

Material Issues: 2024 Results and Progress Overview

Key Themes	Material Issues	KPI	Target	Planned Due Date	Scope of Target¹	Fiscal 2024 Results		
						Result vs. Target	Reflecting on Results and Looking Ahead	Main Initiatives and Topics
Development, mobilization of a diverse team of professionals	Strengthening of human capital	(Human resource recruiting) Employee count	Consolidated headcount of over 4,200 employees	2024	Consolidated	4,413 people (+ 761 people YOY)	・As a result of proactive recruitment efforts aimed at increasing the consolidated headcount by 1,000 over three years (2022–2024), Dentsu Soken alone hired 309 new graduates and 373 mid-career recruits, totaling 682 new employees. ・Additionally, the acquisition of Mitsue-Links as a subsidiary added approximately 400 employees, and other domestic group companies increased their headcount by about 200 employees, achieving the target number.	1. Number of new graduate hires (non-consolidated) expected to join in April 2025: 111 people (down 25% YOY). 2. Number of mid-career hires (non-consolidated) in fiscal 2024: 132 people (down 6.4% YOY). 3. Achieved the highest number of applications for mid-career recruitment, influenced by the company name change and the start of consultant position recruitment. 4. Ranked 1st in influential external websites/magazines for recruitment, including "Companies Recommended by Young Employees Who Joined as New Graduates" and "Companies with Increased Satisfaction in 'Treatment and Evaluation' by Mid-level and Veteran Employees" by OpenWork.
		(Human resource development) —	—	—	—	—	—	1. Provided a wide range of educational programs in line with employee skills and areas of specialization. Number of applicants grew to 4,073 employees (+27% YOY), and the number of courses offered was 151 (+ 10% YOY). 2. Training per employee amounted to 73.9 hours per year (+9.3% YOY).
		(Others) —	—	—	—	—	—	1. On September 30, 2024, the company obtained certification for ISO 30414, the international standard guideline for human capital disclosure, becoming the 22nd company globally to do so. 2. To further promote a "comfortable working environment" that considers employee health, the company established the "Anshin Support Leave" on October 1, 2024. (Note: This leave system, commonly known as "sick leave" or "paid sick leave," allows employees to take up to five days of paid leave for personal health issues or medical treatment even after exhausting their regular paid leave.)
	Promotion of Diversity, Equity, and Inclusion(DE&I)	Percentage of female managers	8%	2026	Non-consolidated	6.0% (+ 0.2 pp YOY)	・ Increased percentage of female managers YOY ・ The company's approach and stance on resolving work-life balance issues will be communicated not only to female employees but also to male employees who feel challenged in balancing work and personal life. By advancing these initiatives, the company aims to foster a culture that promotes the active participation of women.	1. Throughout International Women's Day and Women's History Month in March, the company held events and continuously communicated internally. One event featured a dialogue session with three new female executive officers and fellows as panelists, discussing their career journeys and values. 2. In June 2024, the company endorsed the "Women's Empowerment Principles (WEPs)" ² , a set of principles for promoting women's active participation, and signed a statement to act in accordance with these principles. 3. In October 2024, the company held a "Support Meeting for Balancing Childcare, Nursing Care, Treatment, and Work," featuring lectures by entrepreneurs providing support services for balancing these responsibilities.
		Percentage of female hires	20% or more (average over the last three fiscal years)	Every year	Non-consolidated	22.3% (+ 1.7 pp compared with FY2021–2023 average)	・Among new graduate recruitment, the trend of increasing male entries continued in 2024, resulting in a slight decrease in the percentage of female hires. However, the percentage of female hires for new graduates entering in April 2025 improved by 1.7 points, reaching 35%. ・Continue to expand the female student population (and potential future female managerial candidates) through measures specifically targeting female students, such as the production of articles and videos, as well as recruitment branding efforts.	Career Support for Female Students 1. Organized seminars and events for women and those new to IT, providing opportunities to explore future careers and deepen understanding of the industry. 2. Held roundtable discussions exclusively for female employees and online events focused on work-life balance, visualizing women's working styles. 3. Implemented a career support program for second-year university students (Tokyo Woman's Christian University × Kinki University × Nitori Holdings Co., Ltd. × Dentsu Soken Inc.).
	Facilitation of workstyle transformation	(Health management) Percentage of employees receiving regular health checkups	100%	Every year	Non-consolidated	100%(+0.2 pp YOY)	・Achieved a 100% implementation rate. ・We will promote health management based on the Health Management Declaration and medium- to long-term promotion plans formulated in 2024.	・ Strengthen guidance for new graduates and mid-career hires to undergo health checkups. ・ Thoroughly strengthened follow-ups encouraging early health checkups among employees not yet checked
		(Engagement) Engagement score	Improve scores obtained from survey conducted by Great Place to Work® Institute Japan	Every year	Non-consolidated	Positive responses: 71% (- 1 pp YOY)	・ Certified as a "Great Place to Work" for three consecutive years. ・Although the percentage of positive responses decreased by 1 point, the results are almost the same as the previous year. The trends regarding the company's strengths and weaknesses observed in the survey results have remained largely unchanged.	1. Aiming to maintain and improve the company's strength of being an "open and secure working environment with good treatment," we will strengthen the dissemination of corporate philosophy and investment in human capital. 2. To create a comfortable working environment, we have enhanced our leave systems, including the establishment of "Anshin Support Leave." We will continue to promote support for balancing work with childcare, nursing care, and medical treatment.
		(Work–life balance) —	—	—	—	—	—	1. Male staff childcare leave-takers: 64.2% (+ 12.6 pp YOY). 2. Childcare leave return rate: 100% for men and women (same as in FY2023).
	Solution of social, environmental issues; provision of new value through our businesses	Contribution to the resolution of social and environmental issues	Technological investment	Cumulative three-year investment of ¥17.0 bn	2024	Consolidated	Three-year cumulative total: ¥10.8 billion FY2024: ¥3.9 billion (YOY +¥0.4 billion)	・ Made steady progress in functional enhancements to mainstay proprietary software products and the development of new solutions in the area of corporate and social transformations, important new areas of business ・ Developed two new solutions in the Smart City area (administrative platform Minnect introduced in 24 municipalities; CIVILIOS urban OS introduced in seven municipalities)
Creation of new businesses through open innovation		—	—	—	—	—	—	・ Signed a memorandum of understanding with Dentsu and Eneres for collaboration in providing and developing renewable energy solutions.
Demonstration of our technological implementation capabilities		—	—	—	—	—	—	

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Establishment of governance systems worthy of stakeholder trust	Strengthening of corporate governance	Evaluation of Board of Director effectiveness	Ensure and improve effectiveness	Every year	Consolidated	Assessment ensuring effectiveness	・The FY2024 evaluation of Board of Directors' effectiveness was conducted via individual interviews with newly appointed part-time directors, in addition to the existing questionnaire survey. ・Through these efforts, the Board of Directors was evaluated as effective. It was also confirmed that the issues recognized in the previous year, such as (1) enhancing discussions on medium- and long-term strategies including investments, and (2) strengthening the Board's supervisory system for nominations and remuneration, have been steadily improved. ・In FY2025, we will continue to focus on these issues to ensure the effectiveness of the Board of Directors.	Increase opportunities for exchanging opinions and providing information on management issues, including the aforementioned themes ((1) and (2)), at Board of Directors meetings or other occasions, to further promote communication among directors.
	Enforcing of ethical compliance and respect for human rights	Serious violations of laws and regulations	0	Every year	Consolidated	3 (+2 YOY) Breakdown of the above 3 cases ・ Number of legal violations: 0 ・ Number of disciplinary cases involving employees of the company and domestic group companies: 3	Issued reminders to raise compliance awareness and formulated and implemented measures to prevent recurrence.	1. Issued questionnaires on harassment at the Company and domestic Group companies (response rate for the Company alone: 82%) for early detection and rectification of problems. The Ethics Helpline conducted individual interviews with those requesting them. 2. Conducted training at the Company and domestic Group companies to explain the results of the above harassment questionnaire and promote awareness of the Ethics Helpline System (participation rate for the Company alone: 84%). 3. Acted on whistleblower reports in a timely and appropriate manner (with no serious incidents affecting business operations).
		Percentage of employees receiving (e-learning-based) training related to ethics and compliance (including harassment training)	100%	Every year	Domestic group	98.4% (- 0.1 pp YOY) Excludes Mitsue-Links Co., Ltd. The company plans to implement this from fiscal year 2025.	Although the attendance rate is high, we will thoroughly follow up with those who have not attended and aim for a 100% attendance rate.	
	Application of appropriate risk management practices	—	—	—	—	—	—	Identified the most critical risks facing Dentsu Soken and its domestic, and overseas Group companies; formulated and executed risk response plans; monitored risks. Submitted reports three times per year to the Board of Directors, which provides supervision.
	Undertaking of quality improvement	Review board implementation rate	100% (proposals valued at ¥100 mn or more)	Every year	Non-consolidated	100%	・ Achieved a 100% implementation rate.	1. Monitored monthly status of RB results, system development projects deemed high risk by artificial intelligence (AI) assessments, and reported to Management Council. 2. Optimized criteria for holding RBs starting in FY2025 according to risk status of development projects. Shifted resources to address high-risk projects. 3. CMMI ³ compliant standard development process i*yes applied companywide to development projects. In FY2024, one process improvement was implemented. A total of 419 employees passed certification exams (including those retaking for learning purposes) (PM ⁴ certification and QR ⁵ certification). 4. Established a Quality Management System (QMS) for organizational quality improvements in accordance with ISO9001 ⁶ . This system commenced operations in FY2024, and several departments plan to acquire ISO9001 certification in FY2025.
	Enhancing of information security management	Annual number of Company-wide security education, training sessions	Six (one session held every two months)	Every year	Non-consolidated	Six (one session held every two months)	・ Conducted companywide security education in accordance with plans (education content distribution: four times; email training: twice).	In addition to the aforementioned, monthly security education sessions were conducted for new hires and new partner employees.
		Number of serious leaks of client project-related information, personal information	0	Every year	Domestic group	0	Achieved zero incidents through enhanced security monitoring of cloud environments and fraud detection utilizing BI platform data.	1. Renewed ISO/IEC 27001 ⁷ certification and Privacy Mark accreditation. 2. Promoted the introduction of tools that enhance the vulnerability management of software constituting client project websites and the Company's service-related websites that are live on the internet (ongoing). 3. Strengthened internal fraud countermeasures utilizing various logs. 4. Conducted biannual desktop training by Dentsu Research Institute CSIRT ⁸ members to strengthen the ability to respond to incidents. Through training for information security incidents, confirmed effectiveness and improved response procedures.

Notes:

1. Non-consolidated: The company on a standalone basis ; Domestic group: includes all DENTSU SOKEN Group companies in Japan ; Consolidated: includes all DENTSU SOKEN Group companies outside Japan.

2. Women's Empowerment Principles

3. Capability Maturity Model Integration, a widely used international development program.

4. Project Manager.

5. Quality Representative.

6. Quality management system international certification standard.

7. Information security management system international certification standard.

8. Generic term for organizations that receive reports and conduct activities related to information security incidents.