well as the Dentsu Group’s marketing know-how.

The strengths shared by all four business segments are the presence of “diverse professionals” with extensive business expertise acquired through a number of projects, and “technological implementation capabilities” that use cutting-edge technologies to resolve issues. We work to differentiate ourselves from competitors by further refining our strengths and challenging ourselves every day to advance the expansion and development of business areas.



Our History

Corporate Philosophy and Inherited Corporate Culture

Taking into account changes in social conditions, the business environment, and employee awareness, we updated our corporate philosophy in 2019. The new corporate philosophy, developed through employee-led discussions, reflects the “pioneering spirit” in place since our founding, our mission that was declared in the previous corporate philosophy of “acting with integrity as our moral backbone” and “contributing to the prosperity of our clients and society,” and our commitment to preserving a corporate culture that values the “personal attractiveness” strongly embraced by our employees, with the aspiration to build a better future.

About “personal attractiveness”

One of the key phrases stated in the previous corporate philosophy, and in the English translation, this was expressed as “professional caliber and personal virtue.” “People” are the source of competitiveness, and this encourages employees to refine their own capabilities, uniqueness, and personality to enhance their power as human beings. The thinking is that, as a result, the service quality provided will improve and lead to an increase in corporate value.

Corporate Philosophy

Mission

Acting with sincerity, we contribute to progress and harmony among our customers, consumers, and society by exploring the unlimited potential of technology.

Vision

HUMANOLOGY for the future

Understanding human trends, anticipating society’s evolution and exploring the full potential of technology, DENTSU SOKEN Group is creating a better tomorrow through harmony between people and technology.

Challenges of Our New Self-Transformation

The Group announced our long-term management vision, Vision 2030, in February 2022. In addition to establishing our vision for 2030 as becoming “an entity that meets the expectations of society, companies, and consumers,” we set forth the goal of becoming a company possessing the type of diverse human resources, technologies, and solutions to lead innovation in society and business. In January 2021, in addition to integrating two of our specialized consulting subsidiaries and transferring the think tank function of the Dentsu Group to the Company, we changed our company name to DENTSU SOKEN INC., creating a more appropriate corporate body to act as a vehicle for this self-transformation. From 2025, we have been promoting our new medium-term management plan, “Contributing to Progress in Society 2027,” as the second step toward achieving Vision 2030.

As a corporate group that integrates the three functions of system integration, consulting, and think tank, we aim to generate a continuous cycle from issue identification to technological resolution. We are committed to implementing social progress and achieving long-term, sustainable growth.

Action Principles

AHEAD

Be a pioneer.

Agile

Try it first.

Humor

Win through personality.

Explore

Venture into the unknown.

Ambitious

Have a dream.

Dialogue

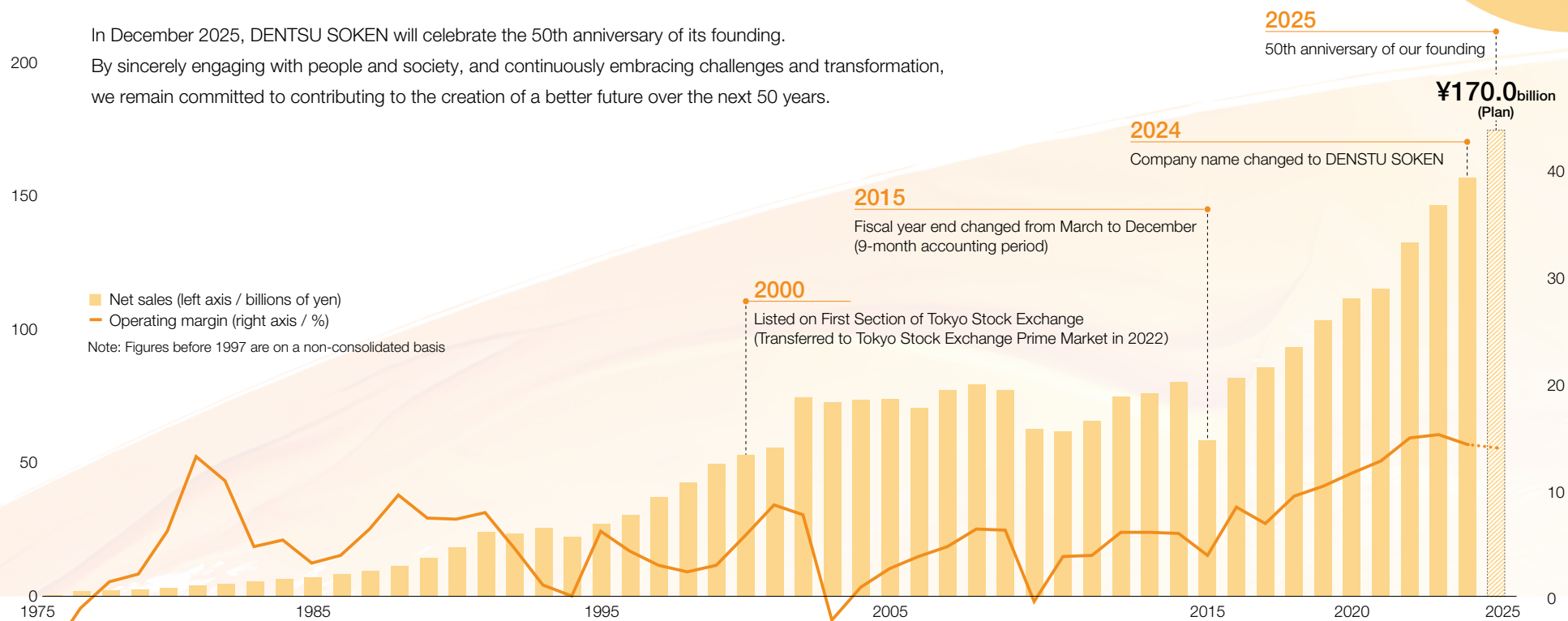
Communicate ideas thoroughly.

Our History

History of Challenge and Transformation

In December 2025, DENTSU SOKEN will celebrate the 50th anniversary of its founding.

By sincerely engaging with people and society, and continuously embracing challenges and transformation, we remain committed to contributing to the creation of a better future over the next 50 years.



1971



In 1970, Dentsu Inc. and GE agreed to jointly develop TSS in Japan. The following year, Dentsu launched the first private-use, commercial computer TSS, leading the expansion and advancement of corporate computer utilization. In 1975, our company was established. In 1982, we founded the Computer Aided Engineering (CAE) Technology Center and began supporting innovation in product development processes within Japan's manufacturing industry. In 1983, we started providing back-office systems for overseas branches of Japanese financial institutions, contributing to their international expansion.



In 1986, we opened our first overseas branch in the United Kingdom, followed by expansion into the United States and Asia to support our clients' global operations. Domestically, in 1991, we began offering comprehensive consulting services for product design and manufacturing processes. From the mid-1990s, as internet-based business applications gained traction, we entered the large-scale systems integration market—supporting the growth of client businesses through initiatives such as Japan's first full-scale Java development and the introduction of interaction design for internet banking systems at a major city bank.

2000



In November 2000, we were listed on the First Section of the Tokyo Stock Exchange. Leveraging the capital raised, we actively pursued M&A and established subsidiaries. We accelerated the development of in-house software, releasing POSITIVE in 2002, RiskTaker in 2004 (currently BANK·R), and iPRIME NAVI in 2009 (currently iQUAVIS). These in-house software products, which package best practices backed by decades of experience and expertise, continue to evolve and enjoy strong support from our clients.

2011

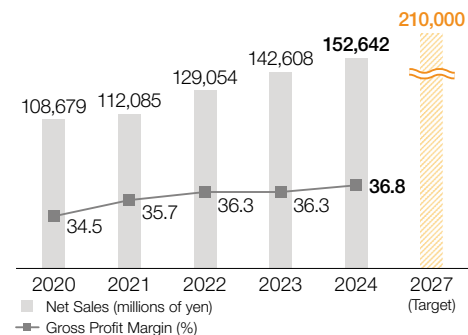


In 2011, we established Open Innovation Laboratory (currently Open Innovation Lab). In 2012, we hosted Japan's first FinTech pitch contest and have since actively collaborated with cutting-edge technology companies both domestically and internationally, including startups. In 2021, we launched the Smart Society Center to support local governments in addressing social and environmental challenges. Through the application of technology, we aim to help realize a sustainable society.

At a Glance

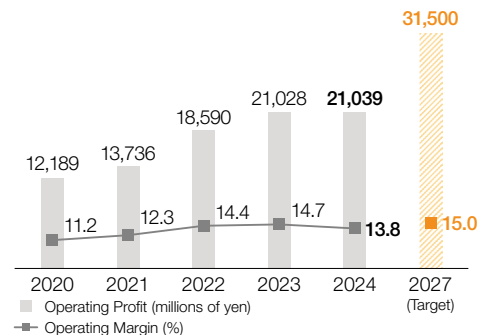
Financial Indicators

Net Sales / Gross Profit Margin



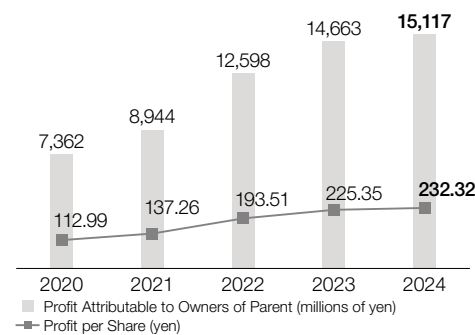
All segments performed steadily, led by the Manufacturing Solutions segment, and we achieved record-high net sales for the ninth consecutive fiscal year.

Operating Profit / Operating Margin



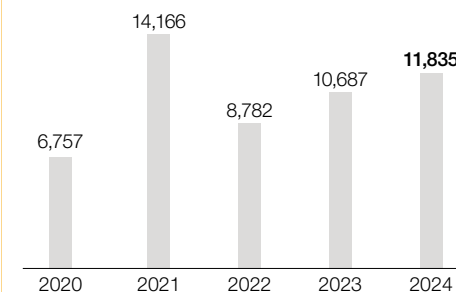
While selling, general and administrative expenses increased primarily due to higher personnel costs, the positive impact of revenue growth and an improved gross profit margin resulted in record operating profit for the seventh consecutive fiscal year.

Profit Attributable to Owners of Parent / Profit per Share*



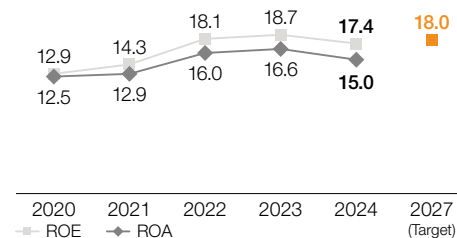
Profit attributable to owners of parent and net profit per share reached record highs for the seventh consecutive fiscal year.

Free Cash Flow (millions of yen)



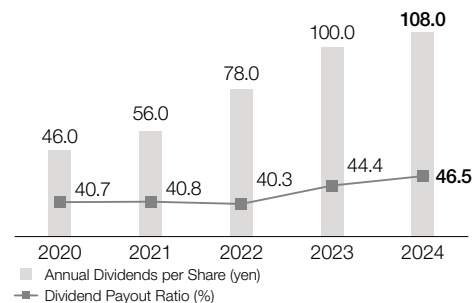
Although we recorded significant expenditures related to M&A activities, progress in the collection of accounts receivable resulted in a ¥1.1 billion year-on-year increase in free cash flow.

ROE / ROA (%)



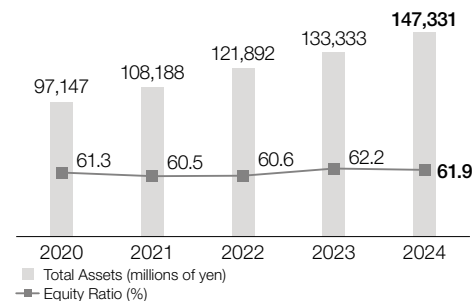
ROE and ROA declined from the previous fiscal year, as profits remained flat while net assets and total assets increased.

Annual Dividends per Share* / Dividend Payout Ratio



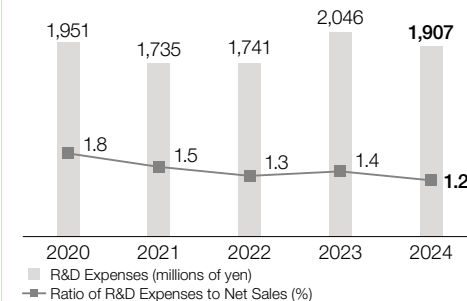
Annual dividends increased by ¥8 from the previous year to ¥108, marking the 12th consecutive year of dividend growth.

Total Assets / Equity Ratio



Total assets reached ¥147.3 billion, driven by an increase in non-current assets resulting from M&A activity.

R&D Expenses / Ratio of R&D Expenses to Net Sales



As a result of enhancing the functionality of our in-house software and conducting research and verification testing of cutting-edge technologies, research and development investment totaled ¥1.9 billion.

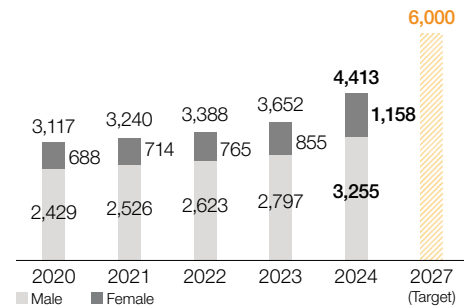
* Effective January 1, 2021, we conducted a 2-for-1 stock split of common stock

For FY2020, profit per share and annual dividends per share are calculated assuming that the stock split in question was conducted at the start of FY2020

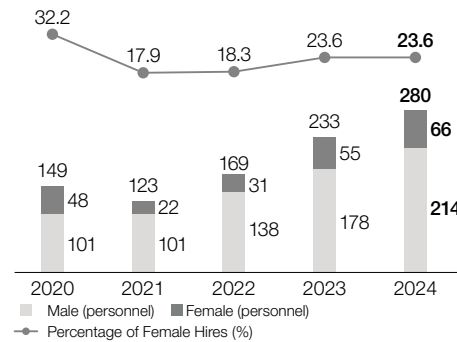
At a Glance

/ Non-Financial Indicators

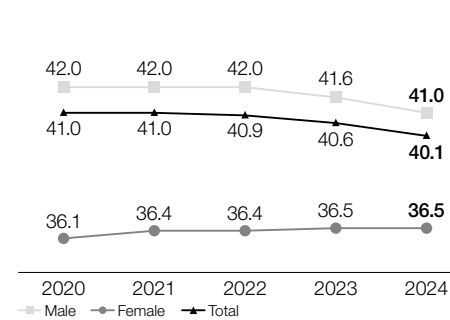
Consolidated Personnel (number of employees)



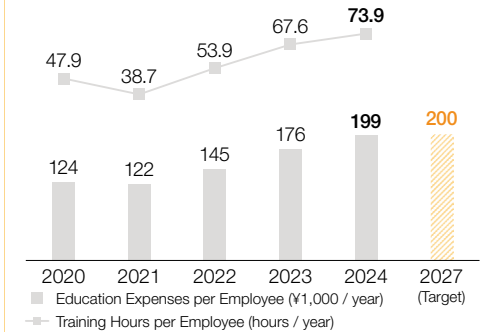
The number of consolidated personnel reached a record high of 4,413, reflecting a 20.8% year-on-year increase driven by stronger branding and the impact of M&A activities.

Hires / Percentage of Female Hires^{*1, 3}

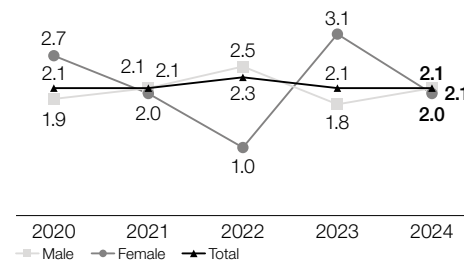
The number of hires, including both new graduates and mid-career hires, increased for the fourth consecutive year. Starting in 2025, we have set a new target of 30% for the ratio of female hires.

Average Age^{*1}

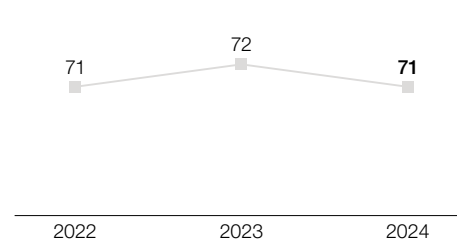
The average age of employees was 40.1 years (41.0 for male and 36.5 for female), reflecting an expansion in new graduate hiring. The organization is steadily becoming younger overall.

Education Expenses per Employee / Training Hours per Employee^{*1, 2}

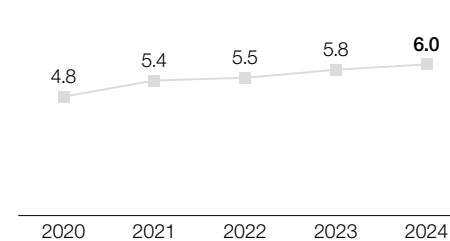
As a result of expanding our education programs, per-employee education expenses reached ¥199,000 and average annual training hours totaled 73.9, both exceeding the previous year's levels.

Annual Attrition Rate^{*1, 4} (%)

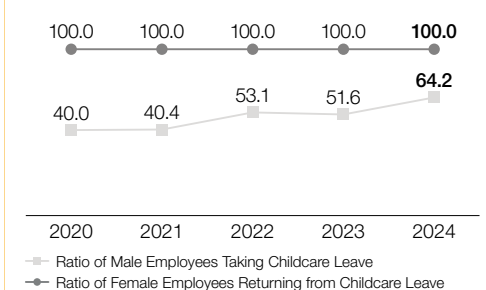
We have maintained a low attrition rate by developing work environments that support flexible workstyles tailored to each employee's life stage.

Employee Engagement Score^{*1, 5} (%)

We maintained the same level of employee engagement score (positive response rate) as in the previous fiscal year, exceeding our target of 70%.

Ratio of Female Managers^{*1} (%)

The ratio of female managers is steadily increasing, but there remains a gap to our 2030 target of 16.5%. To close this gap, we are working to expand the pool of management candidates and enhance career development support.

Ratio of Male Employees Taking Childcare Leave / Ratio of Female Employees Returning from Childcare Leave^{*1} (%)

We expanded our support systems for balancing childcare and work. As a result, the return-to-work rate for female employees after childcare leave remained at 100%, while the rate of male employees taking childcare leave rose significantly to 64.2%.

*1 All figures are non-consolidated unless otherwise indicated *2 Numerator of education expenses is company-wide training expenses + training expenses of each department. Training time does not include self-learning, division-specific training, and external seminars

*3 Including contract employees, excluding employment transfers *4 Excluding employees retiring at retirement age, contract conclusions, and employment transfers *5 Positive response rate for surveys begun in 2022

Top Message

**Relentless in our pursuit of challenge.
Committed to continuous transformation.
This is where new growth begins.**

**The culture of challenge at DENTSU SOKEN has fueled personal growth.
We are determined to pass this culture on to the
next generation of colleagues.**

Both as a corporate manager and as an individual, the most important thing to me is the spirit of challenge. I believe that challenges are what make people and organizations grow, what enrich life, and what lead to a greater level of happiness.

Takeo Otake, the first president of the Company, said that “The source of the foundation of the Company is a pioneering spirit, and the pillar of this spirit is the demonstration of creativity and innovation.” I am proud of how the Company has quickly grasped changes in the world, boldly risen to challenges, and pioneered new businesses since our founding. For example, the time-sharing service (TSS) business that the Company undertook at the time of our founding was the first private-sector initiative of its kind in Japan at the time. TSS is a service for shared use of computers and can be seen as the predecessor of today’s cloud computing. We were already engaged in innovative businesses like this in the early 1970s. In the field of engineering for the manufacturing industry, we were a frontrunner in spreading the simulation technology known as Computer Aided Engineering (CAE) for structural analysis and fluid analysis, being the first to popularize this concept in Japan. We also lead the industry in establishing overseas bases ahead of our peers, actively promoting the global expansion of IT services. It is our culture of challenging the unknown to resolve issues and create value for our customers and society that has supported the Company’s growth throughout our history.



Hirohisa Iwamoto

President and Representative Director,
CEO & COO

Born in 1971. Joined DENTSU SOKEN in April 1995. After accumulating experience in sales positions for many years, he was appointed as Executive Officer in 2018. Thereafter, he worked as the head of the Manufacturing Solutions segment, oversaw company-wide business management, and served as President – DX at dentsu Japan*. He was appointed as President of DENTSU SOKEN in March 2024.

* Japanese business brand with capabilities to manage and support the Dentsu Group’s domestic businesses

Top Message

After joining the Company as a new graduate in 1995, I accumulated significant experience and tackled many challenges in sales positions assigned to the manufacturing industry. One such experience that left a particularly strong impression on me was a project supporting IT transformation for a manufacturing client. This was a large-scale and unprecedented initiative for the Company, involving the implementation of 3D computer-aided design (CAD) software and product lifecycle management (PLM) systems across all global sites. Despite many around me believing the project would be difficult to realize, I was driven by a strong conviction that we must take on challenges, even in uncharted territory, and committed myself fully to the effort. As a result, we delivered innovative value to the client and earned their deep trust. This experience marked a major turning point in my growth as a businessperson and remains vivid in my memory.

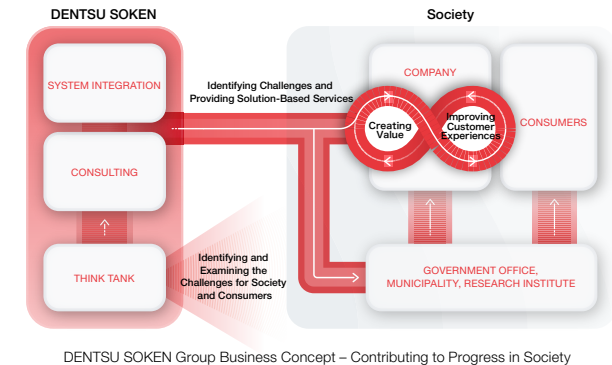


Looking back, my career has consistently revolved around the theme of overcoming difficult situations and creating new value. To achieve sustainable growth as a company, it is essential to nurture the seeds of challenge and lay the foundation for the future through our daily work. I hope that the next generation of employees will never be passive, but instead embrace challenges with the courage to take initiative.

As we approach the 50th anniversary of our founding, we are undertaking a new phase of self-transformation in preparation for the next 50 years. The external environment is becoming increasingly complex, driven by the rapid development of the smart society, the expansion of corporate social responsibilities such as human capital management, the decline in the domestic labor force, the accelerating evolution of technologies including generative AI, and growing uncertainty in global affairs. Amid these conditions, we see significant growth opportunities for a company like ours, which excels in implementing technologies to meet the transformation needs of both society and businesses.

In our long-term management vision, Vision 2030, announced in 2022, we defined our aspiration for 2030 as becoming a “X (Cross) Innovator.” This refers to a catalyst for social and corporate transformation through the practice of “X (Cross) Innovation,” a collaborative creation of value that goes beyond technologies, industries, companies, regions, etc. By 2030, we aim to become a corporate group with ¥300 billion in net sales and a 20% operating margin.

DENTSU SOKEN’s business concept is to evolve into a X



Innovator by coordinating our three core functions: think tank, consulting, and system integration. This coordination enables us to generate a continuous cycle from issue identification to technological solutions. We refer to this concept as “contributing to progress in society,” which expresses our commitment to realizing a better future through corporate and societal transformation.

As a recent initiative aligned with this concept, we established the DENTSU SOKEN Center for Economic Security Research in March 2025. In the field of economic security, including cyber defense, we aim to integrate the domestic and international partnerships and diverse intelligence cultivated over many years by the Dentsu Group with the technology solutions developed by our Company. Through this integration, we are building a system that supports the sustainable development of both Japanese society and our customers.

▶ P.14 New Value Creation Challenges

Top Message

Increasing Our Earning Power by Strengthening Our Culture of “Challenge” Rooted in Our DNA and Our Thorough “Customer-First” Approach

I believe that the essence of the Company’s strength lies in our culture of challenge and our unwavering customer-first approach, through which we work closely with our customers to resolve issues and create value. This approach is deeply embedded in our organization, enabling us to identify the core of our customers’ challenges and propose optimal solutions. To deliver meaningful results as a system integrator, we have continuously refined our understanding of diverse industries and deepened our expertise in business operations. Furthermore, we have evolved these efforts into a proprietary business model that enhances our earning power. Rather than simply developing and delivering systems for individual companies, we categorize the components of the systems we provide into competitive domains—those that define a company’s unique advantage—and non-competitive domains—those that are generalizable and applicable to other companies. By extending the outcomes of the latter to additional customers, we maximize the value that we deliver and expand our business scale.

Examples of these initiatives in non-competitive domains include: our integrated human capital management solution, POSITIVE, which supports strategic human resource management; our conceptual design support system, iQUAVIS, which improves design quality through system modeling and quality and risk analysis; and STRAVIS, our consolidated accounting solution that streamlines and enhances a wide range of operations related to group management. These in-



house software products are the result of persistent refinement throughout long investment phases, during which we carefully assessed business growth potential. They are now highly valued by many of our customers.

▶ P.26 Strengthening of proprietary solutions (In-House Software)

Rising to the Challenge of Organizational Structure Reform in Our New Medium-Term Management Plan “Contributing to Progress in Society 2027”

As the next step toward realizing our 2030 vision of becoming a X Innovator, the Company announced its new medium-term management plan, “Contributing to Progress in Society 2027,” in February 2025.

One of the key initiatives in this plan is the principled

elimination of the divisional business structure, with sales functions consolidated under the General Sales Headquarters and technological functions under the Technology Headquarters.

Sales, being the division closest to our customers, serves as the starting point for solution proposals grounded in deep customer understanding. To deliver optimal solutions amid increasingly complex challenges, it is essential not only to engage with customers through a one-stop approach but also to strengthen our proposal capabilities across the entire organization.

In the area of technology, we are promoting cross-divisional project sharing and the active utilization of accumulated knowledge and expertise. During the previous medium-term management plan period, we identified two key issues: in certain areas, our human resources did not fully meet customer expectations, and some projects resulted in losses. To address these challenges, we are building a more flexible system for assigning engineers, while also enhancing project quality and accelerating talent development. Although there was initial confusion among frontline teams, sales and technology members who had previously been separated by business division are now working in close proximity based on function. This change has sparked a wave of new discussions and the emergence of synergies that had not been possible before.

▶ P.21 Medium-Term Management Plan (2025–2027) Contributing to Progress in Society 2027

▶ P.25 Consolidation of Sales Functions and Consolidation of Technological Functions

Top Message

Supporting Corporate and Social Growth through “Three Types of Leadership”

We aim to demonstrate three types of leadership to drive corporate and social growth over the next 50 years. The first is enhancing global competitiveness for manufacturing companies. By leveraging our core strengths and implementing AI and other advanced technologies, we seek to contribute to the transformation of manufacturing.

The second is advancing corporate productivity. As the working-age population continues to decline, maintaining and expanding business operations with limited human resources has become a major societal challenge. The solutions we offer are designed to directly address this issue. Through the

enhancement of our proprietary solutions and the expansion of their application, we aim to support improvements in corporate productivity.

The third is improving the value of consumer experience for businesses and society. The Dentsu Group has a long-standing history of consumer-centric business practices and possesses extensive expertise in understanding how products and services are received by society and the impact they have on consumers. By collaborating with the Dentsu Group, we intend to lead broader societal transformation and contribute to the realization of a better society.

▶ P.17 DENTSU SOKEN Strengths

▶ P.29 Roundtable Discussion with the Business Supervisor, the Division Director of General Sales Headquarters, and the Division Director of Technology Headquarters

The Key Themes in Supporting Sustainability Management: “People,” “Technology” and “Governance”

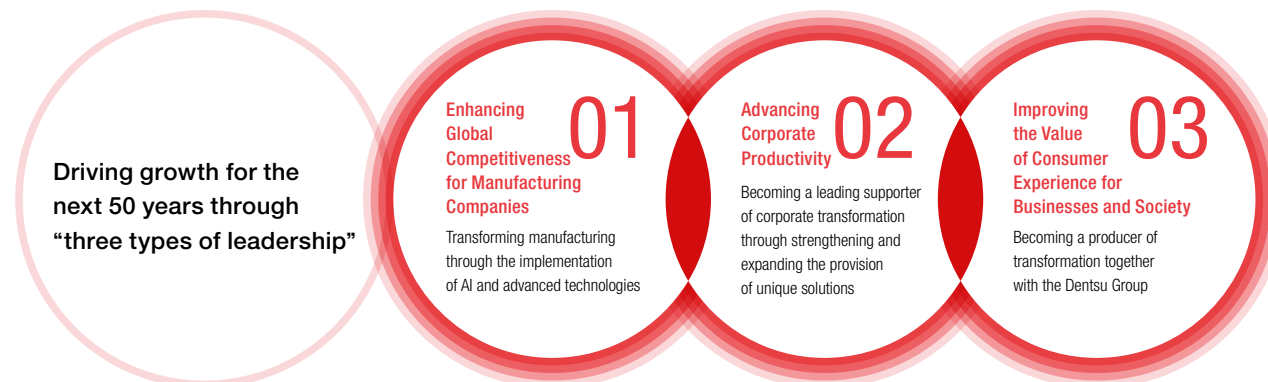
To advance sustainability management, the Company has identified three key themes: people, technology, and governance.

For people, we are focusing on recruitment and development to strengthen one of our core assets—a diverse team of professionals. My vision is not to build an organization reliant on a small group of elite talent. Rather, I aim to foster a workplace where every employee actively and independently hones their skills and is empowered to fully leverage their capabilities. To make our Company a truly rewarding place to work, we are enhancing initiatives that improve individual performance, including expanding training programs, promoting internal rotation systems, improving workplace environments, and advancing health and well-being initiatives.

We believe that creating new value requires diverse talent to thrive and collaborate. In the area of diversity, equity, and inclusion (DEI), we recognize the need to increase the ratio of female managers and are proactively hiring female to build a strong pipeline of future female leaders. In addition, we are conducting research on neurodiversity management, which aims to unlock the potential of individuals with developmental disorders and create opportunities for them to excel in advanced and cutting-edge IT fields.

▶ P.15 New Value Creation Challenges

▶ P.28 Strengthening of Human Capital



Top Message

The use of technology is essential in addressing social and environmental challenges such as labor shortages caused by population decline and climate change. Through our business activities, we are committed to resolving these issues and offer a wide range of solutions that support human capital management and the realization of carbon neutrality. For example, our consolidated accounting solution, STRAVIS, also supports the collection of non-financial information and facilitates timely and precise disclosures aligned with regulatory trends in Japan and overseas.

This year, marking the 50th anniversary of our founding, we will launch new social contribution initiatives that leverage insights gained through our business activities, with a focus on people and technology.

▶ P.27 Strengthening of proprietary solutions (In-House Software)

Regarding governance, considering our parent-subsidiary listing relationship with Dentsu Group Inc., we strive to establish a governance framework that exceeds the standards required by the Tokyo Stock Exchange Prime Market, with a focus on protecting minority shareholders. A majority of our Board of Directors consists of independent outside directors, and from a DEI perspective, four of our directors—more than one-third of the board—are female.

Our Board of Directors engages in robust and dynamic discussions, and the concept of the “three types of leadership” introduced earlier reflects significant input from outside directors.

Beginning in 2025, we have incorporated ESG-related indicators into the remuneration of executive directors and

executive officers, further advancing our sustainability-driven management approach.

▶ P.41 Roundtable Discussion between Outside Directors and Chairman of the Board

▶ P.46 Corporate Governance

Internal Slogan for the 50th Anniversary of Our Founding “Dare to change”

To commemorate our 50th anniversary, we have adopted the internal slogan, “Dare to change.” As mentioned earlier, a culture of challenge is embedded in our DNA and serves as the foundation of our strengths. While our current business performance remains solid, we must not allow this to foster complacency or a defensive management mindset. I consistently emphasize the importance of taking on challenges to our employees at every opportunity.

At the same time, I encourage our management team—who support those taking on challenges—to continue identifying each employee’s unique qualities and stage of growth, and to provide tailored support without hesitation. Today, the phrase “Dare to change” is frequently heard across all levels of internal meetings and is increasingly becoming a key consideration in decision-making.

To help solve our clients’ challenges, we ourselves must evolve into an organization that stays one or two steps ahead of the times. I firmly believe that “life shrinks or expands in proportion to one’s courage.” I am confident that the new



challenges undertaken by each and every employee will shape the next 50 years.

We remain committed to bold self-transformation and to further refining the strengths of the DENTSU SOKEN Group.

We appreciate your continued support as the DENTSU SOKEN Group embraces new challenges.

New Value Creation Challenges

Faced with rapid changes in the market environment, information technology, and customer needs, the DENTSU SOKEN Group has achieved growth through a continuing process of self-transformation, starting with our entry into the information services business. This was followed by a transition and expansion into a system integrator. Looking ahead to the next 50 years, we have embarked on a new phase of value creation. Below, we highlight some of our key initiatives in this endeavor.



Enhancing economic security and cyber resilience has become an urgent management priority for Japanese companies

In March 2025, we established the [DENTSU SOKEN Center for Economic Security Research \(DCER\)](#) to strengthen our capacity to address economic security challenges amid an increasingly unpredictable global landscape.

Businesses have become even more concerned about economic security since President Trump took office in January of this year. This is in response to the intensifying confrontation developing between the U.S. and China, both of which are in a power struggle not only in the military sphere, but also in terms of dominance of data-related technologies. Europe has also become increasingly conscious of economic security risks in relation to China. Russia's invasion of Ukraine has meanwhile raised awareness of the need to strengthen supply chains, especially in the areas of energy, food, and advanced technologies.

In 2022, the Japanese government enacted the Economic Security Promotion Act to secure supply chains for key materials (e.g. semiconductors), ensure the security of critical infrastructure, promote the development of cutting-edge technologies through public-private partnerships, and establish a non-disclosure system for patent applications. In addition, the G7 Hiroshima Summit in May 2023 resulted in the first-ever leaders' statement focused specifically on measures to counter economic threats from China, the "G7 Leaders' Statement on Economic Resilience and Security." This demonstrated a unified stance among Japan, the U.S., and Europe in addressing economic security challenges.

The Trump administration's current tariff policy is a risk factor for the global economy. It is clearly an attempt to use economic statecraft, in the form of tariffs, to protect the national interests of the U.S. How Japanese companies should respond to this evolving landscape is a critical question that now demands careful consideration.

Companies operating globally and those possessing strategically important cutting-edge technologies must enhance their intelligence-gathering capabilities and establish governance frameworks aligned with economic security requirements.

Another pressing priority is the implementation of countermeasures against cyberattacks. We are seeing upward trends in both the frequency of cyberattack incidents targeting supply chains and core infrastructure, and in the monetary cost of the damage caused by these attacks. Cyberattacks cause massive economic damage, including the impairment of corporate and product brand value and declines in share prices. The recently enacted Active Cyber Defense Act can be seen as a key initiative to address this issue. Strengthening cyber resilience has become an urgent management priority for companies.

Leveraging Dentsu Group assets to address clients' challenges

The DENTSU SOKEN Center for Economic Security Research (DCER) was established to integrate both domestic and international partnerships and wide-ranging intelligence cultivated by the Dentsu Group over many years, as well as technological solutions developed within the Group under the leadership of DENTSU SOKEN. Its mission is to enhance our contribution to society and expand our services to businesses through three core functions in the economic security field: think tank services, consultation, and security solutions. Specifically, the DCER will function as a think tank by issuing survey and analysis reports and publishing books about economic security, including cybersecurity, while also raising awareness in the corporate sector about the vital importance of monitoring global trends and risks. The center's consultation role will include advisory services relating to individual economic security issues, such as supply chains and legal compliance, as well as cybersecurity issues. In the area of security solutions, it will provide visualization of security risks and rapid incident response and recovery services.

By integrating the tangible and intangible assets accumulated by the Dentsu Group, we aim to establish DENTSU SOKEN as a trusted leader in economic security, as well as to deliver new value to clients by helping them build robust cyber resilience.

Profile of Shigeru Kitamura

Shigeru Kitamura joined Japan's National Police Agency in 1980. He served as Executive Secretary to the Prime Minister of Japan, Director of Cabinet Intelligence, and Secretary General of the National Security Secretariat, as well as Special Advisor to the cabinet. He established the Economic Section within the secretariat and promoted economic security policies. Shigeru Kitamura was awarded the U.S. Department of Defense Distinguished Service Medal in December 2020. After retiring from government service in July 2021, he became a member of the Expert Panel on Economic Security Legislation in Japan in November of the same year. He is also the CEO of Kitamura Economic Security Inc.

New Value Creation Challenges

Supporting Environmental Management Toward a Sustainable Future

Masayoshi Eguchi

General Manager
Social Innovation Department
Consulting Division



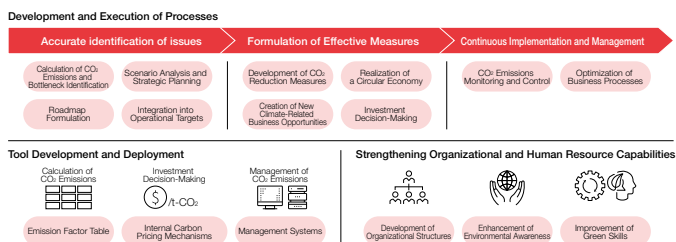
Businesses face a variety of challenges amid the accelerating global push for decarbonization, including supply chain emissions reduction, product carbon footprint calculation and mitigation, and compliance with evolving regulations.

In 2021, DENTSU SOKEN has offered the “Green Innovation Compass (Japanese version only),” consulting service to support companies in achieving carbon neutrality. This service leverages a proprietary methodology to provide comprehensive support for environmental management, including compliance with sustainability disclosure requirements, and the development of circular economy-based business models. We also assist local governments in their decarbonization efforts. For example, under the “FY2024 Ehime Prefecture Zero-Carbon Model Product Creation Support Project,” we calculated the carbon footprints of products from four small and medium-sized enterprises in Ehime Prefecture, analyzed greenhouse gas emissions at each production stage, and proposed high-impact emission reduction measures. We also helped structure and model the participating companies’ initiatives.

In February 2025, DENTSU SOKEN’s extensive track record in sustainability consulting was recognized with its acceptance into the Associate Consultant Programme (ACP)* of BSI Group Japan, the Japanese subsidiary of the British Standards Institution (BSI).

Looking ahead, we will continue to support the global expansion of Japanese companies by assisting with product carbon footprint transparency and non-financial information disclosure in alignment with European regulatory requirements.

Content of the Green Innovation Compass Service



* Program designed to help companies seeking ISO and other certifications obtain expert guidance from qualified professionals

Shaping a Future Empowered by Neurodiversity

Yukari Arai

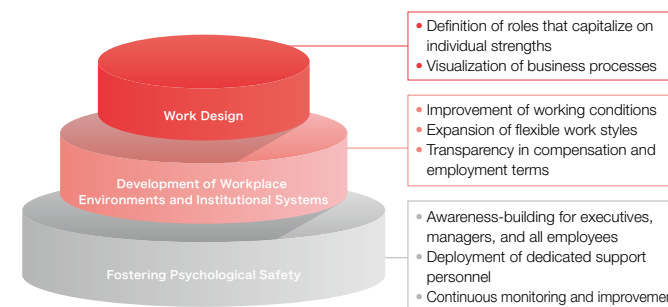
Senior Manager
Business Innovation Department V
Consulting Unit II, Consulting Division



The term “neurodiversity” refers to the concept of respecting differences in individuals’ brains and nervous systems as a natural form of diversity, and leveraging these differences to enrich society and organizations. This concept gained broader recognition in the 1990s triggered by advocacy from groups of neurodiverse individuals. Today, employment initiatives aimed at unlocking the strengths of individuals with neurodevelopmental traits are gaining attention from both DEI and talent utilization perspectives. In many countries, especially in the financial and IT sectors, proactive inclusion of neurodiverse talent is already underway.

DENTSU SOKEN has long been committed to supporting the employment and empowerment of people with disabilities. Building on that experience, we joined the Neurodiversity Management Study Group in September 2024, collaborating with other private-sector companies. From a neurodiversity perspective, we will systematically identify the strengths of individuals with neurodevelopmental characteristics, while also recognizing the broader spectrum of neurological diversity across all people. Through a combination of initiatives—including designing roles that align with individual strengths, enhancing workplace environments and expanding relevant systems, and fostering psychological safety rooted in diversity—we aim to enable talent to thrive across a wide range of fields, including advanced and emerging IT domains.

DENTSU SOKEN embraces neurodiversity and is committed to becoming an organization where everyone can thrive, thereby creating new value for society and shaping a better future.



Value Creation Process

Changes in the business environment ahead of 2030

- Emergence of smart society
- Declining working-age population
- Expanding corporate social responsibilities
- Continuous evolution of technologies

Input
FY2024 Results (Consolidated)

Financial Capital
 Net sales ¥152.6 billion
 Operating profit ¥21.0 billion
 Operating margin 13.8%
 ROE 17.4%

Intellectual Capital
 Investment in technology ¥3.9 billion

Human Capital
 Number of employees 4,413
 Male 3,255
 Female 1,158
 Operating profit per employee ¥4.76 million

Social and Relationship Capital
 Customer base
 Approx. 2,500 companies
 Outsourcing contractors (non-consolidated) 666 companies

Natural Capital
 Supply chain emissions* 16,198 t-CO₂

Medium-Term Management Plan **DENTSU SOKEN Contributing to Progress in Society 2027** P.23

Three Basic Policies

- I. Value creation for corporate and social transformation
- II. Enhancement of competitive solutions
- III. Strengthening of management

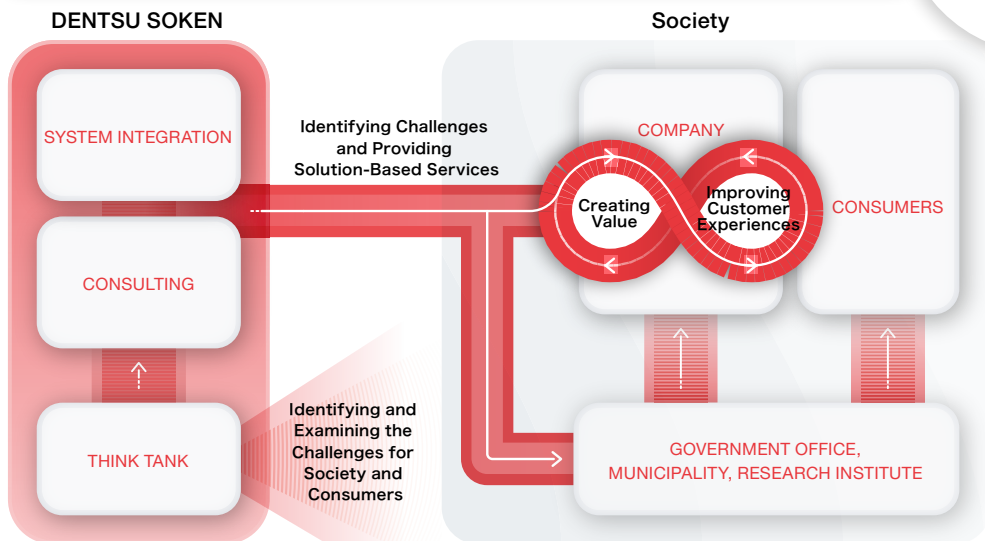
Our Ideal Positioning in 2030

X Innovator

A corporate Group with **¥300 billion** in net sales and operating margin of **20%** that possesses diverse human resources, technologies, and solutions

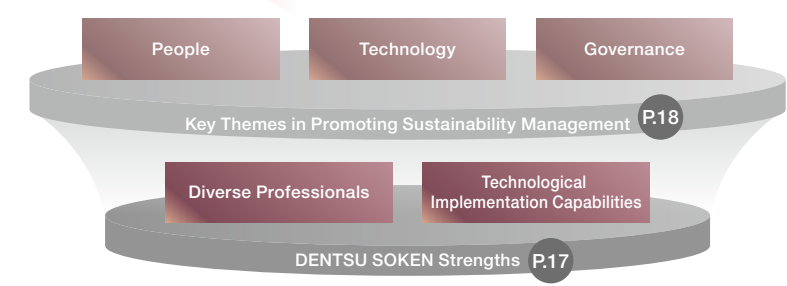
Corporate Philosophy / Vision

HUMANOLOGY for the future



Output / Outcomes
Medium-Term Management Plan Goals in FY2027 (Consolidated)

Net sales	¥210.0 billion
Operating profit	¥31.5 billion
Operating margin	15.0%
ROE	18.0%+
Human resources	6,000
Operating profit per employee	¥5.25 million
Technologies, in-house software products, and DX; Investment and M&A	¥75.0 billion (Three-year cumulative)



* For calculation coverage, please refer to "Non-Financial Data" on page 61

DENTSU SOKEN Strengths

Since being formed through a merger between Dentsu Inc. and GE, DENTSU SOKEN has achieved its own growth by inheriting the DNA of both companies. The strengths of DENTSU SOKEN are the diverse professionals and technological implementation capabilities that we have built.



Diverse Professionals

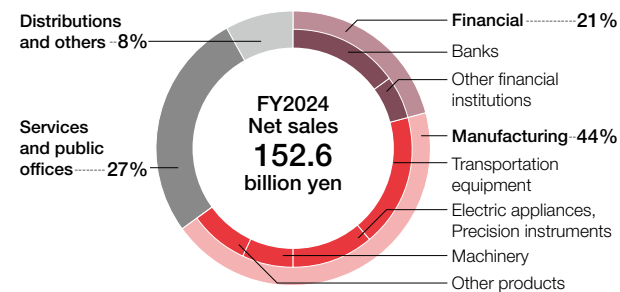


Technological Implementation Capabilities

1 Deep understanding of diverse industries and operations

Possessing an understanding of diverse industries and deep knowledge of operations, we work directly with approximately 2,500 corporate customers, including financial institutions and manufacturing and service industry players.

Net sales by client industry (FY2024)



2 Insight into society and consumers cultivated as a member of Dentsu Group companies

P.32

Based on the insight into society and consumers cultivated as a member of Dentsu Group companies, we provide solutions that connect consumers and companies.

3 Ability to make recommendations to resolve issues

P.34

P.35

By making full use of our think tank and consulting functions, we identify the nature of the issues that customers face from a strategic viewpoint and present optimal approaches using technology.

1 Ability to use cutting-edge technologies in business

We have the ability to quickly incorporate domestic and foreign cutting-edge technologies into our products and services and to provide solutions tailored to our customers' business requirements.

2 Ability to plan and develop unique products and services

P.26

P.27

We create innovative and high-value-added unique products and services that support diverse operations, focusing on finance, human resources, accounting, product development, and marketing.

Main In-house Software Developed by DENTSU SOKEN

POSITIVE®

iQUAVIS

STRAVIS™

Ci*X

Lamp
Learning & Research
 operational management tools

BANKR

iPLAss

Stream-A

Business SPECTRE

3 Ability to promote cross-innovation

We enable the development of new markets and the creation of high-value-added services through cross-innovation for collaborative value creation that goes beyond technologies, industries, companies, organizations, and regions.

Material Issues (Materiality)

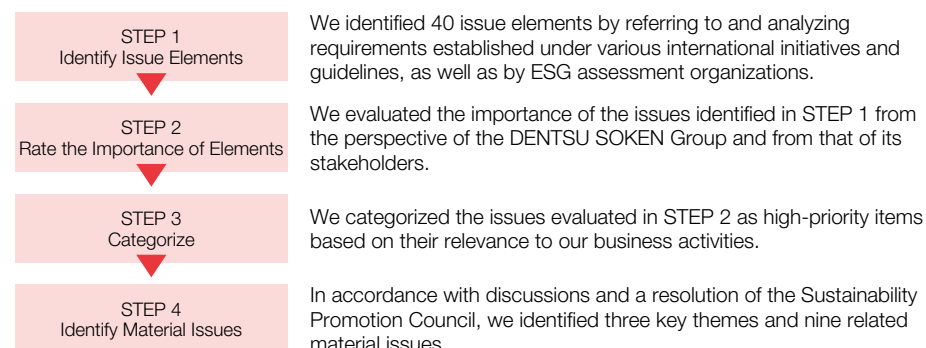
The realization of a sustainable society is one of our key management priorities. Based on our [sustainability policy](#), we aim to balance contributing to the resolution of social and environmental issues with boosting corporate value and have established the Sustainability Promotion Council to proactively pursue these initiatives.

Material Issues

To promote sustainability management, since 2022 we have defined the material issues that require strategic focus. In 2025, in line with our new medium-term management plan, “Contributing to Progress in Society 2027,” we conducted a review and identified three key themes and nine related material issues.

Key Theme	Material Issues
People	Development, mobilization of a diverse team of professionals <ul style="list-style-type: none"> • Strengthening of human capital • Promotion of DEI
Technology	Solution of social, environmental issues; provision of new value through our businesses <ul style="list-style-type: none"> • Contribution to the resolution of social and environmental issues • Creation of new businesses • Demonstration of our technological implementation capabilities
Governance	Establishment of governance systems worthy of stakeholder trust <ul style="list-style-type: none"> • Strengthening of corporate governance • Enforcing of ethical compliance and respect for human rights • Application of appropriate risk management practices • Enhancing of information security management

Identifying Material Issues



Key Performance Indicators and Targets

Material Issue	KPI	Target	Planned Due Date	Scope of Target ^{*1}
Strengthening of human capital	Employee count	Consolidated headcount of 6,000 employees	2027	Consolidated
	Operating profit per person	¥5.25 million	2027	Consolidated
	Average training expenses per person	¥200 thousand	2027	Non-consolidated
	Engagement score	Maintain a score of 70% or higher obtained from survey conducted by Great Place to Work [®] Institute Japan	Every year	Non-consolidated
	Presenteeism ^{*2} loss ratio	12%	2027	Non-consolidated
	Absenteeism ^{*3} lost days ^{*4}	Within 4.0 days	Every year	Non-consolidated
Promotion of DEI	Percentage of female managers	16.5%	2030	Non-consolidated
	Percentage of female hires	30%	Every year	Non-consolidated
	Disabled employee retention rate	Over 90% after 1 year	Every year	Domestic Group 1
Contribution to the resolution of social and environmental issues	Regional revitalization-related sales	¥5.0 billion	2027	Non-consolidated
Creation of new businesses	R&D investments	Cumulative three-year investment of ¥15.0 billion	2027	Consolidated
Demonstration of our technological implementation capabilities	Advanced project lead personnel (tentative name)	(Under review)		
Strengthening of corporate governance	Evaluation of Board of Director effectiveness	Ensure and improve effectiveness	Every year	Consolidated
Enforcing of ethical compliance and respect for human rights	Number of major compliance violations	0	Every year	Consolidated
	Percentage of employees receiving (e-learning-based) training related to ethics and compliance (including harassment training)	100%	Every year	Domestic Group 2
Enhancing of information security management	Important supplier procurement survey response rate	100%	Every year	Non-consolidated
	Information security compliance training attendance rate	100%	Every year	Non-consolidated
	Number of serious leaks of client project-related information, personal information	0	Every year	Domestic Group 2

^{*1} Non-consolidated: the Company only; Domestic Group 1: the Company and its domestic consolidated subsidiaries (excluding ESTECH Corporation and Mitsue-Links Co., Ltd.); Domestic Group 2: the Company and its domestic consolidated subsidiaries; Consolidated: the Company and its domestic and overseas consolidated subsidiaries

^{*2} A situation in which productivity is declining due to health problems

^{*3} Absence from work due to health problems (sick leave)

^{*4} The taking of leave by employees still working due to poor health

Material Issues (Materiality)

>>> For further details, [our website](#)

/ FY2024 KPIs, Targets, and Performance Related to Material Issues

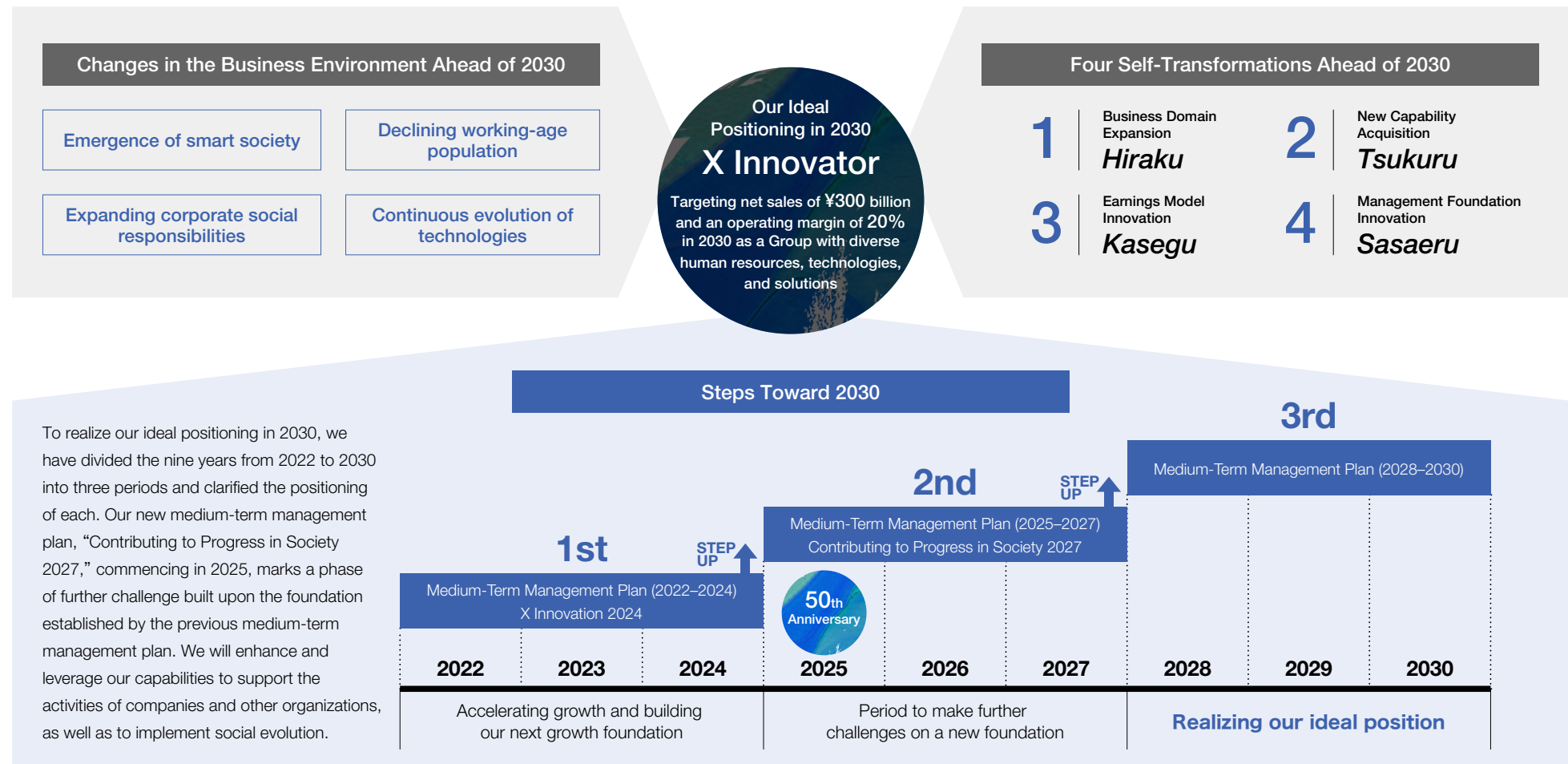
Material Issue	KPI (Scope of Target**1)	Target (Planned Due Date)	Result vs. Target	Reflecting on Results and Looking Ahead
Strengthening of human capital Human Capital Report	Employee count (consolidated)	Consolidated headcount of over 4,200 employees (2024)	4,413 people (+761 people YoY)	<ul style="list-style-type: none"> In the three-year period from 2022 to 2024, as a result of proactive recruitment and M&A activities aimed at increasing our workforce by 1,000 employees, we achieved our target value
Promotion of diversity, equity, and inclusion (DE&I) Human Capital Report	Percentage of female managers (non-consolidated)	8% (2026)	6.0% (+0.2 pts YoY)	<ul style="list-style-type: none"> Our percentage of female managers has continued to rise steadily. We are promoting measures to resolve work-life balance challenges, not only for female but also for male employees, while striving to foster a culture that advances the active participation of female
	Percentage of female hires (non-consolidated)	20% or more (average over the last three fiscal years) (every year)	22.3% (FY2022-2024) (+1.7 pts compared with FY2021-2023 average)	<ul style="list-style-type: none"> Achieved our target for the percentage of female hires The percentage of female new-graduate hires in April 2025 rose to 35%. We will continue our efforts to expand the pool of female university student candidates through the promotion of initiatives targeting female students and enhanced recruitment branding
Facilitation of work style transformation Human Capital Report	Percentage of employees receiving regular health checkups (non-consolidated)	100% (every year)	100% (+0.2 pts YoY)	<ul style="list-style-type: none"> Achieved a 100% implementation rate. We are promoting health management based on our 2024 Health Management Declaration and medium- to long-term promotional plan
	Engagement score (non-consolidated)	Improve scores obtained from survey conducted by Great Place to Work® Institute Japan (every year)	Positive responses: 71% (-1 pts YoY)	<ul style="list-style-type: none"> Certified as a “Great Place to Work” for the third consecutive year by Great Place to Work® Institute Japan. We will continue to promote the creation of a fulfilling and rewarding work environment, aiming to maintain and further improve our employee engagement levels
Contribution to the resolution of social and environmental issues P.15	Technological investment (consolidated)	Cumulative three-year investment of ¥17.0 billion (2024)	¥10.8 billion	(For further details, please refer to “Message from a Director” on page 21)
Strengthening of corporate governance P.46	Evaluation of the effectiveness of the Board of Directors (consolidated)	Ensure and improve effectiveness (every year)	Assessment ensuring effectiveness	(For further details, please refer to “Evaluation of the Effectiveness of the Board of Directors” on page 48)
Enforcing of ethical compliance and respect for human rights P.54 P.55	Serious violations of laws and regulations (consolidated)	0 (every year)	3*2 (+2 YoY)	<ul style="list-style-type: none"> Ensuring thorough compliance awareness among employees through ongoing education
	Percentage of employees receiving (e-learning-based) training related to ethics and compliance (including harassment training) (Domestic Group 1)	100% (every year)	98.4% (-0.1 pts YoY)	<ul style="list-style-type: none"> Aiming to increase the attendance rate to 100% by ensuring comprehensive follow-up with employees who have not yet completed the training
Undertaking of quality improvement P.56	Review Board (RB) implementation rate (non-consolidated)	100% (for proposals valued at ¥0.1 billion or more) (every year)	100%	<ul style="list-style-type: none"> Achieved a 100% implementation rate. We will maintain efforts to increase the quality of our system development services and continue initiatives to eliminate unprofitable projects
Enhancing of information security management P.54	Annual number of company-wide security education, training sessions (every year) (non-consolidated)	Six (one session held every two months) (every year)	Six (one session held every two months)	<ul style="list-style-type: none"> Conducted company-wide security education as planned (education content distribution: four times; anti-suspicious email training: twice)
	Number of serious leaks of client project-related information and personal information (Domestic Group 2)	0 (every year)	0 (-1 YoY)	<ul style="list-style-type: none"> Achieved our target of zero serious leaks of client project-related information and personal information by strengthening security monitoring of our cloud environment and by detecting potential fraud using our business intelligence (BI) platform data

*1 Non-consolidated: the Company only; Domestic Group 1: the Company and all its domestic consolidated subsidiaries (excluding Mitsue-Links Co., Ltd.); Domestic Group 2: the Company and all its domestic consolidated subsidiaries; Consolidated: the Company and all its domestic and overseas consolidated subsidiaries

*2 Breakdown: Number of legal violations: 0, Number of disciplinary cases involving employees of the company and domestic group companies: 3

Long-Term Management Vision: Vision 2030

DENTSU SOKEN Group's ideal positioning in 2030 is to become a "X (Cross) Innovator," a presence that meets the expectations of society, companies, and consumers as a high-value-added company that embodies our corporate philosophy. Through self-transformation, we will enhance our growth potential and profitability, and in 2030, we aim to achieve net sales of ¥300 billion and an operating margin of 20% as a Group that possesses the type of diverse human resources, technologies, and solutions that spur innovation both in society and business.



Medium-Term Management Plan (2025–2027) Contributing to Progress in Society 2027

Message from a Director

Formulating Our New Medium-Term Management Plan Enhancing and Leveraging Our Capabilities to Implement Social Evolution

Shinichi Ogane
Senior Managing Director
Member of the Board
Corporate Supervisor



—Review of the previous medium-term management plan (2022–2024)

As the first period of three towards our goal of Vision 2030, in our previous mid-term management plan, "X Innovator 2024," which begun in 2022, we established a basic policy of working to build a new business foundation while accelerating growth and promoted 10 priority measures (P.22). For our established quantitative goals of net sales, operating profit, operating margin, and ROE, although we did not reach our target figures that were upwardly revised in 2023, we were able to exceed all our initial target figures. In our FY2024 results, we achieved records for net sales for the ninth consecutive year and for operating profit and profit attributable to owners of parent for the seventh consecutive year.

In terms of our business foundation, we undertook several major initiatives simultaneously, including changing our company name to DENTSU SOKEN INC., integrating two of our specialized consulting subsidiaries into the Company, and transferring the think tank function of the Dentsu Group to the Company to strengthen both our capabilities and brand.

Regarding growth investment, to enhance our human capital, the source of our growth, we strengthened our hiring

system, raised our base salaries, and updated our various human resources systems, resulting in a large increase in personnel numbers. In addition, in the area of M&A, in April 2024 we acquired all shares of Mitsue-Links Co., Ltd., making it a wholly owned subsidiary. This marked our first large-scale M&A in approximately 25 years. Alongside strengthening our design capabilities—a key focus area—we believe this also paved the way for capturing external growth opportunities. However, in technology investments, we fell well below our targets. Amid tight human resources, because we focused the allocation of our resources on for-

profit customer projects, we were unable to implement all the research themes that we had evaluated. Nevertheless, we did succeed in making steady progress in the mainstay areas of enhancing the functionality of in-house software products and the development of solutions for the new focus sector of the corporate and social transformation business (the application management system for government procedures, minnect, and the City OS solution, CIVILIOS).

We recognize that further enhancing our solutions and developing human resources are focal points in our new medium-term management plan.

Previous Medium-Term Management Plan: Quantitative Goals and Growth Investment Goals

		Initial Targets	FY2024 Results	2022–2024 CAGR
Quantitative Goals	Net sales	¥150.0 billion	¥152.6 billion	10.8%
	Operating profit	¥18.0 billion*	¥21.0 billion	15.3%
	Operating margin	12.0%*	13.8%	—
	ROE	15.0%*	17.4%	—
Growth Investments	Number of employees	4,200 people	4,413 people	10.8%
	Technology investments	¥17.0 billion	¥10.8 billion (Three-year cumulative)	—
	Capital investment and M&A	¥10.0 billion	¥9.8 billion (Three-year cumulative)	—

* Upwardly revised targets (announced July 31, 2023) Operating profit: ¥22.5 billion; operating margin: 15.0%; ROE: 18.0%

Medium-Term Management Plan

Priority Measures under the Previous Plan

Four Areas of Self-Transformation		Priority Measures	Results
1	Business Domain Expansion <i>Hiraku</i>	1 Accelerate existing core business growth	<ul style="list-style-type: none"> Although we did not reach our target figures that were upwardly revised in 2023, we did achieve all our initial target values for net sales, operating profit, operating margin, and ROE
		2 Strengthen and establish in the DX area of customer contact reform business	<ul style="list-style-type: none"> Consolidating personnel associated with our mainstay third-party software, Salesforce, in the X (Cross) Innovation Center, achieving high growth across all segments with a CAGR exceeding 15% from FY2021
		3 Strengthen and establish the corporate and social transformation business	<ul style="list-style-type: none"> Concluded agreements with multiple local governments and promoted DX among regions and regional industries Developed and provided the application management system for government procedures, minnect, and the City OS solution, CIVILIOS Enhanced our service lineup for decarbonization support, including the Green Innovation Compass, our GX (Green Transformation) consulting service. Through collaboration with Dentsu Group companies, we supported the creation of new businesses in the manufacturing industry and promoted business domain expansion
2	New Capability Acquisition <i>Tsukuru</i>	4 Strengthen human resources	<ul style="list-style-type: none"> Significantly increased the number of applicants and hires by strengthening our recruitment system, advancing recruitment branding initiatives, and leveraging the impact of our Company name change
		5 Strengthen consulting	<ul style="list-style-type: none"> Integrating two specialized consulting subsidiaries into the Company and strengthened our capabilities Concluded a business alliance agreement with Dream Incubator Inc., a company with strength in the corporate strategy field, including business production, as well as technological fields Acquired Mitsue-Links Co., Ltd., one of Japan's leading communication design companies, into the Group, thereby strengthening our design capabilities
		6 Strengthen cutting-edge technology	<ul style="list-style-type: none"> Consolidated cutting-edge technological personnel in the X (Cross) Innovation Center and enhanced technological functions Started to provide services and in-house software utilizing generative AI such as the ChatGPT solution, Know Narrator
3	Earnings Model Innovation <i>Kasegu</i>	7 Enhance in-house software and third-party software	<ul style="list-style-type: none"> Increase in sales composition of in-house software and third-party software (up from 49.8% in FY2021 to 55.3% in FY2024) Updating the user interface (UI) for the integrated HCM solution, POSITIVE, and launched implementation templates for medium-sized companies Started to provide the commodity and futures trading management system, GNX Started to provide the SAP dedicated BI template, VisAP Starting to provide VDX Studio, the virtual simulation studio for next-generation mobility
		8 Promote the diversification of business models	<ul style="list-style-type: none"> Increase in subscription contracts for manufacturing-related in-house software and third-party software that bundle licenses and maintenance Concluded a sales agency agreement for POSITIVE with ITOCHU Techno-Solutions Corporation Expanded POSITIVE's distributor network and partner education programs Launched distributor sales for the expense settlement system, Ci*X Expense Started strategic collaboration aimed at sustainable corporate business growth and the resolution of environmental and social issues with Fujitsu Limited, Dentsu Group Inc., and DENTSU INC.
4	Management Foundation Innovation <i>Sasaeru</i>	9 Promote sustainability management	<ul style="list-style-type: none"> Referencing GRI Standards, a set of international disclosure standards, expanded information disclosure with a focus on areas such as the environment, supply chain, and human rights Acquired ISO 30414 certification, the international standards guideline for information disclosure related to human capital (the 22nd company to be certified globally) Realized inclusion in major ESG indices and selected as a constituent of all ESG domestic stock indices adopted by Japan's Government Pension Investment Fund (GPIF), as well as being awarded a "Prime" rating in ISS ESG's ESG Ratings
		10 Innovate management foundations	<ul style="list-style-type: none"> Changed our company name to DENTSU SOKEN INC., and transferred the DENTSU Group's think tank function to the Company Updated our human resources system, including improvements to compensation

Medium-Term Management Plan

—Summary of the new medium-term management plan “Contributing to Progress in Society 2027”

Based on Vision 2030, the basic policy established in the new medium-term management plan, “Contributing to Progress in Society 2027,” is to tackle even greater challenges by

building on the new business foundation established under the previous medium-term management plan. Along with the three basic policies of “value creation for corporate and social transformation,” “enhancement of competitive solutions,” and “strengthening of management,” as well as seven priority measures, we established FY2027 target values for five items: net sales, operating profit, operating margin, ROE, and

number of employees. We plan to realize around two thirds of net sales growth through growth in in-house software and third-party software, which is a strength of ours.

Furthermore, we are preparing an investment framework of ¥75.0 billion. We will realize further growth through investment in technology, products, and DX, as well as through capital investment and M&A.

Contributing to Progress in Society 2027

Enhancing and leveraging our capabilities to support the activities of corporations and other organizations, as well as to implement social evolution

I. Value creation for corporate and social transformation

(1) Consolidation of Sales Functions

» For further details, please refer to P.25

(2) Consolidation of Technological Functions

» For further details, please refer to P.25

II. Enhancement of competitive solutions

(3) Utilization of cutting-edge technologies
Utilizing cutting-edge technologies such as generative AI to strengthen the competitiveness of solutions and profitability

- Improving productivity through AI-driven software developments
- Increasing software value through use of cutting-edge technologies
- Realizing a reliable digital society utilizing Trusted Web* technology

(4) Promotion of external collaboration
Expanding capabilities and business domains through partnerships and M&A with companies and educational institutions, including the Dentsu Group

- Engaging in business development and promotion in collaboration with the Dentsu Group
- Realizing functional enhancements and business acquisition through business alliances and M&A
- Promoting external collaboration to strengthen the think tank domain

(5) Strengthening of proprietary solutions
Strengthening technological studies and research as well as product development investment
Establishing a dedicated organization responsible for the planning, development, and execution of new businesses aimed at pioneering multiple new business domains ahead of 2030

- Enhancing POSITIVE functionality and begin development of a next-generation version
- Enhancing iQUAVIS interfaces and expand functionality to win new markets
- Support for promoting social sustainability with STRAVIS non-financial report/collaborative functional enhancements
- Starting to provide the treasury management system Ci*X Treasury as the 5th version of the Ci*X series solutions
- Expanding partner sales
- Establishing a new organization to strengthen the development of new products and businesses

» For further details, please refer to P.26

* Structures and concepts to ensure the reliability of information and data exchanged online

III. Strengthening of management

(6) Reform of management system

- Advancing management administration
- Improving entire corporate productivity through DX
- Strengthening sustainability together with Group and partner companies
- Developing next-generation management personnel

(7) Strengthening of human capital

» For further details, please refer to P.28

Quantitative Goals

	FY2027 Targets	FY2024–27 CAGR	FY2024 Results
Net sales	¥210.0 billion	11.2%	¥152.6 billion
Operating profit	¥31.5 billion	14.4%	¥21.0 billion
Operating margin	15.0%	—	13.8%
ROE	18.0%+	—	17.4%
Number of employees	6,000 people	10.8%	4,413 people

Allocation for growth investments

	New Plan (Three-Year Cumulative)	Previous Plan Results (Three-Year Cumulative)
Technologies, products, and DX; capital investment / M&A	Secured funding of ¥75.0 billion	¥20.6 billion

Medium-Term Management Plan

—DENTSU SOKEN's financial policy

The financial policy of the DENTSU SOKEN Group is to pursue proactive growth investment based on disciplined investment decisions, while ensuring financial soundness to enhance long-term, sustainable corporate value. Based on this policy, from our approximately ¥60.0 billion in cash and deposits as of the end of December FY2024 and the approximately ¥75.0 billion in free cashflow (FCF) expected over the next three years (2025–2027), we plan to allocate approximately ¥75.0 billion to growth investment and approximately ¥25.0 billion to shareholder returns.

When we engage in capital investment and M&A, we make investment decisions based on strict standards that consider the cost of capital. To realize Vision 2030, we must pursue growth outside of our existing growth tracks, meaning that business expansion through M&A is essential. From the

standpoints of diversifying our business model, acquiring knowledge and resources in cutting-edge technologies, and strengthening in-house software and third-party software, we will continue to consider aggressive M&A. If necessary, we will also consider raising funds through borrowing, with the aim of maintaining an equity ratio of 50% or higher.

—Our approach to shareholder returns

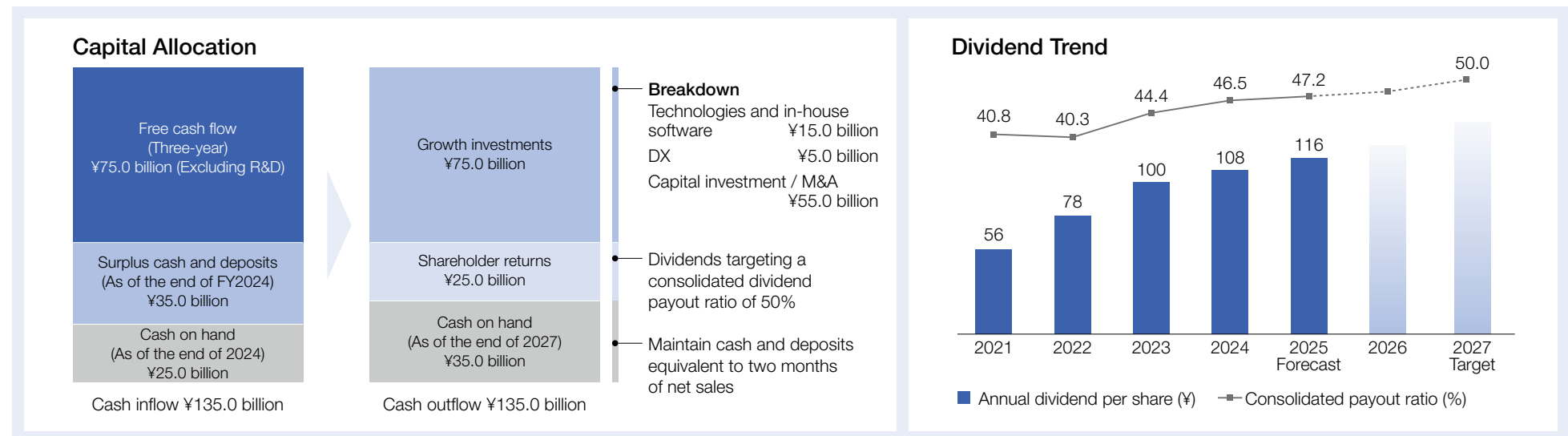
While maintaining the internal reserves necessary to realize sustainable growth, we are strengthening shareholder returns by improving our results growth and dividend payout ratio. Previously, we targeted a consolidated dividend payout ratio of 40% or higher, but we now aim to raise this to 50% by the fiscal year ending December 2027.

Although we do recognize treasury share buybacks as an effective means of shareholder return, the number

of our tradable shares is limited among companies listed on the Tokyo Stock Exchange Prime Market, so we are not specifically considering buybacks at this time. We will continue to pursue steady profit growth and strengthen shareholder returns through surplus dividend payments and by increasing our share value.

—Message to investors and shareholders

DENTSU SOKEN Group celebrates its 50th anniversary this year. To achieve sustained growth over the next 50 years, we aim to demonstrate leadership in three key areas: strengthening the global competitiveness of the manufacturing industry, improving corporate productivity, and enhancing the experiential value for consumers in both business and society. We will continue to engage in dialogue with all stakeholders and strive to meet your expectations.



Medium-Term Management Plan

>>> Please also see the (P.29) Roundtable Discussion with the Business Supervisor, the Division Director of General Sales Headquarters, and the Division Director of Technology Headquarters

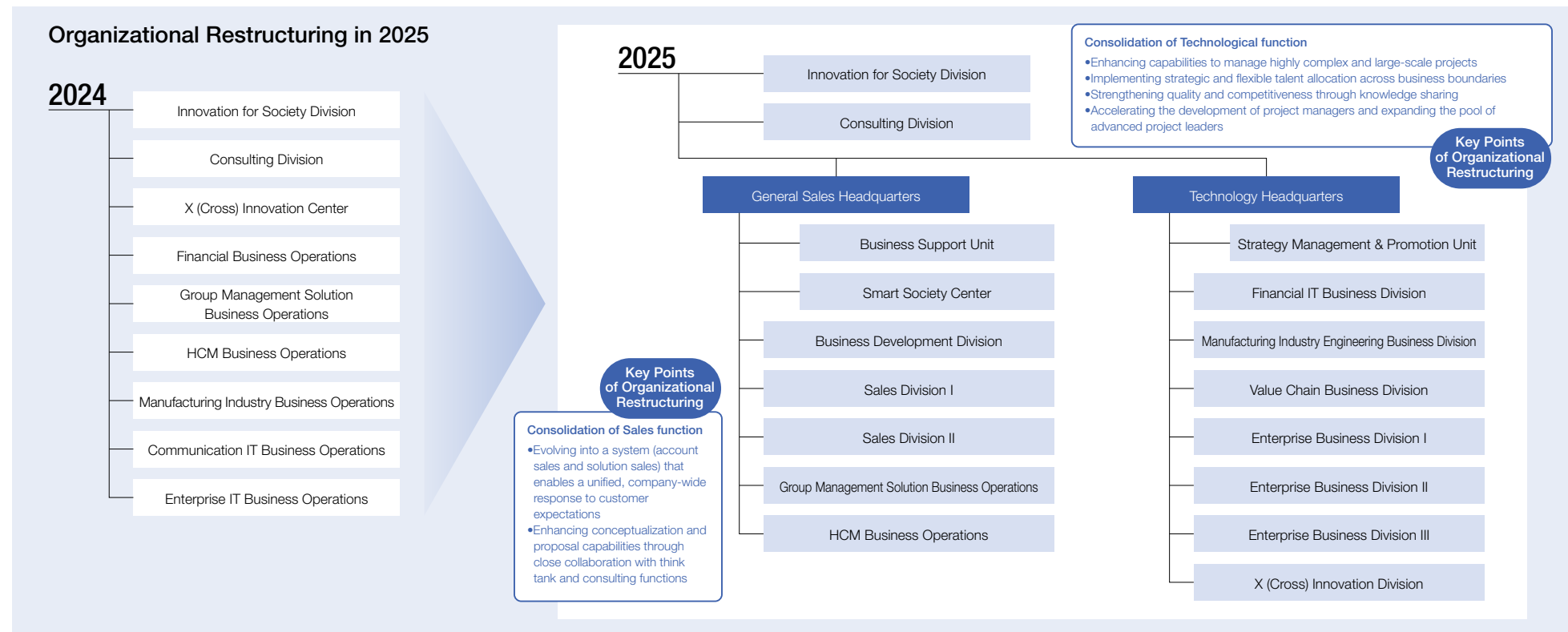
Consolidation of Sales Functions and Consolidation of Technological Functions

DENTSU SOKEN aims to be a leading presence in driving transformation for our customers as they work to respond flexibly to diversification of society and evolving social and consumer needs. To realize this goal, we work to accurately identify corporate and social challenges and provide solutions that contribute to resolving those issues. As a first step, in January 2025, we implemented a major organizational reform by, in principle, abolishing the divisional structure and reorganizing our sales and technological functions into functional units.

By integrating our sales into the newly established General Sales Headquarters, we aim to establish a system that facilitates a unified, company-wide response to complex and wide-ranging customer expectations. In addition, to further strengthen our account sales, solution sales, and marketing activities, and by working closely with our think tank and consulting functions, we aim to accelerate both project

acquisition and value delivery.

By integrating our technological functions into the newly established Technology Headquarters, we aim to establish a system that facilitates the sharing of skills and expertise in a way that goes beyond the boundaries of individual businesses and that can flexibly assign human resources. To accelerate business growth, we are developing human resources capable of leading high-level projects, increasing project quality, and realizing fast and flexible human resources allocation to match changes in the business environment. This integration of sales and technological functions serves as a powerful engine for advancing our new medium-term management plan and will drive value creation from the perspectives of both corporate and social transformation.



Medium-Term Management Plan

Strengthening of proprietary solutions (In-House Software)

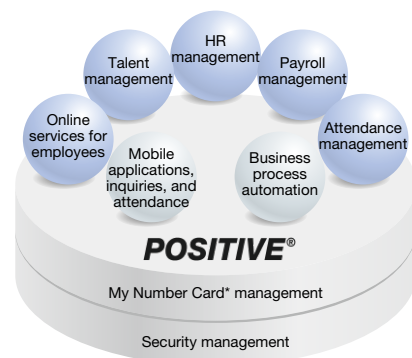
DENTSU SOKEN GROUP has leveraged its strengths, including its diverse pool of professional talent and its technology implementation capabilities, to develop a wide range of industry-leading In-house Software. In FY2024, our In-house Software sales reached ¥30.0 billion, accounting for 19.7% of our consolidated net sales. Below are some of our representative In-house Software products.

／ POSITIVE: Integrated HCM Solution

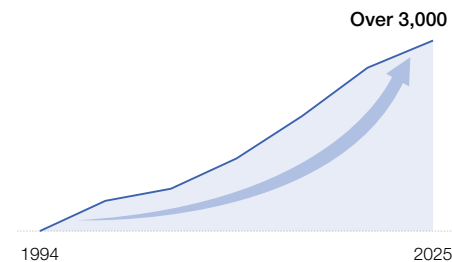
POSITIVE is a system that supports companies' strategic human capital management. Based on our extensive expertise and problem-solving capabilities developed through over 30 years of experience in HR operations, POSITIVE offers a comprehensive suite of functions required by HR departments, including HR, payroll, attendance management, workflow, and talent management. The system has been adopted by more than 3,000 companies across a wide range of industries and business types, making it one of Japan's leading integrated HCM packages. Its multi-company functionality enables centralized management of multiple organizations with different policies and operations, and its high-performance architecture supports large-scale deployments, making it a preferred platform for HR shared services.

DENTSU SOKEN positions POSITIVE as a core solution advancing clients' human capital management. Going forward, we aim to achieve greater operational efficiency and deliver enhanced support by improving UI/UX and actively incorporating AI and other advanced technologies.

We are also initiating development of the next-generation version of POSITIVE, guided by three key principles: relentless pursuit of UX excellence, a shift toward more strategic HR operations, and leveraging AI as a co-creation partner. As a client-centric HCM platform provider, DENTSU SOKEN is committed to transforming the future of work in Japan.



Number of Companies Using POSITIVE (Cumulative Total)



Pick Up

Mitsui Sumitomo Insurance Builds a System for "PayPay for Payroll Payments"

Mitsui Sumitomo Insurance, a member of the MS&AD Insurance Group, introduced PayPay, a digital salary payment service provided by PayPay Corporation, as a new salary payroll option in April 2025. By enhancing the functionality of POSITIVE and implementing new features such as employee consent management, DENTSU SOKEN has created an environment that enables efficient and seamless digital salary payments.

DENTSU SOKEN HR Forum 2025

DENTSU SOKEN HR forums foster meaningful communication among professionals involved in human resource management. The second forum, held in June 2025, was themed "A New Normal for Work—Maximizing Individual Potential through Human Resource Management."

Special sessions featured prominent speakers from various fields, including former Japan national soccer team player Shinji Ono, who shared insights and experiences on topics such as human capital management, individual and organizational dynamics within teams, and career development.



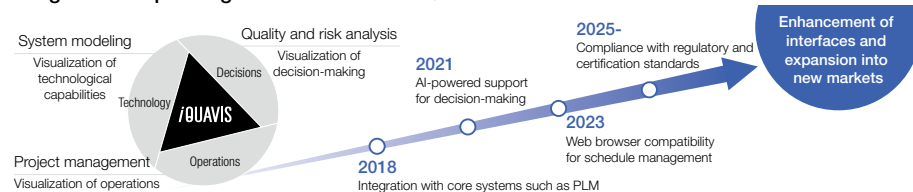
Medium-Term Management Plan

／ iQUAVIS: Concept Design Support System

iQUAVIS is for the first system in Japan designed to support systems engineering*¹ in product development for the manufacturing industry. By integrating the three main functions of system modeling, quality and risk analysis, and project management, iQUAVIS enhances design quality in response to the increasing complexity of product development. iQUAVIS is now used by over 200 companies and more than 130,000 users, primarily in major Japanese manufacturing industries such as automotive, precision electrical equipment, heavy manufacturing and shipbuilding, and construction and agricultural machinery. In recent years, iQUAVIS has also expanded into overseas markets, particularly in Europe.

Since iQUAVIS was launched in 2009, its functionality has been continuously enhanced. In 2018, an API*² was implemented, enabling integration with a variety of core systems, including PLM. In 2021, an AI-powered support feature was added, which learns from historical design data accumulated in iQUAVIS and suggests highly relevant design data as input candidates to users. In 2023, a new feature was introduced that allows users to reference and update schedule data directly from a web browser. Going forward, plans include making the system modeling function web browser-compatible, strengthening interfaces for inter-company collaboration, and expanding features to capture new markets. Additionally, the scope of iQUAVIS will be broadened to include solutions for control system development in software-defined vehicles (SDV), support for various certification standards aimed at reducing and preventing hazardous events in increasingly electronic vehicles, and services related to regulatory certification, which has become a focus due to recent issues with certification fraud. Through these ongoing enhancements, iQUAVIS will continue to globally support the realization of innovative manufacturing.

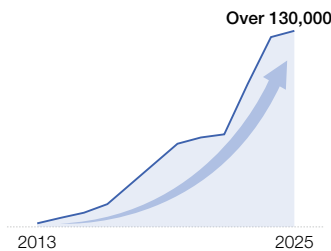
Progress in Expanding Main Functions of iQUAVIS



*1 An approach to efficiently analyze, design, and verify system requirements using models that express the target system from multiple perspectives

*2 Application Programming Interface, a mechanism that connects different software and applications, enabling them to share functions

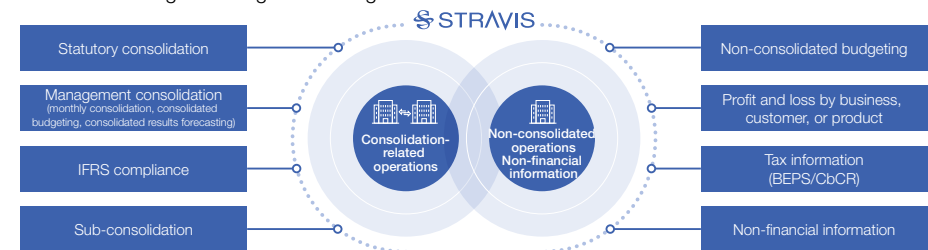
Number of Users (Cumulative)



／ Consolidated Accounting Solution STRAVIS

STRAVIS is equipped with a statutory consolidation function compliant with the latest accounting standards, as well as robust management accounting functions to perform tasks including monthly consolidation, consolidated budgeting, and consolidated results forecasting. By providing both statutory and management consolidation on a single platform, STRAVIS supports operational streamlining for users and the advancement of business management. STRAVIS has been used by over 1,000 corporate groups and boasts a top share of the Japanese consolidated accounting management software market. This market has a scale of around ¥10.0 billion and is expected to continue expanding. Using the know-how that we have accumulated in introducing STRAVIS to Japanese global companies, we are working with our overseas group companies to expand sales channels in North America, Asia, and Europe.

In recent years, the importance of non-financial information has increased, with related laws and disclosure standards being established in Japan and overseas. STRAVIS can be used as a data collection platform for non-financial information by corporate groups, a service that was launched in 2024. STRAVIS contributes to promoting sustainability management by streamlining operations and improving disclosure information through the integrated management of both financial and non-financial information.



Pick Up Realizing the Collection of Non-Financial Information at the Mitsubishi Corporation

In Mitsubishi Corporation's sustainability survey, STRAVIS enables the entire process from data collection to aggregation and analysis. STRAVIS was praised by Mitsubishi Corporation for its flexibility and scalability in data collection and reporting items, the efficiency gained in calculating non-financial information by leveraging master data from consolidated accounting operations, and the reduced burden in preparing for future internal control audits.

Medium-Term Management Plan

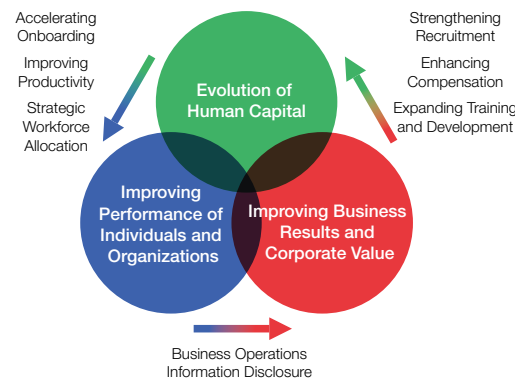
>>> For more information on our human capital initiatives, please refer to the [Human Capital Report](#) (Japanese version only)

Strengthening of Human Capital

Basic Approach to Human Capital

Human resources are DENTSU SOKEN's most critical management resource and the foundation of all value creation. While human capital is generally regarded as the combination of workforce size and the knowledge and skills employees possess, DENTSU SOKEN defines human capital more broadly to include the actual performance demonstrated by each employee. Investments in human resources that do not lead to improved performance can ultimately put pressure on corporate earnings and impede sustainable growth.

To ensure that human resources investment remains a means to an end rather than an end in itself, DENTSU SOKEN advances a human capital strategy that prioritizes enhancing the performance of both individuals and the organization. Furthermore, to translate employee capabilities into greater corporate value, we are driving business model transformation and furthering management transparency and sophistication. Through a variety of initiatives grounded in this philosophy to continuously strengthen our human capital, we seek to foster a positive cycle of value creation and achieve ongoing enhancement of our corporate value.



Pick Up A Commitment to People Inherited Since Our Founding

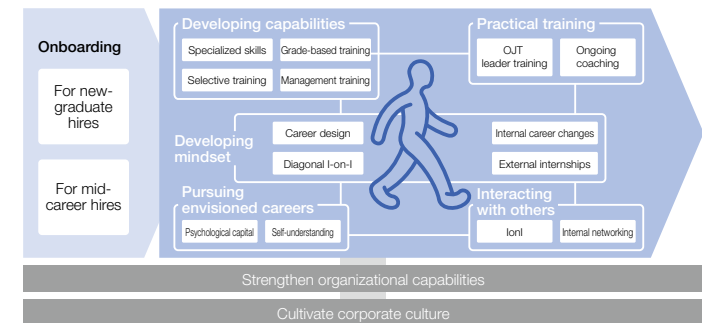
Founded in December 1975, the Company (ISID, now DENTSU SOKEN) was established as the first private-sector provider of commercial TSS. Taking pride in our role as a prime contractor that directly addresses customer challenges, we were among the first in the industry to position ourselves as a system integrator in the early 1980s, pioneering the information services market.

One unchanging characteristic and strength of the Company is our per-capita operating profit, in other words, our high-level performance. The source of this strength is our people, and since our founding, we have upheld the belief that enhancing each employee's capabilities, individuality, and character, which we refer to as "personal attractiveness," is fundamental to increasing corporate value. The words "HUMANOLOGY for the future," our corporate philosophy updated in 2019, reflect this philosophy.

Key Points and Policies in Our Human Resources Strategy

Creating a platform for development and growth opportunities for young employees

To stimulate employees' motivation for self-directed learning, we provide technical training programs, business skills training programs, and training programs tailored to each job position and career stage. At the same time, to translate employee learning into performance, it is important to cultivate practical skills and the ability to apply knowledge through diverse hands-on experience. To do so, we are strengthening and implementing human resources measures to support these objectives.



Strengthening coordination among the HR department and business divisions

Effective collaboration between the HR department and business divisions is crucial for turning investments in human capital into improved individual and organizational performance, as well as for fostering a sustainable cycle of value creation. In 2025, we launched our "Human Resource Management (HRM) System" and established HRM function organizations within each division. The HRM System enables the HR department and business divisions to work together to promote recruitment and human resource development.

Planned development of high-level management personnel

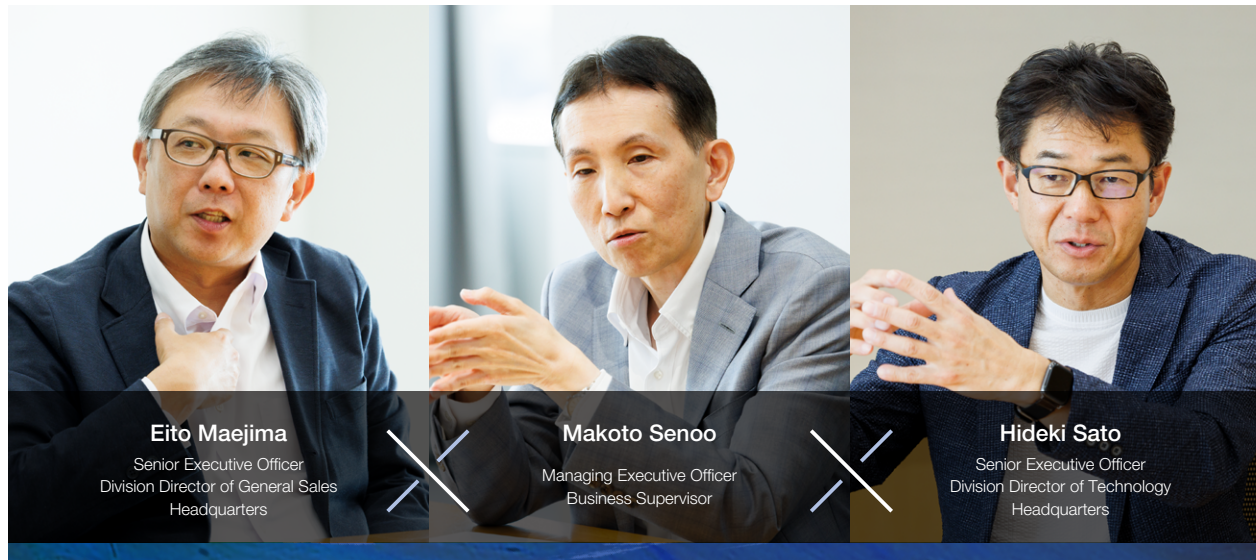
To realize Vision 2030, we need to systematically develop leadership personnel with the perspective and resolve to boldly and flexibly transform our business models in response to market trends. In addition to the Business Supervisor class, who are responsible for each business division, we have designated the general manager class, who lead the core organizational units of our business operations, as core positions. From 2025, we have begun developing succession plans for high-level management personnel.

Main Initiatives

- Defining the skills, experiences, and attributes required of leaders
- Establishing a highly transparent assessment and selection process
- Providing training programs and growth opportunities for selected personnel
- Regularly reviewing positions and selected personnel

Roundtable Discussion with the Business Supervisor, the Division Director of General Sales Headquarters, and the Division Director of Technology Headquarters

The Spirit of Challenge and Mutual Support Looking Ahead to the Next 50 Years of DENTSU SOKEN



This discussion focused on the goals of the organizational structure reform implemented in January 2025 and DENTSU SOKEN's initiatives for the next 50 years.

—What is your perspective on the organizational reform implemented in January 2025?

Senoo The management issues faced by our customers are made up of diverse, interrelated elements that are increasing in complexity every year. Against this backdrop, customers are

demanding not only resolutions to the issues in front of them, but also proposals that look one or two steps ahead. As such, we must begin by listening carefully to the concerns of our customers and unraveling the true nature of the issues that they face. In our previous organizational structure consisting of multiple business operations, we tended fall into an approach premised upon individual solutions that each business operation already possessed, which meant we could not exceed our customers'

expectations. For example, when providing services to customers in the manufacturing industry, we are called on to take a multi-faceted approach to issues, including perspectives from diverse industries and operations in addition to the unique business perspectives of the manufacturing industry, while also capitalizing on the integrated strength of the Dentsu Group to create a path that leads to resolutions. Although the significant changes have led to some level of confusion on the front lines, I believe that all our employees understand the need for organizational structure reform for the next stage of growth and that they are translating this understanding into action.

Maejima I have a memorable story I would like to share relating to this topic. When I was dining with clients, one of the executives told me that four of our sales representatives from different business operations were coming for courtesy calls. Just one executive from this client company had to meet multiple times with different members of our company. This was a painful moment in which I realized that our sales system was not taking a customer-focused approach.

We have always had a wide range of in-house software, but I have also felt that we have had an issue of insufficient sales personnel to be able to flexibly combine those solutions, because they were separated into different business operations. I feel that introducing the General Sales Headquarters structure is a significant step in overcoming this situation.

Sato For many years, I have been responsible for financial businesses. Recently, I have noticed an expansion in the business domains of our customers, with financial institutions beginning to develop businesses like those of operating companies and operating companies offering services that include financial functions. Given these changes, we had been promoting cooperation between business operations, but I felt a sense of alarm that we were not yet sufficiently responding to these

Roundtable Discussion with the Business Supervisor, the Division Director of General Sales Headquarters, and the Division Director of Technology Headquarters

changes. I believe that the organizational structure reform this time represents an opportunity for us to expand our capabilities.

—What activities will the Technology Headquarters and General Sales Headquarters prioritize following the reform?

Sato For the Technology Headquarters, there are three primary areas of focus. First, we will strengthen research and development in cutting-edge technology fields. Second, we will pursue improvements in development productivity and quality by leveraging AI. Third, starting with the DENTSU SOKEN Center for Economic Security Research established in April 2025, we will advance our technological initiatives in cybersecurity.

Through these initiatives, we aim to provide effective solutions reliably generate results



Maejima The purpose of the General Sales Headquarters is to engage sincerely with our customers, accurately identify the essence of the challenges they face, and work together to overcome them. For example, our customers in the automobile industry are currently experiencing a once-in-a-century transformation, with the source of competitiveness shifting dramatically from hardware to software. Recognizing the essence of this change, our sales teams are taking on new challenges to determine how best to utilize our diverse capabilities and deliver meaningful value. At DENTSU SOKEN, we have two kinds of sales structures, “account sales,” which provides integrated, company-wide support to major customers, and “solution sales,” which is responsible for the planning and sales of in-house software and third-party software. By combining account sales, which deeply understand customer needs, with solution sales, which deliver value through technology and expertise, we are confident that we can achieve further growth.

Senoo Merely reorganizing from a vertical to a horizontal structure does not inherently benefit our customers. Simply delving into assigned issues limits our solutions and rarely leads to breakthroughs. As mentioned earlier, what is important for our company is to take a broader perspective, view challenges from a higher vantage point, and develop scenarios for resolution—offering alternative approaches that may not have been considered. Enhancing this capability requires us to integrate diverse knowledge and experience across the organization. In addition to system integration, it is crucial to leverage the Consulting Division’s strength in scenario planning and the think tank division’s ability to disseminate information and shape trends. By fully utilizing our strengths to provide these services in a one-stop manner and boldly embracing new challenges, we aspire to become an even more trusted partner to our customers—one that is recognized for offering innovative and effective approaches.



—What are the strengths of DENTSU SOKEN?

Senoo One of the Company’s greatest strengths is our ability to work directly within our customers’ operations and gain deep expertise in their business processes. However, what is truly important is not operational knowledge itself, but the capability to discern fundamental issues and accurately define the themes that need to be addressed. Even with extensive operational knowledge, if the issues are not properly identified, optimal solutions cannot be achieved. Ultimately, having a team of highly capable personnel who excel at issue identification and problem definition is the foundation of our competitiveness.

Sato Bringing together diverse hypotheses for problem-solving and engaging our customers in dialogue to refine these ideas through their feedback enables us to co-create new value that did not previously exist. I believe that this cycle is characteristic of DENTSU SOKEN—not simply developing solutions, but striving to thoroughly explore the core

Roundtable Discussion with the Business Supervisor, the Division Director of General Sales Headquarters, and the Division Director of Technology Headquarters

of each issue. Engaging in earnest discussions with our customers is both the mission and the value of the Technology Headquarters.

Maejima I believe that another one of our strengths is the ability to drive progress by engaging and collaborating with a wide range of stakeholders. For example, our in-house software, iQUAVIS, which supports design quality improvement in the manufacturing industry, did not experience steady sales growth at first. To address this, the Company initiated outreach to automotive OEMs and established a consortium, taking on the role of organizer. Through this forum, we carefully identified industry challenges and needs, communicated the value of our product, and continuously enhanced it. By providing a platform for stakeholders to convene and exchange ideas, and by connecting people and expertise across companies and divisions, iQUAVIS has evolved into the de facto industry standard and is now widely adopted.

—Which business domains and functions should be strengthened?

Maejima Currently, in terms of businesses dedicated to specific industries, the financial and manufacturing industries are our two largest pillars, but I would also like to expand into business domains such as air transportation and general trading companies to establish a third major pillar. At present, the Company has gaps in our asset portfolio, so I would like to rise to the challenge of filling those gaps to gain new customers.

We are also working to strengthen our marketing capabilities. By consolidating the marketing functions that had previously been separated by business operations, a new type of cooperation that goes beyond divisional boundaries is being created. We are now able to implement more effective marketing approaches across the entire company.

Additionally, as part of our preparation aimed at growth five to 10 years in the future, we established a Business Development Division within the General Sales Headquarters. The idea is to tackle domains with potential for discontinuous growth, rather than simply being an extension of our existing business domains. In addition to conducting the relevant surveys and research and promoting the development of new technologies, we are also beginning to make moves aimed at commercialization. Through these initiatives, I hope to further enhance the strengths possessed by the Company.



Sato As the Technology Headquarters, I believe that it is important to further strengthen our system to propose integrated solutions in collaboration with the Consulting Division and the think tank division. For example, in the human resources domain, centered on our in-house software, POSITIVE, we already offer a consulting service that analyzes the impact of non-financial information on corporate value. However, I also think that we are still lacking in final products and services that have been developed into solutions usable in actual business and management settings. Going forward, I would like to build a system capable of providing integrated support for this process, from analysis through implementation.

Senoo In January 2026, the Company plans to merge its consolidated subsidiaries DENTSU SOKEN SECURE SOLUTIONS INC. and DENTSU SOKEN IT INC. into a new company, DENTSU SOKEN TECHNOLOGY INC. By integrating the strengths of each subsidiary in development and operation/maintenance functions, and further refining both quality and cost competitiveness, we hope that DENTSU SOKEN TECHNOLOGY INC. will become a growth engine of the DENTSU SOKEN Group.

—As all initiatives are ultimately realized by people, how do you plan to approach human resource development for the next 50 years?

Sato Developing young talent is especially important. While approximately 1,200 employees work at the Technology Headquarters, about one quarter are in their 20s. To enable this generation to quickly become core personnel of the Company, we must further strengthen our engineer development programs. In our former Financial Industry Business Operations, younger employees followed a rotation policy, gaining experience in at least three projects or working under three different supervisors by their 10th year at the Company. With the transition to the Technology Headquarters structure, we are now expanding this policy across the entire headquarters.

We are also establishing a framework for cross-functional education. Employees with advanced engineering and project management skills are defined as “Advanced project lead personnel,” providing clear role models for younger employees to aspire to. By setting specific goals, such as wanting to emulate or learn from particular colleagues, we believe we can further enhance the motivation for growth among our young employees.

Roundtable Discussion with the Business Supervisor, the Division Director of General Sales Headquarters, and the Division Director of Technology Headquarters

Maejima At the General Sales Headquarters, we are planning to introduce a rotation system that allows employees to gain experience in sales across multiple business domains. My own career change—from the former Manufacturing business operations to the HCM business operations, which support strategic human resource management—was a major catalyst for my personal growth. This experience rapidly increased my capabilities and broadened my perspective. I hope our younger employees will have similar opportunities early in their careers.

Additionally, providing opportunities for external networking is extremely important for the development of young employees. For example, engaging in discussions with sales staff from other companies can serve as a powerful motivator, encouraging our employees to strive for excellence. Through these experiences, our employees will not only improve their ability to win business, but also enhance their skills in proposing solutions to customer challenges and building trust.

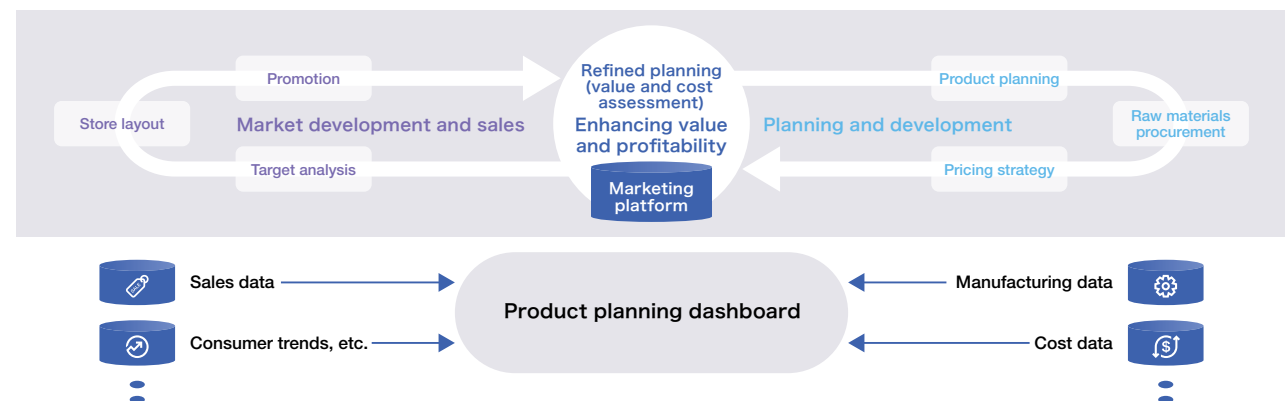
Sato I believe that people grow through taking on challenges. Challenges inherently involve risk, and not all will result in success. What matters is learning from setbacks and applying those lessons moving forward. In development projects, it is unrealistic to expect that unprofitable cases can be eliminated entirely. If we encourage our employees to take on challenges, it would be contradictory to demand that they never fail. The key is to ensure that failures are captured as organizational lessons, preventing recurrence. We have consistently provided opportunities to share and analyze the causes of unsuccessful projects within the Company. Rather than assigning blame, we focus on honest reflection. By steadily continuing this process, I believe we can strengthen our organization and ultimately reduce the number of unprofitable projects.

—After serving as DX President at dentsu Japan for one year, how do you view collaboration with the Dentsu Group?

Senoo The Company has accumulated a unique history as an independent system integrator for nearly 50 years. Despite being part of the Dentsu Group, there were times when our understanding of the Group was insufficient, which I now recognize as an area for improvement. The current President, Hirohisa Iwamoto, previously served as DX President at dentsu Japan, and I succeeded him in this role. As I gained more opportunities to interact with the Dentsu Group’s management and staff, and as my network expanded, I came to better understand their perspectives and approaches to challenges. I feel that our proposal capabilities have become more robust, with an increase in proposals that leverage the resources of the Dentsu Group.

To clarify our business relationship with the Dentsu Group: our Company excels in implementing systems that support planning capabilities, productivity, and quality improvement in the “planning and development” phase of companies’ products and services. In contrast, the Dentsu Group demonstrates exceptional capabilities in the “market deployment and sales” phase, providing powerful support in marketing and promotion when products and services are introduced to the market. Rather than simply dividing responsibilities in a linear, waterfall fashion, we are developing a mutually complementary structure in which both companies collaborate from the early stages to enhance the effectiveness of market deployment and sales. For example, by identifying what is needed during planning and development to maximize market success, we are creating a system where our respective strengths reinforce each other. By strategically linking the strengths of both companies, we can generate new value across the entire value chain. I am convinced that this integrated approach will be key to the future success of the Dentsu Group as a whole.

Product Planning and Development Collaboration Domains



Roundtable Discussion with the Business Supervisor, the Division Director of General Sales Headquarters, and the Division Director of Technology Headquarters

—Finally, how will you lead DENTSU SOKEN toward the realization of Vision 2030?

Maejima When we updated our corporate philosophy in 2019, I participated as a member of the project team. In our “AHEAD” action principle, the attitudes and values that guide each of us toward realizing Vision 2030 are clearly articulated. In internal discussions, I always make a point to link our conversations to “AHEAD,” and I feel that these values and attitudes have a particularly significant impact on the personal growth of our sales representatives. For this reason, I believe it is important to communicate in words that truly resonate with each individual, so that these principles naturally manifest in their daily actions.

Sato For projects acquired through the combined efforts of the General Sales Headquarters and Consulting Division, it is not uncommon for several years to pass before customers begin using our solutions. Therefore, it is essential to have personnel who can take responsibility and respond over the medium to long term. Building an organization that fosters such talent is equally important.

We have many employees who are highly motivated to exceed customer expectations. Even when our employees encourage each other to take on challenges and approach their work positively, there will inevitably be times when progress stalls or unexpected obstacles arise, which can be discouraging. That is why I place great value on a spirit of mutual support. If I were to add one more element to the “AHEAD” action principle, it would be the message of supporting one another. By 2030, our younger employees will be stepping into leadership roles. With that future in mind, I want to actively provide opportunities for them to take on challenges, while ensuring that the organization offers strong support.

Senoo I believe it is important to thoroughly communicate what we have discussed here to every employee and foster a sense of shared understanding. This will enable employees to align their own career plans with Vision 2030, set their own goals, and take initiative.

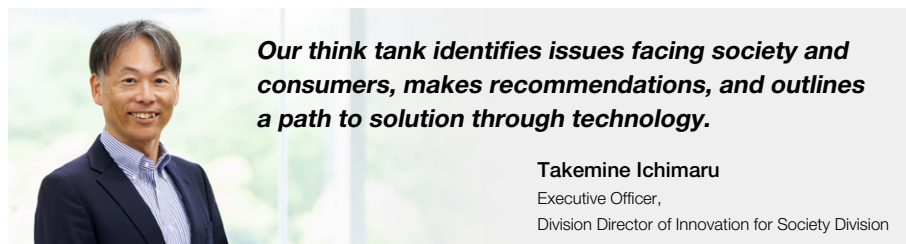
I hope to cultivate this positive momentum throughout the organization. If management simply insists, “Dare to change” and urges employees to challenge themselves, nothing will truly

change. What matters is to consistently engage in dialogue and communication that encourages autonomous growth and self-driven action among employees.



Two Organizations that Enhance Our Competitiveness

／ Innovation for Society Division



Overview of the Organization and Priority Areas

Our Innovation for Society Division is the division mainly responsible for the think tank functions of DENTSU SOKEN. It conducts surveys and makes proposals on social and consumer issues, and outlines paths to solutions through technology to realize our new medium-term management plan, “Contributing to Progress in Society 2027.”

The Quality of Society Center, which surveys and researches changes in people’s awareness and in society, carries out and publishes reports on surveys including two main surveys: DENTSU SOKEN Compass, which focuses on specific themes, and the Quality of Society Indicator, a survey that tracks changes in the overall quality of society over time. The Quality of Society Center also runs the Future Impact Forum, a knowledge-based community that brings together experts from different fields and professions to discuss and address a wide range of issues in a society with an uncertain future. Through these activities, we are looking for ways to inspire people and encourage positive changes in their actions for a better future.

At the Open Innovation Lab, which uses advanced technologies to look for new solutions, we create prototypes and share results on how to solve social problems through joint research with companies and research organizations. For example, the Open Innovation Lab is reviewing use cases and developing prototypes to help achieve one of the goals in our new medium-term management plan, “Realize a reliable digital society using Trusted Web technology.” Moreover, to help solve labor shortages, the Open Innovation Lab is focusing on research into “robot remote work” which aims to give more people the chance to work regardless of location, time, or physical conditions.

The Innovation for Society Division is also working together with [FINOLAB](#), which has supported next-generation business creation since its establishment in 2016 as Japan’s first FinTech center. DENTSU SOKEN Humanology FinTech Insights, which covers important FinTech topics, is issued by the Innovation for Society Division. We also contribute to the Japan Financial Innovation Yearbook, edited by FINOLAB.

Examples of Activities

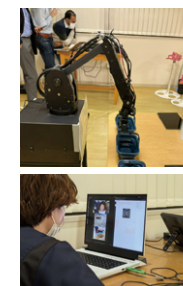
Running the Future Impact Forum knowledge community

The Future Impact Forum’s activities are aimed at broadly disseminating insights gained from expert discussions, sharing problems and issues that must be faced, and acting as a hub for a movement to take individual action toward each of those issues. A wide range of themes are discussed by diverse experts, and the resulting articles are made publicly available. Those themes include: “The Decline of Global Civilization and Japan,” “Considering Humanity from the Perspective of Artificial Life,” “Differences in Language and Thinking between Humans and Generative AI,” and “What is America? The Politics of a Divided Society.”



Initiatives to realize robot remote work

In using robots, which are expected to be a means of alleviating labor shortages, it is important to identify how to address areas that are difficult to automate with AI by instead using human intervention (i.e., remote work) and to implement the necessary technologies. In addition to developing prototypes for remote labor systems for tasks including office cleaning and support operations at rehabilitation centers, we have established the Remote Work Study Group, which shares leading examples and issues in remote work and accumulates practical knowledge and data.

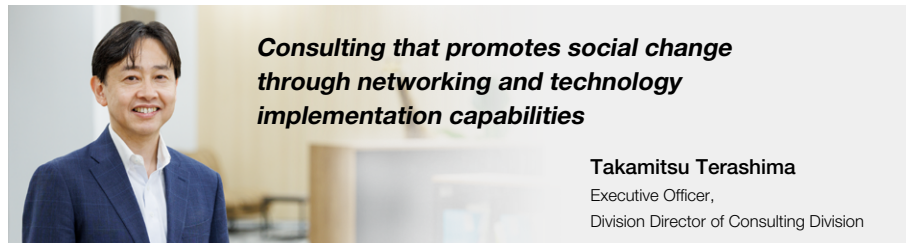


Regularly sharing new trends and insight in the field of finance

DENTSU SOKEN regularly issues our “DENTSU SOKEN Humanology FinTech Insights,” a report written by experts based on DENTSU SOKEN’s longstanding expertise in financial business and technology. “DENTSU SOKEN Humanology FinTech Insights” covers a wide range of themes including the application of AI and blockchain technology, global financial trends, changes in regulations, FinTech trends, and the startup ecosystem, providing practical information and insights that contribute to the development of the financial industry.

Two Organizations that Enhance Our Competitiveness

Consulting Division



Overview of the Organization and Priority Areas

The Consulting Division supports the formulation of management strategies, new business development, business transformation, and DX planning and conceptualization for companies in a variety of industries, including manufacturing, retail, logistics, and financial. Additionally, to address social issues, we are actively involved in national and local government projects and participate in regional revitalization initiatives in collaboration with companies, universities, and promoting organizations. In close coordination with the Company's system integration capabilities, we provide comprehensive services that cover everything from strategy development to technology implementation. Other activities include research and development relating to management capital models, business models, and organizational and human models in the fields of engineering and sustainability for the manufacturing industry, as well as the development of internal programs aimed at creating future consulting business.

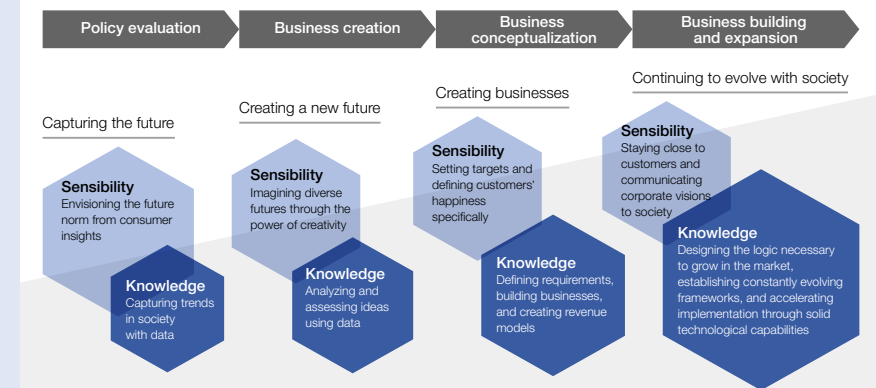
One of our priorities under the new medium-term management plan is to deliver value by driving both corporate and social transformation. For companies to realize future growth, we believe that essential initiatives include the use of AI throughout the entire value chain, business and human resource development that creates new value, the promotion of carbon neutrality, and the creation of the circular economy. While building an internal system that can respond flexibly to increasingly broad-based and complex management issues, we will promote corporate transformation by proactively engaging with clients operating in highly dynamic sectors such as automotive, aerospace, high-tech, precision, and semiconductor industries.

To realize social transformation and to resolve regional issues related to healthcare, disaster prevention, tourism, and education, we must involve a wide range of stakeholders, capitalize on digital data, and build and expand a community that cultivates new value. By combining the networking skills of the Dentsu Group, which is adept at coordinating with the national and local governments, regional media, and financial institutions, together with the Company's strong technology implementation skills that make use of our application and data sharing platform, we will strongly promote social transformation.

Examples of Activities

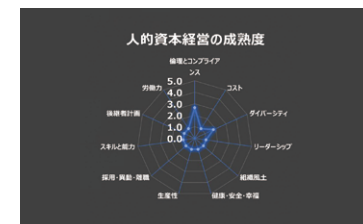
Providing our Future Value Creation Program to support new business formation

The Future Value Creation Program supports the creation of new businesses by combining the “sensibility” to measure people’s happiness and comfort with the “knowledge” to build data analysis and revenue models. The team is made up of specialist consultants, data scientists who research and analyze consumer insights, and system engineers responsible for implementation, providing comprehensive support for companies seeking to launch new businesses.



Launching our human capital disclosure diagnostic tool, “Rajinban”

Rajinban is a tool that visualizes the status and risks in information disclosure related to human capital management, providing a service that serves as a “health checkup” for human capital management. Rajinban also comes with support for risk management for the visualized risks and for obtaining certification and assurance for ISO 30414, the international standard for human capital information disclosure.



* Results of analysis from Rajinban

Segment Overview

The DENTSU SOKEN Group provides a wide range of solutions focused on customer challenges across in four business segments: Financial Solutions, Business Solutions, Manufacturing Solutions, and Communication IT. The new medium-term management plan aims to achieve a target of ¥210 billion in net sales in FY2027 through growth in each of these segments.

To achieve this goal, we have made the following three changes to the businesses covered by our business segments.

- To strengthen coordination between the PLM business and the Enterprise Resource Planning (ERP) business, the ERP business has been transferred from Communication IT to Manufacturing Solutions.
- The businesses for some major customers, previously being carried out in multiple segments, have been consolidated into the primary segment, to further deepen relationships and expand the business areas with those customers.
- To strengthen collaboration with the Dentsu Group and expand the corporate and social transformation business, the smart society business and government DX-related businesses have been consolidated into Communication IT.

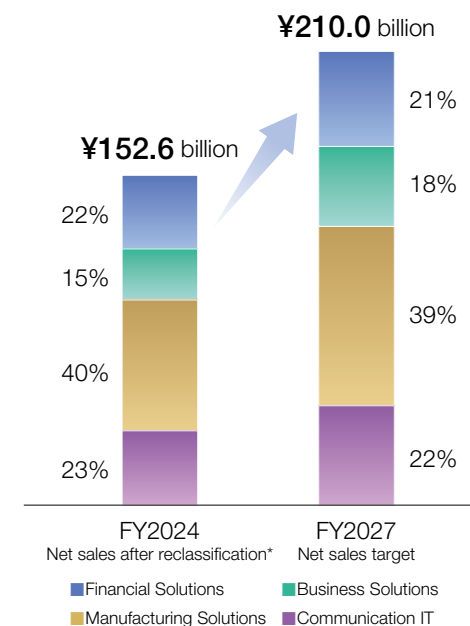
The FY2027 net sales targets for each business segment and CAGR based on FY2024 results are shown below.

(millions of yen)

Segment	Business domain	FY2024		FY2027	
		Net sales	Net sales after reclassification*	Net sales target	CAGR starting from FY2024 results
Financial Solutions	Provides solutions that support business transformation in the financial industry and the use of financial services by general business companies	31,910	34,050	44,000	8.9%
Business Solutions	Provides solutions that support the improvement of corporate business management operations mainly in the areas of human resources and accounting	23,324	23,626	37,000	16.1%
Manufacturing Solutions	Provides solutions that support the improvement of business processes and the value chain in the manufacturing industry	47,353	60,564	83,000	11.1%
Communication IT	Provides solutions that support corporate marketing transformation and digital transformation for government offices and municipalities	50,053	34,401	46,000	10.2%

* Net sales after reclassification in line with business changes within segments

Target net sales composition ratio by segment under the new medium-term management plan



Segment Overview

Financial Solutions

Business Overview

We provide financial institutions with core banking systems that support clients' global businesses, market transaction management solutions that implement cutting-edge financial engineering, corporate finance solutions that optimize lending and leasing operations, and solutions that strengthen customer contacts in retail operations and corporate transactions, and others. We also provide support for general business companies entering the financial services business and for the promotion of regional DX through financial institutions.

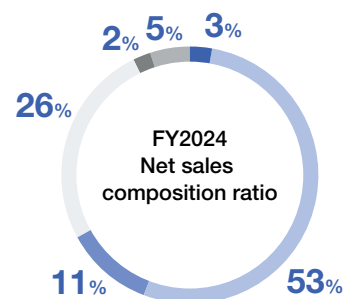
Main Client Industries

Banking, securities, insurance, consumer credit, leasing, general business companies providing financial services, etc.

Strengths

- Ability to develop large-scale, high-quality, highly secure systems cultivated through projects for financial institutions
- Ability to implement software in the fields of accounting and customer contact domains
- Expertise in financial innovation and a robust network with FinTech companies

Composition Ratio by Service Category



- Consulting services
- Custom system development
- In-house software
- Third-party software
- Outsourcing, operation & maintenance services
- IT equipment sales and others

Main Solutions

Custom system development

- Core banking for overseas locations
- Financial market transactions and risk management

In-house software

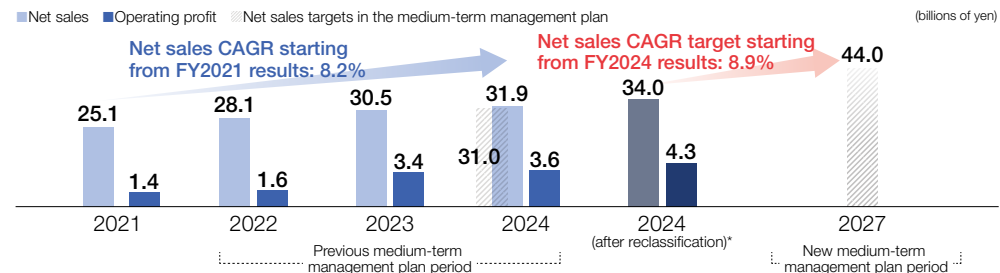
- Loan Solution, BANK·R
- Management System for Leasing and Finance Operations, Lamp
- BOJ settlement management system, Stream-R

Third-party software

- Data Platform, Salesforce Data Cloud
- ERP on cloud, Oracle Fusion Cloud ERP

Business Results

* Figures after reclassification in line with business changes within segments



Review of the Previous Medium-Term Management Plan

We grew our customer base and succeeded in achieving our targets by focusing on acquiring new customers including regional financial institutions, leasing companies, consumer credit companies, and general business companies. To drive the next stage of growth, we expanded our consulting business in the customer contact and accounting domains, and worked to develop new solutions through collaboration with FinTech startups. Furthermore, to establish new revenue bases, we proactively advanced research and development for in-house software development related to security and 3DCG (three-dimensional computer graphics) technologies.

Business Strategies in the New Medium-Term Management Plan

External Business Environment Awareness, Looking Ahead to 2027

- Diversification and increased adoption of cloud solutions
- Accelerating shift from outsourcing system development and operations to in-house operations
- Expansion of cashless payments and digital channels in the retail finance business
- Ongoing global financial regulatory reform

Priority Measures

- Strengthen earning power in domains with competitive advantages, including international operations, customer contact points, and regulatory compliance at financial institutions
- Develop in-house software in domains including financing, leasing and retail banking
- Launch new businesses leveraging FinTech such as embedded finance* services

* Allows the financial capabilities provided by financial institutions such as payments, transfers, lending, and insurance to be integrated by general business companies into various services on an individual function level, and offered to customers

Segment Overview

Business Solutions

Business Overview

We provide a wide range of solutions to companies and corporate groups in diverse industries, including POSITIVE, an integrated HCM solution supporting strategic human capital management; Ci*X, an integrated group accounting solution; STRAVIS, a consolidated accounting solution; and CCH® Tagetik, a corporate performance management solution. Through in-house software developed over many years of functional enhancement and specialized services delivered by consultants with extensive operational expertise, we contribute to the advancement of corporate management.

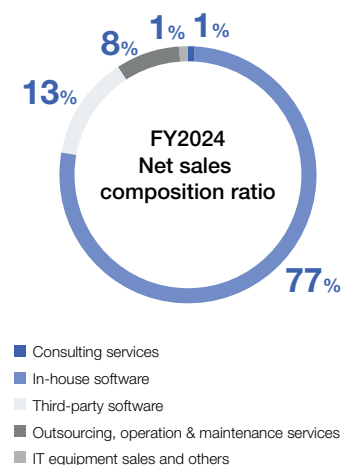
Main Client Industries

All industries (entire corporate group)

Strengths

- In-house software with a leading share in the human resources and accounting domains among large enterprises
- Consultants and engineers with deep expertise in human resources and accounting operations, with a proven track record of system implementation for various industries
- Robust research and development capabilities enabling the creation of advanced functions and innovative solutions

Composition Ratio by Service Category



Main Solutions

Consulting services

- Total HR solution, HUMAnalytics

In-house software

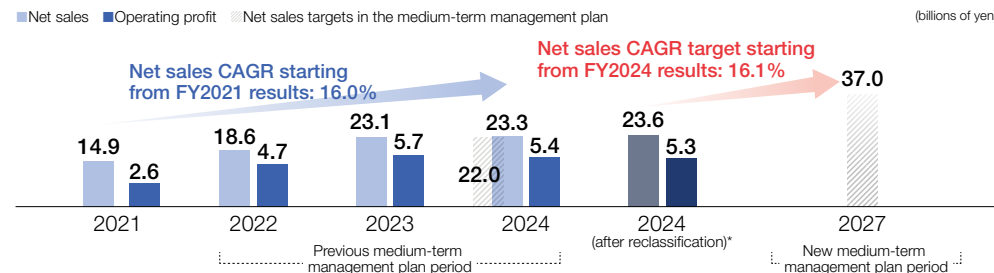
- Integrated HCM solution, POSITIVE
- Consolidated accounting solution, STRAVIS
- Integrated group accounting solution, Ci*X

Third-party software

- Corporate performance management solution, CCH® Tagetik

Business Results

* Figures after reclassification in line with business changes within segments



Review of the Previous Medium-Term Management Plan

We progressively acquired projects for major corporate groups in the human resources and accounting domains and succeeded in achieving high-level net sales growth. Additionally, we made progress in a number of initiatives to expand our business, including the launch of HR consulting services, enhancement of business process outsourcing (BPO) services, and expansion of our distributor network to broaden sales channels. Although there were periods in which we could not sufficiently capture robust demand due to insufficient resources, net sales in the final fiscal year of the previous-term management plan were on par with the year prior, and we are now focusing on strengthening our organizational structure to achieve significant growth in our new medium-term management plan.

Business Strategies in the New Medium-Term Management Plan

External Business Environment Awareness, Looking Ahead to 2027

- Accelerating the digital shift in business operations driven by labor shortages
- Increasing needs to utilize human resources data for the realization of human capital management
- Increasing needs to utilize non-financial data to advance sustainability management
- Expanding the SaaS (Software as a Service) for small- and medium-sized enterprises

Priority Measures

- Expand the lineup of core software products in the human resources and accounting domains and enhance functions through the use of AI
- Strengthen consulting and BPO services to support human capital management and sustainability management
- Expand indirect sales by increasing the number of distributors and reinforcing sales support measures
- Accelerate M&A and business alliances to bolster development and implementation capabilities and broaden the scope of service
- Develop the market for small- and medium-sized enterprises and promote the development of SaaS-type solutions

Segment Overview

Manufacturing Solutions

Business Overview

We provide a wide range of solutions to support *monozukuri* (product development), including process innovation consulting services for product planning and design operations, the implementation of product development environments optimized for 3D design and simulation, and seamless integration between the engineering chain and supply chain. Together with the Dentsu Group, we also support *kotozukuri* (value creation) by creating new value centered on those manufactured products, thereby contributing to the DX of the manufacturing industry from both the *monozukuri* and *kotozukuri* perspectives.

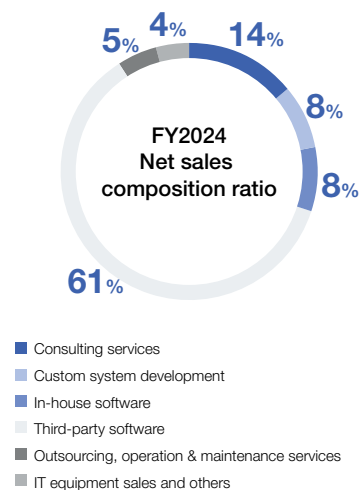
Main Client Industries

Transportation equipment, electric appliances, precision devices, machinery, etc.

Strengths

- Consultants and engineers with expertise in *monozukuri* operations and issues
- Comprehensive and reliable software lineup enabled by strong partner alliance
- Knowledge, know-how, and a diverse range of solutions for SAP ERP

Composition Ratio by Service Category



Main Solutions

Consulting services

- Grand design and process innovation for operations
- Carbon neutrality realization consulting

In-house software

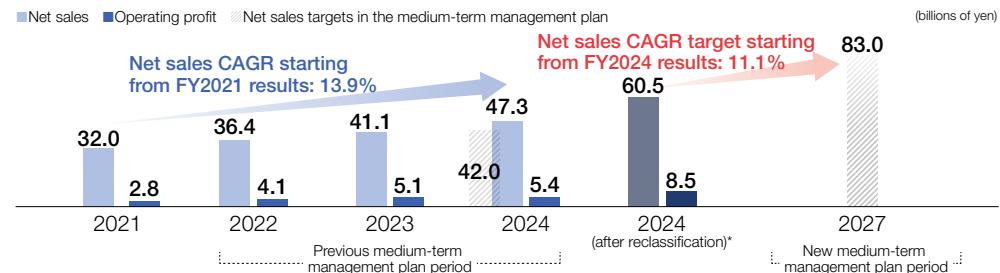
- Concept Design Support System, iQUAVIS
- SAP BI platform, BusinessSPECTRE

Third-party software

- 3D CAD software, NX
- PLM Solution, Teamcenter
- SAP ERP System, S/4HANA

Business Results

* Figures after reclassification in line with business changes within segments



Review of the Previous Medium-Term Management Plan

In the PLM domain, we largely exceeded our targets driven by strong IT investment demand from the manufacturing sector. Moreover, in addition to enhancing our system integration using generative AI and low-code development, we strengthened the functionality of our in-house software to address the software-first*1 trend, and through strategic alliances with leading partners, we worked to expand our solutions lineup. However, further enhancement of our technological capabilities to meet rising demand remains a key challenge for sustainable growth.

Business Strategies in the New Medium-Term Management Plan

External Business Environment Awareness, Looking Ahead to 2027

- Expanding needs for adapting development process to Software Defined*2 products, as well as IoT, and AI utilization in product development
- Increasingly complexity in product development processes and greater demand for automation and efficiency improvements due to labor shortages
- Rising demand for system upgrades and replacements in the ERP market
- Growing systemization needs in response to environmental requirements such as carbon neutrality

Priority Measures

- Transition core design systems to the SaaS model and develop solutions related to software-first and AI
- Respond to SAP upgrade demand to secure orders and strengthen sales of in-house software for SAP-related applications
- Enhance capabilities to provide PLM and ERP solutions that enable seamless integration between the engineering chain and supply chain
- Develop solutions to address social and environmental issues such as sustainability and decarbonization

*1 Approach to the design of system products in which software is developed ahead of hardware to increase the overall value of the system

*2 Products with functions defined and controlled by software

Segment Overview

Communication IT

Business Overview

We provide solutions that support marketing transformation for companies in diverse industries, as well as software and services that facilitate the digitalization of administrative procedures and operations for national and local government bodies. By combining the experience acquired through building and operating a wide range of systems that support corporate activities with digitalization expertise in the marketing domain developed through collaboration with Dentsu Group companies, we help address the issues faced by companies and society through technology.

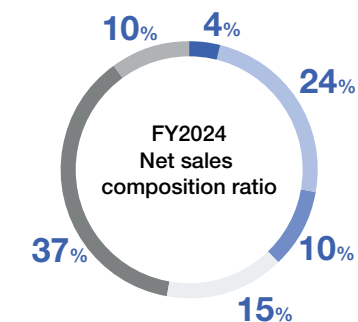
Main Client Industries

Air transportation, retail, manufacturing, services, Dentsu Group companies, public institutions, etc.

Strengths

- Development capabilities and operational expertise of core system for large enterprises
- Marketing system development capabilities cultivated as part of the Dentsu Group
- Expertise in supporting new business creation through collaboration with Dentsu Group companies

Composition Ratio by Service Category



- Consulting services
- Custom system development
- In-house software
- Third-party software
- Outsourcing, operation & maintenance services
- IT equipment sales and others

Main Solutions

In-house software

- Low-Code Development Platform, iPLAss
- City OS solution, CIVILIOS
- Application management system for government procedures, minnect

Third-party software

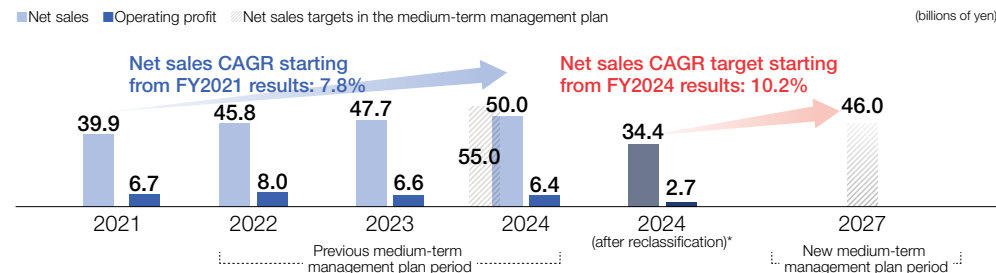
- Low-Code Development Platform, OutSystems
- Cloud Data Platform, Snowflake

Outsourcing

- Cloud integration services
- Cybersecurity services

Business Results

* Figures after reclassification in line with business changes within segments



Review of the Previous Medium-Term Management Plan

The first year (FY2022) marked a strong start, but in the second year, the focused allocation of human resources to projects that encountered challenges hindered our ability to secure new projects, resulting in final-year (FY2024) performance falling short of the medium-term management plan targets. However, certain areas performed above expectations, such as our migration service for SAP S/4HANA, our third-party software business including Salesforce and Robotic Process Automation (RPA) for digital marketing support, and new initiatives such as system development using low-code development platforms and DX support services for local governments.

Business Strategies in the New Medium-Term Management Plan

External Business Environment Awareness, Looking Ahead to 2027

- Accelerated transformation of corporate business models to respond to changing consumer trends
- Faster promotion of DX in the marketing field
- Strengthened government economic measures and green transformation (GX) policies
- Advancement of DX in local government operations and progress toward smart cities

Priority Measures

- Enhance capabilities to provide cloud and security solutions through coordination with partner companies
- Develop new solutions in the marketing DX domain through collaboration with Dentsu Group companies
- Strengthen sales activities targeting government agencies and local governments through coordination with the Dentsu Group and alliance partners
- Expand the lineup of DX solutions and decarbonization solutions for local governments

Roundtable Discussion between Outside Directors and Chairman of the Board

DENTSU SOKEN: Venturing into Uncharted Territory The presence of Outside Directors bolsters the company's bold initiatives.



Yukari Murayama
Outside Director
(Member of the Audit and
Supervisory Committee)

Atsuhiko Sekiguchi
Outside Director
(Full-Time Member of the Audit
and Supervisory Committee)

Masahiko Sasamura
Outside Director
(Member of the Audit and
Supervisory Committee)

Hirohisa Iwamoto
President and Representative
Director, CEO & COO
(Chairman of the Board)

Three Outside Directors and the Chairman of the Board participated in a roundtable discussion highlighting the strengths of DENTSU SOKEN's Board of Directors and exploring future challenges.

A key strength of DENTSU SOKEN's Board of Directors is its culture of open, dynamic, and rapid information-sharing.

Iwamoto We are deeply reassured by the exceptional expertise and extensive experience that each of DENTSU SOKEN's Outside Directors brings to the Board. To begin, we would appreciate hearing your candid impressions of our Board of Directors.

Sekiguchi I believe one of the key strengths of DENTSU SOKEN's Board of Directors is Chairman Iwamoto's clear commitment to fostering "forums for open and dynamic discussion." Chairman Iwamoto makes thoughtful and deliberate efforts to cultivate such an environment. While "open and dynamic discussion" is often cited as an ideal, it is far from easy to achieve in practice. At DENTSU SOKEN, the shared goal of "sustainable growth" among Directors has helped create a culture where individuals feel empowered to speak freely. I believe this is underpinned by Chairman Iwamoto's exceptional ability to listen attentively.

Sasamura As a certified public accountant and tax advisor, I take a strong interest in corporate internal controls. In many Japanese companies, when an issue arises, there is a tendency to first conduct a thorough investigation before reporting to the Board of Directors—often resulting in delayed corporate responses. In cases of misconduct, such delays can lead to public dissatisfaction and even damage to the company's reputation. Chairman Iwamoto's proactive approach to sharing information promptly with the Board is highly commendable.

Roundtable Discussion between Outside Directors and Chairman of the Board

Murayama Another commendable aspect is the intentional effort to create an environment that fosters mutual trust. In many cases, companies tend to discuss issues thoroughly in management meetings and only report them to the Board of Directors once a conclusion has been reached. At DENTSU SOKEN, however, topics that have just emerged from the front lines—often still under discussion—are deliberately shared at Board meetings or off-site sessions beyond the Board, providing more opportunities for open exchange of views. This early sharing of information and open dialogue is likely enabled by the strong foundation of mutual trust among members.

Iwamoto Even when voices in our Management Council suggest that a topic need not be raised at the Board of Directors' meeting because it is still under development, I encourage early discussion at the Board. Our 50th anniversary slogan, "Dare to change" reflects our commitment to exploring uncharted territory—



experiences we have never encountered before. Given this, the Board must not become a forum for perfunctory opinions. As stakeholder expectations and scrutiny continue to grow each year, I believe the perspectives of our Outside Directors are increasingly vital. I approach each Board meeting with a sincere request: please share your insights and speak openly.

Sekiguchi One of the most memorable aspects for me is the deeper meaning behind the slogan "Dare to change." It does not imply that DENTSU SOKEN must change because the current state is inadequate. Rather, the Company has long fostered a culture of challenge, deeply embedded in its DNA throughout its history. This is precisely why we are able to boldly venture into uncharted territory. "Dare to change" serves as a reminder of that DNA and a call to further cultivate our spirit of innovation. When I learned that this slogan was created to reaffirm that message, I found it deeply convincing.

Incorporating messages into the new medium-term management plan by leveraging the perspectives of Outside Directors.

Iwamoto I sincerely appreciated the proactive and meaningful contributions made by our Outside Directors throughout the formulation process of the Company's new medium-term management plan.

Sekiguchi What specific actions should DENTSU SOKEN take to realize its vision for 2030? There was strong interest in having the Board of Directors more actively involved in deepening this discussion. All Board members participated in the discussions and jointly contributed to the formulation of the new medium-term management plan announced by the Company in February.



Murayama In the initial phase of developing the new medium-term management plan, project members conducted individual interviews with each Director and carefully refined a foundational framework based on those insights. This framework then served as the basis for in-depth discussions within the Board of Directors.

Sekiguchi One particularly symbolic decision was the inclusion of the "three types of leadership" as pillars of the growth strategy in the new medium-term management plan. Based on DENTSU SOKEN's core strengths, the Board of Directors discussed the importance of clearly articulating these strategic pillars to investors and other stakeholders. Following these discussions, Chairman Iwamoto made the final decision to disclose them publicly. Having diverse business segments and broad client base, the bold emphasis on "enhancing global competitiveness for manufacturing companies" required considerable conviction.

Roundtable Discussion between Outside Directors and Chairman of the Board

Iwamoto As DENTSU SOKEN looks ahead to the next 50 years, it must evolve to meet a new stage of growth. I felt strongly that this was a message that needed to be communicated in conjunction with the announcement of the new medium-term management plan. It was through meaningful discussions with our Outside Directors—who bring a stakeholder-oriented perspective—that we were able to arrive at this conclusion.

Achieving the Company's goals will require assertive management driven by appropriate risk-taking.

Iwamoto Since FY2016, we have conducted evaluations of the effectiveness of the Board of Directors to further enhance its functions and contribute to the sustainable growth of corporate value. Could you share your thoughts on the issues identified in the most recent FY2024 effectiveness evaluation?

Sasamura The need to deepen discussions around medium- to long-term strategic investments was identified as a key issue, and I am particularly focused on advancing M&A initiatives. DENTSU SOKEN has set ambitious targets for 2030—¥300 billion in net sales and a 20% operating profit margin—and achieving these goals will require assertive management and appropriate risk-taking. I believe it is essential to further refine our strategy, including the types and sizes of companies to be acquired, the pace of acquisitions, and the approach to post-merger integration (PMI*) and progress monitoring.

Murayama As a lawyer specializing in business restructuring and M&A, I would like to further deepen discussions on M&A strategy within the Board of Directors. As a member of the Nomination and Remuneration Committee, I also recognize the importance

of enhancing the committee's activities and further strengthening transparency and objectivity. We are currently working on developing the committee's activity plan and sharing its progress with the Board. Looking ahead, we will advance the formulation of a succession plan. It is essential to share the specific selection process and related details with the Board of Directors to ensure greater clarity and alignment.

Sekiguchi Succession planning often draws attention to the question of who will become the next president, but an equally important aspect is how to cultivate a pool of next-generation talent capable of leading future management. Since assuming the role of President, I believe Chairman Iwamoto has consistently kept this in mind, and employees who recognize this are likely taking initiative in response.

Sasamura Setting ambitious goals requires more than just succession planning—it demands a robust and forward-looking



human resource strategy. DENTSU SOKEN is a cash-rich company and has maintained a debt-free operation, which is commendable. However, the absence of large-scale fundraising to date may have led to a shortage of talent and expertise in the area of corporate finance. In light of future M&A activities, it is important to proactively secure and develop professionals capable of managing the practical aspects of this domain.

Iwamoto As you rightly point out, achieving ambitious goals ultimately comes down to people—making a strong human resource strategy essential. What I am particularly committed to is improving individual employee performance. Toward 2027, we have set operating profit per employee as a KPI, and we aim to achieve this by implementing HR strategies and systems that enhance individual performance while also boosting job satisfaction and motivation.

* An abbreviation for post-merger integration (PMI), referring to the process of maximizing integration effectiveness following the completion of an M&A transaction

By focusing on the essence of our ideal vision, we aim to design a talent portfolio that will shape the next 50 years.

Sekiguchi Promoting DEI remains critically important to unlocking the full potential of DENTSU SOKEN's talent. However, initiatives that focus solely on tracking KPIs—such as the ratio of female managers or the employment rate of people with disabilities—miss the essence of what DEI truly represents. At DENTSU SOKEN, DEI is fundamentally about respecting diversity and creating an environment where everyone can find meaning and motivation in their work.

Roundtable Discussion between Outside Directors and Chairman of the Board

Murayama Indeed, without careful attention, discussions around female empowerment and DEI can easily lose sight of their underlying purpose. As mentioned earlier, the phrase “uncharted territory” reflects our aspiration to realize our ideal vision. To pursue business expansion and drive innovation in products and services, it is essential to harness the collective strengths of a diverse workforce and channel them into creating new value. In this context, initiatives such as promoting female participation and hiring individuals with disabilities are not exceptional measures, but rather fundamental actions that naturally align with this approach.

Iwamoto You have precisely captured the essence of DEI that DENTSU SOKEN strives to embody. Currently, four members of our Board of Directors are women—representing more than one-third of the total—and the executive responsible for new business development, a key driver of future growth, is also a woman. However, these outcomes are simply the natural result of our broader efforts to harness the strengths of a diverse workforce. As a company, we are committed to diversifying our talent portfolio and bringing together a wide range of capabilities to shape the next 50 years.

Resilient leadership, crisis awareness, and personal attractiveness: Evaluations and expectations for the President and Representative Director, CEO & COO.

Iwamoto I would like to take this opportunity to ask what expectations you, as Outside Directors, have of me in my role as President and Representative Director of DENTSU SOKEN.



Sasamura Mr. Iwamoto, I believe your greatest strength lies in your resilient flexibility. Rather than asserting decisions unilaterally, you take the time to build understanding and alignment among those around you. For example, the introduction of the new headquarters system for sales and technology was likely not met with universal support from the beginning. Nevertheless, you listened attentively to diverse perspectives, persistently engaged in internal dialogue, and, after gaining both empathy and consensus, proceeded with the implementation. This approach clearly reflects your decision-making style. As the Company continues its transformation, it is natural that some resistance may arise. In such moments, your ability to respond with resilient flexibility—balancing firmness and adaptability—will remain a significant

asset. I sincerely hope this approach will continue unchanged in the future.

Sekiguchi Mr. Iwamoto, I have the impression that you were already deeply aware of the challenges surrounding DENTSU SOKEN’s medium- to long-term growth even prior to your appointment as President. Building on that awareness, you have been driving transformation with remarkable determination since assuming the role in 2024. In addition to organizational restructuring, you are also working to redefine the structure and purpose of various internal meetings. For instance, in gatherings of all Executive Officers, you are shifting the focus from simply receiving reports to creating a forum for strategic discussions on medium- to long-term issues. The same applies to the Board of Directors and the Management Council, which were mentioned earlier. I sincerely hope you will continue this momentum of transformation. By doing so, I believe your philosophy and passion will be more widely shared and embraced.

Murayama Titled AHEAD, the Company’s Action Principles include the phrase “Humor – Win through personality.” Mr. Iwamoto, I feel this epitomizes the distinctiveness of DENTSU SOKEN, and I believe you personally embody this principle, having consistently overcome difficult situations with a compelling blend of humor and personal charm. I hope you will continue to demonstrate your exceptional leadership and humorous, charming personality as you guide the Company through unprecedented challenges and transformative initiatives, delivering outstanding results.

Iwamoto Thank you so much for your kind words. I am deeply grateful for the support I receive from you Outside Directors, who complement areas where I may fall short. I sincerely hope you will continue to share your candid insights with me.

Roundtable Discussion between Outside Directors and Chairman of the Board

We will further promote discussions that leverage each individual's strengths to the fullest and contribute to enhancing corporate value.

Iwamoto Finally, we would appreciate hearing what role you envision playing in the achievement of "Vision 2030" and the new Medium-Term Management Plan.

Sasamura My area of expertise lies in the development of internal control systems. From this perspective, I aim to remain highly attuned to shifts in the Company's culture and control environment, particularly in the context of organic growth, which leverages internal assets. On the other hand, when pursuing inorganic growth through external assets, I believe it is essential to ensure that transparent and thorough discussions are held prior to any acquisition, and that Post-Merger Integration (PMI) is properly structured and implemented. Moving forward, I intend not only to receive reports, but also to actively visit acquired companies to gain firsthand insight into their actual conditions and engage proactively in the process.

Murayama In my capacity as a member of the Audit and Supervisory Committee, I intend to continue monitoring the status of compliance, risk management, and internal control operations, while offering appropriate recommendations. These areas represent the "defensive" side of management. At the same time, I will continue to speak out proactively from a neutral standpoint on "offensive" issues related to the realization of "Vision 2030." It is essential not to lean too heavily toward a defensive posture; constructive proposals that encourage appropriate risk-taking will also be

necessary. I hope to contribute to further deepening the quality of discussions at Board of Directors' meetings and enhancing the soundness of management decisions.

Sekiguchi I would like to make full use of my position as a full-time member of the Audit and Supervisory Committee to maintain close, ongoing communication not only with Directors but also with members of the executive departments, continuing to serve as a bridge between Mr. Iwamoto, the Board, and the front lines. Additionally, during discussions with Directors, if I recognize that someone's insight or background could lead to more innovative proposals, I intend to actively seek their input and help stimulate the exchange of ideas. Through these efforts, I hope to contribute meaningfully to the Company's decision-making process.

Iwamoto Today, we had the privilege of hearing your valuable insights from your unique perspective as Outside Directors. Thank you very much for sharing your views.



Message from a Newly Appointed Outside Director



Reiko Yasue
Outside Director

From 2018 through March 2024, I served as President and Representative Director of a company specializing in mechanical CAE (Computer-Aided Engineering), where I led digital transformation (DX) initiatives across nine overseas locations, working with a wide range of clients including manufacturers and public-private research institutions. I also bring over 20 years of experience in engineering, sales, and business development, primarily in Silicon Valley and San Diego, and currently serve as an Outside Director for several companies, contributing broadly to corporate management. Drawing on my extensive experience in fields aligned with DENTSU SOKEN's business and my background as a corporate executive, I aim to fulfill my responsibilities as an Outside Director by offering both a "defensive" perspective—through governance and oversight—and an "offensive" perspective—through the provision of specialized expertise. In this era of heightened uncertainty, I believe DENTSU SOKEN's capabilities should be fully leveraged to help realize a sustainable future for companies, society, and the planet through DX. Toward the achievement of Vision 2030, I am committed to working closely with the management team to support DENTSU SOKEN's continued growth and advancement.

Governance

Corporate Governance

Basic Approach

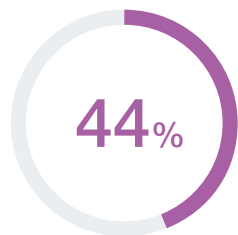
As a listed subsidiary with a controlling shareholder (parent company), the Company places strong emphasis on protecting the rights of minority shareholders and recognizes the importance of establishing and operating a governance system that surpasses the standards required by the Prime Market of the Tokyo Stock Exchange. In pursuit of swift, fair, and highly transparent management, as well as sustainable and sound growth, the Company has formulated the [DENTSU SOKEN Corporate Governance Policy](#) (Japanese version only) and continually strives to enhance corporate governance by, among other initiatives, reviewing the composition of the Board of Directors in response to changes in relevant laws, regulations, and shifts in the social and economic business environment.

Overview of Our Corporate Governance System

Organization Type	Company with an Audit and Supervisory Committee	Term of Directors	Directors who are not Audit and Supervisory Committee members: 1 year
Number of Directors	9		Directors who are Audit and Supervisory Committee members: 2 years
Chairperson of the Board of Directors	Representative Director	Voluntary Committee	Nomination and Remuneration Committee

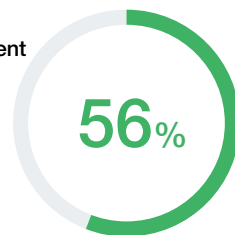
Ratio of Female Directors

4/9



Ratio of Independent Outside Directors

5/9



Directors: 9 (including 3 who are Audit and Supervisory Committee members)

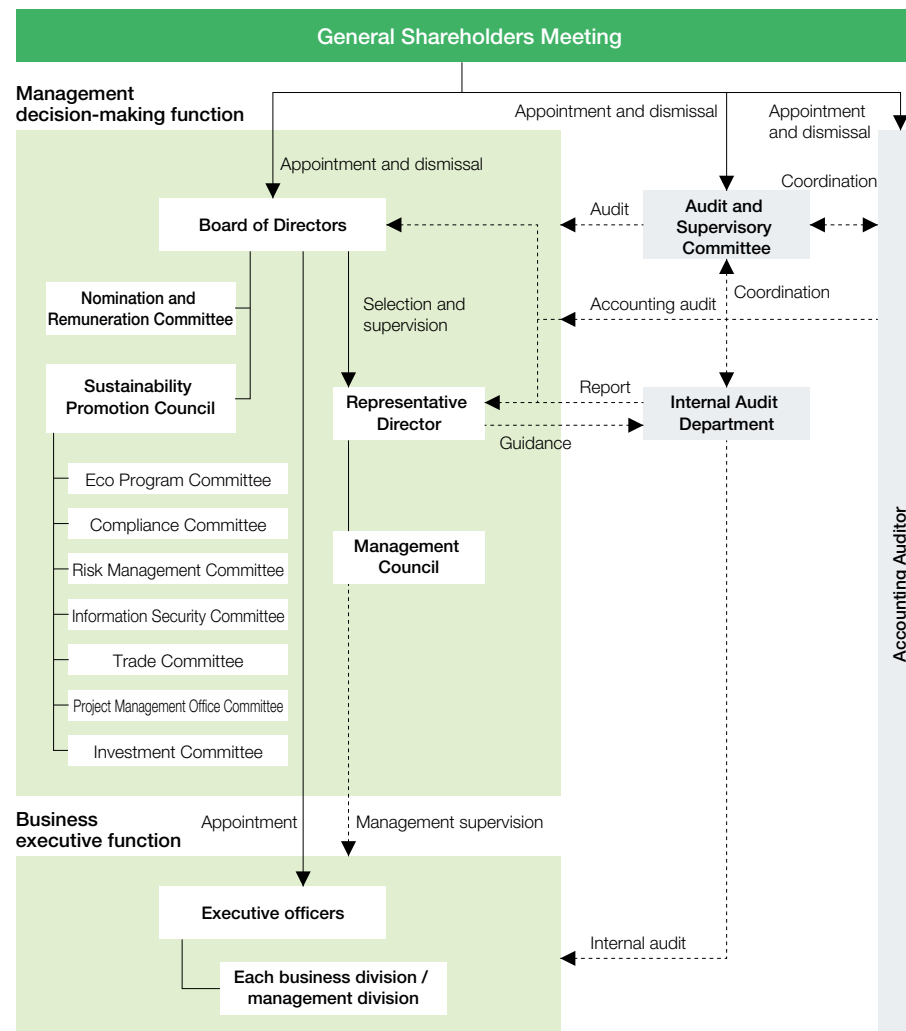
Outside Directors (female) Outside Directors (male) Inside Directors (male)



Directors who are Audit and Supervisory Committee Members

Representative Director

Corporate Governance Structure



Governance

Roles of Meeting Bodies and Committees

Name	Overview	Held in FY2024
Board of Directors	The Board determines important matters and supervises the status of business execution. Of the six Outside Directors, five are registered as Independent Directors in accordance with Tokyo Stock Exchange requirements, resulting in Independent Outside Directors comprising a majority of the Board. The chairperson is the Representative Director.	13
Audit and Supervisory Committee	Based on the audit policy and audit plan, the Audit and Supervisory Committee provides organized and efficient auditing. It is composed of three Outside Directors, including two Independent Outside Directors, and chaired by an Outside Director who serves as a full-time Audit and Supervisory Committee member.	14
Nomination and Remuneration Committee	This committee evaluates and discusses items related to the appointment and dismissal as well as the remuneration of Directors. Established as a voluntary committee under the Board of Directors, a majority of its members are Independent Outside Directors, and the chairperson is also an Independent Outside Director.	6
Management Council	The Management Council is designed to further accelerate and enhance the efficiency of management decision-making. It makes decisions on important management matters not subject to Board of Directors resolutions and conducts preliminary deliberations on matters to be resolved by the Board. Members are selected from among Executive Officers by resolution of the Board of Directors (including Directors who concurrently serve as Executive Officers) and Outside Directors who are full-time Audit and Supervisory Committee members. The Representative Director serves as chairperson.	50
Sustainability Promotion Council	In cooperation with related divisions and departments and committees under its umbrella, the Sustainability Promotion Council decides and monitors sustainability-related activity policies and important matters, as well as approves and monitors activity plans for company-wide risk management. The council consists of the same members as the Management Council and is chaired by the Representative Director.	3

Main Initiatives Aimed at Strengthening Corporate Governance

- 2015 ● Established the Corporate Governance Policy
- 2016 ● Introduced the evaluation of the effectiveness of the Board of Directors
- 2017 ● Established the Nomination and Remuneration Committee with Independent Outside Directors as key members
- 2019 ● Appointed an Independent Outside Director as chairperson of the Nomination and Remuneration Committee
- 2020 ● Changed the ratio of Independent Outside Directors to one-third of the members of the Board of Directors
- 2022 ● Changed the ratio of Independent Outside Directors to one-half of the members of the Board of Directors (Of the three Independent Outside Directors, two are female)
Introduced a performance-linked stock remuneration system covering Executive Directors and Executive Officers
Established the Sustainability Promotion Council
- 2023 ● Transitioned to a Company with an Audit and Supervisory Committee
Changed the ratio of Independent Outside Directors to a majority of the Board of Directors (Of the five Independent Outside Directors, three are female)
- 2025 ● Continue to maintain a majority of the Board of Directors as Independent Outside Directors, since 2023 (Of the five Independent Outside Directors, four are female)
Incorporated ESG-related indicators into the annual bonus and performance-linked remuneration system for Executive Directors and Executive Officers

Main Proposals at the Board of Directors (FY2024)

Main Discussion Items	Resolutions	Reports	Main Contents
Matters related to the long-term management vision and the medium-term management plan	●	●	State of progress of the long-term management vision, review of the new medium-term management plan (2025–2027)
Matters related to results and budgets	●	●	Year-end/quarterly financial results, and budgets
Matters related to capital investment	●	●	Deliberation of individual investment projects
Matters related to organizational restructuring	●		Transition to the Headquarters System starting in January 2025
Matters related to nomination and remuneration		●	Activity plan for the Nomination and Remuneration Committee, review of Director appointment standards, consideration of introducing ESG-related indicators into the remuneration system
Matters related to sustainability activities		●	State of progress of yearly activity plans, review of partial revisions to material issues, monitoring the critical risks
Matters related to IR activities		●	State of IR activities, overview of results briefing, shareholder composition

Governance

Evaluation of the Effectiveness of the Board of Directors

With the goal of sustainably increasing corporate value, the Company has conducted an annual assessment of the overall effectiveness of the Board of Directors since FY2016.

Identified Issues in the Previous Evaluation of Effectiveness in FY2023 and Improvement Measures

Identified Issues	Improvement Measures
1) Further promoting communication among Directors, both within and outside of the Board of Directors	Held meetings between Independent Outside Directors and executive management (Directors responsible for business execution) to provide detailed explanations and facilitate discussions on key issues.
2) Enhancing discussions on medium- to long-term strategies, with a particular focus on strategic investment such as M&A	Provided progress updates and held discussions on M&A activities and the development of the next medium-term management plan.
3) Strengthening the Board of Directors' supervisory framework for nomination and remuneration	An activity plan for the Nomination and Remuneration Committee through March 2025 was formulated and reported to the Board of Directors. Additionally, the following matters were examined and reported to the Board as appropriate. [Nomination Area] - Conducted the selection process for Director candidates - Reviewed nomination criteria including age requirements and tenure - Considered the management structure for the next fiscal year - Succession planning, etc. [Remuneration Area] - Introduced ESG-related indicators into the remuneration system for Executive Directors and Executive Officers - Reviewed the next stock-based remuneration plan, etc.

Summary of Evaluation Methods in the FY2024 Effectiveness Evaluation

Evaluation Process	Main Evaluation Items in the Questionnaire
1 Named questionnaire survey	<ul style="list-style-type: none"> Board of Directors composition and operation Medium-term management plan, budget, and sustainability-related initiatives Corporate ethics compliance and risk management Management team nominations, remuneration, and evaluation Dialogue with shareholders
2 Individual interviews with newly appointed part-time Directors	
3 Analysis and summary of the questionnaire report by external experts	
4 Resolution on the effectiveness evaluation at the Board of Directors	

Summary of Evaluation Results

Since all evaluation items were rated as effective or generally effective, the overall effectiveness of the Board of Directors is considered to be ensured. In addition, positive feedback was received on the following: active and lively discussions are held in a free and open atmosphere; a constructive tension based on mutual trust between executive and supervisory functions is fostered, enabling appropriate deliberation of key issues; and measures to address issues identified in the previous evaluation have been steadily implemented.

In light of these results, DENTSU SOKEN will continue its efforts to further enhance the effectiveness of the Board of Directors by addressing the following key areas.

Identified Issues	Response Policies
1) Promoting more active communication among Directors, both within and outside the Board of Directors.	Facilitate more active communication among Directors by increasing opportunities for exchanging opinions and sharing information on management issues.
2) Deepening discussions on medium- to long-term strategies, including capital investment such as M&A.	Encourage deeper discussions on medium- to long-term strategies by providing progress reports on the new medium-term management plan and strategic investments such as M&A.
3) Strengthening the Board of Directors' supervisory framework for nomination and remuneration.	Report the activity plan and individual agenda items of the Nomination and Remuneration Committee to the Board of Directors, and begin implementing the succession plan from this fiscal year.

Policy and Procedures Related to the Appointment and Dismissal of Directors

In nominating candidates for Director positions that will not be on the Audit and Supervisory Committee, the CEO and others create a list of candidates from a pool of suitable individuals from both inside and outside the Company while referencing selection standards established by the Board of Directors. Thereafter, to ensure objectivity and transparency, following evaluation and discussion at the Nomination and Remuneration Committee, the Board of Directors decides the candidates for Director positions. For Director positions that will be on the Audit and Supervisory Committee, after the same process for candidates for Director who will not be Audit and Supervisory Committee members (creating a list of candidates and performing evaluation and discussion at the Nomination and Remuneration Committee), the Board of Directors decides the candidates with the consent of the Audit and Supervisory Committee. Where circumstances occur requiring the dismissal of a Director, following a resolution at the Board of Directors in accordance with the provision of the Companies Act, etc., consultation is made with the General Shareholders Meeting.

Independence of Outside Directors

In addition to the requirements for Independent Directors stipulated by the Tokyo Stock Exchange, the Company has established its own standards to determine independence, as follows. If any of the following items apply, the Company cannot recognize the independence of the Director in question.

- ① The Director is a principal shareholder (person directly or indirectly owning 10% or more of the voting rights of the Company) or their executive officer.
- ② The Director is an executive officer of a business partner* that exceeds standards set by the Company.
- ③ The Director is a consultant, accounting specialist, or legal specialist who has received ¥10 million or more from the Company aside from Director compensation in cash or other financial benefits in any one fiscal year within the past three fiscal years (where the entity receiving these assets is a group such as a corporation or association, this shall refer to persons belonging to that group).

* Business partners whose transactions with the Company in any one fiscal year within the past three fiscal years amount to 2% or more of the Company's consolidated net sales in that fiscal year

Governance

Remuneration System for Directors

Remuneration Levels

Remuneration levels are set in consideration of the Company's performance, the responsibilities and roles of its respective Directors, and a wide range of external information regarding rates of Directors' compensation. Furthermore, remuneration is set at levels sufficient to secure highly qualified personnel.

Remuneration Structure

Remuneration of Executive Directors is comprised of fixed salary and performance-linked remuneration.

As an incentive to achieve both short-term and medium- to long-term financial targets, performance-linked remuneration is composed of an annual bonus linked to single-year consolidated financial results and stock compensation linked to results over the medium to long term.

Remuneration of Directors who do not concurrently serve as Executive Directors (regardless of whether they are members of the Audit and Supervisory Committee) consists solely of fixed salary, reflecting the need for a high degree of independence in fulfilling their management supervision roles.

Process for Determining Remuneration Amounts

For Directors who are not Audit and Supervisory Committee Members, fixed remuneration is determined by the President and CEO with the approval of the Board of Directors, within the total amount approved at the General Shareholders Meeting, and after prior deliberation by the Nomination and Remuneration Committee, which is composed of a majority as Independent Outside Directors to ensure objectivity and transparency. Annual bonuses are determined by a resolution of the Board of Directors following prior deliberation by the Nomination and Remuneration Committee. Stock compensation is granted in accordance with the provisions of the stock compensation rules approved by the Board of Directors. Remuneration for Directors who are Audit and Supervisory Committee Members is determined through consultation among those Directors, within the total amount approved at the General Shareholders Meeting.

Breakdown of Remuneration of Executive Directors*¹ (Effective from FY2025)

Fixed Salary		A salary that is paid monthly at an amount proportionate to the Director's position and duties.
Performance-Linked Remuneration	Annual Bonus	Determined and paid based on the achievement of performance evaluation indicators, with reference to the ratio of employees' annual bonuses to their annual base salary.
	Stock Compensation* ²	Using a trust established by the company, points are calculated based on monthly remuneration by role. Approximately 70% of points are awarded based on the achievement of performance evaluation indicators, while the remaining 30% are allocated as fixed points each fiscal year. At a set time after the final fiscal year of the medium-term management plan, the number of shares is calculated based on total accumulated points and granted accordingly.

*¹ Of the total amount of remuneration, the proportions of the fixed salary, annual bonus, and stock compensation would roughly come to 45%, 30%, and 25%, respectively, if the upper targets for the performance indicators are achieved

*² In the event that an eligible recipient of the stock compensation has engaged in illegal conduct, all or a portion of the recipient's contractual rights for receiving the stock compensation may be revoked, or reparations equivalent to the stock compensation paid may be demanded in accordance with clawback provisions

Performance Evaluation Indicators (Effective from FY2025)

Performance Indicators for Annual Bonus	Weighting	Performance Indicators for Stock Compensation	Weighting
Consolidated Operating Profit (vs. Initial Plan)	90%	Consolidated Net Sales	Approx. 90%
Consolidated Operating Profit (vs. Previous Fiscal Year)		Consolidated Operating Profit	
Profit Attributable to Owners of Parent		Consolidated ROE	
Engagement Score*	5%	ESG-Related Indicators*	Approx. 10%
Percentage of Female Hires*	5%		

* Selected from the Company's KPIs for material issues and evaluated based on the level of achievement of those goals (P.18)

Relationship with the Parent Company

DENTSU GROUP INC. is the Company's controlling shareholder (parent company) and owns 61.8% of the Company's voting rights as of the end of December 2024. The business strategy of the parent company group is to utilize the diverse capabilities present at the Group companies to provide "Integrated Growth Solutions" to help customers realize business growth. The DENTSU SOKEN Group is positioned as the main corporate group possessing technological capabilities and pursues cooperative businesses with the parent group companies.

In our transactions with parent group companies, the DENTSU SOKEN Group provides IT system building and maintenance services, conducted under the same conditions as general transactions, taking into account market prices and total costs. The parent company has also introduced a fund pooling system to improve capital efficiency, and the DENTSU SOKEN Group uses the system as a means of effective fund management when considering factors such as interest rates. The Company makes its own management decisions based on its independent evaluation, and there are no special restrictions imposed by the parent company group on the Company's business activities.

The Company's Board of Directors is composed of nine Directors including five Independent Outside Directors. Because Independent Outside Directors make up more than half of the Board of Directors, we believe that the Company's independence from its parent company has been ensured. Businesses developed independently by the DENTSU SOKEN Group make up around 80% of its net sales. We believe that engaging in management that takes a direct approach to our market and customers as a listed company while maintaining a strategic partnership with the parent company group is the optimal course of action for the Group's sustainable growth, while also contributing to greater added value provided by the parent company group.

Governance

List of Directors



Hirohisa Iwamoto

President and Representative Director, CEO & COO

Number of the Company's Shares Owned: 9,580 shares
Member of the Nomination and Remuneration Committee

- Apr. 1995 Joined the Company
- Jan. 2018 Executive Officer of the Company
- Jan. 2019 Senior Executive Officer, Division Director of Manufacturing Industry Business Operations of the Company
- Jan. 2020 Assistant to General Manager of Manufacturing Solution Segment, Division Director of Manufacturing Industry Business Operations of the Company
- Jan. 2021 Managing Executive Officer, General Manager of Manufacturing Solution Segment, Division Director of Manufacturing Industry Business Operations of the Company
- Jan. 2022 Head of Manufacturing Solution Segment and Communication IT Segment of the Company
Executive Officer of Dentsu Japan Network (currently dentsu Japan)
- Jan. 2023 Senior Managing Director, Business Supervisor of the Company
- Jan. 2024 DX President, dentsu Japan
- Mar. 2024 Director of the Company (current position)
President and Representative Director of the Company (current position)
CEO & COO of the Company (current position)



Shinichi Ogane

Director, Senior Managing Director
Corporate Supervisor

Number of the Company's Shares Owned: 17,500 shares

- Apr. 1988 Joined Diamond Computer Service Co., Ltd. (currently Mitsubishi Research Institute DCS Co., Ltd.)
- Jun. 1992 Joined the Company
- Apr. 2010 Executive Officer of the Company
- Jan. 2019 Senior Executive Officer, Assistant to General Manager of Communication IT Segment of the Company
- Jan. 2020 Managing Executive Officer, General Manager of Communication IT Segment of the Company
- Jan. 2021 Senior Managing Director of the Company (current position)
General Manager of Communication IT Segment, Head of X (Cross) Innovation Center of the Company
(Since then, in addition to the above responsibilities, he has held the positions of General Manager of Business Solutions Segment, Business Supervisor, and Assistant to Head of the Corporate Planning Division.)
- Jan. 2023 Corporate Supervisor of the Company (current position)
- Mar. 2023 Director of the Company (current position)



Outside

Independent

Mio Takaoka

Director

Number of the Company's Shares Owned: 0 shares
Chair of the Nomination and Remuneration Committee

- Jul. 1999 Joined Goldman Sachs Japan Co., Ltd.
- Jul. 2002 Joined Morgan Stanley Japan Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)
- Apr. 2006 Joined Lehman Brothers Japan Inc
- Jan. 2009 Joined Monex Group, Inc.
- Jan. 2014 Executive Officer, General Manager of New Business Planning Dept.
- Apr. 2014 Director of Monex Ventures, Inc.
- Sep. 2017 Joined MedicalNote, Inc.
Partner at Arbor Ventures
- Mar. 2018 Director and CFO of MedicalNote, Inc.
- Dec. 2020 Outside Director of SEPTENI HOLDINGS CO., LTD. (current position)
- Apr. 2021 Partner at DNX Ventures (current position)
- Dec. 2021 Outside Director of HENNGE K.K. (current position)
- Mar. 2022 Outside Director of the Company (current position)



Outside

Independent

Tomoko Wada

Director


Number of the Company's Shares Owned: 0 shares

- Apr. 1990 Joined The Long-Term Credit Bank of Japan, Limited
- Aug. 1999 Joined Arthur Andersen (Tax Division) New York Office
- Jun. 2002 Joined KPMG Peat Marwick Tokyo Office (currently KPMG Tax Corporation)
- Oct. 2005 Partner at KPMG Peat Marwick Tokyo Office
- Mar. 2023 Outside Director of the Company (current position)

* The number of the Company's shares owned is as of March 24, 2025

Governance

List of Directors



New Appointment

Outside

Independent

Reiko Yasue
Director
Number of the Company's Shares Owned: 0 shares

Apr. 1991 Joined Nagoya Research Institute, Panasonic Information Systems Co., Ltd. (currently Panasonic Advanced Technology Development Co., Ltd.)

Dec. 1999 Joined Motorola Japan Ltd.

Jun. 2004 Joined Seven Networks, Inc.

Sep. 2005 Joined Qualcomm, Inc.

Jul. 2009 Joined FUJISOFT INCORPORATED

Apr. 2015 Managing Executive Officer of FUJISOFT INCORPORATED

Jan. 2018 Joined Cybernet Systems Co., Ltd. as Executive Vice President

Mar. 2018 Representative Director, Executive Vice President of Cybernet Systems Co., Ltd.

Mar. 2019 Representative Director, President and Executive Officer of Cybernet Systems Co., Ltd.

Jun. 2020 Board Director (external) of Tomy Company, Ltd. (current position)

Mar. 2021 External Director of Lion Corporation (current position)

Mar. 2024 Advisor of JSR Corporation

Jun. 2024 Senior Officer in charge of Sustainability Promotion, Global Human Resources (CHRO), Diversity Promotion of JSR Corporation (current position)

Mar. 2025 Outside Director of the Company (current position)



Chisato Matsumoto
Director
Number of the Company's Shares Owned: 0 shares

Apr. 1992 Joined DENTSU INC.

Jan. 2012 Senior Manager of Sales Division, Kansai Region Branch Office of DENTSU INC.

Feb. 2017 Assistant to Director of Sales Division, Kansai Region Branch Office of DENTSU INC.

Jan. 2019 Director of Business Producers Division, Kansai Region Branch Office of DENTSU INC.

Jan. 2021 Director of Cross-border Business Producers Division of DENTSU INC.

Jan. 2023 Executive Officer of DENTSU INC.

Jan. 2024 Chief Client Officer of dentsu Japan (current position) Managing Executive Officer (Business Produce, BX and Global) of DENTSU INC.

Mar. 2024 Director of the Company (current position)

Jan. 2025 Managing Executive Officer (Business Produce) of DENTSU INC. (current position)



Outside

Atsuhiko Sekiguchi
Director (Full-Time Member of the Audit and Supervisory Committee)
Number of the Company's Shares Owned: 0 shares

Apr. 1988 Joined DENTSU INC.

Jun. 2012 Senior Manager of 3rd Sales Division of DENTSU INC.

Jan. 2016 Assistant to Director of 3rd Sales Division of DENTSU INC.

Jan. 2019 Director of Transformation Produce Division of DENTSU INC.

Mar. 2021 Outside Audit & Supervisory Board Member of the Company (Full-Time)

Mar. 2023 Outside Director of the Company (Full-time member of the Audit and Supervisory Committee) (current position)



Outside

Independent

Yukari Murayama
Director (Member of the Audit and Supervisory Committee)
Number of the Company's Shares Owned: 0 shares
Member of the Nomination and Remuneration Committee

Apr. 2000 Registered as an attorney at law
Attorney at law at Bingham McCutchen Murase, Sakai Mimura Aizawa – Foreign Law Joint Enterprise (Former Sakai Hideyuki Law Office)

Jan. 2010 Seconded to Supervisory Bureau of Financial Services Agency (Non-Bank Financial Companies Office and Financial System Stabilization Management Office)

Apr. 2012 Returned to Bingham McCutchen Murase, Sakai Mimura Aizawa – Foreign Law Joint Enterprise Counsel at Bingham McCutchen Murase, Sakai Mimura Aizawa – Foreign Law Joint Enterprise

Jan. 2013 Partner at Bingham McCutchen Murase, Sakai Mimura Aizawa – Foreign Law Joint Enterprise

Apr. 2015 Partner, Anderson Mori & Tomotsune (now Anderson Mori & Tomotsune Foreign Law Joint Enterprise) (current position)


Jun. 2015 Outside Audit & Supervisory Board Member of the Company

Mar. 2016 Outside Director of the Company

Jun. 2022 Outside Director of Carlit Holdings Co., Ltd. (currently Carlit Co., Ltd) (current position)

Mar. 2023 Outside Director of the Company (Member of the Audit and Supervisory Committee) (current position)

Jun. 2025 Outside Director of MS&AD Insurance Group Holdings Inc. (Member of the Audit and Supervisory Committee) (current position)



Outside

Independent

Masahiko Sasamura
Director (Member of the Audit and Supervisory Committee)
Number of the Company's Shares Owned: 0 shares

Sep. 1989 Joined Minato Audit Corp. (currently KPMG AZSA LLC)

Aug. 1993 Registered as a certified public accountant

Feb. 2004 Registered as a certified public tax accountant

Jun. 2005 Founder and Representative Director of Tenrindo Corporation (current position)

Jun. 2013 Outside Audit & Supervisory Board Member of DENTSU MUSIC AND ENTERTAINMENT INC. (current position)

Apr. 2014 Executive Partner of Partners C Inc. (current position)
Employee at Partners Z (current position)

Mar. 2016 Outside Audit & Supervisory Board Member of the Company

Dec. 2018 Audit & Supervisory Board Member of Aeronext Inc. (current position)

Mar. 2023 Outside Director of the Company (Member of the Audit and Supervisory Committee) (current position)

Executive Officers (Excluding Concurrent Directors)

Managing Executive Officers	Executive Officers
Makoto Senoo	Takemine Ichimaru
Shinichi Maeda	Chie Ito
Jiro Sakai	Hajime Tanaka
	Takamitsu Terashima
Senior Executive Officers	Noriko Nakata
Tomoki Kohsaka	Masaaki Nakagawa
Yuichi Nakamura	
Senior Fellow	
Hideki Sato	Koji Hayashi
Tetsuo Terada	
Eito Maejima	
Fellow	
	Seiko Yamazaki

* The number of the Company's shares owned is as of March 24, 2025

Governance

Skills Matrix

Name	Position	Expertise and Experience						Attendance Status (FY2024)	
		Corporate Management	Legal / Personnel / Risk Management	Finance / Accounting	Sales / Marketing	Technology	International Experience	Board of Directors*	Audit and Supervisory Committee
Hirohisa Iwamoto	President and Representative Director, CEO & COO	●			●	●		10/10 (100%)	—
Shinichi Ogane	Director, Senior Managing Director Corporate Supervisor	●	●	●	●	●		13/13 (100%)	—
Mio Takaoka	Outside Director	●		●	●		●	12/13 (92%)	—
Tomoko Wada	Outside Director			●			●	13/13 (100%)	—
Reiko Yasue	Outside Director	●	●		●	●	●	—	—
Chisato Matsumoto	Director	●			●		●	10/10 (100%)	—
Atsuhiko Sekiguchi	Outside Director (Full-Time Member of the Audit and Supervisory Committee)	●	●		●	●		13/13 (100%)	14/14 (100%)
Yukari Murayama	Outside Director (Member of the Audit and Supervisory Committee)		●					12/13 (92%)	13/14 (93%)
Masahiko Sasamura	Outside Director (Member of the Audit and Supervisory Committee)			●				13/13 (100%)	14/14 (100%)

[Details of expertise and experience]

Corporate Management: Corporate management, management strategy, etc.

Legal / Personnel / Risk Management: Legal, finance, HR, risk management, etc.

Finance / Accounting: Finance, Accounting, M&A, etc.

Sales / Marketing: Experience and / or knowledge in customer relations, transaction partner relations, and sales and marketing related to the Company's products and solutions

Technology: Technological experience and / or knowledge related to IT, IT installation, DX, and the Company's products and solutions

International Experience: Experience working overseas, experience at international organizations / overseas companies (research institutions, business entities, etc.), and global business experience

* For meetings held from January 1–December 31, 2024; Hirohisa Iwamoto and Chisato Matsumoto were appointed in March 2024. Reiko Yasue was appointed in March 2025

Governance

Risk Management

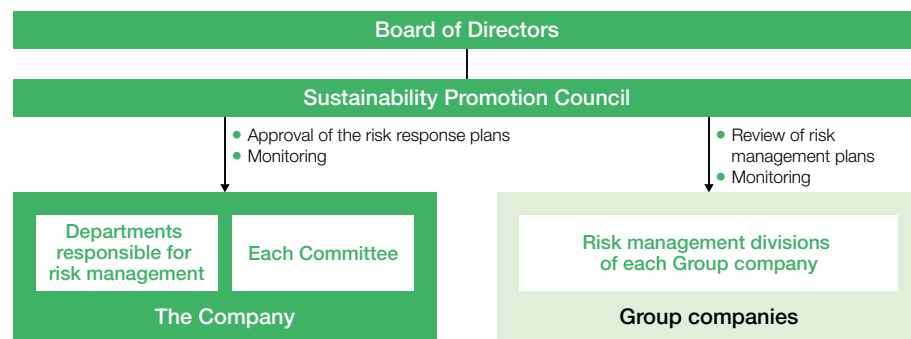
／ Promotion System

Under the oversight of the Board of Directors and led by the Sustainability Promotion Council, the Company identifies and evaluates potential company-wide risks in conducting our business activities, singles out the most critical risks, determines the departments and individuals responsible for managing each risk, gives instructions to formulate risk management plans, and monitors the implementation of those plans.

Furthermore, the Sustainability Promotion Council monitors sustainability-related risks, including initiatives undertaken by the Group in areas such as climate change and the supply chain, referencing the GRI Standards, which are international disclosure standards.

Through this comprehensive risk management system centered on the Sustainability Promotion Council, the Company endeavors to both reduce risks and to prevent them from materializing.

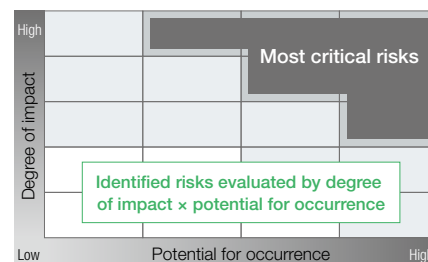
Risk Management System Chart



Risk Management Process

- 1 Identifying, evaluating risk
- 2 Extracting the most critical risks
- 3 Formulating risk management plans
- 4 Implementation of risk monitoring

Risk Map



／ Most critical risks and countermeasures

Critical Risks	Summary of Risks	Examples of Countermeasures
System Development-related Risks	<ul style="list-style-type: none"> Decreased earnings due to higher development costs in the system development process Incurrence of additional costs, claims for compensation for damages, and lost credibility due to serious failures or deficiencies 	<ul style="list-style-type: none"> Holding Review Board meetings (P.56) to evaluate the details of required specifications, technical complexity, development periods, and development cost estimates from the pre-proposal stage, as well as to assess risk Standardizing the development process, providing both internal and external case studies, and promoting a variety of educational measures related to technologies
Risks Related to M&A and Other Investments	<ul style="list-style-type: none"> Deterioration in operating results due to failed investment plans 	<ul style="list-style-type: none"> Confirming market trends, customer needs, as well as the performance, financial position, and technological superiority of the candidate for acquisition Strict project screening and monitoring of investee companies by the Investment Committee
Business Continuity Risks	<ul style="list-style-type: none"> Delays and interruptions to operating performance and resulting deterioration in operating results due to natural disasters, outbreaks of serious infectious disease, etc. 	<ul style="list-style-type: none"> Building systems to ensure the safety of employees at the Group and its partner companies as well as the continuity of its business operations Preparing various response manuals and conducting periodic drills in preparation for emergencies
Risks Associated with Securing and Training Human Resources and Labor Management	<ul style="list-style-type: none"> Deterioration in operating results due to insufficient recruitment and development of talented human resources or a decline in labor productivity 	<ul style="list-style-type: none"> Strengthening hiring activities for new graduates and mid-career hires as well as employee education and training, and ensuring appropriate personnel placement Managing appropriate working hours and implementing initiatives to maintain and improve employee health
Information Security Risks	<ul style="list-style-type: none"> Claims for compensation for damages, loss of credibility, or business stagnation due to the leaking of personal or confidential information 	<ul style="list-style-type: none"> Preparing and implementing various regulations and guidelines Continuously implementing information security education and incident response drills
Compliance Risks	<ul style="list-style-type: none"> Loss of credibility and deterioration in operating results due to compliance violations 	<ul style="list-style-type: none"> Running our business with the highest priority on compliance with codes of conduct such as Our Declaration of Conduct and applicable laws and regulations Establishing an Ethics Hotline (P.54) as an internal reporting system Continuously implementing compliance education

Governance

Information Security

／ Promotion System

We established the Information Security Committee to ensure that the information assets of the Group and information received from customers/business partners among others are managed appropriately and rigorously.

Additionally, to facilitate an immediate response to cybersecurity incidents, we continuously enhance the activities of the DENTSU SOKEN CSIRT (Computer Security Incident Response Team) and strengthen and upgrading our organizational structure, centered on our dedicated cybersecurity department, to reduce company-wide security risks.

／ Specific Initiatives

The DENTSU SOKEN Group considers the appropriate and rigorous handling of the information assets of the Group and the information received from customers/business partners to be a very important responsibility. Based on the [Dentsu Group Basic Policy for Information Security](#) (Japanese version only), we create and institute various regulations and guidelines. Through the Information Security Committee, we seek to maintain and improve information security by disseminating the rules, implementing appropriate measures, and at the same time conducting regular inspections, reviews, and improvements for such implementing status. In addition, we are working to eliminate information security incidents through information security education, including e-learning covering all officers and employees and through internal caravans to confirm and improve the state of initiatives at our various workplaces. Furthermore, to protect our information assets from increasing cyberattacks, we work to improve the security level of our systems and networks. At the same time, we conduct regular targeted email attack preparedness drills for all officers and employees of the Company, working to ensure comprehensive cybersecurity measures.

／ Information Security Certifications

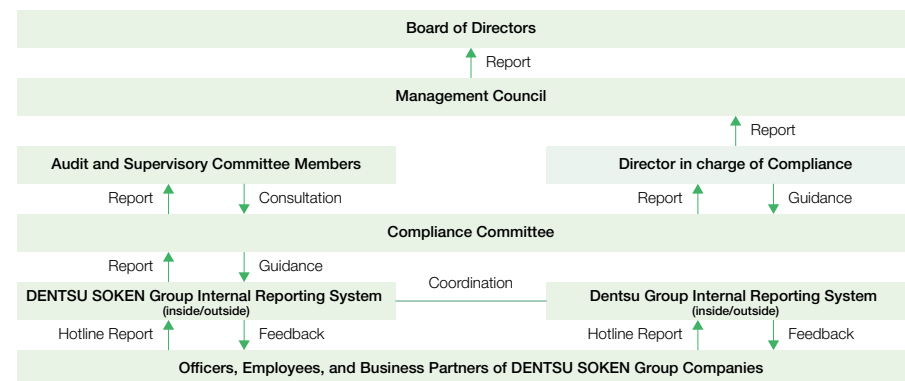
The Company works to ensure the appropriate handling of personal information and has been awarded the PrivacyMark certifications continuously since 2000. Moreover, in 2005, the Company acquired certifications for BS 7799 and the ISMS certification standard as a Group, both of which are international standards for information security management. Thereafter, the certification standard transitioned from BS 7799 to ISO/IEC 27001 and, as of April 2025, we have acquired the ISO/IEC 27001:2013 and JISQ 27001:2014 certifications (standards in Japan that have been made into Japanese Industrial Standards [JIS] based on ISO/IEC 27001).

Compliance

／ Promotion System and Initiatives

The Company works to ensure thorough compliance by establishing a Compliance Committee and providing compliance education to all officers and employees of the Company and its domestic consolidated subsidiaries.

Moreover, the Company has established the Ethics Hotline as an internal reporting system to promptly detect and address various compliance issues occurring in the workplace such as fraud, corruption, and harassment. The Ethics Hotline has an internal contact point as well as an external point of contact with outside attorneys, making the system accessible to all individuals working within the DENTSU SOKEN Group.



Information Security and Compliance-Related Data

	Scope*	2020	2021	2022	2023	2024
Number of serious leaks of client project-related information and personal information	Domestic Group	0	1	0	1	0
Number of internal hotline reports	Consolidated	4	0	3	1	7
Number of major compliance violations (including violations of environmental laws and regulations)	Consolidated	0	0	0	1	3
Percentage of employees receiving training (e-learning) related to ethics and compliance (including harassment training)	Non-consolidated (%)	82.7	96.1	96.1	98.5	98.4

* Non-consolidated: the Company only; Domestic Group: the Company and its domestic subsidiaries; Consolidated: the Company and its domestic and overseas subsidiaries

Social

Respect for Human Rights

Basic Policy

The Company recognizes the respect for human rights as a matter of utmost importance, to be prioritized across all aspects of corporate activities. We advance initiatives to respect human rights in accordance with the [Dentsu Group Human Rights Policy](#), which reflects principles from international standards, including the International Bill of Human Rights and the UN's Guiding Principles on Business and Human Rights. Furthermore, the [Dentsu Group Code of Conduct](#) and [Our Declaration of Conduct](#) (Japanese version only) explicitly emphasize the significance of mutual respect among all individuals, not limited to employees but also encompassing customers and business partners, and encourage everyone to practice these principles in their daily work.

Specific Initiatives

Human Rights Due Diligence

Since 2024, the Company has been implementing human rights due diligence as required by the UN's Guiding Principles on Business and Human Rights. In the process of identifying and evaluating human rights risks, we utilized human rights risk data from Verisk Maplecroft, a global risk assessment and analysis organization. Regarding human rights issues related to system integration, which is the Group's core business, we conducted a comprehensive review of the entire supply chain, including desk-based research and internal interviews by business process and country. As a result, we identified the potential human rights risks listed in the chart below.

In 2025, we plan to conduct human rights impact assessments for our business partners in the system integration business, with the aim of identifying key human rights risks.

Latent Risks Identified

	DENTSU SOKEN Group Employees	Business Partner Employees	Users and General Public
Child labor		●	
Decent wages		●	
Decent working time	●	●	
Discrimination in the workplace	●	●	
Freedom of association and collective bargaining	●	●	
Modern slavery		●	
Occupational health and safety		●	
Right to privacy	●	●	●

Supply Chain Management

In 2024, the Group established the DENTSU SOKEN Group Procurement Guidelines, which summarize the items we expect our business partners to address together with the DENTSU SOKEN Group as part of responsible corporate conduct toward realizing a sustainable society. The [DENTSU SOKEN Group Procurement Guidelines](#) were formulated with reference to the [DENTSU SOKEN Group Sustainability Policy](#) and [Procurement Policy](#), as well as the Responsible Business Alliance (RBA) Code of Conduct and the Japan Electronics and Information Technology Industries Association (JEITA) Responsible Business Conduct Guidelines. These guidelines clearly specify directives for respecting human rights, including compliance with working hours, the prohibition of harassment and discrimination, and the prohibition of forced labor and child labor.

To promote understanding and implementation of these guidelines among our business partners, the Company selects those with high transaction volumes and conducts questionnaire surveys to confirm their compliance status and identify any challenges. Going forward, we will engage with the relevant business partners based on the survey results as part of our human rights due diligence efforts.

Measures to Increase Awareness of Human Rights

The Group provides e-learning on human rights, ethics, and compliance to all officers and employees.

We also participate in the Dentsu Group's annual human rights slogan competition, actively working to raise human rights awareness among employees and their families.



Establishment of Grievance Mechanisms

In addition to providing a whistleblower system that can be used by everyone working at the Group, the Ethics Hotline (P.54), the Dentsu Group offers the SpeakUp@dentsu portal, which is operated externally and is available for all Dentsu Group employees free of charge, anonymously, confidentially, and in all relevant languages. This enables the early identification and rectification of human rights issues that may arise during business operations.

Appropriate Use of Generative AI Services

Although recognized for their immense convenience, generative AI services also have the potential to create serious issues such as human rights violations and information leaks depending on their use. The Company provides training for all employees to promote operational improvement and the creation of new businesses through the use of generative AI. In addition, we have adopted the common "DENTSU RESPONSIBLE AI PRINCIPLES" and established the "DENTSU SOKEN AI Service Usage Guidelines" to ensure appropriate use through internal rules.

Social

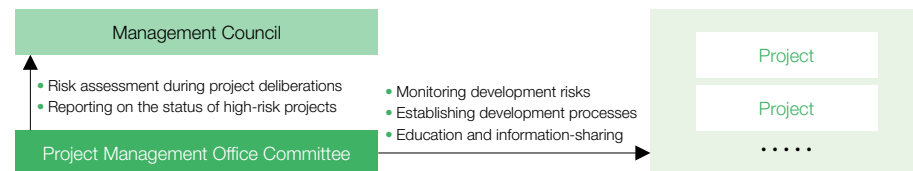
Quality Improvement Initiatives

Basic Approach

The difficulty of system development has risen dramatically due to the increasing sophistication of business in general. To ensure that we can continue to provide exceptional products and services, we are taking various steps to improve quality, including the implementation of development processes that comply with ISO 9001*¹ and CMMI*².

Promotional System

We established the Project Management Office Committee to enhance the quality of our system development and technical support services, as well as customer satisfaction levels. The committee is working to strengthen DENTSU SOKEN's development capabilities, including project management, through monitoring development risks, establishing development processes, and promoting company-wide education and information-sharing. In addition to providing risk assessments for development projects to help the Management Council deliberate on whether or not to propose said projects, the committee also monitors the progress of projects deemed to be high risk and submits monthly reports to the Management Council.



Specific Initiatives

The Review Board: Monitoring Development Risks

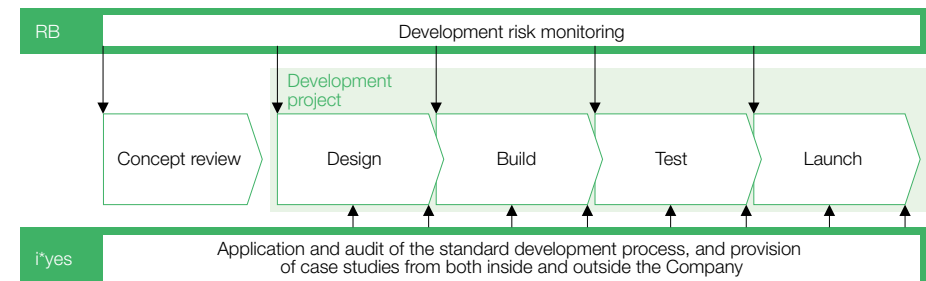
Through monitoring of development risks in projects, we can control risks and minimize their impact when they occur. To assess a project's risks, we verify the details of required specifications, technical difficulty, development periods, and development cost estimates, from the pre-proposal stage through to project completion at key milestones. The criteria for selecting projects for Review Board monitoring are regularly reviewed in light of risk occurrence trends.

*1 The international standard for quality management systems

*2 Capability Maturity Model Integration: This development process model is in wide use around the world

Development Process Improvements: The i*yes Standard Development Process

Through these activities, we are working to optimize development processes for each project by standardizing the project development process and applying these standards throughout the Company. This standardization covers both project management and software engineering processes and is regularly reviewed. To facilitate efficient project execution, we also provide access to the extensive case study resources that we have accumulated from both within and outside the Company.



Pick Up Expanding the Scope of ISO 9001 Certification Acquisition

The Company is working to expand the scope of ISO 9001 certification acquisition with the goal of further increasing both quality and customer satisfaction levels. In June 2025, three new operations were added to the scope of ISO 9001 certification: the Smart Society Center, General Sales Headquarters; the Financial IT Business Division, Technology Headquarters; and the Digital Engagement Unit, Enterprise Business Division III.

Education and Information-Sharing

The expansion of our business activities has been accompanied by an increase in both the scale and complexity of our projects. We are working to improve our development capabilities through human resource development and the utilization of knowledge so that we can control the risk of problems occurring and deliver high-quality products and services.

Main Initiatives

- Improving training programs and increasing participation rates
- Promoting the acquisition of key qualifications, such as Information Technology Engineer Exams and Project Management Professional (PMP®) certification
- Organizing meetings to share case studies and information related to project management

Environment

Environment

Basic Approach

Based on the [environmental policy of the Dentsu Group](#), the Company works to promote environmentally conscious business activities and to preserve the richness of the global environment. We view measures to address climate change as a business opportunity, and we are contributing to the realization of a sustainable society through our business activities in partnership with Dentsu Group companies and other companies and organizations.

Promotional Organization and Environmental Management System

The Group has established the Eco Program Committee to advance initiatives aimed at reducing our environmental impact and contributing to environmental protection. In FY2005, as a member of Dentsu Group companies, we introduced the “Dentsu Group Eco Program” at all of our domestic business sites, and acquired ISO 14001 certification, the international standard for environmental management systems. Currently, ISO 14001 certification has been obtained by the Company and three domestic consolidated subsidiaries.

Major Initiatives to Reduce Our Environmental Impact

Reducing energy usage	<ul style="list-style-type: none"> Use of renewable energy (DENTSU SOKEN headquarters, Central Region Branch, DENTSU SOKEN SECURE SOLUTIONS Shinbashi Office, Mitsue-Links Sendai Office) Use of LED lighting
Reducing paper usage	<ul style="list-style-type: none"> Promoting the shift to paperless operations and reducing copy paper usage (FY2024 results: 78.4% reduction per employee [compared to FY2019, non-consolidated])
Effective use of resources and waste management	<ul style="list-style-type: none"> Promoting PET bottle cap collection and recycling (proceeds from recycling donated to support vaccinations) Promoting the collection and recycling of unused calendars and planners
Education	<ul style="list-style-type: none"> Offering e-learning to all officers and employees of the Company and its domestic subsidiaries (FY2024 results: 98.7% of all officers and employees took e-learning courses [non-consolidated])
Green purchasing	<ul style="list-style-type: none"> Prioritizing green purchasing where possible, mainly for general consumable goods and furniture, fixtures, and equipment
Other	<ul style="list-style-type: none"> Participating in environmental beautification activities Participation of employees and their families in the Dentsu Group “SDGs Slogan Contest”

Pick Up Switching the electricity used at the DENTSU SOKEN headquarters building to virtually renewable energy

The Company has set a target of achieving carbon neutrality for Group CO₂ emissions (Scope 1+2) by FY2030. As a specific initiative to achieve this target, beginning in October 2024, all electricity used at the headquarters building has been switched to virtually renewable energy.

From FY2025 onward, we expect to reduce CO₂ emissions of Scope 2 by approximately 70% compared to FY2024 levels.

Disclosure Compliant with TCFD Recommendations

In FY2022, the Company announced its agreement with TCFD recommendations and began to make progress in related initiatives.

Governance and Risk Management

The Eco Program Committee performs scenario analysis based on TCFD recommendations and assesses the impact of climate change risks. Activities related to climate change are regularly reported to the Sustainability Promotion Council and the Board of Directors, which both provide oversight.

Strategy

The Company recognizes our response to climate change as an important issue that impacts our corporate value over the medium to long term. We have established two scenarios (a 1.5°C scenario and a 4°C scenario) and analyzed and assessed climate change-related opportunities and risks with FY2030 and FY2050 as base years.

As a result of this analysis, we have concluded that the transition risk (envisioned risks when transitioning to a low-carbon society) and the physical risk (risks related to physical changes caused by climate change) in either scenario will not have a significant impact on our finances.

However, in the 1.5°C scenario, we expect greater opportunities to provide solutions and increased earnings. As such, our assessment shows that the business activities of the Company are sustainable and resilient.

The introduction of a carbon tax accompanying stronger environmental regulations by the government represents one potential financial impact from CO₂ emission volume. The table below shows the estimated financial impact of the introduction of a carbon tax in FY2030 and FY2050 for both the 1.5°C and 4°C scenarios, assuming the Company’s CO₂ emissions remain at FY2021 levels.

Financial Impact of the Introduction of a Carbon Tax*

	1.5°C Scenario		4°C Scenario	
	Carbon tax (¥ / t-CO ₂)	Higher costs due to carbon taxes (¥ / year)	Carbon tax (¥ / t-CO ₂)	Higher costs due to carbon taxes (¥ / year)
In FY2030	Approx. ¥10,000	Approx. ¥19 million	Approx. ¥1,500	Approx. ¥2.9 million
In FY2050	Approx. ¥17,000	Approx. ¥33 million	Approx. ¥3,900	Approx. ¥7.2 million

Note: Estimates account for both IEA projections regarding carbon taxes and carbon tax-related circumstances in nations other than Japan

Environment

Key Opportunities and Risks

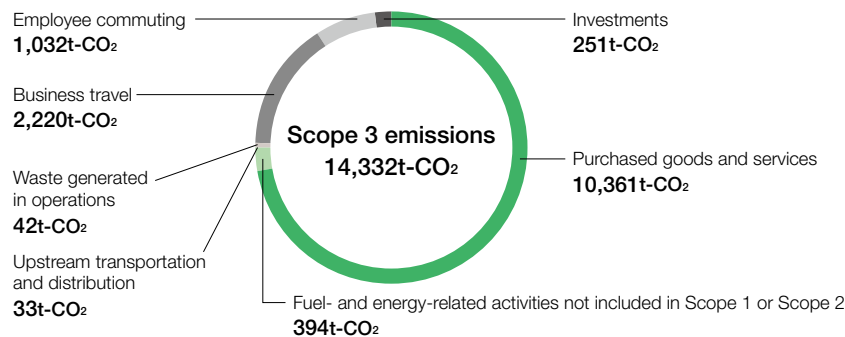
Item	Primary Opportunities	Time Span*1	Degree of Impact*2	Key Response Measures
Opportunities (1.5°C)	Expansion of solutions that contribute to climate change mitigation and increased earnings	Short to medium term	Moderate	<ul style="list-style-type: none"> Promoting the development of solutions supporting the realization of a decarbonized society Strengthening collaboration with the Dentsu Group, other companies, and organizations to capture new opportunities
Item	Social and Environmental Changes Related to Business → Anticipated Primary Impact	Time Span*1	Degree of Impact*2	Key Response Measures
Transition risks (1.5°C)	Government policies and regulations Tighter regulations on CO ₂ emissions → Higher operating costs from transition to renewable energy regulations	Short to medium term	Low	<ul style="list-style-type: none"> Reducing CO₂ emissions and minimizing financial impact Operating environmental management systems in accordance with the ISO 14001 standard Transitioning to renewable energy (to avoid cost increases from the introduction of carbon taxes) Utilizing the J-Credit Scheme operated by the Japanese government, among other measures
	Introduction of carbon taxes and emissions trading → Costs resulting from introduction of carbon taxes and emissions trading	Medium to long term	Low	
	Technology and markets Change of business requirements to adapt to a decarbonized society → Opportunity loss resulting from delayed response	Short to medium term	Moderate	<ul style="list-style-type: none"> Promoting projects that support the realization of a decarbonized society
Physical risks (4°C)	Reputations Increased stakeholder interest in climate change → Drop in corporate value caused by delayed response	Short to medium term	Moderate	<ul style="list-style-type: none"> Enhancing information disclosure in line with TCFD recommendations and other standards Obtaining certification for, and improving evaluations of, climate change-related initiatives
	Acute More extreme weather events (typhoons, floods, etc.) → Revenue loss due to stoppages affecting developmental and operational environments	Long term	Moderate	<ul style="list-style-type: none"> Maintaining and strengthening the business continuity plan (BCP) and crisis management systems
	Chronic Changes in weather patterns (higher temperatures, more rainfall, etc.) → Higher energy costs due to air conditioning, etc.	Medium to long term	Low	<ul style="list-style-type: none"> Containing costs through ongoing office energy conservation measures

*1 Short term: to occur by FY2030; medium term: to occur during FY2030-2050; long term: to occur in FY2050 or later *2 High: large impact on business and finances; moderate: some impact on business and finances; low: minor impact on business and finances

Metrics and Targets

We measure and manage opportunities and risks associated with climate change using CO₂ emissions as an indicator, and aim to achieve carbon neutrality (in terms of Scope 1 and 2 CO₂ DENTSU SOKEN-generated emissions) in FY2030. For Scope 1, 2, and 3 emissions in FY2024, we obtained third-party assurance from Sustainability Standard Partners, Inc. to ensure reliability. Going forward, we will continue working to further enhance the level of information disclosure regarding CO₂ emissions and actively pursue certification and improved evaluations for related initiatives.

Scope 3 emissions breakdown (FY2024)*3



*3 Please refer to the non-financial data (P.61) for the coverage of the calculation

Third-party assurance report*4



*4 This report is posted on [the Company's website](#)

Financial Highlights

(millions of yen)

	2015/3	2015/12*	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12	2024/12
Consolidated financial results											
Net sales	78,267	56,771	79,783	83,423	91,024	100,679	108,679	112,085	129,054	142,608	152,642
Cost of sales	55,902	39,927	53,656	57,714	60,901	67,288	71,207	72,068	82,267	90,827	96,519
Gross profit	22,364	16,843	26,127	25,708	30,123	33,390	37,472	40,016	46,786	51,780	56,123
Selling, general and administrative expenses	17,886	14,721	19,638	20,219	21,884	23,315	25,282	26,280	28,196	30,752	35,083
Operating profit	4,478	2,122	6,488	5,489	8,239	10,075	12,189	13,736	18,590	21,028	21,039
Non-operating income	526	430	269	258	155	151	241	230	188	267	318
Non-operating expenses	38	25	53	104	198	579	928	742	424	51	264
Ordinary profit	4,966	2,526	6,704	5,642	8,197	9,648	11,502	13,224	18,354	21,244	21,093
Extraordinary income	356	1,886	259	657	185	265	38	—	374	135	326
Extraordinary loss	1,265	—	—	33	634	728	589	53	1,078	429	67
Income before income taxes and minority interests	4,057	4,413	6,964	6,267	7,748	9,185	10,950	13,171	17,651	20,951	21,351
Income taxes—current	2,345	1,532	1,600	1,840	3,119	3,036	3,630	4,963	5,285	6,046	6,128
Income taxes—deferred	(465)	(140)	773	(23)	(571)	(83)	(46)	(737)	(244)	240	105
Profit	2,177	3,021	4,590	4,450	5,200	6,232	7,366	8,945	12,610	14,664	15,117
Profit attributable to non-controlling interests	10	6	10	11	12	5	3	0	12	1	—
Profit attributable to owners of parent	2,166	3,015	4,580	4,438	5,187	6,226	7,362	8,944	12,598	14,663	15,117
Comprehensive income	2,426	2,420	4,307	4,542	4,969	6,210	7,479	9,174	12,842	14,924	15,373
Balance sheet											
Total current assets	46,699	50,181	55,046	59,311	66,085	69,728	78,795	89,933	103,099	114,813	119,058
Total non-current assets	15,629	12,934	11,244	12,692	14,187	17,576	18,351	18,255	18,793	18,520	28,273
Total property, plant and equipment	4,341	3,954	3,469	3,243	4,173	4,574	4,083	3,386	3,098	3,386	3,572
Total intangible assets	4,468	3,655	2,999	2,849	2,956	3,233	4,738	5,112	5,903	5,758	14,696
Total assets	62,328	63,115	66,291	72,003	80,273	87,305	97,147	108,188	121,892	133,333	147,331
Total current liabilities	19,481	19,192	19,573	21,950	26,578	29,456	34,463	40,476	45,687	47,622	52,544
Total non-current liabilities	2,347	1,926	1,690	2,252	2,729	2,966	3,096	2,240	2,333	2,739	3,592
Total liabilities	21,829	21,118	21,263	24,203	29,307	32,423	37,559	42,716	48,021	50,362	56,137
Total net assets	40,499	41,997	45,027	47,800	50,966	54,882	59,587	65,471	73,871	82,971	91,194
Total liabilities and net assets	62,328	63,115	66,291	72,003	80,273	87,305	97,147	108,188	121,892	133,333	147,331
Cash flow											
Net cash provided by operating activities	8,776	5,624	8,303	4,265	9,319	10,642	9,987	16,981	11,914	13,046	23,721
Net cash provided by (used in) investing activities	(2,583)	2,642	(34)	(1,855)	(3,353)	(3,952)	(3,230)	(2,815)	(3,132)	(2,359)	(11,886)
Net cash used in financing activities	(1,729)	(1,619)	(1,991)	(2,363)	(2,564)	(3,260)	(3,942)	(4,461)	(5,419)	(6,702)	(7,982)
Cash and cash equivalents at the end of period	17,714	24,230	30,248	30,353	33,620	36,981	39,773	49,748	53,305	57,515	61,722
Free cash flow	6,193	8,266	8,269	2,410	5,966	6,690	6,757	14,166	8,782	10,687	11,835
Financial results											
Gross profit margin (%)	28.6	29.7	32.7	30.8	33.1	33.2	34.5	35.7	36.3	36.3	36.8
Operating margin (%)	5.7	3.7	8.1	6.6	9.1	10.0	11.2	12.3	14.4	14.7	13.8
Equity ratio (%)	64.9	66.5	67.9	66.3	63.5	62.8	61.3	60.5	60.6	62.2	61.9
Return on equity (ROE) (%)	5.5	7.3	10.5	9.6	10.5	11.8	12.9	14.3	18.1	18.7	17.4
Return on assets (ROA) (%)	8.2	4.0	10.4	8.2	10.8	11.5	12.5	12.9	16.0	16.6	15.0
Dividend payout ratio (%)	39.1	34.6	35.6	38.2	39.6	40.3	40.7	40.8	40.3	44.4	46.5

* Starting FY2015, the Company changed its fiscal year end from March 31 to December 31

Financial Highlights

(millions of yen)

	2015/3	2015/12*1	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12	2024/12
Net sales by reportable segment*2											
Financial Solutions	—	17,851	22,037	21,413	23,242	24,622	23,888	25,176	28,125	30,598	31,910
Business Solutions	—	11,177	16,965	17,033	16,810	19,289	22,100	14,958	18,608	23,107	23,324
Manufacturing Solutions	—	15,588	23,872	25,530	29,252	30,027	30,511	32,031	36,453	41,118	47,353
Communication IT	—	12,152	16,908	19,445	21,718	26,739	32,179	39,919	45,867	47,784	50,053
Operating profit (loss) by reportable segment*2											
Financial Solutions	—	1,441	2,110	1,821	1,794	1,542	1,411	1,494	1,611	3,498	3,674
Business Solutions	—	(30)	1,666	(169)	701	1,741	2,760	2,655	4,704	5,770	5,497
Manufacturing Solutions	—	(619)	692	1,359	2,228	2,103	2,357	2,847	4,179	5,106	5,418
Communication IT	—	1,331	2,018	2,477	3,515	4,688	5,659	6,738	8,095	6,652	6,448
Net sales by service category											
Consulting services	3,860	3,350	5,426	5,515	6,818	6,819	5,975	7,200	7,418	8,611	10,480
Custom system development	23,072	16,658	21,622	22,473	24,188	29,153	28,147	29,245	33,107	30,913	31,013
In-house software	13,438	10,366	14,796	14,752	15,070	17,126	20,549	22,089	24,807	30,237	30,095
Third-party software	22,728	16,578	23,850	25,077	27,261	29,945	33,325	33,767	40,299	48,184	54,372
Outsourcing, operation & maintenance services	7,541	5,256	8,015	8,587	9,555	9,524	12,462	12,085	16,052	17,108	18,498
IT equipment sales and others	7,625	4,561	6,071	7,017	8,130	8,110	8,219	7,696	7,369	7,553	8,182
Net sales to Dentsu Group and its subsidiaries*3											
Consolidated net sales to Dentsu Group and its subsidiaries	11,915	7,823	10,648	15,892	18,279	23,337	28,503	23,978	24,081	22,691	21,449
Per share data*4											
Net profit per share (yen)	33.25	46.27	70.29	68.12	79.61	95.55	112.99	137.26	193.51	225.35	232.32
Net assets per share (yen)	621.07	644.11	690.55	733.08	781.64	841.85	914.08	1,004.41	1,134.80	1,275.10	1,401.39
Cash dividends per share (yen)	26	32	50	52	63	77	92	56	78	100	108
Others											
Capital expenditures	321	131	146	787	688	392	303	316	416	166	339
Depreciation and amortization	4,213	2,475	2,550	2,245	2,262	2,531	2,865	2,989	3,103	3,200	3,449
Research and development expenses	938	596	936	1,134	1,110	1,544	1,951	1,735	1,741	2,046	1,907
Number of employees at year-end	2,502	2,559	2,635	2,716	2,783	2,879	3,117	3,240	3,388	3,652	4,413
Net sales per person (net sales/number of employees at end of period)	31.3	22.2	30.3	30.7	32.7	35.0	34.9	34.6	38.1	39.0	34.6
Operating profit per person (operating profit/number of employees at end of period)	1.8	0.8	2.5	2.0	3.0	3.5	3.9	4.2	5.5	5.8	4.8
Orders received and order backlog by reportable segment*2, 5 6											
Orders received	39,089	28,261	40,872	39,856	98,323	101,755	111,257	117,977	140,557	144,858	158,602
Financial Solutions	—	13,722	17,718	16,721	29,590	21,597	22,813	25,279	28,538	30,591	32,036
Business Solutions	—	5,743	11,755	9,456	16,412	21,060	21,641	16,099	23,629	20,752	22,259
Manufacturing Solutions	—	3,389	4,395	5,828	31,035	30,535	32,188	35,758	39,251	46,130	50,105
Communication IT	—	5,405	7,002	7,849	21,285	28,561	34,614	40,840	49,138	47,385	54,200
Order backlog	6,868	7,031	8,783	8,651	31,426	32,502	35,080	40,972	51,648	53,899	59,859
Financial Solutions	—	2,873	3,344	3,569	11,561	8,537	7,462	7,565	7,782	7,775	7,901
Business Solutions	—	2,168	3,668	3,068	5,597	7,367	6,908	5,431	10,232	7,877	6,812
Manufacturing Solutions	—	793	650	1,091	10,218	10,726	12,403	16,130	18,325	23,114	25,866
Communication IT	—	1,197	1,119	922	4,048	5,870	8,305	11,844	15,309	15,132	19,279

*1 Starting FY2015, the Company changed its fiscal year end from March 31 to December 31 *2 (1) Net sales, operating profit, orders received and order backlog by individual reporting segment from FY2014 have been omitted (2) In FY2019, the Company changed the name of the "Engineering Solutions" reporting segment to the "Manufacturing Solutions" reporting segment, and the name following the change is provided (3) In FY2021, the Company changed the name of the operating division responsible for core system building and introduction from "Business Solutions" to "Communication IT" *3 "Net sales to Dentsu" through FY2016 have been disclosed as "net sales to Dentsu Group and its subsidiaries" since FY2017 *4 Effective January 1, 2021, we conducted a 2-for-1 stock split of common stock. Net profit per share and net assets per share are calculated assuming that the stock split in question was conducted at the start of FY2014 The annual dividends per share shown is the actual dividend amount before the stock split *5 In FY2018, the Company expanded the number of service categories covered by our calculations and began disclosing figures for our overall business. Figures for FY2017 and earlier only cover some of our service items *6 On April 30, 2025, the orders received and order backlog were revised for FY2023 and FY2024. The above figures are after correction

Non-Financial Highlights

Environment-Related Performance Data*1,2

		2020	2021	2022	2023	2024*3	Calculation coverage*4 for 2024
Total CO ₂ emissions	Scope 1 + Scope 2 emissions (t-CO ₂)	2,017	1,832	1,890	1,991	1,866	☑ 95.9%
CO ₂ emissions per unit of net sales	(Scope 1 + Scope 2 emissions) / Net sales (t-CO ₂ per 1 million of yen)	0.022	0.019	0.017	0.014	0.012	95.9%
Scope 1	Total (t-CO ₂)	137	128	130	180	223	☑ 95.9%
City gas	Total (thousand m ³)	61	57	58	73	65	95.9%
Gasoline	Total (ℓ)	—	—	—	4,233	3,475	95.9%
Light oil	Total (ℓ)	—	—	—	413	360	95.9%
HFCs	Total hydrofluorocarbons (t-CO ₂)	—	—	—	11	81	95.9%
Scope 2	Total: Market standard (t-CO ₂)	1,880	1,704	1,760	1,811	1,642	☑ 95.9%
	Total: Location based (t-CO ₂)	—	—	—	—	2,251	☑ 95.9%
Power consumption	Total (thousands of kWh)	4,320	3,921	4,103	4,686	5,247	95.9%
Of which, renewable energy	Total (thousands of kWh)	0	11	144	152	1,120	95.9%
Energy consumption	Crude oil conversion (kl)	1,182	1,078	1,122	1,294	1,249	95.9%
Supply chain emissions	Scope 1 + Scope 2 + Scope 3 emissions (t-CO ₂)	—	—	—	10,901	16,198	☑ 95.9%
Scope 3*5	Total (t-CO ₂)	—	—	—	8,910	14,332	☑ 95.9%
Category 1 : Purchased goods and services	Total (t-CO ₂)	—	—	—	6,381	10,361	☑ 95.9%
Category 3 : Fuel- and energy-related activities not included in Scope 1 or Scope 2	Total (t-CO ₂)	—	—	—	359	394	☑ 95.9%
Category 4 : Upstream transportation and distribution	Total (t-CO ₂)	—	—	—	33	33	☑ 95.9%
Category 5 : Waste generated in operations	Total (t-CO ₂)	—	—	—	68	42	☑ 95.9%
Category 6 : Business travel	Total (t-CO ₂)	—	—	—	1,373	2,220	☑ 95.9%
Category 7 : Employee commuting	Total (t-CO ₂)	—	—	—	696	1,032	☑ 95.9%
Category 15: Investments	Total (t-CO ₂)	—	—	—	—	251	☑ 100.0%
Water usage	Total (m ³)	—	—	—	246	279	95.9%
Paper usage: Pages	Office paper: A4 conversion (thousands of sheets)	1,527	1,326	1,495	1,442	1,652	95.9%
Paper usage: Weight	Office paper: Weight conversion (kg)	6,381	5,541	6,247	6,027	8,258	95.9%
Amount of waste generated	Total (kg)	442,245	139,804	110,425	69,745	104,361	95.9%
Of which, general waste	Total (kg)	47,738	42,054	43,388	55,113	52,615	95.9%
General waste recycling rate	%	48.4	45.3	45.4	46.2	43.2	95.9%

Society-Related Performance Data*6

		2020	2021	2022	2023	2024
Number of employees	Male (consolidated)	2,429	2,526	2,623	2,797	3,255
	Female (consolidated)	688	714	765	855	1,158
	Male (non-consolidated)	1,349	1,396	1,503	1,656	1,926
	Female (non-consolidated)	284	301	339	383	476
Number of employees by age bracket	Younger than 30	270	297	353	436	551
	30-39	439	435	461	504	608
	40-49	571	593	616	632	699
	50-59	309	321	350	383	440
	60 or older	44	51	62	84	104
Average age	Total	41.0	41.0	40.9	40.6	40.1
	Male	42.0	42.0	42.0	41.6	41.0
	Female	36.1	36.4	36.4	36.5	36.5
Average years of continuous employment	Total	12.4	12.3	12.0	11.6	10.8
	Male	13.0	12.9	12.6	12.2	11.4
	Female	9.2	9.6	9.4	9.1	8.2
Ratio of female managers	Total (%)	4.8	5.4	5.5	5.8	6.0
Number of employees who are non-Japanese	Total	23	22	23	26	36

*1 Prior to 2022, the Company's non-consolidated data was calculated from April to March. For 2023, it has been calculated from January to December *2 CO₂ emissions were calculated based on Japanese standards and the Act on the Rational Use of Energy (Energy Conservation Act) and the Act on Promotion of Global Warming Countermeasures prior to 2022, and are based on GHG Protocol for 2023 *3 In FY2024, Scope 1, Scope 2, and Scope 3 were third-party guaranteed by Sustainability Standard Partners, Inc. to ensure reliability. Items covered by warranty are marked *4 Calculation coverage is the percentage of net sales of each Group company to consolidated net sales after the elimination of intercompany transactions *5 Calculated for all categories (1-15). Figures for categories 1, 3, 4, 5, 6, 7 and 15 are shown *6 Items without notations show figures on a non-consolidated basis

Non-Financial Highlights

Society-Related Performance Data*1

		2020	2021	2022	2023	2024
Number of new-graduate hires	Total	60	56	69	92	148
	Male	31	40	52	71	119
	Female	29	16	17	21	29
Number of mid-career hires*2	Total	89	67	100	141	132
	Male	70	61	86	107	95
	Female	19	6	14	34	37
Number of turnovers*3	Total	56	58	62	61	70
	Male	48	52	53	42	55
	Female	8	6	9	19	15
Annual attrition rate	Ratio of retired employees*4 to total employees at beginning of fiscal year (%)	2.1	2.1	2.3	2.1	2.1
	Male (%)	1.9	2.1	2.5	1.8	2.1
	Female (%)	2.7	2.0	1.0	3.1	2.0
Average annual salary	Annual salary (thousands of yen)	10,484	10,574	11,282	11,337	11,229
Gender wage gap (the percentage of females per 100 males)	All employees (%)	—	—	72.3	72.5	74.8
	Regular employees (%)	—	—	74.3	73.6	76.0
	Non-regular employees (%)	—	—	67.7	49.9	40.8
Hours worked (annual total)	Per employee (hours / year)	1,958	1,996	1,979	1,999	1,970
Average monthly overtime (regular working hours per day: 7)	Per employee (hours / month)	28.0	29.7	29.4	28.9	26.7
Average annual paid leave taken	Total (days)	9.3	10.1	11.5	11.8	12.4
	Male (days)	9.1	9.7	11.3	11.4	12.1
	Female (days)	10.2	11.8	12.8	13.5	14.0
	Utilization rate (%)	49.5	53.7	61.1	59.3	62.4
Employees taking childcare leave	Total	46	44	63	44	57
	Male	20	21	34	32	43
	Rate of return to work of male (%)	100.0	100.0	100.0	100.0	100.0
	Female	26	23	29	12	14
	Rate of return to work of female (%)	100.0	100.0	100.0	100.0	100.0
Acquisition rate of childcare leave	Male (%)	40.0	40.4	53.1	51.6	64.2
	Female (%)	100.0	100.0	100.0	100.0	100.0
Prenatal / postnatal leave	Number of employees who took this leave	12	11	19	13	17
Long-term care leave	Number of employees who took this leave	1	3	2	1	0
Shorter hours worked (due to childcare, long-term care)	Number of employees	21	16	9	17	17
Average training expenses*5	Per employee (thousands of yen per year)	124	122	145	176	199
Total training hours*6	Total (hours)	76,974	68,103	99,768	138,364	180,114
Average annual training time*6	Per employee (hours per year)	47.9	38.7	53.9	67.6	73.9

Governance-Related Performance Data*1

		2020	2021	2022	2023	2024
Number of Directors / Board of Directors' meeting attendance rate overall	Number of Directors	6	6	6	9	9
	Of whom, Independent Outside Directors	2	2	3	5	5
	Number of female Directors	1	1	2	3	3
	Board of Directors' meeting attendance rate overall (%)	97.8	97.4	97.4	96.2	98.3
	Of whom, Independent Outside Directors' attendance rate (%)	96.2	92.3	97.2	94.9	97.1
Remuneration for Directors (and other Officers)	Number of eligible Directors*7	16	12	11	11	11
	Total amount of remuneration (millions of yen)	233	206	193	172	185
	Basic remuneration (fixed salary) (millions of yen)	200	176	159	143	151
	Performance-linked remuneration (bonus)*8 (millions of yen)	33	29	22	16	12
	Stock compensation*9 (millions of yen)	—	—	12	13	21

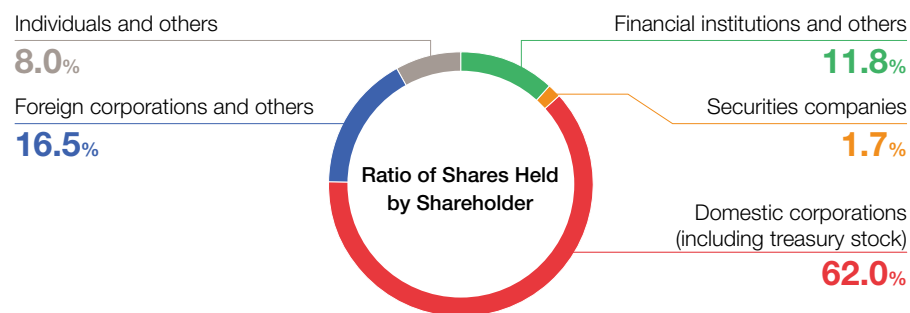
*1 Items without notations show figures on a non-consolidated basis *2 Includes contract employees but excludes transfers *3 Includes those retiring at the mandatory retirement age, those who have completed their continued employment periods, and those assigned from other companies who have completed their assignments *4 Excludes mandatory retirees, contract employees, and transfers *5 Numerator is company-wide training expenses + training expenses of each department *6 Excludes self-development opportunities, training for individual departments, and outside seminars *7 Includes Directors and Audit and Supervisory Committee members who retired at the end of their terms *8 Directors who participate in business execution are eligible *9 Has been recorded as expenses

Investor Information

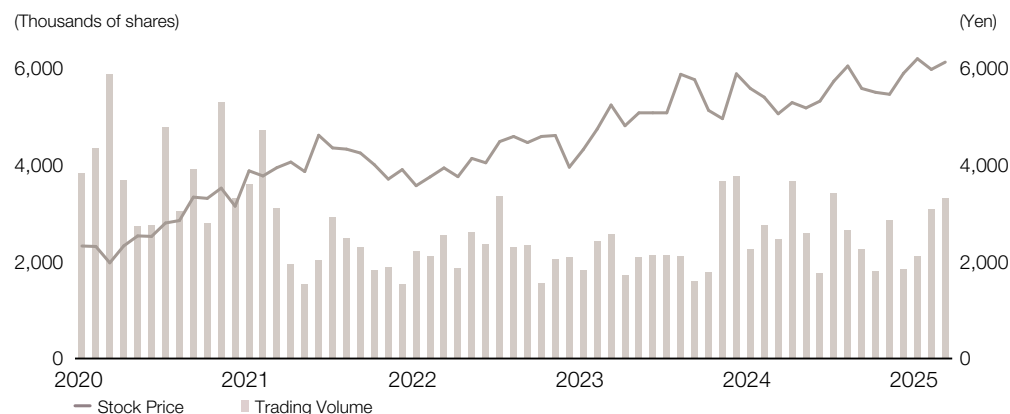
Basic Information

(As of December 31, 2024)

Stock Exchange Listing	Tokyo Stock Exchange (Prime Market)
Securities Code	4812
Total Number of Shares Authorized	196,000,000
Total Number of Outstanding Shares	65,182,480
Number of Shareholders	3,765
Shareholders Registry Administrator	Mitsubishi UFJ Trust and Banking Corporation



Stock Price and Trading Volume*1



Major Shareholders

(As of December 31, 2024)

Name of Shareholder	Number of Shares (unit: 1,000 shares)	Ratio of Shareholding (%)
DENTSU GROUP INC.	40,259	61.8
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,105	6.3
Custody Bank of Japan, Ltd. (Trust Account)	2,512	3.9
DENTSU SOKEN Employee Shareholding Association	1,418	2.2
GOLDMAN SACHS INTERNATIONAL	522	0.8
THE NOMURA TRUST AND BANKING CO., LTD. AS THE TRUSTEE OF REPURCHASE AGREEMENT MOTHER FUND	516	0.8
BNP PARIBAS LONDON BRANCH FOR PRIME BROKERAGE CLEARANCE ACC FOR THIRD PARTY	495	0.8
GOVERNMENT OF NORWAY	493	0.8
THE BANK OF NEW YORK MELLON 140040	417	0.6
JP JPMSE LUX RE UBS AG LONDON BRANCH EQ CO	393	0.6

Annual stock price index trends (2020–2024)*1

	2020	2021	2022	2023	2024
Annual high (yen)	3,710	4,800	5,010	6,040	6,100
Annual low (yen)	1,496	3,080	3,145	3,765	4,600
Annual trading volume (thousands of shares)	46,919	30,239	27,739	28,124	30,712
	2020	2021	2022	2023	2024
Year-end stock price (yen)	3,125	3,875	3,925	5,840	5,850
Year-end market capitalization (millions of yen)*2	203,640	252,512	255,391	380,010	380,687
Year-end price-to-earnings ratio (PER) (multiples)*2	27.66	28.23	20.28	25.92	25.18
Year-end price-to-book ratio (PBR) (multiples)*2	3.42	3.86	3.46	4.58	4.17

*1 Effective January 1, 2021, we conducted a 2-for-1 stock split of common stock. The stock price prior to the stock split has been adjusted to this same ratio

*2 The number of shares issued used in the calculations is the number of shares after deducting treasury stock

External Evaluations (As of June 30, 2025)

Inclusion and Evaluation in ESG Indices

Selected for All Six GPIF ESG Equity Indices



Inclusion in Stock Indices



Various Certifications



Certified as a “Great Place To Work” by Great Place To Work® Institute Japan



Certified with 4 stars in the “NIKKEI Sustainable Management Survey: Smart Work Edition”



Received the Platinum Kurumin certification as a superior company in supporting childrearing

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that DENTSU SOKEN INC. has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index. Created by the global index provider FTSE Russell, these indices are designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices, and are used by a wide variety of market participants to create and assess responsible investment funds and other products.

INCLUSION OF DENTSU SOKEN INC. 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 DENTSU SOKEN INC. BY MSCI OR ANY OF ITS AFFILIATES.

Company Information (As of December 31, 2024)

Company Name	DENTSU SOKEN INC.
Head Office	2-17-1 Konan, Minato-ku, Tokyo, 108-0075, Japan
Date of Incorporation	December 11, 1975
Corporate Representative	Hirohisa Iwamoto
Capitalization	¥8,180.5 million
Employees	Consolidated: 4,413 Non-consolidated: 2,402
Consolidated Subsidiaries	<p>14 (Japan: 6, Overseas: 8)</p> <p>Domestic</p> <p>DENTSU SOKEN IT INC. ESTECH Corporation DENTSU SOKEN SECURE SOLUTIONS INC. Mitsue-Links Co., Ltd. DENTSU SOKEN ASSIST INC. DENTSU SOKEN BRIGHT INC.</p> <p>Overseas</p> <p>DENTSU SOKEN UK, LTD. DENTSU SOKEN USA, INC. DENTSU SOKEN HONG KONG LIMITED DENTSU SOKEN SHANGHAI CO., LTD. DENTSU SOKEN SINGAPORE PTE. LTD. DENTSU SOKEN (THAILAND) LIMITED PT. DENTSU SOKEN INDONESIA Two Pillars GmbH</p>
Fiscal Year	January 1 – December 31
Audit Corporation	KPMG AZSA LLC

Group Companies (As of June 30, 2025)

We provide comprehensive support for our customers' business activities through offices in seven Japanese cities and 10 cities in seven countries.

Domestic Subsidiaries

DENTSU SOKEN IT INC.* (Japanese version only)

Provides a comprehensive lineup of system development services ranging from the definition of requirements through to design, programming, implementation, and maintenance.

ESTECH Corporation

Utilizes a combination of experiments, simulations, and AI technologies to provide highly accurate and practical engineering solutions to address physical issues such as vibration, noise, dynamics, electromagnetic fields, and fluid dynamics, as well as sensory and sensitivity assessments.

DENTSU SOKEN SECURE SOLUTIONS INC.* (Japanese version only)

Builds reliable, safe, and secure digital environments, including cloud integration, as well as application administration and maintenance services.

Mitsue-Links Co., Ltd.

Enables customers to realize their marketing and branding objectives through the use of digital media by offering services that include content and UI planning, design, and implementation, as well as website construction and administration.

DENTSU SOKEN ASSIST INC. (Japanese version only)

Provides various types of administrative and back-office support to the DENTSU SOKEN Group, including general affairs, human resources, accounting, and procurement.

DENTSU SOKEN BRIGHT INC. (Japanese version only)

Employs people with disabilities to perform office service tasks at DENTSU SOKEN Group companies as a special-purpose subsidiary.



Overseas Subsidiaries

DENTSU SOKEN UK, LTD.

DENTSU SOKEN USA, INC.

DENTSU SOKEN HONG KONG LIMITED

DENTSU SOKEN SHANGHAI CO., LTD.

Provides system integration, administration and maintenance services to Japanese-affiliated and local companies.

Two Pillars GmbH (Germany)

Provides support services for the implementation of model-based systems engineering in Europe, markets the iQUAVIS system (P.27), and carries out European market research for Japanese companies in collaboration with the Fraunhofer Society, Europe's largest applied science and technology research institute.

DENTSU SOKEN SINGAPORE PTE. LTD.

DENTSU SOKEN (THAILAND) LIMITED

PT. DENTSU SOKEN INDONESIA

Affiliated Companies

Koozyt, Inc. (Japanese version only)

Smart Holdings Inc. (Japanese version only)

FINOLAB Inc.

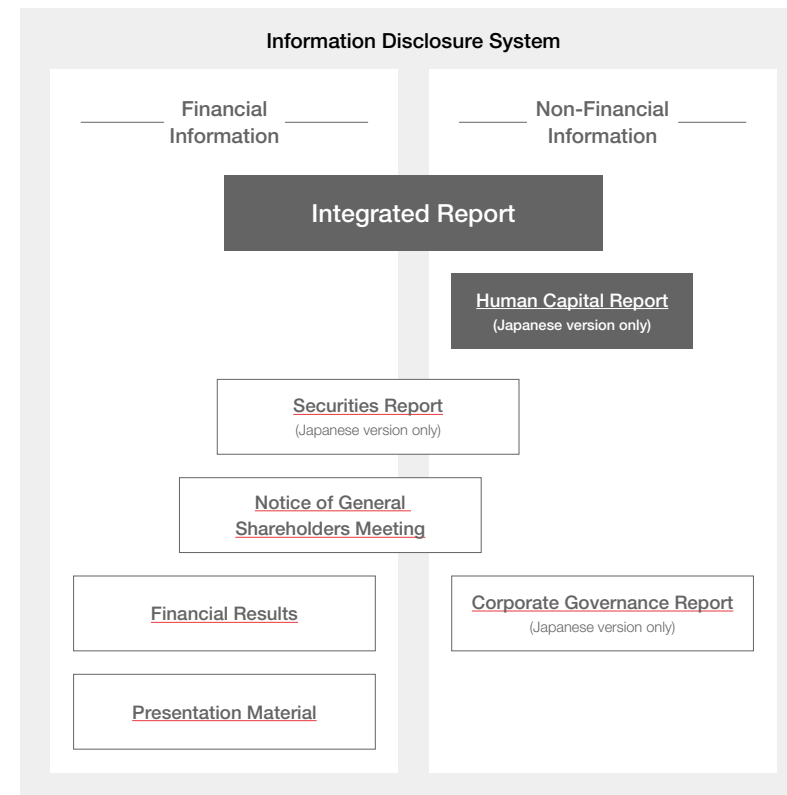
ACSION, Ltd. (Japanese version only)

* DENTSU SOKEN IT INC. and DENTSU SOKEN SECURE SOLUTIONS INC. are scheduled to merge on January 1, 2026, and change their trade name to "DENTSU SOKEN TECHNOLOGY INC."

Editing Policy

The DENTSU SOKEN Integrated Report is produced to link financial information with non-financial information, such as environmental, social, and governance (ESG) information, with the aim of deepening stakeholders' understanding of our initiatives to enhance the Group's medium- to long-term corporate value.

Readers	A wide range of stakeholders including shareholders and investors, client companies, partners, consumers, and employees
Period	FY2024 (January 1, 2024–December 31, 2024) Note: Some activities (results and plans) from before FY2024 and after FY2025 are also included
Scope	DENTSU SOKEN INC. and its domestic and overseas Group companies
Month and Year Issued	September 2025
Guidelines Referenced	<ul style="list-style-type: none"> IFRS Foundation's "International Integrated Reporting Framework" Japan Ministry of Economy, Trade and Industry's "Guidance for Collaborative Value Creation 2.0"
Notes	<ul style="list-style-type: none"> Information contained in this report includes forward-looking statements. This information is based on the Company's discretion at the time the report was created and includes factors of risk and uncertainty. Based on changes in various factors, the forecasts provided in this report may differ from actual results. Company names and product names contained in this report are the trademarks or registered trademarks of the individual companies. Where "DENTSU SOKEN" or "the Company" appear in this report, there are certain cases in which these represent the entire "DENTSU SOKEN Group."
Website	<ul style="list-style-type: none"> Website "INVESTOR RELATIONS" Website "SUSTAINABILITY"



Regarding the Cover Page

The internal slogan for the 50th anniversary of the Company's founding, "Dare to change," featured boldly on the cover page in dynamic brush calligraphy. The vibrant colors and dynamic energy depict DENTSU SOKEN's commitment to continuing to take on challenges amid the rapid changes of the times.

