ARTNER

Engineer Support Company

# Annual Report 2026

(Integrated Report)

FY2026

# Purpose / Company Motto / Management Philosophy

Purpose

## Support the growth and self-actualization of engineers, who are Japan’s world-class assets.

For resource-poor Japan, its engineers are assets, of which we can boast to the world.
Artner is a platform that supports the growth and self-actualization of engineers.
Artner nurtures engineers not only as assets of Artner,
but also as shared assets of Japan.
Amid a rapidly changing work environment and mindset,
attributed to the fluidity of talents and various diversity initiatives, Artner is committed to promoting the happiness of working engineers to create “a new way of life” for them.

## – To Achieve Our Purpose –

### Mission

As an “Engineer Support Company,” we are committed to creating “a new way of life” for engineers.

### Vision

We will improve the quality of our engineers to become, within 10 years, a group of engineers providing the greatest added value in the industry. The talents developed by Artner will support the world of manufacturing.

### Values

Competent engineers are capable of selecting what they need, and making every effort to attain happiness for themselves. Artner supports the career and skill development of each and every engineer to offer a wide range of projects that fit with their desires and qualifications.

### Company Motto

**Pursuit of Mindset**　**Pursuit of Wisdom**　**Pursuit of Creativity**

Whenever you must make a firm decision on which path to take, always stay calm and make sure to return to the basics, no matter what you are faced with.

### Management Philosophy

**“Engineer Support Company”**

—We support our engineers’ dreams—

We aim for the happiness of all the employees and reflection within the company by developing talents, fostering technologies, and contributing to society through our engineers.

*We put our specific meanings into these words. *Happiness* represents the idea that people will become *happy* by acting on their own initiative, rather than waiting for something to be offered. *Reflection* is the idea that, by illuminating and shining on each other, we will create a culture of promoting *reflective prosperity*.

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## Editorial Policy

Artner has been publishing the Annual Report since FY2023 as a communication tool to help stakeholders understand our values, business model, and overall value creation story for sustainable enhancement of our enterprise value. This report contains financial information about our Group's management strategies and business activities, as well as non-financial information, including how our business is contributing to society and the environment. We will make continued efforts to enrich the content of this report, aiming to deepen stakeholders' understanding of our Group's attractiveness, growth potential, and initiatives to increase the enterprise value in the long term.

## Guidelines Referenced

- IFRS Foundation, "International Integrated Reporting Framework"
- Ministry of Economy, Trade and Industry, "Guidance for Collaborative Value Creation 2.0"
- Global Reporting Initiative (GRI) Standards

## Publication Date

August 2026

## Reporting Period

February 1, 2025 to January 31, 2026

(Some activities before or after the above period have also been included.)

Highlights of Annual Report 2026

## What Are Artner's Characteristics and Strengths?


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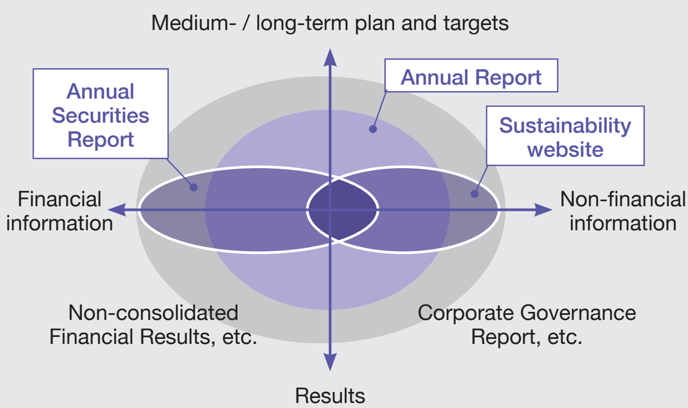
## Cautionary Note Regarding Forward-Looking Statements

This report contains various statements regarding future prospects. These statements are based on our current assumptions and forecasts and involve risks and uncertainties. For this reason, actual financial status, business developments, and results may differ from the statements herein.

## Other Disclosure Information

- Investor Relations
https://www.artner.co.jp/ir/
- Sustainability
https://www.artner.co.jp/ct-sustainability/index/

## Positioning of the Annual Report



# At a Glance

## Net Sales (Consolidated)

12 billion yen

## Operating Margin (Consolidated)

15.1%

## Earnings per Share (EPS) (Consolidated)

118.47 yen

## ROE (Consolidated)

24.1%

## Payout Ratio (Consolidated)

70.9%

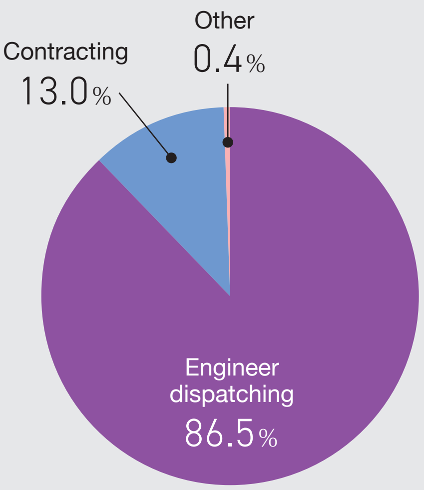
## Founded

September 18, 1962

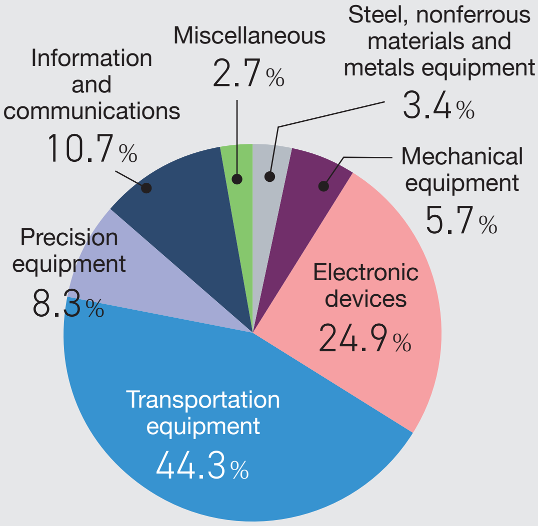
## Client History (Non-consolidated)

Roughly 1,500 companies

## Net Sales by Type of Contract with Clients (Non-consolidated)




## Net Sales by Industry Field with Clients (Non-consolidated)



## Total Number of Engineers
(Consolidated)

1,452

## Average Age (Non-consolidated)

30.7 years old

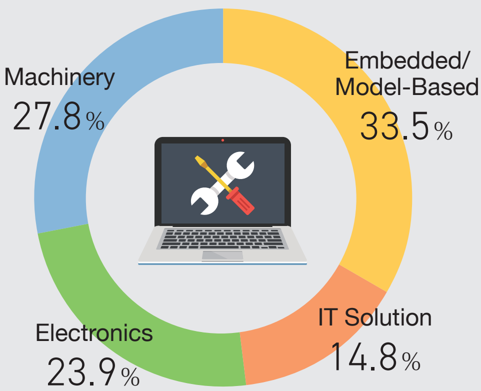
## Recruitment of New Graduates
(Non-consolidated) (engineers)

(April 2026 hires) 149

## Career Hires (Non-consolidated)
(engineers, incl. non-recent and recent graduates)

87

## Engineer Composition
(Non-consolidated)




## Unit Price of Engineers
(Non-consolidated)
(per person per hour)

4,713 yen

## Percentage of Artner's Former Employees Who Used the Job Change Assistance Program
(Non-consolidated)

2.3%

# Message from Our President and CEO

**SEKIGUCHI Sozo**
President and CEO

# We will strengthen our talent base and management foundation and continue to grow as a group of high-achieving engineers.

## Sales and Operating Profit Growth Achieved for 12 Consecutive Periods

In FY2026, the Artner Group achieved sales and operating profit growth for 12 consecutive periods. This is mostly because demand for engineers from our main customers, namely automobile-related manufacturers and semiconductor manufacturing equipment manufacturers, remained strong, and because we could substantially raise unit prices.

Just over 97% of our contracts are ongoing ones with existing customers, with renewals mainly occurring in April. Contracts concluded in April incorporate unit price revisions for the following fiscal year. Under the resulting structure, trends toward improved working conditions at client companies are readily reflected in our contract unit prices. Due in part to recent inflation, many major companies are moving to improve working conditions for their employees. Progress in improvements from the standpoints of both securing labor and ensuring stability in employees' livelihoods has been observed. In fact, over the last two years or so, Artner has realized unit price revisions at levels higher than usual. This has been a significant contributor to our strong performance. Furthermore, based on the status of recent negotiations for FY2027, we expect to successfully realize unit price revisions at a level equal to or higher than those for FY2026.

Our Group's high operating margin is also frequently lauded by our investors. However, this came about not by curbing engineer salaries but by steadily increasing our added value in the form of our unit prices. Increases in our gross margin allow us to maintain a high operating margin while bolstering our investment in talent through an improved labor share.

Additionally, despite the market environment remaining extremely challenging in terms of securing talent, we successfully increased the number of engineers year on year. As a result, the number of operative personnel also exceeded that of the previous year, and we believe that such cumulative efforts to secure talent have been another key factor that has supported our continuous sales and operating profit growth.

In addition, the percentage of personnel working in the contracting business, which constitutes a key indicator of our Medium-Term Business Plan (FY2026 to FY2030), is steadily rising toward our target. In terms of industry fields, growth in the transportation equipment field, which constitutes a focus area for Artner and includes automobile-related manufacturers, was remarkably strong compared to other industry fields. Looking at individual technology fields, growth was particularly notable in the software field, where requests and demand from major customers are considerable. As a result, growth in the Kanto area, where automobile-related manufacturers and semiconductor manufacturing equipment manufacturers are concentrated, has been higher than in other areas. This trend was another factor that underpinned our performance in FY2026.

## Advancing Three Basic Measures Under the New Medium-Term Business Plan

Our new Medium-Term Business Plan, with FY2026 as its first fiscal year, has gotten underway. It sets forth three Basic Measures: "Promote strategies by segment," "Promote diversity and inclusion in talent management," and "Explore new business and revenue opportunities." Through this series of measures, Artner will simultaneously pursue the creation of high added value, the reinforcement of its talent base, and the capturing of future growth opportunities.

## Basic Measure 1 Reinforcing Our High-Earnings Base by Promoting Strategies by Segment

Our Basic Measure of "Promote strategies by segment" can be broadly separated into two aims. The first aim is to build a foundation that enables us to sustain high added value. We have set forth a target of increasing the ratio of engineer dispatching in high-end fields to 50% (result for FY2026: 42.9%). By shifting the focus of engineer placement from downstream and midstream to midstream and upstream, we will provide high added value on a continuous basis and build a foundation for a highly profitable company well into the future. The second aim is to shift our talent to business areas where it is difficult for AI to replace people in anticipation of potential breakthroughs in AI that may occur in the future. We believe it is extremely likely that in the near future, the impact of AI will become apparent in certain business areas, leading to changes in the desired employee profile and the nature of added value. How can we recruit and develop highly skilled talent who are difficult for AI to replace? We will make repeated predictions while carefully reviewing information from the field to determine a concrete direction to take in answering that question.

## Basic Measure 2
## Broadening the Talent Base That Underpins Our Growth by Promoting Diversity and Inclusion in Talent Management

Under our Basic Measure of "Promote diversity and inclusion in talent management," we have adopted the concrete target of increasing the percentage of personnel working in the contracting business to 30%. With securing talent becoming increasingly difficult down the road, utilization of our employees will, on its own, eventually reach a quantitative breaking point. Given that, we believe it is necessary for us to broaden opportunities to utilize a diverse range of talent by expanding our contracting business and increasing the contracting ratio in strategic fields. Moreover, in advancing this Basic Measure, we must work on expanding our partner companies, broaden the range of talent we utilize, and evolve our structure into one that is less affected by relationships with temporary dispatching services.

## Basic Measure 3
## M&A and Alliances to Create New Business and Revenue Opportunities

Our third Basic Measure is "Explore new business and revenue opportunities." We are aiming to evolve into a comprehensive technical service company through M&A and alliances. As we do so, our foremost priority will be the presence of partners capable of complementing and reinforcing our strong points and weak points. CLIP SOFT and JOUHOU GIKEN, which became members of the Group in FY2026, are precisely such partners. To be more specific, CLIP SOFT enhances us in the embedded software field, which is our strong point, while JOUHOU GIKEN complements us in the mechanical hardware field, which is our weak point.
Additionally, we have business alliances with Fujitechno holdings and Japaniace, key partners that compensate for our weak points and reinforce our strong ones. Through such collaboration with them, we will incorporate the business fields and functions we could not have on our own, and speed up our evolution into a comprehensive technical service company.

## Building on an Alignment of Philosophies, We Will Endeavor to Deepen Our Group Management and Management Foundation with an Eye Toward the Age of AI

Going forward, we need to create a group of engineers with a strong background in AI and information technology. We plan to provide training that covers AI, ranging from fundamentals to practical applications, to prepare our talent to make full use of AI tools. We will also work to establish a structure for this plan. In addition to internal development, absorbing the capabilities that we need at an early stage through collaboration with external parties is a key challenge in our endeavors to boost our competitiveness going forward. For that reason, we believe that it will be vital to integrate into the Group, or form alliances with, partners who have an edge in AI and information technology. When doing so, the fundamental premise for Artner in selecting partners will be an alignment of philosophies. Training engineers, supporting their career development, driving their engagement, and elevating their professional standing. All of these underpin our Management Philosophy. They are also our Purposes. At the core of this philosophy is the belief that talent is our asset. We have set forth a Basic Policy of cultivating talent possessing both technical and human capabilities. This approach remains steadfast even in this era of significant changes in our business environment, AI included.
As a temporary engineer dispatching company, Artner brings forth value by dispatching talent to its customers and contributing to their businesses through the technical skills of such talent. In other words, intrinsically, talent is the foundation of our business and the source of our competitiveness. That is precisely why we believe that, unless there is alignment in our approach toward the growth of engineers and improvements in both their engagement and professional standing, discrepancies will arise at the core of our business operations, namely in recruitment, development, placement, and evaluation, thereby making integration in the true sense of the word difficult.
From this standpoint, CLIP SOFT and JOUHOU GIKEN were incredibly aligned with Artner in terms of not only business but also philosophy. That is exactly why we intend to move forward with strategies aligned with our Basic Measures while simultaneously appreciating the philosophies and cultures that CLIP SOFT and JOUHOU GIKEN have built up to this point.
Regardless of the respective size of our companies, we will focus on each other's positive points and be open to learning from one another when there are things to learn. Such a stance is essential for us to grow together as members of the same Group. As such, as we move forward, we will make a more conscious effort to increase in number the various points of interaction among our Group companies.
Moreover, to support the management of the Group in this fashion, rather than simply expanding administration in tandem with increases in the number of engineers, we will build a more efficient management and operation structure with fewer members by leveraging digital transformation (DX) and AI.

## Long-Term Vision: Align the Interests of Artner and Employees to Become a Company of Choice

With difficulties in securing talent and the shrinking labor force becoming social issues shared across all industries, we have

set a long-term vision looking more than 10 years into the future, which is to establish a structure to align the interests of Artner and its employees so that we will evolve into a company of choice. Establishing well-developed systems for employee benefits, compensation, and education and training, among others, is key to hiring talent and improving the retention rate. Currently, we are examining the introduction of a stock-based compensation plan. We believe this measure has the potential to align the interests of Artner and its employees by having Artner's growth generate returns for them. Another priority for us is matching recruitment locations and work locations. For employees, being able to work in a region of their own choosing is of great value. We believe the key to expanding possibilities toward making that happen lies in the contracting business. If we continue to develop business locations and strengthen collaboration with our community-rooted Group companies, options for locally recruited talent to work in the same locality will expand. In fact, regarding the new members of our Group, CLIP SOFT is based in Hamamatsu and Shizuoka, while JOUHOU GIKEN is based in Utsunomiya. The ability to establish Group company locations in areas where we are strengthening recruitment is of great significance in increasing options for matching recruitment locations and work locations.
In an age where applicants choose companies, the degree to which we can line up the conditions necessary to be a company of choice is becoming increasingly important. We are convinced that developing frameworks and mechanisms for that purpose as part of our current Medium-Term Business Plan will give us a strong foothold in the next Medium-Term Plan. We are also certain that those frameworks and mechanisms will serve as a solid foundation for the long-term vision we have set beyond the Plan.

## Ensuring Both Growth and Returns to Meet Shareholders' Expectations

We recognize that our shareholders and investors expect us to continuously improve our enterprise value. To meet that expectation, first and foremost, it is important that we grow our businesses and continuously expand our profits. In addition, for shareholder returns, we place importance on progressive dividends that do not decline in their amount year over year, based on a payout ratio of 50%. Moreover, to facilitate the enhancement of shareholder returns and improvement of capital efficiency, we purchased treasury shares in March 2026 and, starting in August 2026, will implement a 2-for-1 stock split (common shares) for the purpose of offering investors a better investment environment. Our policy is to consider matters flexibly while taking into account the circumstances surrounding us. While ensuring both growth investment and shareholder returns, we will continue our efforts to deepen people's understanding of our sustainable growth through repeated, proactive dialogue and communication. We hope you will look forward to the future growth of Artner.

# Value Creation Process

Ever since a design firm was started by our founder, we have made continual changes in our mindset to cater to the evolving trends of the times, eventually developing our current business model as a technical service provider and creating value for engineers.

## Inputs

### Sources of Value Creation P16

**Financial Capital**

Solid and strong financial base supporting sustainable growth

**Intellectual Capital**

Practical education and training by training managers with engineer backgrounds, based on training curricula aligned with clients' work

**Human Capital**

Regular employment of engineers with STEM backgrounds who can be placed in upstream/midstream work processes of manufacturers

**Social and Related Capital**

Long-term partnerships with clients, schools, academic societies, and organizations

**Manufacturing Capital**

Development of operational infrastructure that underpins stable business operation

**Natural Capital**

Contributions to society through reductions in environmental burden and developmental support for environmental technology

## Business Activities

### Management Philosophy

**"Engineer Support Company"**

—We support our engineers' dreams—

### Pur

Support the growth
of engineers, who are Ja

### Our Strengths P15

1 Trust from our clients based on our long history

2 The business model we have developed over many years

3 Placement of engineers to technical fields with high market needs

4 Job-based employment that allows career development within the Company

### Our Business and Technology Domains

Engineer dispatching business

Contracting business

Software

Electronics

Machinery

Job change assistance program

Work processes of manufacturers

R&D → Product development → Production

HV High Value Group

WV Wide Value Group

PV Product Value Group

Organizational structure of Artner

### Medium-Term Business Plan P27

**Basic Policy**

"Build a foundation for sustainable and next-generation growth" "Make Valu

**Basic Measures**

1 Promote strategies by segment

2 Promote diversity and inclusion in talent management

3 Expl
rev

rpose

and self-actualization
apan's world-class assets.

## Materiality

**Environmental**

1. Improve energy efficiency and reduce energy usage
2. Contribute to carbon neutrality through business activities

**Social**

3. Resolve social issues by creating jobs
4. Respect human rights
5. Promote diversity and inclusion
6. Develop and secure promising talents

**Governance**

7. Strengthen corporate governance
8. Promote compliance management

ue for 2025 to 2029"

ore new business and
enue opportunities

## Outputs

- Placement of engineers with high added value
- Promotion of engineer development
- Engineer placement in carbon neutrality-related areas
- Reinforcement of recruitment of new graduates and career hires
- Improvement of ratio of contracting personnel

## Outcomes

**Financial Indicators**

Net sales
**¥12,046 million**

Operating margin
**15.1%**

ROE
**24.1%**

**For our clients**

High-end fields Ratio
**42.9%**

**For our partners**

Co-creation of value

**For our employees**

Turnover rate (engineers)
**11.2%**

Employee Engagement Score
**74.2%**

Share of female employees (engineers)
**4.9%**

**For our shareholders**

Payout Ratio
**50% or more**

**Social and Environmental**

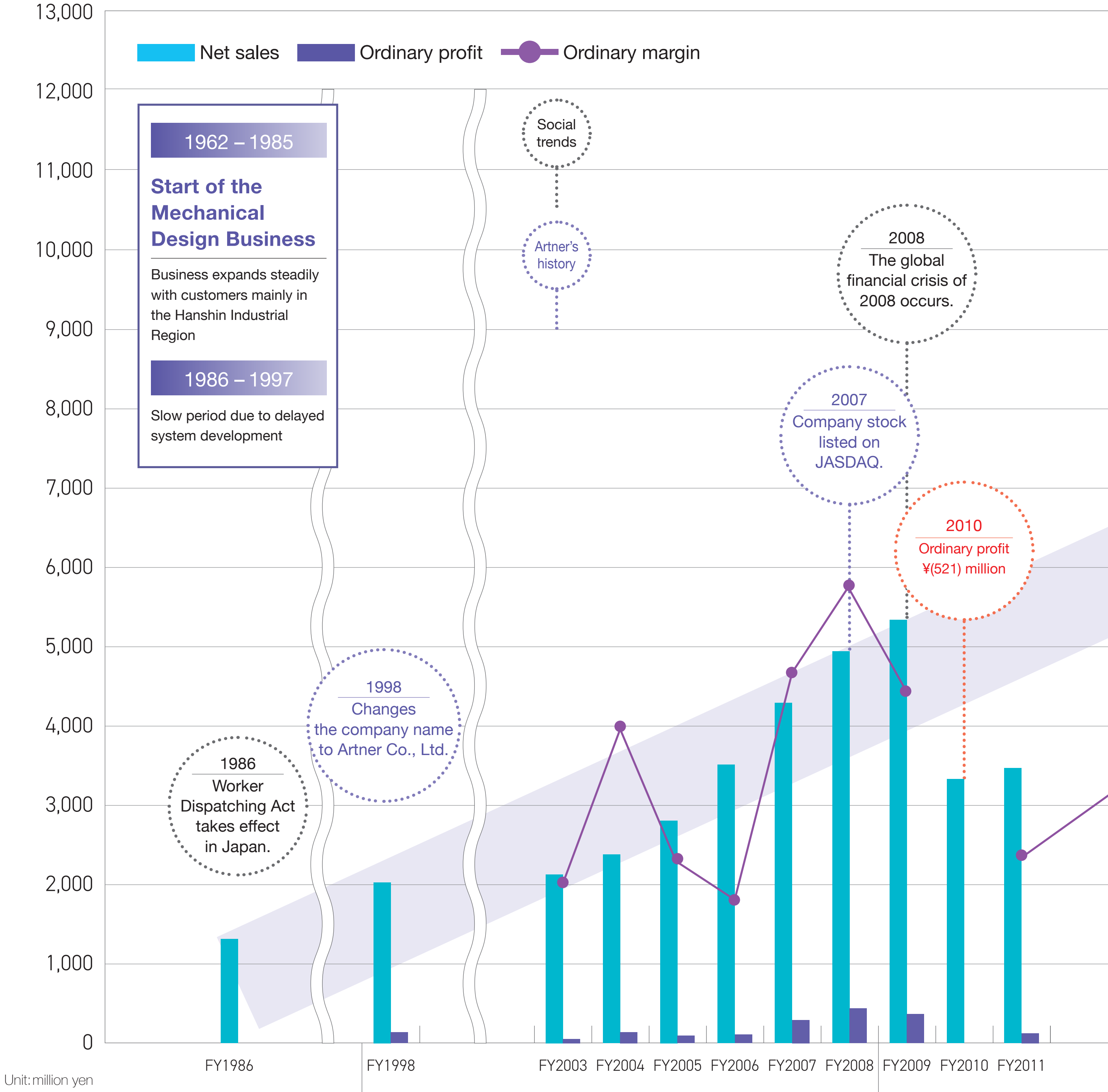
Share of engineers placed in carbon neutrality projects among all engineers
**51.9%**

Share of carbon neutrality recruitment targets for new graduates and career hires
**47.3%**

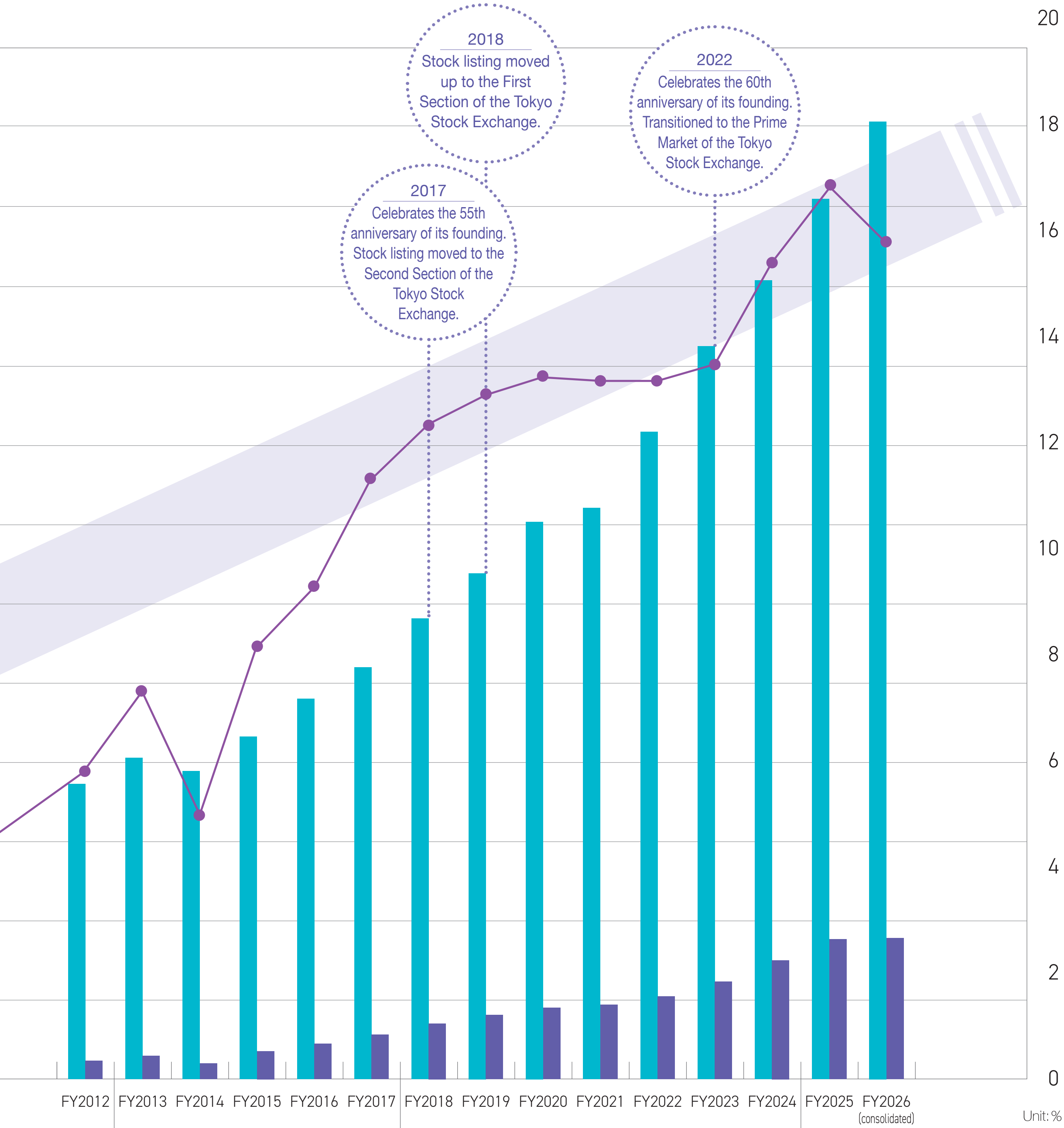
## Medium- to long-term goals

- Achieve our purpose, company motto, and management philosophy
- Contribute to the achievement of a sustainable society
- With carbon neutrality as one of the pillars of our Medium-Term Business Plan, we are committed to solving social issues through our business activities.

# Growth Trajectory




| | 1998 – 2008 | 2009 – 2012 |
|---|---|---|
| | **First business restructuring** | **Second business restructuri** |
| | ◎ Focused human resources in the Engineer Dispatching Business<br>◎ 1998: Changes the company name to Artner Co., Ltd.<br>◎ 2000: Artner Five-Year Revitalization Plan<br>◎ 2007: Company stock listed on JASDAQ.<br>◎ 2008: The global financial crisis of 2008 occurs. | ◎ 2011:<br>Reorganized into the Engine Division (Utsunomiya, Yokoha and Osaka), Hyper Artner Bus etc. |




| | 2013 – 2017 | 2018 – 2024 | 2025 |
|---|---|---|---|
| ing | **Revamp the business model to take the company to the next stage in anticipation of a full recovery from the global financial crisis of 2008** | **Build a foundation for sustainable and next-generation growth** | **Build a foundation for sustainable and next-generation growth** |
| eer Business<br>ma, Nagoya,<br>siness Dept., | ◎ 2013:<br>Four business divisions established (Hyper Artner Business Division, Engineer Business Division, Engineer Agency Business Division, and Human Resources Business Division) | ◎ Promote strategies by segment<br>◎ Promote diversity and inclusion in talent management | ◎ Promote strategies by segment<br>◎ Promote diversity and inclusion in talent management<br>◎ Explore new business and revenue opportunities<br>■ CLIP SOFT Corporation and JOUHOU GIKEN, Ltd. became Artner Group companies. |

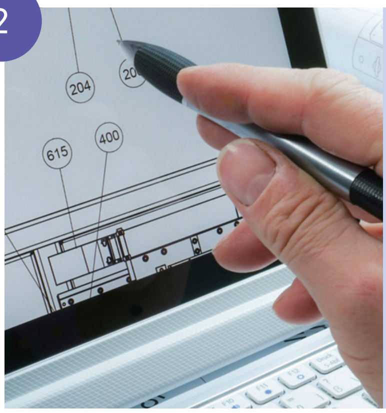
# Cultivated Strengths

1

## Trust from our clients built on our long history

Founded in 1962 as a design and development firm, the Company grew by winning contract work for design and development from manufacturers in the Keihanshin region, which drove Japan's rapid economic growth. In our nearly 60-year history, we have succeeded in building trust with many client companies and accumulating a proven track record as a group of engineers with roots in design and development.

2



## The business model we have developed over many years

Even during the global financial crisis of 2008, not many engineers who were placed in the upstream work processes of manufacturers (R&D) experienced contract cancellations. As such, we decided to increase our engineers' upstream assignment ratio. To help us recruit excellent students who may be suited for upstream assignments, we have introduced internal programs based on the needs of engineers (e.g., job change assistance program, performance-based salary system, and limited area system).

3

## Placement of engineers in technical fields with high market needs

Our engineers' business fields are wide-ranging. At major companies in the automobile, home electronics, industrial equipment, medical device, and information and communications sectors, engineers participate in and provide a variety of technical services for cutting-edge projects, including software-defined vehicles (SDVs), driver assistance technologies, racing cars, semiconductor lithography equipment, industrial robots, and system and application development.

4

## Job-based employment that allows career development within the Company

We employ talent with STEM backgrounds as regular employees in technical jobs and offer an environment where they can focus on honing their skills as engineers. We classify the work processes of our clients into three categories: R&D; product development; and production. Correspondingly, we have established three groups for each area (High Value Group, Wide Value Group, and Product Value Group). Engineers can move between these groups according to their preferences and competence and develop their careers within the Company.

# Sources of Value Creation

The Company has grown by staying attuned to societal changes and needs and contributing to solving social issues. In the course of this, we have accumulated various capital that is the sources of our current strengths. We will seek to strategically utilize and increase this capital and pursue further value creation.


## Solid and strong financial base supporting sustainable growth

| Equity ratio | Net assets | Cash flows from operating activities |
|---|---|---|
| 57.7% | 5.22 billion yen | 1.41 billion yen |


## Practical education and training by training managers with engineer backgrounds, based on training curricula aligned with clients' work

| Percentage of training managers with engineer backgrounds | Average hours of annual training per employee (engineer) | Average cost of annual training per employee (engineer) |
|---|---|---|
| 100% | 86.6 hours | 73,000 yen |


## Regular employment of engineers with STEM backgrounds who can be placed in upstream/midstream work processes of manufacturers

| Number of engineers | Percentage of engineers with STEM backgrounds | Engineers who can be placed in upstream/ midstream work processes of manufacturers |
|---|---|---|
| 1,452 | 100% | 87.8% |


## Long-term partnerships with clients, schools, academic societies, and organizations

Client history

Roughly 1,500 companies

Schools from which we hired (graduate, undergraduate, junior college, technical, and professional schools)

Roughly 370 schools

Papers published

(Total) 180

Part-time lecturing at universities by our training managers

5 courses at 4 schools


## Development of operational infrastructure that underpins stable business operation

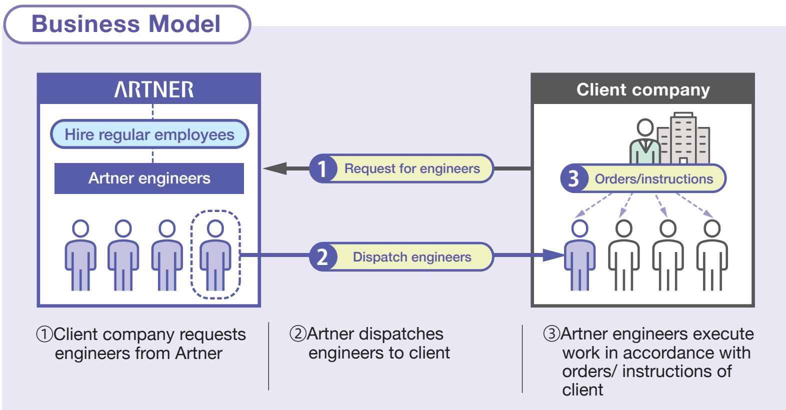
| Number of business locations | Number of training locations |
|---|---|
| 8 nationwide | 2 nationwide |


## Contributions to society through reductions in environmental burden and developmental support for environmental technology

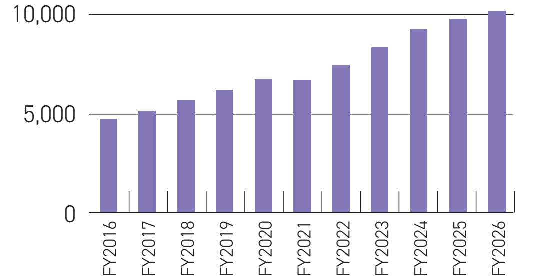
| Energy consumption (crude oil equivalent) | Greenhouse gas (GHG) emissions (Scope 1 and Scope 2) |
|---|---|
| 57.1 kL/year | 141.9 $tCO_2$ |

# Artner's Businesses & Market Environment

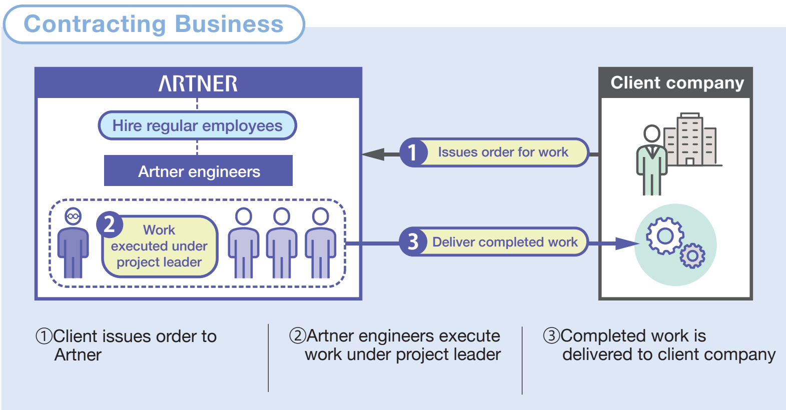
## Business Model



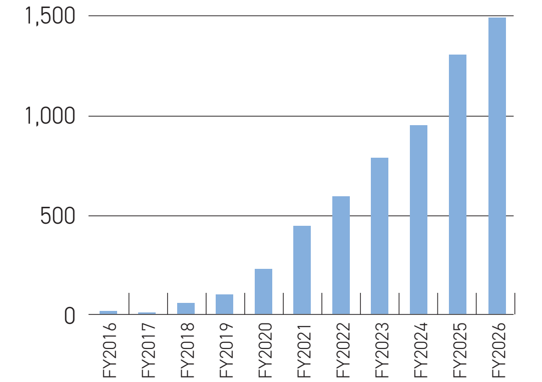

Trends in Net Sales by Business Unit:million yen




Artner concludes full-time employee contracts with engineers, and our corporate clients (dispatch destination) and Artner engineers are connected under a chain of command system. By not assuming the role of direct employers, our corporate clients can achieve substantial savings in terms of time and costs related to employment.




Trends in Net Sales by Business Unit:million yen

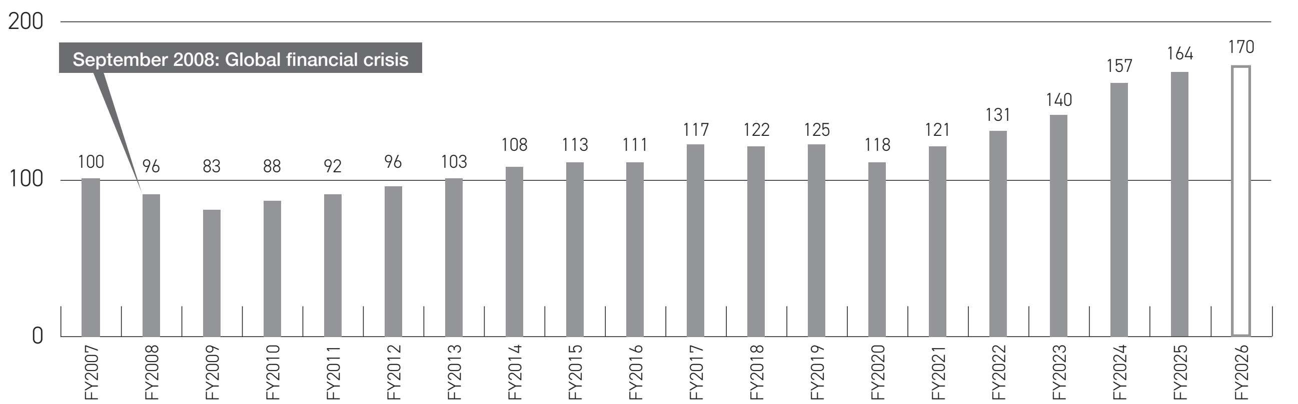



This business handles everything from orders for design and development work to delivery. It takes on orders for actual work and can respond to various requests of corporate clients from design and development work to design and engineering work.

## Market Size

### Our Clients' R&D Costs

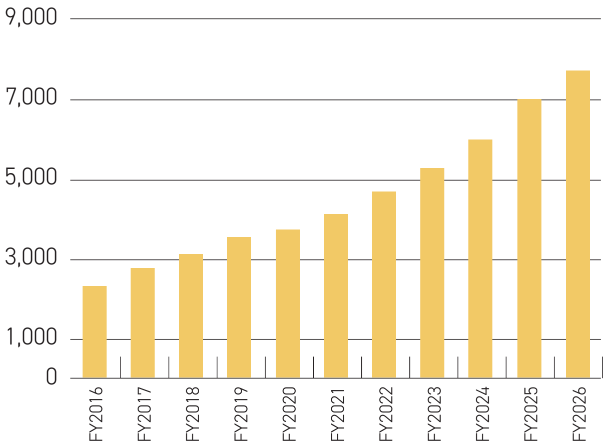
Our clients continuously allocate a budget for R&D, which keeps R&D costs stable.



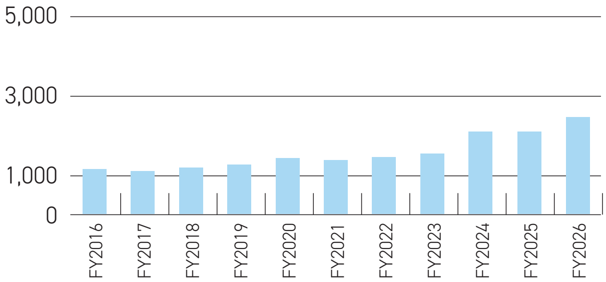

*Calculations were made by using the data of FY2007 as 100 (baseline). *The costs of our listed clients whose fiscal year ends on March 31 were totaled

## Trends in Net Sales by Region Unit: million yen

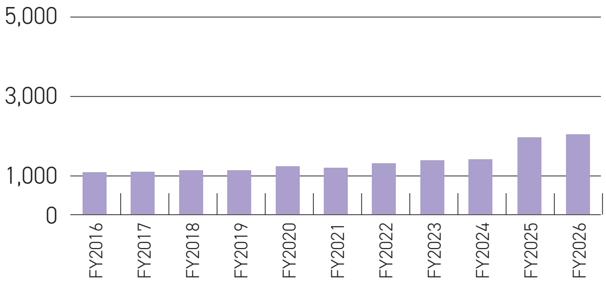
Kanto




Tokai

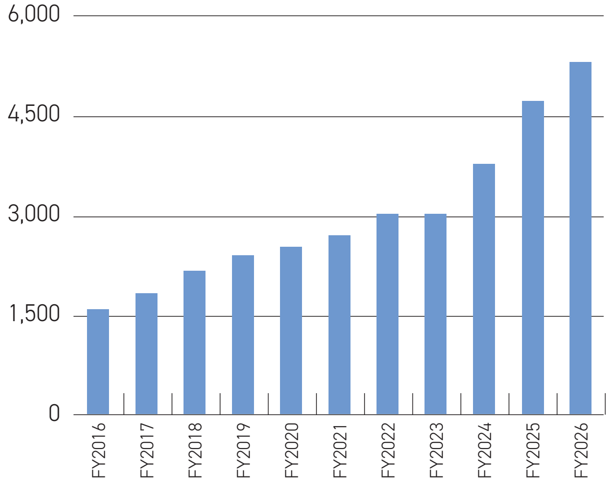



Kinki

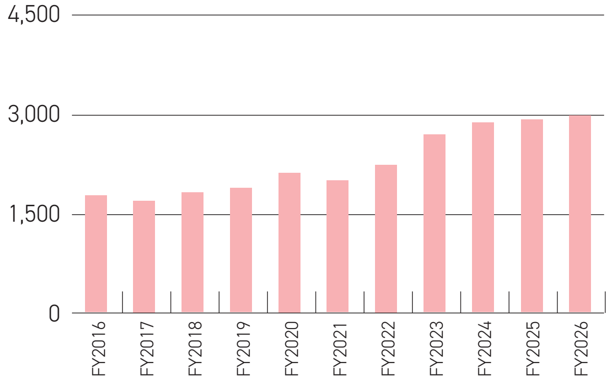



## Trends in Net Sales by Industry Field Unit: million yen

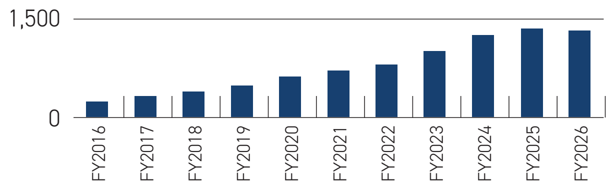
Transportation equipment



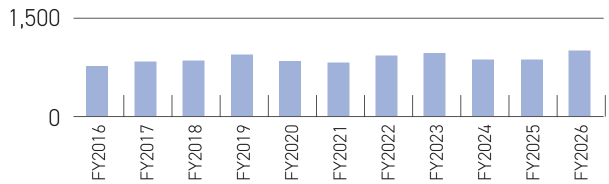

Electronic devices




Information and communications




Precision equipment




## Market Size of Engineer Dispatching Business

# 1.3 to 1.6 trillion yen (estimate)

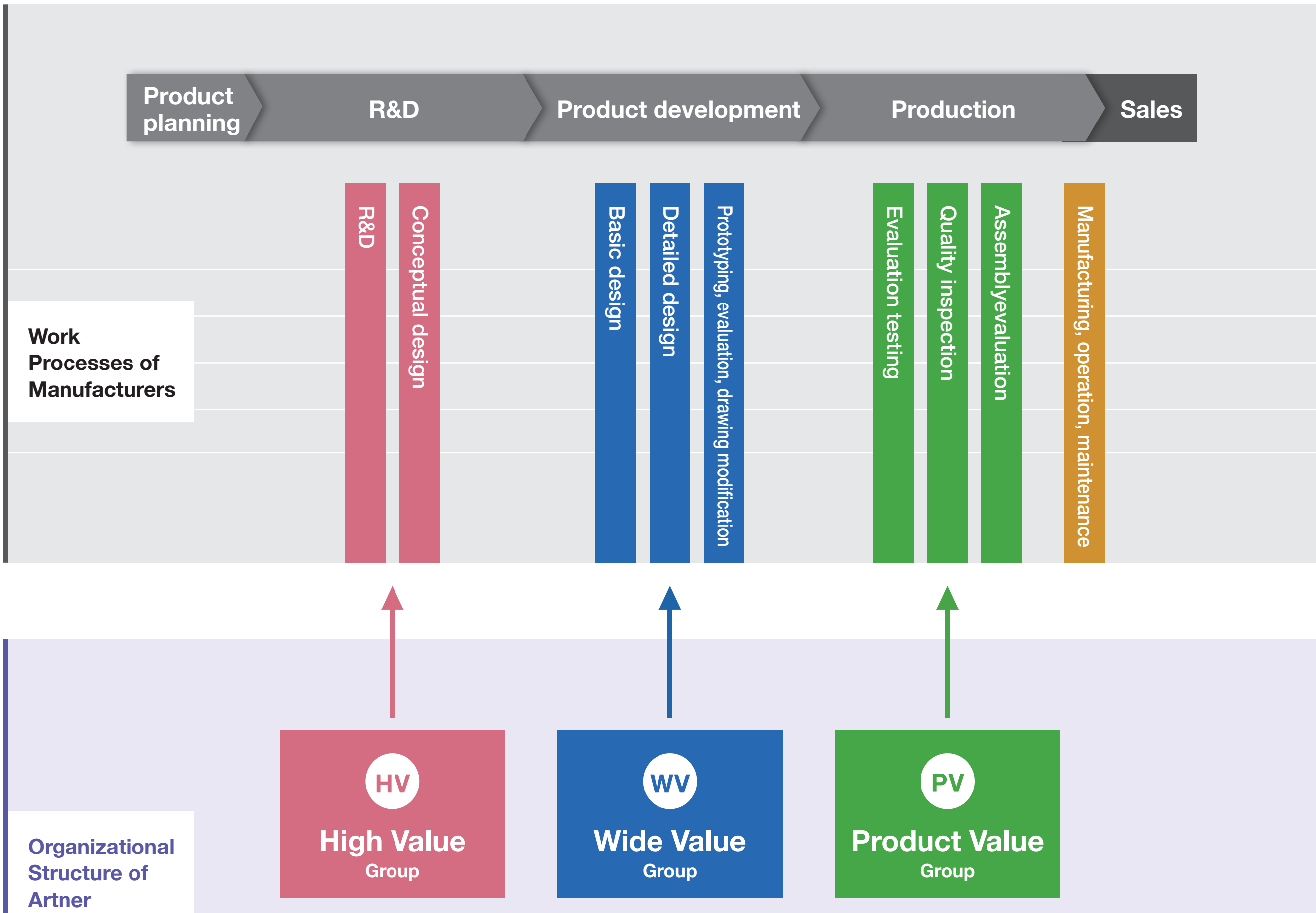
Calculated by our Group based on “Aggregated Results of Reports on Temporary Employment Businesses” (Ministry of Health, Labor and Welfare)

*Approximate sales figures for “indefinite-term dispatched workers” classified as “manufacturing engineers,” “information processing and communications engineers,” and “other engineers” within the “annual net sales” of the worker dispatching business

*When calculated using the net sales figure ¥12 billion for FY2026, our Group’s most recent fiscal year, market share is 0.7–0.9%

# Artner's Businesses & Market Environment

## The Company's Groups Corresponding to the Work Processes of Manufacturers




This market segment requires advanced technical skills and design, e.g., advanced development, R&D.

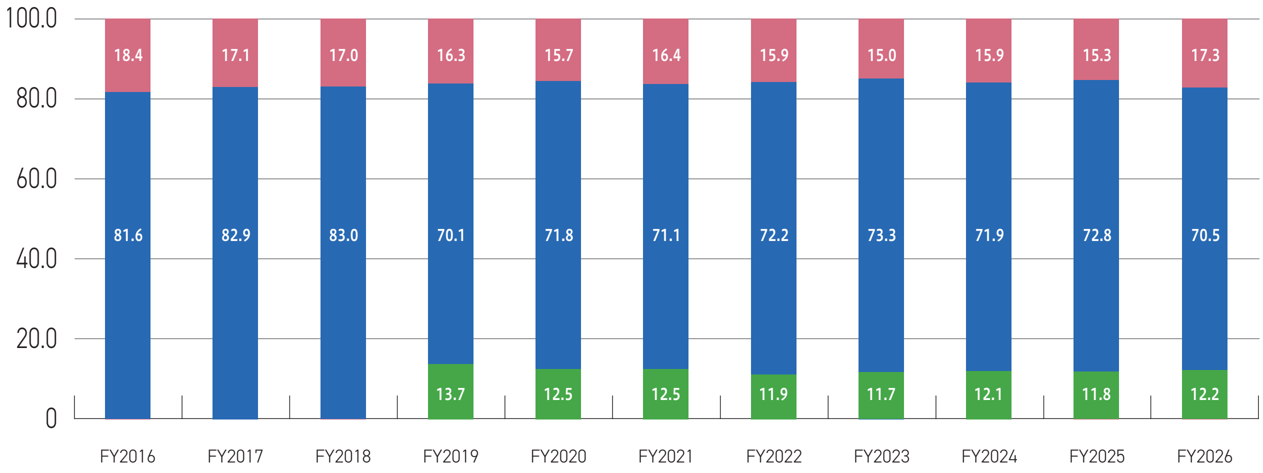
This market segment covers a wide range of design-related tasks and corresponds to the majority of design and development work.

This market segment is associated with quality assurance, assembly and adjustment, and other aspects of product quality and production.

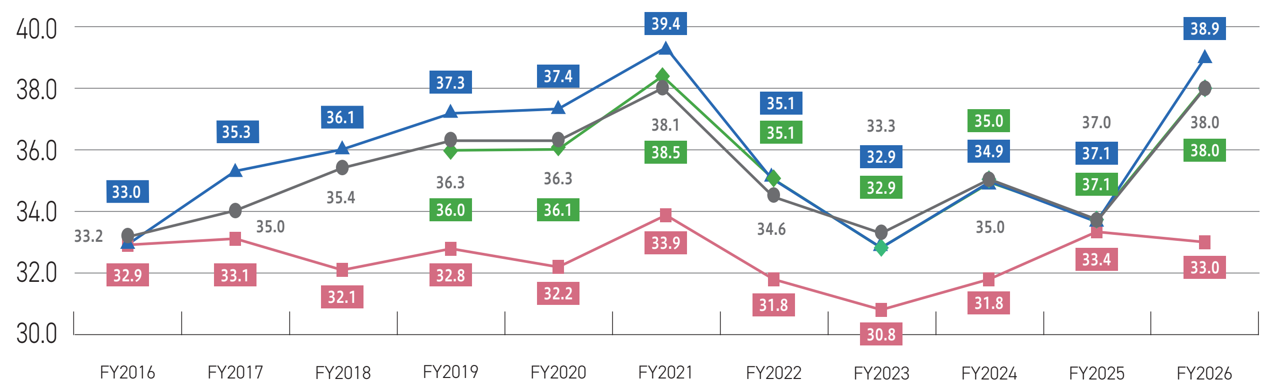
## Improvement of Service Quality

As we achieve our purpose to "Support the growth and self-actualization of engineers, who are Japan's world-class assets," and our management philosophy "Engineer Support Company," we stay committed to engaging in the following activities in order to enhance customer satisfaction and improve service quality.

## Engineer Breakdown by Group




## Gross Margin (Engineer Dispatching)




## Average Unit Price of Engineers (by Group)

■ HV…lower 6,000 yen range ■ WV…approximately 4,500 yen ■ PV…lower 4,000 yen range

**Before engineer placement**

We provide industry knowledge of the client company, and train the engineer using the same types of tools as those used in the field.

**After engineer placement**

We conduct interviews with the client company on a regular basis. We also train the engineer to meet the needs of the company.

**Complaint Handling Procedure**

At our company, complaints are handled by the person in charge, who prioritizes them by reporting to their manager and working with the related departments. Once the complaint is resolved, records are shared with all departments, the cause is investigated, and a system is built to ensure the same complaint does not arise multiple times.

# Segment Overview

Your technical partner contributing with technological innovation and promotion in the core industrial technology fields of software, electronics, and machinery.

## Software Net Sales Ratio 44.9%

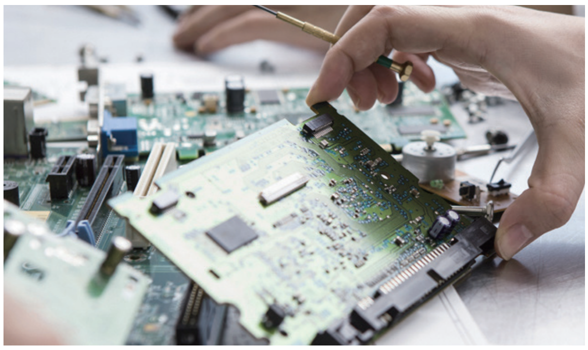
### Software engineers develop software to be embedded in IoT devices and application software for network systems.

Design areas include Embedded (software development for control systems to be embedded in machinery and equipment), IT Solution (software development for network systems to be used with PCs, tablet devices, and servers), and Model-Based (upstream processes such as preliminary research based on models as well as requirement definition and design during the development phase in new development projects).

## Electronics Net Sales Ratio 25.2%

### Electronic engineers design the circuit boards that form the heart of equipment and devices and they conduct reliability assessments of such systems.

Design areas include Electrical Equipment (electrical design, production facilities, and relevant technologies), Electronic Circuits (electronic circuit design for printed circuit boards), and Electronic Devices (development of integrated circuits and individual electronic devices, and design of peripheral circuits).



## Machinery Net Sales Ratio 29.9%

### Mechanical engineers design the mechanisms of machines with moving parts using 2D/3D CAD tools.

Design areas include Drive Systems (development of mechanisms for generating, converting, storing, and transmitting energy), Mechanisms (development of mechanisms for production facilities and equipment), and Structures and Materials (design of products in various formats, formulation of structures and housings, and development of new materials).

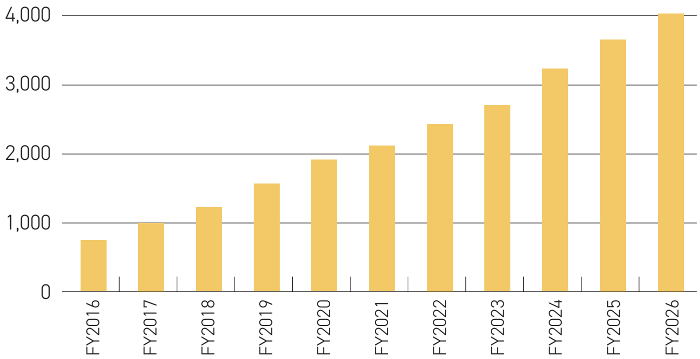
## Trends in Net Sales by Technology Field

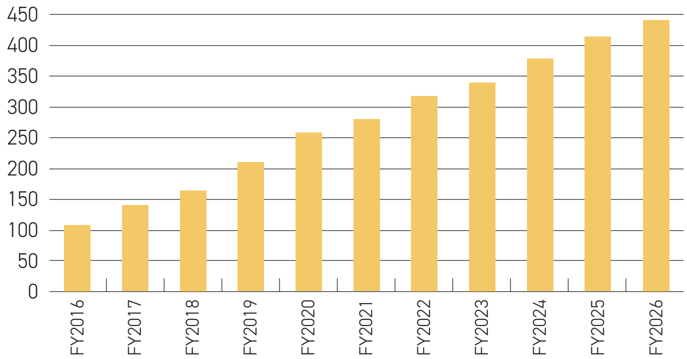
Unit : million yen

## Trends in Number of Engineers

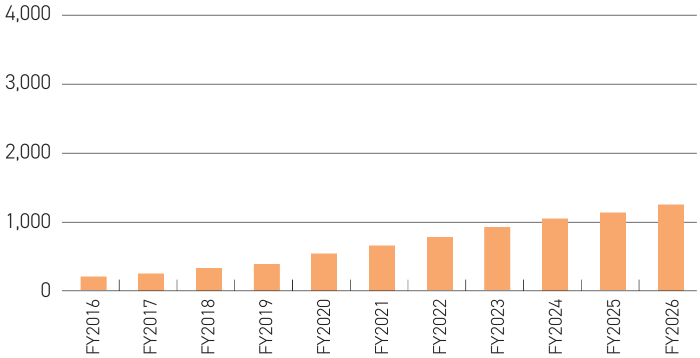
Unit : people

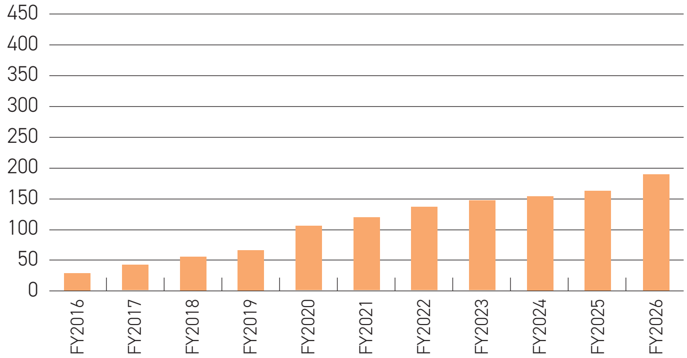
### Software (Embedded / Model-Based)



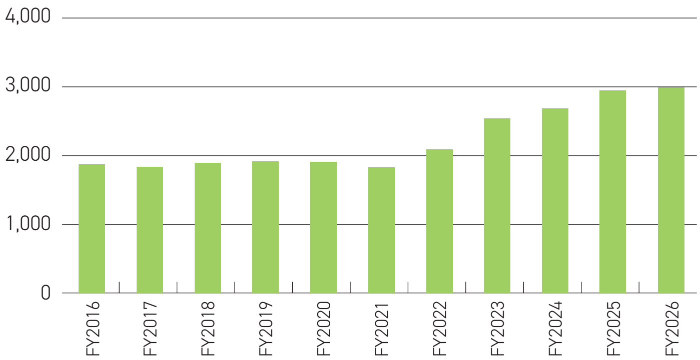



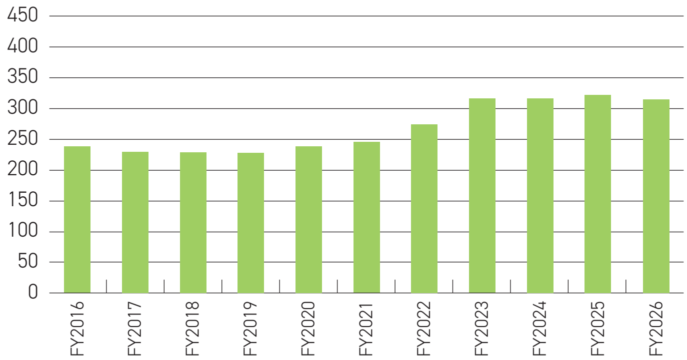

### Software (IT Solution)



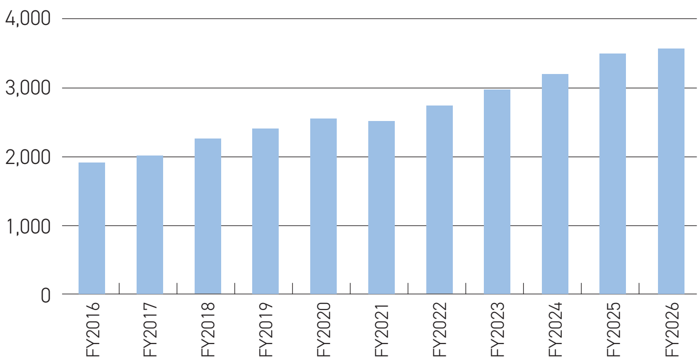



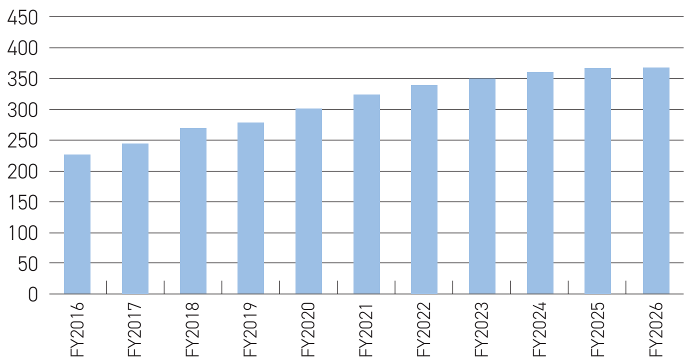

### Electronics




### Machinery



# Interview with Our Chief Financial Officer (CFO)

## Establishing a Stable Financial Base and Continuously Improving Enterprise Value

Chief Financial Officer (CFO)
**HARIGAE Tomonori**

### Achieved Sales and Operating Profit Growth for 12 Consecutive Periods in FY2026

Our Group made the transition to consolidated settlements of accounts as of FY2026. While there were concerns surrounding the impact of US trade policy, particularly on the automobile industry, FY2026 saw our Group achieve net sales of ¥12,046 million, profit attributable to owners of parent of ¥1,258 million, and an EPS of ¥118.47 due to increased demand from automobile-related manufacturers and semiconductor manufacturing equipment manufacturers, which constitute major customers. Additionally, operating cash flow saw a steady increase to ¥1,415 million.

### Financial and Capital Strategy for the Medium-Term Business Plan (FY2026-FY2030)

For the Medium-Term Business Plan starting in the fiscal year ending January 31, 2026, our Group has set the following consolidated business targets: net sales of ¥20.0 billion; an operating margin of 15.0%; and employment of over 2,250 engineers.

Net sales of the engineer dispatching business, our main business, is primarily calculated by multiplying the number of engineers and the utilization rate to get the number of operative personnel, which is then multiplied by the contract unit price of each engineer and the total work person-hours. Also, in engineer dispatching, expenses such as labor costs for engineers assigned to our clients are recorded as cost of sales, while in contracting, expenses such as labor costs for engineers and outsourcing costs paid to partner companies are recorded as cost of sales.

Meanwhile, expenses such as labor costs for engineers incurred during internal education and training (or while on standby) and labor costs for administrative staff positions are recorded as SG&A expenses. Based on this business structure, we place importance on the number of engineers, utilization rate, and unit price of engineers as management indicators.

Regarding the market environment for FY2027, the destabilization of the international situation continues to pose a downside risk to the global economy. However, our Group's strategically important clients, such as automobile-related manufacturers and semiconductor manufacturing equipment manufacturers, are expected to increase their development speed through proactive investment in key areas under the national government's growth strategy.

With this market environment, we foresee buoyant demand for engineers our Group provides will continue. Given this forecast, in regard to individual indicators, we envision that the number of engineers will increase, that the unit price of engineers will continue to rise, and that the utilization rate and total work person-hours will remain at the same levels as the same period of the previous year.

We will continue to work toward realizing our Medium-Term Business Plan targets of increasing the number of engineers to over 2,250 and maintaining a high utilization rate, unit price of engineers, and total work person-hours. By doing so, we will endeavor to grow net sales to ¥20.0 billion, and, by managing the recruitment cost ratio relative to net sales appropriately, achieve an operating margin of 15.0%.

## Improving Capital Efficiency

The Company attaches importance to the cost of shareholders' equity and recognizes it at a range of approximately 6 to 7%. Whereas our Medium-Term Business Plan ROE target is of over 20%, we achieved an ROE of 24.1% in the fiscal year ended January 31, 2026, surpassing the cost of shareholders' equity and realizing high capital efficiency. Going forward, we will continue to increase profit, the numerator in the ROE equation. With regard to the denominator, equity, we intend to invest in growth and return profits to our shareholders in line with our cash allocation policy while considering the balance with retained earnings. Additionally, our Group's P/B ratio at the end of the fiscal year ended January 31, 2026 was 4.2 times. Going forward, we will continue to strive to enhance our IR activities to ensure that we are appropriately valued by capital markets.

## Cash Allocation and Shareholder Returns

In order to achieve sustainable growth, we will strive to secure stable cash flows and efficient capital allocation. We aim to hold approximately three months' worth of monthly net sales as cash on hand, and to reserve any surplus funds for future growth opportunities.

Regarding cash flow within the Medium-Term Business Plan, we expect cash inflow of approximately ¥9.8 billion (approximately ¥1.0 billion from debt leverage and approximately ¥8.8 billion from operating activities), cash outflow of approximately ¥4.8 billion from growth investment, * and shareholder returns of approximately ¥5.0 billion.

In light of the cash outflow resulting from M&A, we took out a loan to enable us to respond flexibly to changes in the business environment and to growth opportunities. Even after taking out the loan, our equity ratio remains at a high level, and we do not believe this will have a significant impact on our financial soundness.

In terms of profit distribution, we comprehensively consider future business developments, earnings, and the management environment, as well as the strengthening of our management foundations, and position the supply of stable dividends to our shareholders as top-priority management tasks. Accordingly, we have agreed to consider a payout ratio based on 50%. In addition, our basic approach is to ensure that the dividend remains at least at the same amount as the previous year and continues to increase.

To facilitate the enhancement of shareholder returns and improvement of capital efficiency, at its meeting held on March 13, 2026, our Board of Directors resolved to purchase up to 30,000 treasury shares. This purchase was completed on March 25 (total number of shares purchased: 25,700 shares; total purchase value: ¥50 million). These will be reviewed as part of future capital policies, including their utilization in stock-based compensation for board members and employees.

*M&A, alliances, facility investment (expansion of training hubs, etc.), human capital investment (education, health and productivity management), stronger business promotion (recruitment, IT/DX investment)

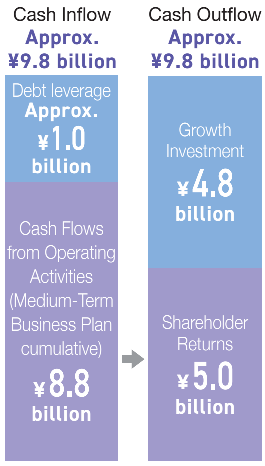
## Performance Management and Financial Governance at Group Companies

Regarding the performance of our two consolidated subsidiaries, CLIP SOFT reported net sales of ¥279 million and profit of ¥15 million for the fiscal year ended August 2025, while JOUHOU GIKEN reported net sales of ¥1,005 million and profit of ¥67 million for the fiscal year ended December 2025. Combined, these two consolidated subsidiaries showed net sales of ¥1,284 million and profit of ¥82 million.

The amount of goodwill incurred came to ¥329 million for CLIP SOFT and ¥1,198 million for JOUHOU GIKEN. As of the end of the current consolidated fiscal year (January 31, 2026), the total for the two consolidated subsidiaries was ¥1,519 million.

The amortization period and method are based on straight-line amortization over a 10-year period. Since the two consolidated subsidiaries together generate goodwill amortization of approximately ¥150 million per annum, we will appropriately manage performance for the Group overall and manifest synergies to improve performance so that we can post profits exceeding that amount.

### Cash Allocation(FY2026 to FY2030)




*Includes amount implemented in FY2026.

- M&A and alliances
- Capital investment (expansion of learning centers, etc.)
- Human capital investment (education, health and productivity management)
- Business promotion strengthening (recruitment, IT and digital transformation investment)

- Determine a dividend amount that will not fall below the previous year's amount, based on a payout ratio of 50%.

*For cash allocation, unlike a record of changes in cash similar to a cash flow statement, we present our business management policy that dictates how we will reallocate generated cash inflow to growth investment and shareholder returns.

*The growth investment in M&A under cash outflow differs from "expenditures for the acquisition of subsidiaries" (the net amount calculated by subtracting the amount of cash and cash equivalents held by the acquired subsidiary at the time of acquisition from the amount of cash and cash equivalents paid for the acquisition) on the consolidated cash flow statement. It refers to the total amount of consideration for the acquisition.

## Highly Transparent and Trustworthy Financial Management Based on Consolidated Management

As a company listed on the Prime Market of the Tokyo Stock Exchange, Artner is committed to managing and disclosing our management indicators appropriately, striving for transparent and trustworthy financial management to earn and maintain trust from our stakeholders.

Moreover, we are endeavoring to enhance our financial governance from the standpoint of consolidated management. Under a unified management system across the entire Group, we practice management that emphasizes profitability, capital efficiency, and soundness on a consolidated basis while respecting the business characteristics of each Group company. Furthermore, with stable cash generation as our starting point, we will endeavor to reinforce our management foundation that underpins sustainable growth while being mindful to adequately balance growth investment and shareholder returns.

*M&A, alliances, facility investment (expansion of training hubs, etc.), human capital investment (education, health and productivity management), stronger business promotion (recruitment, IT/DX investment)

# Review of the Medium-Term Business Plan to Date

## Background to the Medium-Term Business Plan

In order to secure outstanding talent in a fiercely competitive environment, it is essential to build a business model that will resonate with engineers and students. Better recruitment is the gateway to success in all aspects of our business.

〈Basic Policy〉

## Revamp the business model to take the company to the next stage in anticipation of a full recovery from the global financial crisis of 2008

### FY2014 – FY2016

**◎ Establish four business divisions in February 2013**

- Hyper Artner Business Division
- Engineer Business Division
- Engineer Agency Business Division
- Human Resources Business Division

#### Results

◎ Raised the recruitment criteria to improve the quality of our engineers.

◎ Shifted the projects in which our engineers participate at client companies to higher-level stages.

◎ Improved the unit price of newly graduated engineers on their first placement. Steadily revised the unit prices of engineers across the entire company.

◎ The gross profit per engineer recovered to levels prior to the global financial crisis of 2008 and reached new record highs.

| | (Final year target) | (Final year result) |
|---|---|---|
| Net sales | ¥6 billion | ¥4.7 billion |
| Operating margin | 10% | 9.1% |
| Number of engineers | 800 | 601 |

**Continuations and Additions in the Next Plan**

If we can increase the scope of work handled by our engineers at client companies from downstream to midstream and upstream processes and raise the unit price of engineers, the Company will be less affected by fluctuations in the economy.
To further improve business performance, we will increase the overall number of engineers while maintaining the quality of our current engineers.

### FY2016 – FY2018

**◎ Improve the skill level of all engineers**

To promote the assignment of our engineers to upstream business areas where the unit price of engineers is likely to be higher, we will create segment-specific educational programs and training curricula for each business field to improve the skill level of all engineers.

#### Results

◎ Exceeded our target operating margin as a result of assigning more engineers to upstream business areas and increasing the unit price of engineers.

◎ The turnover rate fell as engineers felt more attracted to the Company due to the renewal of our business model (establishment of four business divisions).

| | (Final year target) | (Final year result) |
|---|---|---|
| Net sales | ¥6 billion | ¥5.7 billion |
| Operating margin | 10% | 11.8% |
| Number of engineers | 800 | 716 |

**Continuations and Additions in the Next Plan**

Since we did not achieve our net sales target mainly due to our failure to reach our target number of engineers, we will incorporate strategic measures to secure engineers into the Basic Measures section of the next Medium-Term Business Plan.

## Background to the Medium-Term Business Plan

In order to meet the needs of client companies and cater to increasingly diverse business areas in manufacturing processes, we will organize the Company into three segments so that we can supply engineers with a high match rate to our clients. We will also expand the contracting business with the aim of actively utilizing workers of retirement age, former female engineers, and foreign workers (including overseas students), increasing the percentage of such personnel to 10%.

〈Basic Policy〉

# Build a foundation for sustainable and next-generation growth

### FY2019 – FY2021

**1. Promote strategies by segment**

- Develop strategies for each segment (recruitment – education – assignment – system).
- Establish approaches to markets by segment.

**2. Promote diversity and inclusion in talent management**

- Utilize workers of retirement age, women, and foreign workers (overseas students) as personnel.
- Utilize and organize partner companies (set up a contracting system).

**Results**

◎ Business performance showed steady growth in both sales and profit.

◎ Because we did not reach the target number of engineers, insufficient progress was made on our Basic Policy, “Build a foundation for sustainable and next-generation growth.”

| | (Final year target) | (Final year result) |
|---|---|---|
| Net sales | ¥7.5 billion | ¥7.1 billion |
| Operating margin | 12.5% | 12.4% |
| Number of engineers | 1,000 | 971 |

**Continuations and Additions in the Next Plan**

◎ Continue the Basic Policy and Basic Measures.
◎ Add “Explore and seek new specialist fields of technology” to the implementation measures.

### FY2021 – FY2023

**1. Promote strategies by segment**

- Develop strategies for each segment (recruitment – education – assignment – system).
- Establish approaches to markets by segment.
- Explore and seek new specialist fields of technology.

**2. Promote diversity and inclusion in talent management**

- Utilize workers of retirement age, women, and foreign workers (overseas students) as personnel.
- Utilize and organize partner companies (set up a contracting system).

**Results**

◎ Business performance showed steady growth in both sales and profit.

◎ Further improved our operating margin.

| | (Final year target) | (Final year result) |
|---|---|---|
| Net sales | ¥10 billion | ¥9.2 billion |
| Operating margin | 12.5% | 12.9% |
| Number of engineers | 1,300 | 1,157 |

**Continuations and Additions in the Next Plan**

◎ Continue the Basic Policy and Basic Measures.
◎ Add “Explore and seek new specialist fields of technology” to the implementation measures.

### FY2023 – FY2025

**1. Promote strategies by segment**

- Develop strategies for each segment (recruitment – education – assignment – system).
- Establish approaches to markets by segment.
- Explore and seek new specialist fields of technology

**2. Promote diversity and inclusion in talent**

- Utilize workers of retirement age, women, and foreign workers (overseas students) as personnel.
- Utilize and organize partner companies (set up a contracting system).

**Results**

**MTBP achieved**

◎ The operating margin target was achieved due to increases in the unit price of engineers.
◎ ROE and payout ratio targets were achieved due to compliance with the Prime Market listing maintenance criteria.
◎ Carbon neutrality-related indicators were achieved for engineer placement.

**MTBP not achieved**

◎ Net sales fell short due to the failure to meet the Medium-Term Business Plan target for the number of engineers, caused by intensifying recruitment competition.
◎ Carbon neutrality-related indicators were not achieved for recruitment.

| | (Final year target) | (Final year result) |
|---|---|---|
| Net sales | ¥11.6 billion | ¥11.1 billion |
| Operating margin | 14.0% | 16.3% |
| Number of engineers | 1,600 | 1,251 |

**Continuations and Additions in the Next Plan**

◎ Continue the substance of the Basic Policy and Basic Measures.

# Medium-Term Business Plan (FY2026 to FY2030)

## External environment and social issues

| | | |
|---|---|---|
| Low birthrate and aging population | Shortage of talents (engineers) | Accelerated digitization |
| Diversification of values and needs | Mobility and diversity of talents | Diversification of work styles and changes in employment practices |
| Dealing with "with-COVID" and "post-COVID" society | Society Increased uncertainty in global trends | Advanced sustainability management |

## Demand forecast

Considering the present market environment, demand will continue to be strong over the next five to ten years

## Values provided

**For our clients**
Placement of engineers with high added value

**For our partners**
Co-creation of value

**For our employees**
Aiming for the happiness of all the employees and reflection within the Company
Retention of employment

**For our shareholders**
Sustainable growth
Profit distribution

# Vision for FY2030 developed

## Vision (medium- to long-term goals) for FY2030

- Achieve our purpose, company motto, and management philosophy
- Contribute to the achievement of a sustainable society
- With carbon neutrality as one of the pillars of our Medium-Term Business Plan, we are committed to solving social issues through our business activities

## The Company's challenges

Our fundamental approach is not product orientation but market orientation. Recruitment will become most critical for the Company's preparations to respond to market needs.

Expecting the central theme of the new Medium-Term Business Plan to be: further enhancing segment management,which is one of our features, in order to pursue a business cycle that recruits and trains talent who can meet client needs and supplies them to our clients.

## Aim of Making CLIP SOFT/JOUHOU GIKEN into Group Companies

| Company name | Share transfer date | Headquarters | Business fields | Number of employees | Main clients | Purpose |
|---|---|---|---|---|---|---|
| CLIPSOFT | 2025 September 26 | Shizuoka Pref. Hamamatsu City | evelopment of embedded software, such as for automotive instrument panels, and staffing business | **33** (As of Jan. 2026) | • DAYSYS Corporation<br>• Yazaki Parts Co., Ltd.<br>• Yamaha Motor Co., Ltd. | To engineer an expansion of Artner's services in the IT industry (including contract system development and embedded software), which is anticipated to continue growing in the future |
| 情報技研 JOUHOU GIKEN CO.,LTD. | 2025 December 26 | Tochigi Pref. Utsunomiya City | Transportation equipment design and research and development support business | **116** (As of Jan. 2026) | Honda Motor Co., Ltd.<br>• SUBARU CORPORATION<br>• FUJI AEROSPACE TECHNOLOGY CO., LTD. | To engineer an expansion of the Artner Group's services in the automotive and aerospace industries |

< Basic Policy >

# "Build a foundation for sustainable and next-generation growth"

## "Make Value for 2025 to 2029"

· Become a group of engineers providing the greatest added value in the industry
· Evolve into a comprehensive technical service company

Recruit new graduates and career hires, and increase the number of Artner employees at a compound annual growth rate (CAGR) of approx. **10%**

< Basic Measures >

### 1 Promote strategies by segment

• Increase workforce allocation in high-end fields with a focus on carbon neutrality projects
• Enhance work assignment levels through OJT in contracting projects

Engineer dispatching services in high-end fields*
**36% ⇒ 50%**

### 2 Promote diversity and inclusion in talent management

• Strategically shift to contracting to adapt to the changes in the business environment
• Utilize workers of retirement age, women, and foreign workers (overseas students) as personnel
• Utilize and organize partner companies

Ratio of contracting personnel
**30%**

### 3 Explore new business and revenue opportunities

• Evolve into a comprehensive technical service company through M&A and alliances

*High-end fields: the High Value Group and some work levels of the Wide Value Group (advanced development of upcoming products, development of core technologies, development of new functions, preparing specifications, requirements analysis, functional design, etc.)
⇒ Result for fiscal year ended January 31, 2026: 42.9%

The Company has made CLIP SOFT and JOUHOU GIKEN into Group companies to serve as partners with whom it can mutually complement and reinforce strong and weak points.

| | | CLIPSOFT | JOUHOU GIKEN | |
|---|---|---|---|---|
| | | Strong point | Strong point | Weak point |
| ARTNER | Strong point | Embedded software area | | Embedded software area |
| ARTNER | Weak point | | Mechanical hardware area | |

# Sustainability Management / Materiality (Material Issues)

## Basic Policy

Artner's basic approach to promoting sustainability activities is to support the growth and self-actualization of our engineers based on our management philosophy of being an "Engineer Support Company that supports our engineers' dreams," while seeking to maximize enterprise value, contribute to the resolution of social issues through our business activities, and build a foundation for sustainable growth and growth for the next generation. Based on this approach, we have established the following Basic Sustainability Policy as well as a human rights policy, procurement policy, and other policies to clarify the principles and direction of our corporate activities. In addition, considering stakeholder interests and social issues, as well as their impact on our business management, we have identified eight materiality topics (material issues) that should be prioritized and are engaging in effective management practices and business activities to resolve these issues.
To ensure that our sustainability initiatives are accessible to all stakeholders, we provide information in our Annual Report, on our sustainability website, and through other means.

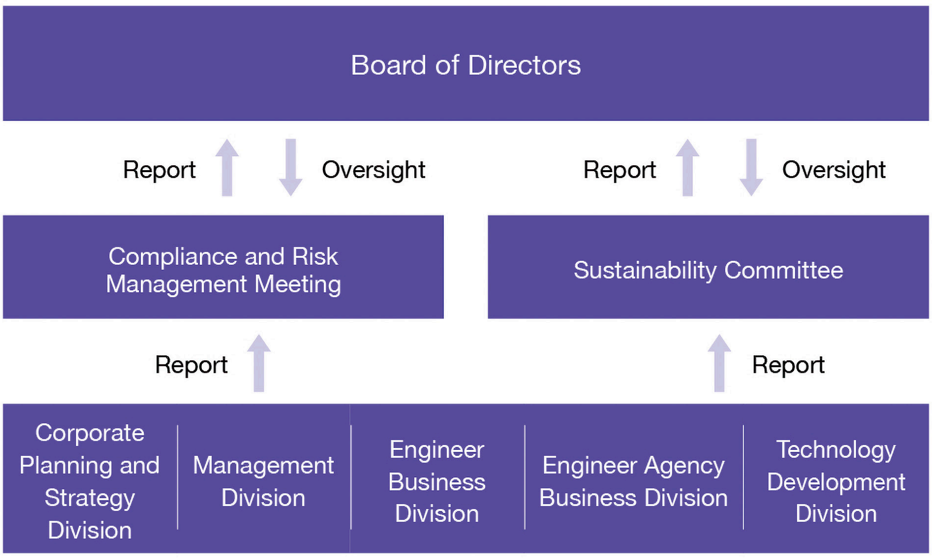
< Basic Sustainability Policy >

| | |
|---|---|
| Cultivating people | To foster engineers to support manufacturing industries. |
| Employee happiness | To provide a workplace environment that makes the work of all employees meaningful and fulfilling. |
| Corporate governance | To sustain and develop positive relationships with all stakeholders, while strictly abiding by all applicable laws and regulations. |
| Contributing to society | To make a positive contribution to society through business, to help build a better and more prosperous world. |

## Governance

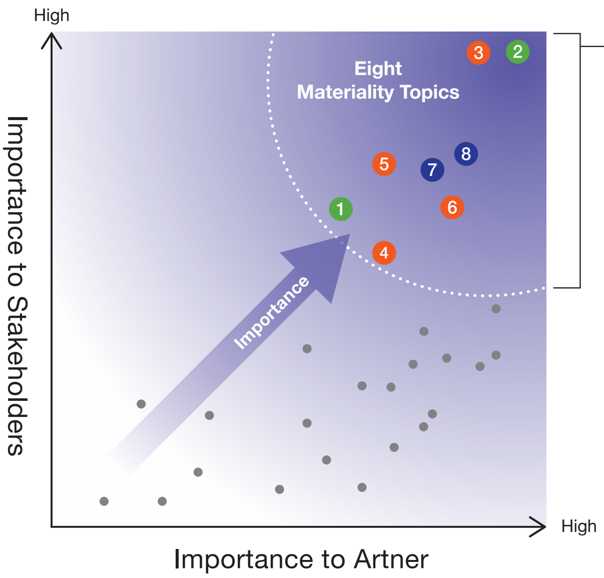
Artner sees sustainability issues, including social and environmental issues such as the recent SDGs and ESG, as key management issues, and has established the Sustainability Committee to serve as a structure to promote sustainability management. Under the direct supervision of the Board of Directors, the Committee is responsible for establishing sustainability policies, targets, and action plans, managing and evaluating progress toward these targets, deliberating on individual measures, and reporting to the Board of Directors. The Committee, chaired by the President and CEO, is composed mainly of Directors who are not members of the Audit and Supervisory Committee, Directors who are members of the Audit and Supervisory Committee, and division heads and managers, and is held four times a year. Additionally, the Board of Directors deliberates on and resolves matters concerning sustainability-related risks and opportunities, including environmental and social risks, gives instructions on how to deal with them, and supervises the progress of such initiatives.

< Structure for Promoting Sustainability >



## Strategy

Considering stakeholder interests and social issues, as well as their impact on our business management, Artner has identified eight materiality topics that should be prioritized. Based on our understanding of the importance of the materiality topics we have identified, we are committed to engaging in effective management practices and business activities to resolve these issues.




### Eight Materiality Topics

(Related ESG Issues)

| | |
|---|---|
| Environmental | 1 Improve energy efficiency and reduce energy usage<br>2 Contribute to carbon neutrality through business activities |
| Social | 3 Resolve social issues by creating jobs<br>4 Respect human rights<br>5 Promote diversity and inclusion<br>6 Develop and secure promising talents |
| Governance | 7 Strengthen corporate governance<br>8 Promote compliance management |

**Our materiality topics (material issues) are determined through the process on the right.**

step 1

### Identify the issues

We analyzed potential materiality topics based on various international standards, ESG-related external evaluations, and requirements from society including stakeholders.
Thirty-one topics were identified.

step 2

### Prioritize the issues

The identified issues were assessed by conducting internal and external stakeholder surveys in terms of their expectation and requirement levels for Artner, and then prioritized by two criteria: “importance to stakeholders” and “importance to Artner.”

step 3

### Validate and determine the material issues

Selected and prioritized issues were reviewed in the Sustainability Committee for validation to finalize Artner’s eight materiality topics.

## Risk Management

In addition to clarifying the system for the overall management of various risks and opportunities, we classify and define each business risk and opportunity by type and have the department in charge of each type of risk and opportunity monitor and analyze the risk and opportunity situation. We also have a system in place for the overall management of various types of risks through the Compliance and Risk Management Meeting, where we clarify and implement the management and countermeasures for each type of risk. We manage sustainability-related risks and opportunities, including environmental and social risks, by theme. For climate change, we analyze the impact of environmental changes on our businesses and the effectiveness of response measures in accordance with the TCFD framework. We have also established a human rights due diligence system that administers questionnaire surveys to partners on their complicity in human rights violations and other topics.

## Indicators and Targets

We have categorized the eight materiality topics (material issues) into three areas (Environment, Social, and Governance), and set and monitor KPIs and targets for each issue. These indicators and targets are deliberated on and evaluated by the Sustainability Committee, then reported to the Board of Directors by the President and CEO, who chairs the Sustainability Committee. We review these materiality topics (material issues), indicators, and targets as necessary, based on the business environment and awareness of the issues.

*For materiality (material issues) KPIs, targets, and results, see “Non-financial Data (KPIs, Targets, and Results)” on pages 65 to 68.

## Related SDGs, Risks, Opportunities, KPIs, Targets, and Initiatives

Through its business activities, Artner aims to help resolve social problems, thereby contributing to the realization of the UN's Sustainable Development Goals (SDGs) for the world.

| Category | ID | Item | Related SDGs | Reason for selection |
|---|---|---|---|---|
| Environmental | 1 | Improve energy efficiency and reduce energy usage | 13 CLIMATE ACTION | As a company, we have a social responsibility to reduce our offices' electricity and resource usage, and energy-saving measures lead directly to cost reduction and environmental conservation. Reducing greenhouse gas emissions is also a societal demand. Our commitment to it will earn us stakeholders' trust and fair appraisals of our enterprise value. |
| | 2 | Contribute to carbon neutrality through business activities | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 13 CLIMATE ACTION | The Medium-Term Business Plan (FY2026 to FY2030) sets out carbon neutrality as the pillar of our business activities. We will recruit and train engineers in the fields of electric vehicles (EVs), fuel cell vehicles (FCVs), semiconductor-related products, etc., and participate in more technology development projects, thereby seizing growth opportunities that will lead directly to enterprise value creation. |
| Social | 3 | Resolve social issues by creating jobs | 8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 13 CLIMATE ACTION | The core business of Artner as an Engineer Support Company is job creation through providing engineers with expertise in diverse fields. We are expected to help address the issues of labor shortages due to the declining birthrate and aging population and of regional revitalization. |
| | 4 | Respect human rights | 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES | We have established our human rights policy based on the awareness that respecting human rights is a social responsibility we must fulfill as a company. It is essential for us as an engineer dispatching company to protect our employees' human rights and working environments at clients' sites. Since the occurrence of human rights violation can lead to the loss of trust, it is vital to ensure that we thoroughly implement measures against discrimination and harassment. |
| | 5 | Promote diversity and inclusion | 5 GENDER EQUALITY; 10 REDUCED INEQUALITIES | Society expects that diverse talent, including women, people with disabilities, and non-Japanese, actively develop their careers. Such diversity and career development also help enhance the Company's competitiveness. With government policies to promote women's participation and advancement in the workplace, etc., promoting diversity will lead us to hire and retain human resources and create opportunities for innovation. |
| | 6 | Develop and secure promising talents | 4 QUALITY EDUCATION; 17 PARTNERSHIPS FOR THE GOALS | As the issues of the declining birthrate and aging population and of engineer shortages due to booming design and development activities in the manufacturing industry are becoming increasingly serious, talent development and retention are a source of competitive advantages. Providing well-developed in-house training and qualification acquisition assistance, creating more accommodating systems for employees' skill development and ways of working, and benefiting society with our technological capabilities lead directly to our advantages in competition for excellent talent. |
| Governance | 7 | Strengthen corporate governance | - | As a company, we have a social responsibility to establish a fair and transparent corporate governance framework, which serves as the foundation for trust from external stakeholders. We will ensure greater transparency of the framework, faster processes, and enhanced internal control, thereby preventing scandals and establishing a stable management foundation. |
| | 8 | Promote compliance management | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS | Compliance with laws and regulations, coupled with robust information security, is the foundation of trust in a company. Given that any compliance violation can lead to the loss of social trust and to legal sanctions, it is essential to ensure compliance across the company. |

The Member States of the United Nations adopted the Sustainable Development Goals (SDGs) in September 2015. The aim of the SDGs is to achieve 17 goals by 2030 with a view towards ending all forms of poverty, fighting inequalities, and tackling climate change while ensuring that no one is left behind.

SUSTAINABLE DEVELOPMENT GOALS

| Risk | Opportunity | KPI | Target | Initiatives |
|---|---|---|---|---|
| •Declining reputation and technological obsolescence if we are slow to respond<br>•Increasing risk of extreme weather and natural disasters caused by climate change<br>•Increasing costs due to stricter environmental regulations, etc. | •Increasing demand for dispatch of related engineers due to a growing need to adapt to a decarbonized and recycling society<br>•Increasing funding from ESG investors | Greenhouse gas (GHG) emissions (Scope 1 and Scope 2) | Net zero (FY2050) | Promoting energy-saving efforts, such as saving electricity used for lights, air conditioning, and PCs in offices and switching to LEDs; regularly measuring electricity usage and $CO_2$ emissions and setting reduction targets; switching to low-carbon vehicles, such as renting EVs; exploring the possibility of adopting renewable energy; going paperless and reducing the usage of copy paper |
| | | Greenhouse gas (GHG) emissions (Scope 3) | Net zero (FY2050) | |
| | | Energy consumption (crude oil equivalent) | Reduction on an ongoing basis | |
| | | Share of engineers placed in carbon neutrality projects among all engineers | 50.0% | Reinforcing the recruitment and training of engineers in the EV, FCV, and semiconductor-related fields; dispatching engineers to more carbon neutrality-related projects; building awareness through in-house training and information dissemination; supporting the TCFD recommendations and information disclosure based thereon |
| •Increasing competition and costs in the talent acquisition market<br>•Declining quality of talent and labor productivity<br>•Declining reputation associated with human rights issues | •More opportunities to acquire excellent talent<br>•Innovation creation through diversity<br>•Higher employee motivation<br>•Contributing to the realization of a sustainable society | Share of carbon neutrality recruitment targets for new graduates and career hires | 55.0% | Reinforcing the recruitment of female/young engineers; supporting career pursuit through the job change assistance program |
| | | Turnover rate (engineers) *Excluding retirement and turnover via the Company's assistance program to change jobs | Under 10.0% | |
| | | Number of serious human rights issues | None | Human rights/harassment prevention training; establishing and operating a helpline to receive any reports on compliance violations and inquiries related to human rights and anti-corruption; surveys on the status of human rights initiatives intended for suppliers |
| | | Number of discrimination incidents | None | |
| | | Percentage of employees who have received harassment training | 100.0% | |
| | | Share of female employees (engineers) | 10.0% or more | Establishing the Diversity Promotion Office; providing diversity training and LGBTQ+ workshops; increasing the number of female employees in managerial positions and improving the childcare and nursing care leave usage rates |
| | | Share of non-Japanese talents | Recruitment on an ongoing basis | |
| | | Employment rate of employees with disabilities | Legally required employment rate | |
| | | Average hours of annual training per employee (engineer) | Same level each year | Skill Development Seminars, Career Support Courses, Manager training, and other education and training to support employees in upskilling; supporting career development through new employee training; qualification acquisition assistance; conducting online or in-person company information sessions and interviews; attentive regular follow-ups for universities and prospective employees; holding social gatherings and other events for prospective employees |
| | | Average cost of annual training per employee (engineer) | Same level each year | |
| | | Turnover rate (engineers)<br>*Excluding retirement and turnover via the Company's assistance program to change jobs | Under 10.0% | |
| •Loss of social trust and deterioration of enterprise value due to violation of laws and regulations or corporate behavior that deviates from social norms<br>•Increasing funding costs | •Establishing a stable business foundation through more transparent decision-making and appropriate responses to changes<br>•Strengthening relationships with diverse stakeholders<br>•Increasing funding from ESG investors | Appointment ratio of Independent Directors | One-third or more | Appointing Independent Directors and establishing relevant committees; holding Board of Directors meetings and committee meetings; establishing internal control and risk management frameworks; information disclosure (IR and the General Meeting of Shareholders) |
| | | Ratio of Outside Directors in the Nomination and Remuneration Committee | Majority | |
| | | Number of major compliance violations | None | Compliance and information security training; operating a whistleblowing helpline and an audit system; excluding antisocial forces and implementing anti-organized crime measures |
| | | Number of major information security incidents | None | |

# Climate Change (Information Disclosure Based on TCFD Recommendations)

We disclose information in accordance with the recommendations published by the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board (FSB).

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

## Basic Policy

In recent years, our social environment has continued to change on a global scale, and addressing social issues, such as initiatives based on the recommendations of the TCFD, has become an important item on the management agenda. We regard addressing climate change as a material issue and have made carbon neutrality a pillar of our business activities in our new Medium-Term Business Plan (FY2023–FY2025). We will continue to strategically prioritize markets linked to carbon neutrality, such as electric vehicle (EV), fuel cell vehicle (FCV), automated driving, and semiconductor-related markets, and will focus on recruitment, education, and sales for these markets. Moreover, by having our engineers participate in carbon neutrality-related technology development projects such as these, we will advance the development of these technologies and support their widespread use in the market, thereby contributing to the realization of carbon neutrality. In July 2022, we announced our support for the recommendations from the TCFD. We will disclose information in a manner consistent with the recommendations published by the TCFD, with the aim of achieving a sustainable society.

## Governance

As we have rated climate change as a high-priority issue, we have established the Sustainability Committee as a special committee for discussing sustainability-related issues including climate change. This Committee is established directly under the Board of Directors, and reports and submits the topics it discusses to the Board, which then deliberates and makes decisions on them. The content of such discussions will be disclosed externally and reflected in the Company's management policies and various initiatives.
The main members of the Committee consist of Directors who are not members of the Audit and Supervisory Committee (including the President and CEO), Directors who are Audit and Supervisory Committee members, as well as division heads and managers. The Committee is held four times a year. The Committee promotes and manages the status of sustainability issues and initiatives, including those related to climate change.
The topics deliberated in the Committee are reported to the Board of Directors. The Board then deliberates and adopts the resolutions on important risks and opportunities related to climate change, gives instructions on how to deal with them, and supervises the progress of such initiatives.

## Strategy

As our social environment continues to change on a global scale, we believe that dealing with social issues, such as initiatives based on the recommendations from the TCFD, is an important managerial agenda.

## Risk Management

At the Compliance and Risk Management Meeting, we identify risks that need to be addressed among various risks such as climate change, set priorities for responding to such risks, and manage progress on an ongoing basis. The topics discussed in the Meeting are reported and submitted to the Board of Directors, which then deliberates and makes decisions on such topics.

## Indicators and Targets

We calculate our greenhouse gas (GHG) emissions as shown below.
Our goal for FY2051 is to achieve net zero GHG emissions.

Greenhouse gas (GHG) emissions (Scope 1 and Scope 2) Unit: $tCO_2$

| Description | Target | Result | | | | | |
|---|---|---|---|---|---|---|---|
| | FY2051 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| Scope 1 Use of fuel for rental cars | Net zero | 26.1 | 18.0 | 11.4 | 7.5 | 20.9 | 22.1 |
| Scope 2 Use of electricity at our locations | | 82.5 | 79.3 | 79.9 | 91.2 | 133.2 | 119.8 |
| Total | | 108.6 | 97.3 | 91.3 | 98.7 | 154.1 | 141.9 |

Greenhouse gas (GHG) emissions (Scope 3) Unit: $tCO_2$

| Description | Target | Result | | | | | |
|---|---|---|---|---|---|---|---|
| | FY2051 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| Scope 3 Purchased goods and services; employee commuting, business travel, etc. | Net zero | – | – | 1,002.8 | 1,147.7 | 1,471.8 | 1,780.4 |

## <Our Response to Risks and Opportunities>

Artner conducts scenario analysis by identifying key risks and opportunities related to climate change and carrying out qualitative assessments of their impacts. We included our main business area of engineer dispatching while using two scenarios (4°C scenario and combined 1.5°C and 2°C scenarios) to examine the impact of climate change in the year 2030. We extracted risks and opportunities, and the degree of impact on our business activities was evaluated on a three-point scale of large, medium, and small.
Regarding the financial impact of climate change on our business, we consider the risk of climate change to be low, as we are primarily engaged in engineer dispatching services in Japan and do not need to own production facilities or other equipment.

<Timeframe> Short-term: Impact is apparent in less than 3 years; Medium-term: Impact is apparent in 3 years to less than 10 years (up to around 2030); Long-term: Impact is apparent in 10 years or later
<Evaluation> Based on financial impact - Large: Impact is clearly large; Medium: Degree of impact is unknown; Small: Impact is clearly small; Gray: Assumed to have no impact

| Risk item | | | Business impact | | Business impact | | Response | | |
|---|---|---|---|---|---|---|---|---|---|
| Large category | Medium category | Small category | Consideration: risks | Evaluation (risks) | Consideration: opportunities | Evaluation (opportunities) | Ongoing efforts | Examples of our response to risks | Examples of our activities to achieve opportunities |
| Transition (1.5°C and 2°C scenarios) | Technology | Advances in low-carbon technologies | Our main customers are in the automotive industry, which requires us to provide engineers who can develop products related to low-carbon technologies. If we are slower than our competitors to respond to these technologies, our engineers' skills may be considered obsolete and the demand for the dispatch of engineers may shrink, resulting in decreased sales.<br>If new technologies need to be incorporated, costs for information gathering and training may increase. | Large | A low-carbon society may be promoted, which will lead to an increase in the demand for products using low-carbon technologies. In such a case, our sales may increase due to an increased demand for the dispatch of engineers to our existing clients and new clients. | Large | Disclosed in Medium-Term Business Plan<br>Participate in the automotive industry, etc., our main customers | Capture demand for the development of low-carbon products such as EVs and other low-carbon vehicles, as well as energy-saving and renewable energy equipment, etc. | |
| | Market | Change in demand for important products | Our main customers are in the automotive industry, which requires us to provide engineers who can develop products related to low-carbon technologies. If we are slower than our competitors to respond to these technologies, our engineers' skills may be considered obsolete and the demand for the dispatch of engineers may shrink, resulting in decreased sales.<br>If new technologies need to be incorporated, costs for information gathering and training may increase. | Medium | Since the Company's main customers belong to the automotive industry, actively attracting engineers who can deal with the design and development processes that support the shift to zero-emission vehicles (ZEVs) may lead to increased demand for the dispatch of engineers, which could result in higher sales.<br>The advancement of low-carbon technologies has accelerated the speed of development of the low-carbon business. Enhancing our recruitment and training systems as well as our services to meet the increasing number of requests from clients could lead to increased sales.<br>If extreme weather conditions increase, along with a rising demand for seasonal products such as air conditioning products that can deal with higher/lower outdoor temperatures, this may lead to the manufacturers' increased demand for the development of HVAC equipment, resulting in growing demands for the dispatching of engineers and increased sales. | Large | Disclosed in Medium-Term Business Plan<br>Participate in the automotive industry, etc., our main customers | | |
| | Reputation | Change in reputation from customers | The momentum for decarbonization is growing throughout the supply chain. Clients may require their suppliers to reduce emissions and disclose relevant information. In particular, the automotive industry, which accounts for a major part of our customer base, is making much progress in this area than other industries. If our efforts are deemed insufficient, there is a risk that our reputation will be damaged, leading to a decrease in sales. In addition, significant costs may be required to address these issues. | Large | As the entire supply chain of the automotive industry is making an effort to reduce emissions, if we become recognized as a leader in addressing climate change issues, this could lead to increased sales. | Large | Disclosed in Medium-Term Business Plan<br>Participate in the automotive industry, etc., our main customers | Contribute to the development of customers' low-carbon products by dispatching engineers with low-carbon skills<br>Acquire new clients by strengthening the low-carbon skillsets of our engineers | |
| | | Change in reputation of our employees | – | – | If the Company's environmental initiatives and the track record for dispatching engineers who have low-carbon skills are highly regarded by job seekers, the Company's image may improve, which could serve as an advantage over other companies in recruiting talents. | Large | – | – | |
| | | Change in reputation from investors | The trend toward decarbonization may require investors to consider factors such as the decarbonization efforts and GHG emissions of companies that they invest in before making decisions, which may incur additional costs. | Medium | If factors such as environmental initiatives and GHG emissions become more important in making investment decisions, and if investors see that the Company's environmental efforts are advanced, this may lead to a rise in the stock price and an inflow of investment capital. | Medium | Short-to long-term | – | |
| Physical impact (4°C scenario) | Acute | Intensifying extreme weather events (typhoons, torrential rains, landslides, storm surges, etc.) | If our clients are adversely affected by increased natural disasters causing operation downtime, etc., our sales may decrease due to reduced demand for engineers as a result of R&D budget cutbacks.<br>Also, in the event that our offices and training facilities are affected by such disasters, costs for recovery and relocation may be incurred. | Large | | – | Disaster Prevention Manual | Formulate a BCP in preparation for the potential occurrence of natural disasters | – |
| | Chronic | Increased average temperature | Rising average temperatures will increase the use of air conditioning, which may increase costs at all our business and training facilities. | Small | If rising outdoor temperatures increase the need for safer and more comfortable indoor temperatures, the manufacturers' demand for developing HVAC equipment will increase, which may result in an increased demand for the dispatching of our engineers and increased sales. | Medium | Disclosed in Medium-Term Business Plan<br>Participation in the automotive industry, etc., for major customers | – | Respond to the growing demand for the development of air conditioning products |

# The Relationship Between Personnel Policies and Enterprise Value

## Personnel Measures Connected to the Medium-Term Business Plan

The company has taken a medium to long term perspective in implementing a personnel-related management strategy in the Medium-Term Business Plan (FY2026-FY2030), namely "Basic Policy: ii. Promote diversity and inclusion in talent management," in order to respond to changes in the external environment and internal issues, and to build a foundation for sustainable growth now and in the future.

< Basic Measures>

### 2 Promote Diversity and Inclusion in Talent Management

- Strategically shift to contracting to adapt to the changes in the business environment
- Utilize workers of retirement age, women, and foreign workers (overseas students) as personnel
- Utilize and organize partner companies

## Human Capital

### Basic Policy

Artner's Management Philosophy is "Engineer Support Company: We support our engineers' dreams," and our Purpose is to "support the growth and self-actualization of engineers, who are Japan's world-class assets." As they embody, we have promoted our business as a corporation that exists for the sake of engineers' growth while always asking ourselves what we can do for them. We believe that creating value for the engineers themselves will, in turn, create value for Artner. We also believe that talent is our greatest business asset, and that talent development and organizational development are key areas essential to the Company's growth.

### Governance

Artner has established a Sustainability Committee to maximize the value of our human capital. The Committee is composed mainly of Directors who are not members of the Audit and Supervisory Committee (including the President and CEO), Directors who are Audit and Supervisory Committee members, as well as division heads and managers. The Committee is held four times a year. At each meeting, the members hold discussions to promote and manage the progress of issues and initiatives related to human capital. The Director/Head of the Management Division serves as the overall supervisor and the Management Division's General Affairs and Human Resources Group functions as the Health and Productivity Management Promotion Office to plan, operate, and promote different health-related initiatives. The Board of Directors oversees sustainability matters, including occupational health and safety, and deliberates on key issues such as respect for human rights, the promotion of diversity and inclusion, and talent development and retention.

### Strategy

We believe that supporting the growth and self-actualization of engineers, who are Japan's world-class assets, and creating value for the engineers themselves will, in turn, create value for Artner. We consider our engineers to be not only assets of Artner, but also shared assets of Japan, and we nurture engineers as a platform to support their growth and self-actualization based on our policy on talent development.
Amid a rapidly changing work environment and mindset, driven by talent mobility and diversity, we will strive to promote the happiness of working engineers and create a new model for "life as an engineer."
We are also committed to providing a satisfying work environment and supporting the growth and self-actualization of each and every one of our staff members, as stated in our basic sustainability policy: "aiming for the happiness of all employees."

*For Human Capital KPIs, targets, and results, see "Non-financial Data (KPIs, Targets, and Results)" on pages 65-68.

### Risk Management

At Artner, the Compliance and Risk Management Meeting identifies human capital risks and Opportunities and monitors their progress. Risks that may have a significant impact on investors' decisions include the following.

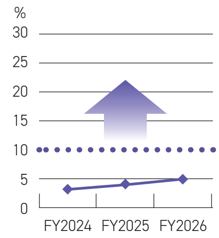
## Basic Policy on Human Capital Management

We believe that talent is our greatest business asset, and that talent development and organizational development are key areas essential to the Company's growth

### Share of female employees (engineers)

**10% or more**

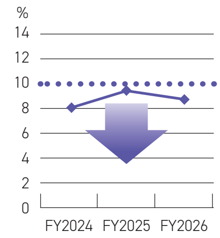
- Increase awareness of female engineers' work, childcare leave, etc. through online videos.




### Turnover rate (engineers)

*Excluding retirement and turnover via the Company's assistance program to change jobs Under **10%**

- Provide a favorable work/education environment.
- Offer career paths and skill improvement plans.

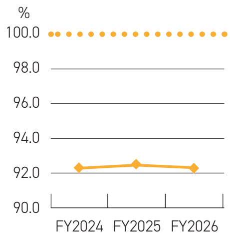



## Declaration for Health and Productivity Management

We believe that ensuring the health and peace of mind of employees will result in achieving the happiness of all employees and reflection within the company

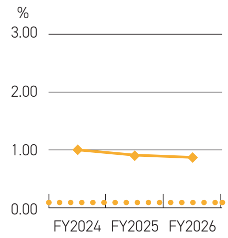
### Presenteeism (Productivity at work decreases due to health issues)

- Online seminars on mental health and other topics by public health nurses. Improve the office environment. Promote workplace communication.




### Absenteeism (Absent from work due to health issues)

- Send follow-up screening notices after periodic health checkups. Training for improving self-care and literacy in physical and mental well-being. Mental health training for managers.




# Talent Development

## Basic Policy

Artner's purpose is to "support the growth and self-actualization of engineers, who are Japan's world-class assets," which is why talent development is the foundation of our company. We provide a wide range of training and support programs to assist with the development of talent that realizes innovation and to help employees improve their skills and develop their careers.

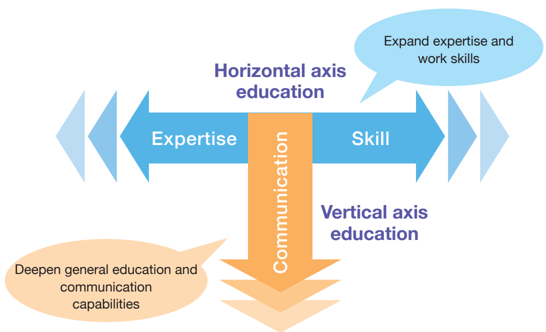
## Policy on Talent Development

### Education and Training Policy

The concept of Artner's education and training programs is to provide all employees not only with knowledge and skills but also with confidence and practical capabilities.

### T-shaped Specialist Education System

We are building a "T-shaped specialist education system," a system for improving the skills of each and every engineer, in which the horizontal axis represents specialized knowledge and work skills, and the vertical axis represents general education and communication capabilities. Through this system, we will strive to enable new employees and workers with little or no experience to participate in cutting-edge projects at an early stage and shift their careers to growing industry fields.




## Training and Support Programs

We provide a wide range of training and support programs to help employees improve their skills and develop their careers.

### Support for Employee Skill Improvement through Education and Training

To improve our employees' skills as engineers, we are enhancing our education and training programs, including skill development seminars, career support courses, and manager training.

### New Employee Training to Support Career Development

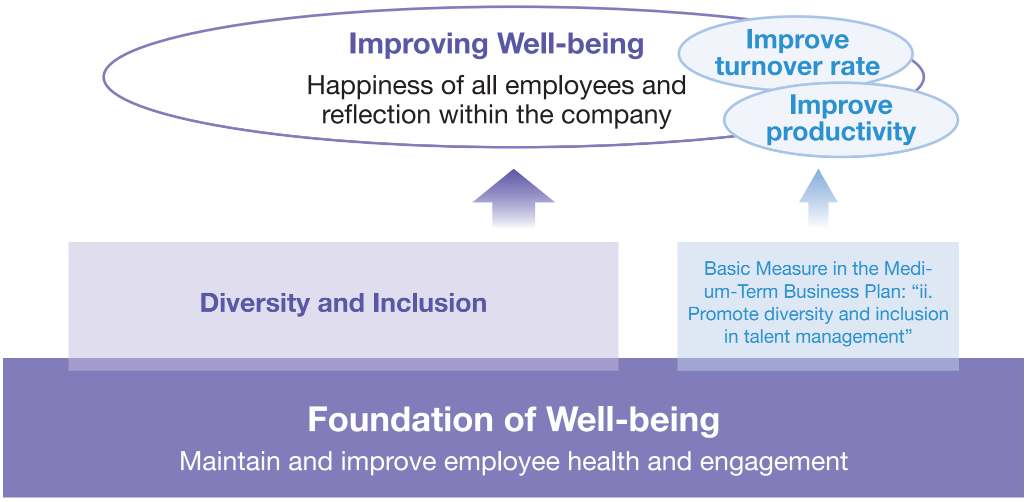
Based on the concept of "acquiring practical skills," we provide each engineer with new employee training that enables them to acquire a wide range of technical skills, from the basics to practical applications, to support their career development.

### Qualification Acquisition Assistance Program

We help our engineers improve their skills through our qualification acquisition assistance program, under which we pay employees who possess qualifications we recommend an allowance in accordance with our rules, and cover all examination fees for relevant qualifications.

# Well-being

Our company holds that maintaining and improving employee health and engagement is the foundation of well-being. By building upon that foundation and promoting diversity and inclusion, we aim to achieve greater diversity in values, thereby contributing to the happiness of all employees and to the reflection within the company.

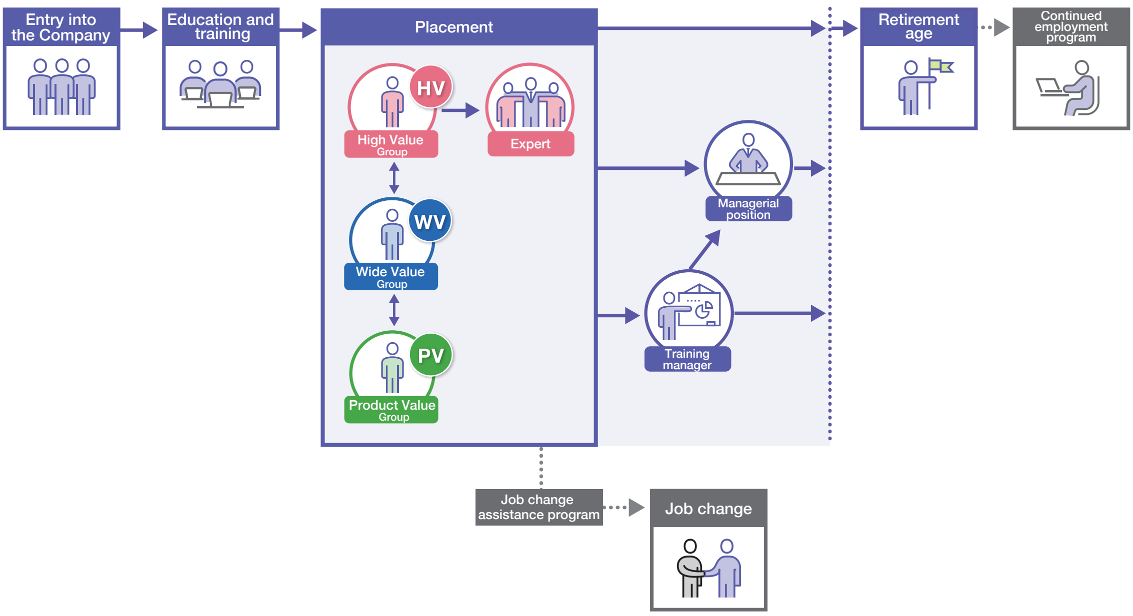



## Employee Engagement

We believe that improving engagement for each and every employee leads to growth for both the individual and the company. We have set employee engagement as an indicator for measuring sustainable growth and are working to improve it, as it illustrates the extent to which employees connect with the company's purpose and organizational culture, and their enthusiasm for their work.

### Career Paths Suited to Various Working Styles

After undergoing education and training, engineers that join the Company as regular employees are assigned to a suitable group and placed with clients. Employees then have multiple career paths available to them, from remaining in the field until retirement, to becoming experts and training managers, or entering middle managerial positions. We also offer a continued employment program and job change assistance program, and a system that supports changes in employment when an engineer and client both wish for it. We strive to create an environment where employees can work with peace of mind.



## Support for employee skill improvement through education and training

By supporting employee skill and career development, we aim to improve engagement across the organization and grow our business. In addition to undergoing training, sales representatives regularly visit engineers and conduct online interviews to maintain close communication.

### Skill Development Seminars

Seminars are held by inviting lecturers from various fields to help engineers acquire a wide range of knowledge and develop their human skills, not limited to specific technical areas.

Around 10 times a year, outside lecturers share technical information on various topics for our engineers' personal growth. The seminars especially help those with practical experience to develop criteria for making effective use of their experience.

### Career Support Courses

To meet the skill requirements of the manufacturers to which our engineers are dispatched, courses for different jobs and career levels are offered.

Engineers receive both on-the-job and off-the-job team training concerning technology and products in high demand, conducted by employees actually participating in a manufacturer's project.

## Employee Engagement Score

For the purpose of visualizing the gap between our employees and our vision and tying these efforts into continuous work environment improvements, we conducted an Employee Engagement Survey in FY2026 following the one we administered in FY2025. The engagement score for FY2026 was 74.2%, a 0.2-point increase year over year. The survey results clearly identified improvements in working conditions, work styles, and the work environment; the continuation and reinforcement of talent development and career support; and the enhancement of interdepartmental collaboration and internal communication as priority issues. In response to these issues, we will proceed to examine specific measures based on employee feedback. Going forward, through the analysis of survey results and execution of improvement measures, we will keep working toward the realization of a work environment where every single employee feels a genuine sense of fulfillment in their work and can continuously play an active role.

| | FY2025 | FY2026 |
|---|---|---|
| Engagement Score | 74.0% | 74.2% |

## Initiatives for Improving Employee Engagement Scores

Based on the results of our Employee Engagement Survey, we promote various measures for improving engagement scores. We support the continuous skill development of our employees and the career development of young engineers by enhancing our training video content and providing training programs for employees in their second and third years with us. Additionally, through the likes of the company newsletter, town hall meetings, and welcome parties for new employees following their entry into the Company, we promote communication among employees and with management, which helps reduce feelings of isolation and foster a sense of belonging. Through these endeavors, we are building an organization where each and every employee can feel a genuine sense of growth and go about their jobs with a high level of motivation.

**1. Providing a Genuine Sense of Growth Through Education and Training**

- Enhancement of training videos (allowing employees to watch training sessions they were unable to attend)
  Support for employee skill development
- Second-year and third-year training programs
  Opportunities for young engineers to reflect on their personal growth and career paths

**2. Designing Close Communication (Measures to Address Feelings of Isolation and a Decline in Sense of Belonging)**

- Company newsletter
- Town hall meetings
- Second-year and third-year training programs
- Welcome parties following entry into the Company (for new employees)

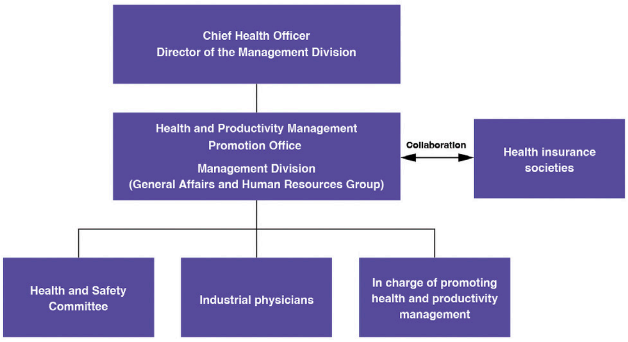
# Health and Productivity Management / Occupational Health and Safety

## Declaration for Health and Productivity Management

Based on Artner's management philosophy of being an Engineer Support Company, we at Artner believe that ensuring the health and peace of mind of employees at work will eventually result in achieving the happiness of all the employees and reflection within the company.
Under our mission to promote human resource development and the happiness of all the employees, we declare that we will work to create a workplace environment where each and every employee can work vigorously and in good mental and physical health.

## Organization

Director Responsible for the Management Division will serve as the overall supervisor and the Management Division (General Affairs and Human Resources Group) will function as the Health and Productivity Management Promotion Office to plan, operate, and promote different initiatives.
In promoting the initiatives, these stakeholders will collaborate with the Health and Safety Committee, industrial physicians, and health insurance societies, and report on the progress at the Sustainability Committee meeting.




## Occupational Health and Safety

By considering the occupational health and safety of our employees, Artner strives to enhance enterprise value and create an organization where all the employees can work safely and with peace of mind. In addition, because we believe that the ability of our employees to work in good health and with peace of mind will result in the well-being of all the employees and reflection within the company, we promote employee health management and health promotion initiatives.

## Risks Related to Potential Hazards Involved in Labor

We strive to prevent accidents and reduce the risk of accidents occurring by providing health and safety education for employees when they join the company and when they are assigned to clients.

## Mental Health Care for Employees

To support the mental and physical health of our employees, we provide them with mental health care from professional counselors, thereby helping in the prevention and early detection of mental health issues.

## Various Forms of Training Conducted

### Mental health training for managers by clinical psychologists

Mental health training by clinical psychologists is provided to managers and to staff working in sales, recruitment, and training. We can provide continuous mental health support to our employees by gaining a deeper understanding of how to recognize and care for mental illness.

*As for workplace mental health measures at companies or other organizations, managers and supervisors (e.g., heads of divisions or departments) provide one-on-one guidance or counseling to employees who directly report to them and improve the work environment.

### Training to eliminate presenteeism

Public health nurses provide training on the main causes of presenteeism*: poor mental health, sleep issues, and eye strain. We hope that participants will use this training in their own self-care efforts, reviewing their own lifestyles in order to maintain and improve their health.

*Presenteeism: When productivity is reduced to health issues, though the employee does not miss work and therefore does not become an attendance management issue.

### Training on generative AI

For engineers, we hold courses at Skill Development Seminars on the role of designers in the age of AI and the reinforcement of new business development capabilities. For administrative employees, we conducted training sessions that cover a fundamental understanding of generative AI as well as Copilot utilization. We are endeavoring to develop talent company-wide, capable of thriving in this age of AI and DX.

# Diversity and Inclusion

## Improving the Employment Environment to Promote Active Participation of Women

To help establish an employment environment that enables the active participation of women and permits employees to achieve a better work-life balance, Artner has formulated a General Employers Action Plan, based on the Act on Promotion of Women's Participation and Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children. We also strive to increase the number of female executives and improve the rate of childcare and nursing leave utilization.

## Diversity and LGBTQ+ Initiatives

At Artner, we believe that promoting workplace diversity and giving all employees the opportunity to demonstrate their full potential lead to innovation and value creation. For this purpose, we strive to foster an inclusive company culture, through measures such as diversity training, LGBTQ+ study meetings, and activities to promote an understanding of gender equality by all employees.

## Establishing a Diversity Promotion Office

In September 2011, Artner set up a Diversity Promotion Office (now Diversity Team), centered around people with disabilities. In addition to promoting the employment of people with disabilities, we also aim to create a workplace that enables all employees to feel fulfilled by their work.

## Active Hiring of People with Disabilities

Artner actively hires people with disabilities. In 2018, Artner was officially recognized by Osaka Prefecture for its outstanding company efforts in support of people with disabilities. (This award is part of the prefecture's initiatives to actively support the employment of people with disabilities.)

## Japanese language training for foreign personnel

We administer this training to international students after they complete basic training. Their studies cover a wide range that includes culture and etiquette at Japanese enterprises and Japanese expressions and grammar, tailored to students' individual Japanese level. The purpose of the training is to have international students develop practical ability to communicate in Japanese, from drafting emails to conversing about business.

## Employment of Senior Talent

At Artner, employees who wish to continue working after the age of 60 can take advantage of the "continued employment program." To adapt to the rapid aging of Japan's population, and with the aim of creating an environment where motivated seniors can remain active without a time limit, we have established this program that offers continued employment for engineers who would like to continue working in design and development after reaching the retirement age of 60.

### Online Discussion Between a Male Employee Who Took Childcare Leave and the Manager Who Supported His Choice

To enable our male employees to actively take part in childcare, we encourage both female and male employees to take advantage of our childcare leave system. For this report, we conducted an interview with a male employee who actually took childcare leave and the manager who supported his choice.

When my wife entered the stable phase of her pregnancy and I reported that to the Company, my manager and colleagues asked, "Aren't you going to take childcare leave?" That prompted me to look into the system and associated allowances, which led me to decide to take childcare leave. When I told my manager that I wanted to take three months of childcare leave, he asked, "Are you sure you don't want to take it for longer?" I was truly grateful he said that.

Artner has had a childcare leave system in place for some time, so as his manager, I felt comfortable sending him on leave. I also personally traveled from East Japan to Osaka about twice a week on business to provide on-site support.

I truly felt secure. I created a procedure manual and spent a week handing over my duties. The HR staff handled my case with courtesy as well and left me feeling that Artner was a great company.

### Balancing Work and Family Care: Artner's Short-Term and Long-Term Family Care System

Anyone can find themselves in a situation where they need to provide care to someone. Artner has established short-term and long-term family care leave in accordance with pertinent laws and regulations, thereby putting a system in place that allows employees to choose according to their situation. Furthermore, we have established a system for shortened shifts to help employees balance work and family care. In light of legal amendments made in May 2024, we consistently operate the system in accordance with the latest laws and regulations. We ensure thorough awareness through the publication of rules on the Company's intranet, the preparation of guidebooks, email notifications, and compliance training. Our belief is that providing information that pushes the system beyond a mere formality helps make it easier for employees to take advantage of it when they need to.

Comments by an engineer who has actually used the system

I used five days of short-term family care leave in a year to accompany my mother for hospital visits and stays as well as to help her move into a care facility. As I had reviewed the rules when I took maternity and childcare leave in the past, I was able to move the application process along smoothly while consulting with HR staff. Since I had explained the situation to my assigned company and manager in advance, I did not feel hesitant to take time off. It was truly helpful to be able to care for my mother without having to worry about my remaining paid leave days, and it also gave me some emotional breathing room. In my experience, knowing about the system in advance proves to be helpful in balancing work and family care.

# Human Rights

## Human Rights

Our company operates in the human resources business, and has signed the United Nations Global Compact and supports its Ten Principles. As such, we recognize the importance of respecting human rights within our supply chain. We have already implemented initiatives related to human rights. Our Basic Sustainability Policy includes the goal of achieving "happiness for all employees," and places the respect for human rights as one of eight "materiality (material issues)" that should be prioritized. The UN's Guiding Principles on Business and Human Rights (UNGP) clarify the responsibility companies have to respect human rights, and recent years have seen this become an increasingly important issue in regard to business continuity. Taking into account our previous efforts and the social background, we established our Human Rights Policy in February 2024. This policy will be an integral part of our business activities going forward, and we will encourage our suppliers to do the same, thereby further promoting our efforts to respect human rights.

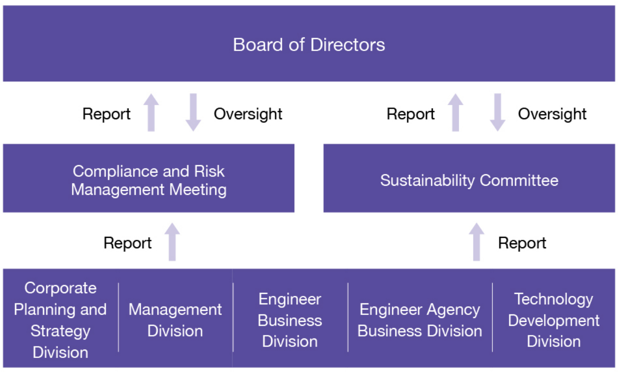
### Human Rights Policy (Summary)

1. **Basic view on human rights**
2. **Key international human rights norms that this policy complies with**
3. **Scope**
4. **Initiatives to ensure human rights are respected in our business activities**
5. **Governance**
6. **Human rights due diligence**
7. **Remediation and relief**
8. **Education and training**
9. **Information disclosure**
10. **Dialogue and discussion with stakeholders**

Human Rights details https://www.artner.co.jp/en/sustainability/social/human-rights/

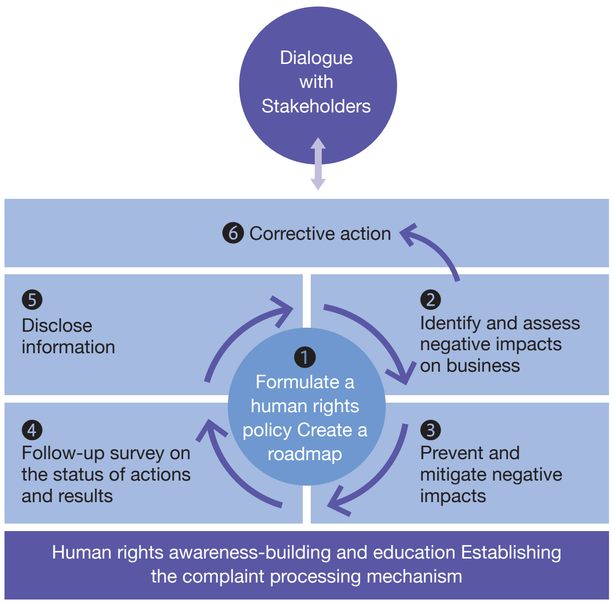
## Human Rights Promotion System

Artner considers human rights to be a key sustainability issue and has established the Sustainability Committee under the direct supervision of the Board of Directors to establish human rights-related sustainability policies, targets, and action plans; manage and evaluate progress toward these targets; deliberate on individual measures; and report to the Board of Directors.




## Human Rights Due Diligence

We have established a human rights due diligence system through which we identify negative impacts on human rights and work to prevent and mitigate them. In FY2024, we conducted a questionnaire-based survey of our partners on their basic stance, respect for human rights, and health and safety issues. We also assessed the status of their human rights initiatives, organized the issues, and formulated a three-year roadmap. During the fiscal year in question, we conducted a human rights risk assessment in order to identify the negative impacts of our business activities and supply chain on human rights, and created a risk map for gaining an overall picture of priority issues. In addition, because the circumstances surrounding human rights are constantly changing, we will endeavor to mitigate human rights risks by continuously striving to keep current with the latest information and human rights standards.



## Key Human Rights Issues Identified Through Our Human Rights Risk Assessment

Through our human rights risk assessment, we identified key human rights issues that must be addressed with priority based on the potential for negative impacts on human rights arising from our business activities and supply chain and the severity of those impacts. In conducting the assessment, we identified business fields with significant risks, organized the processes through which negative impacts arise, evaluated our involvement, and assigned a priority order for responses. As a result, we identified the following as human rights issues of relatively high importance, among other issues: harassment as well as unreasonable instructions and coercion at client companies; isolation and a decline in psychological safety resulting from being the sole employee on permanent assignment; mental health issues; customer harassment; unfairness in evaluations, working conditions, and the like; leaks of personal information in the course of business; child labor and forced labor in the supply chain; human rights risks related to conflict minerals; and insufficient verification and management of respect for human rights on the supplier side. Going forward, we will promote measures to prevent and mitigate the identified key issues through education and awareness-raising, the operation of consultation desks and our complaint processing mechanism, collaboration with client companies and partners, supply chain management, and so forth. We will also review assessment results and the effectiveness of measures on a regular basis to help improve the effectiveness of our efforts to respect human rights.

## Complaint Processing Mechanism (Internal Whistleblowing System)

We have established a helpline to receive any reports on compliance violations and inquiries related to human rights and anti-corruption, and take steps as necessary for relief and remediation upon investigation. We strictly enforce the confidentiality and protection of whistleblowers' personal information and prohibit the disadvantageous treatment of whistleblowers based on their reports.

During the fiscal year in question, we conducted a review using a checklist to further enhance the effectiveness of our complaint processing mechanism. In conducting the review, we verified the overall operation of the system from such perspectives as its legitimacy, ease of use, fairness, and transparency, and identified elements that require improvement. Note that during the current fiscal year, there were zero consultations regarding human rights. We will continue to work on establishing mechanisms that allow those seeking consultations to do so with peace of mind and on spreading awareness of those mechanisms.

## Initiatives

All employees at our company receive ongoing training that gives them basic views on how to think about human rights, and that raises awareness about human rights.

**Human Rights Training**

| | Training theme | Description |
|---|---|---|
| 2025 | **Human rights** | (1) What are human rights?<br>(2) Outline of the main human rights risks that companies should consider<br>(3) The need for corporate human rights efforts and their impact<br>(4) Artner's human rights efforts<br>(5) Artner's human rights policy |
| 2024 | **Human rights** | (1) What are human rights?<br>(2) Outline of the main human rights risks that companies should consider<br>(3) The need for corporate human rights efforts and their impact<br>(4) Artner's human rights efforts<br>(5) Artner's human rights policy |
| 2023 | **Human rights** | (1) What are human rights?<br>(2) Increasing attention on how companies are addressing human rights<br>(3) Subjects (rights holders) whom companies should respect<br>(4) Human rights risks<br>(5) Human rights fields that companies should respect<br>(6) Main impacts of adequate/inadequate human rights efforts<br>(7) Artner's human rights policy |

## Supply Chain Management

Artner recognizes respect for human rights in its business activities, including those in its supply chain, as an important matter. For partners, we share our procurement policy and verify that human rights are being respected through regular questionnaire surveys. We form a grasp of risk and analyze it based on the results of those surveys, and issue requests for improvements as necessary. In doing so, we continue endeavoring to practice appropriate supply chain management.

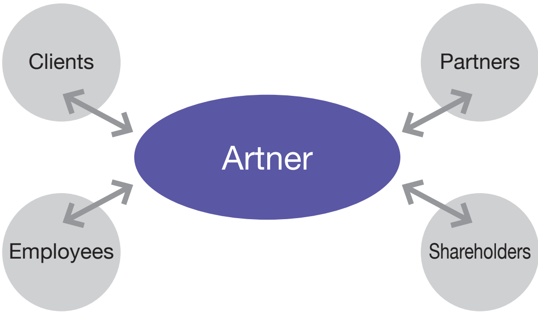
### Procurement Policy

- As a responsible member of society, we will comply with laws and regulations and respect social justice and basic human rights.
- We will establish equal and fair business relationships and procure the best and most appropriate resources.
- We will conduct fair transactions and act by putting ourselves in our customers' shoes.
- We will meet customer needs by providing products that offer value in all aspects of price, quality, safety, and the environment.
- We will strive to use environmentally friendly products.
- We will strive to properly manage documents and information.
- We will strictly manage information that should be kept confidential.

# Stakeholder Engagement / Social Contribution

## Stakeholder Engagement

To ensure that our company runs sustainably, it is important that we hold dialogues with stakeholders and integrate their expectations and demands into our business strategy and activities. While creating more opportunities for communication, we will strive to further reflect stakeholder perspectives into our corporate management.




| Stakeholder | Approach | Engagement | Frequency | Values provided |
|---|---|---|---|---|
| **Clients** | We will become a group of ambitious and highly motivated engineers that live up to the trust of our clients and grow together, building on dialogues with clients in diverse industries as their trusted technical partner. | •Information provision through our Annual Report, IR Reports, and official website<br>•Dialogues and hearings with clients<br>•Talent education and training<br>•Job change assistance program | Regularly<br>Any time | •Placement of engineers with high added value |
| **Partners** | We will aim to build good partnerships based on mutual trust through equitable and fair transactions. | •Information provision through our Annual Report, IR Reports, and official website<br>•Dialogues using online conferencing tools<br>•Improve energy efficiency and reduce energy usage<br>•Contribute to carbon neutrality through business activities | Regularly<br>Any time | •Co-creation of value |
| **Employees** | We will aim for the happiness of all employees and reflection within the company, believing that talent is our greatest business asset, and that talent development and organizational development are key areas essential to the Company's growth. | •Provision of skill development opportunities through training and seminars<br>•Employee Stock Ownership Association<br>•Health and productivity management<br>•Mental health care<br>•Labor union<br>•Social gatherings<br>•A range of salary systems<br>•Limited area system<br>•Internal recruitment program<br>•Job change assistance program | Regularly<br>Any time | •Happiness of all the employees and reflection within the company<br>•Retention of employment |
| **Shareholders** | Artner's No.1 business challenge is steadily improving shareholder value over the long term. In addition to expanding our business and ensuring profitability, we will aim to build trustful relationships through faithful and fair information disclosures and active communication. | •General Meeting of Shareholders<br>•Briefing for analysts and institutional investors<br>•Briefing for individual investors<br>•Information provision through our Annual Report, IR Reports, and official website<br>•One-on-one meetings<br>•Inquiry form and telephone | Regularly<br>Any time | •Sustainable growth<br>•Profit distribution |

## Industry-Academia Collaboration

Deepening industry-academia collaboration by combining universities' advanced technologies and Artner's practical skills.

### Lectures at Universities

Our training staff give practical lectures at universities as part-time lecturers and seminar lecturers.



### Publication of Educational Materials

With the cooperation of companies and universities, we have put together books on the training know-how that we have accumulated, and use the books in our education and training.

### Collaboration with Academic Societies and Organizations

We present papers at affiliated academic societies and organizations. We are deepening our friendship with members of universities.

- Japan Society for Graphic Science
- Japan Society for Design Engineering
- The Japan Society of Mechanical Engineers
- The Institute of Electrical Engineers of Japan, etc.

### Skill Development Papers

Our training systems and outputs are made available as papers to educational and business professionals. The papers are used for developing a wide range of human resources.

## Regional Contribution

As a member of the local community, we are involved in community outreach activities such as supporting the education of the next generation of manufacturing professionals and beautifying the environment.

### Initiatives to Clean Public Spaces

As part of its community service activities, Artner organizes a cleanup of Esaka Park, located near our learning centers in Western Japan, and of Shin-Yokohama Ekimae Park, located near our Tokyo headquarters and learning centers in Eastern Japan, inviting the participation of all of our directors, managers, and employees.


### Participation in Environmental Conservation Activities at Futatsuike Park in Tsurumi Ward, Yokohama City

As part of our community service activities, we took part in environmental conservation activities organized by the Futatsuike Park Preservation Society at Futatsuike Park in Tsurumi Ward, Yokohama City. These activities involve the uprooting of Canada goldenrod plants. Root removal is positioned as a measure intended to reduce impacts on natural capital by helping to restore biodiversity and stabilize ecosystems through the regeneration of native vegetation. Under our Basic Sustainability Policy, we are promoting initiatives geared toward biodiversity.


## Donations and Support

We donate to various organizations to contribute to the achievement of the SDGs.

### Support (Donations) for the Akai Hane Central Community Chest of Japan

We provided assistance to the Akai Hane Central Community Chest of Japan, which engages in support and aid activities to address living issues in the community (such as child poverty, social withdrawal ("hikikomori"), and assistance for the elderly and disabled children and adults).

### Support (Donations) for the United Nations World Food Programme (UN WFP)

In support of its activities, we make donations to the United Nations World Food Programme (UN WFP), which endeavors to save children in poverty from hunger and help with their sound development through efforts such as food assistance to 83 countries and school lunch assistance to over 30 countries in the world, alongside improving school enrollment rates and expanding educational opportunities.

### Donations to the World Wide Fund for Nature Japan (WWF Japan)

In April 2025, Artner donated ¥500,000 to WWF Japan, an organization focused on restoring the declining biodiversity and preventing global warming, with the aim of building a future in which people and nature thrive in harmony. Going forward, the Company will continue to pursue the further growth of its businesses, alongside actively supporting international and social causes and the conservation of the natural environment.

### Artner Supports the "Plastics Smart" Campaign by the Ministry of the Environment of Japan

As a supporter of the "Plastics Smart" campaign promoted by the Ministry of the Environment of Japan, Artner has registered its initiatives based on the "Artner Plastic Smart Declaration" on the campaign's official website. With a view to achieving SDG 14, "Life Below Water," Artner established the "Plastic Smart Declaration," and promotes conduct mindful of the 3Rs of Reduce, Reuse, and Recycle across the company. We also collect plastic bottle caps at our business locations across Japan to be recycled. Part of the proceeds from the recycled bottle caps are donated to Japan Committee, Vaccines for the World's Children (JCV), a certified NPO. In turn, these donations are used to provide vaccine assistance in collaboration with UNICEF.

Plastics Smart

# Corporate Governance

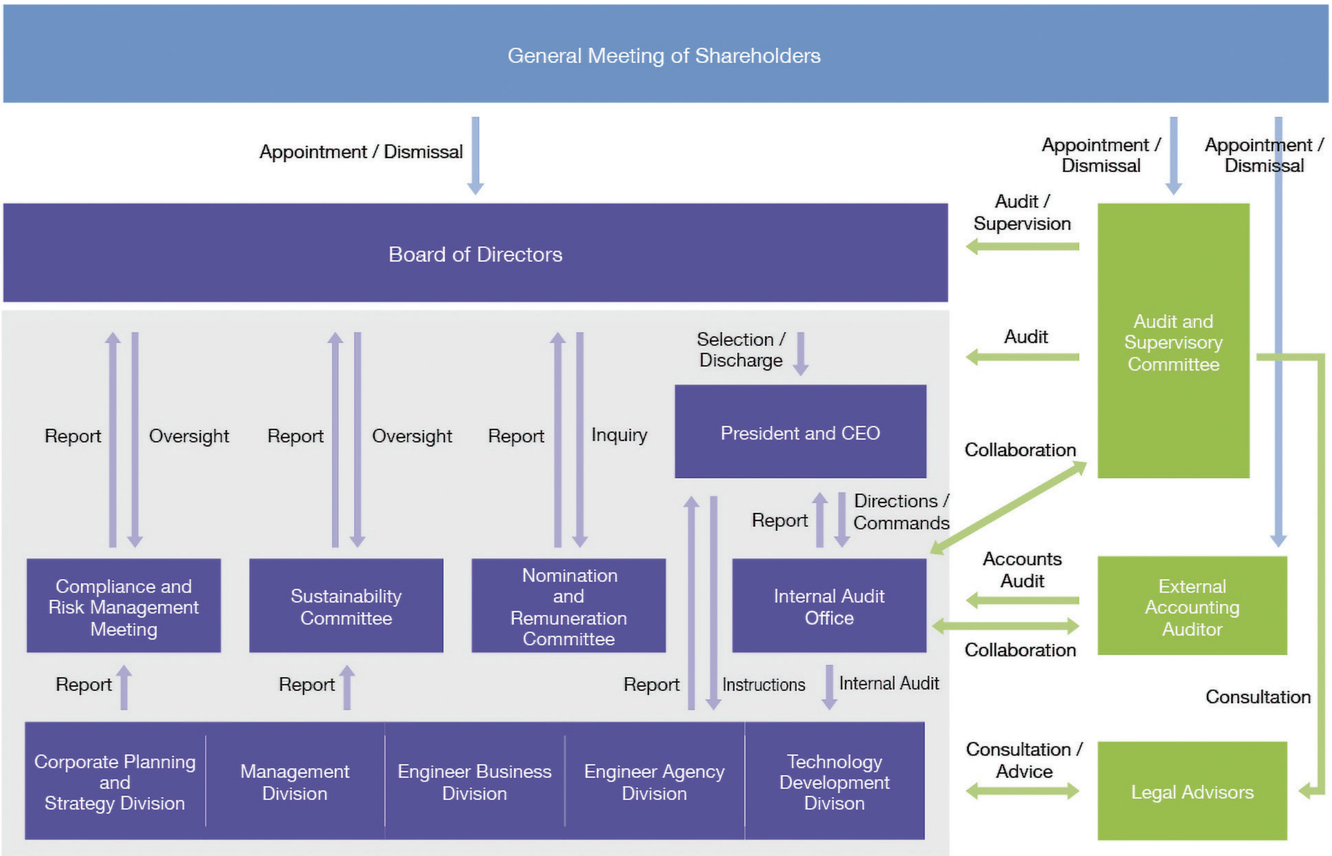
## Basic Views

Artner's No.1 business challenge is steadily improving shareholder value over the long term. So in addition to expanding our business and ensuring profitability, we want to grow as a "technical partner" together with our client companies in various industries, as a collective of engineers focused on developing more and more advanced levels of technical expertise. At the same time, with a constant awareness of what society needs most, and a desire to create a demand for it, we strive for business efficiency and soundness to help in the sustainable development of the Company.

At Artner, we are highly conscious of our social responsibility as a company, so in addition to strictly observing all applicable laws and regulations, we strive to sustain and develop favorable relationships with shareholders, with our local community, with all of our client companies, and with all employees.

We are committed to further strengthening our internal control and risk management efforts through the application of business management systems (including internal control systems) to enable flexible adaptation to changes in the business environment. In this way, we will constantly improve our business management. Artner also will promptly disclose relevant information both inside and outside the Company and enhance business transparency.

## Company Organization and Internal Control System



# Overview of the Current Corporate Governance System

The Company has in place the Audit and Supervisory Committee, and has three Directors who are not members of the Audit and Supervisory Committee and three Directors who are members of it.

## Board of Directors

The Board of Directors meets twice a month and is comprised of six Directors, three of whom are not members of the Audit and Supervisory Committee and three who are members of the committee.

The Board meets twice a month: at a mid-month business report board meeting, the members deliberate on the Company's monthly business performance; and at a regular month-end board meeting, they deliberate and decide on matters relating to the Company's management plan, as well as significant matters relating to day-do-day business operations.

## Compliance and Risk Management Meeting

The Company convenes Compliance and Risk Management Meetings once a month, attended by the President and CEO and other Directors who are not members of the Audit and Supervisory Committee, Directors who are members of the committee, and division and department heads.

In these meetings, members discuss policies and actions to ensure that all officers and employees of the Company abide by laws and the Company's Articles of Incorporation, and draw up the Risk Management Guidelines.

## Sustainability Committee

The Sustainability Committee, chaired by the President and CEO, is composed mainly of division and department heads in addition to six Directors. The committee meets four times a year.

The members hold discussions to promote and manage the progress of issues and initiatives related to sustainability.

## Audit and Supervisory Committee

The Audit and Supervisory Committee is comprised of three Outside Directors and meets twice a month.

Directors who are members of the Committee also attend board meetings and other important internal meetings. The Committee provides impartial and independent oversight of the Company's corporate management, based on the audit standards as well as the audit policy and plans established by the Committee.

## Nomination and Remuneration Committee

The Nomination and Remuneration Committee, chaired by a member of the Audit and Supervisory Committee, is composed of four members including the President and CEO and three members of the Audit and Supervisory Committee who are Outside Directors, and will be held at least four times a year.

The Nomination and Remuneration Committee will report to the Board of Directors on the appointment/dismissal and remuneration of Directors in order to enhance the fairness and objectivity of the decision-making process of nominating and determining the remuneration of Directors as well as enhancing corporate governance.

## External Accounting Auditor

The Company employs KPMG AZSA LLC as its accounting auditor.

The Company has no conflict of interest with the accounting firm or with the firm's managing partners who conduct accounting audits of the Company.

# Activities of the Board of Directors and Committees (FY2026)

< Attendance >

| Position | Name | Board of Directors | Compliance and Risk Management Meeting | Sustainability Committee | Audit and Supervisory Committee | Nomination and Remuneration Committee |
|---|---|---|---|---|---|---|
| President and CEO | SEKIGUCHI Sozo | 32 out of 32 meetings (100% attendance rate) | 12 out of 12 meetings (100% attendance rate) | 4 out of 4 meetings (100% attendance rate) | | 5 out of 5 meetings (100% attendance rate) |
| Managing Director | HARIGAE Tomonori | 32 out of 32 meetings (100% attendance rate) | 12 out of 12 meetings (100% attendance rate) | 4 out of 4 meetings (100% attendance rate) | | |
| Director | OKUSAKA Kazuya | 32 out of 32 meetings (100% attendance rate) | 12 out of 12 meetings (100% attendance rate) | 4 out of 4 meetings (100% attendance rate) | | |
| Director | SATO So | 2 out of 7 meetings (29% attendance rate) | 12 out of 12 meetings (100% attendance rate) | 4 out of 4 meetings (100% attendance rate) | | |
| Director | EGAMI Yoji | 2 out of 7 meetings (29% attendance rate) | 12 out of 12 meetings (100% attendance rate) | 4 out of 4 meetings (100% attendance rate) | | |
| Outside Director and standing member of the Audit and Supervisory Committee | NOMURA Ryuichiro | 32 out of 32 meetings (100% attendance rate) | 12 out of 12 meetings (100% attendance rate) | 4 out of 4 meetings (100% attendance rate) | 26 out of 26 meetings (100% attendance rate) | 5 out of 5 meetings (100% attendance rate) |
| Outside Director and member of the Audit and Supervisory Committee | TERAMURA Yasuhiko | 32 out of 32 meetings (100% attendance rate) | 12 out of 12 meetings (100% attendance rate) | 4 out of 4 meetings (100% attendance rate) | 26 out of 26 meetings (100% attendance rate) | 5 out of 5 meetings (100% attendance rate) |
| Outside Director and member of the Audit and Supervisory Committee | MORII Shinichiro | 32 out of 32 meetings (100% attendance rate) | 12 out of 12 meetings (100% attendance rate) | 4 out of 4 meetings (100% attendance rate) | 26 out of 26 meetings (100% attendance rate) | 5 out of 5 meetings (100% attendance rate) |

(Note) Messrs. Sato and Egami resigned from their positions as directors upon the expiration of their terms of office at the conclusion of the Ordinary General Meeting of Shareholders held on April 24, 2025. Accordingly, the Board of Directors meetings referred to herein are those held prior to their resignation.

< Discussion and Resolution Themes >

| | | |
|---|---|---|
| **Board of Directors** | Discussions and Resolutions | General Meeting of Shareholders / Policy for the Mid-Term Business Plan / Corporate planning and strategy / Department policies and business plan for the fiscal year ending January 31, 2026 / Financial results, finances, and dividends / Revisions to the forecast of financial results / Nomination of director candidates and remuneration of directors / Internal controls / Organizational changes and personnel transfers / Rule revisions / Reappointment of the Accounting Auditor(s) / Donations to support organizations / Updating and disclosing ESG data |
| **Compliance and Risk Management Meeting** | Discussions | Performance trends in the manufacturing industry / Competition with other companies in the industry / Effectiveness of education and training / Securing suitable clients for our dispatching business / Regulations on total work person-hours / Securing science and engineering graduates / Securing career engineers / Information management / Laws, regulations, licenses, and permits / Disasters, accidents, etc. / Climate change / M&A / Medium-Term Business Plan, etc. |
| **Sustainability Committee** | Discussions | Policies and goals related to sustainability, including social and environmental issues such as the SDGs and ESG / Formulation of an action plan / Management and evaluation of progress toward goals / Individual measures, etc. |
| **Audit and Supervisory Committee** | Discussions | Audit policy, audit plan, audit methods, assignment of audit duties, etc. / Appointment and dismissal of Accounting Auditor(s) / Appointment, dismissal, and remuneration of directors who are not members of the Audit and Supervisory Committee, etc. |
| **Nomination and Remuneration Committee** | Deliberations and Reports | Appointment and dismissal of directors / Selection and discharge of the President and CEO / Selection and discharge of representative directors / Remuneration, etc., of directors who are not members of the Audit and Supervisory Committee / Remuneration limits for directors and directors who are members of the Audit and Supervisory Committee / Succession planning (including successor development), etc. |

## Policy and Process for Appointment or Removal of Director Candidates Who Are Not Members of the Audit and Supervisory Committee

The Nomination and Remuneration Committee deliberates and reports to the Board of Directors on director candidates who are not members of the Audit and Supervisory Committee after an extensive scrutiny of their knowledge, experience, and ability necessary to manage the Company's business divisions and day-to-day operations. The Board of Directors then nominates the director candidates.

## Policy and Process for Appointment or Removal of Director Candidates Who Are Members of the Audit and Supervisory Committee

The Nomination and Remuneration Committee deliberates and reports to the Board of Directors on director candidates who are members of the Audit and Supervisory Committee after an extensive scrutiny of their experience, expertise in corporate financing and accounting, practical knowledge on the Company's businesses, and general knowledge on corporate management necessary to audit and oversee the performance of duties by directors who are not members of the Audit and Supervisory Committee. The Board of Directors then nominates the director candidates.

## Appointment or Removal of the President and CEO

The Board of Directors, which includes three Outside Directors who are members of the Audit and Supervisory Committee, deliberates on the appointment or removal of the President and CEO from office when such need arises, based on the business performance of the Company as well as the job performance of the President and CEO.
Regarding future CEO appointments and dismissals, the Nomination and Remuneration Committee, a voluntary advisory board composed of a majority of Independent Directors, shall deliberate and report to the Board of Directors, thereby establishing a structure with high fairness, transparency, and objectivity under appropriate supervision from the Board of Directors.

## Succession Plan

The Company recognizes that it is critically important to have in place a succession plan for the President and CEO and other members of the Executive Team. The Board of Directors is responsible for nominating successors to these members from among qualified candidates after an extensive scrutiny of their experience, knowledge, and expertise in recruiting, training, sales, and administrative functions that support the Company's engineer placement business.
Regarding future nominations of successors to the President and CEO, and other members of the Executive Team, the voluntarily established Nomination and Remuneration Committee, composed of a majority of Independent Directors, shall deliberate and make recommendations to the Board of Directors, thereby establishing a structure with high fairness, transparency and objectivity under appropriate supervision from the Board of Directors.

## Appointment or Removal of Executive Team Members

The Board of Directors makes a decision upon deliberation of the job performance of the member and other factors.

## Status of Outside Directors

The Company has three outside directors, all of whom hold shares of the Company. Apart from this shareholding position, none of the three outside directors have any vested interests in the Company, including personal, capital, or business relationships. Each outside director plays a role in ensuring that highly effective audits are conducted, from an objective and neutral viewpoint, and we believe that the current system satisfactorily fulfills its management monitoring and advisory functions. The three outside directors are designated as independent directors as defined by the Tokyo Stock Exchange and they are registered with the exchange.
Although the Company does not have any specific standards or policies regarding independence for the appointment of outside directors, when making such appointments we not only meet the regulatory requirements established by the Companies Act, but also take into account the Tokyo Stock Exchange's criteria for ensuring the independence of independent directors.

# Policies for Determining the Remuneration of Directors and Calculation Methods for the Fiscal Year Ended January 31, 2026

### Remuneration of Directors

The remuneration of directors consists of a basic remuneration and a performance-linked bonus. The upper limits of the remuneration established by resolution at the General Meeting of Shareholders held on April 27, 2017, are ¥200 million per year for three directors who are not members of the Audit and Supervisory Committee and ¥30 million per year for three directors who are members of the Committee.

### Board of Directors and the Audit and Supervisory Committee

The Board of Directors and the Audit and Supervisory Committee have authority over the remuneration of directors. This authority extends to deliberating and determining the amount of a basic remuneration and a performance-linked bonus for each director.
The remuneration of directors who are not members of the Audit and Supervisory Committee is determined solely by the Board of Directors, whereas the remuneration of Audit and Supervisory Committee members is determined by deliberation among the members of the Committee.

### Determining the Policy for Determining the Remuneration for Each Individual

The method of determining this policy is set forth in the rules concerning the remuneration of directors, resolved by the Board of Directors.

### Board of Directors

The Board of Directors receives reports that are deliberated by the Nomination and Remuneration Committee based on the policy for determining the remuneration and within the range of the total amount resolved by the General Meeting of Shareholders, so the Board of Directors deems that the content of the report is in line with the said policy.

### Policy for Determining the Percentage of the Amount of Remuneration for Each Individual

This policy shall be decided based on the reports that are deliberated by the Nomination and Remuneration Committee, comprehensively taking into account the role and contribution status of each director as well as business performance.

### Basic Remuneration

The basic remuneration is determined based on the amount established for each director position, with the Company´s business performance, relative weight against employee salaries, and remuneration levels at other companies taken into consideration. However, if it is not appropriate to pay a remuneration calculated in such a manner due to a significant decline in the Company´s business performance or other factors, the Company reserves the right to reduce the amount of basic remuneration.

### Metrics for Performance-Linked Bonuses

The metrics for performance-linked bonuses are calculated using a formula based on the Company´s annual profit, as this is judged to be the most reasonable way to measure the performance of directors.

### Total Amount of Remuneration for Each Director Paid

We have omitted providing information here as no directors were paid remuneration of ¥100 million or more.

### Incentive Policies for Directors

Performance-linked remuneration may be paid to Directors out of up to 2% of annual profits.

### Total Amount of Remuneration of Directors (FY2026)

| Type of director | Total amount of remuneration (in thousands of yen) | Amount by type of remuneration (in thousands of yen) | | Number of corresponding directors |
|---|---|---|---|---|
| | | Basic remuneration | Performance-linked bonus | |
| **Directors who are not members of the Audit and Supervisory Committee or outside directors** | 102,314 | 77,169 | 25,144 | 5 |
| **Outside directors** | 25,635 | 23,400 | 2,235 | 3 |

*The above table includes two Directors who resigned at the conclusion of the Ordinary General Meeting of Shareholders held on April 24, 2025.

# Analysis and Evaluation of the Effectiveness of the Board of Directors

Under its Corporate Governance Code, Artner Co., Ltd. (“the Company”) periodically analyzes and evaluates the effectiveness of its Board of Directors in order to make it work better. On this occasion, we carried out analysis and evaluation for the fiscal year ended January 31, 2026, and hereby notify the summary of the findings.

### Evaluation Method and Process

A questionnaire survey to evaluate effectiveness for the fiscal year ended January 31, 2026, was distributed to all eight directors. Based on the responses collected, the Board of Directors discussed its issues and actions to address them.

### Evaluation Items

The Company conducted a 34-item questionnaire survey to evaluate effectiveness. The survey asked members of the Board to make a self-evaluation by giving comments and grading on a point scale. The survey focused on the following five areas:

a. The composition of the Board of Directors;
b. Planning, convening, and administrating board meetings;
c. Matters selected for deliberation at board meetings;
d. Administrative assistance provided to the Board of Directors; and
e. Relationships with shareholders.
f. Group governance

### Summary of Analysis and Evaluation Results

There is a shared recognition that it is desirable to further enhance discussions and oversight with respect to items relating to the ensuring of the diversity of the Board of Directors and those relating to Group governance. More specifically, the Company has come to recognize that going forward, it must proceed to examine the following areas on an ongoing basis: the diversity of the members of the Board of Directors, deliberations of medium- to long-term corporate strategy and of the Medium-Term Business Plan, ongoing discussions of succession plans for the Representative Director and of the nomination of Director candidates, risk management systems for the entire Group, and so forth.

### Way Forward

The Board of Directors will take the necessary actions to address some remaining issues identified from the survey to continue to enhance its effectiveness.

# Risk Management

## Summary of Major Risks and Countermeasures

Artner has defined a clear system for managing different risks in which we classify and define management risks, and each responsible division identifies and analyzes the risk situation for each type of risk. Under this system, the various kinds of risks are managed through the Compliance and Risk Management Meeting. Management and countermeasures for each type of risk are clarified and managed in the Meeting.

| Risk | Definition | Countermeasure |
|---|---|---|
| **Performance trends in the manufacturing industry** | Our major clients belong to the manufacturing industry, and we dispatch engineers primarily to their design and development departments. There is a risk that these major clients may reduce their capital investments, R&D costs, and the use of external engineers due to economic recession and other factors in the countries or regions in which they operate.<br>There is a risk that significant changes in the business environment may take place for automobile-related manufacturers, which account for a large share of our sales. | We will strengthen measures such as sector rotation and new business development and sales in order to build a client base that is capable of ensuring stable earnings that are not dependent on specific sectors or influenced by specific corporate trends. |
| **Competition with other companies in the industry** | There is a risk that competition with other companies may intensify due to market contraction or new entrants in the engineer staffing industry, where we operate our business, and this may result in a fierce price competition. | We will facilitate the improvement of all engineers' skill levels through educational programs and training curricula segmented by business field, with the aim of promoting the assignment of engineers to upstream business areas where the unit price of engineers is likely to be higher. |
| **Effectiveness of education and training** | There is a risk that the training does not turn out to be as effective as expected and the unit price of engineers does not increase due to low customer satisfaction, as well as the risk that we fail to satisfy the requests from clients, and they start to make complaints. | We will support our engineers in improving their skills by providing general, external, basic, customized, and/or career training based on our long-accumulated experience.<br>We will strive to improve the technical and human skills of our staff by holding skill development seminars for all employees and human development training for managers. |
| **Securing suitable clients for our dispatch-ing business** | Although we always strive to secure and expand our clients for our engineer dispatching business, there is a risk that we may be unable to find suitable clients that match our engineers and cannot maintain or improve the unit price of engineers and/or utilization rates. | We will secure and expand our business partners by strengthening our new business development and sales capabilities, utilizing online conferencing tools, and making proposals for the selection of engineers, team dispatching, and organization of contracting services in response to client needs. |
| **Regulations on total work person-hours** | The total work person-hours of our engineers are determined based on the business conditions of the client company. There is a risk that the revisions to relevant laws and regulations generate a larger pressure against long working hours, which may result in a significant decrease in the total work person-hours of engineers. | To compensate for a decrease in the total work person-hours, we will facilitate the improvement of all engineers' skill levels through educational programs and training curricula segmented by business field, with the aim of promoting the assignment of engineers to upstream business areas where the unit price of engineers is likely to be higher. |
| **Securing science and engineering graduates** | We consider science and engineering graduates to be an important managerial resource, and there is a risk that the population of science and engineering graduates may decrease due to the declining birth rate and other factors, making it significantly more difficult to hire talented graduates. | We will attract students by offering a variety of options, including a performance-based salary system, a limited area system, an internal recruitment program, and a job change assistance program. |
| **Securing career engineers** | We consider engineers with work experience to be an important managerial resource, and there is a risk that the competition to secure career hires may intensify due to a shortage of engineers who wish to change jobs as a result of booming design and development activities in the manufacturing industry, making it significantly more difficult to hire talented career engineers. | We will attract prospective employees by offering a variety of options, including a performance-based salary system, a limited area system, an internal recruitment program, and a job change assistance program. |
| **Information management** | There is a risk that information may be leaked to outside parties for some reason, and our social credibility will be damaged.<br>There is a risk that system failures and other problems may be caused by computer viruses, unauthorized access, natural disasters, or other unforeseen events. | We will acquire the "PrivacyMark" and introduce other such measures to properly manage personal information, confidential information, and all other information obtained in the course of business operations.<br>We will take appropriate cybersecurity measures to ensure the stable supply of our services. |
| **Laws, regula-tions, licenses, and permits** | There is a risk that we may violate the Worker Dispatching Act and other relevant laws and regulations, which would hinder the continuity of our business.<br>There is a risk that revisions to relevant laws and regulations may be made that are significantly unfavorable to our business. | We consider compliance with the Worker Dispatching Act and other relevant laws and regulations to be one of our highest priorities, and we will maintain a legal compliance system by monitoring compliance with laws and regulations via internal audits and by regularly confirming compliance with laws and regulations at different meetings. We will take appropriate measures whenever relevant laws and regulations are revised. |
| **Disasters, accidents, etc.** | There is a risk that natural disasters, man-made disasters, and other disasters and accidents that significantly exceed our predictions may take place.<br>There is a risk that our business activities may be hindered as a result of the spread of COVID-19 and other infectious diseases. | To cope with the likes of disasters and accidents, we set forth Business Continuity Plans (BCPs) and manuals and elevate organizational resilience in order to mitigate damage. |
| **Climate change** | There is a risk that our business activities may be halted or stagnated as a result of our facilities being damaged by natural disasters due to climate change.<br>If a carbon tax is introduced or environmental regulations are tightened as part of the government's efforts to transition to a decarbonized society, there is a risk that we may be unable to offer personnel that meet our clients' demands for engineers committed to carbon neutrality initiatives. | We have announced our support for the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) and have rated climate change as a high-priority issue. We will commit to taking actions and initiatives based on our environmental activity policy with the aim of achieving a more sustainable society. |
| **Mergers and acquisitions** | There are risks of significant capital demands and amortization of goodwill, etc.<br>Such M&As may not necessarily generate synergies as expected, and there is a risk that business performance may not progress as expected due to major changes in the business environment or business conditions. | Our M&As are implemented after thorough consideration of the risks involved by conducting preliminary research through detailed due diligence on market trends and client needs, as well as the financial status and contractual relationships of the target company. |
| **Medium-Term Business Plan** | There is a risk that the market environment or economic conditions may change dramatically beyond expectations, and the business environ-ment may not develop as predicted. | We will promote the Medium-Term Business Plan with carbon neutrality as the pillar of our business activities and establish internal systems for recruitment, training, and sales activities. |

# Compliance

## Development of the Internal Control System

The Company has developed an internal control system in accordance with the basic framework of the internal control system established by the Board of Directors.

| | |
|---|---|
| **Compliance and Risk Management Meeting** | At Artner, we have implemented the Compliance and Risk Management Meeting, chaired by the President and CEO, as part of a system aimed at thoroughly educating employees regarding all applicable laws and regulations and the Articles of Incorporation, and also ensuring such compliance. |
| **Internal Whistleblowing System** | We have set up an internal whistleblowing system, under which Directors, employees, and other people engaged in work for the Company can report corruption or wrongdoing to the Whistleblowing Committee, which has a duty of confidentiality. It is prohibited to subject persons who submit whistleblower reports using the system to any disadvantageous treatment as a result of such reporting. The system is designed to ensure the effectiveness of whistleblowing to prevent or quickly detect violations of applicable laws and regulations. |
| **Internal Audits by the Internal Audit Office** | The Internal Audit Office, operating independently of other divisions that execute business practices, conducts internal audits. Through such audits, it verifies the appropriateness and effectiveness of the internal management system of each division, and by promoting the improvement of the systems, it ensures that all employees lawfully execute their duties. |

## Anti-corruption Policy

### 1. Basic view on preventing corruption

We establish this anti-corruption policy in accordance with the spirit of the United Nations Global Compact.

### 2. Scope

This policy applies to all officers and employees of Artner. Furthermore, we request all business partners affiliated with our businesses and services to understand and support this policy.

### 3. Initiatives to prevent corruption in our business activities

- Prohibition of bribery
- Prohibition of facilitation payments
- Prohibition of illegal political contributions
- Prohibition of money laundering
- Prohibition of insider trading
- Prohibition of conflict-of-interest transactions

### 4. Governance

Our initiatives under this policy will be regularly reported to and managed by the Compliance and Risk Management Meeting and the Sustainability Committee. The Board of Directors will be informed of its details and provide supervision.

### 5. Whistleblowing system

We will establish a helpline to receive any reports on compliance violations related to anti-corruption and any inquiries, and take steps for relief and remediation upon investigation. We will ensure the confidentiality and the protection of personal information of whistleblowers, and will not treat them disadvantageously based on their reports.

### 6. Education and training

We will continuously provide appropriate education and training to all officers and employees to ensure that this policy is integrated into all business activities and is implemented effectively.

# Interview with Outside Directors

(left)

## TERAMURA Yasuhiko

Director and member of the
Audit and Supervisory Committee

Had worked in areas including corporate transactions, overseas branches, and fund management during his 29 years in banking, cultivating practical knowledge in financial accounting, particularly in the fields of funds and securities. Was later transferred to an international logistics company, where he worked in general management for 13 and a half years. Was responsible for management as Senior Managing Director, oversaw overseas subsidiaries in six Southeast Asian countries and handled M&A, and served in representative posts at multiple subsidiaries. Engaged in the entire M&A process, from drafting and agreement conclusion to post-acquisition PMI, in addition to negotiations in the automobile and machinery industries, deepening his understanding of management practices that included subsidiary management and risk management. Was made a member of the Audit and Supervisory Committee of the Company in 2021. Currently leveraging his expertise in general management, group management, M&A, and risk management in overseeing discussions and decision-making by the Board of Directors as well as focusing on developing the next generation of management talent and improving remuneration systems as Chair of the Nomination and Remuneration Committee.

(center)

## NOMURA Ryuichiro

Independent Director and standing member of the
Audit and Supervisory Committee

Has worked extensively in corporate transactions, a New York branch, in foreign exchange, loans, and other operations in banking for 30 years, cultivating practical knowledge in financial accounting and corporate finance. Was especially involved in loans for a long time, responsible for investor relations and matters related to stocks and shareholder meetings, and was also involved in practical affairs based on shareholder perspectives as head of the transfer agent department. Was subsequently involved in management at a real estate company for eight years and also served as the representative of a REIT company under a general trading company, deepening his experience in practical management. Was made a member of the Audit and Supervisory Committee of the Company in 2022, serving as a standing member since 2023. Currently leveraging his expertise in financial accounting cultivated through his involvement in loans and his understanding of practical affairs related to investor relations and stocks gained through his involvement in transfer agent affairs in discussions and judgments as a member of the Audit and Supervisory Committee.

(right)

## MORII Shinichiro

Director and member of the
Audit and Supervisory Committee

Spent 45 years at a housing equipment and fixtures manufacturer, overseeing an entire region as a branch manager. Was involved in coordinating with the production and development departments and formulating medium-term area strategies in addition to general marketing and sales, and was also responsible for developing new clients and providing sales advice. Cultivated knowledge of areas such as human capital enhancement, talent development, turnover rate reduction, and engagement improvement while targeting markets and customers from a manufacturer's perspective and also being involved in organizational management for a long time. Has served as a member of the Audit and Supervisory Committee of the Company since 2021. Currently focusing on offering recommendations leveraging manufacturer perspectives as well as addressing key issues such as talent development and retention and engagement improvement.

## Based on the effectiveness evaluation for the previous fiscal year, what improvements were made by the Board of Directors?

Nomura: With the introduction of the Executive Officer system in May 2025, our Board of Directors made the transition to a structure that allows it to focus on deciding and overseeing management strategy. As a result, management decisions are made with greater speed, and the discussions that take place regarding business risks are now more focused.

Teramura: Reducing the size of the Board of Directors has led to more substantive, lively discussions compared to before. In FY2026, two subsidiaries were added through M&A, and concrete discussions based on actual conditions have been held regarding the post-merger integration (PMI) process as well. The management of Group companies is extremely important, and it is my belief that frank discussions at Board of Directors meetings contribute greatly to enhancing our supervisory functions.

Morii: With regard to the evaluation results, including diversity within the Board of Directors, efforts are being made to enhance disclosure and discussions, and the content of the regular exchanges of opinions that take place between Outside Directors, the Nomination and Remuneration Committee, and the President is now incorporated in Board of Directors meetings. These initiatives have also led to the introduction of the Executive Officer system and have contributed to the strengthening of corporate governance and the enhancement of our supervisory functions.

## Among the issues that became visible in the effectiveness evaluation for this fiscal year, which points are particularly important for sustainable growth and what discussions have taken place to address them?

Nomura: The most important issue is building sustainable organizational and personnel structures. The multilayered placement of talent through recruitment and development activities with a view to five years down the road is a key theme in our Medium-Term Business Plan as well. In order to achieve that, we have been discussing and making repeated recommendations regarding personnel and labor affairs, organizational challenges, the nature of recruitment activities, the prevention of employee turnover, and so forth.

Teramura: Our succession plan for the President and CEO and the diversification of Board members are critical issues for sustainable growth. As part of our response to those issues, we introduced the Executive Officer system last year and have been working to develop management talent. Furthermore, it is also necessary to strengthen the talent pool for those ranking below department heads, such as leader- and chief-level employees, to build an organization that is both sustainable and robust. While discussions of matters such as the design of the personnel and salary systems are taking place at Board of Directors meetings as well, challenges remain in recruitment activities and talent retention. We therefore strive to voice our opinions and raise issues without overlooking matters that may seem trivial on the surface.

Morii: I believe that organizing a group of high-achieving engineers is a key challenge of ours. To make that happen, we are putting a wide range of topics on the table, such as methods for recruiting new graduates and career hires, the status of skill development training, and the controlling of engineer turnover, and engaging in discussions with greater depth from an objective point of view.

## How do you assess the contribution of the Medium-Term Business Plan (FY2026 to FY2030) to sustainable growth and the enhancement of enterprise value, as well as the progress made in the first fiscal year of the Medium-Term Business Plan?

Nomura: Our Medium-Term Business Plan is a key initiative that contributes to the building of a foundation for sustainable and next-generation growth. However, at this juncture, that foundation cannot be said to be sufficient. We must continue reinforcing it. One point worthy of recognition in the first fiscal year of the Medium-Term Business Plan is the improvement in communication among the individual departments. I expect such improvements to lead to an increase in employee motivation, a revitalized organization, and a reduction in engineer turnover.

Teramura: As the environment surrounding engineers changes rapidly, we are implementing Basic Measures centered on strengthening our ability to supply engineers who are capable of meeting our clients' needs. One of those measures is our effort to raise the proportion of staff assigned to high-end fields. We are endeavoring to raise the level of our technical prowess by redesigning our recruitment and educational activities for each segment. Additionally, reinforcing our contracting business also serves to internally support the active participation of engineers who find it difficult to work in a dispatch capacity due to their employment conditions. My view is that a steady buildup of these measures will consistently contribute to the enhancement of our enterprise value.

Morii: I expect that M&A and business alliances with other companies in the same industry will translate into future performance growth. At the same time, we need to further accelerate our efforts to secure talent in order to address the steadily expanding market. We will continue to closely monitor progress toward achieving the numerical sustainability targets set forth in our Medium-Term Business Plan.

## How do you assess the effectiveness of the Executive Officer system introduced last year?

Nomura: Since the introduction of the Executive Officer system, I feel there are many aspects that can be commended with respect to the initiatives individual departments took regarding their operations and performance. At the same time, it is essential that each and every Executive Officer keeps reevaluating their efforts and striving to make improvements, asking themselves questions like "Are we consistently taking action with the Basic Policy and Basic Measures under the Medium-Term Business Plan in mind?" "Are efforts being made to revitalize our organization and ensure efficient operations?" and "Are we focusing enough on the guidance and development of our team members?"

Teramura: Our Executive Officers are taking on even greater responsibility than before in their efforts to achieve the targets of their individual departments, and interdepartmental discussions have become more active and concrete. Previously, I was sometimes concerned about the aspects of departmentalism that were present. However, since the system was introduced, enthusiasm for company-wide initiatives has grown, and lively discussions are now taking place during interdepartmental meetings. I find this to be a very positive change.

Morii: At meetings of the newly established Management Committee, all Directors and Executive Officers hold discussions on a quarterly basis to review policies and directions and share information through the exchange of opinions on corporate risks and other matters. Additionally, interdepartmental meetings are held regularly among Executive Officers as well, allowing for swift discussions to identify and resolve issues.

## In terms of the development of next-generation leaders and succession planning, how does the Executive Officer system function? Also, what issues are there, if any?

Nomura: It is extremely critical that we actively appoint talent who will uphold the next generation. I believe that having Executive Officers serve as the heads of individual departments is resulting in further promotions of mid-career employees to leadership positions and the appointment of young employees, and is proving effective in developing management talent. The current challenge we face is that, because the management ranks in staff departments are stretched thin, reassigning employees across departments

is not an easy task. In my opinion, reducing the silo mentality among departments and letting employees gain experience in multiple departments while they are still young will lead to the development of future management talent.

Teramura: Each Executive Officer is leveraging their wealth of experience in their respective departments to turn cross-departmental recommendations, which had previously been impossible to implement, into concrete measures. This is an example of an area in which we are seeing strong momentum. Given that they are being asked to take responsibility for the operations of their own department under demanding targets, display accountability in meetings, and bear responsibility for the final results, it is not an exaggeration to say that Executive Officers are experiencing the very battlefield of management. I would say the effects of the management talent development we initially anticipated are steadily becoming apparent. On the other hand, there is still room for improvement in terms of how to strengthen the pool of executive-level talent who will form the next generation of management. This will be our next key focus.

Morii: Along with the introduction of the Executive Officer system, it is urgent that we review evaluation criteria and develop and expand a tiered talent structure. At present, we are reviewing our evaluation criteria for engineers, and we believe these efforts will also tie into talent development. It is also necessary for us to implement regular cross-departmental rotations within our administration. The bold selection and promotion of young talent is another challenge we cannot avoid in working toward revitalizing the organization as a whole.

## Given developments in AI technology, what kind of actions and discussions do you consider important for governance purposes from the dual perspectives of business opportunities and risks?

Nomura: Developments in AI technology are accelerating at an ever-increasing pace. As part of our segment strategy, we intend to actively respond to growing AI development needs by boosting the proportion of high-end personnel in our dispatching business. Currently, individual departments are actively promoting the recruitment of new talent capable of handling high-end fields, on-the-job training and education aimed at developing high-level talent, and client development to secure sites for dispatch.

Teramura: It is recognized that, in the future, there is a risk that client needs in some fields may be replaced by AI. At this point in time, however, clients are not making any concrete moves in that respect. We view this as a stage for ascertaining the situation. As a measure to take in the immediate term, we are promoting the transition of low-end engineers, who are most likely to be replaced by AI, to high-end fields. From the standpoint of governance, it is important that these major risks and countermeasures be fully discussed at Board of Directors meetings and other forums, and that the Board continuously verifies whether the various risks accompanying AI utilization are being appropriately identified and managed.

Morii: While the utilization of AI helps reduce time and costs and improve the accuracy of matching projects with talent, there are also risks such as a decline in customer demand and the leakage of information. For the purposes of governance, it is important that we establish restrictions and proprietary rules regarding AI utilization while factoring in such opportunities and risks, and ensure thorough information management.

## What challenges and initiatives are being discussed with respect to recruitment and development activities and the prevention of turnover in order to enhance the value of engineers?

Nomura: Demand for engineer dispatching continues to be high, and competition in recruitment activities is becoming more intense. As students begin their job searches earlier and earlier, our Board of Directors is also engaging in constant, repeated discussions on the best way to recruit high-quality talent. In terms of talent development, our Medium-Term Business Plan calls for the expansion of our contracting business, and we are working to develop talent capable of handling high-end projects through on-the-job training. In particular, we are recommending the further strengthening of interdepartmental collaboration and the sharing of challenges with all employees. It is important that we thoroughly implement a company-wide optimization mindset that transcends the boundaries of individual departments in order to engineer internal revitalization.

Teramura: We have concrete plans to revise our personnel evaluation and salary systems. Our Technology Development Division intends to create individual profiles for each engineer and utilize them in education and evaluations. The revisions to our salary system are also being considered in line with this. Additionally, regarding administrative staff positions, in response to the workload generated by an increase in the number of engineers, discussions are being conducted on areas such as streamlining through system investments, organizational restructuring, and the optimization of personnel placements, and progress is being made in improvements.

Morii: We hope to link repeated discussions on issues such as boosting engagement, presenting skill maps, making employee evaluation criteria more transparent, and clarifying annual salary ranges to recruitment and development activities and the prevention of turnover.

## With regard to the strategy of the Artner Group, including business alliances and the acquisition of subsidiaries, what is your view on the expected effects, progress, and challenges?

Nomura: In 2025, a series of M&A and business alliances came to fruition, and efforts to seek out new revenue opportunities began as a result. Expanding our foundation through the acquisition of subsidiaries and business alliances will significantly contribute to sustainable growth and enhancement of our enterprise value by expanding our presence in high-end fields, growing our contracting business, and developing engineers in new fields, for example. In the future, while expanding our contracting business will remain important, required skill levels will grow even higher, with risk anticipated to grow as well. This fiscal year marks a critical phase in which we will get our integration on track and maximize synergies. We will proceed to conduct audits to confirm whether our Internal Control System and priority

policies are appropriately established and operated at subsidiaries and other entities. Additionally, with two subsidiaries joining our Group, Group audits will be performed starting this fiscal year. At the end of the fiscal year, we will also examine the impairment of consolidated goodwill.

Teramura: Regarding the two subsidiaries, Directors from our headquarters concurrently serve as Directors of the subsidiaries and are handling their operations. At our headquarters, we have formed a project team, and are moving forward with feasible measures with the involvement of the management strategy, sales, education, management, and recruitment departments. Already, synergies are beginning to emerge in aspects such as sales, education, and recruitment. The status of our subsidiaries is shared and moni-

tored at Board of Directors meetings and Management Committee meetings. I anticipate progress in management at the subsidiaries with respect to internal controls as well as we move forward.

Morii: My view is this will also link to new client development and enable us to engineer a stronger structure for our contracting department, which we aim to expand. To identify synergies, we are discussing how to proceed with internal controls and integration at Management Committee meetings, monthly performance report meetings, and Nomination and Remuneration Committee meetings.

## Is there anything you would like to say to our shareholders and investors in closing?

Nomura: A large proportion of our engineers are assigned to R&D as well as design and development fields. We are seeing strong demand for engineers from automobile-related manufacturers and semiconductor manufacturing equipment manufacturers. I feel that, by steadily implementing the various measures set forth in our Medium-Term Business Plan, we will be able to keep growing sustainably. Moreover, our President has taken the lead in engaging in dialogue with shareholders and investors, and our efforts to strengthen IR activities in this manner have led to high appraisal from markets. As an Outside Director, I will endeavor to do my part for Artner's growth from the position of someone who represents all stakeholders.

Teramura: Artner is strongly oriented toward engineer dispatching in high-end fields. As a company, our recruitment, sales, and education measures for achieving that, namely our segment strategy, are firmly grounded. Technological progress has been remarkable, and while it is impossible to circumvent future risks due to the emergence of AI, I have every reason to believe that Artner's potential for sustainable growth as a company will remain unshakable thanks to our engineers' commitment to improving their technical prowess and our internal systems that support that mindset. In terms of governance as well, with subsidiaries joining the Group, there are a number of challenges we must tackle moving forward. However, I feel we can steadily deal with them too.

Morii: In a market that looks to expand past ¥1.6 trillion, we are implementing a proprietary training flow with the goal of becoming a group of engineers providing the greatest added value in the industry. Through systematic programs that include general training, outside on-the-job training, basic training, customized training, and Career Support Courses, we elevate engineers' skills and cultivate their ability to handle our clients and project assignments. Through these initiatives, we will continue contributing to the sustainable enhancement of our enterprise value.

# Executive Team

## Directors Who Are Not Members of the Audit and Supervisory Committee

**As of May 1, 2026**

### SEKIGUCHI Sozo | President and CEO

In charge of the Corporate Planning and Strategy Division, the Engineer Business Division <Current tenure: 33 years>

Born December 31, 1964

| | |
|---|---|
| June 1983 | Joined MEITEC CORPORATION (now MEITEC Group Holdings Inc.) |
| April 1988 | Joined Osaka Technology Center Co., Ltd. (previous name of the Company) |
| March 1993 | Appointed Director; Head of the Business Planning Office |
| February 1998 | Appointed Director; Vice President |
| February 2002 | Appointed President and CEO (current) |
| February 2012 | Appointed Head of the Hyper Artner Business Division |
| February 2012 | Appointed Head of the Hyper Artner Business Division |
| March 2025 | Appointed Head of the Corporate Planning and Strategy Division, Head of the Engineer Business Division |
| May 2025 | Appointed In charge of the Corporate Planning and Strategy Division, the Engineer Business Division (current) |
| September 2025 | CLIP SOFT Corporation Representative Director (current) |
| December 2025 | JOUHOU GIKEN, Ltd. Representative Director (current) |

### HARIGAE Tomonori | Managing Director

In charge of the Management Division, the Engineer Agency Business Division <Current tenure: 35 years>

Born May 24, 1954

| | |
|---|---|
| April 1978 | Joined Toyobo Interior Co., Ltd. |
| March 1982 | Joined Osaka Technology Center Co., Ltd. (previous name of the Company) |
| March 1990 | Appointed Head of the Kanto Business Dept. |
| March 1991 | Appointed Director |
| March 1993 | Appointed Managing Director; Head of the General Affairs Dept. |
| February 2007 | Appointed Managing Director; Head of the Management Division |
| May 2008 | Appointed Director; Head of the Management Division (current) |
| May 2008 | Appointed Director; Head of the Management Division |
| March 2025 | Appointed Director; Head of the Management Division, Head of the Engineer Agency Business Division |
| April 2025 | Appointed Managing Director; Head of the Management Division, Head of the Engineer Agency Business Division |
| May 2025 | Appointed Managing Director; In charge of the Management Division, the Engineer Agency Business Division (current) |
| September 2025 | CLIP SOFT Corporation Director (current) |

### OKUSAKA Kazuya | Director

In charge of the Technology Development Division <Current tenure: 22 years>

Born September 3, 1955

| | |
|---|---|
| April 1978 | Joined Osaka Technology Center Co., Ltd. (previous name of the Company) |
| October 1993 | Appointed Head of the No.3 Business Dept. |
| February 2002 | Appointed Standing Auditor |
| April 2004 | Appointed Managing Director; Head of the Human Resources Dept. |
| February 2007 | Appointed Managing Director; Head of the Human Resources Division |
| April 2007 | Appointed Managing Director; Head of the Business Management Division |
| March 2009 | Appointed Managing Director; Head of the Technology Development Division |
| February 2010 | Appointed Managing Director; Head of the Business Promotion Division |
| February 2011 | Appointed Managing Director; Head of the Engineer Business Division |
| April 2011 | Appointed Director; Head of the Engineer Business Division |
| February 2013 | Appointed Director; Head of the Human Resources Business Division |
| February 2016 | Appointed Director; Head of the Engineer Business Division (current) |
| March 2025 | Appointed Director; Head of the Technology Development Division |
| May 2025 | Appointed Director; In charge of the Technology Development Division (current) |
| December 2025 | JOUHOU GIKEN, Ltd. Director (current) |

## Directors Who Are members of the Audit and Supervisory Committee

**As of May 1, 2026**

### NOMURA Ryuichiro | Directors Who Are Members of the Audit and Supervisory Committee As of May 1, 2026

Outside Director / Independent Director <Current tenure: 3 years>

Born February 18, 1956

| | |
|---|---|
| April 1978 | Joined Yasuda Trust & Banking Co., Ltd. (now Mizuho Trust & Banking Co., Ltd.) |
| May 1999 | Appointed Kinshicho Branch Manager |
| April 2002 | Appointed Hiroshima Branch Manager |
| April 2004 | Appointed Head of the Securities Agency Sales Dept. |
| October 2005 | Appointed Head of the Solution Sales Dept. |
| April 2007 | Appointed Executive Officer; Head of the Solution Sales Dept. |
| April 2008 | Joined Mizuho Realty Co., Ltd. as Senior Managing Executive Officer |
| September 2016 | Joined Taiyo House Co., Ltd. as Vice President |
| March 2020 | Joined Nihon Unist Inc. as Advisor |
| August 2020 | Joined Marubeni Private Reit Inc. as Executive Officer |
| July 2022 | Joined Artner Co., Ltd. as Director and member of the Audit and Supervisory Committee |
| April 2023 | Joined Artner Co., Ltd. as Director and standing member of the Audit and Supervisory Committee (current) |

### TERAMURA Yasuhiko | Director and member of the Audit and Supervisory Committee

Outside Director / Independent Director <Current tenure: 5 years>

Born November 22, 1955

| | |
|---|---|
| April 1978 | Joined The Bank of Yokohama, Ltd. |
| December 1997 | Appointed New York Branch Manager |
| April 2003 | Appointed Executive Officer; Head of the Financial Markets Dept. |
| April 2006 | Appointed Managing Executive Officer |
| June 2006 | Joined Kyodo Shiryo Co., Ltd. (now Feed One Co., Ltd.) as Part-time Auditor |
| November 2007 | Joined Mabuchi Corporation as Managing Director |
| November 2008 | Appointed Senior Managing Director |
| June 2011 | Joined Sagami Transportation & Warehouse Co., Ltd. as Outside Director |
| November 2018 | Joined Multitrans, Ltd. as CEO |
| April 2021 | Joined Artner Co., Ltd. as Director and standing member of the Audit and Supervisory Committee |
| April 2023 | Joined Artner Co., Ltd. as Director and member of the Audit and Supervisory Committee (current) |

### MORII Shinichiro | Director and member of the Audit and Supervisory Committee

Outside Director / Independent Director <Current tenure: 5 years>

Born November 28, 1953

| | |
|---|---|
| March 1976 | Joined Takara Standard Co., Ltd. |
| May 2006 | Appointed Kansai Direct Demand Branch President |
| April 2011 | Appointed Executive Officer; Kansai Direct Demand Branch President |
| April 2013 | Appointed Managing Executive Officer; Kansai Direct Demand Branch President |
| April 2019 | Appointed Managing Executive Officer; Kansai Direct Demand Branch Manager and Chubu Direct Demand Branch Manager |
| June 2020 | Appointed Advisor |
| April 2021 | Joined Artner Co., Ltd. as Director and member of the Audit and Supervisory Committee (current) |

## Skill Matrix of Executives

Note: The table below does not represent all the experience and expertise possessed by each Director.

| Name | Positions and areas of responsibility | Corporate management | Skills | Business strategy | Recruitment and development | Sales | Finance and accounting | Governance |
|---|---|---|---|---|---|---|---|---|
| SEKIGUCHI Sozo | President and CEO<br>In charge of the Corporate Planning and Strategy Division, the Engineer Business Division | ● | | ● | ● | ● | ● | |
| HARIGAE Tomonori | Director and Head of the Management Division<br>In charge of the Management Division, the Engineer Agency Business Division | ● | | | ● | ● | ● | |
| OKUSAKA Kazuya | Director and Head of the Engineer Business Division<br>In charge of the Technology Development Division | ● | ● | | ● | ● | | |
| NOMURA Ryuichiro | Outside Director and standing member of the Audit and Supervisory Committee | ● | | | | ● | ● | ● |
| TERAMURA Yasuhiko | Outside Director and member of the Audit and Supervisory Committee | ● | | | | | ● | ● |
| MORII Shinichiro | Outside Director and member of the Audit and Supervisory Committee | | | | | ● | | ● |

### < Reasons for Selecting the Skills in the Skills Matrix >

| | |
|---|---|
| Corporate management | We believe that competence and experience in engaging in corporate management and important decision-making are critical for the purposes of formulating and executing business strategies and plans in order to achieve sustained growth and increase the medium- and long-term enterprise value, based on our management philosophy of being an Engineer Support Company. |
| Technologies | We believe that possession of a high level of expertise in the Company's technology fields, along with competence and experience in promoting the growth and self-actualization of engineers, is critical for the purposes of participating in cutting-edge projects at an early stage and shifting careers to growing industry fields. |
| Business strategy | We believe that competence and experience in discerning medium- and long-term societal changes and guiding the Company's strategy accordingly are critical for the purposes of swiftly grasping the changes in client needs, shifts in employee preferences, and change in the market environment and building a foundation for sustainable and next-generation growth. |
| Recruitment and development | We believe that competence and experience in maintaining and creating the Company's unique "high value-added engineering group" even as the competition for talent intensifies are critical for the purpose of expanding our business by increasing the number of engineers, their utilization rate, and the unit price of engineers, all three of which are our important management indicators. |
| Sales | We believe that in-depth knowledge and extensive experience in marketing, and sales are critical for the purposes of maintaining and building a strong client base through selecting and swiftly assigning engineers whose skills level is appropriate for the development needs and plans of our clients and enhancing client satisfaction, alongside conducting efficient and balanced sales activities. |
| Finance and accounting | We believe that possessing adequate knowledge of finance and accounting, as well as competence and experience in working on financial strategies to enhance enterprise value, is critical for the purposes of striving for transparent and trustworthy financial management, establishing a stable financial base, enhancing enterprise value continuously, and strengthening shareholder returns. |
| Governance | We believe that adequate knowledge and experience needed to establish frameworks for risk management, compliance, and corporate governance are critical for the purpose of further strengthening our internal control and risk management efforts through the application of business management systems (including internal control systems) to enable flexible adaptation to changes in the business environment. |

## Executive Officers as of May 1, 2026

| Name | Managerial Position | Responsibilities |
|---|---|---|
| KUDO Yasushi | Executive Officer | Head of the Engineer Business Division |
| FUJISHIMA Masahiko | Executive Officer | Head of the Engineer Agency Business Division |
| WADA Rei | Executive Officer | Head of the Technology Development Division |
| FUJIOKA Ryo | Executive Officer | Head of the Corporate Planning and Strategy Division |
| ABEYAMA Takashi | Executive Officer | Head of the Management Division |

# Consolidated Financial Statements

## Consolidated balance sheet

(Thousands of yen)

| | As of January 31, 2026 |
|---|---|
| **Assets** | |
| Current assets | |
| Cash and deposits | 4,728,888 |
| Accounts receivable - trade | 1,789,787 |
| Work in process | 7,775 |
| Raw materials and supplies | 6,105 |
| Prepaid expenses | 73,320 |
| Other | 58,414 |
| Allowance for doubtful accounts | (9,687) |
| Total current assets | 6,654,604 |
| Non-current assets | |
| Property, plant and equipment | |
| Buildings and structures, net | 55,128 |
| Machinery, equipment and vehicles, net | 3,300 |
| Tools, furniture and fixtures, net | 32,463 |
| Land | 2,940 |
| Total property, plant and equipment | 93,832 |
| Intangible assets | |
| Goodwill | 1,519,366 |
| Software | 48,986 |
| Software in progress | 72,600 |
| Other | 1,727 |
| Total intangible assets | 1,642,680 |
| Investments and other assets | |
| Investment securities | 61,621 |
| Deferred tax assets | 473,152 |
| Leasehold and guarantee deposits | 111,541 |
| Other | 20,629 |
| Total investments and other assets | 666,945 |
| Total non-current assets | 2,403,458 |
| Total assets | 9,058,062 |

As the current consolidated fiscal year (February 1, 2025, to January 31, 2026) is the first fiscal year that we have prepared consolidated financial statements, we have not performed comparisons with the previous consolidated fiscal year.

(Thousands of yen)

| | As of January 31, 2026 |
|---|---|
| **Liabilities** | |
| Current liabilities | |
| Current portion of long-term borrowings | 108,742 |
| Accounts payable - other | 542,775 |
| Accrued expenses | 176,806 |
| Income taxes payable | 316,162 |
| Accrued consumption taxes | 230,083 |
| Provision for bonuses | 269,433 |
| Other | 229,586 |
| Total current liabilities | 1,873,590 |
| Non-current liabilities | |
| Long-term borrowings | 928,028 |
| Provision for retirement benefits for directors (and other officers) | 545,600 |
| Retirement benefit liability | 487,812 |
| Total non-current liabilities | 1,961,440 |
| Total liabilities | 3,835,030 |
| **Net assets** | |
| Shareholders' equity | |
| Share capital | 238,284 |
| Capital surplus | 168,323 |
| Retained earnings | 4,667,939 |
| Treasury shares | (1,048) |
| Total shareholders' equity | 5,073,498 |
| Accumulated other comprehensive income | |
| Valuation difference on available-for-sale securities | 745 |
| Remeasurements of defined benefit plans | 148,787 |
| Total accumulated other comprehensive income | 149,533 |
| Total net assets | 5,223,031 |
| Total liabilities and net assets | 9,058,062 |

# Consolidated profit and loss statement

(Thousands of yen)

| | Fiscal year ended January 31, 2026 |
|---|---|
| Net sales | 12,046,664 |
| Cost of sales | 7,473,158 |
| Gross profit | 4,573,506 |
| Selling, general and administrative expenses | 2,751,791 |
| Operating profit | 1,821,714 |
| Non-operating income | |
| Interest income | 215 |
| Dividend income | 80 |
| Commission income | 548 |
| Sales income of training materials | 651 |
| Dividend income of insurance | 1,805 |
| Gain on forfeiture of unclaimed dividends | 1,702 |
| Other | 242 |
| Total non-operating income | 5,247 |
| Non-operating expenses | |
| Interest expenses | 1,514 |
| Cancellation penalty | 1,563 |
| Total non-operating expenses | 3,078 |
| Ordinary profit | 1,823,883 |
| Extraordinary income | |
| Gain on sale of investment securities | 371 |
| Total extraordinary income | 371 |
| Extraordinary losses | |
| Loss on retirement of non-current assets | 1,197 |
| Loss on sale of non-current assets | 2,465 |
| Total extraordinary losses | 3,662 |
| Profit before income taxes | 1,820,591 |
| Income taxes - current | 571,661 |
| Income taxes - deferred | (9,811) |
| Total income taxes | 561,849 |
| Profit | 1,258,741 |
| Profit attributable to owners of parent | 1,258,741 |

As the current consolidated fiscal year (February 1, 2025, to January 31, 2026) is the first fiscal year that we have prepared consolidated financial statements, we have not performed comparisons with the previous consolidated fiscal year.

# Consolidated cash flow statement

(Thousands of yen)

| | Fiscal year ended January 31, 2026 |
|---|---|
| Cash flows from operating activities | |
| Profit before income taxes | 1,820,591 |
| Depreciation | 29,857 |
| Amortization of goodwill | 8,237 |
| Increase (decrease) in allowance for doubtful accounts | 702 |
| Increase (decrease) in provision for bonuses | 11,154 |
| Increase (decrease) in provision for retirement benefits for directors (and other officers) | 750 |
| Increase (decrease) in retirement benefit liability | (45,003) |
| Interest and dividend income | (296) |
| Interest expenses | 1,514 |
| Loss on retirement of non-current assets | 1,197 |
| Loss (gain) on sale of non-current assets | 2,465 |
| Loss (gain) on sale of investment securities | (371) |
| Decrease (increase) in accounts receivable - other | 136 |
| Decrease (increase) in trade receivables | (121,646) |
| Decrease (increase) in inventories | (4,137) |
| Increase (decrease) in accrued consumption taxes | (23,506) |
| Increase (decrease) in accounts payable - other | 197,023 |
| Other, net | 176,950 |
| Subtotal | 2,055,620 |
| Interest and dividends received | 296 |
| Interest paid | (2,999) |
| Income taxes paid | (637,723) |
| Net cash provided by (used in) operating activities | 1,415,192 |
| Cash flows from investing activities | |
| Purchase of property, plant and equipment | (8,942) |
| Proceeds from sale of property, plant and equipment | 4,454 |
| Purchase of intangible assets | (78,079) |
| Payments of leasehold and guarantee deposits | (1,719) |
| Proceeds from refund of leasehold and guarantee deposits | 10,249 |
| Proceeds from sale of investment securities | 477 |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | (1,315,518) |
| Other, net | (26) |
| Net cash provided by (used in) investing activities | (1,389,104) |
| Cash flows from financing activities | |
| Proceeds from long-term borrowings | 1,000,000 |
| Repayments of long-term borrowings | (1,998) |
| Purchase of treasury shares | (82) |
| Dividends paid | (887,697) |
| Net cash provided by (used in) financing activities | 110,221 |
| Net increase (decrease) in cash and cash equivalents | 136,309 |
| Cash and cash equivalents at beginning of period | 4,588,976 |
| Cash and cash equivalents at end of period | 4,725,285 |

As the current consolidated fiscal year (February 1, 2025, to January 31, 2026) is the first fiscal year that we have prepared consolidated financial statements, we have not performed comparisons with the previous consolidated fiscal year.

# 11-Year Financial Summary

| | FY2016 (Non-consolidated) | FY2017 (Non-consolidated) | FY2018 (Non-consolidated) | FY2019 (Non-consolidated) |
|---|---|---|---|---|
| **Operating Results (million yen)** | | | | |
| Net sales | 4,761 | 5,153 | 5,765 | 6,331 |
| Gross profit | 1,580 | 1,802 | 2,039 | 2,298 |
| Operating profit | 431 | 553 | 681 | 785 |
| Ordinary profit | 432 | 564 | 690 | 794 |
| Profit before income taxes | 427 | 564 | 690 | 792 |
| Profit | 276 | 363 | 480 | 540 |
| Cash flows from operating activities | 307 | 192 | 471 | 612 |
| Cash flows from investing activities | (3) | (15) | (25) | (75) |
| Cash flows from financing activities | (79) | (105) | (134) | (169) |
| Free cash flows | 304 | 177 | 446 | 537 |
| **Financial Position (million yen)** | | | | |
| Total assets | 2,102 | 2,289 | 2,763 | 3,264 |
| Net assets | 1,357 | 1,616 | 1,963 | 2,333 |
| **Per Share Data (yen)** | | | | |
| Earnings per share | 26.02 | 34.22 | 45.27 | 50.91 |
| Net assets per share | 127.78 | 152.10 | 184.81 | 219.59 |
| Dividend per share | 8.75 | 11.25 | 15.00 | 18.00 |

* Earnings per share, net assets per share and dividend per share were retroactively revised to factor in the impact of stock splits conducted as follows.
•February 1, 2017 (2-for-1 stock split)
•April 1, 2018 (2-for-1 stock split)

| | FY2016 (Non-consolidated) | FY2017 (Non-consolidated) | FY2018 (Non-consolidated) | FY2019 (Non-consolidated) |
|---|---|---|---|---|
| **Management Indicators (%)** | | | | |
| Equity ratio | 64.6 | 70.6 | 71.1 | 71.5 |
| Return on equity (ROE) | 22.0 | 24.4 | 26.9 | 25.2 |
| Return on assets (ROA) | 22.0 | 25.7 | 27.3 | 26.3 |
| Gross margin | 33.2 | 35.0 | 35.4 | 36.3 |
| Operating margin | 9.1 | 10.7 | 11.8 | 12.4 |

*FY2016 to FY2025: Non-consolidated; From FY2026: Consolidated

| FY2020 (Non-consolidated) | FY2021 (Non-consolidated) | FY2022 (Non-consolidated) | FY2023 (Non-consolidated) | FY2024 (Non-consolidated) | FY2025 (Non-consolidated) | FY2026 (Consolidated) |
|---|---|---|---|---|---|---|
| | | | | | | |
| 7,002 | 7,174 | 8,102 | 9,242 | 10,110 | 11,125 | 12,046 |
| 2,540 | 2,731 | 2,800 | 3,073 | 3,539 | 4,112 | 4,573 |
| 886 | 887 | 1,010 | 1,194 | 1,522 | 1,810 | 1,821 |
| 893 | 910 | 1,032 | 1,203 | 1,532 | 1,821 | 1,823 |
| 893 | 913 | 1,057 | 1,203 | 1,527 | 1,828 | 1,820 |
| 613 | 628 | 728 | 895 | 1,051 | 1,260 | 1,258 |
| 591 | 899 | 770 | 872 | 1,126 | 1,180 | 1,415 |
| (42) | (30) | 33 | (24) | (5) | (49) | (1,389) |
| (215) | (232) | (270) | (426) | (818) | (819) | 110 |
| 549 | 869 | 803 | 848 | 1,121 | 1,131 | 26 |
| | | | | | | |
| 3,801 | 4,432 | 5,088 | 5,673 | 6,114 | 6,687 | 9,058 |
| 2,728 | 3,123 | 3,582 | 4,047 | 4,271 | 4,708 | 5,223 |
| | | | | | | |
| 57.73 | 59.16 | 68.59 | 84.24 | 98.99 | 118.64 | 118.47 |
| 256.77 | 293.93 | 337.14 | 380.96 | 401.97 | 443.10 | 491.56 |
| 20.50 | 23.00 | 34.50 | 60.00 | 75.00 | 82.00 | 84.00 |
| | | | | | | |
| 71.8 | 70.5 | 70.4 | 71.4 | 69.9 | 70.4 | 57.7 |
| 24.2 | 21.5 | 21.7 | 23.5 | 25.3 | 28.1 | 24.1 |
| 25.3 | 22.1 | 21.7 | 22.4 | 26.0 | 28.5 | 20.1 |
| 36.3 | 38.1 | 34.6 | 33.3 | 35.0 | 37.0 | 38.0 |
| 12.7 | 12.4 | 12.5 | 12.9 | 15.1 | 16.3 | 15.1 |

# Non-financial Data (KPIs, Targets, and Results)

| Category | ID | Item | KPI |
|---|---|---|---|
| Environmental | 1 | Improve energy efficiency and reduce energy usage | Greenhouse gas (GHG) emissions (Scope 1) |
| | | | Greenhouse gas (GHG) emissions (Scope 2) |
| | | | Greenhouse gas (GHG) emissions (Scope 1 and Scope 2) |
| | | | Greenhouse gas (GHG) emissions (Scope 1 and Scope 2) per unit of net sales |
| | | | Greenhouse gas (GHG) emissions (Scope 3) |
| | | | Energy consumption (crude oil equivalent) |
| | | | Energy consumption (crude oil equivalent) per unit of net sales |
| | | | Reduction rate of copy paper used |
| | 2 | Contribute to carbon neutrality through business activities | Share of engineers placed in carbon neutrality projects among all engineers |
| Social | 3 | Resolve social issues by creating jobs | Share of carbon neutrality recruitment targets for new graduates and career hires |
| | 4 | Respect human rights | Number of serious human rights issues |
| | | | Number of discrimination incidents |
| | | | Percentage of employees who have received harassment training |
| | | | Number of inquiries to harassment helpline |
| | 5 | Promote diversity and inclusion | Share of female employees (engineers) |
| | | | Share of female employees (administration) |
| | | | Number of female employees (engineers) |
| | | | Number of female employees (administration) |
| | | | Share of female employees (engineers) among new employees |
| | | | Share of female employees (administration) among new employees |
| | | | Appointment of female employees (engineers) to managerial positions |
| | | | Appointment of female employees to managerial positions |
| | | | Share of female employees in managerial positions |
| | | | Share of female directors*1 |
| | | | Wage difference between male and female employees (overall) |
| | | | Wage difference between male and female employees (engineers) |
| | | | Wage difference between male and female employees (administration) |
| | | | Average years of service of male employees (engineers) |
| | | | Average years of service of male employees (administration) |
| | | | Average years of service of female employees (engineers) |
| | | | Average years of service of female employees (administration) |
| | | | Average overtime hours (engineers) |
| | | | Number of childcare leave days taken by male employees (average) |
| | | | Usage rate of childcare leave (male employees) |
| | | | Usage rate of childcare leave (female employees)*2 |
| | | | Usage rate of nursing care leave (male and female employees) |
| | | | Share of non-Japanese talents |
| | | | Share of elderly employees (60 years of age and older) |
| | | | Employment rate of employees with disabilities |
| | | | Percentage of the Company's former employees who used job change assistance program |
| | | | Share of regular employees hired mid-career |
| | | | Number of employees |
| | | | Number of temporary employees (average) |
| | 6 | Develop and secure promising talents | Average hours of annual training per employee (engineer) |
| | | | Average cost of annual training per employee (engineer) |
| | | | Percentage of employees who have received talent development training |
| | | | Turnover rate (engineers) *Excluding retirement and turnover via the Company's assistance program to change jobs |
| | | | Turnover rate (engineers) |
| | | | Turnover rate for new graduates within three years |

*1 Artner believes that the appointment of female Directors will be essential going forward. The Nomination and Remuneration Committee is continuing to meet once every three months and discus
*2 Usage rate of childcare leave (female employees): FY2025 200.0% = 2 employees who took childcare leave ÷ 1 employee who gave birth

| Target | FY2024 | FY2025 | FY2026 |
|---|---|---|---|
| Net zero (FY2051) | 7.5 tCO2 | 20.9 tCO2 | 22.1 tCO2 |
| Net zero (FY2051) | 91.2 tCO2 | 133.2 tCO2 | 119.8 tCO2 |
| Net zero (FY2051) | 98.7 tCO2 | 154.1 tCO2 | 141.9 tCO2 |
| - | 0.0097 (tCO2 / million yen) | 0.0139 (tCO2 / million yen) | 0.0119 (tCO2 / million yen) |
| Net zero (FY2051) | 1,147.7 tCO2 | 1,471.8 tCO2 | 1,780.4 tCO2 |
| Reduction on an ongoing basis | 48.2 (kl / year) | 62.0 (kl / year) | 57.1 (kl / year) |
| - | 0.0048 (kl / million yen) | 0.0056 (kl / million yen) | 0.0048 (kl / million yen) |
| Reduction on an ongoing basis | 6.2% reduction | 6.3% increase | 10.4% increase |
| 50.00% | 48.3% | 51.3% | 51.9% |
| 55.00% | 46.1% | 47.9% | 47.3% |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 100.0% | 100.0% | 100.0% | 100.0% |
| Appropriate response to inquiries | 1 | 0 | 0 |
| 10.0% or more | 3.7% | 4.1% | 4.9% |
| Increase on an ongoing basis | 33.8% | 38.3% | 37.0% |
| - | 44 | 51 | 65 |
| - | 45 | 57 | 60 |
| Increase on an ongoing basis | 5.2% | 6.3% | 9.1% |
| Increase on an ongoing basis | 47.1% | 73.3% | 50.0% |
| 3 or more | 2 | 2 | 2 |
| 10 or more | 10 | 13 | 15 |
| Increase on an ongoing basis | 3.1% | 5.1% | 5.4% |
| 30.0% or more (FY2031) | 0.0% | 0.0% | 0.0% |
| Narrow the difference | Male 100.0% : Female 89.2% | Male 100.0% : Female 89.5% | Male 100.0% : Female 90.6% |
| Narrow the difference | Male 100.0% : Female 95.8% | Male 100.0% : Female 94.4% | Male 100.0% : Female 94.8% |
| Narrow the difference | Male 100.0% : Female 71.9% | Male 100.0% : Female 71.9% | Male 100.0% : Female 72.8% |
| Increase on an ongoing basis | 6.5 years | 6.3 years | 6.4 years |
| Increase on an ongoing basis | 11.0 years | 11.3 years | 11.2 years |
| Increase on an ongoing basis | 4.0 years | 3.9 years | 3.6 years |
| Increase on an ongoing basis | 7.1 years | 6.3 years | 6.3 years |
| - | 18.1 hours | 17.7 hours | 16.9 hours |
| - | 42.5 days | 48.0 days | 75.8 days |
| 30.0% or more (FY2029) | 50.0% | 46.7% | 81.8% |
| 80.0% or more (FY2029) | 66.7% | 200.0% | 100.0% |
| 15.0% or more (FY2029) | 13.7% | 8.4% | 9.5% |
| Recruitment on an ongoing basis | 1.4% | 1.9% | 2.1% |
| Recruitment on an ongoing basis | 1.3% | 1.3% | 1.3% |
| legally required employment rate | 2.67% (as of June 1, 2023) | 2.43% (as of June 1, 2024) | 2.53% (as of June 1, 2025) |
| - | 2.3% | 1.9% | 2.3% |
| - | 7.7% | 4.0% | 6.2% |
| - | 1,321 | 1,397 | Consolidated : 1,623 / Non-consolidated : 1,474 |
| - | 24 | 30 | 45 |
| Same level each year | 97.0 hours | 95.7 hours | 86.6 hours |
| Same level each year | 54,000 yen | 59,000 yen | 73,000 yen |
| Same level each year | 87.4% | 85.0% | 79.6% |
| Under 10.0% | 8.3% | 9.7% | 8.9% |
| - | 10.9% | 11.7% | 11.2% |
| - | 46.1% | 38.6% | 24.8% |

ss the appointment of female Directors.

| Category | ID | Item | KPI | |
|---|---|---|---|---|
| Social | 6 | Develop and secure promising talents | Periodic health checkup, consultation rate | |
| | | | Stress check, consultation rate | |
| | | | Annual paid leave, acquisition rate (overall) | |
| | | | Annual paid leave, acquisition rate (engineers) | |
| | | | Improving health literacy (through training), attendance rate | |
| | | | BMI below 25, ratio | |
| | | | Presenteeism (Productivity at work decreases due to health issues)*3 | |
| | | | Absenteeism (Absent from work due to health issues) | |
| | | | Average age | |
| | | | Average years of service | |
| | | | Number of occupational accidents | |
| | | | Occupational accident-related fatality rate | |
| | | | Downtime due to occupational accidents | |
| | | | Percentage that received health and safety training, attendance rate | |
| | | | Percentage of employees who have received training on diseases unique to women | |
| | | | Work engagement score*4 | |
| | | | Payment related to regional and social contribution | |
| | | | U.N. WFP | |
| | | | Akai Hane Central Community Chest of Japan | |
| | | | WWF Japan | |
| | | | Disaster Relief Donations | |
| Governance | 7 | Strengthen corporate governance | Appointment ratio of Independent Directors | |
| | | | Number of Outside Directors | |
| | | | Ratio of Outside Directors in the Nomination and Remuneration Committee | |
| | | | Remuneration of Outside Directors | |
| | | | Number of Directors | |
| | | | Board of Directors | Number of meetings held |
| | | | | Attendance rate |
| | | | | Attendance rate of Independent Directors |
| | | | Compliance and Risk Management Meeting | Number of meetings held |
| | | | | Attendance rate |
| | | | | Attendance rate of Independent Directors |
| | | | Sustainability Committee | Number of meetings held |
| | | | | Attendance rate |
| | | | | Attendance rate of Independent Directors |
| | | | Audit and Supervisory Committee | Number of meetings held |
| | | | | Attendance rate |
| | | | | Attendance rate of Independent Directors |
| | | | Nomination and Remuneration Committee | Number of meetings held |
| | | | | Attendance rate |
| | | | | Attendance rate of Independent Directors |
| | | | Evaluation of the effectiveness of the Board of Directors | |
| | 8 | Promote compliance management | Percentage of employees who have received compliance training | |
| | | | Percentage of employees who have received information security training | |
| | | | Number of major compliance violations | |
| | | | Number of major information security incidents | |
| | | | Number of inquiries to whistleblowing helpline | |
| | | | Number of major dispositions related to corruption | |
| | | | Number of instances where employees were fined for corruption, etc. | |

*3 Measurement method: Wfun (a survey developed by University of Occupational and Environmental Health, Japan to measure the extent of work-related functional impairment caused by health is
*4 Measurement method: New Brief Job Stress Questionnaire (work engagement is a state where employees feel vigor, dedication, and absorption toward their work). Evaluated on a scale of 0 to 4

| Target | FY2024 | FY2025 | FY2026 |
|---|---|---|---|
| 100.0% | 100.0% | 100.0% | 100.0% |
| 100.0% | 82.6% | 84.0% | 82.9% |
| 80.0% or more | 84.9% | 85.7% | 87.4% |
| 80.0% or more | 85.7% | 87.1% | 89.6% |
| 100.0% | 100.0% | 100.0% | 100.0% |
| 75.0% | 71.1% | 68.8% | 68.7% |
| 100.0% | 92.1% | 92.4% | 92.3% |
| Under 5.0% | 1.0% | 0.9% | 0.9% |
| - | 30.4 years old | 30.6 years old | 30.7 years old |
| - | 6.6 years | 6.7 years | 6.8 years |
| 0 | 6 | 9 | 7 |
| 0.0% | 0.0% | 0.0% | 0.0% |
| 0.00 hours | 52.50 hours | 0.00 hours | 8.00 hours |
| 100.0% | 100.0% | 100.0% | 100.0% |
| 100.0% | 87.8% | 45.2% | 66.7% |
| 2.7 | 2.6 | 2.6 | 2.6 |
| - | 2,000,000 yen | 3,000,000 yen | 2,500,000 yen |
| - | 1,000,000 yen | 1,000,000 yen | 1,000,000 yen |
| - | 1,000,000 yen | 1,000,000 yen | 1,000,000 yen |
| - | - | - | 500,000 yen |
| - | - | 1,000,000 yen | - |
| One-third or more | 37.5% | 37.5% | 50.0% |
| - | 3 | 3 | 3 |
| Majority | 75.0% | 75.0% | 75.0% |
| - | 25,000,000 yen | 25,000,000 yen | 25,000,000 yen |
| - | 8 | 8 | 6 |
| - | 30 times | 30 times | 32 times |
| - | 99.6% | 100.0% | 95.2% |
| - | 100.0% | 100.0% | 100.0% |
| - | 12 times | 12 times | 12 times |
| - | 100.0% | 100.0% | 94.9% |
| - | 100.0% | 100.0% | 100.0% |
| - | 4 times | 4 times | 4 times |
| - | 100.0% | 100.0% | 100.0% |
| - | 100.0% | 100.0% | 100.0% |
| - | 26 times | 26 times | 26 times |
| - | 100.0% | 100.0% | 100.0% |
| - | 100.0% | 100.0% | 100.0% |
| - | 4 times | 6 times | 5 times |
| - | 100.0% | 100.0% | 100.0% |
| - | 100.0% | 100.0% | 100.0% |
| Once | Once | Once | Once |
| 100.0% | 100.0% | 100.0% | 100.0% |
| 100.0% | 100.0% | 100.0% | 100.0% |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| Appropriate response to inquiries | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |

ssues)
-. The national average is 2.5.

# Outside Evaluation

## Participation in Initiatives

Through various partnerships, the Company is participating in, has signed, and supports the following initiatives that contribute to the development of a sustainable society.

### United Nations Global Compact

Artner signed the "United Nations Global Compact" (hereinafter UNGC) proposed by the United Nations and was registered as a business participant on January 16, 2024. In addition, Artner joined the "Global Compact Network Japan," which comprises Japanese UNGC signatory companies and organizations, on the same date.

### The Task Force on Climate-related Financial Disclosures (TCFD)

In July 2022, Artner announced its support for the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), and has rated climate change as a high-priority issue. With an aim to achieve a more sustainable society, we are committed to taking necessary actions and initiatives based on the environmental activity policy.

### CDP

Artner has been responding to the Carbon Disclosure Project (CDP) questionnaire since 2023. Artner received a "B-" score, the fourth highest score among eight scores (A, A-, B, B-, C, C-, D, D-), based on data reported through CDP's Climate Change 2025 Questionnaire.
CDP is an international environmental NGO established in 2000 in the United Kingdom. It runs the global disclosure system for investors, companies, states, regions, and cities to manage their environmental impacts, and assesses companies' actions toward making a positive environmental impact.

## External Evaluation

The Company has received the following awards and recognition from external organizations for our ESG initiatives and investor relations activities.

### Certified Health and Productivity Management Outstanding Organizations

Artner was recognized for the third consecutive year as one of the Certified Health and Productivity Management Outstanding Organizations (2026, large enterprise category) under the Certified Health and Productivity Management Outstanding Organizations Recognition Program, operated by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.
The recognition program recognizes corporations, including large companies and small- and medium-sized enterprises, that practice particularly excellent health and productivity management, based on their efforts to address local health issues and cooperate with the health initiatives conducted by Nippon Kenko Kaigi.
Artner has been promoting health and productivity management based on its declaration, and its efforts have been recognized by external organizations.

### Daiwa Investor Relations Co., Ltd.'s "2025 Internet IR Prize"

At the "Daiwa Internet IR Awards 2025" hosted by Daiwa Investor Relations Co.Ltd., Artner's website was selected for the "Grand Prize" and the "Excellence Award" in the Sustainability category.

### BroadBand Security, Inc.'s "Gomez ESG Site Ranking 2025" and "Gomez IR Site Ranking 2025"

In BroadBand Security, Inc.'s "Gomez ESG Site Ranking 2025," the Company's website was selected as an "Excellent Company" website in the All Markets Ranking. In BroadBand Security, Inc.'s "Gomez IR Site Ranking 2025," it was selected as an "Excellent Company" website and awarded "Gold Prize" in the All Markets Ranking, coming in first place in the service industry in the Sector Ranking.

## Other Initiatives

### Placed Third in Human Resources Services (Dispatch and Recruitment) in the Sector Ranking of "Mynavi-Nikkei 2027 Graduate Popularity Ranking of Employers"

Artner placed third in the Human Resources Services (Dispatch and Recruitment) category in the Sector Ranking of the "Mynavi-Nikkei 2027 Graduate Popularity Ranking of Employers," which is jointly conducted by Mynavi and Nikkei.

# Dialogue with Shareholders and Investors

## Policy for Constructive Dialogue with Shareholders

The Head of the Corporate Planning and Strategy Division has been placed in charge of investor relations, and the IR and PR Group has been established within the Corporate Planning and Strategy Division. The IR and PR Group in the Corporate Planning and Strategy Division coordinates the Company's IR activities, including planning and organizing investor briefings and one-on-one meetings, which serve as a venue for maintaining dialogues with shareholders.

## Spokespersons for IR Activities

In order to ensure the accuracy of information and the fairness of disclosure, the President and CEO, the Head of the Corporate Planning and Strategy Division, and the department in charge of IR will serve as spokespersons for IR activities conducted by the Company. The spokespersons may also delegate other executives and employees to act on their behalf as necessary.

## Arrangements for Dialogue

In preparation for shareholder dialogues, the IR and PR Group coordinates with management, sales, HR, and training divisions to share information.
The Company refrains from communicating with shareholders during a quiet period of three weeks prior to an earnings announcement to avoid unfairly disclosing any non-public financial information perceived as insider information.

## Number of Dialogues

FY2026

| | |
|---|---|
| Briefing for individual investors | 10 |

| | | |
|---|---|---|
| 2025 | March 16 | Held in Tokyo |
| 2025 | May 13 | Live streamed webinar |
| 2025 | June 11 | Live online stream |
| 2025 | July 19 | Held in Sapporo |
| 2025 | July 26 | Held in Fukuoka |
| 2025 | September 20 | Held in Nagoya |
| 2025 | September 25 | Held in Osaka |
| 2025 | October 29 | Live streamed webinar |
| 2025 | October 30 | Held in Hiroshima |
| 2025 | December 9 | Live online stream |

| | |
|---|---|
| Briefing for analysts and institutional investors | 2 |
| One-on-one meeting with institutional investors and analysts | 17 |

## Feedback for Members of the Executive Team and the Board of Directors

· Investors' perspectives are shared with members of the Executive Team by circulating Q&As and surveys from briefings for individual investors, briefings for analysts and institutional investors, and one-on-one meetings with institutional investors and analysts.
· Investors' points of interest are shared at company-wide meetings attended by middle managerial or higher positions, including members of the Executive Team (twice a year).

## Implementation of Dialogue with Shareholders and Investors

The following is an overview of dialogues conducted mainly by members of the Executive Team of the Company with shareholders, investors, and others in the fiscal year ended January 31, 2026.

**(Chiefly handled by)**

The President and CEO, the IR and PR Group in the Corporate Planning and Strategy Division

**(Shareholders and investors)**

| | Japan | Overseas |
|---|---|---|
| Location (%) | 76.5 | 23.5 |

| | Fund Manager | Analyst |
|---|---|---|
| Position (%) | 17.6 | 82.4 |

# Company Data

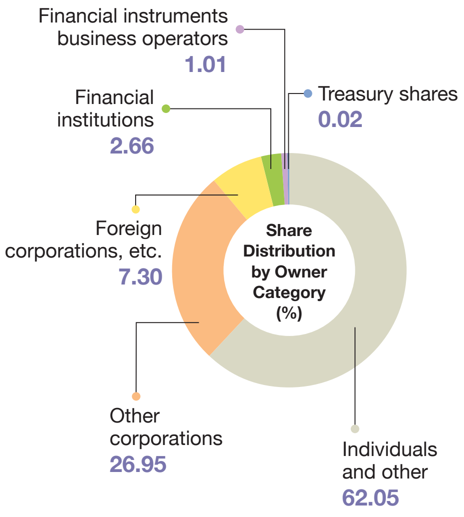
As of January 31, 2026

## Stock Data

| | |
|---|---|
| Fiscal Year-End | January 31 |
| Ordinary General Meeting of Shareholders | April |
| Record dates for dividends of surplus | January 31 and July 31 (when interim dividends are provided) |
| Number of shares per share unit | 100 shares |

| | |
|---|---|
| Total number of authorized shares | 36,000,000 shares |
| Number of shares issued | 10,627,920 shares |
| Number of tradable shares | 74,142 units |
| Number of shareholders | 25,424 |
| Shareholder registry administrator | Mitsubishi UFJ Trust and Banking Corporation<br>4-5 Marunouchi 1-Chome, Chiyoda-ku, Tokyo 100-8212, Japan |

## Share Distribution by Owner Category




## Major Shareholders

| Name | Number of Shares Held | Ratio (%)* |
|---|---|---|
| Sekiguchi Kogyo Co., Ltd. | 2,126,000 | 20.00 |
| Artner Employee Stock Ownership Association | 822,648 | 7.74 |
| Osaka Small and Medium Business Investment and Consultation Co., Ltd. | 480,000 | 4.51 |
| The Nomura Trust and Banking Co., Ltd. as Trustee of Repurchase Agreement Mother Fund (Standing Proxy: Citibank, N.A., Tokyo Branch) | 207,100 | 1.94 |
| Ueda Yagi Securities Co., Ltd. | 191,100 | 1.79 |
| STATE STREET BANK AND TRUST COMPANY 505044 (tanding Proxy: Settlement and Clearing Services Division, Mizuho Bank, Ltd.) | 150,000 | 1.41 |
| HARIGAE Tomonori | 140,840 | 1.32 |
| OKUSAKA Kazuya | 115,380 | 1.08 |
| IZUMO Hiroyuki | 92,000 | 0.86 |
| Japan Securities Finance Co., Ltd. | 79,400 | 0.74 |
| Total | 4,404,468 | 41.45 |

* The number of shares owned as a proportion of the total number of issued shares (excluding treasury stock).

## Stock Price Changes (February 2, 2015 – January 31, 2026)


| | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| FY high (yen) | 399 | 466 | 1,153 | 1,341 | 1,058 | 1,102 | 930 | 1,080 | 2,404 | 2,631 | 2,236 |
| FY low (yen) | 175 | 210 | 398 | 566 | 671 | 527 | 774 | 820 | 994 | 1,468 | 1,569 |

*Artner's stock price and TOPIX, shown as line graphs, are both indexed to 100 as of February 2, 2015.
*Stock prices were retroactively revised to factor in the impact of stock splits conducted as follows.
February 1, 2017 (2-for-1 stock split) / April 1, 2018 (2-for-1 stock split)

# Company Overview As of January 31, 2026

| | |
|---|---|
| Name | Artner Co., Ltd. |
| Founded | September 18, 1962 |
| Representative | President and CEO SEKIGUCHI Sozo |
| Share listing | Prime Market of the Tokyo Stock Exchange<br>(Securities code: 2163) |
| General Meeting of Shareholders | Held in Osaka |
| Capital | ¥238,284,320 |
| Headquarters | Tokyo headquarters<br>Sumitomo Fudosan Realty and Development Shin-Yokohama Building 5F,<br>2-5-5 Shin-Yokohama, Kohoku Ward,<br>Yokohama City 222-0033<br><br>Osaka headquarters<br>Sumitomo Nakanoshima Building 2F,<br>3-2-18 Nakanoshima, Kita Ward,<br>Osaka City 530-0005 |
| Business bases | Yokohama, Osaka, Utsunomiya, Nagoya |
| Learning centers | East Japan, West Japan |
| Business fields | 1) Software<br>2) Electronics<br>3) Machinery<br>Basic research, design, and development in the above fields, as well as tasks relating to them |
| Number of employees | Consolidated : 1,623 / Non-consolidated : 1,474 |
| License Number | Worker Dispatching Business (派27-020513)<br>Paid Employment Agency Business (27-ユ-020355) |
| Group Companies | CLIP SOFT Corporation<br>JOUHOU GIKEN, Ltd. |

(Caution regarding forward-looking statements, etc.)
The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors.

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ARTNER

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