

NS Solutions

Integrated Report 2025



NSSOL 2030 Vision

Social Value Producer with Digital

Envisioning and realizing the future of society
through the power of digital technology

Dream our future, Unleash the possibilities of society, With technology and passion

There is no one-size-fits-all answer in an era of sweeping social change and intense demands for diversity.

The power of transformation is crucial.

Companies and people prepared to manifest real value, and vastly multiply the potential of our world.

NS Solutions shares visions embraced by countless people and businesses, and joining hands it creates enduring solutions.

The power of accrued knowledge and technology, driven by individual passion.

Social Value Producer with Digital

Envisioning and realizing the future of society through the power of digital technology



NSSOL 2030 Vision

Move! to Change

- Make bold decisions and act swiftly to identify changes and seize opportunities
- Continually engage in new challenges and make every day surpass the day before
- Change ourselves and those around us, with challenges that move our hearts

Move! toward Future

- Picture an ideal future, and keep moving forward with desire
- Grasp the essentials to create true value
- Add our own values to the organization's DNA, then pass it on

Move! with Everyone

- Respect each other's individuality and make diversity a source of power
- Transcend the barriers of companies or organizations and create exciting new value
- Believe in our colleagues, help each other, and maximize the value we create

Move! as a Professional

- Have a strong sense of ownership and see things through with professionalism
- Go beyond our boundaries and continue to update ourselves
- Give shape to what we have learned and give back to the organization and society



Purpose

Core Values

Creation, Reliability, Growth

As professionals in information technology, NSSOL will continue to build relationships of trust with our customers and grow alongside them by creating true value, thereby contributing to the development of society.

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Editorial Policy

This integrated report focuses on outlining our “2025–2027 Medium-term Management Plan” (the “medium-term plan”), which we announced in February of this year. The opening section conveys the strong commitment of our Representative Director & President. This is followed by an explanation of the medium-term plan's content, financial measures, and value creation process, and then perspectives on the plan from our outside directors.

The second half of the report presents materiality KPIs, revised in conjunction with the formulation of the medium-term plan, and we have attempted to explain related aspects of sustainability management, such as the environment, society (human capital), and governance, in an easy-to-understand manner. We have also prepared content that provides a multifaceted view of the culture and spirit of the company, including profiles of our employees.

We will continue to improve our integrated reports to make them easier to read, and we would appreciate any candid comments or requests you may have. We hope that this Integrated Report will be of some help in providing you with a better understanding of NS Solutions.

<Notes>

The names of services and products mentioned in this Integrated Report are registered trademarks or trademarks of NS Solutions Corporation or their respective owners.

Period covered

FY2024 (April 1, 2024–March 31, 2025)

Scope

NS Solutions Corporation (NSSOL) and NSSOL Group companies

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Guidelines used as reference, etc.

IFRS Foundation, International Integrated Reporting Framework
Ministry of Economy, Trade and Industry of Japan, Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation
The Task Force on Climate-related Financial Disclosures (TCFD)
The following were used as references for identifying material issues with respect to sustainability.
Global Reporting Initiative (GRI Standards)
Sustainability Accounting Standards Board (SASB)
ESG rating assessments

Disclaimer regarding forward-looking statements

This Integrated Report contains descriptions of the NS Solutions Group's future plans and strategies, as well as forward-looking statements regarding business performance, based on the information available at the present time.
Please note that actual business results may vary.



<Front Cover>

Group photo from “NSSOL IGNITION DAY” held at the Tokyo International Forum on June 4, 2025.

Approximately 3,700 employees participated in person, while about 2,600 participated online.



Driving transformation to realize our vision through the passion of each individual and the power of our organization

Representative Director & President
Kazuhiko Tamaoki

A new record in profits, driving us to the next stage

Under the five-year Medium-term Business Strategy launched in FY2021 (hereinafter referred to as the previous medium-term management plan), we pursued growth-oriented investments and aimed for revenue growth by defining four focus areas — “DX in the Manufacturing Industry,” “Digital Platformer,” “Digital Workplace Solutions,” and “IT Outsourcing” — under the vision of becoming the “First DX Partner.” These four key focus areas drove growth across the company, resulting in financial results for FY2024 of 338.3 billion yen in revenue, 81.7 billion yen in gross profit, 38.5 billion yen in operating profit, 27.0 billion yen in profit attributable to owners of parent, and an ROE of 10.9%. This further surpassed the record-high profits achieved in the previous fiscal year. Quantitative targets such as sales growth rates and investment amounts set in the previous medium-term management plan were achieved one year ahead of schedule.

Building on this strong performance, we have now begun moving toward the future beyond. In April 2024, we announced the “NSSOL 2030 Vision,” which outlines our aspiration for the company in 2030. Then, in February 2025, we formulated and published the “2025–2027 Medium-term Management Plan” (hereinafter referred to as the new medium-term management plan), which serves as an action plan to realize the NSSOL 2030 Vision.

NSSOL 2030 Vision

The NSSOL 2030 Vision defines our aspiration for 2030 as a “Social Value Producer with Digital,” aiming to evolve from a “partner,” the concept of our previous medium-term management plan, into a “producer” that leads the way in solving social issues. This shift is, of course, a response to the significant changes in the environment surrounding our industry. However, the starting point for this idea actually stems from discussions during the formulation of our Purpose, that is, our reason for being in society. During these discussions, younger and mid-career employees voiced opinions such as: “We should not just be partners accompanying our clients — we should take one step further,” and “We want to be the ones leading the way in solving the challenges of our client companies.” Moving forward, we will transform ourselves with strong resolve, striving to achieve our vision through the execution of the new medium-term management plan and that which follows it.

2025–2027 Medium-term Management Plan

The new medium-term management plan aims to transition the company toward the TAM model outlined in the NSSOL 2030 Vision, consisting of the three business revenue models of T: SI Transformation (Next-Generation SI Model), A: Asset-Driven (Asset Utilization Model), and M: Multi-company Platform (Platform-as-a-Service Model). This involves four fundamental transformations: (1) Transforming business revenue models, (2) Transforming our approach to customers, (3) Transforming technology acquisition and application processes, and (4) Transforming internal operations and management.

(1) In transforming our business revenue models, we will focus on expanding the T-type model, a high-productivity SI model leveraging cutting-edge technologies, and the A-type model, centered on assets derived from our intellectual property, over the next three years through 2027. This will increase the proportion of our sales accounted for by TAM to 75%.

In line with the transformation of our business revenue model, we are also driving the transformations of (2) and (3). Previously, our approach was to respond to visible issues that had already been identified by clients’ management and to provide specific solutions, such as accounting systems. Going forward, we will focus on uncovering business challenges from the perspective of the C-Suite and proposing comprehensive solutions to address these management issues, thus enhancing our corporate value.

To achieve (3), transforming our business revenue model, we will transform our technology acquisition and application processes. This will involve strengthening collaboration between research and business operations to significantly enhance solution creation capabilities and development productivity.

Finally (4), transforming internal operations and management, involves consolidating common administrative functions within each business unit to standardize and streamline processes. We will also continue investing in internal infrastructure systems to realize data-driven management.

Focusing on these four transformations, the new medium-term management plan aims to achieve revenue of 450.0 billion yen, operating profit of 60.0 billion yen, and an ROE of 13%.



“Evolving into a producer and leading the way in solving social issues”

Our autonomous, decentralized, and cooperative human capital

Since establishing our Purpose in FY2021, we have outlined our material issues and values, shared principles that guide our overall direction. We have also defined our aspiration for the company in 2030 through the NSSOL 2030 Vision and formulated the new medium-term management plan as a roadmap to achieve it. Ultimately, for these to become meaningful and for goals to be achieved, it is crucial that each and every employee feels a sense of ownership and views themselves as directly involved. In the IT industry, the terms “autonomy, decentralization, and cooperation” were frequently used during the transition from mainframes to open systems, and the same applies to human capital. While individuals make autonomous judgments and act independently, it is crucial that they share common values and cooperate as a whole. From that perspective, we involved as many people as possible in formulating our Purpose and Values, ensuring they reflect the voices of our employees. In addition, concerted efforts have been made to instill them in our employees. These included creating and displaying posters throughout the company and producing videos. In the videos, employees themselves discuss how they understand the Purpose and Values, and what actions they want to take on that basis. I believe seeing colleagues speak about our Purpose and Values has helped everyone to view them as something relatable.

The same applies to the NSSOL 2030 Vision and the new medium-term management plan. This plan is formulated not as a top-down approach dictated solely by management, but as one that truly originates from the front lines. All executive officers have been deeply involved since the vision formulation stage, and throughout the process of formulating the new medium-term plan, we have spent considerable time aligning our perspectives through repeated discussions demanding strong commitment. Therefore, every leader at each site fully understands what transforming our business models entails and can articulate the company’s direction in their own words. These leaders have communicated to the front lines what the T, A, and M in TAM represent with respect to their various businesses, allowing all front-line staff to absorb the new medium-term management plan in their own way. When I speak at kickoff meetings for business units or briefings at subsidiaries, I sense that each individual has the desire to do something or take action. It is precisely this that I perceive as our strength in achieving transformation.

IGNITION DAY: Confirming employees’ passion for our second founding

The culmination of these efforts was the kickoff event for the new medium-term management plan, “NSSOL IGNITION DAY,” held at the Tokyo International Forum on June 4, 2025. Approximately 3,700 people attended on-site, while about 2,600 participated online in real time. With the company employing approximately 9,000 people at that time, this means 70% of the workforce participated simultaneously.

I took this opportunity to share the company’s 25-year history. At the time of the company’s founding, it was essentially a collection of new ventures in the IT sector. After that, there was a period where we could manage stable operations to a certain extent but were unable to grow. We overcame that phase, began growing,



and eventually arrived at where we are today. The reason I spoke about history is that our company, as it aims for major transformation, is now in its “second founding period.” I wanted to convey that this now, all of us as employees must revisit our initial aspirations and work to see them through. Following that, five leaders delivered messages about transformation. I could sense the high level of enthusiasm from each and every employee in the venue, and felt a strong sense of momentum toward realizing the new medium-term management plan.

To ensure business success and continue creating corporate value, the autonomous actions of each and every employee are of utmost importance. I believe one of the roles of management is to align the vectors of these autonomous actions in the same direction, thereby accelerating the energy toward growth. I believe that this IGNITION DAY is one outcome of that effort.

New organizations to drive the implementation of transformation

The new medium-term management plan is a plan designed to achieve fundamental transformation. While employee passion and autonomy are of course essential elements, transformation cannot be accomplished by merely issuing directives or relying solely on individual initiative. Rather, an organizational framework is also necessary. To this end, we have established four new departments dedicated to advancing the new medium-term management plan.

The “Strategy Management Center” serves as the central coordinating hub for managing the overall progress of the transformation and sharing emerging challenges. The “AI Utilization Promotion Center” is a major element driving the transformation of internal operations and management. Finally, the “Offering Business Planning Center” and “Strategic Sales Department” were established as triggers for transforming our approach to customers. The Offering Business Planning Center and Strategic Sales Department form a combined unit, serving as a dedicated

organization to pioneer the transition to becoming a “producer.” They will reconstruct an exhaustive map of existing solutions and assets within the company, and prepare problem-solving “stories” that combine them. With these stories, we will engage customers at the C-Suite level, make proposals, and co-create solutions. By demonstrating these specific steps internally, these organizations are tasked with visualizing the post-transformation sales approach.

An even more important mission is that of how to translate value into price. We are committed to not only delivering valuable proposals but also transitioning to value-based pricing and contracts that reflect that value. Until now, many system integrators have primarily focused on system development tailored to the requirements of their customers’ operational departments, relying heavily on labor-intensive development processes. However, we are now in an era where customers themselves are adopting new technologies like AI to advance in-house development and achieve self-sufficiency. We ourselves share a sense of crisis that our very reason for being could evaporate if we remain confined to our traditional business model. That is precisely why we must now approach our customers’ management teams as co-creators in solving their challenges. We must shift our value proposition away from merely providing systems to address individual issues, and instead move toward uncovering management challenges and proposing scenarios to resolve them. To achieve this, it is essential to view things from a management perspective, looking past our customers to the customers beyond them, and further still to society itself. This connects to the “Social Value” aspect of our vision.

Many other companies are similarly promoting shifts toward upstream approaches or consulting models, but our strength lies in our in-depth operational insights grounded in the field. The Offering Business Planning Center builds customized problem-solving stories for each customer based on operational insights. The Strategic Sales Department then presents these to

management, driving the realization of offering-based business. Furthermore, I believe that our unique value proposition and outstanding strengths lie in our ability to go beyond mere planning such as that provided by consulting firms, and instead incorporate our solutions into the details of practical implementation.

Efforts to remain a technology-driven NSSOL

Transitioning to the TAM model requires aligning both a customer proposal perspective and a technical approach to make these proposals a reality. Specifically, for the T-type and A-type models, we will actively incorporate new technologies to develop new services, then turn them into tools for enhancing productivity. We take pride in our technological capabilities and consider them our greatest strength, embodying the essence of NSSOL as a “technology-driven company.” However, in the midst of today’s rapid and massive technological innovation, if we fail to hone our cutting-edge technologies to an even sharper edge, we will be left behind. As such, an aggressive approach to the challenge of acquiring new technologies is essential. Our company, unusually for a systems integrator, maintains a dedicated technical research organization called the Systems Research & Development Center. This is precisely what underpins our strength as a technology-driven company. In transforming the technology acquisition and application process, we are focusing on enhancing this synergy between business and research as one of our key themes. We have created a mechanism to strengthen the pathway for matching business needs with research seeds. This involves each business unit presenting research themes relevant to their operations to the Systems Research & Development Center, which then combines its core technologies to develop solutions and new technologies.

Another key initiative is to standardize development environments and enhance productivity. Previously, system development was conducted separately for each industry sector. However, with the introduction of Nestorium, our latest development environment, we are advancing the standardization and unification of development processes, achieved by extensive use of cutting-edge technologies on a common company-wide platform. Standardizing the development environment also enables it to serve as a Center of Excellence (CoE). This facilitates highly productive development by harnessing cutting-edge technologies.

Internal operational reforms supporting transformation

So far, I have discussed the value we provide to our customers and the transformation of our production technologies, but with “transforming internal operations and management,” we will also undertake major changes to the internal operations that support these efforts.

Accordingly, we will standardize the systems related to operational processes previously handled by individual business units, thereby achieving company-wide optimization. This will centralize data management across the entire company, enabling data-driven management. Because data can then be retrieved in real time, all employees, from the front lines to management, can make quick and accurate decisions based on shared data.

Furthermore, we are making concerted efforts to incorporate AI into daily operations. We will deliver AI

tools to all employees and implement AI functionality into business processes such as legal consultations. By creating an environment where we naturally collaborate with AI in our daily business, we aim to improve the quality of the work we do by focusing on creating essential value.

Drawing on external growth and global expansion

Under the new medium-term management plan, we will allocate 150 billion yen over three years for M&A investments aimed at strengthening our acquisition of the missing pieces required for transformation. I believe that accelerating progress in business growth, technology acquisition, and talent acquisition is the key to enhancing corporate value.

M&As generally have three main purposes. The first of these is the acquisition of markets. Through acquisitions and investments in local companies such as PT. WCS ABYAKTA NAWASENA in Indonesia and Round Two Solutions in Thailand, we are establishing footholds not only in Japanese companies but also in local businesses and markets. Regarding overseas operations, our approach has been two-stage: first, expanding in conjunction with the overseas expansion of the Nippon Steel Group; second, building on that foundation to develop business with Japanese companies. Moving forward, we will proceed with the third phase of this approach: expanding into local companies. We are also targeting companies within Japan that have access to markets we do not yet serve.

The second purpose is the acquisition of solutions. This refers to pinpointing the exact tools we need and acquiring technologies we do not yet possess. This is also expected to further enrich the offering stories that we provide.

Finally, the third purpose is the acquisition of resources. The theme of our investments is acquiring talent capable of making proposals in the upstream areas of management essential for offering-based business.

PMI (post-merger integration) is critically important for successful M&As. Harnessing the autonomy of companies with different cultures and values while creating synergies and simultaneously managing risks is no easy task, but we intend to proceed through ongoing dialogue in good faith. It is true that as a company, NSSOL still has limited experience with M&As and global expansion. On the other hand, we are yet to fully draw on the expertise of our outside directors, who possess extensive experience in this area. Moving forward, we intend to seek their advice and achieve tangible results.

Progress in sustainability management

I believe that addressing sustainability is both a social imperative and fundamental to realizing our Purpose. We have defined our Purpose and Values as a company, set out material issues in alignment with them, and implemented sustainability management as an integral part of our corporate strategy. Unlike companies with manufacturing facilities, our industry has a relatively low environmental impact. However, we are already on track to achieve our target of reducing GHG emissions by 50% by 2030.

Furthermore, we position people as our most important business resource, and are promoting health and productivity management, as well as diversity, in

accordance with this view. Among our diversity initiatives, we have placed particular emphasis on promoting the advancement of women. As a first step, we are beginning to see tangible results in creating an environment that allows for balancing work with life events such as childcare and nursing care. Moving forward to the second step, we will actively advance the development and appointment of female leaders at the heart of the company’s management.

For investors and shareholders

As a publicly listed company, we are subject to the rigorous scrutiny of the capital markets, which fosters a strong drive for growth and a high level of awareness regarding governance standards. Additionally, being part of the Nippon Steel Group provides advantages in acquiring human resources. However, as a parent-subsidiary dual listing, we are highly conscious of ensuring management independence and creating an environment that provides reassurance to minority shareholders. To this end, we have sold cross-shareholdings and raised the dividend payout ratio to 50%. Furthermore, the composition of the Board of Directors has been strengthened to enhance governance, with the current 11 directors including 5 inside directors and 6 independent outside directors. Regarding the parent-subsidiary dual listing, we believe it is essential to continue carefully explaining this matter to our shareholders through our regular IR activities, with the aim of encouraging them to hold our shares for the long term.

The new medium-term management plan also serves as a declaration to the capital markets, clearly stating our commitment to growth. As such, we will work actively to use our capital to drive growth. Furthermore, as part of “management conscious of capital costs and stock prices,” we have set a target ROE, set out clear financial targets, and are working to reduce capital costs by transforming our business model, thereby reducing volatility. We will also strengthen our efforts to improve TSR through dividends and an increase in our stock price.

Two years have passed since I assumed my position as President, and during that time, we have steadily laid the groundwork for the future through the formulation of our vision, the development of a new medium-term management plan, the establishment of a new organizational structure, and governance reforms.

As a leader, I am committed to achieving long-term sustainable growth while valuing careful communication with all stakeholders. It is my hope you hold high expectations for our company’s future growth.



“Driving transformation through technology and systems to realize the TAM model”

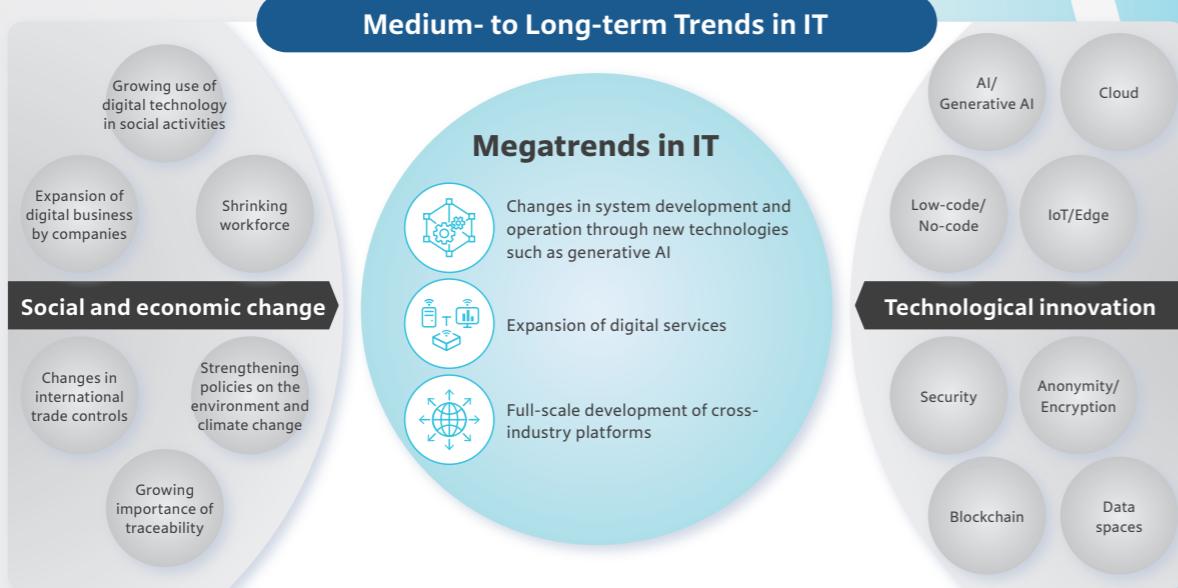
NSSOL 2030 Vision

Our Goal for the NSSOL 2030 Vision

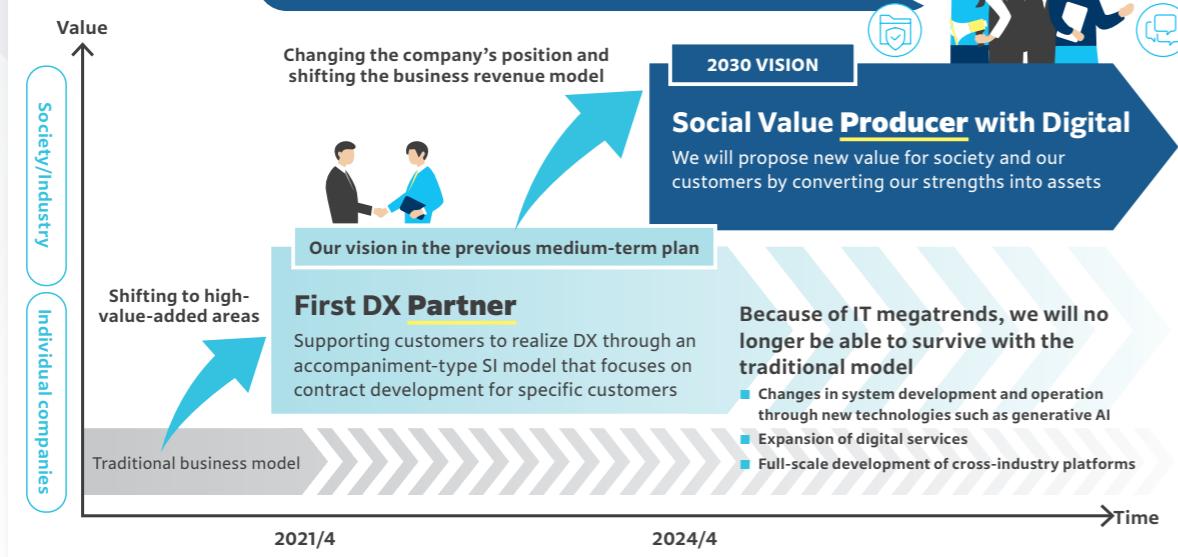
Social Value Producer with Digital

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Medium- to Long-term Trends in IT



Building of new business models



Key Points of the 2025–2027 Medium-term Management Plan

NSSOL's Vision for the 2025–2027 Medium-term Management Plan

- Achieving even higher profitability through business model transformation
- High growth exceeding the market through focus on IT megatrends
- Proactive investment in growth and external growth through M&As
- Evolution of governance, including enhanced strategy execution capabilities, and improvement of shareholder value

Four transformations + two for a highly profitable & high-growth company

Highly profitable company

Aiming for **operating profits of 100 billion yen** in the early 2030s

① Transforming our business revenue model

Shifting from an individual contract-type SI to a highly profitable model based on the TAM-type

② Transforming our customer approach

From addressing individual customer issues to focusing on customer management and social issues

③ Transforming the process of acquiring and applying technology

Achieving high development productivity through enhanced collaboration between R&D and business operations, and by promoting standardization

④ Transforming in-house operations and management

Improving in-house operational productivity and building a data-driven management infrastructure

Global Strategy

External Growth Strategies

NSSOL will undertake the transformation of its business revenue model, along with its underlying customer approach, technology acquisition and application processes, and internal operations and management, to realize its new medium-term management plan.

To oversee these four transformations, we have established a new organization called the **"Strategy Management Center."** NEW

Target Indicators

We have set FY2027 targets aimed at the early achievement of the operating profit of 100 billion yen/ROE of 15% outlined in the NSSOL 2030 Vision

	FY2024 results	FY2027 plan	NSSOL 2030 Vision
Business goals	Revenue	338.3 billion yen	450 billion yen
	Operating profit (Operating profit margin)	38.5 billion yen (11.4%)	60 billion yen (13%)
	ROE	Approximately 10.9%	Approximately 13%
Allocation of funds	M&As	1.6 billion yen	150 billion yen/3 years (Investment effect: Create business worth approximately 100.0 billion yen)
	Shareholder returns	50.1% dividend payout ratio	dividend payout ratio 50% 50% dividend payout ratio
Transformation growth	TAM model/Revenue ratio	Approximately 5%	Approximately 75%
	Growth investments/Revenue ratio (excluding M&As)	3.6%	Approximately 5%

Key Initiatives: 4 Transformations

Transformation 1 Transforming our business revenue model

NSSOL aims to transition to the revenue models given on the right to break away from its traditional individual contract-type SI business and evolve toward the “Social Value Producer” model, which embodies a TAM-type business revenue model.

We will use these as our core axes to enhance the value we provide and achieve sustainable business growth.

Individual contract-type business revenue model

- Limitations of the man-month business
 - A shortage of IT personnel
 - Adoption of in-house tools
- Difficulty in improving profit margins

- T-type: Enhance productivity through the use of generative AI and other technologies.
- A-type: Turn strengths into assets and deploy them to a large number of customers.
- M-Type: Provide platforms that multiple companies can share, led by NSSOL.

TAM-type business revenue model

- Enhanced productivity in the SI business
- Improved growth potential and profitability through assetization
- High-value-added solution proposals

What is the TAM-type business revenue model?



SI Transformation

SI Transformation Model (T-type)

We are incorporating innovations such as generative AI into our value delivery process, and we provide high-productivity customer-specific system development and operation and maintenance services



Asset Driven

Asset-Driven Model (A-type)

We convert our strengths into unique assets, and provide them to multiple customers as best practices



Multi Company Platform

Multi-company Platform Model (M-type)

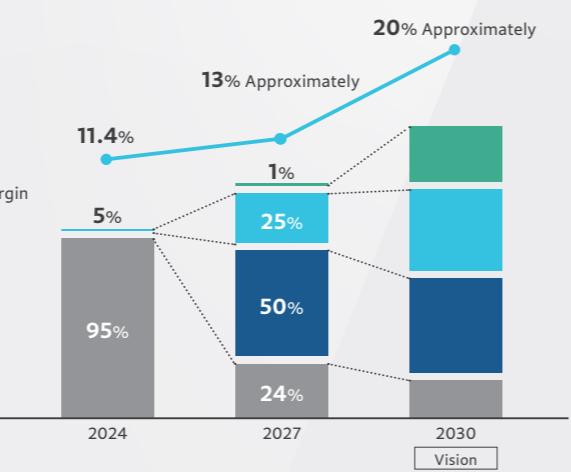
NSSOL provides a platform for multiple companies to use jointly, with NSSOL as the main business entity

Our business portfolio

Over the next three years through 2027, NSSOL will focus on expanding its “T-type” high-productivity SI model, which leverages pioneering technology, and its “A-type” model, which utilizes intellectual assets for asset deployment. The “M-type” model aims for future expansion through the building of best practices. By 2027, we aim to have T/A/M-type model business account for about 75% of our sales.

Our business portfolio

- Operating profit margin
- M-type
- A-type
- T-type
- Traditional-type



Examples of the TAM-type business revenue model

A-type



Overview of features

- Provides integrated, one-stop solutions for business packages such as ALM and market risk management, revenue management, Basel compliance, and market transaction management, areas traditionally built and operated individually by each financial institution for their own specific needs
- Promotes data utilization by consolidating and centralizing all business management information into an integrated management database
- Utilization of the platform services NSSOL provides enables customers to reduce the load placed on their infrastructure
- These services enable optimal business management for our customers, even in a changing market environment, such as a world with interest rates

Characteristics when viewed as a TAM-type business revenue model (A-type)

- Services aligned with regulatory compliance and practical needs, based on extensive implementation experience in the domain of financial institution management, are prepared as assets and made available for provision
- Development and provision of treasury functions for corporate finance departments using market-based transaction management assets

Customer feedback and inquiry status

- Previously, individual systems were provided, which limited scalability. However, ConSeek is now highly regarded as an integrated solution that allows for the sequential implementation of necessary features, enabling broad consideration with a long-term perspective
- It is also highly valued for providing comprehensive support that encompasses not only system maintenance but also operational and infrastructure aspects

Future developments

- Expansion of functions and services utilizing ConSeek's integrated business management database, including data utilization and RegTech platforms
- Enhancing operational support activities that contribute to improving customer satisfaction and experience (CS/CX) at each financial institution, including optimizing overall management operations during system implementation and resolving daily operational challenges during system operation.
- As a provider of financial functions, offering services to a broad range of customers, including non-financial institutions

A-type



Overview of features

- CloudHarbor is a next-generation cloud development and execution platform essential for advancing customers' DX initiatives
- Leveraging NSSOL's assets from the diverse array of cloud-native technologies and methodologies it possesses, including containers, CI/CD, DevSecOps, IaC, observability, and SRE, it provides an optimally integrated platform and support for its utilization
- Comprehensive support is available for organizational transformation and governance to enable company-wide platform adoption, including training
- As such, this is a service that helps customers rapidly achieve cloud-native transformation, enhance business agility, and contribute to realizing DX

Characteristics when viewed as a TAM-type business revenue model (A-type)

- All components required for cloud-native transformation have been prepared as assets, allowing immediate deployment if no customization is required
- Depending on the customer's cloud usage situation, it is also possible for them to select and apply pluggable components as necessary

Customer feedback and inquiry status

- Achieving DX for companies requires productivity improvements and speed, but challenges include a shortage of high-level cloud personnel, maintaining security and other IT controls, and the continuous updating and operation of platforms
- CloudHarbor provides a pre-designed best-practice environment that incorporates the IT controls required by enterprise organizations. Furthermore, because it provides operational services for maintaining and improving the platform and continuously updating it with the latest technologies, it is highly regarded for its ability to reliably accelerate DX

Future developments

- Cloud-native is a rapidly evolving field, but by continuously incorporating various capabilities like AI and FinOps and updating our features, CloudHarbor will continuously evolve as customers' service of choice
- CloudHarbor provides an optimal cloud-native platform capable of withstanding enterprise-level use, supporting customers' realization of DX through a collaborative approach

Key Initiatives: 4 Transformations

Transformation 2

Transforming our customer approach

NSSOL will shift away from the traditional individual issue-oriented SI model and transition to a comprehensive approach addressing the management challenges of our customers and society.

To address our customers' business challenges, we will establish a new **“Offering Business Planning Center”** **NEW** to develop a range of options for enhancing sales. Meanwhile on the sales front, we have newly established

the **“Strategic Sales Department.”** **NEW** We will shift away from the man-month business model by adopting a new sales approach based on “N (customers) to N (solutions),” focusing on the value we deliver.

Furthermore, to further enhance the value we provide, we will pursue M&As and other opportunities to acquire not only new technologies but also consulting and think tank capabilities.

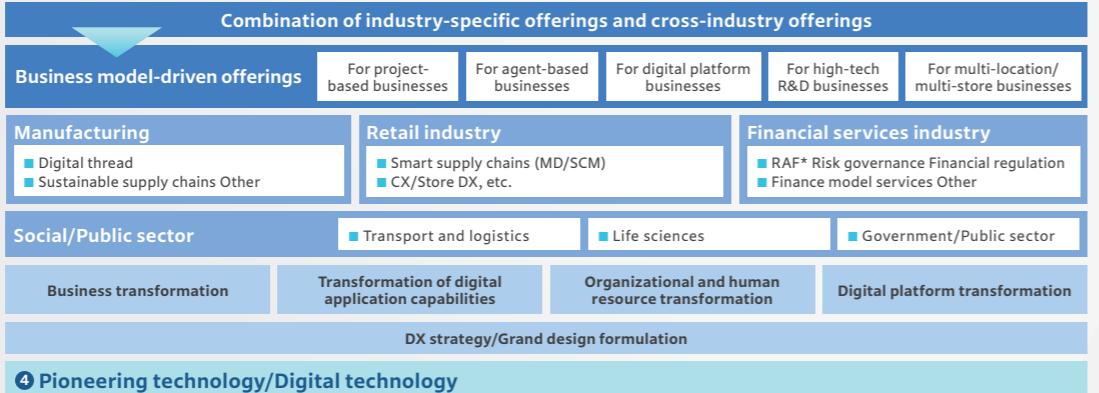
Our traditional customer approach

- A passive approach centered on customers' on-site needs
- Focus on projects defined by system requirements
- Siloed approach to customers, addressing each business division separately
- Man-month/Cost-based contracts

New: Customer approach

- Offering-based proposals addressing customer issues
- Strengthening our proposals from the ultra-upstream consulting stage
- Strengthening a sales promotional structure for N-to-N sales expansion models
- Transitioning to value-based pricing contracts

① Integrated offerings



* RAF: Risk Appetite Framework Social/Public sector

Key Initiatives: 4 Transformations

Transformation 4

Transforming in-house operations and management

In order to realize the NSSOL 2030 Vision, we will transform into an organization that possesses agility and continues to take on new challenges.

By consolidating common management functions previously dispersed across various business divisions, we will achieve productivity improvements of approximately 20% through operational standardization and efficiency gains.

Additionally, we will overhaul our internal infrastructure systems to realize data-driven management.

Meanwhile, within our organizational culture, we will more proactively provide employees with opportunities for learning and challenges through enhanced training programs, job rotations, and in-house staff recruitment, while also revising our personnel evaluation system accordingly.

Furthermore, we will enhance the convenience of our internal IT environment and establish a collaborative environment for daily work with AI, creating a workplace where employees can work vibrantly, efficiently, and with peace of mind, thereby driving the company's growth.

Existing internal operations and management

- Administrative tasks and internal infrastructure dispersed across various divisions
- Management and human resource development focused on risk and quality
- Accumulated internal operations

New: Internal operations and management

- Standardization of company-wide administrative department operations and establishment of internal infrastructure systems
- Expansion of comfortable and secure digital workplaces
- Enhanced human resource management to support taking on challenges and autonomous growth
- Implementing AI for people and operations to transform the quality of working styles

Key Initiatives: 4 Transformations

Transformation 3

Transforming the process of acquiring and applying technology

As part of “transforming the process of acquiring and applying technology,” we will prioritize strengthening the collaboration between research and business operations, transitioning to a business-oriented R&D structure.

To achieve high productivity through pioneering technology, we will implement the company-wide deployment of “Nestorium,” our standardized IT service platform. Furthermore, to promote AI utilization in

development environments, we will establish a new **“AI Utilization Promotion Center”** **NEW** and work to expand AI adoption across development sites and common departments.

Through this series of measures, we expect to improve overall development productivity and administrative department productivity by 20%, enhancing solution creation capabilities while reducing overall costs.

Coordination between conventional technology development and business operations

- A sense of challenge in establishing a virtuous cycle linked to business operations, with no direct connection between R&D outcomes and business activities
- Development environments and IT service delivery environments unique to each business unit
- Low AI utilization rate in common departments, etc.

New: Coordination between technology development and business operations

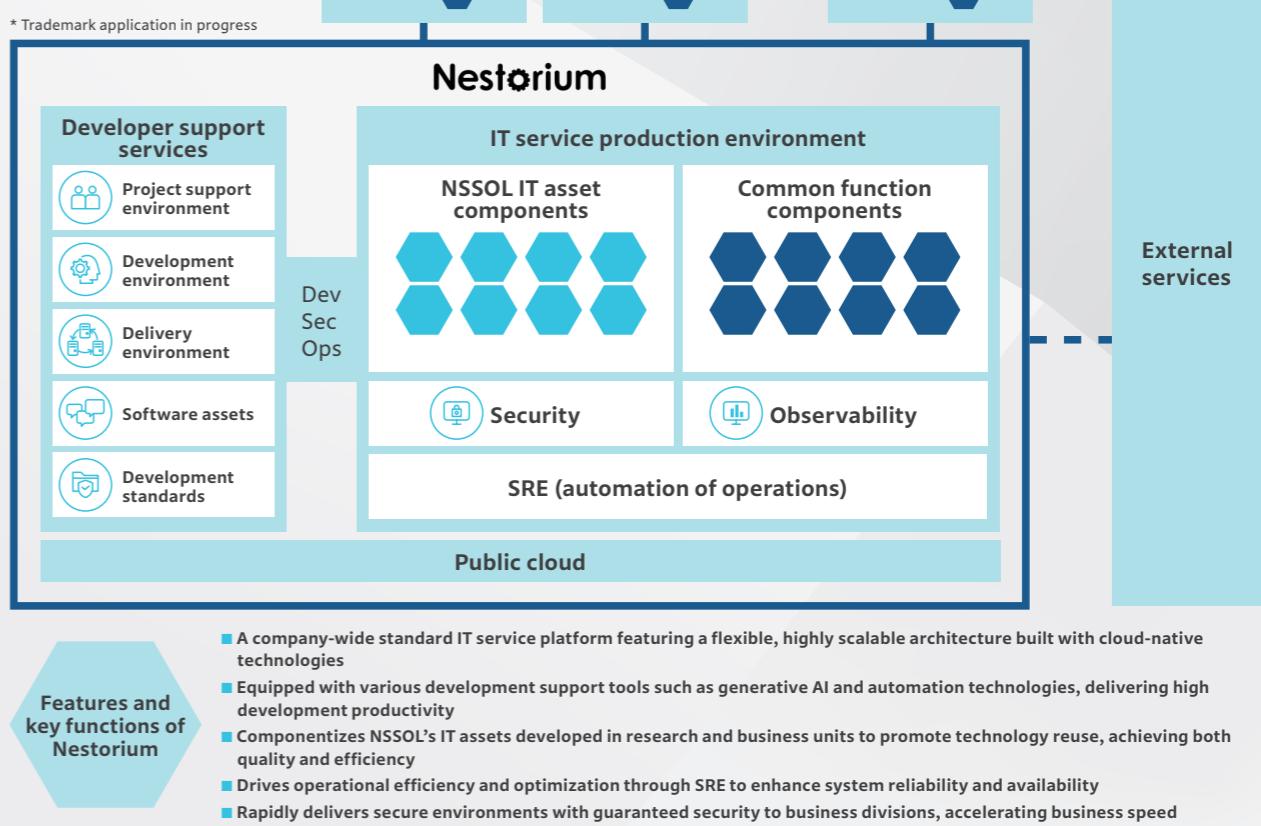
- Enhancing collaboration between research and development and business operations
- Achieving high development productivity through promotion of standardization and company-wide deployment of standard environments
- Promotion of the use of generative AI throughout the company

Reference Overview of Nestorium



Nestorium

Nest: A “nest” for incubating many new services
Torium: A “place” where various services gather



Promotion Structure for Implementing the Four Transformations

Establishment of a new oversight organization

A new organization will be established directly under management to oversee the implementation of strategies, comprehensively managing and promoting the progress of initiatives across all businesses.

Strategy Management Center NEW

Senior Executive Officer
Director, Strategy
Management Center
Fumitoshi Sato



The Strategy Management Center was established as the command center for the execution of the medium-term management plan as a whole, steadily promoting each initiative within the plan to ensure its successful realization.

Our center is an organization that works in collaboration with the divisions spearheading the four transformations that form the backbone of the 2025-2027 Medium-term Management Plan, as well as the Corporate Planning & Strategic Alliance Department, which is the company-wide strategic planning division. It monitors the progress of each transformation, shares challenges, and advances initiatives aimed at resolving them.

The four transformations are not intended to be

achieved individually; rather, efforts aimed at achieving one transformation will impact all the others.

For example, the utilization of new technologies is necessary for enhancing the company's offerings and realizing the shift to a TAM-type model. To advance this initiative swiftly and efficiently, it is essential to transform internal operational management and pilot an N-to-N sales expansion model.

We will proceed with determination while maintaining close coordination with the relevant departments to maximize the impact of these four transformations.

Sales Management Bureau Strategic Sales Department NEW

Sales Management Bureau
Director, Strategic Sales
Department
Daisuke Inokoshi



The Strategic Sales Department has been newly established as an organization to strengthen offering-based business, which forms the core of the medium-term management plan, and to lead the N-to-N sales expansion model.

The three missions of the Strategic Sales Department are as shown to the right.

We will spearhead the transformation of our customer approach across the entire company, contributing to the accumulation of pioneering case studies for strategic customers and fostering the momentum and culture necessary for company-wide transformation.

■ Transition to an offering-based business model through the deployment of a company-wide lineup of offerings for strategic customers*

■ Building a unified company-wide strategy for strategic customers and transforming the internal sales model with a focus on transitioning to an N-to-N approach

■ Identifying market segments by deploying our lineup of offerings, continuously improving competitiveness through the enhancement and expansion of solutions (in collaboration with the Offering Business Planning Center)

* "Strategic customers" refers to those customers targeted as the focus of company-wide offering sales.

Offering Business Planning Center NEW

Executive Officer
Director, Offering Business
Planning Center
Hisashi Norikane



"Transforming our customer approach," as set out in the medium-term management plan, aims to shift our focus from an approach focused on Tech Value (solving customer technology challenges) to one that addresses Business Value (solving customers' business challenges) and Social Value (solving challenges facing industries and society, transcending individual companies). To achieve this, it is necessary to deliver value (i.e., provide offerings) based on customers' fundamental needs, including identifying challenges and formulating hypotheses for solution approaches.

Our center combines and reconfigures the insights and technologies of each organization within NSSOL to

develop a lineup of offerings that guide customers toward solving their business challenges.

As a Center of Excellence (CoE) organization, we will collaborate with each organization to share case studies and know-how. We will also identify challenges in promoting offerings and resolve issues that individual organizations cannot solve on their own, such as missing pieces, business partners, and collaboration mechanisms, from a company-wide perspective.

Through these initiatives, we aim to enhance the value NSSOL provides and improve productivity through retention revenue.

AI Utilization Promotion Center NEW

Executive Officer
Director, AI Utilization
Promotion Center
Takashi Saito



The AI Utilization Promotion Center will shift the NSSOL Group to the next stage by integrating AI with people and operations, expanding human capabilities, and driving business transformation.

During FY2025, we will implement the following measures to create an environment where everyone can utilize AI in their daily activities.

Through these efforts, we will achieve "discrete productivity improvements" enabled by AI and "NSSOL's unique added value creation."

■ Making AI tools available to all NSSOL employees

■ Promoting the necessary learning opportunities for all employees to begin utilizing AI

■ Expanding AI-based assets for each business function (hosting function-specific workshops)

■ Organizing information and data to produce original value specific to NSSOL, based on AI

■ Establishing an AI governance and management system for the safe and secure utilization of AI



Global Strategy



“Global sales of 50 billion yen” is the target revenue for our global business by 2030. The sales volume as of the end of FY2024 is 12 billion yen. Therefore, we lay a foundation for overseas growth in the three-year period of this new medium-term plan to bring the dramatic growth to fruition.

Our company has established a solid business foundation in locations around the world, including China, Southeast Asia, North America, and Europe. Using these sites as a foothold, we will leverage collaboration and M&As to further deepen our presence in existing markets and enter new markets in various countries.

Furthermore, to accommodate the growing scale of our business, we will also tap into capabilities of overseas technology and resources. We are establishing a delivery network centered on India and Southeast Asia to meet the growing and increasingly wide-ranging needs of the market.

Strategy in the new medium-term management plan (1) Maximization of existing business areas

In China and Southeast Asia, we will secure DX opportunities arising from robust growth in the IT market. Starting with the acquisition of PT. WCS ABYAKTA NAWASENA in Indonesia, we will strengthen our global packaged software business in various countries to capture local customers and markets. In Europe and the United States, we will develop further high-value-added IT services and expand the scale of our business by acquiring cutting-edge technologies through VC investments and alliance partners, and by keeping pace with IT trends in international financial services.

Strategy in the new medium-term management plan (2) Development of new growth markets

Achieving dramatic growth also requires entering new markets. We will not only develop new markets in North America and Europe but also deploy our high-value-added solutions and assets, centered on our core strengths in manufacturing, financial services, and infrastructure services, in other emerging regions. This will drive the diversification and expansion of our global business.

NSSOL's global business has been thoroughly honed in fast-changing and wide-ranging overseas markets. Making full use of that experience, we will become a driving force in achieving our vision and transforming our business model.



External Growth Strategies



“Creating 100 billion yen in business value” — this is the impact of M&A to be realized by 2030. To that end, we will invest a total of 150 billion yen in cash over the period of the new medium-term management plan, generating effects of approximately 47 billion yen in revenue and approximately 7 billion yen in operating profit. In doing so, we will not only acquire the missing pieces needed for growth and transformation in each business domain, but also actively pursue large-scale M&As to strengthen our company-wide capabilities.

As the start of this initiative, we invested approximately 55 billion yen to bring Infocom Corporation into the NSSOL Group, effective July 1, 2025. Through reciprocal utilization of the complementary strengths and expertise cultivated by both

companies, we will (1) enhancing capabilities for delivering services to both companies' customers in the process manufacturing sector and expanding SI business in this sector; (2) expand the asset utilization business for medium-sized enterprises by leveraging NSSOL's regional subsidiaries' sales channels and development/implementation resources, with GRANDIT at its core; and (3) pursue cross-selling and joint development of services and products addressing social challenges, including healthcare.

While strengthening our M&A execution capabilities, we will continue to actively pursue an external growth strategy. We will also realize synergies with our newly acquired Group companies to achieve dramatic business growth.

Main investment themes

Company-wide offerings	From formulating customer management strategies to implementing them, in order to strengthen our upstream capabilities, we will acquire and strengthen our strategic consulting and business consulting functions
Manufacturing domain	Acquire global cutting-edge technologies and solutions for the realization of a Software Defined Factory*
Financial services domain	Acquire market-based global solutions with a focus on the global market
Distribution and services domains	Acquire travel, staffing, and retail industry solutions
Infrastructure domain	Acquire pioneering technologies and solutions such as AI, cybersecurity, data utilization, and advanced system operations
Global	Enter into local markets and acquire local consumer-related IT services

Strength
wide capabilities

* A future-oriented factory that uses software to centrally control manufacturing site machinery, transportation systems, process management, and production scheduling

Strategies in the 2025–2027 Medium-term Management Plan to Enhance NSSOL'S Strengths

Realizing the NSSOL 2030 Vision

Success of the four reforms



Initiatives (enhancement measures) in the 2025–2027 Medium-term Management Plan

Enhancing offerings

Value propositions for all customers based on comprehensive application of our insights

Global strategy

Further advance existing insights through M&As and other means to advance capabilities and enter new domains and growth markets

External growth strategies

M&As and alliances to further enhance our insights

Enhance collaboration with research and development and business operations

Build a framework that directly links insights from the field with those from the Systems Research & Development Center

Shift to an organizational culture that fosters employee growth and encourages innovative thinking

Build an environment for autonomous career development
Establish a management system that fosters a spirit of challenge and flexibility
Recruitment that accurately identifies candidates with the potential we are looking for

Challenges in realizing the NSSOL 2030 Vision

Transition to a high-profit TAM-type business revenue model Expand existing business areas

Reduce lead times for commercializing pioneering technologies Dramatically improve development productivity

A shift to human resources for realizing the TAM-type business revenue model

NSSOL's current strengths

A corporate culture that pursues and accumulates operational insights originating from the steel industry
Even today, we continue to accumulate a high level of operational knowledge across various industries

Intellectual capital (Operational insights)

The technological capabilities that launched the world's first online real-time system for a steel mill
We apply pioneering technology in the field through our Systems Research & Development Center

Technological capital (Technological insights)

An organizational culture where employees work autonomously and with vitality, undergoing continuous growth

Human capital (A dynamic workforce)

Message from the Chief Financial Officer (CFO)



Under the new medium-term management plan, we will execute financial strategies to build the foundation and achieve the transformation necessary for the dramatic profit growth outlined in the NSSOL 2030 Vision.

Executive Director
Senior Executive Officer
In charge of finance
Akimi Tojo

Business Performance

FY2024 Results

In FY2024, we achieved record highs in revenue, gross profit, operating profit, and net income, all surpassing the previous year's figures.

Revenue reached 338.3 billion yen, an increase of 27.7 billion yen (9%) over the previous fiscal year. This growth was driven by strong performance across manufacturing (including sales to Nippon Steel), financial services, cloud solutions, and product sales (particularly Oracle), as well as generally robust group operations and the positive impact of new consolidation. Operating profit increased by 3.5 billion yen, or 10%, year on year to 38.5 billion yen. This growth was driven by increased sales volume and higher gross profit due to an improved gross profit margin, despite higher selling, general and administrative expenses resulting from increased investment in technology and R&D, as well as one-time expenses.

Outlook for FY2025

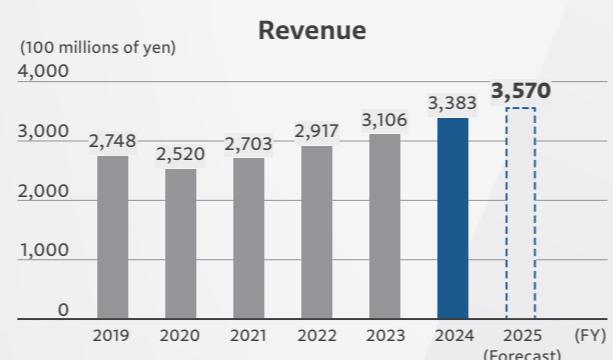
In FY2025, uncertainty surrounds the overall domestic and international economic outlook due to factors such as U.S. tariff policy developments. However, we expect domestic IT demand to remain robust.

Regarding revenue, we plan to significantly increase revenue in the IT infrastructures and solutions field, primarily through asset-based solutions. As such, we aim to achieve year-on-year growth of 6%, representing an increase of 18.7 billion yen to 357 billion yen.

Regarding operating profit, while actively investing in technology and R&D to transform our business model, we aim to achieve 43 billion yen, a year-on-year increase of 12% or 4.5 billion yen. This growth is expected to stem

from the rebound effect of one-time expenses, coupled with the effects of increased revenue and an improved gross profit margin.

Please note that the impact of making Infocom Corporation a subsidiary, which was announced in April, is currently being calculated and is not included in the above outlook.



Financial Management

Achieving the New Medium-term Management Plan

Under the new medium-term management plan, this period is positioned as a foundation-building phase for achieving the dramatic profit growth outlined in the NSSOL 2030 Vision. We will focus on four fundamental transformations, steadily executing investments for medium- to long-term growth while pursuing balanced management that enhances near-term profitability.

The new medium-term management plan will advance the shift from a labor-intensive business model to a TAM-based model as a key pillar of business revenue model transformation. By FY2027, we will expand the proportion of revenue accounted for by TAM-type business to approximately 75%. For growth investments in revenue-generating assets, we will raise the rate of investment relative to sales to approximately 5%. Furthermore, measures will be taken to ensure that the progress of these initiatives is accurately monitored and visualized.

In addition to the organic growth outlined above, we will invest approximately 150 billion yen over three years to implement external growth strategies, such as M&As, including in overseas markets.

Alongside the significant improvement in profitability achieved through these initiatives, we will also strive to enhance total shareholder return (TSR). This will be accomplished by strengthening dialogue with investors and enhancing investor relations (IR) as part of our management approach conscious of the cost of capital and stock prices, which is aimed at enhancing our corporate value. We will also continue to return value to our shareholders by maintaining a dividend payout ratio of 50%.

To enhance the incentive to achieve the targets, we have revised the remuneration system for officers, including increasing the performance-linked portion of remuneration and incorporating ROE into the performance indicators.

Through these initiatives, we aim to achieve revenue of 450 billion yen, operating profit of 60 billion yen, and ROE of approximately 13% by FY2027, the final year of the plan.

NSSOL Added Value

We define “NSSOL Added Value” as an indicator to measure the progress and sophistication of our value creation process. I believe that this requires not just measuring whether NSSOL Added Value is expanding from a medium- to long-term perspective, but a virtuous cycle that drives further value creation and business growth by reinvesting the NSSOL Added Value generated from business activities into human capital and intellectual capital (in the broad sense of personnel expenses), and manufacturing capital, etc. (depreciation expenses).

Under the new medium-term management plan, we will enhance our human capital and intellectual capital by strengthening our human resources development initiatives and diversifying our recruitment sources. Furthermore, regarding remuneration levels, we will strive to achieve industry-leading standards at an early stage and continue our efforts to secure top talent. In terms of enhancing manufacturing capital, we will actively invest in assets that drive revenue growth, such as the acceleration of solution development.

Through these initiatives, we aim to expand NSSOL Added Value and sustain a virtuous cycle of investment and returns, thereby achieving a high-profit structure and enhancing corporate value.

Cash Allocation Policy

Regarding cash allocation, we intend to allocate funds toward appropriate and stable dividends to our shareholders, in addition to investments in human capital for future growth, growth investments, and the steady implementation of M&A activities.

Cash reserves at the end of FY2024 (beginning of FY2025) reached 192.9 billion yen, a result of steady accumulation driven by robust earnings and the partial sale of cross-shareholdings carried out during FY2024. Regarding cross-shareholdings, the ratio of listed shares to net assets stood at less than 1% as of the end of FY2024. Going forward, we have adopted a policy of, as a general rule, not holding listed shares that do not involve business alliances.

In our 2025–2027 Medium-term Management Plan, we will steadily advance four fundamental transformations. To this end, we will steadily conduct approximately 150 billion yen's worth of M&As over three years, alongside human capital investment to strengthen recruitment and enhance development, and growth investments in R&D, asset development, and facility/business investments. Regarding shareholder returns, we aim to maintain a dividend payout ratio of 50% while actively pursuing investments, and strive to increase dividends by increasing profits each year.

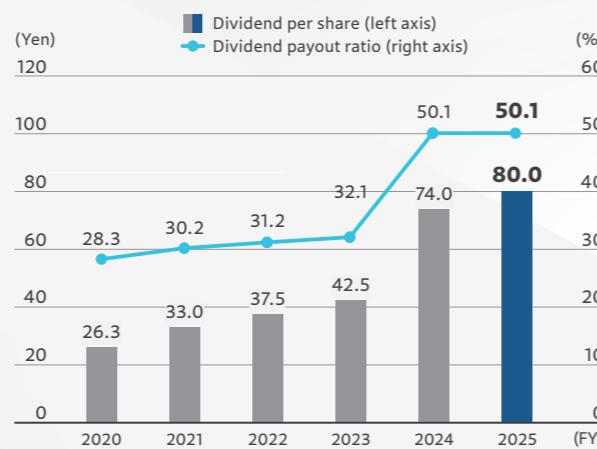
Cash reserves will be maintained at a level equivalent to approximately 2.4 months' worth of sales for working capital purposes, and plans are in place to reduce them to

around 90 billion yen by the end of FY2027. To meet robust future funding needs, we will build up cash reserves through increased operating profits and also consider external financing as necessary.

Through this cash allocation strategy, I believe it will be possible to achieve a return on equity (ROE) of approximately 13% by FY2027.

FY2025 marks the start of our new medium-term management plan. All of us at NSSOL will work together as one to achieve the goals it sets out.

Dividend per share and dividend payout ratio

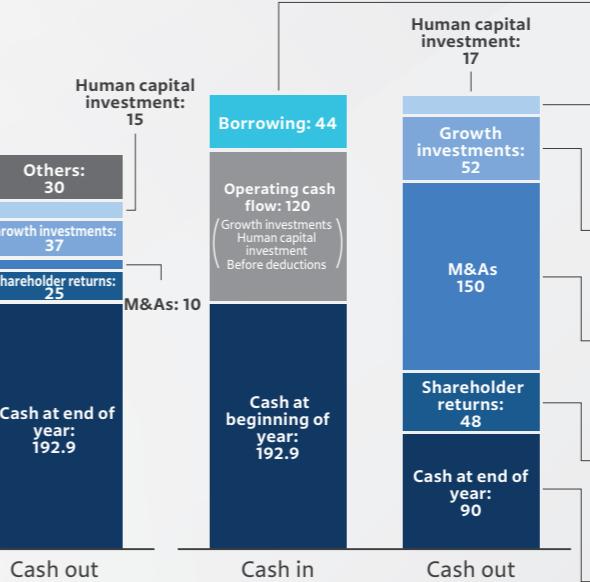


Cash Allocation Policy

2022–2024 results



2025–2027 plan



Cash inflow (Borrowing)

Utilize accumulated cash on hand
Utilize borrowing when making large investments, etc.

Human capital investment

Up-front investment for transformation implementation costs

Growth investments

Up-front investment for transformation implementation costs

M&A

Actively execute M&A for business model transformation
Scale of 150.0 billion yen/3 years

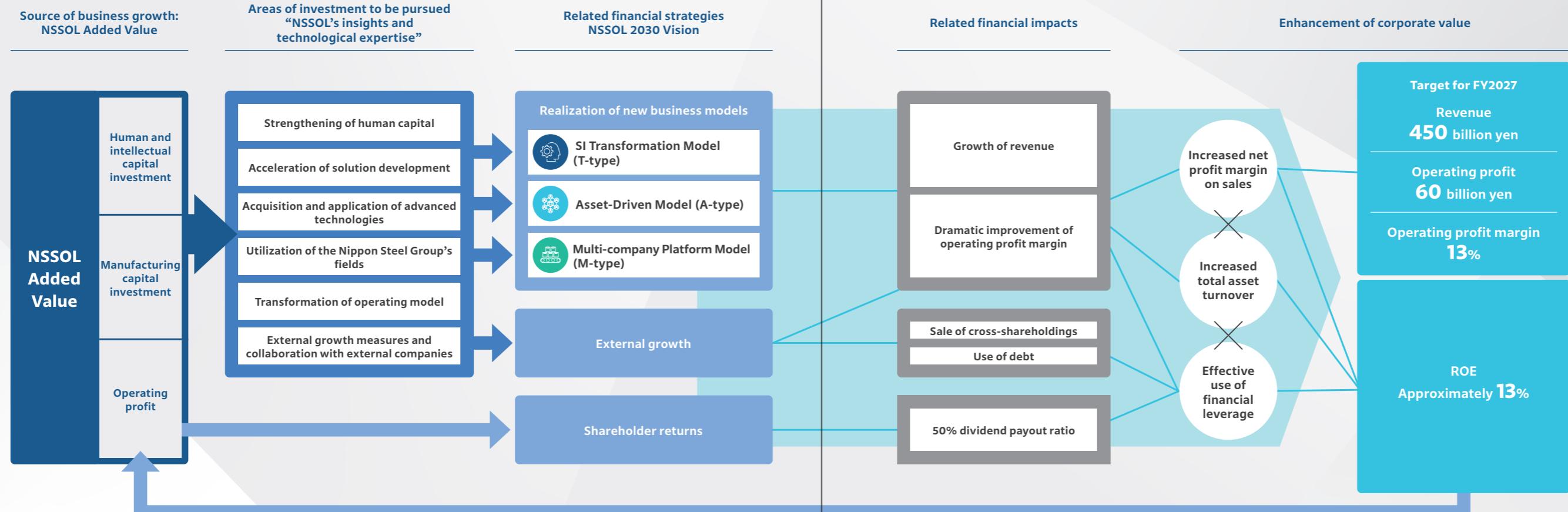
Shareholder returns

Make steady annual increases based on the dividend amount for FY2024
50% dividend payout ratio

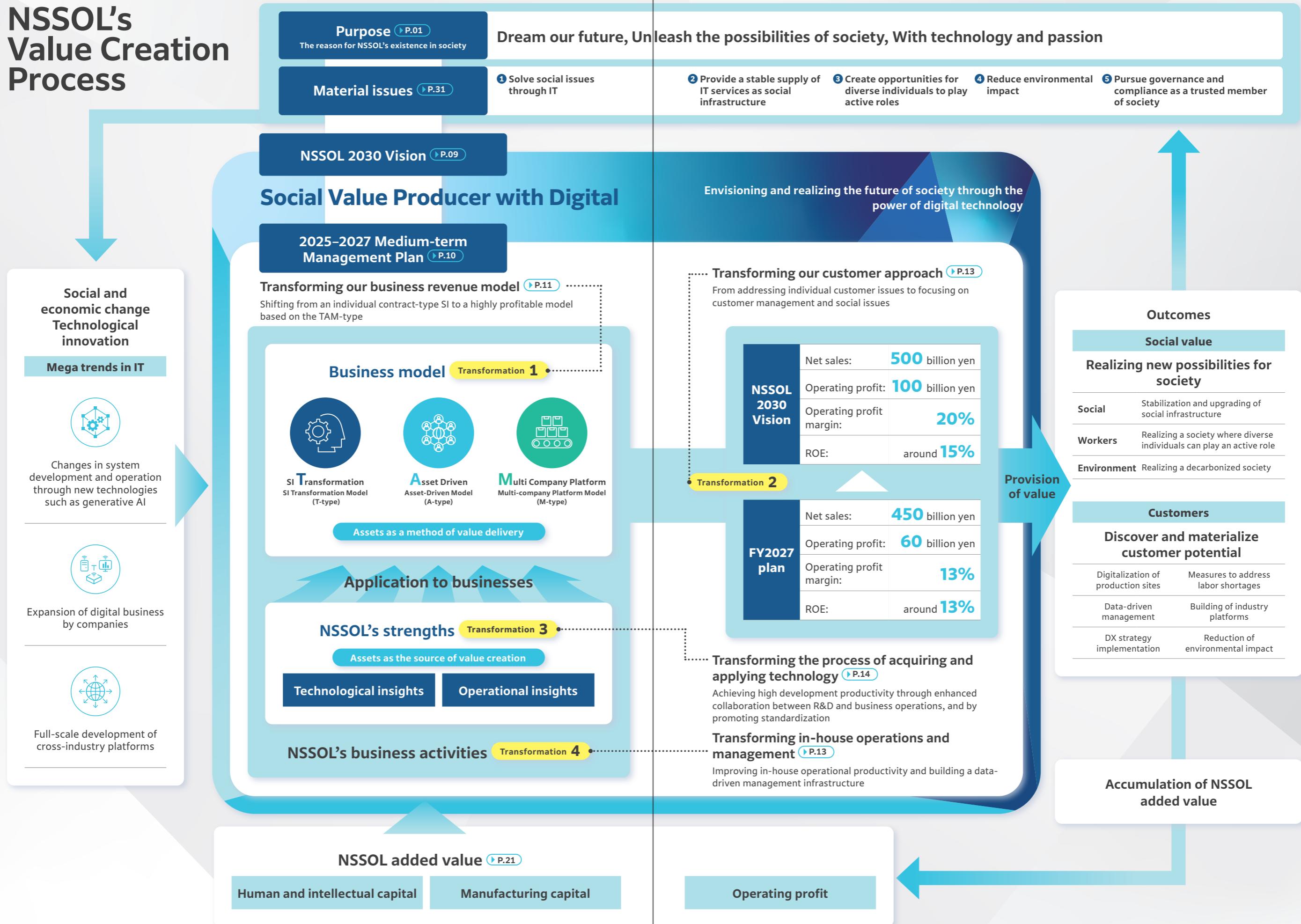
Cash on Hand

Assuming approximately 2.4 months' worth of sales comparable to competitors in the same industry
Reduction of approximately 100.0 billion yen

Relationship between NSSOL Added Value and the NSSOL 2030 Vision



NSSOL's Value Creation Process





Fulfilling Our Responsibilities as a Team to Realize the NSSOL Vision

Following last year's NSSOL 2030 Vision, NSSOL has formulated the 2025–2027 Medium-term Management Plan. We are also advancing toward sustainable growth by further strengthening corporate governance, among other initiatives. We asked our outside directors to share their perspectives on the company in a dialogue format.



Executive Director
Outside
Ichiro Ishii

April 2017
Vice President Director, Tokio Marine Holdings, Inc.
October 2018
Full-time Advisor, Tokio Marine Holdings, Inc.
June 2020
Director, NSSOL (to present)
Mr. Ishii possesses extensive global experiences and in-depth expertise regarding corporate management and M&As.



Executive Director
Outside
Rie Horii

January 2018
Representative Director, President, and Executive Officer, Sofina Beauty Counseling Co., Ltd. (now Kao Beauty Brands Counseling Co., Ltd.)
June 2021
Director, Minato City Gender Equality Center
June 2022
Executive Officer, EQ Partners, Inc. (to present)
June 2023
Director, NSSOL (to present)
In addition to possessing extensive expertise in corporate management and marketing, Ms. Horii has held key positions in diversity promotion.



Executive Director
Outside
Masatoshi Fujiwara

April 2021
Professor, Graduate School of Business Administration, Hitotsubashi University (to present)
June 2024
Director, NSSOL (to present)
At Hitotsubashi University, Professor Fujiwara has engaged in research on management strategy theory and related fields, possessing profound expertise as a specialist studying the field of management strategy.
June 2025
Advisor, Yamaha Corporation (to present)
June 2025
Director, NSSOL (to present)
Mr. Yamahata possesses extensive corporate management experience, particularly in CFO roles, along with extensive expertise in accounting and finance, legal and risk management, and M&As.



Executive Director
Outside
Satoshi Yamahata

Enhancing skills and teamwork to generate synergies among outside directors

Ishii In June 2025, NSSOL began restructuring its Board of Directors to enhance its corporate governance. The number of directors on the Board of Directors was reduced from 13 to 11, and the number of outside directors was increased from 5 to 6. This has resulted in a composition where the outside directors make up a majority, with 6 out of 11 directors being outside directors.

Mr. Yamahata, who previously served as a director at Yamaha Corporation, has been appointed as a new outside director. I believe that with Mr. Yamahata joining us this year, the skills possessed by the Board of Directors as a whole have improved, and the skill matrix has been strengthened. Mr. Yamahata has extensive experience covering all aspects of corporate operations, so I believe the skills necessary for executing strategies like the medium-term plan have been fully accounted for.

Yamahata As Mr. Ishii just explained, my name is Satoshi Yamahata, and I have been appointed as an outside director at NSSOL this year. It's a pleasure to be able to talk with you today. At Yamaha, I have held a wide range of roles within corporate departments, including business planning, finance, investor relations, legal affairs, human resources, general affairs, information systems, and logistics. Corporate management requires not only business strategy but also efforts to address corporate governance, risk management, and sustainability. I hope to draw on my experience in these areas to help enhance NSSOL's corporate value. Additionally, with my experience working overseas and in M&As, I am eager to support the expansion of the company's business.

Horii It is very important for the Board of Directors to have a balanced skill matrix. By bringing together individuals with their own areas of expertise, I believe we can create a Board of Directors capable of considering every perspective, generating a wide range of opinions, and engaging in meaningful discussions. As such, we recognize the importance of pooling the wisdom of individuals with various specialized skills to enhance NSSOL's corporate value.

Fujiwara Unlike the rest of the outside directors, my background is in academia. As a scholar who has conducted research with a particular interest in innovation and business strategy within the field of management studies, I often view things from that perspective. Innovation can be a major factor in enhancing long-term corporate value, so I intend to pay close attention to that aspect of the company.

Ishii I feel that with this new team of outside directors, the range of skills covered by the Board of Directors has expanded even further than before, and the team's overall strength has increased significantly. We've already received fresh inspiration from Director Yamahata, and it is crucial to build on this within our team of four to further enhance our collective capabilities. I believe that by working together as one team, we can generate significant synergies.

The role of NSSOL's Board of Directors

Ishii NSSOL is a publicly listed subsidiary, with Nippon Steel as its parent company. With that in mind, what are your thoughts on the vision and role our Board of Directors should pursue? I believe that the central concern of the Board of Directors is enhancing corporate

value in line with the NSSOL Purpose. From that perspective, both the parent company Nippon Steel and minority shareholders seek the same thing: enhancing corporate value. Of course, we are always mindful of minority shareholders' interests. I believe that the key role of the Board of Directors is to pursue the common interests of shareholders as a listed company, while maintaining a system that prevents conflicts of interest in transactions with Nippon Steel.

Fujiwara I think that sums it up for me too. After all, we exist to enhance corporate value, and it is to that end that we express our opinions from an independent standpoint. We will continue to strive to enhance the common interests of all stakeholders, including minority shareholders.

Horii For my part, I am proceeding on the understanding that, when considering the enhancement of corporate value, there should be no conflict of interest between the company and either major shareholders or minority shareholders. However, as an outside director, I constantly ask myself whether I am considering the interests of minority shareholders during discussions.

Ishii We are always mindful of protecting minority shareholders. Regarding conflicts of interest with our parent company, we have established a special committee called the "Parent Company Transaction Deliberation Committee," and we outside directors provide in-depth and wide-ranging oversight. The increased diversity among outside directors and the fact that we now constitute a majority of the Board of Directors have strengthened governance, including the protection of minority shareholders. In the past, I had the opportunity to discuss matters with investors, and naturally, the topic of the parent-subsidiary dual listing came up during those discussions. We feel it is necessary to let these investors know, through ongoing IR activities and other means, that we are also conscious of this point and are working to address it.

The 2025–2027 Medium-term Management Plan, which outlines our goals and the path to achieving them

Ishii This year, we have developed a new medium-term management plan. This marks my sixth year as an outside director, and in fact, the initiatives leading to this new medium-term management plan began three years ago. The process involved repeated discussions both within and outside the Board of Directors, in which executives reported to the Board, outside directors provided their opinions, and those opinions were reflected in the final decisions. This led to the formulation of last year's NSSOL 2030 Vision and this 2025–2027 Medium-term Management Plan, representing the culmination of our efforts over the past two to three years. What are your thoughts on this new medium-term management plan?

Horii This time, rather than simply being presented with the final results, progress updates were shared with us at key points during the process. We then discussed these updates, offered our opinions, and the executive team discussed them further. This back-and-forth approach allowed us to engage in discussions of exceptionally high quality.

Fujiwara There are two notable points regarding the new medium-term management plan. The first of these is the "stretchiness" of the goals. As such, the content of the plan calls for significant leaps forward to achieve the



goals set forth in the NSSOL 2030 Vision. I believe this clearly expresses our strong determination to consciously lead NSSOL's transformation from being a "partner" to a "producer." The second point is that it simultaneously outlines specific actions to achieve the stretch goals. The new medium-term management plan outlines efforts to transform the business model toward a "TAM" approach, and it is important to note that a clear roadmap has been established.

Of course, there are several challenges involved in making this a reality. The trend toward assetization and improved consulting capabilities is taking hold across the entire SI industry. As such, NSSOL must define its strengths with greater precision to establish a unique position within this landscape. One question is how to overcome the inertia that tends to take hold within existing organizations when driving major transformations. This time, a new department has been established to advance the medium-term management plan, and we intend to closely monitor its activities.

Hori As Professor Fujiwara notes, the new medium-term management plan clearly outlines both the strategic "what to do" and the tactical "how to execute." However, at the midway stage, the specific shape of the business portfolio following the transformation to the TAM model was still under consideration. This was something I was particularly concerned about. I was very impressed that when I conveyed this to the executive team, the resulting discussions led to the presentation of specific numerical targets for the business portfolio. What is important now is for this to be instilled in each individual and for results to be delivered. In that regard, when I participated in the company-wide kickoff meeting, "NSSOL IGNITION DAY," I truly felt that everyone had embraced this as their own personal responsibility. I believe that our role going forward is to continue monitoring progress toward the goals we have announced.

Ishii NSSOL IGNITION DAY was held in the largest hall of the Tokyo International Forum in Yurakucho, with approximately 6,300 participants, including those attending remotely. I also attended on the day, and what I sensed there was the enthusiasm shown by every individual, something that is not possible to experience in the boardroom. It was truly inspiring to see so many people rallying together toward a single goal and raising their morale.

Yamahata I also believe that both the NSSOL 2030 Vision and the new medium-term management plan are excellent business plans, as they clearly define the company's future goals and the path to achieving them. The new medium-term management plan is an ambitious one, but the fact that the previous medium-term business strategy achieved all of its financial targets one year

ahead of schedule lends credibility to the numerical targets set out in the new plan. On the other hand, I believe there is room for further improvement in terms of how sustainability is integrated into the management framework. I hope that we can further refine the value creation process, which aims to enhance corporate value by creating social value through our business activities. To achieve this, I believe the key lies in a business model that provides a multi-company platform, the M in the TAM model, where multiple companies can share resources. I hope that as we implement this strategy, internal discussions about sustainability will gain momentum.

Hori The NSSOL 2030 Vision sets out the goal of being a "Social Value Producer with Digital" by 2030. Regarding the medium-term management plan, while the transformation from "partner" to "producer" is the focus, I believe the "social value" aspect is also important. The customer lies directly in front of us, and beyond them lies society. As a company that builds social infrastructure, it is imperative that we enhance our social value. It will also become increasingly important to discuss the social value we create.

Enhancing M&A capabilities to achieve external growth

Ishii The new medium-term management plan identifies external growth as one of its strategies, with a policy to actively pursue growth through M&As. The company has accumulated substantial cash reserves, so it is crucial to allocate this cash in a balanced manner between shareholder returns and growth investments. We are firmly committed to shareholder returns, including setting a target dividend payout ratio of 50%. Meanwhile, for M&As, we have announced a figure of 150 billion yen over three years. Also, I believe that we have managed to clarify why we are doing this and how we will go about acquiring the missing pieces to achieve our goals. However, I am concerned that we may not yet possess the capabilities and resources to fully execute this through to the PMI stage. For PMI to succeed, it is ultimately necessary to clearly designate an "owner" on the business side who will take possession and have a certain level of authority to drive the initiative forward. I believe there are still challenges to overcome in this regard in terms of the company-wide framework and the resources and capabilities that will be required.

Fujiwara As Mr. Ishii mentioned, discussions are progressing regarding what, in accordance with the NSSOL 2030 Vision, can be developed in-house versus what must be acquired externally — that is, identifying what is lacking and what should be brought in from



operations platform. I am very much looking forward to seeing whether this will become the foundation that sparks a continuous flow of new business opportunities. I intend to closely monitor how effectively it functions in practice, to what extent it is incorporated into the pipeline, and how NSSOL as a company can take advantage of it.

Yamahata I hope to draw upon my past experience to fully exercise my supervisory role as an independent outside director, including supporting risk-taking.

Hori I believe the direction the company should aim for and the actions it should take to that end have become clear through the NSSOL 2030 Vision and the new medium-term management plan. Moreover, I believe that the people who will execute them are also highly motivated to do so. That in itself is excellent, but the world is changing so dramatically, and the situation so unpredictable, that there may be things we are overlooking or unexpected risks we have not considered. We aim to thoroughly discuss all possibilities from a transparent, fair, and impartial standpoint, thereby contributing to enhancing corporate value.

Ishii Thank you very much to you all. Our direction and what we should do to pursue it have been determined. However, whether we are really able to carry it out depends on our future actions. As outside directors, we must exercise our oversight function more rigorously than ever before and be prepared to make critical recommendations. I also hope that, as a team, we can complement each other and raise our overall level. I believe we have a great responsibility to bear in achieving NSSOL's vision.

Messages to stakeholders

Ishii Finally, I'd like to conclude this discussion with the commitments you would like to make to our stakeholders.

Fujiwara My research has focused on the fields of innovation and business strategy. As such, I believe strongly in the critical importance of innovation for enhancing corporate value over the medium to long term. In this regard, I am particularly interested in Nestorium, NSSOL's proprietary integrated development and



NSSOL's Sustainability Management

In a rapidly changing and increasingly diverse society, the roles that companies are expected to play are also changing dramatically.

Going forward, we will engage in sustainability management to create social value through our business activities by demonstrating the significance of our existence in society, as expressed in our Purpose: "Dream our future, unleash the possibilities of society, with technology and passion."

Material Issue Identification Process

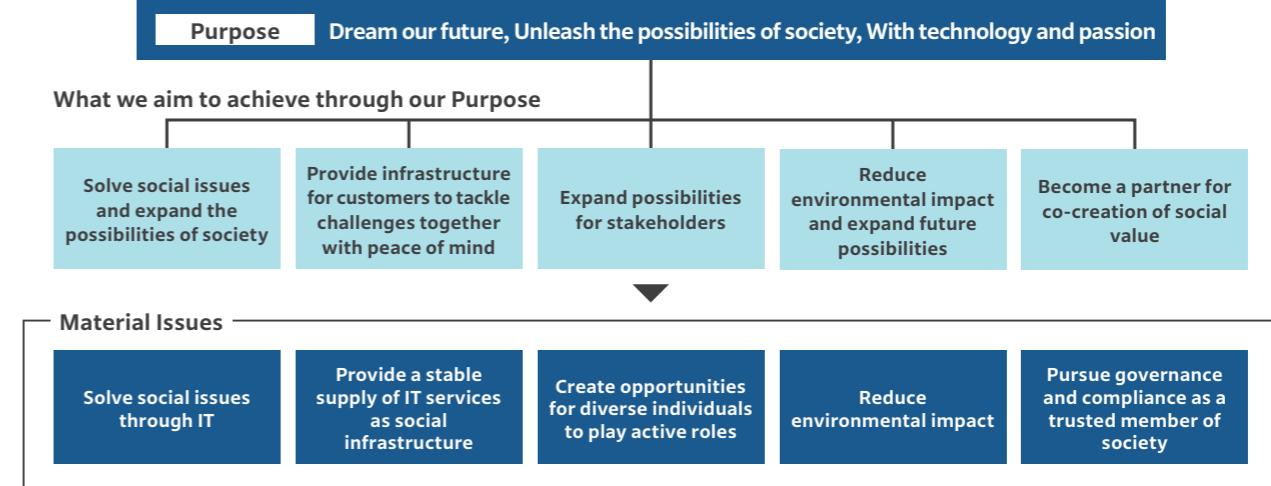
Previously, NSSOL's material issues were reviewed annually by segment, based on the framework established in FY2021. However, in conjunction with the formulation of the "NSSOL 2030 Vision" and the new Medium-term Management Plan, the framework has been revised from the ground up to incorporate a more specific perspective on the future.

Implementing Sustainability Management

To implement sustainability management, we first established our Purpose to outline the significance of our existence in society. We will work to create social value in accordance with this Purpose, and have taken it as a starting point to identify 5 material issues (key sustainability issues). By establishing these material issues, we have made clear the specifics of how we will tackle sustainability management. We have also set KPIs to manage progress for each material issue over the medium to long term.

The management system we have put in place to implement sustainability management is centered on the Sustainability Committee.

Purpose and Material Issues



Sustainability Management Promotional Structure

We have established the Sustainability Committee, chaired by the Representative Director and President, as a system for promoting addressing material issues. The Sustainability Committee deliberates on policies for addressing material issues and the progress of measures, and establishes "subcommittees" and "working groups" as necessary to ensure agile and efficient implementation.

In addition, important matters are reported to the Management Committee and the Board of Directors.

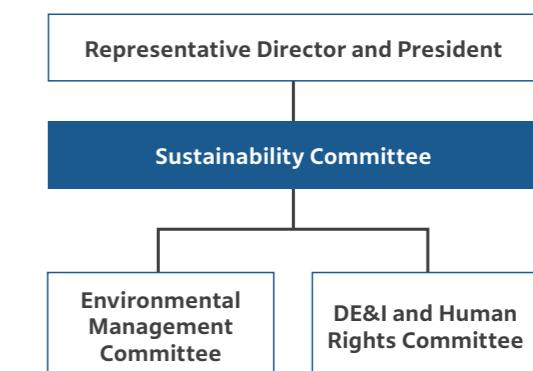
Composition of the Sustainability Committee

Sustainability Committee	Chair	Representative Director and President
	Vice-Chair	Executive Director Responsible for the Corporate Administration Bureau
	Members	Corporate Management Committee members

Points of deliberation regarding sustainability

- Establishment of policy and annual plan for addressing sustainability issues
- Confirmation, evaluation, and response to the progress of sustainability issues
- Gathering information on important issues related to sustainability issues, such as revisions to legislation and regulatory developments

Promotional Structure



STEP 1 Identification and summary of social issues

Taking the "old material issues" and international frameworks as reference points, the social issues strongly related to our Group's business were re-examined from a broad perspective, and the candidates for selection as priority themes were reviewed.

STEP 2 Assessment of priority and importance

The candidates selected in (1) were evaluated based on their impact on the group's business, and the relevant issues were outlined.

STEP 3 Interviews, discussions, and decision

Extensive discussions were held regarding the issues identified in (2), primarily through the Sustainability Committee, involving inside and outside executive directors, officers, and employees. These were then presented to senior management as the company's material issues, and a final decision was made.

Material Issues and KPIs

Plans for FY2025 Onward

In FY2022 and FY2023, NSSOL continued to undertake initiatives to address the material issues selected in FY2021. In FY2024, in order to further enhance our sustainability management, we reviewed some of the KPIs, setting specific evaluation indicators and quantitative target values.

During the revision process, we held extensive discussions with relevant internal departments, placing emphasis on the effectiveness and specificity of the

indicators. We also engaged in discussions with inside and outside directors and officers, ultimately determining the revisions through consultation with management.

We plan to continue to review these indicators and targets flexibly in line with changes in the external environment and in the status of our business operations, ensuring that they reflect our sustainability management in practice.

Material Issues	NSSOL's Efforts	KPI	Plans for FY2025 Onward	
			Specific evaluation indicators and target values for initiatives	
1 Solve social issues through IT	<ul style="list-style-type: none"> Using IT to solve social issues such as the declining number of births, an aging population, and global environmental problems Creating new social value through a greater diversity of value provision methods 	<ul style="list-style-type: none"> Performance in contributing to solving social issues through customer businesses and the IT services we provide Performance in contributing to sustainability in IT usage across society (By providing information systems and services with change-resistant, long-lasting architectures and processes, employing cutting-edge technologies like AI to achieve high productivity, we contribute to the sustainability of IT usage across society) Performance in enhancing corporate productivity and competitiveness through the provision of best practices NEW Performance in solving social issues through cross-industry platform provision NEW 	<ul style="list-style-type: none"> Performance in solving social issues through cross-industry platform provision T-type sales target for 2025: 68.0 billion yen Total R&D expenditure target for 2025: Not disclosed A-type sales target for 2025: 57.0 billion yen Target number of market launches in the solution pipeline for 2025: Not disclosed M-type sales target for 2025: 3.5 billion yen 	
2 Provide a stable supply of IT services as social infrastructure	<ul style="list-style-type: none"> Stable operation of systems to live up to the trust placed in us by society Ensuring information security, supporting peace of mind for society Increasing the sophistication of project management by utilizing advanced technology, while taking into account social change 	<ul style="list-style-type: none"> Number of IT service failures (Indicator for ensuring the stable operation and security of the IT services we provide) 	<ul style="list-style-type: none"> Number of major IT service failures Consolidated Target for 2025: 0 (0 cases since 2022) 	
		<ul style="list-style-type: none"> Performance in stable implementation of projects 	<ul style="list-style-type: none"> Percentage of systems supplied within the proposed work period Consolidated Target for 2025: Not disclosed 	
3 Create opportunities for diverse individuals to play active roles	<ul style="list-style-type: none"> Promoting diversity, enabling all employees to work with energy and enthusiasm Recruitment, development, and creation of personnel who can create social value through IT Fostering a culture of respect for human rights, valuing others, and mutual acceptance 	<ul style="list-style-type: none"> Self-directed development and diversification in both hard and soft skills NEW 	<ul style="list-style-type: none"> ① Cultivating a mindset of career autonomy: Engagement survey questions "NSSOL provides systems and environments that enable employees to take autonomous action toward realizing their own unique career paths," "I have meaningful discussions with my direct supervisor about career development." Non-consolidated Target for 2025: Exceed the previous fiscal year's result ② e-learning utilization status Target for 2025: Exceed the previous fiscal year's result 	<ul style="list-style-type: none"> ③ Number of personnel possessing critical hard skills Non-consolidated Target for 2025: Define new job types for quantification ④ Adoption of critical soft skills (mindset) Consolidated Target for 2025: Assess the current state to measure future changes
		<ul style="list-style-type: none"> Employee engagement status 	<ul style="list-style-type: none"> ④ Engagement score Consolidated Target for 2025: Exceed the previous fiscal year's result 	
		<ul style="list-style-type: none"> DE&I promotion status 	<ul style="list-style-type: none"> ① Inclusion score Consolidated Target for 2025: Exceed the previous fiscal year's result ② Number of managerial positions held by women Non-consolidated Target for 2025: 106 forecast 	
		<ul style="list-style-type: none"> Progress in health and productivity management 	<ul style="list-style-type: none"> ① Mental and physical health, WLB score Consolidated Target for 2025: Exceed the previous fiscal year's result ② Health checkup participation rate Non-consolidated Target for 2025: 100% ③ Total hours worked per year Non-consolidated Consolidated Target for 2025: 2,000 hours 	
		<ul style="list-style-type: none"> Status of efforts to promote respect for human rights 	<ul style="list-style-type: none"> ④ Status of implementation of the human rights due diligence process Consolidated Target for 2025: Implementation of comprehensive human rights risk monitoring 	
4 Reduce environmental impact	<ul style="list-style-type: none"> Utilizing IT to contribute to the reduction of environmental impact through our customers Making active use of renewable energy in the data center business Rigorously improving the efficiency of electric power and other resources we use, to reduce environmental impact Reducing the GHGs that we emit to zero by 2050 	<ul style="list-style-type: none"> Creation of solutions and services that contribute to reducing environmental impact (We have set sales of those services which directly reduce the environmental impact of our customers as an indicator. These reductions include reductions in physical equipment (virtualization), reductions in electricity usage, reductions in paper usage, reductions in travel (location-free), and personnel efficiency improvements) 	<ul style="list-style-type: none"> ① IT outsourcing service sales Target for FY2025: 29.0 billion yen ② Digital workplace solutions service sales Target for FY2025: 27.0 billion yen 	<ul style="list-style-type: none"> ④ Average number of annual leave days taken Non-consolidated Consolidated Target for 2025: Maintain 15 days or more ⑤ Employees who took 7 days or less of annual leave Consolidated Target for 2025: 0
		<ul style="list-style-type: none"> Greenhouse gas emissions (Scope 1 + 2) 	<ul style="list-style-type: none"> ④ Greenhouse gas emissions (Scope 1 + 2) Consolidated Target for 2025: 26,716 t-CO₂* * Annual target values for the long-term plan (linear reduction of 3.3% per year from the reference year of 2015, with the aim of halving emissions by 2030) 	
5 Pursue governance and compliance as a trusted member of society	<ul style="list-style-type: none"> Ensuring thorough compliance with laws and regulations Strengthening internal control (risk management) Ensuring fairness and transparency, both as an organization and in our business operations 	<ul style="list-style-type: none"> Progress of initiatives to strengthen governance and compliance 	<ul style="list-style-type: none"> ① Evaluation of the effectiveness of the Board of Directors Consolidated Target for 2025: Maintain effectiveness ② Rate of participation in e-learning courses* during the compliance enhancement period Consolidated * Employees of NSSOL and group companies, including overseas subsidiaries 2025 target: 100% 	

Material Issues and KPIs FY2024 results

Material Issues	KPI	FY2024		Results
		Specific evaluation indicators and target values for initiatives		
1 Solve social issues through IT	Performance in contributing to social issues through customer businesses	Company-wide net sales <small>Consolidated</small> Target for 2024: 330 billion yen	338.3 billion yen	○
	Performance in creating and providing solutions and services that facilitate the resolution of social issues	① Amount of investment in development of new solutions <small>Consolidated</small> ② Number of market launch phases in the solution pipeline <small>Consolidated</small>	① Not disclosed ② Not disclosed	
2 Provide a stable supply of IT services as social infrastructure	Number of IT service failures (Indicator for ensuring the stable operation and security of the IT services we provide)	Number of major IT service failures <small>Consolidated</small> Target for FY2024: 0	0 cases	○
	Performance in stable implementation of projects	Percentage of systems supplied within the proposed work period <small>Consolidated</small>	Not disclosed	
3 Create opportunities for diverse individuals to play active role	Promotion of initiatives to ensure equity, status of promotion of women's advancement	Number of women in core management positions Non-consolidated, some consolidated* <small>Non-consolidated</small> <small>Consolidated</small> * Including employees seconded to group companies	Target achieved	○
	Employee engagement status	Engagement score <small>Medium-term targets are non-consolidated</small> <small>Consolidated</small> Target for FY2024: Exceed the previous fiscal year's result	Target achieved	○
4 Reduce environmental impact	Progress of work style reforms	① Total hours worked per year <small>Non-consolidated</small> <small>Consolidated</small> Target for FY2024: 2,000 hours ② Average number of annual leave days taken <small>Non-consolidated</small> <small>Consolidated</small> Target for FY2024: Maintain 15 days or more ③ Number of instances where health management time exceeded <small>Consolidated</small> Target for FY2024: 0 ④ Employees who took 7 days or less of annual leave <small>Consolidated</small> Target for FY2024: 0	① Target not achieved ② Target achieved ③ Target achieved ④ Target not achieved	△ ○ ○ ✗
	Status of autonomous training environment development and culture building	① Cultivating a mindset of career autonomy: Value for engagement survey question "NSSOL provides systems and environments that enable employees to take autonomous action toward realizing their own unique career paths" <small>Non-consolidated</small> Target for FY2024: Exceed the previous fiscal year's result ② Strengthening of self-selective training measures <small>Non-consolidated</small> Expanding the distribution of e-learning (Udemy), transitioning internal training to e-learning, and establishing a standard NSSOL e-learning environment	① Target achieved ② Target achieved	○ ○
5 Pursue governance and compliance as a trusted member of society	Status of efforts to promote respect for human rights	Status of implementation of the human rights due diligence process <small>Consolidated</small> Establishing a human rights due diligence process and expanding its scope	Continued implementation of the human rights due diligence process Expand the scope to include the supply chains (outsourcing partners) of overseas group companies	○ ○
	Reducing environmental impact through our customers (We have set sales of those services which directly reduce the environmental impact of our customers as an indicator. These reductions include reductions in physical equipment (virtualization), reductions in electricity usage, reductions in paper usage, reductions in travel (location-free), and personnel efficiency improvements)	① Digital workplace solutions services sales Target for FY2024: 19.5 billion yen ② IT outsourcing service sales Target for 2024: 11.5 billion yen	22.0 billion yen 10.5 billion yen	○ △
	Greenhouse gas emissions (Scope 1 + 2)	Greenhouse gas emissions (Scope 1 + 2) <small>Consolidated</small> Target for 2024: 28,052 t-CO ₂ * * Annual target values for the long-term plan (linear reduction of 3.3% per year from the reference year of 2015, with the aim of halving emissions by 2030)	17,246 t-CO ₂ (relative to target - 10,806 t-CO ₂)	○
	Progress of initiatives to strengthen governance and compliance	① Evaluation of the effectiveness of the Board of Directors <small>Qualitative</small> Target for 2024: Maintain effectiveness ② Rate of participation in e-learning courses during the compliance enhancement period Target for 2024: 100%	① Effectiveness maintained ② 100%	○ ○

E S G

Initiatives to Support Sustainability Management

We aim to be "producers" who bring new value to society. To this end, we are actively working to address not only our own governance, but also the environment and society.

Creating Opportunities for Diverse Individuals to Play Active Roles ▶ P.31

Material Issue 3

Initiatives

- Promoting diversity, enabling all employees to work with energy and enthusiasm
- Recruitment, development, and creation of personnel who can create social value through IT
- Fostering a culture of respect for human rights, valuing others, and mutual acceptance

To realize the NSSOL 2030 Vision, we will position human resources as our most important business asset and strengthen human capital management. Accordingly, we will shift our focus from personnel suited to our traditional SI-focused business to those capable of adapting to this era of rapid change, delivering new value to our customers and creating social value. This requires that each employee chart their own career path and pursue self-directed learning to achieve their career goals. To this end, we are working to create an attractive and highly engaged company for our employees by creating a workplace that is easy and fulfilling to work in,

a human resource development environment that supports the autonomous growth of our employees, and a human resource system that supports autonomous career development and timely and appropriate responses to employee contributions.

In terms of our corporate culture, we are committed to having each employee think and act on their own initiative (autonomy), valuing diversity of ideas, skills, and identities (decentralization), and maintaining a sense of unity as a group (cooperation), and these three principles are at the core of our various human resource policies.

NSSOL's Basic Approach to Human Capital

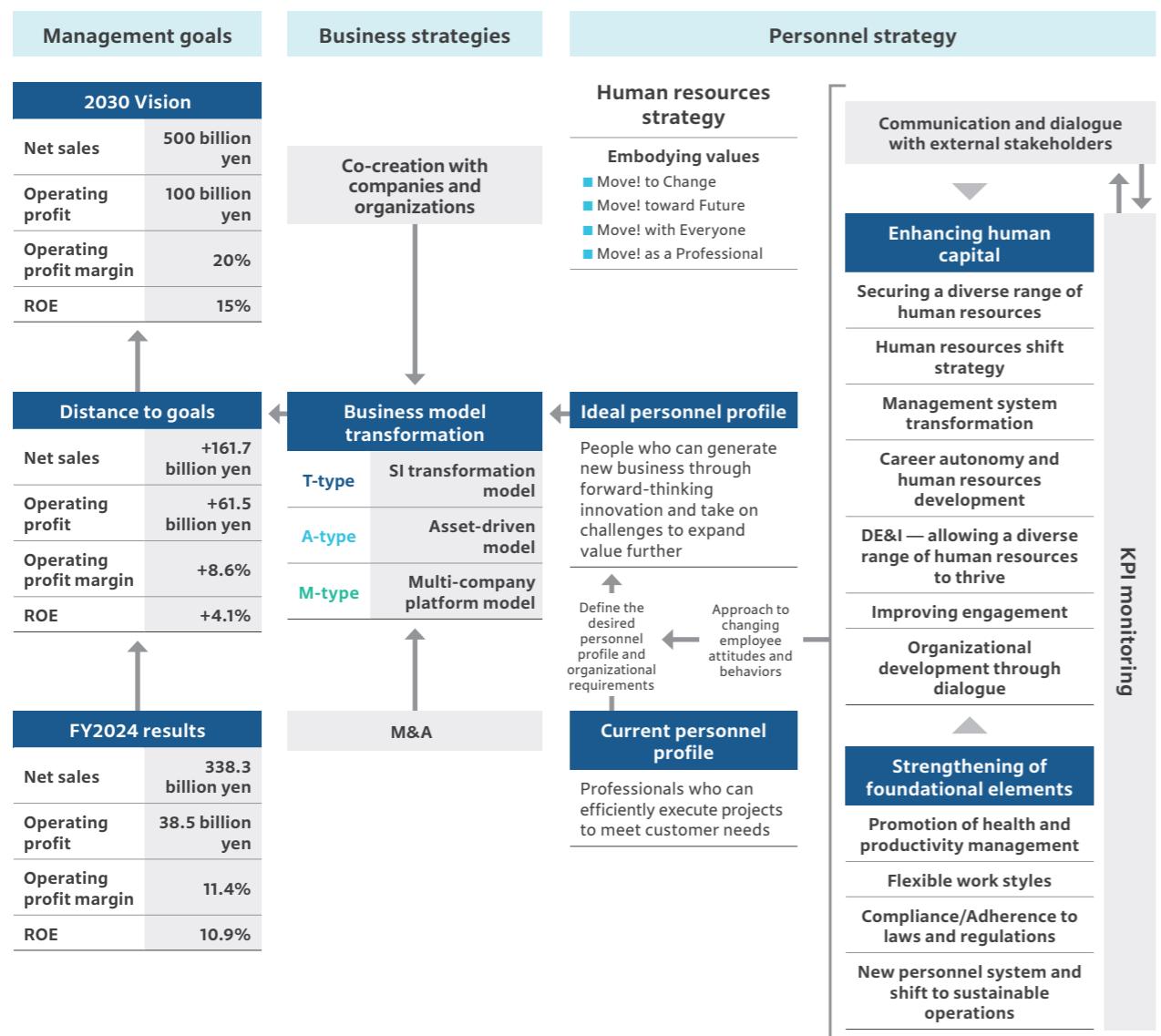
To realize the NSSOL 2030 Vision and the 2025–2027 Medium-term Management Plan, we have formulated a human resources strategy aligned with our management strategy. Each measure contained therein has been set out based on the ITO Report for Human Capital Management 2.0.

The 2025–2027 Medium-term Management Plan aims to strengthen the following areas. In terms of qualitative aspects, we will shift our focus from SI-oriented personnel to personnel who create social value. To achieve this, we will strengthen not only the hard skills we have traditionally emphasized, such as IT skills and operational insight, but also the soft skills required for solving social issues and taking on the challenge of new fields and technologies. From a quantitative perspective, we will enhance our adaptability to change by recruiting

new personnel, such as business architects, to support vision realization, in addition to our existing staff profile. Furthermore, we aim to establish a competitive compensation system and standards to become a company of choice for top talent.

We will also advance the creation of a highly engaged workplace by fostering a supportive work environment and creating opportunities where everyone can thrive. Finally, we will strengthen initiatives that contribute to health and productivity management, building on our ongoing efforts to optimize working hours. This is because we believe that employees who are physically, mentally, and socially fulfilled — that is, who have a sense of well-being — will form the foundation for business transformation.

Link between business strategy and human resources strategy



1-1 Enhancing Human Capital to Realize Our Vision —Personnel

Human Resources Shift Strategy (Transformation of Attitudes)

To realize the NSSOL 2030 Vision and the 2025–2027 Medium-term Management Plan, we will update our human resources portfolio from its traditional focus on the SI business to one of social value creation, thereby enhancing our ability to respond to changes in business and create value for society.

We have outlined the required personnel profile for realizing our vision and the new medium-term plan as follows: “Personnel possessing skills compatible with the TAM-type business revenue model.”

Hard skills

- High-level core skills required for each organization's operations, and expertise in proprietary solutions
- Deep insight and application capabilities in pioneering technologies such as AI
- Understanding industry-wide trends, customer business and IT strategies, and knowledge of accounting and marketing, etc.

Soft skills

- Flexibility in the face of change, adaptability, and a spirit of challenge (Move! to Change)
- Creativity, innovation, and the ability to generate new business (Move! toward Future)
- Collaborative attitude, communication skills (Move! with Everyone)

- The ability to continuously hone skills and techniques as a professional (Move! as a Professional)

For employees to continuously acquire such knowledge and skills in response to change and to naturally adopt new ideas, ways of thinking, and approaches requires the following:

- Continuous self-directed career development and self-improvement that allow for ongoing updates of new knowledge and skills required from time to time, and a career and competency development environment that supports this
- Various management systems designed to elicit the desired mindset and behaviors in employees, such as a spirit of challenge and flexibility in dealing with change
- (In terms of human resources, these include evaluation systems, goal management systems, group performance evaluation systems, commendation systems, etc.)
- Recruitment that accurately identifies candidates with the potential to achieve the profile we are looking for

We will implement these measures to tangibly change employees' mindset and behaviors, thereby driving transformation in the organizational culture.

Career Autonomy and Human Resources Development

Based on the concept of career autonomy, we will foster a culture where each employee charts their own career path and works proactively to make it a reality. To support career autonomy, we are taking the following measures based on the concept of self-selected development measures.

- Introduce the profile of social value-creating personnel within the company and strengthen employees' awareness of career autonomy toward this goal
- Strengthen career training to promote career autonomy
- Expand e-learning measures (Udemy, etc.) to reinforce reskilling based on career autonomy
- Utilization of CareerLink, a system for identifying hard skills (technical abilities and operational insight), allowing for assessment of employees' capabilities and a PDCA cycle for human resource development

- In addition to identifying employees' hard skills, assess their soft skills (mindset) to determine the number of social value-creating personnel and implement a PDCA cycle for scaling up

- Utilize the Training and Enhancement Subcommittee to promote OJT

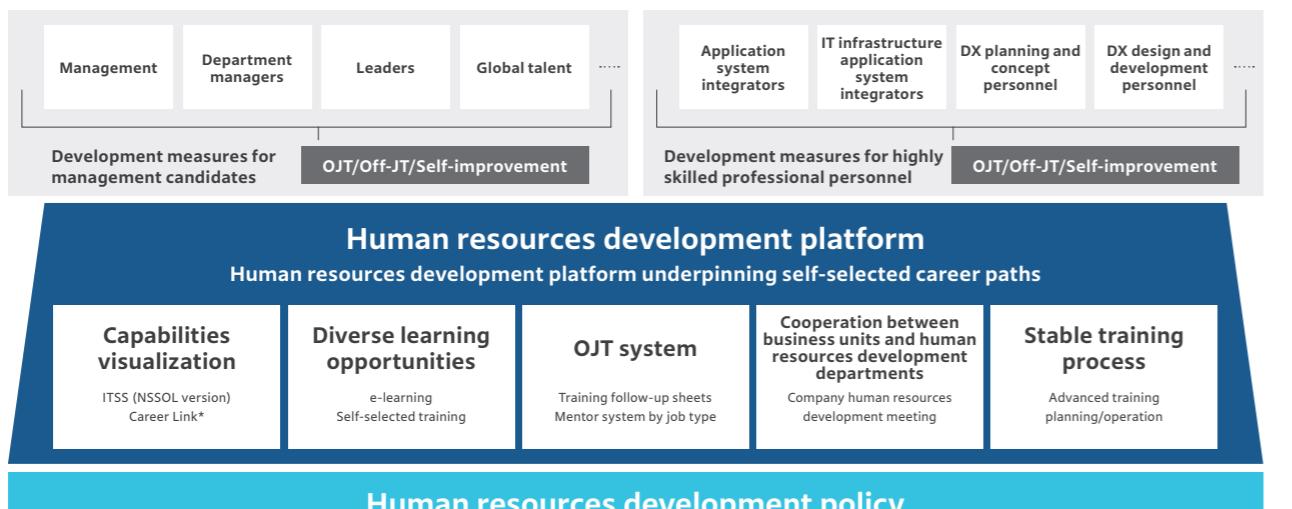
- Continue the NSSOL Academy, a system for developing core human resources with advanced expertise, broad experience, and strong leadership

FY2022	FY2023	FY2024	FY2025
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Investment in human resource development (millions of yen) (Total of Human Resources Bureau and all business units)	808	895	1,246	1,256
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Number of vendor qualifications obtained	561	707	741	-
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Overview of Human Resource Development Measures



* Data collected is published internally as the "NSSOL Human Resources White Paper."

Securing Human Resources with the Desired Profile

In addition to people who possess skills in AI-related areas, which have traditionally been our strengths, we have recently been hiring many new graduates and mid-career professionals with a mindset of solving social issues and bringing about social change.

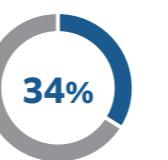
In terms of new graduate recruitment, in order to secure a stable supply of human resources to support the growth of our business, we hire students who identify with our business through business internships, acquire naming rights for university facilities to promote awareness of the company's Purpose and Values, and conduct initial assignment-based hiring in response to the younger generation's awareness of career autonomy. As a result, we consistently recruit future core personnel from a pool of more than 30,000 applicants each year.

(Approximately 200 new graduate hires planned for FY2026)

In terms of mid-career recruitment, in addition to IT personnel who can directly contribute to the growth of our existing businesses, we are also placing more emphasis on operational insight and increasing recruitment from the customer industries we target, thereby improving the diversity of our human resources. In order to further accelerate mid-career recruitment, we are working to diversify our hiring channels, including through active recruitment advertising, referrals, and alumni.

(Approximately 170 new mid-career hires planned for FY2025)

Proportion of women among personnel hired in FY2025



1-2 Enhancing Human Capital to Realize Our Vision —Organizations

Creating an organizational culture that increases engagement

As changes in the environment in which we operate become more and more dramatic, achieving sustainable growth over the medium to long term requires a diverse range of human resources to generate new ideas by engaging in discussion from a variety of perspectives. At NSSOL, we are working to create an organizational culture that recognizes the individuality and values of each employee and promotes the development of diverse abilities and experiences. At the core of this lies Diversity, Equity & Inclusion.

Promoting diversity, equity and inclusion* is a key measure for NSSOL, which is working to ensure that a wide range of people can play an active role at the

company. We have established systems and an environment to eliminate constraints and concerns affecting groups such as women, people performing childcare and nursing care, mid-career hires, foreign nationals, seniors, people with disabilities, and LGBTQ+ people. In this way, we are fostering a culture of understanding and cooperation among colleagues to create an environment where all employees can perform to the best of their ability.

* NSSOL previously used the term "D&I," with "Inclusion" also encompassing "Equity." However, as "DE&I" has become the standard expression, we have also adopted "DE&I" to explicitly represent the concept of "Equity."

Promotion of Women's Advancement

We are addressing the promotion of women's advancement as an important theme, and in the Action Plan for the Promotion of Female Participation and Career Advancement, formulated in April 2021, we set the following targets.

Target 1 Increase the number of women in core management positions to more than double the current number by FY2025.

Target 2 Maintain a rate of at least 30% women among new graduate hires.

In order to meet these targets, we are implementing practical measures as part of our "Career Enhancement Program for Women," including career training and interviews, "Individual Development Plan Formulation and Follow-up" for female management candidates, and Group Mentoring by Existing Managers (more than 100 employees have participated in the program up to this fiscal year).

As a result of these efforts, we have appointed 91 women to management positions and 2 women to officer roles, and with women continuing to make up over 30% of our annual new graduate hires, their opportunities for advancement are expanding further.

Balancing Work and Childcare/Nursing Care

With regard to balancing work and childcare, we are implementing various measures not only to support continuation of employment, but also to create a work environment where employees can continue to work energetically while raising children, without losing their sense of fulfillment. In particular, figures such as the rate of male employees taking childcare leave* (96.6%) and the number of days of childcare leave taken by male employees* (105 in FY2024) have shown a steady increase. In FY2024, 64 pairs consisting of employees returning to work after leave and their supervisors (including 45 pairs with male employees returning to work after childcare leave) participated in training programs.

With regard to balancing work and nursing care, we are implementing training (e-learning) on balancing work and nursing care for all core management employees,

including those at domestic group companies. This initiative incorporates the risks identified in the FY2023 nursing care survey as a management risk. In the follow-up survey, 97% of respondents indicated that the program was "useful for management," making it a significant contribution to fostering a positive corporate culture. Additionally, alongside the implementation of this training program, we have expanded the scope of existing initiatives (such as nursing care consultation sessions, seminars, and columns) to ensure consistent availability across all domestic group companies.

* Includes the number of days taken under NSSOL's leave systems available for childcare-related reasons (spouse maternity leave and welfare leave).

Employment of People with Disabilities

In April 2021, we established a special subsidiary (Act.) with the main aim of creating long-term employment and active work opportunities for people with various disabilities. A company where people with and without disabilities work together to create new and valuable products, its management vision is "to be a group that delivers excitement to 100 million people." Alongside all its stakeholders, Act. will work to take on various social issues and expand the circle of connections throughout Japan. Through these activities, it aims to be a company that contributes to the realization of a co-creation society.

The company is engaged in the office services business, which supports the efficiency of office operations of group companies; the office operation and management business, which provides a comfortable work environment for group company employees; the employee welfare business, which provides massage services; and the regional services business, which works with local communities to revitalize them. In each of its business areas, it is building support systems tailored to the nature of employees' disabilities, striving to create an environment that enables long-term employment for employees, and expanding into new job areas. As for the regional service business, the company established an office in Tokushima Prefecture in October 2021, and in Kochi Prefecture in October 2023. Through collaboration between agriculture, welfare and companies, it is engaging in "agriculture-welfare collaboration" initiatives to solve problems faced in each field and help to create a society of community coexistence. As a result of the above efforts, our rate of employment of people with disabilities stands at 2.57%.

Underway							Topics under consideration in the medium-term plan	
	Women	Time constraints due to childcare, caring and personal illness, etc.	Seniors	LGBTQ+	People with disabilities	Non-Japanese employees		
For individuals	Career development support measures (training, interviews, mentoring system)	Various support measures for balancing work and family life, information sessions, consultation services, etc.	Establishing systems	Improvement of systems and the working environment	Broadening of work areas	Review of recruitment policy		
For managers	Thorough implementation of individual training plans and enhanced individual follow-up	Promoting take-up of childcare leave by men	Career support and reskilling training	Improvement of the working environment	Further broadening of work areas/ Improvement of the working environment	Improvement of the working environment		
Fostering a workplace culture	Diversity management training for managers (for all line managers and some group leaders)	Improvement of the working environment	LGBTQ+ training (all line managers and above)	Promoting inter-generational understanding	LGBTQ+ training (all line managers and above)	Global exchange meetings, intake of trainees from overseas subsidiaries		
	Open seminars	Strengthening measures in response to the increase in the number of caregivers	e-learning for all employees	Community service activities	e-learning for all employees	Global internships		
	Examination of measures to balance medical treatment and work	Awareness-raising activities and community service	Community service activities	Activity support in each workplace	Activity support in each workplace			
		Dissemination of information via DE&I Portal and various lectures						

Narrowly-defined diversity	Intrinsic diversity
<h3>Identity-based diversity</h3> <p>Understanding the constraints and concerns that can affect those from “minority” identity groups and creating an environment that allows them to perform to the best of their ability.</p> <p>Amid a shrinking workforce, it is essential to be a company where employees from various groups that were previously minorities, such as women and seniors, as well as those with time constraints such as childcare and nursing care, can play an active role. By eliminating the issues and concerns that can affect people from each group, we can prevent situations where employees cannot be assigned work that matches their abilities due to time constraints, leading to an environment where employees can perform to the best of their ability regardless of their identity.</p>	<h3>Individual diversity (diversity of knowledge and experience)</h3> <p>Recognizing the individuality and values of each employee, regardless of their identity, and promoting the development of diverse abilities and experiences</p> <p>In times of rapid change, it is necessary not only to maintain existing businesses but also to create new value in response to changes in the external environment. However, highly homogeneous groups cannot respond flexibly to change. A diverse range of personnel discussing issues from a variety of perspectives leads to the creation of new ideas.</p>

Creating an environment where a diverse range of human resources can thrive

At NSSOL, we are working to improve the motivation and abilities of each and every employee through the creation of rewarding projects and work, support for autonomous career development, and fair evaluation and benefits, while also developing and operating a personnel system that enables flexible working styles tailored to each person's life and career stages.

The following personnel systems are in place to enhance employees' awareness of career autonomy and ensure diversity.

Provision of an environment where a diverse range of human resources can work

Guided by our Purpose of “dream our future, unleash the possibilities of society, with technology and passion,” NSSOL has set out to “create opportunities for diverse personnel to play active roles” as one of our material issues. We are working to create an environment and provide support that will enable employees at various stages in their lives, as well as those with childcare and nursing care responsibilities, disabilities, and other circumstances, to continue to grow and thrive with a sense of fulfillment. In this regard, we have set a mandatory retirement age of 65 so that employees can continue to grow, play an active role, and work with peace of mind regardless of their age. In addition, various measures and support systems are available for situations such as childcare, nursing care, and disabilities, as described below.

Introduction of compensation by job classification

In FY2022, we introduced a compensation by job classification system, a mechanism for designing approximately 1,200 leadership and professional

positions in line with our business strategy and appointing human resources accordingly. This is a system that integrates business and human resource strategies to enhance added value for customers and achieve career autonomy for employees. This fiscal year marks the fourth year since the system's introduction, and employees' awareness of “the right person for the right job” is becoming more widespread.

Job rotations and in-house staff recruitment / Career support system

We have put in place an “Open Challenge System,” an annual system of job rotations and in-house staff recruitment aimed at enabling individual employees to think about their careers autonomously and realize their careers through skill development, and a “Career Design Support System,” a system for sharing internal job positions and making career development proposals to maximize career realization within the company. In FY2024, more than 100 positions were advertised by various organizations within the company, and the system is being used by employees to realize their own careers.

Side jobs

In response to the expansion of career choice opportunities and increasingly diverse career development needs, we have established a side-job system to create an environment in which employees can work autonomously.

Engagement Surveys

We conduct an engagement survey annually to understand and identify the status of engagement in a timely manner and institute whatever measures are needed for improvement at the company and each workplace.

The survey identifies the NSSOL Engagement Drivers, which are values and strengths that we consider important and are thought to have an impact on engagement, and measures KPIs to assess engagement levels. The scores for questions related to “career realization,” a priority item for which enhanced measures were taken based on the results of the initial survey in FY2021, have improved every year, contributing to an increase in the engagement score. Scores also improved further for NSSOL's strengths of “workplace solidarity,” “autonomy,” and “sense of contribution to work.”

As in the previous year, the survey results were immediately compiled and shared within the company, leading to the consideration of company-wide measures to improve engagement and the implementation of improvement activities (engagement improvement dialogue meetings) at each workplace.

By continuing this process, we hope to come together to create a highly engaged organization.

State of NSSOL Engagement Drivers (Our Strengths)

	FY2023	FY2024
Cooperation and solidarity	78%	80%
Autonomous and self-selective environment and culture	70%	71%
Feeling of contribution to society and customers	68%	70%

* Percentage of positive responses among respondents

* Respondents: All NSSOL employees.

Response rate: 95%

* For “Autonomous and self-selective environment and culture,” the internal question format has been partially changed since FY2022.

Status of improvement activities (engagement improvement dialogue meetings) at each workplace

	FY2023	FY2024
Implementation rate for engagement improvement dialogue meetings	98%	96%

* Implementation rate for all divisions of NSSOL

2 Strengthening of Foundational Elements Supporting Human Capital

Health and Productivity Management

We regard human resources as our greatest asset. To create opportunities for diverse individuals to play active roles, we are working to build an environment where every employee can work energetically in good physical and mental health.

Through a dedicated organization in the Human Resources Department (the Health and Productivity Management Group) and in cooperation with the Health Insurance Society, we are working to enhance employee health awareness and re-energize the workplace by improving lifestyle habits and fostering communication. We also conduct monitoring based on our health and productivity management strategy map. Specifically, through comprehensive consultations with public health nurses conducted after health checkups (2023 uptake rate: 95.5%), we have provided thorough support to encourage voluntary health improvement on the part of employees.

* We have been certified as a Outstanding Organization of KENKO Investment for Health (Large Corporation Category) for five consecutive years since FY2020.

To achieve the four fundamental transformations outlined in the 2030 Vision, it is essential that each employee approaches their work with fresh ideas and unconventional approaches. We recognize that taking more care of both physical and mental health, and enabling employees to maximize their capabilities, is crucial for realizing this vision. To this end, we are further advancing our health and productivity management initiatives.

A unique health campaign by the NSSOL Group to improve health awareness

Given that 30% of our employees meet the criteria for metabolic syndrome or are at risk (FY2023/Group-wide), we identified low health awareness and weak lifestyle habits as challenges to be addressed. Consequently, in FY2024, we conducted a three-week trial of our Group's unique health campaign, “Health Adventure.” The campaign focused on combating metabolic syndrome, featuring health checkups and seminars, a walking event utilizing a health app, and, as a collaborative project with our special subsidiary Act., massage sessions held in a relaxation room that Act. operates. As a result, participants' awareness of health improvement after attending the health measurement sessions increased from 56% to 85%*, contributing to improved health awareness.

* Percentage of respondents who selected “Already working to improve exercise habits” or “Planning to improve exercise habits immediately” in the health measurement questionnaire. Number of responses: 230

From the perspective of preventing conditions such as metabolic syndrome, building health from a young age is crucial. Accordingly, we plan to hold the Kenko Adventure event in FY2025, providing support to further improve health awareness and promote healthier habits.

“Promotion of Health and Productivity Management” “DE&I” External Evaluation

 <p>Outstanding Organization of KENKO Investment for Health 2020— A company with excellent health and productivity management practices</p>	 <p>Eruboshi Certification 2019— A company that is implementing excellent initiatives for the promotion of women's activities</p>	 <p>“Platinum Kurumin” certification 2020— A company offering excellent childcare support</p>	 <p>PRIDE Index 2022— Evaluation indicator for LGBTQ+ initiatives</p>
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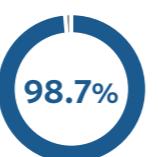
Improvement of the working environment

Flexible work styles, such as remote work, and an environment that allows people of all ages to play an active role

In terms of remote work, a work-from-home system with no restrictions on the number of days is standard for all employees, and a remote work-from-home system that in principle does not require employees to travel to work is available for those who move to remote areas of Japan away from the company's business sites for family reasons. To maximize the use of remote work, we have developed and deployed a practical guide to optimize the selective use of the workplace and home, and have

incorporated the essentials of remote work management in our internal training programs.

Persons who work remotely at least one day per month



Rate of remote work each business day



KPI Monitoring for Enhancing Human Capital Management

To advance the enhancement of human capital management aimed at realizing the NSSOL 2030 Vision, we will establish “Human Capital Enhancement KPIs” for each of the key initiatives outlined above and conduct effectiveness monitoring to verify the impact and progress of the widely implemented measures.

(1) Human resources shift strategy

To realize the NSSOL 2030 Vision, we will define the desired personnel profile in terms of both hard skills (technical capabilities and operational insight) and soft skills (mindset), and quantitatively track changes in the number and type of personnel possessing these skills.

(2) Career autonomy and human resources development

In terms of KPIs for autonomous career development and self-directed skill enhancement, we track changes in career autonomy metrics based on engagement surveys and uptake rates of self-directed learning initiatives.

(3) Improving engagement

For each employee to maximize their capabilities, it is essential to provide an environment where they can work with high engagement. We use engagement survey results as a KPI, serving as a comprehensive measure of

employees' motivation to contribute, sense of accomplishment, and attachment to the company and their organization.

(4) Enabling a diverse range of human resources to thrive

The results of the inclusion section in the engagement survey and the number of women in management positions serve as KPIs for the thriving of a diverse range of human resources.

(5) Health and productivity management

The physical and mental health of individual employees forms the foundation of human capital. We use results from the engagement survey regarding physical and mental health and work-life balance (WLB), health check-up participation rates, average total working hours, and annual paid leave days taken as KPIs for health and productivity management.

Respect for Human Rights

In recent years, there has been growing public demand for preventing and mitigating the adverse human rights impacts of corporate activities. The NSSOL Group considers respect for human rights to be an important social responsibility that it must fulfill, and has been working to ensure this through the “Global Code of Business Conduct” for employees (2015). We are also working to expand and enhance our efforts in this regard, such as by establishing a DE&I and Human Rights Committee* under the Sustainability Committee in 2022, chaired by an Executive Officer and Director of the Human Resources Bureau.

* The “DE&I and Human Rights Committee” was renamed the “DE&I and Human Rights Committee” in 2025.

(1) Human rights policy

Based on the UN Guiding Principles on Business and Human Rights, we established and disclosed our Human Rights Policy, a statement of our commitment to respect human rights, in October 2022.

(2) Human rights due diligence

In order to meet our responsibility for assessing, identifying, preventing, mitigating, and addressing the adverse impacts of our business activities on human rights, we have been conducting human rights due diligence in stages in accordance with our Human Rights Policy. During the risk assessment, the first stage of the due diligence process, we identified a list of 24 human rights issues based on international norms and guidelines, from which we identified 10 issues that we believe are important to NSSOL, including long working hours, harassment, women's rights, and protection of consumers' personal data. Next, we evaluate the risks and vulnerabilities associated with those key issues and take action based on the results. To raise employees' awareness of human rights and reduce human rights risks, we also conduct educational and awareness-raising activities,

Representative Director and President

Sustainability Committee
(Chair: Representative Director and President)

DE&I and Human Rights Committee
(Chair: Director of the Human Resources Bureau)

NSSOL Human rights policy

<https://www.nssol.nipponsteel.com/en/sustainability/social/human-rights.html>

such as an annual e-learning program for all group employees in Japan and overseas.

We also inform our partners of our Human Rights Policy and ask for their understanding and support, and monitor risks in our supply chain by conducting periodic surveys. In FY2024, we expanded the scope of these surveys to include partner companies of overseas group companies.



business and their family members, and privacy is protected, with anonymity guaranteed unless waived by the individual concerned.

NSSOL Group Helpline

<https://www.nssol.nipponsteel.com/en/sustainability/governance/compliance.html>

provision, and application), in March 2025 we formulated and published the “NSSOL Group AI Ethics Declaration,” which outlines our principles for the ethical use of AI.

NSSOL Group AI Ethics Declaration

https://www.nssol.nipponsteel.com/en/info/ai_ethics_declaration.html

Initiatives for Fair Business Practices

The Japan Business Federation revised Article 2 of its Charter of Corporate Behavior, “Fair Business Practices,” in May 2024. It is promoting initiatives to expand participation in the Declaration of Partnership Building and ensure and enhance its effectiveness, as well as disseminating the “Guidelines on Price Negotiations for Appropriate Pass-Through of Labor Costs.”

Since 2020, NSSOL has been a supporter of the “Declaration of Partnership Building,” and is committed to mutual prosperity throughout the entire supply chain. To this end, we have been particularly proactive in setting appropriate transaction fees with our system development partners.



Working at NSSOL

S Social

Retail & Service Business System Solutions Bureau
Advanced Technology Department
Junichi Nakatsuka

In my dealings with clients, I always strive to maintain a strong sense of personal involvement, working with them to grow their business.

Being able to contribute to the growth of our customers' businesses is a very rewarding experience. I am engaged in both the research and development of new technologies within the business division and their practical application in actual projects. When participating in projects, I place great importance on contributing to the growth of our customers' businesses by making full use not only of the knowledge I have acquired myself, but also of the collective expertise within the company. Furthermore, since many of our retail and service clients operate B2C services, I find great satisfaction in seeing the products I create reach the market and be used by many people.

NSSOL provides an environment where you can acquire the advanced skills necessary to contribute to the growth of customers' businesses. Additionally, you can build relationships with a wide range of clients across all kinds of industries and learn to win their trust. In my case, I find it particularly exciting to hone my technical skills through

Digital Solution & Consulting Bureau
Integrated Offering & Consulting Center
Tomomi Yamasaki

I am responsible for consulting in the field of data utilization, and in addressing a wide range of requests and questions from customers, I frequently consult with specialists across various departments within the company. Everyone is always so enthusiastic and supportive, working together with me to think things through and offering accurate advice. I love the vibrant atmosphere at NSSOL, where highly skilled people gather together to take on all sorts of projects and new challenges every day.

I have two young children, so I am mindful of striking a balance between work and childcare. A particular emphasis for me lately has been how to smoothly proceed with work even when time is limited. I aim to deliver high-quality output while placing value not only on efficiency but also on collaboration with others and building trust. NSSOL offers remote work and flexible working schedules, allowing employees to temporarily step away during work hours for tasks like picking up children or going to medical appointments. The ability to adjust work

Human Resources Bureau
HR Planning & Management Department
Hiroyo Inoue

The mission of the HR Planning & Management Department, where I work, is to create systems that maximize the performance of both employees and organizations. As such, we value a "sense of balance" that allows us to see the whole picture. We design systems that create a win-win situation for both employees and management, while also considering the latest case studies and external legal frameworks, ensuring they align with our businesses and organizational culture.

NSSOL actively provides opportunities to anyone who wants to take on challenges, regardless of position, gender, or stage in life, such as childcare. I myself am a mother of two who returned to work from maternity leave in July. Upon my return, I was entrusted with the role of Group Leader, and it is

one I find deeply rewarding. Furthermore, I am able to engage in open discussions with management personnel and business units outside HR, as well as labor union representatives. Through these high-level discussions, I have found many colleagues who I can rely on to provide prompt solutions, which has been a great source of inspiration.

NSSOL is a company that invests heavily in human resources, offering robust educational programs such as support for participation in external training and provision of e-learning to facilitate self-directed learning. I also take advantage of these to gain a better vantage point, a broader perspective, and wide-ranging insights.

Moving forward, we will continue to strive toward the

**Move! to Change
Move! toward Future**

company's vision. Taking the first step ourselves, we will engage in ongoing discussions with our diverse group of colleagues to establish a system that maximizes the company's value creation.



Move! as a Professional



collaboration with platform providers and to become more deeply involved in their business. The research outcomes from the Systems Research & Development Center and the latest technological know-how from each business division are shared, enabling you to draw on these resources while also engaging in cross-divisional collaboration. Additionally, our department allocates time for technical verification and self-improvement independent of project execution, so I also make effective use of these schemes.

I believe that by prioritizing a shared perspective with our clients, building trust to understand their needs on a deep level, and delivering optimal solutions, we can strengthen our collaborative relationships and lead projects to success.

IT Service & Engineering Bureau
Sales & Marketing Division-I / Enterprise Business Department-I
Takashi Manji

At NSSOL, there are a great many employees who possess a strong sense of mission and responsibility. Our sales staff, systems engineers, and consultants are all highly motivated individuals who possess a strong professional mindset and work constantly to be of service to our customers and society. These colleagues are an ongoing source of inspiration, and I find that very enjoyable.

I handle sales and consulting, but my top priority is making a meaningful contribution to our customers. During my early years, a simple "thank you" from a customer led to me finding a profound sense of satisfaction in solving the problems they face. That single word of gratitude has remained a constant source of encouragement.

I believe that making a contribution to our customers requires both an individual commitment to continuous learning and the systems to support it. I strive to learn every day so that I can identify and organize our clients' business and IT challenges from a high-level perspective and provide the best possible solutions for them. Lately, I've been actively sharing what I've learned with junior colleagues and providing

Move! as a Professional



them with support, hoping to convey even a little of the joy and fulfillment that come from making a contribution to our customers. Additionally, NSSOL offers numerous initiatives that allow you to benefit from the company's knowledge and assets. With various training programs, weekly study sessions, tools for sharing technical knowledge, and the implementation of generative AI, the extensive support available, both in terms of hard and soft skills, is also very useful in making contributions to customers.

Our mission is to solve our customers' challenges. We take the meaning of the word "solutions," which also appears in our company name, seriously as we go about our daily work.

Move! toward Future Move! with Everyone



hours to fit my daily routine makes it much easier to balance work and childcare, and I find it very helpful that I can work efficiently during the times when I'm most focused.

As a data utilization consultant, I will keep striving every day to deliver high value to our clients. As a company-wide Center of Excellence (CoE), we promote the sharing of expertise and best practices that can be found dispersed throughout the organization. We aim to create new value by combining operational insights and solutions, and we will advance the development of offerings in collaboration with internal and external stakeholders.

IT Service & Engineering Bureau
Strategy & Consulting Division / Solution Planning & Promotion Department
Tomohiko Shirai

The IT industry in which we operate is one characterized by very sudden shifts. As such, the nature of our customers' businesses is constantly changing. Adapting to change requires continuous learning and growth. At NSSOL, I can feel myself growing every day, and that keeps me motivated and gives me satisfaction in my work.

Having gained experience in application development, operations, and infrastructure building for central government agencies and affiliated organizations, I now plan and propose data utilization strategies for local governments and private companies. In addition to technical and managerial skills, comprehensive abilities to swiftly execute planning, proposal, verification, and improvement are now more essential than ever, and I feel that I am growing in this area too.

NSSOL employs many talented employees who serve a diverse range of customers. The communication I have with my outstanding colleagues, arising from a culture that makes dialogue easy, serves as an inspiration to me. It is also a

Move! to Change Move! as a Professional



company culture that encourages taking on entirely new challenges. Over the past few years, I've been involved in new projects, and while I receive plenty of suggestions and advice when launching them, I've never felt that my ideas were just dismissed. I believe that this is a company that will genuinely appreciate your efforts if you give it your all, and one that makes it easy to take on challenges.

As circumstances continue to change, I will keep learning and challenging myself to grow, striving to be a professional who can unlock our customers' potential.

Introduction

Message

Value Creation Process

Sustainability Management

Business strategies

Data

Reduce Environmental Impact P.31

Material Issue 4

Initiatives

- Utilizing IT to contribute to the reduction of environmental impact through customers
- Making active use of renewable energy
- Rigorously improving the efficiency of electric power and other resources we use, to reduce environmental impact
- Reducing the GHGs that we emit to zero by 2050

Environmental Policy

The NSSOL Group positions the reduction of environmental impact as one of the most important management issues, and thus, to fulfill our corporate social responsibility, works toward reducing the environmental impact that may arise as a result of our business activities. We also strive to reduce the

* The full text of our Environmental Policy is available on the company website.

NSSOL Group Environmental Policy

<https://www.nssol.nipponsteel.com/en/sustainability/environmental.html#environmental-policy>

Promotional Structure

The NSSOL Group has established the Environmental Management Committee, chaired by the Executive Director Responsible for the Corporate Administration Bureau, under the Sustainability Committee, to promote initiatives to reduce environmental impact, including addressing climate change issues and environmental management system activities.

environmental impact of society as a whole through our business, and thereby contribute to the preservation of the global environment and the realization of a sustainable society by, among other means, taking appropriate measures against climate change issues.



Climate Change Initiatives

Targets and results

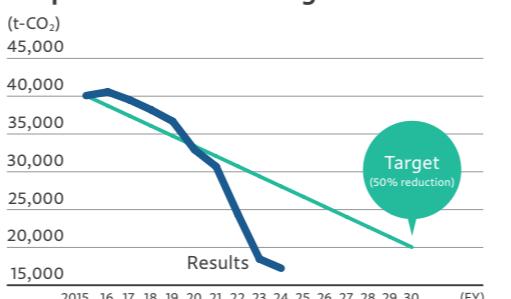
In April 2022, the NSSOL Group announced its endorsement of the TCFD recommendations and at the same time set reduction targets for Scope 1+2 greenhouse gas (GHG) emissions.

Reduction targets for Scope 1+2 GHG emissions

FY2030:
50% reduction
(relative to 2015 results)

FY2050:
Carbon neutrality
(net zero emissions)

Scope 1+2 reduction targets and results



* GHG emissions are calculated based on Japanese law. The difference in Scope 1 and 2 from FY2021 to FY2022 includes both the impact of changes in reporting rules under Japanese law and real reductions due to increased renewable energy procurement and other factors.

Breakdown of Scope 1 and 2 emissions results

Units: tons CO ₂	FY2024	Proportion of total
Scope1	195	1.1%
Scope2	17,051	98.9%
Scope1+2	17,246	100.0%
Data centers	8,305	48.2%
Offices, etc.	8,940	51.8%
Scope3	313,526	

Emissions by Scope 3 category

FY2024 Results (t-CO ₂)	Category										
	1	2	3	5	6	7	8	11	12	13	
Purchased goods and services											
Capital goods											
Fuel and energy-related activities (not included in Scope 1 or 2)											
Waste generated in operations											
Business travel											
Employee commuting											
Upstream leased assets											
Use of sold products											
End-of-life treatment of sold products											
Downstream leased assets											
313,526	232,721	4,944	4,303	39	1,054	1,918	2,924	61,299	38	4,285	
100%	74%	2%	1%	0%	0%	1%	1%	20%	0%	1%	

* Category 4 emissions (transportation) are included in Category 1 in the calculation. There are no emissions for categories 9, 10, 14, and 15.

Emission reduction initiatives

Since Scope 2 (indirect emissions from electricity use) accounts for the majority of the NSSOL Group's emissions, we are working to reduce emissions through more efficient electricity use and the use of green electricity derived from renewable energy sources.

	Improved efficiency of electricity use	Utilization of renewable energy
Data centers	Optimization of air conditioning efficiency, consolidation of aging DCs	Utilization began in FY2022 and is gradually expanding in scope
Offices	LED lighting / motion sensors installed, thorough use of power-saving settings for IT equipment	Fully utilized in the head office area (Toranomon, Shinkawa)

Risks and opportunities based on climate change scenarios

NSSOL analyzed the 1.5°C scenario and the 4°C scenario with a medium- to long-term time horizon to 2050.

Under the 1.5°C scenario, there is a risk of increased electricity costs due to strengthened legal requirements, including the introduction of carbon pricing, while needs

1.5°C scenario

Event	Risk & Opportunity	Impact	Timeline
Risks	Rising electricity prices due to government introduction of carbon pricing	6	Medium term
	Rising renewable energy prices due to stricter regulations on fossil fuel-based energy sources	4	Medium term
	Increasing costs for updating and operating DC facilities, etc. due to stricter regulations, including energy saving legislation	2	Medium term
	Customer attrition due to delays in taking actions for decarbonization of DCs	2	Medium term
	Increasing demand for DCs with high energy efficiency	2	Medium term
	Increasing demand for shared IT systems with high resource efficiency	9	Medium term

[Impact] "Probability of impact" x "Severity of impact"
Probability 3:Highly probable 2:Probable 1:Less probable 0:Not probable
Severity of impact 3:Extremely severe (significant impact on the revenue of the entire company) 2:Severe (business-wide impact in two businesses) 1:Minor (impact on the main operation of one business) 0:Almost no impact

4°C scenario

Event	Risk & Opportunity	Impact	Timeline
Risks	Increasing air conditioning load in DCs due to rising average temperatures	3	Short term
	Suspension of DCs and office functions due to large-scale power outages	4	Long term
	Impediments to business operations caused by disruptions to public transportation networks due to natural disasters, etc.	4	Long term
	Occurrence of disasters such as floods at business hub	4	Long term
	Increasing demand for digital workplace business that helps customers realize flexible working styles	2	Medium term
	Ensuring high business continuity capabilities and sales opportunities by taking sufficient measures at DCs	4	Medium term

[Timeline]
Short term: Will occur by 2027
Medium term: Will occur by 2030
Long term: Will occur by 2050

Our Efforts to Reduce Environmental Impact through Business

As the use of DX and AI develops, the increase in data center power consumption caused by the increase in data volume and computational processing load is having a significant impact on the environment. NSSOL's data centers have achieved high energy efficiency with a PUE value of 1.4 or less, and through the provision of housing services and the "abonne" cloud service, we are contributing to the efficient use of electricity by our

customers and society as a whole.

In addition, the "CONTRACTHUB" electronic contract service contributes to the realization of paperless operations and the accompanying reductions in waste by providing electronic contracts in SaaS/ASP format, which are becoming increasingly popular given the development of legal frameworks such as the Electronic Signature Act and technological advances such as electronic signatures.

Environmental Management System

NSSOL has acquired ISO 14001 certification, an international standard for environmental management systems, for offices and data centers in its head office area. We have also created the NSSOL EMS, our own environmental

NSSOL EMS (Environmental Management System)	
ISO 14001 certification obtained	Outside the NSSOL head office area
NSSOL head office area Offices and data centers, etc.	Group companies NSSOL Hokkaido NSSOL East Japan NSSOL Chubu, NSSOL Kansai, NSSOL Kyushu, NVC, Act., NCI, NHS
Group companies NSSLC, NSFMC, FEG	
	Japan

management system combining ISO-compliant initiatives with responses to the TCFD recommendations, for the entire domestic business of the NSSOL Group, including regional sites and group companies.

Examples of Specific NSSOL EMS Initiatives

Reducing power consumption	Reduce working hours by implementing work style reforms, turning off lights in unused areas, optimizing temperature settings for air conditioning, cooling, and heating, thorough power-saving settings for PCs and monitors, and utilizing power-saving equipment
Reducing paper consumption	Promoting paperless operations by installing displays in conference rooms and utilizing communication tools
Waste	Persons in charge assigned to each floor to ensure thorough separation and management of garbage generated on a daily basis
Education	Conducting e-learning (once a year for employees, and for partners upon appointment), and distributing information on NSSOL EMS initiatives via the Intranet
Other	Priority given to purchasing green products for internal use (office supplies and consumables)

Officers



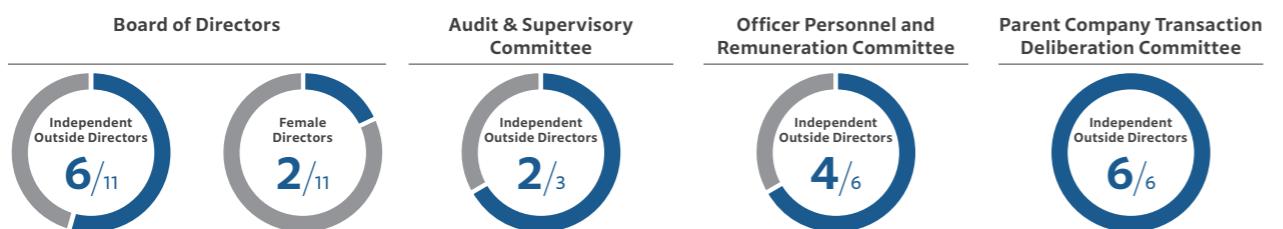
Skill requirements	Executive Directors in Charge of Business Execution				Non-executive Directors				Executive Directors serving as Audit & Supervisory Committee members		
	01	02	03	04	05	06	07	08	09	10	11
	Representative Director & President Kazuhiko Tamaoki	Executive Director Akimi Tojo	Executive Director Miho Kamada	Executive Director Ichiro Ishii Outside	Executive Director Rie Horii Outside	Executive Director Masatoshi Fujiwara New	Executive Director Satoshi Yamahata Outside	Executive Director Hiroto Naito	Full-time Audit & Supervisory Committee Member Atsuki Matsumura New	Audit & Supervisory Committee Member Shuichiro Hoshi Outside	Audit & Supervisory Committee Member Kazuhiko Fujita Outside
Company management	●	●		●				●	●	●	●
Sales and marketing	●	●			●				●		
Technology and R&D			●				●		●		
Global		●		●		●			●		●
M&A				●				●			●
Accounting and finance	●	●						●			●
Legal affairs and risk management	●			●				●		●	
Personnel affairs, labor and human resources development	●				●		●				
ESG		●	●		●		●				

Corporate Governance

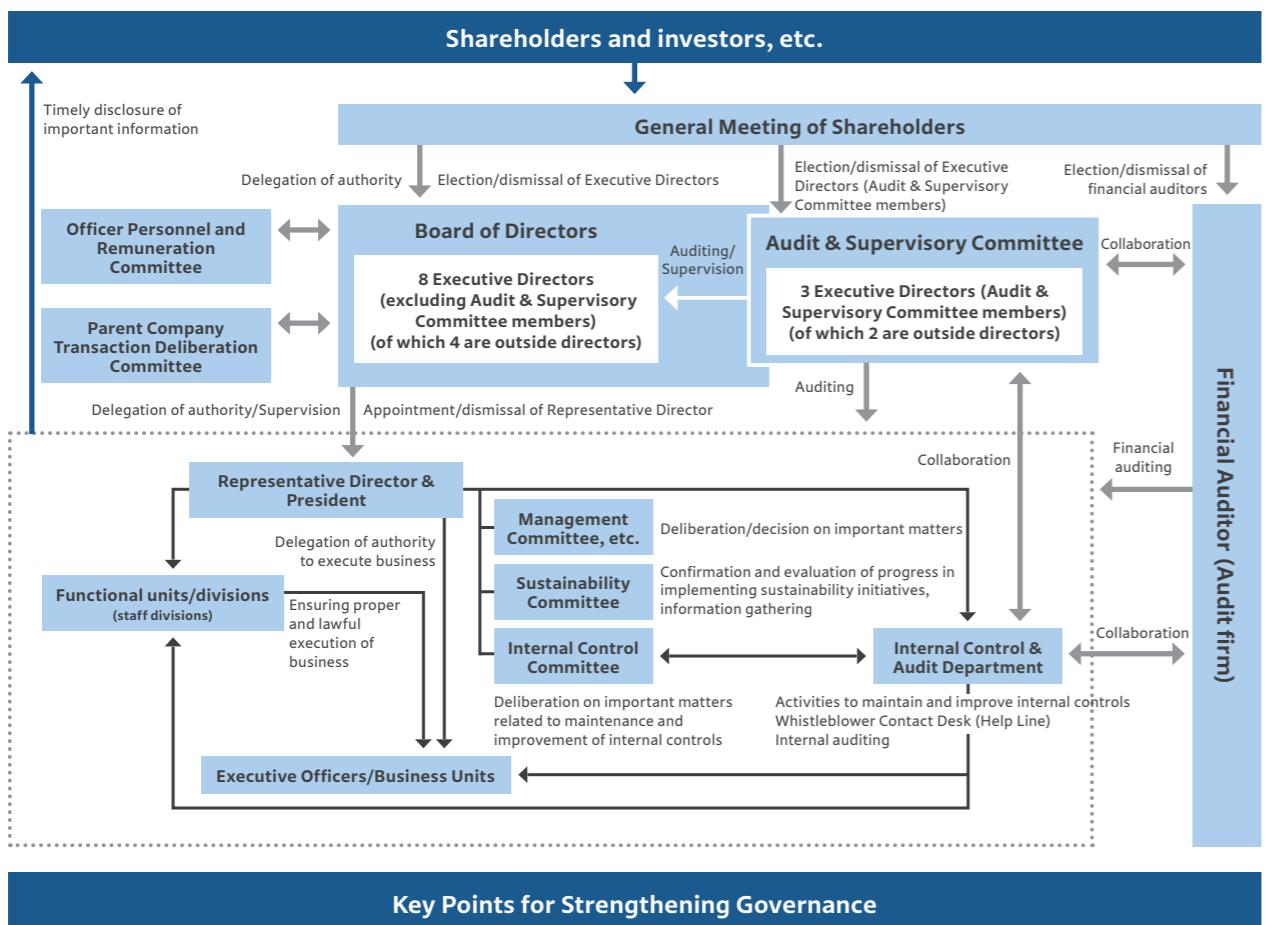
Under its corporate philosophy, NSSOL has established a corporate governance system suitable for the Group's business, to respond to the mandates and trust given by all of its stakeholders, including shareholders and

business partners, and to achieve sound and sustainable growth for the Group and increase corporate value in the medium to long term.

Organizational design	Company with an Audit & Supervisory Committee
Number of Executive Directors	11
Term of appointment for Executive Directors	One year (two years for Audit & Supervisory Committee members)
Voluntary committees	Officer Personnel and Remuneration Committee Parent Company Transaction Deliberation Committee
Remuneration system	(1) Fixed remuneration (2) Performance-linked remuneration (short term & medium to long term)



Overview of Corporate Governance Structure



Key Points for Strengthening Governance

Reducing the number of Executive Directors

■ To further accelerate decision-making and strengthen the Board of Directors' oversight function over management, the maximum number of executive directors has been reduced from 13 to 11.

■ At present, 5 of the 11 executive directors are inside directors, and 6 are independent outside directors.

Selling all shares of publicly listed cross-shareholdings in principle

■ The company has pursued a policy of selling virtually all of its publicly listed cross-shareholdings. As a result, by the end of March 2025, the rate of cross-shareholdings as a percentage of net assets had decreased to less than 1%.

■ Going forward, we will maintain a policy of, as a general rule, refraining from holding publicly listed shares that do not involve specific business partnerships.

Board of Directors and Management Committee

To prioritize the deliberation of key issues and further enhance discussions on topics such as the formulation of management policies by the Board of Directors, NSSOL has stipulated in its Articles of Incorporation that all or part of decision-making for the execution of important business (excluding matters stipulated under the items of Article 399-13, Paragraph 5 of the Companies Act) may be delegated to its Executive Directors. All of NSSOL's Executive Directors appropriately fulfill their roles and responsibilities to make flexible decisions in response to changes in the business environment, and ensure objectivity and transparency in multifaceted consideration and decision-making by the Board of Directors.

At present, the Board of Directors is composed of 5 inside directors and 6 independent outside directors. With regard to execution of business, executive authority

is delegated to executive officers in charge of business operations and their subordinates (based on the prescribed rules on decision-making authority) as part of our efforts to speed up decision-making. Important matters are deliberated and decided upon by the Management Committee, which includes the president and other members of senior management.

Status of Board of Directors Activities

The Board of Directors conducts its deliberations and supervision with a focus on basic management policies such as business plans and their progress, governance matters including internal controls, financial strategy and financial results, and other important individual agenda items.

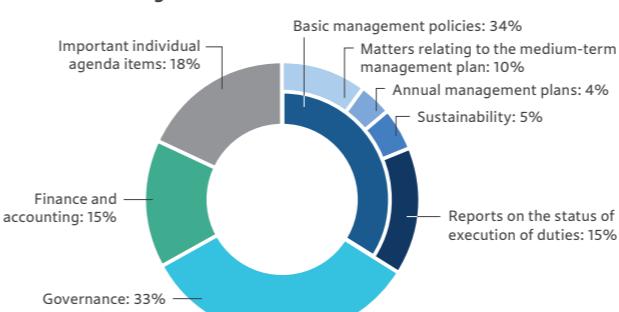
Major Areas of Deliberation in FY2024

Category	Key themes
Basic management policies	Matters relating to medium-term management plans
	Formulation of the NSSOL 2030 Vision and deliberations on the 2025–2027 Medium-term Management Plan
	Annual management plans
	Deliberations on the FY2025 management plan
Governance	Sustainability
	Deliberations on human capital management and material issues
	Reports on the status of execution of duties
	Reports on annual performance overview, progress of the Medium-term Business Strategy, status of shareholder dialogue, etc.; sharing of Management Committee agenda items; other matters
Financial strategy and financial results	Internal controls
	Reports on the status of establishment and operation of internal control systems, status of helpline reports, employee awareness survey results, etc.
	Audit reports
	Audit & Supervisory Committee audit report and annual audit plan
	Officer personnel and remuneration
	Deliberations on officer appointments, officer remuneration, and succession plans
	Evaluation of effectiveness
Other	Deliberations on policies regarding the evaluation of the effectiveness of the Board of Directors
	Parent company transactions
	Deliberations regarding whether each transaction with the parent company constitutes a conflict of interest
Important individual agenda items	Other
	Deliberations regarding the General Meeting of Shareholders, securities reports, compliance with the Corporate Governance Code, regulations, etc.
	Deliberations on financial strategy, cross-shareholdings, financial results, etc.

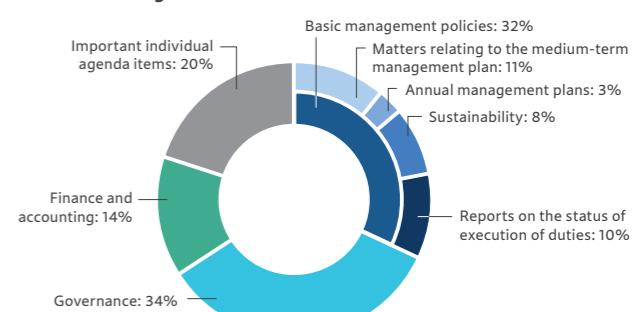
Breakdown of Deliberation Time for Each Agenda Item at Meetings of the Board of Directors

- Regarding "Basic management policies," while shortening reports on the status of execution of duties by focusing on key reporting items, the Board of Directors has been devoting time to discussing the 2025–2027 Medium-term Management Plan and sustainability themes such as human capital management.
- Efforts are underway to further strengthen the supervisory function of the Board of Directors, with more time being devoted to deliberating on governance matters.
- The proportion of important individual agenda items has increased due to further enhancements of discussions regarding investor dialogue.

Breakdown of Deliberation Time for each Agenda Item at Meetings of the Board of Directors in FY2023



Breakdown of Deliberation Time for Each Agenda Item at Meetings of the Board of Directors in FY2024



Status of Audit & Supervisory Committee Activities

NSSOL's Audit & Supervisory Committee consists of one internal Executive Director who is a full-time Audit & Supervisory Committee member and two outside directors, including one with considerable knowledge of finance and accounting. We have also established the Audit & Supervisory Committee Office (with three members), as a dedicated organization to support the execution of duties by the Audit & Supervisory Committee. Audits are conducted by the Audit & Supervisory Committee from the perspectives of the legality and appropriateness of the execution of duties by Executive Directors, in accordance with our annual audit

policy and audit plan. Meanwhile, daily audit activities are carried out systematically in regular communication with the financial auditor and the auditors of group companies.

Audit & Supervisory Committee members also make constant efforts to ascertain the internal situation of the company by attending meetings of the Board of Directors and the Management Committee, inspecting internal meeting materials, and receiving reports from the persons in charge of each department, etc. In addition, they work to improve the quality of audits by conducting written reviews and on-site surveys using check sheets based on the priority audit items in the audit plan.

Status of Audit & Supervisory Committee Meetings in FY2024	20 meetings (100% attendance by all members)
Priority Audit Items in FY2024	Addressing challenges related to ongoing enhancement of internal controls, initiatives to achieve medium- to long-term management goals, human resources, project management, information security, etc.

Remuneration system for Executive Directors

Policy on determining remuneration

In accordance with the "NSSOL 2030 Vision" formulated last year and the "2025-2027 Medium-term Management Plan" established to achieve it, we have revised our remuneration system for officers, including the system for remuneration in restricted shares. This revision enhances the alignment of remuneration with performance and establishes a remuneration structure that contributes to the enhancement of corporate value over the medium to long term.

Remuneration for officers consists of fixed remuneration, short-term performance-linked remuneration, and medium-to-long-term performance-linked remuneration.

This revision to the remuneration system increases the proportion of performance-linked remuneration and share-based remuneration to place greater emphasis on linking remuneration to performance and to further promote the sharing of value with our shareholders. Additionally, we have introduced a mechanism to incrementally raise the overall remuneration level as we achieve milestone operating profit targets, aligned with the goal of 100 billion yen in operating profit set out in the NSSOL 2030 Vision.

Executive Directors (excluding those who are Audit & Supervisory Committee members)

Remuneration for Executive Directors (excluding outside directors) consists of fixed remuneration and performance-linked remuneration for each position, which are predetermined according to the roles and responsibilities of each director. Performance-linked remuneration consists of short-term performance-linked remuneration and medium- to long-term performance-linked remuneration. Short-term performance-linked remuneration is linked to the net income attributable to owners of the parent company for the current fiscal year and the sales operating profit margin. Medium-to-long-term performance-linked compensation consists of remuneration in restricted shares linked to ROE and monetary remuneration corresponding to the evaluation of efforts to address material issues for achieving

sustainability management.

In addition, the actual amount paid is calculated by weighting based on the evaluation of each director by the Representative Director & President (within the range of 5% of the amount of remuneration for each position).

Remuneration for outside directors consists of fixed remuneration only.

- Maximum remuneration for Executive Directors: up to 410 million yen per year (outside directors may receive up to 60 million yen per year)
- Total amount of remuneration paid for the granting of restricted shares to Executive Directors (excluding outside directors): up to 100 million yen per year; Total number of common shares of the company to be issued or disposed of: up to 50,000 shares per year

Executive Directors serving as Audit & Supervisory Committee members

To emphasize independence and objectivity with respect to management of the company, remuneration for Executive Directors who are Audit & Supervisory Committee members is fixed.

- Maximum remuneration for Executive Directors who are Audit & Supervisory Committee members: up to 100 million yen per year

Process for determining remuneration

From the perspective of improving transparency and objectivity, remuneration for directors is determined by a resolution of the Board of Directors, after deliberation at the Officer Personnel and Remuneration Committee, which comprises the Representative Director & President (Kazuhiko Tamaoki), one inside director (Akimi Tojo) and four independent outside directors (Ichiro Ishii, Rie Horii, Masatoshi Fujiwara, and Satoshi Yamahata).

The policy for determining the remuneration of directors who are Audit & Supervisory Committee members and the specific amounts thereof are determined through discussions among the Executive Directors who are Audit & Supervisory Committee members.

Succession Plans

Regarding succession plans for positions such as Chief Executive Officer, the Corporate Governance Code states that "Based on the company objectives (business principles, etc.) and specific business strategies, the board should proactively engage in the establishment and implementation of a succession plan for the CEO and other top executives and appropriately oversee the systematic development of succession candidates, deploying sufficient time and resources." As such, boards of directors are expected to be proactively involved in succession planning for positions such as CEO, and effective discussions should be conducted through independent advisory committees such as a Nomination Committee.

At NSSOL, the Board of Directors will proactively engage in and oversee the formulation and implementation of succession planning for the executive structure centered around the Chief Executive Officer (CEO). To this end, the following measures will be taken.

① The Succession Planning Committee, composed of the officers overseeing each business and business area under the leadership of the Representative Director & President, reviews development plans for executive officers and their successor candidates.

② Specifically, we will review and update the rotation plan and off-the-job training plan for the next executive structure.

③ The content of this review will be deliberated by the "Officer Personnel and Remuneration Committee," at which four out of six members are independent outside directors.

④ Based on the deliberations and discussions regarding ① to ③, a proposal for the next executive structure shall be submitted to the Board of Directors. The Board shall decide on its implementation, formulate a succession plan, and evaluate the operational status thereof.

Evaluation of the Effectiveness of the Board of Directors

Evaluation of the Effectiveness of the Board of Directors

The Board of Directors regularly analyzes and evaluates its effectiveness based on assessments and opinions on its operation from attendees at board meetings. The results of these analyses and evaluations are then reflected in future improvements to the Board's operation.

Under instruction from the Board itself, and with advice from a third-party organization, the Board's administrative office conducted a quantitative analysis of the number of agenda items submitted for discussion and reports made to the Board, average deliberation time and attendance rates for each officer, and a qualitative analysis based on questionnaires and interviews with individual directors. Based on the results of this analysis and the report from the third-party organization, the Board of Directors held deliberations on the effectiveness evaluation and issues to be addressed.

In light of the fact that each agenda item submitted and reported to the Board of Directors was discussed in an appropriate manner in accordance with the Companies Act and internal regulations, the fact that the Board of

Directors is fulfilling its functions in accordance with the requirements of corporate governance, and the fact that the results of measures to improve effectiveness identified in the previous fiscal year were confirmed, it was concluded that the effectiveness of the Board of Directors has been ensured.

In addition, the third-party organization also deemed the Board of Directors of the company to be effective, noting that the Board of Directors operates effectively, internal control and risk management systems are properly established and operated, and that improvements have been made.

	FY2023	FY2024
Number of agenda items submitted for discussion and reports made	74	84
Average attendance rate	99.5%	100.0%

■ In FY2025, we will work to further strengthen the Board of Directors' supervisory function, including monitoring the progress of the 2025-2027 Medium-term Management Plan and enhancing discussions on sustainability themes.

Internal Control System

In accordance with the NSSOL philosophy, we aim to continuously improve our corporate value and earn public trust. In order to comply with relevant laws, ensure the reliability of our financial reporting, and maintain the effectiveness and efficiency of our business processes, we have also established—and appropriately operate—the following internal control system (to ensure the appropriateness of business operations, etc.). In addition, from the perspective of further enhancing corporate governance, we are working to make improvements to them on an ongoing basis.

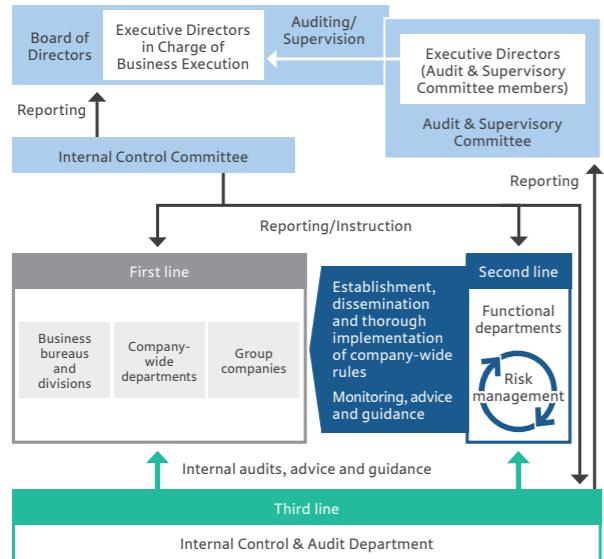
Establishment of an Internal Control & Audit Department

We have established an Internal Control & Audit Department to respond to compliance incidents, operate the whistleblower contact desk (hereinafter, the "helpline"), formulate basic policies and annual plans for internal controls, and plan and implement measures to maintain and improve the level of the internal control system. The department also reports regularly to the Board of Directors regarding the state of formulation and implementation of annual internal control plans and matters related to risk management, including ESG risks such as sexual harassment, power harassment and other human rights violations.

Risk management systems

NSSOL has established and maintains an internal control system based on autonomous internal control. The heads of each department establish autonomous internal control systems for each department, observe and ensure thorough compliance with laws and regulations, and strive to prevent violations of laws, regulations, and rules in the course of business operations. We are also developing and enhancing the education system for our employees, such as by holding regular seminars and preparing and distributing manuals to ensure compliance with laws, regulations, and rules. If department heads become aware of any act or fact that may violate laws and regulations, they promptly report it to the Director of the Internal Control & Audit Department.

The Director of the Internal Control & Audit Department reviews the development and operation of the internal control systems for the entire Group, ascertains and evaluates each department's compliance with laws, regulations, and rules, and takes necessary measures to prevent any violations. Details of these issues are reported to the Internal Control Committee, chaired by the Representative Director & President, and particularly important matters are reported to the Board of Directors. We have also established—and operate—a whistleblowing system to receive reports and consultations regarding risks that arise in the execution of business.



Helpline

In 2003, NSSOL established a Compliance Desk, and in April 2006, in response to the enforcement of the Whistleblower Protection Act, a helpline with a new external point of contact was established. Since April 2008, the helpline has been operating as a point of contact for consultations and reporting (whistleblowing) on issues including harassment and other human rights violations. Currently, the helpline accepts reports and consultations from persons engaged in the Group's business operations, as well as their families. Their privacy is protected, such as by ensuring anonymity, unless the individual in question agrees otherwise.

In the event of an incident or situation that has significant impact on business management, a crisis response headquarters headed by the President will be convened to take necessary measures to minimize damage and impact on the company.

Employees are obliged to comply with laws and regulations and perform their duties appropriately. Employees who violate laws and regulations will be subject to strict disciplinary action in accordance with the Rules of Employment, etc.

Preventing Corruption

Prevention of bribery and corruption

NSSOL and its subsidiaries (hereinafter, the "NSSOL Group") have established Anti-Bribery Regulations, and are committed to preventing corrupt practices, including bribery, on the part of all persons engaged in the business of the NSSOL Group.

Furthermore, all officers (including directors, auditors, and those of equivalent status) and employees (including temporary, fixed term employees, and those of equivalent status) of the NSSOL Group shall comply with the Global Code of Business Conduct (NSSOL Group Code of Conduct).

The Global Code of Business Conduct includes provisions prohibiting bribery and other corrupt practices involving public officials in or outside Japan. To date, there have been no cases of investigations or penalties related to misconduct or corruption in our dealings with political or governmental entities (we also made no political contributions in FY2024).

The NSSOL Group will continue to act with high ethical standards.

Please refer to the following regarding the Global Code of Business Conduct (NSSOL Group Code of Conduct) (various codes of conduct other than those relating to corruption prevention are included).

NSSOL Group Global Code of Business Conduct

<https://www.nssol.nipponsteel.com/en/corporate/conduct.html>

Number of Helpline Reports and Consultations

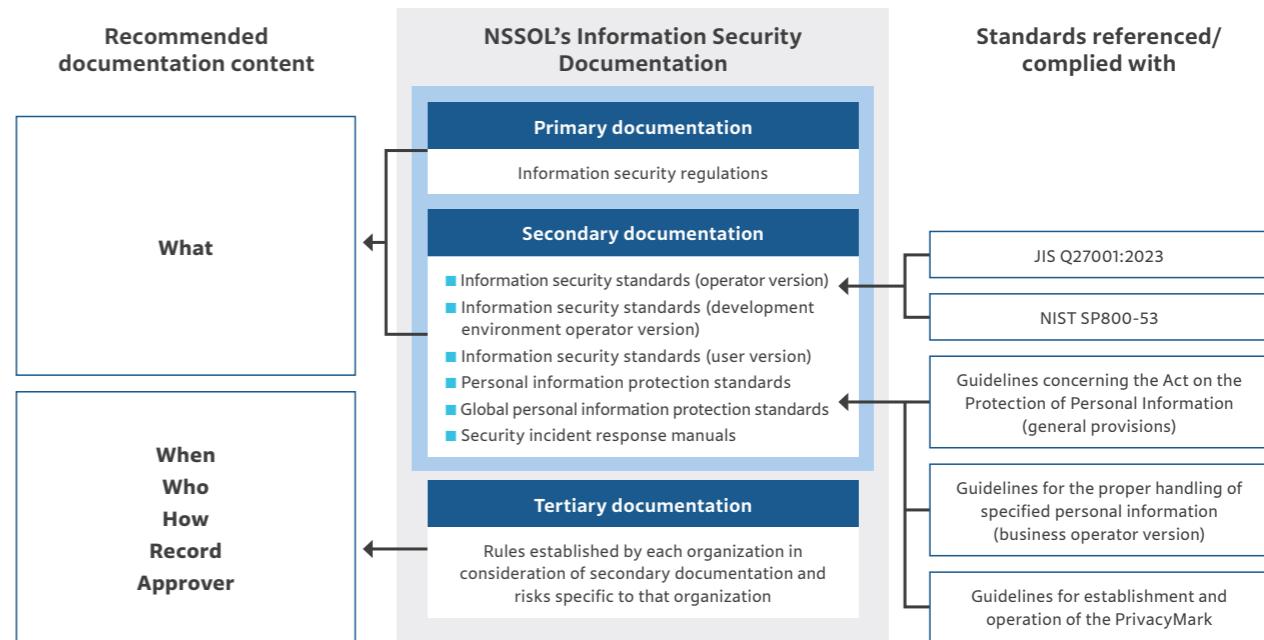
	FY2020	FY2021	FY2022	FY2023	FY2024
Number of reports and consultations (cases)	32	20	34	32	44

NSSOL's Information Security

The NSSOL Group implements the following measures to protect information assets and personal information.

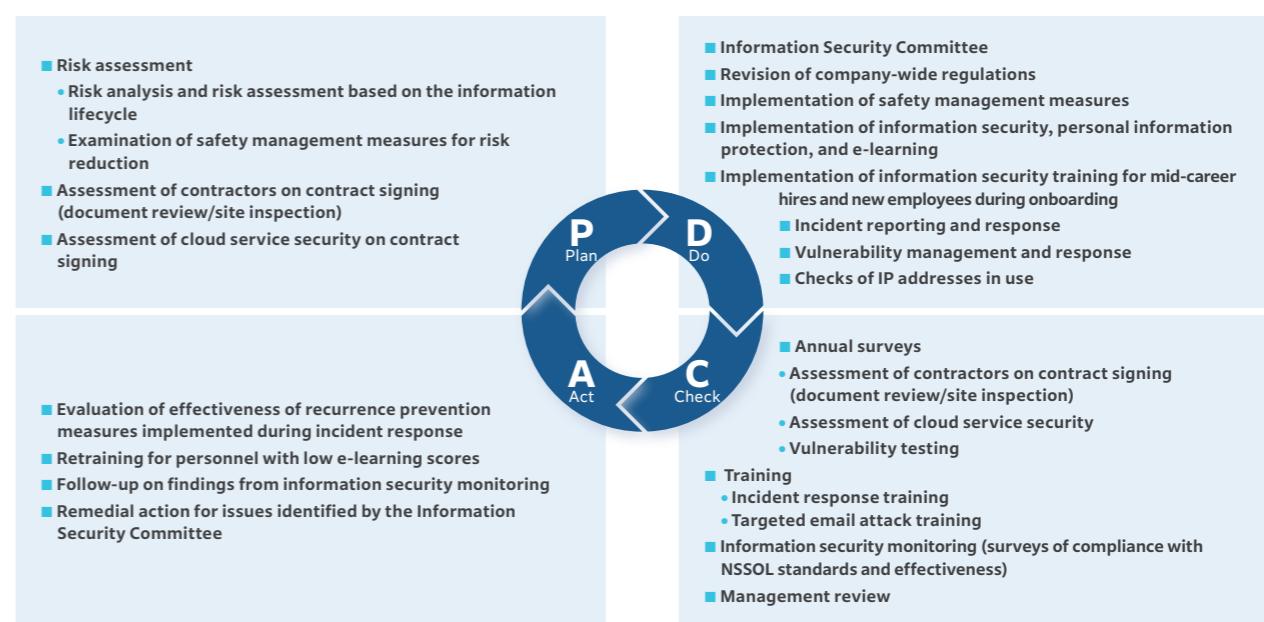
NSSOL's Information Security Structure

The Information Security Committee, chaired by the President, makes decisions on the implementation of important information security measures for the NSSOL Group. Furthermore, to introduce these measures, the Information Security Department has been established under the Information Security Chief (Executive Director in charge of Technology Management), who serves as the promotion officer.



Information Security Management System

NSSOL aims to achieve continuous improvement by maintaining a PDCA cycle for activities addressing



NSSOL's Information Security-related Regulations

NSSOL's information security-related regulations organize the company's cybersecurity, information security, and personal information protection regulations into a hierarchical structure from primary documentation to tertiary documentation. The primary and secondary documentation have been established as universal regulations applicable to all group companies. Furthermore, to ensure that organizational, personnel, technical, and physical security management measures are exhaustive, we work actively to incorporate industry standards.

Standards referenced/complied with

Third-party Certification and Collaboration with External Expert Organizations

PrivacyMark certification

NSSOL has been certified under the PrivacyMark system since its inception and received an award in September 2023 to commemorate the 25th anniversary of the PrivacyMark system.

PrivacyMark certification status of the NSSOL Group

- NS Solutions Corporation
- NS Solutions Hokkaido Corporation
- NS Solutions East Japan Corporation
- NS Solutions Chubu Corporation
- NS Solutions Kansai Corporation
- NS Solutions Kyushu Corporation
- NS Solutions Service and Technology Corporation
- Network Value Components Ltd.
- NS Financial Management Consulting, Inc.
- Infocom Corporation
- NCI Systems Integration, Inc.
- NIPPON STEEL Hitachi Systems Solutions, Inc.

Dialogue with Shareholders

Status of dialogue with shareholders in FY2024

NSSOL's dialogue with shareholders in FY2024 was as summarized below.

Main dialogue participants	Representative Director & President and other directors, executive officers, Director of the IR Department, etc.
Main dialogue counterparts	Institutional investors in Japan and overseas
Forms of dialogue	Financial results briefings (quarterly), 2025–2027 Medium-term Management Plan briefings, individual IR meetings, small IR meetings, individual SR meetings, overseas IR activities, technology-related briefings (including a briefing on generative AI held at the Systems Research & Development Center in FY2024), etc.
Content of dialogue	Matters concerning financial results, medium- to long-term business strategy, financial strategy, and corporate governance
Provision of feedback	Shared regularly among management and internal departments, and provided to the Board of Directors on a quarterly basis

Collaboration with external organizations

To strengthen our response to cybersecurity risks, we collaborate with specialized organizations including the JPCERT Coordination Center, the Cloud Security Alliance Japan Chapter, and the Nippon CSIRT Association.

Unauthorized access

In March 2025, we detected unauthorized access to the NSSOL network. Following an investigation, we determined there was a possibility of information leakage, and as a result, we published an apology and notice on our company website in July 2025. While restoration of our systems has been completed, in order to prevent similar incidents, we are reviewing our information security management and will strive to implement thorough measures to prevent recurrence.

Related websites

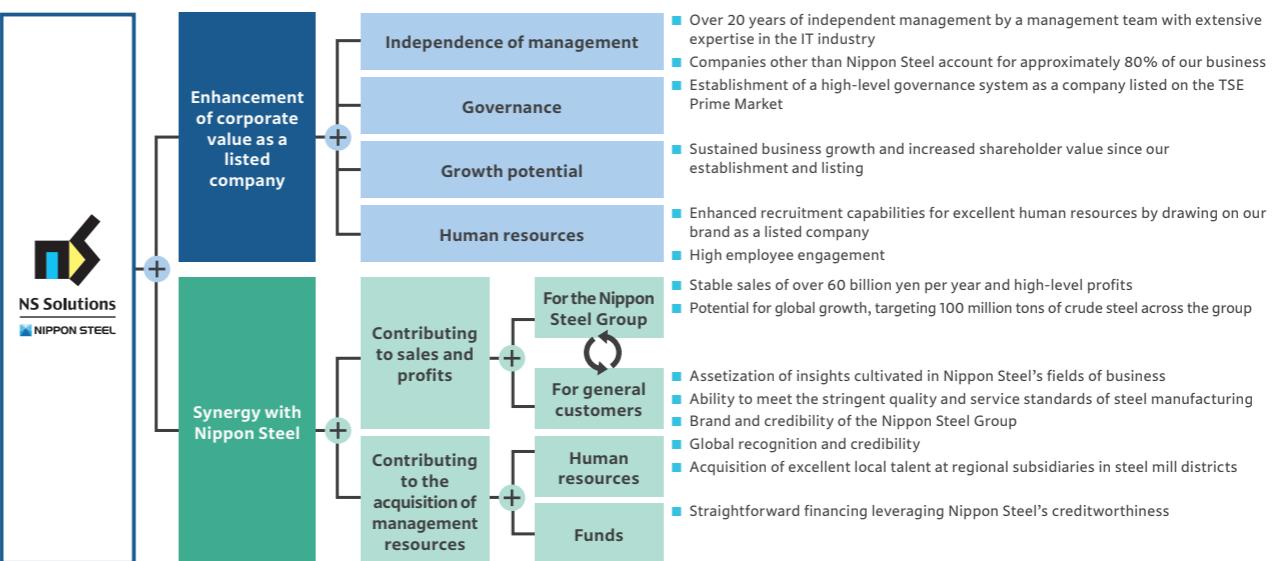
- **For Individual Investors**
<https://www.nssol.nipponsteel.com/en/ir/individual/>
- **Frequently Asked Questions**
<https://www.nssol.nipponsteel.com/en/ir/faq.html>

Relationship with Nippon Steel

Enhancing corporate value and strengthening synergies with Nippon Steel

NSSOL's parent company, Nippon Steel Corporation, holds 63.44% of its total voting rights (as of March 31, 2025).

NSSOL is committed to enhancing corporate value as a publicly listed company while maximizing synergies with Nippon Steel to provide a wide range of customers with cutting-edge value driven by IT.



Independence of management

For over 20 years, NSSOL has maintained independent management under a management team with extensive expertise in the IT industry, and at present, companies other than Nippon Steel account for approximately 80% of our business.

Furthermore, our company is a company with an Audit & Supervisory Committee. The Board of Directors currently consists of five inside directors and six independent outside directors. Meanwhile, in terms of special committees, we have established the Officer Personnel and Remuneration Committee, where independent outside directors constitute a majority, and the Parent Company Transaction Deliberation Committee composed solely of independent outside directors. We believe this structure ensures a certain degree of independence from the parent company. The election and dismissal of independent officers is deliberated on by the Officer Personnel and Remuneration Committee, and resolved on by the Board of Directors and submitted to the General Meeting of Shareholders as a proposal for the election and dismissal of Executive Directors. The majority of this Committee is composed of independent outside directors to ensure objectivity and transparency in deliberations and independence from the parent company.

One of our company's inside directors also serves as an executive officer of Nippon Steel. While we seek broad input from the executive director in question regarding the Nippon Steel Group's growth strategy and internal control systems, we have implemented measures to prevent conflicts of interest, such as having them withdraw from deliberations on agenda items related to transactions with the parent company.

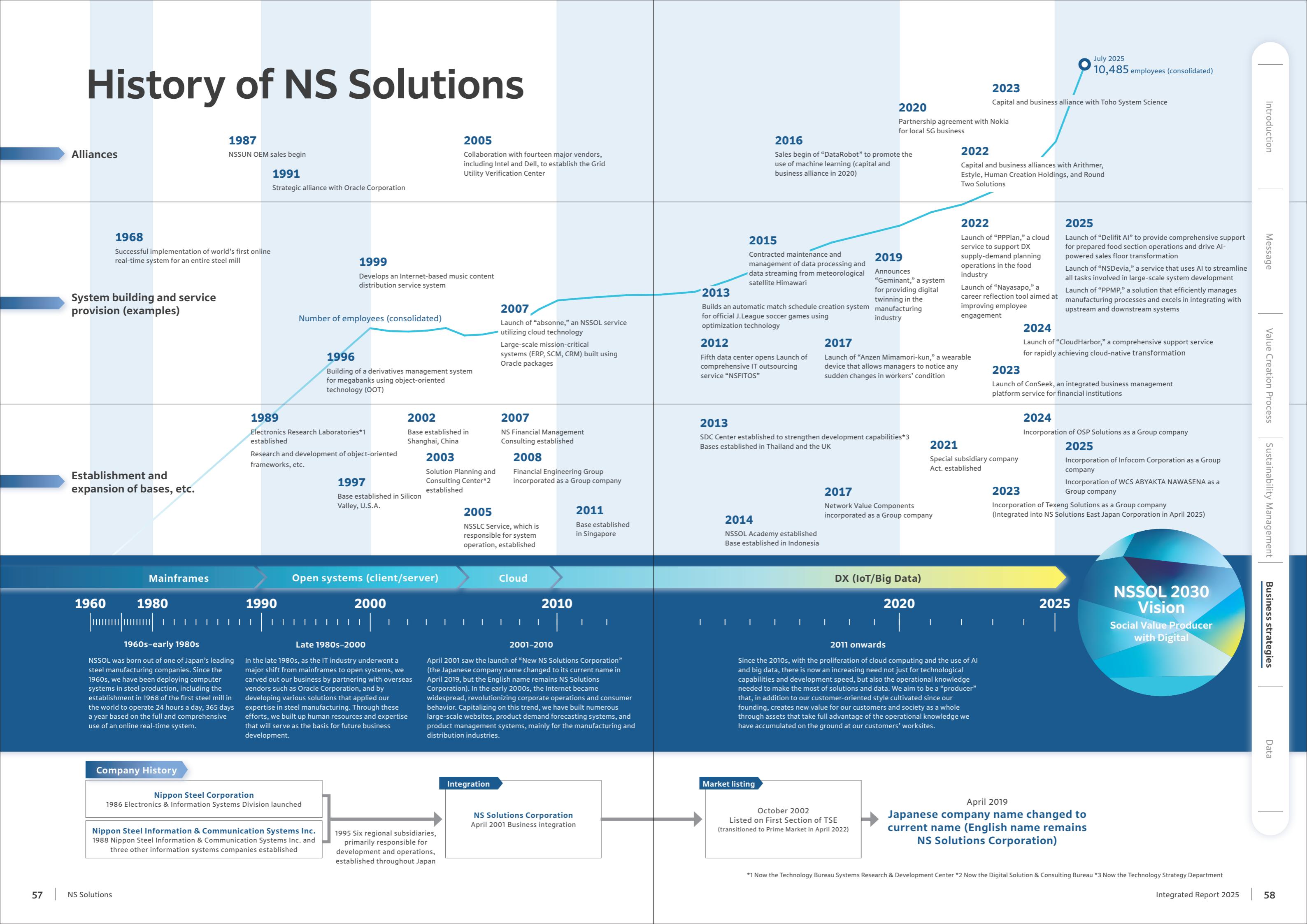
We believe that maximizing synergies with our parent company is one of our major strengths. This includes taking advantage of our status as a listed company, which brings benefits such as management independence, high governance standards, strong ambition for growth, and excellent human resource acquisition capabilities, while also deploying cutting-edge IT services developed within the parent company's fields of business to our general customers.

Protection of minority shareholders' interests and the Parent Company Transaction Deliberation Committee

NSSOL is entrusted by its parent company with the building of internal information systems and their operation and maintenance. Prices and other transaction terms are reasonably determined based on the terms and conditions of contracts with other customers and market prices. Furthermore, we intend to allocate our cash holdings toward growth investment, human capital investment, M&A activities, and shareholder returns to enhance corporate value. For temporary deposits of cash and deposits, we also utilize our parent company's CMS (Cash Management System) based on our independent judgment, considering benefits such as economic efficiency and convenience.

When significant transactions or dealings occur, a "Parent Company Transaction Deliberation Committee," composed entirely of independent outside directors, is established upon request from the Board of Directors to deliberate and review the matter, and decisions are made by the Board of Directors based on the results of such deliberations and reviews. Furthermore, each fiscal year, the Committee reviews and confirms the results of transactions with the parent company for the full year, including those involving the use of the CMS, and reports its evaluation to the Board of Directors. The Board of Directors then makes a determination as to whether such transactions constitute conflicts of interest and are in the common interests of shareholders.

History of NS Solutions



NS Solutions' Integrated Strengths

With integrated strengths backed by cutting-edge technologies and in-depth operational insights, NSSOL provides truly valuable information systems to our customers through consulting, system integration, and IT services for their systems.



Manufacturing Industry Digital Transformation Center



Executive Officer
Director, Manufacturing Industry Digital Transformation Center

Yoshiteru Okada

The Manufacturing Industry Digital Transformation Center serves as a Center of Excellence (CoE), centered on planning company-wide shared strategies for the digital manufacturing business, expanding solutions and use cases, and collaborating with the Industrial Business System Solutions Bureau and the Steelmaking System Solutions Bureau. Accordingly, it focuses on solutions strategy and planning that contribute to the growth of the digital manufacturing industry as a whole. The Center's initiatives are primarily concentrated in the following areas.

- Smart factory solutions utilizing digitalization technologies at worksites in manufacturing and other industries
- Data analysis, utilization, and solutions (Sol, SoE, SoR+)* to collect, store, and analyze diffuse data in a timely and appropriate manner and quickly reflect the resulting insights in operations such as production optimization and production/sales coordination.
- Supply chain traceability solutions for logistics issues, carbon neutrality, and quality traceability

* Sol (System of Insight): Systems for analyzing insights (e.g., business intelligence systems, etc.) SoE (System of Engagement): Systems to connect with users (e.g., CRM, SNS, etc.) SoR (System of Record): Systems for records (e.g., accounting, order management, manufacturing management systems, etc.) SoR+: A new systems concept that aims to realize data-driven management and operations by combining traditional SoR with Sol and SoE, and more recently, by making full use of AI technology.

Market Environment Analysis and Strategy

Growth opportunities

- Acceleration of the circular economy through material recycling and other measures, coupled with growing demand for information sharing within the industry (both domestically and internationally) (moves to differentiate from competitors by balancing areas of competition and collaboration within the industry)
- Increased importance of reducing production costs and reflecting costs in prices in response to personnel shortages and soaring prices for raw materials and energy
- Moves to strengthen data-driven management due to the increasing pace of digitization (growing needs for utilization and governance of data)
- Growing demand for data and digitalization in manufacturing sites through IT/OT/ET* information integration

* IT (Information Technology), OT (Operational Technology), ET (Engineering Technology)

Medium-term threats

- With the decline in Japan's population and the accompanying decrease in domestic demand, more and more companies are seeking to grow their businesses through international expansion. However, looking at global trends, the prolonged Ukraine conflict, Middle East tensions, and U.S. tariff policies create an environment with many uncertain factors ahead, making it difficult to be optimistic. Given these circumstances, the following factors pose risks that could hinder the growth of the manufacturing industry.
- A trend toward increased government involvement in the private sector and markets through industrial policy
- Further escalation of geopolitical risks
- Delays in IT initiatives and deterioration of IT governance due to staffing shortages in customer DX and ICT departments

Measures for achieving the Medium-term Management Plan

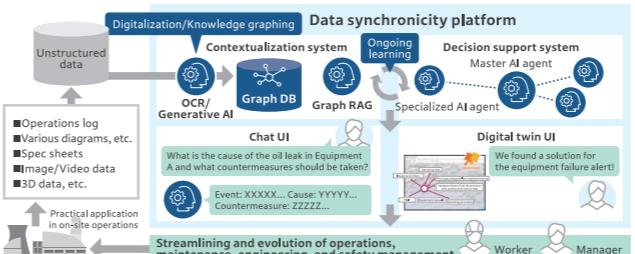
The Manufacturing Industry Digital Transformation Center focuses on developing solution strategies (including business strategies) and plans that contribute to the overall growth of the digital manufacturing industry. We will work to plan and advance the development of businesses (and products) as new A-type model solutions based on the assets and expertise amassed within the Industrial Business System Solutions Bureau and the Steelmaking System Solutions Bureau. Furthermore we will work to enhance the A-type model solutions that have already been developed into products, thereby evolving them into M-type model solutions. To that end, we will create a solution

enhancement roadmap and carry out activities according to the plan. Furthermore, we will conduct research on overall trends in the manufacturing industry (including global trends) before implementation, anticipate and predict future needs, and work to enhance the functionality of both new and existing solutions. In addition to overall trends in the manufacturing industry, we intend to closely monitor the actions of governments worldwide, including legislative changes, while also aligning our activities with the movements of government ministries and agencies, as well as economic organizations such as the Japan Business Federation.

Overview of solutions

Digital twin platform

We have commercialized and released "Geminant," a digital twin platform that visualizes all information related to plant operations, maintenance, and safety on a 3D map. Its key features are its ability to operate over wide areas and to make data visible across both space and time. The former allows it to represent not just one plant, but relationships between multiple plants. The latter allows the user to investigate abnormalities and their causes by looking at past and present conditions, and to identify signs of trouble by suggesting simulated future conditions. Furthermore, by contextualizing (associating) time-series data, images, videos, books, diagrams, etc., the autonomous agent will also be able to present information needed for on-site and management operations in a timely manner.



Interview

Solution Planning Group
Ai Ando

I collaborate with the company's bureaus to develop new data utilization solutions for the manufacturing industry. Our center employs many experienced staff, and is made up of employees from a wide variety of backgrounds. With only a small number of people and a close-knit atmosphere, this is a stimulating workplace where lively discussions take place, drawing on the multifaceted perspectives of team members possessing a wealth of expertise. With a spirit of "Move! toward Future," we will build new value together with our business divisions.



Solution Planning Group
Tomoo Harigaya

I work on planning and developing new solutions for the manufacturing industry. Within the Nippon Steel Group field, we collaborate with relevant business divisions to integrate a variety of operational insights and technological expertise. I find it very rewarding to work in cross-organizational teams and to take on the challenge of creating new value that only such teams can achieve. Through asset-based and platform-based businesses, we will deliver value to our customers and society, contributing to the realization of the 2030 Vision.

Industrial Business System Solutions Bureau



Senior Executive Officer
Director, Industrial Business System Solutions Bureau
Toshiaki Yoshida

Our bureau supports manufacturing industry customers with global operations in their DX initiatives, from planning and conceptualization to building and operation.

For customers in the automotive, electronics, precision machinery, industrial machinery, heavy industry, materials manufacturing, and food/beverage industries, we provide solutions for global production and logistics management, design information management, smart factories, and data utilization infrastructure, while for customers in the transportation industry, we provide solutions for shipping, operations, and equipment/material management systems.

In addition, we provide solutions to implement “data-driven management” that strengthens competitiveness by utilizing data from the field (Edge) to the Enterprise level and transforming business operations across processes.

Measures for achieving the Medium-term Management Plan

Our bureau is working to drive transformation within our own organization and expansion of our capabilities, striving to evolve into a leader that acts as a producer for the revival of Japan's manufacturing industry through the power of IT and provides guidance to client companies.

We have defined offering areas such as data-driven management, digital engineering, factory innovation, sustainable supply chains, and customer engagement. In FY2025, we began launching offerings tailored to address the challenges specific to customers' individual industries.

Additionally, we are advancing initiatives such as expanding existing domains and pursuing new business themes like IT-OT integration and AI/robotics. For each business area theme, we have appointed dedicated project leaders to drive discussions, and we will establish these themes as integrated industry solutions to deliver new value to our customers.

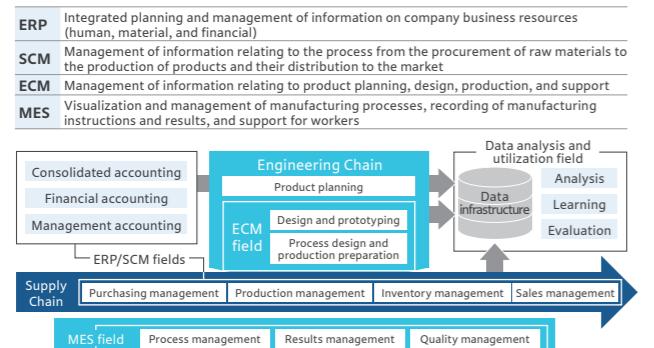
Overview of solutions

Addressing DX needs, especially in the manufacturing industry

We provide one-stop support for our customers' DX initiatives, from planning and conceptualization to execution and operation, earning acclaim across a wide range of fields.

Value chain building through ERP, SCM, ECM, MES, etc.

We have a proven track record of supporting numerous customers in building their value chains through solutions such as ERP, SCM, ECM, and MES.



Interview

Industrial System Solutions Division-I
Systems Engineering Department-II
Mei Muto

I work on building and promoting data utilization infrastructure for manufacturing clients. In this rapidly advancing field, new services and approaches emerge constantly, requiring ongoing learning and a commitment to taking on challenges. By combining the expertise of each team member, we provide an environment enabling real-time visualization and analysis for our clients' sales offices handling customer data from across the country. I hope to continue working hard as a data professional who can respond flexibly and quickly to evolving business needs!



Innovative Solution Management Center
Sustainable Supply Chain Department
Kanna Tsuchimoto

Our department serves as a Center of Excellence (CoE) for expanding the sustainable supply chain business area, focusing on understanding the latest market trends, developing services, conducting pre-order activities, and supporting project execution. I am working to enhance the services we provide to our customers by supporting overseas rollout projects for ERP packages, building implementation methodologies, and compiling case studies. We will keep working to develop and provide sustainable business models while driving further business expansion!

Market Environment Analysis and Strategy

Growth opportunities	<ul style="list-style-type: none"> ■ Further emergence of the need for more advanced business management centered on the use of data and adaptation to changes in the business environment ■ Increasing demand for enhancing the transparency and resilience of supply chains and strengthening risk management in response to geopolitical risks, pandemics, and other challenges ■ Growing importance of harnessing advanced technologies such as AI, IoT, and robotics to enhance the efficiency of manufacturing processes and improve quality ■ Increasing demand for flexible manufacturing systems to respond quickly to changes in consumer preferences and needs ■ Impact on imports and exports due to U.S.-China trade friction and other geopolitical tensions, tariffs, regulations, etc. ■ Changes in customer attitudes toward IT investment in response to rising raw material and energy prices ■ Postponement of IT investment by customers due to lack of digital human resources, etc.
Medium-term threats	<ul style="list-style-type: none"> ■ Impact on imports and exports due to U.S.-China trade friction and other geopolitical tensions, tariffs, regulations, etc. ■ Changes in customer attitudes toward IT investment in response to rising raw material and energy prices ■ Postponement of IT investment by customers due to lack of digital human resources, etc.

Steelmaking System Solutions Bureau



Senior Executive Officer
Director, Steelmaking System Solutions Bureau
Takeo Hoshino

Our bureau provides IT support for client companies, primarily within the Nippon Steel Group, across the entire system lifecycle, from planning and development to operation and maintenance, in all areas of operational systems that support corporate activities. We will continue to leverage cutting-edge IT to fulfill the goal of Nippon Steel, our largest customer, to become a “digitally advanced company in the steel industry.” Furthermore, it is our vital mission to accumulate as assets the knowledge, experience, and business achievements cultivated in the demanding steel industry, deploy them across the Nippon Steel Group, and share information with other bureaus within NSSOL, thereby providing broad added value to other industries as well.

Growth opportunities	<ul style="list-style-type: none"> ■ Nippon Steel is a leading company in the steel industry, operating manufacturing sites around the world, including seven steel mills in Japan. Using advanced information technology to support increasingly complex corporate operations, including environmental challenges, our bureau contributes to society through the sustainable supply of essential steel and seeks to grow together with our customers.
Medium-term threats	<ul style="list-style-type: none"> ■ To resolve the increasingly complex and sophisticated management issues faced by the Nippon Steel Group and achieve advanced DX, it is vital to secure outstanding human resources on a sustainable basis.

Measures for achieving the Medium-term Management Plan

In the steel sector, we are also advancing efforts toward the TAM-type business revenue model outlined in the Medium-term Management Plan.

First, for the “T-type Model,” we are working from the ground up to fundamentally streamline maintenance and operational tasks for steel mill systems using generative AI, as well as to enhance productivity in new system development. We are also building a framework that enables more precise maintenance, operations, and system development with fewer personnel.

For the “A-type Model,” we have packaged the expertise cultivated through our long-standing system development experience at Nippon Steel and are expanding its application, primarily to Nippon Steel Group companies. One such package is PPMP (Process-manufacturing Production Management Package). This package efficiently manages manufacturing processes from material supply to shipment, excelling in integration with both higher-level general management systems and lower-level field control systems. As of FY2024, it has been

deployed in multiple use cases. The image analysis package PPCV (Platform for Providing Computer Vision) utilizes cutting-edge image analysis AI. It features easy AI customization to meet customer needs and handles all user data securely within the system, eliminating concerns about data leaks.

Based on this success, we plan to expand the deployment of these packages beyond Nippon Steel Group companies in the future.

For the “M-type Model,” we are also promoting the expanded deployment of the remote equipment monitoring platform NS-IoT and the data utilization platform NS-Lib, both of which were developed for Nippon Steel, in collaboration with other business divisions. We will work to provide these platforms not only domestically but also to Nippon Steel Group companies overseas.

Overview of solutions

Strengths of the Steelmaking System Solutions Bureau

- Technological expertise and reliability that ensure the continuous operation of massive steel mills running 24/7 year-round.
- As an “insider” at Nippon Steel, we have an organizational culture that encourages, and takes pride in, working alongside actual users to share their concerns, think through challenges, and create solutions

Application of Advanced IT to the Nippon Steel Group

- System development supporting labor and resource savings
- Building of production management systems, production optimization DX, integrated quality management DX
- Platforms for connecting, manipulating, and utilizing data / Platforms for AI development and execution Examples)

NS-IoT Wireless IoT Sensor utilization Platform

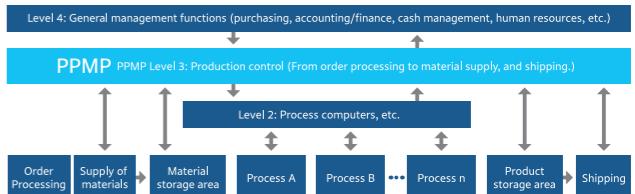
NS-Lib Integrated data platform

NS-DIG Integrated data analysis platform

Deployment of Expertise Acquired through System Development for Nippon Steel

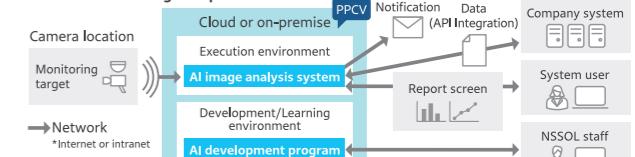
“PPMP” production control package

Process-manufacturing Production Management Package



“PPCV” image analysis package

Platform for Providing Computer Vision



Interview

Steelmaking System Solutions Bureau
Nagoya Systems Solution Department
Harunobu Yoshinaga

I work on using advanced technologies (numerical AI, image AI, etc.) as a tool to drive DX at steel mills. Until now, we have solved challenges alongside our customers using our accumulated operational insights and metallurgical expertise. However, with the dwindling number of veteran employees, we face challenges in passing down skills and maintaining productivity and quality. To overcome these issues, we will leverage generative AI, which has recently reached a practical level, as a “strategic asset.” This will involve transferring the tacit knowledge of skilled workers to generative AI, further advancing the co-creation through “on-site capabilities combined with AI” that underpins world-class manufacturing.



Steelmaking System Solutions Bureau
Systems Planning & Engineering Department-III
Moe Ikeda

I work on the development and maintenance of the PPMP steel production control package. PPMP is the first package developed in-house by our bureau, and was created through trial and error alongside our colleagues to meet the wide-ranging expectations of our customers. Together with our highly motivated colleagues, our products have earned high praise from customers as solutions perfectly suited to the Nippon Steel Group. We will continue to evolve and take on new challenges as a driving force in the A-Type business model.



Retail & Service Business System Solutions Bureau



Executive Officer
Director, Retail & Service Business System Solutions Bureau
Kengo Nakahashi

Our bureau focuses on the distribution and services sector, delivering solutions that incorporate the latest technologies in both the Internet and real world. Their applications range from everyday consumer services such as Internet businesses and telecommunications, the recruitment industry, for job changes and new graduate hiring, the distribution industry, including retail, apparel, and department stores, the travel industry, encompassing airlines and travel agencies, and further extending to the healthcare and life sciences industries. Our strength lies in our product development capabilities, which allow us to be involved from the planning stages of our customers' platform strategies and new data-driven services, as well as to handle development, building, and operation. We specialize in agile development centered around IT direction services that serve to bridge the gap between customers' business planning and development.

Measures for achieving the Medium-term Management Plan

Initiatives for AI-driven T-type and A-type models

Using NSDevia, our bureau will enhance development productivity within the company and advance the T-type model, a key initiative of the Medium-term Management Plan. Additionally, we will provide A-type services to meet customers' growing demand for automation and labor-saving solutions utilizing generative AI.

In April 2025, our bureau launched the Development AI Solutions Group and introduced the NSDevia brand as an AI-powered development support solution, which will be deployed both internally and externally. In FY2025, we launched a "development automation service" as our first initiative, realized through a partnership with Jitera, a company that automatically generates application source code. During FY2026, we plan to launch AI services as part of the NSDevia series: an AI-based "automated testing service" and an "operational efficiency service" that improves the efficiency of call center operations and utilizes observability data to streamline operations.

Initiatives for M-type models that combine advanced operational insights with cutting-edge technology

Our bureau has identified three offerings that encapsulate the strengths and characteristics consistently valued by customers across the six distinct industry segments we serve. These are (1) Net service development capabilities, (2) Large-scale platform functionality infrastructure provision capabilities, and (3) Data utilization solution provision capabilities. Out of these three cross-functional offerings, we will deploy the e-commerce mall platform "NS Eclips" as an M-type solution, combining advanced operational expertise with the latest platform technology. We possess a proven track record of building systems to realize numerous e-commerce services for our customers. We are working to

Overview of solutions

Delifit AI

This is a sales planning solution specifically designed to improve operational efficiency in the prepared foods section of retail stores. Based on demand forecasting and proprietary optimization technology, this SaaS solution uses AI to automatically generate sales plans that maximize gross profit while minimizing food waste. Going forward, we will gradually expand support for sections other than prepared food.



TRIPHOO

We have a proven track record with customers including travel agencies, airlines, rail companies, travel service sites. We are especially highly regarded for our capabilities in dynamic packaging, and in addition to custom development, we also offer the "TRIPHOO" service. We aim to be the No. 1 integrator supporting the streamlining of travel product sales and procurement operations.



Nayasapo

This survey service, an award winner at the Good Design Awards 2024, uncovers honest opinions about employee engagement and career concerns. By helping employees set out their own work-related concerns, it helps them resolve issues themselves or improve situations through communication with others. In this way, it can help address talent mismatches, reskilling, and the consideration and implementation of HR initiatives.



Interview

Retail & Service Business System Solutions Bureau
Advanced Technology Department

Shinji Aihara

I belong to a specialized organization that provides technical and architectural support across all bureaus. We have a large number of engineers actively working at the forefront of cloud-native technologies and modern application development, and a culture is in place where we can learn from each other and grow together. We constantly strive to generalize insights gained through solving challenges for customers in a variety of industries into assets that can be leveraged both internally and externally, providing a technical foundation that combines reusability and quality. We will continue to draw on our technological expertise and organizational capacity to contribute to creating value that supports our customers' DX and business growth.



Retail & Service Business System Solutions Division-II
Net Service Development Department-III

Yuya Kawata

I am responsible for supporting upstream processes (definitions of requirements, project management) for consumer services at telecom carriers. Customers are simultaneously undertaking multiple projects while seeking solutions to challenges in business transformation. As such, I work to solve these issues on the customer's behalf, maintaining a sense of ownership that exceeds even theirs, and it gives me a sense of fulfillment when I am able to contribute. Moving forward, we will draw on the operational insights we have cultivated with telecom carriers to contribute to society as producers who propose our own new value.



Market Environment Analysis and Strategy



Financial System Solutions Bureau



Senior Executive Officer
Director, Financial System Solutions Bureau
Takumi Maehara

The financial services business industry is at the forefront of IT, where the ability to quickly obtain, analyze, and utilize information determines everything. Based on the deep operational insights and implementation capabilities in financial engineering and risk regulation that we have cultivated over the past 20 years, this bureau has provided consistent support throughout the system lifecycle, from application building to maintenance, with an unrivaled competitive advantage in the derivatives and risk management fields.

Measures for achieving the Medium-term Management Plan

Realizing a TAM-type business revenue model

Driven by the transformation to a TAM business model as a growth driver, we will achieve a shift toward high-value-added businesses (T-type), expand our package lineup (A-type), and take on the challenge of platform businesses (M-type). In shifting to high-value-added businesses, we will focus on developing assets from our strengths in financial engineering and other areas, as well as enhancing development processes through the use of generative AI. For A-type businesses, we plan to enhance proposal capabilities by advancing knowledge sharing and AI utilization to drive business expansion. Furthermore, to evolve A-type businesses into M-type businesses, we will leverage our company-wide cloud platform "Nestorium" to expand services for financial institutions and business corporations.

NSFMC, which specializes in business consulting, and FEG, which specializes in data science, will together form a Financial Solutions Services Group to act as a provider of financial functions.

Overview of solutions

Market trading & risk management, business management solutions

By drawing on our accumulated expertise in market trading, risk management, and business management, we are expanding our solutions into areas such as commodity trading and risk management, energy trading and risk management, asset management, and financial management.

AML solutions

Regarding AML (Anti-Money Laundering), a critical social issue, we provide solutions for KYC (Know Your Customer), customer lifecycle management, and transaction monitoring, thereby supporting financial institutions in digitalizing customer onboarding and ongoing customer management.

Data Solutions

The importance of data-driven management is also increasing within financial institutions, and this is directly linked to the provision of secure and high-value-added services.

Our bureau supports systems that enable our customers to utilize their data effectively.

Interview

Sales Division
Sales Department-I
Keiichi Sato



I am responsible for dealing with megabank groups, proposing optimal solutions for our customers ranging from custom-developed systems to in-house and overseas packages. Maintaining our presence in the rapidly changing financial industry is no easy task. Under the vision "Move! with Everyone," the entire Sales Division works in close coordination to carry out our operations. We will continue to challenge ourselves not only to provide value to individual customers, but also to contribute to the development of the financial industry as a whole.

Financial Engineering Group (FEG)
Consulting Bureau



Maho Honda/Hidetake Takahashi

Our company is a collective of data scientists, founded in 1989. Drawing on statistical and mathematical expertise, we possess extensive experience in credit analysis for financial institutions and provide services that leverage our own assets. We are also working on image and natural language analysis using AI. As a company that actively recruits and trains young people, we have received Youth Yell certification* from the Ministry of Health, Labour and Welfare.

* <https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/0000100266.html>

Market Environment Analysis and Strategy

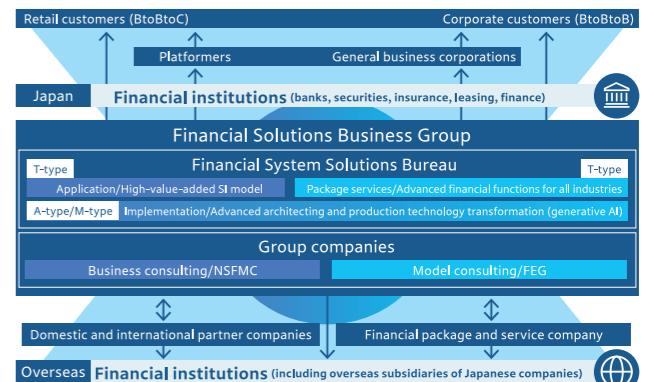


Global

The Financial 2030 Vision outlines plans to deploy our own assets overseas and expand our business not only within Japan but also to financial institutions abroad. Under the current medium-term plan, we will expand our existing overseas SI business and business support at Japanese banks' overseas locations while laying the groundwork for full-scale expansion through collaboration with overseas distributors.

Enhancing resources and improving engagement

To ensure that the above measures are effectively implemented, we will establish an Architect VCoE, expand financial engineering training, and enhance both consulting and development capabilities through regular rotation. Additionally, as part of our initiatives to enhance engagement, we will work to improve our working environment and business processes.



Financial Platform Division
Capital Market Solutions Department
Yukari Takahashi



As a sales agent for overseas-made financial market package systems, I handle system sales, implementation, and maintenance. We provide a wide range of solutions for clients including regional banks, government-affiliated financial institutions, and online banks. Our mission is to capitalize on our extensive operational insights to accurately meet our customers' needs. We will continue to strive to provide better services by understanding our clients' business strategies and organizational cultures and maintaining close communication.

NS Financial Management Consulting (NSFMC)
Consulting Department-I



Toma Shimoyama/Akiho Wakabayashi

Alongside the NSSOL Vision, our 2030 Vision, "Group-based Social Value Producer with Consulting," further clarifies the role we must fulfill. Progress is underway in developing a shared understanding inside the company, and awareness regarding future initiatives is becoming more firmly established. By drawing on our strengths, including insights into the financial sector and consulting expertise, we aim to contribute to creating value across the Group as a whole.

IT Services & Engineering Bureau



Senior Executive Officer
Director, IT Services & Engineering Bureau
Yasuhiro Okada

This bureau supports the sustainable development of our customers' business activities and contributes to environmental and social sustainability by using the vast assets we have accumulated over the years to provide advanced IT services, system building, and stable operation for a wide range of customers, from companies working to solve social issues and large corporations supporting social infrastructure to public institutions such as national and local government agencies. In this way, we are working to Make IT Sustainable.

Measures for achieving the Medium-term Management Plan

By putting together solutions that leverage our assets, our bureau contributes to our customers' business growth by providing support for organizational reforms that enable continuous growth, stable IT infrastructure as social infrastructure, and IT environments in which a diverse range of personnel can play an active role. We will focus on six technology domains: Cloud Lift&Shift, Value Communication (telecoms sector), Oracle, Digital Workplace, large-scale project management capabilities (public sector), and IT Sourcing. In the first half of the medium-term plan period, we will enhance the profitability of existing T-type and A-type business models while launching and expanding new A-type and M-type business models. Then, in the latter half, we will realize growth. By FY2027, we aim to achieve a business structure where T-type, A-type, and M-type models account for approximately 60% of our overall business.

Cloud Lift&Shift



Digital Workplace

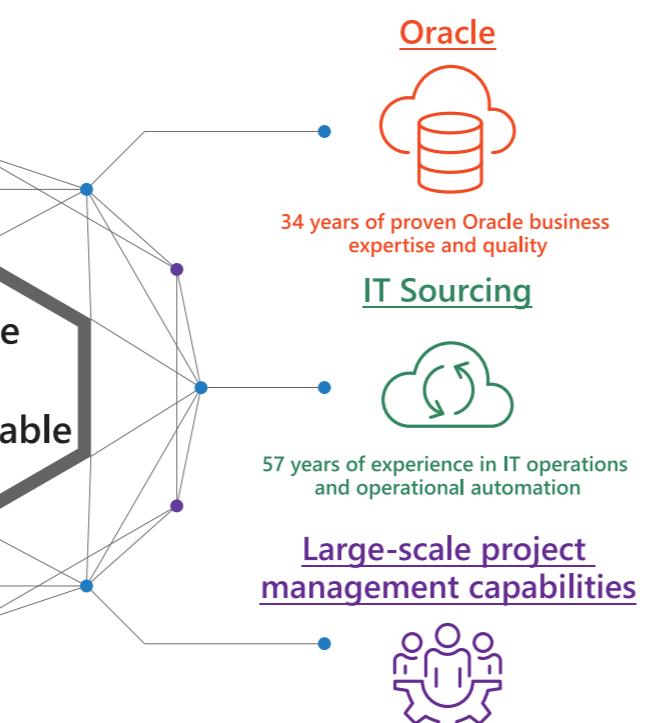


Value Communication



T-type	Thorough utilization of assets in building, promotion of Fit to Standard, and automation and pooling of operations
A-type	Expansion of existing services (emerald, absonne, CloudHarbor, OCI, etc.), enhanced profitability, and development of new assets utilizing AI
M-type	Platformization of emerald and cybersecurity services

To advance these strategic business initiatives, we have established a Strategy & Consulting Division to prioritize resources and investments, facilitate client engagement through consulting, develop new solutions, cultivate talent, and drive external growth.



Affiliated companies

NS Solutions Service and Technology Corporation



We will continue to evolve as a company that creates and delivers the value of security and trust, by combining our "technology and experience that keep services running" with "the ability to create through the use of technology," under our new name, NS Solutions Service & Technology Corporation.

(Company name changed from NSSLC Service Corporation on April 1, 2025)

Network Value Components Ltd.



"Be the forefront. Defend the future."

Our company possesses advanced expertise and product innovation capabilities in the field of cybersecurity within the NSSOL Group, and we work together as one to stay one step ahead of customer needs and help shape their future.

We will continue to drive sustainable growth by further enhancing our product and service lineup and increasing the value we provide to our customers.

Market Environment Analysis and Strategy

Growth opportunities

- Growing expertise and needs with regard to new types of IT infrastructure such as DX, AI utilization, zero-trust, multi-cloud, 5G networks, etc.
- Growing need for IT services due to a shrinking workforce and a shortage of IT personnel in the corporate sector
- Growing need for automation of operations and remote services as a result of increasingly diverse work styles

Medium-term threats

- Commodification in the areas of building and operations, the full-scale adoption of AI, and the subsequent emergence of new operational services
- Shift in customer needs from traditional SI to services, intensified competition for digital human resources inside and outside the industry
- Larger, more severe, and more frequent cyberattacks targeting critical infrastructure

Overview of solutions

Cloud Lift&Shift

In addition to our core system cloud infrastructure (absonne), we combine public clouds (Oracle Cloud, AWS, Azure) and comprehensive services for supporting the shift to cloud-native (CloudHarbor), allowing us to provide optimal IT infrastructure environments.



Microsoft Azure



Google Cloud

CloudHarbor

Digital Workplace

We provide Virtual Desktop Services (M³DaaS), self-service AI helpdesk solutions (NSiSone) to enhance employee engagement, and cybersecurity solutions (NSSIRIUS) to strengthen business continuity, and through the use of digital technology, we enable new ways of working.



NSSIRIUS

NSiSone

IT Sourcing

In operational services (emerald), we have started offering a new service (emerald SaaS). It enhances operational quality through an ITIL-compliant operational system (emerald System) that enables rapid implementation of IT operations, operational knowledge (emerald Knowledge) that supports an utilization of the operational system, and our proprietary quantitative visualization of IT operational status (IT Operations Performance Score). We also work with customers on both IT strategy and technology (xSource) to accelerate business growth.



xSource

*Oracle, Java, MySQL and NetSuite are registered trademarks of Oracle Corporation. NetSuite was the first cloud company—ushering in the new era of cloud computing.

Interview

Digital Platform Division
Telecom Network Services Department
Masaki Matsui / Naoko Wada



We work on the provision of network services for telecom carriers. Drawing on our strengths in providing global cutting-edge solutions with high quality and stability, this underpins communication networks as social infrastructure. Workplace communication is vibrant, with an environment that not only encourages the free exchange of ideas but also supports employees' initiatives. Within this environment, we maintain a professional mindset and challenge ourselves to enhance the value and quality we deliver to our customers, acquire new technologies, and transform our business model (TAM).

IT Sourcing Division
emerald Promotion Department
Ryujiro Nishinaka / Mana Okada



Our work involves handling planning, development, and operation for emerald. Drawing on knowledge gained from over 60 years of IT operations experience, and taking advantage of a platform that enables rapid advancement in operations by keeping pace with technological change, we collaborate with affiliated companies and numerous other stakeholders to provide services. This allows us to support the activities of our customers' IT departments, regardless of industry. Moving forward, we will uphold the spirit of "Move! with Everyone," striving for daily improvement, embracing new technologies, and expanding our areas of expertise to enhance the value we deliver to our customers.

Digital Solution & Consulting Bureau



Executive Officer
Director, Digital Solution & Consulting Bureau
Hisashi Norikane

Consisting of a center responsible for providing a range of offerings that leverage upstream consulting and pioneering technologies, and a business division that delivers digital solutions, our bureau provides integrated services across industries from upstream consulting to the provision and operation of solutions.

We provide specialized support for our customers' DX by combining strategic planning capabilities for business and digital transformation, design and implementation capabilities for data utilization and architecture, and cutting-edge technological expertise in AI, generative AI, optimization, and more. Additionally, we accelerate our customers' DX initiatives by providing solutions such as low-code platforms that support in-house development, enterprise BPM, document management, and workflow systems, as well as electronic contracts that underpin BtoB and BtoC transactions.

Measures for achieving the Medium-term Management Plan

Over the course of this Medium-term Management Plan, our bureau will build and advance the offering businesses essential to realizing the NSSOL 2030 Vision, while also strengthening upstream consulting.

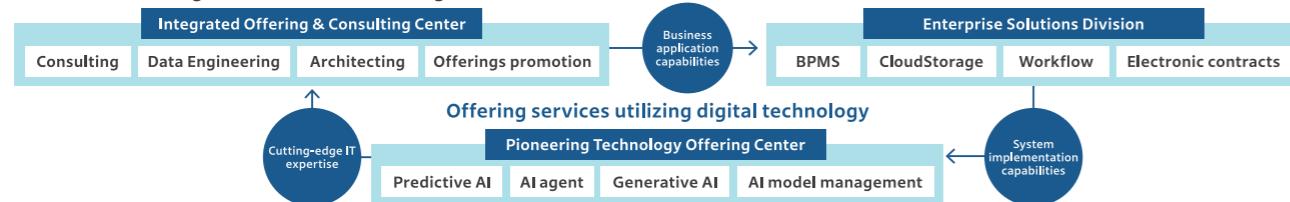
Regarding our offering business, we will build and provide integrated offerings centered on our core horizontal solutions, one of this bureau's strengths, combined with our company's lineup of industry-specific and cross-industry services, as well as cutting-edge technologies and products such as AI, generative AI, and optimization. This will strengthen our hypothesis-based proposals and implementation approaches aimed at identifying and solving our customers' business and digital challenges.

For upstream consulting, we will strengthen our core offerings in key areas and themes such as the reform of business processes, organizational structures, and human resources; the utilization of data; and architectural transformation. We will also expand our team of consultants who serve as business producers. To realize these goals, we will consolidate our capabilities and assets, including consulting, AI/generative AI, data utilization, and architecture, within this bureau, as well as collaborating with the Systems Research & Development Center to integrate pioneering technologies into our offerings.

Meanwhile, with respect to the enterprise solutions essential for advancing our offering business, we will integrate our operational insights and technologies into solutions such as document management, electronic contracts, enterprise BPM, and low-code platforms held by this bureau, thereby advancing their conversion into assets (promotion of the A-type model).

Furthermore, regarding our electronic contract solutions, the core of our M-type business, we will drive the transition to products (CONTRACT CROSS/CONTRACT CUBE) that address high-level needs such as large-scale usage and individual customization, thereby further expanding M-type business.

Overview of the Digital Solution & Consulting Bureau



Interview

Integrated Offering & Consulting Center
Sales and Marketing Group
Yusuke Kato

As a sales planner for the Offering Business, I work on improving future sales approaches while also serving as a consultant on actual projects. I find it very rewarding to work on numerous new initiatives, continuously testing hypotheses by leveraging insights gained at both sites, and ultimately driving tangible results. With a culture that encourages sharing challenges across departments, we aim to work together as one organization to continue delivering greater value to our customers and our company.



Enterprise Solutions Division
Application Services Department-II
Hibiki Nakada

I joined the company as a mid-career hire in 2023, and I handle the development and maintenance of our electronic contract services. Within agile development, I prioritize teamwork while striving as a leader to achieve both better product development and a more comfortable working environment. Feedback from stakeholders serves as motivation for our work, and we strive not only to meet their requests but also to keep thinking about what features are truly valuable. We will strive to further improve the efficiency of our development and become an organization that wins the trust of many more people.

Systems Research & Development Center, Technology Bureau



Executive Officer
Technology Bureau
Toru Arisawa

The Technology Bureau is a planning and promotion department for maintaining and improving our technological expertise in IT, which is one of the sources of our competitiveness.

It has three missions: (1) to enhance our technological expertise, (2) to improve our IT equipment, and (3) to strengthen our IT risk countermeasures and governance.

To achieve the goals of the Medium-term Management Plan, we will equip the entire company to safely utilize pioneering technologies such



Executive Fellow
Director, Systems Research & Development Center, Technology Bureau
Etsuro Minami

as AI, thereby enhancing productivity across the entire organization.

The Systems Research & Development Center is responsible for Mission (1), conducting research and development aimed at applying the latest technologies.

In this way, it plays the role of accelerating the collaboration between research and development and business operations, enabling the rapid adoption of pioneering technologies and their application in development environments.

Measures for achieving the Medium-term Management Plan

The Technology Bureau will take a central role in the transformation of technology acquisition and application processes, as outlined in the Medium-term Management Plan.

Enhancing collaboration with research and development and business operations

The Systems Research & Development Center will work together with our bureaus to build a framework for creating new businesses and expand collaboration.

Dramatic improvement of development productivity through standardization

Standardization of development processes and architecture, based on pioneering technologies such as AI and cloud-native, will be undertaken. Putting in place a supporting environment and tools will lead to a significant boost in productivity.

Promotion of the use of generative AI throughout the company

In collaboration with the AI Utilization Promotion Center, we provide generative AI tools that can be immediately used on-site for development, operation, and maintenance, making the use of AI a daily practice.

Development of provision-type IT service platforms and promotion of their use

As a tangible implementation of these measures, the Technology Bureau provides the company-wide standard IT service platform "Nestorium," and is advancing its further enhancement and development.

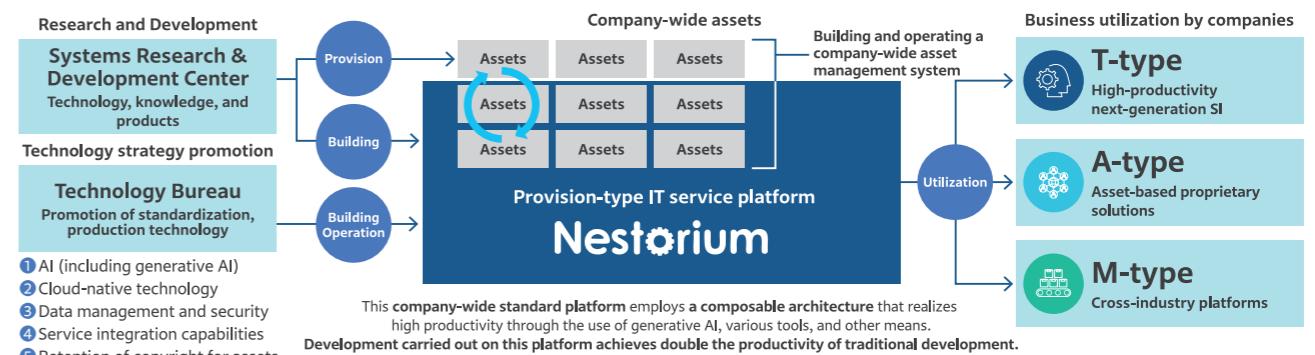
Nestorium is a platform for provision-type IT services that offers robust security and common functions such as monitoring, logging, and backup in a single package. This enables each business unit (BU) to rapidly launch SaaS-type services without having to prepare infrastructure individually.

As such, it is aimed at breaking away from man-month-based system

integration and expanding our asset-based business. Nestorium enables development teams to focus on areas of differentiation (such as the core app and proprietary services), thereby shortening development lead times while automatically standardizing security and quality. The key feature is that templated infrastructure code and reference architectures can be reused, simultaneously boosting productivity and reliability.

Full provision of the service began in April 2025. Going forward, we plan to implement the following in phases (1) establishing a 24/7, year-round operational framework, (2) expanding the AI and advanced analytics infrastructure, DevSecOps toolchain, and developer portal, and (3) adding IT Service Management (ITSM) functions and generative AI components. We regard Nestorium itself as a "continuously evolving platform," and we plan to continue investing in functional enhancements and strengthening of technological assets over the medium to long term. Additionally, we will integrate assets developed by the Systems Research & Development Center, such as the test automation tool Curatis and specification review tools, into Nestorium. This will accelerate the application of research outcomes to business development while further boosting productivity by providing development tools that utilize generative AI.

Nestorium is both a technological initiative and a management transformation initiative, and its success will significantly contribute to realizing the NSSOL 2030 Vision. Through these initiatives, we aim to achieve our medium-term management goals: (1) transforming our business model (expanding SaaS-based business), (2) rapidly creating new businesses, (3) improving quality and standardizing security company-wide, (4) reallocating human resources to high-value-added areas, and (5) further strengthening DevOps and cloud-native development.



Interview

Systems Research & Development Center
Service Design Research Department
Hayahide Nagase / Asumi Bando

In addition to supporting our customers' EX/UX, our mission under the 2030 Vision is to serve as a foundry within NSSOL, conducting market research for service planning across business units and designing products with added value based on research outcomes from the Systems Research & Development Center. Our workplace fosters peace of mind and a sense of unity, providing an environment where we feel empowered to grow. I find it very rewarding when I can draw out user insights in experience design. Moving forward, we will leverage pioneering AI technology to streamline verification processes, creating an environment where designers can focus on delivering original value. This will lead to the creation of valuable products and allow us to contribute to society through our achievements.



Technology Strategy Department
Yuko Hyakutake

As part of my efforts to visualize development productivity on Nestorium, I am working toward the implementation of a tool that supports autonomous and continuous improvement of team activities. Given that this mission is closely tied to doubling development productivity, it is one we are tackling with a sense of purpose and excitement. We collaborate with the development team at the Systems Research & Development Center to effectively utilize their research outcomes across business units, and based on our "Free, Flat, and Fun" team culture, we work through a process of trial and error with a positive attitude. Following the release, we plan to continue working alongside the development teams in business units as part of our technical support efforts, contributing to increased tool adoption and improved productivity.

Domestic Group Companies

Regional Subsidiaries

Our regional subsidiaries work together on software development, system operation and maintenance services for projects awarded to NSSOL, while at the same time leveraging the strengths of each company to take on system projects targeting their respective regional markets.

NS Solutions East Japan Corporation

I'm Akiya Sato, from Business Solutions Division 2. I work closely with NSSOL to handle system development and organizational management for travel industry accounts. In order to accurately capture customer needs in a rapidly changing market, we are advancing projects through close communication with our customers. Our strength lies in a workplace environment where we collaborate with colleagues from a variety of backgrounds, from experienced peers to newly assigned team members, and take advantage of their wide-ranging perspectives.

NS Solutions Kansai Corporation

I'm Haruhisa Nagata, from the SE2 Department of the Business Solutions Division. Our department handles the account of a particular railway company, and within that, I am responsible for planning, implementing, and supporting the operation of data utilization infrastructure using Denodo (a data virtualization platform). While there is considerable effort involved in engaging on a deep level with customers and product vendors to discuss system concepts and drive implementation, the sense of fulfillment and achievement is equally great. Although each member of our team handles different tasks, we all work together and inspire one another.

Infocom Corporation

Infocom has been an NSSOL Group company since July 2025. Drawing on its strengths in expertise regarding customer business domains cultivated since its founding, as well as its technological capabilities in IT implementation, the company provides IT services including planning, development, operation, and management of information systems to corporations, medical institutions, pharmaceutical companies, public agencies, and others.

Special subsidiary company

Act. Corporation

Act. was established with the goal of creating long-term employment and activity opportunities for people with a variety of disabilities. It is a company where people with and without disabilities work together to create new and valuable products, and its management vision is "to be a group that delivers excitement to 100 million people."

Joint Ventures

As well as providing business solutions unique to each company and selling information system products, our joint ventures also plan and design systems and develop software for NSSOL's projects in sectors such as financial services and manufacturing.

NCI Systems Integration, Inc.

At NCI Systems Integration, we specialize in implementing systems for various industries including finance, manufacturing, distribution and services, and healthcare. With close business ties to our parent companies, NSSOL and ITOCHU Corporation, we contribute to society through the provision of exceptional systems.



NS Solutions Hokkaido Corporation

I'm Wataru Kono, from the Engineering Department 2 of Business Solutions Division 1. As part of a collaborative project with the Retail & Service Business System Solutions Bureau, I work on enhancement development and maintenance projects in the retail sector. Our department is distinguished by its ability to advance projects through direct communication with customers. We maintain a constant sense of pressure while drawing motivation from the gratitude that they give us. As a workplace, it has many employees with a calm demeanor and frequent opportunities for cross-departmental interaction.



NS Solutions Chubu Corporation

I'm Koichiro Kiwada, from the Steelmaking System Solutions Division. I handle the operation and maintenance of computer systems at the Nagoya Works, working on a three-shift rotation that runs 24 hours a day, 365 days a year. Since I joined the company, there has been a generational shift in the workplace, with an increasing number of energetic junior colleagues. As such, a diverse range of team members now collaborate to support the stable operation of the plant's systems. This is an environment where individuals can feel their growth through their work, and I find it deeply rewarding. Moreover, our workplace fosters open communication across generations, with active interaction on both professional and personal levels.



NS Solutions Kyushu Corporation

I'm Maki Iinuma, from the Steelmaking System Solutions Division. I am responsible for verifying technologies, such as AI, and developing systems for the Yawata Area of the Kyushu Works. Although developing solutions from unconventional perspectives, such as using image recognition to assist with tasks, is challenging due to the lack of precedents, it's exciting to take on new challenges. The workplace has many young members, and we work together in a friendly and convivial atmosphere.



OSP Solutions Inc.

I'm Mao Nakasone, from the NSSOL Business Division. My work involves providing product maintenance support for client companies and maintaining their production and sales systems. I approach my daily tasks with a clear focus on the user's goals, always keeping in mind what they want to achieve. I've only recently returned from parental leave, but with the support of my team, I'm working hard to balance work and family life. It's a workplace full of kind people who are always ready to help and think things through with you whenever you need it.



Joint Ventures

As well as providing business solutions unique to each company and selling information system products, our joint ventures also plan and design systems and develop software for NSSOL's projects in sectors such as financial services and manufacturing.



NCI Systems Integration, Inc.

At NCI Systems Integration, we specialize in implementing systems for various industries including finance, manufacturing, distribution and services, and healthcare. With close business ties to our parent companies, NSSOL and ITOCHU Corporation, we contribute to society through the provision of exceptional systems.



NIPON STEEL Hitachi Systems Solutions, Inc.

We aim to be a company that can contribute to customers and to society as a group of IT professionals that, in addition to systemization and support for the improvement and optimization of customers' businesses themselves, can also support customers' entire core business networks with the power of IT and digital technology.

Overseas Group Companies

PT. WCS ABYAKTA NAWASENA

Our company joined the NSSOL Group on June 10 of this year.

From our two bases in Jakarta and Surabaya, we provide Dynamics 365 solutions primarily to the local subsidiaries of Indonesian companies across the ASEAN region. We plan to contribute to the growth of overseas operations and the realization of the NSSOL 2030 Vision by expanding our business in the rapidly growing Southeast Asian region and leveraging synergies with the NSSOL Group.



Thai NS Solutions Co., Ltd.

At Thai NS Solutions, we provide NSG-ITOS (comprehensive IT outsourcing services), SAP, MES services, and other solutions primarily to Nippon Steel Group companies and Japanese manufacturing firms in Thailand. By combining services such as cloud and security from G-Able, a major local system integrator that the company has recently partnered with, we aim to achieve a further leap in the field of growth markets in Asia.



NS Solutions Asia Pacific Pte.Ltd.

At NS Solutions Asia Pacific, we have a long history of providing consulting and core solutions to customers such as financial institutions, trading companies, and leasing companies in Singapore, one of the key hubs of the dynamic Asian region. Going forward, we will establish an environment enabling the development of various solutions and assets on NSSOL's common platform Nestorium, based on the business and IT expertise accumulated both here and at NSSOL. In this way, we will continue to work with Asian customers to contribute to the development of the region's economy.



NS Solutions IT Consulting Europe Ltd.

At NS Solutions IT Consulting Europe, we provide consulting services for Japanese financial institutions based in London. By inheriting the advanced operational and technical insights held by the Financial System Solutions Bureau in Japan, we promote various customer operation support services in Europe. This will enable the global sharing of cutting-edge financial IT expertise and contribute to the expansion of NSSOL's overseas business.



Financial Information

Consolidated Financial Results (Millions of yen)

	Japanese GAAP		IFRS			
	FY2020	FY2021	FY2022	FY2023	FY2024	
Statement of Income						
Revenue	251,992	270,332	270,332	291,688	310,632	338,301
Cost of sales	200,042	210,011	209,883	225,752	238,790	256,594
Gross profit	51,950	60,321	60,448	65,935	71,841	81,707
Selling, general and administrative expenses	27,400	30,505	30,014	33,007	36,634	41,071
Operating profit	24,549	29,815	29,886	31,738	35,001	38,497
Ordinary profit / Profit before income taxes	25,101	30,811	30,687	32,101	35,437	39,076
Profit attributable to owners of parent	16,982	19,977	20,521	22,000	24,241	27,049
Balance Sheet (End of Fiscal Year)						
Total assets	272,223	296,790	325,764	319,908	374,637	421,302
Current assets	171,834	187,686	187,343	207,383	228,258	324,824
Non-current assets	100,388	109,103	138,420	112,525	146,379	96,477
Total liabilities	86,094	93,360	121,194	112,108	129,853	151,487
Current liabilities	60,694	62,165	67,757	72,619	81,237	119,175
Non-current liabilities	25,400	31,195	53,436	39,489	48,615	32,312
Total net assets / Total equity	186,128	203,429	204,569	207,800	244,783	269,815
Statement of Cash Flows						
Cash flow from operating activities	17,544	32,313	38,406	26,032	26,154	37,207
Cash flow from investing activities	10,414	-8,540	-8,540	-5,635	-8,570	70,249
Cash flow from financing activities	-7,395	-6,845	-12,939	-14,943	-15,078	-18,805
Capital investment, depreciation and R&D expenses						
Capital investment*	3,764	9,032	5,337	4,400	3,122	3,513
Depreciation	6,145	5,523	11,637	12,620	12,050	12,134
Research and development expenses	1,694	1,942	1,942	2,320	2,405	2,833
Financial Indicators						
Gross profit margin (%)	20.6	22.3	22.4	22.6	23.1	24.2
Operating margin (%)	9.7	11.0	11.1	10.9	11.3	11.4
ROE (%)	10.3	10.6	10.8	11.0	11.1	10.9
ROA (%)	9.8	10.8	9.7	9.9	10.2	9.8
Dividend payout ratio (%)	28.3	30.2	29.4	31.2	32.1	50.1

* Capital investment does not include the acquisition of right-of-use assets.

Sales by Segment / Customer Industry (Millions of yen)

	FY2022	Example of FY2022 results totaled under the new categories	FY2023	Example of FY2023 results totaled using the reclassified figures*	FY2024
Segment Information					
Orders Received					
Business Solutions	165,474				
Manufacturing, Retail & Service	82,379				
Financial Services	33,622				
Public Sector, etc.	49,472				
Service Solutions	106,086				
IT Infrastructure	44,229				
Nippon Steel Group	61,857				
Subsidiaries	42,003				
Total	313,564				
Revenue					
Business Solutions	156,787				
Manufacturing, Retail & Service	78,508				
Financial Services	34,518				
Public Sector, etc.	43,759				
Service Solutions	96,870				
IT Infrastructure	38,945				
Nippon Steel Group	57,925				
Subsidiaries	38,029				
Total	291,688				
Orders Received					
Business Solutions	74,699				
Manufacturing, Retail & Service	31,219				
Financial Services	11,386				
Public Sector, etc.	32,092				
Service Solutions	59,043				
IT Infrastructure	29,072				
Nippon Steel Group	29,970				
Subsidiaries	11,970				
Total	145,713				

* Starting April 2024, we have reclassified certain segments from Business Solutions (Manufacturing, Nippon Steel Group) to Consulting & Digital Services. Figures for FY2023 are after reclassification.

Non-Financial Information

Human Resources Data

		FY2020 (as of the end of FY2020)	FY2021 (as of the end of FY2021)	FY2022 (as of the end of FY2022)	FY2023 (as of the end of FY2023)	FY2024 (as of the end of FY2024)
Number of employees (consolidated)	Total	6,958	7,143	7,458	7,826	8,647
	Male	2,660	2,707	2,855	2,980	3,083
Number of employees (non-consolidated)	Female	599	643	708	778	855
	Total	3,259	3,350	3,563	3,758	3,938
Average age		39.8 years old	40.0 years old	40.0 years old	39.9 years old	39.9 years old
	Male	13.6 years	14.0 years	13.7 years	13.6 years	13.6 years
Average duration of service	Female	8.7 years	8.9 years	8.9 years	8.8 years	8.8 years
	Total	12.7 years	13.0 years	12.8 years	12.6 years	12.6 years
Number of new graduate hires (joining the company on April 1 of next fiscal year)	Male	97	113	125	137	132
	Female	50	59	66	72	68
	Total	147	172	191	209	200
	Male	57	79	140	119	96
Number of mid-career hires (joining the company during the relevant fiscal year)	Female	6	20	33	36	32
	Total	63	99	173	155	128
		31%	40%	50%	45%	38%
Number of employees who left the company for their own reasons	Male	78	101	86	98	88
	Female	21	21	26	27	16
	Total	99	122	112	125	104
Percentage of employees who left the company for their own reasons	Male	3.1%	3.8%	3.2%	3.4%	3.0%
	Female	3.8%	3.5%	4.0%	3.8%	2.1%
	Total	3.2%	3.7%	3.3%	3.5%	2.8%
Percentage of employees with disabilities		2.20%	2.37%	2.41%	2.61%	2.57%
Number of temporary employees		684	709	736	730	698
	Male	905	949	946	977	1,106
Number of management personnel ¹⁾	Female	41	42	40	45	91
	Total	946	991	986	1,022	1,197
	Male	80	63	69	74	63
Number of newly appointed management personnel ¹⁾	Female	5	3	2	8	11
	Total	85	66	71	82	74
Hours spent on education and training for employee development	Total hours	195,305 hours	208,300 hours	218,007 hours	233,639 hours	
	Average hours / person	58.3 hours	58.5 hours	58.0 hours	60.1 hours	
	Monthly average overtime hours ²⁾	11.4 hours/month	8.3 hours/month	10.9 hours/month	9.2 hours/month	9.0 hours/month
	Average number of days of paid leave taken	13.7 days/year	14.6 days/year	15.0 days/year	15.3 days/year	15.1 days/year
Labor Statistics	Number of employees taking childcare leave	Male	27	32	78	67
		Female	39	39	48	25
		Total	66	71	126	108
	Number of employees taking caregiving leave	Male	0	1	1	0
		Female	0	3	2	0
		Total	0	4	3	1

*1 For FY2023 and earlier years, the number of personnel in "core management" positions was shown

*2 From FY2023, includes managers and supervisors, calculated as health management excess hours

Environment

		FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
GHG emissions	Scope 1 (fuel) (t-CO ₂)	493	140	137	145	94	195
	Scope 2 (electricity, heating) (t-CO ₂)	36,169	32,790	30,559	24,266	18,371	17,051
	Scope 1 + 2 (t-CO₂)	36,662	32,930	30,696	24,411	18,465	17,246
	Scope 3 (t-CO₂)	—	—	308,814	296,724	297,735	313,526
Category	1 Purchased goods and services			—	198,359	213,550	232,721
	2 Capital goods			—	11,813	4,725	4,944
	3 Fuel and energy-related activities (not included in Scope1 or 2)			—	4,666	4,587	4,303
	5 Waste generated in operations			—	12	21	39
	6 Business travel			—	896	941	1,054
	7 Employee commuting			—	1,637	1,714	1,918
	8 Upstream leased assets			—	3,182	2,997	2,924
	11 Use of sold products			—	70,264	64,572	61,299
	12 End-of-life treatment of sold products			—	33	36	38
	13 Downstream leased assets			—	5,864	4,593	4,285

* The scope of reporting of GHG emissions includes all domestic consolidated subsidiaries.

* GHG emissions are calculated based on Japanese law.

* Scope 3 (emissions of other companies related to the company's activities) has been calculated since FY2021. Category 4 emissions (transportation) are included in Category 1 in the calculation. There are no emissions for categories 9, 10, 14, and 15.

Corporate Governance

	FY2020	FY2021	FY2022	FY2023	FY2024
Total number of Executive Directors (excluding those who are Audit & Supervisory Committee Members)	10	10	10	10	10
Outside Executive Directors	3	3	3	3	3
Female Executive Directors	1	1	1	2	2
Audit & Supervisory Committee Members	—	3	3	3	3
Outside Audit & Supervisory Committee Members	—	2	2	2	2
Number of Board of Directors meetings (times held)	16	16	14	16	18
Average attendance rate of directors (%)	100%	99%	99%	99%	100%

Number of Helpline Reports and Consultations

FY2023	FY2020	FY2021	FY2022	FY2023	FY2024
Number of reports and consultations (cases)	32	20	34	32	44

External Recognition

Adoption as part of ESG stock indices



FTSE4Good



FTSE Blossom Japan



FTSE Blossom Japan Sector Relative Index



Task Force on Climate-related Financial Disclosures



Selected as part of the FTSE4Good Index Series*1, the FTSE Blossom Japan Index*2, and the FTSE Blossom Japan Sector Relative Index*2

*1 <https://www.ftserussell.com/ja/products/indices/ftse4good>

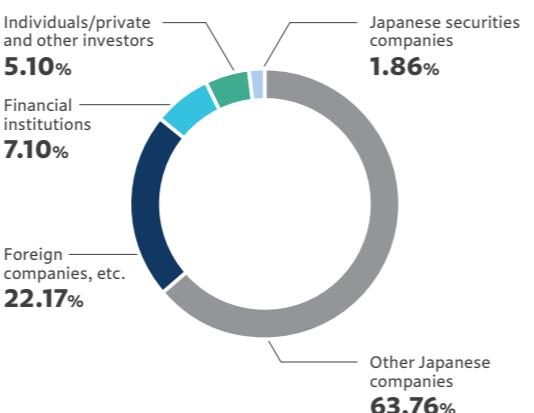
*2 <https://www.ftserussell.com/ja/products/indices/blossom-japan>

Stock Information

Shares Information (as of March 31, 2025)

Securities code	2327
Stock exchange listing	Tokyo Stock Exchange Prime Market Nagoya Stock Exchange Main Market Fukuoka Stock Exchange Main Market
Last day of the fiscal year	March 31
Annual General Meeting of Shareholders	June
Number of shares per unit	100 shares
Total number of authorized shares	732,008,000 shares
Total number of issued shares	183,002,000 shares
Administrator of shareholders' register	1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Sumitomo Mitsui Trust Bank, Limited	Dividend record dates Last day of March and September

Ownership by shareholder (as of March 31, 2025)



Primary Shareholders (as of March 31, 2025)

Name	Address	Number of shares held (thousands of shares)	Ratio of the number of shares owned to the number of shares issued (excluding treasury shares) (%)
Nippon Steel Corporation,	2-6-1, Marunouchi, Chiyoda-ku, Tokyo	116,067	63.43
3D WH OPPORTUNITY MASTER OFC - 3D WH OPPORTUNITY HOLDINGS (Standing proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.)	15/F, LKF 29, 29 WYMDHAM STREET, CENTRAL HONG KONG (2-15-1, Konan, Minato-ku, Tokyo)	18,483	10.10
The Master Trust Bank of Japan, Ltd. (Trust Account)	1-8-1 Akasaka, Minato-ku, Tokyo	8,668	4.74
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) (Standing proxy: MUFG Bank, Ltd.)	PETERBOROUGH COURT, 133 FLEET STREET, LONDON EC4A 2BB, UNITED KINGDOM (1-4-5, Marunouchi, Chiyoda-ku, Tokyo)	5,349	2.92
NS Solutions Employee Stock Ownership Association	1-17-1 Toranomon, Minato-ku, Tokyo	3,893	2.13
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12, Harumi, Chuo-ku, Tokyo	3,395	1.86
STATE STREET BANK AND TRUST COMPANY 505103 (Standing proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (2-15-1, Konan, Minato-ku, Tokyo)	1,685	0.92
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (2-15-1, Konan, Minato-ku, Tokyo)	1,667	0.91
BNYM SA/NV FOR BNYM FOR BNYM GCM CLIENT ACCTS M ILM FE (Standing proxy: MUFG Bank, Ltd.)	2 KING EDWARD STREET, LONDON EC1A 1HQ, UNITED KINGDOM (1-4-5, Marunouchi, Chiyoda-ku, Tokyo)	991	0.54
BNP Paribas Securities (Japan) Limited	(1-9-1 Marunouchi, Chiyoda-ku, Tokyo)	987	0.54
Total		161,190	88.09

* In addition to the above, there are 27,793 shares of treasury stock held by the Company.

Gross Shareholder Yield and Share Price (as of March 31, 2025)

Fiscal year end	March 2021	March 2022	March 2023	March 2024	March 2025
Gross shareholder yield (%) (Comparison index: TOPIX including dividends) (%)	135.4 (142.1)	144.3 (145.0)	141.9 (153.4)	198.3 (216.8)	307.5 (213.4)
Highest share price (yen)	3,700	4,065	4,020	5,250	4,408 (5,460)
Lowest share price (yen)	2,365	3,030	3,140	3,505	2,690 (4,830)

* The figures in parentheses represent the highest and lowest share prices prior to the stock split

Corporate Information

Corporate Information (as of March 31, 2025)

Company name	NS Solutions Corporation
Share capital	12,953 JPY million
Head Office location	105-6417 Toranomon Hills Business Tower, 1-17-1 Toranomon, Minato-ku, Tokyo TEL: +81-3-6899-6000
Established	October 1, 1980
Description of business	<ul style="list-style-type: none"> Consultation on business and information systems Planning, design, development, construction, operation, maintenance and management of information systems Development, manufacture, sale and leasing of software and hardware related to information systems IT-based outsourcing services and other various services
Revenue	338.3 JPY billion (consolidated, FY2024)
Number of employees	8,647 (consolidated, FY2024)

List of Major Group Companies (as of September 1, 2025)

Company name	Location
NS Solutions Hokkaido Corporation	Sapporo Head Office : Nihon Seimei Kitamonkan Building 10F, 5-1-3, Kita Shijo Nishi, Chuo-ku, Sapporo-shi, Hokkaido Muroran Head Office: 2-13-1, Miyuki-cho, Muroran-shi, Hokkaido
NS Solutions East Japan Corporation	Tokyo Head Office: Sumitomo Twin Building East Tower, 2-27-1, Shinkawa, Chuo-ku, Tokyo Sendai office: Aobadori Plaza 8F, 3-2-1, Chuo, Aoba-ku, Sendai-shi, Miyagi
NS Solutions Chubu Corporation	Nagoya Lucent Tower 18F, 6-1, Ushijima-cho, Nishi-ku, Nagoya-shi, Aichi
NS Solutions Kansai Corporation	OAP Tower 34F, 1-8-30, Tenmabashi, Kita-ku, Osaka-shi, Osaka
NS Solutions Kyushu Corporation	2-3-7, Hakataeki-mae, Hakata-ku, Fukuoka-shi, Fukuoka
OSP Solutions Inc.	Okinawa Industry Support Center 7F/5F, 1831-1, Oroku, Naha-shi, Okinawa
Infocom Corporation	Midtown East 10F, 9-7-2 Akasaka, Minato-ku, Tokyo
NS Solutions Service and Technology Corporation	Sumitomo Twin Building East Tower, 2-27-1, Shinkawa, Chuo-ku, Tokyo
Network Value Components Ltd.	Technoport Taijuseimei Building, 2-16-2, Minami-kamata, Ota-ku, Tokyo
NS Financial Management Consulting, Inc.	Toranomon Hills Business Tower 21F, 1-17-1, Toranomon, Minato-ku, Tokyo
Financial Engineering Group, Inc.	Sumitomo Twin Building East Tower 10F, 2-27-1, Shinkawa, Chuo-ku, Tokyo
Act. Corporation	2-27-1, Hatchobori, Chuo-ku, Tokyo
NS Solutions (Shanghai) Co., Ltd.	15F, New Hua Lian Mansion (W), #775 Huai Hai Rd (M), Shanghai, 200020, China
NS Solutions Asia Pacific Pte. Ltd.	16 Raffles Quay #17-01 Hong Leong Building Singapore 048581
Thai NS Solutions Co., Ltd.	1 Empire Tower, 31st Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120, Thailand
PT. NSSOL SYSTEMS INDONESIA	Sentral Senayan I Office Tower, 4th Floor, Jl. Asia Afrika, No. 8, Gelora, Tanah Abang, Central Jakarta 10270, Indonesia
PT. WCS ABYAKTA NAWASENA	Skyline Building 9th Floor, Suite 901-902, Jl. M.H. Thamrin No.9 2, RT.2/RW.1, Kb. Sirih, Kec. Menteng, Jakarta Pusat, Jakarta 10340
NS Solutions USA Corporation	2000 Alameda de las Pulgas, Suite159, San Mateo, CA, 94403, USA
NS Solutions IT Consulting Europe Ltd.	Building 3, Chiswick Park 566, Chiswick High Road, Chiswick, London W4 5YA, UK
NIPPON STEEL Hitachi Systems Solutions, Inc. (joint venture)	St. Luke's Tower 26F, 8-1, Akashi-cho, Chuo-ku, Tokyo
NCI Systems Integration, Inc. (joint venture)	Sumitomo Nakanosakaue Building 12F, 1-38-1, Chuo, Nakano-ku, Tokyo