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Message from Top Management

We would like to express our sincere gratitude to our shareholders for their continued support.

During the Medium-term Business Plan FY2024/3-FY2026/3, we promoted the business, delivering the optimum customer experience and revolutionary productivity to clients, and contributing to the creation of a sustainable society to realize our vision of becoming the Global Digital Transformation Partner.

In the 40th fiscal term (from April 1, 2024 to March 31, 2025), both BPO (business process outsourcing) services and CX (customer experience) services were able to achieve increased revenue and profit.

In the BPO services domain, we worked to capture demand for outsourcing in full-time job areas and to enhance our expertise through JVs with clients in a society beset by structural labor shortages caused by Japan's demographics.

In the CX services domain, our unique and competitive CX platform, trans-DX for Support, hit its target of winning orders from 100 companies, and we also succeeded in capturing service demand in rapidly growing Southeast Asia economies, led to order expansion in both Japan and overseas.

As a result, we achieved record-high net sales in the fiscal year ended March 2025, the middle year of the Medium-term Business Plan FY2024/3-FY2026/3, while operating profits reached their highest-ever level, excluding the three fiscal years from March 2021 to March 2023, which were affected by COVID-19-related business.

In the 41st fiscal term (from April 1, 2025 to March 31, 2026), which is the final year of the Medium-term Business Plan, we will continue to actively develop CX services to deliver the optimum customer experience and BPO services to help them improve productivity, putting support for the transformation of our clients in Japan and overseas at the center of our business, continuing to increase revenue and profit, and putting in place the foundation for the next Medium-term Business Plan.

Through these efforts, we will strive to enhance our corporate value and meet the expectations of our stakeholders.

Thank you for your continued support and encouragement.

June 2025

Masataka Okuda, Representative Director, Chairman

Masaaki Muta, Representative Director, Co-president

Takeshi Kamiya, Representative Director, Co-president

To Our Shareholders

Masaaki Muta
Representative Director, Co-president
transcosmos inc.

2-20, Higashi 1-chome, Shibuya-ku, Tokyo, Japan

NOTICE OF THE 40th ANNUAL GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 40th Annual General Meeting of Shareholders, which will be held as indicated below.

When convening this General Meeting of Shareholders, the Company has taken measures for electronic provision and kindly requests that you access and confirm the information in the Reference Documents for the Annual General Meeting of Shareholders (matters subject to electronic provision) posted on the websites shown under “4. Websites Providing the Matters Subject to Measures for Electronic Provision,” excluding the Voting Rights Exercise Form sent along with this Notice of Convocation.

A physical copy of this Notice shall be sent to all shareholders who have requested a physical copy based on the law and regulations as well as the Articles of Incorporation.

Those who will not be attending on the day of the meeting are asked to exercise voting rights either online or in writing by 5:50 p.m. on Tuesday, June 24, 2025. For more information on exercising voting rights, please refer to page 4.

1. Date and Time: 10:00 a.m., Wednesday, June 25, 2025
(Venue opens at 9:00 a.m.)

2. Place: SHIBUYA STREAM Hall
21-3, Shibuya 3-chome, Shibuya-ku, Tokyo

3. Agenda of the Meeting:

- Matters to be reported:**
1. Business Report, Consolidated Financial Statements and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements for the 40th Fiscal Term (from April 1, 2024 to March 31, 2025)
 2. Non-Consolidated Financial Statements for the 40th Fiscal Term (from April 1, 2024 to March 31, 2025)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus for the 40th Fiscal Term
- Proposal No. 2:** Election of Fifteen (15) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal No. 3:** Revision of Amount of Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members)

4. Websites Providing the Matters Subject to Measures for Electronic Provision

	Website Name and URL
1	The Company website https://www.trans-cosmos.co.jp/ir/information/stock-holder/ (in Japanese)
2	Listed Company Search (Tokyo Stock Exchange) https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show (in Japanese) Enter “transcosmos” for “Issue name (company name)” or “9715” for “Code” to search, select “Basic information,” then “Documents for public inspection/PR information,” then, under “Filed information available for public inspection,” check “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”
3	General Meeting of Shareholders Portal® (Sumitomo Mitsui Trust Bank, Limited) https://www.soukai-portal.net (in Japanese) Scan the QR code on the enclosed Voting Rights Exercise Form to verify. The QR code is listed on the Voting Rights Exercise Form.

- Notes:
1. For those attending, please submit the Voting Rights Exercise Form at the reception desk on arrival at the meeting.
 2. At the General Meeting of Shareholders, a document listing the matters subject to measures for electronic provision will be sent to all, regardless of whether a request for a physical copy was made. However, of the matters subject to measures for electronic provision, Notes to the Consolidated Financial Statements and Notes to the Non-Consolidated Financial Statements are not listed in the physical copy sent under applicable laws and regulations and the Company’s Articles of Incorporation. The Audit and Supervisory Committee and Accounting Auditor audit documents that include matters not listed above.
 3. If it becomes necessary to amend this Notice of Convocation or any matters subject to electronic provision, a notice of the revisions and its details before and after the revisions will be posted on the websites in “4. Websites Providing the Matters Subject to Measures for Electronic Provision” above.
 4. The websites listed in “4. Websites Providing the Matters Subject to Measures for Electronic Provision” may be temporarily inaccessible due to regular maintenance or other reasons. If you are unable to access a website, please try checking another website or wait a while before trying again.

Video Streaming of the 40th Annual General Meeting of Shareholders

A video streaming of the Annual General Meeting of Shareholders (through the end of explanation of Business Report) will be available later for a certain period on the website of the Company, so please view it at your own discretion. Your understanding of the filming of the proceedings during the Meeting will be greatly appreciated.

transcosmos website:

<https://www.trans-cosmos.co.jp/ir/information/stock-holder/>

Procedures for the Exercise of Voting Rights

Voting rights can be exercised in the following three ways.

Exercising Voting Rights in Advance

Exercise Voting Rights via the Internet

Exercising Voting Rights Using Smart Vote

Deadline for exercising voting rights: Entry must be completed no later than 5:50 p.m., Tuesday, June 24, 2025.

Scan the QR code on the enclosed Voting Rights Exercise Form using a smartphone or tablet.

See the following page for details.

Exercising Voting Rights by Entering Voting Code/Password

Deadline for exercising voting rights: Entry must be completed no later than 5:50 p.m., Tuesday, June 24, 2025.

Access the following voting rights exercise website from a computer, smartphone, or mobile phone, and follow the on-screen instructions to vote for or against each proposal.

Voting website (<https://www.web54.net>) (in Japanese).

See the following page for details.

Exercising Voting Rights by Mail (Written)

Deadline for exercising voting rights: Must be received no later than 5:50 p.m. on Tuesday, June 24, 2025.

Please indicate whether you approve or disapprove of each proposal on the Voting Rights Exercise Form and then mail the Form without attaching a postage stamp.

If a Voting Rights Exercise Form is submitted without an indication of whether you approve or disapprove of the proposal, it will be treated as approval.

Attending in Person

Date and time of the Annual General Meeting of Shareholders

Date and Time: 10:00 a.m., Wednesday, June 25, 2025 (Venue opens at 9:00 a.m.)

Place: SHIBUYA STREAM Hall

21-3, Shibuya 3-chome, Shibuya-ku, Tokyo

Submit the Voting Rights Exercise Form at the reception desk. (It is not necessary to attach your seal.)

- Proxy voting may only be performed by one other shareholder who holds Company voting rights as the proxy. A document proving proxy rights must be submitted during registration at the venue.

● Exercise of voting rights via the Internet, etc.

1. If you exercise your voting rights redundantly both by mail and via the Internet, we will treat your Internet vote as the valid exercise of your voting rights, regardless of the time or date of arrival of your vote.
2. If you exercise your voting rights several times by mail and via the Internet, or if you exercise your voting rights more than once using the computer or smartphone, we will treat the most recent vote as the valid exercise of your voting rights.
3. Connection fees payable to the providers and communication expenses payable to telecommunication carriers (including access charges) when accessing the website for the exercise of voting rights will be borne by the shareholders.

To institutional investors

Institutional investors may use the Electronic Voting Platform for Institutional Investors operated by ICJ, Inc. as a method for exercising voting rights.

* QR Code is a registered trademark of DENSO WAVE INCORPORATED.

Exercise of Voting Rights via the Internet, etc.

Scanning the QR Code “Smart Vote”

Scan the General Meeting of Shareholders Portal Site Login QR Code listed on the enclosed Voting Rights Exercise Form to access the General Meeting of Shareholders Portal site without having to enter the General Meeting of Shareholders Portal login ID and password. Use the Exercise Voting Rights button at the top of the General Meeting of Shareholders Portal site to exercise your voting rights.

1. Please scan QR Code provided at the bottom right of the voting form. See the enclosed instruction sheet for details.

* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

2. Please follow the directions that appear on the screen to input approval or disapproval to each proposal.

Please note that exercising voting rights by using Smart Vote® method is available only once.

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering your voting code and password printed on the voting form, and exercise your voting rights again.

* You can access the website for personal computer by scanning the QR Code again.

Entering the voting code and password

The website for the exercise of voting rights: <https://www.web54.net> (in Japanese)

1. Access the website for exercise of voting rights.
2. Enter the voting code given on the voting form.
3. Enter the password given on the voting form.
4. Follow the directions that appear on the screen to input approval or disapproval to each proposal.

In case you need instructions for how to operate your personal computer, smartphone or mobile phone in order to exercise your voting rights via the Internet, please contact:

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support 0120-652-031 (Toll Free) (Hours: 9:00 a.m. to 9:00 p.m.)
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Institutional investors may use the Electronic Voting Platform for institutional investors operated by ICJ, Inc.

Reference Documents for the Annual General Meeting of Shareholders

Proposals and references

Proposal No. 1: Appropriation of Surplus for the 40th Fiscal Term

Matters related to year-end dividend

Returning profits to our shareholders is one of the Company's top management priorities. We have therefore adopted a dividend policy that focuses on the dividend payout ratio, which is closely related to the Company's business performance. Our fundamental dividend policy is to distribute appropriate levels of dividends in line with the Company's business performance with a target consolidated dividend payout ratio of 35%.

Taking into consideration the above policy, the Company proposes to pay the following dividends for the current fiscal year.

Type of dividend asset

Cash

Allotment of dividend assets to shareholders and total amount

106 yen per share of common stock of the Company

Total amount 3,972,126,022 yen

Effective date of dividends of surplus

Thursday, June 26, 2025

Proposal No. 2: Election of Fifteen (15) Directors (excluding Directors who are Audit and Supervisory Committee Members)

The term of office of all fourteen (14) Directors (excluding Directors who are Audit and Supervisory Committee Members; the same is applied throughout this Proposal) will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes increasing the number of Directors by one (1) and electing fifteen (15) Directors.

Further, this Proposal has been deliberated by the Nomination Committee, the majority of which is composed of independent Outside Directors and the Audit and Supervisory Committee has determined that all the Director candidates are well qualified for the position, following deliberation. The Director candidates are as follows:

Candidate No.	Name	Gender	Position	Candidate Attribute		
1	Masataka Okuda	Male	Representative Director, Chairman	Reelection		
2	Masaaki Muta	Male	Representative Director, Co-president	Reelection		
3	Takeshi Kamiya	Male	Representative Director, Co-president	Reelection		
4	Masatoshi Kouno	Male	Representative Director, Executive Vice President	Reelection		
5	Kenshi Matsubara	Male	Director, Executive Vice President	Reelection		
6	Hiroshi Kaizuka	Male	Director, Executive Vice President	Reelection		
7	Eijiro Yamashita	Male	Director, Senior Corporate Executive Officer	Reelection		
8	Yoshie Kadomatsu	Female	Director, Corporate Senior Officer	Reelection		
9	Koji Funatsu	Male	Director, Corporate Advisor	Reelection		
10	Rehito Hatoyama	Male	Outside Director	Reelection	Outside	Independent executive
11	Genichi Tamatsuka	Male	Outside Director	Reelection	Outside	Independent executive
12	Noriyoshi Suzuki	Male	Outside Director	Reelection	Outside	Independent executive
13	Miwa Tsurumori	Female	Outside Director	Reelection	Outside	Independent executive
14	Norihiro Kuretani	Male	Outside Director	Reelection	Outside	Independent executive
15	Masami Yamamoto	Male	-	New election	Outside	Independent executive

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company		No. of Company shares held
1	Masataka Okuda (March 29, 1967) Reelection	April 1988 Joined the Company June 1996 Director, Deputy Division Manager of Marketing Division September 2002 Vice President, Representative Director & COO June 2003 President & COO April 2020 President & COO and Sector Manager of Business Development Sector June 2022 Representative Director, Chairman, Sector Manager of Business Development Sector April 2023 Representative Director, Chairman (present post)	Reason for selection as a candidate for Director Since assuming the position of President & COO in 2003, he has shown strong leadership aimed at improving the sustainable corporate value of the Company and the Group. We have judged that we can expect him to make important business execution decisions at Board of Directors meetings and strengthen the functions to supervise executive departments, making the best use of his abundant experience and excellent knowledge as a manager. Accordingly, we have selected him as a candidate for Director.	6,404,932 shares (11 shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company		No. of Company shares held
2	Masaaki Muta (February 9, 1965) Reelection	April 1989 Joined Recruit Co., Ltd. June 1999 Managing Director, Doubleclick Japan Inc. November 2001 Director, Vice President of K.K. AskJeeves Japan June 2003 Joined the Company as Director June 2004 Corporate Senior Officer June 2005 Corporate Executive Officer June 2012 Executive Managing Director, Headquarters Manager of Sales Headquarters, Administration Department Manager of Global Sales Department of Sales Headquarters April 2015 Senior Managing Director, Headquarters Manager of Sales Headquarters, Deputy Division Manager of Services Promotion Division June 2017 Director, Senior Corporate Executive Officer, Headquarters Manager of Sales Headquarters, Responsible for Services Promotion Division, Responsible for Account Executive of DEC Headquarters April 2018 Director, Senior Corporate Executive Officer, Co- Headquarters Manager of DEC Headquarters, Co- Headquarters Manager of Sales Headquarters, Deputy Headquarters Manager of Global Business Headquarters June 2020 Director, Executive Vice President, Co-Headquarters Manager of DEC Headquarters, Co-Headquarters Manager of Sales Headquarters, Deputy Headquarters Manager of Global Business Headquarters June 2022 Representative Director, Co-president, Responsible for the Marketing Division (present post)	Reason for selection as a candidate for Director Given his abundant experience and knowledge in the fields of sales strategy and marketing, we have judged that he can make important business execution decisions at Board of Directors meetings and appropriately promote businesses of which he is in charge toward the realization of business growth of the Company and the Group. Accordingly, we have selected him as a candidate for Director.	108 shares (7,631 shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company		No. of Company shares held
3	Takeshi Kamiya (August 30, 1973) Reelection	April 1998	Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION	– shares (2,995 shares)
		July 2005	Joined Bain & Company Japan, Inc.	
		October 2015	Joined the Company, Corporate Senior Officer, Division Manager of Corporate Strategy Division	
		June 2016	Corporate Executive Officer, Division Manager of Corporate Strategy Division	
		June 2017	Director, Corporate Executive Officer, Division Manager of Corporate Strategy Division, Deputy Manager of DEC Headquarters, Division Manager of Global E-Commerce • Direct Sales Promotion Division of DEC Headquarters, Division Manager of Global E-Commerce • Direct Sales Division of DEC Headquarters	
		June 2019	Director, Senior Corporate Executive Officer, Division Manager of Corporate Strategy Division, Division Manager of Global E-Commerce • Direct Sales Promotion Division, Responsible for E-Commerce • Direct Sales Division of DEC Headquarters	
		June 2020	Director, Executive Vice President, Division Manager of Corporate Strategy Division, Deputy Manager of Business Development Sector, Division Manager of Global E-Commerce • Direct Sales Promotion Division of Business Development Sector	
		June 2022	Representative Director, Executive Vice President, Division Manager of Corporate Strategy Division, Sector Manager of Corporate Management Sector, Deputy Manager of Business Development Sector, Responsible for Global E-Commerce • Direct Sales Promotion Division of Business Development Sector, Responsible for Compliance Promotion Department	
		April 2023	Representative Director, Co-president, Division Manager of Corporate Strategy Division, Sector Manager of Corporate Management Sector, Co-Sector Manager of Business Development Sector, Responsible for Global E-Commerce • Direct Sales Promotion Division of Business Development Sector, Responsible for Compliance Promotion Department, Responsible for Diversity, Equity & Inclusion Promotion Department	
		November 2023	Representative Director and Co-President, Co-Sector Manager of Business Development Sector (present post)	

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company	No. of Company shares held
		Reason for selection as a candidate for Director Given his abundant experience and knowledge in the fields of management strategy and consulting, we have judged that he can make important business execution decisions at Board of Directors meetings and appropriately promote businesses of which he is in charge toward the realization of business growth of the Company and the Group. Accordingly, we have selected him as a candidate for Director.	

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company		No. of Company shares held
4	Masatoshi Kouno (August 22, 1965) Reelection	March 1986 Joined the Company June 2011 Corporate Senior Officer, Division Manager of Services Promotion Division of Services Headquarters June 2013 Executive Managing Director, Sector Manager of Business Process Outsourcing Services Sector, Deputy Division Manager of Services Promotion Division June 2017 Director, Corporate Executive Officer, Headquarters Manager of BPO Services Headquarters, Division Manager of Services Promotion Division April 2019 Director, Senior Corporate Executive Officer, Headquarters Manager of BPO Services Headquarters, Sector Manager of Services Promotion Sector June 2021 Director, Executive Vice President, Headquarters Manager of BPO Services Headquarters, Sector Manager of Services Promotion Sector, Office Director of Business Development Office of BPO Services Headquarters June 2022 Representative Director, Executive Vice President, Headquarters Manager of BPO Services Headquarters, Sector Manager of Services Promotion Sector, Office Director of Business Development Office of BPO Services Headquarters, Division Manager of Services Promotion Division of BPO Services Headquarters July 2024 Representative Director, Executive Vice President, Headquarters Manager of BPO Services Headquarters, Responsible for Quality Control Department, Responsible for Collaboration between DCC and other departments, directly reporting to CX Business Headquarters (present post)	Reason for selection as a candidate for Director Given his abundant experience and knowledge in the field of BPO, we have judged that he can make important business execution decisions at Board of Directors meetings and appropriately promote businesses of which he is in charge toward the realization of business growth of the Company and the Group. Accordingly, we have selected him as a candidate for Director.	4,800 shares (2,867 shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company		No. of Company shares held
5	Kenshi Matsubara (April 3, 1964) Reelection	April 1987 Joined Recruit Co., Ltd. July 2000 Joined Net Perceptions Japan Inc. May 2002 Joined the Company July 2007 Corporate Officer, Division Manager of Metropolitan Region Division I Service of Call Center Service Sector April 2015 Corporate Senior Officer, Headquarters Manager of Contact Center Service Headquarters June 2016 Corporate Executive Officer, Headquarters Manager of DEC Headquarters, Deputy Division Manager of Services Management Division April 2017 Senior Corporate Executive Officer, Headquarters Manager of DEC Headquarters, Deputy Division Manager of Services Promotion Division June 2019 Director, Senior Corporate Executive Officer, Co-Headquarters Manager of DEC Headquarters, Sector Manager of Digital Communication Center Sector of DEC Headquarters June 2022 Director, Executive Vice President, Headquarters Manager of DEC Headquarters April 2023 Director, Executive Vice President, Headquarters Manager of CX Business Headquarters (present post)		800 shares (2,531 shares)
		Reason for selection as a candidate for Director Given his abundant experience and knowledge in the field of contact center services, we have judged that he can make important business execution decisions at Board of Directors meetings and appropriately promote businesses of which he is in charge toward the realization of business growth of the Company and the Group. Accordingly, we have selected him as a candidate for Director.		

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company		No. of Company shares held
6	Hiroshi Kaizuka (February 26, 1965) Reelection	April 1988 Joined the Company June 1996 Director, Deputy Division Manager of Marketing Division August 2001 Managing Director, Assistant of Business Development Division, Division Manager of Global Business Division April 2004 Corporate Senior Officer, Division Manager of Public Telecommunications Services Sales Division June 2016 Corporate Executive Officer, Deputy Manager of Sales Headquarters January 2019 Senior Corporate Executive Officer, Co-Headquarters Manager of Sales Headquarters June 2021 Director, Senior Corporate Executive Officer, Co-Headquarters Manager of Sales Headquarters June 2022 Director, Executive Vice President, Headquarters Manager of Sales Headquarters, Responsible for AE Sector of DEC Headquarters April 2024 Director, Executive Vice President, Headquarters Manager of Group Sales Headquarters, Headquarters Manager of Sales Headquarters, Group Sales Headquarters (present post)		6,800 shares (1,381 shares)
		Reason for selection as a candidate for Director Given his abundant experience and knowledge in the field of sales, we have judged that he can make important business execution decisions at Board of Directors meetings and appropriately promote businesses of which he is in charge toward the realization of business growth of the Company and the Group. Accordingly, we have selected him as a candidate for Director.		

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company	No. of Company shares held
7	Eijiro Yamashita (August 16, 1968) Reelection	April 1993 Joined Recruit Co., Ltd. October 2000 Joined the Company March 2013 President and General Manager of transcosmos China April 2014 Corporate Officer, Department Manager of China Business Department II of Global Business Sector of the Company, President and General Manager of transcosmos China January 2016 Corporate Senior Officer, Division Manager of China Business Division of Global Business Sector, President and General Manager of transcosmos China April 2017 Corporate Executive Officer, Division Manager of China Business Division of Global Business Headquarters, President and General Manager of transcosmos China September 2018 President of transcosmos China (present post) June 2021 Senior Corporate Executive Officer, Deputy Manager of Global Business Headquarters, Division Manager of China Business Division of Global Business Headquarters of the Company, President of transcosmos China June 2022 Senior Corporate Executive Officer, Headquarters Manager of Global Business Headquarters October 2022 Vice-President Commissioner of PT. transcosmos Indonesia (present post) March 2023 Chairman & Director of transcosmos Korea Inc. (present post) June 2023 Director, Senior Corporate Executive Officer, Headquarters Manager of Global Business Headquarters of the Company July 2024 Director and Senior Corporate Executive Officer, Co-Headquarters Manager of Global Business Headquarters (present post) (Significant concurrent positions outside the Company) President of transcosmos China Vice-President Commissioner of PT. transcosmos Indonesia Chairman & Director of transcosmos Korea Inc. Reason for selection as a candidate for Director Given his abundant experience and distinguished knowledge in the field of global business, we have judged that he can make important business execution decisions at Board of Directors meetings and appropriately promote businesses of which he is in charge toward the realization of business growth of the Company and the Group. Accordingly, we have selected him as a candidate for Director.	3,800 shares (447 shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company		No. of Company shares held
8	Yoshie Kadomatsu (December 10, 1959) Reelection	April 1978 Joined Maruei Keisan Center (forerunner of transcosmos) June 1985 Joined the Company June 1996 Director, Deputy Division Manager of Human Resources Division March 2000 Resigned as Director January 2006 Joined the Company March 2020 Director of Applied Technology Co., Ltd. (present post) June 2020 Corporate Officer, Division Manager of Building Infrastructure Services Division of BPO Services Headquarters June 2021 Corporate Senior Officer, Division Manager of Building Infrastructure Services Division of BPO Services Headquarters June 2024 Director, Corporate Senior Officer, Sector Manager of Urban Engineering Services Sector of BPO Services Headquarters, Deputy Headquarters Manager of BPO Services Headquarters (present post) (Significant concurrent positions outside the Company) Director of Applied Technology Co., Ltd.	Reason for selection as a candidate for Director Given her abundant experience and knowledge in the field of BPO, we have judged that she can make important business execution decisions at Board of Directors meetings and appropriately promote businesses of which she is in charge toward the realization of business growth of the Company and the Group. Accordingly, we have selected her as a candidate for Director.	– shares (77 shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company	No. of Company shares held
9	Koji Funatsu (March 18, 1952) Reelection	April 1981 Joined Recruit Co., Ltd. December 1995 Director of Recruit Hokkaido Jalan Co., Ltd. (present Recruit Co., Ltd.) April 1998 Joined the Company, Division Manager of Business Planning & Development Division June 1998 Managing Director June 1999 Senior Managing Director, Assistance in Global Business Control April 2000 Vice President, Representative Director, responsible for Marketing Division, Consulting Division and each Business Division September 2002 President & CEO June 2003 Chairman & CEO October 2014 Outside Director, Member of the Board of KADOKAWA DWANGO CORPORATION (present KADOKAWA CORPORATION) June 2019 Outside Director of DeNA Co., Ltd. July 2019 Chairman & CEO and in charge of Compliance Promotion Department and Diversity Promotion Department of the Company September 2020 Chairman & CEO, Responsible for Compliance Promotion Department June 2022 Director, Corporate Advisor (present post) Reason for selection as a candidate for Director Over the many years he has served as Chairman & CEO, he has shown strong leadership aimed at improving the sustainable corporate value of the Company and the Group. We have determined that he can be expected to provide advice and supervision regarding the execution of duties by Directors based on his abundant experience and distinguished knowledge as a manager and have selected him as a candidate for Director.	25,200 shares (13,350 shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company	No. of Company shares held
10	Rehito Hatoyama (January 12, 1974) Reelection Outside Independent executive Term of office: nine years	April 1997 Joined Mitsubishi Corporation May 2008 Joined Sanrio Co., Ltd. April 2013 Managing Director of Sanrio Co., Ltd June 2013 Outside Director of DeNA Co., Ltd. June 2015 CEO of Sanrio Media & Pictures Entertainment, Inc. April 2016 Outside Director of Pigeon Corporation (present post) June 2016 Outside Director of the Company (present post) July 2016 Representative Director of Hatoyama Soken Corporation (present post) March 2021 Outside Director of Z Holdings Corporation (Significant concurrent positions outside the Company) Outside Director of Pigeon Corporation Representative Director of Hatoyama Soken Corporation Reason for selection as a candidate for Outside Director and outline of expected roles Reason for selecting as a candidate: Given his abundant experience and broad knowledge in the fields of Internet services and global business promotion, we have judged that he is an appropriate person to serve as a member of the Board of Directors of the Company and have selected him as a candidate for Outside Director. Expected roles: He is expected to advise on and supervise the execution of duties by Directors from an objective and impartial standpoint based on his experience and knowledge mentioned above.	– shares (– shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company	No. of Company shares held
11	Genichi Tamatsuka (May 23, 1962) Reelection Outside Independent executive Term of office: six years	April 1985 Joined Asahi Glass Co., Ltd. (present AGC Inc.) November 2002 President and COO of FAST RETAILING CO., LTD September 2005 Established Revamp Corporation, Representative Director and President of the company May 2014 Representative Director and President of Lawson, Inc. June 2017 President and CEO of Hearts United Group Co., Ltd. (present DIGITAL HEARTS HOLDINGS Co., Ltd.) October 2017 President of DIGITAL HEARTS Co., Ltd. June 2019 Outside Director of the Company (present post) June 2021 Representative Director, President, and CEO of Lotte Holdings Co., Ltd. (present post) October 2021 Chairman of JAPAN RUGBY LEAGUE ONE (present post) April 2022 Vice Chairman of the Japan Association of Corporate Executives (present post) November 2022 Director and Acting Owner of Chiba Lotte Marines (present post) (Significant concurrent positions outside the Company) Representative Director, President, and CEO of Lotte Holdings Co., Ltd. Chairman of JAPAN RUGBY LEAGUE ONE Vice Chairman of the Japan Association of Corporate Executives Director and Acting Owner of Chiba Lotte Marines Reason for selection as a candidate for Outside Director and outline of expected roles Reason for selecting him as a candidate: He has successively held important positions including Representative Director in several companies. Given his abundant experience and broad knowledge in the field of corporate management in general, we have judged that he is an appropriate person to serve as a member of the Board of Directors of the Company and have selected him as a candidate for Outside Director. Expected roles: He is expected to advise on and supervise the execution of duties by Directors from an objective and impartial standpoint based on his experience and knowledge mentioned above.	– shares (4,207 shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company	No. of Company shares held
12	Noriyoshi Suzuki (April 20, 1956) Reelection Outside Independent executive Term of office: five years	April 1982 Joined The Nikko Securities Co., Ltd. October 2001 Manager of Private Banking Division of Nikko Cordial Securities Inc. (present SMBC Nikko Securities Inc.) February 2005 Managing Director of Nikko Cordial Securities Inc. December 2008 Senior Managing Director of Nikko Cordial Securities Inc. July 2009 President & Representative Director of LCF Edmond de Rothschild Nikko Cordial Co., Ltd. (present Edmond de Rothschild Nikko Co., Ltd.) March 2017 Deputy President Executive Officer of SMBC Nikko Securities Inc. June 2019 Representative Director of Suzuki Noriyoshi Office (present post) June 2020 Outside Director of the Company (present post) December 2020 Representative Director & President of LES ROIS MAGES JAPON (present post) June 2024 Outside Director of Warranty technology,inc (present post) (Significant concurrent positions outside the Company) Representative Director of Suzuki Noriyoshi Office Representative Director & President of LES ROIS MAGES JAPON Outside Director of Warranty technology,inc Reason for selection as a candidate for Outside Director and outline of expected roles Reason for selecting him as a candidate: He has many years of experience in the securities industry, and given his abundant experience and broad knowledge in the field of corporate management in general, we have judged that he is an appropriate person to serve as a member of the Board of Directors of the Company and have selected him as a candidate for Outside Director. Expected roles: He is expected to advise on and supervise the execution of duties by Directors from an objective and impartial standpoint based on his experience and knowledge mentioned above.	– shares (– shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company	No. of Company shares held
13	Miwa Tsurumori (February 10, 1977) Reelection Outside Independent executive Term of office: two years	October 2006 Registered as a lawyer Lawyer of Fairness Law Office October 2013 Lawyer of Uchisaiwaicho Law Office April 2017 Partner of Toranomom 1-Chome Law Office (present post) February 2021 Outside Corporate Auditor of Twenty-four seven, Inc (present post) June 2023 Outside Director of the Company (present post) (Significant concurrent positions outside the Company) Partner of Toranomom 1-Chome Law Office Outside Corporate Auditor of Twenty-Four Seven, Inc Note: Miwa Tsurumori provides legal services under her maiden name (Matsutani). Reason for selection as a candidate for Outside Director and outline of expected roles Reason for selecting her as a candidate: Her many years of experience as a lawyer have given her abundant experience and broad knowledge in corporate legal affairs, and thus we have judged that she is an appropriate person to serve as a member of the Board of Directors of the Company and have selected her as a candidate for Outside Director. While Miwa Tsurumori has no previous experience of involvement in the management of a company other than as an Outside Corporate Auditor, for these reasons, the Company believes that she will be able to perform her duties as an Outside Director adequately. Expected roles: She is expected to advise on and supervise the execution of duties by Directors from an objective and impartial standpoint based on her experience and knowledge mentioned above.	– shares (– shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company	No. of Company shares held
14	Norihiro Kuretani (December 3, 1965) Reelection Outside Independent executive Term of office: one year	April 1988 Joined Dentsu Inc. July 2016 Director of the Digital Platform Center of Dentsu Inc., Director of Dentsu Digital Inc., and Director of Cyber Communications Inc. January 2017 Executive Officer (in charge of the Digital Department) of Dentsu Inc., and Representative Director and CEO of Dentsu Digital Inc. March 2017 Executive Officer (in charge of the Digital Department) of Dentsu Inc., Representative Director and CEO of Dentsu Digital Inc., and Director of Information Services International Dentsu, Ltd. (currently Dentsu Soken Inc.) July 2019 Chair of the Dentsu Global Data Technology Committee January 2020 Director, Vice President, and Executive Officer of the Dentsu Global Data Technology Committee (in charge of the BP Division of the Domestic Business Headquarters) January 2022 Representative Director, President, and Executive Officer of Dentsu Inc., Executive Officer of Dentsu Group Inc., CEO of Dentsu Japan June 2024 Outside Director of the Company (present post) December 2024 Representative Director of Solfe Inc. (present post) (Significant concurrent positions outside the Company) Representative Director of Solfe Inc. Reason for selection as a candidate for Outside Director and outline of expected roles Reason for selecting him as a candidate: Given his abundant experience as a corporate manager and broad knowledge in the fields of advertisement, Internet services, etc., we have judged that he is an appropriate person to serve as a member of the Board of Directors of the Company and have selected him as a candidate for Outside Director. Expected roles: He is expected to advise on and supervise the execution of duties by Directors from an objective and impartial standpoint based on his experience and knowledge mentioned above.	– shares (– shares)

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company	No. of Company shares held
15	Masami Yamamoto (January 11, 1954) New election Outside Independent executive	April 1976 Joined Fujitsu Limited June 2005 Corporate Vice President, President of Personal Systems Business Unit of Fujitsu Limited June 2007 Corporate Senior Vice President, President of Ubiquitous Products Business Group of Fujitsu Limited January 2010 Corporate Senior Executive Vice President of Fujitsu Limited April 2010 President of Fujitsu Limited June 2010 Representative Director and President of Fujitsu Limited June 2015 Representative Director and Chairman of Fujitsu Limited June 2017 Director and Chairman of Fujitsu Limited Outside Director of JFE Holdings, Inc. (present post, scheduled to resign on June 25, 2025) June 2019 Director and Senior Advisor of Fujitsu Limited Outside Director of Mizuho Financial Group, Inc. March 2025 Member of the Operating Policy Committee of Kyushu University (present post) (Significant concurrent positions outside the Company) Outside Director of JFE Holdings, Inc. Member of the Operating Policy Committee of Kyushu University Reason for selection as a candidate for Outside Director and outline of expected roles Reason for selecting him as a candidate: Given his abundant experience as a corporate manager and broad knowledge in the total solutions business, etc. within the IT industry and ICT field, we have judged that he is an appropriate person to serve as a member of the Board of Directors of the Company and have selected him as a candidate for Outside Director. Expected roles: He is expected to advise on and supervise the execution of duties by Directors from an objective and impartial standpoint based on his experience and knowledge mentioned above.	– shares (– shares)

- Notes: 1. Figures in parentheses in the column of “No. of Company shares held” by candidates for Directors are equities in the shareholding society (Fractions smaller than one share are omitted).
2. Hiroshi Kaizuka concurrently holds the position of Representative Director & President of transcosmos online communications inc., with which the Company has a business relationship. No special interests between any other candidates for Director and the Company.
 3. Rehito Hatoyama, Genichi Tamatsuka, Noriyoshi Suzuki, Miwa Tsurumori, Norihiro Kuretani, and Masami Yamamoto are candidates for Outside Directors.
 4. The terms of office of the candidates for Outside Director, Rehito Hatoyama, Genichi Tamatsuka, Noriyoshi Suzuki, Miwa Tsurumori, and Norihiro Kuretani as Outside Director are the term of office at the conclusion of this Annual General Meeting of Shareholders.
 5. Liability Limitation Agreement with candidates for Outside Director
The Company has entered into, with Rehito Hatoyama, Genichi Tamatsuka, Noriyoshi Suzuki, Miwa Tsurumori, and Norihiro Kuretani, liability limitation agreements that limit liability for damages under Article 423, paragraph (1) of the Companies Act pursuant to the provision of Article 427, paragraph (1) of the Companies Act. The maximum amount of liability for damages under such agreements is one million yen or the amount provided for in Article 425, paragraph (1) of the Companies Act, whichever is higher. If the reelection of each candidate is approved, the Company intends to continue the liability limitation agreement. In addition, if the election of Masami Yamamoto is approved, the Company will enter into the liability limitation agreement.
 6. The Company has registered Rehito Hatoyama, Genichi Tamatsuka, Noriyoshi Suzuki, Miwa Tsurumori, and Norihiro Kuretani as independent executives stipulated by the Tokyo Stock Exchange. If this proposal is approved and the candidates take the posts of Outside Director, they will continue to be independent executives. In addition, if the election of Masami Yamamoto is approved, the Company intends to register him as an independent executive.
 7. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company, under which Directors of the Company are insured persons, and plans to continue and renew the contract. When each candidate is reelected or elected, they will become the insured persons under this insurance contract. See Business Report 4. (4) Outline of the Directors and Officers Liability Insurance Contract for an overview of the insurance contract.
 8. A case of violation of laws and regulations at a company of which a candidate for Outside Director served as a director
At Dentsu Inc., where candidate for outside director Norihiro Kuretani served as representative director, an individual (employed by Dentsu Inc. in 2018, the time the incident occurred) who was an employee of a domestic subsidiary of Dentsu Group Inc., the parent of Dentsu Inc., was charged by the Japan Fair Trade Commission for suspected violation of the Antimonopoly Act on February 28, 2023, when Kuretani was serving as representative Director (in 2018, the time when the incident occurred, Kuretani was an executive officer in charge of the digital domain (which was an area of responsibility unrelated to the incident)) regarding bidding for test events at the Tokyo 2020 Olympics and Paralympics, and that person was subsequently indicted by the Tokyo District Public Prosecutors Office. Additionally, under the dual penalty provision of the Act, Dentsu Group Inc., which 2018 was Dentsu Inc., was prosecuted as a corporation. Note that, on January 30, 2025, a guilty verdict was pronounced against the then-responsible individual at Dentsu Inc. and against Dentsu Group Inc. (The former received a sentence of two years’ imprisonment, suspended for four years, while the latter was fined 300 million yen.) (Currently under appeal.)
Mizuho Financial Group, Inc., where candidate for outside director Masami Yamamoto served as outside director, received, in November 2021 during Yamamoto’s tenure, an Order to Improve Business Operations from the Financial Services Agency, pursuant to the provisions of the Banking Act and in connection with a series of system failures, etc. that occurred on and after February 28, 2021. Since before the occurrence of this series of events, Yamamoto had been providing opinions, recommendations, etc. from the perspectives of group governance, risk management, legal compliance, and so on, at meetings of the Board of Directors and on other occasions at Mizuho Financial Group, Inc. Following the occurrence of this series of events, Yamamoto has been fulfilling his duties by providing opinions, recommendations, etc. during meetings of the Board of Directors at Mizuho Financial Group, Inc., based on the report, etc. of the System Failure Response Evaluation Committee, including initiatives aimed at strengthening Group-wide governance functions, and enhancing supervisory functions.

9. For the criteria for judging independence of Outside Directors of the Company, please refer to the next page.
10. “AE,” “DCC,” “DEC” and “DS” used in “Career summary, position and areas of responsibility at the Company” of each candidate for Director are abbreviations for “Account Executive,” “Digital Customer Communication,” “Digital Marketing/E-Commerce/Contact Center” and “Direct Sales,” respectively.

(Reference) The criteria for judging independence of Outside Directors of the Company are as follows.

1. Outside Directors do not fall under any of the following items currently or during the past three years.
 - (1) An executive officer of a major customer of the Company*1 or a business operator of which the Company is a major customer*2
 - *1. A customer whose total purchases from the Company account for more than 2% of consolidated net sales of the Company for any of the past three fiscal years
 - *2. A business operator whose total net sales to the Company account for more than 2% of consolidated net sales of said business operator for any of the past three fiscal years
 - (2) A consultant, accounting expert, tax expert, or legal expert who receives a large amount of money or other properties in addition to the remuneration for an officer from the Company*3
 - *3. Parties whose total remuneration from the Company exceeds 10 million yen for any of the past three fiscal years
 - (3) An executive officer of a nonprofit organization that receives large donations from the Company*4
 - *4. Organizations whose total donations from the Company exceed 10 million yen or 2% of the gross revenue for the said organization for any of the past three fiscal years
 - (4) Major shareholders of the Company*5 or their executive officers
 - *5. Party who holds 10% or more of total voting rights of the Company
2. A close relative within second degree of kinship of the Outside Director does not fall under any of the following items currently (excluding immaterial parties).
 - (1) Executive officer of the Company or its subsidiary
 - (2) A party who falls under (1) - (4) in 1. above.

(Reference) Composition of the Board of Directors (from June 25, 2025)

The expertise and experience possessed by each Director is indicated as below.

	Name	Corporate Management	Business Strategy	Sales/ Marketing	Finance/ Accounting/ M&A	Legal/ Compliance /Risk Management	IT/Digital	Global	Service Quality Control
Directors	Masataka Okuda	●		●	●		●	●	
	Masaaki Muta	●		●			●	●	
	Takeshi Kamiya	●			●	●		●	
	Masatoshi Kouno		●		●		●		●
	Kenshi Matsubara		●	●			●		●
	Hiroshi Kaizuka		●	●			●	●	
	Eijiro Yamashita		●	●				●	●
	Yoshie Kadomatsu		●				●		●
	Koji Funatsu	●			●	●		●	
Outside Directors	Takeshi Natsuno (Audit and Supervisory Committee Member)	●		●	●	●	●		
	Nozomu Yoshida (Audit and Supervisory Committee Member)		●	●	●	●	●		
	Eiji Uda (Audit and Supervisory Committee Member)	●		●	●	●	●	●	
	Rehito Hatoyama		●		●		●	●	
	Genichi Tamatsuka	●		●			●	●	
	Noriyoshi Suzuki	●		●	●			●	
	Miwa Tsurumori				●	●			
	Norihiro Kuretani	●	●	●			●		
	Masami Yamamoto	●	●				●	●	

The table is not indicative of all the expertise and experience possessed by each individual.

Proposal No. 3: Revision of Amount of Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members)

The amount of monetary remuneration, etc. paid to Directors (excluding Directors who are Audit and Supervisory Committee Members) was approved not to exceed 800 million yen per year (including monetary remuneration paid to Outside Directors, which shall not exceed 100 million yen per year) at the 31st Annual General Meeting of Shareholders held on June 22, 2016. (These amounts do not include any salaries that Directors who double as employees receive as an employee.) Taking into consideration the increases in the number of Outside Directors in recent years from the perspective of strengthening governance (the Company will even submit a proposal to increase the number of Outside Directors by one (1) at this General Meeting of Shareholders) as well as various factors including the recent changes in economic conditions, the Company proposes to change the amount of remuneration, etc. paid to Directors (excluding Directors who are Audit and Supervisory Committee Members) to no more than 800 million yen per year (including monetary remuneration paid to Outside Directors, which shall not exceed 120 million yen per year). In addition, as in the past, monetary remuneration, etc. for Directors shall not include the compensation to be paid as employees if a Director serves concurrently as an employee.

The Company deems this Proposal to be reasonable as it was decided by the Board of Directors following deliberation by the Remuneration Committee, comprehensively taking into consideration the size of the Company's business, the officer remuneration system and the level of remuneration paid, the current number of officers, future trends and other factors. In addition, the Audit and Supervisory Committee deems the contents of this revision of amount of remuneration to be appropriate.

Moreover, the Company's policy on determination of the details of remuneration for each Director is described in "(5) Remuneration paid to Directors" in "4. Corporate Officers" of the Business Report.

Currently, the Company has fourteen (14) Directors (excluding Directors who are Audit and Supervisory Committee Members; including five (5) Outside Directors). If Proposal No. 2 "Election of Fifteen (15) Directors (excluding Directors who are Audit and Supervisory Committee Members)" is approved as requested, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) will be fifteen (15) (including six (6) Outside Directors).

BUSINESS REPORT

(from April 1, 2024 to March 31, 2025)

1. Business Overview of the Group

(1) Progress and Results of Operations

In this consolidated fiscal year, the Japanese economy gradually recovered against the backdrop of improvements in employment and income conditions. However, the future remains unclear due to the consequences of U.S. trade policy and other policy trends, concerns over the future of the Chinese economy, and continued price increases, which, among other things, are feared to impact personal consumption through a downward shift in consumer mentality, etc.

The environment surrounding the services offered in which the Group is engaged continues to see growing demand for services that leverage digital technology to increase the efficiency of business performance, strengthen cost competitiveness, and help expand sales, in the context of progress in digital technologies and prolonged labor shortages.

Within this context, the Group actively delivered CX (customer experience) services and BPO (business process outsourcing) services to support clients in transforming their management and operations, which led to an increase in orders. Furthermore, we continued to promote various initiatives aimed at realizing the Medium-term Business Plan FY2024/3-FY2026/3.

In our initiative to evolve into a Technology Solutions Company, we promoted the deployment of our unique and competitively advantageous CX platform “trans-DX for Support” in the CX services domain, and achieved our target of introducing the platform to 100 clients. We also focused our efforts on developing and deploying services that leverage generative AI and other digital technologies. Specifically, we began deploying our proprietary AI chatbot, “trans-AI Chat,” in South Korea, Japan, and China. The chatbot seamlessly connects a generative AI chatbot with human-operated chat. We also utilized generative AI in our contact center operation platform, and developed solutions that provide operational support to contact center supervisors and agents and significantly improve the efficiency of quality enhancement. We will continue introducing this platform at contact centers across the country to achieve reductions in man-hours and standardization of response quality.

At the same time, in the BPO services domain, we promoted the deployment of “trans-Xsynk,” which enables efficient text conversion of non-standard forms through the combined use of AI-based optical character recognition (AI-OCR), generative AI, and operations. We also focused our efforts on enhancing our expertise through joint ventures (JVs) with clients and on strengthening our delivery network to promote digital BPO services. Specifically, we reached an agreement with OMRON Corporation to establish a joint venture, OMRON TRANSCOSMOS PROCESS INNOVATION Co., Ltd., with the aim of streamlining the OMRON Group’s indirect operations. Serving as a shared service center, the new joint venture will consolidate the OMRON Group’s operations in human resources, accounting and finance, and general affairs, and will integrate them with our business-specific expertise and know-how in leveraging IT for automation and efficiency, in order to further enhance operational quality and promote optimization. Furthermore, to strengthen our delivery network, we opened BPO Center Sapporo Kita-Hachijyo in Sapporo City, Hokkaido as a new operational base for supporting the planning through to the execution of digital measures tailored to the construction industry. We also opened BPO Center Nagasaki Stadium City in an office building within NAGASAKI STADIUM CITY as a flagship center for digital transformation (DX) in the BPO business.

As a measure to promote the growth of our global business, primarily in Asia, we promoted the expansion of business with world-class multinational companies in global markets, which led to increased orders in multiple countries and regions. We also expanded our center base to strengthen our global service delivery network. Specifically, we opened additional operation centers in China, South Korea, and Vietnam. Thus, internationally, a network that can provide services at 112 operational bases in 35 countries and regions overseas (as of March 2025) has currently been established to provide CX and BPO services not only to local companies but also clients expanding into foreign markets.

As a result of all this, the consolidated performance for the fiscal year showed net sales up 3.8% from the previous year to 375,849 million yen. As for profit, the gross profit ratio improved thanks to progress made in price negotiations and increased capacity utilization, and profitability improved overseas. This led to operating profit up 26.1% from the previous year to 14,475 million yen, ordinary profit up 13.8% from the previous year to 15,683 million yen, and profit attributable to owners of parent up 12.2% from the previous year to 11,332 million yen.

The operating results by segment are as follows.

Parent Company

In our outsourcing services business, increased sales and improved profitability in BPO and CX services led to net sales up 3.1% from the previous year to 244,017 million yen, and segment profit up 1.6% from the previous year to 7,116 million yen.

Domestic Subsidiaries and Affiliates

In domestic subsidiaries and affiliates, increased sales in listed subsidiaries led to net sales up 2.3% from the previous year to 43,286 million yen, and a return to profitability of group companies of a listed subsidiary led to segment profit up 49.3% from the previous year to 2,866 million yen.

Overseas Subsidiaries and Affiliates

For overseas subsidiaries and affiliates, increased sales in South Korean, Southeast Asian, and Chinese subsidiaries, as well as exchange rate fluctuations, led to net sales up 6.9% from the previous year to 102,284 million yen, while profitability improvement through cost optimization in Chinese subsidiaries and increased profit in Southeast Asian and South Korean subsidiaries led to segment profit up 82.4% from the previous year to 4,643 million yen.

Segment profits are calculated based on operating profit on the Consolidated Statement of Income.

(2) Issues to Be Addressed

Fundamental Policy for Business Portfolio

The Group intends to optimize its business portfolio by primarily engaging globally in CX (customer experience) services and BPO (business process outsourcing) services businesses, investing management resources into new businesses expected to be profitable and grow, and maximizing the Group's potential.

Medium-term Business Plan

We have formulated the Medium-term Business Plan for the period from the fiscal year ended March 2024 to the fiscal year ending March 2026 to pursue the following key initiatives.

■ Vision

1. Evolve into a Technology Solutions Company from a company with operational excellence

Leverage the CX platform (fully optimized user touchpoints) and digital BPO (fully optimized business processes) using the latest cloud technology and data, accelerate customer success by utilizing digital tools to maximize the customer experience and productivity.

2. Become the unparalleled leader in Asia and a top-five global CX/BPO services player

Promote and strengthen organic collaboration among our 184 global offices in Japan, China, South Korea, the ASEAN region, the US, and Europe as the continuous growth engine of the Group, capitalizing on the growth potential of global companies to maximize earnings. Use the Group's network to tap into new market opportunities.

3. Meet expectations of all stakeholders including clients, employees and shareholders, and serve society

Commit to fairness, trust, quality, continuity, innovation, customer success and growth, remain a partner for solving social problems with a diverse business and service portfolio.

■ 5 Strategies

1. Pivot to a platform business model (as-a-service)
2. Structural reform for greater quality and profits by service standardization
3. Reinforce systems and develop people to win in a growing global market
4. Develop new businesses and drive R&D by maximizing our global network
5. Develop a group management base (finance, human resources, marketing, ESG)

Through these initiatives, we aspire to bring our clients the ultimate customer experience and revolutionary productivity through the latest digital technologies, making steady progress toward becoming the Global Digital Transformation Partner that will help achieve a sustainable society.

Additionally, in the Medium-term Business Plan, we have set the target of net sales of at least 450 billion yen and an operating profit margin of 6.0% to 8.0% by the fiscal year ending March 2026. However, achieving this target is expected to be challenging due to several factors, including the impact of China's economic slowdown, a continued cautious attitude toward investment among companies following the COVID-19 pandemic, a higher-than-expected rise in personnel expenses, and ongoing revisions to technology-related pricing.

Furthermore, for fiscal 2025, we are forecasting net sales of 400 billion yen (up 6.4% from the previous year), operating profit of 15.5 billion yen (up 7.1%), and an operating profit margin of 3.9%.

While maintaining our trend of increased revenue and profit through promoting the strategies set under the Medium-term Business Plan, we will lay the groundwork for the next Medium-term Business Plan.

The Fundamental Sustainability Policy of the transcocosmos Group

Staying true to our Fundamental Management Philosophy that client satisfaction is the true value of our company, we, transcocosmos, will co-create a well-being society with you all. Together, transcocosmos will drive progress on SDGs/ESG.

■ Efforts for Addressing Important Management Issues Concerning Sustainability

The Company is actively working on social issues and expectations in the three elements of ESG (Environmental, Social, and Governance) and has established a system to promote sustainability based on the SDGs Committee Operating Rules.

• Environmental (E)

The Company discloses information on climate change based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and we have disclosed the GHG emissions (Scopes 1 to 3) of the transcocosmos Group.

While an approach to environmental conservation is also essential as a global digital transformation partner of clients, it is intended to minimize business risks brought about by progression of climate changes by working to contribute to the satisfaction of green procurement requirements of clients and a reduction in environmental load of society through the development and operation of environment management systems compliant with ISO 14001 international standard and the provision of services leading to streamlined and labor-saving operations and environmentally friendly services.

As part of its carbon neutral program, the Company carried out a companion planting activity at Hiyoshi Shizen-no Ie (Hiyoshi Nature House) in Nagasaki Prefecture in the fiscal year ended March 2025, following Wakayama Prefecture and the town of Yaese, Okinawa in the fiscal year ended March 2024. Additionally, Wakayama Prefecture's Corporate Forest Project has been certified as a Water Cycle ACTIVE Company in Japan in FY2024, promoting activities that contribute to decarbonization, the water cycle, and other ecosystem conservation efforts.

Furthermore, transcocosmos and the transcocosmos foundation have been actively engaging in

environmental conservation activities through providing funding for biodiversity research activities in Minna no Mori—Forest for Everyone—a forest in Oita Prefecture owned by TAJIMA FOREST, as well as providing human resources support in deciding a course of action, checking on progress, etc. Through this initiative, we have obtained a Certificate of Support for OECMs (Other Effective area-based Conservation Measures) (trial version) issued by the Ministry of the Environment. The Group will contribute to achieving a nature-positive world.

- Social (S)

We are grappling with various social issues through the fulfillment of our responsibilities for the services that we provide, the promotion of diversity, close attention to human rights and working conditions, and CSR (Corporate Social Responsibility) activities. In particular, to strengthen our human capital, which are the key driver to accelerate business growth and global expansion and to enable the continuous creation of additional value, the Group is working to realize an environment where employees with various backgrounds in terms of gender, nationality, and disability can be motivated.

transcosmos certified as a “Barrier-Free Mind” Good Practice Company by the Tokyo Metropolitan Government in FY2023 for its outstanding efforts in hiring people with disabilities and gave a presentation, and received a PRIDE Index 2024 Gold, which is an indicator evaluating LGBTQ+ initiatives at workplaces.

We have also been certified as a “2025 Certified KENKO Investment for Health Outstanding Organizations (Large Enterprise Category)” for the third year in a row, as part of a system that recognizes both major corporations and small- and medium-sized companies that practice particularly excellent KENKO investment for health.

We are promoting education and awareness-raising activities on human rights by providing Business and Human Rights Training and a Human Rights Handbook to all full-time and contract employees in the fiscal year ended March 2025.

In order to contribute to regional revitalization by working with local governments and local companies to solve local social issues, using the corporate version of Furusato Nozei, a Japanese hometown tax donation program, transcosmos supported the Miyagi Coastal Project (Miyagi Coastal Forest Restoration Project) in Miyagi Prefecture and the Scholarship Repayment Support Project for the Creation of HINATA in Miyazaki Prefecture.

- Governance (G)

We are strengthening the business foundation that is indispensable for business continuity, including corporate governance, risk management, compliance, and information security. In the fiscal year ended March 2025, in order to realize management that takes into account the environment (E), society (S), and governance (G), we have established the transcosmos Group Code of Conduct to contribute to society by meeting the expectations of all stakeholders, including our clients, people, and shareholders, and to maintain and enhance the corporate value of the transcosmos Group by raising awareness of compliance among our officers and employees.

Our specific initiatives for corporate governance are described in “To strengthen its corporate governance” on page 51.

(3) Status of Raising Funds

There is nothing significant to be noted during the current fiscal year.

(4) Status of Capital Investment

There is nothing significant to be noted during the current fiscal year.

(5) Transfers, Absorption-type Splits, or Incorporation-type Splits of Business

There is nothing significant to be noted during the current fiscal year.

(6) Acquisition of Businesses of Other Companies

There is nothing significant to be noted during the current fiscal year.

(7) Succession of Rights and Duties of Other Institutions in Relation to Mergers or Absorption-type Splits

There is nothing significant to be noted during the current fiscal year.

(8) Acquisition or Disposal of the Shares, Other Equities, or Share Acquisition Rights of Other Companies

There is nothing significant to be noted during the current fiscal year.

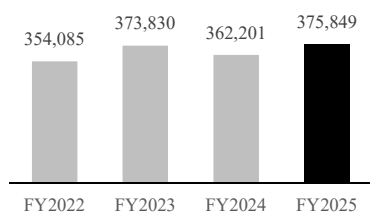
(9) Trends of Business Results and Assets of the Group

Category	FY2022 (37 th Fiscal Term)	FY2023 (38 th Fiscal Term)	FY2024 (39 th Fiscal Term)	FY2025 (current fiscal year) (40 th Fiscal Term)
Net sales (millions of yen)	354,085	373,830	362,201	375,849
Ordinary profit (millions of yen)	28,902	23,072	13,782	15,683
Profit attributable to owners of parent (millions of yen)	21,488	15,767	10,097	11,332
Profit per share (yen)	518.12	389.22	269.46	302.41
Total assets (millions of yen)	218,455	193,842	199,446	207,984
Net assets (millions of yen)	120,880	112,381	118,065	129,068
Net assets per share (yen)	2,723.29	2,761.61	2,892.32	3,166.17

Note: Profit per share is calculated by deducting the average number of treasury shares in each fiscal term from the average total number of shares issued in each fiscal term. Net assets per share is calculated by deducting the number of treasury shares as of end of the term from the total number of issued shares as of end of the term.

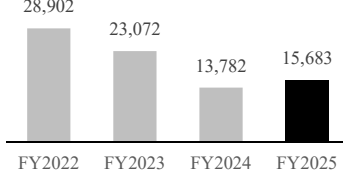
Net sales

(millions of yen)



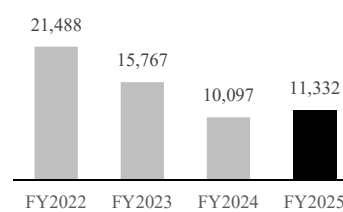
Ordinary profit

(millions of yen)



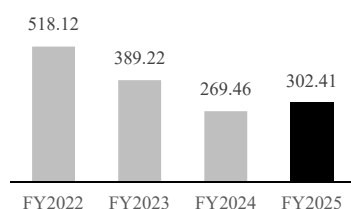
Profit attributable to owners of parent

(millions of yen)



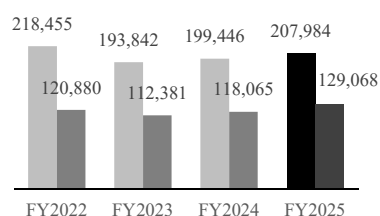
Profit per share

(yen)



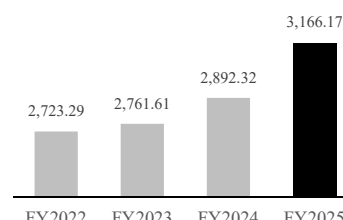
Total assets/Net assets

(millions of yen)



Net assets per share

(yen)



(10) Status of Parent Company and Major Subsidiaries

1) Relationship with the parent company

Not applicable.

2) Major subsidiaries

Name	Share capital	Ratio of voting	Principal business
J-Stream Inc.	2,182 million yen	50.35%	Data distribution service business using the Internet
APPLIED TECHNOLOGY CO., LTD.	600 million yen	60.23%	System integration business for GIS/manufacturers
transcosmos Korea Inc.	KRW5,302 million	100.00%	CX Services in South Korea, BPO Services
transcosmos China	RMB153 million	100.00%	CX Services in China

(11) Principal Business of the Group (As of March 31, 2025)

CX (Customer Experience) Services Business
The Group provides services that integrate digital marketing services, e-commerce one-stop services and contact center services and support improvement of customer experience through the elimination of boundaries among marketing, sales and support at diversifying touchpoints between companies and consumers. Integrating our long-standing, proven know-how on consumer communication and digital technology with our global service network, we support improvement of customer loyalty for clients as well as to expand their sales and profits.
BPO (Business Process Outsourcing) Services Business
The Group provides services supporting back-office operations including accounting, finance and human resources management, order reception and placement operations, information system operation and maintenance, machine and architectural design, etc. Leveraging the digital technology-based automation and the digital platform, the Group simplifies clients' business process and supports its operation.

(12) Principal Business Offices of the Group (As of March 31, 2025)

Office	Location
Headquarters	Sunshine 60 Bldg., 3-1-1, Higashiikebukuro, Toshima-ku, Tokyo
Main Office	2-20, Higashi 1-chome, Shibuya-ku, Tokyo, Japan Shibuya First Tower
Head Office, Branch Offices and Business Offices	Osaka, Chubu, Wakayama, Kyushu, Kyoto, Silicon Valley
Domestic Offices	Sapporo, Aomori, Sendai, Kawaguchi, Ichikawa, Tokyo, Yokohama, Nagoya, Osaka, Kobe, Wakayama, Fukuoka, Nagasaki, Sasebo, Kumamoto, Oita, Miyazaki, Naha, Okinawa, Uruma
Overseas Offices	Greater China (Mainland China and Taiwan), South Korea, Vietnam, Philippines, Thailand, Malaysia, Indonesia, Singapore, India, UAE, Norway, Finland, Sweden, U.K., Denmark, the Netherlands, Belgium, France, Estonia, Latvia, Poland, Ukraine, Hungary, South Africa, U.S.A., Mexico, Panama, Colombia, Brazil, Ecuador, Peru, Chile, Argentina, Uruguay

Note: Offices of the Group companies are included in the above.

(13) Employees (As of March 31, 2025)

1) Employees of the Group

Segment	Number of employees	Number of temporary employees
Parent Company	17,910	21,002
Domestic Subsidiaries and Affiliates	2,556	1,965
Overseas Subsidiaries and Affiliates	21,216	6,004
Total	41,682	28,971

2) Employees of the Company

Number of employees	Year-on-year change	Average age	Average length of service
17,910 (21,002)	+ 585 (- 624)	37 years, 2 months	9 years, 4 months

(Note) “Number of employees” refers to the number of employees actually working at the Company.

Number of temporary employees is separately indicated in parentheses, which shows the average number in the current fiscal year.

(14) Major Creditors (As of March 31, 2025)

(Millions of yen)

Creditor	Outstanding loans
Sumitomo Mitsui Banking Corporation	2,098
MUFG Bank, Ltd.	2,000
Mizuho Bank Ltd.	2,000

2. Matters Concerning Shares of the Company (As of March 31, 2025)

- (1) Total number of shares authorized to be issued: 150,000,000 shares
- (2) Total number of shares issued: 43,863,116 shares
(number of shares constituting one unit: 100 shares)
- (3) Number of shareholders at end of the fiscal year: 8,857
(of which 6,775 shareholders hold unit shares)
- (4) Top ten major shareholders

Name	Number of shares held (thousands of shares)	Shareholding ratio (%)
transcosmos foundation, Public Interest Incorporated Foundation	6,753	18.0
Masataka Okuda	6,404	17.1
Master Trust Bank of Japan, Ltd. (Account in Trust)	3,439	9.2
Mihoko Hirai	1,463	3.9
Custody Bank of Japan, Ltd. (Account in Trust)	1,410	3.8
The Bank of New York Mellon 140042	1,082	2.9
State Street Bank and Trust Company 505001	899	2.4
CEPLUX - The Independent UCITS Platform 2	800	2.1
Employee Shareholding Association of transcosmos inc.	722	1.9
HM Kosan, Ltd.	722	1.9

Notes:

- Although the Company holds 6,390,229 treasury shares, it is excluded from the top ten major shareholders above. Shareholding ratio is calculated by excluding treasury shares.
The Company cancelled 4,930,930 treasury shares on May 24, 2024.
- Number of shares held less than one thousand is rounded down to the nearest thousand.
- Shareholding ratio is rounded off to the nearest first decimal.

3. Matters Concerning the Share Acquisition Rights, etc. of the Company (As of March 31, 2025)

(1) Share Acquisition Rights, etc. Held by the Company's Officers

Not applicable.

(2) Share Acquisition Rights Delivered to the Company's Employees during the Fiscal Year

Not applicable.

(3) Other Important Matters Regarding Share Acquisition Rights, etc.

What follows is the outline of the share acquisition rights attached to euro-yen denominated convertible-bond-type bonds with share acquisition rights due 2026 issued in accordance with the resolution of the Board of Director at its meeting held on November 25, 2021.

Date of issuance	December 14, 2021 ^(Note 1.)
Number of share acquisition rights	1,000 units
Type and number of shares subject to share acquisition rights	Common stock of the Company Number obtained by dividing the par value of the corporate bond portion of these bonds with share acquisition rights (10,000,000 yen with the total par value of 10,000,000,000 yen) by the conversion price
Amount to be paid in for share acquisition rights	None
Conversion price	4,045.6 yen ^(Note 2)
Exercise period	From December 28, 2021 (inclusive) to November 30, 2026 (inclusive, until the end of bank business hours) ^(Note 3)

Note 1: London time

Note 2: The conversion price was adjusted from 4,062.8 yen to 4,045.6 yen after April 1, 2023 in accordance with the conversion price adjustment clause for the euro-yen denominated convertible-bond-type bonds with share acquisition rights due 2026, following the approval of the proposed dividend of surplus, which set the year-end dividend at 117 yen per share, at the 38th Annual General Meeting of Shareholders held on June 21, 2023.

Note 3: Local time of the place where exercise request is accepted

4. Corporate Officers (As of March 31, 2025)

(1) Directors and Audit and Supervisory Committee Members

Position	Name	Assignment or principal responsibilities and significant concurrent positions
Representative Director, Chairman	Masataka Okuda	—
Representative Director, Co-president	Masaaki Muta	Responsible for Marketing Division
Representative Director, Co-president	Takeshi Kamiya	Co-Sector Manager of Business Development Sector
Representative Director, Executive Vice President	Masatoshi Kouno	Headquarters Manager of BPO Services Headquarters, Responsible for Quality Control Department, Responsible for Collaboration between DCC and other departments, directly reporting to CX Business Headquarters
Director, Executive Vice President	Kenshi Matsubara	Headquarters Manager of CX Business Headquarters
Director, Executive Vice President	Hiroshi Kaizuka	Headquarters Manager of Group Sales Headquarters, Headquarters Manager of Sales Headquarters, Group Sales Headquarters
Director, Senior Corporate Executive Officer	Eijiro Yamashita	Co-Headquarters Manager of Global Business Headquarters President of transcosmos China Vice-President Commissioner of PT. transcosmos Indonesia Chairman & Director of transcosmos Korea Inc.
Director, Corporate Senior Officer	Yoshie Kadomatsu	Sector Manager of Urban Engineering Services Sector of BPO Services Headquarters, Deputy Headquarters Manager of BPO Services Headquarters Director of Applied Technology Co., Ltd.
Director, Corporate Advisor	Koji Funatsu	—
Outside Director (Audit and Supervisory Committee Member)	Takeshi Natsuno	President of Dwango Co., Ltd. Outside Director of GREE Holdings, Inc. Outside Director of U-NEXT HOLDINGS Co., Ltd. Outside Director of Oracle Corporation Japan Special Guest Professor and Head of Cyber Informatics Research Institute of Kindai University Chief Executive Officer of KADOKAWA CORPORATION
Outside Director (Audit and Supervisory Committee Member)	Nozomu Yoshida	Representative Director of Odayaka Living Co., Ltd. Representative Director of playful. inc
Outside Director (Audit and Supervisory Committee Member)	Eiji Uda	President and Representative Director of Unified Service Co., Ltd. Outside Director of pluszero, Inc. Outside Director of Ubiregi Co., Ltd.
Outside Director	Rehito Hatoyama	Outside Director of Pigeon Corporation Representative Director of Hatoyama Soken Corporation
Outside Director	Genichi Tamatsuka	Representative Director, President, and CEO of Lotte Holdings Co., Ltd. Chairman of JAPAN RUGBY LEAGUE ONE Vice Chairman of the Japan Association of Corporate Executives Director and Acting Owner of Chiba Lotte Marines

Position	Name	Assignment or principal responsibilities and significant concurrent positions
Outside Director	Noriyoshi Suzuki	Representative Director of Suzuki Noriyoshi Office Representative Director & President of LES ROIS MAGES JAPON Outside Director of Warranty technology,inc
Outside Director	Miwa Tsurumori	Partner of Toranomom 1-Chome Law Office Outside Corporate Auditor of Twenty-Four Seven, Inc
Outside Director	Norihiro Kuretani	Representative Director of Solfe Inc.

Notes:

- Changes to Director during the fiscal year are as follows:
Director Kiyoshi Shiraishi retired due to the expiration of his term of office at the conclusion of the 39th Annual General Meeting of Shareholders held on June 25, 2024.
Director Yoshie Kadomatsu and Outside Director Norihiro Kuretani were elected and assumed their office at the 39th Annual General Meeting of Shareholders held on June 25, 2024.
- Outside Directors (Audit and Supervisory Committee Members) Takeshi Natsuno, Nozomu Yoshida and Eiji Uda possess considerable expertise and experience in finance and accounting on account of their experience as managers.
- The Company establishes the Internal Audit Office that assists the duties of the Audit and Supervisory Committee. Since the Company considers that the Internal Audit Office exclusively engages in internal control operations and sufficiently supports the functions of the Audit and Supervisory Committee, it does not appoint any full-time Audit and Supervisory Committee Member.
- The Company has designated Outside Directors Takeshi Natsuno, Nozomu Yoshida, Rehito Hatoyama, Genichi Tamatsuka, Noriyoshi Suzuki, Miwa Tsurumori, and Norihiro Kuretani as independent executives stipulated by the Tokyo Stock Exchange, and registered them with the exchange as such.
- Liability Limitation Agreement
The Company has entered into, with Outside Directors Takeshi Natsuno, Nozomu Yoshida, Eiji Uda, Rehito Hatoyama, Genichi Tamatsuka, Noriyoshi Suzuki, Miwa Tsurumori, and Norihiro Kuretani, the liability limitation agreement, which limits liability for damage under Article 423, paragraph (1) of the Companies Act pursuant to the provisions of Article 427, paragraph (1) of the Companies Act.
The maximum amount of liability for damages under such agreement is one million yen or the amount provided for in Article 425, paragraph (1) of the Companies Act, whichever is higher.
- DCC under “Assignment or principal responsibilities and significant concurrent positions” for Directors stands for Digital Customer Communication.

(2) Outside Directors

Significant concurrent positions outside the Company and relationship with these companies

Category	Name	Companies with which concurrent positions are held	Concurrent position	Relationship between the Company and these companies
Outside Director (Audit and Supervisory Committee Member)	Takeshi Natsumo	DWANGO Co., Ltd. GREE Holdings, Inc. U-NEXT HOLDINGS Co., Ltd. Oracle Corporation Japan Kindai University KADOKAWA CORPORATION	Representative Director Outside Director Outside Director Outside Director Special Guest Professor Chief Executive Officer	The Company has a business relationship with companies other than U-NEXT HOLDINGS Co., Ltd and Kindai University.
	Nozomu Yoshida	Odayaka Living Co., Ltd. playful.inc	Representative Director Representative Director	There is no special relationship between each company and the Company.
	Eiji Uda	Unified Service Co., Ltd. pluszero, Inc. Ubiregi Co., Ltd.	Representative Director Outside Director Outside Director	There is no special relationship between each company and the Company.
Outside Director	Rehito Hatoyama	Pigeon Corporation Hatoyama Soken Corporation	Outside Director Representative Director	There is no special relationship between each company and the Company.
	Genichi Tamatsuka	Lotte Holdings Co., Ltd. JAPAN RUGBY LEAGUE ONE The Japan Association of Corporate Executives Chiba Lotte Marines	Representative Director Chairman Vice Chairman Director	There is no special relationship between each company and the Company.
	Noriyoshi Suzuki	Suzuki Noriyoshi Office LES ROIS MAGES JAPON Warranty technology,inc	Representative Director Representative Director Outside Director	The Company has a business relationship with Warranty technology,inc. There is no special relationship between the other corporations and the Company.
	Miwa Tsurumori	Toranomon 1-Chome Law Office Twenty-Four Seven, Inc	Partner Outside Corporate Auditor	There is no special relationship between each company and the Company.
	Norihiro Kuretani	Solfe Inc.	Representative Director	There is no special relationship between each company and the Company.

(3) Principal Activities of Outside Directors

Principal Activities at Board of Directors' and Audit and Supervisory Committee Meetings during the current fiscal year

Attendance at Board of Directors' Meetings

Outside Directors (who are Audit and Supervisory Committee Members)		Outside Director	
Takeshi Natsuno	Number of meetings attended 13/13	Rehito Hatoyama	Number of meetings attended 13/13
Nozomu Yoshida	Number of meetings attended 13/13	Genichi Tamatsuka	Number of meetings attended 9/13
Eiji Uda	Number of meetings attended 13/13	Noriyoshi Suzuki	Number of meetings attended 13/13
		Miwa Tsurumori	Number of meetings attended 13/13
		Norihiro Kuretani	Number of meetings attended 10/10

Attendance at Audit and Supervisory Committee meetings

Outside Directors (who are Audit and Supervisory Committee Members)	
Takeshi Natsuno	Number of meetings attended 17/17
Nozomu Yoshida	Number of meetings attended 17/17
Eiji Uda	Number of meetings attended 17/17

Comments at Board of Directors' Meetings and Outline of Duties Executed in Relation to Roles Expected of Outside Directors

At Board of Directors' meetings, each Outside Director actively stated his or her opinion including the provision of supervision, advice, etc., from an expert and impartial standpoint and played appropriate roles in ensuring the validity and appropriateness of decision making and business execution.

Comments at Audit and Supervisory Committee Meetings

At Audit and Supervisory Committee Meetings, each Outside Director (Audit and Supervisory Committee Member) asked questions and made statements on business operation and management status of the Company and Group companies, as necessary, to audit the execution of duties by Directors and employees.

(4) Outline of the Directors and Officers Liability Insurance Contract

The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The scope of the insured persons under this insurance contract includes Directors and Corporate Officers of the Company and Directors, Statutory Auditors and Corporate Officers of (certain) subsidiaries. This insurance contract is to compensate for any damage to Directors or others who are the insured persons that may arise from any liability owed by them in relation to their execution of duties or any claims made against them in relation to the pursuit of such a liability. The contract is subject to certain exemptions from liability to prevent the appropriateness of the execution of duties by the officers of the Company who are the insured persons from being impaired. For example, any such damage as described above will not be reimbursed if it has arisen from an act contrary to public order and morality. The insurance premiums of this contract are fully borne by the Company.

(5) Remuneration paid to Directors

Regarding individual remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members) for the current fiscal year, the Board of Directors delegates the decision to the Management Meeting based on a report by the Remuneration Committee, the majority of which consists of Independent Outside Directors, and the Audit and Supervisory Committee, which consists of outside directors, appropriately supervises to ensure that such decision-making authority is properly exercised by the Management Meeting. As the remuneration paid to the directors is determined in accordance with this series of procedures, we have determined that the details of remuneration are in line with the determination policy.

The policy on determination of the details of remuneration for each Director is as follows.

The remuneration for Internal Directors (excluding Directors who are Audit and Supervisory Committee Members) shall, in principle, consist of monetary remuneration, which is paid regularly on a monthly basis during the term of office.

Remuneration for Internal Directors consists of the portion paid according to individual performance assessments for the fiscal year and the portion determined by quantitatively assessing the progress of the medium-term business plan based on the net sales and profit goals set forth in the plan and actual results. The latter portion of remuneration linked to medium to long term performance is, in general, set to 20% of total monthly remuneration. In addition to the monthly remuneration above, bonuses for Directors may be provided during their term of office, if it is judged to be particularly reasonable to provide such bonuses in consideration of the short-term business results of the Company and the business environment.

The remuneration for Outside Directors (excluding Directors who are Audit and Supervisory Committee Members) shall consist of fixed monetary remuneration paid regularly on a monthly basis during the term of office to ensure independence.

The remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) shall be determined by the Management Committee based on a fair evaluation of performance for Internal Directors, while for Outside Directors, a draft determined in consideration of their duties shall be deliberated during a Remuneration Committee composed of a majority of Independent Outside Directors, then submitted to the Board of Directors, and the Management Meeting delegated to this task shall, based on this report from the Board of Directors, make a final decision. This determination process shall be properly supervised by the Audit and Supervisory Committee.

The Management Meeting is composed of three members, Representative Director and Chairman Masataka Okuda, Representative Director, Co-president, and Responsible for the Marketing Division Masaaki Muta, and Representative Director, Co-President, and Co-Sector Manager of Business Development Sector Takeshi Kamiya, and has the authority to determine the remuneration paid to each Director. The reason for the entrustment was that the Management Meeting was considered to be suitable for evaluating the department of which each Director is in charge while taking into consideration the business performance of the Company as a whole.

The remuneration paid to Directors who are Audit and Supervisory Committee Members is determined through discussion among Directors who are Audit and Supervisory Committee Members.

Category	Number of Persons paid	Amount paid (Millions of yen)
Directors (excluding Directors who are Audit and Supervisory Committee Members) (Outside Directors who are among the above)	15 (5)	410 (85)
Directors (who are Audit and Supervisory Committee Members) (Outside Directors who are among the above)	3 (3)	54 (54)
Total (Outside Directors who are among the above)	18 (8)	464 (139)

Notes:

1. The amount of monetary remuneration paid to Directors (excluding Directors who are Audit and Supervisory Committee Members) was resolved not to exceed 800 million yen per year (including monetary remuneration paid to Outside Directors, which shall not exceed 100 million yen per year) at the 31st Annual General Meeting of Shareholders held on June 22, 2016. (These amounts do not include any salaries that Directors who double as employees receive as an employee.) The number of Directors (excluding Directors who were Audit and Supervisory Committee Members) was 16 (including three Outside Directors) at the conclusion of the General Meeting of Shareholders.
2. The amount of monetary remuneration paid to Directors who are Audit and Supervisory Committee Members was resolved not to exceed 60 million yen per year at the 31st Annual General Meeting of Shareholders held on June 22, 2016. The number of Directors who were Audit and Supervisory Committee Members was three as at the conclusion of the General Meeting of Shareholders.

5. Status of the Accounting Auditor

(1) Name of the Accounting Auditor

PricewaterhouseCoopers Japan LLC

(2) Remuneration paid to the Accounting Auditor during the current fiscal year

	(Millions of yen)
(i) Total remuneration to be paid during the current fiscal year of the Company	108
(ii) Total amount of money and other profits from properties to be paid by the Company and its subsidiaries to the Accounting Auditor	184

Notes:

1. The Audit agreement between the Company and the Accounting Auditor does not separate or is unable to effectively separate audit remunerations for audits under the Companies Act and audit remunerations for audits under the Financial Instruments and Exchange Act. Accordingly, the amount described in (1) above does not separate these two types of payment.
2. As a result of checking and examining, among others, the Accounting Auditor's audit plan, execution of auditing duties, and grounds for calculating the estimate of remuneration, the Audit and Supervisory Committee gave its consent to the remuneration, etc., for the Accounting Auditor.

(3) Matters concerning audits of subsidiaries

Among the major subsidiaries of the Company, transcosmos Korea Inc. and transcosmos China underwent legal audits by certified public accountants or accounting auditor other than the Company's Accounting Auditor (including overseas accountants with qualifications similar to those of these accountants).

(4) Non-auditing service

Not applicable.

(5) Summary of the Liability Limitation Agreement

Not applicable.

(6) Policy on determining the dismissal or non-reappointment of the Accounting Auditor

If any of the provisions of Article 340, Paragraph 1 of the Companies Act applies to the Accounting Auditor, the Audit and Supervisory Committee will dismiss the Accounting Auditor upon the unanimous approval of Audit and Supervisory Committee Members. If it is judged necessary to do so, such as if there are obstacles to the Accounting Auditor executing its duties, the Audit and Supervisory Committee will decide a proposal for dismissal or non-reappointment of the Accounting Auditor; and the Board of Directors will submit the said proposal to the General Meeting of Shareholders.

6. Corporate Structure and Policies

(1) Fundamental Policy for Internal Control System

The fundamental policy concerning the system to ensure the appropriateness of business (the so-called internal control system) approved by the Board of Directors of the Company is as follows:

- 1) Corporate structure to ensure legal compliance and compliance with the Articles of Incorporation in the execution of duties by Directors

In order to satisfy corporate social responsibility, compliance with laws and regulations, and compliance with the Articles of Incorporation, the Company ensures that Directors adhere to the Compliance Charter, the Code of Conduct, and the Compliance Rules in the execution of duties. The Company will further raise the awareness of all of the Directors on matters of compliance through training sessions on compliance and ensure the execution of duties based on these principles.

The Board of Directors' Meeting, which is to be held once a month in principle, will be operated in accordance to the Board Rules. Communication among the Directors is encouraged, and the Directors will oversee the execution of one another's duties. The Directors who are Audit and Supervisory Committee Members will monitor the execution of the duties of the Directors.

Through the implementation of the laws and regulations related to internal control, the Company has once again drawn up a set of basic plans for the establishment of a stronger system for internal control, with the cooperation and support of attorneys, certified public accountants, and other external consultants.

- 2) System for the storage and management of information in relation to the execution of duties by the Directors

Important decision-making and reports are made in accordance with the Board Rules.

Documents related to the execution of duties and other information shall be handled in compliance with the Approval Request Rules, Document Management Rules, Contract Handling Rules, Information Management Rules, and Information Security Control Rules. Inspections will be carried out to confirm whether these rules are applied properly, and each rule will be reviewed as necessary.

As for administrative work related to these matters, the Legal & Compliance Division Manager will manage the Approval Request Rules, Document Management Rules, Contract Handling Rules, Information Management Rules, and Information Security Control Rules, as well as inspect whether these rules are applied and review procedures, and report to the Board of Directors in a timely manner.

To ensure efficient execution of business, the Company shall endeavor to further promote a system for the rationalization of business and implementation of the IT system.

- 3) Rules related to the management of the risk of loss and other systems

As stipulated under the Internal Audit Rules, the Internal Audit Office will prepare an audit plan based on careful consideration of the items to be audited and the audit methods, conduct the audit in accordance with the plan, and report on the results of those audits in line with the instructions and orders of the Representative Director and the Audit and Supervisory Committee.

If any breach of laws, regulations, or the Articles of Incorporation is found through an audit by the Internal Audit Office, or if any business act which may lead to a risk of loss due to other causes is found, the matter shall be reported immediately to the Representative Director and the Audit and Supervisory Committee.

The Compliance Promotion Department of the Legal & Compliance Division will be in charge of risk management in accordance with the basic rules on risk management.

Each department will conduct risk management in relation to its respective sector and build a system to report matters promptly to the Compliance Promotion Department in case a risk of loss is discovered. To facilitate the collection of risk information, the Company will familiarize the employees with the importance of the existence of the Compliance Promotion Department and instruct them to promptly report any risk of loss they discover through the organization.

The Company will formulate rules for an internal reporting system by creating hotlines in order to establish an environment in which internal whistleblowers may easily provide information. The Company will implement appropriate reporting and consultation concerning organized or individual frauds and illegal activities, etc. through an internal reporting system in which Directors and employees can report directly to Audit and Supervisory Committee or take other actions. Through this measure, the Company will strive to discover and correct all irregularities promptly, while ensuring confidence of customers and stakeholders, etc., by preventing irregularities such as frauds and illegal activities related to business of the Company and maintaining a favorable working environment.

The information management system will be enhanced based on privacy marks and other personal information protection regulations.

4) System to ensure the efficient execution of duties by the Directors

The Company will ensure the efficient performance of business as well as evaluate Directors on the basis of their performance for each year and their medium- to long-term performance and issue remuneration by drawing up an annual plan and medium-term business plan, etc., clarifying the objectives to be achieved by the Company, clarifying the organization and business targets with which each Director will be charged, and then by having the Board of Directors review the level of target achievements and feedback the results.

In accordance with the Board Rules, the Administrative Authority Operation Guide, and the Approval Request Rules, the Company will clarify the authoritative powers and the responsibilities of the Directors.

The Board of Directors will manage and oversee the execution of business by the Corporate Officers.

Decisions on significant matters entrusted by the Board of Directors in accordance with the rules of Management Meeting shall be made promptly and with care at the Management Meeting.

5) System to ensure that the execution of duties by the employees complies with laws and regulations, and the Articles of Incorporation

The Company will see to it that all of employees follow the Compliance Charter, Code of Conduct, and Compliance Rules, to ensure that the employees fulfill their social responsibilities and comply with all relevant laws and regulations, and the Articles of Incorporation in the execution of their duties.

Anti-social elements threatening the order and safety of civil society will be approached with a resolute attitude by the organization as a whole and an internal system excluding business and all other relationships with these elements shall be developed based on the Code of Conduct.

The Legal & Compliance Division Manager will serve as the officer in charge and plan for and implement compliance programs regularly to raise employees' knowledge of compliance and create a mindset that adheres to compliance by holding training sessions on compliance and preparing and distributing manuals.

6) System for reporting to the Company matters concerning execution of duties by Directors and employees of subsidiaries

The Company will establish an internal system for regularly reporting to the Company about subsidiaries' performance, financial situation, and other important information in accordance with the management rules of the subsidiaries and affiliates stipulated by the Company.

7) Rules for managing subsidiaries' risk of loss and other systems

In order to confirm if there is risk information on the Company group, made up of the Company and its subsidiaries (hereinafter referred to as the "Group"), the departments of the Company in charge of subsidiaries will conduct necessary risk management in accordance with the management rules of the subsidiaries and affiliates, as called for by the situations of the subsidiaries.

If the departments of the Company, in charge of the subsidiaries discover any risk of loss at the subsidiaries, they will promptly notify the representative directors of the Company of the details of the risk of loss discovered, the level of possible loss, and the influence on the Company.

8) System to ensure the efficient execution of duties by Directors and employees of subsidiaries

The Company will oblige its subsidiaries to prepare an annual plan for the said annual plan, and decide budget allocation, etc. It will oblige subsidiaries to clarify earnings targets, while developing an internal system to ensure operational efficiency.

9) System to ensure that execution of duties by Directors and employees of subsidiaries complies with laws and regulations, and the Articles of Incorporation

The Company will dispatch its personnel as Directors or Audit and Supervisory Committee Members to the subsidiaries, and the dispatched directors will attend the Board of Directors' Meetings of the subsidiaries and manage the operations of the subsidiaries. The departments of the Company in charge of subsidiaries and affiliates will conduct audit in cooperation with the Internal Audit Office, based on the management rules of the subsidiaries and affiliates, and give guidance to subsidiaries.

For subsidiaries that the Company considers significant, directors and employees of those subsidiaries will undergo every year compliance training equivalent to that of the Company.

10) Matters related to employees and Directors appointed for the support of the Audit and Supervisory Committee, and matters related to ensuring the independence of said employees and Directors from other Directors, and the effectiveness of instructions to the said Directors and employees

The Internal Audit Office assists the work of the Audit and Supervisory Committee. The Internal Audit Office supports the audit work of the Audit and Supervisory Committee in line with the instructions of and under the supervision of the Audit and Supervisory Committee. Transfers, evaluation, and disciplinary measures of the major employees of the Internal Audit Office shall be carried out with the prior consent of the Audit and Supervisory Committee.

The Company does not have Directors who are to assist the work of the Audit and Supervisory Committee.

11) System for reporting to the Audit and Supervisory Committee by Directors and employees, and other systems for reporting to the Audit and Supervisory Committee

Directors and employees shall report to the Audit and Supervisory Committee regularly on the following items, and Directors who are Audit and Supervisory Committee Members will attend the Board of Directors' Meetings and other important meetings for briefing.

- Matters to be resolved and matters to be reported at the Board of Directors' Meetings
- Monthly, quarterly, and annual business results, earnings forecasts, and financial conditions
- Details of significant disclosure materials
- Significant organizational and personnel changes
- Matters that may cause material loss to the Company
- The Company's significant accounting principles, accounting standards, and any changes thereto
- Activities of the Internal Audit Office and the Compliance Promotion Department
- Other significant matters for approval, or for resolution

There shall be established a system for promptly reporting if any other event determined by the Audit and Supervisory Committee to require reporting occurs.

12) System for the officers and employees of the Group to report to Audit and Supervisory Committee

The officers and employees of the Group will promptly make an appropriate report when requested by the Audit and Supervisory Committee to report on matters related to the execution of duties. Moreover, the Company will develop an internal system in which matters that may cause material loss to the Group, such as material breach of laws and regulations, etc., will be immediately reported to the Audit and Supervisory Committee as soon as they are found.

The section in charge of the internal reporting system of subsidiaries of the Company shall regularly report to the Audit and Supervisory Committee of the Company on the status of internal reporting by the officers and employees of subsidiaries of the Company.

- 13) System to ensure that those who made reporting to the Audit and Supervisory Committee shall not be given disadvantageous treatment

The Company prohibits giving disadvantageous treatment to those who have made the reporting in the preceding two paragraphs to the Audit and Supervisory Committee due to the said reporting.

- 14) Matters related to the policy for processing of expenses and liabilities arising from the execution of duties by Audit and Supervisory Committee Members

If Audit and Supervisory Committee Members request the Company for advance payment, etc. of expenses in accordance to Article 399-2, paragraph (4) of the Companies Act concerning the execution of their duties, the Company shall promptly process the said expenses or liabilities, except for the cases where the expenses and liabilities by the said request are deemed not necessary for the execution of duties by Audit and Supervisory Committee Member.

- 15) Other system to ensure that audits by Audit and Supervisory Committee will be effectively conducted

The Directors and employees will work to deepen their understanding of the audits by Audit and Supervisory Committee and to improve the environment for the audits by Audit and Supervisory Committee.

The Representative Directors will exchange opinions regularly with the Audit and Supervisory Committee and establish a system to help Audit and Supervisory Committee communicate efficiently with the Internal Audit Office and perform effective auditing services.

- 16) System to conduct timely and appropriate disclosures

The Company will keep the officers and employees well informed in accordance with the Timely Disclosure Rules, and establish a reporting line of disclosure information within the Group. The propriety of the details will be secured, and timely and appropriate disclosures will be achieved at the Management Meetings.

(2) Operational Status of the System to Ensure the Appropriateness of Business

- 1) Compliance

The Company is making continuous efforts to spread the awareness of compliance and develop the willingness to ensure compliance by implementing training on compliance, as well as preparing and distributing manuals to Directors and employees.

- 2) Risk management

Reports on business from the Company and its subsidiaries are not only regularly reported to the Board of Directors but also to important meetings in the Company so that we can give instructions to relevant sections and implement measures for issues and problems in need of improvement on each occasion.

Moreover, the Company is promoting the reinforcement of the risk management system by establishing the basic rules on risk management.

- 3) Internal control system for financial reporting

The Company implements the assessment of the effectiveness of internal control on financial reporting in accordance with the Financial Instruments and Exchange Act. The internal control system is appropriately administered, without any material deficiency to be disclosed found during the fiscal year under review.

- 4) Internal audit

The Company strives to conduct its business properly, by implementing operational audits in accordance with the internal audit plan.

5) Internal reporting system within the Group

The Company strives to prevent and detect irregularities at an early stage and makes efforts to maintain a favorable working environment. This is achieved by establishing and operating an internal reporting desk within the Group in accordance with the Group's internal reporting rules, thereby providing a conducive environment for internal whistleblowers to report irregularities such as fraud and illegal activities.

(3) Policies concerning the determination of dividends of surplus

Returning profits to shareholders is one of the Company's top management priorities. We have therefore adopted a dividend policy that focuses on the dividend payout ratio, which is closely related to the Company's business performance. Our fundamental dividend policy is to distribute appropriate levels of dividends in line with the Company's business performance with a target consolidated dividend payout ratio of 35%.

(4) Fundamental Policy Regarding the Control of the Company

Fundamental Policy regarding persons who control decision on the Company's financial and business policies

1) Details of the Fundamental Policy

The Company believes that the persons who control decisions on the Company's financial and business policies need to be persons who understand the source of the Company's corporate value and who will make it possible to continually and persistently ensure and enhance the Company's corporate value and, in turn, the common interests of its shareholders.

The Company believes that ultimately its shareholders as a whole must make the decision on any proposed acquisition that would involve a transfer of corporate control of the Company. Also, the Company would not reject a large-scale acquisition of the shares in the Company if it would contribute to ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders. Nonetheless, there are some types of corporate acquisition that benefit neither the corporate value of the target company nor the common interests of its shareholders including (i) those with a purpose that would obviously harm the corporate value of the target company and the common interests of its shareholders, (ii) those with the potential to substantially coerce shareholders into selling their shares, (iii) those that do not provide sufficient time or information for the target company's board of directors and shareholders to consider the details of the large-scale acquisition or for the target company's board of directors to make an alternative proposal, and (iv) those that require the target company to negotiate with the acquirer in order to procure more favorable terms for shareholders than those presented by the acquirer.

The Company places value on client satisfaction and strives to ensure and enhance its corporate value. We believe the source of corporate value of the Company is found in (a) the comprehensive IT utilization capabilities that the Company has accumulated since its establishment as a pioneer in the outsourcing business of information processing, (b) personnel who can promptly respond to changes in the environment and combine the latest technology, making use of originality and ingenuity, and (c) "the stable and long-term relationships of trust with clients" established based on its strength as an independent corporation. Unless the acquirer of a proposed acquisition of the shares in the Company understands the source of the corporate value of the Company and would ensure and enhance these elements over the medium-to-long term, the corporate value of the Company and, in turn, the common interests of its shareholders would be harmed. The Company believes that it is necessary to ensure the corporate value of the Company and, in turn, the common interests of its shareholders by taking the necessary and reasonable countermeasures against an inappropriate large-scale acquisition by such persons.

2) Summary of specific measures to realize the Fundamental Policy

(a) Special measures to realize the Fundamental Policy such as effective use of the Company's assets and proper formation of the Group

Medium-term Business Plan

We aspire to bring our clients the ultimate customer experience and revolutionary productivity through the latest digital technologies and achieve a sustainable society as a Global Digital Transformation Partner, and to achieve this, we have formulated the Medium-term Business Plan for the period from the fiscal year ended March 2024 to the fiscal year ending March 2026.

Concrete efforts are given in “(2) Issues to Be Addressed” in “1. Business Overview of the Group” on page 30.

To strengthen its corporate governance

While performing precise decision-making and prompt business execution, the Company adopts a system of “Company with an Audit and Supervisory Committee” for the purpose of developing a management system that enables appropriate audit and supervision, and strives to increase its effectiveness to enhance corporate governance in accordance with its current business.

In terms of the operations of Board of Directors' Meetings, each Director, who is a member of the Board, gives his/her opinions at his/her discretion and there are active discussions. In addition, from an objective, neutral perspective independent of management, Outside Directors provide advice to ensure sound, rational decision-making by the Board of Directors. The Company has also introduced a corporate officer system, under which the “decision-making and oversight functions” of the Board of Directors is separated from “executive functions.” As such, the Board of Directors performs “decision-making and oversight functions” while Corporate Officers perform “executive functions.” This structure has enabled the Company to respond flexibly to changes in the business environment that are characteristic of the industry in which the Company operates, and to implement prompt and detailed business execution. The Audit and Supervisory Committee consists of three Outside Directors. Audit and Supervisory Committee Members attend important meetings such as the Board of Directors' Meetings and monitor the appropriateness of the design and operation of the internal control system through the internal control departments, and thereby conduct audits on the Company and its subsidiaries in and outside Japan, auditing the execution of duties by Directors.

Regarding the nomination of candidates for directors and the remuneration of directors (excluding Directors who are Audit and Supervisory Committee Members), the Nomination Committee (held once in the fiscal year ended March 2025) and the Remuneration Committee (held once in the fiscal year ended March 2025), chaired by an Independent Outside Director, are established with a majority of Independent Outside Directors. Each of these Committees deliberates on the nomination of candidates for directors and on the remuneration of directors (excluding Directors who are Audit and Supervisory Committee Members), and reports the results to the Board of Directors. The Audit and Supervisory Committee also supervises the process for nominating for Directors who are not Audit and Supervisory Committee Members and determining their remunerations.

We have established the Group Governance Committee, a body which oversees transcosmos Group governance, under the Board of Directors, and the expert committees under the Group Governance Committee oversee risks in their respective areas.

(b) Measures to prevent inappropriate persons from controlling the financial and business policy decisions of the Company in light of the fundamental policy

The Company has renewed a plan as a countermeasure to large-scale acquisition of the Company's shares (Takeover Response Policy) (the “Plan”). This was based on the resolution of the Board of Directors' Meeting held on May 15, 2024 and the resolution of the 39th Annual General Meeting of Shareholders held on June 25, 2024. A summary of the Plan is shown below.

Summary of the Plan

The Board of Directors of the Company, as stipulated by the fundamental policy, thinks that persons who conduct a substantial acquisition of the Company shares which does not contribute to the corporate value of the Company or the common interest of shareholders are inappropriate as persons who control decisions relating to the Company's finance and businesses. The purpose of the Plan is to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate, to deter large-scale acquisitions of the shares in the Company that are detrimental to the corporate value of the Company and, in turn, the common interests of its shareholders, and on the occasion that a large-scale acquisition of the shares in the Company were to be effected, to enable the Company's Board of Directors to present an alternative proposal to the shareholders or to ensure the necessary time and information for the shareholders to decide whether or not to accept the large-scale acquisition, and to negotiate for the benefit of the shareholders.

The Plan sets out procedures necessary to achieve the purposes stated above, including requirements for acquirers to provide information in advance in case the acquirer intends to acquire 20% or more of the Company's share certificates or other equity securities.

The acquirer must not effect a large-scale acquisition of the shares and other equity securities of the Company until and unless the Board of Directors determines not to trigger the Plan in accordance with the procedures for the Plan.

In the event that an acquirer does not follow the procedures set out in the Plan, or a large-scale acquisition of shares and other equity securities of the Company could harm the corporate value of the Company and, in turn, the common interests of its shareholders, etc., and in cases such as where the acquisition satisfies the triggering requirements set out in the Plan, the Company will implement a gratis allotment of share acquisition rights (*shinkabu yoyakuken mushou wariate*) for share acquisition rights with (a) an exercise condition that does not allow the acquirer, etc., to exercise the rights as a general rule, and (b) an acquisition provision to the effect that the Company may acquire the share acquisition rights in exchange for shares in the Company from persons other than the acquirer, etc., or implement any other reasonable measures that may be taken under laws and ordinances and the Company's Articles of Incorporation. If the gratis allotment of Share Acquisition Rights were to take place in accordance with the Plan and all shareholders other than the acquirer receive shares in the Company as a result of those shareholders exercising or the Company acquiring those share acquisition rights, the ratio of voting rights in the Company held by the acquirer may be diluted by up to about a maximum of approximately 50%.

To eliminate arbitrary decisions by directors, the Company will establish the Independent Committee, which is solely composed of members who are independent of the management of the Company such as outside directors to make objective decisions with respect to matters such as implementation or non-implementation of the gratis allotment of share acquisition rights or acquisition of share acquisition rights under the Plan. In addition, the Board of Directors may, if prescribed in the Plan, hold a General Meeting of Shareholders and confirm the intent of the Company's shareholders.

Transparency with respect to the course of those procedures will be ensured by timely disclosure to all of the Company's shareholders.

The effective period of the Plan is until the conclusion of the Annual General Meeting of Shareholders associated with the last of the fiscal years that end within three years after the conclusion of the 39th Annual General Meeting of Shareholders held on June 25, 2024.

(c) Decisions made by the Board of Directors of the Company and their rationale in relation to specific measures

The Plan provides a framework for ensuring the corporate value of the Company and, in turn, the common interests of its shareholders in the event of a large-scale acquisition of the Company's shares, and is in line with the Company's Fundamental Policy.

The Plan also respects the intention of shareholders by (i) satisfying the three principles set forth in the Guidelines on Anti-Acquisition Measures for Ensuring and Enhancing Corporate Value and Common Interests of Shareholders, (ii) obtaining shareholders' approval upon renewal of the Plan, (iii) providing, under certain circumstances and through the Shareholders Meeting, a mechanism to confirm shareholders' intentions regarding whether or not the Plan should be triggered, (iv) including a so-called "sunset clause"

that limits the effective period of the Plan to approximately three years, and (v) allowing the Board of Directors of the Company, which is composed of Directors elected at the General Meeting of Shareholders, to abolish the Plan even before its expiration. Furthermore, the integrity and objectivity of the Plan are ensured by (i) defining reasonable and objective requirements concerning the triggering of the Plan, (ii) ensuring that actual decision-making upon the triggering of the Plan is made by an Independent Committee composed solely of Outside Directors who are independent of management, (iii) allowing the Independent Committee to consult independent third-party experts, etc. at the Company's expense, and (iv) limiting the terms of office of the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) to one year, and those of Directors who are Audit and Supervisory Committee Members to two years.

Hence, the Board of Directors of the Company has determined that the Plan contributes to the corporate value of the Company and, in turn, to the common interests of its shareholders, and is not intended to protect the positions of the corporate officers of the Company.

Note: Amounts shown in this Business Report are rounded down to the unit.

Consolidated Balance Sheet
(As of March 31, 2025)

(Millions of yen)

Assets		Liabilities	
Account item	Amount	Account item	Amount
Current assets	154,658	Current liabilities	62,014
Cash and deposits	73,502	Accounts payable - trade	14,223
Notes and accounts receivable - trade, and contract assets	69,506	Short-term borrowings	80
Merchandise and finished goods	3,391	Current portion of bonds payable	81
Work in process	181	Current portion of long-term borrowings	2,059
Supplies	70	Accounts payable - other	7,170
Other	8,143	Accrued expenses	19,303
Allowance for doubtful accounts	(137)	Income taxes payable	2,642
Non-current assets	53,325	Accrued consumption taxes	5,247
Property, plant and equipment	15,099	Advances received	2,267
Buildings and structures	7,128	Provision for bonuses	6,671
Vehicles and transportation equipment	34	Other	2,268
Tools, furniture and fixtures	6,086	Non-current liabilities	16,901
Land	705	Bonds payable	128
Leased assets	1,001	Convertible-bond-type bonds with share acquisition rights	10,034
Construction in progress	143	Long-term borrowings	4,151
Intangible assets	5,329	Retirement benefit liability	411
Goodwill	619	Long-term guarantee deposits	6
Software	3,945	Other	2,169
Leased assets	14	Total liabilities	78,916
Software in progress	457	Net Assets	
Other	292	Shareholders' equity	111,579
Investments and other assets	32,896	Share capital	29,065
Investment securities	3,363	Capital surplus	6,889
Shares of subsidiaries and associates	12,851	Retained earnings	91,749
Investments in capital of subsidiaries and associates	1,853	Treasury shares	(16,125)
Long-term loans receivable	876	Accumulated other comprehensive income	7,066
Deferred tax assets	3,497	Valuation difference on available-for-sale securities	321
Guarantee deposits	10,236	Foreign currency translation adjustment	6,744
Other	1,085	Share acquisition rights	0
Allowance for doubtful accounts	(867)	Non-controlling interests	10,422
Total assets	207,984	Total net assets	129,068
		Total liabilities and net assets	207,984

Note: Figures less than one million yen are rounded down to the nearest million.

Consolidated Statement of Income
(from April 1, 2024 to March 31, 2025)

(Millions of yen)

Account item	Amount	
Net sales		375,849
Cost of sales		303,604
Gross profit		72,244
Selling, general and administrative expenses		57,769
Operating profit		14,475
Non-operating income		
Interest income	300	
Dividend income	73	
Share of profit of entities accounted for using equity method	994	
Foreign exchange gains	179	
Employment development subsidy	222	
Other	223	1,993
Non-operating expenses		
Interest expenses	59	
Provision of allowance for doubtful accounts	469	
Other	256	785
Ordinary profit		15,683
Extraordinary income		
Gain on sale of investment securities	711	
Gain on liquidation of subsidiaries and associates	186	
Gain on change in equity	278	
Other	286	1,462
Extraordinary losses		
Impairment losses	61	
Loss on valuation of investment securities	881	
Loss on valuation of shares of subsidiaries and associates	498	
Other	80	1,522
Profit before income taxes		15,623
Income taxes - current	3,331	
Income taxes - deferred	66	3,397
Profit		12,225
Profit attributable to non-controlling interests		893
Profit attributable to owners of parent		11,332

Note: Figures less than one million yen are rounded down to the nearest million.

Consolidated Statement of Changes in Equity
(from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the fiscal year	29,065	19,332	83,452	(28,567)	103,283
Changes during the fiscal year					
Dividends of surplus			(3,035)		(3,035)
Profit attributable to owners of parent			11,332		11,332
Purchase of treasury shares				(0)	(0)
Cancellation of treasury shares		(12,442)		12,442	–
Purchase of shares of consolidated subsidiaries		(0)			(0)
Net changes in items other than shareholders' equity during the fiscal year					–
Total changes during the fiscal year	–	(12,443)	8,296	12,442	8,295
Balance at the end of the fiscal year	29,065	6,889	91,749	(16,125)	111,579

(Millions of yen)

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at the beginning of the fiscal year	495	4,605	5,100	0	9,680	118,065
Changes during the fiscal year						
Dividends of surplus			–			(3,035)
Profit attributable to owners of parent			–			11,332
Purchase of treasury shares			–			(0)
Cancellation of treasury shares			–			–
Purchase of shares of consolidated subsidiaries			–			(0)
Net changes in items other than shareholders' equity during the fiscal year	(173)	2,139	1,965		741	2,707
Total changes during the fiscal year	(173)	2,139	1,965	–	741	11,003
Balance at the end of the fiscal year	321	6,744	7,066	0	10,422	129,068

Note: Figures less than one million yen are rounded down to the nearest million.

Non-Consolidated Balance Sheet
(As of March 31, 2025)

(Millions of yen)

Assets		Liabilities	
Account item	Amount	Account item	Amount
Current assets	88,017	Current liabilities	45,602
Cash and deposits	36,097	Accounts payable - trade	11,307
Notes receivable - trade	42	Short-term borrowings from subsidiaries and associates	5,800
Accounts receivable - trade	43,294	Current portion of long-term borrowings	1,998
Contract assets	631	Accounts payable - other	4,631
Merchandise	795	Accrued expenses	9,794
Supplies	30	Income taxes payable	1,378
Advance payments to suppliers	640	Accrued consumption taxes	3,478
Prepaid expenses	3,059	Advances received	1,013
Accounts receivable - other	843	Deposits received	598
Other	2,581	Provision for bonuses	5,060
Non-current assets	45,177	Other	542
Property, plant and equipment	8,816	Non-current liabilities	16,954
Buildings	5,174	Convertible-bond-type bonds with share acquisition rights	10,034
Tools, furniture and fixtures	2,593	Long-term borrowings	4,001
Land	570	Provision for loss on guarantees	1,175
Other	478	Provision for loss on support to subsidiaries and associates	672
Intangible assets	2,608	Other	1,071
Software	2,241	Total liabilities	62,557
Telephone subscription right	93	Net Assets	
Other	274	Shareholders' equity	70,306
Investments and other assets	33,752	Share capital	29,065
Investment securities	1,708	Capital surplus	8,360
Shares of subsidiaries and associates	21,248	Other capital surplus	8,360
Investments in capital of subsidiaries and associates	648	Retained earnings	49,005
Long-term loans receivable from subsidiaries and associates	11,540	Legal retained earnings	3,866
Deferred tax assets	2,434	Other retained earnings	45,138
Guarantee deposits	6,964	Retained earnings brought forward	45,138
Other	640	Treasury shares	(16,125)
Allowance for doubtful accounts	(11,431)	Valuation and translation adjustments	330
		Valuation difference on available-for-sale securities	330
		Total net assets	70,637
Total assets	133,195	Total liabilities and net assets	133,195

Note: Figures less than one million yen are rounded down to the nearest million.

Non-Consolidated Statement of Income
(from April 1, 2024 to March 31, 2025)

(Millions of yen)

Account item	Amount	
Net sales		244,017
Cost of sales		194,893
Gross profit		49,124
Selling, general and administrative expenses		42,007
Operating profit		7,116
Non-operating income		
Interest income	186	
Dividend income	882	
Foreign exchange gains	85	
Other	196	1,351
Non-operating expenses		
Interest expenses	77	
Provision of allowance for doubtful accounts	384	
Other	109	570
Ordinary profit		7,896
Extraordinary income		
Gain on sale of investment securities	673	
Gain on liquidation of subsidiaries and associates	334	
Other	76	1,084
Extraordinary losses		
Loss on valuation of investment securities	836	
Other	55	891
Profit before income taxes		8,089
Income taxes - current	1,210	
Income taxes - deferred	(153)	1,056
Profit		7,032

Note: Figures less than one million yen are rounded down to the nearest million.

Non-Consolidated Statement of Changes in Equity
(from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity					
	Share capital	Capital surplus		Retained earnings		
		Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at the beginning of the fiscal year	29,065	20,803	20,803	3,563	41,444	45,008
Changes during the fiscal year						
Dividends of surplus			—	303	(3,338)	(3,035)
Profit			—		7,032	7,032
Purchase of treasury shares			—			—
Cancellation of treasury shares		(12,442)	(12,442)			—
Net changes in items other than shareholders' equity during the fiscal year			—			—
Total changes during the fiscal year	—	(12,442)	(12,442)	303	3,693	3,997
Balance at the end of the fiscal year	29,065	8,360	8,360	3,866	45,138	49,005

(Millions of yen)

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of the fiscal year	(28,567)	66,310	497	497	66,807
Changes during the fiscal year					
Dividends of surplus		(3,035)		—	(3,035)
Profit		7,032		—	7,032
Purchase of treasury shares	(0)	(0)		—	(0)
Cancellation of treasury shares	12,442	—			—
Net changes in items other than shareholders' equity during the fiscal year		—	(166)	(166)	(166)
Total changes during the fiscal year	12,442	3,996	(166)	(166)	3,830
Balance at the end of the fiscal year	(16,125)	70,306	330	330	70,637

Note: Figures less than one million yen are rounded down to the nearest million.

REPORT OF INDEPENDENT AUDITORS

May 14, 2025

To the Board of Directors of transcosmos inc.

PricewaterhouseCoopers Japan LLC
Tokyo Office

Designated and Engagement Partner
Certified Public Accountant
Takeshi Shioya

Designated and Engagement Partner
Certified Public Accountant
Naoyuki Suzuki

Designated and Engagement Partner
Certified Public Accountant
Masanori Yagi

Audit Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements of transcosmos inc., which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity, and the notes to the consolidated financial statements applicable to the fiscal year from April 1, 2024 to March 31, 2025.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and the results of operations of the Group, which consisted of transcosmos inc. and its consolidated subsidiaries, applicable to the fiscal year ended March 31, 2025 in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other statements

Other statements are the business report and supplementary schedules. The management's responsibility is to prepare and disclose other statements. Additionally, the Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the reporting process for other statements.

Our audit opinion on the consolidated financial statements does not include any other statements, and we express no opinion on such other statements.

Our responsibility in auditing the consolidated financial statements is to read other statements in order to determine, in the course of our reading, whether there are material differences between other statements and the consolidated financial statements or our knowledge obtained in the course of our audit, as well as to note whether there is any indication of material errors in other statements other than such material differences.

If, at any time, based on the work we have performed, we determine that there is a material error in other statements, we are required to report that fact.

We have no other matters to report regarding other statements.

Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan; this includes the maintenance and operation of internal control deemed necessary by management for the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Independent Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the consolidated financial statements, obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes thereto.
- Conclude on the appropriateness of preparing the consolidated financial statements with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as evaluate the presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.
- Plan and conduct audits on the consolidated financial statements in order to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its

consolidated subsidiaries, which provides a basis for our opinion on the consolidated financial statements. We are responsible for the instruction, supervision, and inspection of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We report to the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence and report all relationships and other matters that may reasonably be deemed to bear on our independence as well as any measures implemented to eliminate obstruction factors or safeguards enacted to reduce obstruction factors to an acceptable level.

Interest

We or engagement partners have no interest in the Company and its consolidated subsidiaries, which should be stated in compliance with the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

REPORT OF INDEPENDENT AUDITORS

May 14, 2025

To the Board of Directors of transcosmos inc.

PricewaterhouseCoopers Japan LLC
Tokyo Office

Designated and Engagement Partner
Certified Public Accountant
Takeshi Shioya

Designated and Engagement Partner
Certified Public Accountant
Naoyuki Suzuki

Designated and Engagement Partner
Certified Public Accountant
Masanori Yagi

Audit Opinion

Pursuant to Article 436, paragraph (2), item (i) of the Companies Act, we have audited the non-consolidated financial statements of transcosmos inc., which comprise the non-consolidate balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, and the notes to the non-consolidated financial statements, and the supplementary schedules of transcosmos inc. (hereinafter, the “non-consolidated financial statements, etc.”) applicable to the 40th fiscal year from April 1, 2024 to March 31, 2025.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and the results of operations of transcosmos inc., applicable to the fiscal year ended March 31, 2025 in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, etc. section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other statements

Other statements are the business report and supplementary schedules. The management's responsibility is to prepare and disclose other statements. Additionally, the Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the reporting process for other statements.

Our audit opinion on the non-consolidated financial statements, etc. does not include any other statements, and we express no opinion on such other statements.

Our responsibility in auditing the non-consolidated financial statements, etc. is to read other statements in order to determine, in the course of our reading, whether there are material differences between other statements and the non-consolidated financial statements, etc. or our knowledge obtained in the course of our audit, as well as to note whether there is any indication of material errors in other statements other than such material differences.

If, at any time, based on the work we have performed, we determine that there is a material error in other statements, we are required to report that fact.

We have no other matters to report regarding other statements.

Responsibilities of Management and the Audit and Supervisory Committee for the Non-consolidated Financial Statements, etc.

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan; this includes the maintenance and operation of internal control deemed necessary by management for the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Independent Auditors' Responsibility

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the non-consolidated financial statements, etc., obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes thereto.
- Conclude on the appropriateness of preparing the non-consolidated financial statements, etc. with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements, etc. and notes to the non-consolidated financial statements, etc. are in accordance with accounting principles generally accepted in Japan, as well as evaluate the presentation, structure, and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-

consolidated financial statements, etc. fairly present the underlying transactions and accounting events.

We report to the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence and report all relationships and other matters that may reasonably be deemed to bear on our independence as well as any measures implemented to eliminate obstruction factors or safeguards enacted to reduce obstruction factors to an acceptable level.

Interest

We or engagement partners have no interest in the Company, which should be stated in compliance with the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

AUDIT REPORT OF AUDIT AND SUPERVISORY COMMITTEE MEMBERS

The Audit and Supervisory Committee has conducted audits on the execution status of duties of Directors during the 40th fiscal year between April 1, 2024 and March 31, 2025. The auditing method and results are as follows:

1. Auditing methods and its details

The Audit and Supervisory Committee regularly received reports on the structure and operation status of the systems (internal control systems) established upon discussions and resolution by the Board of Directors meeting regarding matters prescribed in Article 399-13, paragraph (1), item (i), (b) and (c) of the Companies Act from the Directors as well as from employees, etc. and requested them to provide explanations as necessary. Based on such activities, the Audit and Supervisory Committee provided its opinions and conducted audits by the following method.

- (a) Each Audit and Supervisory Committee Member attended important meetings to receive reports regarding the execution of duties from Directors, employees, etc. and requested them to provide explanations as necessary, inspected important approved documents etc., and examined the status of operations and assets at the Main Office and other major offices in accordance with the Audit and Supervisory Committee's Audit Standards established by the Audit and Supervisory Committee as well as the audit policies and the allocation of audit operations in collaboration with the internal control departments. With respect to subsidiaries, each Audit and Supervisory Committee Member endeavored to facilitate communication and exchange information with Directors, Statutory Auditors and other employees of subsidiaries, and received business reports from subsidiaries as necessary.
- (b) With respect to the Basic Policies under Article 118, Item (iii), (a) of the Ordinance for Enforcement of the Companies Act and efforts under Item (iii), (b) of the same article that are prescribed in the business report, each Audit and Supervisory Committee Member examined the contents taking into account deliberations, etc. made in the Board of Directors meetings and other meetings.
- (c) Audit and Supervisory Committee Members monitored and verified that Accounting Auditor maintains independence and conduct the audits appropriately. Each Audit and Supervisory Committee Member also received reports on the status of the execution of duties from Accounting Auditor and requested explanation as necessary. In addition, Audit and Supervisory Committee Members were informed of the arrangement of the "System for ensuring that the duties are executed appropriately" (matters stipulated in the items of Article 131 of the Corporate Accounting Rules) in accordance with "Standards for the Quality Control of Audits" (Business Accounting Council, October 28, 2005) from the Accounting Auditor and requested explanations as necessary.

In accordance with the procedures mentioned above, Audit and Supervisory Committee reviewed the business report and the supplementary schedules, and the non-consolidated financial statements (the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity and notes to the non-consolidated financial statements) and the supplementary schedules, as well as the consolidated financial statements (the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity and notes to the consolidated financial statements), for the fiscal year under review.

2. Results of Audit

(1) Results of audit of business report etc.

- (a) The business reports and supplementary schedules present fairly the financial condition of the Company in conformity with related laws and regulations, and the Articles of Incorporation of the Company;

- (b) Regarding the performance of duties by Directors, there were no instances of misconduct or material matters in violation of laws and regulations or the Articles of Incorporation of the Company;
 - (c) Resolution of the Board of Directors regarding the internal control system is fair and reasonable. There is no matter requiring additional mention concerning the internal control system with respect to the contents of the Business Report and the execution of duties by Directors; and
 - (d) The Basic Policy regarding persons who control decision on the company's financial and business policies prescribed in the business report is fair and reasonable. Efforts under Article 118, item (iii), (b) of the Ordinance for Enforcement of the Companies Act prescribed in the business report are in conformity with the Basic Policy, do not impair the common interests of the Company's shareholders and are not intended to protect the positions of the corporate officers of the Company.
- (2) Results of audit of non-consolidated financial statements and supplementary schedules
The auditing methods and results of the Accounting Auditor, PricewaterhouseCoopers Japan LLC, are fair and reasonable.
- (3) Results of audit of consolidated financial statements
The auditing methods and results of the Accounting Auditor, PricewaterhouseCoopers Japan LLC, are fair and reasonable.

May 15, 2025

Audit and Supervisory Committee of transcocosmos inc.

Audit and Supervisory Committee Member

Eiji Uda

Audit and Supervisory Committee Member

Takeshi Natsuno

Audit and Supervisory Committee Member

Nozomu Yoshida

Note: All Audit and Supervisory Committee Members are outside directors stipulated in Article 2, item (xv) and Article 331, paragraph (6) of the Companies Act.