Bell System24

Integrated Report

BELLSYSTEM24 Holdings, Inc.

Integrated Report **2025**

Bell System24

CORPORATE VOICE

EVERY VOICE MATTERS.

EVERY VOICE MATTERS.

In our desire to be a company that continues to respond to the voices of a wide range of customers and consumers, and to the voices of society as a whole with optimal solutions, we have summarized our corporate stance towards achieving our Purpose into our Corporate Voice: Every Voice Matters. As a corporate vision and brand message, we position it as the foundation for our daily corporate activities.

Corporate Vision System

Bell System24

PURPOSE

Sustain the prosperity of society, through innovation and communication

CORPORATE VOICE

EVERY VOICE MATTERS.

VALUES

Dialogue
Engaging to better understand concerns and ideas, working together towards resolutions and success.

Creativity
Fusing workplace competence with evolving technology to create unmatched value.

Diversity
Creating workplaces that enable each employee to thrive as individuals and discover hidden potential.

Partners in success
Committing to using our cumulative experience to achieve optimal solutions and success for our customers.

Co-creating prosperity
Increasing the experiential value of products and services to support precious moments for all.

Ideas Included in the Corporate Logo

The combination of different shapes and colors in the logo expresses diversity, while at the same time forming a monogram of the Company's initials, "B" and "S." The left side also represents communication (warm colors and speech bubbles), while the right side represents innovation (cool colors and bells), visualizing the elements of our Purpose.

We are

an integrated BPO partner

that accompanies customers in achieving success.

Your Integrated BPO Partner

We are continually evolving from a leading contact center company to an integrated BPO partner with diverse expertise, expanding our business domains through active alliances that also leverage our major shareholder networks.

Integrated BPO partner

Value Creation Model

NEXT
We will build upon our accumulated experience as a leading company and leverage it as a driving force for transformation as we move to the next stage.

ENGAGE
Through our alliance strategy, we will engage with our partner companies and combine their diverse expertise with our own unique strengths.

WIDEN
We will widen the target of "Every Voice Matters" to include a variety of business domains where we can provide value to achieve our Purpose.



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About This Report

In addition to financial information, this report aims to share the sources of our value creation, our non-financial initiatives, our contributions to a sustainable society, and our medium to long-term growth strategy more deeply with stakeholders.

BELLSYSTEM24 Holdings pursues the advancement of its services and the evolution of its organization while sincerely addressing ever-changing social issues and customer needs, based on its Purpose of sustaining the prosperity of society, through innovation and communication. This report mainly summarizes and communicates our history, achievements, and challenges for the future.

Going forward, we will continue to engage in constructive dialogues with our stakeholders as we contribute to the creation of a better society.

Scope of Reporting

Companies Covered: BELLSYSTEM24 Holdings, Inc. and BELLSYSTEM24 Group companies

Period Covered: The main target period is FY2024 (March 2024 through February 2025). This report also includes some information from March 2025 onward.

Compiling this Report

In compiling this report, we referred to reference sources including the International Integrated Reporting Framework recommended by the IFRS Foundation, and the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation (Guidance for Collaborative Value Creation) developed by Japan's Ministry of Economy, Trade and Industry.

Cautionary Remarks

Forecasts, plans, projections, and other information contained in this report that do not consist of historical facts are forward-looking statements based on judgments made by the Company's management from currently available information. Please note that actual performance may differ significantly from these statements as a result of changes in various key factors.

Positioning of the Integrated Report

Financial Information

https://www.bell24.co.jp/ja/ir/

Integrated Report

https://www.bell24.co.jp/ja/ir/irlibrary/integratedreport/index.html

Non-financial Information

https://www.bell24.co.jp/ja/csr/

BELLSYSTEM24

https://www.bell24.co.jp/



Top Message

Creating communication for a new era through the combined power of people and technology

Hiroshi Kajiwara
President, Chief Executive Officer and Representative Director
BELLSYSTEM24 Holdings, Inc.

Review of my first year as CEO

The year since I was appointed CEO in April 2024 has been a valuable time to explore our strengths and issues with fresh eyes and chart a course for our next stage of growth.

Since my appointment, I have visited our locations and work sites across the country and interacted with many of the communicators working at our contact centers and other employees hard at work on the front lines of the business. Through these interactions, I felt a renewed feeling that the source of our competitiveness lies in frontline knowledge and people power. It has given me clear recognition that the accumulation of small innovations and improvements in our daily operations leads to a higher quality of service, greater customer satisfaction, and ultimately increases our value as a company. From the many voices I heard on the front lines, I have also learned that the nature of our work has become more complex than in the past, and that client needs are becoming increasingly sophisticated. This has confirmed for me that the use of technology is now more important than ever for our company.

As a company, we will strive to solve the five most important issues in the management of our business selected as material issues (listed on page 17 of this report) by building next-generation contact centers that utilize generative AI, particularly incorporating automatic response systems, to combine the power of people and technology. In particular, diversity in human resources and their workstyles, and improving the performance of our human resources are essential for maximizing frontline knowledge and people power. By solving various frontline issues through the increased sophistication of operations and the utilization of advanced technologies such as generative AI, I believe that we will be able to embody our purpose, namely "Sustain the prosperity of society, through innovation and communication."

FY2024 performance: COVID-19-related business contracted, while new projects with future potential increased steadily

In FY2024, revenue decreased to 143.6 billion yen (down 3.4% year on year) due to the conclusion of COVID-19 and other national policy-related business. On the other hand, measures to improve profitability and the sale of a portion of subsidiary shares contributed to an increase in operating income to 11.6 billion yen (up 0.9% year on year). Net income attributable to owners of the parent also increased to 8.0 billion yen (up 6.1% year on year), securing a profit increase.

Despite the decline in revenue resulting from the impact of the conclusion of COVID-19 and other national policy-related business, revenue from fundamental business increased to 141.2 billion yen (up 1.4% year on year) due to an increase in new transactions. The diverse outsourcing needs of client companies are growing, and I believe that it is necessary for us to engage in strategic initiatives such as expanding our services, improving quality, and strengthening our digital solutions to cater to these expanding needs.

From Mid-Term Management Plan 2025 to a Medium- to Long-term Growth Scenario

FY2025 is the final fiscal year of the three-year Mid-Term Management Plan 2025, which began in FY2023. We have steadily implemented the three priority measures set forth in this plan: Human Resources (maximizing the active participation of our workforce of 40,000 employees), Stylization (achieving more sophisticated data utilization), and Co-creation (developing the NEW BPO areas).

For the first measure, Human Resources (maximizing the active participation of our workforce of 40,000 employees), we aim to create a workplace where professionals gather and find fulfillment in their work, which is essential for our sustainable growth. To achieve this, we have been implementing a human capital strategy of actively investing in our employees and their working environment.

For the second measure, Stylization (achieving more sophisticated data utilization), we have worked to increase the sophistication of our operations and restructure service models, using advanced technologies such as generative AI. Key initiatives include the June 2024 launch of GenAI Co-Creation Lab., a program aimed at automating contact centers using generative AI, in collaboration with generative AI vendors such as Microsoft Japan Co., Ltd., Google Cloud, and Amazon Web Services Japan G.K., as well as IT solutions provider ITOCHU Techno-Solutions Corporation. Since November 2024, we have been developing Hybrid Operation Loop, a hybrid contact center automation solution combining the strengths of humans with those of generative AI. With regard to this point, while each of these initiatives is achieving results to some extent, it is also true that the business environment surrounding our company has changed since the announcement of the Mid-Term Management Plan, with the end of the COVID-19 pandemic, and a rapid increase in the use of generative AI. For this reason, we have compiled the details of our future medium- to long-term digital transformation (DX) and active efforts with generative AI as a Medium- to Long-Term Growth Scenario, which we announced in April 2025 (described later).

For the third measure, Co-creation (developing the NEW BPO areas), we are driving the expansion of the BPO domain through capital and business alliances with various partner companies. We are also actively engaging in collaboration through investments in venture companies that possess advanced technologies or are working to develop new markets.

Accelerating ESG initiatives toward sustainable growth

Based on our recognition that human resources are the largest management capital for our company and the driving force behind corporate growth, we are actively working to implement our human capital strategy. In FY2024, we received the Human Capital Management Quality (Silver) award for the second consecutive year in the Human Capital Survey 2024, the largest survey of human capital management initiatives in Japan.

We also received the Best Workplace award (the highest award) for the fourth consecutive year at the D&I Award 2024, one of Japan's largest awards ceremonies that recognizes and honors companies committed to diversity and inclusion (D&I). In addition, our human capital strategy has been highly evaluated by external organizations, receiving a Gold rating (the highest rating) for six consecutive years since 2019 in the Pride Index, which evaluates efforts relating to the LGBTQ+ at companies and other organizations. In terms of the environment, the Group has positioned strengthening environmental management as one of its key management issues to realize a sustainable society. In 2022, we formulated our Policy on Climate Change, and set a long-term goal of achieving carbon neutrality by 2040. Based on this policy, we are implementing multiple measures in parallel, such as reducing the environmental impact of our business activities, expanding our introduction of renewable energy, and implementing the Sustainable Center Concept to drive the development of environmentally friendly business locations.

In 2024, we joined the Japan Climate Leaders' Partnership (JCLP), a network of companies leading the way in climate change action, as an associate member. JCLP's philosophy and activity policy have a high affinity with our environmental management strategy, and we will continue to fulfill our corporate responsibility to address climate change and contribute to the realization of a decarbonized society through this membership.

Message to our stakeholders

Based on our purpose of, Sustain the prosperity of society, through innovation and communication, we will contribute to the realization of a sustainable and prosperous society through our business. We respond flexibly to the rapidly changing social environment and technological advancements, and value our strengths of frontline knowledge and people power to provide valuable services and enhance corporate value. To achieve this, dialogues and trusting relationships with our stakeholders are essential. Looking ahead, we will continue to take your opinions and expectations seriously, as we work toward sustainable growth and medium- and long-term improvement of our corporate value.

I hope that we can count on your continued support and guidance.

Top Message

Medium- to Long-Term Growth Scenario for FY2030

Overview of our current situation

In April 2025, we announced our Medium- to Long-Term Growth Scenario, with targets for FY2030.

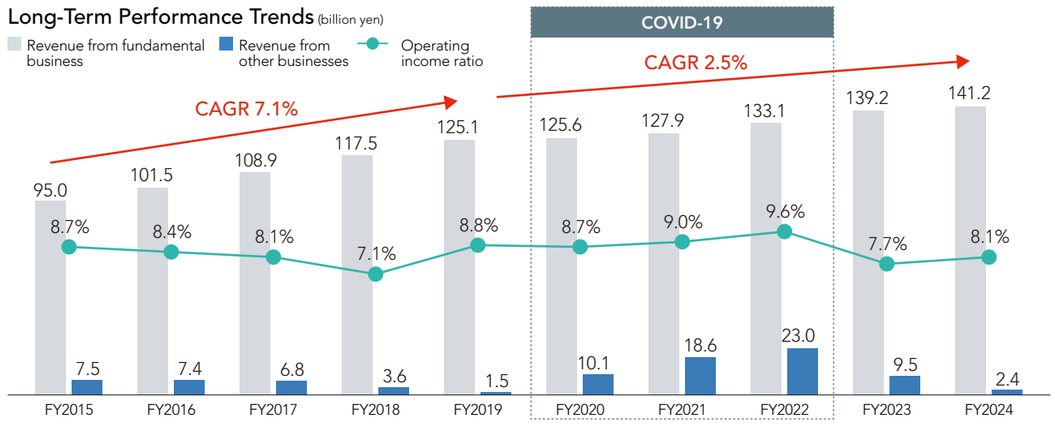
The reason for announcing this growth scenario is that, while the revenue from fundamental business (excluding COVID-19 and other national policy-related business) is growing year by year, there was a sense of pause in the momentum of our business growth. Although our sales growth rate had increased by an average of 7.1% from FY2015 to FY2019, since FY2019 it has averaged 2.5%.

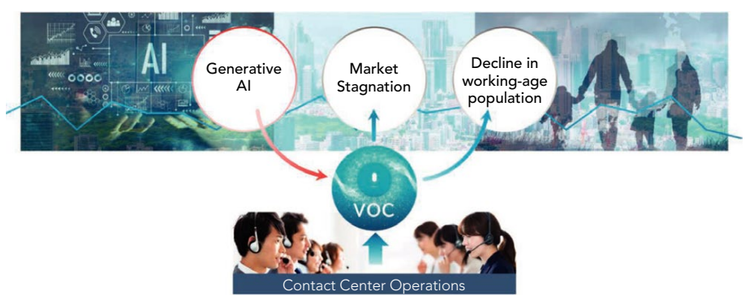
Factors contributing to this include the progress of digital transformation among both companies and consumers triggered by the COVID-19 pandemic, the rapid expansion of the use of generative AI, and other changes that have reduced the need for inquiries to contact centers, suggesting that the market structure itself may be reaching a turning point. In addition, issues such as labor shortages due to the declining working-age population in Japan are becoming apparent, and there is growing uncertainty about the future of the industry as a whole. As a result, some are skeptical about our growth prospects.

However, we see these situations as opportunities for growth.

Above all, we position the advancement of generative AI not as a threat, but as a key tool to further strengthen our competitive advantage. While generative AI has a wealth of training data for general knowledge, it is limited in its ability to respond to specific inquiries about individual products and services. Because we have a vast amount of Voice of Customer (VOC)-related knowledge accumulated over many years, we believe that it is possible to automate some tasks and develop hybrid responses through collaboration between generative AI and humans for tasks that are difficult to automate.

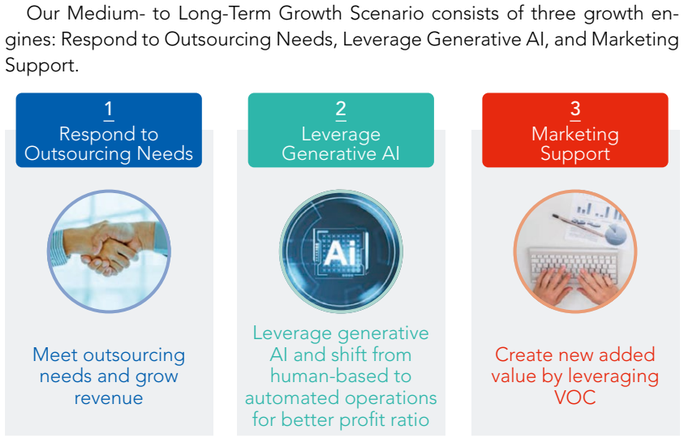
In fact, we believe that the progress of our collaboration with companies such as Microsoft Japan Co., Ltd., and other companies related to generative AI shows that our unique data assets and business knowledge are essential for the advancement of generative AI. Based on these situations, we formulated the Medium- to Long-Term Growth Scenario as our strategy for FY2030.





Three growth engines

Our Medium- to Long-Term Growth Scenario consists of three growth engines: Respond to Outsourcing Needs, Leverage Generative AI, and Marketing Support.





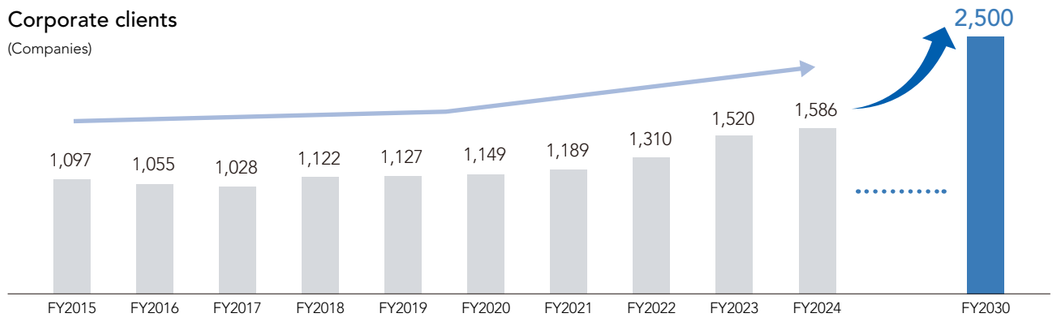
(1) Respond to Outsourcing Needs: Aim for 2,500 corporate clients

The IT and DX investment burden for companies is increasing, and the shortage of human resources is becoming increasingly severe. Against this backdrop, we expect the outsourcing of in-house contact center operations being operated by companies to expand further in the future.

The market size of in-house contact centers that are not outsourced is expected to reach approximately 1.4 trillion yen, and we believe that broadly capturing this market will enable further expansion of revenue.

In fact, our corporate client base in our fundamental business has grown to 1,586 in FY2024, an increase of approximately 500 over the past 10 years. In particular, the pace of increase has accelerated since FY2020. We believe that this is the result of the emergence of growing outsourcing needs in companies. With the shortage of human resources owing to the decline in the working-age population in Japan expected to spread to various industries in the future, we believe that demand for outsourcing will continue to grow.

In FY2024, we acquired a 51% stake in SKY Perfect Customer-relations Corporation (SPCC), which operates the contact center business within the SKY Perfect JSAT Group, and made it a subsidiary. Going forward, we plan to actively engage in contracts relating to carve-out and roll-up strategies for in-house contact centers, as we anticipate an increase in such contracts in the future. At the same time, we will seek to expand revenue further by securing new contracts through the networks of major shareholders and by providing Smart Business Support Services (SB) that assist corporate clients with their internal and back-office operations. In this way, we aim to expand our corporate client base to approximately 2,500 by FY2030, an increase of approximately 1,000 companies compared to FY2024.



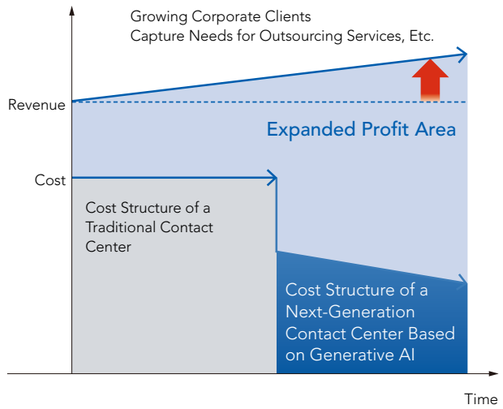
Top Message

(2) Leverage Generative AI: Realize next-generation contact centers

By taking the lead in utilizing generative AI, we believe that there is a great opportunity to create hybrid type of centers combining generative AI and humans, which we refer to as next-generation contact centers.

In next-generation contact centers, generative AI will automatically respond to customer inquiries made to the contact center. When generative AI cannot respond, a human operator will answer. We envision hybrid type of contact center operations, similar to the system employed with automated railway ticket gates (where a dedicated human attendant assists station users who have difficulties with the automated gates). To achieve this, in FY2024, we established a dedicated department to support the introduction and operation of generative AI. The department is working to improve the accuracy of responses made by generative AI, which is an issue. We are also developing our own solution called Hybrid Operation Loop, which automates the work of operators by automatically generating knowledge based on generative AI responses from call data. Its introduction is expected to dramatically improve the productivity of knowledge update work handled by humans.

In this way, next-generation contact centers will serve as a foundation for reducing operating costs by improving productivity, increasing profits, and improving profit margins, and we are steadily advancing preparations for the start of actual operation in the second half of FY2025.



(3) Expand Marketing Support Operations: Utilize VOC to provide new value

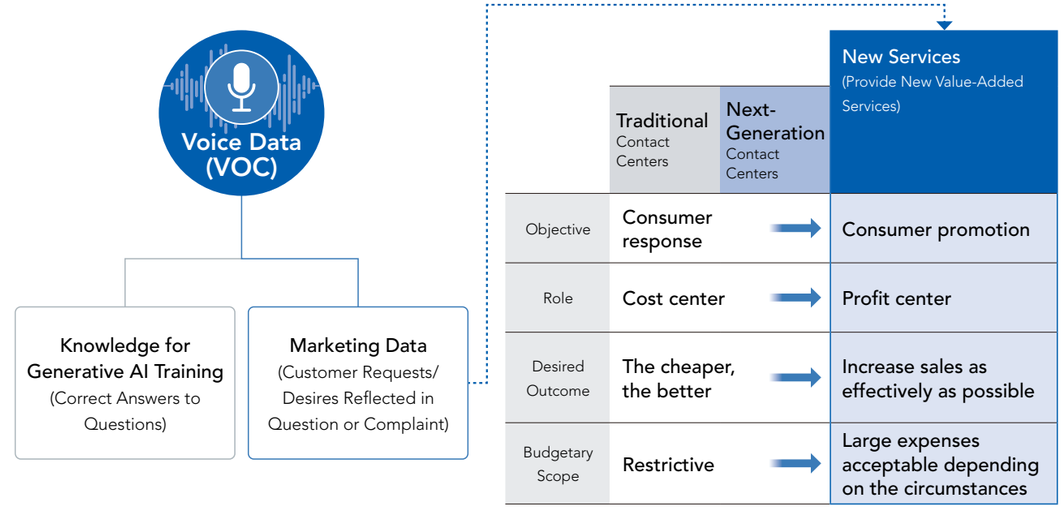
The voice data (VOC) collected by next-generation contact centers will form a database of consumer opinions and questions. When analyzed using generative AI, this vast source of information can be used as marketing data to understand consumer needs and as marketing support information that will lead to increased sales for client companies.



Due to cookie regulations and other factors, it is becoming increasingly difficult to obtain consumer data online. Under such conditions, VOCs are a source of valuable raw data that corporate clients can obtain directly, and visualizing potential consumer needs based on this information can lead to proposals and improvements that support corporate clients' marketing activities, as well as new developments in the advertising field.

Through these efforts, we will provide new added-value services that shift budgets from the area of customer support, which our corporate clients had considered a cost, to marketing field, which is an area in which they are more willing to invest. In doing so, we aim to turn contact centers, which are currently cost centers for our corporate clients, into profit centers, and expand their business.

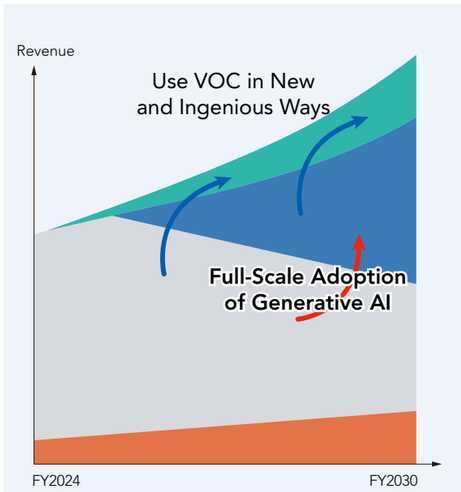
There are already examples of services that quantify consumer feedback data in the online sales operations of cosmetics, and marketing support services utilizing VOC have been launched.



Growth strategy

Going forward, we will significantly evolve our business structure through three growth engines: 1) expanding our corporate base by responding to outsourcing needs, 2) creating the next generation of contact centers by leveraging generative AI, and 3) expanding marketing support operations to create new added value from VOC data. In particular, the construction of next-generation contact centers will be a necessary foundation for capturing outsourcing needs and expanding marketing support operations, so we will work together as a company to achieve this.

Through this strategic evolution, we will aim for further growth by FY2030, with consolidated revenue of 250 billion yen and an operating income ratio of 10% or more.



Smart Contact Center Operations (SC)*1

	FY2024	FY2030
Creation of new added value	-	40 billion yen
Next-generation contact center operations	-	100 billion yen
Traditional contact center operations*2	123.6 billion yen	75 billion yen
Smart Business Support Services (SB)*3	20 billion yen	35 billion yen
Consolidated Revenue	143.6 billion yen	250 billion yen
Operating income ratio	8.1%	10% or more

*1 Smart Contact Center Operations (SC): Operations related to communications between corporate clients and end users.
*2 Other revenue is included in traditional contact center operations.
*3 Smart Business Support Services (SB): Services supporting corporate client internal operations

Corporate History of BELLSYSTEM24 Holdings

BELLSYSTEM24 has grown its business during the over 40 years since it became the first call center outsourcing service provider established in Japan. With the means by which we communicate changing so much in line with progresses in technology and changes in people's lifestyles, we have continued to evolve our business of connecting our client companies with their customers in a way that responds deftly to these changes. In this section, we will look back over some key moments in that journey to now.

1982 Founded

- Launched a 24-hour proxy telephone answering service utilizing a call-transfer system



1984
- Launched English-language telephone receptionist and interpretation business

1993
- Launched a call center business for computer-related services
- Launched a service targeting mobile network operators

2011
- Launched Bell@Home, a home-based call center service

2013
- Launched "a consulting service to provide optimization proposals through combination of phone and online"

2014
- Capital participation by ITOCHU Corporation

2015 Listed

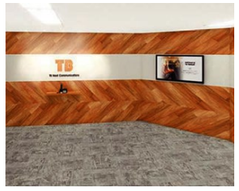
- Listed on the 1st Section of Tokyo Stock Exchange



2016
- Launched eBellCloud, a cloud-based call center platform

2017
- Capital participation by TOPPAN PRINTING CO., LTD. (currently TOPPAN Inc.)
- Expands BPO Business with CTC, "CTC First Contact" to be made into a joint subsidiary
- Invested in Hoa Sao (Vietnam), and launched business

2020
- Invested in True Touch Co., Ltd., a major contact center operator in Thailand
- Established a branch in Taiwan
- Established TB Next Communications, a joint venture with TOPPAN PRINTING CO., LTD. (currently TOPPAN Inc.)
- Began provision of BellCloud+



2021
- Launched DX Direct Center utilizing AI for contributing to improving sales of client companies
- Renewed logo

2022 40th anniversary



- Established Horizon One, a joint venture with Layers Consulting Co., Ltd.
- Collaborated with Treasure Data, Inc., which utilizes data to provide advanced customer experiences

2023
- Acquired THINKER, engaged in data marketing, etc., as a subsidiary
- Made an additional investment in Hoa Sao (Vietnam), acquiring it as a subsidiary and changing its name to BELLSYSTEM24 VIETNAM Inc.

2024
- Made Taiwan Branch a subsidiary, changing its name to BELLSYSTEM24 TAIWAN, Inc.
- Started development of the Hybrid Operation Loop contact center automation solution

GROWTH STEP 1

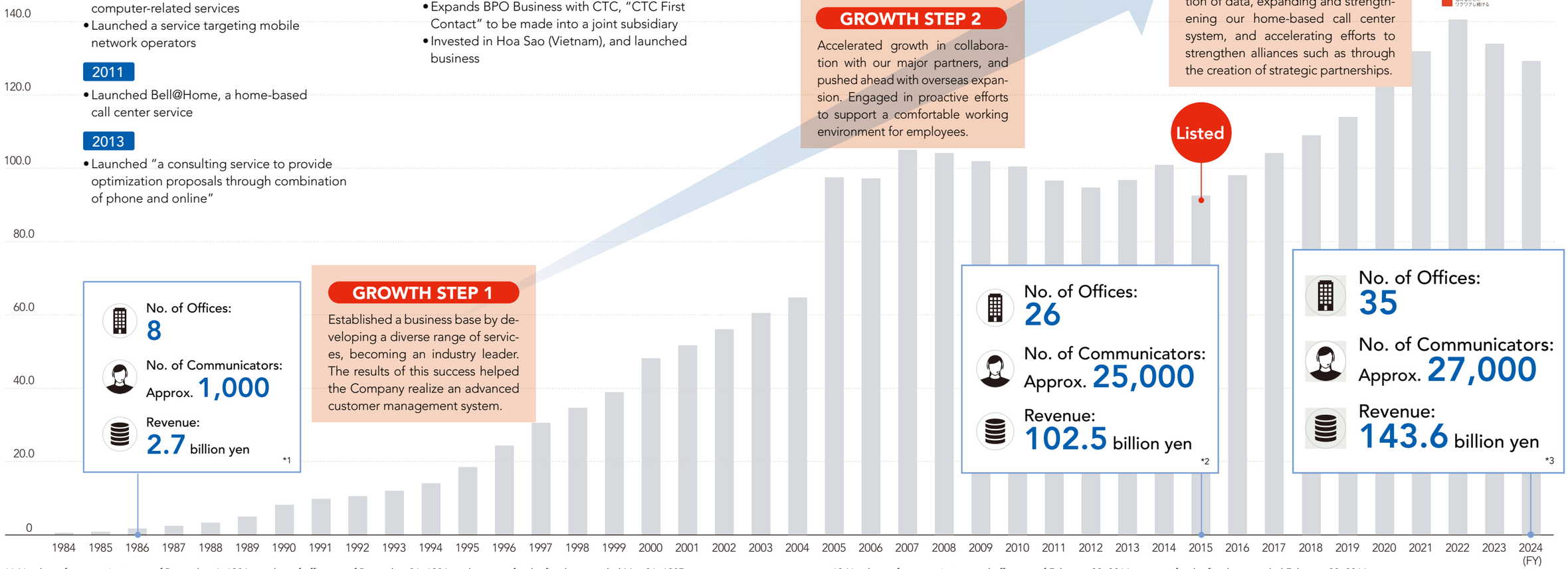
Established a business base by developing a diverse range of services, becoming an industry leader. The results of this success helped the Company realize an advanced customer management system.

GROWTH STEP 2

Accelerated growth in collaboration with our major partners, and pushed ahead with overseas expansion. Engaged in proactive efforts to support a comfortable working environment for employees.

GROWTH STEP 3

With the arrival of the era of "new normal," we are promoting DX via utilization of data, expanding and strengthening our home-based call center system, and accelerating efforts to strengthen alliances such as through the creation of strategic partnerships.



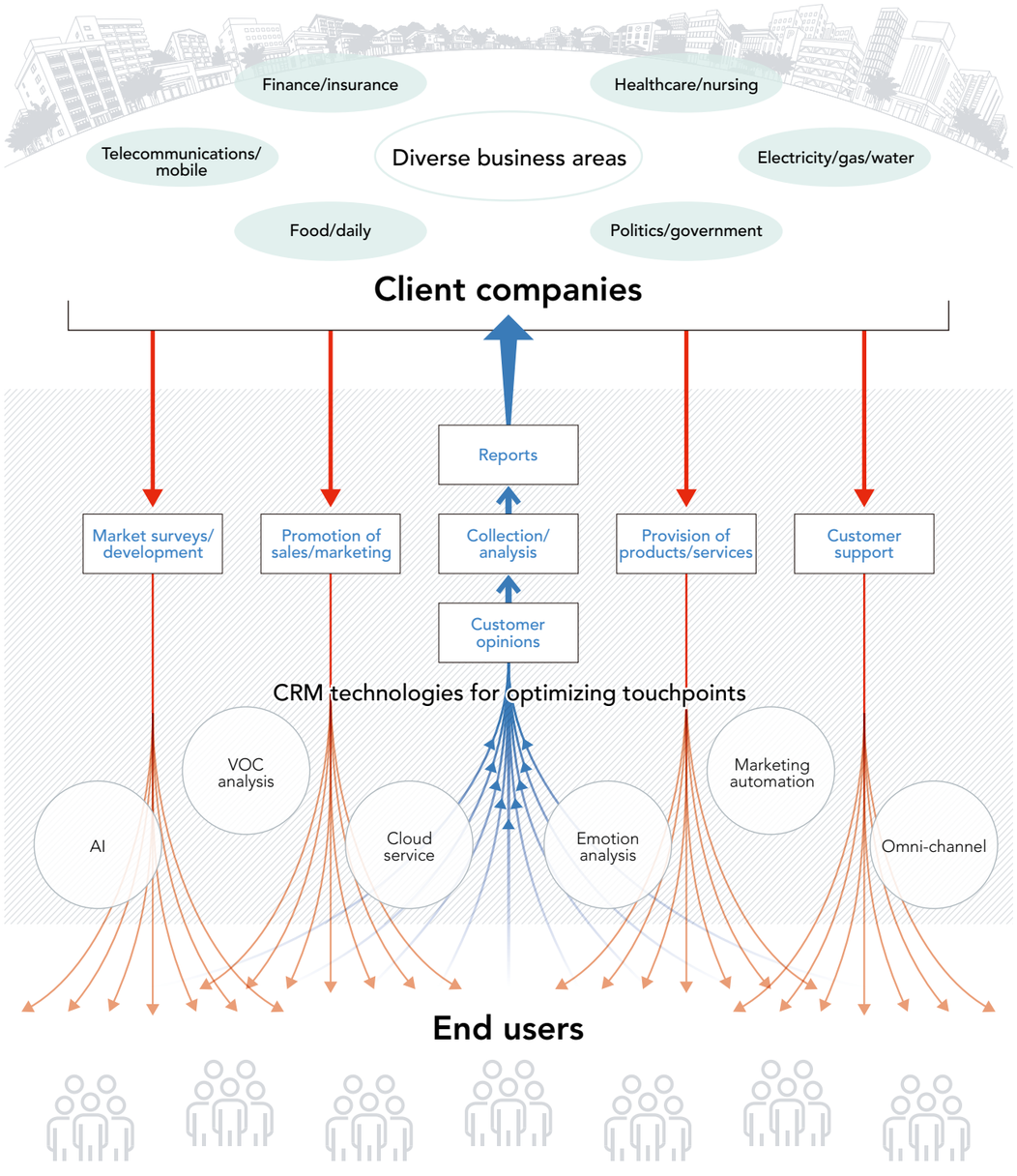
*1 Number of communicators as of December 1, 1986; number of offices as of December 31, 1986; and revenue for the fiscal year ended May 31, 1987.
*2 Numbers of communicators and offices as of February 29, 2016; revenue for the fiscal year ended February 29, 2016.
*3 Number of communicators and offices in Japan as of February 28, 2025; revenue for the fiscal year ended February 28, 2025.

The Strengths of BELLSYSTEM24 Holdings

Our Group's business is to utilize all manner of communication channels to build bonds of trust between client companies and end users. Leveraging the experience and knowledge we have amassed from serving clients in diverse industries, we exploit cutting-edge CRM* technologies to deliver value that exceeds client expectations and customer experiences that exceed end-user expectations.

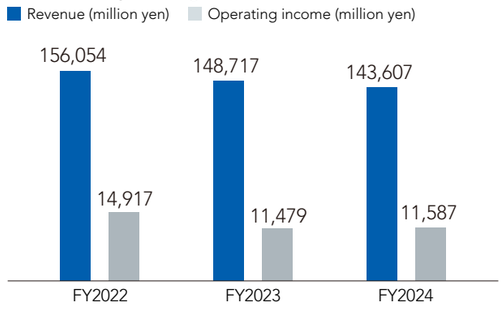
* CRM is an acronym that stands for customer relationship management.
It is a management method of building favorable relationships with customers to provide optimum service by accurately tracking customer information.

Business Model

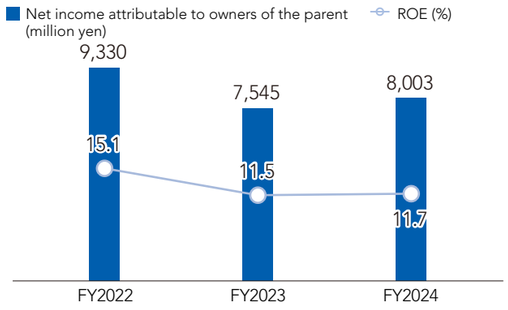


Financial and Non-financial Highlights

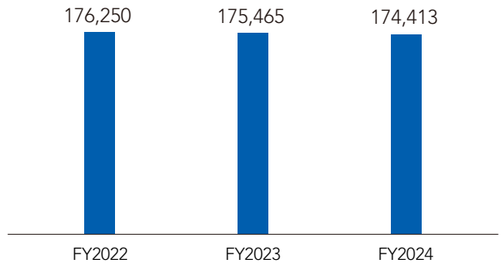
Revenue/Operating income



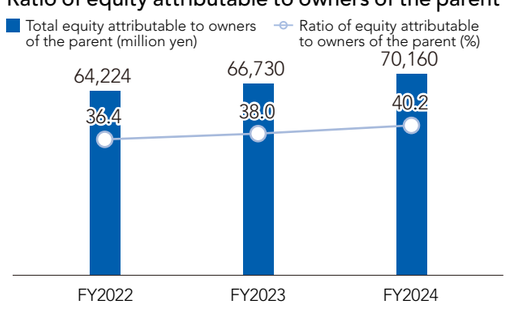
Net income attributable to owners of the parent/ROE



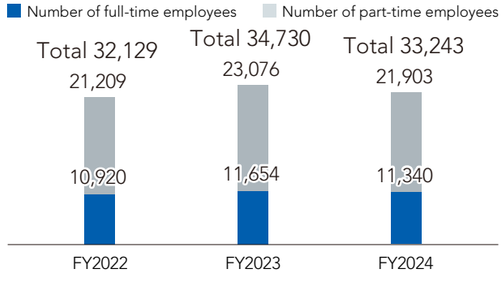
Total assets (million yen)



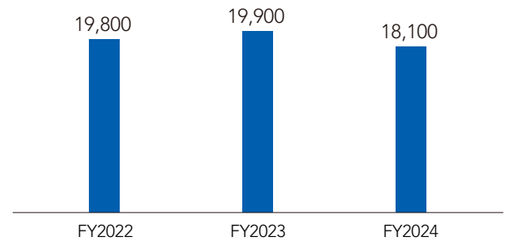
Total equity attributable to owners of the parent/ Ratio of equity attributable to owners of the parent



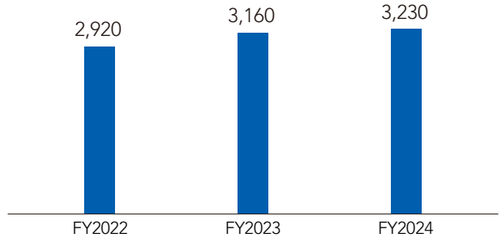
Number of full-time employees/Number of part-time employees*1



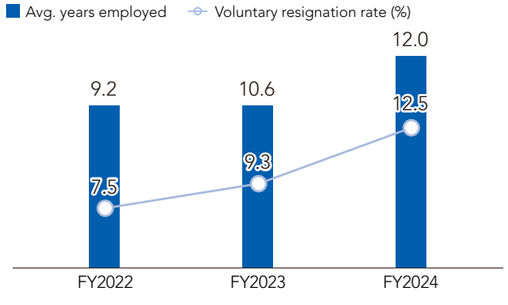
Number of call center seats*2



Number of home-based contact centers seats



Avg. years employed*3/Voluntary resignation rate*3



*1 Average annual number of fixed-term employment contract employees
*2 Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc., excluding client office seats
*3 Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc., excluding fixed-term employment contract employees, executives, employees seconded to organizations outside the Group, and Taiwan Branch personnel

Value Creation Process

Input

FY2024 Figures

Human Capital

Non-consolidated employees	264
Consolidated employees	33,243

Social and Relationship Capital

Call center seats	approx. 18,100
Client companies	approx. 1,500

Intellectual Capital

- Voice data recorded from over 500 million calls per year
- Operational experience in diverse industries & formats
- Operational methods founded on tremendous experience as an industry leader
- DX-Certified Operator

Manufactured Capital

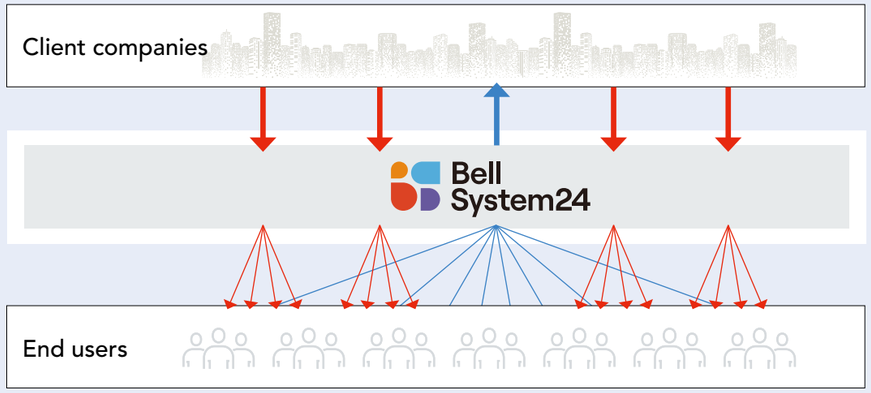
BELLSYSTEM24, Inc. domestic sites	35
Other subsidiary and affiliated company sites	15
Overseas subsidiaries	2
Overseas Group companies	1
Capital investment	¥1.59 billion

Financial Capital

Total assets	¥174.4 billion
Equity ratio	40.2 %

Business Activities

Business Model

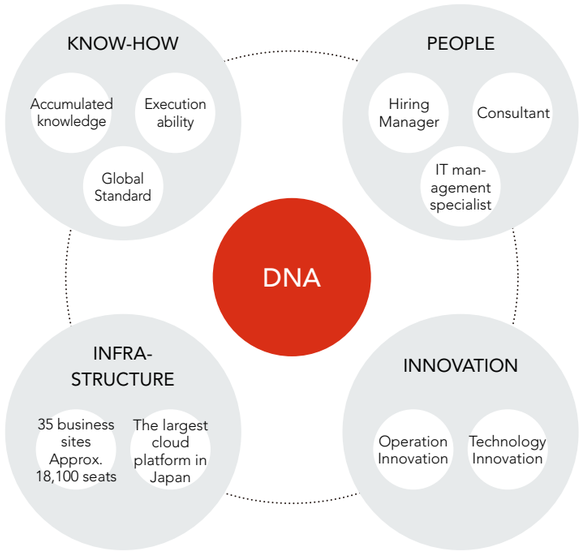


Optimization of communication touchpoints between client companies and end users

Value created through innovation and communication

DNA

Dialogue ability cultivated over 40 years, use of voice data with new technologies including AI, and teamwork to tackle difficult problems together. These factors have permeated each and every employee and are the source of value created by BELLSYSTEM24.



KNOW-HOW

The knowhow we have developed as a call center outsourcing leader, engaged in over 3,500 client service projects each year, supports the wide range of services and solutions that we provide.

PEOPLE

Specialists with solid knowhow and the unique skill sets demanded in areas such as call center construction/operation, technology, consulting etc., optimize communication between clients and their customers.

INFRASTRUCTURE

Our advanced cloud unifies the largest call center locations in Japan to create a highly stable and flexible infrastructure. Our use of the latest technology provides efficient, high-quality operations at all locations to match our clients' needs.

INNOVATION

In this increasingly sophisticated and complex business environment, our clients' ideal business model is constantly changing. In order to continue delivering advanced value, BELLSYSTEM24 always targets new technology such as AI, as well as new methodology.

Outcome

Talent development to give back to society through expanded/ enhanced human capital

Addressing Social Challenges

- Secure and cultivate human resources
- Respect for human rights
- Responding to climate change
- Risk Management

Output

500 million calls per year

Projects per year	approx. 3,500
Revenue	143.6 billion yen
Operating income	¥11.6 billion
Payout ratio	55.1 %

Value for Our Group

- Diversity of human resources and their workstyles
- Improved performance of human resources (quality and productivity)
- Business model innovation (evolution of the revenue model)
- Risk management enhancement

Value for Society

- Participating in local communities (solving social challenges)

Materiality

PURPOSE

Sustain the prosperity of society, through innovation and communication

Most important issues in the management of our business	Priority measures	FY2025 target	Related initiatives
Diversity of human resources and their workstyles	Development of systems and work environments	• Increasing the amount of investment in training by 10% from the current level, thus increasing its ratio to sales to 0.33% • Increasing the female executive ratio to 10% or higher and the female manager ratio to 20% or higher	Human Capital Strategy → P.37 Promoting the Active Participation of Diverse Human Resources → P.41 Wealth of Career Paths → P.44 Enhancing Expertise in Each Job Category and Position → P.44 Secure Workplaces and Promotion of Employee Health → P.47 Enhancing Diversity of Workstyles → P.49 Market Competitive Systems → P.50
Improved performance of human resources (quality and productivity)	Recruitment and retention of human resources Advanced personnel system Expansion of personnel development programs		
Business model innovation (evolution of the revenue model)	Use of advanced technologies Platform business	• Achieving more sophisticated data utilization • Developing the NEW BPO areas	Medium- to Long-Term Growth Scenario → P.7
Risk management enhancement	Strengthening information security Protection of privacy	• Enhancing corporate value by driving company-wide risk management • Overall management of risks by the Risk Management Committee and CRO	Compliance → P.61
Participating in local communities (solving social challenges)	Supporting the minimization of inequality in society Environmental protection	• With stakeholders, launching a new initiative to support elimination of disparities, mainly for children • Reducing greenhouse gas emissions by 30% from the 2019 level	Human Rights Initiatives → P.31 Response to Climate Change → P.52

Materiality Identification Process

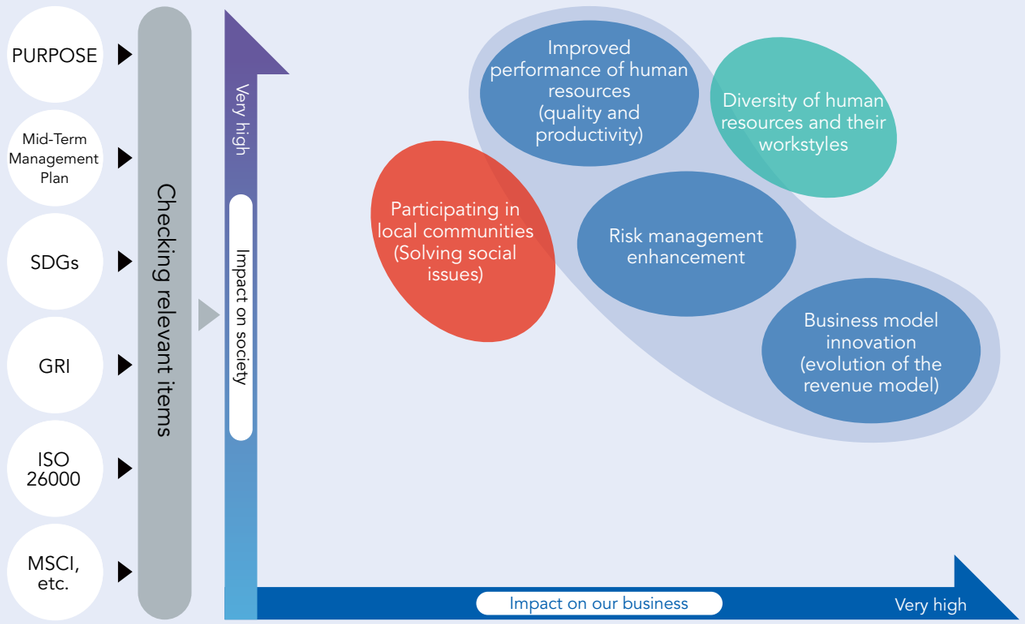
To achieve our corporate vision of supporting the enrichment of society through innovation and communication, we have defined the material issues that we face together with society by associating our activities with their impact on society.

STEP 1 Creation of list of 86 particularly relevant items based on review of our strategic direction and various external criteria and standards

STEP 2 Narrowing down to five items through discussion with stakeholders and experts

STEP 3 Formulation of priority measures for solving each material issue

STEP 4 Definition of goals and measurement indicators; proper tracking of progress and reporting to stakeholders
Construction of a system for monitoring changes in business environment and taking appropriate measures whenever necessary





Message from the CFO

Driving the utilization of generative AI and business investment, accelerating improvement in revenue, and striving to enhance our corporate value

Masaaki Obayashi
Corporate Officer, CFO
BELLSYSTEM24 Holdings, Inc

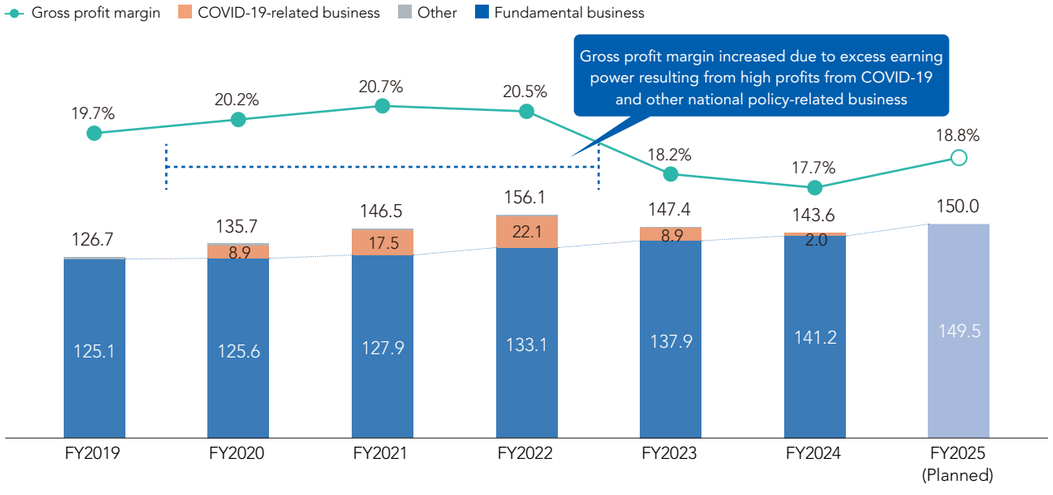
Our progress during the COVID-19 pandemic and steady expansion of our fundamental business

Looking back on the Company's operations since the onset of the COVID-19 pandemic in FY2020, COVID-19-related business such as responding to inquiries regarding rent subsidies began first, then expanded to include vaccination-related business heading into FY2022. Revenue from COVID-19-related business peaked at 22.1 billion yen in FY2022, and consolidated revenue grew significantly from 126.7 billion yen in FY2019, before the pandemic, to 156.1 billion yen in FY2022. As the pandemic drew to an end, however, COVID-19-related business gradually decreased, resulting in consolidated revenue of 143.6 billion yen in FY2024, marking a year-on-year decline for the second consecutive year.

On the other hand, during this period, revenue from our fundamental business (excluding COVID-19-related business) increased steadily each fiscal year, from 125.6 billion yen in FY2020 to 141.2 billion yen in FY2024.

Despite the overall slowdown in business due to the COVID-19 pandemic, there was also a growing demand from client companies for services centered on non-face-to-face operations. Additionally, our corporate client base increased by approximately 1.4 times, from around 1,150 in FY2020 to over 1,580 in FY2024.

Trends in Revenue and Gross Profit Margin, and Impact of COVID-19 and Other National Policy-Related Business (billion yen)



Efforts to improve profitability in the wake of the COVID-19 pandemic

The COVID-19 pandemic has had a significant impact on our business operations. To respond to the sudden increase in COVID-19-related business, we urgently secured communicators nationwide and rapidly expanded our contact center facilities, which serve as inquiry points, to meet the needs of society. As the COVID-19 pandemic began to subside, however, we were forced to urgently review our expanded facilities and began downsizing our sites and reassigning personnel. However, efforts to downsize facilities amid uncertainty about the pace of the pandemic's resolution required significant time and resources. From FY2023 onward, excessive facility costs, coupled with expenses associated with site consolidation, became a major factor weighing on profitability. Indeed, FY2023 and FY2024 were two years of cost reduction efforts. From FY2025, now that these efforts come to an end, profitability is expected to recover.

Continuous revenue improvement activities

Looking at the trend in profitability, in FY2019, before the COVID-19 pandemic, gross profit margin was 19.7%. Due to the high profitability of COVID-19 and other national policy-related business, gross profit margin rose to 20.7% in FY2021, but fell to 17.7% in FY2024. This was due to higher costs resulting from delays in streamlining excessive facilities, as mentioned earlier. In addition, operating costs rose due to increases in personnel expenses following the end of the COVID-19 pandemic, as well as rising prices for rent, utilities, and other items. Faced with these conditions, we were unable to pass on the increased costs to our customers in a timely manner. However, starting in the second half of FY2024, the effects of passing on the increase in prices to our clients began to appear gradually, and we were finally able to cover the increased costs.

In addition to raising billing rates, there is still much other work to be done to further improve profitability, such as working to reduce costs through the use of generative AI in internal operations. For example, many employees are currently involved in tasks such as interviews, document checking, and data entry for the recruitment of communicators and other labor-related procedures. By driving the digital transformation of these tasks and shifting to operations utilizing generative AI, we can improve efficiency.

In addition, the facilities that have been restructured since FY2023 still have some excess capacity. We plan to further restructure our facilities to optimize utilization rates and numbers of booths at each location. Furthermore, if we promote next-generation contact centers utilizing generative AI in the future, then the number of booths required may gradually decrease. We need to consider the appropriate number of booths at each location based on these factors.

FY2024 Actual and FY2025 Forecast (billion yen)

	FY ending Feb, 2025 (FY2024)	FY ended February, 2026 (FY2025 forecast)	Change	% change
Revenue	**143.61**	**150.00**	**6.39**	**+4.5%**
CRM business	143.20	149.50	+6.30	+4.4%
Smart contact center (SC) business	123.18	127.00	+3.82	+3.1%
Smart business support (SB) business	20.02	22.50	+2.48	+12.4%
Other businesses	0.41	0.50	+0.09	+21.7%
Gross profit	**25.41**	**28.20**	**+2.79**	**+11.0%**
Selling, general and administrative expenses	-16.18	-16.30	-0.12	
Other income / expenses	2.36	0.10	-2.26	
Operating income	**11.59**	**12.00**	**+0.41**	**+3.6%**
Operating income ratio	**8.1%**	**8.0%**		
Share of profit (loss) of investments accounted for using the equity method	0.18	0.59	+0.41	
Financial income / costs	-0.53	-0.83	-0.83	
Net income attributable to owners of the parent	**80.0**	**81.0**	**+0.10**	**+1.2%**

* The figure for the fiscal year ended February 2025 (FY2024) regarding the Smart Contact Center Operations (SC) presented above includes data regarding the business related to COVID-19 and other national policies.

Message from the CFO

Smart Contact Center Operations (SC) and Smart Business Support Services (SB)

From FY2025, we will manage and report our business progress in greater detail by dividing our fundamental business into two categories: Smart Contact Center Operations (SC) and Smart Business Support Services (SB).

Our core contact center operations (SC business) primarily involves handling inquiries from end users via telephone, email, chat, and other means on behalf of client companies. As it becomes increasingly difficult to secure human resources, there is a continuing trend for companies that had previously built and operated their own inquiry response operations to outsource these operations to us.

On the other hand, in the Smart Business Support Services (SB) field, there has been a growing demand in recent years for outsourcing of HR and accounting operations within client companies, as well as back-office operations such as document checking and review. The scale of business contracts at our company has also gradually expanded, from 12.3 billion yen in FY2020 to 20 billion yen in FY2024, a 1.6 times increase.

As labor shortages worsen, companies are increasingly focusing their management resources on their core businesses, and needs for outsourcing non-core operations is continuing to grow strongly. For this reason, we expect the trend of growth to continue for both the SC and SB businesses. Going forward, we will actively pursue new business opportunities by applying the operational know-how gained from business standardization in the SC business to the SB business.

Strategic growth investments to enhance corporate value

In FY2024, we invested in SKY Perfect Customer-relations Corporation (SPCC), which operates the customer center for Sky Perfect JSAT Corporation's SKY PerfecTV! service, and made it a consolidated subsidiary.

In recent years, as companies strengthen their core business areas, there has been an increase in the trend of spinning off non-core areas (carve-outs). We view this trend as an opportunity, and will implement a roll-up strategy through expanded business investments to scale up our main contact center business. Additionally, we will aim to improve profitability by enhancing the value of operations at our investment target companies through DX and the adoption of generative AI.

When making large-scale investments, from a financial perspective, it is important to secure working capital as well as investment capital. The financial soundness of the Company's capital structure, which serves as the foundation for its fundraising activities, improved during the COVID-19 pandemic. The ratio of shareholders' equity to total assets increased from 29.2% in FY2019 to 40.2% in FY2024, and net debt-to-equity ratio (net DER) decreased from 1.23x in FY2019 to 0.67x in FY2024, so there are no significant concerns.

Additionally, since the Bank of Japan lifted its negative interest rate policy in March 2024, market interest rates have risen together with policy rate hikes, leading to an increase in finance costs. In response, we plan to mitigate the impact of cost increases through promoting of efficient cash management and strengthening of our fundraising base.

New CRM business revenue categories (SC and SB business)

Smart Contact Center Operations (SC)	Smart Business Support Operations (SB)
Operations related to communications between corporate clients and end users	Business related to supporting the internal operations of corporate clients
Specific examples of operations	Specific examples of operations
• Inbound operations such as customer center • Outbound operations such as customer acquisition and sales promotion • Operations for constructing contact center environments, such as BellCloud+ and voice recognition • Peripheral operations including response quality assurance and the creation of FAQ knowledge • Data marketing and analysis operations • Consulting operations related to contact centers	• Personnel affairs, accounting and general affairs operations • Data entry operations (input) • Operations regarding examinations, monitoring and checklist-based inspections • Sales support, text production and website proofreading operations • Consulting operations related to internal operations • Internal helpdesk operations

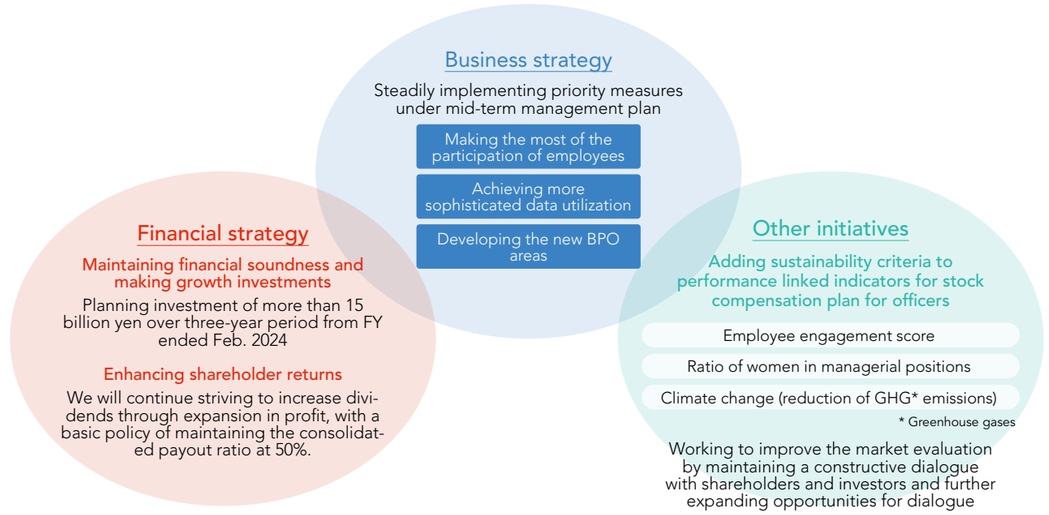
Initiatives for Continuous Enhancement of Corporate Value

Core Policy

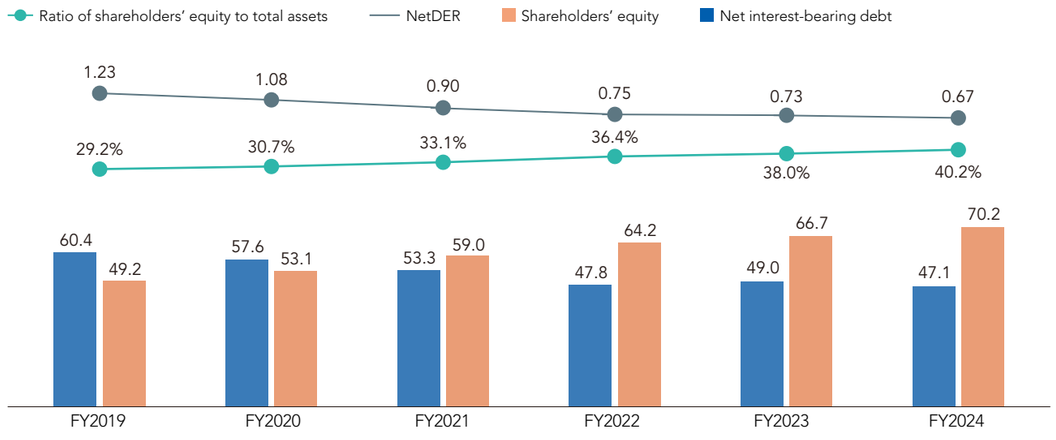
The Group places great importance on the optimal allocation of management resources, taking the cost of capital and return on capital into full consideration as a basic policy in its financial strategy. We recognize this as fundamental in achieving sustainable growth and enhancing our long-term corporate value.

In evaluating business performance, the Group regards return on equity (ROE) as a key indicator, and works continuously to improve capital efficiency. The Group also seeks to maintain a sound financial structure and achieve high capital efficiency by allocating cash flows generated through business activities in a balanced manner among shareholder returns, growth investments, and the repayment of interest-bearing liabilities.

Initiatives for Continuous Enhancement of Corporate Value



Trends in the ratio of shareholders' equity to total assets and net DER (billion yen)



Message from the CFO

Maintaining ROE and PBR at stable levels

ROE was 11.7% in FY2024, exceeding the cost of shareholders' equity (approximately 8%). Although ROE temporarily dropped to the low 11% range in FY2023 due to a decrease in high-marginCOVID-19 and other national policy-related business, it subsequently rose in FY2024 due to the effects of revenue improvement activities, and we have also maintained PBR at a level consistently above 1.0x.

In terms of ROE improvement measures, going forward, we believe it is appropriate to prioritize measures aimed at increasing profit levels. To achieve this, we will assess the profitability of individual projects and work to raise billing rates to appropriate levels, while also carefully monitoring utilization rates and booth numbers and steadily implementing revenue improvement activities such as consolidation of business locations. In this way, we will focus on increasing revenue, and improving profit levels, and profit margins profitability.

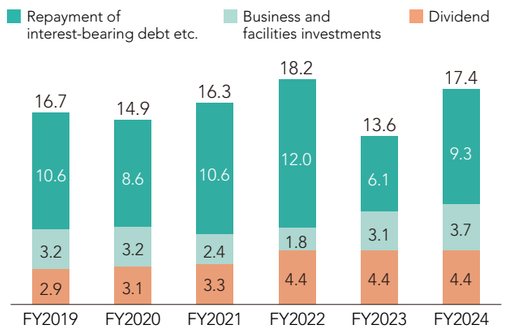
Cash allocation

Looking at trends in cash allocation since the adoption of IFRS16 in FY2019, operating cash flow from business activities was allocated to dividends and business/capital investments as growth investments, with a stable allocation of approximately 6 billion yen to 8 billion yen per fiscal year. Remaining surplus cash has been primarily used to repay interest-bearing liabilities (including lease liabilities, as defined under IFRS16), thereby enhancing financial soundness.

In FY2024, we plan to allocate 4.4 billion yen for dividends, 3.7 billion yen for business investments and capital investments, and 9.3 billion yen for the repayment of interest-bearing liabilities (including 2.4 billion yen for the repayment of borrowings).

Going forward, we will accelerate the Group's growth by implementing a roll-up strategy, including the acquisition of other companies in the same industry operating contact center businesses. Depending on the project, we fully anticipate situations where we may utilize borrowed funds beyond the scope of operating cash flow to finance business investments. We will continue to pursue proactive business investments and capital investments while aiming for a balanced cash allocation, while closely monitoring the ratio of shareholders' equity to total assets and net DER.

Trends in cash allocation (billion yen)

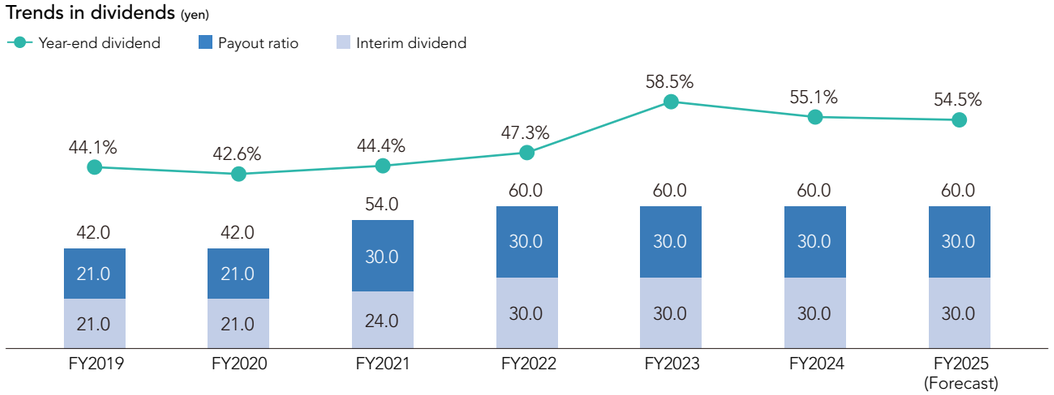


Shareholder Returns

The Group has set a medium-term target of a consolidated dividend payout ratio of 50%, and has established stable and continuous dividends as its basic policy on shareholder returns.

For FY2024, the dividend per share was 60 yen, with a payout ratio of 55.1%, which is generally in line with the target of 50%. For FY2025, the dividend per share is expected to remain the same. It should be noted that we do not intend for dividends to fluctuate every fiscal year in line with profit levels. Our plan is to maintain stable dividends, and we will continue to aim for increased dividends through steady profit growth.

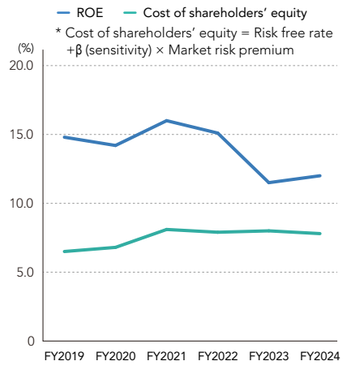
Trends in dividends (yen)



Return on equity (ROE)

Current status

- The cost of shareholders' equity was around 8% in FY2024, and we maintained an ROE that exceeded the cost of equity.



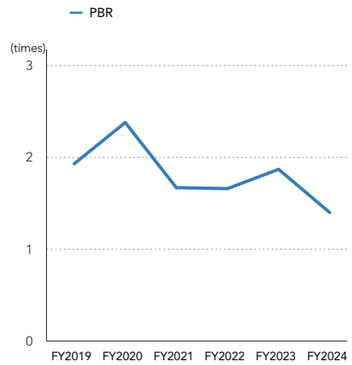
Policies and Initiatives

- Adopt ROE as a KPI.
- Aim to improve the profitability of equity by maintaining a situation in which ROE exceeds the cost of shareholder's equity.

Price book value ratio (PBR)

Current status

- Our PBR was around 1.3x in FY2024 and over the past five years has constantly exceeded 1.0x.



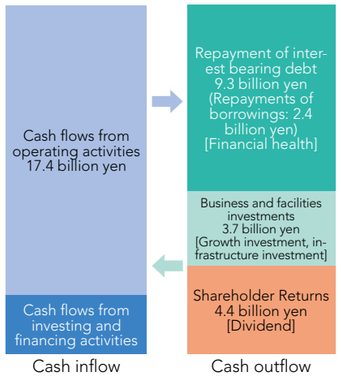
Policies and Initiatives

- Pursue improvement in market evaluation and seek further improvement in PBR.

Cash allocation

Current status

- FY2024 results
- We had cash flow from operating activities of 17.4 billion yen and used 4.4 billion yen for shareholder returns, 3.7 billion yen for business investment and capital investment, and 9.3 billion yen for the repayment of interest-bearing debt.



Policies and Initiatives

- Allocate cash flow from operating activities in a well balanced manner to shareholder returns, growth investment, and the repayment of interest bearing debt.

Engaging in stakeholder dialogues with greater care and attention

In terms of stakeholder dialogues, we will seek to deepen the level of dialogue with various stakeholders, including institutional investors and shareholders, through the disclosure of financial results and other information, and work to achieve sustainable growth and enhance corporate value by incorporating feedback into the management of our businesses through constructive communication.

Specifically, we hold two annual financial results briefings for institutional investors, conduct individual meetings with over 50 companies per year, and participate in briefings for individual investors. We also hold occasional overseas briefings for institutional investors, on an irregular basis.

Through these dialogues, we work to enhance understanding of our Group among institutional and individual investors both in Japan and overseas, collect valuable opinions, and regularly share feedback with the Board of Directors to ensure that the voices of investors are reflected in the management of our businesses.

We also work to build sound relationships with client companies, business partners, and local communities based on our code of conduct. We value our relationships with all our stakeholders, and will continue to engage in responsible corporate management through transparent disclosure of information.

Current State of Our DX and Generative AI Strategy

Creating the future of contact centers through the coexistence of generative AI and human operators



Hiroshi Kato
Corporate Officer, General Manager,
Digital CX Division, BELLSYSTEM24, Inc.

Our DX strategy

In its aim of becoming an integrated BPO partner, the BELLSYSTEM24 Group develops and provides BPO services to address labor shortages and support corporate DX. We achieve this by combining our technologies with human resources development methodologies and operational capabilities cultivated across a wide range of BPO domains, including contact centers. BELLSYSTEM24has also been certified as a DX Certified-Operator by Japan's Ministry of Economy, Trade and Industry since 2022, in recognition of our well-established framework for driving digital transformation. Going forward, we will continue to accelerate generative AI and data utilization through collaboration with partner companies that possess specialized expertise, thereby contributing to the realization of advanced DX solutions that address issues faced by corporate clients.

Status of generative AI

Since the release of ChatGPT in 2022, the evolution and widespread adoption of generative AI have been remarkable, and its utilization in the business sector has expanded rapidly accordingly. Over the past year in particular, numerous innovative services and solutions leveraging generative AI have emerged in rapid succession, across a diverse range of industries, both in Japan and internationally. Our company has also recognized the potential of generative AI early on and is actively advancing initiatives and providing implementation support for its use in contact center operations and related areas, through partnerships with leading technology companies and customers.

The Hybrid Operation Loop, announced in November 2024, is a new solution developed in collaboration with several technology companies, including Microsoft Japan Co., Ltd. It combines generative AI with our longstanding expertise in contact center operations. This solution enables hybrid contact center operations by seamlessly integrating automated responses powered by generative AI with human-assisted support. This enables the provision of appropriate and reliable responses in real time, while allowing typical routine inquiries to be handled entirely through automated responses. In general, however, the current accuracy rate of generative AI remains between 60% and 70%. For companies like ours that provide contact center operation services, this is insufficient to ensure reliable customer support. Through Hybrid Operation Loop, we believe that by achieving an accuracy rate of 90% or higher, we can make generative AI truly usable in contact center operations. Its broader and more practical deployment will enable dramatic improvements in operational efficiency.

Human involvement is key to operating generative AI

When operating generative AI, accumulating knowledge gained from responses only humans can make is crucial for enhancing the accuracy of its answers. The process of discerning issues or problems from the subtle nuances of conversations and words is currently a domain that only humans can handle. By codifying this extensive process into knowledge and using it as training data for generative AI, it becomes possible to improve accuracy rates.

Spurred by the emergence of generative AI, BELLSYSTEM24 is intensifying its efforts to leverage insights derived from a massive database of over 500 million call records to boost operational efficiency for client companies. Operational methods and issues vary significantly across client companies. By leveraging the expertise and insights accumulated by human operators through their work, we will enhance the accuracy of generative AI responses. For complex tasks that cannot be handled by generative AI alone, operators will continue to provide human support. This approach enables us to build an operational framework that combines efficiency with flexibility.

The key to innovation

In this way, Hybrid Operation Loop offers an innovative solution that fundamentally rethinks the essential processes of contact center operations (which have traditionally been labor-intensive), and drives the evolution toward the creation of next-generation contact centers by enabling automated responses through dramatic improvements in productivity. We believe that this will serve as one effective solution to the social problem of labor shortages, which are expected to worsen in the future.

We regard next-generation contact centers as one of the key innovations in support of our purpose, "Sustain the prosperity of society, through innovation and communication," and are aiming for full-scale implementation in actual operations by the second half of FY2025. Looking ahead, we will continue to lead the implementation of generative AI across the industry through ongoing development and verification.

Three steps in the Hybrid Operation Loop

Achieve automated responses with generative AI in three steps

STEP 1

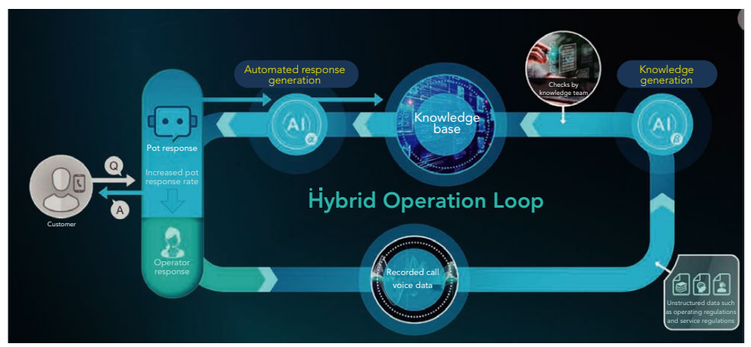
Transcribe customer and operator voice data into text.
Build a knowledge database to accumulate text data.

STEP 2

Utilize generative AI to interpret conversations between operators and customers in real time. Leverage this functionality to enable automated text responses.

STEP 3

Equip generative AI with voice capabilities, enabling it to deliver automated vocal responses.



Conceptual diagram of the automation flow in a "Hybrid Operation Loop"

BELLSYSTEM24 Holdings' Sustainability

Message from the Chief Sustainability Officer (CSO)

We aim to expand our shared value though the activities of the Sustainability Management Division that is integrated with our business strategy



Shinsuke Kageyama, Corporate Officer SVP, Chief Sustainability Officer (CSO) BELLSYSTEM24 Holdings, Inc.

Realizing CSV as the stage beyond CSR

The Sustainability Management Division was established in June 2022 as an organization to succeed the former CSR Promotion Division. In addition to the employees dedicated as full-time-base members, it also has part-time- base members from departments such as personnel and general affairs. We have been working to define and codify the concepts which form the management foundation of our group. Based on our purpose, the concepts include the definition of the important issues (materiality) we share with the society, and our Human Rights Policy, Environmental Policy and Social Contribution Policy. One of our important initiatives is to deliver these concepts to employees and other stakeholders and to then carry out concrete activities and report on them.

Our group aims to realize Creating Shared Value (CSV) which is the stage beyond Corporate Social Responsibility (CSR). This is an approach which looks to expand economic value and social value at the same time. This means we expand business activities which also lead to solutions to social issues while pursuing profit as a company.

Human resources are at the heart of our sustainability activities

For example, one such concrete activity we carry out is the diversification of employment by hiring people with disabilities. I think that our initiative with companies operated by the La Barca Group called Quon Chocolate and MI CAFETO is a very advanced example of that. It suggests the way CSV should be in the future through employment.

The La Barca Group does not run a chocolate business just to provide opportunities for people with disabilities to work; rather, it is purely looking to make a profit by selling tasty chocolate. I strongly believe that this initiative enriches the lives of people with disabilities. We are talking with MI CAFETO about making people with disabilities feel even more meaningful by engaging in initiatives which produce profit as a business.

Human resources is the most important management resource for our group. We base our sustainability activities on a strategy to improve our human capital both quantitatively and qualitatively. We will establish a cycle in which such activities improve the quality of the services we provide to our customers to improve profit and to give back to society. I think establishing such a cycle is the basis of sustainability activities integrated with our purpose.

We also believe it is important to disclose our action plan and achievements in an easy-to-understand manner. We are working on sustainability as part of our business strategy. Therefore, we must also convince our investors and business partners of the worth of the action plan and achievements as well as employees. Although not all activities can be quantified, we believe it is important to set concrete targets.

Sustainability is a very important focus of our actions under Mid-Term Management Plan 2025. We consider sustainability to be an important foundation of our growth strategy. Based on that position, we are aiming to carry out activities which see our group being judged as healthier and even stronger on a comprehensive basis in addition to contributing to society.

Sustainability

Policy and Basic Concept

Sustainability Policy

We have defined our purpose to be to "sustain the prosperity of society, through innovation and communication" as the reason for our existence. Based on this purpose, we will support the realization of a sustainable society through contributing to human rights, the global environment and social issues as one of our important management objectives. We have established this policy based on our purpose and the code of conduct.

1. Identification of Material Issues and Contribution to Social Issues

We define material issues not just simply to improve our corporate value but also to realize the sustainable growth of society at the same time as a member of society. We contribute to solving social issues by returning the value we create to society.

2. Role of the Board of Directors

The Board of Directors oversees sustainability initiatives with the aim of improving our medium- to long-term corporate value and realizing a sustainable society. The Board of Directors determines important sustainability matters after they are referred to it for deliberation or reported to it by the Sustainability Promotion Committee.

3. Communicating and Building a Relationship of Trust with Society

We recognize important social issues through two-way communication with various stakeholders. We consider solutions and implement them responsibly while thoroughly disclosing and expanding related information. Such efforts allow us to continue building and improving our relationship of trust with society.

4. Strengthening the Sustainability of Our Business Network

We promote sustainable business activities by preventing and continuing to give consideration to problems with respect to various issues. Those issues include conservation of the global environment; mitigation and adaptation to climate change; resource recycling; protection of biodiversity and ecosystems; and basic human and labor rights. We take into consideration the environment, respect human rights and to pay attention to occupational health and safety in the business network over our entire group. We are aiming to build a sustainable network by seeking the understanding and implementation of our group's approach to sustainability from all our business and business partners. We comply with the laws/ordinances in each country and respect international norms. We strive to understand the cultures, traditions and customs in each country and region around the world. We then engage in fair and sincere corporate activities.

5. Education and Awareness of Employees

We build diverse workplaces where our employees can work with peace of mind, good health and can work as themselves. At the same time, we engage in education and enlightenment activities to foster awareness to promote sustainability as a member of society and the local community.

Each of our employees undertakes their roles and targets which have been defined based on our purpose and this policy as their duties.

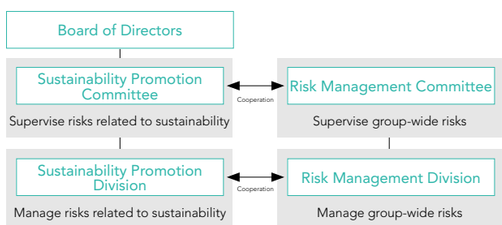
Established on April 1, 2023
Hiroshi Kajiwara, President, CEO and Representative Director
BELLSYSTEM24 Holdings, Inc.

Sustainability Risk Governance

We launched the Sustainability Management Division in 2022 as an organization focused on the advancement of sustainability, and our Board of Directors approved our Sustainability Policy in March 2023. Through these and other actions we have constructed a system of governance for overseeing sustainability risks across our entire company, and for properly and effectively carrying out sustainability management.

In addition, we have created the position of Chief Sustainability Officer, and defined the Sustainability Management Division as a permanent organization that reports directly to this officer. Together, they continuously analyze sustainability risks and formulate, implement, and track the effectiveness of measures for dealing with those risks.

The Sustainability Promotion Committee discusses sustainability risks at least once a year. It then reports them together with the overall risks to the Board of Directors chaired by the Representative Director. The Board of Directors comprehensively grasps company-wide risks, determines their level of importance and then reflects them in our medium- to long-term road map. Together with that, it oversees the implementation of the measures.



FY2024 Sustainability Promotion Committee

[Members] Chair: President, CEO Members: Corporate Planning; Corporate Officer SVP in Charge of Sustainability Promotion, CIO, CTO, CSO, CCO, CISO, CPO, CRO, Corporate Officer in Charge of Financial Supervision & General Affairs, CFO; Senior Advisor for Secretariat, Corporate Auditor
[Main agenda items] Policy for responding to human rights due diligence results

BELLSYSTEM24 Group's Sustainability

Social Contribution Policy

The value we create will be actively given back to society.

1. Basic stance

We create value through our business operations utilizing the resources given to us by society, which mainly include natural and human resources. By actively giving this value back to society, we will contribute to making the future beautiful and prosperous.

2. Three focus areas for our activities

Based on our purpose, our most important managerial issues and the SDGs, our contribution activities are focused on three social issue areas that are more connected to our business strategy.

People and workstyles

Expand environments where human resources with many different backgrounds (e.g. people with disabilities, people of advanced age or sexual minorities) are able to work in many different styles free from time, place and other constraints.

Minimizing inequality

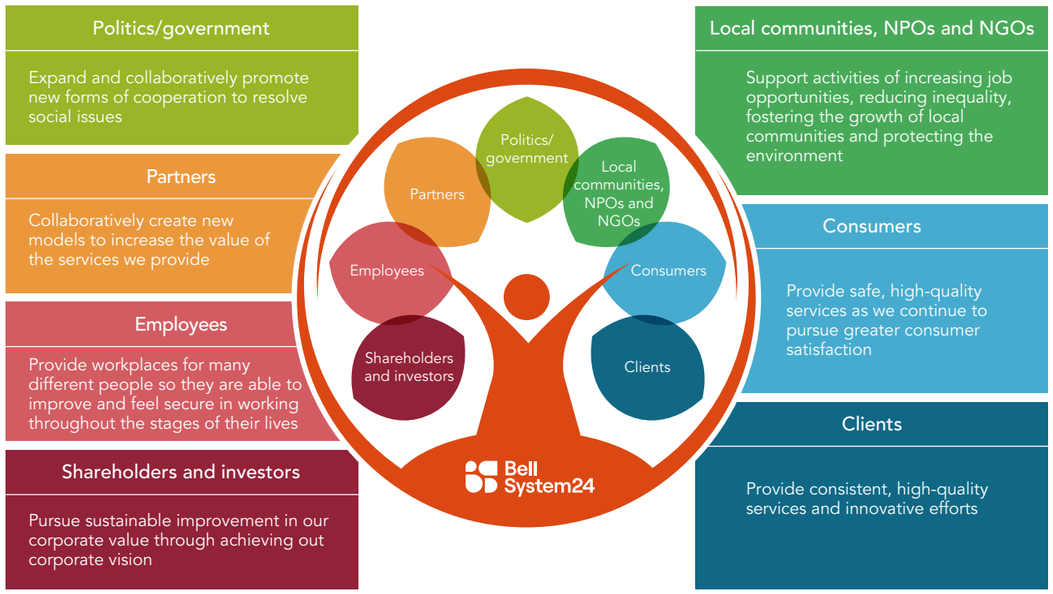
Efforts to develop the next generation, including the minimization of social inequality, especially child poverty, and the promotion of equal opportunities.

Environmental protection

Efforts to protect regional environments and increase the sustainability of communities.

Stakeholder Engagement Policy

We defined our Stakeholder Engagement Policy to promote engagement with stakeholders based on our purpose and the material issues that we face together with society. Based on the ISO 26000 standards for CSR, we emphasize offering value to all stakeholders in our management. By optimizing the utilization of many different social resources, we will support the achievement of prosperity and the resolution of social issues.



Established on January 29, 2019
Hiroshi Kajiwara, President, CEO and Representative Director
BELLSYSTEM24 Holdings, Inc.

S Society and Personnel Utilization

Visit our website for details.
https://www.bell24.co.jp/ja/csr/social/

Our Initiatives

Creating workplaces where employees can work with peace of mind

Over 30,000 employees with various backgrounds work in the Group; we have always been a highly diverse organization. We identify "Diversity of human resources and their workstyles" at the top of the material issues established in 2019. We hope to leverage this, the Group's greatest feature, to drive our growth and the growth of society.

The Diversity Promotion Group, established in 2016, has the crucial task of further expanding this diversity. It has engaged in important activities such as promoting more active roles for women in the organization, encouraging understanding of sexual minorities, promoting workstyle reform through teleworking, and supporting work-life balance.

Meanwhile, in 2019, we also established our Human Rights Policy, setting forth our respect for the basic human rights, not only of our employees but also of everyone outside the Group affected by our business activities and business transactions. This forms the basis for our efforts to "build diverse workplaces where our employees can work with peace of mind, good health and can work as themselves," as stated in our Sustainability Policy.

We have also established the HR Policy as a code of conduct for employees, to bring them closer to the Group's Purpose. Through three short key phrases we have created — grow together, take on challenges and continue to improve — we hope that all of our employees can convert our purpose into concrete actions in their work.

In the spirit of our HR Policy, we have also introduced a new personnel system for the "communicators" who work on the Group's front line each day. This personnel system incorporates a framework that actively evaluates our communicators' daily efforts, paying them lumpsum allowances twice a year based on the results of their work evaluations. We have also established "specialist courses" to enable employees to advance their careers in ways that capitalize on their specialties, as well as a system of promotions and remuneration that enables even those who have only worked with us for a short time to aim for career advancement. Through these measures, we have ensured the organization's "Diversity of Human resources and workstyles" while also creating work-friendly environments for all our communicators. We hope to continue to strengthen these efforts, including workplace safety and health, which has become a pressing social theme.

Leveraging diverse human resources to drive corporate growth

One of the features of our business is our network of approximately 40 locations across Japan, and we engage in effective recruitment activities firmly rooted in each local community. To this end, we deploy a specialized recruiting team called Field HR in locations across Japan. Since 2017, we have offered an pre-training program we call SUDAchi, which enables us to provisionally hire job applicants who conventionally would have been turned down otherwise, providing them with special training before assigning them to a workplace. Through this training, we support them to work long-term with peace of mind by enabling them to learn the skills we believe require reinforcement before they enter workplaces, such as PC skills and work practices. This initiative has the dual effect of removing any insecurity that employees might feel when they start work and strengthening organization-wide employee recruitment and retention. For it, we were awarded the Recruitment Excellence Award at the Japan HR Challenge Awards in 2019.

With the society-wide promotion of teleworking in recent years, we will actively expand the scope of work duties that employees can complete remotely. This will help employees balance many different circumstances such as caring for children or parents and relocation. We will achieve a high level of diversity in our workstyles insusceptible to time and location constraints. This will enable us to provide workstyles that allow employees to balance work with a broad range of circumstances, such as childcare, nursing, or relocating to regional areas. We hope to create a highly "workstyle-diverse" employment environment not easily affected by time and place constraints. To this end, we will engage in speedily upgrading our human resources management in terms of both systems and technology, aiming to build a more competitive organization in terms of securing talent, too.

S Society and Personnel Utilization

Human Rights Policy

We respect the rights of all the people involved in our business activities and dealings.

1. Basic Stance on Human Rights

We respect the rights of all the people involved in all our business activities and dealings. We comply with the United Nations International Bill of Human Rights (Universal Declaration of Human Rights and International Covenants on Human Rights), the Guiding Principles on Business and Human Rights, the United Nations Global Compact, the International Labor Organization's (ILO) Declaration of the Fundamental Principles and Rights at Work and other international standards and the laws/ordinances of each country and region. If there is a contradiction between internationally recognized human rights and the laws/ordinances in those countries and regions, we always seek a way to pay the maximum respect for international human rights principles.

2. Discrimination-free Workplaces and Society

We do not engage in discrimination based on nationality, race, ethnicity, country of birth, birthplace, skin color, religion, thoughts and beliefs, language, gender, gender identity, sexual orientation and gender expression, age, disability status, marital status, pregnancy, health condition, form of employment or social status in any of our business activities or dealings.

3. Safe Workplaces with Peace of Mind

We ensure an appropriate working environment and health and safety without long working hours or forced labor. We prohibit all forms of harassment. We also comply with labor principles and regulations defined by the ILO and other international organizations to eliminate forced labor and child labor. We respect rights such as the freedom of association and the right to collective bargaining. We fairly pay appropriate wages higher than the minimum wage. At the same time, we maintain the principle of equal pay for equal work.

4. Protection of Privacy

We protect the privacy of all people involved in our business activities and dealings such as employees, clients and final consumers.

5. Understanding and Improving Issues

We understand the processes relating to human rights in our business activities and dealings. Upon that, we identify and evaluate actual and potential issues through human rights due diligence. We then work to correct those issues and to eliminate risks. We also maintain a mechanism to handle grievances picked up from those with grievances both inside and outside the company. We then take remedies when necessary and reflect them in our overall policy. We reliably operate this cycle. We will enhance the transparency of our initiatives. We will then appropriately disclose those contents and engage in dialogue with those both inside and outside our company.

6. Encouragement of Business Partners to Consider Human Rights

We encourage all the companies and individual customer with whom we do business to respect human rights.

7. Education and Awareness

We promote awareness and understanding of the importance of protecting human rights by providing human rights training to all our officers and employees*. We aim to instill the importance of human rights so that concrete activities are incorporated into daily business activities and dealings.

* Including contract employees and temporary employees

8. Director in Charge of This Policy

We clearly appoint a director in charge of this policy. The Board of Directors then provides oversight to ensure this policy is put into practice.

Established on January 29, 2019
Established on April 1, 2022
Hiroshi Kajiwara, President, CEO and Representative Director
BELLSYSTEM24 Holdings, Inc.

Human Rights Initiatives

Policy and Basic Concept

Individual Human Rights Policy

Respect for Diversity

One of our strengths is that diverse human resources can work in diverse styles. That is one of the reasons why we proactively promote activities to respect human rights. On the other hand, we provide all our employees with human rights training for the friction among them that is one of the problems of our highly diverse workplaces. We understand this friction and respond to it with a whistleblower system.

We consider various individual differences to be the richness of individuality and characteristics. We will continue to create workplaces without discrimination based on mere differences.

Respect for the Rights of Children (Nurturing the Next Generation)

The child poverty rate in Japan is particularly high among developed countries. In response to this social issue, we proactively contribute to nurturing the next generation with NPOs and other stakeholders. We do this from a stance that extensively supporting human resources is important both in terms of business and society.

We support the United Nations Convention on the Rights of the Child and the Children's Rights and Business Principles. We do not use child labor. We support all national and international policies to eradicate child labor.

Response to Modern Slavery and Human Trafficking

We engage in business activities in Japan and overseas based on the United Nations Global Compact and the Guiding Principles on Business and Human Rights according to the human rights policy we have established. All our policies, rules and regulations include initiatives to prevent modern slavery and human trafficking.

Respect for the International Labor Organization (ILO) Core Labor Standards

We consider the four ILO core labor standards to be basic human rights. Those four standards are freedom of association and the right to collective bargaining; the elimination of all forms of forced labor; the abolition of child labor; and the elimination of discrimination in respect of employment and occupation. We support and comply with these rights.

Consideration for Foreigners

We aim to provide fair and equitable working conditions and environments to foreign employees, interns and trainees.

We comply with laws/ordinances of the countries concerned and observe a position of respecting human rights at our overseas contact centers. Our grievance handling mechanism and human rights due diligence system apply to our whole group.

Respect for the Rights of Indigenous Peoples

We recognize that indigenous peoples have unique culture and history in our business activities in regions where they live as part of our commitment to respecting human rights. We respect and take into consideration the rights of indigenous people established in the laws of countries and regions where we engage in business activities and international agreements such as the United Nations Declaration on the Rights of Indigenous Peoples and the International Labor Organization (ILO) Convention No. 169. We also thoroughly check in advance the impact of our business on the rights of indigenous people when considering new business investment projects.

Initiatives with Various Stakeholders

We define the value we provide to stakeholders and our initiative policy as our CSR Policy. We promote human rights, diversity and various other themes together with our stakeholders.

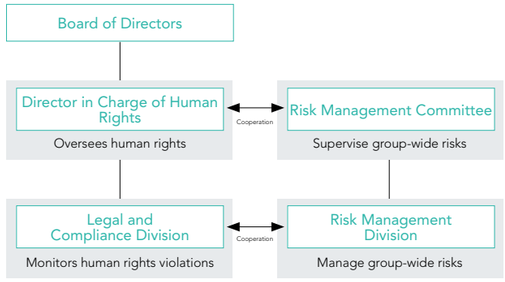
Promotion Organization and Systems

We have assigned a director in charge of human rights and clarified the responsibilities of the Board of Directors. The director in charge reports the related risks and important themes to the Board of Directors.

The director in charge considers human rights management policies while cooperating with the officer in charge of risk management who is responsible for the Risk Management Division.

The Legal and Compliance Division plays a central role in monitoring human rights violations. The division engages in various activities in cooperation with the Risk Management Division with both divisions serving as permanent organizations. Those activities include the planning and execution of measures, the provision of related training, and external activities.

There have so far been no disputes caused by human rights violations.



Human Rights Due Diligence

Our business model, that is, the call center model, accounts for almost all of our sales. Our in-house full-time employees, contract employees, temporary employees from employment agencies, and part-time employees and other short-term employees work at approximately 40 contact centers in Japan and approximately three contact centers overseas. We also engage in small-scale temporary employee business. We place our employees with client companies.

We have been conducting human rights due diligence since 2019. We broadly ascertained an overall sense and the whereabouts of risks as the first step. We then prepared full-scale human rights due diligence. We have also created human rights training based on those results. We are giving that training to all our employees on a mandatory basis.

We will increase the sophistication of our process for human rights due diligence together with human rights due diligence experts in the future.

S Society and Personnel Utilization

Human Rights Whistleblower System

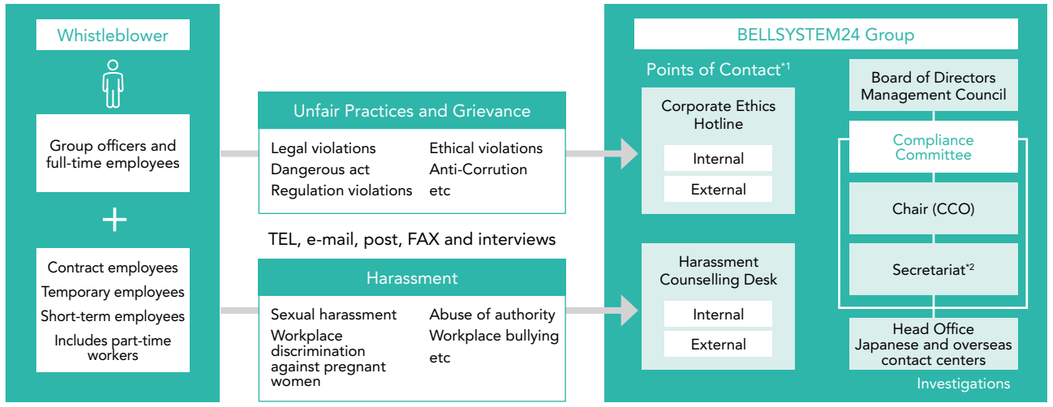
We established the Whistleblower System Operation Rules in 2017. We have set up two contact points.

- Corporate Ethics Hotline
  Point of contact for reports of legal violations, internal regulation violations, dangerous acts and ethical violations
- Harassment Counseling Desk
  Point of contact for reports of grievances, concerns and dissatisfaction about sexual harassment, workplace bullying, workplace discrimination against pregnant women, psychological abuse and other forms of harassment

These points of contact can be used by all the officers and full-time employees, contract employees, temporary employees, short-term employees (part-time employees), retired former employees and permanent contractor employees in our group. The Whistleblower Protection Act and other laws/ordinances and our Whistleblower System Operation Rules protect whistleblowers (those seeking advice), those providing their cooperation to confirm the facts of the situation and the contents of reports. It is also possible to make reports anonymously.

We have established the Rules for Prevention and Elimination of Harassment and Appropriate Measures for Harassment Cases to combat harassment. The rules stipulate the basic prohibitions and the method of managing and dealing with incidents. We have also appointed an external full-time female counsellor to deal with harassment.

Overview of the Whistleblower System and Grievance Reporting System



*1 There are four points of contact: Internal point of contact, external law office, Corporate Auditors and points of contact in our group companies
*2 Legal and Compliance Division

Initiatives

Respect for the Rights of Children (Nurturing the Next Generation)

We opened a call center pavilion in KidZania Tokyo in 2016. It provides children with a wide range of experiences of working in a call center. This initiative allows children to learn the rules and manners of society and the fun and hardships of working. We will continue to work to provide these valuable experiences in the future.

Fair Recruitment and Recruitment of Local Human Resources

→ Recruitment record by region, page 42

Basic Policy for Customer Harassment

We believe that to achieve the Group's purpose, it is vital that our employees can work in safety with peace of mind. We have therefore established a basic policy on the customer harassment of employees in line with the CCAJ Code of Ethics Guideline formulated by the Contact Center Association of Japan (CCAJ).

Basic Policy for Customer Harassment
https://www.bell24.co.jp/ja/csr/social/humanrights-index/customerharassment-policy/

Sustainable Procurement Policy

We will support the realization of a sustainable society through responsible procurement practices across our entire supply chain, in line with our Group's purpose and code of conduct.

We will continue to engage in activities in accordance with this policy, which is built upon the pillars of (1) human rights, labor, and health and safety, (2) compliance with laws/ordinances and respect for international norms, (3) environmental protection, (4) quality and safety, (5) information security, and (6) coexistence with society.

Since our business involves hiring and employing large numbers of human resources, we place particular emphasis on ensuring that our entire hiring and employment process, including intermediary fees and commissions, and related information are managed appropriately from a human rights perspective. Given the public nature of our services, we will also continue to maintain high levels of quality, stability, and security for information and infrastructure.

1. Human Rights, Labor, and Health and Safety

We promote initiatives to respect human rights throughout our supply chain based on our group's Human Rights Policy. To that end, we work with society and all our business partners to respect the human rights of everyone involved in all our business and transactions. In addition, we actively promote activities aiming to improve the work environment and to ensure health and safety. We comply with international treaties, norms and the laws of each country and region concerning human rights, respect the rights of workers, give consideration to their health, and strive to ensure and improve a good work environment.

2. Compliance with Laws/Ordinances and Respect for International Norms

We comply with the laws of Japan and other countries concerning procurement and engage in activities trusted by society with high ethical standards throughout our supply chain based on our group's Code of Conduct. We conduct fair and equitable transactions and build relationships of trust with all our business partners in a free and competitive environment. We prevent bribery and corruption and block all relationships with anti-social forces.

3. Environmental Protection

We engage in procurement activities that consider conservation of the global environment, climate change, biodiversity and other issues based on our group's Environmental Policy. Aiming to realize a recycling-oriented society, we conduct appropriate environmental management. We do this by promoting the provision of products and services that efficiently use energy and resources and that reduce the impacts on the global environment as far as possible throughout our supply chain. Moreover, we proactively introduce new technologies that reduce the environmental impacts.

4. Quality and Safety

We prioritize quality and safety in procurement. We strive to maintain and improve quality and safety together with all our business partners aiming to provide products and services with even greater value. Human resources are at the core of our group. As such, we place a greater emphasis on activities relating to human rights, labor, health and safety, hiring and temporary staffing, employment, and education and training.

5. Information Security

We strictly observe our duty of confidentiality, prevent information leaks, and promote strict management based on laws for confidential information, including personal information and privacy, in all our procurement activities. We continue to engage in activities to minimize risks, such as access control, vulnerability management and threat monitoring, in preparation for cyber-attacks.

6. Coexistence with Society (Contribution to Local Communities)

We build long-term relationships of trust with our business partners through fair and equitable procurement activities. We work in partnership with all our business partners to resolve social issues throughout our supply chain aiming to coexist with society. We share values with local communities, respect the rights of residents and aim to realize a prosperous society.

Established on July 1, 2025
Hiroshi Kajiwara, President, CEO and Representative Director
BELLSYSTEM24 Holdings, Inc.

S Society and Personnel Utilization

Sustainability Principles of Conduct for Supply Chains (Request for Cooperation from Business Partners)

We have established the Sustainability Principles of Conduct for Supply Chains as requirements to be observed by all business partners involved in our group's business and transactions. We request that all our business partners comply with the relevant international treaties, norms and the laws of Japan and other countries, as well as understanding the purpose and content of these principles. We ask for your cooperation, including that of your partner companies, to realize a sustainable society together with our group.

1. Respect for Human Rights, Good Work Environment, and Health and Safety

Respect the human rights of all people in all our business and transactions and promote activities aiming to improve the work environment and to ensure health and safety.

- Prohibit forced labor
- Prohibit child labor
- Prohibit bullying/harassment
- Accept diversity
- Prohibit all discrimination
- Prohibit inhumane treatment
- Respect children's rights
- Ensure a safe, hygienic and healthy work environment
- Eliminate long working hours, and appropriately manage working hours, holidays and vacations, etc.
- Ensure appropriate wages, comply with minimum wages and provide employee welfare
- Respect freedom of association and the right to collective bargaining
- Provide equal opportunities in recruitment and hiring, and carry out fair and impartially hiring selection
- Provide education and training opportunities for skill advancement and career development
- Comply with responsible employment obligations and give consideration to stable employment
- Establish a product and service quality control structure
- Carry out human rights due diligence and introduce corrective action
- Establishment of business continuity plans (BCP)

2. Promotion of Fair Trade (Corruption Prevention)

Comply with the laws of Japan and other countries and international guidelines. We provide fair, equitable and free competition opportunities.

- Comply with the relevant laws and guidelines of Japan and other countries
- Provide fair, equitable, transparent and free competition opportunities in the procurement of goods and services
- Eliminate transactions that use a dominant position or are complicit in exploitation
- Prevent bribery and corruption
- Eliminate anti-competitive transactions and transactions involving conflicts of interest
- Eliminate transactions with anti-social forces
- Appropriately manage corporate ethics

3. Environmental Protection

Promote product and service procurement activities that consider the global environment throughout our supply chain.

- Establish an environmental management structure
- Reduce greenhouse gas emissions
- Use energy efficiently
- Respect biodiversity
- Reduce plastic use and disposal
- Appropriately manage and reduce waste
- Provide and promote products and services that reduce the environmental impacts

4. Ensuring Quality and Safety

Prioritize quality and safety in procurement.

- Provide high-quality products and services
- Establish a structure to ensure and manage the safety of products and services

5. Thorough Information Management

Strictly protect and manage the personal information and confidential information involved in procurement activities.

- Protect personal information and privacy
- Appropriately manage intellectual property rights and confidential information, etc.
- Strengthen cyber security

6. Contribution to Society

Enter in dialogue with stakeholders, share values with local communities, solve social issues and promote initiatives to realize a sustainable society.

- Support the resolution of local community issues
- Invest in education - one of the values shared with society concerning human resources
- Promote the employment of human resources in each community

7. Provision of Relief Measures

- Establish an appropriate grievance mechanism
- Ensure access for users and guarantee anonymity and confidentiality

Occupational Health and Safety in the Supply Chain

Our Human Rights Policy calls on us to encourage all companies and individual customers with whom we do business to respect human rights. We implement diverse initiatives for improving health and safety and other aspects of the work environment.

As we are a company whose business focuses mainly on call center operations, our supply chain consists of service providers such as our partner employment agencies and facility operators. We review each candidate supplier before entering into a business relationship with them, and we keep all suppliers informed on our policies. In addition, we have established various regulations and implemented a whistleblower system and other programs to ensure we engage in business with a high sense of ethics regarding health and safety, human rights, and corruption prevention, so that we ourselves can be models for the employees of our partner employment agencies who work at our centers.

Consultation System

We operate a counselling room as a mental health initiative. We have set up a point of contact where employees can feel free to talk about their work worries and stress. An external third-party organization which complies with a code of ethics operates that point of contact. We have introduced a Labor Counselling and Report Sheet and we provide support and assistance in resolving labor problems for each department. We have also set up internal and external (lawyer) points of contact based on our whistleblower system/grievance reporting system and established a mechanism to widely pick up and deal with grievances. These measures allow us to reliably provide help and to respond to those grievances.

Health and Productivity Management Initiatives

We comply the Industrial Safety and Health Act, the Health Promotion Act, and other related laws/ ordinances. We thoroughly carry out annual health checkups and stress checks, among other health initiatives.

Our Basic Policy on Diversity and Inclusion states: "We will promote the maintenance and improvement of mental and physical health. We believe that promoting the health of employees is the foundation to diverse workstyles of diverse human resources. We will proactively promote health management." We carry out a broad array of initiatives to fulfill this obligation, under our Board of Directors' firm commitment to the promotion of health and productivity management.

S Society and Personnel Utilization

Changes in Human Resources Strategy and Measures

Phase. 00 Develop a foundation for diverse employment types to thrive

2016

Established Diversity Promotion Group
Expanded the regular employee promotion system and introduced a location-restricted employment system
Won the Contact Center Award
Recognized as the Top 100 Telework Pioneers
Exhibited at the job experience facility KidZania Pavilion

2017

Introduced a system for contract employees to transition to an unlimited contract period after six months of continuous work
Introduced Benefit Station benefits
Opened the in-house nursery BellKids
Participated in the Ministry of Internal Affairs and Communications (MIC) Telework Days (participated for the next three years)

2018

Established a new personnel system for contract employees
Established the HR Policy
Enhanced programs for supporting acquisition of qualifications
Certified in DBJ Employees' Health Management Rated Loan Program
Received Bronze in the Pride Index
Acquired the highest rank of Eruboshi certification by the Ministry of Health, Labour and Welfare (MHLW)
Opened the employment support facility SUDAchi
Opened the Quon Chocolate factory to support the employment of people with disabilities

Phase. 01 Strengthen operational foundation and expand functionality

2019

Growth strategy 2019

Expanded benefits for contract employees
Made major revisions to the post-retirement reemployment system
Established café and farm facilities to support the employment of people with disabilities
Acquired Platinum Kurumin certification from the Ministry of Health
Selected as a Nadeshiko Brand by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange
Awarded the Recruitment Excellence Award at the Japan HR Challenge Awards
Received Gold Award in the PRIDE Index (received successively thereafter)

2020

Introduced the Double Job System (internal)
Received J-Win Diversity Award (Basic Achievement Award)
Spoke at Employment Summit 2020 on the employment of the disabled

2021

Introduced the Work Share System (work-life balancing)
Introduced the Double Work System (external)
Introduced recognition of same-sex partners and persons in de facto marriages as spouses
Certified as Best Workplace at in the D&I Award (received successively thereafter)

Phase. 02 Create and establish a fulfilling workplace

2022

"Create tomorrow with that voice"

Established the Sustainability Promotion Committee
Introduced the Career Map System
Received the second prize in the Advanced Category at the J-Win Diversity Award
Participated in the United Nations Global Compact and WWF Japan Stated support for the Women's Empowerment Principles (WEPs)
Received the Office Environment Award at the Contact Center Awards 2022
Selected as the FTSE Blossom Japan Sector Relative Index (selected successively thereafter)

2023

Started providing consulting services for work-from-home operations
Recognized Certified as Best Workplace the D&I Award 2022 for the second successive year
Selected as the FTSE Blossom Japan Index
Received Human Capital Management Quality (Silver) (Received for two successive years)

2024

Earned GOLD in the White Company Certification System

Phase. 03 Enhance expertise of individuals and organizations

2028 A company that attracts professionals and provides job satisfaction

Investment in human resources — Professionalization, Expansion of capabilities

Investment in the environment — Increase job satisfaction, Accelerate business growth and revenue growth

2025

NEW BPO Next, Engage, Widen. — Take to the Next Level, Engage, and Widen Your Voices of All of You

Promoting human capital strategy

Human Capital Strategy

Becoming a company that attracts professionals and provides job satisfaction

As part of our actions for enabling the sustainable growth of our company, we proactively invest in our people and working environment, with the aim of maximizing employee engagement and creating a workplace that attracts professionals and provides job satisfaction. We seek to fulfill our purpose by constantly striving to quantitatively and qualitatively improve our human capital, so that we can maintain a cycle whereby we deliver high-quality services that help clients to boost their profits, and that give back to society.

Concept of our human capital strategy



Market trends

- Respecting the diversity of workstyles
- Shortage of professional human resources
- Promoting good health for the era of people living to 100

Strength/responsibility

- Maximizing the active participation of our workforce of 40,000 employees
- Creating jobs for diverse human resources
- Growth opportunities for a wide range of human resources

Realizing our Human Capital Strategy

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Performance Indicators and progress

To realize our human capital strategy, our divisions and HR departments collaborate to implement various initiatives addressing six key themes (a-f), including the formulation of policies and measures to promote women's empowerment in the work place in the workplace and ensure diversity of human resources, as well as employee education, and the implementation of health and productivity management. Performance Indicators and results can be found on the various pages of this report, or on the non-financial data page.

In the Human Capital Survey 2024, conducted by the HR Technology Consortium, HR Research Institute (ProFuture Inc.), MS&AD InterRisk Research & Consulting, Inc., we ranked in the top 30 out of 206 participating companies. We received Human Capital Management Quality 2024 Silver certification for the second consecutive year.

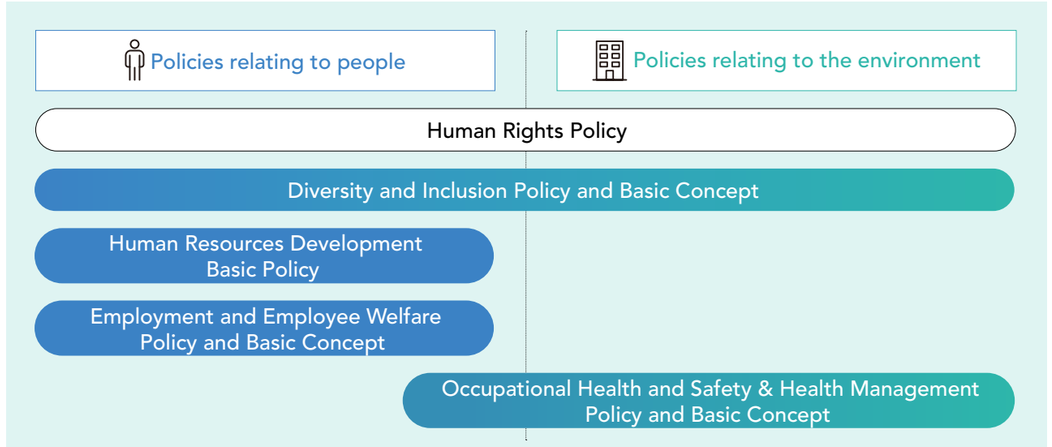
S Society and Personnel Utilization

Policy and Promotion System

Policies for Sustainable Creation of Social Value

Policies in the social domain of sustainability play a crucial role in influencing each other to fulfill corporate social responsibilities. Firstly, our Human Rights Policy serves as the foundation for other policies, ensuring an environment where human rights are respected. Our Diversity and Inclusion Policy is based on this, promoting initiatives that respect diversity, driving improvements in organizational innovation and the working environment. Our Human Resources Development Basic Policy is closely aligned with the Diversity and Inclusion Policy. All employees are afforded equal opportunities for growth, thereby promoting the growth of skills and career development. Policies for the sustainable creation of social value, along with our Employment and Employee Welfare Policy, work in conjunction with human resources development measures to increase employee motivation and create an employment environment where employees can work with peace of mind, thereby positively impacting our Occupational Health and Safety & Health Management Policy. Finally, our Policy on Occupational Safety and Health Management ensures the protection of health and safety, and guarantees the basic rights of employees in accordance with our Human Rights Policy. As mentioned above, all policies are expected to complement each other and create sustainable social value.

Positioning of policies



Policy links

Our various policies are posted on our website.

BELLSYSTEM24 website
https://www.bell24.co.jp/ja/

Diversity and Inclusion Policy and Basic Concept
https://www.bell24.co.jp/ja/csr/social/diversity/

Employment and Employee Welfare Policy and Basic Concept
https://www.bell24.co.jp/ja/csr/social/employee-benefits/

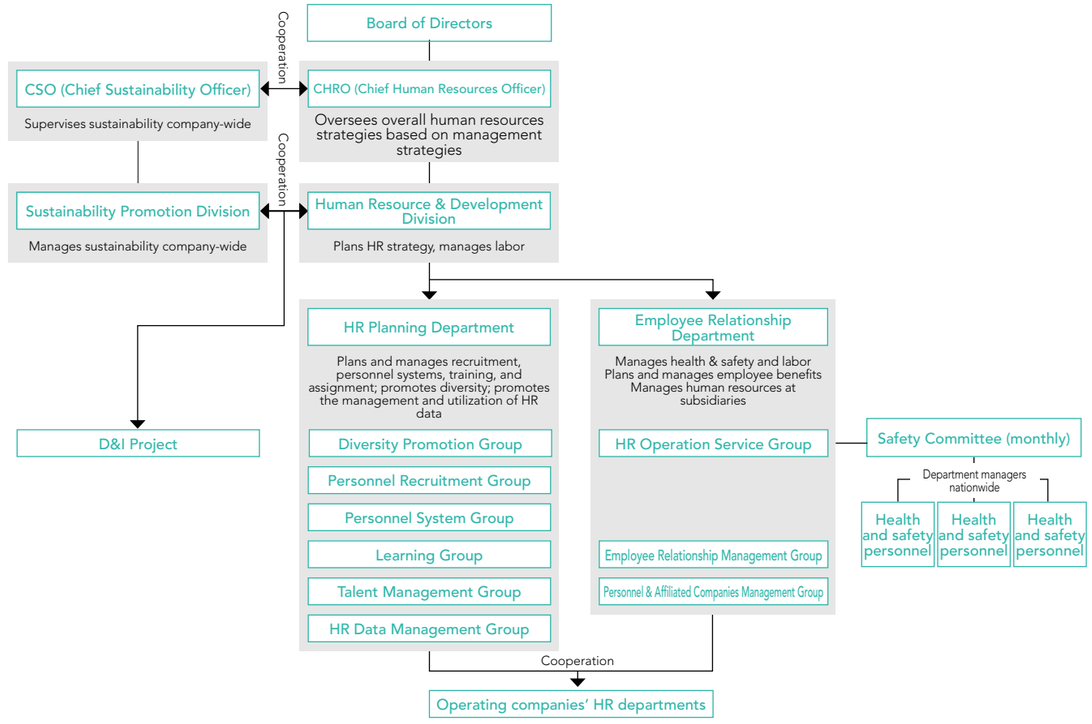
Human Resources Development Basic Policy
https://www.bell24.co.jp/ja/csr/social/development/

Occupational Health and Safety & Health Management Policy and Basic Concept
https://www.bell24.co.jp/ja/csr/social/safety/

Promotion System for Policy Realization

An effective promotion system is essential for implementing policies to fulfill corporate social responsibilities. We have established dedicated teams based on each policy to monitor and evaluate the progress of strategic planning and measures aligned with our policies. The promotion system is structured as follows.

Promotion System for Policy Realization



Human Resources Development Promotion System

We have appointed a Director in Charge of HR Development and established the Human Resource & Development Division under the command of that Director. This division plans recruitment, personnel systems, training, assignment, and diversity promotion through mainly the HR Planning Department, and collaborates with operating companies' HR departments and project teams to proactively carry out actions for supporting diverse workstyles and increasing the value of our talent. The Employee Relationship Department comprehensively plans and manages health and safety, labor management, and employee benefits, as well as managing human resources at subsidiaries, with the aim of building and enhancing a quality work environment.

Occupational Health and Safety & Health Management Initiatives

The Employee Relationship Department comprehensively plans and manages health and safety, labor management, and employee benefits, as well as managing human resources at subsidiaries, with the aim of building and enhancing a quality work environment. We have established a Safety Committee under the command of the Employee Services Group. The committee meets once a month and is responsible for overseeing all our health and safety personnel nationwide. It carries out various efforts to improve the work environment.

Diversity Promotion Organization

Specific initiatives for promoting diversity are formulated and implemented by the Diversity Promotion Group. Those initiatives include female manager training, company-wide projects, and external activities. The group also continuously manages risks and issues. CHRO reports important themes to the Board of Directors. We are promoting diversity even more effectively by working with the Chief Sustainability Officer (CSO) who is in charge of sustainability company-wide and the Sustainability Promotion Division under the command of the CSO.

S Society and Personnel Utilization

Systems and Measures

To realize our human capital strategy, our divisions and HR departments collaborate to implement various initiatives addressing six key themes, including the formulation of policies and measures to promote women's empowerment in the workplace and ensure diversity of human resources, as well as employee education, and the implementation of health and productivity management.

a. Promote the active engagement of diverse human resources

The Group is undertaking internal and external efforts to create environments where employees from diverse backgrounds can continue to work with peace of mind in the long term.

Promoting Women's Empowerment

As a company where women make up more than 70% of the workforce, it is especially important that we create a workplace that enables women to succeed—we see this as a major social responsibility for us. Accordingly, we are developing a supportive, rewarding work environment so that every employee, regardless of gender, can display their talents to the fullest. We are committed to developing careers and building pipelines to increase the percentage of female employees in managerial positions. As a result, the percentage of managerial positions filled by women climbed to 22.5% as of March 1, 2025, achieving our 2025 target of 20% ahead of schedule. We will aim anew for a percentage of female employees in officer positions of 25.0% or more and a percentage of female employees in managerial positions of 30.0% or more by 2031, and we will proactively continue to work on that with a multifaceted approach in the future.

Record of Women's Capacity Development Training Attendance

Training	FY2024 Number of Attendees
Unconscious bias training	23
Training held by NPO J-Win	12
Business skills development training	24
Corporate officer mentor program	16
Working women and health issues	132
Roundtable discussions on women's health issues	28
Training for leaders with female subordinates	17
Support program for the return to work from child-care leave	18

* Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc.

Concrete Initiatives and Achievements

- Female employee talent pipeline management
  We are managing our pipelines of female talent at the individual and departmental levels for both managerial and clerical positions. Real-time information on pipeline development progress is provided company-wide. Our plans for hiring new graduates and mid-career talent are reviewed as needed to further expand the pipelines.
- Support through personnel systems and training
  Female employees are supported at different stages of their career through various measures. Examples include mentoring of executive management candidates by officers, undergoing business skill development, and the addition of a performance evaluation criterion for all managers that requires them to formulate talent development plans for the women on their team.
- Partnership
  We participate in the NPO J-Win to enhance the quality of our women's empowerment activities through exchanges with other companies. In March 2023, we received the Grand Prize in the Advanced Category, the highest class of the J-Win Diversity Award.

J-Win Diversity Award 2023

Recruitment of Local Human Resources

Our basic policy is to recruit people without discrimination based on region. We have established a recruitment organization responsible for regions (Field HR) at approximately 40 locations across Japan to realize decentralized community-based recruitment. Moreover, our hiring process is free of any conditions pertaining to gender, sexual minorities, or other such distinctions. Recruitment is premised on our Human Rights Policy and emphasizes criteria directly related to the job, such as the skills, qualifications, and experience deemed necessary to perform the work.

Concrete Initiatives

- We run the SUDAchi program to provide special training before job candidates are assigned to a workplace.
- We proactively adopt various employment approaches to enable workers to flexibly adapt to different life events and stages, including shorter working hours and utilization of seniors. Many people have actually joined our company multiple times.
- We basically recruit people in each region with our approximately 40 contact centers across Japan. We give our recruitment record by region in the table to the right. Our regionally dispersed business model forms the foundation that supports the continuity of our business and the provision of business continuity functions (BCP) to our customers.

Number of Employees by Region (Fixed-term Contract Employees)

	FY2022			FY2023			FY2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Hokkaido	602	1,609	2,211	535	1,524	2,059	646	1,941	2,587
Tohoku	60	137	197	45	164	209	78	201	279
Kanto	1,051	1,958	3,009	956	1,673	2,629	1,006	1,693	2,699
Chubu	65	225	290	54	131	185	63	190	253
Kinki	464	1,095	1,559	218	712	930	367	1,063	1,430
Chugoku	240	955	1,195	186	753	939	176	725	901
Shikoku	64	222	286	45	178	223	45	171	216
Kyushu	517	1,158	1,675	481	1,045	1,526	560	1,188	1,748
Okinawa	159	493	652	114	280	394	125	401	526
Other	6	14	20	2	8	10	1	3	4
Grand Total	3,228	7,866	11,094	2,636	6,468	9,104	3,067	7,576	10,643

* Figures for recruitment record by region represent the number of personnel hired in the fiscal year, including contract employees.

Promoting Employment and Active Roles of Senior Human Resources

We have established a program for re-employing post-mandatory retirement workers up through age 65. Employees who wish to continue working past age 60 are provided equal opportunity to do so based on their competencies. In general, they are given the same level of treatment they received before reaching age 60. To date, all applicants have been reemployed. As Japan's population rapidly ages while the birthrate falls, human resources will remain our most important management resource. We will continue proactively employing seniors as vital talent for improving our business continuity. This commitment includes hiring seniors for the front-line role of communicators. We have developed SUDAchi—our special pre-training program for under skilled job candidates—into a version tailored to seniors in order to alleviate their anxiety about PC operation and other job skills, and thereby increase their retention.

Employment of Senior Human Resources

	FY2023	FY2024
Re-employment rate	100%	100%
Number of employees aged 65 and older[*1]	1,161	1,384

*1 Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc., excluding executives, and employees seconded to organizations outside the Group.

Pre-training

Our SUDAchi program, launched in 2017, hires job applicants who conventionally would have been turned down due to inadequate skills, and provides them with special training before assigning them to a workplace. Equipping them with the necessary skills during the pre-training period helps to relieve their new job anxiety and thus contributes to better retention. Also, if any mismatches in assignment occur, the employee can stay on board by returning to the SUDAchi program for retraining and assignment to a different position.

Pre-training implementation status by area

	Training locations	FY2024 Number of Attendees
Number of Pre-training Attendees	Sapporo	176
	Ikebukuro	262
	Kansai	182
	Fukuoka	18
Total		638

Employment of Foreign Employ

We are engaging many foreign employees to respond to anticipated growth in inbound demand. This includes the establishment of specialized multilingual centers catering to communication in languages such as English, Chinese, and Korean. We are actively recruiting staff at our contact centers overseas, in Vietnam, Taiwan, and Thailand, which also helps to provide forums for the advancement of Japanese-language human resources.

S Society and Personnel Utilization

Initiatives on Employment of People with Disabilities

We have promoted business together with many people with disabilities in a natural way. We have maintained the concept of a social model over our entire organization as our basic stance. We strive to create workplaces that offer various individual workstyle options and even more rewarding work experiences for all of our employees, including those with disabilities. This is based on Goal 17 of the SDGs: partnerships for the goals. In addition, we provide training on topics such as universal etiquette and employment of people with disabilities.

As part of our efforts to continue growing sustainably and robustly, we strive to be an organization that offers various workstyle options and even more rewarding work experiences for all employees, including those with disabilities.



An in-house cafe where people with disabilities perform active roles

Concrete Initiatives and Achievements

- Chocolate manufacturing
  We are operating a chocolate manufacturing factory employing people with disabilities in Toyohashi, Aichi Prefecture with a partner company.
  Partner: La Barca Group General Incorporated
- In-house cafe operation
  We are operating in-house cafes employing people with disabilities in our three offices including Headquarters.
  Partner: MI CAFETO Co., Ltd.
- LED Garden
  Vegetables grown and harvested at our headquarters are sold to employees, helping them to live healthier lives.
  Supported by: Keystone Technology Inc.
- Well-being week
  We hold workshops aimed at deepening employees' knowledge of employment of people with disabilities, thus helping to build workplace environments where people with disabilities — and all our other employees — can engage in their work with a sense of safety and peace of mind.
- External certifications
  In recognition of our efforts as a company that actively develops the skills of people with disabilities and works to improve their treatment, we received the 2024 Excellent Company Award for Employment of Persons with Disabilities (Director-General of the Bureau of Industrial and Labor Affairs Director's Award), awarded by Tokyo Metropolitan Government.

LGBTQ+ Support Initiatives

Our human rights policy prohibits discrimination based on gender, gender identity, sexual orientation, and sexual expression in all our business activities and dealings. We revise our existing systems and regulations as needed to increase the sophistication of workplaces where all our employees can work with peace of mind. Also, we are also proactively engaged in activities to foster our organizational culture in addition to our initiatives with respect to our systems. We are continuing to implement and strengthen our initiatives in compliance with the PRIDE Index. We received the bronze award in 2018, and have won the gold award for five consecutive years since 2019, when we became the first in our industry to earn that honor.



We participated in a parade as a LGBTQ+ friendly company

Concrete Initiatives and Achievements

- Revision of existing systems and regulations
  We are continuing to enhance our work regulations, congratulation and condolence money regulations, job transfer handling regulations, overseas work regulations, nursing care leave regulations, and regulations on childcare leave and maternity protection for expectant and nursing mothers to guarantee fair and equal opportunities and treatment for everyone, including sexual minority partners and de-facto spouses.
  Each set of regulations now extends spouse status to same-sex partners and to persons in de-facto marriage, and stipulate we will not discriminate in any way with regard to congratulation/condolence money payments and job-related rights and obligations.
- Activities for developing our organizational culture
  We carry out activities for raising LGBTQ awareness, including hosting Bell Pride Month every June, communicating information, and running e-learning programs.
  In addition, various efforts are led by our LGBTQ & Ally community of volunteer employees, such as promoting LGBTQ declarations by employees, hosting lectures by outside speakers, and supporting awareness-raising events organized by local governments.
- External certifications
  We have been recognized with the BEST WORKPLACE award, the highest accolade in the D&I Awards Award, for four successive years. This award is organized by JobRainbow Co., Ltd., which provides services such as training and consulting related to diversity and inclusion (D&I).

b. Wealth of career paths

We emphasize employees' autonomy and implement a range of measures on a volunteer basis to enable employees to take the initiative in building on their skills and experience. We are also working actively to provide opportunities for cross-organizational rotations and to enable employees to gain different experiences, with the aim of increasing the agility of our organization and our human resources and continuing to grow as a company in the VUCA era.

Job Rotation

We have a system of job rotation across different job categories and organizations to provide employees with opportunities to acquire diverse professional knowledge and skills and to hone the versatility to apply their skills and experience in different settings. In FY2024, 61 employees (3.0% of the Company's workforce) were rotated to other job categories or divisions.

Mentoring

As a means of supporting career path development with insights from a different perspective, we hold a semiannual Skip Level Meeting in which employees receive mentoring from a person who is two hierarchical levels higher than them or is from outside their organizational line.

Career Counselling

Nationally-qualified employee consultants provide career counselling to develop the careers of contract employees.

Open Recruitment System

We have introduced an open recruitment system. The system matches the needs from divisions with the transfer needs of employees to increase the fluidity of personnel over the whole organization and to better ensure we place the right person in the right place. Even contract employees can use this system depending on the job. We have also established jobs that allow contract employees to apply to become full-time employees at the same time as applying for the position.

Open Company

We provide a workshop program for students to learn how to address issues for clients. This is an opportunity to experience business through our operations.

Certification Assistance System

We have introduced a system to assist with the cost of taking and renewing certifications. The aim of this is to support the improvement of skills in individuals and to enhance the organization overall. This system currently applies to more than 200 qualifications.

c. Enhancing expertise in each job category and position

We have created a human resource management cycle that utilizes our job grading, evaluation, and remuneration systems. Our aim is to implement our management strategy toward the realization of our purpose while improving employees' skills and motivation.

Job Grading System

We use a job grading system under which the expected roles for each position are clearly defined in a job description, and employees are graded according to their job's scope of responsibility and degree of difficulty. The job grades are largely divided into clerical positions and management positions. The latter is subdivided into line management positions, which are responsible for organizational management, and professional positions, which involve the exercise of professional expertise.

Evaluation System

Each job grade is evaluated based on two aspects: job performance and competency.

- Job performance evaluation: Assessment of employees' achievement of their personal missions, which are defined based on a breakdown of the Company's plan and policy.
- Competency evaluation: Assessment of employees' execution of duties based on the competency model defined for their grade.

Remuneration System

Remuneration is determined for each employee based on their job grade and evaluation results.

- Basic remuneration: Each employee's assigned duties and basic pay are decided based on the results of the competency and job performance evaluations.
- Bonuses: These are determined based on the employee's job performance and the company's business performance.

Society and Personnel Utilization

Performance Management

All employees establish performance targets based on their job grades at the start of the fiscal year and evaluate their degree of achievement at the end of the fiscal year. We evaluate employees' contributions from both quantitative and qualitative perspectives. This includes the adoption of a system to enable the establishment of challenging initiatives in line with the Mid-Term Management Plan, in addition to targets for sales, profit, and the like, and the evaluation of processes as well as results.

Talent Management

We have put information on the talents of all our employees into a database. We are building a Talent Management Process to recruit, develop, utilize, and promote excellent human resources. In particular, we have introduced an independent enhancement program for the female manager pipeline.

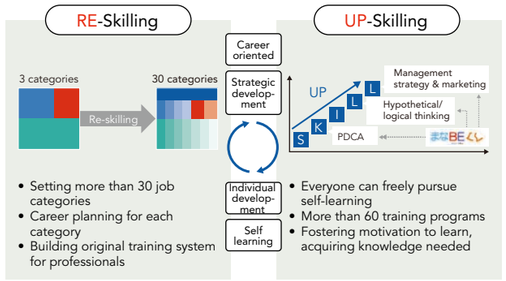
Hierarchical Training and Elective Training

We provide a wide range of hierarchical training for full-time and contract employees, as well as elective training for next-generation executive candidates.

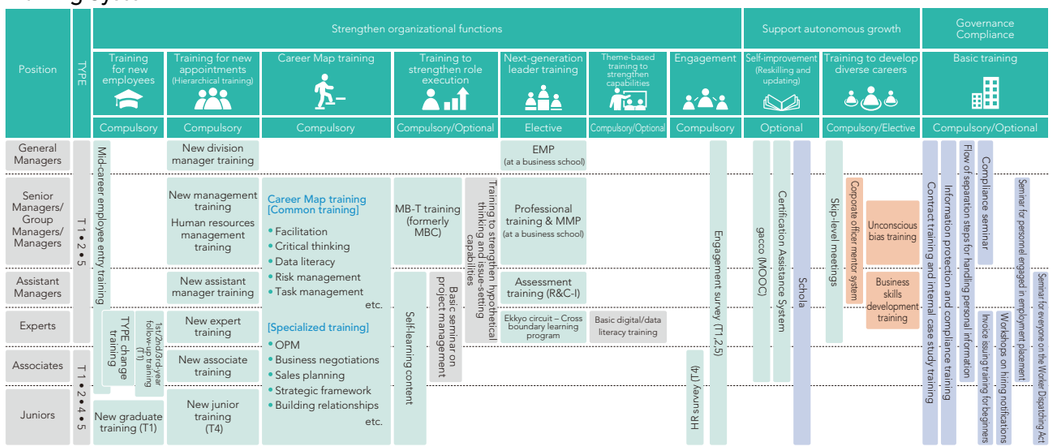
Career Map System

We have developed diverse career paths for more than 30 job categories to provide continuous growth support for professionals and leaders needed in business in the years ahead. A wide range of re-skilling and up-skilling trainings are offered for all job categories and grades to promote self-led career development.

System overview



Training System



Employee Training Attendance Record (Excluding temporary employees)

Item	FY2024
Total hours of training attended annually company-wide*1	121,582
Hours of training annually per employee	4.1
Percentage of employees receiving training (%)	100
Total training costs (millions of yen)	401
Training costs annually per employee (yen per employee)	13,624
Percentage of total training costs with respect to total net sales*2 (%)	0.28

* Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc.

*1 Excluding job training

*2 Total training costs as a percentage of gross sales = total training costs÷Revenue

Record of Training Attendance by Temporary Employees

Item	FY2024
Total hours of training attended annually company-wide*1	55,243
Percentage of employees receiving training (%)	100
Total training costs (millions of yen)	104
Percentage of total training costs with respect to total net sales*2 (%)	0.07

* Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc.

*1 Excluding job training

*2 Total training costs as a percentage of gross sales = total training costs÷Revenue

Record of Hierarchical Training Attendance by Full-time Employees

Training	Attendees	FY2022 Number of Attendees	FY2023 Number of Attendees	FY2024 Number of Attendees
New graduate training	New employees	40	43	34
Mid-career employee entry training	New employees	89	30	12
Training when an employee is promoted to being a full-time employee	Those being promoted to full-time employees	162	62	1
First-year follow-up training	New employees	39	42	32
New associate training	Young employees	101	89	43
Second-year follow-up training	New employees	29	36	40
Third-year follow-up training	New employees	37	24	34
New expert training	Young employees	153	162	76
New general manager training	Pre-management position employees	96	124	95
New management training	Management position employees	53	33	45
Human resources management training	Management position employees	28	36	29
New division manager training	General managers and division managers	47	23	3
Total		874	704	444

* Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc.

Record of Hierarchical Training Attendance by Contract Employees

Training	Attendees	FY2022 Number of Attendees	FY2023 Number of Attendees	FY2024 Number of Attendees
Supervisor training	Contact center supervisors*1	279	127	36
Leader training	Contact center leaders*2	767	689	433
Basic operations management training*3	Contact center leaders to supervisors	204	-	-
Operations management training*4 (I/II/III)	Contact center leaders to supervisors	42	946	119
Approach to work	Contact center supervisors	-	-	182
Task management	Contact center supervisors	-	-	153
Labor management I	Contact center supervisors	-	-	146
PDCA	Contact center supervisors	-	-	154
Total		1,292	1,762	1,223

* Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc.

*1 Supervisors are responsible for the management and supervision of contact centers to improve their performance. They manage and monitor the progress of business, give guidance to communicators*5, escalate the response and develop the environment.

*2 Leaders are responsible for supporting communicators based on the instructions of supervisors. Specifically, they are responsible for Q&A sessions, new business training lecturers and some OJT.

*3 Operations management is our own contact center management system. The basic operations management training allows participants to acquire basic knowledge and skills of operations management.

*4 "Operations Management Training (I/II/III) is a three-stage training program that deepens understanding through the acquisition of implementation skills and case studies in Operations Management."

Record of Training Attendance by Selected Employees

Training	Attendees	FY2022 Number of Attendees	FY2023 Number of Attendees	FY2024 Number of Attendees
Executive management program	General managers and division managers	-	9	4
Innovation training	Management position employees	8	8	-
Middle management training	Management position employees	8	7	8
Professional Training	Management position employees	-	16	8
Technovate Strategy Training	Management position employees	-	25	-
Assessment Training	Mid-level employees	-	-	19
AI/DX Talent Development Training	Mid-level employees and above	-	17	-
Total		16	82	39

* Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc.

S Society and Personnel Utilization

d. Secure workplaces and promotion of employee health

We aim to create a comfortable working environment by promoting health management, based on promoting employee health, and are implementing various welfare benefits, systems, and measures.

Support for Work-Life Balance

We have acquired Platinum Kurumin certification from the Ministry of Health, Labour and Welfare. We satisfy high standards in improving the ratio of men taking childcare leave, providing women with career advancement support, and promoting the taking of annual paid leave. Moreover, we have established the initiatives shown to the right for supporting childcare and work-life balance in accordance with the Child Care and Family Care Leave Act revised in April 2022.

* These systems are for employees raising children not yet in elementary school.

Concrete Initiatives

- Promotion of planned use of monthly/annual paid vacation
- Rigorous management of overtime
- Limitation on overtime work: it is possible to request a limit on overtime work to a maximum of 24 hours a month and 150 hours a year
- Exemption from work beyond the prescribed hours: it is possible to request an exemption from work beyond the prescribed hours
- Limitation on late-night work: it is possible to request a limit on late-night work from 10 p.m. to 5 a.m.
- Nursing care leave for children: it is possible to take up leave to provide nursing care to children up to five days a year

Take-up of childcare and nursing care leave

		FY2022			FY2023			FY2024		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Childcare	Number of employees taking up childcare leave	28	34	62	27	33	60	26	37	63
	Childcare leave take-up rate (%)	71.8	100.0	-	60.0	100.0	-	68.4	100.0	-
	Rate of return to work after childcare leave (%)	98.2			98.4			93.1		
Nursing care	Number of employees taking up nursing care leave	2			2			2		

* Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc.

Employee Welfare

We have established three Bell Kids nurseries at our contact centers in Okinawa, Sapporo, and Fukuoka to help employees caring for children.

We have adopted the Benefit Station program, which provides our employees with access to more than 1.4 million services and over 1,000 e-learning courses.
We have introduced "Kyuutoku payment," a service that enables employees to use benefits and discounts at preferential prices by paying the Benefit Station program fees through direct payroll deductions.

* Provided in partnership with Benefit One

We have introduced the Prepay Pocket service, which a l lows employees to receive salary payments in advance to help them cover unexpected expenses.

We provide special discounts to employees as a sponsor of KidZania Tokyo, where we opened a call center pavilion.

We participate in the ITOCHU Family Sale, a perk program run by our shareholder ITOCHU Corporation.

We have introduced the health and productivity management DX solution HELPO with the aim of promoting health improvement/enhancement and health and productivity management.

We have introduced an employee stock ownership system to enable employees to regularly purchase shares of BELLSYSTEM24 Holdings, Inc., supporting their medium- and long-term wealth building.

Health events and communication

We raise awareness of employee health promotion through sports-related initiatives such as team-based walking events in the in-house community. We also regularly communicate health promotion information internally, as well as information on dietary habits from employees who are certified as registered dietitians.

Concrete Initiatives and Achievements

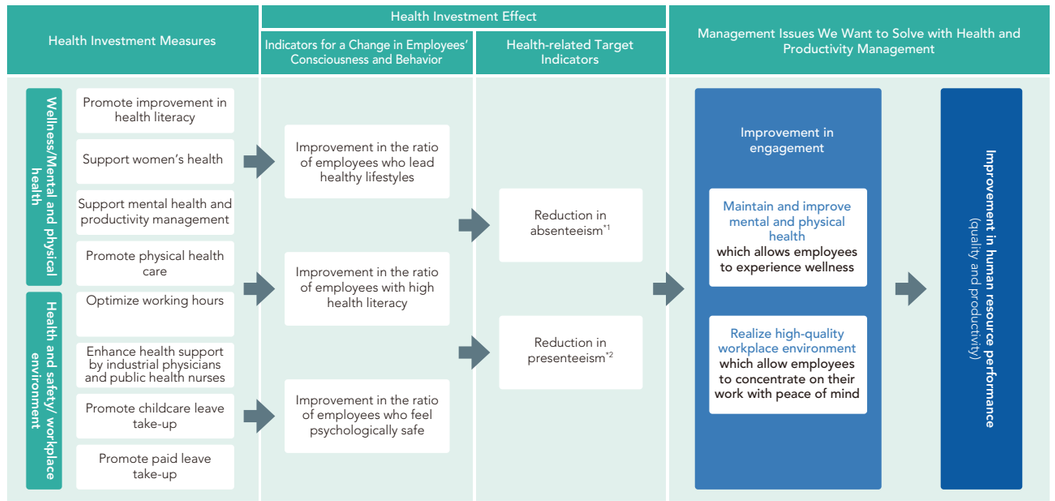
- Promoting participation in walking events
- Dissemination of e-learning on health and productivity management for managers
- Holding in-house seminars on the theme of Women's health and wellbeing
- For the second year in a row, our efforts to address the health status and work environment of our employees have been recognized under the Sports Yell Company 2025 and 2025 Outstanding Organizations of KENKO Investment for Health (large enterprise category) recognition programs.

Creating an environment where employees can concentrate on their work with peace of mind

We believe that having each of our diverse employees display their talents to the fullest helps to continuously improve our corporate value. To this end, we strive to develop an environment where all employees can concentrate on their duties with peace of mind.

We are working on promoting health and productivity management, and specifically for increasing awareness of our mental health and productivity management, we have established an employee-involved review team.

Health and Productivity Management Strategy Map



*1 This is when an employee is unable to work because of absence, lateness, leaving early or long-term leave due to poor physical health.
*2 Labor productivity loss ratio. This is when an employee is able to come to work but is unable to perform at full capacity due to health problems (max: 0 / min: 100).

BELLSYSTEM24 Group Occupational Health and Safety Data

Number of Occupational Accidents and Fatal Accidents

	FY2022	FY2023	FY2024
Occupational Accidents	21	8	16
Fatal Accidents	0	0	0

* Number of Occupational Accidents of 4 days or more, including contract employees. Excludes occupational accident claims for mental illness due to psychological stress.

Total Number of Participants in Health and Safety-related Training

Training	FY2022 Number of Attendees	FY2023 Number of Attendees	FY2024 Number of Attendees
Health and Safety Training	-	1,076	228
Labor Management Training	1,129	3,609	738
Labor Management Support Training	460	156	-
Labor Workshops	-	-	36
Labor Risks Training	-	-	90
Crisis Management Training	273	-	-
Labor Management Training for the Recruitment Department	29	80	-
Working Women and Health Issues	162	407	132
Total	2,053	5,328	1,224

* We reorganized the Crisis Management Training and renamed it Health and Safety Training

Occupational Accident Frequency Rate

	FY2022	FY2023	FY2024
Occupational Accident Frequency Rate	0.56	0.32	0.47

* Occupational accident frequency rate is calculated by dividing the number of occupational accidents one day or more, including contract employees, by the total number of hours worked x 1,000,000.
* This rate is disclosed on a consolidated basis excluding BELLSYSTEM24 VIETNAM Inc.

Data on the Effect of Health Investment

Indicator	FY2022	FY2023	FY2024
Absenteeism (injury and sickness absence rate)*1 (%)	1.16	1.52	1.50
Presenteeism (labor productivity loss ratio)*2 (%)	20.0	16.2	19.1
Work engagement*3	BB	BB	58.2
Annual paid leave take-up rate (%)	91.3	95.2	91.3
Average overtime hours	13.2	11.6	10.6
Periodic health checkup participation rate (%)	75.8	80.3	77.4
Employee satisfaction with health management measures (%)	43.8	51.2	53.5

*1 This is when an employee is unable to work because of absence, lateness, leaving early or long-term leave due to poor physical health.
*2 This is when an employee is able to come to work but is unable to perform at full capacity due to health problems (max: 0 / min: 100).
*3 The scoring method for work engagement ranks was changed in FY2024.

Society and Personnel Utilization

e. Enhancing diversity of workstyles

To promote diversity in work styles, we aim to create an environment and personnel systems that enable employees to choose work styles that suit their desired lifestyles, and to build an organization that maximizes performance while maintaining a healthy work-life balance.

Enabling Diverse Workstyles and Work-life Balancing

Even before the COVID-19 pandemic, we had already introduced a flex-time work system with no core time and a mobile work system to promote workstyles unconstrained by place or time. We are striving to further improve these systems to enable all employees, not only those balancing work with childcare or nursing care, to achieve their ideal work-life balance and career advancement.

We are also focused on creating frameworks to support all of our employees across the Group, regardless of section or position, to build their careers in line with their own values and life stage.

Concrete Initiatives

- Mobile work program enabling employees to work anywhere
- Adoption of a full flex system with no core time
- Introduction of a region-specific work system that allows employees to choose a way of working without being subject to relocation
- Introduction of a work share system to reduce the burden of work for employees whose work hours are restricted for reasons such as childcare, nursing care, or treatment for illnesses

Promotion of Workstyle Reform

We have introduced a fully flexible work system with no core time, and are striving to eliminate excessive working hours. We classify and manage overtime as follows: over 80 hours in a single month, over 60 hours/ month on average and over 45 hours/month on average. The Board of Directors receives a monthly report on the overtime situation at the departmental and individual level and takes measures to reduce overtime where necessary.

Trend in Overtime

	FY2022	FY2023	FY2024
Average overtime hours	13.2	11.6	10.6

Flexible Work: Remote Office Application

This system enables teams or individuals to work remotely, beyond the prescribed number of required workdays (under Company rules and regulations) when circumstances such as treatment for illness, caregiving or childcare commitments, or a partner's job transfer make it difficult for employees to commute to the designated workplace. Employees can choose a work style that maximizes their individual productivity and performance according to their life stage.

Home-Based Contact Centers and Online Recruitment

Even before the pandemic, we began shifting more toward home-based contact center operations as part of our workstyle reforms. We have made steady progress in this area, using the latest technologies to provide home-based service at the same level of quality and productivity achieved by our in-office operations.

Double Job System (internal)

This system enables employees to do an extra job outside the division to which they belong, based on the organization's needs. They receive remuneration for these jobs in addition to their normal pay.

Double Work System (external)

This system allows employees to work outside the company to gain skills and experiences not available in the Company and to apply those new strengths to their regular job.

f. Market competitive systems

We consider enhancing employee job satisfaction a key theme in realizing our management strategy. We work to create an environment that respects diversity and enables each individual to find fulfillment in their work. We implement PDCA cycles by incorporating employee feedback from engagement surveys into our initiatives.

Employee Engagement

We conduct an engagement survey of all employees at least twice a year. Since 2019, we have continuously monitored our performance in this area. For each group (the smallest organizational unit), the survey results are analyzed and issues are identified and action is taken to remedy those issues.

The company-wide comprehensive score target is set at 60.0. The survey results, the progress of remedial actions, and identified company-wide issues are the responsibility of the Chief Human Resources Officer (CHRO), who reports them to the Board of Directors for discussion. The Board provides oversight.

Trend in Engagement Survey Scores

	FY2022	FY2023	FY2024
Overall company engagement survey score	BB	BB	58.1 (First half) 58.2 (Second half)

* The scoring method for engagement was changed in FY2024. We conduct surveys in July for the first half of the year, and in December for the second half.

Talent Management

We emphasize strengthening human capital and work to enhance our market competitiveness through initiatives that engage with employees individually. The core initiatives are People Review (PR) and Organization Review (OR). In PR, management personnel gather to discuss development plans and placement proposals for their direct subordinates. In OR, we determine personnel assignments for the next fiscal year based on organizational design aligned with our business plans and the outcomes of discussions held during PR.

By assembling multiple managers to discuss and formulate decisions, we achieve optimal placements that lead to individual growth and enhance engagement.

Expansion of the Personnel Systems for Contract Employees

Job Grading System

In addition to the regular job grading system, we have created another grading system specifically designed for highly ambitious contract employees. This system provides a gradual, multi-step slope for promotion aligned with the employee's workstyle. We have also established specialist courses for contract employees seeking to advance their careers in ways that utilize their specialties. These provide equal opportunity for career advancement aligned with diverse aspirations.

Evaluation System

We have introduced a contract employee evaluation system that is modeled after the one for full-time employees and requires evaluation and feedback for all contract employees. Given that contract employees' work supports our day-to-day business operations, feedback focuses more on mentoring than instructing, so as to better improve their motivation.

Systems for Converting to Indefinite-term Contract or Full-time Employment

We have a system that enables fixed-term contract employees to convert to an indefinite-term contract if they so desire and fulfill certain requirements, such as having served for at least six months. We also have a career advancement system whereby they can move into full-time employment positions. This system holds large-scale company-wide screening and selection sessions twice a year.

Remuneration System

The system of remuneration for contract employees covers a more diverse range than that for full-time employees. It includes lump-sum allowances paid to communicators twice a year based on their job performance, and an annual lump-sum allowance paid to site managers based on the Company's performance as a whole. Also, we provide a long-service award to contract workers who have worked with us for many years; this comes with a gift payment higher than that for full-time employees.

Professional Job System (Specialist Courses)

Our initiatives to support the successful careers of diverse talent include specialist courses that enable front-line workers to advance their careers in ways that capitalize on their specialties. These courses help us to identify personnel with skills in various areas, and to improve retention by providing greater job satisfaction. We review what is considered appropriate for the specialist courses from among various jobs. Currently more than 80 job categories are covered by this program.

E Environment

Visit our website for details.
https://www.bell24.co.jp/ja/csr/environment/

Our Initiatives

We will accelerate our efforts to protect the environment as we seek to remain the partner of choice

Protecting the environment as an important management resource

Our Group defined environmental protection as one of the Material Issues for Us and Society in 2019. Guided by our environmental policy's core principle of "We regard the environment as an important resource in the management of our business," we have identified specific themes for action: reduction of environmental impact of our operations, contributing to environmental issues in local communities, compliance with laws and regulations, education and awareness raising, and information disclosure. We share our stance on the environment with stakeholders. In April 2022, we established our Climate Change Policy, setting medium-term targets for making some contact centers and the data centers carbon neutral and achieving a 30% reduction (compared to 2019) in greenhouse gas emissions company-wide by 2025, as well as establishing the goal of reducing emissions by 50% by 2030. Our long-term target is to achieve company-wide carbon neutrality by 2040. In FY2024, we achieved our medium-term targets. In November 2024, we joined the Japan Climate Leaders' Partnership (JCLP), and are advancing our efforts in environmental protection and climate change. Since 2022, we have disclosed our responses to questionnaire surveys of TSE Prime Market-listed companies prepared by CDP, a UK-based organization that surveys and evaluates corporate environmental initiatives. We have measured the impact of our greenhouse gas (GHG) emissions for Scope 3, in addition to Scope 1 and 2, and we engaged in reducing these emissions. In December 2023, the Company's emission reduction targets were certified by the Science Based Targets initiative (SBTi), an international initiative that certifies GHG emission reduction targets that are scientifically consistent with the targets established by the Paris Agreement.

Toward achieving the Sustainable Center Concept

In terms of the environment, another of our missions is to contribute to a sustainable recycling society. The Sustainable Center Concept is an important undertaking aimed at reducing the environmental burden of our business activities and creating a sustainable society. We are working on four priority areas: "diversity of human resources and workstyles," "education and training," "conservation of the global environment," and "contribution to local communities." In FY2024, we progressively switched to LED lighting and replaced air conditioning equipment in our centers, mainly at data centers and our own facilities, and considered introducing renewable energy and solar power at our centers. We also encouraged green procurement of goods such as facility and office supplies used at the centers, and pursued sustainable initiatives linked to the sustainable employment of our staff. We also promoted green activities to resolve environmental issues in local communities and as a form of social contribution to the communities where our offices are located. In Okinawa, especially, we have participated for over 15 consecutive years in volunteer coastal cleanup activities. We are also collaborating in sustainable urban development through comprehensive business partnerships with local governments and other organizations. Efforts to protect the environment are an element of sustainability management and an important undertaking for remaining the partner of choice for stakeholders. I am fully confident that our actions under the Sustainable Center Concept will contribute to the improvement of the efforts of our industry as a whole. Through activities such as these, we will continue sincerely striving to do everything we can for the environment.

Environmental Policy

We regard the environment as an important resource in the management of our business.

1. Reduction of environmental impact of our operations

We contribute to the mitigation of global warming and the conservation of biodiversity through the streamlining of our business activities, our encouragement of resource recycling and reduction of environmental impact. We continue to work to elevate our practice of all of these activities.

2. Contributing to environmental issues in local communities

We actively contribute to local environmental conservation activities with the goal of supporting society's prosperity.

3. Compliance with laws and regulations

We obey the laws, regulations and agreements in and outside the country that are related to our business.

4. Education and awareness raising

We engage in communication and activities to increase our employees and society's awareness of environmental protection and motivate them to work for the cause.

5. Information disclosure

Information about our efforts, contribution and progress is disclosed within and outside the company whenever appropriate.

Established on January 29, 2019
Hiroshi Kajiwara, President, CEO and Representative Director
BELLSYSTEM24 Holdings, Inc.

Climate Change

Climate Change Policy

1 **Medium-term target 1** — By 2025, the goal is to achieve carbon neutrality[*1] in some of our facilities[*2] and all of our data centers and to reduce company-wide greenhouse gas[*3] emissions by 30%[*4] compared to 2019 levels.
2 **Medium-term target 2** — By 2030, the goal is to reduce company-wide greenhouse gas emissions by 50% compared to 2019 levels.
3 **Long-term target** ——— By 2040, we will achieve company-wide carbon-neutral (net zero).[*5]
4 **Reduction of greenhouse gas emissions classified under Scope 3 of the GHG Protocol[*6]** — The goal is to achieve reductions equivalent to or greater than Scope 1 and 2.
5 **Assigning responsible senior executive** —— We will clearly designate a director responsible for this policy and provide oversight by the Board of Directors to ensure its implementation.

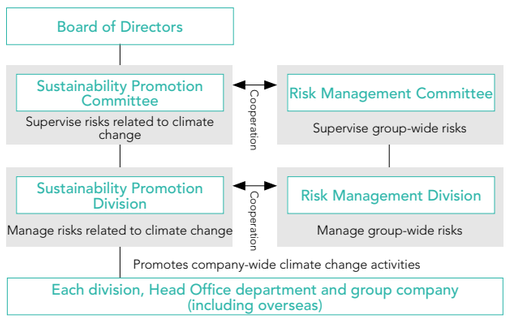
*1 Kobe Solution Center (Sanda, Hyogo) and Matsue Solution Center (Matsue, Shimane)
*2 Balancing the emissions and absorption of greenhouse gases
*3 Various gases in the atmosphere that absorb heat (infrared rays). We do not emit 6 gases other than carbon dioxide (CO_2). Gases that do not emit from our company (zero emissions): Hydrofluorocarbon (HFC), perfluorocarbon (PFC), sulfur hexafluoride (SF6), methane (CH4), nitrogen trifluoride (N2O), nitrogen trifluoride (NF3) etc.
*4 Reducing energy consumption/using renewable energy/reducing and offsetting through conversion and other means
*5 We aim to convert 100% of the electricity we consume to renewable energy and contribute to achieving this goal for the entire society
*6 GHG Protocol: international standard for calculating greenhouse gas emissions
*7 We do not conduct investments or business activities that lead to the expansion of fossil fuel use

Established on April 1, 2022
Hiroshi Kajiwara, President, CEO and Representative Director
BELLSYSTEM24 Holdings, Inc.

Response to Climate Change

Governance of Risks Related to Climate Change

The Board of Directors established Materiality Themes and Environmental Policy in 2019. The materiality defined environmental protection as one of the social issues to be addressed. As we observe more global actions on climate change, we are evaluating its impact on our business and society, continuing to promote aggressive measures mainly with carbon neutralization. We also established the governance system that ensures appropriate and effective management on the issue.



E Environment

Scenario analysis and strategy

Under our Business model, revenue is derived almost entirely from call center types of businesses. There are about 40 call center locations. Among them, just one is our property and the others are rental facilities. Almost all business activities are carried out indoors. Our employees generally commute to their centers, but some work from home. In our model, our revenues and profits are basically proportional to the number of employees and centers to a large degree. The dominant factors for our greenhouse gas emissions are the purchase of products and services, electricity consumption of the centers, capital investment, and employee commuting and business travel.

We chose the "4℃ scenario" and the "well-below 2℃ scenario" to analyze risks and opportunities due to the future temperature increase, also referring other scenarios in order to have the better images about the world that the scenarios are suggesting. Then we evaluated our current strategy again.

Definitions of the scenarios

Scenario		4°C scenario	Well-below 2°C scenario
Scenario's View of the World		Countries are implementing measures based on the Paris Agreement, but the average temperature rises by at least 4°C. A society where a variety of phenomena that are caused by the temperature increase has big impact on businesses.	The average temperature increase stays well below 2°C, and we realize an energy-related structural shift. A society where transition costs due to the shift has big impact on businesses.
Reference scenarios	Transition	IEA SPS (STEPS), etc.	IEA NZE2050, etc.
	Physical	IPCC (AR6) SSP5-8.5, etc.	IPCC (AR6) SSP1-1.9, etc.

* "IEA World Energy Model Documentation WEO2021"　* "IPCC AR6 WG II – Climate Change 2022"

Scenario Analysis - Risks and Opportunities

Risk Item		Examples		Analysis (to 2040)		Impact	Action policy
		Risks	Opportunities	Risks	Opportunities		
Transition risks	Policies	Tighter regulations/ Expansion of disclosure obligations	Increased energy efficiency	Cost increase due to introduction of carbon tax	-	Small / None	The amount of carbon tax would be about 0.1% of our sales. It is not likely to exceed it because the buildings and transportation system in the future will be decarbonized.
	Technology	Switch to low-carbon technology/ Investment losses from new technologies	Development of low-carbon technologies	(no stranded technology assets)	Stronger customer preferences by expanding operations utilizing low-carbon technologies	None / Small	It is unlikely for it to become a major differentiator as competitors seems to reach the same level.
	Markets	Consumer behavior change/Price surge for raw materials	Access to new markets	Increased electricity costs due to higher energy prices	-	Small / None	The cost of renewable energy for carbon offset will higher, but the level of impact should be very small.
	Reputation	Consumer preference change/Criticism from society	Credibility increase by proactive attitude on climate change	Damage on reputation due to belated response to decarbonization	Credibility increase by proactive attitude on climate change Positive impact on recruitment and employee turnover rate	Small / Small	As our plan is at the same level as other companies, the risk of reputation deterioration is small. Assuming a more active stance
Physical risks	Acute	Extreme weather increase and aggravation	More value from business resilience	Sales decline and cost increase of recovery for the facilities affected by the disasters such as heavy rainfall, strong typhoons	Outsourcing business growth with improved BCP functions that is resilient for disasters	Small / Small	Scheduling to evaluate disaster maps, altitudes, and past disasters at each location Expansion of Work From Home type business model
	Chronic	Higher average temperature and sea level		Lower productivity for outdoor operations	-	Small / None	Recognize as the strategic factor that it will be a risk if the number of contracts for outdoor work increases in the future

Risk management

Identifying risks related to climate change

The Sustainability Management Division collaborates with each division to identify risks and opportunities, evaluate financial impact, and carry out regular reviews. We evaluate the impact on our company by industry, referring to the risk analysis results of our customers' industries such as the beverage industry (increased sales of beverages), the pharmaceutical industry (increased sales of products for infectious diseases), the food industry (rising prices of raw materials), and the energy industry (significant changes in business structure).

Relationship with company-wide risk management

We manage risk by linking the company-wide risk management system under the control of the Corporate Planning Division with the risk management related to climate change under the control of the Sustainability Management Division. In terms of risks related to climate change, based on the analysis of the Sustainability Management Division, both divisions jointly evaluate the importance and impact and develop countermeasures. The results will be reported to the Sustainability Promotion Committee, which is chaired by the Representative Director. The Sustainability Promotion Committee reports important issues to the Board of Directors at least once a year.

Metrics and targets

- We aim carbon neutrality by 2040, based on the Climate Change Policy. The target and result for each fiscal year will be disclosed regularly.
- In order to achieve carbon neutrality, we simultaneously promote activities to reduce energy consumption and to fully utilize clean energy such as solar power generation and wind power generation.
- Target to reduce energy consumption (electricity used at facilities) The Target is to reduce energy consumption by at least 1% annually.
- We are disclosing the risks and the opportunities related to climate change and the impact on our company in line with the recommendations of the TCFD.
- We aim SBT 1.5℃ certification (certified in December 2023).
- We have been disclosing information to the CDP since 2022. (responded in FY2023)
- Renewable energy has already been installed in the head office, Chubu, Kobe, Tohoku, and other locations, totaling 13 sites, since the fiscal year 2022 (Actual results for FY2023: 8.531 million kWh/by the end of February 2024).
- The Data Center achieved carbon neutrality in FY2023.

Initiatives

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS AMBITION FOR 1.5°C

Performance Data

Greenhouse Gas Emissions (t-CO_2)		FY2019 (Base Year)	FY2020	FY2021	FY2022	FY2023	FY2024
Scope 1	Vehicles (which run outside of the sites)	6	4	5	5	6	4
	City gas	124	92	77	64	55	69
	Scope 1 Subtotal	130	96	82	69	61	73
Scope 2	Electricity and Heat (hot and cold water)	10,085	10,665	11,009	9,544	9,282	8,613
	Reduction by non-fossil certificates	0	0	0	-3,068	-2,610	-1,777
	Scope 2 Subtotal	10,085	10,665	11,009	6,476	6,672	6,836
Scope 1+2	Subtotal	10,215	10,761	11,091	6,545	6,733	6,909
Scope 3	Purchased goods and services	11,910	13,840	12,720	17,419	16,300	14,968
	Capital goods	6,509	6,744	7,009	6,777	6,650	4,251
	Fuel and energy related activities	1,702	1,811	1,757	1,795	1,862	1,828
	Upstream transportation and distribution	398	557	357	525	468	378
	Waste generated in operations	7	7	4	4	183	195
	Business travel	1,323	303	363	1,303	1,882	1,616
	Employee commuting	6,078	5,756	6,171	7,606	5,319	4,640
	Subtotal	27,927	29,018	28,381	35,429	32,664	27,876
Scope 1+2+3	Total	38,142	39,779	39,472	41,974	39,397	34,785

* Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc. from FY2019 to FY2022; Group consolidated totals from FY2023

Electricity Consumption (MWh)		FY2019 (Base Year)	FY2020	FY2021	FY2022	FY2023	FY2024
Non-renewable energy consumption	Call Center/Office	17,896	19,094	20,116	12,641	12,793	11,791
	Data Center	1,480	1,330	1,198	1,132	0	0
	Subtotal	19,376	20,424	21,314	13,773	12,793	11,791
Renewable energy consumption	Call Center/Office	0	0	0	7,995	8,112	8,014
	Data Center	0	0	0	0	1,461	1,435
	Subtotal	0	0	0	7,995	9,573	9,449
Total		19,376	20,424	21,314	21,768	22,366	21,240

* Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc. from FY2019 to FY2022; Group consolidated totals from FY2023

GHG Emissions (t-CO_2/1,000kWh)	FY2019 (Base Year)	FY2020	FY2021	FY2022	FY2023	FY2024
Emissions per megawatt-hr	0.52	0.52	0.52	0.27	0.27	0.29
Renewable Energy Rate (%)	0	0	0	36.7	42.8	44.5

* Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc. from FY2019 to FY2022; Group consolidated totals from FY2023

Governance Compliance

Visit our website for details.
https://www.bell24.co.jp/ja/csr/governance/

Our Initiatives

Based on our purpose of "sustain the prosperity of society, through innovation and communication," we have pursued better corporate governance with the goal of building good relationships with all of the stakeholders surrounding the BellSystem24 Group and continuing to maximize our corporate value.

For that purpose, an important part of the management of our business is continuously reinforcing our corporate governance mechanisms. As a company with a board of auditors, we are supervised by the board of auditors and appoint multiple outside directors to reinforce the function to supervise the management of our business. We introduced a corporate officer system to swiftly address changes in our business environment and strive to ensure the agility of our operations. Currently, at least one third of our Board of Directors are independent outside directors. In the appointment of independent outside directors and independent outside auditors, we take into consideration the Tokyo Stock Exchange's independence criteria and our own criteria for independence that we have established. This ensures that we place importance on ensuring the independence of our directors and auditors. The Board of Directors and Board of Auditors each perform effectiveness evaluations every year. Within their respective meetings, all of the directors and auditors participate in discussions about the improvements necessary to ensure their effectiveness. The non-statutory Nominating Committee and Remuneration Committee have been established to enhance the transparency of our decision making in personnel and remuneration matters. Further, we have introduced a performance-and stock-based remuneration system to increase our performance and corporate value over the mid- and long-term.

In addition, have also formed an Internal Control Committee to regularly examine issues concerning that system and organizationally reinforce our internal check functions through the Corporate Ethics Hotline, our system for whistle-blowing.

Additionally, we place importance on disclosing information to stockholders, investors and other stakeholders in a timely and proper manner. We will continue to encourage dialogues with our many diverse stakeholders via opportunities such as explanatory meetings for investors.

Through these dialogues, we would like to better increase our corporate value from a long-term perspective.

Officer Profiles

Hiroshi Kajiwara — Representative Director

1990 Joined ITOCHU Corporation
2012 Outside Director, SPACE SHOWER NETWORKS INC.
2015 Outside Director, Asurion Japan K.K.
General Manager, Communication & Mobile Business Department, ITOCHU Corporation
2016 Representative Director, ITOCHU Fuji Partners, Inc.
2017 Deputy Chief Operating Officer, ICT Division, ITOCHU Corporation
2020 Chief Operating Officer, ICT Division
Director, ITOCHU Techno-Solutions Corporation
2021 Executive Officer, Chief Operating Officer, ICT Division, ITOCHU Corporation
2023 Outside director of the Company
2024 President, CEO and Representative Director of the Company (current position)
President and Representative Director, BELLSYSTEM24, Inc. (current position)

Toyohisa Tsuji — Director

1989 Joined ITOCHU Corporation
2005 Seconded to arukikata.com Co., Ltd. (currently GIO CLUB Co., Ltd.), Representative Director
2006 Seconded to Chikyuno Arukikata T&E Co., Ltd. (currently GIO CLUB Co., Ltd.), Representative Director and Executive Vice President
2009 Seconded to ITOCHU Electronics Corporation (currently ITOCHU Interactive Corporation), Representative Director and President
2014 Corporate Officer, former BELLSYSTEM24 Holdings, Inc.
Corporate Officer, BELLSYSTEM24, Inc.
2015 Corporate Officer, former BELLSYSTEM24 Holdings, Inc.
Corporate Officer of the Company
2019 Director, True Touch Co., Ltd.
2020 Director and Corporate Officer of the Company
2021 Director and Corporate Officer SVP of the Company (current position)
Corporate Officer EVP, BELLSYSTEM24, Inc. (current position)

Takehiko Go — Director

1994 Joined Osaka Chuo Seika Co., Ltd.
1997 Joined the former BELLSYSTEM24, Inc.
2005 Seconded to BB Call, Inc. (currently BELLSYSTEM24, Inc.)
2008 Corporate Officer
2009 Director
2010 Managing Director
2012 Corporate Officer, former BELLSYSTEM24, Inc.
Representative Director and President, BB Call, Inc. (currently BELLSYSTEM24, Inc.)
2014 Corporate Officer SVP, COO, BELLSYSTEM24, Inc.
2016 Corporate Officer EVP (current position)
2017 Director, CTC First Contact Corporation
2020 Director, TB Next Communications Co., Ltd.
2022 Director, Horizon One Inc. (current position)
Director and Corporate Officer SVP of the Company (current position)

Masato Horiuchi — Outside Director

1992 Joined ITOCHU Corporation
2017 General Manager, Information Technology Business Department
2019 Director, FreakOut Holdings, inc.
Outside Director, WingArc1st Inc.
2020 Outside director of the Company
Representative Director and President, ITOCHU Interactive Corporation
2021 Vice Chairman, Beijing Xinyi Consulting Co., Ltd.
2023 Outside Director, Belong Inc.
Outside Director, Asurion Japan K.K.
2024 Chief Operating Officer, ICT Division, ITOCHU Corporation
Outside Director, ITOCHU Techno-Solutions Corporation (current position)
Representative Director, ITOCHU Fuji Partners, Inc. (current position)
Outside Director of the Company (current position)
2025 Executive Officer, Head of Information and Communications Division, ITOCHU Corporation (current position)

Kenji Umekawa — Outside Director

1992 Joined Toppan Printing Co., Ltd. (currently TOPPAN Inc.)
2012 General Manager, Business Innovation Department, Information & Communication Division, Toppan Idea Center, Information & Communication Division, Toppan Printing Co., Ltd.
2014 General Manager of Customer Marketing Department, Communication Design Division, Toppan Idea Center, Information & Communication Division, Toppan Printing Co., Ltd.
2018 General Manager of Communication Design Division, Toppan Idea Center, Information & Communication Division, Toppan Printing Co., Ltd.
2019 General Manager of Communication Design Division and General Manager of Engagement Services Division, Toppan Idea Center, Information & Communication Division, Toppan Printing Co., Ltd.
2021 General Manager of Digital Marketing Center, Information & Communication Division, Toppan Printing Co., Ltd.
2023 General Manager of Business Transformation Center, Information & Communication Division, Toppan Printing Co., Ltd.
2024 Director and General Manager of Business Transformation Center, Information & Communication Division, TOPPAN Inc.
2025 Director and General Manager of Business Transformation Division, Information & Communication Division, TOPPAN Inc. (to present)
Outside Director of the Company (current position)

Governance Compliance

Nobuya Ishizaka — Outside Director

1990 Joined Mitsubishi Corporation
2000 Established Golf Digest Online Inc.,
President and Representative Director (current position)
2012 Representative Director and President, Insight Co., Ltd.
2013 Director, Venture Republic Inc.
2014 President and Representative Director, GDO GolfTEC Co., Ltd. (currently Golf Digest Online Inc.)
2015 Director, Insight Co., Ltd.
Director, former BELLSYSTEM24 Holdings, Inc.
Outside Director of the Company (current position)
2016 Director, GolfTEC Enterprises, LLC (USA)
President and Representative Director, KIDS GOLF Inc.
2017 President and Representative Director, GDO Sports, Inc. (USA) (current position)
Representative Director, Japan Speed golf Association (current position)
2018 Chairman and Director, GolfTEC Enterprises, LLC (USA) (current position)
2021 Director, GDO GolfTEC Co., Ltd. (currently Golf Digest Online Inc.)

Aki Tsurumaki — Outside Director

1993 Joined Tokyo Metropolitan Government
1994 Passed bar examination
1995 Joined Legal Training and Research Institute of Japan
1997 Registered as an attorney (Tokyo Bar Association)
2002 Co-Representative, Kamijo & Tsurumaki Law Office (current position)
2012 Outside Corporate Auditor, Ichikoh Industries, Ltd. (current position)
2016 Outside Director of the Company (current position)
2023 Outside Auditor, JPH Co., Ltd. (current position)

Makiko Takahashi — Outside Director

1993 Joined Kanagawa Academy of Science and Technology (currently Kanagawa Institute of Industrial Science and Technology (KISTEC))
2004 Project Associate Professor, Intellectual Property and Technology Transfer, Office of Industry Liaison, Tokyo Institute of Technology (currently Institute of Science Tokyo)
2006 Project Associate Professor, Center for Research Strategy and Support, Tohoku University
2010 Research Strategy Planning Member, Committee for Research Strategy, Institute of Physical and Chemical Research (currently RIKEN)
Doctor (engineering), School of Engineering, Tohoku University
2014 Professor, Graduate School of Innovation Management, Kanazawa Institute of Technology (current position)
2017 Outside Director of the Company (current position)
2021 Outside Director, Golf Digest Online Inc. (current position)

Satoko Hamaguchi — Corporate Auditor

1983 Joined Takarazuka Enterprise Co., Ltd. (currently Resort trust, Inc.)
1984 Joined GLOBAL JAPAN. CO., LTD
1986 Joined the former BELLSYSTEM24, Inc.
2003 Corporate Officer
2005 Corporate Officer SVP
2009 Corporate Officer SVP
2010 Corporate Officer EVP
2011 Representative Director and President, BELL Soleil Inc.
2013 Corporate Officer, former BELLSYSTEM24, Inc.
2014 Corporate Officer, BELLSYSTEM24, Inc.
Director, former BELLSYSTEM24 Holdings, Inc.
2015 Corporate Auditor, former BELLSYSTEM24 Holdings, Inc.
Corporate Auditor of the Company (current position)
2021 Auditor, Japan Audit & Supervisory Board Members Association (current position)
2023 Outside Director, PCA CORPORATION (current position)

Yoshiko Hayama — Outside Corporate Auditor

1983 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)
1984 Joined Surugadai Academy
1990 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)
1994 Registered as a Certified Public Accountant
2007 Joined Ernst & Young Shin Nihon (currently Ernst & Young Shin Nihon LLC), Certified Public Accountant
2015 Representative, Yoshiko Hayama Certified Public Accountant Office (current position)
Outside Audit & Supervisory Board Member, COCO'S JAPAN CO., LTD.
2016 Outside Director, Sugi Holdings Co., Ltd. (current position)
Senior Researcher, The Japanese Institute of Certified Public Accountants
2018 Outside Audit & Supervisory Board Member, Adastria Co., Ltd.
2020 Outside Director, Zensho Holdings Co., Ltd.
2023 Outside Corporate Auditor of the Company (current position)
2024 Auditor, Sugi Holdings Co., Ltd. (current position)
Outside Director and Audit & Supervisory Committee Member, NIPPN CORPORATION (current position)

Kenichiro Soma — Outside Corporate Auditor

1989 Joined ITOCHU Corporation
2012 General Manager Structured Finance Department, Finance Division
2016 Deputy General Manager, Finance Division
2018 Assistant General Manager, Asia & Oceania Bloc and in charge of business management (residing in Singapore)
2020 CFO, Food Company
Director, TAIPEI FINANCIAL CENTER CORP
Commissioner, PT. ANEKA TUNA INDONESIA
Outside Auditor, Dole International Holdings
Outside Corporate Auditor, Prima Meat Packers, Ltd.
2022 Outside Corporate Auditor, NIPPON ACCESS, INC.
2023 CFO, ICT & Financial Business Company, ITOCHU Corporation
Outside Corporate Auditor, POCKET CARD CO., LTD.
Outside Corporate Auditor of the Company (current position)
2024 Outside Director, ITOCHU Financial Management Inc. (current position)
General Manager, Finance Division, ITOCHU Corporation
Representative Director and President, ITOCHU Treasury Corporation
ITOCHU Treasury Centre Europe PLC Director
ITOCHU Treasury Center Americas Inc. Director
ITOCHU Treasury Centre Asia Pte. Ltd. Director
Executive Officer, General Manager, Finance Division, ITOCHU Corporation (current position)
Outside Corporate Auditor, ITOCHU Treasury Corporation (current position)

Skill matrix

	Name		Corporate management	Human resources	Technology/ innovation	Global	Sustainability	Finance/ accounting	Legal affairs/ risk management
Director	Hiroshi Kajiwara	Representative Director	●	●	●	●			
	Toyohisa Tsuji	Director	●		●			●	●
	Takehiko Go	Director	●	●			●		
	Masato Horiuchi	Outside Director			●	●			
	Kenji Umekawa	Outside Director			●		●		
	Nobuya Ishizaka	Outside Director	●		●	●			
	Aki Tsurumaki	Outside Director		●					●
	Makiko Takahashi	Outside Director			●		●		
Corporate Auditor	Satoko Hamaguchi	Corporate Auditor		●			●	●	●
	Yoshiko Hayama	Outside Corporate Auditor					●	●	●
	Kenichiro Soma	Outside Corporate Auditor				●		●	●

G Governance Compliance

Corporate Governance

Policy and Basic Concept

The Company believes that building good relationships with all stakeholders of the Group such as shareholders, clients, business partners and employees and winning their trust are essential for maximizing its corporate value. For this purpose, the Company regards strengthening corporate governance as one of its most important management issues. Based on this recognition, we endeavor to operate with a focus on transparency and soundness while improving management efficiency.

Details of the organs of the Company

From the perspective of enhancing the oversight function of the Board of Directors, the Company has adopted a system of a company with a board of corporate auditors based on the judgment that combining the supervisory function of Outside Directors who make up a majority of the Board of Directors with the audit function of the Corporate Auditors, including Outside Corporate Auditors, effectively provides a monitoring function for overall management. In addition, to respond promptly to changes in the business environment surrounding the Group, the Company has adopted a Corporate officer system for the purpose of accelerating both management and corporate governance by enabling business to be executed in a flexible manner.

Board of Directors

The Board of Directors meets each month and at other times as required to decide on important matters and supervise the execution of business by the Directors and the Corporate Officers according to laws, regulations, the Articles of Incorporation, the Board of Directors Regulations and other company regulations. The Board of Directors consists of eight Directors, including three Independent Outside Directors to strengthen its supervisory function. Three Corporate Auditors, including one Independent Officer, also attend meetings of the Board of Directors.

Board of Corporate Auditors

The Board of Corporate Auditors consists of three Corporate Auditors (including two Outside Corporate Auditors, of which one is an Independent Officer) and meets each month and at other times as required to audit the execution of duties by the Directors. The Corporate Auditors ascertain an understanding of the Company's situation by attending meetings of the Board of Directors and through attendance both in-person and online of the Full-Time Corporate Auditor at Executive Committee meetings and other important meetings, inspection of important documents, on-site audits of the business sites around the nation and overseas, etc. They also check the process of making important decisions and the status of business execution, audit the status of compliance with laws, regulations, the Articles of Incorporation and company regulations and the effectiveness of internal controls (status of response to possible risks) and appropriately provide the executive team with recommendations on areas for improvement. Moreover, Corporate Auditors receive interim review reports from the accounting auditor, regularly cooperate with the accounting auditor and confirm the appropriateness of audits by the accounting auditor. The Board of Corporate Auditors holds quarterly liaison meetings with the accounting auditor and Internal Audit Department based on the three-party audit system for sharing information about risks and exchanging opinions, thereby working to improve audit quality.

Corporate Officers

Corporate officers execute business operations based on authority delegated to them by the Directors within the scope resolved at meetings of the Board of Directors.

Executive Committee

The Executive Committee consists of President & CEO and persons designated by President & CEO. It meets once a week, in principle, with Full-time Corporate Auditor attending. The Executive Committee is positioned as an advisory organ for the President & CEO to decide on important matters based on authority delegated to Corporate Officers within the scope resolved at meetings of the Board of Directors. It also functions effectively as a forum for information sharing and discussions among the Corporate Officers.

Accounting Auditor

The Company has appointed PricewaterhouseCoopers Aarata LLC as its accounting auditor and has entered into an audit agreement with the accounting firm to receive appropriate audits in accordance with auditing standards generally accepted in Japan. The Corporate Auditors ensure close cooperation with the accounting auditor through meetings held regularly and when needed to receive reports, as well as by exchanging opinions when appropriate.

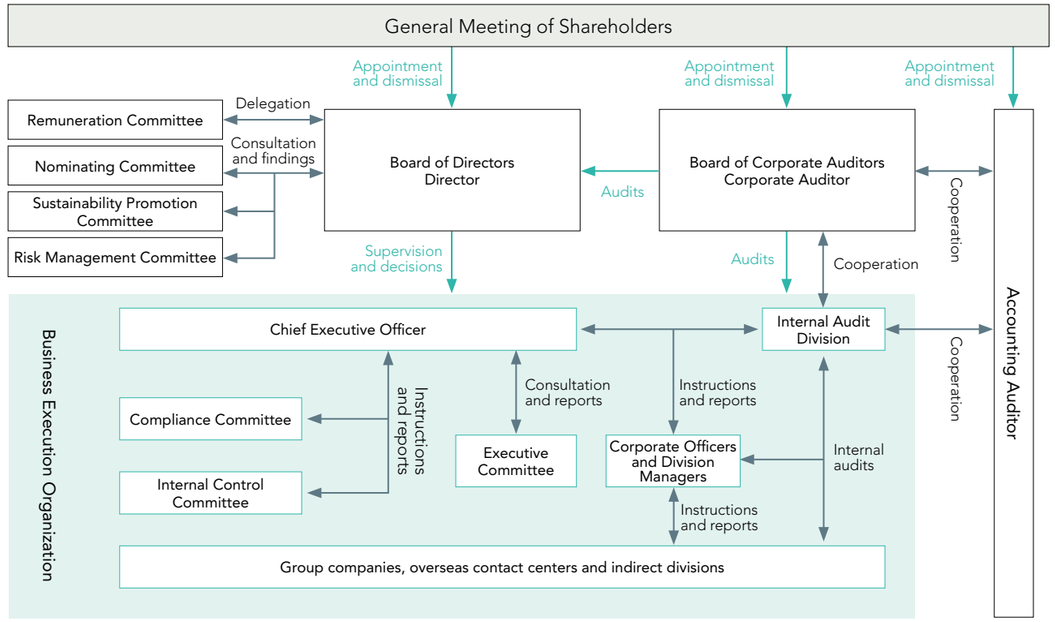
Nominating Committee

The Nominating Committee functions as an advisory body to the Board of Directors. It provides recommendations on the criteria for the appointment and dismissal of Directors and Corporate Auditors, and deliberates and makes decisions on draft proposals for the appointment or dismissal of each Director/Corporate Auditor and the Representative Director that were formulated based on the appointment/dismissal criteria approved by the Board of Directors.

Remuneration Committee

The Remuneration Committee, operating under a mandate from the Board of Directors, deliberates and makes decisions on the remuneration proposals for each Director that were formulated based on the Company's regulations on Director remuneration and criteria for officer remuneration, in line with the Company's Officer Remuneration Policy and the General Meeting of Shareholders' resolutions on remuneration.

Outline of Corporate Governance System



Effectiveness evaluation of Board of Directors and Board of Corporate Auditors

We conduct annual reviews of the effectiveness of the Board of Directors and the Board of Corporate Officers. Each board examines areas for improving its effectiveness at a meeting of all its members.

Follow the links on the right for summaries of the evaluations (in Japanese).

Summary of Evaluation Results concerning Effectiveness of Board of Directors (in Japanese)

https://www.bell24.co.jp/ja/uploads/BoardEffectiveness.pdf

Summary of Evaluation Results concerning Effectiveness of Board of Corporate Auditors (in Japanese)

https://www.bell24.co.jp/ja/uploads/SupervisoryBoardEffectiveness.pdf

Internal Control System

We have formulated our Basic Policy for Building and Internal Control System based on the Companies Act and the Regulations for Enforcement of the Companies Act, and established a system for ensuring the appropriateness of our operations.

In addition, have also formed an Internal Control Committee to regularly examine issues concerning that system.

Basic Policy for Building and Internal Control System

https://www.bell24.co.jp/ja/company/governance/internalcontrol/

G Governance Compliance

Compliance

Policy and Basic Concept

We state the following in our Sustainability Policy: "We comply with the laws/ordinances in each country and respect international norms. We strive to understand the cultures, traditions and customs in each country and region around the world. We then engage in fair and sincere corporate activities."

We published the BellSystem24 Group Code of Conduct in 2012. This serves as a code of ethics summarizing specific actions from a perspective of compliance to realize our purpose. We inform this code as guidebooks to all our officers and employees including contractors and temporary employees. Together with this, we have introduced code of conduct training and compliance training as mandatory programs for all our employees (including contractors and temporary employees). We are also focusing on realizing the code at the contact center level through these initiatives.

Moreover, we have established an organization for cases when laws/ordinances or the code of conduct have been violated. Our officers and employees can make a report using an internal point of contact in our whistleblower system and grievance reporting system or using an external point of contact we have established in a law firm outside of our company. We are also focusing on ensuring the employees in our company are aware of our whistleblower system and grievance reporting system.

The range of concepts covered by compliance in recent years is not limited to simply compliance with laws/ordinances; it is also widely applicable to the rules and promises, common sense, decency, morality and even ethics of companies as a conduct risk. We make no compromises when it comes to compliance. We continuously work on compliance with it serving as our top management priority.

Code of BELLSYSTEM24 Group Conduct
The Code of BELLSYSTEM24 Group Conduct sets forth the basic standards of conduct that should be voluntarily observed by all officers and employees of our Group.
https://www.bell24.co.jp/ja/company/governance/kihan/

Promotion Organization and Systems

Compliance Promotion Organization

We have established the Compliance Committee to reinforce our compliance preparedness across organizations within our group. The Officer in Charge of Legal and Compliance serves as the chair of the committee. Representatives from a wide range of departments serve as the members of the committee. The committee meets once a quarter. Moreover, we have designated July every year as Compliance Enhancement Month to strengthen our activities.

The Compliance Committee undertakes the following right activities related to compliance concerns.

- Sets compliance targets
- Manages compliance concern information
- Formulates policies and measures
- Gives instructions for the response to the department where the concern originated, manages progress and provides support
- Determines preventative measure policies to prevent the occurrence of compliance concerns
- Develops corporate culture and manages training to prevent the recurrence of compliance concerns

Promotion Organization Figure

Board of Directors | Executive Committee

Report to Board of Directors and Executive Committee

Meets once a quarter — Compliance Committee

Chair	Officer in Charge of Sustainability and Legal	Members	Officer in Charge of Business Strategy Officer in Charge of Technology and Chief Information Officer (CIO) Officer in Charge of Financial Planning and Chief Financial Officer (CFO) General Manager, Audit Division General Manager, Human Resources and Development Division General Manager, Legal and Compliance Division General Manager, BELLSYSTEM24 Field HR Division General Manager, BELLSYSTEM24 Work Support Division
Vice Chairperson	Officer in Charge of Corporate Planning Division Officer in Charge of Human Resources and General Affairs Division		
Observer	Corporate Auditor		

Compiles compliance concerns from our entire group

Head Office | Contact centers in Japan | Contact centers overseas

Whistleblower System and Grievance Reporting System

In 2017 we enacted the Whistleblower System Operation Rules and set up two points of contact: the Corporate Ethics Hotline and the Harassment Counseling Desk. Both of these services can be used by all of our Group's officers and employees (full-time, contract, temporary, and short-term/part-time), as well as retired employees and permanent contractor employees. (Human Rights Whistleblower System, page 31)

Information received through the Whistleblower System and Grievance Reporting Systems is treated as confidential information.

Number of Reports Received

	FY2022	FY2023	FY2024
Whistleblowing and grievance reports	117	111	119
Harassment reports	233	202	172
Total	350	313	291

Initiatives

Setting of Compliance Targets

It goes without saying that compliance is a commitment that we believe must be emphasized and thoroughly practiced in everything we do. And, there are cases where this is especially important from the perspective of advancing our business and responding to the current social climate. This is why our Group re-examines its compliance risks every fiscal year and works to properly manage the risks identified.

Compliance Committee Activities

An essential part of efforts to ensure compliance is to continuously run a PDCA cycle. Our Compliance Committee leads this process on a company-wide level by defining a specific area of action for each of the compliance targets set for that fiscal year, forming a working group for each area, and having those groups survey the state of compliance in their area, analyze the results, and consider measures for improvement.

Compliance Enhancement Month

One effective approach for encouraging employees to remain mindful of our important commitments is to find ways to break up the monotony of routines. We do this for compliance by designating every July as "Compliance Enhancement Month." Various special activities are carried out during that time to remind all employees of the importance of compliance so that it does not become a forgotten endeavor. These activities include mandatory compliance training sessions for all employees, such as a program designed to enhance the compliance issue awareness and understanding of those in managerial and higher positions.

G Governance Compliance

Compliance Training

All employees, including those who joined after the latest Compliance Enhancement Month, are required to undergo compliance training as part of their onboarding.

Compliance Guidebook

We have produced a "Code of Conduct Guidebook" that is provided in electronic form to all employees, including communicators, so that they can refer to it at any time. The guidebook is designed to help our employees systematically build up their compliance awareness and knowledge to the minimum level needed to work as a member of our Group.

Compliance-related Education, Training and Awareness Campaigns

	Training	Frequency and Format	Targets
Education and Training	Compliance Seminar with an External Lawyer	Once a year	Full-time employees
	Compliance Concerns Briefing	Once every two years	Full-time employees
	Code of Ethics and Compliance Training	e-learning	All employees (including contractors and temporary employees)
	Insider Trading Training	e-learning	Full-time employees
	Human Rights Training	As needed	All employees (including contractors and temporary employees)
Awareness Campaigns	Code of Ethics Guidebook Provision and video streaming (Code of Conduct Guidebook)	Online	All employees (including contractors and temporary employees)

Basic Policy for prevention of Bribery and Corruption

We clearly state we will engage in fair, transparent, freely competitive and appropriate transactions and relationships with politicians and authorities in the BellSystem24 Group Code of Conduct. We have also declared we will implement such transactions and relationships.

Japan and other countries around the world have been tightening anti-bribery and anti-corruption regulations (Unfair Competition Prevention Act in Japan, Foreign Corrupt Practices Act in the U.S. and Bribery Act in the U.K., etc.) in recent years. Against this backdrop, we have enacted this policy to comply with anti-bribery laws/ordinances in the countries and regions where we engage in business and to promote transparent and honest behavior.

We are striving to prevent bribery and corruption through the code of behavior we have stipulated in this policy, throughout the company-wide supply chain, including all suppliers.

Concept of Prevention of Bribery and Corruption

https://www.bell24.co.jp/ja/company/governance/antibriberybasicpolicy/

Risk Management

Policy and Basic Concept

Our basic policy is to grasp the various risks across our group, assess the risk characteristics such as the frequency of their occurrence and their expected impact, and then manage those risks in an integrated manner. In doing so, we identify particularly serious risks which may have a significant impact on our financial condition and social credibility. We then manage those risks and take consolidated measures against them.

Risk Management Structure

The Risk Management Committee, an advisory body to the Board of Directors, manages risks over our entire group and sets the policies for measures against them in our company. It submits its determinations to the Board of Directors. The Board of Directors then votes on the final policy. Moreover, the Board of Directors has established the Risk Management Rules and appointed a Chief Risk Officer (CRO) in line with that. The Risk Management Division supervised by the CRO is the division in charge of those rules. The division conducts specific risk management across our entire group.

We have defined six risk categories: human resource risks, strategy risks, information risks, sustainability risks, governance risks and compliance risks. Within those categories, we have further identified specific risk items within those categories. We have defined the four categories we assume have the largest uncertain impact among those categories as "top risks": human resource risks, strategy risks, information risks and sustainability risks. We have appointed officers in charge of those risks as the "Risk Owners." In addition, the Risk Management Committee re-assesses and selects each risk item and then extracts the top risks every year.

Business divisions on the frontline also consider risks when drafting various measures in each of their activities. They take responsibility for risk management over their areas of responsibility. Moreover, corporate divisions with responsibility for those areas take measures together with the business divisions from a company-wide perspective. At the same time, those divisions grasp the causes of risks and their trends and then introduce measures against them together with the Risk Management Division which supervises risks over our entire group.

We conduct reviews periodically on the effectiveness of the risk management structure. We then report the findings to the Board of Directors.

The Sustainability Promotion Committee meets at least once a year to grasp risks, consider policies for measures against them, draft those policies and examine the penetration of the management organization in relation to human rights, climate change, occupational safety and other sustainability-related risks to promote sustainability. The committee reports its findings to the Board of Directors. In addition, the Chief Sustainability Officer (CSO) makes a report to the CRO. At the same time, the Sustainability Promotion Division supervised by the CSO works with the Risk Management Division supervised by the CRO to concretely grasp risks and respond to them.

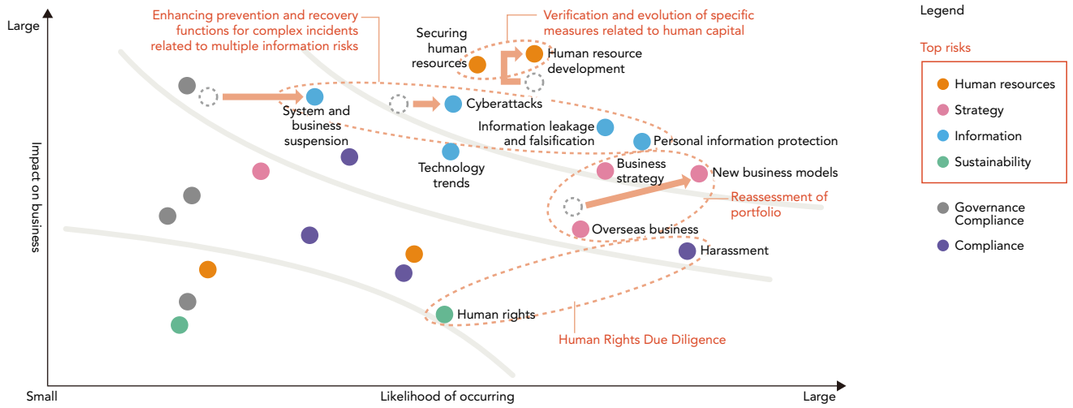
We have established a reporting organization across our subsidiaries from the perspective of risk management over our entire group. Together with this, we periodically check the risks related to business uncovered by our subsidiaries and the status of measures taken against them.

FY2024 Risk Management Committee

	1st Meeting	2nd Meeting
Members	Chair: Corporate Officer SVP in Charge of Risk Management, CIO, CTO, CSO, CCO, CISO, CPO, CRO Members: President, CEO; Corporate Officer SVP, Corporate Planning; Corporate Officer in Charge of Financial Supervision & General Affairs, CFO	Chair: Corporate Officer SVP in Charge of Risk Management, CIO, CTO, CSO, CCO, CISO, CPO, CRO Members: President, CEO; Corporate Officer SVP, Corporate Planning; Corporate Officer in Charge of Financial Supervision & General Affairs, CFO; Senior Advisor for Secretariat
Main agenda items	• Direction of response to the security incident that occurred at the subsidiary company in Vietnam	• Re-evaluation of risks and updating of the risk map • Direction of response to information, human resource, and strategy risks

G Governance Compliance

Our Risk Map



List of Our Risks

Category	Risks	Risk Details
Human resources	Securing human resources	Downsizing and stagnation of business due to difficulty in securing the necessary human resources for business growth (aging, etc.)
	Human resource development	Insufficient human resource development and a decline in engagement (lack of investment in human capital and systemization of education, etc.)
	Labor (troubles)	Labor troubles, insufficient agreement on working conditions and disputes relating to the payment of wages, etc.
	Labor (occupational accidents)	Occupational accidents and insufficient development of occupational health and safety, etc.
Strategy	Business strategy	Delays in changing business models or strengthening competitive advantage, and insufficient supervision of targets and progress, etc.
	Investment and partnerships	Losses due to the impossibility of recovering expected earnings (capital costs) and lack of alliances with partners, etc.
	Overseas business	Country risks in the countries and regions where we have advanced (political, economic and legal), development delays, and recovery of investment
	New business models	Decrease in sales due to the emergence of new business models by competitors and those entering from other industries, etc.
	Intensified competition and subordination	Lower prices, deteriorating earnings, and loss of competitiveness and decline in sales due to concentration and diversification of specific customers and markets, etc.
Information	Information leakage and falsification	Loss, damage, external leakage and falsification of information assets that relate to business, etc.
	Personal information protection	Initiatives to protect personal information, non-personal information and privacy-related information
	Cyberattacks	Interruption or suspension of systems and operations due to attacks, and the loss, damage or external leakage of information assets
	System and business suspension	Suspension of systems and operations due to system malfunctions and equipment aging, etc.
	Technology trends	Delays in the research and development of next-generation technologies, and delays in the introduction of new services
Sustainability	Climate Change	Impact on business operation and supply chains at contact centers in Japan and overseas (heavy rain, floods and working hours), and the costs
	Human rights	Human rights violations (in all business processes, recruitment, working conditions and working environment)
Governance Compliance	Business management	Earnings, shareholders and stakeholders, and disclosure and investor relation management, etc.
	Finance	Trust (associated companies), fundraising (interest rates), liquidity, asset impairment and financial reporting, etc.
	Quality incidents	Inadequate business and management organization
	Reputation	Loss in confidence from the market relating to internal controls, risk management, business continuity and sustainability, etc.
	Natural disasters	Impact on the business functions of headquarters and contact centers (interruptions)
	Contractor management	Third-party management at recruitment agencies, etc. (human resource supply capacity, trustworthiness and compliance)
Compliance	Law/ordinance and system changes	Tightening of laws/ordinances and systems and the increase in costs to deal with them (human rights and the environment, etc.)
	Conduct risks	Acts that contradict the behavior and results expected by stakeholders in addition to violations of laws/ordinances and lawsuits*
	Harassment	All forms of harassment including workplace bullying, sexual harassment and customer harassment
	Legal (information utilization)	Tightening of laws and regulations relating to the utilization of information specific to our company such as dialogue data and business information linked to that, etc.

* Examples of standards: corporate philosophy, code of conduct, social norms, commercial practices, market practices, ethics, ESG and SDGs

Our Top Risks and Risk Owners

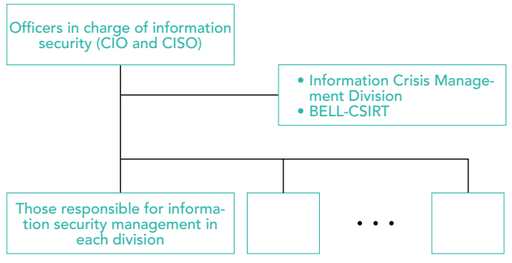
Top risks	Risk Owner	Operations Supervised
Human resource risks	Takehiko Go, Director and Corporate Officer SVP	Personnel and Business Process Innovation
Strategy risks	Toyohisa Tsuji, Director and Corporate Officer SVP	Corporate planning, business strategies, solutions promotion and public relations
Information risks	Shinsuke Kageyama, Corporate Officer SVP	Information system (CIO and CTO), sustainability (CSO), legal affairs and compliance (CCO, CISO and CPO) and risk management (CRO)

Organization Responsible for Risks and the Risks for Which They Are Responsible

Organization Responsible for Risks	Risks for Which the Organization Is Responsible (Total: 26)
Human Resource & Development Division	Securing human resource risks, human resource development risks, labor (trouble) risks and labor (occupational accident) risks
Corporate Planning Division / Business Strategy Division	Business strategy risks, investment and partnership risks, new business model risks, intensified competition and subordination risks, and natural disaster risks
CIO	Information leakage and falsification risks, personal information protection risks, cyberattack risks, system and business suspension risks, and technology trend risks
Sustainability Promotion Division	Human rights risks and climate change risks
Business Development Unit	Overseas business risks
Business Management Division	Business management risks, quality incident risks and contractor management risks (third party risks)
Finance Division	Finance risks
IR Division	Reputation risks
Legal and Compliance Division	Law/ordinance and system change risks, conduct risks, harassment risks, and legal (information utilization) risks

Information Risk Management

We aim to reduce and avoid information and data security risks by taking a structured approach to ensure a high level of information security. The Information Security Policy is communicated to all of our executives and employees and serves as the overarching policy that guides our information management initiatives. We have also established the Basic Information Management Rules, which includes a code of conduct specific to information and data security to which our executives and employees must comply with. More specifically, rules and standards are strictly set regarding information management risk management, personal information protection and management, document management and IT security to prevent information leakage and breaches.



Personal information protection

We have established a policy to protect the personal information and specific personal information which should be observed by all organizations and individuals involved in our operations based on our code of conduct. We thoroughly protect and manage information. We also make sure to comply with laws and regulations and protect all personal data, including in terms of privacy.

Detail of Personal Information Protection
https://www.bell24.co.jp/ja/csr/privacy/

Cyber Security

We have established the BELL-CSIRT division as the Computer Security Incident Response Team (CSIRT). This is a specialist organization under the Chief Information Officer (CIO). We established it to be able to respond promptly in the event a cyber-attack results in an incident.

Concrete Initiatives

- We have introduced 24-hour monitoring with the Security Operation Center (SOC) and a Computer Security Incident Response Team (CSIRT) organization
- We provide training to all our employees twice a year to be able to respond to targeted e-mail attacks
- We are strengthening communication to improve the literacy of our employees and ferment awareness among them about cybersecurity (Security News, etc.)
- We have opened the Cyber Security Portal on Intranet to showcase the latest trends and examples about cybersecurity

G Governance Compliance

Business Continuity Plan (BCP)

We have established the Crisis Management Plan (Business Continuity Plan Guidelines) for our entire group. This plan defines our basic policy to prevent the interruption of key business or to recover in the shortest possible time if it is interrupted for any occurrence that may interrupt our business including natural disasters (such as major earthquakes), pandemics, terrorist attacks, major accidents, cyberattacks and security incidents.

Our basic policy for business continuity activities is as follows.

1. Ensure the safety in life and health of our employees and their families as our top priority
2. Secure the trust of stakeholders within and outside our company by continuing business and recovering business at an early stage
3. Contribute to maintaining the vitality of the local economy by striving to survive as a company and to keep employing workers
4. Proactively provide support for the recovery and reconstruction of the community and our customers

We have formulated a plan for in the event of a major disaster divided into the following four phases from the activation of our business continuity plan to full-scale resumption of business. This plan defines who will take command and what we will deal with in each phase.

1. Alert system → 2. Emergency response: Activation of the BCP → 3. Emergency response: Recovery of business → 4. Cancelation of the emergency response: Cancelation of the BCP

Concrete Initiatives

- We have introduced a system to confirm the safety of our employees (including temporary employees). We conduct simultaneous drills every year and share the response status company-wide. That raises awareness and promotes use of the system.
- We deploy stockpiled supplies and emergency supplies according to the distribution standards depending on the capacity of each of our contact centers so that our employees can spend their time with peace of mind until they can return home or until relief supplies arrive in the event of a disaster.

Message from Advisor

BELLSYSTEM24's commitment to sustainability

Hidemi Tomita, Managing Director LRQA Sustainability K.K.



Currently in Japan, people's interest in ESG investment and the United Nation's Sustainable Development Goals (SDGs) is rapidly growing. This means that businesses now are expected to create value for society not just increasing stockholder value. BELLSYSTEM24's purpose traditionally has clearly mentioned the consideration of employees and society in addition to sustainable corporate growth. To achieve its purpose, it specified five key issues and priority measures for these issues have been included in the specific items. It is safe to say this has made the roadmap for the measures for the achievement of its purpose clearer.

Needless to say, the core of its call center operations is its people. Attracting people from diverse backgrounds to improve its performance is the core of its operations. BELLSYSTEM24 has been selected to be a Nadeshiko Brand, a company that empowers its female employees, and, as a company supporting childcare, it has obtained Platinum Kurumin certification. Thus, the measures are gradually bearing fruit. Information management entails significant risk in the continuation of its current operations. Needless to say, it is an important issue that concerns the company's continued existence. At the same time, AI and other innovations have the potential to fundamentally change the call center business.

The list also includes "connection with local communities," which is seemingly not linked to business operations. This is a strategic decision as BELLSYSTEM24 being a company that is trusted and accepted by the community should enable it to attract more human resources in the future. In that regard, the list of key issues and priority measures that have recently been specified is well-balanced and reflects its current and future directions. Its Stakeholder Engagement policy designed for its many diverse stakeholders and its three policies regarding human rights, the environment and social contribution are rooted in their relevance to BELLSYSTEM24's operations and organized in an easy-to-understand manner.

Of course, defining issues and formulating policies are only the first steps of the efforts. The next steps are making a plan and clarifying goals before implementing the measures. Through these steady efforts, I hope BELLSYSTEM24 will become a communication infrastructure company that supports the enrichment of society as stated in its purpose.

Career Summary

- Graduated from the University of Tokyo's Faculty of Engineering.
  Received a master's degree in chemical engineering from the Princeton University School of Engineering.
- Mr. Tomita was involved in research into material properties and environmental technology at Sony Corporation's Central Laboratory.
  Subsequently, he worked at the European Environment Center and became the head of the Environmental Strategy Office before in 2003 becoming the executive manager of the CSR Department for about the first ten years of the department's existence.
  During that time, Mr. Tomita supervised comprehensive CSR activities, such as the introduction of CSR management at the Sony Group, reporting, engagement with investors, NGOs and other stakeholders, a project cooperating with NGOs and CSR procurement including the launch of the EICC (currently the RBA).
- In 2013, he joined Lloyd's Register Quality Assurance (LRQA). Since 2016, he has been a director of Lloyd's Register Japan K.K.
  During that time, he has been involved in many governmental committees and the establishment of international standards.

Initiatives in Which We Are Participating

United Nations Global Compact (UNGC)

The UNGC is the world's largest sustainability initiative in which the UN and the private sector join forces to build a healthy global society. Companies and organizations that sign UNGC continue their efforts to apply the Ten Principles related to human rights protection, the elimination of unfair labor practices, environmental initiatives, and anti-corruption under the commitment of their senior management who affirm those principles. BELLSYSTEM24 signed the UNGC in August 2022.

Women's Empowerment Principles (WEPs)

The WEPs are action principles for companies to place gender equality at the core of management and to then voluntarily work to achieve that equality. The WEPs were established in 2013 by the United Nations Global Compact and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) with a view to achieving gender equality indispensable to sustainable and inclusive economic growth and to increasing corporate economic and social value. BELLSYSTEM24 signed the UNGC in September 2022.

WWF Japan

Established in 1961, the WWF (World Wide Fund for Nature) is an environmental conservation organization that works in over 100 countries around the world. Aiming for a future where people and nature can live in harmony, WWF engages in activities such as restoring the richness of biodiversity that is being lost and preventing global warming. BELLSYSTEM24 became a corporate member of WWF Japan, the WWF's international network, in June 2022.

Task Force on Climate-related Financial Disclosures (TCFD)

The Financial Stability Board (FSB) established the TCFD at the request of the G20. It did this to examine how companies should disclose climate-related information and how financial institutions should respond. The TCFD published its final report in June 2017. It recommends companies disclose items relating to climate change-related risks and opportunities. We endorsed these recommendations in March 2022.

CDP

CDP is an international NGO working to address environmental issues such as climate change. It is widely recognized worldwide as the global standard for corporate environmental disclosures. BELLSYSTEM24 has been responding to climate change questionnaires since FY2022.

Japan Climate Leaders' Partnership

Japan Climate Leaders' Partnership (JCLP) is a group of Japanese companies established in 2009. Its members have a firm belief that industry must begin to take positive action to achieve a decarbonized society with a sound sense of urgency. We joined as an associate member in November 2024.

Business for Marriage Equality

Business for Marriage Equality is a campaign promoting marriage equality (legalization of same-sex marriage) within Japan. It is jointly operated by three non-profit organizations active in Japan: Marriage For All Japan (MFAJ), Lawyers for LGBT & Allies Network (LLAN) and NPO Nijiiro Diversity. We endorsed this campaign in August 2021. We endorsed these recommendations in August 2021.

Japan Climate Initiative (JCI)

The Japan Climate Initiative (JCI) is a network of Japanese non-governmental actors working actively toward the realization of a decarbonized society, as called for by the Paris Agreement. This network brings together companies, local governments, organizations and NGOs which endorse the declaration of "joining the front line of the global push for decarbonization from Japan." We endorsed these recommendations in September 2024.

Sport in Life Consortium

The Sport in Life Consortium is a consortium comprised of private companies, organizations and local governments which endorse the philosophy of "Sport in Life" in which sport plays a part in the lives of each person. The consortium aims to create a society where many people can enjoy sports. BELLSYSTEM24 became a member in November 2023.

External Recognition

FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index

The FTSE Blossom Japan Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index are both broad ESG indices and are adopted by the Government Pension Investment Fund (GPIF) of Japan as a core ESG benchmark for its passive investments. We have been selected as a constituent stock since December 2023 for the FTSE Blossom Japan Index, and since March 2022 for the FTSE Blossom Japan Sector Relative Index.

MSCI Nihonkabu ESG Select Leaders Index

The MSCI Nihonkabu ESG Select Leaders Index is a comprehensive ESG index. The index is formed based on MSCI's environmental, social and governance (ESG) research.
It consists of companies with a relatively high ESG rating in each industry. The Government Pension Investment Fund (GPIF) uses the index to determine ESG investment. We have been selected as a constituent of the index as of March 2024. The MCSI ESG ratings rate companies in seven stages from AAA to CCC. It does it by making a comparison with other companies in the same industry and then conducting an investigation and analysis in terms of the extent to which the company being rated appropriately manages environmental, social and governance risks and opportunities. We earned a A rating as of May 2024.

ISS ESG Corporate Rating

The ISS ESG Corporate Rating evaluates corporate initiatives from environmental, social and governance (ESG) perspectives. It certifies companies highly rated in each industry with the Prime status. This rating is performed by the ISS ESG. The ISS ESG is the responsible investment division of the International Shareholder Services (ISS) proxy advisory firm. We are certified with the Prime status by the ESG Corporate Rating as of April 2024.

Science Based Targets initiative (SBTi)

The SBTi is an international initiative that certifies Science Based Targets (SBTs). The SBTs are greenhouse gas emission reduction targets scientifically consistent with the targets established by the Paris Agreement. Four organizations - the World Wide Fund for Nature (WWF), CDP, World Resources Institute (WRI) and United Nations Global Compact (UNGC) - jointly established the SBTi. The SBTi encourages companies to set reduction targets based on scientific evidence toward the target of limiting the global average rise in temperature to 1.5°C compared to before the Industrial Revolution. We were certified in December 2023.

External Recognition

CDP

CDP is a non-profit organization (NPO) established in the UK in 2000 and operated with the support of investors and others in various countries. CDP conducts surveys of private companies on "Climate Change," "Water Security," and "Forests" and publishes the results. We responded to the 2023 CDP Climate Change and received a rating of B.

S&P/JPX

The S&P Dow Jones Index and the Japan Exchange Group jointly developed the S&P/JPX Carbon Efficient Index. This index targets Japanese stocks. It was built by selecting companies with an excellent record in carbon efficiency and information disclosure in terms of the environment. We are currently selected to this index as of September 2024.

Morningstar Japan ex-REIT Gender Diversity Tilt Index

GenDi J is an index which focuses on companies that have gender diversity policies embedded in their culture and ensure equal opportunities to employees, irrespective of their gender. A major independent investment research company in the U.S. called Morningstar, Inc. uses Equileap's data and evaluation techniques to evaluate those companies. We were selected as part of Group 2 in this index in December 2023.

J-Win Diversity Award

The J-Win Diversity Award recognizes advanced companies that promote diversity and inclusion (D&I). It is organized by NPO J-Win and backed by the Cabinet Office and the Ministry of Health, Labour and Welfare. We received the Grand Prize in the highest-class Advanced Category at the 2023 J-Win Diversity Award having already received the Basic Achievement Grand Prize and the Leader Award before.

D&I AWARD

Our efforts have been certified with the highest accolade, "BEST WORKPLACE," in the D&I Award for three consecutive years. This award, recognizing corporate D&I initiatives, is organized by JobRainbow Co., Ltd., which provides services such as training and consulting related to diversity and inclusion (D&I) and diversity recruitment support. We have also received the D&I Award Semi-Grand Prize (Large Enterprise Category), which is awarded to certified companies that have especially high diversity scores and serve as role models in terms of their diversity and inclusion initiatives.

Eruboshi

Eruboshi is a system to certify companies which satisfy certain standards and which have an excellent record of implementing initiatives among those that have submitted notifications based on the Act on the Promotion of Female Participation and Career Advancement in the Workplace (Act on Promotion of Women's Advancement in the Workplace). We satisfy all the standards of the five evaluation items and have been certified as Eruboshi (Stage 3) since 2018.

Kurumin

Kurumin is a system in which selected companies are certified by the Minister of Health, Labour and Welfare. The companies selected are those which formulate action policies to support childcare by their employees based on the Act on Advancement of Measures to Support Raising Next-generation Children and whose record in that is recognized. We have been certified as a Platinum Kurumin since 2019 as a childcare support company undertaking a particularly high level of initiatives among Kurumin-certified companies.

Nadeshiko Brand

Nadeshiko Brand is a joint initiative by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. It selects listed companies with an excellent record in the advancement of women in the workplace. The initiative aims to accelerate the advancement of women in the workplace in companies by promoting investment by investors in the selected companies. We were selected in 2019.

PRIDE Index

The PRIDE Index is an index which evaluates the initiatives for sexual minorities such as LGBTQs in the workplace. It was formulated by a private organization called work with Pride. We have received the Gold Award as a company that satisfies all indicators for six consecutive years from 2019.

Certified Health & Productivity Management Outstanding Organizations Recognition Program

The Certified Health & Productivity Management Outstanding Organizations Recognition Program honors enterprises which practice particularly excellent health and productivity management, based on their efforts to address local health issues and their promotion of health advanced by Nippon Kenko Kaigi. BELLSYSTEM24 has been certified in the large enterprise division for three consecutive years, beginning in 2023.

White Company Certification

The White Company Certification is a system under which JWS Japan White Spread evaluates a company's efforts in seven categories based on 70 questions that companies should address to become a white company (good standing company). BELLSYSTEM24 achieved the highest level of certification, Gold, in its first year of certification (2024).

Toyo Keizai's CSR Ranking

Toyo Keizai, Inc.'s CSR Ranking* is a ranking which comprehensively evaluates trusted companies from both CSR and financial aspects. Companies are evaluated on the four areas in the CSR field of human resources utilization, the environment, corporate governance and social contribution plus their finances to arrive at a total score. We have cooperated with this survey since 2019 and are actively disclosing information. (Our rank in 2025: 416th)

Safety and Health Superior Enterprise (White Mark)

The Safety and Health Superior Enterprise scheme is a scheme under which the Ministry of Health, Labor and Welfare (MHLW) recognizes companies that actively engage in measures to ensure the safety and health of workers and maintain and improve high safety and health standards. The certification requires proactive efforts in a wide range of areas related to safety and health in addition to basic requirements such as no serious violations of laws and regulations related to occupational safety and health in the past three years. The Company was certified in 2025.

Human Capital Management Quality 2024 (Silver)

Human Capital Management Quality is a program that selects companies with a high level of commitment to human capital management from among 233 companies that responded to the Human Capital Survey 2024. This is a survey conducted jointly by the HR Technology Consortium, the HR Research Institute (ProFuture Inc.) and MS&AD InterRisk Research & Consulting, Inc. We were ranked within the top 30 companies by this survey. Therefore, we received the Human Capital Management Quality 2024 (Silver) award in February 2025.

Sports Yell Company

The Sports Yell Company program is a system in which the Japan Sports Agency certifies companies actively promoting measures to improve employees' health through sport. We have been recognized under this program for two consecutive years starting 2024.

Financial Highlights

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Fiscal year										
Revenue (million yen)	102,540	108,916	115,618	121,113	126,663	135,735	146,479	156,054	148,717	143,607
Cost of sales (million yen)	20,196	19,723	22,014	23,635	24,996	27,441	30,257	31,962	27,139	25,412
Selling, general and administrative expenses (million yen)	-10,539	-11,346	-12,666	-13,369	-13,754	-14,930	-16,571	-17,231	-16,598	-16,182
Operating income (million yen)	8,884	8,172	9,319	8,580	11,105	11,799	13,234	14,917	11,479	11,587
Net income attributable to owners of the parent (million yen)	5,031	4,304	5,604	5,397	7,006	7,252	8,943	9,330	7,545	8,003
Fiscal year-end										
Total assets (million yen)	137,847	139,471	142,437	139,739	168,508	172,888	178,312	176,250	175,465	174,413
Total equity (million yen)	37,677	41,333	44,851	46,492	49,537	53,510	59,489	64,911	67,739	70,837
Total equity attributable to owners of the parent (million yen)	37,677	40,238	43,479	45,737	49,168	53,113	58,986	64,224	66,730	70,160
Net interest-bearing debt*1 (million yen)	73,124	72,596	71,088	65,015	60,411	57,624	53,256	47,823	49,021	47,054
Cash flows										
Cash flows from operating activities (million yen)	-4,260	6,791	8,948	11,981	16,717	14,886	16,278	18,172	13,587	17,391
Cash flows from investing activities (million yen)	-2,633	-3,114	-4,508	-2,483	-3,213	-3,177	-2,431	-1,803	-3,097	-3,693
Cash flows from financial activities (million yen)	3,936	-5,396	-4,734	-8,759	-11,799	-13,955	-13,181	-15,583	-10,286	-13,897
Free cash flow (million yen)	-6,893	3,677	4,440	9,498	13,504	11,709	13,847	16,369	10,490	13,698
Cash and cash equivalents at the end of the period (million yen)	7,334	5,618	5,324	5,971	7,767	5,518	6,196	6,998	7,213	6,992
Per-share information										
Basic earnings per share (yen)	71.00	58.86	76.39	73.37	95.29	98.64	121.65	126.82	102.61	108.81
Diluted earnings per share (yen)	70.76	58.55	75.87	72.82	94.57	97.92	120.77	126.00	102.05	108.12
Equity per share attributable to owners of the parent (yen)	515.34	549.62	590.61	622.14	668.77	722.69	801.91	873.05	907.54	953.69
Dividend per share (yen)	18.00	36.00	36.00	36.00	42.00	42.00	54.00	60.00	60.00	60.00
Payout ratio (%)	25.4	61.2	47.1	49.1	44.1	42.6	44.4	47.3	58.5	55.1
Financial indicators										
Ratio of operating income to revenue (%)	8.7	7.5	8.1	7.1	8.8	8.7	9.0	9.6	7.7	8.1
ROE (%)	15.6	11.0	13.4	12.1	14.8	14.2	16.0	15.1	11.5	11.7
ROA (%)	3.6	3.1	3.9	3.9	4.2	4.2	5.0	5.3	4.3	4.6
Ratio of equity attributable to owners of the parent (%)	27.3	28.9	30.5	32.7	29.2	30.7	33.1	36.4	38.0	40.2
Net D/E ratio*2 (times)	1.94	1.80	1.63	1.42	1.23	1.09	0.90	0.75	0.73	0.67
Price/earnings ratio (times)	14.0	15.8	19.8	20.0	13.5	17.4	11.0	11.4	16.6	11.7

*1 Net interest-bearing debt = Interest-bearing debt – Cash & cash equivalents
*2 Net D/E ratio = Net interest-bearing debt / Total equity attributable to owners of the parent

Consolidated Financial Statements

Consolidated Statement of Financial Position

(million yen)

	FY2020	FY2021	FY2022	FY2023	FY2024
Assets					
Current assets					
Cash and cash equivalents	5,518	6,196	6,998	7,213	6,992
Trade and other receivables	19,644	21,181	21,232	19,195	19,006
Other financial assets	240	289	944	185	163
Other current assets	979	1,143	1,499	1,704	1,881
Total current assets	26,381	28,809	30,673	28,297	28,042
Non-current assets					
Property, plant and equipment	37,284	40,067	37,007	35,828	31,563
Goodwill	95,396	94,900	94,900	96,772	94,651
Intangible assets	2,710	2,064	1,668	2,869	2,830
Investments accounted for using equity method	1,839	2,641	2,181	1,688	6,558
Other financial assets	6,577	6,940	6,509	6,989	7,339
Deferred tax assets	2,605	2,806	2,985	2,722	3,174
Other non-current assets	96	85	327	300	256
Total non-current assets	146,507	149,503	145,577	147,168	146,371
Total assets	172,888	178,312	176,250	175,465	174,413
Liabilities and equity					
Liabilities					
Current liabilities					
Trade and other payables	6,141	6,691	7,634	5,531	5,634
Borrowings	20,235	37,481	16,600	23,000	30,799
Other financial liabilities	5,549	6,095	5,375	6,439	6,031
Income taxes payable	2,506	2,222	2,775	967	1,834
Liabilities for employee benefits	10,424	12,005	11,473	11,042	10,813
Provisions	165	-	-	45	65
Other current liabilities	3,932	2,909	2,381	1,575	2,237
Total current liabilities	48,952	67,403	46,238	48,599	57,413
Non-current liabilities					
Borrowings	42,907	21,971	38,221	33,234	23,247
Other financial liabilities	25,113	26,569	23,624	21,846	18,429
Liabilities for employee benefits	513	652	715	712	962
Provisions	1,813	2,211	2,520	3,095	3,303
Deferred tax liabilities	76	8	-	211	187
Other non-current liabilities	4	9	21	29	35
Total non-current liabilities	70,426	51,420	65,101	59,127	46,163
Total liabilities	119,378	118,823	111,339	107,726	103,576
Equity					
Common stock	27,049	27,079	27,079	27,097	27,097
Capital surplus	3,448	3,478	1,268	-3,826	-8,058
Retained earnings	23,148	28,783	35,837	43,382	51,385
Treasury shares	-297	-297	-285	-378	-312
Other components of equity	-235	-57	325	455	48
Total equity attributable to owners of the parent	53,113	58,986	64,224	66,730	70,160
Non-controlling interests	397	503	687	1,009	677
Total equity	53,510	59,489	64,911	67,739	70,837
Total liabilities and equity	172,888	178,312	176,250	175,465	174,413

Consolidated Statement of Income

(million yen)

	FY2020	FY2021	FY2022	FY2023	FY2024
Revenue	135,735	146,479	156,054	148,717	143,607
Cost of sales	-108,294	-116,222	-124,092	-121,578	-118,195
Cost of sales	27,441	30,257	31,962	27,139	25,412
Selling, general and administrative expenses	-14,930	-16,571	-17,231	-16,598	-16,182
Other income	223	304	262	1,054	3,988
Other expenses	-935	-756	-76	-116	-1,631
Operating income	11,799	13,234	14,917	11,479	11,587
Share of profit (loss) of investments accounted for using the equity method	109	808	-297	142	177
Financial income	79	50	94	40	47
Financial costs	-682	-629	-557	-436	-579
Income before income taxes	11,305	13,463	14,157	11,225	11,232
Income taxes	-3,957	-4,325	-4,571	-3,357	-2,968
Net income	7,348	9,138	9,586	7,868	8,264
Net income attributable to:					
Owner of the parent	7,252	8,943	9,330	7,545	8,003
Non-controlling interests	96	195	256	323	261
Net income	7,348	9,138	9,586	7,868	8,264
Earnings per share (attributable to the parent)					(yen)
Basic earnings per share	98.64	121.65	126.82	102.61	108.81
Diluted earnings per share	97.92	120.77	126.00	102.05	108.12

Consolidated Statement of Comprehensive Income

(million yen)

	FY2020	FY2021	FY2022	FY2023	FY2024
Net income	7,348	9,138	9,586	7,868	8,264
Other comprehensive income, net of tax					
Items that will not be reclassified to profit or loss					
Financial assets measured at fair value through other comprehensive income	-69	98	182	-61	-234
Share of other comprehensive income of investments accounted for using equity method	-	-	-24	28	-143
Total	-69	98	158	-33	-377
Items that may be reclassified to profit or loss					
Exchange differences on translating foreign operations	4	10	12	198	-93
Share of other comprehensive income of investments accounted for using equity method	-90	65	132	-15	72
Total	-86	75	144	183	-21
Total other comprehensive income, net of tax	-155	173	302	150	-398
Total comprehensive income	7,193	9,311	9,888	8,018	7,866
Net income attributable to:					
Owner of the parent	7,097	9,116	9,632	7,679	7,613
Non-controlling interests	96	195	256	339	253
Total comprehensive income	7,193	9,311	9,888	8,018	7,866

Consolidated Financial Statements

Consolidated Statement of Cash Flows

(million yen)

	FY2020	FY2021	FY2022	FY2023	FY2024
Cash flows from operating activities					
Income before income taxes	11,305	13,463	14,157	11,225	11,232
Adjustments to reconcile net income to net cash provided by (used in) operating activities;					
Depreciation	6,749	7,291	7,719	8,458	8,919
Amortization	1,037	951	731	713	637
Impairment losses	854	496	-	-	1,567
Loss (gain) on step acquisition	-	-	-	-838	-
Loss on disposal or sales of property, plant and equipment	70	208	49	93	23
Proceeds from loss of control of subsidiaries	-	-	-	-	-3,539
Loss on sales of shares of subsidiaries	-	-	-	-	-221
Share of (profit) loss of investments accounted for using the equity method	-109	-808	297	-142	-177
Financial income	-79	-50	-94	-40	-47
Financial costs	682	629	557	436	579
Decrease (increase) in trade and other receivables	-1,677	-1,537	-50	2,577	162
Increase (decrease) in trade and other payable	214	487	721	-2,166	322
Increase (decrease) in payable for consumption tax	-8	-970	-448	-743	972
Other	1,041	1,472	-972	-779	-321
Subtotal	20,079	21,632	22,667	18,794	20,108
Interest and dividends received	138	127	399	145	196
Interest paid	-549	-567	-475	-410	-513
Income taxes paid	-5,056	-4,914	-4,419	-4,942	-2,400
Income taxes refund	274	-	-	-	-
Net cash provided by (used in) operating activities	14,886	16,278	18,172	13,587	17,391
Cash flows from investing activities					
Purchase of property, plant and equipment	-1,695	-1,654	-1,408	-1,379	-1,147
Purchase of intangible assets	-440	-418	-363	-817	-531
Acquisition of investments in associates and joint ventures	-294	-	-	-	-
Proceeds from purchase of share of subsidiaries resulting in change in scope of consolidation	-	-	-	64	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	-	-	-274	-417
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	-	-	-	-780
Purchase of securities	-50	-106	-531	-651	-700
Proceeds from sale of investment securities	0	26	1,440	-	-
Transfer to escrow account	-	-	-717	-	-
Payments for guarantee deposits	-789	-542	-253	-102	-102
Proceeds from guarantee deposits	42	257	49	117	271
Payments for asset retirement obligations	-	-139	-	-67	-287
Proceeds from government subsidies	1	-	-	-	-
Other	48	145	-20	12	0
Net cash used in investing activities	-3,177	-2,431	-1,803	-3,097	-3,693
Cash flows from financial activities					
Increase (decrease) in short-term borrowings	-2,200	-800	5,100	4,400	1,625
Proceeds from long-term borrowings	-	12,000	24,000	4,000	5,000
Repayment of long-term borrowings	-2,936	-14,936	-33,781	-7,043	-9,000
Dividends paid	-3,088	-3,308	-4,414	-4,412	-4,413
Dividends paid to non-controlling interests	-68	-89	-170	-232	-231
Capital contribution from non-controlling interests	-	-	98	-	-
Payment for lease liabilities	-5,583	-6,092	-6,421	-6,911	-6,911
Proceeds from issuance of shares	24	44	-	26	-
Proceeds from sale of treasury shares	6	-	5	13	33
Purchase of treasury shares	-110	-	-	-127	-0
Net cash provided by (used in) financial activities	-13,955	-13,181	-15,583	-10,286	-13,897
Effect of exchange rate change on cash and cash equivalents	-3	12	16	11	-22
Net increase (decrease) in cash and cash equivalents	-2,249	678	802	215	-221
Cash and cash equivalents at the beginning of the period	7,767	5,518	6,196	6,998	7,213
Cash and cash equivalents at the end of the period	5,518	6,196	6,998	7,213	6,992

Non-financial Highlights

	FY2020	FY2021	FY2022	FY2023	FY2024
Consolidated number of Group employees	9,791	10,461	10,920	11,654	11,340
Consolidated number of Group temporary employees*1	19,082	21,357	21,209	23,076	21,903
Average age*2	45 years 8 months	45 years 9 months	45 years 11 months	46 years 4 months	47 years 3 months
Average length of service (years)*2	7.7	9.2	9.2	10.6	12.0
Average overtime hours (hours)	12.8	12.8	13.2	11.6	10.6
Annual paid leave acquisition rate (%)	84.2	89.5	91.3	95.2	91.3
Percentage of employees voluntarily retiring (%)*2	8.0	5.3	7.5	9.3	12.5
Percentage of employees who are women (%)*3	73.8	73.3	73.2	73.3	73.3
Percentage of female employees in managerial positions (%)	15.8	17.5	18.9	21.2	22.5
Percentage of female employees in officer positions (%)	9.1	9.1	8.7	18.2	18.2
Percentage of women taking childcare leave (%)	100	95.2	100	100	100
Percentage of men taking childcare leave (%)	70.3	52.4	71.8	60.0	72.2
Percentage of employees returning from childcare leave (%)	100	100	98.2	98.4	93.2
Number of employees taking nursing care leave	0	0	2	2	2
Number of employees with disabilities*4	497	517	599	698	713
Percentage of employees with disabilities (%)*4	2.65	2.70	2.85	3.17	3.35
Number of employees age 65 or older*3	670	840	1,020	1,161	1,384
Re-employment rate after retirement age (%)	100	100	100	100	100
Number of full-time employees who received hierarchical training	-	804	874	704	444
Number of contract employees who received hierarchical training	-	1,445	1,292	1,762	1,223
GHG emissions: Scope1 (t-CO_2)*5	96	82	69	61	73
GHG emissions: Scope2 (t-CO_2)*5	10,665	11,009	7,287	7,355	6,836
GHG emissions: Scope3 (t-CO_2)*5	29,018	28,381	35,429	32,664	27,876
Electricity consumption (MWh)*5	20,424	21,314	21,768	22,367	21,240
Breakdown: Non-renewable energy (MWh)*5	20,424	21,314	13,773	12,794	11,791
Breakdown: Renewable energy (MWh)*5	-	-	7,995	9,573	9,449

Figures are totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc.

*1 Average annual number of fixed-term employment contract employees

*2 Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc., excluding fixed-term employment contract employees, executives, employees seconded to organizations outside the Group, and Taiwan Branch personnel

*3 Totals for BELLSYSTEM24 Holdings, Inc. and its key consolidated subsidiary BELLSYSTEM24, Inc., excluding executives, and employees seconded to organizations outside the Group

*4 Totals for BELLSYSTEM24 Holdings, Inc., BELLSYSTEM24, Inc. (excluding Taiwan), BELL Soleil Inc., and CTC First Contact Corporation as of March 1 of each fiscal year

*5 Totals for BELLSYSTEM24 Holdings, Inc. and its consolidated subsidiary BELLSYSTEM24, Inc. from FY2020 to FY2022; Group consolidated totals from FY2023

Visit our website for detailed data and third-party verification concerning the Environment (E), Society and Personnel Utilization (S), and Governance (G):
https://www.bell24.co.jp/ja/csr/verification/

Third-party verification

Group Companies

Bell System24 BELLSYSTEM24 Holdings, Inc.

Bell System24 BELLSYSTEM24, Inc.

Consolidated subsidiary
Stake: 100.0%

- The core company of the CRM business group.

SPCC SKY Perfect Customer-relations Corporation

Consolidated subsidiary
Stake: 51.0%

- Operates the customer service center for the multi-channel pay TV broadcasting service SKY Perfect! The Company invested in the company in 2025, making it a consolidated subsidiary.
- Also offers consulting and education services relating to customer service centers.

HORIZON ONE Horizon One Corporation

Consolidated subsidiary
Stake: 51.0%

- Established in 2022 as a joint venture with Layers Consulting Co., Ltd.
- Provides BPO services, various consulting services, and human resources support services in the fields of human resources and accounting.

THINKER THINKER Inc.

Consolidated subsidiary
Stake: 70.0%

- The Company invested in the company in 2023 and made it a consolidated subsidiary.
- The company generates synergies in the data marketing business.
- Data analysts and engineers develop AI solutions.

Bell Soleil Bell Soleil, Inc.

Consolidated subsidiary
Stake: 100.0%

- A special subsidiary aimed at increasing employment of human resources with disabilities
- In addition to administrative and cleaning work, employees also run an office cafe, manufacture chocolate, and run an LED vegetable garden.

Overseas

Bell System24 BELLSYSTEM24 TAIWAN, Inc.

Overseas and consolidated subsidiaries
Stake: 100.0%

- Established as a local subsidiary in Taiwan in 2024.
- Provides outsourcing services for CRM solutions in Taiwan, EC construction and operation services, advertising and promotion, social media marketing, and offline direct promotion services.

Bell System24 BELLSYSTEM24 VIETNAM Inc.

Overseas and consolidated subsidiaries
Stake: 80.0%

- The Company made an additional investment in Hoa Sao—a major Vietnamese contact center company—in 2023, making it a consolidated subsidiary.
- Provides customer support services for clients in Vietnam, offshore Japanese multilingual services making use of the time difference with Japan, and chat support services.

Equity-method affiliates

TRUE TOUCH True Touch Co., Ltd.

Overseas
Stake: 49.9%

- In 2020, the Company invested in the contact center business of True Corporation Public Co., Ltd., a leading telecommunications provider in Thailand.
- In addition to telecom services, the company provides outsourced services in various sectors, including the public, aviation, and restaurant sectors.

CTC Challenging Tomorrow's Changes CTC First Contact Corporation

Equity-method affiliates
Stake: 48.0%

- In 2017, the Company invested in a BPO service subsidiary of the CTC Group. In 2025, the Company sold a portion of its shares.
- Engages in business operations centered around IT service desk and IT-related back office services.

TB ネクストコミュニケーションズ TB Next Communications Co., Ltd.

Equity-method affiliates
Stake: 49.0%

- Established in 2020 as a joint venture with TOPPAN.
- Engages in outsourcing business for back office and contact center operations combining the resources of both companies.
- Provides next-generation BPO services to support the digital transformation (DX) initiatives of various companies.

Locations

BELLSYSTEM24, Inc.

Domestic sites 35
Number of booths 18,100

Other subsidiaries and affiliated companies

Contact centers in Japan 15

* Sites are offices that handle outsourcing business operations. This excludes offices such as head office that handle indirect operations.

SC: Solution Center
SO: Small Office

Hokkaido area

BELLSYSTEM24 6
- Sapporo SC 1
- Sapporo SC 2
- Sapporo SC 3
- Sapporo SC 4
- Sapporo SC 5
- Asahikawa SC

Other 3
- SKY Perfect Customer-relations Sapporo Center
  Sapporo Rezo Center
- CTC First Contact Sapporo office

Tohoku area

BELLSYSTEM24 2
- Sendai SC 1
- Sendai SC 2

Kanto area

BELLSYSTEM24 8
- Saitama SC
- Ikebukuro SC 1
- Ikebukuro SC 3
- Bunkyo SC
- Nakano SC
- Kawasaki SC
- Minatomirai SC
- Kohoku SO

Other 4
- SKY Perfect Customer-relations Meguro Center
  Minatomirai Center
- TB Next Communications Ikebukuro Center
  Honjo Center

Hokuriku area

BELLSYSTEM24 1
- Kanazawa SC

Chugoku area

BELLSYSTEM24 3
- Hiroshima SC 1
- Hiroshima SC 3
- Matsue SC

Chubu area

BELLSYSTEM24 1
- Nagoya SC

Kansai area

BELLSYSTEM24 3
- Osaka SC 1
- Osaka SC 2
- Kobe SC

Other 3
- CTC First Contact Osaka Office
  Umeda Office
  Kobe Office

Kyushu area

BELLSYSTEM24 6
- Fukuoka SC 1
- Fukuoka SC 2
- Fukuoka SC 3
- Fukuoka SC 4
- Fukuoka SC 5
- Fukuoka SC 6

Other 4
- Horizon One Kumamoto Kuhonji BPO Center
  Kumamoto Kamitori BPO Center
  Kumamoto Shirakawa BPO Center
- TB Next Communications Fukuoka Akasaka Center

Shikoku area

BELLSYSTEM24 1
- Takamatsu SC

Okinawa area

BELLSYSTEM24 4
- Okinawa SC 1
- Okinawa SC 2
- Toyosaki SC
- Noborikawa SC

Other 1
- SKY Perfect Customer-relations Okinawa Center

Company Overview (As of February 28, 2025)

Company Information

Company Name	BELLSYSTEM24 Holdings, Inc.
Headquarters	6F Kamiyacho Trust Tower 4-1-1, Toranomon, Minato-ku, Tokyo
Common stock	27 billion yen
Number of Employees	33,243 employees (consolidated)

* Consolidated employees includes indefinite-term contract employees and fixed-term employment contract employees (average number of employees).

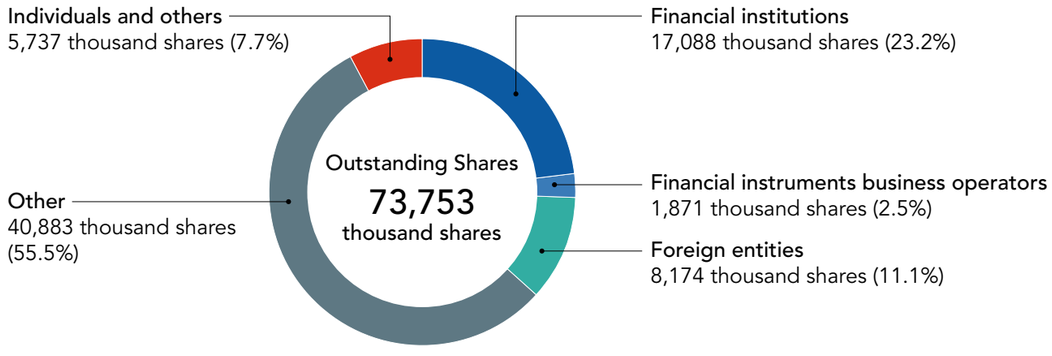
Stock Information

Stock exchange listing	Tokyo Stock Exchange Prime Market
Securities code	6183
Fiscal year	March 1 to February 28 of the following year (* February 29 for leap years)
Authorized Shares	280,000,000 shares
Outstanding Shares	73,753,310 shares
Total number of unit shareholders	12,302
Dividend record date	The end of February and August
Administrator of shareholders' register	Mitsubishi UFJ Trust and Banking Corporation

Status of Principal Shareholders

Name	Number of shares held (thousand shares)	Percentage of total (%)
ITOCHU Corporation	30,030	40.72
TOPPAN Inc.	10,570	14.33
Custody Bank of Japan, Ltd. (Trust Account)	9,433	12.79
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,557	7.54
THE NOMURA TRUST AND BANKING CO., LTD. AS THE TRUSTEE OF REPURCHASE AGREEMENT MOTHER FUND	937	1.27
JP JPMSE LUX RE BARCLAYS CAPITAL SEC LTD EQ CO	832	1.13
JPMorgan Securities Japan Co., Ltd.	731	0.99
MSIP CLIENT SECURITIES	724	0.98
BELLSYSTEM24 Group Employee Shareholding Association	432	0.59
Japan Securities Finance Co., Ltd.	370	0.50

Shareholder * Fractional shares are included in Individuals and others



Website Information

For details of our business performance, please visit our website.

The Investors page provides the latest financial data. It also provides various other information, including IR news and the IR library.

BELLSYSTEM24 Holdings IR Search https://www.bell24.co.jp/ja/ir/index.html

Integrated Reports Inquiries

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