



Global Digital Transformation Partner

transcosmos inc.

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# Integrated Report 2024





**Masataka Okuda**

Representative Director, Chairman

Dear Stakeholders

## Continuing to refine our people & technology as a Global Digital Transformation Partner

This Integrated Report 2024 is our fourth report. In previous editions we provided details about our people & technology, which sit at the heart of our business, and set out our vision for transcosmos to become the Global Digital Transformation Partner – the best digital transformation (DX) partner for clients in Japan and overseas.

Our philosophy of “customer satisfaction first,” which our founder Koki Okuda embedded in the Company's DNA, underpins our people & technology. This philosophy expresses our commitment to be the unrivaled partner of clients by contributing to their growth with high-value services that integrate “people” and “technology” through superior systems. This mindset has been passed down to all transcosmos people, officers and employees alike, including myself.

One of the goals of our current medium-term business plan, which runs from FY2024/3 to FY2026/3, is to “evolve into a Technology Solutions Company from a company with operational excellence.” To be the best DX partner for clients in today's rapidly changing digital society, we must constantly stay at the leading edge of technology. With this year's report, we have endeavored to provide easy-to-understand insights into our Company as we work toward creating new services that incorporate generative artificial intelligence (AI) and other emerging technologies. We welcome your candid feedback on the report and hope it serves as a good starting point for deeper dialogue with all our stakeholders.

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Fundamental  
Management  
Philosophy

Client satisfaction is the true value of our company, and the growth of each of our employees creates the value that shapes our future.



Management  
Goals

#### Commitment to our clients

- ▶ We will continue to stay on top of the latest technology trends and continue to deliver quality and valuable services by uniting people and technology.
- ▶ We will build solid partnerships with our clients based on trust.

#### Commitment to our employees

- ▶ The limitless potential of our employees is our greatest resource and we will support the education and training needed for each employee's growth.
- ▶ We will provide opportunities fairly, and will match compensation and new growth opportunities to demonstrated results and ability.

#### Commitment to society and our shareholders

- ▶ We strive to raise shareholder value and contribute to the progress of society by growing our business.



The Origin of  
Our Business

### People & Technology

transcosmos combines people & technology in a superior, systemized way to deliver high-value services. “People” refers to highly-skilled professionals who can offer tailored services that meet and exceed client expectations, while “technology” means the world's cutting-edge technologies that enable us to deliver value to our clients. transcosmos will continue to raise the bar of the Origin of Our Business, which is to create business processes that best match each client's needs by combining “people & technology.”



Service  
Philosophy

### Operational Excellence

Embracing global market diversity, transcosmos always selects “people & technology” that best suits each local market, with the aim of building and offering excellent business operations to each client. For transcosmos, Operational Excellence is where our speedy, cost-effective and accurate operational capabilities ensure that clients have highly competitive business processes that ultimately become the source of their competitive strengths. Being a BPO services player that optimizes their business processes and drives their transformation, transcosmos advocates this Operational Excellence as its Service Philosophy.

#### ■ Editorial policy

transcosmos inc. publishes this Integrated Report to communicate with investors, shareholders and all other stakeholders in an easy-to-understand manner about its business activities and efforts aimed at enhancing corporate value, and to serve as a starting point for constructive dialogue. In editing this report, the Company referred to various guidelines, including the Integrated Reporting Framework developed by the IFRS Foundation and Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation published by Japan's Ministry of Economy, Trade and Industry. We hope this report will deepen stakeholder understanding about the transcosmos Group.

#### ■ Period and companies covered by this report

**Period:** April 1, 2023 to March 31, 2024

**Companies:** transcosmos inc. and 103 Group companies

Widely recognized for our role in accelerating DX worldwide

transcosmos provides a range of DX services to around 3,500 client companies worldwide in the financial, public and information services sectors, earning recognition in Japan and overseas as a DX company. In May 2024, transcosmos was selected as a Noteworthy DX Company 2024 by the Ministry of Economy, Trade and Industry.

Our business base as a DX company



Market valuation, inclusion in indices, accreditation



Data for FY2024/3 or as of March 31, 2024, unless otherwise stated

<sup>\*1</sup> Net sales for each service: Based on gross sales in management accounting data; intersegment eliminations not taken into account

<sup>\*2</sup> Net sales (overseas): Based on location of clients and classified by country or region

<sup>\*3</sup> Data for subsidiary transcosmos analytics Inc.

<sup>\*4</sup> Source: FY2023 Call Center Sales Ranking, TSUHAN SHIMBUNSYA

<sup>\*5</sup> Source: Japanese Company Quarterly Handbook Industry Map 2025, Toyo Keizai Inc.

<sup>\*6</sup> Source: Total for Company and subsidiary J-Stream Inc. compiled from Online Advertising & Web Solution Markets: Current State and Outlook FY2023, Deloitte Tohmatsu MIC Economics Research Paper (<https://mic-r.co.jp/mr/02860/>) English translation not available

<sup>\*7</sup> Source: Customer Experience Management (CEM) Services PEAK Matrix® Assessment 2024-APAC, Everest Group

## Evolving into a Technology Solutions Company by refining people & technology

Established in 1966, Maruei Keisan Center – the forerunner of transcosmos – developed a new business model that underpins today's BPO Services. Since then, transcosmos has continued to expand its business by anticipating trends in society. In recent years, this has included supporting clients' digitalization, the shift to remote working, and efforts to address labor shortages and reform work practices from both a front- and back-office perspective. By refining our people & technology – the Origin of Our Business – we are aiming to evolve into a "Technology Solutions Company" that delivers DX and improves CX in partnership with clients.

### 1966 Founded as BPO pioneer in large computing machine era

Maruei Keisan Center launched a new onsite service approach, dispatching employees to perform data entry work at client offices. At a time when data entry work was generally conducted offsite, this method of processing confidential information onsite attracted growing interest from companies as the "Maruei style." On the back of this success, Maruei Keisan Center became known as Japan's data entry company. This "Maruei style" pioneered today's business process outsourcing (BPO) models, with transcosmos now the market leader in BPO services in Japan and Asia.

### 2010- Launched CX services, growing into a Japanese global DX company

As the internet became part of people's lives, touchpoints between businesses and their customers became more diverse. This prompted transcosmos to launch CX services linking digital marketing and contact centers to help clients adapt to the changing landscape. We put in place a framework to provide these services to a range of industries, including finance, retail and information & communication, resulting in industry-leading sales worldwide in contact center services. We also accelerated the rollout of high value-added services based on our home-grown digital technology into global markets, expanding the Group's business presence in China, South Korea, Southeast Asia, Europe and the Americas.

### 2022- Transformation into a DX partner supporting social infrastructure

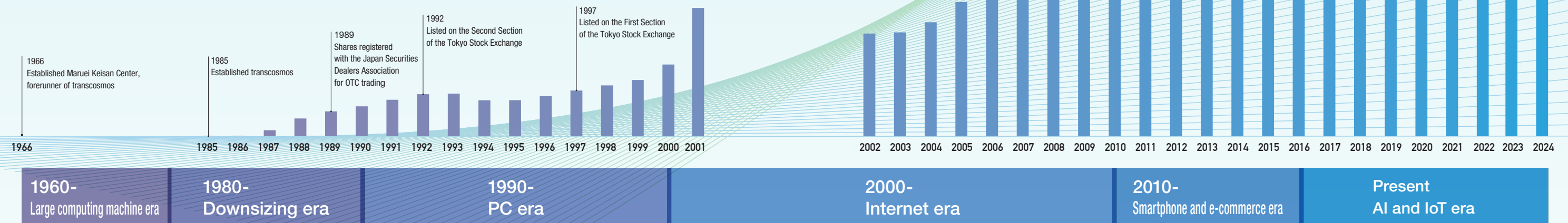
Since its establishment, transcosmos has actively taken on projects with high social utility, based on the belief that "a company cannot survive unless it serves the public." Systems for public institutions have to be highly robust, as any technical issue could prevent the public from accessing services. During the COVID-19 pandemic, transcosmos received high marks for providing national and local governments with rapid and reliable response systems.

### 2024- Accelerating growth as a Technology Solutions Company

transcosmos plans to accelerate growth as a Technology Solutions Company by further refining its people & technology. We are now working to reinforce and evolve our business from a medium- to long-term perspective as we implement our medium-term business plan FY2024/3-FY2026/3. We are also expanding our business overseas, centered on Asia's fast-growing ASEAN and India markets, while strengthening sustainability management.

### 1985- Pivoted to integrated information services, bringing world's leading IT technologies to Japan

transcosmos inc. was established in 1985, targeting growth as an integrated information services company, just as use of PCs was taking off in the business world. Offices were opened in the US to identify the latest IT trends. This helped us win a contract to provide customer support outsourcing services to the top PC manufacturer in the US at the time, leading to major outsourcing contracts with major PC makers in Japan. The customer support services launched in this period underpin our contact centers and IT outsourcing businesses today.



\*Bar graph shows net sales



# Combining CX and BPO

## in unique ways

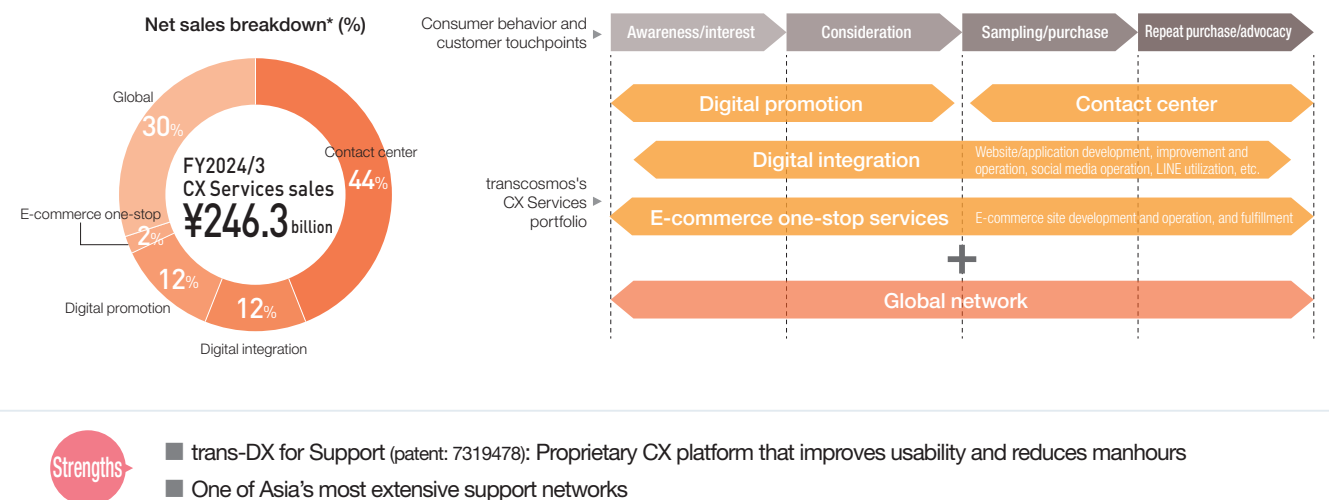
With a presence in 17 business domains, transcocosmos helps clients expand sales and optimize costs as their DX partner. In CX Services, we identify changes in today's increasingly diverse consumer behavior and customer touchpoints to improve the customer experience (CX), helping to drive clients' sales growth. In BPO Services, we support total cost optimization by enhancing a broad range of business processes through a combination of cross-industry and industry-specific BPO services.



## CX Services

### Helping to improve CX through comprehensive support for the client digital front-end

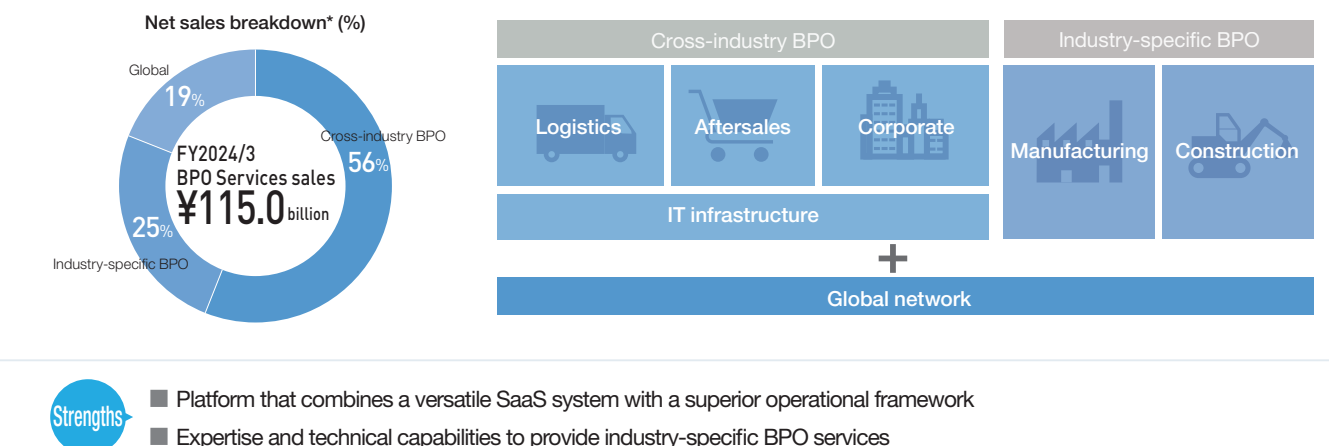
The unique strength of our CX Services lies in our integrated platform centered on the voice of the customer (VoC). We combine diverse channels and deliver optimal operations using advanced, patented technologies that enhance usability and reduce manhours.



## BPO Services

### Combining cross-industry and industry-specific BPO services to deliver high-volume, high-quality services backed by extensive expertise

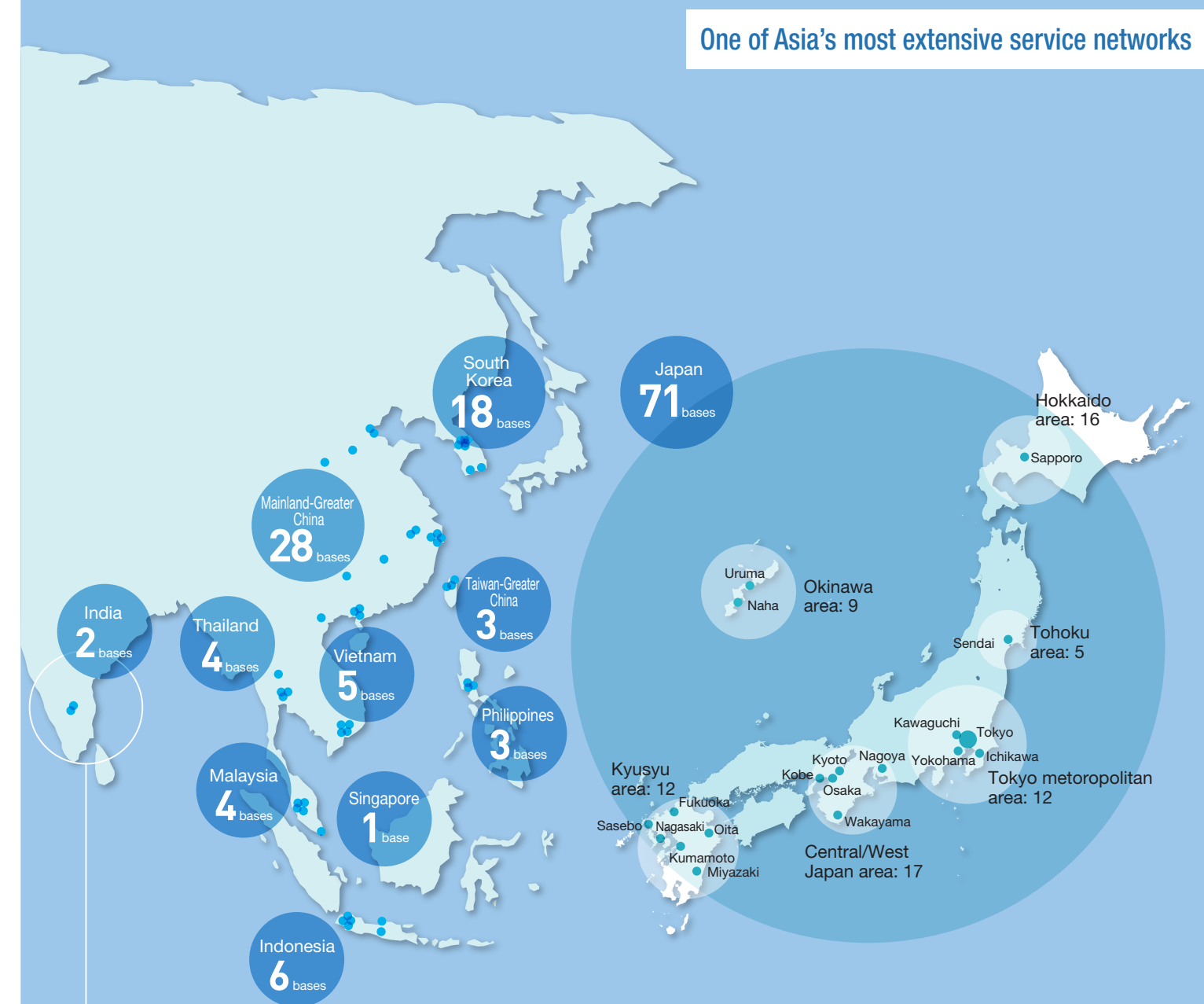
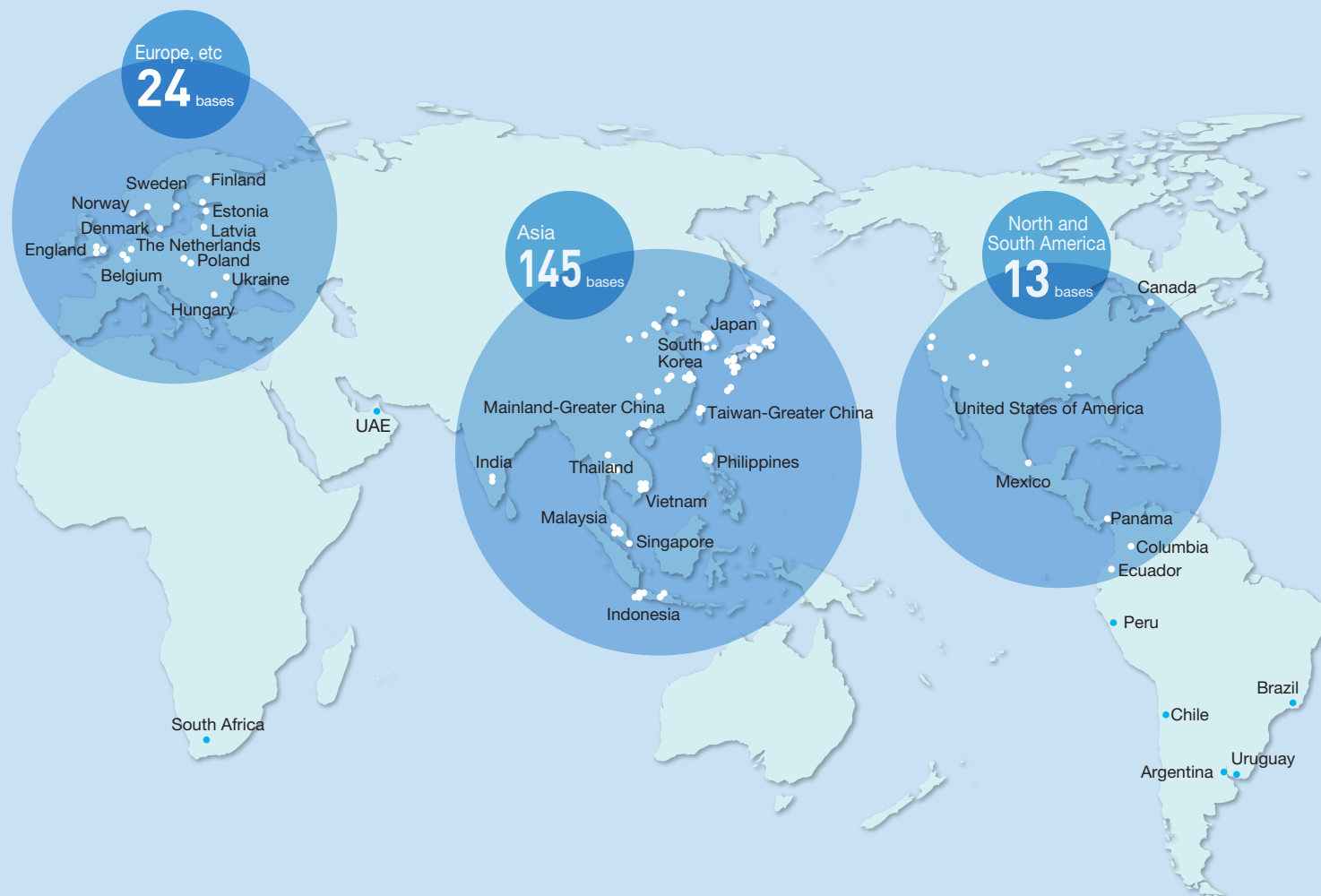
With the leading market share in Japan, transcocosmos's BPO Services – our legacy business – support IT and back-office operations common to a wide range of industries, as well as design, development and production processes used in specific industries. In industry-specific BPO in particular, we are seeing growing uptake of our services in the construction and manufacturing industries, helping each industry drive DX.



\*Breakdown of net sales: Based on gross sales in management accounting data; intersegment eliminations not taken into account

Supporting clients' DX via **182** business sites  
(111 overseas, 71 in Japan) in **35** countries and regions

transcosmos supports clients' DX via a global network of 145 business sites in Asia, 24 in Europe and other regions, and 13 in North and South America, backed by an overseas workforce of more than 25,000 people. In both CX Services and BPO Services, our strengths lie in our professionalism and multilingual capabilities. Our goal is to become the unparalleled leader in Asia and a top-five global CX/BPO services player. (Number of business sites as of August 2024)



## Business launch in India



transcosmos established wholly owned subsidiary transcosmos India Private Limited in India in October 2023. In March 2024, as the first step in our India business, we opened Bengaluru Center, an operations center with 300 workstations, to provide contact center services for the local market.

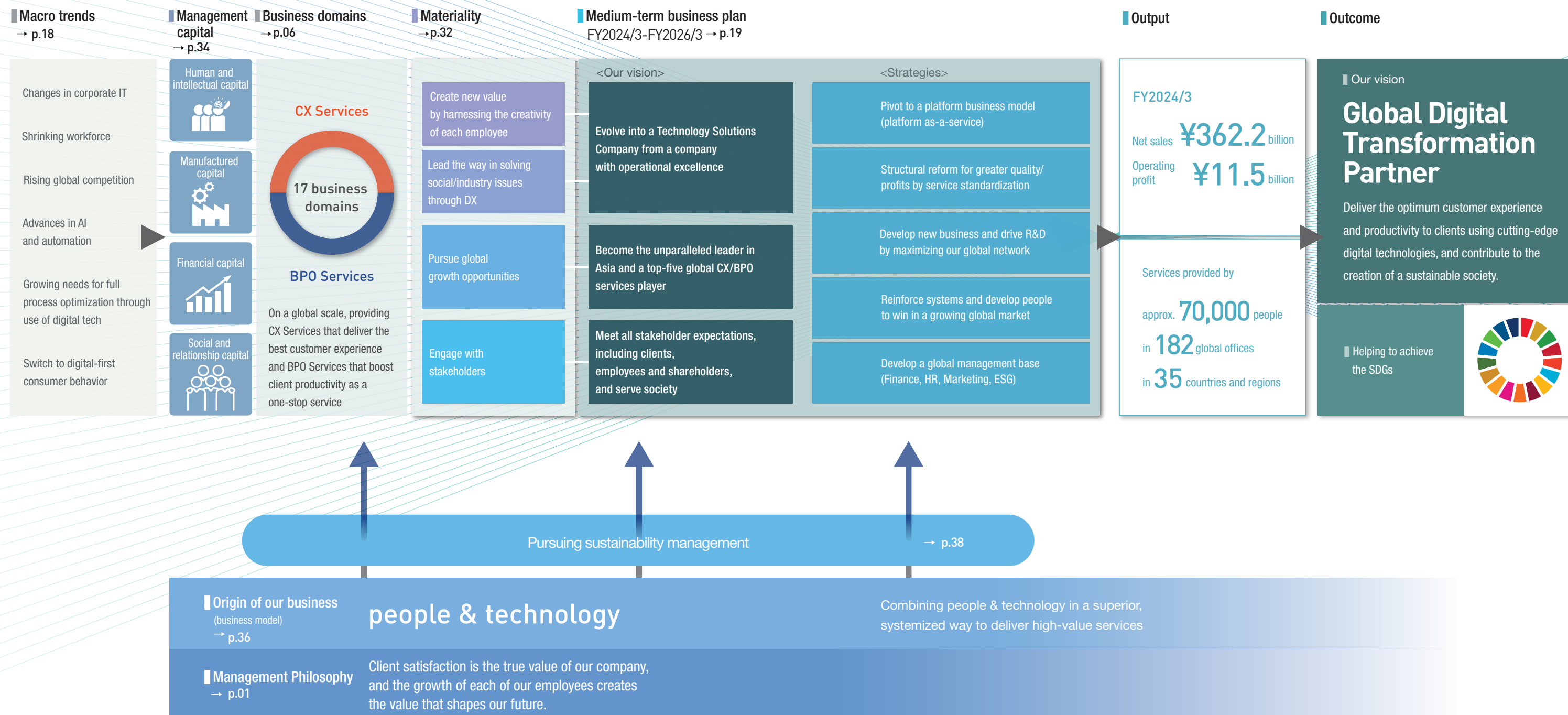
▼ Global Capability

Global contact centers	76 locations, approx. 41,000 workstations
Global chat/social media support	approx. 11,000 workstations
Home-based contact centers	approx. 10,000 workstations
Virtual contact centers	Metaverse contact centers
Global digital marketing (digital promotion/digital integration)	25 locations, approx. 3,300 people
Global e-commerce one-stop services	46 countries and regions worldwide



## Our value creation process

To realize our vision of becoming the Global Digital Transformation Partner, we are driving our business based on our medium-term business plan FY2024/3-FY2026/3. Under the plan, we have three key goals, including to “evolve into a Technology Solutions Company from a company with operational excellence.” By steadily implementing the plan’s five strategies, such as “pivoting to a platform business model,” we aim to drive the Group’s growth and the growth of our clients, while also contributing to the creation of a sustainable society.



## Driving our business with greater urgency to help clients improve customer experience and productivity

FY2024/3, the first year of the current medium-term business plan FY2024/3-FY2026/3, was a challenging one for transcosmos, with net sales and profits both declining year-over-year. However, we continued to make steady progress towards our vision of becoming the Global Digital Transformation Partner, such as increasing sales of trans-DX for Support, our unique customer experience (CX) platform and a new challenge for the Group, and achieving double-digit sales growth in the ASEAN market through our local subsidiaries. Taking lessons from this performance last year, we will work with an even greater sense of urgency in FY2025/3 to deliver on the goals in our medium-term business plan and realize our vision for the Group.

### Review of FY2024/3

### Evolving into a Technology Solutions Company from a company with operational excellence

**Kamiya:** Looking at consolidated results for FY2024/3, net sales declined 3.1% year-over-year to ¥362.2 billion, operating profit fell 50.7% to ¥11.5 billion and the operating margin was 3.2%. Amid a contraction in demand for COVID-19 services, our results were impacted by slow progress in capturing large-scale projects to offset the decline in COVID-19 work. Upfront investment to drive medium-term growth and upfront costs related to the startup and stabilization of new projects also weighed on earnings. One of the factors behind the decline in operating profit was higher upfront expenses related to surging labor costs, but we will work to offset some of these expenses through ongoing and firm negotiations with clients on pricing. Since the start of FY2025/3, labor shortages have become even more pronounced across society. Along with calls from the government for companies to increase wages, conditions are now more conducive for passing on rising costs to clients. Given this backdrop, we will adjust prices this fiscal year.

Net sales contracted only slightly year-over-year due to growth in new orders, which was driven by the active rollout of more specialized business process outsourcing (BPO) services and CX services based on our patented trans-DX model. This success in growing orders was the result of close communication with clients through 316,000 separate customer visits, including those by Mr. Muta as the senior sales representative of transcosmos.

In terms of new business development and research & development (R&D) activities, we made significant progress in developing and promoting new services, primarily those that utilize generative artificial intelligence (AI). For example, we developed a generative AI-based automated translation tool called Translingo SMART and launched a chat service that supports multiple languages. As of January 2024, these new tools provide customer support in up to 15 languages without the need for bilingual agents. We also started to roll out trans-AI Chat, a proprietary chatbot built on expertise gained from running one of Asia's largest call center networks. The new chatbot is being provided via our trans-DX for Support platform, which is already being deployed by clients in Japan, China and South Korea.

**Muta:** I think we can learn a lot from FY2024/3. We pushed ahead with the development and expanded sales of our proprietary trans-DX for Support platform, which underpins our CX services. As of March 31, 2024, the platform has been deployed at 85 clients. However, overall, we lacked a compelling sense of urgency across our business, including in existing services. CX services generate more than 70% of consolidated net sales, so they have a large impact on the Group's business performance. As a priority domain, we need to improve quality and negotiate prices in CX services with greater expediency.



**Masaaki Muta**

Representative Director,  
Co-president

**Takeshi Kamiya**

Representative Director,  
Co-president

In the BPO domain, we steadily expanded sales from services and transitioned to a new profit model. Amid social issues such as declining birthrates and aging populations, as well as moves by companies to overhaul business processes through reforms to work practices, we have been able to tap into growing corporate demand for increased business efficiency. Our highly specialized "industry-specific BPO services" are especially valued by clients. We currently develop and provide specific proprietary platforms for the construction, manufacturing and other industries. For example, our BPO services platform for the construction industry includes support for the implementation and integration of digital tools at construction sites, which can be a particularly challenging process. These services are proving to be highly popular with clients.

**Kamiya:** Yes, this shift to a platform business model is one of the overarching strategies of the current medium-term business plan. In the BPO domain you just mentioned, we are also developing a "cross-industry BPO platform," as well as industry-specific ones. This cross-industry BPO platform is designed for common back-office functions such as accounting, human resources and sales administration. By offering "industry-specific" and "cross-industry" services together, we can serve clients across a wide range of industries.

All our platforms, which integrate people, operations

and general-purpose SaaS systems, aim to improve productivity and usability by centrally managing customer touchpoints in the CX domain and business processes in the BPO domain, and both on an end-to-end basis. The use of these platforms ultimately supports management and business reforms at clients, which in turn leads to higher unit prices and enhanced profit margins for our Group. With labor shortages becoming more apparent across all industries, we are seeing a growing trend by clients to actively outsource areas of work previously handled in-house. We must seize this opportunity.

**Muta:** Yes, I agree. One of the goals of the medium-term business plan FY2024/3-FY2026/3 is to "evolve into a Technology Solutions Company from a company with operational excellence." I believe we are succeeding in steadily transforming transcosmos into a Technology Solutions Company that provides clients with cutting-edge technologies, while also retaining our competitive advantage of "operational excellence," which has been refined as our Service Philosophy since transcosmos was founded.

Next: Initiatives for FY2025/3



Initiatives for FY2025/3

Aiming to be the unparalleled leader in Asia and a top-five global CX/BPO services player by focusing on the fast-growing Asia market

**Muta:** In FY2025/3, the second year of the medium-term business plan FY2024/3-FY2026/3, we aim to secure a competitive advantage by differentiating our services from those of our competitors. We will also continue to focus on reinforcing our sales structure.

To differentiate our services, we are targeting projects that support the overseas operations of our Japanese clients. transcosmos has 111 business sites in 34 countries and regions overseas, and in Asia we have 74 bases and more than 21,000 contact center workstations. We are currently running multiple projects for domestic clients that seek to actively tap into Asia's economic growth, and they have selected transcosmos as their partner because of our scale and track record.

We are also focusing on expanding business with global companies. One example is our provision of trust & safety services to a global entertainment company that operates a social media platform. Our service provides manned monitoring of content posted online by an unspecified number of users and has expanded to over 5,500 workstations based in six APAC countries.

**Kamiya:** Yes, the client values transcosmos highly for its adaptability to each region's unique culture and constantly changing business policies, and its ability to scale rapidly. The project started in 2020, but when we secured the order, transcosmos already had offices and business experience in all six Asian countries the client was targeting for expansion, which gave us an advantage. We were also able to scale up and grow in line with the client's rapid business expansion. In future, we want our Global Business to focus on strengthening sales to what we call emerging companies in Asia among our global accounts.

**Muta:** In India, a key battle ground in the fast-growing Asia market, we opened a new operations center with 300 workstations in Bengaluru in March 2024. Many major Western vendors have already established operations in India. If transcosmos can compete with these global companies as one of the leading players in Asia, we will have achieved our medium-term business plan goal of becoming the unparalleled leader in Asia and a top-five global CX/BPO services player.

■ India base opened March 2024; office (bottom) located in Bengaluru Center building (top)



■ Supporting domestic clients' overseas expansion and addressing CX demand from global companies, backed by one of the largest service networks in Asia

Global contact centers	76 bases, approx. 41,000 workstations
Global chat/ social media support	Approx. 11,000 workstations
Home-based contact centers	Approx. 10,000 workstations
Virtual contact centers	Metaverse contact centers
Global digital marketing (digital promotion and digital integration)	25 bases, approx. 3,300 employees
Global e-commerce one-stop services	Presence in 46 countries and regions worldwide

Initiatives to utilize AI technology

Amid rapid advances in automation, leveraging generative AI and other new technologies will be key to success

**Muta:** New technologies such as generative AI are set to drive further automation in both the CX and BPO domains. How we respond to this great wave of automation holds the key to success. One might think that advances in automation will eliminate the need for manned services, but at transcosmos, we anticipate growth in added value for manned operations, presenting another great business opportunity for the Company.

**Kamiya:** We have positioned generative AI as a technology that can dramatically enhance the business efficiency of our Group and our clients, so we have been actively working on rollout. We are now developing the infrastructure and rules for internal use, while also implementing AI on a trial basis in multiple areas, such as developing a proprietary AI-powered chatbot, utilizing AI tools developed by other companies for customer-facing operations, and using video and image generation AI tools for advertising and website creation. We are already seeing a meaningful impact in service delivery. For example, we provided support to a client in the real estate industry by combining AI-based optical character recognition (AI-OCR) with generative AI to significantly reduce the time needed to process non-standard forms in a wide variety of formats.

**Muta:** Leveraging our existing expertise in AI-OCR, we had already helped automate most of the client's back-office operations, but introducing generative AI allowed us to further reduce processing time. However, simply

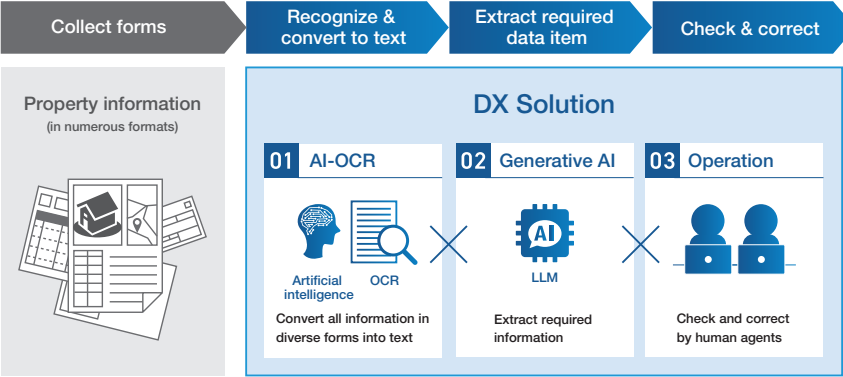
embedding this kind of advanced technology in a system does not guarantee it will generate the well-organized data the client wants. Even if 99% of operations can be automated with technology, the remaining 1% will always need human intervention. People who can connect technology with clients are therefore indispensable, and our unique position and competitive advantage in the market is underpinned by this kind of talented professional. At transcosmos, we are using a process of trial and error to constantly determine what technology and to what extent it can be used to automate business processes, and in which areas people should be retained.

**Kamiya:** Another great advantage we have is our physical service sites, which enable us to explore the best balance of people & technology. We handle clients' customer-facing operations from the "front yard" to the "back yard," allowing us to perform a detailed PDCA cycle for each task at the frontline of service delivery. This is also one of our strengths, backed by our competitive advantage of people & technology.

**Muta:** Another area where we are applying AI is trans-AI Chat, a proprietary generative AI-powered chatbot aimed at consumers in Japan, China and South Korea. Trans-AI Chat was developed in South Korea before being launched in Japan and China. Our business in South Korea took the lead among our overseas bases because we have large-scale call centers and our own development center in the country.

■ In one support case for a client in the real estate industry, we reduced the time needed to check and correct a range of different non-standard forms using an automated system based on AI-OCR and generative AI. Final quality assurance is carried out by our professional talent, creating a strong link between cutting-edge technology and the client.

Automate data entry process to the greatest extent possible with the power of DX solution



Next: Our strengths

**Kamiya:** South Korea is a developed country grappling with even greater issues related to a declining birthrate and aging population than Japan. The social issues faced by South Korea are also set to emerge in Japan, making

it a model region to lead the development of our AI tools. We are also looking at extending trans-AI Chat to other regions as a unified brand and are working to standardize its global operation.

Our strengths

Sharing best practices and sales expertise in real time to gain first-hand insights into current business processes

**Muta:** In FY2024/3, I conducted more than 700 customer visits as the Company's senior sales representative. Our sales staff, including myself, meet with completely different departments and personnel at clients depending on the industry and service. However, the deciding factor for winning orders typically comes down to one thing – our track record. transcosmos's strength lies in its list of successful projects and know-how from working with more than 3,500 clients. There are typically several patterns for order acquisition, and we try to categorize them and share them across the Group. We hold study sessions twice a week, mainly for mid-level and younger employees, to create a system that enables sales staff to rapidly share and acquire knowledge, giving them powerful sales capabilities.

**Kamiya:** The core value of our services is that they support

the day-to-day operations of clients at their business sites. To leverage new technologies like generative AI, we must innovate and create new ideas, but clients also want us to maintain stable operations. The newer the system or technology, the less likely it is to operate as expected in the field. Inevitably, there will be a gap between the system and the client's expectations. I believe transcosmos's competitive advantage lies in its first-hand insights into clients' business processes, giving us the skills to fill that gap and understand what kind of technology is needed and when it should be implemented for maximum impact. **Muta:** As I mentioned earlier, demand for automated services powered by AI is set to expand. With our ability to manage business process automation on-site, we want to become a partner of choice for clients in this field.

Initiatives for sustainable growth

Working to realize our vision, underpinned by ongoing dialogue with stakeholders

**Kamiya:** One of the goals of our medium-term business plan is to “Meet all stakeholder expectations, including clients, employees and shareholders, and serve society.” We have already discussed our initiatives for clients, but in terms of initiatives for our people, we consistently measure and address feedback raised in our employee engagement surveys (eNPS). We have positioned improvement in eNPS

as a KPI that directly impacts business growth. Results from the latest survey, conducted in September 2023, showed steady improvement in responses for “charting a career path” and “enhancing skills and abilities,” reflecting efforts by each transcosmos organization to identify challenges and develop their own responses. The survey has spurred motivation among leaders of each

organization, with some interested to know how their department performed against others and what challenges they need to address. Some also said they were interested in using the survey to explore other engagement themes. However, the survey highlighted that there is still significant room for improvement in “being engaged with business strategy.”

**Muta:** We hold an annual Global Strategy Conference, as well as Internal Mid-Year Briefings and town hall meetings at domestic and overseas bases to share our management philosophy and business strategies with our people. However, in my conversations with our people, I get the impression that our goal of “evolving into a Technology Solutions Company from a company with operational excellence” has not fully taken root in our organization. To address this, we need to communicate our goals more clearly to our people, and also to our clients and investors.

**Kamiya:** That's right. We intend to steadily increase engagement with our people and clients by holding more meetings at each site, as well as in-house seminars and forums. We are also putting more emphasis on dialogue with investors. As part of efforts to enhance IR, we started disclosing data on investor dialogue activities from FY2024/3. In our conversations with investors, we hear a range of opinions on topics such as overall business performance, management and business strategies, as well as capital policy, corporate governance and IR activities. We plan to continue improving disclosure in response to calls in Japan for “management that is conscious of the cost of capital and the share price,” but our priority in the near term is to improve profitability.

**Muta:** I agree. Our long-term objective of becoming a 100-year, ¥1 trillion company is unchanged. This goal is designed to spur growth, but we must think about how to achieve it every day we come to work.

**Kamiya:** It's been 18 months since we were both appointed co-presidents. Since then, we have run the Company in a very open, collaborative manner. I hope we can continue to drive the business in this way.

**Muta:** Indeed. We really understand each other's strengths and weaknesses, so let's work together as the Company's co-leaders, to first achieve the goals of the medium-term business plan.

■ Disclosure of stakeholder dialogue data to improve IR communication

Main type of communication

Main type of communication	Number of events per year
Financial results briefings (institutional investors/analysts):	2
General meeting of shareholders (notice of convocation, notice of resolution, etc.):	1
Small meetings with sell-side analysts:	2
Individual meetings with institutional investors/analysts:	120
Facility tours (institutional investors/analysts):	1
Business report:	2
Integrated report:	1
Disclosures via website (IR materials, etc.):	As needed

Main themes of dialogue

Item	Content
Overall business performance	<ul style="list-style-type: none"><li>• Results by segment</li><li>• Results by service</li><li>• Results by overseas region</li><li>• Business outlook</li></ul>
Management and business strategies	<ul style="list-style-type: none"><li>• Overview and progress of medium-term business plan</li><li>• Service strategy</li><li>• Rollout of digital technology</li><li>• Initiatives for generative AI</li></ul>
Capital policy	<ul style="list-style-type: none"><li>• Shareholder return policy</li><li>• Policy on holding investment securities</li><li>• Policy on holding treasury stock</li></ul>
Corporate governance	<ul style="list-style-type: none"><li>• Board composition</li><li>• Status of ESG initiatives</li></ul>
IR team and activities	<ul style="list-style-type: none"><li>• Initiatives to strengthen IR team</li><li>• Plans for enhancing disclosure</li></ul>

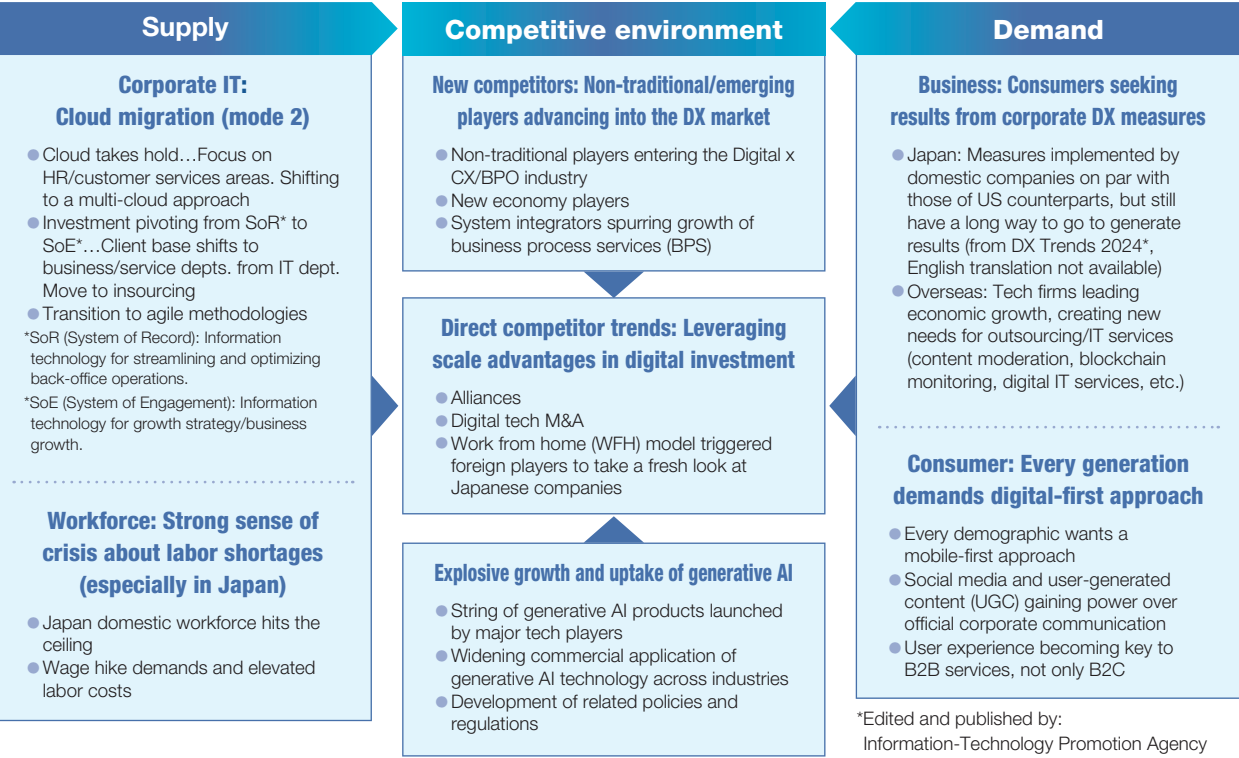


Our growth strategy

Under our current medium-term business plan, which runs from FY2024/3 to FY2026/3, we are working to accelerate growth by transforming our business model and reinforcing sustainability management. During the three years of the plan, we will radically overhaul our business model to deliver sustained growth. To do this, we will focus on achieving near-term earnings targets while also continuing to strengthen and deepen our business from a medium- to long-term perspective.

Current market landscape

Our business environment has changed drastically in the year since we formulated medium-term business plan FY2024/3-FY2026/3. In particular, there is a growing sense of crisis in Japan about labor shortages, with rising labor costs outpacing our expectations. This is having a major impact on our business. The rapid democratization of automation technologies, including generative AI, is also a risk and an opportunity for transcocosmos. We will continue to drive our business forward while closely monitoring these trends.



Strategic priorities based on the current market landscape

- Take tech strategy to the next level (tech-driven to user-driven, partial to total optimization, move to interoperability with cloud)
- Global market remains top growth opportunity, accelerate global growth amid increasing alliance formations (partner with growth companies, add new services)
- Proactively reallocate management resources to win in ever-expanding battlefield (strike balance between company-owned assets and use of partnerships)

Outline of medium-term business plan FY2024/3-FY2026/3

We have set three goals in the plan based on our understanding of the current market landscape. We will work to achieve these goals by implementing five strategies. Under the plan, we are targeting net sales of at least ¥450.0 billion and an operating margin of 6.0-8.0% in FY2026/3.

Global Digital Transformation Partner

Deliver the optimum customer experience and productivity to clients using cutting-edge digital technologies, and contribute to the creation of a sustainable society.

Vision

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 CX and productivity

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

- Promote organic collaboration between the Group's 182 global sites in Japan, China, South Korea, ASEAN, US and Europe to reinforce the Group's sustained growth
- Maximize earnings by capturing the growth potential of global clients
- Use the Group's network to tap into new market opportunities

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

Strategy

- 1

Pivot to a platform business model (platform as-a-service)
- 2

Structural reform for greater quality/profits by service standardization
- 3

Develop new business and drive R&D by maximizing our global network
- 4

Reinforce systems and develop people to win in a growing global market
- 5

Develop a global management base (Finance, HR, Marketing, ESG)

Targets of medium-term business plan FY2024/3-FY2026/3

FY2026/3 targets

Net sales	¥450.0 billion or higher
Operating margin	6.0-8.0%

Initiatives to  
realize our vision

1

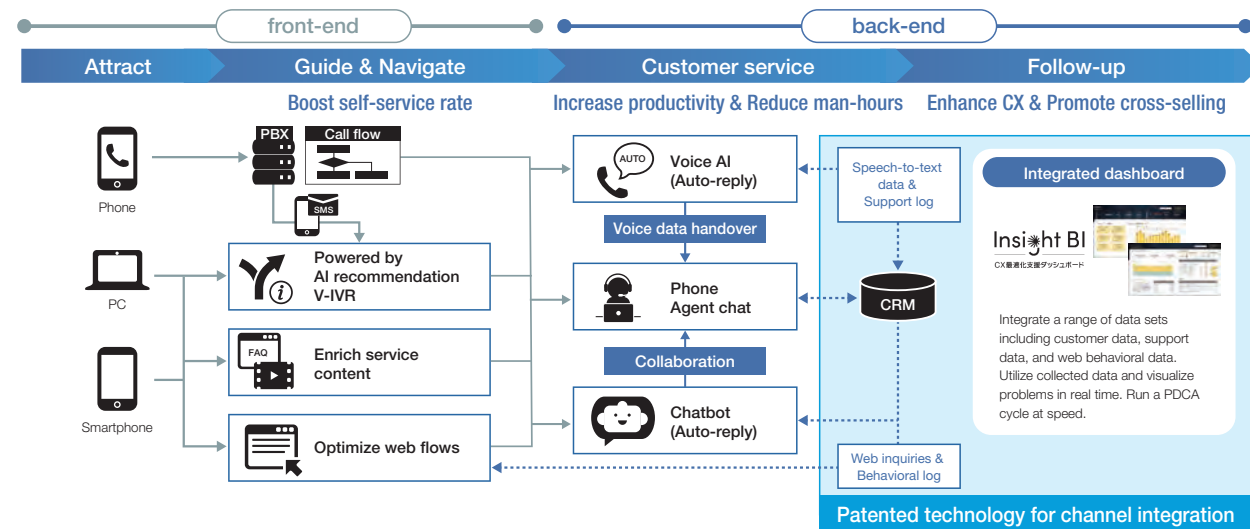
Evolve into a Technology Solutions Company  
from a company with operational excellence

We are targeting sustained business growth by focusing on capturing demand through our unique service portfolio and global service structure, and by evolving and differentiating our services through the steady implementation of strategies set out in medium-term business plan FY2024/3-FY2026/3.

## Building a VoC-based CX platform

We have built a unique platform with voice of the customer (VoC) as the starting point. The platform is underpinned by our experience operating contact centers and social media platforms for several thousand clients. Our customer experience (CX) platform, trans-DX for Support, combines phone, website, social media and other channels and employs cutting-edge, patented technologies to support client operations. As of the end of March 2024, 85 clients had adopted the platform, which enhances usability and reduces man-hours at the digital front-end.

## trans-DX for Support: CX platform supporting all customer touchpoints for clients from front-end to back-end

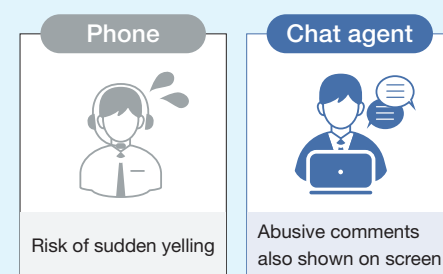


## Using trans-DX for Support to tackle customer harassment

The call center industry is seeing a significant impact from customer harassment. As a leader in the industry, transcosmos is committed to helping clients address this issue with its trans-DX for Support platform, a comprehensive CX solution powered by generative AI. The platform helps alleviate agent stress by encouraging text-based communication (input-based interaction) using chat agents and email, reducing harassment over the phone such as yelling, intimidating comments and abusive language.

## Positive impacts

- ✓ Cuts waiting time on phone support lines, reducing customer stress
- ✓ Text-based communication (input-based interaction) momentarily placates customer and allows agent to calmly assess content of complaint



## trans-AI Chat: Proprietary generative AI-powered chatbot deployed in three countries

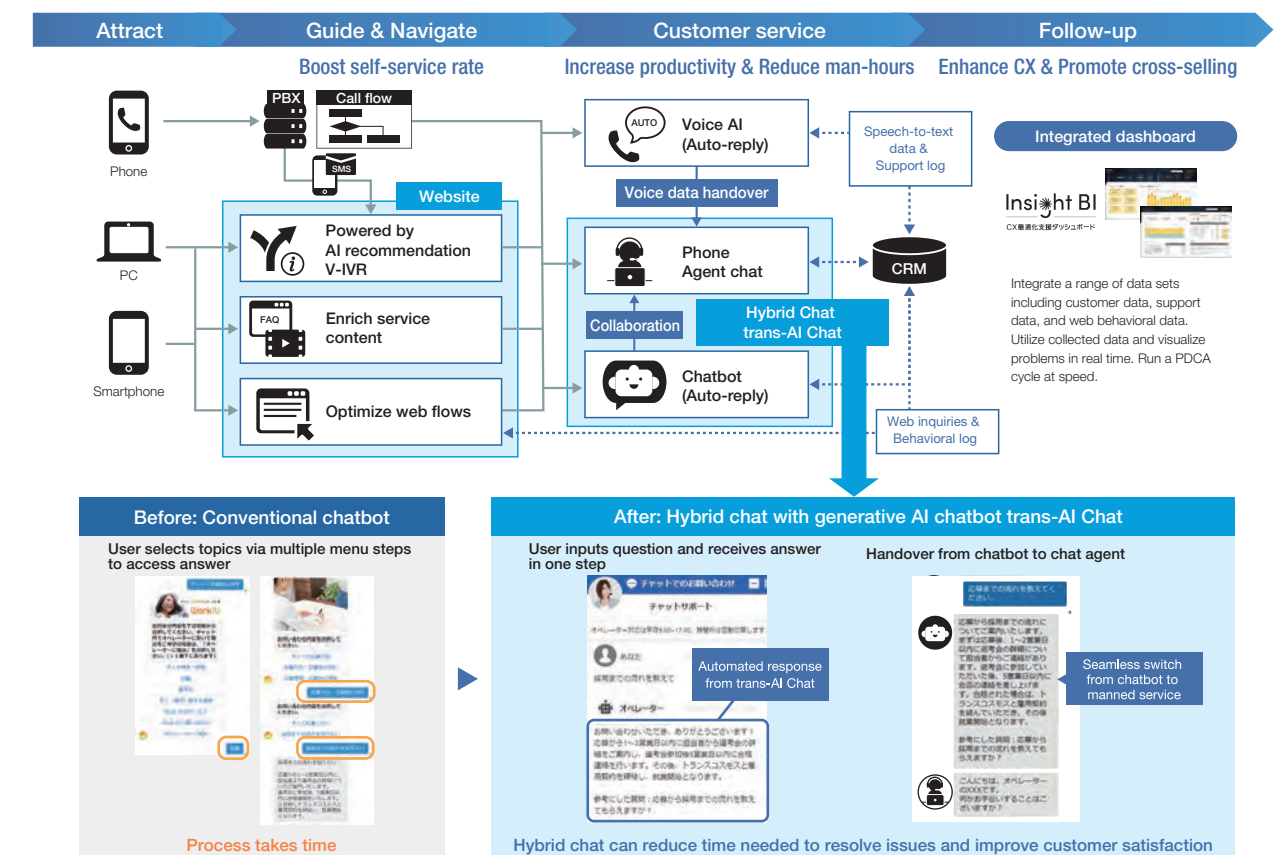
transcosmos is focusing on proactive research and adoption of generative AI, which we have positioned as a key technology for strengthening contact center outsourcing operations. Drawing on technologies and expertise derived from our research and testing of generative AI technologies to date, we have developed trans-AI Chat to promote self-service among end-users and launched the service in South Korea and Japan in April and in China in July, 2024. Our goal is to deploy the system to 300 companies worldwide by FY2026/3.

trans-AI Chat is built on a large language model (LLM) and uses state-of-the-art AI technology to optimize overall costs and enhance the efficiency of brand services across diverse customer touchpoints in the digital era. Using this system, our goal is to provide clients with smart management solutions for their services and optimize CX, while also efficiently delivering the key service requirements of AI-based customer services.

## Services using generative AI chatbot trans-AI Chat: Rollout and results in China

Reduces labor costs by up to 60%	Superior automated processing capabilities and the same level of operational performance as experienced agents allows clients to reduce labor costs by up to 60%, creating greater flexibility in staffing and improving operational efficiency
Closes gap with consumers	Offers a more personalized service experience for customers with capabilities such as intent recognition, scene classification, multi-scene support and multidimensional dialogue; also provides enhanced risk management and early warning capabilities through negative sentiment monitoring, forbidden word/security monitoring and other tools to prevent potential issues and improve CX
Increases reach and efficiency through omni-channel approach	Supports access to, upgrades and manages client omnichannel systems for e-commerce platforms or private domains; also enables seamless links between multiple channels, including major e-commerce platforms and official websites, thereby ensuring consistent customer services

## trans-AI Chat embedded in CX platform trans-DX for Support: Immediate natural responses to customer inquiries





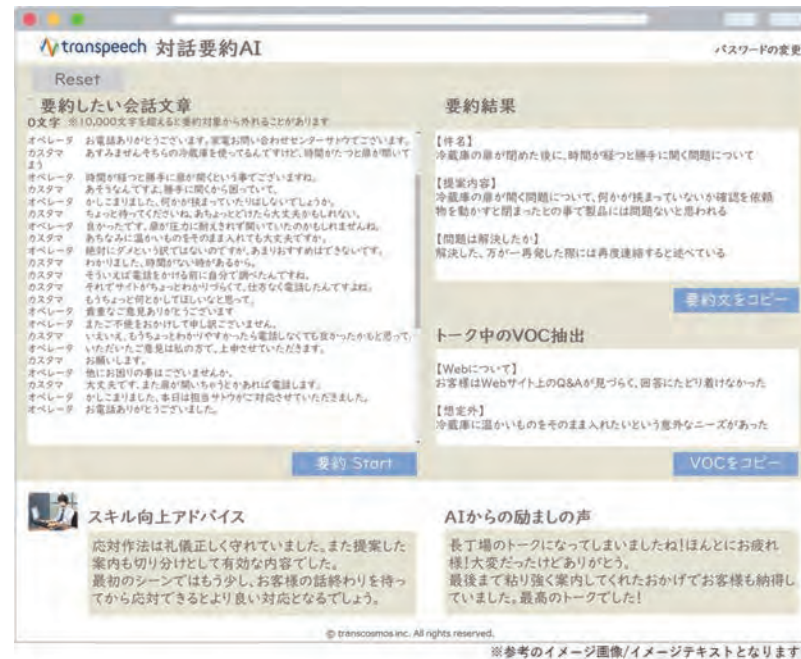
## Using generative AI to summarize dialogue with consumers, delivering compelling time savings

Our AI speech-to-text summarizer uses generative AI to enhance contact center productivity and quality, ultimately leading to an improvement in customer experience (CX). In a project for Sekisui House, Ltd., we deployed transpeech, our AI speech-to-text summarizer, for dialogue summarization and measured its performance over a three-month period. The results showed that contact center members who used the AI speech-to-text summarizer reduced total response time by 821 hours while maintaining call-handling quality. Using this tool, we will continue to work on reducing man-hours to enhance contact center productivity.

- Introducing AI speech-to-text summarizer reduces time needed to create call logs and enhances service quality by extracting VoC data (image on right shows example text)

### Features and strengths of transpeech – AI speech-to-text summarizer

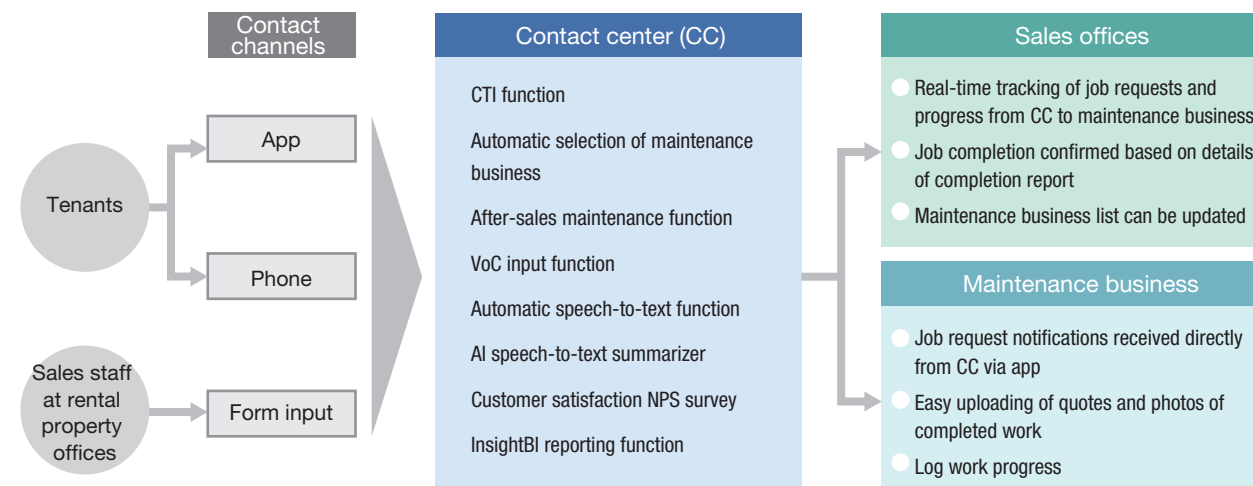
- Secure environment minimizes business risks, including removal of personally identifiable information before input to generative AI
- Highly accurate summarization, delivering compelling time savings
- Replaces follow-up after each call – which is hard for supervisors to address individually – with concise, immediate advice and support from generative AI, improving agent skills and supporting follow-up



## Delivered value to all parties through integrated operation and DX

In a project for Sekisui House Real Estate Holdings, Ltd., we helped improve the efficiency of the client's contact center operations for rental properties, which involve many related parties, such as tenants, rental property office sales staff and property maintenance business staff. Our support involved digitizing the entire process from the initial customer enquiry stage through to job completion, centered on contact center operations. As a result, roughly 40% of inquiries are now being handled via the app channel, driving a significant improvement in operational efficiency. We also promoted DX for all users – tenants, rental property office sales staff and maintenance business staff.

- Comprehensive upgrades focused on contact center improved efficiency and convenience of entire process



## Visualization and disclosure support services for sustainability management

Amid growing calls for the disclosure of sustainability-related information, many companies increasingly need to visualize management capital, collect sustainability data and conduct cost analysis. transcosmos provides services that help clients address administrative issues related to this information disclosure. Our platform automates and streamlines various tasks, including data collection and processing. Based on the visualized data, our specialist team also provides consulting support. Together, these services help clients accelerate sustainability management.

### Case studies: Visualization of hidden value through automation of indicator selection and data calculation

#### Support for visualization and disclosure of human capital information

transcosmos's HCM Analytics Platform helps clients disclose human capital information. Clients face a number of issues related to the disclosure of this information, such as lack of knowledge about the criteria for selecting indicators that have to be monitored, and over-reliance on certain individuals within the organization due to the complexity of adjusting logic definitions for inter-Group company disclosure items. To help clients address these issues, our one-stop service covers all processes from information collection and processing to analysis report generation.



#### GX solution supporting the automated calculation of GHG emissions

This service automatically collects and calculates data needed to determine greenhouse gas (GHG) emissions. The complexity of GHG-related systems and regulations means clients face a range of issues, such as difficulties calculating emissions, as data should include emissions from domestic affiliates, overseas offices and business partners, and insufficient man-hours to compile and calculate data, including manual work, to meet deadlines for information disclosure requests by business partners. Our service is designed to help clients address these issues. transcosmos's team of experts works closely with clients, providing data collection support and using digital tools such as AI-OCR and generative AI to develop and propose GHG emission reduction plans.



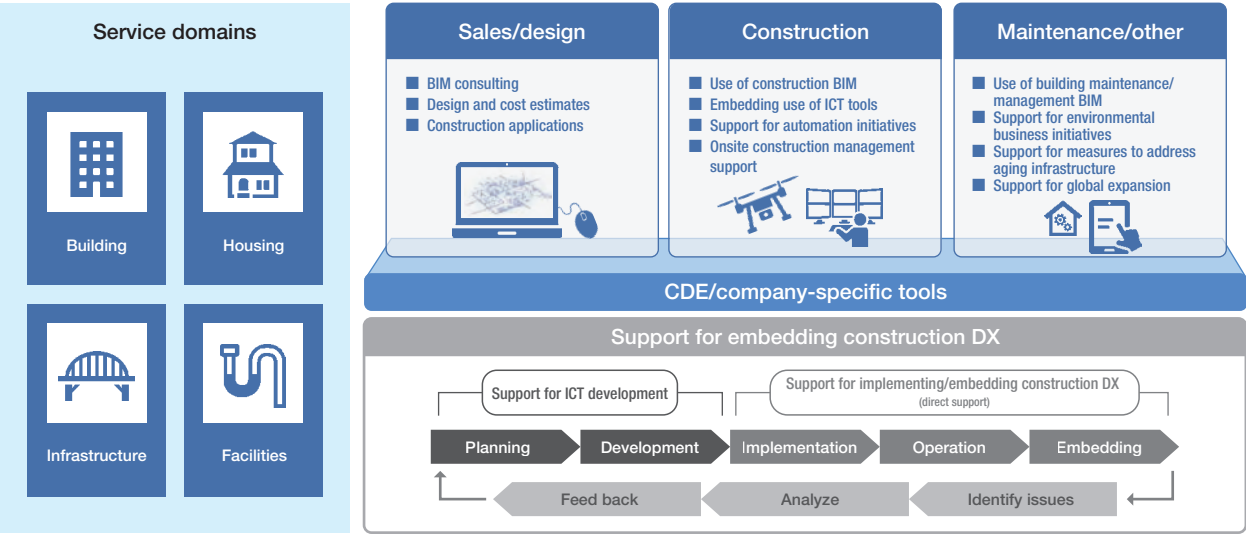
#### Collecting and visualizing logistics cost data to increase market competitiveness and accelerate decision-making

This service enables clients to identify factors and issues that increase logistics costs by combining logistics-related data with automatically collated order and shipment information and delivery company billing data. This information is then used to develop solutions that allow clients to optimize supply chain management (SCM). We also expect the service to be useful in helping clients address issues related to the so-called 2024 problem, which refers to new caps on truck driver overtime hours following the enactment of the Work Style Reform Act.



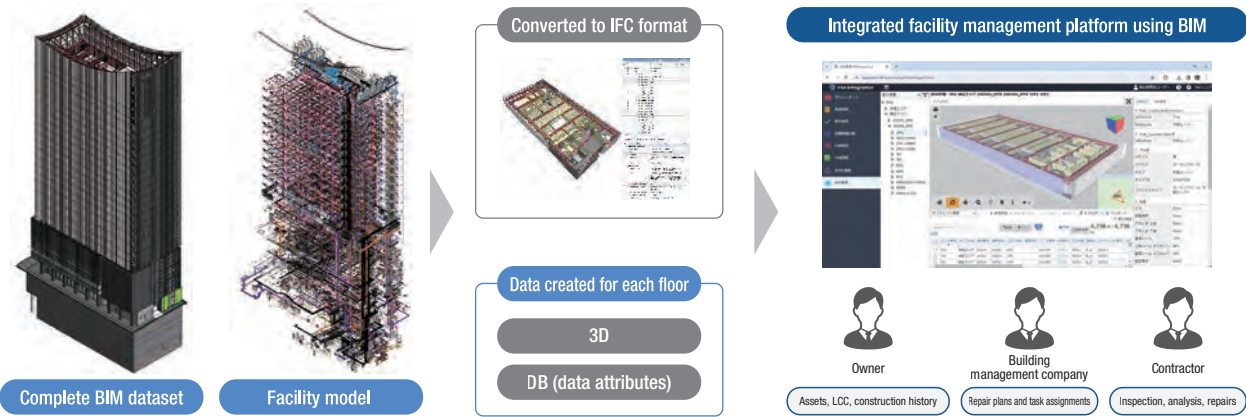
Construction DX solutions covering the entire construction lifecycle

Efficiency in Japan's construction industry is gradually improving through DX to respond to work style reforms and a serious shortage of skilled workers. To support uptake of DX in the industry, transcosmos has developed a suite of services to help clients optimize costs and functions. For some time, we have been providing services tailored to specific functions, such as building information modeling/construction information modeling (BIM/CIM) for design processes and Construction Digital BPO® for construction processes, but we recently expanded our service menu to include building maintenance and management services for the post-completion phase. With this new service, we can now provide support to clients across the entire construction lifecycle, from building design and construction to maintenance and management. Our integrated services also enable us to make an even greater contribution to construction DX by optimizing the entire process, such as streamlining operations using a common data environment (CDE) and promoting DX to use AI and robotics.



Creation and provision of BIM data for Museum Tower Kyobashi maintenance and management

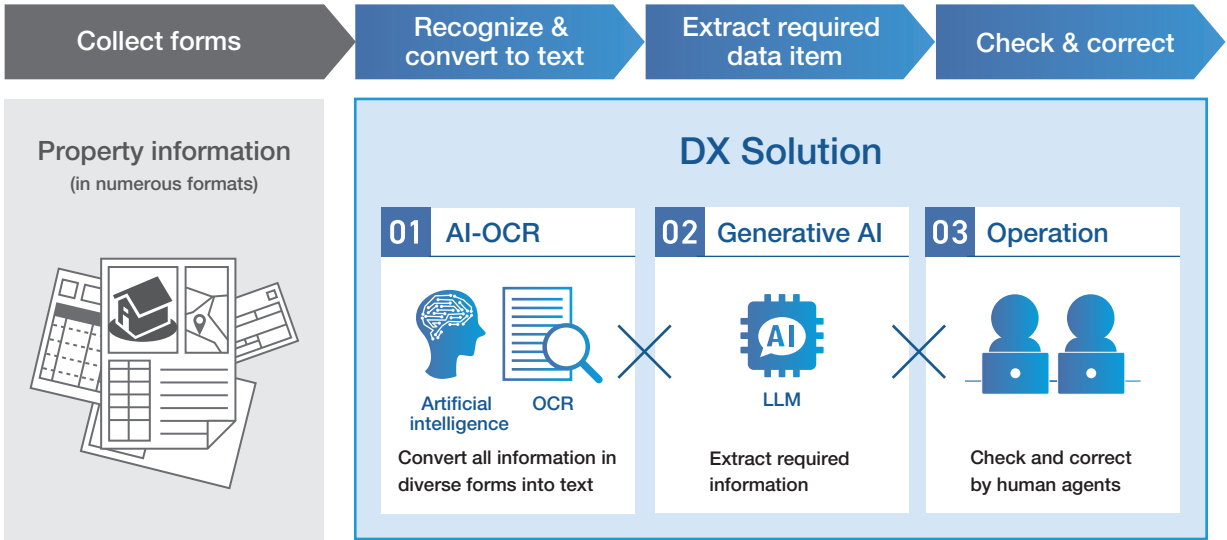
Buildings are being used for longer, which means building maintenance and management is becoming increasingly important. BIM is the digital modeling of buildings in three dimensions and has gained ground in the field of building design. However, it is not yet widely used in building maintenance and management. In this context, Museum Tower Kyobashi, which is owned and operated by Nagasaka Corporation and the Ishibashi Foundation, has deployed a building maintenance and management system that links a BIM-based database with an integrated facility management platform to improve the efficiency of conventional building management. Specifically, the system delivers building maintenance and management using a register of assets with BIM model data attributes, which are linked to room and facility models incorporating repair and renewal information, which is expected to reduce the building's long-term lifecycle costs. transcosmos's role in the project was to create and provide BIM data for maintenance and management. By combining expertise gained from this project and our existing BIM knowledge, we plan to provide solutions to building owners that improve the efficiency of maintenance and management operations. We are also stepping up the rollout of digital-based services for other urban applications to help create a more sustainable society.



System to register property information using AI-OCR and generative AI

Real estate property information is generally collected in a wide range of different formats, including handwritten documents and faxes, which requires a complex data organization process before registration. In a project for Tokyo Tatemono Real Estate Sales Co., Ltd., we automated most of the data entry work by converting property information into text using AI-OCR and then extracting and summarizing the necessary text data using generative AI. Our solution is designed to improve efficiency by reducing man-hours needed for property registration.

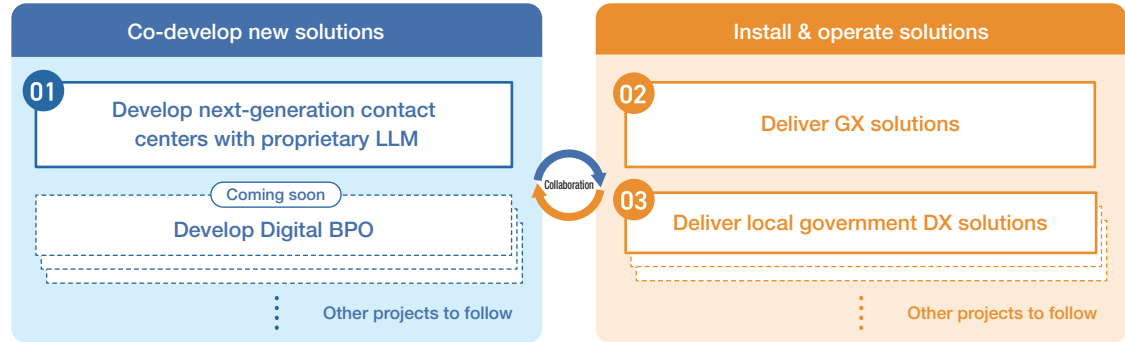
Automate data entry process to the greatest extent possible with the power of DX solution



FOCUS

Providing Digital BPO® solutions for the AI era tailored to client business scale and characteristics

On July 17, 2024, transcosmos concluded a strategic business alliance with NTT Communications Corporation (NTT Com) to provide Digital BPO® solutions for the AI era. Under the alliance, we will combine NTT Com's AI and other technologies and infrastructure with our advanced business expertise and DX talent to develop Digital BPO solutions with unprecedented robustness. We will also work together to 1) develop next-generation contact centers, 2) provide green transformation (GX) solutions, and 3) provide local government DX solutions.





Initiatives to  
realize our vision

2

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

transcosmos currently provides CX and BPO services for local markets in 34 countries and regions via 111 overseas business sites. We are fine-tuning our global service network by concentrating investment in markets in Asia and reviewing our operations in unprofitable markets.

## Helping clients establish e-commerce models for the ASEAN region

Clients seeking to expand into the fast-growing ASEAN region face a number of hurdles. Some tell us they have a clear strategy but that it is not gaining ground in local markets, making it difficult to formulate strategy. Others say they are struggling to fully understand conditions and identify issues in local markets. To address these challenges, transcosmos provides a Collaborative Problem-solving Service, a partnership approach in supporting client's e-commerce business, backed by our deep understanding of local e-commerce operations. In a project for Ajinomoto (Thailand) Co., Ltd., transcosmos worked hand-in-hand with the client to develop a model that enables the rapid execution of the e-commerce operations cycle, from analysis-driven issue identification to frontline improvements. This helped the client achieve an 8.4-fold increase in gross merchandise value (GMV) and a 3-fold increase in average order value (AOV).



## ■ Ajinomoto (Thailand) case study: Reasons for selecting transcosmos and project outcomes

## Reasons for selection

- ✓ Effective collaborative problem-solving approach backed by frontline insights
- ✓ Proposals with specific achievable initiatives
- ✓ Dedicated support team with deep understanding of LAZADA and Shopee
- ✓ One-stop support for all areas of e-commerce operations

## Project outcomes

◎ GMV	8.4x
◎ AOV	3x
Based on 17-month period from start of operational support	

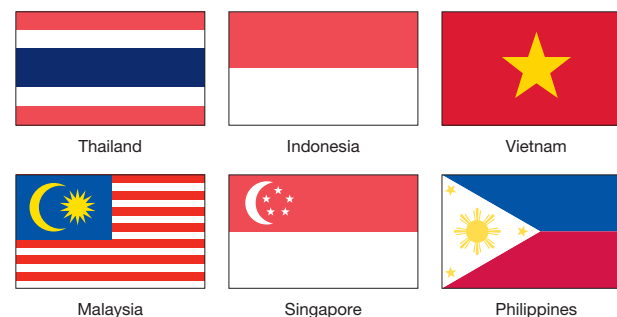
## ■ High-speed model for the e-commerce operations cycle – from issue analysis to frontline operation

E-commerce Collaborative Problem-solving  
Service – service menu

transcosmos provides all the services – from analysis to operations – that clients need to achieve their e-commerce strategy objectives and expand into new countries.

Analysis Consulting Development Operation

## Service areas



## Launched Translingo SMART - generative AI automated translation tool

In February 2024, we launched multilingual chat services using a generative AI-powered automated translation tool called Translingo SMART. These services provide customer support in up to 15 languages (as of January 2024) without the need for bilingual agents.



## Overview of Translingo SMART

- ✓ Developed by transcosmos's Philippines office
- ✓ CRM system with chat function connected to generative AI via middleware, enabling automatic translation for customers and agents
- ✓ Supports 15 languages: English, Japanese, Korean, Simplified Chinese, Traditional Chinese, Tagalog, Thai, Vietnamese, Malay, Indonesian, French, German, Spanish, Italian and Portuguese; more languages to be added in future



## Using automatic image and video generation to improve ad production efficiency

In our e-commerce support services for the Greater China market, we are using third-party generative AI tools to improve the efficiency of ad production work. Through the use of AI text-to-image and AI text-to-video generators, we have significantly reduced the time needed to produce online ads.

We have also increased the impact of advertising by improving the accuracy of the generated ad content. In an ad production project for 佳能天猫官方旗舰店, Canon Inc.'s Tmall flagship store for the Chinese market, we helped the client improve the ad click rate by 40% by replacing static key visuals with smooth animation and images with a richer visual impact. These changes also improved the abandonment rate by 32% and average time on page by 2%.

Regulatory frameworks and operating rules for new technologies such as generative AI differ greatly in each country and region. We intend to keep a close eye on the latest technology trends while providing support tailored to the needs of clients in each service area.

transcosmos is placing ads created with AI text-to-image and text-to-video generators on the AI-generated dynamic webpages of 佳能天猫官方旗舰店, Canon's Tmall flagship store for the Chinese market. The tools can generate vivid flowers, butterflies and other motifs favored by the target audience, helping reduce production time while also improving ad impact.



### Bengaluru Center in India begins full-scale operations

We held an opening ceremony on May 31, 2024 to mark the start of full-scale operations at our Bengaluru Center, which was established in March 2024. The center supports almost all major languages used in India, including English and Hindi, as well as Tamil and Marathi. We are currently rolling out contact center services for the local market in India, providing multi-channel support and comprehensive marketing services originally developed for Japan and other Asian markets.



### Creating sustainable jobs through impact sourcing to lift living standards in developing countries and underprivileged communities

transcosmos is expanding its impact sourcing initiative in Thailand. Impact sourcing is a new business practice aimed at lifting living standards in developing countries and underprivileged communities by creating sustainable employment opportunities and prioritizing local suppliers. With impact sourcing, companies provide work environments and training that lead to economic self-sufficiency through income growth, skills development and professional advancement.

Impact sourcing will also allow transcosmos to enhance its language capabilities, supporting the delivery of services to clients in an even wider range of languages. Under this initiative, we already provide services in four languages – Thai, English, Khmer and Burmese. This increases client satisfaction as it allows us to seamlessly implement operational processes and provide training in multiple languages, thereby saving clients time, effort and costs.

#### Features of transcosmos's impact sourcing

##### ● Competitive compensation and benefits

Through meticulous competitor analysis, transcosmos ensures its compensation packages are competitive within the industry. Additionally, the Company offers comprehensive wellness programs designed to enhance employee well-being.

##### ● Career development

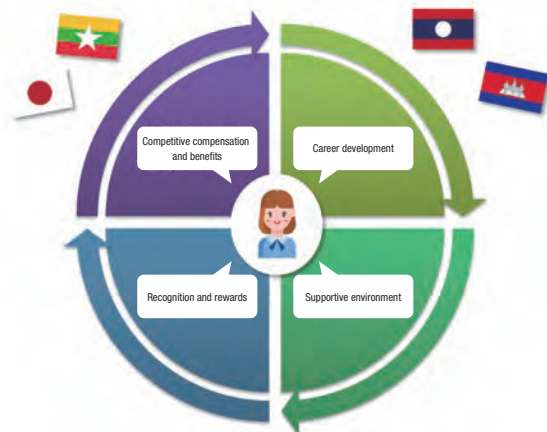
transcosmos provides clear career paths, extensive training, and opportunities for advancement to facilitate professional growth. Exceptional performers are identified for the Company's successor program, receiving specialized training for future leadership roles.

##### ● Supportive environment

Recognizing the challenges faced by international workforce in acclimating to new cultures and overcoming language barriers, transcosmos provides dedicated support and guidance. Management team serves as mentors, helping employees adjust and thrive in their new environment.

##### ● Recognition and rewards

transcosmos places a strong emphasis on recognizing and rewarding talent through various programs and incentives. Initiatives such as the Best Performance award acknowledges and celebrates the contributions of employees.



### Initiatives to realize our vision

3

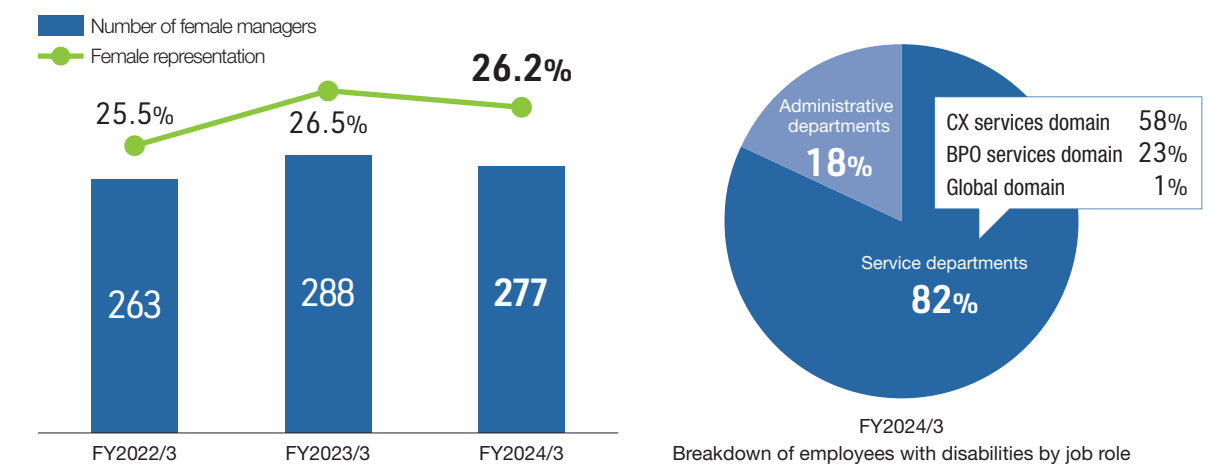
## Meet expectations of all stakeholders including clients, employees and shareholders, and serve society

In sustainability management, transcosmos is addressing climate change, enhancing human and intellectual capital and reinforcing governance as part of its efforts to solve challenges faced by society through its DX business. We continued to make steady progress in all these areas during FY2024/3.

### Diversity, Equity & Inclusion (DE&I)

▶▶ p.52 Diversity, Equity & Inclusion (DE&I)

In 2007, we set up a dedicated organization to empower our female employees. These efforts are paying off, with women accounting for 26.2% of managerial positions in FY2024/3, one of the highest levels in Japan. We are also actively promoting the employment of people with disabilities. Our aim is to create working environments where a diverse workforce can play an active role, regardless of disability, by proactively allocating people with disabilities to service departments, as well as maintaining recruitment above statutory levels.



### Group governance

▶▶ p.56 Corporate Governance

In October 2023 we established the Group Governance Committee to strengthen governance across the entire transcosmos Group, prevent and mitigate corporate risks, and maintain and increase corporate value. The committee is responsible for developing and disseminating the Group's shared rules, such as the transcosmos Group Fundamental Governance Policy and the Group Code of Conduct. It also leads the development of governance systems, formulates and implements risk mitigation measures, conducts incident reviews, and confirms and reports on the status of Group governance.

### Environment

▶▶ p.38 Implementing sustainable management as a global company

In February 2024, transcosmos was awarded a B-score in the CDP Climate Change Report 2023, indicating "management level" performance. A B-score is the third-highest of eight levels and shows the Company is aware of its environmental risks and impacts and is taking actions to address them.

transcosmos will continue to promote environmental management, including initiatives to address climate change, in line with its Fundamental Sustainability Policy and Environmental Policy.



## Working with diverse Group companies

To transform our business model, we are strengthening collaboration with many different Group companies in Japan and overseas. Each Group company leverages high levels of expertise and technological skill in their respective field to drive DX and deliver value to clients.

### Examples of Group synergies in DX support services



### CX

Japan's largest streaming video provider  
**J-Stream Inc.**



Marketing support services provider  
**me&stars inc.**



Joint venture with LY Corporation  
**transcosmos online communications inc.**



Staffing solution agency  
**transcosmos Partners inc.**



Cosmetics and commodities distributor for online retailers  
**UNQ HOLDINGS LIMITED (China)**



Leading online advertising company in South Korea  
**eMnet Inc. (South Korea)**



Research and analytics service company  
**transcosmos analytics inc.**



Service provider of shopping mall mobile-app "Gotcha! mall"  
**Grand Design Co., Ltd.**



Developer and operator of information systems  
**transcosmos digital technology inc.**



Provider of brand operation services for consumer brand experiences  
**Brand Operations inc.**



China's largest e-commerce support company focusing on apparel  
**MAGIC PANDA (Shandong) Group Co., Ltd. (China)**



FinTech company  
**Soft Space Sdn. Bhd. (Malaysia)**



Supplier of superior and attractive Japanese products to overseas markets  
**TAKASHIMAYA TRANSCOSMOS INTERNATIONAL COMMERCE PTE. LTD. (Singapore)**



Latin America's e-commerce and digital business one-stop services company  
**Infracommerce CXAAS S.A. (Brazil)**



### BPO

System integration solutions company, leveraging CAD, GIS and numerical analysis  
**APPLIED TECHNOLOGY CO., LTD.**



Developer and operator of information systems  
**transcosmos digital technology inc.**



Staffing solution agency  
**transcosmos Partners inc.**



Shared services company that provides HR services for Fujitsu and its group companies  
**FJ transcosmos Human Resource Professionals Limited**



Shared services company that provides services for Toshiba and its group companies  
**TT Human Asset Service Corporation**



Provider of all types of BPO services  
**TT Process Management Inc.**



Shared services company that provides services for Tohoku Electric Power and its group companies  
**Tohoku Electric Power Transcosmos Management Partner Company, Inc.**



### ALL

IT consulting firm  
**Skylight Consulting Inc.**



Staffing solution agency  
**transcosmos Partners inc.**



Provider of communication services based on e-ticketing system "QuickTicket"  
**playground Co., Ltd.**



Developer and operator of information systems  
**transcosmos digital technology inc.**



Special-purpose subsidiary promoting employment of people with special needs  
**transcosmos assist inc.**



Developer of science-led AI solutions  
**Machine Learning Solutions Inc.**



\*Some subsidiaries and affiliates not shown

\*Excludes overseas subsidiaries and overseas wholly owned subsidiaries

Our materialities

transcosmos aims to maximize the well-being of society, clients and individuals. To become the Global Digital Transformation Partner as a DX company, we have identified the following four materialities with the input of the Board of Directors, taking into account the risks and opportunities facing our business. Our goal is to help solve social issues through our business.

Our four materialities

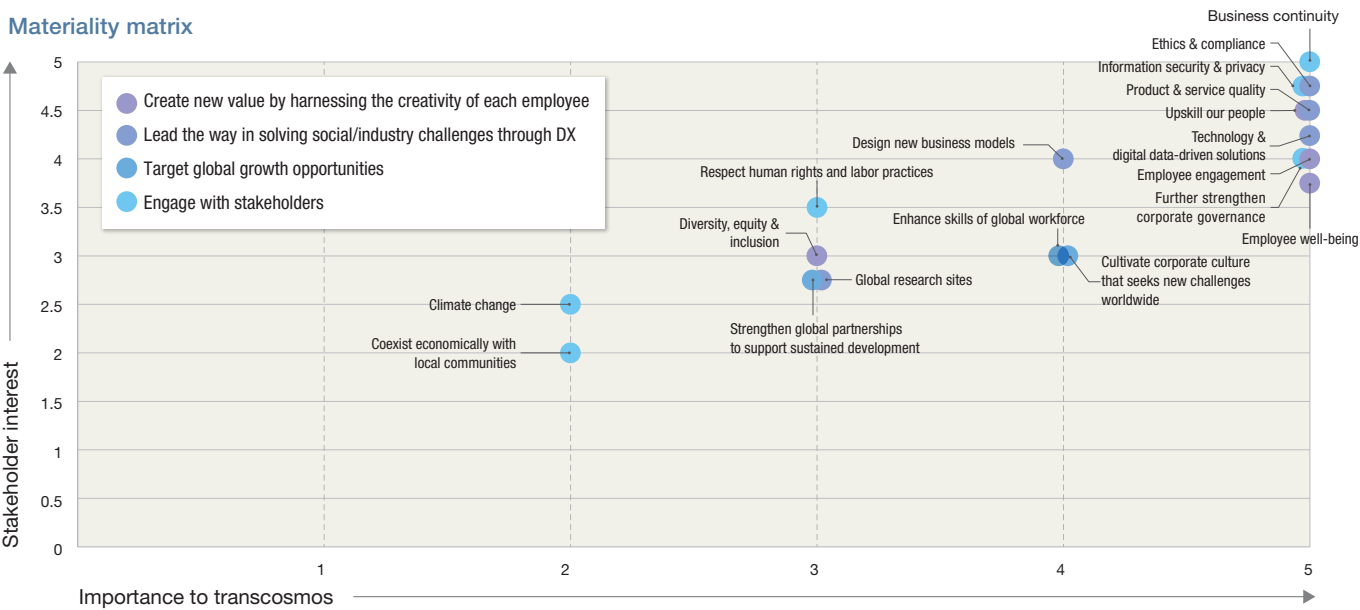
Materiality	Summary of materiality	Examples of key initiatives
Create new value by harnessing the creativity of each employee	Recognizing that “employees are our most valuable asset and have boundless potential,” we will actively promote employee well-being. Also, to improve the skills of our people, we will create systems that enable them to continue growing independently in various different tasks. This will include developing management personnel and IT and DX talent. Mindful of the individual characteristics of each employee, we will provide fair opportunities for all to excel by promoting Diversity, Equity & Inclusion (DE&I) initiatives.	<ul style="list-style-type: none"><li>● Employee well-being →p.51</li><li>● Developing professional talent with a high level of expertise →p.49</li><li>● Diversity, Equity &amp; Inclusion (DE&amp;I) →p.52</li></ul>
Lead the way in solving social/industry challenges through DX	Through our business activities as a DX company, we will take the lead in solving social and industry challenges by providing new technology and digital data-driven solutions to clients. In addition to designing new business models and establishing technical research centers worldwide, we will strive to enhance product and service quality and reinforce information security and privacy protection systems in existing domains.	<ul style="list-style-type: none"><li>● Implementing initiatives to realize our vision of “Evolving into a Technology Solutions Company from a company with operational excellence” →p.20</li><li>● Responding to cybersecurity risks →p.61</li></ul>
Target global growth opportunities	To support the Group's sustained development, we will strengthen global partnerships and help to increase the corporate value of diverse clients in Japan and overseas. This will mean enhancing the skills of our global workforce and cultivating a corporate culture that seeks new challenges worldwide.	<ul style="list-style-type: none"><li>● Implementing initiatives to realize our vision of “Becoming the unparalleled leader in Asia and a top-five global CX/BPO services player” →p.26</li></ul>
Engage with stakeholders	Given the role of companies in society, we recognize that addressing climate change is an essential mission. Also, as part of the international community, we will promote respect for human rights and appropriate labor practices. At our many business sites in Japan and overseas, we aim to coexist economically with local communities and support their development through activities that contribute to society.  To deliver sustainable growth, we will formulate business continuity plans, further strengthen corporate governance and enhance corporate ethics and compliance.	<ul style="list-style-type: none"><li>● Implementing sustainable management as a global company →p.38</li><li>● Creating social impact by solving social issues through our business →p.40</li><li>● Addressing climate change →p.46</li><li>● Corporate governance →p.56</li></ul>

Materiality identification process and materiality matrix

We used the following process to verify, identify and narrow down the Group's materiality.

1. Identified 760 items based on assessments of competitors, leading global companies, Japanese companies active globally with high ESG ratings, international standards (ISO 26001), GRI, SASB, SDGs, etc., and social trends related to the Company.
2. Grouped into 48 categories
3. Scored according to level of stakeholder interest and importance to the Company
4. Narrowed down to issues of greatest importance

Materiality matrix




Relationship between materiality and medium-term business plan FY2024/3-FY2026/3





# Our management capital as the source of value creation

transcosmos creates value by constantly developing its people & technology, the origin of our business, underpinned by human & intellectual capital, manufactured capital, financial capital, and social & relationship capital cultivated since the Company was established.

<div></div> <div>Human and intellectual capital</div>	<p>We are enhancing talent development programs and strengthening the capabilities of our people, recognizing that developing “professional talent” – highly skilled professionals who can provide tailored services to clients – is important for both employees and the Company as a whole.</p> <p>In addition, the platforms developed by transcosmos and our expertise in using them to skillfully integrate “people &amp; technology” is helping a diverse range of clients achieve DX, CX and SX.</p>	<ul style="list-style-type: none"><li>• Number of employees: 69,764 (Japan 43,725, overseas 26,039)</li><li>• Diversity, Equity &amp; Inclusion: Women’s representation in managerial positions: 26.2%, proportion of employees with disabilities: 2.67% (as of June 1, 2024)</li><li>• Salesforce-certified marketing cloud email specialists: 225 people, top class in Japan (as of July 4, 2024)</li><li>• Data scientists: 75 (transcosmos analytics Inc.)</li><li>• Number of employees certified under the transcosmos chat operations certification system based on international standards: 2,489 (as of June 2024)</li><li>• Digitization ambassadors: 1,428 (appointed by Digital Agency)</li><li>• In-house training: More than 400 courses</li><li>• Average age of employees: 37 years and five months (non-consolidated)</li><li>• Proprietary platforms: trans-DX for Support, DEC Connect, HCM Analytics Platform, GHG emissions calculation solutions, logistics cost optimization services, Gotcha!mall, MOALA, etc.</li></ul>
<div></div> <div>Manufactured capital</div>	<p>We operate business sites in Japan and overseas. In particular, we have built a network of large contact centers in Japan and East Asia. These many locations allow us to deliver tailored, comprehensive services.</p> <p>We also help to smoothly solve business challenges faced by clients using our advanced center facility operation system that utilizes cutting-edge technology.</p>	<ul style="list-style-type: none"><li>• Business sites: 182 locations in 35 countries and regions worldwide (overseas: 111, Japan: 71) (as of August 2024)</li><li>• Global support: Supporting clients’ e-commerce business operations in 46 countries and regions in 30 languages worldwide (as of August 2024)</li><li>• Advanced center facility operation system utilizing cutting-edge technology: transpeech (voice recognition solutions), Contact-Link (cloud systems), Insight BI (CX optimization support dashboard), backup solutions for work-at-home agents, CO<sub>2</sub> sensor controller, AI-based air conditioning control equipment, QOSIS (order outsourcing service), RealWorks (data entry system), FlowScope (process control system), Quick Support Cloud with GAI (generative AI-powered support desk tool), etc. <small>*Some services only available at certain centers</small></li><li>• Total capital investment: ¥5.3 billion</li></ul>
<div></div> <div>Financial capital</div>	<p>We are investing heavily in business strategies to achieve our vision, and to attract, retain and develop diverse people. We have built a stable financial base that can support sustained growth and withstand rapid changes in the business climate.</p>	<ul style="list-style-type: none"><li>• Equity capital: ¥108.4 billion</li><li>• Equity ratio: 54.3%</li><li>• Net cash: ¥46.2 billion</li><li>• Net D/E ratio: -42.6%</li><li>• Rating assigned by Rating and Investment Information, Inc.: A- [rating outlook: Stable], CP: a-1</li></ul>
<div></div> <div>Social and relationship capital</div>	<p>We have won the support and trust of many clients thanks to our “customer satisfaction first” principle, which expresses our commitment to always doing the best for clients, and our “professionalism,” reflected in our use of new technologies to solve issues that help clients lift profits and labor productivity.</p>	<ul style="list-style-type: none"><li>• Number of clients: Over 3,500 companies</li><li>• Years since founding: 58</li><li>• Accreditation/recognition: Selected as Noteworthy DX Company 2024, Selected as a DX Certified Operator; Leader in PEAK Matrix® Assessment*; BIM BSI Kitemark; Awarded 2024 Premier Partner certification, highest status in Google Partners Program</li><li>• Management Philosophy unchanged since Company’s establishment</li></ul> <p><small>*Everest Group “Customer Experience Management (CXM) Services PEAK Matrix® Assessment 2024-APAC”</small></p>

Data for FY2024/3 or as of the end of March, 2024, unless otherwise stated

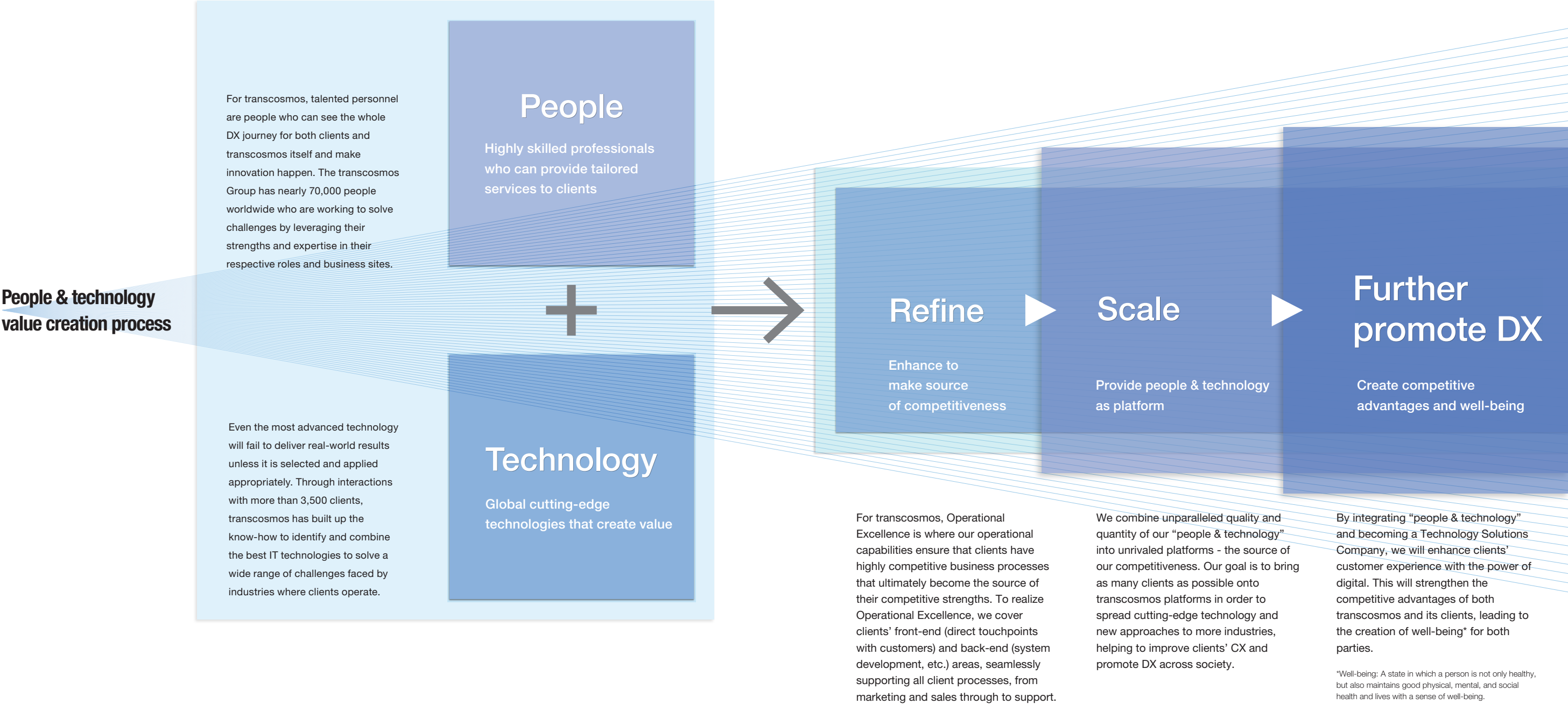
# What is “people & technology”

We combine people & technology in a superior, systemized way to deliver high-value services. This has been the starting point for our business since transcossomos was founded and sits at the heart of our business model today. “People” refers to highly skilled professionals who can provide tailored services that meet and exceed the expectations of clients, and “technology” means cutting-edge global technologies that enable us to deliver value to clients. transcossomos will continue to refine this approach of combining people & technology to create business processes that best match the needs of each client – the core of the Group’s value creation.

**Our key values  
since transcossomos  
was founded**

“Customer satisfaction first” is embedded in transcossomos’s DNA. As our late founder Koki Okuda told officers and employees, “We can only build trust when our daily efforts exceed the expectations of customers.” To realize our “customer satisfaction first” principle, every employee working onsite at client offices over the years has devoted themselves to providing an even better level of service through continuous improvement. That has led to an accumulation of trust that supports transcossomos to this day.

The value we provide is not just the latest IT technology or people, but the ability to combine both – as expressed by our phrase, “people & technology.” “People & technology” is something we have learned and refined through relationships with clients and business partners over the years, and will remain at the heart of transcossomos’s value creation now and well into the future.





## Implementing sustainable management as a global company

### transcosmos Group Fundamental Sustainability Policy

transcosmos promotes sustainability management in its businesses and in its corporate activities. We help to solve challenges faced by society through our DX business, which supports the growth of clients. We are also implementing ESG initiatives such as addressing climate change, developing professional talent and reinforcing governance. In addition, we put considerable effort into promoting employee well-being, underpinned by our belief that “employees are our most valuable asset and have boundless potential.”

### Fundamental Sustainability Policy

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

### Sustainability purpose

“Our purpose is to create a well-being society.

To achieve the purpose, we will maximize the well-being of society, our clients, and each individual.”

#### Social well-being

Together with our clients, we will maximize social well-being through addressing social challenges including climate change, biodiversity, business and human rights, and social justice.

#### Clients' well-being

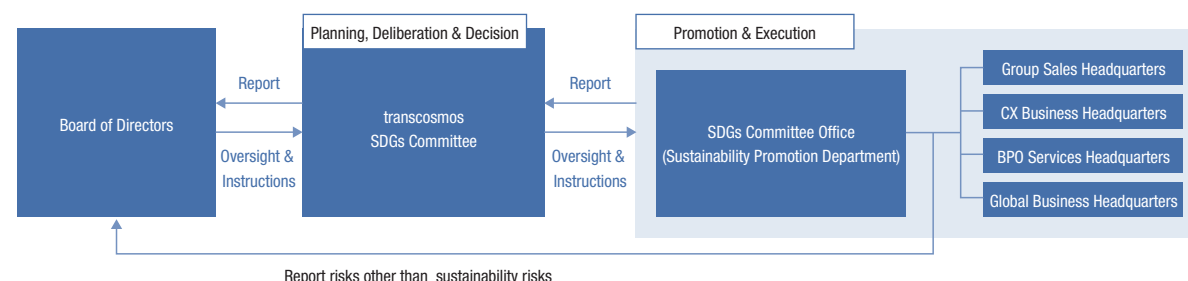
We will maximize our clients' well-being through helping clients achieve sustainable development including business growth, business process optimization, and greater customer satisfaction.

#### Individual well-being

We will maximize our people's well-being through offering the latest technology training programs and respecting employee well-being, DE&I, and human rights.

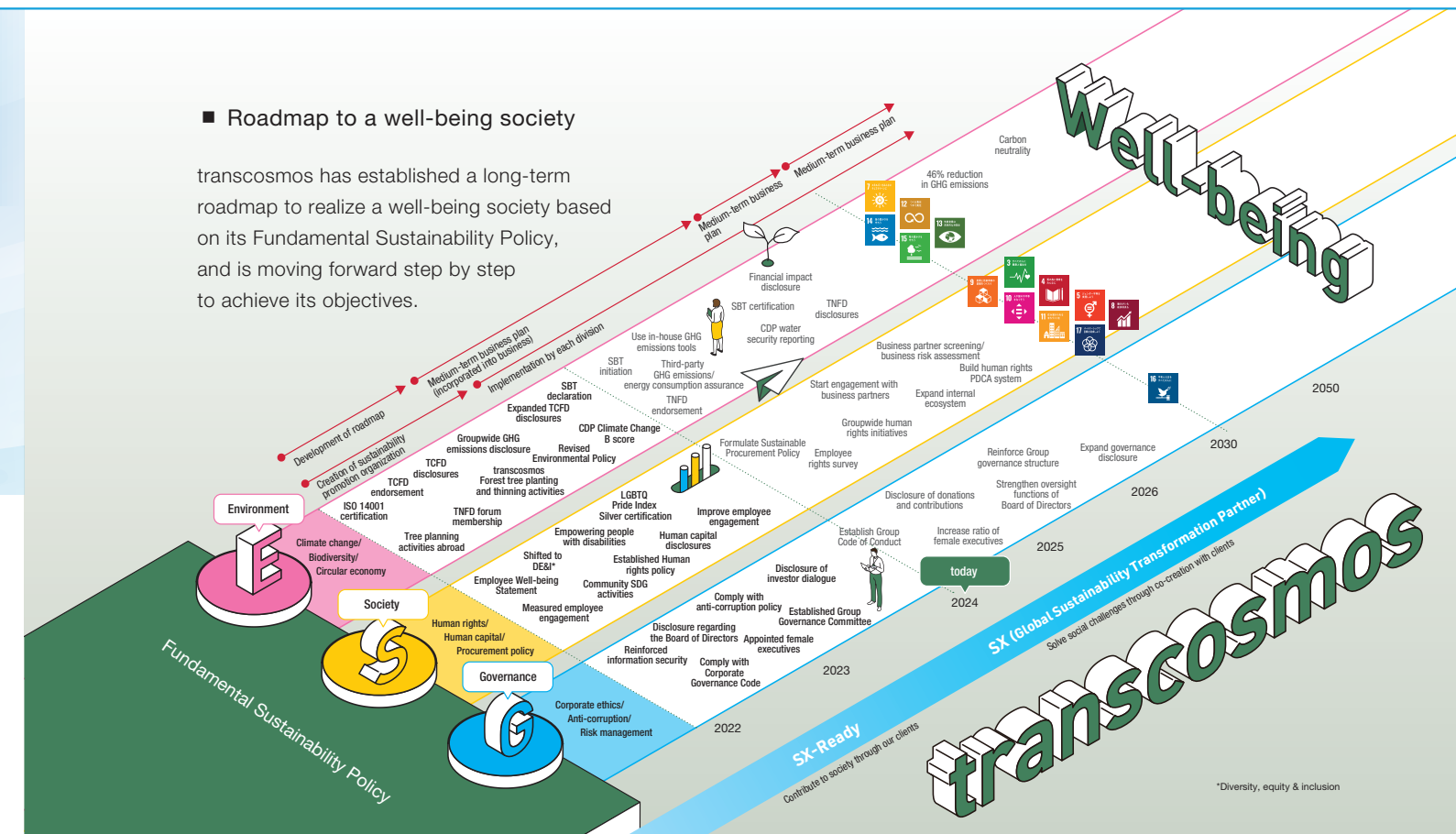
### transcosmos SDGs Committee

transcosmos links management strategies to the sustainable development goals (SDGs), recognizing the importance of analyzing and understanding risks and opportunities related to each of these goals from the perspective of the Group's sustainable growth. To this end, we have established the transcosmos SDGs Committee, which is specifically tasked with aligning the Group's business and management resources with its SDGs initiatives, setting priority SDGs by identifying social issues of particular significance to transcosmos, and confirming progress against these goals on a regular basis in order to promote sustainability management. The committee is chaired by Masataka Okuda, Representative Director & Chairman, and co-chaired by the Company's directors.



### Roadmap to a well-being society

transcosmos has established a long-term roadmap to realize a well-being society based on its Fundamental Sustainability Policy, and is moving forward step by step to achieve its objectives.



### Well-being cycle and indicators

Guided by our Fundamental Management Philosophy, we aim to grow the Group's earnings and improve the lives and happiness of all our stakeholders (increase well-being) to drive growth, and in turn, realize a sustainable society. Specifically, we will mobilize the three elements of the well-being cycle to achieve our KPIs.

#### Well-being cycle (left)

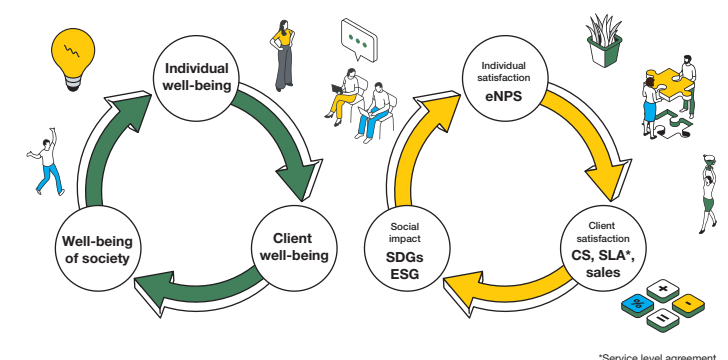
To improve client well-being (satisfaction), we need to improve individual well-being (employee satisfaction), and to improve the well-being of society in general, we need to improve client well-being.

#### Well-being indicators (right)

**Individuals:** Engagement survey (eNPS) of all full-time employees and officers

**Clients:** Increased engagement and sales through CS and SLA

**Social impact:** Degree of SDG attainment and ESG scores



### Inclusion in ESG indices and external evaluation

- S&P/JPX Carbon Efficient Index



- RE Action – Declaring 100% Renewable



- Eruboshi certification



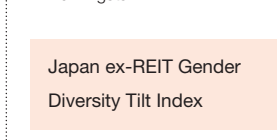
- KENKO Investment for Health Outstanding Organization



- CDP Climate Change B-score



- Morningstar®



- Kurumin certification



- LGBTQ Pride Index Silver certification



## transcosmos will solve social issues through its business to create social impact as an engine for growth

### Environment

Gain Science Based Targets  
**certification**  
by end-FY2026/3

### Social

Increase women's representation in  
managerial positions to at least **28.0%**  
by end-FY2026/3

### Governance

Attain FTSE Russell ESG score of  
**3.8 or higher**  
by end-FY2026/3

### Social Impact

Complete at least **50** projects solving  
social issues in public/private sectors  
by end-FY2026/3

#### Using the hometown tax program to tackle social issues faced by local governments

##### Case 1

##### Social issues in people development

●Sapporo City Corporate version of hometown tax program  
transcosmos's donations to Sapporo City will be used to run advanced ICT skills courses (website design, programming, etc.) for people employed by companies under the city's **DX reskilling project for people with disabilities**. The aim of our donations is to help realize a sustainable society through joint projects that promote the employment of people with disabilities.



##### Case 2

##### Social issues in decarbonization

●Oita Prefecture Corporate version of hometown tax program  
transcosmos used the corporate version of the hometown tax program to donate to Oita Prefecture's **forest J-Credit carbon sink scheme** in FY2025/3.

The newly established scheme makes it possible to quantitatively visualize how donations made through the hometown tax program are converted to forest J-Credits and contribute to decarbonization.



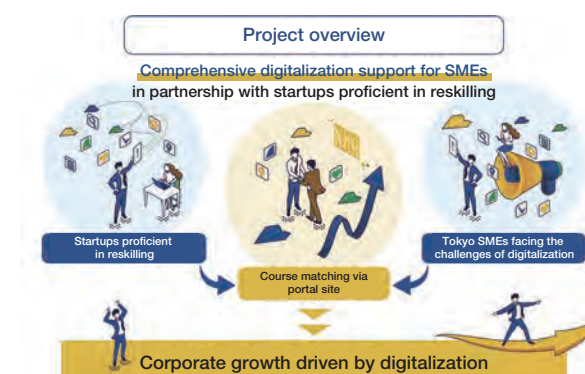
#### Tackling social issues faced by local governments and the private sector

##### Case 3

##### Social issues in reskilling

●The Tokyo Metropolitan Small and Medium Enterprise Support Center Digitalization support project

transcosmos was entrusted by the Tokyo Metropolitan Small and Medium Enterprise Support Center – a comprehensive, core support agency for SMEs in Tokyo – with a digitalization support project for SMEs **to provide reskilling training courses in partnership with startup companies**. We will provide seamless course management by coordinating with companies proficient in AI, DX, data analysis, IoT, RPA and low-code/no-code development, designing and operating a portal site to match SMEs and courses, and managing course attendance.

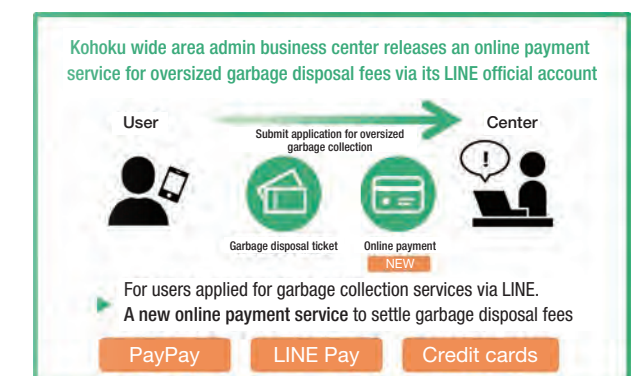


##### Case 4

##### Social issues in garbage collection

●Kohoku wide area admin business center using LINE in oversize garbage collection. Support for online payment of collection fees

The Kohoku wide area administration business center is a local partial public cooperative that covers Nagahama and Maibara cities in Shiga Prefecture. The center manages garbage and sewage collection and disposal services and also operates crematoriums in the district. The center launched a service called KANAMETO ECO on March 15, 2024 and opened an official LINE account on March 24, 2023. With KANAMETO ECO, **users can complete the entire process for disposing oversize garbage via the official LINE account, from submitting an application, rescheduling pickup to cancelling the application.**





Special Feature: Sustainability Roundtable

# Our responsibilities in the area of biodiversity

In August 2023, transcosmos joined the Taskforce on Nature-related Financial Disclosures (TNFD) Forum, and in March 2024, we declared our support for Oita Prefecture's pioneering forest carbon sink credit scheme using the corporate version of *furusato nozei*, Japan's hometown tax donation program that allows companies to receive tax credits on donations toward projects that promote regional revitalization.

On June 6, 2024, we sat down with Akira Mori, a Professor at the University of Tokyo who conducts biodiversity surveys using drones and other equipment of forests owned by Tajima Forest Corporation in Oita Prefecture. The forests are certified by the Ministry of the Environment as a Natural Symbiosis Site. Satoshi Takayama, Department Manager of the Sustainability Promotion Department, and Yuko Onaha, Center Manager of our call center in Oita Prefecture, also joined us to talk about the role companies can play in the area of biodiversity, where the interests of various stakeholders intersect.



**Yuko Onaha**  
Center Manager, CX Square Oita  
transcosmos inc.

**Akira Mori**  
Research Center for Advanced Science and Technology  
The University of Tokyo

**Satoshi Takayama**  
Corporate Executive Officer  
Division Manager, Government Relations & Public Affairs Division;  
Department Manager, Sustainability Promotion Department, transcosmos inc.

“Around 10% of the world’s land area is used for food production that results in food loss” (Mori)

“We need to start with what we can do ourselves, like changing what we eat for lunch” (Onaha)

“We will ‘visualize’ transcosmos’s biodiversity efforts to support dialogue with shareholders and investors” (Takayama)

**Mori** (honorific titles omitted): Research in the field of biodiversity science has shown that the greater the diversity of plants in a given area, the greater the carbon sequestration capacity. In my research, I try to logically demonstrate the economic value of organisms and show why more organisms increases the beneficial impact of nature. Companies are increasingly turning to us for advice on biodiversity in the context of ESG investment and other trends, but unlike climate change, which is associated with economic and social damage caused by natural disasters such as heavy rainfall, companies seem to find it harder to understand why biodiversity loss is an issue.

**Takayama**: Yes, biodiversity doesn’t have targets like the 1.5°C threshold for global temperatures used in the Task Force on Climate-related Financial Disclosures (TCFD) framework.

**Mori**: There is no biodiversity goal in the TNFD, but the

United Nations Convention on Biological Diversity (CBD) includes the “30x30” target. This aims to “protect at least 30% of the Earth’s land and ocean area as healthy ecosystems by 2030.” In many cases we deal with companies that are not sure where to start, so we work with them to conduct surveys of living organisms in company-owned forests as a way of “visualizing” the situation.

**Takayama**: At transcosmos, we also host tree-planting and tree-thinning events as part of our transcosmos Forest project activities in Okinawa and Wakayama prefectures to raise employee awareness, protect biodiversity and promote decarbonization. As a leader in the industry, we are taking a leap into the unknown, investigating, learning and trying new approaches, to build expertise, like the “first penguin” if you like, who takes a huge personal risk to ensure the survival of the group. Those of us in the Company who engage in dialogue with shareholders and investors, like myself, understand that we need to work hard on “visualizing” these activities.

**Mori**: Whether it is climate change or biodiversity loss, land use is having the greatest global impact on both trends. It is estimated that roughly 10% of the world’s land area is used for food production that is wasted. For example, even changes to our own eating habits, such as switching



“I want to become a person who can communicate our client’s thoughts on the environment to their customers”

## TOPIC

### transcosmos Forest project activities

#### ■Tree planting in Yaese-cho, Okinawa Prefecture

transcosmos held a tree planting event at the Yaese-cho sports tourism exchange facility in Okinawa Prefecture to promote carbon neutrality. The event, part of the transcosmos Forest project aimed at preserving the environment through tree-planting, saw 280 participants, including the Company’s employees, their families and other related parties, plant a total of 160 hikanzakura (Taiwan cherry trees) and azalea trees over a roughly 4,000 m<sup>2</sup> area.

#### ■Tree-thinning activities to protect forests in Aridagawa-cho, Wakayama Prefecture

In 2024 transcosmos started tree-thinning activities to protect the forests of Aridagawa-cho. Selectively removing trees and managing forest density promotes the growth of remaining trees, thereby drastically increasing the amount of CO<sub>2</sub> absorbed by the forest. transcosmos thinned 2.27 hectares of the forest in FY2025/03, which is expected to lead to the absorption of 31 tons of CO<sub>2</sub>.



“By bringing together many sectors, I believe we can build new, nature-positive industries”

to foods with a smaller environment footprint, can have a significant impact.

**Onaha**: Around 320 people have lunch every day in our call center. Listening to Professor Mori’s comments, I think it would be interesting if we set aside one day for lunch made from local food ingredients with a small environmental footprint, as Oita has delicious local rice, fish and meat.

**Mori**: My team, with the support of the transcosmos foundation, is conducting drone-based biodiversity surveys and developing monitoring methods in Tajima Forest Corporation’s forests, which are certified as a Natural Symbiosis Site by the Ministry of the Environment. If we can establish a monitoring method that anybody can perform with drones, and that also provides evidence-based outcomes in combination with real-world surveys of living organisms, it could be used for other projects, thereby helping to broaden efforts to protect biodiversity. Also, if we can use these surveys to demonstrate the value of timber products that come from forests cultivated with consideration for living organisms, consumers might become more conscious about the need to buy eco-friendly products, even if they cost a bit more. By connecting people from different walks of life to support this idea, we could create new, nature-positive industries.

**Takayama**: Oita Prefecture is implementing measures to achieve carbon neutrality by 2050, but the prefecture is

home to petrochemical complexes that have high CO<sub>2</sub> emissions. For the prefecture to reach its goal, these petrochemical companies need to switch to business processes that emit less CO<sub>2</sub>. As a company that manages business processes on behalf of clients, moves by clients to transform their operations are a business opportunity. In addition to supporting Oita Prefecture’s forest carbon sink credit scheme, we have started providing consulting services to help local companies transform their complexes into “green facilities.”

**Onaha**: Our call center sometimes receives feedback from eco-conscious customers about product containers and requests for refills. The supplier of the products, our client, instructs us to provide answers that give customers more knowledge about environmental issues. All of us at the call center are working to obtain Green Transformation (GX) Certification, which we hope will allow us to better communicate the views of our clients and Professor Mori’s thoughts on the environment, such as the idea that “paying a bit more can help the environment.”

**Mori**: Protecting biodiversity is a process, but a long-term one. Drawing on support from the corporate sector to educate future generations, we hope to ultimately solve social and environmental issues by protecting biodiversity.

**Takayama/Onaha**: Thank you very much for your time today.

“Transforming petrochemical complexes into ‘green facilities’ is a business opportunity”



## TOPIC

### transcosmos’s social contribution activities

#### ■transcosmos foundation

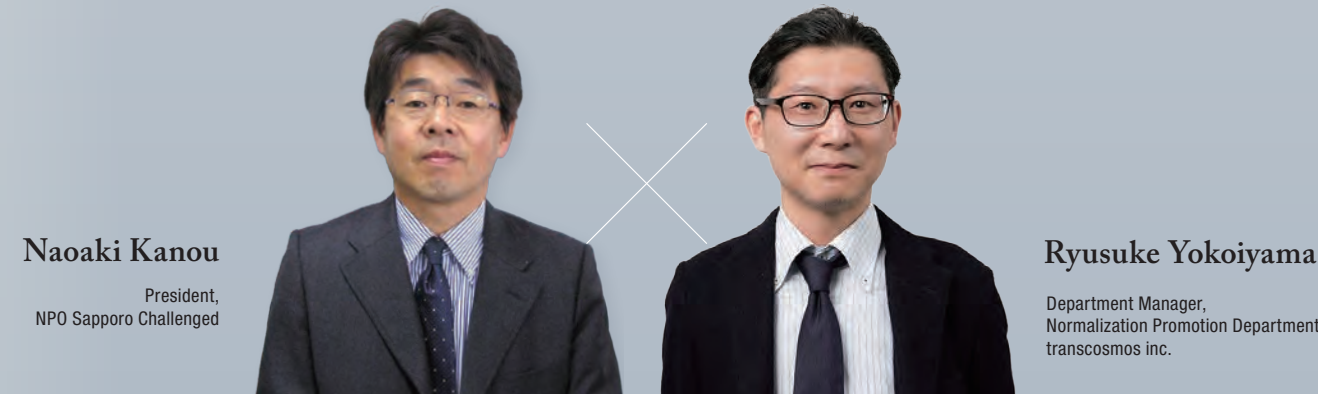
The transcosmos foundation was established by a private donation from the Company’s late-founder Koki Okuda with the aim of contributing to society. The foundation supports the education of people who show potential to give back to society in the future, and also provides subsidies and support in the fields of academic and scientific technology, the humanities and sports to drive the further development of society.



Special Feature: Sustainability Roundtable

# From urban to rural areas, we are promoting reskilling and creating more job opportunities for people with disabilities

As of June 1, 2024, transcosmos has 716 people with disabilities working at 15 sites nationwide, including in Tokyo and Osaka. We have exceeded the statutory employment rate for disabled employees for six consecutive years. On June 30, 2024, Ryusuke Yokoiyama, Department Manager of the Normalization Promotion Department, sat down to talk with Naoaki Kanou, President of NPO Sapporo Challenged, about current conditions and issues in the job market for people with disabilities, the impact of transcosmos's initiatives, and its efforts to reskill and offer more job opportunities for people with disabilities in regional areas.



**Naoaki Kanou**  
President,  
NPO Sapporo Challenged

**Ryusuke Yokoiyama**  
Department Manager,  
Normalization Promotion Department  
transcosmos inc.

“Companies face obstacles to increasing recruitment of mentally challenged persons, as well as those with physical disabilities” (Kanou)

“Before hiring mentally challenged persons, we put in place support systems centered around mental health workers” (Yokoiyama)

**Kanou** (honorific titles omitted): Sapporo Challenged is an NPO established in 2000 to help people with disabilities participate in society and the job market. Today, as society becomes more complex, the number of people “struggling to cope with life’s difficulties” is growing. It is important to help these people achieve social inclusion so they do not become isolated. The employment of people with physical disabilities is steadily rising, but the challenge going forward will be to increase job opportunities for mentally challenged persons and those with developmental disorders.

**Yokoiyama**: At transcosmos, we believe human assets, regardless of disability, are the driving force behind our business growth, and we have been hiring people with disabilities after creating opportunities for them to play an active role. I have been in my role for more than 10 years. In that time, there has been a growing understanding within

the Group of how people with disabilities can contribute to our business, due to their growing visibility in the workplace. I now receive requests from department managers for specific personnel numbers for the coming year. After all, conditions for people with disabilities are unlikely to change unless we put words into action and create more job opportunities for them.

**Kanou**: Yes, we have to offer ways of working that give people, regardless of ability, the opportunity to contribute to a company. What is transcosmos’s approach to hiring mentally challenged persons?

**Yokoiyama**: Initially we focused on hiring people with physical disabilities, but we later started recruiting mentally challenged people after putting in place onboarding support systems staffed by qualified mental health workers. In recent years, we have been hiring more mentally challenged people than those with physical disabilities.

“Directives from top management to hire more people with disabilities spurred rapid growth in our disability employment program” (Yokoiyama)

**Kanou**: It’s a sensible step to first hire mental health workers and build support systems around them. I think other companies can learn from your approach. What is the background to transcosmos’s progressive recruitment program?

**Yokoiyama**: At first we hired people with disabilities to work as administrative assistants in back-office departments such as general affairs and human resources, but one year we fell well below the disabled person statutory employment rate and the Company received an administrative guidance.

In response, we launched an internal project to increase employment of people with disabilities, and top management instructed the head of each business headquarters to “actively accept people with disabilities to their departments.” This drove rapid expansion in recruitment across the Group. As a result of these proactive efforts, the Company has been certified by the Tokyo Metropolitan Government as a “Barrier-Free Mind” Good Practice Company. (See TOPIC sidebar for more details)

“We can help eliminate regional disparities in disability employment opportunities by showcasing transcosmos as an accessible and inclusive workplace for all” (Kanou)

**Kanou**: Regional disparities in job opportunities for people with disabilities have become a social issue, with more people in the Tokyo area apparently employed in impactful and rewarding roles than in rural areas. In my role at Sapporo Challenged, I’ve heard people say that companies in Sapporo won’t give them as much freedom in the workplace

as those in Tokyo, which is likely to restrict job opportunities for people with disabilities in regional areas.

**Yokoiyama**: The Normalization Promotion Department, where I work, specializes in hiring people with disabilities, but we only have offices in Tokyo and Osaka. We started regional recruitment activities in 2018, beginning with Sapporo. Since

the pandemic, working online has become normal and is now a stable work practice for people with disabilities, but initially it was difficult for them to adapt, as we had to switch from in-person to online support systems. In many cases I’ve noticed a disparity in regional recruitment of people with disabilities, such as fewer attendees at company information sessions in rural areas than in urban ones.

**Kanou**: In regional areas where transcosmos has business

sites, we need to promote the kind of work styles that are on offer. By publicizing the fact that our workforce is highly motivated, I believe people with disabilities, as well as staff associated with organizations helping them transition to the workforce, will be more inclined to recommend transcosmos. I would like to see current employees tell and show prospective recruits what it’s like to work at transcosmos.

“Sapporo City’s DX reskilling project for people with disabilities is a good example of how transcosmos is making a social impact” (Kanou)

“We also want to support regional initiatives and measures by other companies” (Yokoiyama)

**Kanou**: Sapporo City’s DX reskilling project for people with disabilities, which is aimed at people working at companies and other organizations, is funded by transcosmos through the corporate version of the hometown tax program, through which companies receive tax deductions for donations to designated regional organizations. The project provides training in computer programming and web design to help participants become valuable assets for companies in Sapporo. We are very grateful that transcosmos, as part of its corporate social responsibility, is supporting projects that solve social issues. We hope it gains ground in other parts of Japan, not just Sapporo. Reskilling

people with disabilities is a very progressive and positive example of how companies can make a social impact. **Yokoiyama**: We plan to support the Sapporo City’s DX reskilling project for people with disabilities for many years to come, not just one year, and we hope companies, organizations and schools in Sapporo will ultimately take the lead on the project. In the meantime, we have started looking for other municipalities to promote similar initiatives, and we hope to provide our expertise to other companies to promote better understanding of people with disabilities and create more opportunities for them to play an active role in the workplace.

## TOPIC

### Recognized by the Tokyo Metropolitan Government as a “Barrier-Free Mind” Good Practice Company

The Tokyo Metropolitan Government is promoting “barrier-free minds” to foster consistent behaviors that create an inclusive society and environment for all. In March 2024, transcosmos was certified as a “Barrier-Free Mind” Good Practice Company for its outstanding efforts on inclusivity.

#### ■ Overview and highlights

- (1) Creating more job opportunities in profit centers (service-related departments directly linked to sales) such as the CX and BPO businesses: transcosmos’s approach was highly praised, as many other companies tend to assign employees with disabilities to back-office departments.
- (2) Creating workplace environments where employees can work with peace of mind: transcosmos has three qualified mental health workers who conduct periodic interviews with mentally challenged employees to support stable work. We have also established a support system with sign language interpreters to allow people with hearing disabilities to participate in meetings.
- (3) People development and job support: transcosmos employees with disabilities support people development by holding seminars and training at workplace transition facilities, which provide courses in web production, design and other skills for people with disabilities. We also hire people who take part in these courses.





Our ESG

transcosmos positions environmental, social and governance (ESG) initiatives as the foundation of value creation. We have formulated a Fundamental Sustainability Policy (see page 38) with the aim of achieving growth and realizing a sustainable society. We have also established the transcosmos SDGs Committee, chaired by the Company’s Representative Director & Chairman, to lead our efforts to address important management issues related to sustainability, such as climate change, empowering women in the workplace and hiring people with disabilities.



For more information on our ESG initiatives, please refer to our website.  
▶ <https://www.trans-cosmos.co.jp/english/ir/esg.html>

Addressing climate change

transcosmos promotes environmental management, including initiatives to address climate change, based on its Fundamental Sustainability Policy and Environmental Policy. In FY2024/3, we took steps to expand information disclosure, including taking part in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum and submitting a commitment letter to obtain Science Based Targets (SBT) certification.

Environmental policy

Fundamental policy

In the transcosmos Sustainability Fundamental Policy, we state our commitment to creating a well-being society.

- 1) As a Global Digital Transformation Partner, we take action to conserve the environment by helping businesses design green business processes and achieve digitalization.
  - 2) In partnership with both internal and external stakeholders, we contribute to creating a more sustainable society for ourselves and future generations that ensure social and economic development and environmental conservation.
- 
- 1. Comply with laws and regulations  
We will comply with applicable domestic and international laws and regulations and other requirements concerning environmental conservation.
  - 2. Continue action for environmental improvement  
Towards our environmental targets and goals, we will drive initiatives for continuous enhancements through the use of environmental management systems.
  - 3. Achieve carbon neutrality  
We will contribute to achieving a carbon neutral society by reducing greenhouse gas emissions, enhancing energy efficiency, and ultimately shifting to renewable energy.
  - 4. Shift to a circular economy  
We will push the shift to a circular economy by the sustainable use of natural resources that include preventing pollution, reducing waste, and reusing and recycling resources, as well as making the most of digital transformation (DX).
  - 5. Conserve biodiversity & ecosystems  
We will contribute to creating a society where people live harmoniously with nature through biodiversity conservation & restoration projects such as joint environmental activities with local communities.
  - 6. Promote sustainable procurement  
We will proactively promote green procurement such as using recycled materials and low carbon products and services.
  - 7. Promote environmental education  
We will raise environmental awareness among our people to enhance the environment by further promoting awareness campaigns and education on environmental issues.
  - 8. Disclose information  
With the disclosure of this Environmental Policy and initiatives above, we will be more proactive in stakeholder communication, providing progress and achievements both internally and externally.



JQA-EM6671  
Headquarters/  
Osaka Head Office

Environmental management system

To comply with clients’ green supply chain requirements, our headquarters and Osaka head office have both obtained ISO 14001 certification, the international standard for environmental management systems.

Addressing climate change

Governance

The transcosmos SDGs Committee is responsible for planning, discussing and making decisions on measures related to sustainability, including the formulation of policies for addressing climate change risks and profit opportunities, and greenhouse gas emission reduction targets and initiatives. Based on plans finalized by the committee, the Sustainability Promotion Department conducts reviews and reports the results of the reviews to the committee.

Risk management

The Board of Directors receives reports from the transcosmos SDGs Committee on sustainability-related risks, including climate change risks. Using these reports, it identifies and evaluates risks based on their impact on the environment and society. As a Global Digital Transformation Partner that helps clients increase customer loyalty, expand sales and profits and digitize business processes, transcosmos engages in environmental protection and conservation initiatives to contribute to the continued development of a sustainable society. We aim to realize environmental management in our business activities through the Environmental Policy explained on the previous page.

Strategy 1 Identifying and defining the range of scenarios

We have defined worldviews under two different global warming scenarios published by the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA): 1) a rise of less than 2°C (including 1.5°C) in average global temperature, and 2) a rise of 4°C in average global temperature. Based on these scenarios, we have evaluated risks and profit opportunities with the potential to impact our business between now and 2050.

Strategy 2 Identifying risks and revenue growth opportunities

Our scenario analysis shows that the “less than 2°C (including 1.5°C) scenario,” which assumes the implementation of strict policies and regulations to move toward a decarbonized society, is likely to create risks and revenue opportunities in the transition phase, while the “4°C scenario,” which assumes a continuation of current policies, is likely to result in physical risks and revenue opportunities. transcosmos will continue to conduct scenario analysis on an ongoing basis and implement measures to address any material identified climate change-related risks and revenue opportunities in order to mitigate risks and capture revenue opportunities.

Metrics & targets

transcosmos monitors the Group’s emissions of greenhouse gases (Scope 1 + 2) and has set reduction targets. In accordance with interim targets formulated by the Japanese government, we aim to reduce CO<sub>2</sub> emissions by 46% in 2030 compared with levels in FY2022/3 and achieve net zero CO<sub>2</sub> emissions by 2050.

Greenhouse gas emissions

The table below shows transcosmos’s greenhouse gas (GHG) emissions. (t-CO<sub>2</sub>)

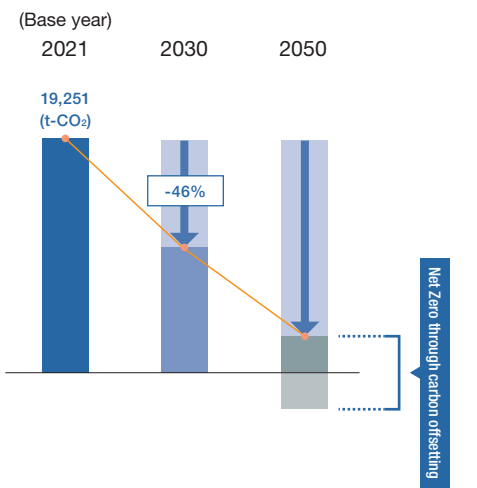
Scope	FY2022/3	FY2023/3	Changes from FY2022/3
Scope 1	434	590	136%
Scope 2	18,817	13,432	71%
Total (Scope 1+Scope 2)	19,251	14,022	73%
Scope 3	–	118,314	–
Total (Scope 1+2+3)	–	132,336	–

\*Above data is for greenhouse gas emissions at transcosmos inc. only  
\*CO<sub>2</sub> is the only applicable greenhouse gas for transcosmos inc.

The table below shows the transcosmos Group’s GHG emissions. (t-CO<sub>2</sub>)

Scope	FY2023/3
Scope 1	682
Scope 2	23,178
Scope 3	194,087
Total (Scope 1+2+3)	217,947

CO<sub>2</sub> emissions (Scope 1+2) reduction targets



Member of RE Action

transcosmos has joined RE Action. To achieve carbon neutrality by 2050, we will take action with the goal to shift to 100% renewable energy as a Group by the same year.



Below 2°C (including 1.5°C)					
Category		Description	Impact		Our Response
			2030	2050	
Transition Risk	Policy/Regulation	●Increased costs such as additional tax burdens due to the introduction of carbon tax.	Moderate	Moderate	●Expand the scope of environmental management systems to include more business locations. ●Switch to renewable energy.
		●Higher costs for collecting and disclosing detailed environmental information to comply with tighter GHG emissions disclosure requirements or expanded obligations.	Low	Low	●Implement environmental management systems to streamline operations.
	Market	●Increased electricity and operating costs due to higher demands for renewable energy.	Moderate	Moderate	●Establish environmental objectives using environmental management systems. ●Expand the scope of environmental management systems to include more business locations.
		●A decline in existing business or lost business opportunities if fail to act swiftly to tackle climate-related challenges.	High	High	●Review and enhance information disclosure in line with the TCFD recommendations on an ongoing basis. ●Expand the scope of environmental management systems to include more business locations. ●Enhance the well-being of our people, organizations, and clients by the following actions; 1. Ensure the safety of our people and strengthen BCP across transcosmos. 2. Diversify disaster risks to our facilities by further increasing home-based contact centers. 3. Develop a pandemic response plan for offices.
	Reputation	●Lower sales and higher financing costs due to lower ESG ratings as more investors use ESG factors in business valuation.	Moderate	High	●Enhance ESG disclosures and receive higher ratings from rating agencies.
Transition Revenue Growth Opportunity	Market	●Higher profitability due to higher demands for new environment-related services that can address diversified consumer behavior as well as rising customer awareness towards environmental issues. ●The preferred choice for more clients with decarbonization services that help clients reduce GHG emissions.	High	High	●Sort out our existing services through an ESG lens. ●Create Green Transformation business. ●Monetize our environmental management systems.
	Reputation	●The preferred choice for more clients as a result of taking aggressive climate action.	High	High	●Create Green Transformation business. ●Increase business with clients, suppliers and partners taking climate actions. ●Carry out environmental initiatives involving our people (education, tree planting activity, etc.) ●Promote zero emission strategy such as using solar energy, etc.

4°C					
Category		Description	Impact		Our Response
			2030	2050	
Physical Risk	Acute	●Lost opportunities to provide services due to damages on our facilities as a result of severer and more frequent natural disasters and extreme weather.	Moderate	Moderate	●Identify, analyze and mitigate risks on a regular basis. ●Enhance the well-being of our people, organization and clients by the following actions; 1. Ensure the safety of our people and strengthen BCP across transcosmos. 2. Diversify disaster risk to our facilities by further increasing home-based contact centers. 3. Develop a pandemic response plan for offices.
		●Suspended service due to increased infectious diseases caused by unknown viruses and pandemics.	Moderate	Moderate	
	Chronic	●Lost opportunities to provide services as flood or storm surge damage our facilities located in coastal areas due to rising sea levels.	Low	Low	
		●Higher air conditioner costs as average temperature rises.	Low	Low	●Install air conditioners with high energy efficiency. ●Extend the “Cool Biz” campaign period, a period to promote energy conservation by allowing our people to dress casually.
Physical Revenue Growth Opportunities	Acute	●Order growth for commissioned business due to increased needs for BCP. ●The preferred choice for more clients with enhanced BCP that enables us to continue sound business operations.	High	High	●Standardize operations and increase flexibility in service delivery. ●Create Disaster-prevention Digital Transformation (DX) business. ●Create Green Transformation business. ●Sort out our existing services through a BCP lens and promote the services as decarbonization and BCP services.
		●Increased growth opportunity along with higher needs for non-face-to-face services due to increased infectious diseases caused by unknown viruses and pandemics.	High	High	●Increase home-based contact centers. ●Drive DX and expand outsourcing service opportunities. -Respond to clients’ urgent requests to change their business categories. -Implement SaaS (shift to paperless) -Offer helpdesk services -Open pandemic control grants administration centers -Expand e-commerce business

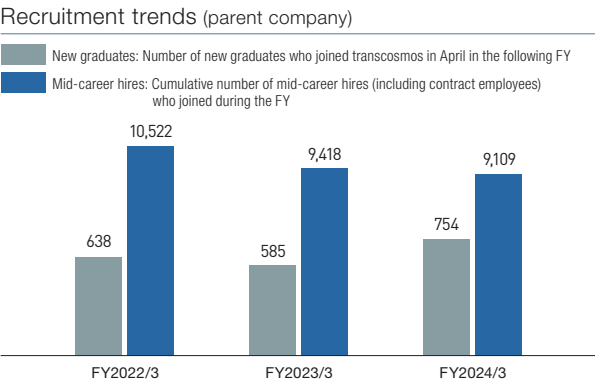
\*Business impact levels are assessed based on the following criteria; High: ¥1 billion or more, Moderate: ¥100 million to less than ¥1 billion, Low: Less than ¥100 million.

# Developing professional talent with a high level of expertise

transcosmos invests in human capital to realize its corporate vision, based on the belief that developing highly skilled professionals who understand our values is key to providing high-value-added services. In addition to securing and developing talent, we are working to embed transcosmos's Fundamental Management Philosophy, which underpins our provision of added value. We also hold the Internal Mid-Year Briefings to promote greater understanding and awareness of transcosmos's management actions.

## Attracting diverse talent

We are working to promote public understanding of transcosmos to help with the recruitment and retention of talented new graduates, mid-career hires and experienced workers. Specifically, we are adding more content to easy-to-understand videos about what makes transcosmos appealing as a company – something that is difficult to convey through print media. For new graduates, we provide onboarding programs for prospective employees, including training sessions aimed at improving workplace readiness and basic business skills before they are assigned to a division, in order to increase employee retention. For mid-career and experienced employee recruitment, we mainly use Work it!, our website designed to hire the large number of outsourcing service agents that our Group needs.



## Talent development programs

We have various schemes in place to help employees realize their full potential and drive their personal development across different roles in the Group. This program is available to all employees of transcosmos inc. and is designed to develop the capabilities our people. Also, amid an increase in teleworking and changes in learning approaches, particularly among young people, we are moving training courses online and expanding the range of video content for microlearning and other learning styles.

### More than 400 training programs

We offer more than 400 mandatory, elective and optional training programs that help each employee of transcosmos inc. develop in line with skill levels. Upon request, we also provide training programs for employees of transcosmos Group partner companies and affiliates who work with transcosmos inc. employees.

\*Employees include contract and temporary employees.

### Qualification scholarship scheme

This scheme supports employee self-development by providing a lump-sum payment according to the qualifications gained. The scheme covers a wide range of categories, including IT skills such as expertise in the latest technologies, specialist skills such as web design and architecture, and business skills such as TOEIC and bookkeeping. We provided 1,342 grants in FY2024/3.

### Technical training

We have established training courses to help our employees acquire advance technical expertise in areas such as IT engineering, CAD engineering, web engineering, planning and marketing, which underpin the provision of different types of services.

### Workshops

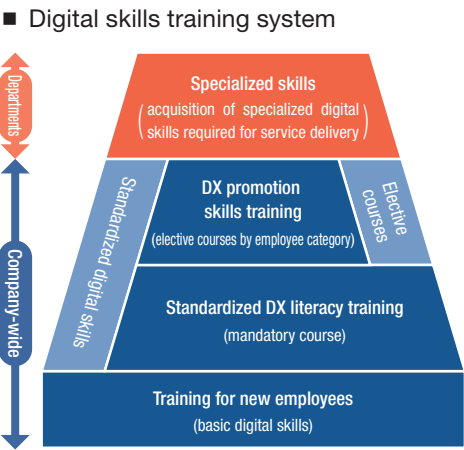
In sales and service departments, we run various study seminars to keep up to speed with the latest technological knowledge and best practices and to gain insights from the experience and know-how of senior colleagues, helping us develop and propose optimal solutions.



Developing DX talent/Enhancing digital skills

Training and deploying DX talent is becoming increasingly important amid the accelerating pace of corporate DX. Since FY2019/3, we have been running a digital skills training program for existing employees and new graduates. We are also strengthening the content of the learning program.

As a DX company, we have prepared a curriculum based on the METI Digital Skill Standards in order to standardize digital skills learning and create a foundation for developing talent who can promote our DX business. In FY2024/3, 647 existing employees took part in this training.



Future manager development

We are enhancing talent development programs for management personnel to support the Group’s sustainable management and business activities.

**Selective next-generation leadership development program**

This program has been established to create the next generation of leaders who will be responsible for the Group’s management and global expansion. Candidates are selected from new graduate or mid-career recruits and are offered various opportunities such as internal and external management training, support for career development, and face-to-face sessions with senior executives to discuss the future of the organization.

Managerial training

To ensure management quality, we have defined the necessary skills for managerial roles (section manager and higher) and created a training course covering standard knowledge needed to manage an organization and appropriate organizational management methods based on proper understanding of our Management Philosophy, regulations and systems.

Career consulting

transcosmos has set up a Career Consulting Center to support employee development and energize our organization. Consultants provide support for independent career development and help employees address concerns, such as lack of future direction and uncertainty about the best career path for their personality.

Communicating and instilling our Fundamental Management Philosophy

Many of our training programs include modules aimed at communicating and instilling in employees our philosophy and values, passed down for more than 50 years since the first days of the Company. By sharing the same understanding of our Fundamental Management Philosophy – common principles for all employees – we aim to help every employee achieve both career and personal growth and the Group’s sustainable growth based on three core principles: “customer satisfaction first,” “people & technology” and “hands-on management.”

Initiatives to increase employee engagement

Since 2020, we have conducted annual engagement surveys (eNPS) of all full-time employees and officers of transcosmos inc. The survey response rates were high for all of the last three years, at 85% or above. To address challenges identified by past surveys such as HR systems and leadership communication, we have implemented company-wide as well as department-level initiatives to make improvements. To enhance senior management communication with employees, which has been a challenge from the previous survey, we hosted town hall meetings in Japan and abroad in FY2024/3 as a new program, in addition to the Global Strategy Conference and the Internal Mid-Year Briefing. By creating more opportunities for employees to communicate directly with senior management, the FY2024/3 eNPS score increased 1.5 points from the previous year. We will continue to enhance employee engagement which in turn increases client loyalty, and ultimately translates into business growth.

	FY2022/3	FY2023/3	FY2024/3
Number of respondents	11,023	11,010	11,646
Valid response rate	89.6%	85.9%	87.2%

Employee well-being

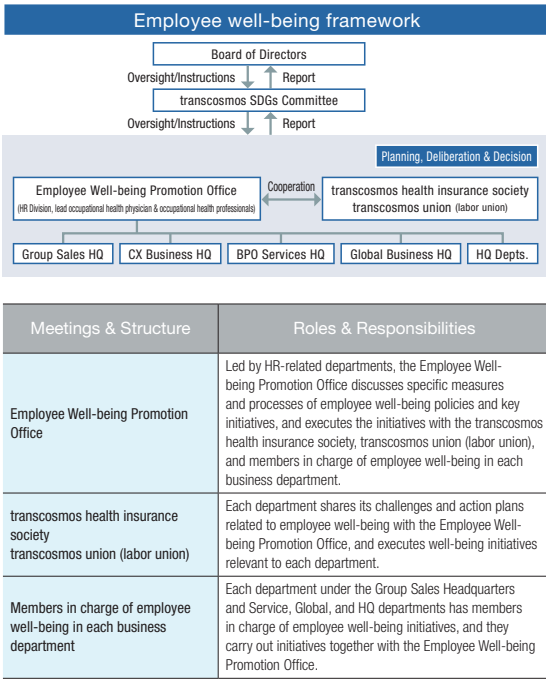
Based on the transcosmos Group Fundamental Sustainability Policy, we have published an Employee Well-being Statement, reflecting the importance we place on employee health in business management. People & technology are the origin of our business. At transcosmos, we believe “employees are our most valuable asset and have boundless potential.” The Human Resources Division, occupational health professionals such as our lead occupational health physician, health supervisors at centers and offices, and the Company’s labor union and health insurance society are therefore all working together to promote employee well-being activities. From FY2023/3, we transitioned to a Groupwide implementation system led by the SDGs Committee and stepped up our employee well-being initiatives.

In March 2024, transcosmos was recognized under the Certified Health & Productivity Management Outstanding Organizations Recognition Program (large enterprise category) for 2024. The program is run jointly by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi. This marks the Company’s second consecutive year of certification.



Employee well-being promotion framework

In FY2023/3, Representative Director & Co-president led the creation and promotion of a framework to ensure we fulfill the commitments in our Employee Well-being Statement, in line with our Fundamental Sustainability Policy. Backed by this framework, the transcosmos SDGs Committee, which is responsible for SDG-related matters across the Group, will implement employee well-being initiatives as a priority theme with input from employees.



Employee well-being vision

We aim to create a world where all employees at transcosmos and their families maintain and promote their well-being so that our employees will be able to perform to their full potential in their top physical and mental conditions. In cooperation with the Company’s health insurance society, we provide regular health checkups, lifestyle disease prevention measures, mental and physical health support, health-related seminars and exercise opportunities, and prevent infectious diseases.

For more information on our employee well-being initiatives, please visit our website.  
▶ [https://www.trans-cosmos.co.jp/english/company/sustainability/rights\\_labor/hpm.html](https://www.trans-cosmos.co.jp/english/company/sustainability/rights_labor/hpm.html)



Contributing to local communities

Maximizing the abilities and potential of all individuals is vital for Japan’s and the world’s social and economic development. transcosmos helps to drive innovation through its technology and experience and by creating jobs in the community. Through the transcosmos foundation and other channels, we also provide ongoing support for the education of future generations, make donations and carry out welfare activities as part of our efforts to contribute to local communities in Japan and overseas.

Registered regional SDGs promotion partner

The regional SDGs promotion partner system is a program for each local government to promote their own initiatives toward achieving SDGs by supporting and collaborating with local businesses and organizations with the guiding principles of SDGs. We agree and support the activities taken by the following local governments, and are registered as their SDGs promotion partner.

Aomori Prefecture	Aomori Prefecture SDGs Initiative Declaration Program	Nagasaki Prefecture	Registered business under the Nagasaki Prefecture SDGs Registration System	Kanagawa Prefecture	Kanagawa SDGs Partner
Koshigaya City	Koshigaya SDGs Partner Program	Fukuoka Prefecture	Registered business under the Fukuoka Prefecture SDGs Registration Program	Kawasaki City	Kawasaki SDGs Partner
Aichi Prefecture	Aichi SDGs Partners Program			Okinawa Prefecture	Okinawa SDGs partner
Sapporo City	Sapporo SDGs-driven Business Registration Program	Fukuoka City	Fukuoka City Well-being & SDGs Registration Program	Osaka Prefecture	My SDGs Declaration Project
Chiba Prefecture	Chiba SDGs Partner Registration Program			Wakayama City	Wakayama City SDGs Promotion Network

CSR activities and community giving

transcosmos is carrying out CSR activities both in Japan and abroad, and continuously supporting the development of the next generation, making donations, and working on welfare activities. By engaging with local communities and conducting CSR activities, we are working on resolving a range of social challenges, thereby contributing to the development of communities. Including donations through the corporate version of *furusato nozei*, Japan’s hometown tax program, and other community and welfare contributions, our total spend on CSR activities in Japan was ¥24.31 million in FY2024/3.

# Diversity, Equity & Inclusion (DE&I)

We are promoting diversity, equity & inclusion in the workplace as one of our top business strategies. As rapid social change continues to gather pace, client needs are expected to diversify even further. To always exceed customer expectations, it is crucial for us to create a workplace and systems that enable every employee with a diverse background to be motivated and maximize their abilities regardless of gender, age, nationality, sexual orientation and identity, disability, and other factors. This means, we must not only support all employees equally, but also recognize their individuality, and provide equal opportunity for success to all. To achieve our goal of sustainable business growth and serve our clients and society, we will continue to work on our DE&I initiatives.

- Embed diversity, equity & inclusion in our DNA to become an organization where all employees are motivated and can maximize their abilities.

transcosmos

Diversity, Equity & Inclusion (DE&I) Definition

●Diversity

To embrace, respect and find value in diverse individuality

●Equity

To pursue equity in opportunity

●Inclusion

To enable each and every employee to unleash their individual uniqueness and abilities, and achieve synergy as an organization

Promoting DE&I

in five key initiative areas

1. Gender equality

2. Disability inclusion

3. LGBTQ inclusion

4. Sustainable work culture & employee well-being

5. Cultural inclusion

For more information about DE&I, please visit our website.  
▶[https://www.trans-cosmos.co.jp/english/company/sustainability/rights\\_labor/diversity/](https://www.trans-cosmos.co.jp/english/company/sustainability/rights_labor/diversity/)



## Gender equality

We set up a dedicated organization in October 2007 to support female employees' career progression. From FY2016/3, we kicked off a new company-wide project, Promote Higher Female Participation & Renovate Workstyle, and made a concerted effort to enhance initiatives throughout transcosmos. Today, each department breaks down company-wide goals into specific action plans to achieve KPIs, and gives updates on their progress in an annual update meeting. By visualizing and sharing the status of the Company and each department, awareness has been spread and efforts have been accelerated. We continue to work on achieving gender equality in the workplace.

KPIs for female empowerment (transcosmos inc. action plan)  
Period: 2 years from April 1, 2024 to March 31, 2026

- Targets: 1. Increase the female manager ratio to at least 28% (26.2% as of the end of March, 2024)  
2. Maintain the male employee combined take-up rate of childcare leave and shared parental leave at 80% or higher (93.8% in FY2024/3)

### Data on female representation (non-consolidated)

	2022/3	2023/3	2024/3
Number of female managers* (female representation in managerial positions)	263 (25.5%)	288 (26.5%)	277 (26.2%)
Section Manager	179	183	175 (32.8%)
Department Manager	62	79	77 (20.2%)
Division Manager or equivalent	22	26	25 (17.5%)
Number of female employees (female representation in full-time employees)	5,919 (46.5%)	6,245 (47.4%)	6,580 (48.2%)
Number of new female graduates (female representation in new graduates)	245 (58.1%)	404 (63.4%)	346 (59.1%)

\*Up to March 2023, above figures are calculated as of July for each fiscal year. From March 2024, figures are calculated as of the end of each fiscal year.

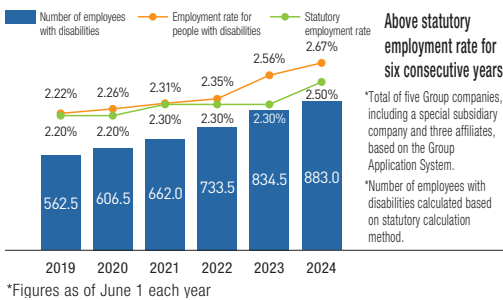
	2022/7	2023/7	2024/7
Number of female officers* (female representation in officer positions)	0 (-)	1 (6.3%)	2 (11.8%)

\*Officers refers to Directors and does not include Corporate Officers. As of July, after appointment by resolution at a shareholders' meeting.

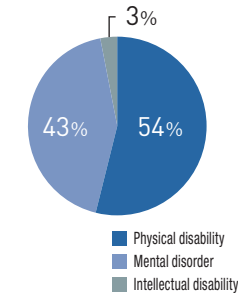
## Disability inclusion

transcosmos believes companies should be places where "all employees, both with and without disabilities, work together and unleash their individual uniqueness and abilities." Based on this belief that bringing diverse, unique people with different personalities together fosters a superior corporate culture, transcosmos provides opportunities for people with disabilities such as hearing and visual impairments, upper and lower limb disorders, visceral disorders, psychological disorders and developmental problems to demonstrate their skills in various work settings.

### Number of employees with disabilities/employment rate



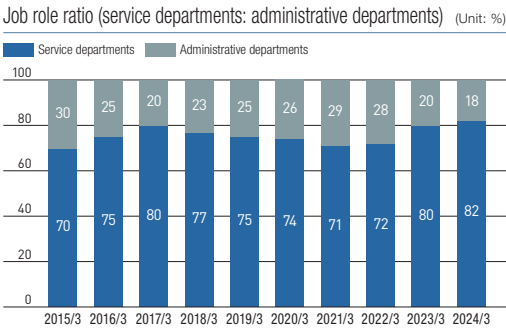
### Employee breakdown by type of disability



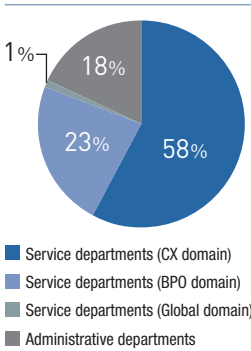
### Assigning more employees with disabilities to profit areas

At transcosmos, employees with disabilities also contribute to the Company's sales. In the past, most of our employees with disabilities were assigned to administrative departments, but this has reversed in recent years, with more than 80% now working in service departments.

Employees with disabilities work in various business domains, including CX (web designers, coders, image creators), BPO (data entry, scanning, equipment setup) and global operations (translation).



### Main business domains



## LGBTQ inclusion

With the aim of offering a workplace where all people are treated fairly, actively engaged as themselves, and creating organizational synergy, transcosmos is driving efforts to increase LGBTQ allies and to create a pleasant workplace for all by fostering better understanding of LGBTQ (sexual minorities) and SOGIE (Sexual Orientation and Gender Identity) among all employees.



### LGBTQ Forum for officers and managers

We hold an LGBTQ Forum for officers and managers to help them understand LGBTQ people and realize the need for creating a pleasant workplace for all.

### Internal training course for all employees to facilitate a better understanding of LGBTQ

We are offering an LGBTQ training course (e-learning) for all full-time employees to help them learn and comprehend the basic knowledge of, and the current social attitudes towards LGBTQ, and personally commit to creating a harassment-free workplace.

### LGBTQ Hotline (transcosmos employees only)

We run an LGBTQ Hotline for our people facing problems and anxiety about their gender identity and sexual orientation. The hotline is available for all employees regardless of their contract type.

### HANDBOOK

We are using LGBTQ+ ALLY HANDBOOK created by Coca-Cola(Japan) Company, Limited. At transcosmos, every one of our people is working towards making their workplaces better.

### Social activities

We co-sponsored Tokyo Rainbow Pride 2024 and exhibited at other pride events in Nagoya, Osaka and Fukuoka under the LGBTQ-Ally Project. For Tokyo Rainbow Pride 2024, we invited employees to join the event and support the parade from the roadside. We have expressed our support for Business for Marriage Equality, a campaign to visualize companies that support marriage equality (legalization of same-sex marriage), and EqualityActJapan, a campaign in Japan working for the introduction of a national LGBT Equality Act.

## Sustainable work culture & employee well-being

transcosmos is creating a workplace environment and establishing systems that allow employees to continue playing an active role in their workplaces by helping them balance parenting and caregiving with their job commitments and providing flexible work arrangements.

### Flexible workstyle initiatives

transcosmos is working to create a flexible and pleasant work environment. Specifically, we have implemented diverse and flexible shift work arrangements, mobile work, work-from-home and flextime systems that are not restricted by time or location, and a regional full-time employee system and second job system that respect the diverse values of our employees. We also provide support for personal development and asset accumulation to help employees work with a high level of satisfaction while living each day to the fullest. To support asset accumulation, we have introduced an employee stock option plan (for all full-time employees and some employees of affiliates) and a defined contribution pension plan (with matching contributions), among other schemes.

### Supporting work-life balance

We provide support for work-life balance to encourage female employees to stay active and involved in the workplace, regardless of life events such as marriage and childbirth. Together with reforms to work practices, these initiatives are aimed at creating an environment where all employees, not just female employees, can maximize their abilities while balancing work and commitments in their private lives.

### Encouraging male employees to take childcare leave

We are stepping up efforts to promote wider use of childcare leave to encourage male employees to play a greater role in parenting. For example, we publish the Support Handbook for Balancing Work and Parenting, introduce employees to parenting role models and conduct e-learning programs for managers. In FY2024/3, the male employee combined take-up rate of childcare leave and shared parental leave was 93.8%.

## Cultural inclusion

transcosmos provides services via 182 locations in 35 countries and regions with a focus on Asia (as of August, 2024). Our members with differing cultures and values interact and respect each other's differences, and turn diversity into the driving force of transformation, thereby maximizing the performance of our entire organization.



Respect for human rights

“People & technology” is the origin of our business. As it implies, we place the utmost importance on respecting the human rights of all our stakeholders in everything we do and in all areas of our corporate activities.

transcosmos Group Human Rights Policy

We established the transcosmos Human Rights Policy and have been promoting human rights initiatives in line with the policy. In March 2024, we revised the policy to the transcosmos Group Human Rights Policy, which was approved by the Board of Directors. We have posted the transcosmos Group Human Rights Policy on our website and we provide human rights training for all our employees to ensure everyone is fully aware of the policy. In addition, we are now implementing the transcosmos Group Human Rights Policy across all our Group companies.

**transcosmos Group Human Rights Policy**

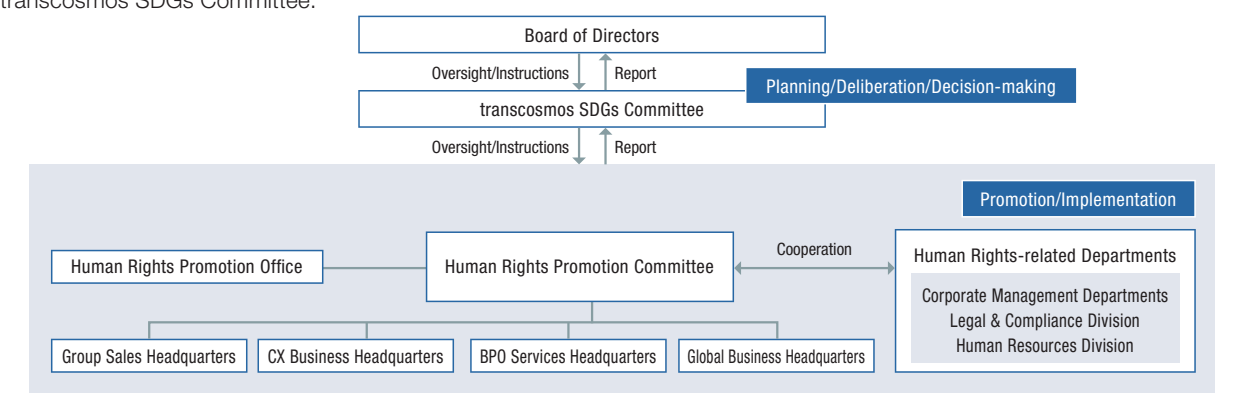
“people & technology” is the origin of our business, in other words, “people” have been an integral part of our business since its foundation. In addition, under the transcosmos Fundamental Sustainability Policy, we also aim to enrich lives and happiness – the well-being of all our stakeholders – through our business activities.

Based on this philosophy, we respect human rights of all our stakeholders in everything we do and in all areas of our corporate activities, while positioning the philosophy as the foundation of all documents and standards related to our Group’s activities on human rights.

1. Upholding and respecting international human rights standards
2. Respecting human rights in our corporate activities
3. Scope of our Human Rights Policy
4. Our framework for promoting human rights
5. Offering equal employment opportunity & fair working conditions
6. Identifying human rights challenges
7. Human rights due diligence
8. Access to remedy
9. Education and training
10. Reporting

Human rights promotion framework

At transcosmos, the transcosmos SDGs Committee plans, deliberates and decides sustainability-related initiatives in line with the transcosmos Fundamental Sustainability Policy. The transcosmos SDGs Committee plans human rights action policies and key initiatives, and gives directions to the Human Rights Promotion Committee, which consists of managers of related departments to draft policies and initiatives based on the plans. After receiving proposals from the Human Rights Promotion Committee, the transcosmos SDGs Committee deliberates the proposals and makes final decisions on the policies and key initiatives. The Human Rights Promotion Office and each department execute the initiatives in line with the policies set by the transcosmos SDGs Committee.



Meetings & Structure	Roles & Responsibilities
Human Rights Promotion Committee	Chaired by the manager of Legal & Compliance Division, the Human Rights Promotion Committee discusses and submits proposals on human rights action policies and key initiatives based on draft plans developed by the transcosmos SDGs Committee.
Human Rights Promotion Office	The Human Rights Promotion Office discusses specific measures and processes of human rights action policies and key initiatives based on the proposals submitted by the Human Rights Promotion Office, and executes the initiatives with human rights-related departments and members in charge of human rights in each business department.
Human Rights-related Departments	Each department shares its human rights-related challenges and action plans with the Human Rights Promotion Office, and executes human rights initiatives relevant to each department.
Members in charge of human rights in each business department	Each department under Sales, Service, Global and Corporate Headquarters organizations has members responsible for human rights initiatives, and they carry out and lead initiatives discussed and decided by the transcosmos SDGs Committee.

Human rights due diligence

Based on the transcosmos Group Human Rights Policy, we have assessed human rights risks associated with our business activities.

We have assessed adverse impact on human rights or human rights risks that are specific to our industry, sector, and our business based on guidance provided by third-party experts. In line with the results of the assessment, we have identified material human rights risk areas in our business from the 25 human rights categories that companies should respect that are specified in the “Report on the ‘Research on Business and Human Rights’: How Companies Should Respond Today” published by the Ministry of Justice in 2021.

In FY2025/3, we will carry out Human Rights training covering all our employees. At the same time, we will conduct human rights due diligence including employee surveys to identify material human rights risk areas taking our business strategy into consideration. Based on the findings, we will plan and execute initiatives to address identified human rights risks.

Material human rights risk areas

We have assessed and identified human rights risks specific to industries, sectors, and enterprises of all rightsholders involved in our business activities based on third-party expert guidance, and assessed the severity and the likelihood of each risk based on the available information. Due to insufficient information available to assess the likelihood of each risk, we have carried out an additional written survey to collect risk-related information from related departments and employees to identify material human rights risk areas.

We recognize that the assessment conducted to identify human rights risk areas in our business was based on limited information. To refine the process, we will undertake human rights due diligence covering all employees to identify material human risk areas going forward.

Material human rights areas identified from human rights categories that business should respect

Material Human Rights Risk Areas	Our Initiatives
Excessive or unreasonable working hours	<b>Sustainable work culture &amp; employee well-being</b> - Reducing overtime to increase productivity
Forced labor	<b>Sustainable work culture &amp; employee well-being</b> - Encouraging our employees to take annual paid leave to achieve a healthy work-life balance
Occupational health and safety	<b>Sustainable work culture &amp; employee well-being</b> - Safety and health at work
Harassments	<b>Compliance</b> - Compliance point of contact for reporting & consultation <b>Respect for human rights</b> - Human rights training & awareness campaigns <b>LGBTQ inclusion</b> - Change perceptions & foster an inclusive workplace <b>Sustainable work culture &amp; employee well-being</b> - Healthy work-life balance initiatives
Access to remedy	<b>Compliance</b> - Compliance point of contact for reporting & consultation <b>LGBTQ inclusion</b> - Change perceptions & foster an inclusive workplace

Supply chain management

transcosmos Sustainable Procurement Policy

Staying true to our Fundamental Management Philosophy that client satisfaction is the true value of our company, transcosmos aims to co-create a well-being society with all stakeholders. To achieve the goal, we need to maximize the well-being of society, our clients and each individual, and for that, we must address social challenges throughout our entire supply chain.

Our Sustainable Procurement Policy states our fundamental approach to fulfilling compliance requirements and social responsibility with high ethical standards, and achieving responsible procurement.

Based on this policy, we will continue to enhance collaborative initiatives with all our suppliers involved in our supply chain, and together, we will lead the way towards a well-being society.

The transcosmos Sustainable Procurement Policy refers to and takes into consideration the OECD Guidelines for Multinational Enterprises, which are international guidelines that cover all key areas of business responsibility including human rights, and Keidanren’s policy document on the SDGs, the Charter of Corporate Behavior - For the Realization of a Sustainable Society, as well as our internal policies, Code of Conduct and rules and regulations on sustainability.

Fundamental policy

- We engage in socially responsible procurement in compliance with applicable laws and regulations as well as social norms to help create a well-being society.
- We build collaborative business relationships with all our suppliers through effective communication.
- Together with our suppliers, we continue to drive innovation by combining people and technology, and contribute to social progress.

Procurement approach

transcosmos is committed to engage in procurement activities in an approach that respects the Group’s Code of Conduct.

- Legal compliance
- Respect human rights
- Fair trade
- Anti-bribery
- Information management
- Protection of intellectual property
- Ethical conduct
- Environmental action
- Supplier evaluation and selection

Corporate governance

Corporate governance as the foundation of sustainable growth

Fundamental approach to corporate governance

In order to realize our Fundamental Management Philosophy – Client satisfaction is the true value of our company, and the growth of each of our employees creates the value that shapes our future – we view continuous enhancement of our corporate governance as one of our most important managerial priorities. With that in mind, we constantly aim to maximize our corporate value by building positive relationships with all our stakeholders, including shareholders, clients, business partners, local communities and our employees, providing our clients with services that meet and exceed their expectations, clarifying managerial responsibilities and accountabilities, creating a highly transparent management framework, and enhancing our oversight and supervision functions.

Overview of corporate governance system and rational for adopting the system

transcosmos has adopted a corporate governance system with an audit and supervisory committee in order to create a management structure that enables appropriate audit and oversight while ensuring accurate decision-making and rapid business execution.

In addition, in order to ensure both speedy and rational decision-making and mutual checks and balances, the Company has introduced a co-president system and established a Management Meeting comprising the Representative Director & Chairman and the two Representative Directors & Co-presidents as a body to discuss important matters related to management, operational management and business execution policies, in line with the fundamental management policy determined by the Board of Directors.

In addition, through the establishment of an Audit and Supervisory Committee, which is comprised of outside directors, the Company has separated supervisory and business execution functions by transferring authority for business execution from the Board of Directors to individual directors, thereby strengthening the supervisory functions of the Board of Directors and accelerating decision-making.

Directors and the Board of Directors

The Board of Directors, which consists of 17 members including eight outside directors, meets once a month in principle to make decisions on important management matters and to supervise the execution of duties by the executive directors. To reinforce checks and balances on the management functions of the Board of Directors and to ensure transparency in the decision-making process, seven of the outside directors with extensive knowledge and experience have been appointed as independent directors.

Audit and Supervisory Committee

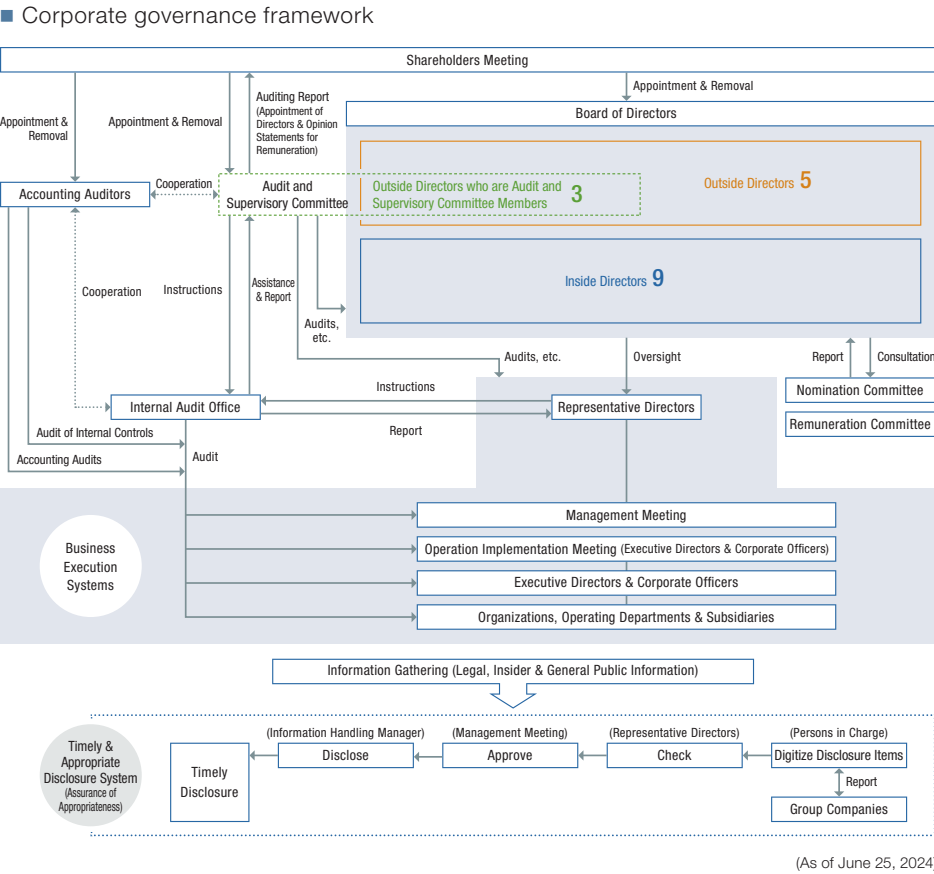
The Audit and Supervisory Committee consists of three outside directors to ensure objectivity and neutrality in management oversight. All three outside directors have no particular personal or economic relationship with the Company, have considerable finance and accounting expertise, and two of them are nominated as independent directors. Under the audit policy and audit plan determined by the Audit and Supervisory Committee, members of the committee exercise their legal authority,

including attendance at important management meetings, and supervise business execution by directors.

The Company held 16 meetings of the Audit and Supervisory Committee in FY2024/3.

Nomination Committee and Remuneration Committee

The Nomination Committee and the Remuneration Committee each consist of at least five members who are directors, the majority of whom are independent outside directors. The chairperson of each committee is also selected from among the committee members who are independent outside directors. The Nomination Committee deliberates and reports to the Board of Directors on advisory matters concerning the appointment and dismissal of directors, and the Remuneration Committee deliberates and reports to the Board of Directors on advisory matters concerning compensation for directors (excluding directors who are members of the Audit and Supervisory Committee), ensuring transparency and objectivity in the board's decision-making process regarding appointment and removal of directors and director remuneration.



Management Meeting

The Management Meeting, comprising Representative Director & Chairman Masataka Okuda, Representative Director & Co-president Masaaki Muta, and Representative Director & Co-president Takeshi Kamiya, discusses important matters related to management, operational management and business execution policies, in line with the fundamental management policy determined by the Board of Directors.

Corporate Officer

Corporate officers of the Company are appointed by resolution of the Board of Directors and carry out business execution functions within the scope authorized by the Board of Directors and the executive directors, under the direction of the representative directors and in accordance with laws and regulations, the Articles of Incorporation, internal regulations, and resolutions of the Board of Directors.

transcosmos Group Code of Conduct established

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.

Group governance system

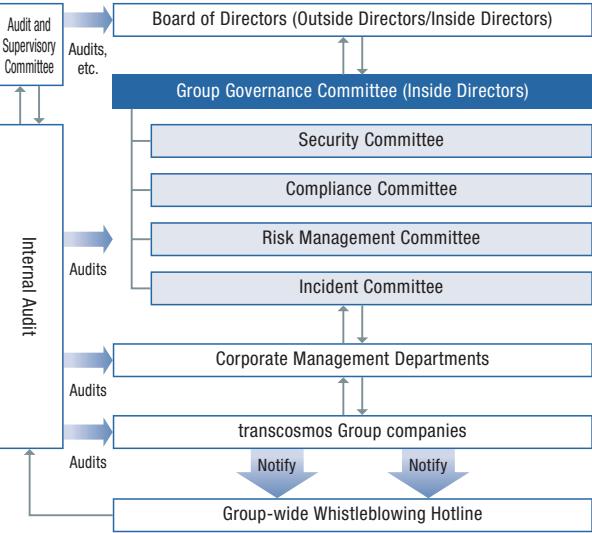
To achieve sustainable growth and enhance the medium-to long-term corporate value of the Group, we have established the Group Governance Committee, a body which oversees transcosmos Group governance, under the Board of Directors. The Group Governance Committee is composed of all inside directors and chaired by the Representative Directors & Co-presidents.

Under the Group Governance Committee, we also have the following expert committees that are responsible for respective risk areas: Security Committee, Compliance Committee, Risk Management Committee and Incident Committee. Each expert committee oversees risks in their respective areas in a systematic and functional approach, and reports to the Group Governance Committee as necessary.

We constantly assess and enhance the Group Governance System to adapt to the changing global business environment, as well as promote and uphold higher levels of business ethics.

Operation Implementation Meeting

The Operation Implementation Meeting consists of representative directors, executive directors, and corporate officers. The purpose of the meeting is to promote, manage, control and share information on the business activities of the transcosmos Group, and to make comprehensive adjustments across all business divisions to ensure the Group operates appropriately.



Group Governance Committee

The Group Governance Committee oversees transcosmos Group governance. The committee discusses and executes governance decisions and confirms governance conditions.

Security Committee

The Security Committee is responsible for security documentation, planning, execution and enhancement of plans for promoting cybersecurity measures, security education and training, and security audits and self-inspection. The committee works on strengthening and maintaining group-level cybersecurity systems by managing security incidents and other matters that are considered necessary.

Compliance Committee

The Compliance Committee develops policies on material matters related to compliance and business ethics, develops and maintains management systems and structures, raises compliance awareness among officers and employees, manages compliance risks, conducts education and training sessions, as well as monitors and supervises compliance activities of Group companies. Through these activities, the committee establishes sound business ethics and ensures legal compliance by taking initiatives for maintaining and enhancing Group-wide compliance.

Risk Management Committee

The Risk Management Committee is responsible for crisis management within the Group, including disasters, pandemics, wars and terrorism. The committee develops Group-wide risk management systems, decides and approves material policies and manuals, manages risks in its responsible areas, judges risk levels, and makes decisions to set up a disaster management headquarters based on the risk levels. The committee works toward enhancing Group-wide risk management capabilities and managing crises swiftly and appropriately by monitoring, advising, directing and guiding Group companies' crisis management activities.

Incident Committee

The Incident Committee oversees material incident management procedures in a systematic and functional approach. The committee reports to the Group Governance Committee, supports and guides incident management headquarters, monitors the effectiveness of preventive measures, and manages matters raised through internal reporting systems. The committee works toward enhancing incident management procedures and strengthening Group-wide risk management, collaborating with other expert committees when cross-cutting review is necessary.



Board diversity

To ensure the board performs its duties and fulfills its responsibilities effectively, the Company's board composition represents a good balance in terms of knowledge, experience, and skills of board members, as well as being an appropriate size, with a good level of diversity. The number of board members is set at no more than 20, taking into account the need for diverse views and efficient operation. In selecting suitable outsider directors, candidates must meet the Company's criteria for independent directors, as well as demonstrate a high standard of personality traits and knowledge, have experience in areas such as corporate management, financial accounting and policy planning, and understand the Company's business areas.

Board composition and board meeting attendance record

Position	Name	Corporate management	Business strategy	Sales/ marketing	Finance/ accounting/ M&A	Legal affairs/ compliance/risk management	IT/digital	Global business	Service quality management	Board meeting attendance record (FY2024/3)
Inside directors	Masataka Okuda	●		●	●		●	●		Board of Directors: Attended 13 of 13 meetings Nomination Committee: Attended 1 of 1 meeting Remuneration Committee: Attended 2 of 2 meetings
	Masaaki Muta	●		●			●	●		Board of Directors: Attended 13 of 13 meetings
	Takeshi Kamiya	●			●	●		●		Board of Directors: Attended 13 of 13 meetings Nomination Committee: Attended 1 of 1 meeting Remuneration Committee: Attended 2 of 2 meetings
	Masatoshi Kouno		●		●		●		●	Board of Directors: Attended 13 of 13 meetings
	Kenshi Matsubara		●	●			●		●	Board of Directors: Attended 13 of 13 meetings
	Hiroshi Kaizuka		●	●			●	●		Board of Directors: Attended 13 of 13 meetings
	Eijiro Yamashita		●	●				●	●	Board of Directors: Attended 10 of 10 meetings
	Mie Kadomatsu		●				●		●	—
Outside directors	Koji Funatsu	●			●	●		●		Board of Directors: Attended 13 of 13 meetings
	Takeshi Natsuno <small>(Audit and Supervisory Committee member)</small>	●		●	●	●	●			Board of Directors: Attended 13 of 13 meetings Remuneration Committee: Attended 2 of 2 meetings Audit and Supervisory Committee: Attended 16 of 16 meetings
	Nozomu Yoshida <small>(Audit and Supervisory Committee member)</small>		●	●	●	●	●			Board of Directors: Attended 12 of 13 meetings Remuneration Committee: Attended 2 of 2 meetings Audit and Supervisory Committee: Attended 15 of 16 meetings
	Eiji Uda <small>(Audit and Supervisory Committee member)</small>	●		●	●	●	●	●		Board of Directors: Attended 13 of 13 meetings Audit and Supervisory Committee: Attended 16 of 16 meetings
	Rehito Hatoyama		●		●		●	●		Board of Directors: Attended 12 of 13 meetings Nomination Committee: Attended 1 of 1 meeting
	Genichi Tamatsuka	●		●			●	●		Board of Directors: Attended 11 of 13 meetings
	Noriyoshi Suzuki	●		●	●			●		Board of Directors: Attended 13 of 13 meetings Nomination Committee: Attended 1 of 1 meeting Remuneration Committee: Attended 2 of 2 meetings
	Miwa Tsurumori				●	●				Board of Directors: Attended 10 of 10 meetings
	Norihiro Kuretani	●	●	●			●			—

The above list does not show all the specialist skills or experience of each director. (As of June 25, 2024)

Effectiveness of the board

As detailed below, the Company conducted a self-evaluation survey regarding the effectiveness of the Board of Directors in FY2024/3. The survey, which is provided to all directors annually, asked each director to analyze and evaluate the board's performance. The results were reported to and discussed by the board.

Survey results

• The board continues to operate effectively, with high marks given for each category, as in FY2023/3.

Specific feedback

• The board holds open and constructive discussions and exchanges opinions, resulting in effective discussions on matters raised at meetings.

• Measures taken in response to opinions and views expressed in the FY2023/3 survey have contributed to steady improvement in the board's effectiveness.

Training for directors

The Company runs induction training for outside directors to enhance their understanding about the Company's Management Philosophy, business strategy, financial position, organization structure and other topics. The Company also holds compliance and legal training, and when needed, holds Board of Directors study groups with invited external experts.

Director remuneration

The Board of Directors delegates decisions on remuneration for individual directors (excluding directors who are Audit and Supervisory Committee members) for each fiscal year to the Management Meeting, which bases its decisions on reports from the Remuneration Committee, the majority of which is composed of independent outside directors. In addition, the Audit and Supervisory Committee, which is composed of outside directors, supervises the Management Meeting to ensure that it appropriately exercises its decision-making authority. As individual director remuneration is determined by this process, the board has determined that the details of remuneration comply with its policy.

Policy for determining remuneration, etc., for individual directors

In principle, remuneration for inside directors (excluding directors who are Audit and Supervisory Committee members) is comprised of regular monthly cash remuneration during their term of office.

Total remuneration for inside directors consists of a component based on evaluation of individual performance for each fiscal year and a component based on quantitative evaluation of progress with the medium-term business plan, taking into account performance against sales and profit targets. The second component, which is aimed at achieving the goals of the medium-term business plan and is linked to medium- to long-term performance, is set at 20% of the total amount of monthly remuneration. In addition to amounts for monthly remuneration, directors may in some cases receive director bonuses during their term of office when payments are deemed appropriate, based on the Company's short-term earnings performance, operating environment and other factors.

Remuneration for outside directors is a fixed monthly amount, in light of their responsibilities for providing the board with guidance and supervision from an independent perspective. Regarding remuneration for directors (excluding directors who are Audit and Supervisory Committee members), the Management Meeting calculates remuneration for inside directors based on fair evaluation of their performance and other factors, and for outside directors in line with their responsibilities. A draft proposal is then submitted to the Remuneration Committee, the majority of which consists of independent outside directors, which deliberates on the proposal and submits its opinion to the Board of Directors. Based on the response of the board, the Management Meeting makes the final decisions on remuneration, as delegated. The decision-making process is overseen appropriately by the Audit and Supervisory Committee.

Position	Recipients	Total remuneration (¥ million)
Directors (excluding directors who are Audit and Supervisory Committee members) (Of which, outside directors)	14 (5)	428 (72)
Directors (directors who are Audit and Supervisory Committee members) (Of which, outside directors)	3 (3)	54 (54)
Total (Of which, outside directors)	17 (8)	482 (126)

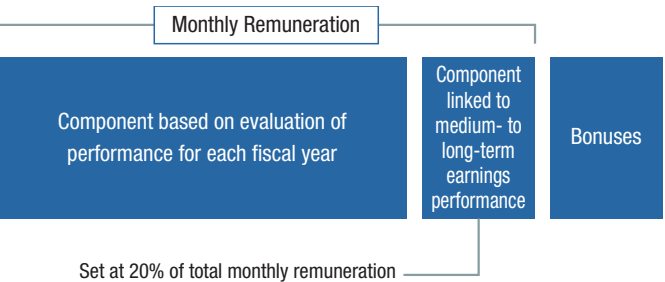
(FY2024/3 data)

(Note 1) A resolution approved at the 31st General Meeting of Shareholders on June 22, 2016 limits cash remuneration for directors (excluding directors who are Audit and Supervisory Committee members) to no more than ¥800 million per year (of which, the amount for outside directors is limited to no more than ¥100 million) (any salaries to be paid to directors who are also employees are not included in the amounts). At the conclusion of the 31st General Meeting of Shareholders, the Company had 16 directors (excluding directors who are Audit and Supervisory Committee members), of which three were outside directors.

(Note 2) A resolution approved at the 31st General Meeting of Shareholders on June 22, 2016 limits cash remuneration for Audit and Supervisory Committee members to no more than ¥60 million per year. At the conclusion of the 31st General Meeting of Shareholders, the Company had three directors who were Audit and Supervisory Committee members.

Overview of remuneration system for inside directors (excluding directors who are Audit and Supervisory Committee members)

Total remuneration for inside directors consists of a component based on evaluation of individual performance for each fiscal year and a component based on quantitative evaluation of progress with the medium-term business plan, taking into account performance against sales and profit targets. The second component, which is aimed at achieving the goals of the medium-term business plan and is linked to medium- to long-term performance, is set at 20% of the total amount of monthly remuneration. In addition to amounts for monthly remuneration, directors may in some cases receive director bonuses during their term of office when payments are deemed appropriate, based on the Company's short-term earnings performance, operating environment and other factors.



Selection and dismissal of senior managers, nomination of director and Audit and Supervisory Committee member candidates

The Board of Directors selects and nominates candidates for inside director, outside director and Audit and Supervisory Committee member roles, based on a comprehensive evaluation of individual performance and suitability and without exclusion based on gender, nationality, race, or cultural background, including depth of understanding and knowledge about the Company's business domains, leadership qualities, management expertise and moral standards.

Decisions on the selection and nomination of candidates for inside director, outside director and Audit and Supervisory Committee member roles are made by the board, based on the findings of the Nomination Committee (candidates for the Audit and Supervisory Committee are approved by existing members of the committee). The Audit and Supervisory Committee, which is comprised entirely of outside directors, appropriately oversees the candidate selection process. In the event of misconduct or illegal behavior by inside directors, outside directors or members of the Audit and Supervisory Committee, or issues arising in the course of discharging their duties deemed to be material, the individual will be dismissed by a resolution of the board, or by a resolution approved by shareholders at the General Meeting of Shareholders.

Compliance

Compliance point of contact for reporting and consultation

In addition to a whistleblowing hotline for Group-wide employees, we have a workplace harassment hotline and a general compliance hotline for all transcosmos employees to report and consult on their compliance-related concerns.

Our company rules stipulate that 1) all hotline reports must be handled only by designated departments and confidentially, 2) discriminatory treatment of any form against hotline users including whistleblowers is prohibited, and 3) anonymous reporting must be accepted. We investigate and manage hotline reports adequately in line with the rules.

Fair business conduct

transcosmos business ethics

Not only do we make sure that our business conduct is compliant with the laws and regulations of Japan and foreign countries, but we also remind ourselves that we must conduct ourselves with respect for the social code of ethics. For example, as a respectable corporate citizen, we participate in CSR activities to support the development of society and proactively engage in various environmental conservation initiatives; we carefully consider the necessity and relevance of providing political funding and donations or participating in election campaigns or political activities before taking part in an official capacity in compliance with all related laws and regulations; we strive to ensure sensible conduct at all times, based on accepted social norms and a sense of justice, backed by a fundamental understanding of laws and regulations to prevent misconduct and antisocial behavior; and we robustly oppose antisocial forces and groups and prohibit connections with them in any form.

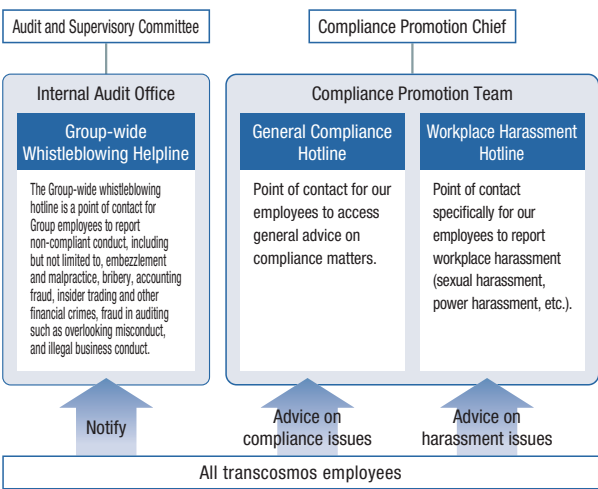
To put these policies into practice and ensure compliance, we use training programs for all of our employees and periodically publish materials to raise awareness in order to foster high moral standards and uphold business ethics. Our top management constantly reviews and ensures that effective systems are in place to permeate our business ethics across the organization.

Anti-bribery & corruption

The transcosmos Group strictly prohibits the offer, proposal or promise of benefits such as improper entertainment, gifts or any other benefits to public officials or persons with similar status. In addition, the Group ensures that the amount, frequency and extent of benefits such as entertainment, gifts, donations or other benefits accepted by the Group or provided to business partners and other parties are limited to levels deemed reasonable under socially accepted conventions. Furthermore, the transcosmos Group strictly prohibits employees from engaging in corrupt practices such as obstruction of justice and money laundering through Group or third-party channels. These rules are thoroughly communicated to all transcosmos Group employees (full-time employees and contract employees) through annual compliance training.

Political contributions

The transcosmos Group strictly complies with political contribution regulations and laws in each country with respect to domestic and overseas political contributions. In FY2024/3, domestic political contributions by transcosmos inc. totaled ¥2 million.



Fair competition & trading

● Compliance with the Anti-monopoly Act and the Subcontract Act

We compete in a fair and open manner, avoiding any conduct that might suggest violation of the Anti-monopoly Act, such as bid-rigging, cartel activities and abuse of superior bargaining power. In addition, we always deal with our suppliers with a degree of decency and integrity and treat all of our suppliers and business partners equally and fairly. When selecting potential suppliers and business partners, we take an unbiased stance and deal with them fairly in accordance with relevant laws and regulations and contracts.

● Protection against unfair competition

We strictly prohibit misappropriation or use of trade secrets of other companies obtained through theft or other unlawful means, for whatever reason, or use of such information knowing that it has been, or has likely to have been, obtained by unlawful means.

transcosmos Group Fundamental Anti-bribery & Corruption Policy

- transcosmos Group officers and employees shall fully understand and comply with anti-bribery and corruption laws and regulations in countries and regions where the Group operates.
- transcosmos Group officers and employees shall not provide or receive, directly or indirectly, any improper benefits between any party, including public officials, that exceed the scope deemed appropriate by the laws, guidelines and social customs of the countries and regions where the Group operates.
- transcosmos Group officers and employees shall accurately and appropriately record in accounting books or other documents all income and expenditures related to the prevention of bribery and corruption.
- If any transcosmos Group officer or employee is confronted with or discovers an act that violates or is suspected of violating the anti-bribery and corruption laws and regulations of the countries and regions where it operates or the rules of this fundamental policy, they shall report or notify the relevant point of contact at the company to which they are assigned.
- If any transcosmos Group officer or employee violates this fundamental policy, the Company shall take strict disciplinary action in accordance with internal regulations.

Risk management

To ensure business continuity and stable growth through the implementation of risk management procedures, we properly manage and address various risks in our operations based on the Risk Management Basic Rules, which lay out our fundamental principles of risk management.

Responding to cybersecurity risks

Fundamental policy

The transcosmos Group handles sensitive information for many of our clients through our business activities, as well as the personal information of a large number of our employees. Therefore, cybersecurity is a top priority for our business.

To take strategic security measures, we have established proprietary cybersecurity standards (security standards), referencing the cybersecurity framework (CSF) developed by the US National Institute of Standards and Technology (NIST). These security standards are set at a level required for each customer-facing system. We verify security compliance status by testing and evaluating each system, and add or update measures as required. We regularly revise the security standards to address increasingly sophisticated cyber-attacks.

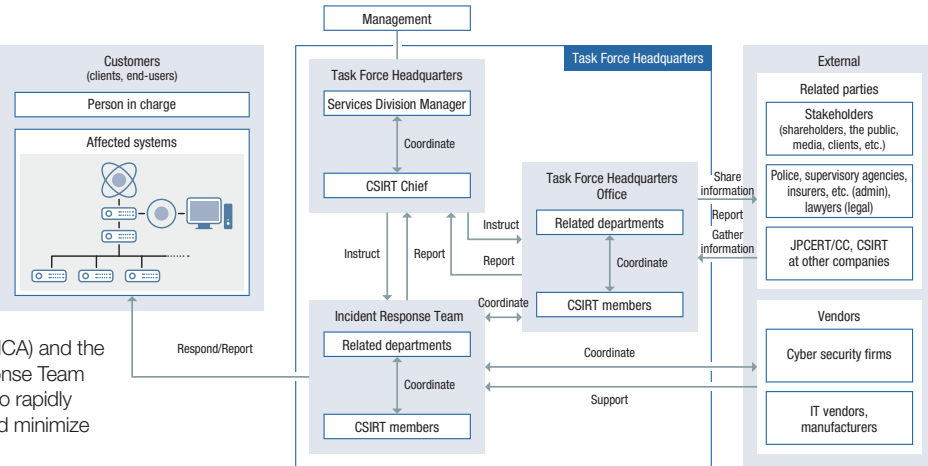
Education and training

Raising security awareness among our employees is important to prevent damage from cybersecurity incidents. We therefore regularly run education and training programs and carry out awareness-raising initiatives. In terms of education, we conduct cyber security education, training and awareness-raising activities through e-learning programs for employees of the Company\*. In terms of training, we carry out drills in response to targeted email attacks, with the latest information on vulnerabilities and incident case studies disseminated through awareness-raising activities.

\*All full-time employees and some contract employees.

Preparing for emergencies ■ transcosmos incident response framework

To prepare for potential incidents, we have set up an emergency contact center, implemented procedures to follow in the event of a cyber incident, and set up a Computer Security Incident Response Team (CSIRT). When an incident occurs, CSIRT cooperates with related departments across the Company as well as with external security experts such as the Nippon CSIRT Association (NCA) and the Japan Computer Emergency Response Team Coordination Center (JPCERT/CC) to rapidly respond and resolve the incident and minimize damage.



Business continuity initiatives

As a company that supports our clients' business processes focusing on both cost optimization and sales expansion, we put the highest priority on preparing for unpredictable events such as natural disasters and accidents in order to maintain business operations during any emergency. To prepare for large-scale disasters, accidents and other events, each transcosmos center has developed its own business continuity plan (BCP) as part of our efforts to enhance BCP initiatives.

Personal Information Protection Policy

transcosmos obtained the Privacy Mark in February 2003 related to the protection of personal information. We take all possible steps to protect customer data, especially that of clients. Our Personal Information Protection Policy is disclosed on our website and we have established internal rules and regulations and provide education and training to ensure rigorous management of personal information.

In terms of data protection and the handling of personal information by contractors, we have established contractor selection criteria to ensure they meet certain information handling standards. We also require contractors to comply with all applicable laws and regulations in the countries and regions where they operate.

The transcosmos Group also stipulates that personal information shall be obtained in accordance with legal procedures, such as only obtaining personal information from a third party with the consent of the individual.

Under the transcosmos Group Code of Conduct, we are striving to contribute to society by meeting the expectations of all stakeholders, including business partners, employees and shareholders, and to further enhance compliance awareness among its officers and employees.

Response measures against disasters, pandemics and other events

As a corporate Group with a global business footprint, we are strengthening response measures to prepare for unpredictable events such as earthquakes, typhoons, pandemics, regional conflicts and terrorist incidents based on the fundamental policies.

● For more information on our Risk Management Policy, please visit our website.

<https://www.trans-cosmos.co.jp/english/company/sustainability/management/riskmanagement.html>



Messages from outside directors



**Takeshi Natsuno**  
(Audit and Supervisory Committee member)

transcosmos is a rare company in that it creates added value by combining the power of technology and people. It has the ability to combine cutting-edge technologies to provide optimal solutions to clients, as well as strong interpersonal communication skills cultivated over many years. The synergy of these assets increases customer satisfaction and creates service value that is unique worldwide. As a technology specialist, I hope to make an even greater contribution to transcosmos's growth from a management perspective.



**Nozomu Yoshida**  
(Audit and Supervisory Committee member)

One of transcosmos's weaknesses when seeking to attract investors is that its businesses appear scattered. However, transcosmos is essentially a CX business that can be divided into "operations tailored to each company = BPO" and "operations categorized as a single industry = call centers and web services." With all our operations now connected by CX, we should really showcase to investors this modern core of our business. Profits, not sales, are set to be the key focus of business management. In terms of internal CX, we need to ask ourselves how technology can be used to reduce costs. This is a key issue I want to tackle directly.



**Eiji Uda**  
(Audit and Supervisory Committee member)

transcosmos provides high-quality services to many clients by combining people and digital technology. With advances in AI expected to drive dramatic improvements in productivity, collaboration between people and technology has the potential to be even more effective. transcosmos has another competitive advantage in that it can provide quality services worldwide. I want to draw on my experience as a business leader and my broad insight into the internet services field to help transcosmos develop its business.



**Rehito Hatoyama**

Expectations that transcosmos can fulfill its role as a "global" partner, along with its capabilities in multiplying the impact of digital tools and technology, appear to be growing, suggesting its vision of becoming the Global Digital Transformation Partner is starting to materialize. To fully realize this vision, management needs diverse views and decision-making that draw on innovations from Silicon Valley and perspectives from outside Japan on how the world is changing. I look forward to serving as an outside director, utilizing my knowledge and experience to support the Company's further globalization.

transcosmos works to continuously enhance corporate value by using insights from outside directors in business management.

We asked our eight outside directors, who have a wealth of knowledge and experience, to share their views on the Company's challenges and long-term prospects.



**Genichi Tamatsuka**

transcosmos is an invaluable company that works behind the scenes to support DX and business innovation at major companies in Japan and overseas. We aim to further enhance our digital technologies in order to support continued DX implementation and productivity gains at clients. Using my management experience from various businesses, I hope to offer the necessary advice and ideas to enhance transcosmos's technology and services from the perspective of clients.



**Noriyoshi Suzuki**

The Tokyo Stock Exchange announced in 2024 that overseas investors now hold a record 31.8% of Japanese shares, but the ratio for transcosmos is only 21.3%, a gap of over 10 percentage points. For many years, listed companies in Japan were constrained in terms of IR, financing and M&A by its unique lead underwriter system. To bolster transcosmos's IR strategy, we must begin searching for a leading overseas IR specialist firm, rather than continuing to rely on Japanese securities brokers for IR support. I look forward to leveraging my many years of experience in the securities sector to help build a stronger IR strategy.



**Miwa Tsurumori**

transcosmos has a proven track record and experience across a diverse range of industries and sectors. I believe one of its strengths is its ability to provide optimal services utilizing digital technology to many different types of clients. transcosmos faces a wide array of risks and opportunities as it develops its business. My goal is to help increase the Group's corporate value by using my legal mind and balanced thinking as an attorney to determine whether management is making fair and appropriate decisions.



**Norihiro Kuretani**

People & technology is about providing added value that only people can create by taking full advantage of AI and other technology. Key to success in this process is a keen and profound understanding of market conditions faced by the client. Using insights gained through my experience so far and the knowledge to strategically organize and structure, as well as my insight capabilities, I will support transcosmos's further evolution into the Global Digital Transformation Partner and its sustained growth.

1 FY2024/3 earnings summary

Operating results

- Net sales totaled ¥362.2 billion. Despite a pullback in sales from COVID-19 projects and weaker demand in the China e-commerce business, sales from CX and BPO services continued to grow and new orders increased.
- Operating profit declined due to higher selling, general & administrative (SG&A) expenses and one-time upfront investments to support medium-term growth, but profitability stabilized in existing businesses.
- Profit attributable to owners of parent declined, but non-operating income and extraordinary income increased.

Financial position

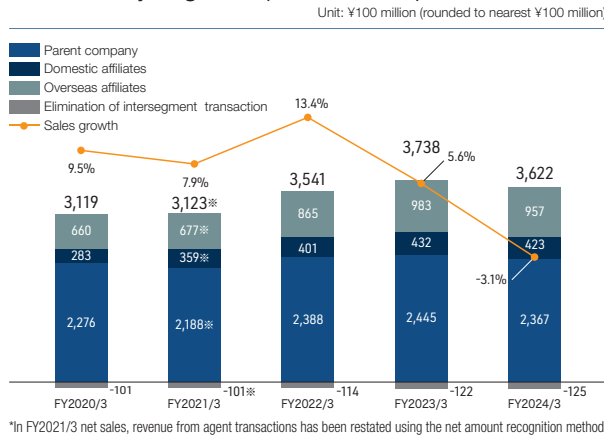
Total assets as of March 31, 2024 were ¥199,446 million, up ¥5,603 million from the end of the previous fiscal year. Of this amount, current assets rose ¥9,366 million to ¥144,790 million, mainly due to an increase in cash and deposits. Non-current assets decreased ¥3,762 million to ¥54,656 million. This primarily reflected a decline in investment securities due to the mark-to-market valuation of shareholdings. Liabilities decreased ¥79 million from the end of the previous year to ¥81,381 million, largely due to an increase in the Company's long-term borrowings and a decline in accounts payable-trade. Net assets rose ¥5,683 million to ¥118,065 million and the equity ratio was 54.3%.

2 Earnings summary by segment

The Company's reportable segments are constituent units of the transcocosmos Group for which separate financial information is available. The Board of Directors periodically examines these segments for the purpose of deciding the allocation of management resources and evaluating operating performance. The Company organizes its operations into three reportable segments – parent company, which includes outsourcing businesses operated by the Company, domestic affiliates, which includes outsourcing businesses operated by domestic Group companies, and overseas affiliates, which includes outsourcing businesses operated by overseas Group companies.

Parent company	Domestic affiliates	Overseas affiliates
Outsourcing businesses operated by the Company	Outsourcing businesses operated by domestic Group companies	Outsourcing businesses operated by overseas Group companies
Net sales declined 3.2% year-over-year to ¥236,716 million, reflecting a pullback in sales from COVID-19 projects, which outweighed a boost from new orders for projects unrelated to COVID-19. Segment profit fell 56.0% to ¥7,003 million due to the drop in net sales and the impact of upfront investment to support medium-term growth.	Net sales declined 2.1% year-over-year to ¥42,308 million due to lower sales and profitability at a listed subsidiary and its group companies amid weaker demand in areas that expanded during the COVID-19 pandemic. Segment profit fell 48.7% to ¥1,920 million.	Sales at the Group's ASEAN subsidiaries continued to grow at a double-digit pace, but net sales declined 2.7% year-over-year to ¥95,670 million due to lower demand in the China e-commerce business and a drop in work volume for some projects and higher labor costs at the Group's South Korean subsidiary. Segment profit was ¥2,546 million, down 29.8% from the previous fiscal year.

Net sales by segment (consolidated)



Performance indicators

transcocosmos works to ensure earnings exceed previous-year levels by addressing increasing client needs for sales growth and cost optimization. Specifically, transcocosmos actively develops CX services and BPO services that support clients' management and business transformation as their DX partner, and seeks to accelerate business development globally, particularly in Asian markets.

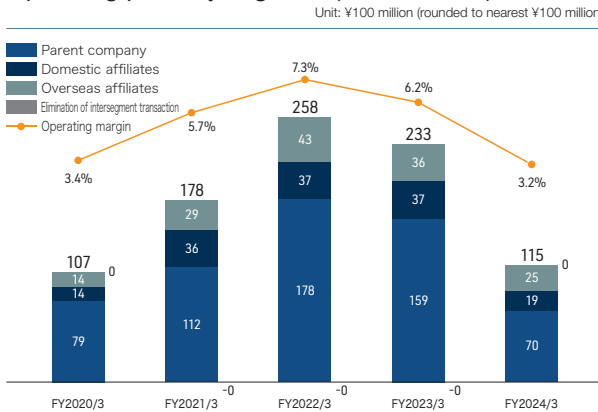
Dividend policy

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 policy is to increase the market value of shares by returning profits to shareholders.

In addition, the Company uses retained earnings to reinforce its financial position, while also investing in new contact centers, information systems and other equipment and facilities to support service expansion and enhance service quality. Our goal is to satisfy shareholder expectations through the pursuit of profits by expanding our business and adding more value to services.

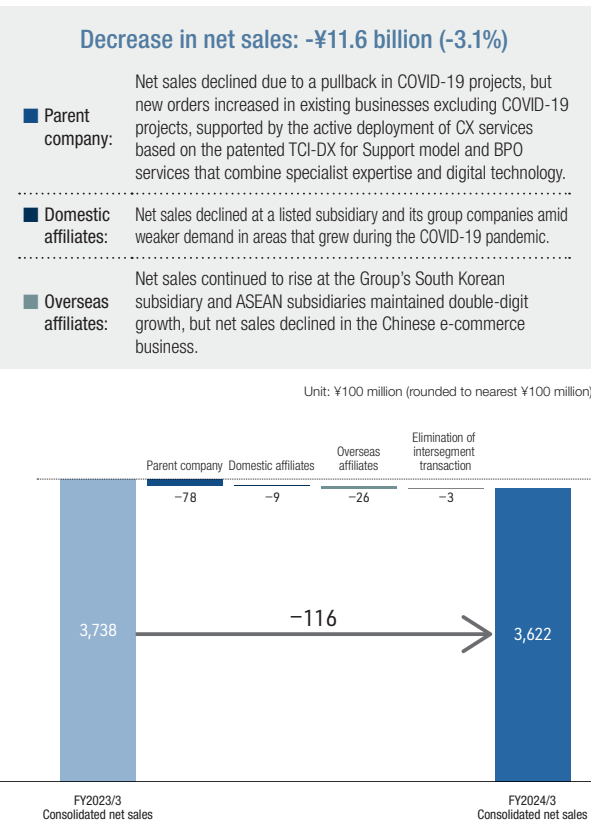
In line with this policy, the Company will pay a year-end dividend of ¥81 per share for FY2024/3.

Operating profit by segment (consolidated)

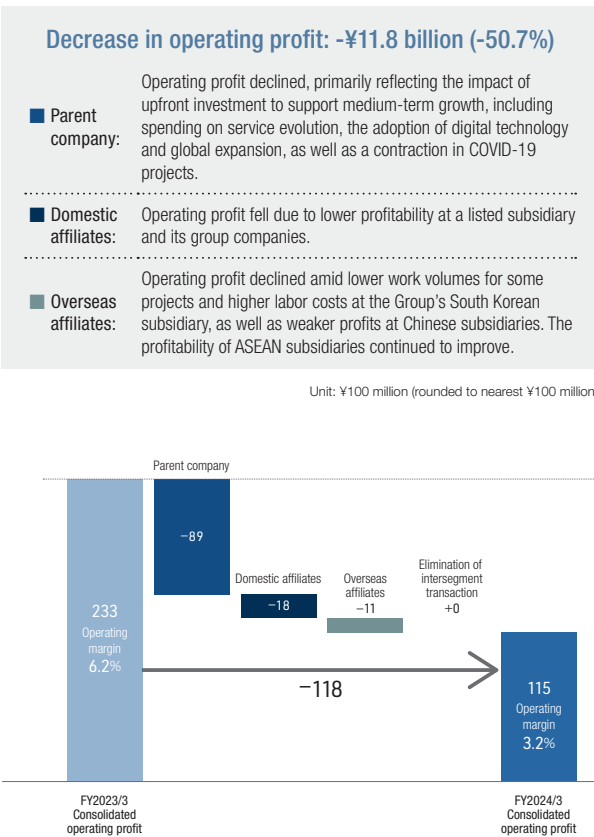


3 Financial analysis

Analysis of changes in net sales (consolidated)



Analysis of changes in operating profit (consolidated)



4 Cash flows

Unit: ¥100 million (rounded to nearest ¥100 million)

	FY2023/3	FY2024/3	Change
Operating cash flow	243	183	-60
Investing cash flow	-78	-6	72
Financing cash flow	-319	-38	281
Cash and cash equivalents	494	644	151
Free cash flow	164	177	12

\*Free cash flow = Operating cash flow + Investing cash flow

Financing cash flow

Net cash used in financing activities was ¥3,754 million, a decrease of ¥28,140 million compared with the previous fiscal year, largely due to declines in purchase of treasury shares and repayments of long-term borrowings.

As a result of the above, cash and cash equivalents at the end of the fiscal year stood at ¥64,421 million, an increase of ¥15,054 million from the end of the previous fiscal year.

Sources of capital and funding liquidity

Funding needs

The Group mainly requires funds for working capital and for capital investment in centers and other facilities. The Group also uses funds to invest in shares in line with business development requirements including business or capital tie-ups.

Financial policy

In principle, the Group uses funds generated by operating activities for working capital, capital investment and to invest in business development. However, depending on conditions, the Group may use other methods of fund procurement deemed appropriate at the time, such as bank borrowings, bond issuance and share issuance.

Cash flows

Operating cash flow

Net cash provided by operating activities was ¥18,255 million, a decrease of ¥5,998 million compared with the previous fiscal year. The main factor was a decline in profit before income taxes.

Investing cash flow

Net cash used in investing activities was ¥600 million, a decrease of ¥7,214 million compared with the previous fiscal year. This primarily reflected an increase in proceeds from sale of investment securities and a decline in purchase of property, plant and equipment.

\* Effective from the start of FY2022/3, the Company has adopted the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and other related standards. As a result, the presentation of transactions considered to be agent transactions in certain businesses has been changed from the gross amount of net sales and cost of sales to the net amount.



Key financial data

Consolidated fiscal year	(¥ million)	2014/3	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3
Net sales		186,503	199,178	224,605	242,314	266,645	284,696	311,871	336,405	354,085	373,830	362,201
Gross profit		35,403	36,687	40,373	42,902	47,267	47,202	54,608	65,887	77,779	76,522	68,253
SG&A		25,861	27,521	30,648	34,822	41,175	41,846	43,918	48,135	51,932	53,231	56,778
Operating profit		9,541	9,166	9,725	8,080	6,092	5,355	10,689	17,752	25,846	23,290	11,474
Profit attributable to owners of parent		6,289	7,349	7,587	7,156	-2,176	4,433	6,279	10,022	21,488	15,767	10,097
Capital expenditures		2,310	2,379	3,288	3,829	4,211	4,514	5,544	6,412	5,866	6,459	5,318
Depreciation and amortization		1,951	1,947	2,310	2,603	3,078	3,287	3,567	4,619	5,445	5,323	5,675
Cash flow from operating activities		8,921	12,177	3,197	8,487	7,814	3,889	8,093	15,715	15,770	24,253	18,255
Cash flow from investing activities		-4,282	-8,062	-13,935	-6,199	-6,658	4,344	-6,885	-8,402	-6,223	-7,814	-600
Cash flow from financing activities		-8,284	-3,769	12,832	-3,300	-4,049	-3,165	-2,093	6,735	4,218	-31,895	-3,754
Cash and cash equivalents		30,452	31,694	33,339	33,422	31,772	35,979	34,920	49,074	63,858	49,366	64,421
Free cash flow		4,639	4,115	-10,737	2,287	1,155	8,233	1,207	7,312	9,547	16,439	17,655
End of consolidated fiscal year	(¥ million)											
Net assets		60,809	67,396	83,981	85,188	71,199	74,915	77,969	92,516	120,880	112,381	118,065
Total equity		57,353	65,037	80,929	81,695	67,621	71,555	74,196	85,811	112,944	103,486	108,383
Total assets		92,173	101,551	140,674	143,802	129,067	135,268	143,985	175,883	218,455	193,842	199,446
Per share indicators	(¥)											
Current earnings per share		152.87	178.65	184.45	172.92	-52.47	106.90	151.40	241.65	518.12	389.22	269.46
Dividend per share (period end dividend)		46.00	54.00	56.00	52.00	23.00	33.00	46.00	93.00	156.00	117.00	81.00
Net assets per share		1,394.09	1,580.91	1,967.29	1,969.70	1,630.39	1,725.27	1,788.95	2,069.01	2,723.29	2,761.61	2,892.32
Financial indicators	(%)											
Return on equity (ROE)		11.7	12.0	10.4	8.8	—	6.4	8.6	12.5	21.6	14.6	9.5
Return on assets (ROA)		7.1	7.6	6.3	5.1	—	3.4	4.6	6.3	10.9	7.6	5.1
Equity ratio		62.2	64.0	57.5	56.8	52.4	52.9	51.5	48.8	51.7	53.4	54.3
Price-earnings ratio	(times)	13.9	14.2	15.9	15.1	—	20.2	12.6	12.4	6.2	8.1	11.7
Dividend ratio		30.1	30.2	30.4	30.1	—	30.9	30.4	38.5	30.1	30.1	30.1

\*Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28, February 16, 2018) were applied from the start of FY2019/3. The amendments, etc. were retroactively applied to the financial statements for FY2018/3.

\*Effective from the start of FY2022/3, the Company has adopted the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and other related standards. As a result, the presentation of transactions considered to be agent transactions in certain businesses has been changed from the gross amount of net sales and cost of sales to the net amount.

Non-financial data

	2020/3	2021/3	2022/3	2023/3	2024/3
Total number of employees (consolidated)	58,516	63,675	69,512	70,291	69,764
Of which, employees (consolidated)	32,666	35,760	39,870	40,582	40,793
Of which, average number of temporary employees (consolidated)	25,850	27,915	29,642	29,709	28,971
(Parent data below)					
Number of employees	15,173	15,949	16,462	16,791	17,325
Of which, full-time employees (ex. employees on assignment from other companies)	11,605	12,128	12,426	12,813	13,359
Of which, employees on unlimited term contracts	3,568	3,821	4,036	3,978	3,966
Ratio of female full-time employees	(%) 45.1	45.9	46.5	47.4	48.2
Ratio of female managers*1	(%) 19.3	21.9	23.0	25.9	26.2

\*1: Calculated as of July in each fiscal year until FY2022/3, and as of the end of the fiscal year from FY2023/3.

(Parent data below)	2020/3	2021/3	2022/3	2023/3	2024/3
Average length of service per full-time employee (years)	8ys. 7mos.	8ys. 10mos.	9ys. 1mo.	9ys. 4mo.	9ys. 5mo.
Average monthly overtime per full-time employee (hours)	19.9	18.0	18.5	17.6	17.8
Number of employees using childcare leave*2*3	183	260	303	755	702
Ratio of female employees (expectant and new mothers) using childcare leave*3 (%)	100.0	100.0	100.0	100.0	100.0
Ratio of male employees (expectant and new fathers) using childcare leave*2*3 (%)	12.5	46.6	55.4	85.0	93.8
Number of employees converted to full-time status	324	267	145	203	182
Number of employees with a disability	437	472	514	579	660
Ratio of outside directors (%)	35.3	38.9	41.2	43.8	47.1

\*2: From FY2021/3, calculated based on combined take-up number of childcare leave and shared parental leave.

\*3: From FY2023/3, includes contract employees.

Corporate overview

Registered Name	transcosmos inc.
Representative	Representative Director, Co-president Masaaki Muta Takeshi Kamiya
Date of Foundation	June 18, 1985 (Registered in November 30, 1978)
Paid-in Capital	¥29,065 million*
Employees	Group: 69,764 (Japan: 43,725 Global: 26,039)*
Headquarters	Sunshine 60 Bldg. 3-1-1, Higashi-Ikebukuro, Toshima-ku, Tokyo 170-6016 Japan +81-50-1751-7700 (Main phone number)
Main Office	Shibuya First Tower 1-2-20, Higashi, Shibuya-ku, Tokyo 150-0011 Japan

\*As of March 31, 2024

Stock information (As of March 31, 2024)

Shares authorized for issue	150,000,000
Shares issued	48,794,046
Stockholders	9,788

Directors (As of June 25, 2024)

Representative Director, Chairman	Masataka Okuda
Representative Director, Co-president	Masaaki Muta Takeshi Kamiya
Representative Director, Executive Vice President	Masatoshi Kouno
Director, Executive Vice President	Kenshi Matsubara Hiroshi Kaizuka
Director, Senior Corporate Executive Officer	Eijiro Yamashita
Director, Corporate Senior Officer	Yoshie Kadomatsu
Director, Corporate Advisor	Koji Funatsu
Outside Director (Audit and Supervisory Committee Member)	Takeshi Natsuno Nozomu Yoshida Eiji Uda
Outside Director	Rehito Hatoyama Genichi Tamatsuka Noriyoshi Suzuki Miwa Tsurumori Norihiro Kuretani

Principal stockholders (As of March 31, 2024)

Name	Number of shares (thousands of shares)	Ratio of shares (%)
transcosmos foundation	6,753	18.02
Masataka Okuda	6,404	17.09
The Master Trust Bank of Japan, Ltd. (Account in Trust)	3,103	8.28
Custody Bank of Japan, Ltd. (Account in Trust)	1,492	3.98
Mihoko Hirai	1,463	3.91
THE BANK OF NEW YORK MELLON 140042	926	2.47
CEPLUX- THE INDEPENDENT UCITS PLATFORM 2	746	1.99
Limited company HM Kosan	722	1.93
Employee Shareholding Association of transcosmos inc.	709	1.89
NORTHERN TRUST GLOBAL SERVICES SE, LUXEMBOURG RE LUDU RE: UCITS CLIENTS 15.315 PCT NON TREATY ACCOUNT	500	1.33

Notes: 1. The Company holds 11,321 thousand shares of its own stock, but is excluded from the above top 10 stockholders, and the ratio of shares is calculated by deducting its own stock.  
2. Number of shares less than one thousand is rounded down to the nearest thousand.  
3. Shareholding ratio is rounded off to two decimal places.

Our website

Please visit our website for more information about our company.

<https://www.trans-cosmos.co.jp/english/>



Group companies

◆:Equity-method affiliate

Domestic

J-Stream Inc.
Skylight Consulting Inc.
APPLIED TECHNOLOGY CO., LTD.
CROSSCO Co., Ltd
transcosmos digital technology inc.
transcosmos Partners inc.
Grand Design Co.,Ltd.
transcosmos analytics Inc.
transcosmos online communications inc.
caramo, Inc.
playground Co., Ltd.
FJ transcosmos Human Resource Professionals Limited
TT Process Management Inc.
TT Human Asset Service Corporation
◆ Tohoku Electric Power Transcosmos Management Partner Company, Incorporated
transcosmos assist inc.
TCI Business Services inc.

Others 26 companies

Total 43 companies

Please visit our website for the latest list of Group companies.

<https://www.trans-cosmos.co.jp/english/company/information/group.html>



Overseas

Asia

transcosmos Korea Inc.
Shanghai transcosmos Marketing Services Co., Ltd. (transcosmos China)
transcosmos (Thailand) Co., Ltd.
transcosmos Asia Philippines inc.
transcosmos Vietnam Co., Ltd.
TRANSCOSMOS ZERO PTE. LTD.
TRANSCOSMOS (MALAYSIA) SDN. BHD.
transcosmos Taiwan Inc.
PT. transcosmos Commerce
◆ EMNET INC.
◆ UNQ HOLDINGS LIMITED
◆ PT. transcosmos Indonesia

North America & Europe

transcosmos America, Inc.
Transcosmos Information Systems Group Limited

Offshore services (for Japan)

transcosmos Information Creative (China) Co., Ltd.
transcosmos Design Development (Dalian) Co., Ltd.
transcosmos business service outsourcing Suzhou Co., Ltd.
transcosmos technology Vietnam Co., Ltd.

Others 42 companies

Total 60 companies

\*As of March 31, 2024



Late founder, Koki Okuda, awarded honorary bachelor's degree by Wakayama University

In August 2024, Koki Okuda was awarded an honorary bachelor's degree from Wakayama University, a national university. Wakayama University decided to confer an honorary degree on Mr. Okuda in recognition of his invaluable experience at the university, his support for the university through transcosmos inc. and the transcosmos foundation, and his wide range of social contribution activities, most notably developing people. Mr. Okuda is the first-ever recipient of the university's honorary bachelor's degree.