



**To inspire the world with
entrepreneurship**

Introduction: About the Septeni Group

01

The Septeni Group is a group of companies that creates a *nameraka* future through business activities that adapt to the changing times and society.

► Strategy & Performance (P.23)

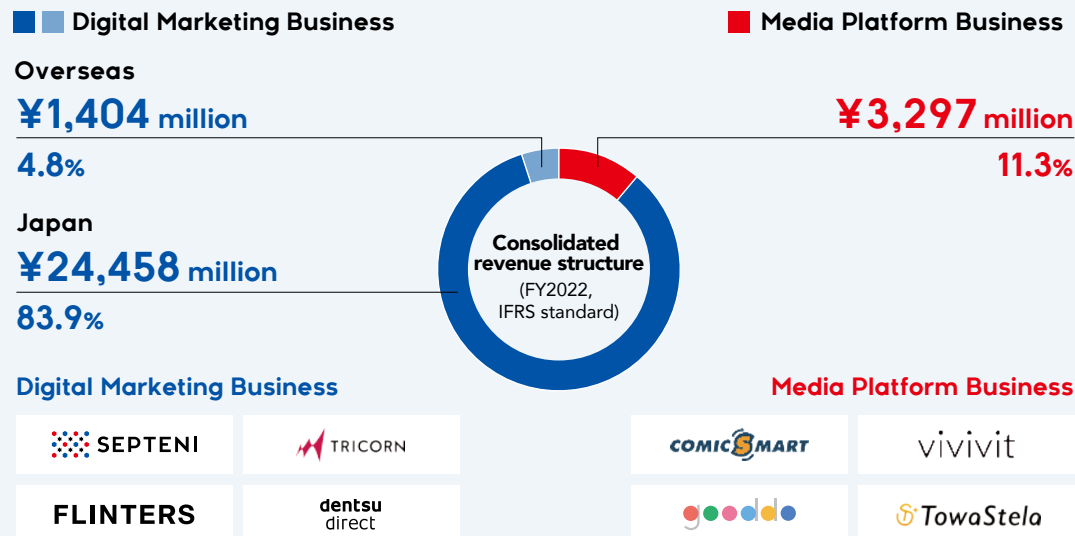
*The Japanese word *nameraka* means a harmonious state without friction and barriers.

02

The Septeni Group is a group of companies that empowers people and creates a place where individuals can demonstrate their abilities according to their personalities.

► The Competitive Advantage of the Septeni Group (P.19)

► Human Resource Strategies in Human Capital Management (P.21)



Over 20 years of accumulated human resource data
Over 10 years of researching human resource development



HR initiatives that apply an extensive human resource database and technologies

03

The Septeni Group is
a group of companies that continuously
develops new businesses.

► Strategy & Performance (P.23)

COMICS^{SMART}

COMICSMART INC.

Qzil.la

Qzil.la, Inc.

vivivit

Vivivit, Inc.

gooddo

gooddo Inc.

TowaStela

TowaStela, Inc.

Delight Tube

Delight Tube, Inc.

ALPHABLE

ALPHABLE, Inc.

Human Capital Lab

Human Capital Lab, Inc.

SEPTENI
INCUBATE

Septeni Incubate, Inc.

Our Group has a culture where companies change as employees brimming with entrepreneurial spirit voluntarily develop new businesses. We focus on providing an environment for people who want to try creating businesses, and as a result we have successfully created a variety of new businesses.

At the root of this is
a culture that always thinks
about creativity.

ひねらんかい

The creed of the Group is "*Hinerankai* (Think outside the box)."
"*Hinerankai*" in Japan's Kansai dialect means to use wisdom and display ingenuity. The Group has grown together with this creed.

► See the next page for our
journey of change

A Journey of Continuous Growth and Adapting to Change

Since our establishment, we have continued to grow by transforming our mainstay businesses from the recruitment consulting business to the Direct Marketing Business to the Internet Advertising Business. While maintaining the spirit inherited from our founding, we will continue to aim for growth through change.

Founded in 1990

Establishment of SUB & LIMINAL CO., LTD.

In 1990, our founder Mamoru Nanamura established SUB & LIMINAL CO., LTD., the forerunner of SEPTENI HOLDINGS CO., LTD., to embark on the recruitment consulting business. In 1993, we launched the Direct Marketing Business (an agency service for sending direct mail). Business grew steadily, laying the foundation of the Group.

The Group was not affiliated with any conglomerate and commenced business with hardly any capital, human resources or operations. Our staff's wisdom and ideas alone were our initial assets. We constantly bear this inaugural spirit in mind as we continue to grow.



Mamoru Nanamura,
Founder of
the Company



Creed
In Kansai dialect, this means "Think outside the box."

2000 – 2011

Achieved strong growth through the Internet Advertising Business

In 2000, the current Representative Director, Koki Sato, launched the Internet Advertising Business. The Group grew rapidly as it continued to steadily scale up its business operations for a speedy response to the expansion of the internet advertising market and constantly changing advertising needs. In addition to opening regional bases, we also expanded our business domains through M&A and other methods.

- **2000 Apr.**
Started the Internet Advertising Business
- **2001 Aug.**
Listed on JASDAQ
- **2006 Oct.**
Became a holding company under the trade name SEPTENI HOLDINGS CO., LTD.
The Internet Advertising Business was taken over by SEPTENI CO., LTD. through an incorporation-type company split, and the Direct Marketing Business was taken over by SEPTENI DIRECTMARKETING CO., LTD. through an absorption-type company split

2012 – 2022

Toward further growth through organic growth and alliances with the Dentsu Group

We have continued to grow while adapting to changes in industry and society, including focusing on smartphone advertising and social media advertising, and launching the Manga Content Business. In addition, we aim to achieve further growth through the Capital and Business Alliance with Dentsu Group Inc. and its deepening. Going forward, to enhance the digital transformation (DX) supporting area, we will focus on integrated online and offline proposals and strengthen capabilities in the solutions domain utilizing data and AI, which will lead to earnings growth.

- **2012 Mar.**
Began conducting the Internet Advertising Business outside Japan
- **2013 Feb.**
Established COMICSMART INC. and started the Manga Content Business
- **2014 Oct.**
Sold all shares of SEPTENI DIRECTMARKETING CO., LTD.
- **2018 Oct.**
Entered a capital and business alliance with Dentsu Inc. (currently Dentsu Group Inc.)
- **2022 Jan.**
Became a subsidiary of Dentsu Group Inc.

A Journey of Continuous Growth and Adapting to Change

Digital advertising is establishing its position as the largest advertising media in the Japanese advertising market. Since the launch of the Internet Advertising Business in 2000, we have achieved sustainable growth and established our current core value by flexibly responding to the shift from mass advertising to digital advertising and to changes in the format and objectives of internet advertising.

Average annual growth rates of net sales and operating profit since the fiscal year ended September 2000

Net sales approx. **16%**

Operating profit approx. **17%**

*Combined net sales and operating profit of Original Businesses and Internet Businesses.

Net sales
FY2000/9

¥ **4.9** billion

Operating profit
FY2000/9

¥ **0.18** billion

approx.
27 times

FY2022/9

¥ **131.4** billion

approx.
33 times

FY2022/9

¥ **5.9** billion

*Figures presented are based on J-GAAP for FY2000 and IFRS for FY2021.

Net sales and operating profit

■ Net sales ● Operating profit

1990 1995 2000 2005 2010 2015 2020 2022

10X

Net sales
¥ **131.4** billion

With entrepreneurship as our core value, we aim to achieve discontinuous growth and "10X" by exploring and deepening businesses.

Original Businesses (Direct marketing, etc.)

1994–1998

Internet usage becomes widespread among the general public.
Era of banner ads.

1999–2003

The internet becomes available anytime and anywhere.
Diversification of advertising methods (affiliate marketing, keyword search.)

Internet Businesses (Digital Marketing Business, Media Platform Business)

2004–2007

Dawn of social media.
Attempts at cross-advertising with existing media.

2008–2013

Evolution of ad technology.
Conceptual shift from "buying ad space" to "buying a number of people to reach with information."

2014–

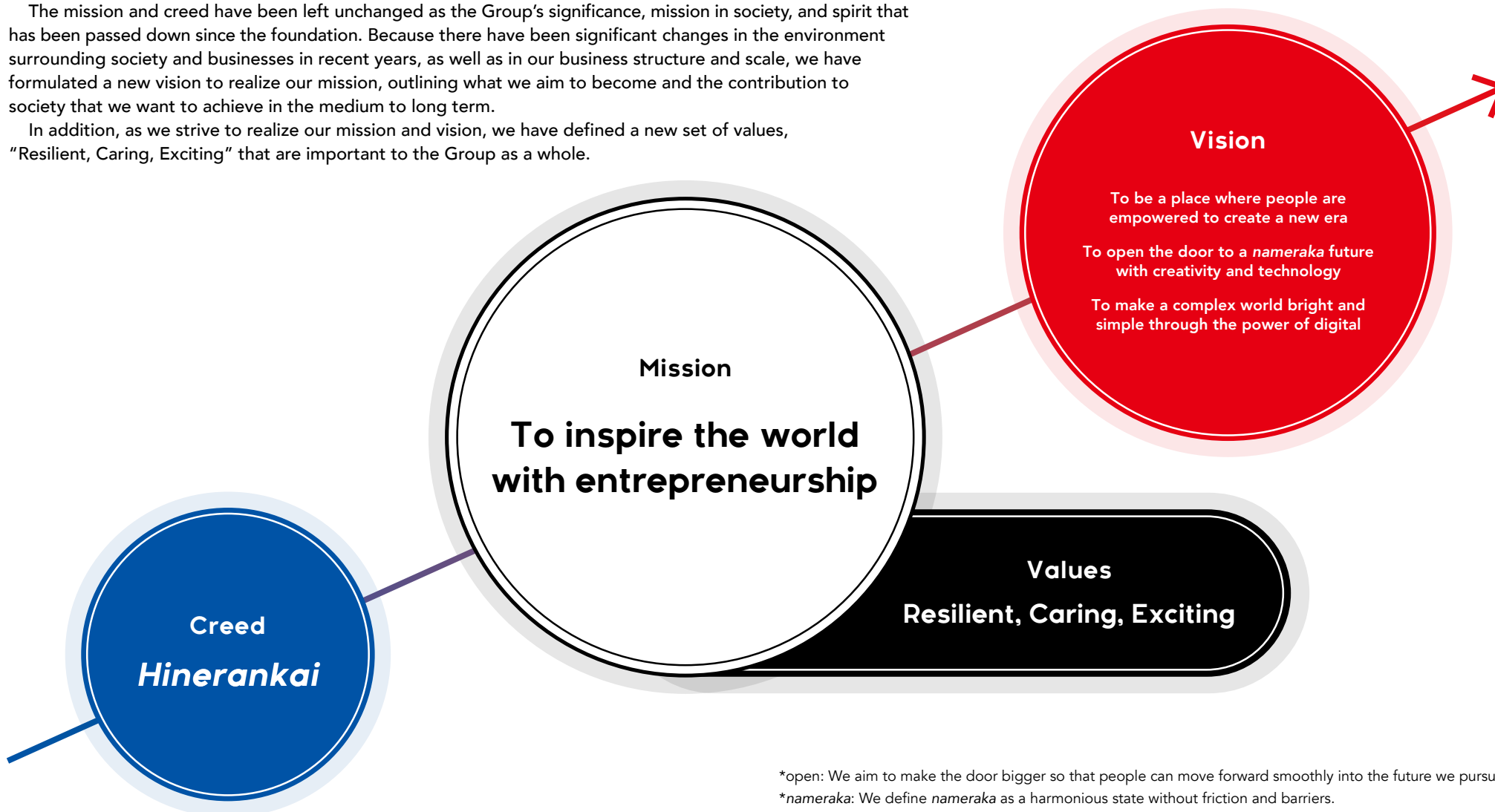
Double-digit growth in internet advertising expenditures continues, with mobile advertising driving market expansion. The COVID-19 pandemic accelerates the digital shift and DX.

The New Group Philosophy

In October 2022, we revised the Group Philosophy.

The mission and creed have been left unchanged as the Group's significance, mission in society, and spirit that has been passed down since the foundation. Because there have been significant changes in the environment surrounding society and businesses in recent years, as well as in our business structure and scale, we have formulated a new vision to realize our mission, outlining what we aim to become and the contribution to society that we want to achieve in the medium to long term.

In addition, as we strive to realize our mission and vision, we have defined a new set of values, "Resilient, Caring, Exciting" that are important to the Group as a whole.



*open: We aim to make the door bigger so that people can move forward smoothly into the future we pursue.

**nameraka*: We define *nameraka* as a harmonious state without friction and barriers.

The New Vision

The newly formulated vision consists of three sections:

- i) what kind of environment (place) we create for human resources to develop,
- ii) what value those individuals will create with what core competencies, and
- iii) what kind of positive impact they will have on society as a whole and how they will "inspire the world."

Clause 1

To be a place where people are empowered to create a new era

It expresses our desire to position the Group as a place where people with a high sense of ownership and a strong entrepreneurial spirit grow through business and create a new era.

Clause 2

To open the door to a *nameraka* future with creativity and technology

Through creativity and technology, the source of the Group's business value, we aim to create a better future, broaden the "door to the future," pass through the door together with stakeholders, and coexist and prosper together.

Clause 3

To make a complex world bright and simple through the power of digital

It represents our stance to take on challenges in response to social issues while valuing the distinctive qualities of "Septeni."

Note: These are the examples of interpretation of the new vision. In our Group, each employee is encouraged to interpret and act on the vision from their respective standpoints and concepts.



Thoughts behind the Formulation of the New Group Philosophy

Koki Kaku, Head of the Corporate Design Office at Septeni Holdings Co., Ltd., who was the driving force behind the project, speaks about the thoughts that went into the new vision and what the Group aims to become.

The new vision formulation process

First, to find the Group's core words, we listened to the opinions of every single Group Senior Executive Officer, as well as Koki Sato, the Group's representative. We extracted words by asking various questions such as "What do you like about the Septeni Group?" and "What do people outside often say about us?" We also collected the thoughts and opinions of Group members evenly without bias toward their departments or seniority. Then we took the elements we had gathered and treated them as keywords, organizing them into two kinds of words: those that expressed the uniqueness (core competencies) of the Group, and those that represented the ideal state and the kind of worldview we wanted to realize as a group.

Keywords collected at the first stage of vision formulation

The Group's core competencies



The Group's ideals for the future



► Details are available in the Group's official notes.

Revising the Group's corporate philosophy! The road to a new vision https://note.com/septeni_group/n/n78fbb3977dd9 (*Only available in Japanese)

Our next step was to use the words we had organized as a basis to output a large number of prototypes to serve as specific vision phrases. Based on them, the members of the Corporate Vision Reformation Project, including Mr. Sato, held many discussions. The final phrase selected was one that Sato expressed in his own words.

Reason for adding the values of "Resilient, Caring, Exciting"

The Group is made up of over 30 companies, each of which has its own management philosophy and code of conduct that suits it. In light of that, we simplified the values that the whole Group should prioritize and aimed to make them coexist with the philosophies of each company. This is why we changed the position of the "Septeni Way" code of conduct we had set up in the past and decided to use the words "Resilient, Caring, Exciting," which we had established as our corporate logo design concept, as the Group-wide values.

The aim of the new corporate philosophy

It goes without saying that our goal is for each Group company to expand its business based on its unique philosophy. However, at the same time, we believe there is an energy that can only be displayed and a world that can only be realized through group management. Through this renewal of our philosophy, I hope that every employee will strongly feel their identity as a member of

The newly formulated Group values



Resilient

- Stability
- Grit
- Courage



Caring

- Inclusiveness
- Cooperation
- Adaptability



Exciting

- Unconventionality
- Inspiration
- Originality

the Group once again, and that somewhere in their hearts, they will continue to harbor a desire to fulfill the Group philosophy through their individual business activities.

Koki Kaku

Head, Corporate Design Office
Septeni Holdings Co., Ltd.



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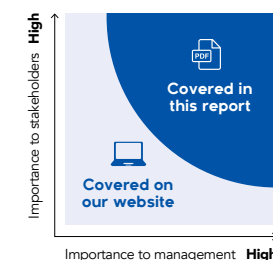
Editorial Policy



The Group aims to help realize a sustainable society by working to resolve social issues through its businesses. We publish the Integrated Report to give our stakeholders an overall understanding of the Group's progress and value creation through its business activities. This report presents management policies and business strategies from a medium to long-term perspective, as well as financial and non-financial information, using as reference the International Integrated Reporting Framework issued by the International Integrated Reporting Council and the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation compiled by the Ministry of Economy, Trade and Industry of Japan. For more detailed IR and sustainability information, please visit our website.

Forward-Looking Statements

Statements other than historical facts contained in this report are forward-looking statements that have been prepared on the basis of certain assumptions and the judgments of the Company's management derived from currently available information. Therefore, information such as actual business results announced in the future may differ depending on various factors, and the Company is not responsible for any damages resulting from the use of the information in this report.



Septeni Group Website

<https://www.septeni-holdings.co.jp/en/>

Investor Relations

<https://www.septeni-holdings.co.jp/en/ir/>

Sustainability Information

<https://www.septeni-holdings.co.jp/en/csr/>

Storie(s) (Japanese only)

https://note.com/septeni_group

Message from the President

We are fortifying our management base with the aim of enhancing our corporate value over the medium- to long-term.

Koki Sato

Representative Director,
Group President and Chief Executive Officer
Septeni Holdings Co., Ltd.



Message from the President

“ Increasing corporate value by actively investing in human capital ”

Human capital management has been attracting attention in recent years as a way for companies to raise their corporate value by investing in their human resources. The Septeni Group has considered its people (employees) to be its primary capital assets since its founding in 1990, and our aggressive investment in our human resources has led to steady growth for our business. Our updated Medium-term Business Policies call for investing even more in our human capital and places it at the center of strengthening our management base.

Our investment in human capital includes allocating ¥680 million during the fiscal year ending December 2023, which includes raising the fixed base salaries of full-time employees at nine of our group companies beginning in April 2023. This upfront investment will increase our competitiveness in the labor market, enable us to attract talented individuals, and further enhance our reputation as an organization that provides abundant job satisfaction.

In the short term, the salary increases will reduce profit return to shareholders and investors. However, we fully believe that securing a large corps of outstanding human resources that will be active contributors to our operations for a long time will enable us to generate greater value in the medium and long term. The growth in operating profit and cash flow that this will create will ultimately allow us to provide even greater profit return. In addition, a rising share price as our earnings growth should also increase the asset value of shareholdings.

This strategy has been successful in the past. In October

2017, we increased monthly fixed salaries at five group companies by roughly 20%. Profits declined temporarily, but five years later in fiscal year ended September 2022, sales per employee had increased by 37% and operating profit per employee had grown by 480%. We believe taking this long-term approach to investment in human capital will ultimately be beneficial not just for the company but for our shareholders and investors as well.

“ Launching a new business driven by our HR technology ”

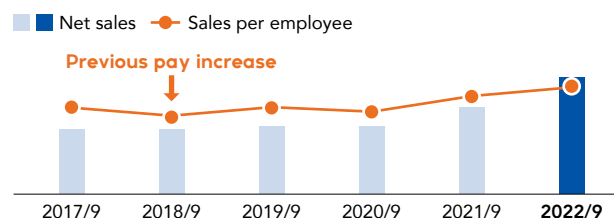
The strength of the Septeni Group's human capital management comes from our being among the first to fully integrate digital technology into our HR systems. Human capital is an intangible asset, and it can be very difficult to accurately assess its true value. We developed an original HR system that provides visualization and quantification of human capital assets. Our system applies a 360-degree peer review evaluation system incorporating independent assessments between employees, which the system uses to produce a quantitative visualization of objective evaluation of each employee. The information



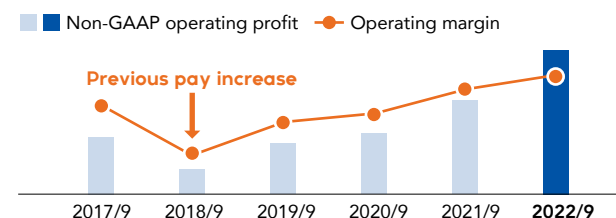
can then be used to verify outcomes, such as if productivity remained high after adopting a work-from-home structure during the pandemic, and to make investment decisions, such as by conducting simulations of the effects of a major investment in human capital by raising base salaries as we plan to do.

This HR technology system has been fundamental to our Company's growth, and in the fiscal year ended September 2021 we brought our technology and expertise together when we launched the HR technology business. In other words, we began marketing our intellectual property outside the Company. The HR

Progress of productivity



Non-GAAP operating profit



Message from the President

technology business is part of the focus theme in the latest update to our Medium-term Business Policies of “Expanding into New Business Segments.” We have also stepped up marketing of our onboarding service “HaKaSe Onboard,” which utilizes our in-house developed “HaKaSe” AI matching system, and the number of client companies is steadily growing.

Revising the Group corporate philosophy

The steps we took to strengthen our management foundation included revising and announcing our corporate philosophy in October 2022. The revision was prompted by an outside director comment that “the current vision doesn’t reflect that the Group is a collection of numerous businesses and doesn’t show the direction the Group is going in.”

When we formulated the previous vision about 20 years ago, we intentionally chose words with a high degree of abstraction because we wanted to explore as broad a range of business domains as possible. Since then, the Group has achieved some form of business in our operating domains, and we thought we needed to revise our philosophy with wording that has more specificity and “texture” so our various stakeholders could better understand our vision.

The new corporate philosophy took about a year to finalize as we searched for words to describe the ideal image and the worldview that we want to embody as a group by asking for opinions and ideas from all layers of our organization from younger employees to business directors, executive officers, and outside directors. The

new vision has three parts, with each one clearly defining our ideal image and the role we want to be playing in society in the medium and long term. From this point, we will need to strongly link the corporate philosophy to the growth strategies for each of the businesses.

Deepening the Dentsu Group alliance to fortify our DX support capabilities

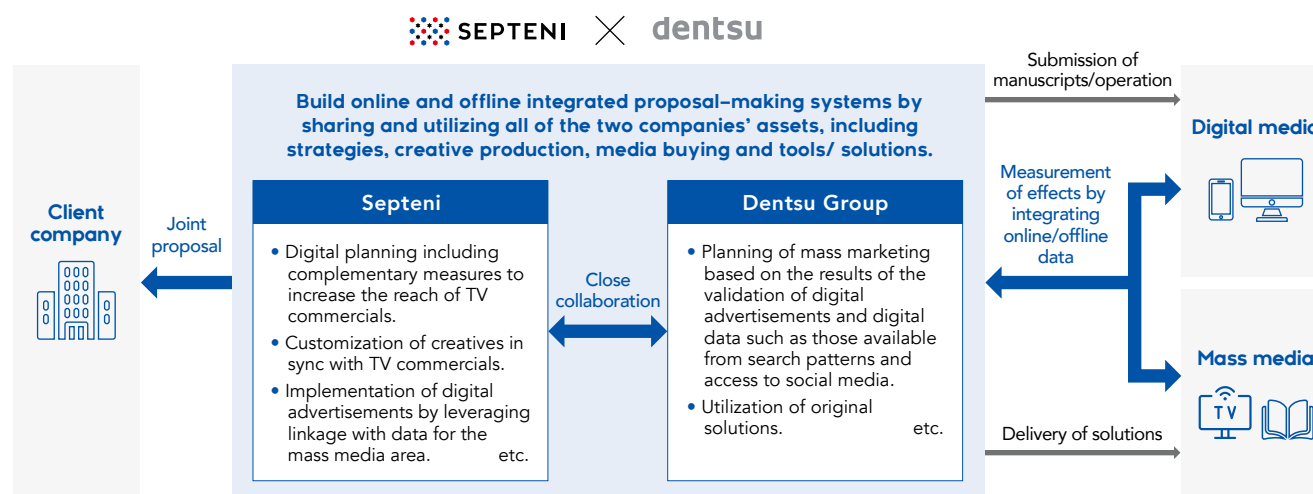
The Group has set “Domain Expansion” as a medium-term theme for sustained growth, and is advancing strategies

on this theme in each business.

The strategic plan in the core Digital Marketing Business is to make our DX support for clients even stronger. One of the keys to this plan will be deepening the alliance with the Dentsu Group that we began four years ago. The alliance has steadily progressed over the three years since the start of the collaboration, and we are now at the stage where we want to raise our business scale expansion to the next level. We plan to do this by integrating our online (digital advertising) and offline (mass advertising) services to provide clients with more comprehensive marketing services.

Another key is to fortify our lineup of products and solutions. We will differentiate our offerings in the industry by applying DX support catered specifically to

Proposal of integrated marketing of online/offline advertising (conceptual image)



Message from the President

the marketing domain, such as by providing AI products to boost advertising effectiveness and engineering services for constructing user data platforms of our client companies.

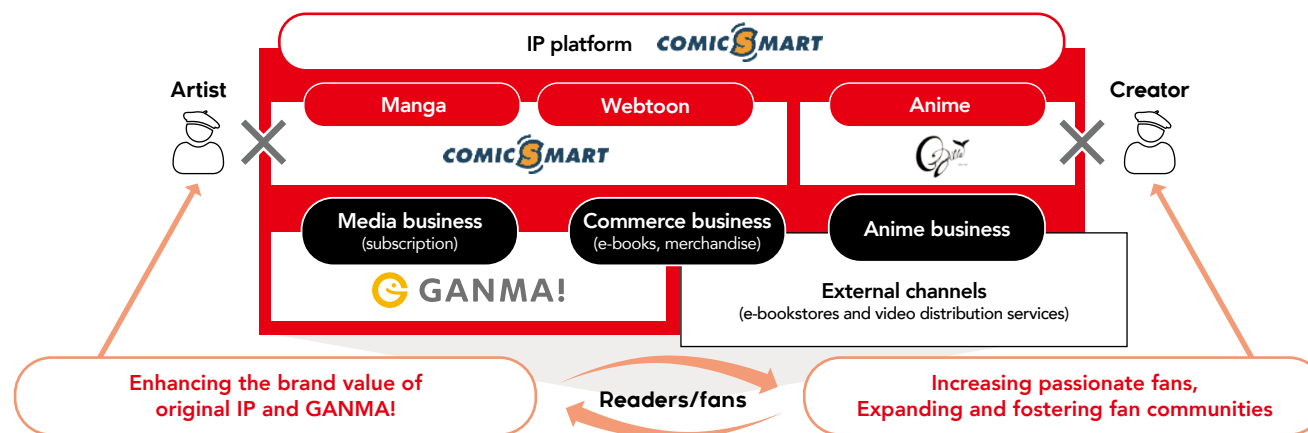
“Leveraging our unique strengths to increase our intellectual property value”

The strategic plan in the Media Platform Business is to accelerate the growth of the IP Platform Business (formerly the Manga Content Business). The key point will be what we can do to increase the value of the Group's intellectual property (IP). Our Group strength is our unique ecosystem built around on a "studio" where artists and creators gather to create content and a vertical integration model that enables us to develop the original IP into a wide variety of proprietary media ranging from digital and printed books to related goods and video distribution sites, including for our own media. We are creating closer and more deeply integrated ties between the studio structure and platformer business so we can maximize the value of our IP assets by creating more contact points with users and enhancing user experience value.

One way we will maximize our IP asset value is to focus on developing content for the Webtoon format, because we believe it will play a major role in our future. Webtoon is a new manga presentation format featuring vertical script and full color graphics that are highly suited for viewing on smart devices. Already valued at roughly ¥500 billion, the global market for

The IP Platform Business Vertical Integration Model

○ Value to be created ● Business development and monetization points



Webtoon and related services is expected to grow 700% over the next seven years. The production process is similar to manga, and we believe we can leverage our strengths and expertise we have accumulated in manga content to increase our presence in this high-growth market.

“Aiming for further heights as a corporate group overflowing with the venture spirit”

The Septeni Group encompasses over 30 companies. Following our Group Mission "To inspire the world with

entrepreneurship," each of our companies strives to maximize the value they offer presenting a distinct identity to each of their customers. I consider this autonomous and decentralized organizational management structure to be one of the Group's major features and strengths.

The revised corporate philosophy will serve as a foundation and overall guide for all Group companies to leverage our organizational structure to move toward the same vision of the future. The Septeni Group is overflowing with the venture spirit, and we look forward to broadening our business domain as we seek to continue offering higher value to clients and enhancing our corporate value.



The Kamiyama Marugoto College of Design, Technology, and Entrepreneurship

Stakeholder Engagement 01

How is funding the Kamiyama Marugoto College's Scholarship Fund an investment to strengthen human capital?

The Septeni Group has contributed ¥1 billion to the scholarship partner program for the Kamiyama Marugoto College of Design, Technology, and Entrepreneurship, which opened in April 2023. We consider this to be a contribution to society as well as an investment that can reap large returns in the future. Septeni Representative Director and President Koki Sato talked with Mr. Chika Terada, Representative Director & CEO of Sansan Inc. and Chairperson of the Kamiyama Marugoto College of Design, Technology, and Entrepreneurship about the new school.



Koki Sato

Representative Director and President,
Group President and
Chief Executive Officer
Septeni Holdings Co., Ltd.

Chika Terada

Chairperson, Kamiyama Marugoto
College of Design, Technology, and
Entrepreneurship
Representative Director & CEO, Sansan, Inc.

Stakeholder Engagement 01 Kamiyama Marugoto College Chairperson Mr. Terada and Septeni Representative Director Mr. Sato

I had an intuitive feeling that interesting things could come out of a school created by an entrepreneur

Terada: You and I have known each other for 15 years, from when I founded Sansan.

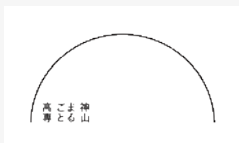
Septeni was a founding partner of the Kamiyama Marugoto College and contributed funds to launch the school. Later, when we decided to create a ¥10 billion scholarship fund that would make student tuition free,

you told me at a meeting that you would consider donating, so I quickly prepared a formal proposal for you. **Sato:** When you raised the idea, my immediate thought was that it could lead to something interesting. You had already made an impact by founding Sansan, and now you are moving to another big challenge of creating a school. You are an active manager who wanted to change the face of education by building a school from zero. The idea of "a school created by an entrepreneur" struck a chord with me. It's a novel approach, and I believe it can change society.

We want to actively help make the education business a success because it fits right in with our focus on human capital management

Sato: Education is a theme that actually relates closely to our philosophy. We have focused on human capital management since our founding under the belief that the source of corporate value is the value of its people and organization. But, of course, a person cultivates

What is the Kamiyama Marugoto College of Design, Technology, and Entrepreneurship



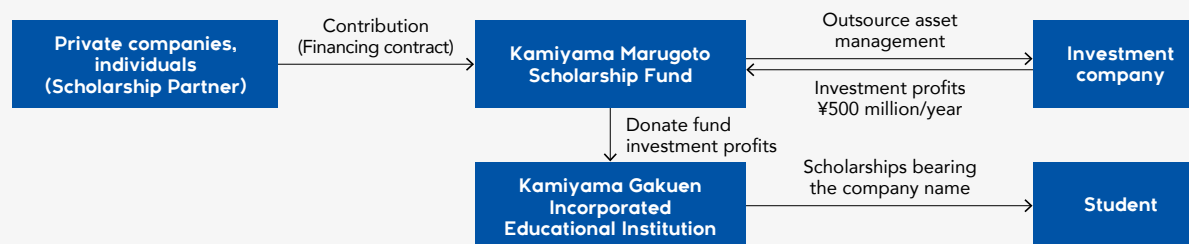
Kamiyama Marugoto College of Design, Technology, and Entrepreneurship is a five-year private technical college in

Kamiyama, Tokushima Prefecture. When it opens in April 2023, it will be the first new technical college to be created in Japan in 20 years. Following its motto of "Technology x Design x Entrepreneurial Spirit," the school is seeking to cultivate "people who make things happen through the power to make things" for society.

Structure of the Kamiyama Marugoto Scholarship Fund

Companies and individuals, who are recognized as the scholarship partners, contribute funds to the Kamiyama Marugoto Scholarship Fund, which is a completely non-profit entity. An investment company manages the fund, and all profits from the fund are directed to the school and used to cover school tuition fees.

Each scholarship partner company has a team bearing its name of four students from each class year. While at the college and after graduating, students are expected to engage in activities with the partner company, such as by participating in joint research, business development, and sharing ideas for new businesses.



Stakeholder Engagement 01 Kamiyama Marugoto College Chairperson Mr. Terada and Septeni Representative Director Mr. Sato

their value before they come into the workforce. Management resources are also limited, which makes it difficult to be a part of that step. That's why I felt it was important to support someone who was embarking on an education business and actively help make the business a success.

Terada: We approached over 100 companies about donations and becoming scholarship partners, and I realized that there are not many companies that are as serious about human capital as Septeni. I was impressed by the earnest discussion Septeni was having about investing in people for the future of the company not just in the qualitative sense, but investment that would lead to quantitative returns as well.



Sato: We most likely would not have provided this amount of money if being a scholarship partner only meant giving money. We have a responsibility to use the capital shareholders have entrusted in us to increase the value of our company. When we make an investment, we must always have a clear idea of what we will receive in return. When you described your idea for a new structure for financing education, I immediately saw that this investment would not only benefit society, but it would also provide a large return for our company as well.

**A technical college for increasing contacts with hard-to-find colleagues
Immeasurable impact 100 years in the future**

Terada: When I was making presentations to potential scholarship partners, I found that there were two types of responses from the companies.

One was that the company thought of it as contributing company assets for the good of society, and the other was that the company—and this is how Septeni approached it—viewed it as an investment because of management's affinity with the school's objectives. By far, the companies that gave it deeper consideration were the ones that approached it as an investment.

The Scholarship Fund was structured with the aim of generating 5% annual return from the investments. So,



a ¥1 billion contribution from a company would generate ¥50 million, which is enough for four scholarship students. As a business owner, I look ahead and can see that continuing this investment would generate an immeasurable return over 50 or 100 years.

Sato: If four Septeni Scholarship students graduate every year, there would be 40 of them in 10 years, and it would continue growing to over 100 graduates after a few decades. Imagine the impact it could have after 100 years. As we engage with these young men and women in joint research and in creating new businesses, and as they create connections among themselves, they will also be creating more new and interesting networks.

Stakeholder Engagement 01 Kamiyama Marugoto College Chairperson Mr. Terada and Septeni Representative Director Mr. Sato

The Septeni Scholarship Partner Team will naturally have people who will share our philosophy, and being a scholarship partner will broaden our opportunities to spread our philosophy and way of thinking beyond the framework of our company.

In a way, you could say that it vastly expands our contacts with the market for human resources by creating like-minded colleagues, who are often hard to find. I also believe that increasing the number of people who know and support us will ultimately steadily increase the number of our clients and investors.

One talented person can influence and change society

Terada: For many years, Septeni has been building its own HR technology platform with the aim of maximizing human capital. I am hoping that efforts like yours will have a ripple effect on technical colleges.

Sato: We plan to provide business and human resources support in the HR domain to the Kamiyama Marugoto College. We believe that too will bring valuable returns to our company.

We use AI and other technologies with our huge volume of data on human resources to research and implement environments where company employees can thrive. I believe that applying our human resources and HR development systems for younger people at education sites will lead to new discoveries beyond

what we could find in a business setting. What we learn, we will then apply to the college as well as to our own business. In this way, we are working to develop and nurture a partnership that benefits both the college and our company.

We also can have an impact on society, and agree with you when you say "one person with impact can change the world."

Terada: All it takes to change society is for one talented person to influence others and change society. I'm not simply being idealistic or romantic. As a business manager, I see every day how real solutions are what create dramatic change in the world. That is why I want to make this school a place to nurture people like that.

You once told me that "the bigger the risk, the bigger the success. That's why entrepreneurs enter the world of education." I found that to be very encouraging.

Large returns in the long term requires consciously taking risks now

Sato: It's fairly easy to look ahead and see what's going to happen in the near future, so any risks are relatively small. It's much less clear how an investment will turn out in the long term, so the risk is greater. But the bigger the risk, the bigger the return. By that principle, the biggest return will come from long-term investments that are made while consciously and appropriately taking risks.

However, the lack of clarity easily gives rise to doubts and questions about why an investment is being done. Gaining the understanding of a board of directors and implement it as a company requires providing a clear image of the outcome by explaining what will actually happen when making an investment. The clear commitment that you and everyone have to the Kamiyama Marugoto College enabled me to likewise present and verbalize a clear image of my own to our board of directors.

Terada: I saw both directly and indirectly how the decision-making process works at Septeni. I think it's rare for a company to have a board of directors that functions as well as yours does. There is no excessive risk aversion or risk taking, but a good balance of both. I think that's another area that makes Septeni special.

Sato: In a world where most startups cannot survive, it's unusual for a private company to have a concrete image for a century in the future. Kamiyama Marugoto College is thinking about many things on a 100-year timeline. One other thing that I learned from you and that inspired me was the detail in your vision of the future. Your level of detail made me think seriously about how we as a company will grow and change over the next century. Carefully backcasting from that image to where we are now with our business made me think that we can further improve the quality of our management.

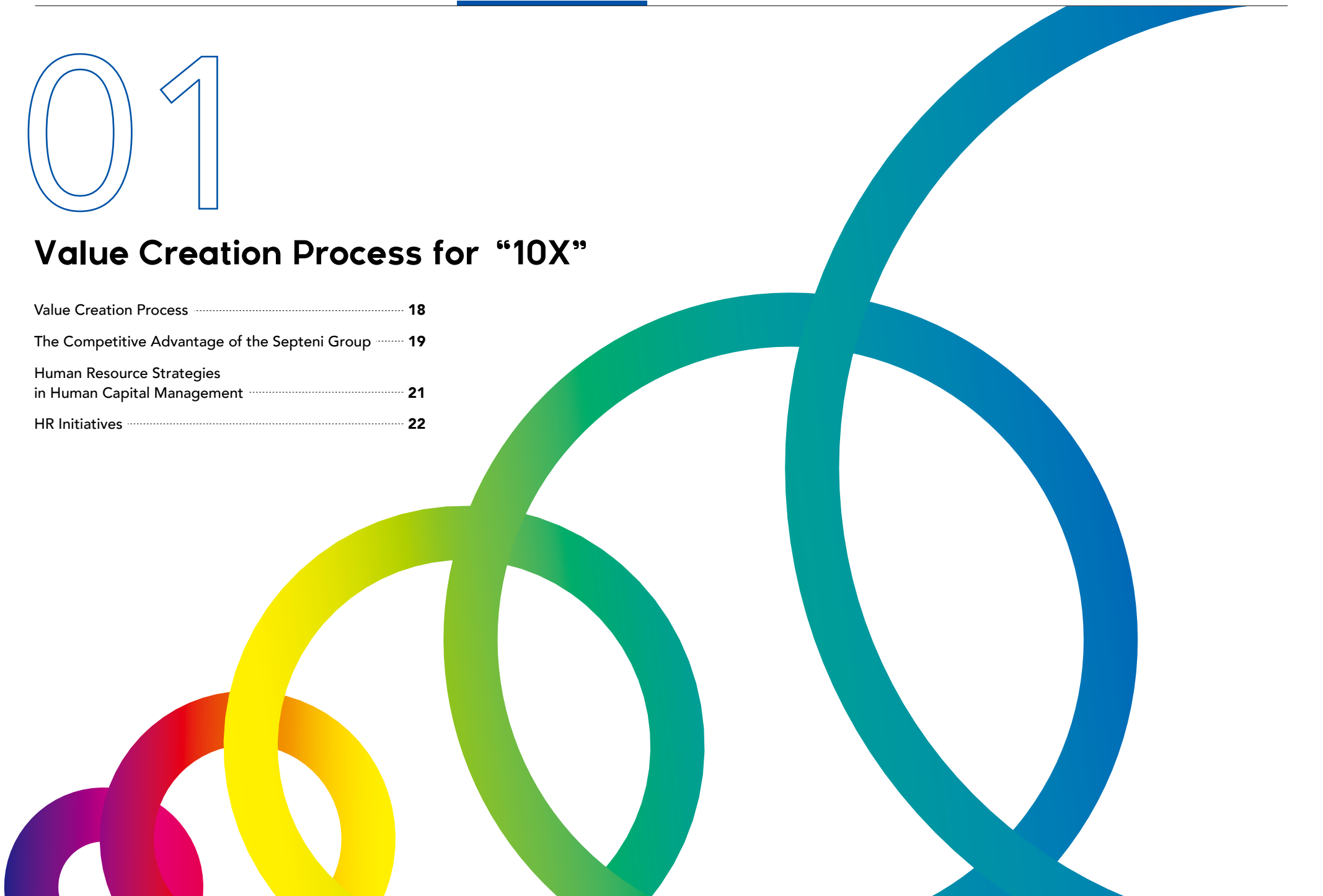
I'm excited to continue building on our strong partnership and deepening our collaboration.

Terada: We are, too. Thank you very much.

01

Value Creation Process for “10X”

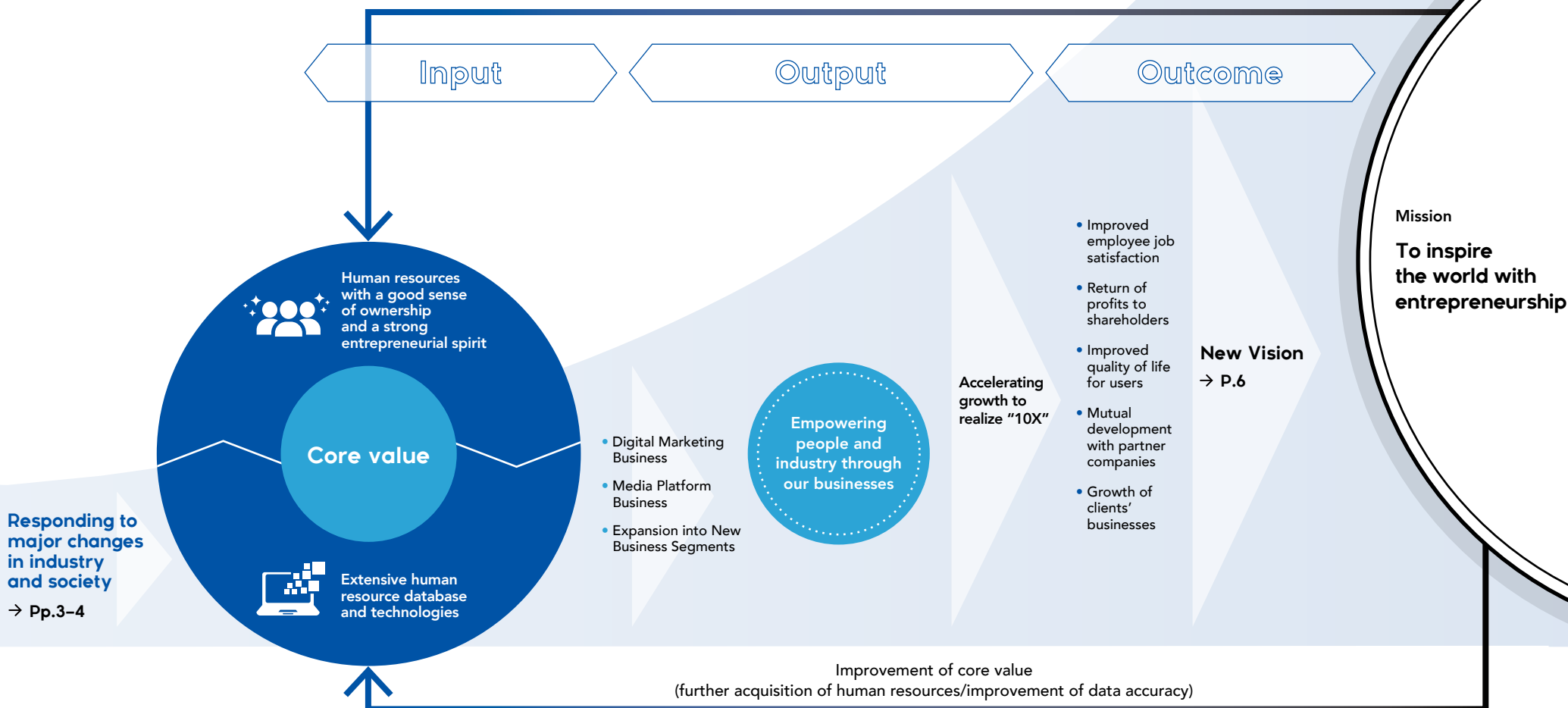
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Value Creation Process

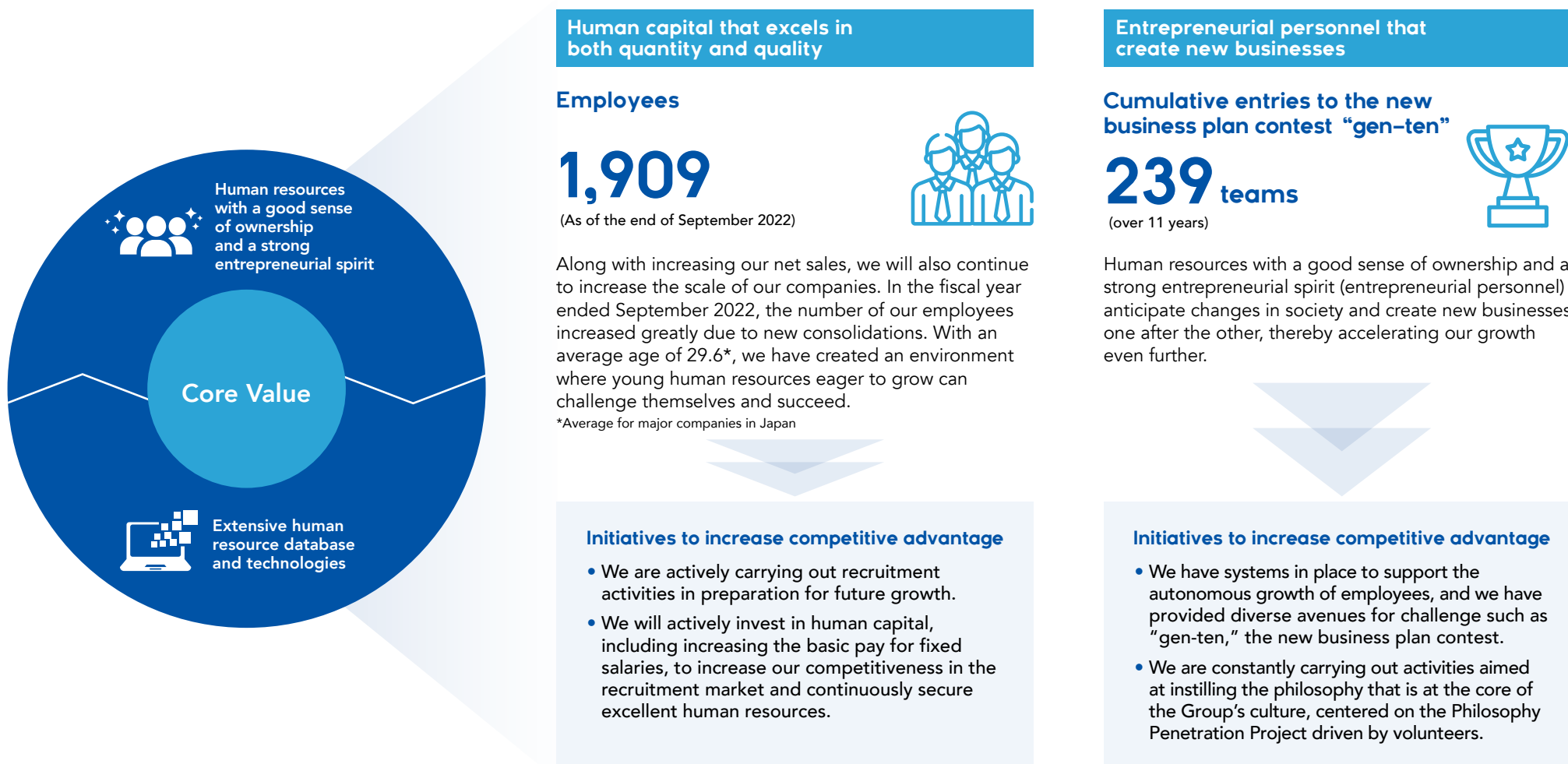
The Septeni Group's core value lies in human resources with a good sense of ownership and a strong entrepreneurial spirit and extensive human resource database and technologies.

By maximizing human capital, we will demonstrate high performance and empower stakeholders and industries through our business. We are striving to achieve our mission in anticipation of "10X."



The Competitive Advantage of the Septeni Group

By enhancing our core value, which includes human resources with a good sense of ownership and a strong entrepreneurial spirit, and an extensive human resource database and technologies, we will strive to find further solutions to social issues.



The Competitive Advantage of the Septeni Group

Scientific HR Initiatives based on the HR Development Equation

HR Technology Awards

HR Systems Category

Excellence Award



For our entrepreneurial personnel to be able to further display their abilities, we use systems based on a massive database that enable employees to quickly become contributors and to be optimally allocated.



Initiatives to increase competitive advantage

- Led by the Human Capital Lab, an organization that researches human resource data, we endeavor to publicize and disseminate the Group's in-house case studies and research results externally and spur further innovation through joint research with universities and other corporations.

Human resource development focused on maximizing the performance of each individual

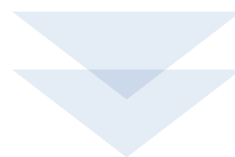
Best Workplaces in Asia 2022 rankings

Large company category

Best company



Along with expanding systems to support diverse work styles, we hold events to celebrate challenges and successes and endeavor to increase motivation and maximize performance for every individual.



Initiatives to increase competitive advantage

- Our trial development program, CDP, hypothesizes new work styles based on remote working, visualizes the condition and growth status of individuals and supports their growth and management by managers while considering their health and safety.

Involvement in the company as an owner

Employees with a strong sense of ownership volunteering for cross-divisional committees

220 in total



The Group has a culture where all members see things with the eyes of executives, apply themselves diligently and cooperate with each other in order to create an even better corporate body. Cross-group volunteer projects in every area of ESG are actively under way.



Initiatives to increase competitive advantage

- Led by the Sustainability Committee established in 2022, we have set KPIs and put measures in place to disclose data for all our materiality (priority challenges) and are working to increase understanding and penetration both within and outside the company.

Human Resource Strategies in Human Capital Management

At the Septeni Group, we carry out highly reproducible human resource development policies that use our extensive human resource database and technologies in order to help every one of our human resources with a good sense of ownership and a strong entrepreneurial spirit to maximize their values and abilities.

Business environment and human resource strategy

Since the Group's founding in 1990, we have always regarded people (employees) as core capital, and we have grown steadily by investing actively in them. Since we began the Digital Marketing Business in 2000, we have continued to expand our business in line with market development. However, in a new market, competition for human resources that will be an immediate asset has been extremely fierce.

In this kind of business environment, the ability to recruit human resources with high potential and develop them efficiently heavily affects a company's competitiveness. Using the high-quality human resource database we have accumulated for over 20 years and technologies to analyze it, such as AI, we have built a scientific human resource development model. Based on this, we identify human resources with a high probability of succeeding at our company during the hiring processes, and we endeavor to efficiently increase their human capital value by providing them with an individually-optimized development plan after they join.

Implementing science-backed HR Initiatives based on the HR Development Equation

The Group defines the concept of human resources development not as a matter of "being developed" but rather as one of "developing through the accumulation of positive experiences in the workplace." The idea is that mutual interaction between the individual characteristics people are born with and the environments surrounding them influences their growth. We express this in the form of our HR Development Equation.

Based on this approach, we established the Human Capital Lab within the company to use AI and other techniques to research the vast quantities of human resource data we had accumulated to date, and we are developing and applying science-backed HR Initiatives based on the results of that research.

HR Development Equation

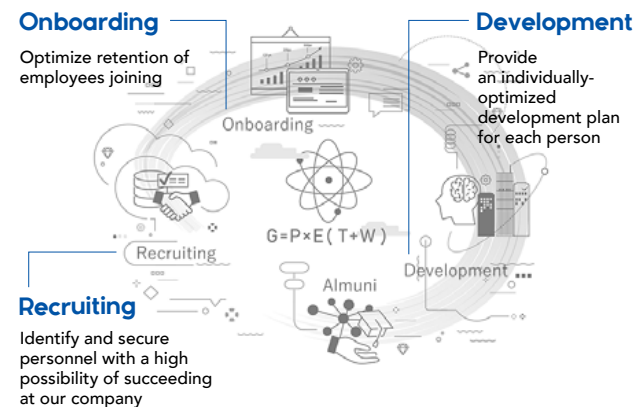
$$G = P \times E(T + W)$$

An idea where the environment (E) in the workplace is defined as the team (T) plus the work (W), and it is believed that the higher the affinity between these two factors and the individual characteristics of the person (P), the higher the likelihood that it will lead to significant growth (G).

An HR value chain designed as an integrated service from recruitment to development

Leveraging the human resources databases we have accumulated over the years, we are building HR Initiatives (an HR value chain) designed as an integrated service from recruitment to onboarding to development. The results of HR Initiatives implemented are stored in the same database, and the system is designed to continuously improve the accuracy of initiatives by applying the PDCA cycle as operations continue. By leveraging technology in this way, we strive to realize efficient and highly reproducible human resource development and maximize our human capital.

HR value chain



HR Initiatives

We implement HR Initiatives based on the HR Development Equation approach in all domains from recruitment to development. Through the appropriate utilization of human resource data, we aim to increase human capital value to benefit both individuals and the company.

Recruitment

Identification of successful human resources and individual feedback

In recruitment activities, we have developed a success prediction model that uses AI to calculate the likelihood of a person succeeding after joining the company, and we use it as reference information for selection and evaluation. The calculation is done based on information, mainly the potential recruit's personality and data available at the time of selection. Using data as a reference enables decision-making based on quantitative information instead of allowing it to depend entirely on the subjectivity and feelings of the person in charge of recruitment. It leads to a highly accurate identification of personnel who will succeed at our company.

We also use data when communicating with potential recruits and support them to make a decision on joining the company. We analyze the data above and provide each person with a tailor-made "career feedback" disclosure showing what kind of growth curve a potential recruit is likely to experience after joining the company, when and what kind of factors are likely to make them stumble and what the possible solutions are.

Disclosing an individually-optimized career plan to every potential recruit allows them to picture their growth path after joining the company, encouraging them to join the Group. Through these technologies and initiatives, we efficiently recruit personnel with a high chance of succeeding after joining us.

▶ Please visit the website below for detailed verification results in the domain of recruitment.
https://www.hc-lab.tech/media/practice_case/recruiting2/330/
 (*Only available in Japanese)

Development

Optimal allocation and development plan

After employees join the company, we conduct job assignments by compatibility based on the personality data of their team members and supervisors in order to quantitatively assess the environment individuals will adapt to most easily and determine their placements. Additionally, based on that data, we provide individuals with a report stating their strengths, weaknesses, optimum learning style and methods for adapting to the organization. We also give their supervisors a report containing the optimum communication and training methods, which supports growth according to an individual's unique characteristics. As a result of these initiatives, we have confirmed that new employees are able to adapt and become contributors at an early stage.

▶ Please visit the website below for detailed verification results in the domain of development.
https://www.hc-lab.tech/media/practice_case/adaptation2/558/
 (*Only available in Japanese)

Appropriate utilization of human resource data based on guidelines

To ensure that human resource data is used in an appropriate and sound manner, we have published Digital HR Guidelines containing principles for the utilization of human resource data. As stated above, the Group uses analyses of human resource data in various HR Initiatives, all of which are conducted according to the principles of the Guidelines. We will continue to aim to increase human capital value through the appropriate utilization of human resource data.

Digital HR Guidelines



▶ With the belief that "increases in corporate value are achieved through the growth of individuals," we intend to continue pursuing initiatives that will be beneficial to both individuals and the company.
<https://www.septeni-holdings.co.jp/dhrp/guideline/threepinciple/>
 (*Only available in Japanese)

02

Strategy & Performance

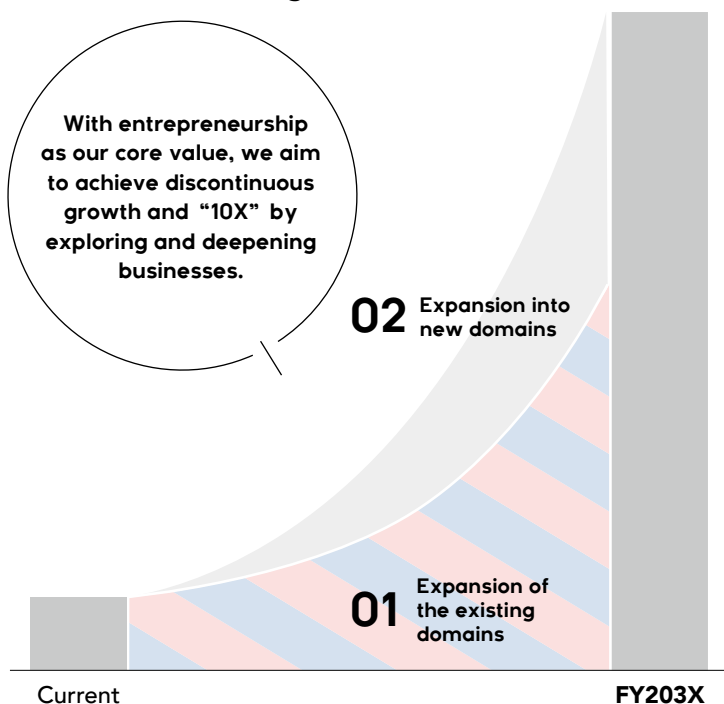
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Updating Our Medium-Term Business Policies to Achieve “10X”

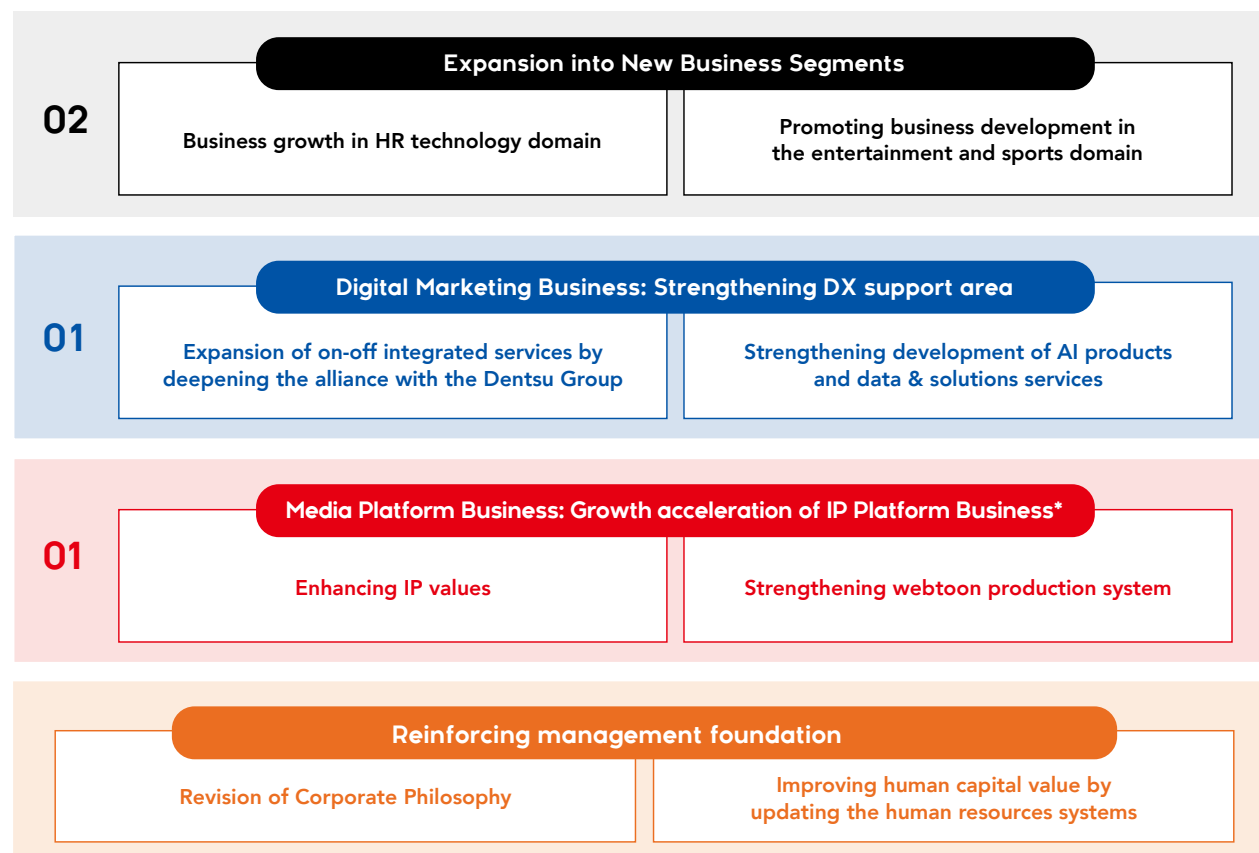
We utilize a rolling method to review our Medium-Term Business Policies every year so that management can adapt quickly to environment changes.

In this update, which was implemented in conjunction with the announcement of financial results of the fiscal year ended September 2022, we will advance the “domain expansion” that we have set out as a medium-term theme since the fiscal year ended September 2020. We will focus on strengthening and growing each segment, as well as on strengthening our management foundation, to enhance our execution capabilities for long-term growth.

Discontinuous curved growth line



Progress in “domain expansion” based on the Medium-Term Management Policies



*Manga Content Business is renamed to IP Platform Business from the fiscal year ending December 2023.

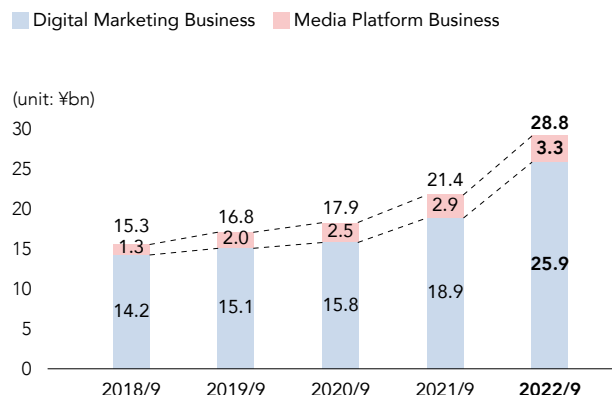
Updating Our Medium-Term Business Policies to Achieve "10X"

Summary of FY2022/9

Both the Digital Marketing Business and the Media Platform Business recorded significant increases in revenue, and both revenue and Non-GAAP operating profit reached record highs for the consolidated full-year results.

Looking back at our performance over the last 5 years, we see that revenue and operating profit have grown approximately 1.9 times and 5.8 times, respectively, and profit have grown more strongly compared to revenue.

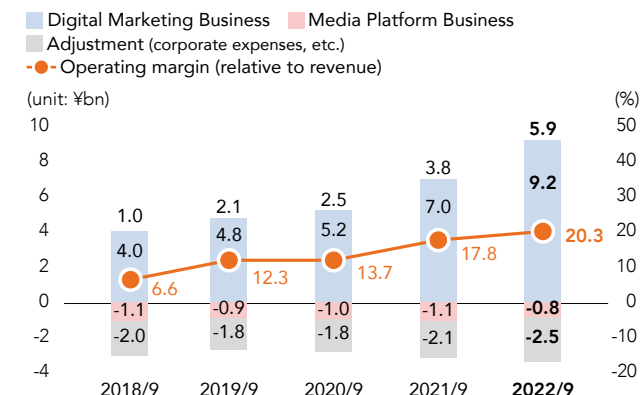
Revenue



(Note) As the elimination of intersegment revenues is omitted, the total of each revenues and consolidated revenue do not coincide.

▶ Please refer to the following for details. <https://www.septeni-holdings.co.jp/en/ir/finance/highlights.html>

Non-GAAP operating profit/Operating margin

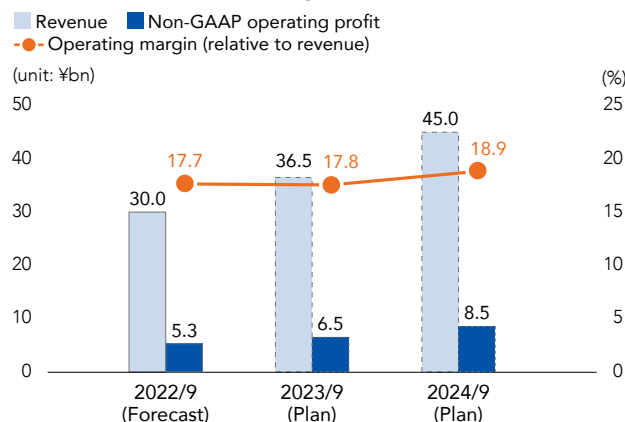


Implement upfront investment for future growth while increasing revenues

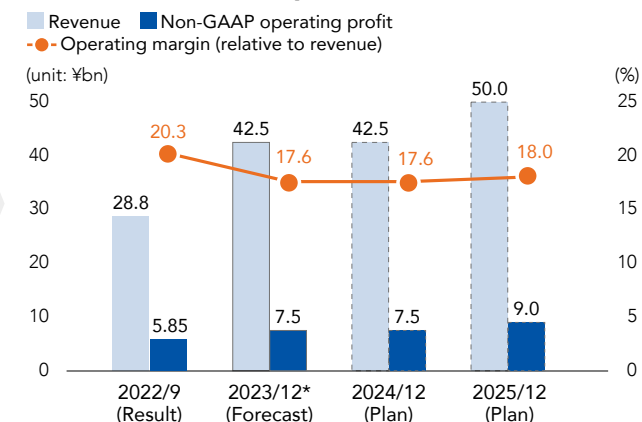
This update calls for significant growth in revenue to ¥50 billion and Non-GAAP operating profit to ¥9 billion in the three-year period ending December 31, 2025.

We have incorporated forward-looking investments centered on human capital for future growth into our plans that will be returned to corporate and shareholder value in about three to five years. As we will change the fiscal year-end from September to December from the fiscal year 2023, the fiscal year ending December 2023 will be an irregular 15-month period.

Consolidated (before update)



Consolidated (after update)



*15-month period due to irregular accounting.

Digital Marketing Business

Business Overview

We engage in the overall support of DX of companies, focusing on digital marketing such as the sale and operation of digital advertisements, offering solutions through the utilization of data and AI, and supporting marketing activities through the integration of online and offline advertisements in collaboration with the Dentsu Group.

Strengths

- Knowledge and expertise in the digital advertising domain
- Integrated online/offline marketing
- Expanding capabilities through the alliance with the Dentsu Group

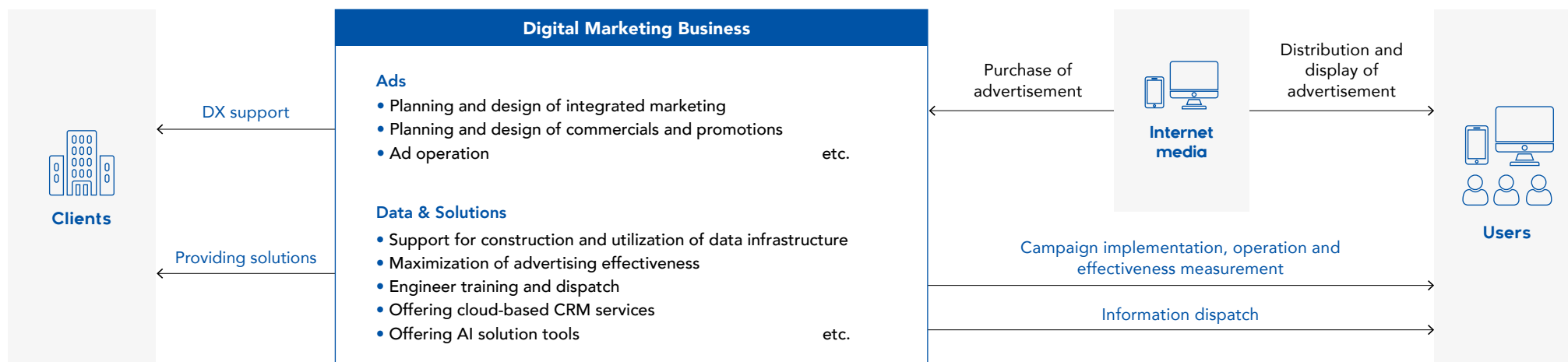
Opportunities

- Society-wide and Industry-wide progress in DX
- Growth of the digital advertising market
- Demand expansion in the data & solutions domain

Issues

- Securing digital transformation personnel
- Connectivity between the digital advertising and data & solutions domains
- Sophistication and complexity of client needs in the data & solutions domain

Business Model



Digital Marketing Business

Summary of FY2022/9

In the year ended September 30, 2022, both revenue and profit increased significantly due to organic growth in response to increased demand for DX by companies, the promotion of collaboration with the Dentsu Group by deepening capital-and-business alliance, and the effects of new consolidations.

In the collaboration with the Dentsu Group, which we are focusing on, the number of clients has steadily increased by 26 companies compared to the previous year, and collaborative sales have also expanded. Domestic brand advertising saw a slight decrease from the previous year as a reaction to a sharp increase in demand stemming from the holding of large-scale events in the fiscal year ended September 2021, but grew significantly compared to the fiscal year ended September 2020.

Future Strategies

To strengthen the DX support area, we will continue to expand integrated online / offline services by deepening collaboration with the Dentsu Group. At the same time, we will strengthen the development of AI products and data solution services to enhance advertising effectiveness. In addition, we are actively recruiting personnel for future growth as a means of strengthening our human capital.

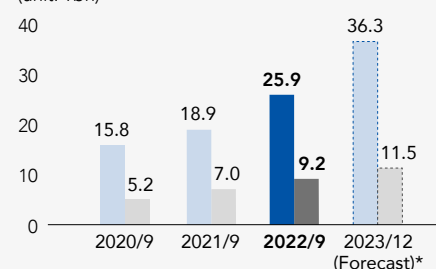
In the digital advertising domain, we entered into a capital-and-business alliance with and factory,inc in November 2022 and made it an equity-method affiliate. and factory,inc's main business is developing and operating manga apps in collaboration with publishers, and it has a track record in improving IP value of publishers and promoting DX. Going forward, we will strengthen DX support areas by strengthening business collaboration in the advertising area.

At a Glance

Revenue and Non-GAAP Operating Profit

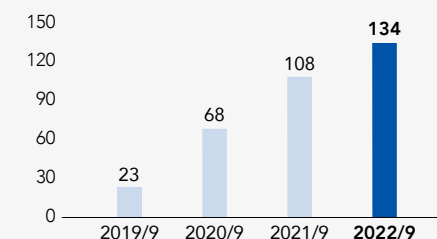
■ Revenue ■ Non-GAAP operating profit

(unit: ¥bn)



*15-month period due to irregular accounting.

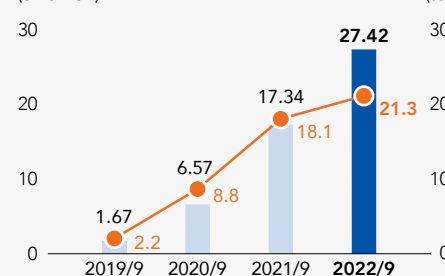
Number of Clients in Collaboration with Dentsu Group



Sales from the Collaboration with Dentsu Group

■ Dentsu alliance sales
● Share in the Digital Marketing Business

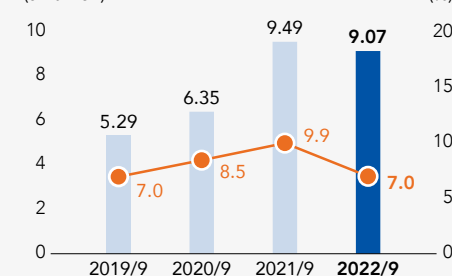
(unit: ¥bn)



Domestic Brand Advertising Sales

■ Domestic Brand Advertising Sales
● Share in the Digital Marketing Business

(unit: ¥bn)



► Please refer to the following for details.
<https://www.septeni-holdings.co.jp/en/ir/finance/review.html>

Stakeholder Engagement 02

Dialogue— Septeni Group and Dentsu Digital

Teaming up to apply technology for marketing DX that creates new value

The Septeni Group and Dentsu Digital Inc. have stepped up their collaboration since deepening the capital and business alliance in January 2022. Dentsu Digital Executive Vice President Tomohiko Sugiura and Septeni Group Executive Officer Masayuki Muto discussed the past and future of the partnership between the two companies.



Masayuki Muto
Septeni Group Executive Officer

Joined Septeni in 2001, where his primary responsibility is alliances and data technology fields. Joined the collaborative project with Dentsu in 2018 and has served as Director and Executive Officer at Dentsu Digital since 2019.

Tomohiko Sugiura
Executive Vice President,
Dentsu Digital Inc.

Joined Dentsu in 1998, where he is responsible for overall business development and organization building in the Dentsu Group's digital domain. Executive officer of Dentsu Digital since its founding in 2016, and Executive Vice President since 2020.

Our alliance is driving significant progress in sales, ad creative, and development

Muto: Four years have already passed since the Septeni Group and Dentsu Group entered into our capital and business alliance. What are your candid thoughts on the alliance during that time?

Sugiura: I really believe that the alliance is going very well in all three of the areas we are working together—sales, ad creative, and development. We have had many successes in the four years, and I believe both companies have evolved and grown in various ways.

Muto: I agree. I think we have a very good partnership and our strengths are meshing well in each area. Are there any areas in particular that stand out to you?

Sugiura: Yes. In the sales area, Septeni's expertise has enabled us to develop major clients even in industries where we had little experience. In the ad creative area,

the dedicated in-house team that Septeni Ad Creative formed for our business has given us the ability to quickly respond to client needs. In the development area, the system we created together for back-office processes, such as automating report creation and streamlining operations, is vastly improving our productivity.

Muto: The programmatic advertising business must handle a huge amount of data to process it quickly and accurately. We also recently broadened the collaboration from digital marketing to the digital transformation.

Sugiura: The areas we have been working on as a team have become increasingly sophisticated over the past four years.

Muto: In your view, what do you see as strengths of the Septeni Group?

Sugiura: In one word, I would say it's your “agility.” You do everything quickly and with light footwork. When you find a problem, you take quick action to fix it. At the Dentsu Group, we are better at deliberating and

tackling complex issues, so working with Septeni has been very inspiring.

Muto: That's interesting. From our side, we see Dentsu Digital's strength at its creativity. You are constantly looking to create something completely new and to imbue it with a high amount of value. We are always learning as we watch you take that approach.

Our partnership will be increasingly tested as digitalization breaks down barriers

Muto: Considering the current state of the Japanese advertising market, what areas do you think Dentsu Digital will focus on in the future?

Sugiura: We think the digital marketing market is going to continue expanding. One reason for this is that the barriers between the different types of media are coming down. The debate between choosing “mass

Stakeholder Engagement 02 Dialogue— Septeni Group and Dentsu Digital

media or the internet” is losing its meaning—everything is moving in the same direction of digitalization. Another reason is the digitalization of customer contact points. As cashless payments and mobile purchases become the norm, the competition will be the degree to which we can use data obtained from each point of contact to provide personalized communication and customer experiences.

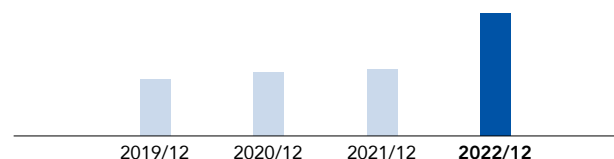
Muto: So instead of either mass media or digital, all of marketing is moving in the single direction of digitalization. That means the focus is on how to use the data and technology to deliver to users high-quality information at the right time.

Sugiura: Yes, and to do that we will need to fully master our ability to make full use of data and technology, including to ensure due consideration to personal privacy. I believe that meeting users’ true needs requires more than simply using the data to optimize the information we provide. I think we also need to use our ability to provide high-quality ad creative to bridge

the divide between online and offline.

Muto: The layers of front office (sales), ad creative, development, and technology all need to be expanded and interlinked. Our group has the capability to do this.

Collaborations with Dentsu Digital in the development and technology domains



Sugiura: The reality is, however, there still seems to be much fragmentation in business environment. I think our aim should be to be an “indivisible” team for our groups to face and solve client issues and support their business growth.

A partnership for marketing DX and supporting corporate growth

Muto: In closing, do you have a message for the Septeni Group stakeholders reading this report?

Sugiura: Our two companies provide the core of the Dentsu Group’s digital marketing business, and I believe there are still many more synergies that can come from combining our forces. I would like to see us make our business even larger so we can support the growth of companies not only in Japan but around the world.

Muto: From our side at Septeni, access to the Dentsu Group assets has enabled us to develop services and



products and pursue many new areas in ways we could not have done on our own. I have high hopes for the future.

Sugiura: As I said earlier, we are working closely together as a single team to delve into some major themes in the industry, and I believe that combining our strengths will lead us to innovations that will fundamentally change the conventional concept of marketing. Our goal is to bring a new type of marketing from Japan that we can be proud of worldwide. There are still many challenges ahead, and I look forward to working together as partners to “Be the one” that supports business growth for companies around the world.

Muto: After working closely together for the past four years, the path forward to our objectives has become increasingly clear. We look forward to continuing our partnership to “Be the one.”



Stakeholder Engagement 03 Dialogue of Group Executive Officers

Creating a successful online-offline integrated model for the direct marketing world

Dentsu Direct Inc. became a wholly owned subsidiary of Septeni Holdings in January 2022. Dentsu Direct President Kazunari Kondo and Septeni Group Executive Officer Masayuki Takano, who oversees PMI, discussed the future of direct marketing.



Masayuki Takano

Septeni Group Executive Officer

Joined Septeni in 2006. In his first year, he participated in the launch of Prime X Co., Ltd., of which he later became a director. Appointed CEO of Septeni Crossgate Co., Ltd. in 2013, and Group Executive Officer in January 2018.

Kazunari Kondo

President, Dentsu Direct Inc.

Joined Dentsu in 1992. After working as general manager of the 11th Business Produce Department, he was appointed as Representative Director of Dentsu Direct Marketing (currently Dentsu Direct) in 2020. He has served as a Group Executive Officer at Septeni since January 2022.

Joining the Septeni Group with great expectations

Takano: I was put in charge of PMI about a year and a half ago when it was decided to make Dentsu Direct a subsidiary. To be honest, my first impression was that I would have no idea what's going to become of until we get started. At the same time, I'd always been very intrigued about "online-offline integrated marketing," and I knew it wouldn't take long to find some kind of synergy within the Group.

Kondo: Direct orders from advertisers accounted for 50 to 60% of Dentsu Direct's revenue. We were a Dentsu Group subsidiary, yet we had a relatively small volume of orders from within the group, which was unusual. I had great expectations, too, when I learned we were joining the Septeni Group because it opened a door to continue developing our business structure without

relying on the Dentsu Group.

Takano: Our business content is very different, since Septeni focuses on digital marketing while Dentsu Direct's focus is offline marketing. The essence, however, is the same because we are both in the business of selling things. The technological advances are creating a whole new variety of digital marketing methods, and sometimes we have been so busy keeping up with the technology that we sometimes do not pay enough attention to what is essential to the growth of the client's business. It seems to me like everyone at Dentsu Direct has a much deeper understanding of essential aspects of advertising, such as maintaining a sense of distance from the client's business and providing value to the user, including how to present sales points, set sales prices, and communicate with users after purchases. I think that understanding is reflected in the company's high profitability.

Kondo: I appreciate that. Still, the old structure remains in many ways. That's become even more clear to me since we joined the Septeni Group. The speed of decision-making, the vitality of the employees, and the spirit of taking on challenges are on completely different levels than ours. The entire group is growing by leaps and bounds, which is very inspiring to us. I find myself often saying to my coworkers, "Let's put speed into everything like they do at Septeni!"

Generating powerful synergies from the solid relationship we have built

Takano: From the very beginning of our partnership, I sensed that Dentsu Direct was fully committed to moving forward together as part of the same group. Over the past year, I feel that through communication on many

Stakeholder Engagement 03 Dialogue of Group Executive Officers

levels we’ve built a solid relationship. I actually would have liked to have seen us produce more concrete results from our synergies, such as building on our integrated online-offline solutions and making joint proposals to our clients. However, we have built a solid foundation that really feel will produce some major results.

Kondo: Actually, Dentsu Direct was created when the Dentsu Group reorganized just six months prior when we joined with the Septeni Group, so through this first year a lot of our focus was on putting our internal structure in place. Now that that’s complete, I’m looking forward to fiscal 2023 to be the first year of true collaboration. Once we turn that switch, I feel like we will really start moving forward at a rapid pace.

Takano: Dentsu Direct has the major advantage of high profitability and one of the highest levels of earnings per employee in the Septeni Group. Dentsu Direct should become an even stronger company by integrating Septeni’s perspective on human capital management, which is a feature of the Septeni Group,



as well as the approach of backcasting from a future target image to adjust our strategies and tactics.

Kondo: As you said, I also think Dentsu Direct’s greatest strength is that we are always ready to take on challenges in front of us. But if that’s all that we are focused on, then someday we will stop growing. I also believe that now, while we have a certain amount of strength, our greatest management challenge is to take a long-term perspective on creating businesses that will become new sources of earnings.

Searching for a unique direct marketing breakthrough

Takano: The industry is currently focused on online-offline integrated marketing as it applies to brand marketing. The online-offline marketing process is gradually being integrated along the marketing funnel—getting users to recognize the brand, arousing interest, and linking to a purchase. However, no one has found a way to achieve the online-offline integration of direct marketing. It’s difficult to design synergies along the timeline because the aim of direct marketing is to directly generate sales both online and offline. I believe that only company with the ability to achieve that is Dentsu Direct, which is now part of the Septeni Group.

Kondo: First, I feel that there are very few companies in the direct marketing field in Japan that can handle TV and digital advertising on the scale of Dentsu Direct. Direct marketing used to be secondary to the primary brand marketing activities, but it is now becoming the main marketing activity since the coronavirus pandemic made online purchases common for many users. We



see that trend and it makes us feel proud to be doing what we do.

Takano: I think our aim should be to fully integrate online-offline marketing in the direct marketing field and be a company providing the full service from campaign planning to product delivery. The Septeni Group companies have extensive experience and expertise in linking platforms and the digital marketing that we will need. I consider it my job to ensure you can use those assets to their full extent for reaching our goal.

Kondo: That will be invaluable, and we will use the strong support from the Septeni Group to activate synergies as quickly as possible and become a company offering unique direct marketing services in Japan. I expect great things!

Media Platform Business

Business Overview

We are developing a number of media and products, including the IP Platform Business (formerly Manga Content Business), which operates GANMA!, a manga app composed mainly of original works, as well as the Employment Platform Business, the Social Contribution Platform Business, and the Childcare Platform Business. Focusing on growth fields and social issues in the near future, each company aims to realize its respective vision and missions.

Strengths

- Business development capabilities and expansion into other fields
- Knowledge and expertise in developing new IP

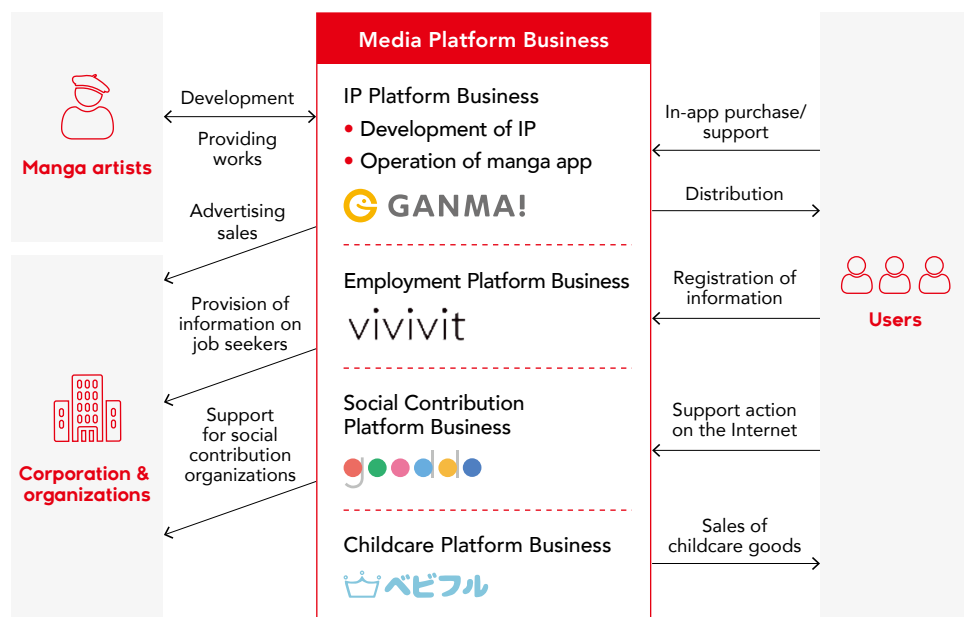
Opportunities

- Growth of domains targeted in each business

Issues

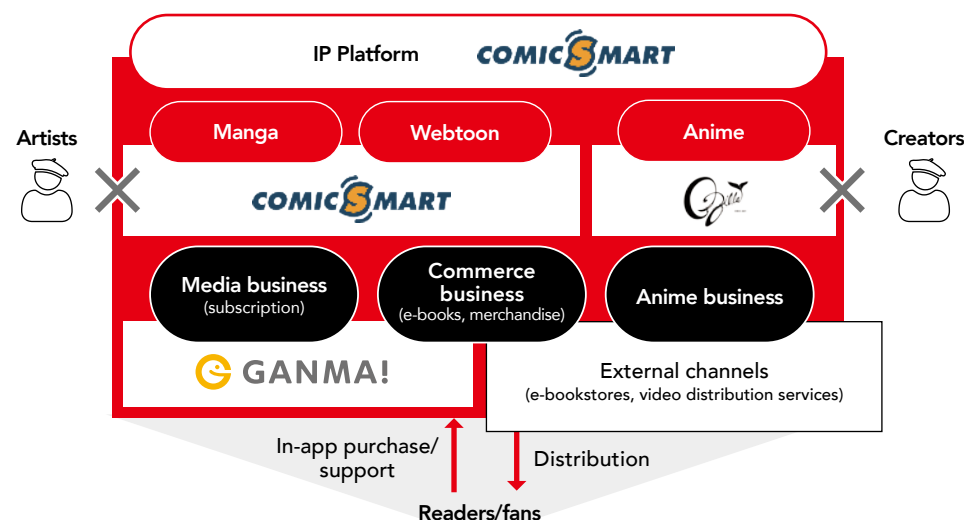
- The structure of the business is vulnerable to impacts from seasonality and the market environment
- Nurturing in-house IP

Business Model



Business Model of IP Platform Business

● Business development and monetization points



Media Platform Business

Summary of FY2022/9

In the IP Platform Business, both subscription revenue and commerce revenue grew significantly. In particular, GANMA!'s popular title *My Love Story with Yamada-kun at Lv999* in series has contributed significantly to sales growth.

Among other businesses, revenue in D2C businesses decreased due to environmental changes in online-consumption. Segment-wide revenue reached a record high, driven by the IP Platform Business, and the loss narrowed significantly.

Future Strategies

We will further accelerate the growth of our established business domains and strengthen the IP Platform Business by adding Webtoon* that are expected to expand in the future as a new domain.

In the media business, we aim to increase the number of subscriptions-based billings and to increase the unit price per customer by developing new services. In the commerce business, we will strengthen sales through diverse distribution platforms and develop new IP through co-creation with partners. In the animation business, we will expand both high-quality animation and casual animation by reinforcing our studio structure.

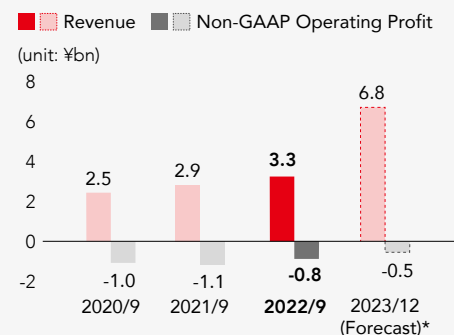
*Webtoon: Digital manga featuring vertical reading and full color. Since it is suitable for viewing on smart devices and allows easy and rich reading experiences from the presentation method using vertical scrolling, it has become popular as a new style of manga in recent years.

Representative works of GANMA!



At a Glance

Revenue and Non-GAAP Operating Profit



*15-month period due to irregular accounting.

▶ Please refer to the following for details.
<https://www.septeni-holdings.co.jp/en/ir/finance/review.html>

Cumulative downloads of GANMA! (as of February 2023)

approx. **17** million DL

No. of contracted creators

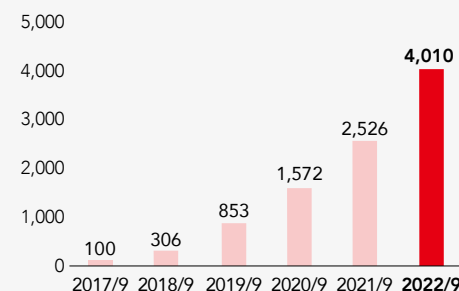
approx. **280** creators

No. of cumulative works created

More than **300** works

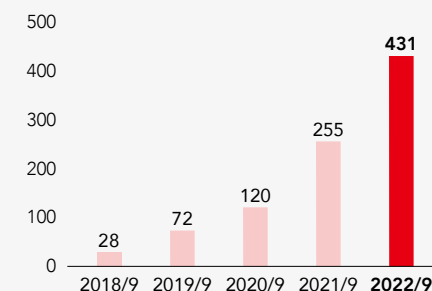
Subscription revenue trend of GANMA!

*Volume in FY2017/9 is 100



Commerce revenue

(unit: ¥mn)



Media Platform Business

Close Up

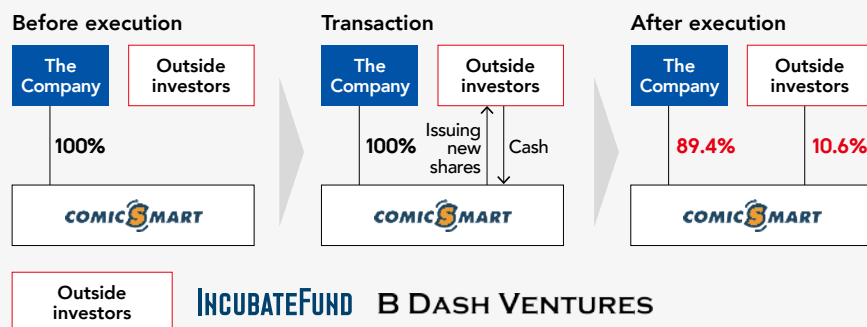
01

Growth Strategy of the IP Platform Business

Procure funds from outside sources to enhance content production and maximize future value

The IP Platform Business has so far made upfront investments in GANMA! through intra-group financing. In October 2022, the decision was made to source funds from outside, as we determined that 10 years had passed since the launch of GANMA! and the business model and growth strategies have been developed, meaning that options for further strengthening the growth potential of the IP Platform Business have expanded. With the involvement of outside investors, we will enhance the implementation system of growth strategies and aim to increase the value of the business and our corporate value.

COMICSMART funding scheme



Major uses of funds

- Developing IPs/content with the aim of improving the quality of manga production and enhancing the development of webtoon titles
- Marketing and sales promotion investment
- Recruitment, etc.

Comments from outside director, COMICSMART INC.

We will contribute fully to COMICSMART's growth with the hopes of making it the next-generation world-renowned company

In recent years, South Korean companies have produced K-Pop and content like "Squid Game" and made great strides in the global entertainment market. Spurred by that, we wondered, "Can Japan also create a content business that targets the global market in a similar way?" and we began specific plans for the creation of next-generation businesses.

We have been aware for some time now that GANMA! is making a bold and direct attempt at content creation. We believed that President Sato, a man I respect as one of the top managers in Japan, would definitely take on the challenge, so we are excited to have the opportunity to participate as well.

When it comes to manga, content that Japan is known for worldwide, I believe GANMA! is the only entity that has both the ability to develop reproducible content and a platform with a firmly established user base. I am both honored and excited to be appointed as an outside director and to be able to participate in management this time.

We intend to contribute to the utmost to help Japanese content come out on top in the global market.



Tohru Akaura

Representative, Incubate Fund KK

COMMENT

Media Platform Business

Close Up

02

Promising multi-media development of original IPs: *My Love Story with Yamada-kun at Lv999*

My Love Story with Yamada-kun at Lv999, a work being serialized on GANMA!, won the grand prize in the 6th TSUTAYA Comic Awards. This award is a comic book award that is determined purely through reader participation, where readers vote on the comic book that is most likely to become the “next big thing.” A TV anime adaptation is also scheduled to start airing from April 2023, so its popularity can only be expected to grow in future.

Total copies in circulation (As of December 2022)

Over **2 million***

*Six volumes of books, e-books included
(published by KADOKAWA)

Awards won

- 13th anan Manga Awards: **Grand prize**
- 6th TSUTAYA Comic Awards: **Grand prize**
- Next Manga Awards 2021: **4th** in web manga category



©Mashiro / COMICS MART INC. /
Production Committee with
Yamada-kun at Lv999

Close Up

03

Producing high-end animated videos through co-creation with partner companies and creators

In the fiscal year 2022, we released a series of animated music videos (MV) produced by Qzil.la, Inc., the Group’s digital animation studio.

As an example of our achievements, we produced an animated MV for “My Song” (lyrics by Tomoya Tabuchi, music composed and arranged by Shota Horie), a newly released song by the highly popular VTuber Tsunomaki Watame, whose channel has over one million registered users. It has been viewed over 3 million times on YouTube since it was released in January 2022.

“My Song” animated MV



Expansion into New Business Segments

In our Medium-term Business Policies published in October 2019, we are pushing forward with efforts we refer to as "Expansion into New Business Segments" to grow our business beyond the internet and into new territories for us such as sports, entertainment and HR technology.

Leveraging the internet-related business expertise that our Group has built up over the years in industries other than the internet, we will seize the momentum in recent years of the digital shift and DX. Doing so, we will help to create a world where the power of digitalization and technology makes various industries and whole societies flow more smoothly (*nameraka*) and seamlessly, while at the same time aiming to create the drivers of future growth.

Focus Domains

State of Business in FY2022/9

Future Strategy

HR Technology

Utilizing our in-house developed AI matching system, "HaKaSe," which optimizes human resources development on a person-by-person basis, we support a full series of companies' HR Initiatives from hiring to development.

Human Capital Lab

- Provide the "HaKaSe Onboard" DX service that supports employee onboarding, and promote PMF

- Push forward with expansion into the domain of recruiting and build a system for providing comprehensive DX services from recruitment to development while improving the cloud services we currently offer for onboarding

Sports

We participate in the Dai-Ichi Life D.League, the first ever professional dance league originating in Japan, manage a team and develop D.Leaguers.



- Participate in the Dai-Ichi Life D.League 2021–2022 season which began in November 2021
- Made our first appearance in the championship
- Advanced business development including partnership sales and issuing the league's first club token

- Participate in the Dai-Ichi Life D.League 2022–2023 season which began in October 2022
- Promote sports and education and search for ways to contribute to regional revitalization through dance

Entertainment

We are supporting the digital shift of the entertainment industry, operating in the three domains of communication design, content management, and business support.



- Develop collaborative products together with major entertainment agencies
- Build content production platforms to galvanize fan communities

- Work together with entertainment agencies and seek to expand into the VTuber industry as well, contribute to the further growth of industries through community management, content production and business development with digital as a starting point

03

Sustainability

Activities of the Sustainability Committee 38

Materiality (Priority Challenges in the Septeni Group)
and Identification Process 39

Materiality

1: Development of High-Quality Human Resources 41

2: Diversity & Inclusion 42

3: Industry Development through Utilization of AI 44

4: Support for Sound Development of
Digital Advertising Industry 45

5: Support for Culture, Sports, and
Entertainment Industries 47

Environment 48



Activities of the Sustainability Committee

We established the Sustainability Committee in January 2022.

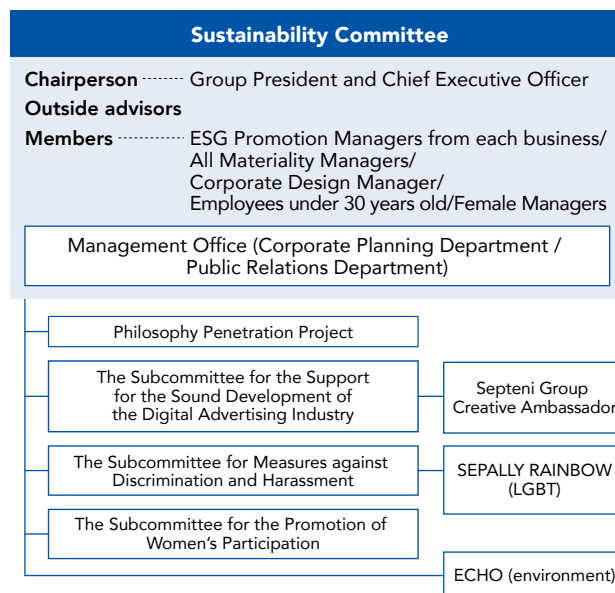
We are actively engaging with topics that concern the Group’s continuous growth and increased corporate value.

Activities of the Sustainability Committee

In January 2022, we formed the Sustainability Committee as an updated version of the CSR Committee established in 2016. As a voluntary advisory body that supports the Board of Directors’ decision-making, the committee carries out activities aimed at achieving continuous growth for the Group, an increase in corporate value and a sustainable society.

The Sustainability Committee holds regular 90-minute

Sustainability Committee Organizational Chart



meetings every three months, mainly to proactively debate and consider setting sustainability-related KPIs, sustainability activities, and data disclosures. The committee provides a forum for next-generation employees under 30 years old, female managers, ESG promotion managers in major businesses, materiality (our priority challenges) promotion managers, and outside advisors to participate and hold lively discussions from varied perspectives.

In the fiscal year ended September 2022, they held multiple discussions on setting KPIs for each activity, the progress of activities for each materiality, and data disclosures.

Corporate Vision Reformation Project

In the fiscal year ended September 2022, the most important matter the Sustainability Committee handled was the reformation of our corporate philosophy as announced in October 2022. The Philosophy Penetration Project under the Sustainability Committee spearheaded the philosophy reformation and facilitated the reflection of diverse voices within the Group by interviewing Group Senior Executive Officers individually and holding multiple workshops for employees. Several Sustainability Committee members participated in the workshops as well and contributed to the drafting of a new vision.

The Sustainability Committee was also the first in the Group to discuss the draft for the new vision. The discussion by committee members was followed by discussions by the Group Management Meeting and the Board of Directors before a resolution was made.

COMMENT

Participating in the Sustainability Committee has been a good opportunity for me to stay focused on what is important

Participating in the Sustainability Committee made me begin to consider how we can develop in the medium and long term together with all of our stakeholders. It has been a good opportunity for me to stay focused on what is important. I also took part in the workshops organized to help reform the philosophy. Working hand-in-hand with people in various lines of work and various generations from each Group company made me experience the Group’s multiculturalism through which it expands its businesses and creates the future while respecting the uniqueness of each company. I felt that this is linked to an attitude and philosophy that respects the “people” that make up each operating company.

I was the first employee in the Group to take maternity leave. In the 17 years since I resumed work, I have personally experienced the changes in the Group. I hope to continue participating enthusiastically in the committee so that my personal experiences and opinions can help create the next generation of the Group.



Kyoko Yoshida

Manager
Customer Success Gr.
Consulting Department
Tricorn Corporation

Materiality (Priority Challenges in the Septeni Group) and Identification Process

Materiality identification and assessment

In promoting sustainability activities, we have identified five materialities (priority challenges in the Septeni Group) among a number of social issues.

In identifying materiality, we extracted social issues based on international standards and comprehensively judged from the two perspectives of "Stakeholders' Expectations for the Septeni Group" and "Importance for the Septeni Group's Businesses." We first discussed materiality (priority challenges in the Septeni Group) at the CSR Committee (at that time) and confirmed the appropriateness at the Board of Directors meeting.

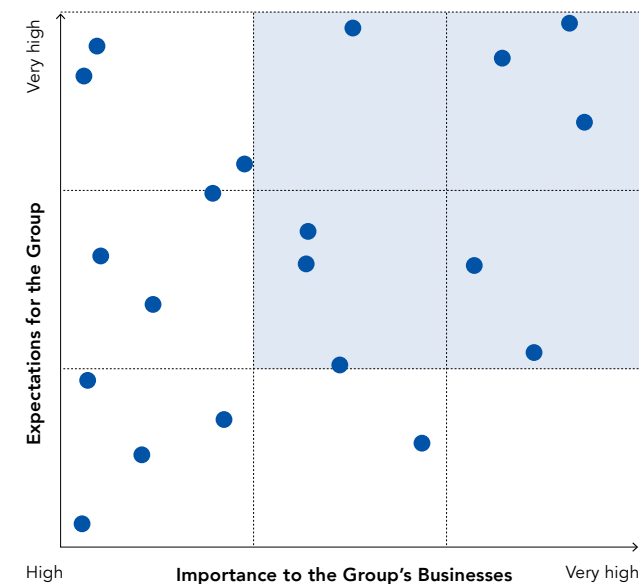
We also confirmed the materiality when the Sustainability Committee was established in 2022. In the fiscal year ended September 2022, we carried out activities based on five materialities: Development of High-Quality Human Resources, Diversity & Inclusion, Industry Development through Utilization of AI, Support Sound Development of the Digital Advertising Industry, and Support for Culture, Sports and the Entertainment Industry.

In October 2022, we revised our corporate philosophy. In particular, we set a new vision that shows what we aim to be and how we contribute to society in the medium to long term. In response to the revision, we are currently reviewing our materiality. In order that sustainability activities can contribute to the achievement of the new vision, we will strengthen connections between the vision and activities, reflecting the perspective of risk reduction and opportunity expansion.










Identification Process



Materiality Image Map



Materiality (Priority Challenges in the Septeni Group) and Identification Process

Materiality	Value provided to society	Initiatives in the fiscal year ended September 2022
1 Development of High-Quality Human Resources   	<p>We aim to create open innovation by illuminating the “structure of human resources development” from a scientific perspective and sharing it broadly throughout society.</p>	<p>Within the Group, we are building a comprehensively integrated data-utilizing HR value chain that spans from hiring and onboarding to development. Using our accumulated databases, we contribute to the maximization of human capital by supporting HR management under remote work, among other things. These activities have also garnered outside recognition, including seven consecutive years of receiving HR Technology Awards.</p>
2 Diversity & Inclusion   	<p>We aim to create a society where everyone can be themselves and thrive by eliminating gender gaps and establishing work environments where discrimination and harassment do not occur. At the same time, we also aim to help improve labor productivity.</p>	<p>We organize a Group-wide Diversity Month where we hold an intensive series of Diversity & Inclusion-related (D&I) events over the course of a month. We also continue to organize Diversity Awards that recognize initiatives that contribute to promoting D&I. Through such measures, we are creating a fair environment and ensuring psychological safety so that everyone can participate and thrive in the workplace with peace of mind, with the aim of generating innovation through a diversity of experiences and perspectives.</p>
3 Industry Development through Utilization of AI 	<p>We aim to generate innovations in various industries through the use of AI. We are also working to help drive labor productivity improvements by using AI in HR.</p>	<ul style="list-style-type: none"> • Leveraging AI in HR technology Human Capital Lab, Inc. has begun to offer “HaKaSe Onboard,” a DX service that supports employee onboarding, to outside companies. We are actively working to help improve labor productivity through support that enables employees to quickly become contributors. • Leveraging AI in digital marketing For the post-cookie era, we are working on providing data solutions in order to contribute to the growth of the businesses of our client companies, such as by developing and supplying “Precog Base,” a new data privacy-sensitive measurement infrastructure building solution.
4 Support for Sound Development of Digital Advertising Industry 	<p>We are engaged in activities aimed at achieving a safe, secure digital society by helping to develop the digital advertising market to be more sound, robust, and exciting.</p>	<p>We work on brand safety, ad verification, and other initiatives to improve the quality of advertising. These efforts have been recognized with JICDAQ certification as a Quality Certified Business Operator for five group companies in both the “exclusion of invalid distribution, including ad fraud” and “ensuring brand safety according to the quality of advertising destinations” categories.</p>
5 Support for Culture, Sports, and Entertainment Industries 	<p>We aim to create a world filled with inspiration while contributing to the advancement of industry by supporting athletes along with sports and players in new genres and advancing DX in the realms of manga and anime.</p>	<p>Members of the Septeni Raptures professional dance team which participates in the professional dance league “D. LEAGUE” visited schools around Japan and interacted with around 300 people. They are working to further popularize street dance. Additionally, Qzil.la, the anime studio we established to promote technology-utilizing DX in the anime industry, is releasing various types of productions.</p>

Materiality 1 Development of High-Quality Human Resources

We are working to realize highly reproducible human resource development through research on the use of data in HR initiatives for recruitment, development, and placement.

Initiatives to increase human capital value through onboarding

We deploy science-backed HR initiatives grounded in an HR Development Equation in order to efficiently increase human capital value based on its management strategy. At its nucleus is an HR value chain designed as an integrated service from recruitment to onboarding to development that leverages the human resources databases we have accumulated to date.

In onboarding, for example, we utilize compatibility models derived from our own original HR Development Equation for job assignments by compatibility, based on quantitative calculations of work environments that individuals can adapt to more easily. Additionally, we are deploying initiatives to encourage new employees to adapt quickly and succeed. For example, we provide "adaptation plans" that explain how to relate to the staff and the job at the assignment destination based on the individual's own strengths and stumbling points. We also provide new employees and their supervisors with reports on the results of "adaptation assignments" which are conducted every three months after joining the company to visualize the level of adaptation to the assignment destination.

As a result of these onboarding and other various HR initiatives, we have confirmed that new employees, even with new work styles centered on remote work, adapt and become contributors at an early stage. We also provide onboarding programs to mid-career hires to help them adapt quickly and succeed.

▶ See "Human Resource Strategies and Initiatives in Human Capital Management" on pages 21-22 for more details.

COMMENT

Usage and Structure of Digital HR Technology

Based on the concept of the Human Resource Equation, we have been accumulating human resource data for more than 20 years and have built structures to analyze it. We use these databases and analysis technology to help new employees who join the company to quickly adapt to their assignment destinations. After job assignments by compatibility, we provide information about how to adapt to one's assignment destination, such as the individual's own strengths, recommended learning methods, and information about the organization of their assignment destination. We also give supervisors information such as advice on how to interact with their new hires based on their individualities, thereby operating a structure where both parties can understand each other.

We collect data while implementing and improving these initiatives, through which we are preparing a structure to improve the overall precision of the initiatives.

Furthermore, all the information used in these initiatives is handled according to the Digital HR Guidelines aimed at ensuring the appropriate utilization of data.



Fumiya Kan

Deputy Manager
Human Capital Lab, Inc.
Septeni Holdings Co., Ltd.

COMMENT

Onboarding Initiatives and Results

At the HR Business Partner Division, staff (career advisors) who provide integrated support for growth before and after a person joins the company deliver support tailored to each employees' circumstances and challenges based on an assortment of HR data. Specifically, they give advice and support capability development to help newly-joined employees to adapt to their duties and organizations. They also supply managers and OJT trainers with information such as the optimal training methods and ways of interaction based on an individual's unique characteristics. Employees who go through this onboarding process say things like, "It made communicating with my team members easier," and "I discovered the learning method that suits my personality." Supervisors and OJT trainers also say, "We were able to learn about thought and behavior characteristics, which would otherwise have taken us several months to understand, before the person joined the company, so we were able to accept them with peace of mind even in a remote environment," so we are able to help individuals adapt to their environments even in a remote work environment.



Saki Tomii

Manager
HR Business Partner Department
HR Business Partner Division
Septeni Japan, Inc.

Materiality 2 Diversity & Inclusion (D&I)

The Septeni Group promotes diversity and inclusion, respecting all human rights and recognizing diversity. We believe that the sustainable development of the Group is achieved if employees with diverse backgrounds, regardless of gender, age, or nationality, can demonstrate their maximum performance in their own way.

Awareness-raising activities through Diversity Awards and Diversity Month

We have been holding the group-wide Diversity Award since 2020, with the aim of spreading the significance and benefits of promoting diversity and inclusion (D&I) within the company and demonstrating the Group's willingness to proactively engage in D&I both internally and externally. We invite applications from employees for "initiatives aimed at creating an environment in which each and every individual can play an active role and generate innovations and achievements," and award initiatives that are recognized as particularly valuable at the Group Kickoff at the beginning of the fiscal year. In the fiscal year ended September 2022, there were 32 applications in the general category and 32 in the rookie category, which was newly established in 2022 and was open to employees within three years of joining the Group.

In addition, since 2021, we have held an annual "Diversity Month." Series of events are held intensively from May 9 to May 31, 2022 for the purpose of "personalizing" D&I promotion.

LGBT-related initiatives

We have established the Group-wide LGBT and allies network "Sepally Rainbow," which engages in creating a workplace where all employees are motivated to work by helping each and every employee deepen the understanding of SOGI.

During Diversity Month in 2022, we held seminars with several companies within the Dentsu Group that are actively promoting LGBT-related initiatives. The seminars were organized from many different perspectives.

In recognition of these activities, we have received the highest rating of GOLD in the PRIDE Index, an indicator of workplace initiatives related to sexual minorities, for five consecutive years.

Measures against discrimination and harassment

The strengths of each individual can be leveraged by establishing work environments where no one is discriminated against or harassed according to their gender, age, nationality, race, ethnicity, religion, principles, beliefs, social status, disabilities, sexual orientation, or gender identity. To create such environments, we have conducted training sessions about harassment prevention for newly appointed managers and provide e-learning on the topic of "human rights-conscious advertising expressions." In the fiscal year ended September 2022, all managers of Dentsu Direct Inc. and Dentsu Elfto Architect Inc., which have newly joined the Group, have taken the harassment prevention training.

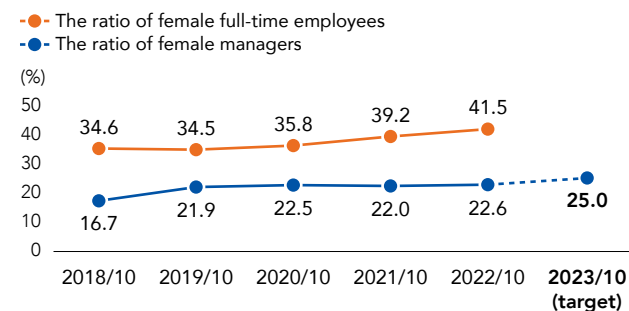
We also actively promote awareness of unconscious bias, which is one of the factors of all forms of discrimination and harassment, and which can hinder each individual's success.

Promoting women's participation

Since 2010, we have been actively promoting women's participation. We are working to enable employees from various backgrounds to work and play active roles with a sense of security by anticipating changes in the life stages of employees and demands from society, and by considering and developing measures to respond to these changes.

The ratio of female managers at major group companies in Japan was 22.6%, a steady increase from 16.7% in 2018. On the other hand, there is still a gap between the ratio of female full-time employees (41.5%) and that of female managers. Given the situation, we are currently discussing setting new targets and efforts with the aim of closing the gender gap.

The ratio of female full-time employees/ the ratio of female managers (Major group companies in Japan)



Materiality 2 Diversity & Inclusion (D&I)

Stakeholder Engagement

Septeni Global's D&I efforts as we advance the global business



Manami Ruike

Business Promotion
Assistant Director
Septeni Global G.K.

Daisuke Suefuji

CEO, Septeni Global G.K.
Septeni Group
Executive Officer

Septeni Global is a Group company whose main objective is to lead international projects, such as placing advertisements in Japan for foreign companies. Septeni Global CEO Daisuke Suefuji and Assistant Director Manami Ruike, who is in charge of back office operations including the hiring and training of human resources, shared their ideas about the company's diversity and inclusion activities, which are exceptional even for the Septeni Group.

D&I is the first step to creating an attractive company

Suefuji: When we launched the global business about 10 years ago, all of the employees at our overseas bases were men transferred from Japan. Then a few years later when we started hiring local people to expand our business, we had problems with the retention rate. That's when we realized that we had to make the company more attractive as a place to work and began working to increase the diversity of our employees. We now have an ideal balance in which the ratios of foreign nationals and female employees to all employees are about 50%, and foreigners make up about 40% and women 50% of our management positions. During our hiring activities, these percentages have been very positively received by job seekers.

Ruike: Many foreign employees have even received internal awards. Last year, all of the nominees for the Manager Award were women. All of our employees are active and receive recognition in the company.

Efforts to instill our philosophy are also contributing to D&I

Ruike: I think our efforts to instill the Septeni Global philosophy are contributing positively to creating an environment where all employees can play active roles in the company. The Septeni Global mission to “Lead Beyond Borders,” also speaks to diversity as it means leading all stakeholders to greater heights of success by transcending obstacles including the borders of

countries, cultures, and values. We also promote mutual understanding by having individuals say which of Septeni Global's three values they emphasize in their work.

Suefuji: Many elements of the Septeni Global philosophy are in the Group's new vision, and I feel like our company and the Group as a whole are moving in similar directions. For example, the idea of “Lead Beyond Borders” is essential to “create a new era.”

Expanding our business by creating an environment where all employees can fulfill their potential

Suefuji: We will most certainly face increasingly complex challenges as the growth of our global business accelerates. To meet these challenges, I would like to direct our focus more on creating an environment that provides a high degree of psychological safety where people with diverse talents can fully demonstrate their abilities. Top management will continue to send the message that time in the company, age, nationality, religion, or gender have no effect on promotion or evaluation, and we will actively set up task forces to resolve any internal issues that arise. One of the joys of working in this industry is the variety of people you meet, and I would like all employees to feel that way.

Ruike: Our perspective from HR is that D&I is the foundation of the organization and an essential to an open workplace culture. There's no absolute answer for how much D&I a company should have, and we will continue to advance our D&I measures knowing that it is a positive intangible factor in our business performance.

DIALOGUE

Materiality 3 Industry Development through Utilization of AI

As our society shifts to digital, we are actively working on many efforts utilizing technology to solve society's problems while adding an extra flourish of prosperity in order to realize a *nameraka* future.

Leveraging AI in Digital HR

Industry Development through HR Technology

Since our founding, we have always regarded people as core assets, and we have grown by investing actively in human resources.

To secure a stable supply of human resources and realize continuous growth in emerging markets where experienced personnel are overwhelmingly few and competition for human resources is extremely fierce, we established an in-house specialized research organization to research "scientific human resource development models," and pursued the development of highly reproducible human resource development initiatives.

In 2021 we provided our cultivated intellectual property to client companies and established Human Capital Lab, Inc. with the aim of helping them maximize their human assets. We developed and supply "HaKaSe Onboard," an onboarding service. We have broadly divided human resource domains into three categories: Recruitment, Adaptation and Development, and with Hakase Onboard, we support the DX of the middle domain, Adaptation.

In addition to solving issues that occur in onboarding, this service aims to simultaneously promote smooth DX in businesses across the entire domain of human resources, so it is designed to make it possible to apply the data gained in the Adaptation domain to the domains of Recruitment and Development. For example, from onboarding data, we

can analyze the kind of human resources we can easily develop at our company and provide that as feedback for recruitment activities. In practice, it is used by companies in various industries and of various sizes not only for onboarding but also as the first step in promoting DX in human resource activities.

Going forward, by providing DX services that maximize human assets through the power of technology, we will support companies' human resource activities and contribute to greater labor productivity in society.

マッチングスコア一覧										
社員 No	部署 No									
	システム開発部 1課	システム開発部 2課	システム開発部 3課	営業部 1課	営業部 2課	営業部 3課	営業部 4課	営業部 5課	営業部 6課	営業部 7課
1 サンプル新人社員A	10	79	68	75	57	79	95	48	58	76
2 サンプル新人社員B	36	31	95	57	45	39	94	80	42	57
3 サンプル新人社員C	61	51	45	45	42	27	13	43	42	91
4 サンプル新人社員D	91	11	39	25	33	89	12	86	14	48
5 サンプル新人社員E	10	41	37	28	68	83	43	20	69	86
6 サンプル新人社員F	62	13	66	22	20	83	74	59	26	22
7 サンプル新人社員G	52	49	56	36	19	85	72	83	85	75
8 サンプル新人社員H	72	64	63	53	83	79	47	59	34	35
9 サンプル新人社員I	38	58	18	64	20	22	42	95	20	74
10 サンプル新人社員J	41	65	21	26	39	45	28	43	52	71
11 サンプル新人社員K	17	13	65	10	57	57	54	55	70	22
12 サンプル新人社員L	83	12	15	14	22	75	12	10	70	52

Image of compatibility score with a potential assignment destination

Leveraging data in digital marketing

Data privacy is growing in importance worldwide and movements to regulate cookies are expanding, so it is becoming increasingly important for companies to respect the data privacy of users even more and conduct digital marketing based on the appropriate acquisition and management of personal information. In response to such changes in society and in the business environment, to prepare for a post-cookie era, Septeni Japan has developed Precog Base, a solution for building new measurement infrastructure that carries out linked processing of behavior data and form entry information on websites in a cloud server environment, thereby taking data privacy into account without depending on browser cookies. It supports centralized data management by building measurement infrastructure using the optimum method in line with

the advertiser's objectives.

These initiatives have been recognized, and in 2022 we won the "Best solution partner Award" at the Meta Agency First Award organized by Meta to honor partner companies that have made outstanding achievements.



Materiality 4 Support for Sound Development of Digital Advertising Industry

We are promoting initiatives based on the "Three Promises by the Septeni Group," a policy for the sound development of the digital advertising industry.

A policy for the sound development of the digital advertising industry

Three Promises by the Septeni Group

1. Sincere response

We consider integrity to be the basis of everything we do and act in the spirit of right and wrong rather than gain and loss. We will always be aware that conveying useful information to society in an appropriate manner will lead to trust in digital advertising, and we will work in cooperation with stakeholders to bring smiles to all concerned.

2. Improvement of quality

We will observe all relevant laws, regulations, and rules agreed upon with related parties, and strive to improve our service quality through continuous education and improvement, with the aim of building internal operations that are less prone to accidents and wrongdoings.

3. Pursuing possibilities

We will continue to develop new technologies and methods to enhance the value of digital advertising and increase stakeholders' satisfaction.

Launch of the advertising ethics awareness project

We started "Septeni Group Creative Ambassador," a group-wide volunteer effort to raise awareness of correct advertising ethics within the company so that we can contribute to the growth of our clients' businesses by communicating useful information to society in an appropriate manner.

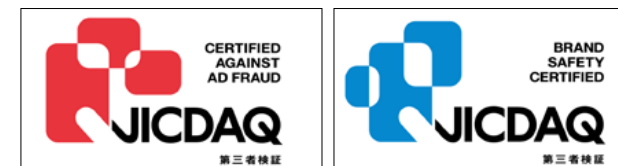
In 2021, we invited external lecturers to hold in-house study sessions on the Act against Unjustifiable Premiums and Misleading Representations and the Pharmaceutical Affairs Law. We also raised awareness of advertising ethics by sharing information on internal cases of near miss accidents, external cases that resulted in receiving administrative guidance and action orders, and external advertising cases that were covered negatively in society.

▶ Please refer to the next page for the background and details of the establishment of this project.

Five Group companies obtained quality certification for digital advertising by JICDAQ

We promote ad verification initiatives, protecting advertisers' brands by ensuring that advertisements are not served on inappropriate ad spaces, and providing a variety of solutions to detect and reduce all types of fraudulent (invalid) traffic, such as impression padding by machines and clicks by bots.

We have been certified by JICDAQ as a "Quality Certified Business Operator" based on "ensuring brand safety associated with the quality of ad placements (removing obviously illegal or invalid advertising destinations)" and "eliminating invalid distribution, including ad-fraud (eliminating ad deliveries that do not reach people.)"



Certified companies (as of end of February 2023)

- SEPTENI CO., LTD.
- HighScore, Inc.
- DENTSU DIRECT INC.
- DENTSU ELFTO ARCHITECT INC.
- SEPTENI CROSSGATE CO., LTD.

Materiality 4 Support for Sound Development of Digital Advertising Industry

Stakeholder Engagement

Introducing the Creative Ambassador program for sound and effective ad creative in digital advertising



Mayo Ishikawa

Manager,
Corporate
Management Office
Septeni Ad
Creative, Inc.

Takuto Kai

General Manager,
Media Strategy
Promotion Department
Marketing Strategy Office
Septeni Japan, Inc.

Yuko Yokoi

First Direction
Department,
Section 3
Creative Office
Septeni Japan, Inc.

The group-wide Septeni Group Creative Ambassador program was created to enhance awareness of ethics in advertising. Program creator Takuto Kai spoke with members Mayo Ishikawa and Yuko Yokoi about why the project was introduced and what they envision for the program's future.

Making sound and effective ad creative a Septeni strength

Kai: The Sustainability Committee's Subcommittee for Sound Development of the Digital Advertising Industry is actively promoting initiatives for advertising verification, including measures to prevent ad fraud and ensure brand safety. We also believe that appropriate language and images in ad content is extremely important to protecting the brands of the companies placing the advertisements, so in fiscal 2021 we created this program with the aim of enhancing ad soundness from this perspective as well. For the project, we interviewed employees with high awareness of these issues at the Group companies, and currently have 11 members from five different companies.

Ishikawa: I joined the project because I felt that the group companies sharing information about this would improve the Group's overall ability to ensure the soundness of presentation. The Creative Ambassador program was created to communicate information about advertising ethics, such as about ad content that society looks on unfavorably. Having people discuss topics like these raises the Group's overall awareness of sound ad content.

Yokoi: I agree. Even if not required by law, it's essential to consider the ethics in advertising content to both protect a client's brand and to create effective content. Like the study session in 2021 when we brought in an outside lecturer, I would like to push forward with initiatives to raise awareness in ways that go beyond legal compliance.

Ishikawa: Ideally, we would continue activities like that so our clients will recognize that producing sound and effective ad content is one of the Group's strengths.

Activities that contribute to achieving the new vision

Yokoi: I consider these activities to be directly related to the second part of the new vision “To open the door to a *nameraka* future with creativity and technology” with *nameraka* meaning a harmonious state without friction or barriers. To do that, I think it's important to continue providing ad creative that is sustainable and beneficial for society. Doing so will also lead to fulfilling the third part, to make the world “bright and simple.” I think the Creative Ambassador program and the Septeni Group can play a major role to make the digital advertising industry bright and attractive.

Kai: I agree. As we aim to fulfill the new vision's long-term image for the Group, it will be important to continue training people inside the Group to create effective and appropriate ad creative. I hope we will continue activities like these so that when we achieve the new vision the Group will be a leader in the sound development of the digital advertising industry.

DIALOGUE

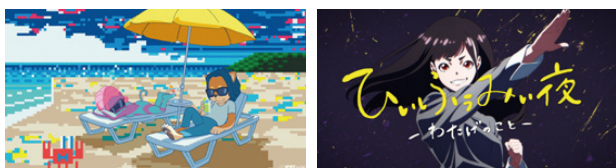
Materiality 5 Support for Culture, Sports, and Entertainment Industries

We actively support the success of artists, athletes and others active in a broad range of sports and cultural genres and engage in activities aimed at contributing to the development of industry through the use of technology.

Digital anime studio Qzil.la

Aiming to advance DX utilizing technology in the anime industry, we established the digital anime studio Qzil.la, Inc. in 2021.

They collaborated with TV TOKYO Corporation on "KASHIKA," an original music video project, and participated in "wasurene," a project where creators and artists collaborated to produce and distribute music. They are also releasing various types of productions.



"KASHIKA_02 BOUNCE DANCE" "HiFuMii-YO"
feat.4s4ki

Septeni Raptures, professional dance team

In August 2020 we formed the Septeni Raptures professional dance team to participate in the D.League professional dance league which originates in Japan. With an eclectic group of professional dancers from every genre, the Septeni Raptures create a diverse range of unique vibes at every event and always reveal fresh new surprises in their performance, which never fails to captivate audiences.

Furthermore, between 2021 and 2022, members visited elementary and high schools around the country as teachers and held events where they taught the children and students how to dance. They visited six schools in one year and interacted with a total of approximately 300 children and students.

While continuing to interact with a variety of stakeholders through dance, they aim to further popularize street dance.

Major Achievements in 2022

- The Dai-Ichi Life D.League 2021-2022 season: Overall 6th Place
(Advanced to the championship as a wild card)

Supporting the VEGALTA SENDAI professional soccer team

Since February 2020, we have supported the club management and team growth of the VEGALTA SENDAI professional soccer team as a digital marketing partner.

VEGALTA SENDAI sells "My VEGALTA COLLECTION," the club's official NFTs*, on the general NFT marketplace "LINE NFT" provided by LINE XGenesis Corporation. The Group, led by Septeni Incubate Inc. which handles new business development, supports this initiative using its accumulated knowledge and knowhow about NFTs.

*NFT (non-fungible token): Digital data with inherent value that has been verified using blockchain technology.

Launching projects that increase staff engagement centered on sports

We have launched the SEPTENI SPORTS ENGINE PROJECT, a Group-wide volunteer-run project that aims to increase employee engagement centered on sports.

This project aggregates all the activities in the sports domain in the Group and implements Group-wide inner initiatives. It organizes viewing events for VEGALTA SENDAI and the Septeni Raptures and communicates information about sports businesses within the Group.

COMMENT

The "ENGINE" part of the project name, "SEPTENI SPORTS ENGINE," means "to become an engine and to form a circle (enjin wo kumu in Japanese)." It represents our desire to increase the unifying force of the group through activities. As "a place where people are empowered to create a new era," as stated in the first sentence of the new vision, we intend to unify our hearts as one through sports while accepting diversity.



Takaya Tanaka

Sports Business Promotion Office
Septeni Holdings Co., Ltd.

Environment

We aim to achieve a sustainable society and strive to reduce GHG emissions and use resources effectively in order to reduce the environmental impact of our business activities.

Environmental policy and GHG emissions

Our Environmental Policy advocates "reduction of printing paper," "proactive green purchasing," and "implementation of resource and energy saving measures and promotion of recycling." A Group-wide volunteer project, "Echo by Septeni Group," plays a central role in our environmental initiatives, working to raise environmental awareness within the Group by sharing information through email magazines for employees and by organizing in-house events such as online seminars on renewable energy.

Change in GHG Emissions

	2020/9		2021/9		2022/9	
	Emissions (t-CO ₂)	Ratio (%)	Emissions (t-CO ₂)	Ratio (%)	Emissions (t-CO ₂)	Ratio (%)
Scope1	5.5	0.1	6.9	0.1	7.3	0.1
Scope2	768.5	15.9	719.6	14.8	817.0	12.8
Scope3*	4,071.1	84.0	4,138.1	85.1	5,548.6	87.1
Total	4,845.1		4,864.6		6,372.9	

*Category 1 (Purchased goods & services), Category 2 (Capital goods), Category 3 (Fuel & energy-related activities), Category 6 (Business travel), Category 7 (Employee commuting), Category 8 (Leased assets (upstream))

▶ Please refer to the link below for more details.
<https://www.septeni-holdings.co.jp/en/ir/esg.html>

In addition, toward the realization of a decarbonized society, we have disclosed our GHG emissions since 2021. In the fiscal year ended September 2022, GHG emissions increased in the relevant divisions because we gradually resumed face-to-face business activities and increased business travel and commuting while monitoring the spread of the new coronavirus. The new consolidation of Dentsu Direct Inc. and Dentsu Elfto Architect Inc. also contributed to an overall increase in emissions. Going forward, we will continue to promote activities aimed at reducing our environmental impact and balancing our business activities.

Environmental initiatives by SEPTENI RAPTURES

The professional dance team "SEPTENI RAPTURES" has been using upcycled costumes since 2020 as a way to address environmental issues. Upcycling is the process of transforming old or unwanted items into a new product by adding value, such as a design or an idea. In the fashion industry, which is closely related to dance culture, it is estimated that more than 500,000 tons of clothing is discarded in Japan annually, and there are concerns about the environmental impact of the production, wearing, and disposal processes, including the massive consumption of natural resources and water, CO₂ emissions, and water pollution.

As a party facing these issues, SEPTENI RAPTURES aims to contribute to solving them by practicing and communicating sustainable behavior through this

initiative. In November 2022, SEPTENI RAPTURES collaborated with the premium lifestyle brand TOMMY JEANS to create costumes upcycled from products that could not be sold due to unavoidable circumstances, and performed at the "D.LEAGUE 22-23 SEASON ROUND.3."



The professional dance team "SEPTENI RAPTURES"



Upcycled clothing



▶ Please visit the website below for more details.
<https://septeni-raptures.com/works/d20221207/>
 (*Only available in Japanese)

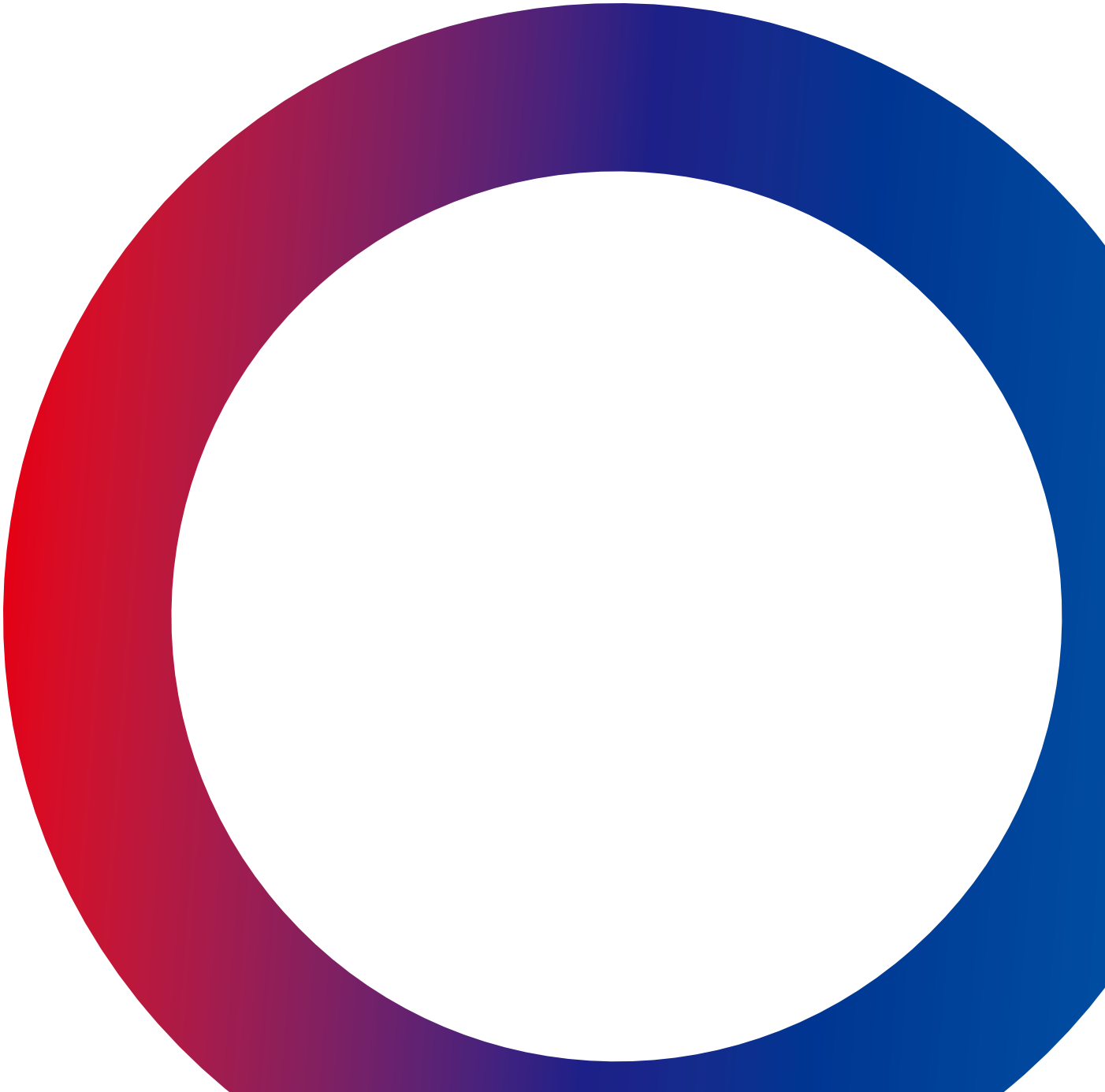
04

Corporate Governance

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Corporate Governance

■ Progress of Governance Reforms















The Group has been progressing with governance reforms since around 2015. The three-year period between 2015 and 2017 was the promotion phrase where we implemented various policies to improve governance and introduced new systems. From 2018, we have been striving to improve the application and operation of systems introduced in order to build an effective governance structure that is not a mere formality.

Measures implemented from 2015 onwards to improve governance

- Systematization of governance for greater effectiveness
- Introduction of effectiveness evaluation to enhance the functioning of the Board of Directors
- Establishment of the Financial Results and Disclosures Committee and the CSR Committee
- Abolition of anti-takeover measures
- Establishment of Group Risk Management Committee
- Creation of Corporate Governance Guidelines
- Introduction of Performance-Linked Stock Compensation Plan for Directors and Officers
- Separation of execution and monitoring through the introduction of an entrustment-type executive system
- Outside directors become the majority of the Board of Directors

Changes in composition of directors/auditors

 Internal directors/auditors  Outside directors/auditors

	2013	2014	2015	2017	2018	2021	2022
Number of directors/auditors	11	11	12	10	11	9	11
Composition of the Board of Directors	 Of which 1 female		 Of which 2 females	 Of which 1 female		 Of which 2 females	
Composition of the Board of Company Auditors							
		Appointment of outside directors (2014 onwards)					
		Appointment of female directors (2013 onwards)					

(Note 1) As at the end of the General Meetings of Shareholders in each year.

Only years where there were changes in the composition of the Board of Directors are listed.

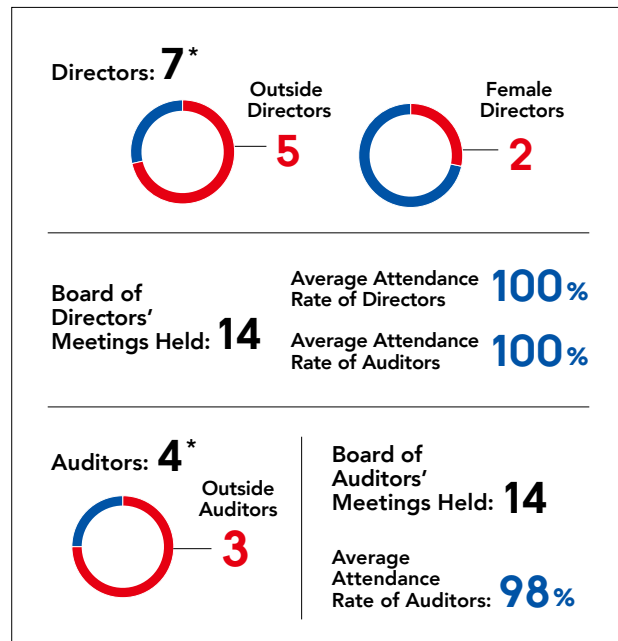
(Note 2) As of December 2022, representative director Koki Sato is the only director with executive duties.

Corporate Governance

Basic approach to corporate governance

The corporate governance of the Company is based on the development and operation of a system to ensure that actions are based on the company's corporate philosophy and decisions are made in a transparent, fair, and efficient manner, and compliance with laws and regulations and appropriate supervision (monitoring) of corporate performance are carried out under the mission of "To inspire the world with entrepreneurship."

Governance Highlights (FY2022/9)



*As of December 2022

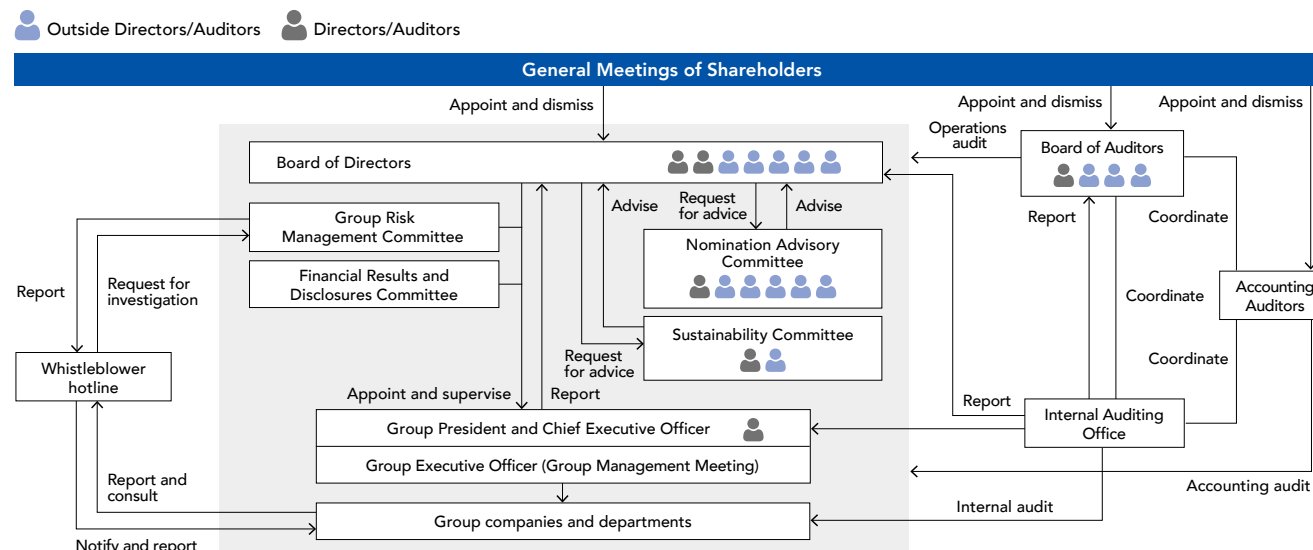
The outline of corporate governance structure

The Group is managed under a holding company structure in which the Company is a holding company and its group companies are operating companies. By separating the function of administering its overall business from executing its individual businesses, the Group has been working to facilitate the delegation of authority and strengthen the Company's function of monitoring the Group's businesses.

The Board of Directors shall consist of a majority, at the minimum, of highly independent Outside Directors. The Board consists of seven Directors, five of whom are

Outside Directors, as of December 2022. It determines matters prescribed by laws and regulations and the Articles of Incorporation and matters concerning the execution of important business and oversees the execution of business. Furthermore, as part of strengthening of its corporate governance system, the Company introduced an executive officer system in January 2017. Under this system, the authority for making decisions and executing business operation is delegated to Executive Officers to the extent permitted by relevant laws and regulations, in order for the Board of Directors to mainly focus on the oversight (monitoring) of the Group Executive Officers who are responsible for the execution of business (monitoring model-oriented).

Corporate Governance System (as of December 2022)



(Note) Please refer to the link below for an overview of the corporate governance system.
<https://www.septeni-holdings.co.jp/en/company/governance.html>

Corporate Governance

Board of Directors

The Group Executive Officers are responsible for the execution of business of the Company, that of the business companies in its group or that across several business companies. The Board of Directors appoints Group Executive Officers in charge of respective areas of business operation, and the Group President and Chief Executive Officer who concurrently serves as Representative Director oversees the execution of business operations by the Group Executive Officers.

Moreover, matters to be resolved by meetings of the Board of Directors, those regarding which authority is to be delegated to the Group Executive Officers and those to be reported by the Group Executive Officers to the Company's Board of Directors are clearly stipulated in the regulations of the Board of Directors.

Group Management Meetings

Group Management Meeting has been established, as a system regarding decision-making on the execution of business, with the functions of supporting decision-making by the Group President and Chief Executive Officer and of considering important managerial matters of the group.

Board of Auditors

The Company has adopted a company auditor system. Under the system, there are currently four Company Auditors including three highly independent Outside Auditors. Each Company Auditor audits the execution of business by the Directors, in accordance with the auditing policy, audit plans and so forth determined by the Board of Company Auditors.

Committees

The Company has established a Group Risk Management Committee that supervises risk management of the group, a Sustainability Committee that promotes sustainability activities to enhance the corporate value and a Financial

Results and Disclosures Committee that reviews and evaluates financial results information, information for timely disclosure, among other things. In doing so, the Company has put in place a system that clarifies authority and responsibilities and enables prompt and appropriate decision-making. On the other hand, Nomination Advisory Committee, the majority of which consists of Outside Directors, has been established as an optional committee of the Board of Directors to handle personnel matters regarding the group's management team (appointment, removal etc. of Directors of the Company, Group Executive Officers and others), in order to ensure the independence, objectivity and accountability of the deliberation process.

Executive Sessions

Meetings attended only by the Outside Directors (Executive Session) are held once a month in principle, thereby securing a place for information exchange and shared awareness from objective standpoints. Outside Auditors, external accounting auditors and other

Composition of Committees, etc.

	Sustainability Committee	Nomination Advisory Committee	Executive Session
Koki Sato	✓	✓	
Etsuko Okajima		✓	✓
Yusuke Asakura		✓	✓
Yoshiki Ishikawa	✓	✓	✓
Akie Iriyama		✓	✓
Mio Takaoka		✓	✓
Shuji Yamaguchi			

independent outside persons may attend such meetings, thereby providing a place for promoting cooperation among independent outside persons.

Major Agenda Items at the Board of Directors Meetings

Major agenda items in FY2022/9
(from October 2021 to September 2022)
(excluding regularly scheduled agenda items)

Deepening Capital and Business Alliance with the Dentsu Group
Establishment of Sustainability Committee
Revision of Board of Directors Regular Meeting Agenda
Revision of Group Management Meetings Regulations
Revision of Corporate Governance Guideline
Asset Allocation and Business Portfolio
Business Continuity Criteria
M&A
Agenda of Executive Training Session
Impact of the Situation in Ukraine
Investment in Kamiyama Marugoto College of Technology Scholarship Fund
Change in Fiscal Year-End
Partial Amendment to Articles of Incorporation
Partial Amendments to Share Handling Regulations
Revision of Group Philosophy
Revision of HR System

Corporate Governance

■ Officer compensation plan

In the fiscal year ended September 2017, the Group introduced a new compensation plan (a board incentive plan (BIP) trust) to more clearly define the relationship between the remuneration of the Company's directors (excluding outside directors and non-residents of Japan) and executive officers (excluding non-residents of Japan; collectively, "Directors, etc.") and the Group's business results in the medium-to-long term as well as the Company's shareholder value, while creating a sound incentive to enhance business results and corporate value in the medium-to-long term. As a result, remuneration for

directors of the Company consists of monthly compensation and stock compensation, and remuneration for outside directors who are independent from business execution consists of monthly compensation only.

BIP Trust

This is a performance-linked stock compensation plan that aims to establish a clearer relationship between remuneration for Directors, etc. and the value of the Group's stock. The Company's shares are purchased from the market as officer compensation, kept in a trust account and delivered in accordance with the recipient's position and degree of achievement of the performance targets in the Midterm Business Policies.

Director and Auditor Remuneration

Category	Number of payees	Total amount of officers' remunerations, etc.	Total amount of remunerations, etc. by type	
			Basic remuneration	Performance-linked remuneration, etc.
				Non-monetary remuneration, etc.
Directors (of whom Outside Directors)	8 (5)	228,228 thousand yen (69,000 thousand yen)	196,440 thousand yen (69,000 thousand yen)	31,788 thousand yen (-)
Company Auditors (of whom Outside Auditors)	4 (3)	27,000 thousand yen (24,000 thousand yen)	27,000 thousand yen (24,000 thousand yen)	- (-)

(Note) Please refer to the link below for supplementary information on remuneration of Directors and Auditors.
<https://www.septeni-holdings.co.jp/en/company/governance.html#directors-compensation>

■ Risk management

In order to recognize significant events that may affect the Group's business management, to identify, analyze and assess risks that may harm the growth and development of the business and to make responses to the risks such as aversion, mitigation, transfer and others, the Group shall establish the "Group Risk Management Regulations." In addition, it set up the "Group Risk Management Committee" as a body to oversee and manage such risks in an integrated and effective manner under the common policy as the Group. It constructs the PDCA cycle of risk management operations and promotes risk management in the Group as a whole to achieve sustainable development.

In the fiscal year ended September 2022, among the risks common to our entire group, we selected the following as priority risks to be addressed, taking into account social trends.

Priority Risks
Information leakage risks
Security risks
Management insufficiency risk

Corporate Governance

■ Evaluation of the effectiveness of the Board of Directors

With the aim of enhancing the function of the Board of Directors, the Company conducts analysis, evaluation and follow-up examinations of issues on the effectiveness of the Board of Directors once a year in principle. The Company also conducts large-scale and detailed surveys by external third-party institutions once every 3 years. In the fiscal year 2022, based on the advice of an external third-party organization, the Company conducted a questionnaire survey of all directors and company auditors, and interviewed directors.

As a result, it was confirmed that the Board of Directors has completed the transition to a Board of Directors (Monitoring Board) centered on outside directors, and has been able to engage in highly sophisticated and lively discussions. In addition, in terms of operation, practical measures such as devising the agenda of the Board of Directors, providing materials in advance, creating opportunities for discussions through camps, and strengthening cooperation among outside directors through executive sessions have already been sufficiently carried out, and that effectiveness has been confirmed.

On the other hand, it was confirmed that with the substantial reform of the Board of Directors, a common awareness of issues, such as how to think of the innovation board, which lies ahead of the monitoring board, how to realize the “co-creation of value between supervision and execution,” and how to think of the succession of the Board of Directors, has emerged. Going forward, the Company will advance initiatives to further enhance the effectiveness of the Board of Directors, while taking into account the awareness of these issues.

■ Policy on measures to protect minority shareholders in conducting transactions with controlling shareholder

The Company's parent company is Dentsu Group Inc. One of the Company's directors concurrently serves as an executive officer of Dentsu Japan Network of the Dentsu Group Inc. and an executive officer of Dentsu Inc., a subsidiary of Dentsu Group Inc. However, this director is in a position to supervise the execution of business in order to enhance its corporate value as a non-executive director of the Company. In addition, with respect to transactions with the parent company, management support fees are determined by agreements between the parties taking into account the content of operations, and interest rates on fund transactions are determined in the same manner as in general transactions with reference to market interest rates. Through these various measures, the Company believes that its business operations are sufficiently independent from the parent company, etc. As a publicly traded company with the parent company, the Company has agreed to maintain its autonomy and independence in the relationship with the parent company under an agreement between the parties. In addition, the majority of the Company's Board of Directors is independent outside directors, and decisions concerning its management are made through discussions based on the viewpoint of protecting minority shareholders. As a result, the Company does not anticipate any harm to the interests of itself or its minority shareholders.

Governance since the Capital and Business Alliance with the Dentsu Group

Appointment of Directors and Member Structure

- One director and one auditor (part-time auditor) will be appointed by Dentsu Group Inc.
- Even after the capital and business alliance, the majority of our directors shall be independent outside directors, and our representative director shall be a director who is not an outside director and who is not appointed by Dentsu Group Inc.

Cooperation in Management Autonomy and Maintaining Listing

- Even after the execution of various transactions associated with the capital and business alliance, the Dentsu Group shall respect our autonomy, act in such a manner as not to violate the delisting standards to maintain our listing, and cooperate with us to a reasonable extent.

Handling of Shares

- Dentsu Group Inc. will not acquire any additional shares of our stock without obtaining our prior written approval.

Stakeholder Engagement 04

Message from an Outside Director



Etsuko Okajima
Outside Director

The Board of Directors' long-term vision for the Septeni Group

The discussion at the executive training session last fiscal year about the Septeni Group's fundamental long-term corporate value brought up key concepts ranging from technology that empowers people and technology that enables data-driven organizational development to a business structure linking 2B and 2C, combining art and science, emotional management, emotional intelligence, and *nameraka** relationship between our people and organization.

The Septeni Group boldly delegates authority over business execution to Group Executive Officers, and the Board of Directors discusses medium- and long-term strategic issues in areas related to the above concepts.

*The Japanese word *nameraka* means a harmonious state without friction and barriers.

The Septeni Group's pursuit of a *nameraka* future

Septeni maintains an excellent balance of “credibility and independence” among its board members by complementing the regular Board of Director meetings with executive sessions for exclusive discussions between the outside directors and outside corporate auditors and an annual executive training session. The directors each contribute their expertise and knowledge, and some of the discussions have been quite heated, such as when we talked about the balance of long-term investment in human capital and the pursuit of short-term performance targets or discussed the business portfolio strategy. The discussions often progress well beyond what I've experienced at other companies, and there are many examples where the thoroughness of a discussion dovetailed into a *nameraka* path to the solution. I truly believe the level of effectiveness of the Board of Directors is unparalleled.

One of the items on the board's discussion agenda was the Group vision, which we revised and then adopted in fiscal 2022. Creative input was provided from various perspectives, such as about what the ideal system of philosophy should be and whether the wording was emotionally appealing to each stakeholder. We talked in depth about the kind of worldview that we should have and the kind of value the Company should be providing to the people, organizations, and society that are our stakeholders. I believe those discussions are what led to a new vision that each board member can truly get enthusiastic about. I also think that this is another example Septeni's co-creation, with the Board of Directors itself

demonstrating it, and also an example of progressive corporate leadership with an innovation-oriented board that leads to growth in new directions.

The Septeni Group Board of Directors' view of the future

As the Group has progressed through growth stages, the Board of Directors has gone through an evolutionary process from a board focused on management to focuses on providing advisory and monitoring functions. As we look to the future, the board will have to become even more advanced so it can develop and lead with an innovative mindset. Our Board of Directors consists of a majority of outside directors who are management professionals with diverse expertise and experience. Even analyzing the board's personality matrix using the Company's Five Factors & Stress (FFS) theory that is incorporated into its AI-based personnel system, the board members have an extremely good balance for both risk management and creating the Septeni Group's future.

The Septeni Group Board of Directors is accelerating efforts to achieve its 10X growth plan by actively working to improve its ability to apply its collective intelligence for co-creation and to make swift and timely decisions. We intend to further update our core competencies so we can formulate a well-balanced portfolio strategy, use technologies to continue refining our data-driven organizational capabilities, and develop a robust risk management system to support our business endeavors. We appreciate your support as we seek to engage in constructive dialogue with all of our stakeholders.

Corporate Profile

Company Overview

Please visit the following websites for information about our businesses and Group companies.



Company Overview

<https://www.septeni-holdings.co.jp/en/company/overview.html>



Business Segments & Group Companies

<https://www.septeni-holdings.co.jp/en/business/>

Board of Directors' & Executive Officers' Personality Matrix

Here are the links to the results of the analysis of the characteristics of members of Board of Directors and Executive Officers, based on the FFS (Five Factors & Stress) theory which we have introduced into the company's AI-based HR systems and other human resource management systems.



Board of Directors' & Executive Officers' Personality Matrix

<https://www.septeni-holdings.co.jp/en/company/governance.html>

(Reference) Please visit the website below for a brief biography, responsibilities, and status of each officer.

<https://www.septeni-holdings.co.jp/en/company/boardmembers/>

Consolidated Financial & Non-Financial Information

Please visit the following websites for our financial and performance highlights and ESG data.



Consolidated Performance Highlights

<https://www.septeni-holdings.co.jp/en/ir/finance/highlights.html>



Review of Full-Year Financial Results

<https://www.septeni-holdings.co.jp/en/ir/finance/review.html>



ESG Information

<https://www.septeni-holdings.co.jp/en/ir/esg.html>

Stock Information

Please visit the following websites for the latest status of our stock and our dividend policy and other information.



Stock Price Information

<https://www.septeni-holdings.co.jp/en/ir/stock/price.html>



General Stock Information

<https://www.septeni-holdings.co.jp/en/ir/stock/information.html>



Dividend Policy

<https://www.septeni-holdings.co.jp/en/ir/stock/dividend.html>



General Meetings of Shareholders

<https://www.septeni-holdings.co.jp/en/ir/stock/shareholders/index.html>



Analyst Coverage

<https://www.septeni-holdings.co.jp/en/ir/stock/analyst.html>



SEPTENI HOLDINGS CO., LTD.

<https://www.septeni-holdings.co.jp/en/>

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