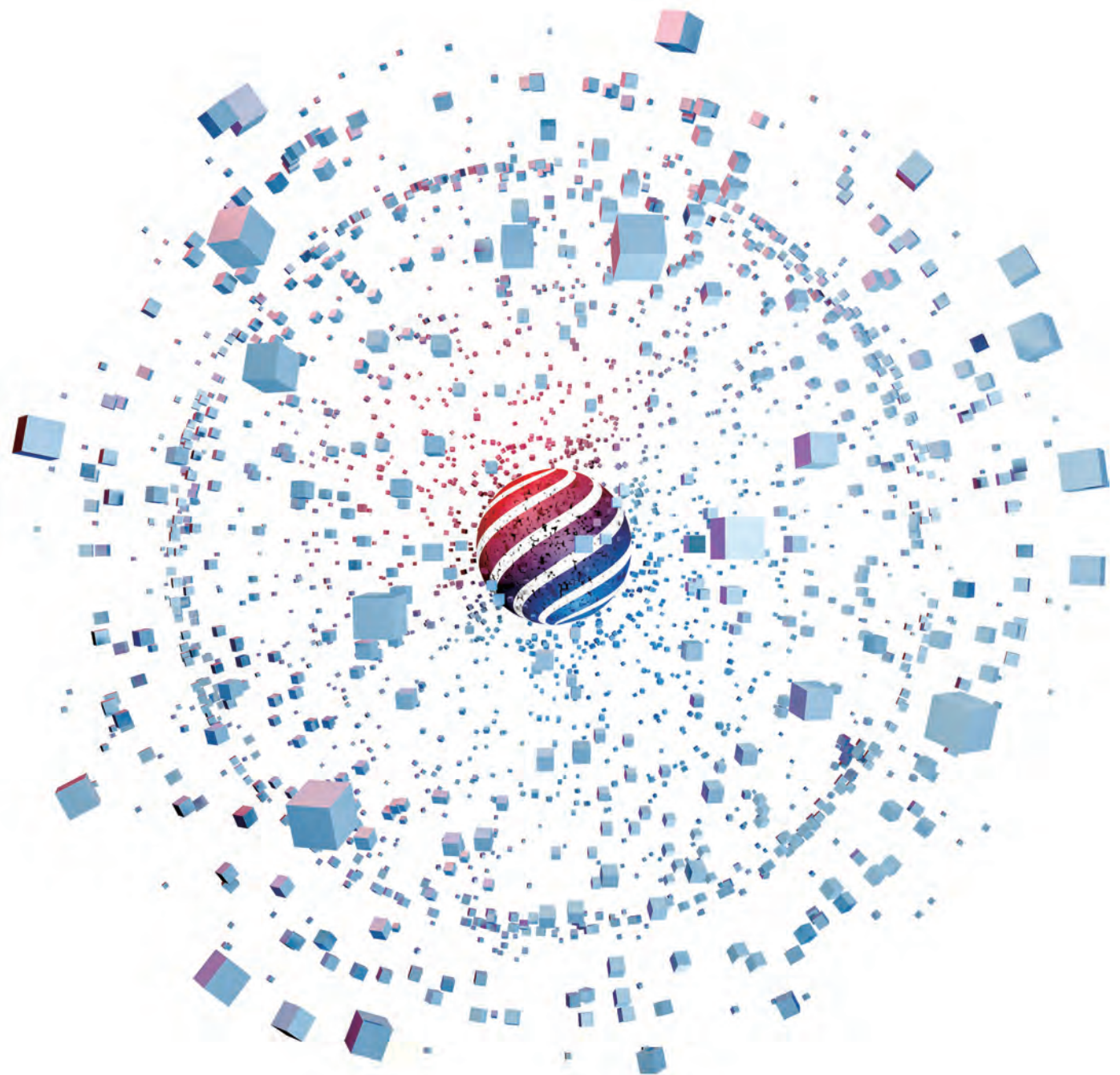


Know today, Power tomorrow

Integrated Report

INTAGE GROUP REPORT 2024



Entering the **Next stage** of marketing research

The INTAGE Group was founded in 1960 as Marketing Intelligence Corporation (MIC). Panel surveys, which we launched in the early days after our founding, continue to grow at present as our core products while expanding target industries, services, and the areas they serve. We have thus established a solid position as a marketing research company in Japan.

Developments such as the remarkable progress of information technologies and the utilization of big data and AI have also brought about remarkable changes to consumers. Amid these major shifts in the operating environment, the INTAGE Group's businesses have continued to involve ceaseless renewals of products and services and challenges taken continuously in new business areas, so as to respond to customers' changes.

In October 2023, we formed a capital and business alliance with NTT DOCOMO, INC. With the continued extension of data, generation of value from data, and data structuring, we will accelerate initiatives to help customers solve their issues and make full-scale entries into the areas of our marketing activities, which are not limited to research.

With these efforts, we will continue growing in the area of data utilization, aiming to evolve from our customers' research/insight partner into their marketing partner.



PART 1 INTRODUCTION

- P01 CONTENTS
- P03 THE PATH WE HAVE FOLLOWED / THE STRENGTHS WE HAVE DEVELOPED
- P05 OUR CURRENT STATUS

PART 2 FUTURE OF THE INTAGE GROUP

- P07 **MANAGEMENT MESSAGE**
Yoshiya Nishi, President and Representative Director
- P11 OUR BUSINESS MODEL

PART 3 THE FUTURE WE ENVISAGE

- P13 TOWARD 2030 /
14TH MEDIUM-TERM
MANAGEMENT PLAN /
FY2024 BUSINESS PLAN
- P15 **CFO MESSAGE**
Toru Takeuchi, Director, CFO in charge
of Corporate Management
- P17 SYNERGIES WITH DOCOMO
- P19 **FEATURE**
**INFORMATION STRATEGY
CIO MESSAGE**
Kazuko Sakai Executive Officer and CIO
in charge of Business Intelligence and
President and Representative Director of
INTAGE TECHNOSPHERE Inc.
- P21 INTAGE GROUP BUSINESS
AREAS

PART 4 SUSTAINABILITY

- P23 **SUSTAINABILITY**
RESOLVING SOCIAL ISSUES
THROUGH OUR BUSINESS
ACTIVITIES
- P25
- P27 ENVIRONMENT
- P29 HUMAN RESOURCES
STRATEGY
- P31 BOARD OF DIRECTORS
- P33 CORPORATE GOVERNANCE

PART 5 DATA SECTION

- P39 FINANCIAL AND NON-FINANCIAL HIGHLIGHTS FOR THE PAST 10 YEARS
- P41 FINANCIAL STATEMENTS
- P44 CORPORATE PROFILE

INTAGE HOLDINGS Inc.'s website
www.intageholdings.co.jp/english/

Editorial Policy

We publish this report for the purpose of comprehensively communicating to our stakeholders the approach and initiatives we take for the medium- to long-term enhancement of the INTAGE Group's corporate value and for deepening mutual understanding through dialogue. In this INTAGE GROUP REPORT 2024, we introduce the Group's framework and milestones. At the same time, we place emphasis on gaining our stakeholders' understanding and support for the future we aspire to create, including the new president and the synergy with DOCOMO, which became our parent company.

Forward-looking Statements

This report contains forward-looking statements concerning the business and future prospects of the INTAGE Group. These statements reflect the information currently available and the Group's current analysis of various trends. Moreover, forward-looking statements are based on the INTAGE Group's assumptions and judgments made in light of currently available information; they contain known and unknown risks, uncertainties and other factors, and may be influenced by these factors. Accordingly, actual performance may differ from the current outlook.

THE PATH WE HAVE FOLLOWED / THE STRENGTHS WE HAVE DEVELOPED

1960

▶ The Founding Marketing Intelligence Corporation (MIC)

In those days, the universal health insurance system had yet to be introduced. Illnesses and injuries were often treated with over-the-counter (OTC) drugs, so OTC drugs purchased by consumers at pharmacies and drug shops occupied a central position among pharmaceuticals. Distribution in Japan involves the wholesaling function, which creates a large gap between shipments from manufacturers and actual demand from final consumers. Consequently, pharmaceutical manufacturers needed to know sales (actual demand) at retail stores. Under these circumstances, the establishment of an institution specializing in regular fact-finding surveys of the OTC drug market was planned, and this resulted in the establishment of Marketing Intelligence Corporation (MIC) in March 1960. Panel surveys, which are the INTAGE Group's main service and which continue to support the marketing activities of many manufacturers at present, were launched at that time. While the majority of research firms at that time mostly conducted one-shot market surveys or opinion surveys, MIC had sought since its founding to change the social system through information services. As a marketing research firm, it attached importance to impartiality, public and social interest to uncover facts about markets objectively and gain broad trust from society. This approach of giving top priority to a neutral stance still forms the foundation of our business today.



Denzuin Building, which was used as the head office at the time of our founding

1960

1970

1980

2000

2001

▶ From Marketing Intelligence Corporation to INTAGE

In April 2001, we renamed the company INTAGE, saying goodbye to the name, Marketing Intelligence Corporation, which had been familiar to us for many years. As a species, humans have experienced remarkable evolution since the Stone Age. Now, our future depends on how we leverage the wisdom of humanity. The coming 21st century was expected to be the Intelligence Age, so we adopted the name, INTAGE, with our great ambition to initiate and lead the new age.

Thereafter, INTAGE continued to grow based on its understanding of consumers. In 2008, INTAGE was ranked among the top ten* marketing research firms in the world in the Top 25 Global Research Companies 2008, which was announced in a journal of the American Marketing Association (AMA). We have moved to a holding company structure, and we are now called the INTAGE Group, having many affiliated companies as a result of the aggressive expansion of business areas and overseas expansion. However, we maintain our intention to continue supporting our customers' marketing activities with our solutions, including panel surveys that we have been running since our foundation, and to change the social system through information services.



*Source: AMA, Marketing News, August 30, 2009

A sign showing the new company name that was put up at Hibarigaoka Headquarters (now known as Hibarigaoka Office)

▶ History of attempts and failures

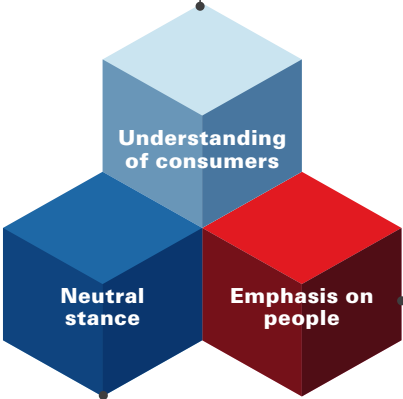
Since our founding, we have attempted a number of businesses other than our core marketing research business. They included businesses planned with the intention to expand existing operations, as well as businesses we worked on to open up completely new areas. Some businesses have continued to the present day in different names or forms while others just taught us lessons and disappeared. Among our new business initiatives, those that were unsuccessful far outnumbered those that were successful. It is not wrong to say that the history of the INTAGE Group is a history of attempts and failures. Many of our initiatives stemmed from our passion to understand consumers, and we can say it was this passion that led to the development of our corporate culture of reading trends of the times and continuing to take on new challenges to change society.



We launched the distribution business in 1971 to modernize the pharmaceutical distribution process, which involved many issues in those days. However, we were forced to withdraw from this business after four years.

Since the founding of Marketing Intelligence Corporation in 1960, we have been supporting customers' marketing activities by reading changes in the times and expanding and evolving various businesses that enable us to learn more about consumers. We can say that the reason why many customers rely on us is that we constantly check market movements and have continued to provide valuable information that helps companies understand consumers' perspectives.

Since our founding, we have continued our efforts to understand the market with a neutral stance, without being biased toward specific industries or companies. This has enabled us to build relationships, under which consumers and our partner companies provide us with various data, the source of the INTAGE Group's corporate value. A neutral stance is essential for defining what the INTAGE Group is.



In our environment, there are no gender differences in employment and treatment, and men and women work on an equal footing as a matter of course. The active participation of women naturally became a reality at an early stage. We also respect diverse values under our diversity policy, driving the development of workplace environment where anyone can continue to enjoy working energetically. The INTAGE Group is supported by our policy of emphasizing people, something that has remained unchanged since our foundation.

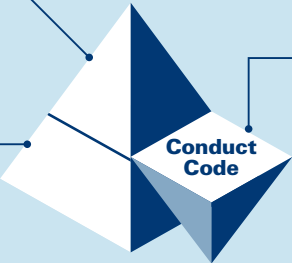
What we have kept unchanged
Our DNA

GROUP VISION
THE INTAGE GROUP WAY

Know today, Power tomorrow

We connect our customers to their customers,
to create a prosperous society of limitless possibilities.

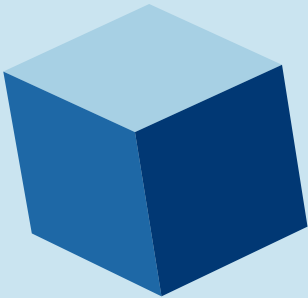
Group Companies
Vision and Philosophy



- 1 Deliver the best.
- 2 Focus on quality.
- 3 Be responsible.
- 4 Be flexible.
- 5 Enjoy challenges.

2010

2020





OUR CURRENT STATUS

At the INTAGE Group, we collect data that support consumers. Based on a wealth of data, among the largest by volume in Japan, we lead marketing activities in Japan and abroad with our outstanding analytical and handling capabilities.

Foundation supporting our understanding of consumers

53,600
people

SCI® (Nationwide Consumer Panel Survey)

Daily shopping data continually collected from nationwide male and female consumers between the ages of 15 and 79

3.38 As of June 30, 2024
million

CODE members

App to collect consumer data through receipts

6,000
stores

SRI+® (Nationwide Retail Store Panel Survey)

Retail store sales data collected from supermarkets and other retail stores across Japan

4.99 million
television sets

Smart TV viewing data

Smart TV viewing log data collected from Internet-connected televisions

30,000
people

i-SSP® (INTAGE Single Source Panel)

Data collected on media contact and purchasing behavior under a cross-media environment

4,200 As of October 31, 2024
stores

Cross Fact (dispensing pharmacy)

Database for analyses integrating social insurance, dispensing, and DPC* data

*DPC stands for Diagnosis Procedure Combination. It is a system for calculating hospitalization expenses per day in such a way that they will be lower. The DPC data mentioned herein refers to data on drugs used under DPC.

3.43 As of November 2024
million people

Mighty Monitor®

The largest Internet-based survey monitor panel in the marketing research industry

*Number of monitors that participated in research or updated their profile data within the last year

62,000

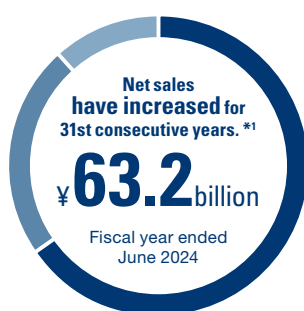
Physicians as monitors

Membership base exclusively for physicians for market research as the main purpose

Net sales
No.1 in Asia
among
marketing research companies

*Based on ESOMAR's Global Top-50 Insights Companies 2024 (in terms of the Group's consolidated net sales)

Our current status



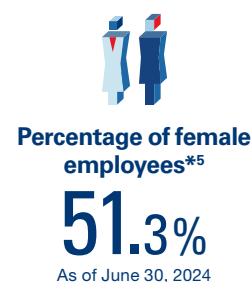
Learn more about our business here [P.21](#) 



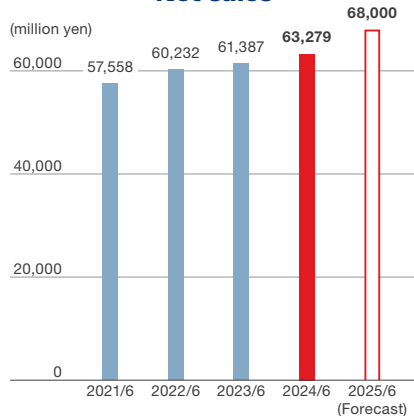
**Overseas
expansion*4**

9
countries

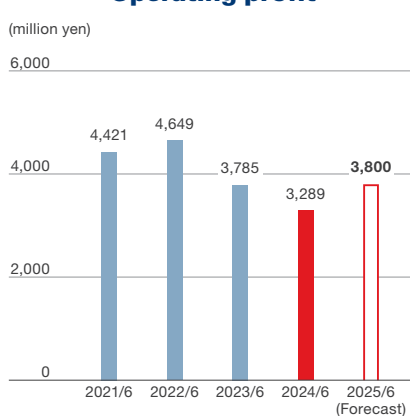
As of June 30, 2024



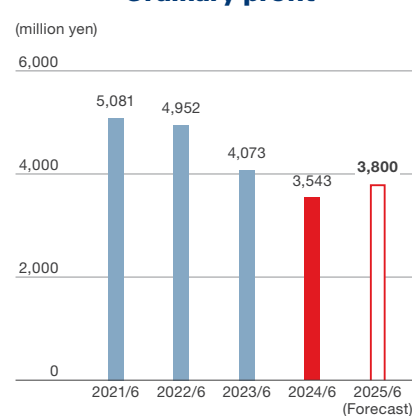
Net sales



Operating profit



Ordinary profit



*1 In the fiscal year ended June 2020, due to the irregular 15-month accounting period due to a change to the fiscal year, for the period from April 2019 to March 2020 net sales of ¥56,204 million, operating profit of ¥4,554 million and ordinary profit of ¥4,600 million are used.

*2 Number of companies posting sales in the fiscal year ended June 2024 (excluding KYOWA KIKAKU LTD., Buildsystem Co., Ltd., NSK Co., Ltd., Research and Innovation Co., Ltd., and the business partners of overseas Group companies)

*3 Number of customers with annual (routine) contracts for panel surveys (SRI+® / SCI®) provided by INTAGE Inc. and INTAGE Healthcare Inc.

*4 Sites operated in China, South Korea, Thailand, Vietnam, India, Singapore, Indonesia, the Philippines and the United States.

*5 Percentage of employees who are women at domestic consolidated subsidiaries

MANAGEMENT MESSAGE

President and
Representative Director
Yoshiya Nishi

T

Changing the style of the business with a commitment to social impact, profit, and enjoyment

My name is Yoshiya Nishi. I became the President and Representative Director in July 2024. Since 2000, three consecutive people that joined the company as new graduates have held the top position at the INTAGE Group. I am the first president who came from an acquired company. In this sense, my background may be unprecedented in our history. I formerly belonged to a small company that I established with my colleagues. Since it was acquired by the INTAGE Group, I have been consistently committed to taking on challenges, aiming to achieve things that the small company couldn't achieve and do a job which will impact society by using the wealth of resources and capital of the INTAGE Group. I am very excited to accept this big role at a time when consumers' lifestyles are becoming more diverse and society is about to undergo major change.

Management emphasizing diversity and harnessing individuality

I spent my early childhood in the United States and returned to Japan at the age of nine unable to speak Japanese at all. What bewildered me more at that time than the language barrier was the cultural difference. Unlike education in Japan, which reinforces homogeneity, education in the United States was oriented to harnessing individuality based on the idea that you should increase the things you are good at because everyone was born different. I vividly remember that I was shocked by this difference as a young child. My underlying ideas are that individuality should be harnessed and that people are good in different ways. I learned this in the United States. As the manager leading the Group, I will pursue a management style in which we leverage people's individuality so that they will achieve personal development, and consequently, the entire company will achieve growth. Emphasizing diversity is my first commitment.

Shifting to management that is committed to profit

Another thing I have continued to be committed to is profit. I was also committed to profit when I was the president of a Group company. This does not mean making profit by

significantly reducing costs. I am committed to providing great value and receiving appropriate compensation that measures up to the value we provide. The competition in our industry is intense. If you focus on immediate profit, you tend to offer a price which is lower than the value you provide. We are confident about our services and are strongly committed to the quality of our services. On the other hand, I feel that our commitment to prices has been weak. Profit will differ completely depending on whether we are aware of the value we provide and the appropriate price for that value. We will shift to management that has a greater commitment to profit than it had previously.

Becoming a company which impacts society in good ways.

We are one of the companies with the greatest amount of information (data) that can be used for marketing in Japan. We can use our ideas and knowledge to turn this information into great value. Data-driven management used to formulate strategies and make decisions is based on data. It is essential in an era when digitalization is progressing, consumers' ways of thinking are becoming more diverse, and businesses are evolving speedily. Taking advantage of being in this position, we will continue to turn the information that we possess into value to become a company which can continue to impact society in good ways.

Increasing the number of employees who enjoy working

Our company does not have a physical plant. The services that we provide were all created by people. I think that unless we ourselves, the people who create services and value, enjoy working, our output will not be good and customers will sense that. If we are going to do our jobs anyway, customers and co-workers would prefer to deal with people who enjoy working. While views of work and values have been changing, I think that increasing the number of employees who have job satisfaction and find work enjoyable is also important for impacting society in good ways. I would like to increase the number of employees who enjoy working.

Listening to the opinions of the people working on the front lines and leveraging these opinions when making decisions

Going forward, I will implement various reforms and improvements as the top manager of the Group. When working on these, I would like to value the opinions of the people working on the front lines. While people in management positions consider measures based on various information and analyses, I believe that many answers to the roots of problems are found on the front lines. When we take measures to solve an issue or problem, we must ask the people on the front lines what the root of the problem is. If we do not, we may implement the wrong measures. I have already begun to hold townhall meetings, and I plan to visit all of our offices in Japan and other countries. I would like to increase this dialogue with the people on the front lines, gain a good understanding of what is happening there, and use this information when making management decisions.

Aiming to increase net sales twofold and profit fourfold by 2030

We have announced our long-term vision, whose goal is 2030. The qualitative target is to continue to be a company that contributes to the realization of a convenient and affluent society free from social loss, and aim for business growth in proportion to our contribution to solving business and social issues. Society is undergoing a major change now. We will take the time like this as an opportunity, make investments, change our business style, and solve the issues that society and customers face. I put my passion into this message, that we should make a leap forward from the existing framework rather than following the same path as before. To do this, we need to change our mindset and think more deeply. I think that our mission is to function as our customers' business partner when they tell us their problems or request things from us, asking how they should respond to the changes of the times or telling us that to change they need evidence. The changes of the times are opportunities to demonstrate the value of data. We have the potential to achieve significant growth by translating opportunities into achievements. In numerical terms, I envision our achievement of net sales of 130.0 to 150.0 billion yen, which is about double the results in FY2022. (CAGR*1 at 10% to 12%), operating profit of 15.0 billion yen, which is four times higher than in FY2022, and return on equity (ROE) of 12% or higher. How should we seize this great opportunity and act while carefully thinking about what we should do? All of us at the INTAGE Group will work together to realize our desire to look ahead and continue growing.

Eliminating the invisible boundaries between Group companies

As I mentioned above, it is extremely difficult to achieve our long-term vision if we continue to follow the same path



we have been on. The key to the achievement of our long-term vision is the All INTAGE idea. Since we transitioned to a holding company structure, we have been increasing the things that we can do (our functions) and the number of colleagues that we have through M&A activities. To date, we have continued to develop the Group by ensuring the independence of the individual companies' functions and expanding their scale. However, to create new opportunities in these significantly changing times, greater comprehensive strength will be necessary because the key points for businesses that we handle are complicated. At present, as many as 28 operating companies belong to the INTAGE Group. Each company has been aiming to achieve its own growth. To compete on comprehensive strength, however, I think we should also consider changing the entire organization so that we can cooperate in businesses and functions beyond the boundaries between companies. I think that having all of the Group companies work as one to solve the issues faced by customers is a major task that we have to do to achieve our vision, and how we do this is an issue that we should address. I will eliminate the invisible boundaries between Group companies and build a structure that enables them to work as one and a culture that promotes this.

Accelerating growth through synergy with DOCOMO

Another key to our achievement of the vision is the synergy with NTT DOCOMO, INC. (hereafter, "DOCOMO"), with which we have formed a capital and business alliance. Before the increase in the diversity of consumers' values and lifestyles, companies' marketing activities were based on rough targeting and produced a certain degree of effect through what is called mass advertising. However, because the diversity of consumers has increased, it is becoming difficult to respond to their needs using conventional methods. Our collaborations with DOCOMO have the potential to overcome this issue. DOCOMO has a membership base of more than approximately 100 million people.*2 We will create value from data obtained from one of the largest membership bases in Japan, which will enable us to take approaches suited to the increasingly diverse values and lifestyles of consumers. We will be able to learn information on an individual basis, for example, that consumers with a specific profile may potentially purchase a specific product. This alone is a great evolution of marketing, but it is nothing more than saying to our customers that we have analyzed the data to this point, so the rest is up to them. This is not still helpful enough for customers. By teaming up with DOCOMO, we will have access to information about the purchasing behaviors of a huge number of consumers, which will enable us to provide them with highly satisfactory options in their daily purchasing activities and provide ads that they will not

find obnoxious. I believe that this will lead us to support consumers through our business and that this will eventually lead to the realization of a prosperous society of limitless possibilities, which is the INTAGE Group's vision. In the medium to long term, we aim to serve our customers in the entire process from surveys to actual purchases, by targeting more than 100 million consumers. At the INTAGE Group, we already had a similar vision when we leaped forward from the research firm realm into new areas to achieve further growth. Through the business and capital alliance with DOCOMO, we have made strides towards the achievement of our vision. I think that the rest will depend on how far we can stretch our imagination and come up with ideas. Our members, who have a wealth of ideas, are excited to be free to handle this rich trove of data. We have already begun collaborating on new businesses. We have started operating new organizations that consist of tens of employees from both companies, including employees on loan to each other. Employees also have high hopes for the possibilities of the new themes and initiatives with DOCOMO.

Aiming for net sales of 15.0 billion yen or more through collaborations with DOCOMO

After we announced the alliance, the quality of our dialogue with our customers changed. Previously, the content of inquiries and consultations were limited to matters related to our business domains. After the announcement, however, the number of consultations about customers' issues related to management and their businesses themselves began to increase. This change is very important. I believe it reflects customers' expectation that the issues they have given up on addressing may be solved if they consult INTAGE. For us, this means increasing the number of opportunities to learn about the latest management issues and business challenges, and new ideas may emerge from our discussions with our customers.

Regarding the impact of the collaborations with DOCOMO on our financial results, we aim to have created businesses to increase net sales 15.0 billion yen or more and increase operating profit 2.0 billion yen or more by FY2027.

The environment will change and further facilitate investment.

Our team-up with DOCOMO has great potential to create completely new things. When considering our growth in the future, we find that there are some parts missing. There is the idea that we should fill these voids on our own. However, there are many companies that excel in specific areas. Having these companies join us will naturally emerge as an option. In the last several years, we have been investing in the renewal of the Nationwide Consumer Panel Survey (SCI), our core product, and in the development of the CX Marketing Platform*3 that utilizes SCI. At present, the old and new version of the SCI are being operated in parallel. In the fiscal year ending June 30, 2026, however, only the

new SCI will be in operation, which means lower costs. Therefore, I expect that the new environment will further facilitate investments.

Focusing on profit-oriented management

In the fiscal year ended June 2024, net sales were 63,279 million yen, operating profit stood at 3,289 million yen, and ROE was 7.8%. While net sales increased 1,892 million yen, profit decreased 495 million yen, mainly reflecting the posting of expenses related to the capital and business alliance with DOCOMO in addition to increases in personnel expenses and investments. In the fiscal year ending June 30, 2025, we would like to achieve the growth of sales and profit by advancing measures, such as the reinforcement of the integrated production and sales system, the increase of prices so that they are appropriate for the value of our services and the development of businesses with DOCOMO, and by focusing on profit-oriented management.

(Millions of yen)

	FY2023/6 (actual)	FY2024/6 (actual)	FY2025/6 (forecast)
Net sales	61,387	63,279	68,000
Operating profit	3,785	3,289	3,800

Please look forward to the future activities of the INTAGE Group.

I have been engaged in businesses in the area of healthcare for 30 years. I believe what makes us unique is that we work in the fields of both healthcare and consumer goods and services. Many people have a desire to remain in good health, although the strength of the desire may be different between the different generations of people. The movement of people, the sale of goods and the vitality of the economy are based on good health. Actually, these two fields are closely related to each other. Japan is a global forerunner in terms of the aging of society, and the needs emerging here are highly likely to later emerge in many other countries in the same way. The data we will accumulate in Japan and our insight into this data have the potential to be useful around the world. While continuing to be committed to impacting society, profit, and enjoyment, and continuing to sincerely work on technologies and data, I will change our business style by sensing global trends. How will the world change? Please also keep this in mind as you look forward to our future activities.

*1 CAGR: Compound Annual Growth Rate. It is the geometric mean of the annual net sales and other growth rates in a certain period. It indicates how much growth was achieved on average in each year of a specific period.

*2 As of September 2024

*3 CX Marketing Platform: During the INTAGE Group's 14th Medium-Term Management Plan, we have been working to redesign the SCI (Nationwide Consumer Panel Survey), one of the panel surveys that are the core products of the INTAGE Group. By harnessing the revamped data using data from the CODE shopping app operated by Research and Innovation Co., Ltd., we are building a platform that will help our corporate clients improve the customer experience (CX).

OUR BUSINESS MODEL

Contributing to corporate growth and the lives of consumers by utilizing data from consumer perspective

We collect, analyze and process a wide array of data, impart it with insight based on the INTAGE Group's unique understanding of consumers, and deliver it to our customers. Then, better goods and services are returned to society through our customers, contributing to a positive cycle.

OUR PURPOSE

Create a prosperous society of limitless possibilities

Since our founding, we have remained cognizant of our role as a public institution of society, continuing our business with an adherence to objectivity, neutrality and social responsibility.

As a company handling a wide array of data, we emphasize the need to earn the trust of all stakeholders while balancing business implementation with improvements to the foundations that support it. We also take pride in our role as a public institution of society, and strive to further enhance our corporate value through an interplay of mutual identification, trust, job fulfillment, pride and expectation.

Declaration to Achieve the SDGs

The INTAGE Group will contribute to the realization of a healthy, sustainable society through our efforts to maintain the data utilization environment, and to ceaselessly improve data utilization values that connect the viewpoints of our customers with those of consumers.

CORPORATE CUSTOMERS

BETTER PRODUCTS AND SERVICES CUSTOMER EXPERIENCE

Expectations

REPRESENTATION OF MARKETS
INSIGHT INTELLIGENCE

The strength of the INTAGE Group

- > Industry-leading data collection and handling capabilities
- > Behavioral data supporting our understanding of consumers

360° understanding of consumers



Data activation

**SOCIETY/
CONSUMERS/
PATIENTS**

PARTICIPATION
IN SOCIETY

Empathy

**SURVEY
COLLABORATORS
DATA PROVIDERS/
COMPANIES**

Trust

ETHICAL
COMPLIANCE

**EMPLOYEES
PARTNERS**

**DOCOMO's
strengths**

- > One of the largest membership and customer bases in Japan

Number of d POINT
CLUB members

More than **100million**
As of September 30, 2024

Number of subscriptions
to mobile phone services

Over **90million**
As of September 30, 2024

- > Diverse data linked to each individual member and AI technology

Subscriber information

Age and gender
Place of residence
Birthday month
Hobbies and taste (questionnaire)
Family structure (questionnaire)
Household income (questionnaire)

Online behavior data

Search queries
News browsing history (dmenu, etc.)
App usage log
Information about payments to the carrier
Usage log of d market services
dmenu usage log

Offline behavior data

Location information (Wi-Fi)
Location information (base station)
Location information (GPS)
Information about the use of d POINT member stores
Information about the use of d Payment member stores
Purchase information (member stores with ID-POS linkage)

Profiling AI

**docomo
Sense**

TOWARD 2030 / 14TH MEDIUM-TERM MANAGEMENT PLAN / FY2024 BUSINESS PLAN

Everything we do is to create a prosperous society of limitless possibilities

Towards 2030

Our Vision for 2030

We will continue to be a company that contributes to the realization of a convenient and affluent society free from social loss, and aim for business growth in proportion to our contribution to solving business and social issues.

Net sales
...
¥130-150 billion
CAGR:10-12%

Operating profit
...
15 billion
Operating margin:10-12%

ROE
...
12%
or more

R&D expenses
...
Around 3%
of net sales

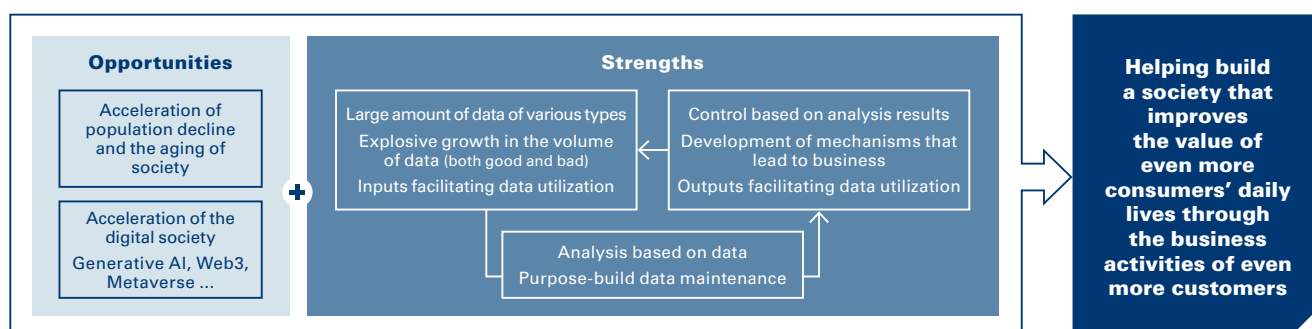
Business Environment and Opportunities for the INTAGE Group Toward 2030

Looking at the business environment in 2030, we expect digitalization to eliminate barriers between industries, and project labor shortages in society and a further business shift toward overseas markets due to the declining birthrate and aging population. The importance of data utilization is expected to rise considerably to address these changes in the market environment.

Based on the current vision and purpose, we believe that the social role of the INTAGE Group in 2030, which will evolve

in line with the changing market environment, will further expand, representing major opportunities.

The unwavering strength of the INTAGE Group cultivated for more than six decades since its founding has been the ability to collect, process and analyze information to give it value. We aim to leverage this strength to help realize a society in which as many consumers as possible experience improved value in their daily lives.



14th Medium-Term Management Plan (Fiscal Year Ending June 30, 2024 – Fiscal Year Ending June 30, 2026)

The INTAGE Group formulates medium-term management plans every three years, and announced its 14th Medium-Term Management Plan in August 2023.

Basic Policy

Toward a new portfolio as a Data+Technology company

Creation of new value

Priority Issues

- | | | | |
|---|---|--|---|
| 1 Group strategy
Expand demonstrations of business value with the 2030 vision as the goal | 2 Technology strategy
Continue to take on challenges with data utilization and DX support, crossing industrial boundaries | 3 Data strategy
Promote a data strategy that enhances the value of our own data even in the face of market changes | 4 Co-creation strategy
Promote Group co-creation supporting demonstrations of new value |
|---|---|--|---|

Non-financial Targets

Environment



➤ Reduce CO₂ emissions by 46%

2030 target compared with 2013 levels
 Set with reference to Japan's targets set under the Paris Agreement

➤ 100% renewable energy usage rate

2030 target
 Set with reference to Japan's targets set under the Paris Agreement

➤ Response to the TCFD recommendations

Assessing and managing the impact that climate change has on business

Social



➤ Engagement

Putting the vision into practice, experiencing growth, sense of achievement, psychological safety, culture encouraging challenges, etc.

➤ Value provided

Trust of clients, professionalism, productivity and added value, awareness of security and compliance, etc.

➤ Diversity

Gender composition, composition of general/executive staff, age group composition, percentage of mid-career hires, etc.

Governance



➤ Optimizing the composition of the Board of Directors

Improving effectiveness by clarifying the roles to be fulfilled by directors

➤ Ensuring thorough risk management

➤ Compliance with laws

FY2024 business plan

Basic Policy

- Synergy & Optimization -

Promoting synergy within the Group and optimizing core businesses

Expanding business domains

Optimizing the Group's management resources

CFO MESSAGE

Toru Takeuchi

Director, CFO in charge of
Corporate Management



Entering a new stage by accelerating synergy and optimization

Focusing on a management strategy of achieving corporate growth over the medium- and long-term

In the fiscal year ended June 2024, sales increased but profit declined mainly due to an increase in temporary expenses.

In the fiscal year ended June 2024, net sales increased year on year although the level was lower than planned, mainly due to the impact of some customers tightening their budgets. This was a result of mainstay panel surveys remaining firm and a recovery trend in the research business for consumer goods manufacturers and the healthcare field. However, profit declined year on year in part due to the impact of duplicate cost burdens attributed to the parallel operation of the old and new versions of SCI (Nationwide Consumer Panel Survey). This is associated with the renewal of SCI, which is an investment being made in anticipation of the expansion of operations in core businesses and for which we are implementing ongoing measures. The decline in profit is also attributed in part to a temporary increase in expenses related to the development of the CX Marketing Platform (see [P.10](#)) and the capital and business alliance with NTT DOCOMO, INC. (hereafter, “DOCOMO”).

However, we regard these to be temporary increases, and there are no problems regarding the INTAGE Group's actual earning power. The parallel operation of the old and new versions of SCI will end in March 2025, and only the new version of SCI will be operated thereafter, resulting in the elimination of the duplicate cost burden. We also expect

profit to grow in Marketing Support (Consumer Goods & Services), the main area where we demonstrate synergy with DOCOMO. We expect both sales and profit to grow in the fiscal year ending June 2025, partly reflecting the impact of the transfer of the company that took over the contract research organization (CRO) business which was spun off from INTAGE Healthcare Inc. to Alfresa Holdings Corporation.

Moving more hand-in-hand with stakeholders than ever before with the disclosure of the cost of capital and the payment of interim dividends

As an initiative to enhance corporate value over the medium and long term, we practice management that is conscious of the cost of capital and the profitability of capital. To enable our shareholders fully understand our current status and future, we have decided to additionally disclose the cost of capital, a figure we use internally. While we understand that the cost of shareholders' equity in the INTAGE Group has been between 5% and 8% in the last several years, we have conservatively adopted an 8% cost of capital which we use internally. Every year until the fiscal year ended June 2023, excluding the fiscal year ended June 2020, when our performance was affected by the COVID-19 pandemic, we achieved a return on equity (ROE) of 10-13%, exceeding the cost of shareholders' equity, and a price-book value

ratio (PBR) of 1.2 to 2.0. In the fiscal year ended June 2024, however, our ROE was 7.8%, almost the same as the cost of shareholders' equity, due to a temporary rise in related expenses including the expenses for the parallel operation of the old and new versions of SCI and the capital and business alliance with DOCOMO. We expect ROE to recover to the 11% level in the fiscal year ending June 2025, partly reflecting the reduction of the above temporary expenses and the gain on sale of the CRO business. We aim to maintain an ROE of around 12% in and after the fiscal year ending June 2026 by achieving the growth of profit through synergy with DOCOMO.

In addition, we will begin to pay interim dividends in the fiscal year ending June 2025. Previously, we paid dividends of surplus once a year due to the characteristics of our businesses, which feature net sales concentrated in March. We have decided to increase the number of opportunities to return profits to our shareholders, mainly because net sales have stabilized. Under the basic policy on the allocation of profits for the period of the 14th Medium-Term Management Plan, we will continue to pay progressive dividends, aiming for a consolidated dividend payout ratio of 50% and an ROE of 12% in the fiscal year ending June 2026, the final year of the plan.

Accelerating existing businesses and growth businesses through drastic reforms for optimal organizational management

Regarding our future management policy, it is important to optimize and maximize our achievements in both our existing and growth businesses, while maintaining a balance between the two. To support growth, we are reviewing our organizational management, improving our business management, and strengthening our financial capital strategy.

The INTAGE Group started with the business of INTAGE Inc., which is an operating company. It has since been expanding its business domains by increasing the number of subsidiaries it has. The larger an organization grows, the more difficult it becomes to make decisions promptly, making it impossible to act with agility. To avoid this, we have been spinning off companies and have enjoyed the benefits of this. This is how we have been achieving growth. On the other side of the coin, when a company is spun off, there is also an issue: the overlaps generated in both tangible and intangible aspects of business. For existing businesses, we will try to solve this issue by proactively consolidating overlapping functions within the Group and promoting DX in pursuit of comprehensive optimization, so that practice profit-oriented management. On the other hand, for the growth businesses that will be created through the capital and business alliance with DOCOMO and other initiatives, we will first approach customers proactively and increasing sales will be important. Further, in business management, we will try to achieve and accelerate growth using an internal index called base profit, with which we separately manage matters that temporarily impact operating profit, such as expenses in existing businesses, the cost of M&A activities and investments needed for business expansion, and expenses related to the synergy-driven businesses with DOCOMO. Through these initiatives, we will strengthen our financial management with an awareness of the

cost of shareholders' equity while also anticipating the initiatives to have an effect in the promotion of the reform of awareness within the Group. We will thus advance our management strategy through synergy and optimization.

The door to continued growth opened by synergy with DOCOMO

While maintaining the stable growth of existing businesses and continuing to invest, we have created a privileged environment that enables us to leverage the customer base and behavioral data possessed by DOCOMO thanks to our alliance with the company. This has enabled us, the INTAGE Group, to enter domains we were unable to access on our own. Once again, I am sure that the capital and business alliance with DOCOMO will increase the certainty of success in new business domains, open the door to continued growth, and greatly impact the INTAGE Group.

The INTAGE Group has entered a new stage towards the creation of new opportunities to demonstrate value. Please look forward to the INTAGE Group's activities in the future.

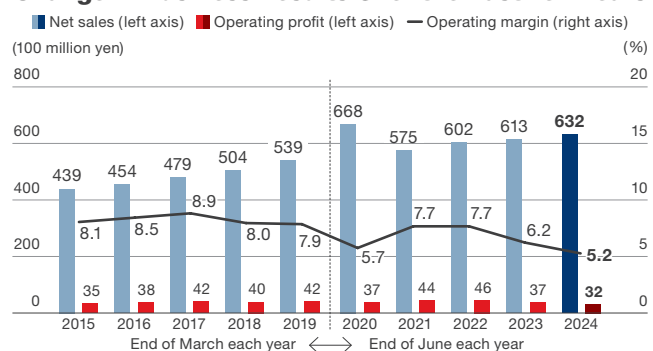
Basic Policy on Profit Allocation During the 14th Medium-Term Management Plan

Final year targets
(Fiscal year ending June 2026)

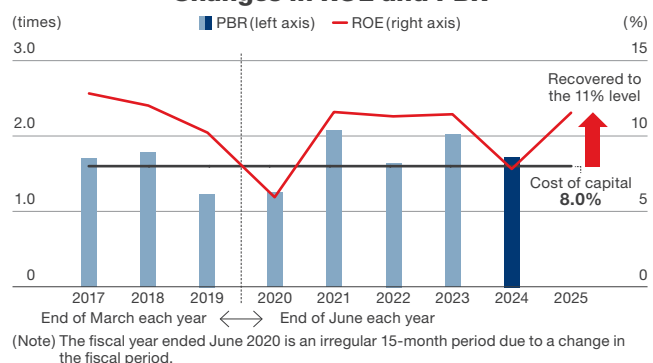
Dividend payout ratio 50%
ROE (Return on equity) 12%

Progressive dividend increases

Change in Business Results Over the Past Ten Years



Changes in ROE and PBR



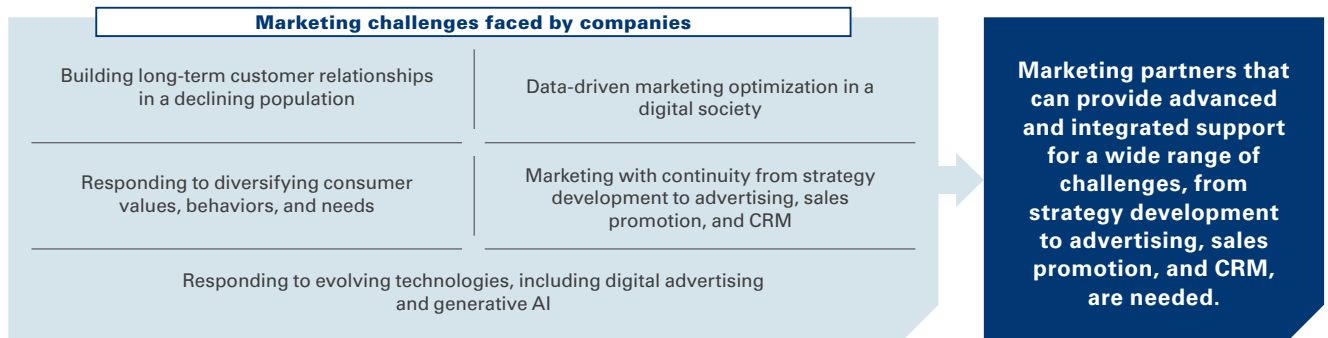


SYNERGIES WITH DOCOMO

We formed a capital and business alliance with DOCOMO in October 2023 and have since been advancing initiatives to create synergy with the company. We will evolve into a marketing partner of our customers, aiming to achieve continued corporate growth.

Increasingly complex marketing challenges faced by companies

The marketing challenges that companies face are growing more complex due to the changes in the social environment and technologies. This has led to demand for marketing partners that can provide advanced, integrated support.

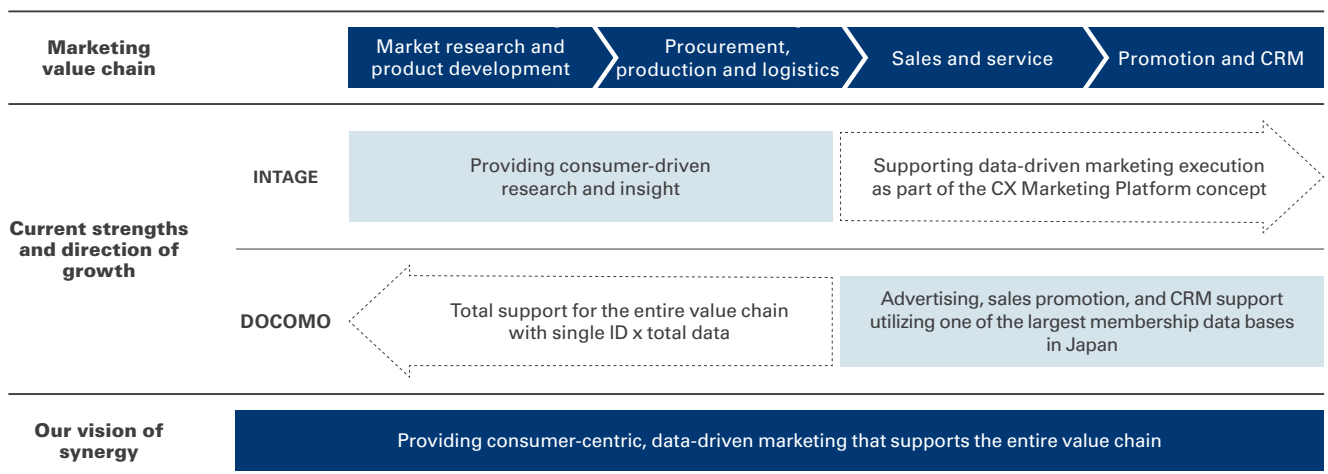


Direction of business growth through synergies with DOCOMO

We will work to achieve our full-scale entry into the marketing implementation domain, including advertising, sales promotion, and CRM, through the capital and business alliance with DOCOMO.

We aim to evolve from a research/insight partner into a marketing partner by developing data-driven marketing across the entire marketing value chain.

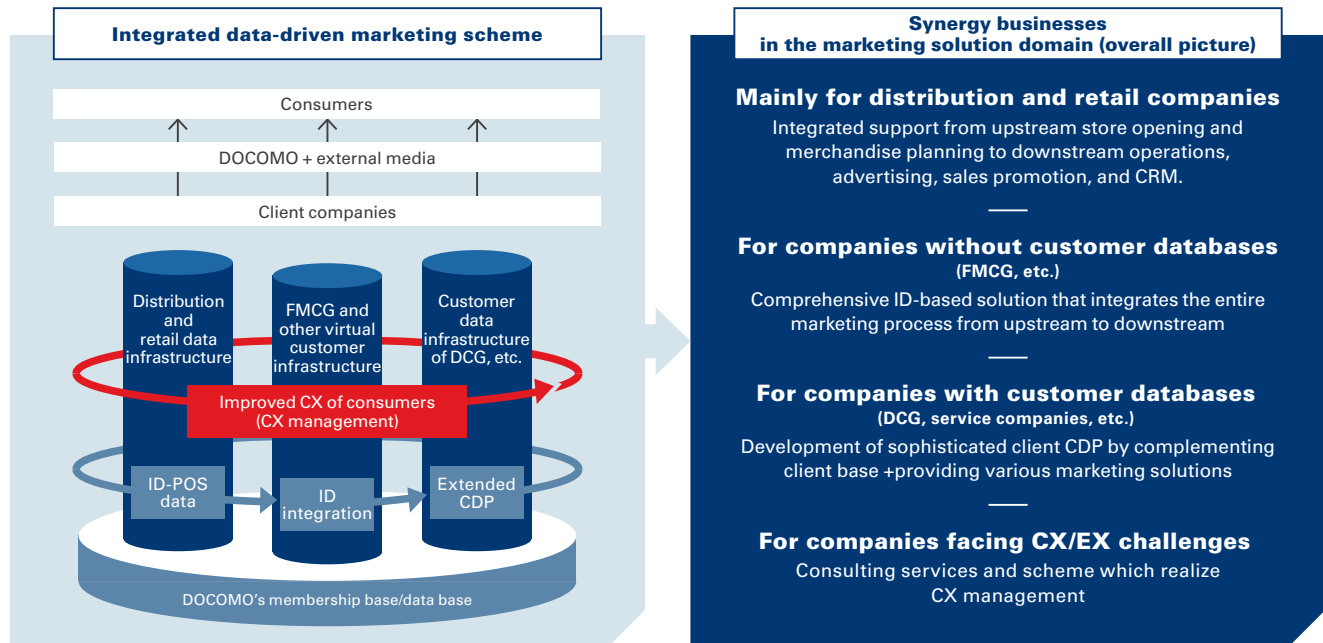
*CRM: An acronym for "Customer Relationship Management," describing the process of accurately ascertaining customer information for the purpose of maintaining and improving good relationships with customers in order to expand business.



Integrated data-driven marketing aiming to achieve through synergy

We aim to improve consumer experience value (CX) and LTV* by connecting DOCOMO's membership base to the data of the INTAGE Group and its clients, etc. and providing integrated data-driven marketing services that enable ID-based, consumer-centric marketing.

*LTV (Life Time Value): It is a metric that measures the profits a customer brings to a company in a long-term relationship that starts when they use a product or a service from the company for the first time.



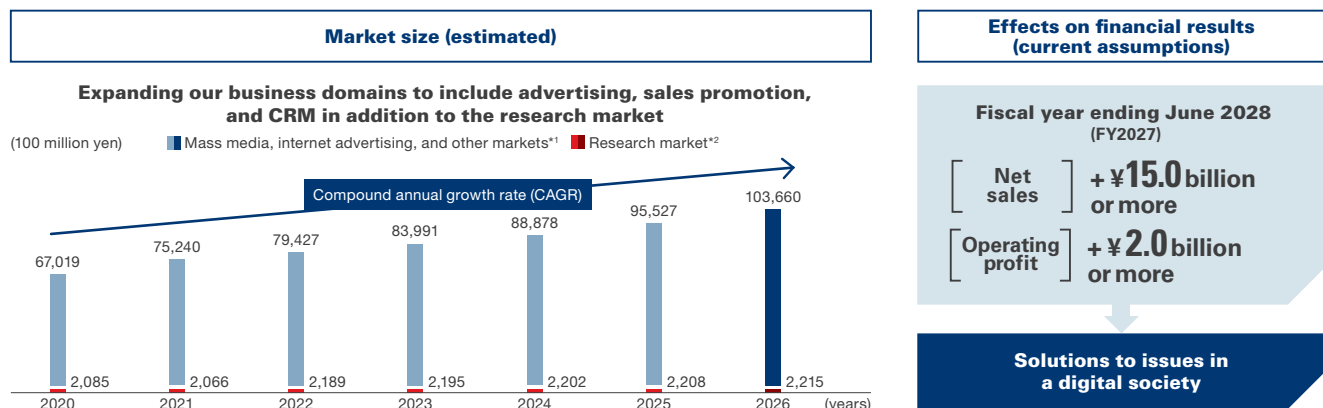
Effects of synergy on financial results

We expand our business domains beyond the research market, which has been our main area, to marketing implementation areas (advertising, sales promotion and CRM).

Regarding the effects of our collaborations with DOCOMO in the marketing solution area on our financial results, we aim

to have created businesses that will increase net sales 15.0 billion yen or more and increase operating profit 2.0 billion yen or more by FY2027.

We are also considering expanding our business through synergy with the DOCOMO Group in the areas of healthcare and DX, in addition to marketing solutions.



*¹ Based on the following calculations: (1) mass media, (2) internet advertising, (3) sales promotion media, (4) marketing DX, and (5) reward point market

(1) CAGR in 2026 was forecast based on actual results for 2019 to 2022 from Dentsu, 2022 Advertising Expenditures in Japan.

(2) CAGR in 2026 was forecast based on actual results for 2017 to 2022 from Dentsu, 2022 Advertising Expenditures in Japan.

(3) Figures for the period up to 2026 were forecast based on forecasts for 2018 to 2024 from the Survey of Size of Domestic O2O Advertising Market by CyberAgent.

(4) Common points were extracted from Yano Research Institute's Reward Points Services and Cards Market 2022 and used for forecasts for the period up to 2026.

*² Projected based on the growth rate for 2019 to 2022 from the Japan Marketing Research Association (JMRA)'s Survey on the Actual State of Management Operations

CIO MESSAGE

Accelerating the growth of business by enabling it to work effectively

Kazuko Sakai

Executive Officer and CIO in charge of Business Intelligence
President and Representative Director of INTAGE TECHNOSPHERE Inc.

The Business Intelligence segment of the INTAGE Group provides customers with system development and other solutions. At the same time, the segment supports the Group's businesses on the IT front. We interviewed Ms. Kazuko Sakai, who is the president of INTAGE TECHNOSPHERE Inc., the segment's core company. We asked her about the current status of the business, the challenges it is facing and her thoughts about organization building and career development.

**Q¹**

Please tell us about your roles currently.

As the Executive Officer and CIO of INTAGE Holdings, I oversee the Group's information strategy. At the same time, as the person in charge of Business Intelligence ("BI"), I am committed to customers' DX with a focus on the areas of data infrastructure and data utilization.

Unlike other IT companies, we have strengths in the area of data utilization. While other companies can also collect data and build data infrastructure, it is important to build an infrastructure with the goal of extracting really meaningful data from vast amounts of data. I believe that our advantage in the entire series of processes that includes data collection, cleansing, processing, aggregation and analysis is our data utilization capabilities based on our understanding of data.

We have begun to receive offers to collaborate from companies providing cloud-based platform services such as Snowflake Inc., indicating a certain degree of recognition of our capabilities.

Q²

Looking ahead to the future, in what areas do you feel we are facing challenges regarding the expansion of BI and the information strategy of the Group as a whole?

Regarding the expansion of BI, we will support and work together with customers in their implementation of DX. This point will remain unchanged. I believe, however, that we can acquire a wider array of customers and expand the business by improving the level of our solutions, including data integration infrastructure and data utilization, in addition to increasing our strengths in particular industries such as the travel and pharmaceutical industries.

To do this, we established the new Business Synergy Center this fiscal year and developed a policy of focusing our efforts on the construction of data infrastructure and data utilization. We have positioned the Business Synergy Center as an investment area and are establishing our DX solutions, aiming to increase the number of new customers. We would like to continue to achieve growth by transcending the framework of operating departments serving customers on an industry-by-industry basis, strengthening cooperation with our collaboration partners, and proactively proposing solutions, including data utilization, the strength of BI.

Securing human resources is also a challenge. Human resources specialized in project management, cloud computing, security, and other fields are essential for our future growth. In recent years, the mobility of human resources in the IT industry has increased, mainly reflecting the increase in wages. At present, we are focusing our efforts on recruiting workers mid-career, in addition to new graduates. We are advertising our advantages to IT engineers who are eager to do a wider variety of jobs. Those advantages include the expansion of the DX business with the aforementioned data utilization, the development of a wide range of careers, from careers programming applications to careers building infrastructure, the breadth of the jobs we do as a prime vendor, and our worker-friendly corporate culture and environment. We have begun to see a certain degree of achievement from these efforts. Having said that, in terms of absolute numbers, our human resources are insufficient. Therefore, we have begun to act to improve the security literacy and IT literacy of the Group as a whole in parallel with the above. We are working to enable Group employees to solve general IT-related issues on their own despite not being IT human resources. This will enable our IT human resources to work on operations with greater added

value and improve the level of our technologies. I also believe that improvement of the security and IT literacy of the Group as a whole is also a necessary measure for strengthening cyber security in response to the current environment.

Q³

You are also committed to improving the corporate value of INTAGE TECHNOSPHERE, where you are the president, and improving the value it provides, by leveraging its team members' capabilities based on the company's Vision, Infusing soul into data and inspiring the world. Could you tell us about this initiative?

The INTAGE TECHNOSPHERE Vision was created by employees and announced in 2020. It is important to ensure this Vision becomes entrenched throughout the organization, so we launched the Vision Entrenchment Project, which includes initiatives we implement every year.

I hear that, these days, an increasing number of employees are acting aggressively because the Vision has become entrenched. We have also begun to see young employees proactively communicating information internally and externally. Employees' recognizing the power of data utilization based on understanding data, which is expressed as "Infusing soul into data," leads to a natural increase in behaviors and events that can be seen as indicating loyalty to the company, and also to the provision of information outside the company. Recently, people outside the company have begun to express their alignment with our Vision. I am very happy about this. This series of activities accelerates information provision and standardization within the organization, further strengthens our culture of co-creation, and increase our competitiveness.



INTAGE TECHNOSPHERE Inc.'s vision

The most important thing is that employees associate what they want to do with the Vision. If they do not, they tend to work reluctantly or with a feeling that they are being forced to work. When employees' goals are consistent with the Vision it will speed up work and make it more enjoyable for them to take the initiative in their work. You can make decisions promptly when everyone is aligned.

Establishing an organizational culture such as this enables the self-directed development and training of human resources. Even if we don't teach employees everything from the basics, they can learn through joining in the organization, and will be able to adapt smoothly to it even if they were

hired mid-career. In this way, I would like the Vision to lead to the sustainable growth of the company and the entire organization.

Q⁴

You are active not only within the INTAGE Group but also in the IT industry and on a number of fronts partly because you are a woman who is a corporate officer. Could you also tell us about your activities outside the company?

From 2007 to 2008, when I was the General Manager of INTAGE's Personnel Affairs Division, I was engaged in activities such as the recommendation of the utilization of women that were members of the Japan Women's Innovative Network (J-Win) through its subcommittee on corporate personnel affairs. This is also linked to our internal initiatives, and I created various systems and programs during those two years. At present, the career design program and the refreshment leave program (the planned taking of nine or more consecutive days of leave) still exist. The goal of the refreshment leave program is to encourage employees to proactively take paid leave and eliminate operations which are dependent on individual skills. During this period, we also saw the first male employee take childcare leave and the first employee work remotely. Regarding the refreshment leave program, some male employees said that even if they did take leave, they would have nothing to do. After having taken leave, however, they said that they were highly satisfied with it, against their expectations. Many of programs like these were introduced in response to the opinions of people working on the front lines. I think that INTAGE had a culture of accepting these voluntary activities.

For two years from 2019, I served as the president of what was then known as Kanto IBM User Kenkyukai (Kanto IBM user study group) and vice president of what was then known as Zenkoku IBM User Kenkyukai (national IBM user study group).^{*} At present, I am a member of the CIO Executive Forum of the Japan Users Association of Information Systems (JUAS) and a member of the Consideration Committee of the Female DX Leader Development Program. I also lecture young employees and section manager-class employees in the information system departments, and engage in other activities. In addition, I belong to the Travel Management Club, which is a voluntary study group of business managers from the travel and tourism industries. I became its director this fiscal year.

I think that other people should also experience leading in an unknown environment. It is difficult to lead in a completely new situation or lead completely new people, but experiences like these will enable you to understand your position objectively, and working to compensate for your shortcomings will empower you and enable you to have self-confidence. I myself was by no means eager to take a leadership position, but it is important to learn things and work to fulfill the duties assigned to you. When you are assigned a role, you may be naturally encouraged by the environment to learn things. I think that my experience demonstrating the capabilities of a team in an unknown environment was valuable, and experiences like these help develop leadership skills. Therefore, I want people to proactively experience work outside the company, regardless of their age.

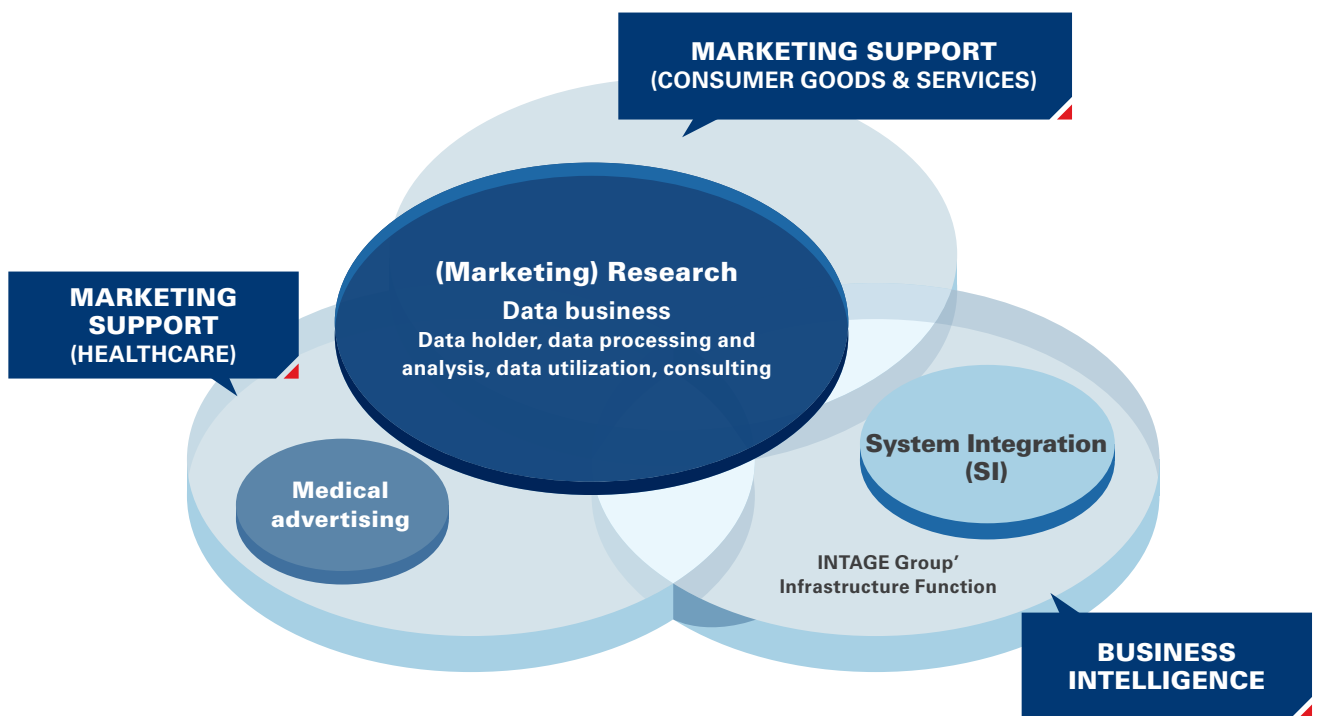
^{*}The Kanto IBM User Kenkyukai and Zenkoku IBM User Kenkyukai ended their activities in 2020, and their activities were taken over by IBM Community Japan.

INTAGE GROUP BUSINESS AREAS

Overview

The INTAGE Group's businesses comprise three segments, Marketing Support (Consumer Goods & Services), Marketing Support (Healthcare), and Business Intelligence. With research and the data business at the core of each segment, the Healthcare segment implements medical advertising

functions, while the Business Intelligence segment functions as a system integrator and also handles overall information infrastructure for the Group. The segments work together while leveraging each other's strengths, helping customers solve the issues they face in a Group-wide manner.



Core products PANEL SURVEYS

A panel survey is a service that involves securing a certain number of monitors (consumers, stores, etc.), developing mechanisms to periodically collect information from those monitors, and providing customers with the information as databases. The panel surveys, which the INTAGE Group began back when it was first founded in 1960, have undergone repeated redesigns including the expansion

of their type, size and the range of items covered, as well as improvements to reporting lead time, and today they continue to represent a key pillar of the INTAGE Group. Our data is highly trusted by customers (in the Group's case mainly consumer goods manufacturers) as information that accurately captures actual market conditions, and is used for marketing purposes as the de facto standard.



Nationwide Consumer Panel Survey

Which households and individuals are buying what, where, and for how much?

Smartphone apps are used by a nationwide collection of approx. 50,000 male and female panelists* between the ages of 15 and 79 to collect purchasing data on foods, beverages, household goods and other products consumed both inside and outside the home. This is Japan's largest consumer panel providing insight based on high-quality data that gives a detailed picture of consumer purchasing behavior.

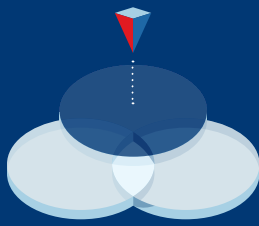


Nationwide Retail Store Panel Survey

What items are being sold, when, where and for how much?

A wide range of POS data covering foods, beverages, household goods, over-the-counter drugs and other products is collected from approximately 6,000 major retailers nationwide, including supermarkets, convenience stores, drug stores and specialty stores. The data boasts unrivaled strength, and is used as the standard index in various industries.

* Expansion to 70,000 data collection is planned from January 2025



MARKETING SUPPORT (CONSUMER GOODS & SERVICES)

Major Customers

Manufacturers of consumer goods (food, beverages, household goods) / durable consumer goods (automobiles, home appliances, apparel, etc.) / finance / communications / advertising / IT / government offices, etc.

The business supports corporate market activities primarily through INTAGE Inc., with scientific research and analysis that supports effective decision making for all manner of marketing issues that companies face.

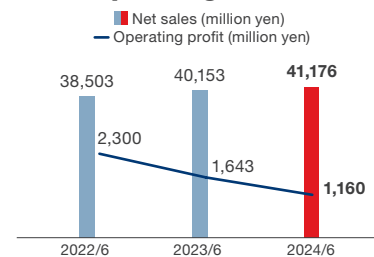
Using panel surveys, the core product of the business, INTAGE identifies the details of sales and purchases based on its proprietary collection of consumer purchase and retail store sales data. They have been used by many consumer goods manufacturers as standard indexes in each industry.

With custom research, we provide customers engaged in diverse businesses with insights based on panel data, various research methods, and our unique analysis capabilities by tailoring the insights to the specific issues the companies face.



Ayumi Higaki
Director
in charge of Marketing Support
(Consumer Goods and Services)
Domestic and Overseas Business

Net Sales and Operating Profit



MARKETING SUPPORT (HEALTHCARE)

Major Customers

Pharmaceutical (OTC and prescription drugs) companies / medical device manufacturers, etc.

This business, working primarily through INTAGE Healthcare Inc., provides pharmaceutical companies with support for marketing activities, promotion, analysis of prescription information, and other services.

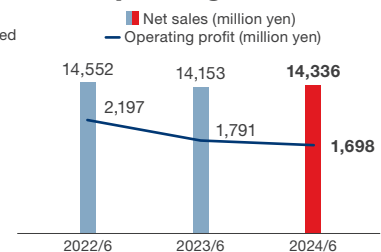
For over-the-counter (OTC) drugs, we provide panel surveys and custom research by obtaining data from retail stores, such as pharmacies and drug stores, and purchase histories. For prescription drugs, we also support pharmaceutical companies with a wealth of solutions and tools. These include surveys of physicians' actual drug treatment and prescribing practices, surveys of medical consumers, and the evaluation of promotional activities surrounding pharmaceuticals.

Note: The contract research organization (CRO) business was transferred to Alfresa Holdings Corporation on September 2, 2024.

Keita Murai
Senior Executive Officer in
charge of Marketing Support
(Healthcare)



Net Sales and Operating Profit



BUSINESS INTELLIGENCE

Major Customers

Pharmaceutical companies / transportation / travel and tourism / publishing / others (provision of healthcare management services regardless of industry)

This business is operated primarily through INTAGE TECHNOSPHERE Inc., and involves the provision of system development and operation, BPO, data center operation, and industry-specific solutions.

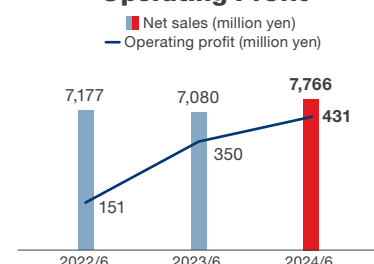
In recent years, we have leveraged the strengths we have honed engaging in data-related businesses over the years to support corporate DX efforts through AI and data handling.

This business also supports the IT needs of the entire INTAGE Group, including the building, operation and maintenance of infrastructure, and assistance in the area of software supporting business implementation.



Kazuko Sakai
Executive Officer and CIO
in charge of Business
Intelligence

Net Sales and Operating Profit



SUSTAINABILITY

In August 2020, the INTAGE Group made an SDGs declaration toward the realization of a sustainable society and the Group's sustainable growth, and identified materialities that represent key sustainability issues. In July 2023 we established the Sustainability Committee. Since then, the committee has taken up general sustainability issues for continued growth as a sustainable company and begun activities leading to measures on sustainability. We will continue to support the businesses of our customers through the utilization of data, solve social issues and by extension contribute to the healthy and enriched lives of consumers.

Declaration to Achieve the SDGs

INTAGE
Group's
SDGs

The INTAGE Group will contribute to the realization of a healthy, sustainable society through our efforts to maintain the data utilization environment, and to ceaselessly improve data utilization values that connect the viewpoints of our customers with those of consumers.



Materialities (Key Sustainability Issues) and Their Relationship to the SDGs

	Each Sustainability Priority	Related SDGs
Contribution to resolution of social issues through the Group's operations	Materiality 1 We contribute to the enhancement of the business value of our customers by utilizing data from the perspective of consumers We handle data fairly with a sense of ethics. We contribute to our customers' business through data usage by illuminating the diversity in consumers' lifestyles.	
	Materiality 2 We ensure proper handling of personal information and information security We secure a high degree of safety of personal information to develop a trusting relationship with data donors. We carry out thorough information control to strengthen the security system.	
	Materiality 3 We encourage cooperation with industry, government, and academia, promote inter-industry collaboration and create innovation. We cooperate with the national and local governments, educational institutions and various categories of corporations and create innovation in order to contribute to the realization of a prosperous society of limitless possibilities.	
	Materiality 4 We foster and produce human resources that will lead the future We reinforce data science capacity and data engineering capacity as well as business capacity in order to foster human resources that have a role in enhancing data value. Moreover, we support wide-range of activities in society.	
Bases that support sustainable contribution	Materiality 5 We nurture an open corporate climate and culture where diversity is respected We aim to become a company that is rich in diversity, where the personality of each individual is respected and everyone takes an active part. We will also create more opportunities for women to demonstrate leadership.	
	Materiality 6 We realize work styles where employees can work vigorously We focus on the quality of life of employees to establish work style which they can keep working without worry. We also pursue flexible ways of working that respond to ever-changing society.	
	Materiality 7 We maintain sound and transparent management, and strengthen the governance system We strive for sound management and sustainable growth by establishing a good relationship with every stakeholder.	

Process for Identifying Materiality

Identification of social issues

We identified social issues with reference to the SDGs and the ISO 26000 standard, specifying and organizing them in light of the industries in which the INTAGE Group is involved, and the risks and opportunities to which the Group is exposed.

Prioritization of issues

Employee questionnaires and workshops were conducted. Discussions took place on which issues should be addressed on a priority basis.

Validation

By summarizing the results, a draft of the materialities was prepared. After taking into account opinions from institutional investors and other stakeholders, thorough discussions were held with top management.

Identification of materialities

Finally with the agreement of top management, the materialities (key sustainability issues) of the INTAGE Group were identified.

Activities of the Sustainability Committee

In keeping with its corporate philosophy THE INTAGE GROUP WAY, the Group has adopted a sustainability policy that aims to help shape a sustainable society as a bridge connecting customers and the consumers beyond them, and achieve sustainable growth. In July 2023, the Sustainability Committee was established to further drive implementation of our sustainability initiatives.

The committee is chaired and deputy-chaired by directors of INTAGE HOLDINGS, and all of its members are people with roles related to identifying and taking actions on sustainability issues in the core companies and functional companies in each segment of the Group. The committee considers themes pertaining to sustainability in general and reports to the Board of Directors on a regular basis.

In the 14th Medium-Term Management Plan that was

announced in August 2023, materiality-related targets and initiatives have been defined based on each ESG (environment, society, governance) category (see the figure below). The committee shares and summarizes initiatives related to non-financial items in the Medium-Term Management Plan, and also discusses non-financial capital in the Company, considers the setting of materiality-related KPIs, formulates measures including awareness-raising measures related to these matters both internally and externally, and coordinates with Group companies on implementation and other aspects.

In the fiscal year ended June 2024, the committee set INTAGE Group KPIs for each of the indicators and targets based on the ESG categories above, and consulted with the Board of Directors.

14th Medium-Term Management Plan (FY2024/6 to FY2026/6) Non-financial targets



Environment

Reduce CO₂ emissions by 46%

2030 target compared with 2013 levels

Set with reference to Japan's targets set under the Paris Agreement

100% renewable energy usage rate

2030 target

Set with reference to Japan's targets set under the Paris Agreement

Response to the TCFD recommendations

Assessing and managing the impact that climate change has on business



Social

Engagement

Putting the vision into practice, experiencing growth, sense of achievement, psychological safety, culture encouraging challenges, etc.

Value provided

Trust of clients, professionalism, productivity and added value, awareness of security and compliance, etc.

Diversity

Gender composition, composition of general/executive staff, age group composition, percentage of mid-career hires, etc.



Governance

Optimizing the composition of the Board of Directors

Improving effectiveness by clarifying the roles to be fulfilled by directors

Ensuring thorough risk management

Compliance with laws

RESOLVING SOCIAL ISSUES THROUGH OUR BUSINESS ACTIVITIES

Through the utilization of data, the INTAGE Group solves the issues faced by customers, and by extension contributes to the formation of a better society and to the healthy lives of consumers. Tackling materialities (key sustainability issues) strengthens the relationship of trust with stakeholders and helps the Group live up to the demands and expectations of society. By enhancing both corporate and social value, we will contribute to sustainable corporate growth and the development of society.

Industry-Academia Collaboration Initiatives

Materiality / 3 Materiality / 4

The cultivation of data science talent who will support an advanced information society and the promotion of innovation through collaboration with educational institutions not only affect the Company but are challenges for all industries. We promote collaboration between industry and

Provision of Company Data

We supply various research data to universities and research laboratories as learning and research materials. By using “live” data that is actually used in business, we provide students with opportunities to experience the process of trial and error in real analysis.

In addition, to make data widely available to individual researchers, students and others, we also provide data to the Informatics Research Data Repository (IDR) operated by the National Institute of Informatics.

Universities provided data (in Japanese alphabetical order, as of June 30, 2024)
Aoyama Gakuin University, Kyoto Women's University, Jissen Women's University, Chiba University, Chuo University, Tokyo Metropolitan University, Meiji University, Meiji Gakuin University, Yokohama National University, Waseda University, etc.

Marketing Research Card Game

The INTAGE Group R&D Center developed a card game to enable people to virtually experience marketing research, aiming to increase interest in marketing research. This game enables players to enjoy learning how to make a hypothesis, collect necessary information, and test their hypothesis. It is used in classes taught at elementary, junior high and high schools and seminars at universities.



Information about the Marketing Research Card Game
https://www.intageholdings.co.jp/rd/blog/pressrelease_events/contents202403190001.html

Musashino University R&D Challenge

In 2019, the INTAGE Group signed a basic agreement on industry-academia collaborations with Musashino University's Faculty of Data Science. At present, we provide data that we possess and our knowledge about data utilization to the university for the development of data scientists. In addition, as part of our research support efforts, we have held the Research & Development Challenge every year since 2020. In this event, students of the university present their research findings and employees of the INTAGE Group support the social implementation of their projects by providing feedback from a practical perspective.

Off-site Classes Given by Employees

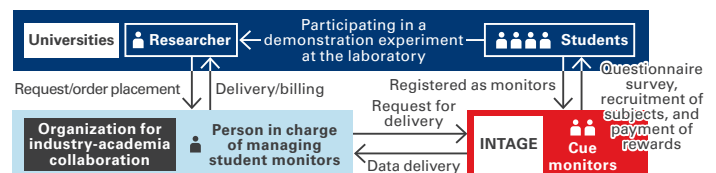
As a part of collaboration with educational institutions, Company employees work as instructors for classes on marketing research, data analysis and statistics at universities across Japan.

A class being taught by an employee (Introduction to Marketing being taught at Chukyo University's Faculty of Commerce)



Intra-University Research Collaborator System

The Intra-University Research Collaborator System supports university researchers in the acceleration of surveys and demonstration experiments targeting their students and simplifies procedures for them. It was developed by INTAGE Inc. through an industry-academia collaboration with active university researchers. To date, it has been provided to some universities on a trial basis. In the future, we aim to popularize it widely at universities and other educational institutions across Japan as a DX research tool.



Details of the Intra-University Research Collaborator System
<https://www.intage.co.jp/news/1676/>

Support for Clinical and Drug Discovery Research

INTAGE Healthcare Inc. supports the research activities of universities in various ways, such as by assisting university research to create new compounds as candidate drugs using its Deep Quartet AI-based drug discovery platform, developing an infrastructure to facilitate the collection of biological samples from university hospitals in order to conduct clinical trials, and providing a system to collect information about adverse effects.

Universities conducted joint research through AI drug discovery (in Japanese alphabetical order, as of June 30, 2024)
Okayama University, University of Shizuoka, Tokyo University of Science, Nagoya University, Niigata University, Hiroshima University

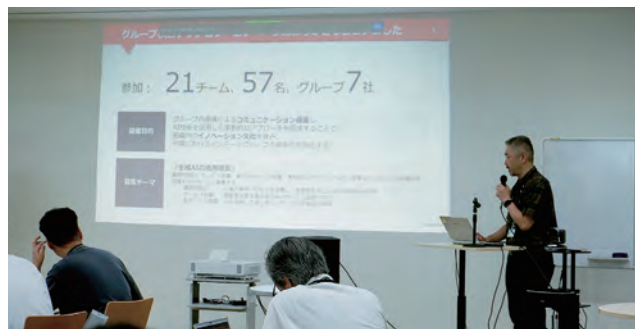
A Cross-Group Technology Competition Expanding the Circle of Technology

Materiality / 4

The companies of the INTAGE Group operate businesses with research and data at their core, and we believe that continuously improving data handling skills is an important challenge. We began to hold the cross-Group technology competition in 2022 with the goals of establishing a culture of in-depth technological inquiry and human resource development, increasing the Group's competitiveness through innovation, and improving and exchanging technology across organizational boundaries. Employees of the Group companies compete using their data analysis and programming skills and aiming to achieve Group-wide growth.

The theme of the third competition held in August and September 2024 was the "utilization of generative AI." A total of 57 contestants from 21 teams and seven Group companies, including an overseas subsidiary, competed on the theme of using AI technologies to improve the efficiency of business, services and other matters.

We will continue to expand this event as a human resource development and technological exchange opportunity, as we believe it will spread our culture of in-depth technological inquiry throughout the Group and lead to innovations which will help the Group improve its competitiveness.

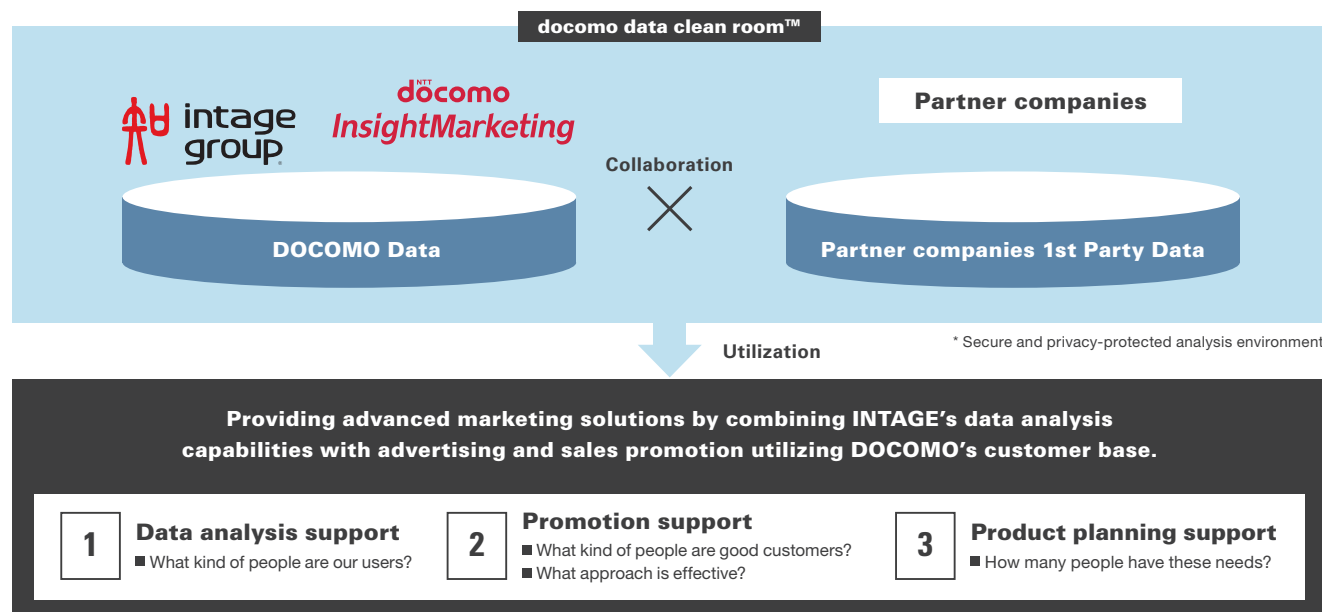


A Data Clean Room That Enables Customer Analysis with Considerations for Privacy

Materiality / 2

Due to the recent tightening of 3rd party cookie regulations,^{*1} it has become difficult to use 3rd party cookies to deliver online ads and measure their effects. However, it is becoming increasingly necessary for companies to use data from other companies in addition to their own data to enhance customer contact and help improve lifetime value (LTV). However, the use of data from other companies is restricted by the need to protect personal information. As a result, data clean rooms^{*2} are attracting attention as a method of analyzing a company's data with considerations for privacy. NTT DOCOMO, INC.

(hereafter, "DOCOMO"), INTAGE Inc. (hereafter, "INTAGE"), and DOCOMO InsightMarketing, INC. launched the docomo data clean room™ in August 2024. This data clean room enables partner companies to analyze customer data on their own using the various data possessed by DOCOMO and INTAGE. All of the data is used in a manner that does not permit personal identification. In addition, this data clean room permits analyses in a secure environment with considerations for privacy.



^{*1} 3rd party cookies are cookies transmitted by a domain that different that the website the user visits. In Japan, moves to regulate use of 3rd party cookies have been accelerating to protect people's privacy since the enforcement of the amended Act on the Protection of Personal Information in April 2022 and the amended Telecommunications Business Act in June 2023.

^{*2} A data clean room is a cloud computing environment which enables partner companies to analyze customer data they possess in a secure environment with considerations for privacy.

ENVIRONMENT

We have established the INTAGE Group Environmental Protection Policy with the aim of preserving a sustainable global environment. As part of the policy, we regard action on climate change as an important challenge, and target management and the study of related measures are themes addressed by the Sustainability Committee. We have also expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") and strive to disclose information in line with the recommendations.

The INTAGE Group Environmental Protection Policy

- 1 We make efforts for global environmental conservation activities continuously by positioning an environmental management system as one of our total management systems.
- 2 We aim for resource saving and energy saving by minimizing the use of resources. Especially, we endeavor to use less paper by digitalizing information as much as possible and utilizing IT equipment.
- 3 We endeavor to preferentially use environmentally-friendly or recyclable resources for those required for our business activities (such as facilities, materials and equipment), and to minimize the final disposal volume of waste by waste sorting to pursue the possibility of reuse.
- 4 We ensure the penetration of global environmental conservation activities, and conduct continual and scheduled education and training.

Climate Change Initiatives (Response to the TCFD Recommendations)

Governance

The Sustainability Committee, which is chaired by a director of the Company, was established in the fiscal year ending June 2024. The committee meets monthly and discusses action on climate change as one of its themes. Specifically, the committee monitors the impact that climate change has on the Company's business, calculates greenhouse gas emissions due to business activities and considers measures to achieve emission reduction targets set forth in the 14th Medium-Term Management Plan. As needed, topics considered by the Sustainability Committee are elevated to the Board of Directors, which fulfills a decision making function relating important management matters.

Strategy

The Company interviews core companies in all disclosable segments from the perspective of the risks and opportunities that climate change poses to the Company's business. Following discussion by the Board of Directors, transition risks (mainly based on the 1.5°C or 2°C scenarios), physical risks (mainly based on the 4°C scenario) and opportunities are identified, and then disclosed on the Company website.

While the direct impacts on business due to climate change are limited, we assess that the indirect impacts on business due to the effects climate change has on the businesses of corporate customers are relatively large.

Risks & Opportunities	Who would be affected	Major impacts	Impact levels
Transition risks (1.5/2°C scenario)	Policy & Legal	Clients <ul style="list-style-type: none">■ Increase in costs due to new regulations including a carbon tax.	Low
	Technology / Reputation	INTAGE Group <ul style="list-style-type: none">■ Opportunity loss of research demand due to delay in development of climate-related solutions.	Middle
	Market	Clients <ul style="list-style-type: none">■ Decrease of subcontracting as business situation of clients deteriorate due to tightening of climate-related regulations.■ Decrease of subcontracting as business situation of clients deteriorate due to decline in demand for existing service due to change in behavior of consumer.	High
Physical risks (4°C scenario)	Acute	INTAGE Group / Clients <ul style="list-style-type: none">■ Impact on business continuity due to damage to offices, employees, data suppliers, etc. due to the occurrence of natural disasters.	Middle
	Chronic	INTAGE Group <ul style="list-style-type: none">■ Increase in costs of electricity consumption for air conditioning as a result of global warming.■ Increase in rent due to transfer of business sites due to rising sea level.	Middle
Opportunities	Market / Products & Services	INTAGE Group <ul style="list-style-type: none">■ Increase of subcontracting from clients as research demand increases due to increased awareness of climate change and transformation of consumer’s behavior.	High
	Resource efficiency	INTAGE Group <ul style="list-style-type: none">■ Cost reduction by improvement of energy efficiency of offices and data center.	Low

Metrics and targets

Roughly half of the Group's greenhouse gas emissions are due to office and data center electricity usage which constitutes Scope 2 emissions. Scope 1 through Scope 3 emissions at major domestic sites are calculated and disclosed on the Company website.

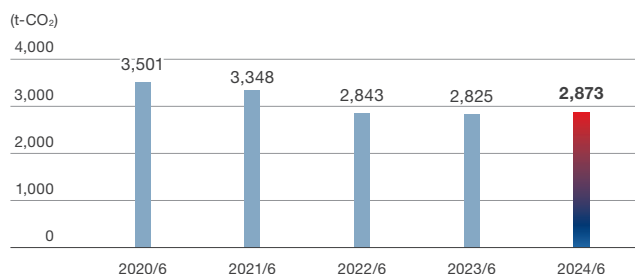
Scope 1 and Scope 2 emissions

In the fiscal year ended June 2024, energy efficiency was improved and energy usage was reduced at the Hibarigaoka Office, which uses a large amount of energy. However, we expanded the scope of calculation to all of our sites in Japan, which resulted in an increase in total Scope 1 and 2 emissions.

Scope 3 emissions

We have been calculating Scope 3 emissions since the fiscal year ended June 2022. Category 1 emissions (emissions related to purchased goods and services) account for roughly half of Scope 3 emissions. In the fiscal year ended June 2024, Category 6 emissions (business travel) increased chiefly due to the expansion of the companies included in the scope of emissions calculations and an increase in overseas business trips.

Changes in Greenhouse Gas Emissions (Total Scope 1 and 2 Emissions)



Please see our website for information about the methods and scope of calculation
<https://www.intageholdings.co.jp/english/sustainability/environment/>

Non-financial targets (environmental items) in the 14th Medium-Term Management Plan

- Reduce CO₂ emissions (Scope 1 and 2) by 46% (2030 target compared with 2013 levels)
- 100% renewable energy usage rate (2030 target)
- Response to the TCFD recommendations

TOPICS

Initiatives for the fiscal year ended June 2024

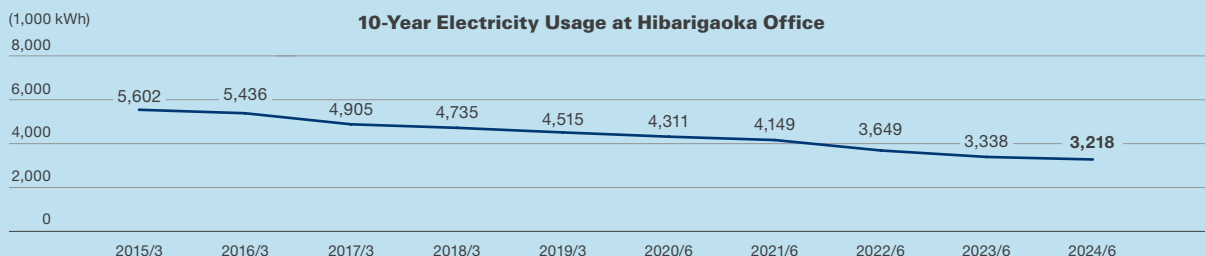
- Calculated greenhouse gas emissions in Scope 1-3
- Responded to various ratings organizations including the Carbon Disclosure Project (CDP)
- Made arrangements for the introduction of renewable energy
- Replaced all of the lights used at the Hibarigaoka Office with LED lights

1 Initiatives to Reduce the Environmental Impact of the Hibarigaoka Office

The Hibarigaoka Office, which houses a data center, uses a large amount of electricity, thus posing challenges in terms of costs and environmental impact. Given this situation, since 2011 we have implemented energy saving measures with the cooperation of an energy service company (ESCO)*. We have reduced

electricity usage by more than 40% compared with 2013 levels by implementing measures such as introducing air conditioning inverter control and switching to energy-efficient lighting.

* A service provider related to building energy savings



2 C Score Obtained in the CDP's Climate Change Survey

The CDP is an international NPO that conducts surveys of companies worldwide to learn about their environmental initiatives on behalf of environmentally conscious institutional investors around the world and disclose the results of these surveys. The CDP's evaluations have eight levels: the leadership

level (A, A-), management level (B, B-), awareness level (C, C-) and disclosure level (D, D-). We responded to the survey for the first time in 2023 and obtained a C score.





HUMAN RESOURCES STRATEGY

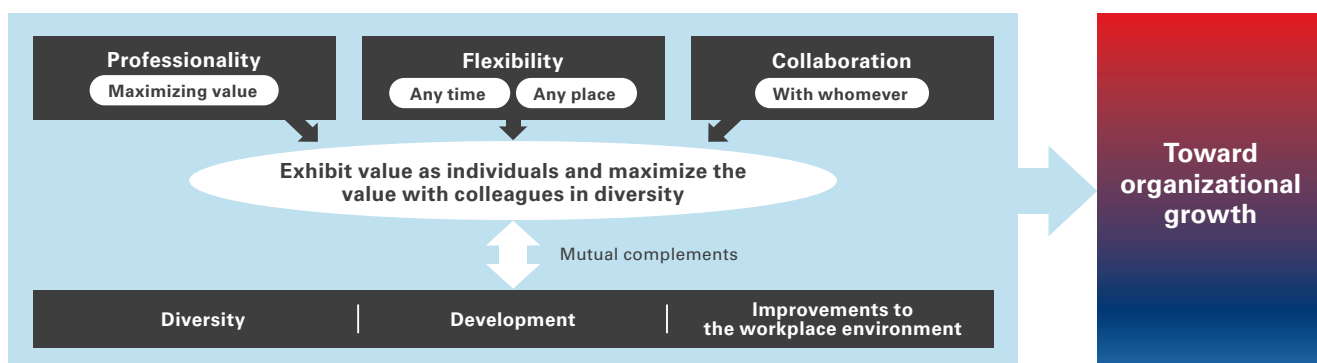
As its basic approach the INTAGE Group values people, and strives to be a company at which the individual qualities of each employee are respected, and where anyone can achieve success. In keeping with this approach, we pursue flexible workstyles that adapt to our ever-changing society. We aim to create opportunities for success and growth by having employees of diverse values and backgrounds understand one another, collaborate, and co-create.

Approach to Human Resources

To achieve its Group vision of “Know today, Power tomorrow,” the INTAGE Group wishes for each employee to demonstrate their value as an individual. We emphasize employees maximizing their value together with their colleagues in a diverse environment, and foster a free and open corporate culture in which diversity is respected.

To achieve these aims, we aim to be a company at which

the individual qualities of each employee are respected, and where anyone can achieve success. In keeping with this approach, we pursue flexible workstyles that adapt to our ever-changing society. We aim to create opportunities for success and growth by having employees of diverse values and backgrounds understand one another, collaborate, and co-create.



Diversity

The source of the services and added value provided by INTAGE Group lies in the value of people themselves. The aim of being a corporate group in which anyone can succeed means having employees with diverse backgrounds and strengths understand and respect one another, and we believe that diversity further enriches collaboration leading to Groupwide collaboration and co-creation while creating further opportunities for success and growth, by extension expanding the provision of value.

Development

We have established wide-ranging opportunities for employees to advance on the strengths of their motivation and accomplishments irrespective of differences such as gender or nationality, and regardless of whether they are a new graduate or a mid-career hire. We will continue to expand these opportunities in the future. Moreover since we emphasize proactive growth opportunities, we aim to provide a wealth of opportunities for elective training and transfers. Through these opportunities, we help employees acquire highly specialized knowledge and skills and enhance their professionalism.

Improvements to the workplace environment

To lay the foundations enabling teams and individual employees to demonstrate value by working in ways that are optimal for them and flourish in their jobs while experiencing job fulfillment, we continually review how our offices work and promote working styles that allow employees to choose where and when they work autonomously (hybrid work), such as remote work and full flex-time work. We

have also rolled out common communication infrastructure including chat and social media functions across the Group, enabling all Group company employees in Japan and overseas to seamlessly interact with one another. Through these improvements to the workplace environment we improve employee flexibility and facilitate cooperation and collaboration within the organization.

Specific Initiatives

Supporting the performance of persons with disabilities

The INTAGE Group values the individuality of employees with disabilities, and has established an environment for such women and men to demonstrate their ability and keep growing.

The Company has hired employees with intellectual disabilities since 2015. A team specifically for the employment of people with disabilities known as the “Dandies” provides office support functions such as inter-office mail and is also entrusted with individual tasks from Group companies covering an expanding range of responsibilities.

Since 2019 the INTAGE Group has employed and supported the successes of two athletes with disabilities, Haruka Kitaura (wheelchair athletics; employee of INTAGE HOLDINGS) and Masanori Orihashi (deaf futsal; employee of INTAGE Healthcare).

With all employees inspiring each other, we will continue to strive to create a workplace where they respect their differences and improve each other.



Dandies cafe service operated once a month at the Akihabara Office



Athlete employees (left: Haruka Kitaura, right: Masanori Orihashi)



Ensuring diversity

We have established wide-ranging opportunities for employees to advance on the strengths of their motivation and accomplishments irrespective of differences such as gender or nationality, and regardless of whether they are a new graduate or a mid-career hire. We continually monitor our progress in this regard through various metrics, focusing on the state of activities promoting the active participation of women.

Status of activities promoting the active participation of women*1 *2

	2018	2019	2020	2021	2022	2023
Percentage of employees who are women (%)	49.3	50.0	49.4	50.8	51.0	51.3
Percentage of new graduate hires who are women (%)	51.9	46.4	49.2	51.9	57.1	50.0
Percentage of managers who are women (%)	22.7	23.0	23.3	24.7	25.6	27.3
Percentage of officers who are women (%)	14.0	14.8	15.6	14.6	14.1	16.5

*1 Each figure is current as of the end of each fiscal year.

*2 Companies subject to calculation up to FY2021 are INTAGE HOLDINGS Inc., INTAGE Inc., INTAGE RESEARCH Inc., INTAGE Healthcare Inc., INTAGE TECHNOSPHERE Inc. and INTAGE ASSOCIATES Inc. The companies covered by the calculation for FY2022 and beyond are domestic consolidated subsidiaries.

Maintaining and advancing employee health

The Health Promotion Department of INTAGE ASSOCIATES, Inc. leads the health management of the INTAGE Group and conducts regular health examinations, interviews with industrial physicians, and stress checks. In addition, a “condition meter” to check the physical and mental status of group employees is regularly employed in cooperation with the Personnel Affairs Department. By monitoring this simple questionnaire on employees’ work conditions, job motivation, physical and psychological aspects, sleep conditions, and other factors, changes in the physical and mental health of employees can be speedily captured, leading to an appropriate response. Together with the Internal Marketing Research (IMR) employee survey, this is used to improve the quality of life (QOL) of employees and to create an environment where they can continue to work with peace of mind.



2024
健康経営優良法人
Health and productivity

INTAGE HOLDINGS Inc. and INTAGE ASSOCIATES Inc. have been certified as 2024 Outstanding Health & Productivity Management Organizations



BOARD OF DIRECTORS

(as of the end of September 2024)

A Yoshiya Nishi President and Representative Director

1992 Jun. Joined Social Survey Research Information Co., Ltd.
1994 Dec. Director, TM Marketing Inc.(now INTAGE Healthcare Inc.)
2005 Jan. Vice President, TM Marketing Inc.
2007 Mar. Representative Director, TM Marketing Inc.
2014 Jul. Executive Officer in charge of Group Healthcare Solution, the Company
2015 Apr. Executive Officer in charge of Group Healthcare Business
May Director, ASKLEP Inc.
2016 Jun. Director in charge of Group Healthcare Business
2017 Apr. Director in charge of Group Healthcare Business and responsible for promoting workstyle reform
2019 Apr. President and Representative Director, INTAGE Healthcare Inc.
Jun. Director and Chief Workstyle Officer in charge of Group Healthcare Business
2023 Jul. Director, Chief Workstyle Officer (CWO) in charge of Special Missions, the Company Director, INTAGE Healthcare Inc.
Sep. Representative Director and Executive Vice President in charge of Marketing Support (Consumer Goods and Services) and Overseas Business, Chief Senior Director of Overseas Business and Special Missions
2024 Jul. President and Representative Director (current position)

B Ayumi Higaki Director in charge of Marketing Support (Consumer Goods and Services) Domestic and Overseas Business

1988 Apr. Joined KAGOME CO., LTD.
1995 Oct. Joined the Company
2007 Apr. General Manager, Marketing Solution Division, Marketing Solution Unit
2013 Apr. Executive Officer and General Manager, Marketing Innovation Group
2014 Jul. Executive Officer in charge of Group Marketing Solution
2015 Jul. Senior Executive Officer in charge of Group Business Strategy Director, INTAGE TECHNOsphere Inc.
2016 Apr. Director, INTAGE Inc.
2019 Apr. Senior Executive Officer in charge of Marketing Support (Consumer Goods and Services) Domestic Business President and Representative Director, INTAGE Inc. (current position)
Jun. Director in charge of Marketing Support (Consumer Goods and Services) Domestic Business
2024 Jul. Director in charge of Marketing Support (Consumer Goods and Services) Domestic and Overseas Business (current position)

C Masaru Ohtakeguchi Director in charge of Corporate Planning, MIRAI* Innovation and Affiliated Companies

1985 Apr. Joined the Company
2013 Apr. Executive Officer and General Manager, DCG and Services Business Group
2014 Apr. President and Representative Director, DOCOMO InsightMarketing, Inc.
2016 Apr. Director, INTAGE Inc.
2019 Apr. Senior Executive Officer in charge of Corporate Planning
2020 Sep. Director in charge of Corporate Planning
2023 Sep. Director in charge of Corporate Planning, Human Resource Planning and Affiliated Companies
2024 Jul. Director in charge of Corporate Planning, MIRAI Innovation and Affiliated Companies (current position)

*MIRAI...Marketing Intelligence, Research, Artificial Intelligence

D Toru Takeuchi Director, CFO in charge of Corporate Management

1987 Apr. Joined Saitama Bank, Ltd. (currently Saitama Resona Bank, Limited)
2017 Oct. Joined the Company General Manager, Finance Division
2018 Apr. General Manager, Finance Division and Internal Control Division
2019 Apr. General Manager, Corporate Management Division
2020 Jul. Executive Officer and General Manager, Corporate Management Division Corporate Auditor, INTAGE Healthcare Inc.
2022 Sep. Director, CFO and General Manager of Corporate Management Division in charge of Internal Controls
2023 Jan. Director, CFO in charge of Internal Controls
2024 Jul. Director, CFO in charge of Corporate Management (current position)

E Hideki Ishibashi Director

1993 Apr. Joined DENTSU INC.
2011 Apr. Full-time Manager, Business Section II, Platform Business Department, DENTSU INC.
2014 Jul. Seconded to NTT DOCOMO, INC. Strategy General Manager, Promotion Division, NTT DOCOMO, INC.
2017 Apr. Returned to DENTSU INC. Assistant Director and General Manager, Project Promotion Section, Business Planning Department, DENTSU INC.
2018 Jul. Director, Dentsu Innovation Initiative, DENTSU INC.
2021 Dec. Joined NTT DOCOMO, INC. Deputy General Manager, Marketing Media Division; Deputy General Manager, Wallet Business Division; Deputy General Manager, Partner Business Promotion Division, NTT DOCOMO, INC.
2022 Jul. General Manager, Marketing Innovation Division, NTT DOCOMO, INC. Director, DOCOMO InsightMarketing, INC.
2023 Dec. Director, the Company (current position)
2024 Jun. Executive Officer, General Manager, Smart Life Company and General Manager, Marketing Innovation Department, NTT DOCOMO, INC.
Jul. Executive Officer, General Manager, Consumer Service Company and General Manager, Marketing Innovation Department, NTT DOCOMO, INC. (current position)



F Atsuhiko Imai Outside Director **Independent Director**

1983 Apr. Joined Kyowa Bank, Ltd. (currently Resona Bank, Ltd.)
 2013 Apr. Joined Inageya Co., Ltd. General Manager, Group Business Administration Office and Quality Control Office
 2016 Jun. Director, in charge of IR and General Manager, Administration Division, Inageya
 2019 Jan. Joined Hoosiers Holdings Co., Ltd.
 Apr. General Manager, Risk Management Department and Manager, Internal Audit Office, Hoosiers Holdings Co., Ltd.
 2021 Jun. Full-time Corporate Auditor, Hoosiers Holdings Co., Ltd.
 2022 Jun. Director and Audit & Supervisory Committee Member, Hoosiers Holdings (current position)
 Sep. Outsider Director, the Company (current position)

G Hiroko Watanabe Outside Director **Independent Director**

2006 Jun. President, GE Healthcare Bioscience Corporation
 2009 Aug. Director, GE Healthcare Japan Corporation
 2016 Mar. President, AccuRNA Co., Ltd. President, Braizon Therapeutics, Inc.
 2017 Apr. Senior Director, Corporate Marketing & Business Development, Thermo Fisher Scientific K.K.
 2018 Jun. Outside Corporate Auditor, HanaVax Inc.
 2019 May Vice President, Onco Therapy Science, Inc.
 2022 Sep. Outsider Director, the Company (current position)

H Toshio Odagiri Director **Full-time Audit & Supervisory Committee Member**

1984 Apr. Joined the Company
 2002 Apr. General Manager, Social Development Division, the Company
 2016 Apr. Executive Officer in charge of Corporate Planning Division and Incubation Promotion Division
 2019 Apr. Director, INTAGE Healthcare Inc.
 2020 Jul. President and Representative Director, INTAGE RESEARCH Inc.
 2022 Jul. Senior Executive, the Company
 Sep. Director serving as Audit & Supervisory Committee Member (Full-time Audit & Supervisory Committee Member) (current position)
 Auditor, INTAGE Inc. (current position)
 2023 Sep. Auditor, INTAGE Healthcare Inc. (current position)
 Auditor, INTAGE TECHNOsphere Inc. (current position)

I Satoshi Nagai Director **Audit & Supervisory Committee Member**

1995 Apr. Joined NTT Hokkaido Mobile Communication Network, Inc. (currently NTT DOCOMO, INC.)
 2018 Jul. Agent Sales Office General Manager, NTT DOCOMO, INC.
 2019 Jul. Business Planning General Manager, Group Business Promotion Division, NTT DOCOMO, INC.
 2023 Dec. Director serving as Audit & Supervisory Committee Member (current position)
 2024 Jul. General Manager in Charge of Alliances, Marketing Innovation Department, Consumer Service Company, NTT DOCOMO, INC. (current position)

J Hajime Nakajima Outside Director **Audit & Supervisory Committee Member** **Independent Director**

1986 Apr. Appointed as judge
 1997 Apr. Judge, Tokyo District Court
 2002 Apr. General Manager, Administrative Bureau, Secretarial Training Institute, Supreme Court
 2004 Apr. General Manager of Training, Comprehensive Training Institute for Court Staff
 2005 Apr. Judge, Tokyo High Court
 2007 Apr. Professor, Toin Law School
 Jun. Registered as an Attorney
 2014 Jun. Substitute Corporate Auditor, the Company
 2015 Jun. Outside Corporate Auditor
 2016 Jun. Director serving as Audit & Supervisory Committee Member (current position)
 2017 Jun. Outside Director, Toyo Sugar Refining Co., Ltd.
 2021 Apr. Guest Professor, Faculty of Law, Toin University of Yokohama (current position)

K Yuzo Miyama Outside Director **Audit & Supervisory Committee Member** **Independent Director**

1983 Apr. Registered as lawyer (Daiichi Tokyo BAR Association)
 1986 Sep. Established YUZO MIYAMA LAW OFFICE
 2001 Jul. Representative, MIYAMA LAW OFFICE (current position)
 2007 Apr. Outside Director, Ai Holdings Corporation (current position)
 2016 May Member of the independent committee, the Company
 2017 Jun. Director serving as Audit & Supervisory Committee Member (current position)

L Shizuo Kashima Outside Director **Audit & Supervisory Committee Member** **Independent Director**

1982 Mar. Joined Arthur Young & Company, Tokyo Office
 1985 Mar. Registered as Certified Public Accountant
 1987 Jun. Transferred to International Business Department of Asahi Shinwa Kaikeisha Audit Firm due to the integration of Arthur Young & Company and Asahi Shinwa Kaikeisha Audit Firm
 1992 Oct. Established Kashima Certified Public Accountant Office
 1992 Dec. Registered as Certified Tax Accountant; Established Kashima Certified Tax Accountant Office; Head, Kashima Certified Tax Accountant Office (current position)
 2002 Mar. Representative Director, Horwath Japan Corporation (currently Minato Trust Corporation)
 Sep. Established Kashima & Komiyama Certified Public Accountant Office; Representative Certified Public Accountant, Kashima & Komiyama Certified Public Accountant Office
 2008 Dec. Corporate Auditor, MIKI TOURIST CO., LTD
 2010 Apr. Corporate Certified Public Accountant, the Company
 2018 Mar. Relieved as Corporate Certified Public Accountant, the Company
 Jun. Director serving as Audit & Supervisory Committee Member (current position)

CORPORATE GOVERNANCE

We are an enterprise that is viable thanks to a variety of stakeholders, including shareholders, customers, suppliers, employees and the local communities where we operate. We believe that our important responsibility is not only to improve business performance, but also to ensure the soundness, fairness, and transparency of management. Based upon this recognition, we strive to secure and enhance effective mechanisms for making transparent, fair, rapid, and decisive management decisions, and aim at sustainable growth and the improvement of medium- to long-term corporate value.

Basic Approach

As an enterprise with many stakeholders, the INTAGE Group recognizes its solemn responsibility to not only improve business performance but to ensure the soundness, fairness and transparency of management.

The INTAGE GROUP WAY, our Group vision, serves as the cornerstone of management. As the foundation of that vision, we have established the INTAGE Group Ethical Charter, which affirms to society at large our commitment to doing business in accordance with laws, regulations and common sense.

Further, based on this charter, we have formulated the

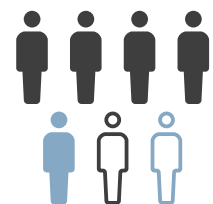
INTAGE Group Employee Code of Conduct, which defines the basic attitude and behaviors expected of the Group's executives, employees, and other staff members in their work every day. Understanding that the behaviors of each individual executive, employee, and other staff member are the basis for people's unfaltering trust in the Group, we strive to ensure that they carry out sound business activities in compliance with this charter. In addition, our internal control system is managed in accordance with our Basic Policy on Internal Control Systems.

Change in Governance

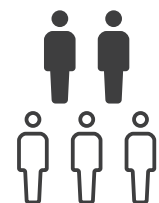
2013	<ul style="list-style-type: none"> Moved to a holding company structure and changed the corporate name to INTAGE Holdings Inc.
2014	<ul style="list-style-type: none"> Adopted the performance-linked, share-based compensation plan
2015	<ul style="list-style-type: none"> Appointed a woman as director (outside director)
2016	<ul style="list-style-type: none"> Changed to a company with an Audit & Supervisory Committee Implemented the first evaluation of effectiveness of the Board of Directors by external persons The share of outside directors in the Board of Directors exceeded 30%
2019	<ul style="list-style-type: none"> Revised the performance-linked, share-based compensation plan Increased the number of female directors to two
2020	<ul style="list-style-type: none"> Increased the number of directors by one
2022	<ul style="list-style-type: none"> Increased the number of outside directors by one Appointed two outside directors with management experience Introduced a restricted stock compensation plan
2023	<ul style="list-style-type: none"> Increased the number of directors by two in connection with becoming a subsidiary of DOCOMO Established the Governance Committee
2024	<ul style="list-style-type: none"> Decreased the number of directors from 13 to 12

Composition of Management (As of October 2024)

■ Men (Inside / Outside)
 ■ Women (Inside / Outside)



Director



Directors Serving
on the Audit & Supervisory
Committee

Corporate Governance Structure

The Board of Directors consists of seven directors (excluding directors serving as Audit & Supervisory Committee members; including two outside directors), and five directors serving as Audit & Supervisory Committee members (including three outside directors). The Board identifies job authority and operations responsibility for directors, makes decisions on important matters, and oversees the execution of duties by directors. Based on the Board of Directors Regulations, the Board meets once a month and holds an extraordinary meeting when needed.

As a body that reports, discusses, and decides management policy, diverse measures, and various matters concerning business management, a Group Management Meeting is held once a month and is attended by directors (excluding directors serving as Audit & Supervisory Committee members), full-time directors serving on that committee, and executive officers. In addition, in order to support functions of the Board of Directors, report and discuss various matters, and enhance the efficiency of management, the Executive Committee meets every two weeks, with attendance by directors (excluding directors serving as Audit & Supervisory Committee members), full-time directors serving on that committee, and executive officers.

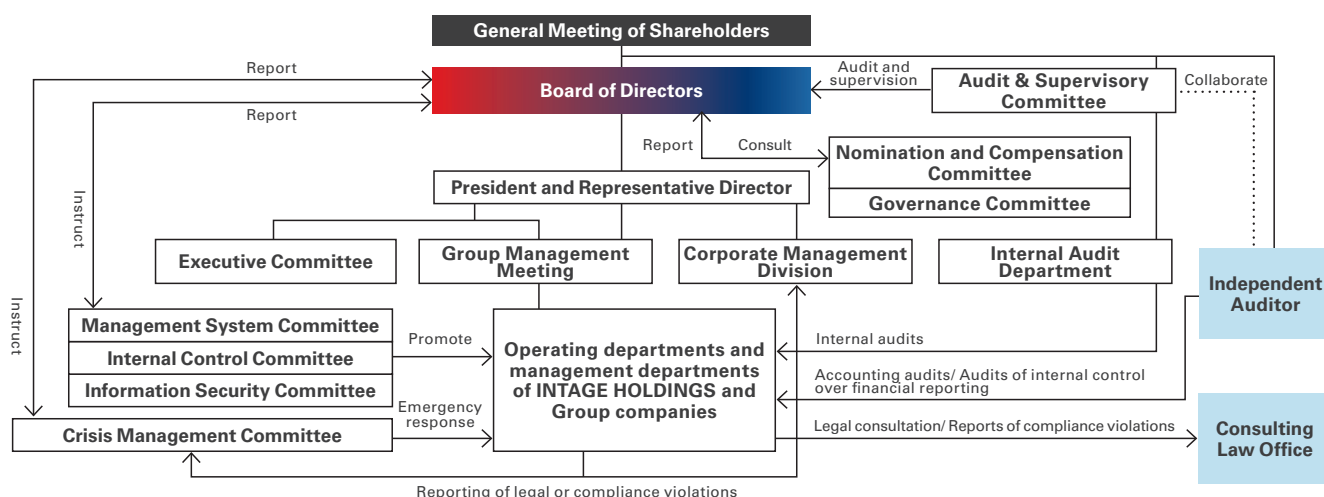
The Company has also established several committees: the Internal Control Committee for promoting internal control initiatives of the Group; the Crisis Management Committee whose goal is to respond to crises involving business operations of the Group; the Management System Committee for the continued improvement of the management systems of the Group; and the Information Security Committee, whose goal is the identification and resolution of information security issues.

The Audit & Supervisory Committee consists of five directors serving as Audit & Supervisory Committee members (including three outside directors). Ordinarily, they meet once a month. The committee strives to enhance its audit and supervisory functions concerning the management. For example, full-time directors serving on the committee attends important meetings, such as meetings of the Internal Control Committee, reports to other directors serving on the Audit & Supervisory Committee at its meeting, and then compiles the opinions of the Audit & Supervisory

Committee. Further, directors serving as Audit & Supervisory Committee members attend, in addition to the Board of Directors meetings, important meetings, such as the Group Management Meeting, Executive Committee, Internal Control Committee, Crisis Management Committee, Management System Committee, and the Information Security Committee, in order to understand the process of making important decisions and the status of execution of operations. They also inspect requests for approval and other important documents regarding the execution of operations and ask employees for explanations on an as-needed basis. They also understand the conditions of Group companies, through collaboration with the Internal Audit Department, regular briefings from it, and close communication with auditors of the INTAGE Group, among other initiatives.

The Internal Audit Department, which is in charge of the Company's internal audits, consists of eight people and audits the Company and Group companies from the perspective of whether the companies are managed appropriately and whether operations are executed fairly, appropriately, and effectively based on both shared management philosophy and policy as well as various rules. With regard to the audit process, the Department checks audit plans, execution of audits, reporting of audit results, and status of improvement, based on the Company's Internal Audit Rules and Execution Standard.

As an initiative for ensuring the effectiveness of internal audits, the Internal Audit Department holds regularly scheduled liaison meetings with the Audit & Supervisory Committee with the aim of improving the effectiveness and efficiency of audits by both of the organizations, in addition to reporting audit results to the Board of Directors, the Audit & Supervisory Committee, and others. At the liaison meetings, they confirm the audit policy and plan formulated at the beginning of the fiscal year. During and at the end of the year, they collaborate closely through activities such as exchanging opinions on internal audit reports as needed. The committee and the Accounting Auditor also exchange opinions regarding audits and exchange information on the status of audits. The committee also works closely with the Internal Control Division, which works to integrate the status of the Accounting Auditor and its control activities.



Evaluation of the Effectiveness of the Board of Directors (Fiscal 2023)

The Board of Directors analyzes and evaluates its effectiveness as a whole, referencing relevant information including the questionnaire self-evaluations completed by each director, and it discloses a summary of the results of its analysis and evaluation. In addition, the chairman of the Board of Directors regularly listens to opinions on the management of the board from outside directors. (Article 22 of the Basic Policy on Corporate Governance)

Outline of the Evaluation in August 2024

Interviews of 13 directors (eight directors who are not members of the Audit & Supervisory Committee and five who are) and the analysis of the results were conducted in August 2024. We have been working with external consultants since 2020, with the goal of having a more objective understanding of the matters that we should improve to further enhance the effectiveness of the Board of Directors. In 2024 again, we prepared the questionnaire, heard opinions, and analyzed the results. We received a report from the external consultant at the Board of Directors meeting in September

and confirmed the evaluation results and measures to be taken.

The questionnaire items for 2024 were prepared from the same perspectives as the previous year, including the composition and operation of the Board of Directors, strategy discussions, risk management, evaluations and compensation, and dialogue with shareholders and other stakeholders. In addition, the status of the initiatives to address from the previous year was also included in the evaluation items.

Evaluation Results

According to the evaluation results, based on a recognition that the composition and operation of the Board of Directors and the Nomination and Compensation Committees continue to be appropriate, it was again confirmed that the Board of Directors discusses the Company's management issues by paying respect to the opinions expressed by independent outside directors. This is evidenced in part by independent outside directors presenting constructive opinions to top management proactively, through sufficient explanations of meeting agenda items being provided to directors. In addition, to protect the interests of the Company's minority shareholders regarding the INTAGE Group's transactions

with Nippon Telegraph and Telephone Corporation, which is the Company's parent company, and its group companies, the Governance Committee, which consists of independent outside directors, was established as an advisory body in charge of monitoring and supervising those transactions. Examining the information available, including the Governance Committee's activities and reports to the Board of Directors, the results of the evaluation indicate that the Board of Directors has maintained its effectiveness in making decisions regarding key management matters and appropriately supervising the execution of business.

Future Initiatives

In the evaluation conducted in the previous year, the following tasks for maximizing the Board of Director's effectiveness to enhance corporate value were identified: i) management strategy taking into account the external environment and other factors, ii) review of the business portfolio, iii) allocation of management resources (human capital, intellectual property, etc.), iv) sustainability, and v) crisis response plans and other matters. Regarding these tasks, the improvement initiatives that followed, including the PDCA cycle, were evaluated highly. However, the continuing need to implement and accelerate

improvement initiatives was reaffirmed.

To further enhance the discussions of the Board of Directors in light of these evaluation results, further improvements and creative measures will be implemented and considered through efforts such as increasing the number of important topics on the discussion agenda of the Board of Directors and continuing to review the way information is provided to directors, including the detailed examination of reported matters to enhance the board's monitoring function.

Nomination and Compensation Committee

Activity Overview

The two committees meet as needed, with meetings lasting approx. 60 minutes per session. Both committees are chaired by outside directors who are members of the Audit & Supervisory Committee. In July 2024, Yoshiya Nishi became the new President and Representative Director of the Company. With a view toward the future selection of director candidates and candidates for the position of President and Representative Director, the Company creates opportunities for the Nomination Committee to meet, conduct interviews, and take other measures where necessary as described at right. The committee also has its members select human resources who would be suitable directors.

Nomination Committee

With independent outside directors playing leading roles in discussions, this committee evaluates and selects director candidates applying external knowledge for the development of internal human resources, including director candidates. The director candidates nominated by the committee are people who are excellent in terms of their personality and insight, capable of appropriately fulfilling the duty of care of a good manager as directors, able to give advice and recommendations to ensure the validity and appropriateness of the decisions made by the Board of Directors based on their professional careers and expertise, and who are believed to be able to help enhance the corporate value of the Company. The committee selects these human resources and reports its decisions to the Board of Directors.

Compensation Committee

In accordance with a resolution at a General Meeting of Shareholders, a director in charge of the matter prepares a draft of payments regarding the specific details of the compensation and other benefits paid to directors (excluding outside directors and directors who are members of the Audit & Supervisory Committee), including the amount, timing, allocation and other specific details of payments. Based on this draft of payments, the Compensation Committee determines base compensation, performance-linked monetary compensation, and performance-linked stock-based compensation as delegated by the Board of Directors. The committee also discusses restricted stock-based compensation and submits reports to the Board of Directors.

Composition and Meetings Held

Composition (As of October 2024)	
Independent outside directors 5	Chairman Hajime Nakajima Yuzo Miyama Shizuo Kashima Atsuhiko Imai Hiroko Watanabe Members
Inside directors 3	Members Yoshiya Nishi Toshio Odagiri Satoshi Nagai

Number of meetings held and topics discussed (FY2023 results)	
Number of meetings 4	The following were resolved and reported on. Resolution 6 Director candidates to be proposed at the General Meeting of Shareholders, compensation of individual directors, etc. Report 2 Matters to be discussed by Nomination and Compensation Committees in the future, etc.

Expertise (skills) and experience of directors and executive officers

(As of October 2024)

Directors are selected to ensure the composition of the board is diverse, with each Director having knowledge of the INTAGE Group's businesses and experience, achievements, and specialized knowledge, including involvement in the management of other companies, in the following areas. These are regarded as skills needed and required for corporate management, and gender and internationality

are also considered. In addition, at least one director who is an Audit & Supervisory Committee member is to be selected from among people with sufficient knowledge regarding finance and accounting. With this condition fulfilled, the business environment, management strategy, and the balance of members and skills that is believed to be appropriate are considered, among other factors.

Name		Number of years of service as director	Skills/area of expertise								
			Corporate management	Business strategy	Finance and accounting	Personnel and labor affairs Human resource strategy	Global	IT/DX	ESG Diversity	Legal affairs and risk management	R&D Business development
Director	Yoshiya Nishi	8		●		●	●		●		●
	Ayumi Higaki	5		●				●			●
	Masaru Ohtakeguchi	4		●		●					●
	Toru Takeuchi	2			●					●	
	Hideki Ishibashi	9 months		●				●			●
	Atsuhiko Imai	Outside Director	2	●		●				●	
	Hiroko Watanabe	Outside Director	2	●	●			●			
Directors Serving on the Audit & Supervisory Committee	Toshio Odagiri	2		●						●	
	Satoshi Nagai	9 months		●		●		●			
	Hajime Nakajima	Outside Director	8		●	●				●	
	Yuzo Miyama	Outside Director	7		●			●		●	
	Shizuo Kashima	Outside Director	6		●			●		●	

(Note) The area of specialization (skill) and experience of "Corporate management" covers Outside Directors only.

Governance Committee

The Company established the Governance Committee in December 2023. This committee was established to enhance corporate governance by appropriately discussing and considering the risks of conflicts of interest with Nippon Telegraph and Telephone Corporation, which is the Company's parent company,

and its group companies (hereafter collectively the "NTT Group"), to ensure fairness, transparency, and objectiveness of the Company and its Group companies' (hereafter collectively the "INTAGE Group") transactions with the NTT Group and thereby protect the interest of the INTAGE Group's minority shareholders.

Approach to Independence and Protection of Minority Shareholders

The Company and the NTT Group cooperate by fully and mutually respecting each other's self-initiative and autonomy. At the same time, regarding transactions, etc. with the NTT Group, the Company has formulated the Basic Policy on Transactions with the NTT Group, and guided by this policy, the Governance Committee appropriately deliberates matters and implements other initiatives and the Board of Directors passes resolutions. In addition, partly because the Audit & Supervisory Committee conducts audits to examine whether directors are executing their duties appropriately in accordance with the above Basic Policy or not, the Company understands that both the structure for securing independence from the NTT Group and for protecting minority shareholders will be maintained.

Roles and Authorities of the Governance Committee

The Governance Committee serves as an advisory body to the Board of Directors. In response to the Board of Directors' requests for advice, the committee discusses and considers the following and submits reports to the board.

- 1 Formulation and revisions of the Basic Policy on Transactions with the NTT Group (draft)
- 2 Prior approval and after-the-fact validation of important transactions between the NTT Group and the INTAGE Group
- 3 Validation of transactions between the NTT Group and the INTAGE Group (planned to be conducted at least once a year)
- 4 Consideration of the disclosure of information related to matters set forth in the preceding items
- 5 Other matters for which deliberation or consideration has been deemed necessary by the Board of Directors or the committee

Composition of the Committee (As of October 2024)

The committee consists of three or more members, who are selected from among the independent outside directors. The chairperson is selected from among its members, who are independent outside directors.

◆ Chairman

Atsuhiko Imai
(Independent outside directors)

◆ Members

Hiroko Watanabe
(Independent outside director)
Hajime Nakajima
(Independent outside director)
Yuzo Miyama
(Independent outside director)
Shizuo Kashima
(Independent outside director)

Major Activities

(Time of establishment to October 2024)

The Governance Committee plays a role as an advisory body to the Board of Directors. As stated at left, it discusses and considers matters related to transactions with the NTT Group. Its activities carried out after its establishment in December 2023 include the formulation of the Basic Policy on Transactions with the NTT Group, the examination of the necessity, rationality, and appropriateness of projects related to sales of products or services to the NTT Group, and the validation of transactions that were conducted in FY2023 in accordance with the Basic Policy on Transactions. Further, effective on July 1, 2024, the Company acquired all shares of DOCOMO InsightMarketing, Inc., which was a joint venture with NTT DOCOMO, INC., making it a wholly owned subsidiary. The Governance Committee also examined and reported on the transactions related to this matter in terms of the rationality of their purpose, the appropriateness of procedures for the transactions, and the reasonableness of the terms, for which advice was sought.

Directors' Compensation (FY2023)

Compensation for directors (excluding outside directors and directors who are members of the Audit & Supervisory Committee) is made up of monetary compensation and stock-based compensation. The percentages of these paid are determined by comprehensively taking into account a director's position and responsibilities, business performance, the degree of target achievement and so on. In addition, the percentage of compensation linked to medium- and long-term business performance and the proportions of monetary compensation to stock-based compensation are set as appropriate to ensure that the system functions as a healthy incentive aimed at sharing value with shareholders and facilitating sustainable growth. The compensation of outside directors who are not members of the Audit & Supervisory Committee comprises only the "base compensation" described in (i)a.

(i) Monetary compensation

The following monetary compensation is paid within the range of compensation based on resolution by the 44th Ordinary General Meeting of Shareholders.

a. Base compensation

Base compensation is determined based on position, roles, responsibilities and other factors.

b. Performance-linked monetary compensation

Performance-linked monetary compensation is calculated by multiplying a base amount, which uses consolidated operating profit for the previous fiscal year as its metric, by a designated coefficient according to position, taking an individual assessment-based amount based on role-specific results, and adding the two figures.

(ii) Stock-based compensation

Stock-based compensation comprises the following.

a. Performance-linked stock-based compensation

This is a type of stock-based compensation that was continued and partially revised by resolution of the 47th Ordinary General Meeting of Shareholders. In accordance with the Stock-based Benefits Regulations, in each fiscal year points are awarded based on a director's position and the degree of achievement of performance targets. In principle at the time of a director's retirement, shares in the Company corresponding to the accumulated number of points (with one point converted to one share of the common stock in the Company), and monetary proceeds from the conversion of common stock in the Company, are paid to the director through a trust.

b. Restricted stock-based compensation

This is a type of stock-based compensation established by resolution of the 50th Ordinary General Meeting of Shareholders. Based on their positions, each fiscal year directors are

granted monetary claims as compensation for the granting of transfer-restricted shares. The directors make in-kind contributions of all of these monetary claims, and in turn receive shares in the Company whose transfer is restricted over a certain period. Note that compensation shall be within the limit set by resolution of the 44th Ordinary General Meeting of Shareholders, and shall not exceed ¥90 million per year.

Regarding specific details concerning the amount, payment timing and allocation, etc., of compensation and other such benefits of directors who are not members of the Audit & Supervisory Committee (excluding outside directors), a director in charge is to prepare a payment draft in accordance with resolution of the General Meeting of Shareholders. Base compensation, performance-linked monetary compensation and performance-linked stock-based compensation are determined, under delegation by the Board of Directors, by a separately established committee pertaining to compensation ("Compensation Committee," hereafter) whose members comprise the President and Representative Director, directors who are members of the Audit & Supervisory Committee and independent outside directors, in which a majority of members are independent outside directors. Restricted stock-based compensation is determined by the Board of Directors following deliberation by the Compensation Committee. The compensation of outside directors who are not members of the Audit & Supervisory Committee comprises only base compensation. Specific details concerning the amount, payment timing and allocation, etc. of this compensation are determined by the Compensation Committee under delegation by the Board of Directors, in accordance with resolution of the General Meeting of Shareholders. The compensation of directors who are members of the Audit & Supervisory Committee comprises only base compensation. Specific details concerning the amount, payment timing and allocation, etc. of this compensation are determined by consultation between the directors who are members of the Audit & Supervisory Committee within the compensation limits established by resolution of the 44th Ordinary General Meeting of Shareholders.

After this policy for the determination of compensation was first approved by the Board of Directors on February 19, 2021, revisions to the policy were later approved by the Board of Directors on August 19, 2022 due to the introduction of restricted stock-based compensation. When determining details such as the individual compensation of directors in the fiscal year under review, since the Compensation Committee made its determinations as a result of multi-faceted considerations including consistency with the policy for determining compensation described above, for its part the Board of Directors judges that the determinations have been made in consistency with said policy.

Category	Total amount of compensation (thousand yen)	Total amount by type of compensation (thousand yen)				Number of eligible directors
		Monetary compensation		Stock-based compensation		
		Basic compensation	Performance-linked monetary compensation	Performance-linked stock-based compensation	Restricted stock-based compensation	
Director (excluding Audit & Supervisory Committee members) (excluding outside directors)	237,620	48,000	129,537	2,441	57,641	7
Director (Audit & Supervisory Committee members) (excluding outside directors)	19,200	19,200	—	—	—	2
Outside directors	36,000	36,000	—	—	—	5

DATA SECTION



39 FINANCIAL AND NON-FINANCIAL HIGHLIGHTS FOR
THE PAST 10 YEARS

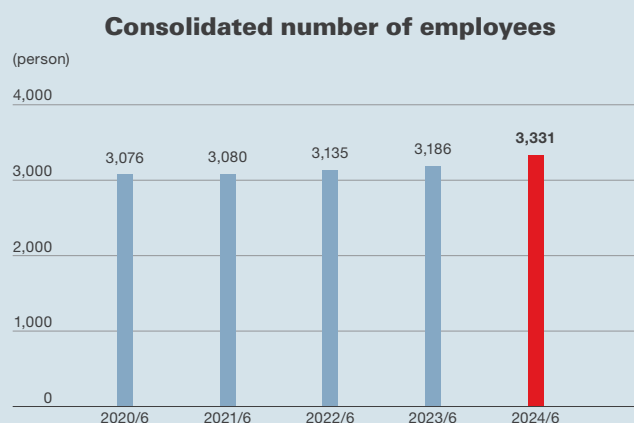
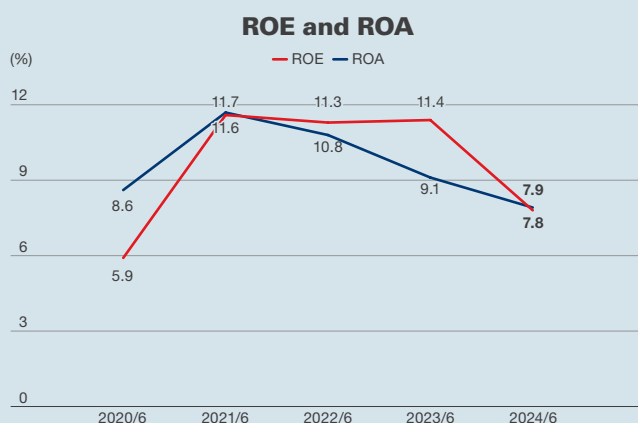
41 FINANCIAL STATEMENTS

44 CORPORATE PROFILE

Financial and non-financial highlights for the past 10 years

	2015/3	2016/3	2017/3	2018/3
For the Year:				
Net sales	43,925	45,481	47,987	50,499
Cost of sales	31,723	33,257	34,603	35,732
Selling, general and administrative expenses	8,630	8,340	9,115	10,743
Operating profit	3,571	3,883	4,268	4,023
Net income attributable to owners of parent	2,463	2,326	2,871	3,050
Cash flows from operating activities	2,947	1,713	4,072	3,188
Cash flows from investing activities	2,327	(1,791)	(2,110)	(2,414)
Cash flows from financing activities	(4,940)	1,566	(1,300)	399
Cash and cash equivalents at end of year	8,366	9,812	10,418	11,622
At Year-End:				
Total assets	33,301	36,830	39,067	41,486
Total net assets	19,917	21,338	23,771	27,428
Equity ratio (%)	59.3	57.5	60.3	65.5
Per Share Data (Yen):				
Net income* ¹	61.52	58.28	71.91	76.08
Net assets* ¹	494.50	530.09	589.87	660.69
Cash dividends* ¹	15.00	16.25	17.50	20.00
Other information (%)				
Operating margin	8.1	8.5	8.9	8.0
ROA (return on assets)	10.3	11.3	11.6	10.7
ROE (return on equity)	13.4	11.4	12.8	12.0

Financial and non-financial data



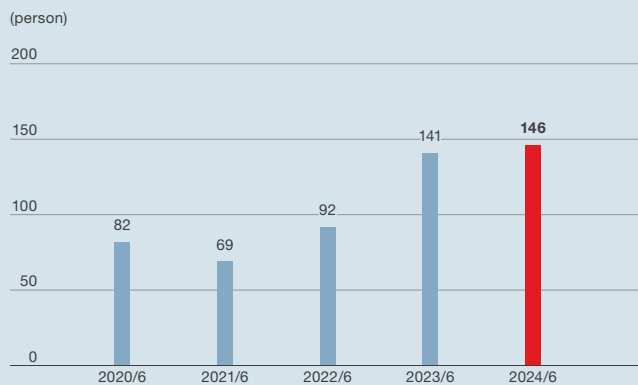
*1 The Company conducted a two-for-one split of common stock effective October 1, 2017. Calculations are made on the assumption that the stock split was performed at the beginning of the fiscal year ended March 2014.

*2 Due to a change in the fiscal period, the fiscal year ended June 2020 was a fifteen-month period from April 1, 2019 to June 30, 2020.

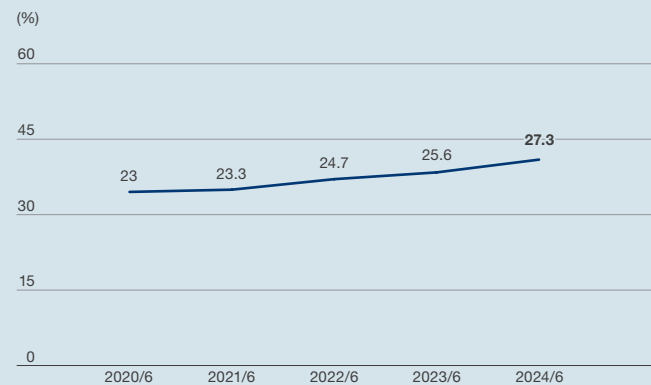
(Millions of yen)
Negative figures are shown in parenthesis

2019/3	2020/6*2	2021/6	2022/6	2023/6	2024/6
53,986	66,880	57,558	60,232	61,387	63,279
37,891	47,971	39,358	39,843	40,088	41,279
11,826	15,129	13,778	15,739	17,513	18,709
4,268	3,779	4,421	4,649	3,785	3,289
2,859	1,683	3,372	3,418	3,505	2,456
4,279	7,032	4,845	3,391	2,687	1,972
(4,087)	(1,402)	(1,241)	(634)	(618)	(705)
(58)	(5,518)	(1,354)	(2,854)	(3,954)	(2,159)
11,720	11,779	14,132	14,277	12,536	11,940
45,524	41,489	45,751	45,633	44,391	45,318
28,987	28,335	30,526	30,823	31,004	32,439
63.3	67.8	65.6	66.8	69.3	71.1
69.47	41.99	84.40	86.31	91.21	64.47
699.51	704.73	750.50	776.32	808.17	844.73
22.00	30.00	35.00	38.00	42.00	43.00
7.9	5.7	7.7	7.7	6.2	5.2
9.7	8.6	11.7	10.8	9.1	7.9
10.2	5.9	11.6	11.3	11.4	7.8

Number of new hires



Rate of female managers*3*4



*3 From the fiscal year ended June 2020 to the fiscal year ended June 2022, companies subject to data collection are INTAGE HOLDINGS Inc., INTAGE Inc., INTAGE RESEARCH Inc., INTAGE Healthcare Inc., INTAGE TECHNOSPHERE Inc. and INTAGE ASSOCIATES Inc. From the fiscal year ended June 2023, all domestic consolidated subsidiaries are subject to data collection.

*4 Calculation of the percentage of managers who are women is made based on the provisions of the Act on the Promotion of Female Participation and Career Advancement in the Workplace (Act No. 64 of 2015).

Consolidated Balance Sheet

Thousands of yen

Assets	2023/6	2024/6
Current assets		
Cash and deposits	12,620,553	12,045,279
Notes receivable - trade	624,648	578,419
Accounts receivable - trade	8,727,169	10,539,946
Contract assets	85,784	295,448
Merchandise	15,422	25,402
Work in process	2,186,425	1,859,716
Supplies	146,511	128,381
Other	2,010,226	2,538,923
Allowance for doubtful accounts	△ 3,877	△ 6,092
Total current assets	26,412,864	28,005,424
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,316,306	6,438,073
Accumulated depreciation	△ 5,145,155	△ 5,295,177
Net buildings and structures	1,171,150	1,142,896
Equipment and fixtures	1,550,928	1,587,977
Accumulated depreciation	△ 1,276,087	△ 1,296,166
Net equipment and fixtures	274,841	291,810
Land	1,998,156	1,998,156
Leased assets	1,083,976	823,979
Accumulated depreciation	△ 604,104	△ 476,372
Net lease assets	479,871	347,606
Total property, plant and equipment	3,924,020	3,780,470
Intangible assets		
Goodwill	832,688	711,421
Other	3,054,218	2,801,911
Total intangible assets	3,886,907	3,513,333
Investments and other assets		
Investment securities	5,846,269	5,920,277
Deferred tax assets	2,505,024	1,622,811
Retirement benefit asset	101,306	688,061
Other	2,027,233	2,120,386
Allowance for doubtful accounts	△ 312,467	△ 332,260
Total investments and other assets	10,167,365	10,019,276
Total non-current assets	17,978,294	17,313,079
Total assets	44,391,158	45,318,504

Thousands of yen

Liabilities	2023/6	2024/6
Current liabilities		
Accounts payable - trade	2,973,730	2,975,988
Short-term borrowings	224,840	—
Lease liabilities	215,361	162,711
Income taxes payable	560,187	288,105
Contract liabilities	749,715	941,438
Provision for bonuses	2,138,925	2,199,639
Provision for point card certificates	2,287,583	2,299,060
Other	2,651,449	3,023,704
Total current liabilities	11,801,793	11,890,649
Non-current liabilities		
Long-term borrowings	173,410	100,000
Lease liabilities	321,346	233,622
Provision for share awards	173,215	161,096
Retirement benefit liability	755,043	315,774
Asset retirement obligations	103,966	104,675
Other	57,512	72,836
Total non-current liabilities	1,584,494	988,006
Total liabilities	13,386,287	12,878,655

Thousands of yen

Net assets	2023/6	2024/6
Shareholders' equity		
Share capital	2,378,706	2,378,706
Capital surplus	1,789,401	1,796,219
Retained earnings	30,075,545	30,916,440
Treasury shares	△ 3,461,377	△ 3,381,200
Total shareholders' equity	30,782,275	31,710,166
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	113,749	124,580
Foreign currency translation adjustment	657,900	711,140
Remeasurements of defined benefit plans	△ 784,122	△ 336,964
Total accumulated other comprehensive income	△ 12,472	498,756
Non-controlling interests	235,067	230,926
Total net assets	31,004,871	32,439,848
Total liabilities and net assets	44,391,158	45,318,504

Consolidated Statements of Income

Thousands of yen

	2022/7/1- 2023/6/30	2023/7/1- 2024/6/30
Net sales	61,387,014	63,279,218
Cost of sales	40,088,291	41,279,883
Gross profit	21,298,723	21,999,335
Selling, general and administrative expenses	17,513,400	18,709,346
Operating profit	3,785,323	3,289,989
Non-operating income		
Interest income	13,204	22,232
Dividend income	53,847	59,716
Share of profit of entities accounted for using equity method	218,097	175,415
Gain on investments in investment partnerships	270,991	13,150
Foreign exchange gains	44,794	46,649
Other	105,185	69,297
Total non-operating income	706,121	386,462
Non-operating expenses		
Interest expenses	21,420	19,979
Commission expenses	14,428	14,182
Commission for purchase of treasury shares	50,854	—
Loss on retirement of non-current assets	18,044	83,223
Provision of allowance for doubtful accounts	307,266	10,590
Other	5,599	5,203
Total non-operating expenses	417,614	133,178
Ordinary profit	4,073,829	3,543,273
Extraordinary income		
Gain on sales of investment securities	146,414	—
Gain on sale of shares of subsidiaries and associates	76,423	—
Gain on liquidation of subsidiaries	—	349,277
Total extraordinary income	222,837	349,277
Extraordinary loss		
Loss on valuation of investment securities	31,910	105,057
Total extraordinary losses	31,910	105,057
Profit before income taxes	4,264,756	3,787,493
Income taxes - current	1,506,057	601,924
Income taxes - deferred	△ 621,284	720,443
Total income taxes	884,772	1,322,368
Profit	3,379,984	2,465,125
Profit (loss) attributable to non-controlling interests	△ 125,776	8,300
Profit attributable to owners of parent	3,505,760	2,456,825

Consolidated Statements of Comprehensive Income

Thousands of yen

	2022/7/1- 2023/6/30	2023/7/1- 2024/6/30
Profit	3,379,984	2,465,125
Other comprehensive income		
Valuation difference on available-for-sale securities	△ 234,325	10,146
Foreign currency translation adjustment	142,045	65,378
Remeasurements of defined benefit plans, net of tax	302,021	447,157
Total other comprehensive income	209,741	522,681
Comprehensive income	3,589,725	2,987,807
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	3,705,589	2,968,054
Comprehensive income attributable to non-controlling interests	△ 115,863	19,752

Consolidated Statements of Cash Flows

Thousands of yen

	2022/7/1- 2023/6/30	2023/7/1- 2024/6/30
Cash flows from operating activities		
Profit before income taxes	4,264,756	3,787,493
Depreciation	1,332,945	1,249,123
Amortization of goodwill	129,157	121,267
Decrease (increase) in retirement benefit asset	△ 73,058	△ 586,755
Increase (decrease) in retirement benefit liability	△ 536,714	△ 442,341
Increase (decrease) in provision for retirement benefits for directors (and other officers)	△ 4,800	—
Increase (decrease) in provision for bonuses	△ 52,412	45,223
Increase (decrease) in allowance for doubtful accounts	306,285	21,898
Increase (decrease) in provision for point card certificates	61,466	11,477
Increase (decrease) in provision for losses on orders received	△ 26,416	—
Increase (decrease) in provision for share awards	△ 20,300	△ 12,118
Interest and dividend income	△ 67,052	△ 81,949
Share of loss (profit) of entities accounted for using equity method	△ 218,097	△ 175,415
Interest expenses	21,420	19,979
Loss (gain) on investments in investment partnerships	△ 270,991	△ 13,150
Loss on retirement of non-current assets	18,044	83,223
Loss (gain) on sales of investment securities	△ 146,414	—
Loss (gain) on sale of shares of subsidiaries and associates	△ 76,423	—
Loss (gain) on liquidation of subsidiaries	—	△ 349,277
Loss (gain) on valuation of investment securities	31,910	105,057
Decrease (increase) in trade receivables	△ 461,048	△ 1,718,020
Decrease (increase) in inventories	△ 145,361	347,625
Increase (decrease) in trade payables	308,900	△ 35,391
Increase (decrease) in accrued consumption taxes	△ 199,832	110,899
Other	161,929	614,556
Subtotal	4,337,893	3,103,403
Interest and dividends received	67,052	81,949
Interest paid	△ 19,241	△ 19,772
Income taxes paid or refunded (minus symbol indicates payment)	△ 1,754,894	△ 1,210,015
Other	56,618	16,595
Net cash provided by (used in) operating activities	2,687,428	1,972,160

Thousands of yen

	2022/7/1- 2023/6/30	2023/7/1- 2024/6/30
Cash flows from investing activities		
Payments into time deposits	△ 88,220	△ 82,744
Proceeds from withdrawal of time deposits	111,465	62,290
Purchase of property, plant and equipment	△ 439,318	△ 164,309
Purchase of intangible assets	△ 705,795	△ 626,404
Purchase of investment securities	△ 224,978	△ 178,773
Proceeds from sales of investment securities	713,313	249,861
Loan advances	△ 1,550	△ 1,510
Proceeds from collection of loans receivable	1,561	24,591
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	△ 88,570	—
Payments of guarantee deposits	△ 42,385	△ 61,669
Proceeds from refund of guarantee deposits	16,774	33,375
Proceeds from distributions from investment partnerships	124,754	10,204
Other	4,196	29,731
Net cash provided by (used in) investment activities	△ 618,753	△ 705,356
Cash flows from financing activities		
Proceeds from short-term borrowings	8,000,000	7,000,000
Repayments of short-term borrowings	△ 8,000,000	△ 7,000,000
Proceeds from long-term borrowings	100,000	—
Repayments of long-term borrowings	△ 324,840	△ 298,250
Repayments of lease obligations	△ 219,187	△ 222,068
Proceeds from share issuance to non-controlling shareholders	7,833	6,210
Purchase of treasury shares	△ 1,999,975	△ 265
Dividends paid	△ 1,505,811	△ 1,616,044
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	△ 10,056
Other	△ 12,320	△ 18,896
Net cash provided by (used in) financing activities	△ 3,954,302	△ 2,159,369
Effect of exchange rate change on cash and cash equivalents	145,170	296,470
Net increase (decrease) in cash and cash equivalents	△ 1,740,457	△ 596,095
Cash and cash equivalents at beginning of period	14,277,356	12,536,899
Cash and cash equivalents at end of period	12,536,899	11,940,803

Corporate Data/INTAGE Group

Corporate profile

Company Name	INTAGE HOLDINGS Inc.
Established	March 1960
President and Representative Director	Yoshiya Nishi
Share capital	¥2,378.7 million
Net Sales (Consolidated)	¥63.2 billion (Fiscal year ended June 2024)
Consolidated number of employees	3,331 (As of June 30, 2024)
Head Office	INTAGE Akihabara Building, 3 Kanda-Neribeicho, Chiyoda-ku, Tokyo 101- 0022, Japan

INTAGE Group (As of July 1, 2024)

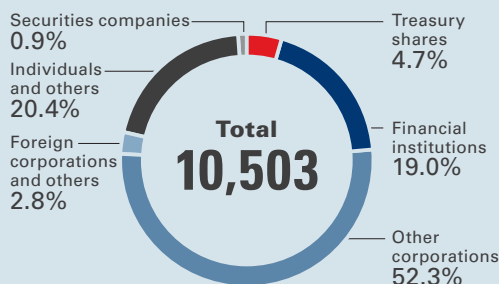
Domestic Group Companies	Overseas Group Companies
INTAGE Inc. INTAGE RESEARCH Inc. INTAGE QUALIS Inc. Research and Innovation Co., Ltd. DOCOMO InsightMarketing, INC. dataSpring Inc. INTAGE Healthcare Inc. KYOWA KIKAKU LTD. INTAGE Real World Inc. PLAMED Inc. INTAGE TECHNOSPHERE Inc. DataAge Inc. Buildsystem Co., Ltd. NSK Co., Ltd. INTAGE ASSOCIATES Inc.	INTAGE CHINA Inc. SHANGHAI HARVEST MARKET CONSULTING Co., Ltd. INTAGE (Thailand) Co., Ltd. INTAGE VIETNAM LIMITED LIABILITY COMPANY INTAGE INDIA Private Limited INTAGE SINGAPORE PTE. LTD. PT. INTAGE INDONESIA INTAGE USA Inc. dataSpring Korea Inc. dataSpring Global Research USA, Inc. dataSpring Singapore PTE LTD dataSpring Philippines, Inc. DATA SPRING CHINA Inc. Plamed Korea Co., Ltd.

Stock Information (As of June 30, 2024)

Stock

Authorized Shares	Number of Shareholders
148,000,000	10,503
Shares Issued	
40,426,000	

Distribution of Shares

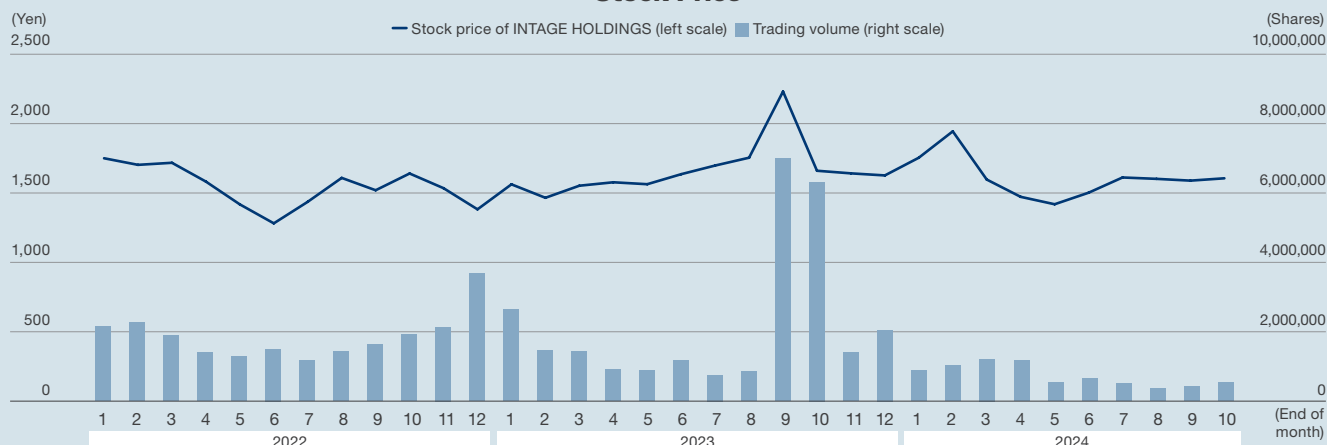


Major Shareholders (as of June 30, 2024)

Name of shareholder	Investment in the Company	
	Number of shares owned (Shares)	Shareholding ratio (%)
NTT DOCOMO, INC.	19,622,021	51.0
The Master Trust Bank of Japan, Ltd. (account in trust)	2,731,100	7.1
INTAGE Group Employees' Stockholding Association	1,626,737	4.2
Nippon Life Insurance Company	1,120,000	2.9
Custody Bank of Japan, Ltd. (account in trust)	1,044,214	2.7
Saitama Resona Bank, Ltd.	757,500	2.0
Mizuho Trust & Banking Co., Ltd. As trustee for Retirement Benefit Trust of Eisai Co., Ltd.	666,500	1.7
Hoei Jitsugyo Co., Ltd.	601,900	1.6
The Dai-ichi Mutual Life Insurance Company	567,100	1.5
Daiei Real Estate & Development Co., Ltd.	371,700	1.0

(Note) The shareholding ratio is calculated with treasury shares (1,914,006 shares) deducted.

Stock Price





Further Information:

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