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August 1, 2025

To Whom It May Concern,

Company Name: Insource Co., Ltd.
Representative: Takayuki Funahashi
Representative Director, President and
CEO
(Code number: 6200, Prime Market of the
Tokyo Stock Exchange)

**Notice: Insource Announces Release of Insource Group Integrated Report 2024 in English
- Provide explanations of content and digital growth strategies from various perspectives -**

Insource Co., Ltd. (hereafter referred to the Company), which supports organizations to resolve issues through the power of Training and IT, announces that we have released our integrated report, the “Insource Group Integrated Report 2024 (total 91 pages)” in English, as Japanese version was released this June.

This is the fourth integrated report announcement. We interviewed CEO and the person-in-charge of each division to describe the reasons for growth in FY23 and future growth strategies in a Q&A format. In addition, this section introduces many of our specific initiatives in health and productivity management as well as sustainability, current external evaluations we received, and our future measures. The Data Section at the end of the report also includes financial information from FY19 and 5 year performance record of non-financial data(KPI), which is disclosed monthly.

Through this report, we aim to strengthen dialogue with our stakeholders. In addition, we will strive to achieve our corporate philosophy of “creating a society in which all people can enjoy working and feel fulfilled” by engaging in corporate activities with high speed and actively conducting IR activities in an effort to increase corporate value over the long term.



Insource Group
Integrated Report 2024



• Insource Group Integrated Report 2024 (FY23) <PDF of Full Text in English>

https://www.insource.co.jp/resource/pdf/ir/integratedreport2024_eng.pdf

< Insource Group Integrated Report 2024 >

1. Introduction

This section provides an overview of the management that we are aiming for and the services that we are providing. This section provides financial and non-financial data related to the Company, including the number of Group companies and business locations.

2.CEO Message

Our CEO, Takayuki Funahashi, talks about “Road to Next2027” and the impact of the generative AI on our business. The section also includes the status of measures related to sustainability that contribute to the continuous improvement of corporate value and the idea of human resource strategies.

3.Insource from now on - Business Growth and Corporate Brand Enhancement

We include a sales strategy by client segment as a result of having changed our sales structure to a five-division system in October 2024. In addition, we interviewed the General Managers of the Group Content Development, Open Seminars Division, and IT Service Division to explain the reasons for growth in FY23 and their future growth strategies. Furthermore, we provide detailed explanations of our growing businesses, such as DX, e-Learning and videos.

Market Environment and Sales Strategy



1 Please tell us about the market environment.
 We believe that the career training market, HR digitalization market, and ESG reporting market are expanding and have significant growth potential.
 The market is expected to grow. The key will be the challenge of achieving sustainable growth. The career training market is expected to reach 300 billion yen in 2024 and 400 billion yen or more in 2030. Our current market share is 1.8%, and we believe there is significant room for further expansion. Additionally, we forecast the IT market for human resources management to reach 18 billion yen by 2022 and 30 billion yen by 2027. Given our increasing investment in human capital and our excellent performance in HR, our growth and our sustainable business growth is seen in "L2" and "L3" and family shares in 4.7 billion yen and 7.2 billion yen.

2 Changes in the career training market and human resources market share over the five-year period

Year	Market size (billion yen)		Market share (%)
	2019	2023	
2019	112	102	0.8%
2020	112	102	0.8%
2021	112	102	0.8%
2022	112	102	0.8%
2023	112	102	0.8%

Revenue from new core Business Growth and Corporate Brand Enhancement

3 Please share your thoughts on the sales strategies for FY23.
 We expanded our sales territories and implemented large-scale promotional programs to increase sales per company. We also strengthened sales activities tailored to different client segments. Furthermore, thanks to our digital HR training, operating profit per representative increased by 10.2%.

4 We would like to know your approach to ESG.
 We have established sales territories in eight cities to strengthen ties with local clients with a focus on local communities. In FY23, we targeted eight cities: Aomori, Chiba, Chugoku, Hokkaido, Ibaraki, Kanagawa, Osaka, and Saitama. At the same time, we clearly specify requirements for our sales representatives, including environmental and social impact, and provide support accordingly. For example, we used Social IQ to measure the progress of training business projects based on a variety of indicators, including human rights. We also used Social IQ to measure the progress of our sales representatives' social activities and increased their contact with clients. As a result, operating profit per sales representative increased by 1.3 billion yen (10.2% YoY).

5 As we go forward, we are looking for growth opportunities in ESG. How do you plan to develop ESG business strategies?
 We would like to know your approach to ESG. How do you plan to develop ESG business strategies? We would like to know your approach to ESG. How do you plan to develop ESG business strategies?

Future Content Development Strategy



6 What is your strategy for future content development?
 In addition to developing new digital health and content-based training tailored to this era of change, we are also focusing on content development for existing clients and existing content-based educational content, thereby contributing to the overall performance of the group.

7 Training content focuses on broad-based and specialized content.
 In addition to developing new digital health and content-based training tailored to this era of change, we are also focusing on content development for existing clients and existing content-based educational content, thereby contributing to the overall performance of the group.

What kind of products will you offer for each segment?

8 We will work to expand product educational programs tailored to the practical work of SME, MSME, and public sectors.
 Large Enterprises (L2) (2023 or more employees): We will expand the range of business education, including training in digital health and content-based training, to SMEs, MSMEs, and public sectors. We will also expand the range of business education, including training in digital health and content-based training, to SMEs, MSMEs, and public sectors.

9 Training digital skills and content development for public sectors and local governments

Year	2019	2020	2021	2022	2023
Number of clients	10	15	20	25	30
Revenue (million yen)	100	150	200	250	300

4. Toward Sustainable Growth

We introduce our efforts to receive “AAA” in MSCI ESG ratings in April 2025 chronologically. We have been certified as a “Certified Health & Productivity Management Organization” for three consecutive years. However, we also include priority measures to be recognized as White 500 in the future. In the governance part, Outside Directors discuss the topic of “To be a company that can continue to grow over the next 10 years.”

Sustainability and Growth Policy



1 Please tell us about the latest external evaluation regarding sustainability.
 We have received an external evaluation regarding sustainability from MSCI ESG. Our rating is AAA, which is the highest rating in the industry. This is a testament to our commitment to sustainable growth and our focus on ESG.

Key Sustainability Initiatives

Year	2019	2020	2021	2022	2023
February	Establishment of TCFD Recommendations	Establishment of TCFD Recommendations	Establishment of TCFD Recommendations	Establishment of TCFD Recommendations	Establishment of TCFD Recommendations
April	Publication of the Integrated Report	Publication of the Integrated Report	Publication of the Integrated Report	Publication of the Integrated Report	Publication of the Integrated Report
July	Establishment of the Integrated Report	Establishment of the Integrated Report	Establishment of the Integrated Report	Establishment of the Integrated Report	Establishment of the Integrated Report
September	Establishment of the Integrated Report	Establishment of the Integrated Report	Establishment of the Integrated Report	Establishment of the Integrated Report	Establishment of the Integrated Report
November	Establishment of the Integrated Report	Establishment of the Integrated Report	Establishment of the Integrated Report	Establishment of the Integrated Report	Establishment of the Integrated Report

Initiatives for Health Management

10 Certified as a Health & Productivity Management Outstanding Organization for three consecutive years, and aim for further promotion.
 We have been certified as a “Certified Health & Productivity Management Outstanding Organization” for three consecutive years. This is a testament to our commitment to employee health and productivity. We aim to further promote our health management initiatives and achieve even higher performance in the future.

From now on, we will implement further improvements to be recognized as “White 500” enterprise

11 We will continue to improve work ability and productivity of employees by creating a safe and secure work environment for them.
 We will continue to improve work ability and productivity of employees by creating a safe and secure work environment for them. This includes measures such as providing health and safety training, implementing ergonomic measures, and promoting a culture of safety. We aim to create a work environment where employees can thrive and contribute to the company's success.

5. Value Creation

We provide a detailed description of our value-creating processes and content development, culture, system development, and sales force that form the basis of our management.

6. Data Section

In addition to the list of Directors and consolidated financial data, we expand transition of business performance, KPI including non-financial data, and ESG data. You can view us from various perspectives.

We will continue to disclose information in the future proactively.

END

【Inquiries】 Insource Co., Ltd. <https://www.insource.co.jp/en/ir/index.html>
(For media interviews / PR / CEO Office (PIC: Ms.Inoue & Ms.Shimoji)
integrated report)

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