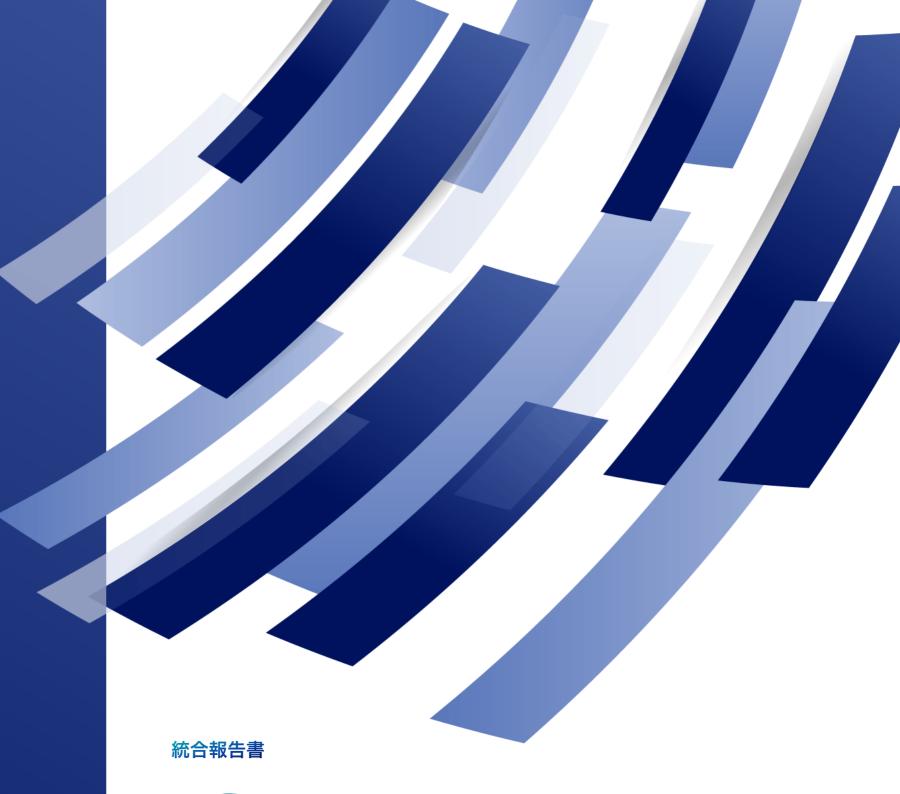
# ISF NET

Published April 23, 2024



# ISFNET REPORT 2023

# **CEO Message**

Introduction

### To Our Stakeholders

We would like to take this opportunity to express our sincere gratitude for your continued support. The ISF NET GROUP is committed to enhancing corporate value and achieving sustainable growth while transforming its business in line with the changing times, with its employees and executives working together as one. In addition, since its founding, the ISF NET GROUP has developed a large number of human resources as a human resource development company based on the belief that they are assets. We are also working to increase corporate value by continuing to promote a society in which everyone is the key man, with the aim of becoming a "social good company" that has a positive impact on the environment and local society. In the business environment, we faced various risks amid an increasingly tense global situation, including soaring electricity prices, rising interest rates, high prices, and a shortage of semiconductors. However, in January 2023, our employees worked together to mark our 24th fiscal year. These are the results of our efforts to meet customer needs, reduce costs, and improve operational efficiency.

The ISF NET GROUP will continue to listen to the voices of its stakeholders and employees, proposing solutions and DX that can be consistently achieved from the start to the end, and providing support for the hiring of people with disabilities, while continuing to approach customers through strategic planning.

Aiming for further development, ISF NET is actively recruiting bilingual engineers and expanding its business in Asia.

We will strengthen our business

partnerships, shifting from the provision of services by Japanese-centered IT infrastructure engineers to the provision of services by bilingual infrastructure engineers to the global market. Against this background, the shortage of IT human resources is expected to worsen not only in Japan but also globally. Despite strong IT demand in the cloud, networking, and security areas, many companies face challenges in recruiting IT infrastructure engineers with global-standard skills. In order to solve these issues, we will strengthen business expansion in Asian regions, centered on Singapore, as well as the recruitment of IT infrastructure engineers and bilingual engineers. In addition, we will strengthen our solutions and marketing divisions based on our core business of IT Infrastructure Engineering Services. Our goal is to achieve stable management for the next 20 to 30 years, while keeping an eye on social trends. To this end, we will strive to improve employee satisfaction and customer satisfaction and ensure environmental and social contributions (ESG, SDGs). The ISF NET GROUP has been working on improving engineers' technical skills and a variety of work styles and jobs. In the future, we will further evolve these efforts an aging society. In this context, the "health

treatment, as well as Diver-In jobs, creating and assume that Japan will be in the age of

Representative Director, ISF NET GROUP Representative Director, ISF NET, Inc. Chief Executive Officer



management" will be established.

We will implement a variety of measures to realize "To be a Utopia for IT Infrastructure Engineers." In addition, in order to meet the expectations of customers and society toward the ISF NET GROUP, we will maximize the value of each employee and continue to build a strong management foundation.

In this way, we intend to fulfill our corporate responsibilities in order to contribute to the realization of the ideal state of society

through the business activities of the ISF NET GROUP.

In order to meet the expectations of our stakeholders, we will place the ISF NET GROUP 's ideology and philosophy, as well as sustainability at the core of our management. With the guidance of our stakeholders, our employees and executives will work together with society to implement a sustainable growth strategy. We look forward to your continued support.

**ISF NET REPORT 2023** 

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# **Philosophy**

Introduction



# **Management Philosophy**

### E&E (Employment & Environment)

The ISF NET GROUP aims to: "Use resources efficiently and effestively, and create a working environment for the next

### Employment

The value and importance of diversity is understood by everyone at ISF NET and are key goals and motivations shared by all employees. We are committed to developing a diverse workforce and in January 2016 ISF NET introduced its "Diversity & Inclusion: Target 30 employment goals". Among the wide-ranging groups supported are people with disabilities, caregivers, people from the LGBTQ+ community, people with memory impairment and people undergoing fertility treatment to start a family

### Environment

To help address the climate crisis and reduce environmental pollution, the ISF NET GROUP is committed to recycling and reusing IT hardware and minimizing our carbon footprint.



# **Basic Principles**

### Create an environment for all of the people involved in the ISF NET GROUP and to pursue happiness

The idea is to create an environment in which all the people of the ISF NET GROUP (family, customers, business partners, etc.) work, and to seriously pursue the happiness of all the people.

### Contributing to local and global communities

The ISF NET GROUP will actively contribute to local communities and global society.

# **Editing Policy**

The Integrated Report 2023 has been edited as a Comprehensive Report, which comprehensively reports non-financial information, such as activities related to sustainability, in addition to business performance and business strategy. I hope that you will understand the ISF NET GROUP, which is working to improve its corporate value on a sustained basis while considering its stakeholders from a medium-to long-term perspective.

### ■Notes on Descriptions

The "Healthy Management" described in this booklet is a registered trademark of the Institute of Health and Management, a specified nonprofit organization.

This report is intended to provide information on the ISF NET GROUP's business performance and group business strategy. The content of this report may contain opinions and forecasts regarding future performance. These information has been prepared based on the judgment of ISF NET at the time of preparation of the report. Accordingly, this information is not guaranteed to be achieved, but is subject to change without notice. ISF NET will not be responsible for any loss that may result from the use of this booklet. Also, please do not copy or transfer this booklet without permission.

Scope of the report	ISF NET / ISF NET GROUP	
Reporting period	Fiscal Year Ended December 31, 2023 (January 2023 to December 2023)	
Publication Date	December 2023	is
Reference Guidelines	UN Global Compact	









# **Strategy by business**

# "IT Infrastructure Engineer's Ideal."

The workforce began to decrease in 2019, and IT sector is experiencing a shortage of IT human resources while demand expands. In addition, the number of people with disabilities who have achieved the statutory hiring rate is insufficient, and due to various restrictions, there are many people who have difficulties in working. As a result, the need for a variety of ways of working without being trapped in time or place is expanding.

In addition, we need to respond to the evolution of IT engineering and services. We also need to respond to the coming age of employees.

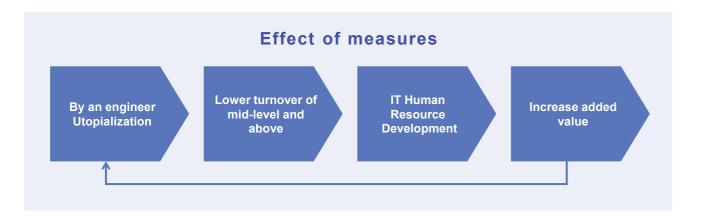
ISF NET currently has a track record of developing mid-level engineers from scratch and has a base to expand into the country.

Our future business strategy is to create a "utopia for IT infrastructure engineers," develop and produce IT personnel, and strengthen investments in human capital (training and challenge opportunities).

In addition, as a company that solves social issues, we will realize flexible working styles and improved employee earning power (increased added value) by shifting to subcontracting projects.

In addition, we will aim to create an organization that can realize a society in which all people can work with pride regardless of gender, age, nationality, or disability, individuals who continue to be needed by society, and an adequate salary level.

### **Business Growth Measures** In-house technical team **Human resource services** Hiring Strengthen proposal-based sales Improving sales To strengthen experienced and technical skills recruiting efficiency professionals Improvement of Matching-External partner companies and Recurring treatment and efficiency UP human resources utilization conditions Collaboration with Career nath **Engineer Care** in-house Hiring experienced professionals improvement engineers



# **Purpose Management**

In response to the recent social situation, ISF-NET has established "five axes" based on "part-pass management" for further growth and provision of value.

### **Five Pivot of Purpose Management**

# Health management

We strive to improve the health of all our employees under the slogan "Pursuit of Health." In July 2021, we announced the Declaration of Health Promotion in order to further strengthen this initiative. We are continuously promoting health management by integrating the measures of "health promotion," "health management," and "security and risk response."

# 2 Design management

We use design as an important management resource to enhance corporate value, such as strengthening brand power and creating innovation. We are engaged in a variety of activities, including CI and the dissemination of DSP, our unique code of conduct.

# 3 Human capital

Human resources are described as human assets, and we believe that each and every employee is an asset of the company. Our mission in human capital management is to maximize the value of each and every employee, and we are advancing initiatives accordingly.

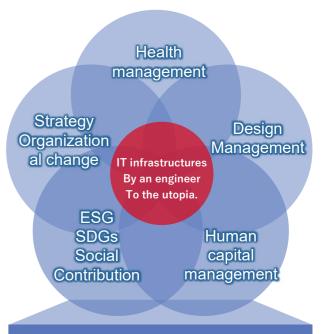
# **4** ESG · SDGs management

The goal is to realize trade-on of social contribution and benefit-up, achieving economical results while actively responding to social challenges.

In particular, we will strengthen efforts such as "Diver Involvement Job" and "Challenged Office" support services for people with disabilities, which create and provide a work environment in which those who find it difficult to work for themselves with a sense of security due to various circumstances

# 5 Strategic organizational management

We will further strengthen the sharing of visions and missions within each division and cooperation among divisions. We will also strive to maximize employee motivation by creating a system that matches the strengths and tasks of each employee and leads to proper evaluation and improved treatment.



**ISF NET's Purpose management** 

# **ISF NET Purpose**

ISF NET's Purpose is called "To the Ideal Destination of IT Infrastructure Engineers." Construct a IT environment that is always stable and build new infrastructures with ease and tolerance in mind. This is what we consider to be the utopia of IT infrastructure engineers. And above all, we have a number of valuable people. We truly believe that when these people demonstrate their abilities, they will be able to solve various problems around the world.

# **Reasons for Working on Part** Management

ISF NET aims not only to gather empathy from a diverse range of stakeholders, but also to improve employee motivation and corporate value over the medium to long term by advocating a purpose. In response to the recent social situation, we have established five axes based on a purpose management system for further growth and the provision of value.

# **CHRO** message



Aiming to Maximize the Value of Individuals

Since its founding, the ISF NET GROUP has continued to grow by taking on the challenge of taking on various challenges while transforming itself in accordance with the circumstances. In this transformation, we have worked to maximize the value of each individual as our approach to human capital.

In addition, to maximize the value of employees working together, we have made human capital management a part of our business. To achieve sustainable growth and contribute to society, we are focusing on strengthening our management base and promoting DEI, DX, including the hiring of people with disabilities.

In particular, the ISF NET GROUP is engaged in "diversity employment," where people with diverse values are active. In order to create a Well-being environment for these people, we have made every effort to provide equal job opportunities and to evaluate them appropriately regardless of gender, age, nationality, or disability. Based on this organizational culture, we would like to further promote the realization of value

creation by each and every one of our employees as "assets" of the company.

Based on the organizational culture that we have built up, we aim to create value for our employees and value for our customers and local communities.

# **Human Capital Strategy to Maximize Value**

Aiming to maximize the value of human capital, we are working to create an organization that will achieve results through the personnel evaluation system. This system is different from the conventional personnel evaluation system in that it introduces a system to promote the growth of human resources, and each department cooperates to form an open organization. In particular, HR supports the maximization of the results of each division through recruitment, proper evaluation, and allocation of human resources. For example, in the SG&A department, this includes promoting the growth of the entire department and the skill development of individual members through the formulation of career paths and the establishment of an evaluation system.

As a future strategy, we will focus on capturing real information from our employees and understanding what is going on in the field. In order to do this, it is necessary to incorporate trivial voices from the field and to identify the time stream.

Currently, IT engineers market is changing rapidly, and it is necessary to develop an environment for re-skilling and re-learning. You should always continue to learn to ensure that HR is not left behind in this flow.

Because the personnel system has little effect in the background, it has been decided with a view to the future. In addition, because human resources personnel have few specialized credentials, it is important to absorb diverse information and understand the situation.

In addition, we want to promote open communications and contribute to the sound operation of the entire organization by creating a system that enables ordinary employees to consult at any time.

Recognizing that the active participation of all human resources is the key to growth, we have positioned the promotion of DEI as an indispensable element for maximizing the value of human resources.

We will continue to actively promote these activities with the participation of all employees.



# Fostering a culture in which everyone can work with vigor and enthusiasm

Our goal is to respect each employee and build a comfortable working environment. In addition, it is important to develop and utilize a culture that turns weaknesses into strengths. Because it is often difficult to recognize from the majority's point of view alone, we value the point of view of minorities and strive to ensure fairness and equality so that everyone can continue working in a vigorous manner while respecting diversity. In 2021, we established the Committee for the Promotion of the Advancement of Women and the Diversity Employment Committee. We have developed various initiatives to support the engagement of female employees, LGBTQIA individuals, seniors, people with disabilities, and foreign nationals.

In addition, to create a workplace where all employees respect each other and can play an active role in the company, we conduct training by job level and hold seminars for all employees to promote understanding of the DEI and to firmly establish it.

# **Toward Sustainable Enhancement of Corporate Value**

We have a long-term strategy to increase the value of each and every employee and to achieve good results as a company. This is because our conviction is that "the growth of people leads directly to the growth of the company" in order to continue our business.

For this reason, we want to create an environment in which IT infrastructure engineers feel attractive and want to work proactively. For example, the liberalization of working styles and the improvement of salaries and treatment are important, but even more importantly, the ability to extend careers and utilize their power.

I have been working as a CHRO appointed in 2023 to realize these goals, to respect the voices of employees, and to operate human resources divisions. I would like to utilize my own experience as a IT infrastructure engineer and the experience of branch managers, etc. while firmly listening to the voices of engineers who are active in the field to create a better environment.

# 10 Visions

### **Revision of 10 Visions**

We created a video showcase by Watanabe of the 10 Visions, the ideal image of ISF NET, and released it to the public on Monday, May 29.

We have clearly stated to our employees that we will have 10 Visions in the near future. When ISF NET's goal is clearly stated to employees, they will be willing to achieve the goal, and the organization will become one.

We are committed to achieving the goal of unifying the organization based on our 10 Visions, and all employees will make daily efforts to realize our goal.



# **Double treatment in 5 years!** Visualization and allocation of

their salaries for approximately 30 years, ISF NET aims to double their salaries in five years by reviewing their evaluation systems and expanding their global business. "5 years" means "always 5 years from now" and there is no such period. In the last seven years (from 2016 to 2023), ISF NET has increased the

ISF NET offers three career paths: "Consultant," "Specialist," and "Executive." On the other hand, there are employees who do not want to be in the future because the "life" is more important than the "work". ISF NET has established a system to properly evaluate

### VISION 05

### **Free Working Style in 3 Years**

10 Visions Video

The video introducing the 10 Visions was published for the first time in 2020, and the content was partially revised in 2021, 2022, and 2023.

Three years have passed since the first edition was produced. The internal system and system for accepting diverse human resources of ISF NET have changed, and the ideal and near-term goals have become clearer. Therefore, we have reproduced videos to convey the ideal image of ISF NET, which continues to change on a daily basis, to not only our employees but also more people.

company has introduced workcations and satellite

offices, as well as a flextime system on a partial trial

basis. By the end of 2025, we will realize freedom of

working style for three years according to personal

**Expanding to Asia and globally** 

In IT industry, which has universal communications

protocols and languages, entry into foreign countries

with higher treatment and higher salaries is inevitable.

ISF NET has already established bases in South

Korea (from Seoul 2006) and China (from Dalian

2006 and Shanghai 2012) and will establish a base in Singapore and commence business in July 2023. In

the future, we will expand into Asia, Europe, and the

ISF NET considers "people = property" and refers to

it as "human assets." In order to increase the "value

as a human asset" of each employee, we are

strengthening training and education and matching

them with new operations to create an environment in

**Maximizing human capital** 

which employees can thrive.

with a focus on Singapore

circumstances and wishes.

VISION 06

United States

VISION 07

10のビジョン



The video, which was released this time, will include Yukiyoshi Watanabe, representative director of ISF NET, and a large number of employees regardless of gender, age, nationality, or disability.

### URL:

https://www.youtube.com/watch?v=fzEvTu2hczY

### VISION 01

# Aiming to be a company with zero relationship problems

The working environment cannot be changed by the power of employees alone, and even if the company has a job that they love, they will not be able to work if they have relationship problems. ISF NET is working to create an environment in which employees can display 100% of their abilities without having to worry about human relationships.

### VISION 02

# Toward a utopia for infrastructure engineers

ISF NET presents its career paths to IT infrastructure engineers and sets goals with "10 items of engineers' utopia (\*1)" in order to create an environment in which all engineers can satisfy their needs.

\*1: Engineer's Utopia 10 items

Ten items necessary to realize an engineer's utopia

- 1. Treatment
- Local jobs
- 2. Attractive career paths
- 7. Good relationships
- 3. Free Working Style
- 8. Social Contribution 9. Reskilling Education
- 4. Senior 5. Diver-In (\*2)
- 10. Life event
- \*2: Diver-In
- A coined word of ISF NET that combines "diversity" with "inclusion"

### VISION 03

benefits and eliminating regional gaps

Among Japanese companies that have not raised starting salary of new graduates by 1.7 times.

### VISION 04

# **Attractive career paths**

contributions and achievements in both cases.

As of June 2023, approximately 70% of the employees of ISF NET, which had introduced telework prior to the Corona Incident, were engaged in telework. In addition,

### VISION 08

### Contributing to society through acquired skills

We are actively hiring LGBTQIA and people with disabilities in our "Diver-In Employment" program. The employees recognize the diversity of talents and by working with various colleagues, their own values change from what they originally thought. ISF NET provides an environment in which employees can contribute to society using their own skills and participate in the creation of a society.

### VISION 09

Fair evaluation and equal employment opportunities regardless of gender, age, nationality, or disability

It is natural to say that there is nothing to do with gender, age, nationality, or disability, and we recognize the diversity of people and provide an equal work environment for all people working together.

### VISION 10

### **Creating a challenging environment**

Regardless of success or failure, "learning" is born by taking on challenges. ISF NET will work to create an environment in which it can take on challenges, such as the development of executive candidates for younger employees, career changes, and the activities of senior members.

10

# **E**: Environmental Consideration and Community Contribution



# Contribution to local communities and volunteer activities

### "Aibora" volunteer activities with love

Since its inception, the ISF NET GROUP has been engaged in "Aibora\*," a loving volunteer activity. Through our volunteer activities, we have formed the "Contribution to Local Communities and the Global Society," which is one of the management concepts of the ISF NET GROUP.

In 2023, after the five new corona viruses have been migrated, we have begun full-scale activities in July and have conducted love cleanup activities once a month at our headquarters in Tokyo. In the future, we will continue to encourage domestic and foreign staff to interact with each local community.



In addition, we are promoting the "MY Bora" program, in which individual employees participate in volunteer activities, in addition to the company's activities. In 2023, a total of 28 people participated in this activity.

\*Aibora, which stands for 'Volunteer with Love' in Japanese, is composed of dedicated employee volunteers.

### **MY Bora Activity Case**

- Clean-up activities in residential areas
- Blood donation
- Hair donation
- Translation support, etc.



# Participated in IT Charity Ekiden

On November 19, 2023, the employees of the ISF NET GROUP participated as runners and voluntary staffs in the 12th NIPPON IT Charity EKIDEN in which Seiki Motomura, the chief executive officer of ISF NET, serves as the vice executive committee.

This NIPPON IT Charity EKIDEN is held.

The background to this was the fact that IT industry was previously said to be generating unemployed people with a weak social position. This was triggered by the fact that the industry was said to be generating as many unemployed people as possible. The plan was designed to bring back as many unemployed people to society as a whole.

In 2023, there were 25 runners (4 teams  $\times$  5). Five substitutes) and 19 volunteers participated in the event to enhance their activities.







# Participation in WORLD CLEANUP DAY

### What is WORLD CLEANUP DAY?

It all started in 2008 when nine young Estonians called on the whole country to clean up forests full of illegally dumped garbage. Over 50000 volunteers participated in Let's Do It 2008 cleanup effort a day. Over 10000 tons of illegally dumped garbage were successfully removed in five hours.

On this occasion, a cleanup program aimed at 5% of the population has spread to European countries, and to Europe and Asia. Since 2018, the program has been carried out on the same day (the third Saturday of September) as a WORLD CLEANUP DAY that makes the globe clean all over the world. In 2022, 15 million people from 190 countries took part, and an estimated 0.2 million tons or more of garbage was collected worldwide through WORLD CLEANUP DAY activities.



### Collaboration with the Pasona Group Inc. Volunteer activities

With the goal of "solving the problems of society" as a corporate idea, there was a idea that we could work together with the Pasona Group, which is actively engaged in social contributions with the aim of realizing a sustainable society, and Numazu, which is focused on social contributions with support for the hiring of people with disabilities by the ISF NET GROUP.

With this in mind, we decided to start with cleaning activities, and decided to implement volunteer activities.

As a first activity, on July 8, 2023, we cleaned up empty cans, PET bottles, and other garbage from the Senbonhama beach in Numazu, Shizuoka. The second time, on September 16 of the same year, we participated in the "WORLD CLEANUP DAY" as a joint volunteer. On the day, 30 employees from the Pasona Group and the ISF NET GROUP participated in the cleanup effort to create a clean global environment and community.





# **Telework Promotion**

### **Commitment to Telework Advancement**

Since 2020, ISF NET has set forth ten goals to achieve in the near future. One of these visions is to "achieve freedom in working styles within three years," and as part of this initiative, we are actively promoting telework. Our goal is to enable "70% of all employees" to work remotely by 2023.

# **Telework Tokyo Rules Practice Company Declaration**

On February 19, 2021, ISF NET declared the following in the Telework Tokyo Rules Practice Company Declaration.

# **Regional Revitalization Telework Promotion Action** Declaration

ISF NET supports the "Regional Revitalization Telework Promotion Movement" driven by the Cabinet Office and Cabinet Secretariat. To participate, we have made an "Action Declaration."



To achieve this goal and other targets announced in the "Telework Tokyo Rules Practice Company Declaration," we have established several internal committees to address challenges related to telework and working style flexibility, working together as one company.

- Aim for 70% telework implementation for all employees by 2023.
- Establish an optimal management environment to address any business risk.
- Set up internal committees to achieve equal employment for diverse talent.

### **ISF NET's Declaration Statement**

ISF NET agrees with the guidelines for regional revitalization telework, aiming to establish a business model where individuals can work confidently and live their own lives regardless of location, leveraging ICT skills and business know-how. Even before the COVID-19 pandemic, we implemented remote work to offer working style freedom to employees who couldn't commute for various reasons.

With the concept of "Anywhere," "Anyone," and "With Anyone," we will continue to enhance ICT skills and support regional revitalization. We also focus on the new normal working style of "workation," providing new employment opportunities and working styles while further contributing to regional revitalization.



# **Cool Biz Initiative**

The ISF NET GROUP continues to follow business casual attire guidelines and manages air conditioning temperature settings at each office and facility. As part of the initiative, we designate the Cool Biz period from May 1 to October 31 every year, promoting energy

conservation and preventing global warming. We also encourage visitors to dress comfortably based on the temperature and cooperate with measures to prevent the spread of COVID-19 by using remote meetings, such as web conferencing.

Implementation period

May 1, 2023-October 31, 2023

アイエスエフネットの成長戦略

Scope of Report

ISF NET GROUP offices and facilities

Details of implementation

Air conditioning is set to keep the office temperature at 28° C

- May 2 May 31, October 1 October 31: "Fan" setting
- June 1 September 30: "Cooling" at 28° C Business casual attire continues, without jackets during the Cool Biz period



# **Environmental Performance Data**

In response to the worsening environmental problems in recent years, ISF NET is working on reducing greenhouse gas emissions by improving energy efficiency. Since 2020, we have been promoting telework and paperless operations and will continue to drive these efforts.

# **Paperless Efforts**

The shift to paperless operations has steadily progressed due to cost reduction and environmental protection concerns, accelerated further by changes in working styles caused by COVID-19 measures. ISF NET will continue promoting paperless implementation at all locations to achieve full paperless operations.

### **Key Initiatives**

- Using cloud-based electronic signature service
- Implementing PDF e-seals for quotes and invoices
- Converting employment contracts to cloudbased electronic signatures

### Environmental Performance Data (2023)

This data shows the input of energy and resources used in stationery-related business activities and the output of environmental impact substances produced. All figures reflect the results of the fiscal year 2023

Item	Unit	FY2023	Remarks
Scope1 GHG emissions		0	Our own direct GHG emissions
Scope2 GHG emissions		90,183	Indirect emissions associated with the use of power supplied by other companies
Scope3 GHG emissions	metric tons CO2e	243,238	Emissions from other companies related to our activities
Scope3 (upstream)	COZe	243,238	Commuting, Business Travel, etc.
Scope3 (downstream)		0	Use and disposal of products
Total supply chain emissions		333,421	

\*Calculated based on the Ministry of the Environment's Green Value Chain Platform.

\*This calculation currently focuses on electricity usage, commuting, and business trips, but the range of data will expand in the future.

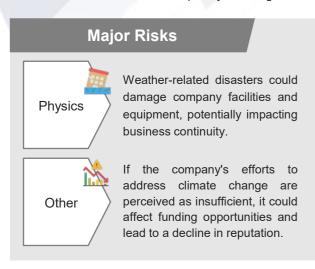
### Changes in Office Paper Purchase Volume

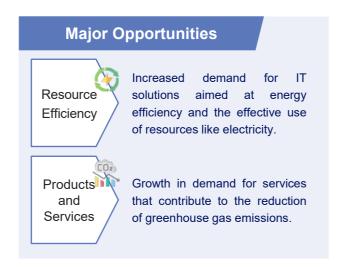
		2020	2021	2022	2023
Office Paper Purchase Volume	Sheets	571,500	328,000	249,000	175,300



# Risks and Opportunities Related to **Climate Change**

ISF NET recognizes the risks and opportunities associated with climate change. The company plans to prioritize and address these based on the frequency and magnitude of potential impacts.





# S: Creation of an Exciting Work Environment



# **Diver-In Employment: Embracing Diversity** as It Is

"Diver-In Employment," a combination of diversity and inclusion, goes beyond simply gathering a diverse workforce. It is about providing opportunities for many fostering coexistence and mutual prosperity, and allowing diverse individuals to accept each other's differences and personalities while growing together. Historically, ISF NET has been committed to creating and providing a secure working environment for individuals who find it difficult to gain employment due to various reasons. The company has pursued the "30 Challenges Employment," targeting those who typically face barriers to employment. Diver-In Employment will not be limited to these 30 conditions but will aim for broader employment opportunities.









with diverse personalities and backgrounds, ensuring a variety of talents within the

diverse individuals recognize accept, and value each other's with a sense of unity

offers possibilities to many, promotes coexistence and mutual sperity, and allows diverse individuals to accept each other's differences and personalities while

# Efforts to promote Diver-In employment

# ▶ Nagoya Rainbow Pride 2023 **Sponsorship**

ISF NET supported Nagoya Rainbow Pride, empathizing with the event's goal of spreading values that recognize and respect differences.

Nagoya Rainbow Pride aims to create a society where everyone, regardless of sexual orientation and gender identity (SOGI), can live positively, proudly, and joyfully as themselves.

In addition to advertising sponsorship, ISF NET also sponsored T-shirts for the event.

On June 3rd, over 30 volunteers, including employees and their families, participated in the parade. Blessed with good weather, participants wore the company's original T-shirts and walked around Oasis 21, displaying banners alongside other attendees.



# ► Kyushu Rainbow Pride 2023 **Sponsorship**

ISF NET also supported the Kyushu Rainbow Pride held on November 5, 2023. The event is driven by the belief that society can become more respectful if individuals take pride in their uniqueness.

Under this year's theme, "Hop♪ Step♪ Let's Move Forward Together?" the event emphasized the importance of small steps towards inclusivity, regardless of gender, age, location, or race. The idea was to bring people together to share the same space and foster warm feelings.

Over 20 volunteers from ISF NET, including employees and their families, participated in the parade on a day when temperatures reached 29° C. The parade attracted about 1,000 participants, with approximately 24,000 people (including passersby) visiting Reisen Park in Fukuoka Prefecture. A truck featuring musicians and singers led the parade, and participants expressed diversity in various ways as they marched through Nakasu and Tenjin, Fukuoka's bustling areas.

These initiatives reflect ISF NET's commitment to fostering an inclusive work environment and supporting societal change through proactive engagement in community events that promote diversity and inclusion.





# S: Creation of an Exciting Work Environment

### ► Holding a Diver-In week

During Human Rights Week (December 4th to 10th), we held "Diver-In Week" internally



### What is Diver-In Week?

Diver-In Week is an event held internally at ISF NET It coincides with Human Rights Week, established in 1949 by the Ministry of Justice and the National Human Rights Protection Committee, and focuses on reconsidering human rights respect and Diver-In employment. Throughout the period, events and content related to human rights were delivered to employees at all ISF NET locations. From its inception. ISF NET has been committed to creating and providing employment opportunities for individuals who may find it

During this period, our CEO, Mr. Watanabe, issued a top message sharing the company's intentions and the purpose of the event with employees.

difficult to work under various circumstances.

# **Top Message**

Since the fiscal year 2022, we have been holding "Diver-In Week" to learn about and consider diversity and inclusion in line with Human Rights Week, with the second event held in the fiscal year 2023. At ISF NET, we are committed to Diver-In employment, enabling diverse individuals to excel in a wide range of fields. This diversity forms the foundation that brings value to our society and is a driving force.

We are dedicated to providing equal employment opportunities regardless of gender, age, nationality, or disability, treating everyone with dignity and respect. Through Diver-In Week, we hope it serves as an opportunity for each employee to further deepen their understanding of diversity and translate it into concrete actions to improve ISF NET.

### Main Activities of Diver-In Week

Seminars and events were held online on a variety of themes including gender, age, LGBTQIA, disability support, nationalities, balancing work with parenting or caregiving, and various values and empathy.

### Implementation of LGBTQIA related Training

We invited Mr. Takefumi Ichikawa, the representative of the On the Ground Project, to lecture on public systems. This allows each employee to plan according to their life stage and aims to facilitate the company's support for these plans. The On the Ground Project aims to create a workplace where everyone can thrive, based on the vision of "Making it normal for us to be there," focusing on sexual orientation and gender identity (LGBTQIA) through DE&I training, lectures, and consulting activities. (Cited: https://www.ongroundproject.com/)

### Sign Language Video Distribution

ISF NET Joy, a group company that supports employment for people with disabilities, includes deaf individuals. Sign language videos were distributed with the cooperation of the deaf, enhancing the understanding of sign language within ISF NET Joy.

### Preparatory Caregiving Workshops

Content on "caregiving," which should be prepared from now, was distributed to deepen employees' understanding, aiming to create an environment where they do not have to give up their careers during future life events.

### International Cuisine Video Distribution

By distributing videos introducing traditional dishes from various countries, we promote an understanding of the diversity among ISF NET employees.

### Introduction of LGBTQIA Policies

ISF NET has various systems in place to ensure that employees can work comfortably and authentically. By introducing these systems, we deepen understanding and create an easier-to-use environment.

### **Promotion of Ally Declarations**

During Diver-In Week, we shared a virtual background for meetings company-wide for limited use, promoting the declaration of Ally and fostering endorsement in various situations.

### **Key Initiatives on LGBTQIA**

- Employees who change their surnames due to marriage or for special reasons can use a working name if they wish.
- In gynecological exams, there is a precedent for arranging gynecological screenings (such as breast cancer screenings) for individuals who, despite being legally male, wish to participate.
- · Our company policy does not prioritize gender as a criterion for hiring. Therefore, gender is not a required field on application forms.
- It is a common understanding that transgender individuals may use restrooms corresponding to their gender identity without having to come out to everyone, provided they have consulted with their supervisor or the Women's Council. We also have a consultation service in place in case there are objections from other employees.
- · Annually, the Diversity Department leads workshops for managers and is also advancing the systematization of ally declarations.

- · We established the Diver-In Employment Committee in 2021. Through this committee, we create new environments and systems for targeted individuals, conducting activities to build a safe and secure working environment for those with employment difficulties and their surroundings.
- Through the production of a branding movie that gathers the voices of diverse employees, ISF NET introduces its initiatives for creating diverse employment opportunities, a practice continued since its founding.
- A dedicated site for managerial staff features videos on handling coming-outs from LGBTQ individuals and creating an inclusive workplace environment, allowing managers to learn and apply correct practices anytime.
- We aim to realize diverse working styles regardless of gender, age, nationality, or disability, and have revised some welfare systems. Since January 2022, systems have been expanded to be available even for relationships recognized under local partnership ordinances.



# Co-sponsoring the 76th Numazu Summer **Festival and the Kano River Fireworks Display**

ISF NET co-sponsored two categories, the Super Wide Star Mine and Wide Star Mine, at the 76th Numazu Summer Festival and Kanogawa Fireworks Festival. Numazu City is the hometown of our CEO, Mr. Watanabe, and the Numazu branch of ISF NET has been undertaking the Challenged Office initiative to promote employment for people with disabilities. We will continue to contribute to the local community through our corporate activities.

# **Challenged Office Tour and Presentation**

On July 28, 2023, a tour and presentation of the Numazu Challenged Office were held. The event at ISF NET's Numazu branch introduced the key points and challenges of employing people with disabilities, allowing visitors to see the working conditions of individuals with disabilities.



# Awarded for contributing to the development of Numazu city government

ISF NET made a donation to Numazu City using the "corporate version of the Furusato tax system" to promote the creation of the local community and received an award for its contributions at the 100th anniversary of the Numazu city system's implementation on July 1.

# **Purple Ribbon Campaign**

ISF NET supported the "Campaign to Eliminate Violence Against Women," which took place from November 12th to 25th. This campaign addresses urgent issues such as violence from partners, sexual crimes, and sexual harassment, which significantly infringe on women's rights, and aims to strengthen efforts to solve these problems. During this period, ISF NET engaged in activities to raise awareness among employees, including calling for internal support and messages, and distributing limited-time virtual backgrounds. Numerous branches and committees also voiced their support for the initiative.









# **About the Foreign Employee Mentor System**

Starting July 2023, ISF NET introduced the "Foreign National Mentor System" to create an environment where foreign employees can thrive.

# ► Foreign Nationality Mentor System

The mentor system is an initiative where experienced employees support new hires and younger staff. Mentors provide broad advice on work, career development, and interpersonal relationships, creating a welcoming and accessible environment for new employees. This system not only offers a safe space for new employees to seek advice but also enhances listening and coaching skills among senior employees, contributing to leadership development.

In this program, mentors, who can be either foreign nationals or Japanese nationals, assist foreign national employees within their first three years at the company, aiming to alleviate their concerns and ensure they can work comfortably. The system also included a trial period the previous year to address potential issues and verify operational aspects.

### Efforts to promote engagement for **Foreign National Employees**

### Establish a consultation services

A consultation desk is available for all concerns, including nationality or residency status changes and cultural or customary differences, supporting multiple languages including Japanese, English, Chinese, and Korean.

### Japanese language training

Japanese business conversation and proficiency test support are provided for foreign national employees, whether newly hired or on standby. As teleworking reduces opportunities to speak Japanese, the training focuses on practical business communication.

### Intercultural exchange meetings

Lunchtime intercultural discussion sessions (online salons) are held to help employees understand each other's differences and enhance internal communication.

### Distribution of videos on international cuisines

Videos introducing traditional dishes from various countries are shared to promote understanding of diversity among employees.

# Conducting a D&I (Diversity & Inclusion) Survey

We conducted a D&I (Diversity & Inclusion) survey targeting 1,770 employees, primarily IT engineers.

### Purpose of the Survey

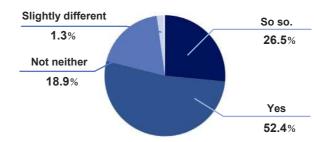
At ISF NET, we are committed to creating and providing an environment where everyone can work safely and discover the joy and significance of work. This survey aims to make the metrics of inclusion, fairness, belonging, and psychological safety visible. By understanding the current state and identifying challenges, we aim to create an environment where more people can work securely.

### ► Survey Overview

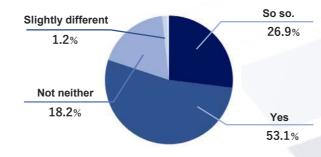
### 1. More than 75% of employees feel that our company is diverse.

When asked if they think their company's members are diverse regarding gender, sexuality, race, language, cultural background, disability, and age, 78.9% of the employees answered "strongly agree" or "agree". Additionally, when asked if their company is earnestly engaged in diversity, 80% of the employees responded "strongly agree" or "agree".

I think that the members of my company are diverse in terms of gender, sexuality, race, language, cultural background, presence of disabilities, and age.





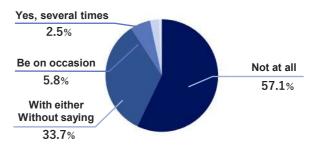


### 2. Many employees feel comfortable in their workplace relationships.

Regarding the statement, "I have felt discriminated against or prejudiced at work," 90.8% of the employees answered "not at all" or "rather not". Although this number is high, our company aims for a target of 'zero' in this regard, indicating a need for further improvement.



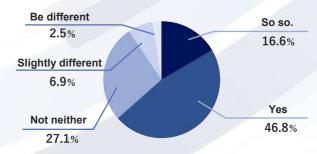
I felt discriminated or biased at work You have.



### 3. Issues related to support systems and communication in the workplace

Regarding support systems in the workplace, only 63.4% of employees feel that there is sufficient support to feel secure at work, which is not considered highly satisfactory. While we strive to implement various systems such as support for parenting, enabling worklife balance through teleworking and workations and establishing various consultation desks, there are challenges in delivering company information to engineers stationed at client sites. There is a need to improve how information is communicated and to consider introducing new support systems so that all employees can equally understand and utilize these benefits.

### I feel that there is sufficient support at work to feel secure.



Based on the results of this survey, our company will continue to promote D&I and strive to create an environment where everyone can work securely.

ISF NET REPORT

# Supporting an Environment Where Everyone Can Work Securely

- ISF NET's Unique "EMD" Initiative -

As part of our efforts to support diverse employment, we have an original initiative called 'EMD.' EMD stands for 'Employment Doctor,' a term coined by ISF NET. The purpose of these EMD meetings is to discuss and provide support methods so that employees facing work difficulties can work securely.

Even in challenging situations at client sites, if the issues are due to personal characteristics, it's not a matter of personal effort but rather a need for consideration.

### Content of EMD

# ► EMD Meetings / Held monthly

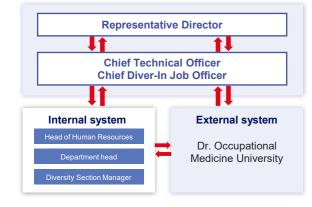
Around 2013, for the first time, I went to a medical institution for employees who were slow in learning tasks and repeated communication problems. doubting the possibility that these problems were due to individual characteristics.

Although many cases are diagnosed as developmental disorders, at ISF NET, we can provide a work environment tailored to individual characteristics. Therefore, it is possible to continue working sustainably even in situations where one would have to resign at typical companies.

Since the launch of EMD, doctors at the University of Occupational and Environmental Health have been interested in ISF NET's efforts, and we are still running the conference with expert opinions.

# Structure of EMD

Internal and external collaboration, including cooperation with physicians from the University of Occupational and Environmental Health.



Therefore, such considerations and support methods are being deliberated with the advice of specialist doctors.







# **Performance of EMD response**

EMD provides individualized support, contributing to numerous employment creation efforts.

	2021	2022	2023
Number of new targets	10	17	21
Number of support targets per year	26	30	44
Improved number after response	11	8	13
Improvement rate after response	42%	27%	29.5%
Diagnostics and notebook acquisition rate	38%	23%	48%

### Criteria for improvement judgement

- Individuals who have worked without any complaints or claims for six months after receiving support.
- Individuals who have worked for six months without any particular symptoms.
  - \* Performance is calculated annually.

# Comment by Dr. Naoki Eguchi



President Watanabe takes time to provide personal guidance, which is quite unique. Moreover, various individuals participate in this meeting, devoting significant time and personnel to discussions, which is commendable as a system. ISF NET is seen as leveraging each individual's characteristics within limited resources. It has made me realize that it's not just about talking ideals but actually implementing them that's important. Adjusting strategies while engaging in business and promoting acceptance of disabilities are perspectives not seen in other companies. In recent years, societal awareness has also been changing. With the declining population due to aging and low birth rates, it is increasingly necessary to embrace diversity. Currently, participation is mainly online, but we will continue to strive to propose new ideas.

# **Effects of EMD Meetings**

Primarily, five effects can be expected:

- 1. Employee characteristics and company support become clearer, creating an environment where others can more easily provide support.
- 2. It becomes easier to understand the causes of employees' difficulties in living and working, facilitating personal reflection.
- 3. Employees can continue their careers without giving up.
- 4. Transfers and collaborations with group companies are smoothed.
- 5. Considerations and understanding toward employees deepen, reducing client criticisms.

At EMD meetings, the causes of repeated issues among employees are clarified. This understanding allows not only the individuals but also their colleagues to comprehend appropriate considerations and support methods, enabling the provision of suitable duties and assistance. Of course, meeting participants are strictly limited to those related to the supported individuals, with confidentiality fully maintained. A strength of ISF NET, bolstered by EMD meetings, is the practice of multi-departmental collaboration across the company. This EMD initiative has achieved collaboration beyond internal departments, with external doctors and group companies.

# **Benefits of EMD Meetings**

Primarily, five effects can be expected:

- 1. Employee characteristics and company support become clearer, creating an environment where others can more easily provide support.
- 2. It becomes easier to understand the causes of employees' difficulties in living and working, facilitating personal reflection.
- 3. Employees can continue their careers without giving up.
- 4. Transfers and collaborations with group companies are smoothed.
- 5. Considerations and understanding toward employees deepen, reducing client criticisms.

Our company, like this initiative, creates and provides a secure working environment for those who may find employment challenging for various reasons. Additionally, there is a culture within the company where diverse employment is the norm. The EMD meeting is an indispensable part of realizing this diversity in employment.

Acknowledging and leveraging individual differences as strengths to support a future where everyone can thrive continues to be our commitment.

### Good examples of EMD

# Case

### After obtaining a disability certificate, transferred to a group company, currently thriving as an FDM IT engineer

Previously working as an engineer at a client site, the individual struggled with communication and repeatedly experienced mental breakdowns. During ongoing support through EMD meetings, they were diagnosed with ADHD, obtained a disability certificate, and expressed a desire for a supportive environment, now thriving at a group company.

# Case

### After obtaining a disability certificate, reasonable accommodations were clarified, reducing future anxieties

A person who was earnestly supported for tasks they struggled with experienced strong mental stress and future anxieties, leading to a long-term leave of absence. After continuous support and repeated discussions at EMD meetings, they were diagnosed with a developmental disorder, obtained a disability certificate, and were placed in a suitable position. They are currently continuing their employment, with reduced future anxieties and a sense of security.

# Case 3

### Utilizing a group company's rework program, returned to work, and progressing in an engineering career

An individual who took a long-term leave due to mental breakdown utilized a three-month rework program at a group company during their leave. After returning to work, they are thriving as an IT engineer at a client site. Post-return, regular interviews are conducted for retention support in collaboration with their supervisor, ensuring stable employment.

# ISF NET REPORT 2023

# Foundation to support sustained growth

# **Participation in the OTD Research Group**

ISF NET has been participating in the "OTD Research Group" organized by the General Incorporated Association for the Promotion of OTD since July 2023. This association plans and operates programs that bring about organizational transformation in companies, incorporating cuttingedge academic insights to realize diversity.

### **▶** Background of Participation

Since its founding, ISF NET has been committed to diverse employment practices.

Our goal is not merely to gather diverse talents but to provide opportunities to many individuals, fostering coexistence and mutual prosperity, where people of various backgrounds can accept each other's differences and personalities, growing together. For the realization of such diverse employment, it is essential that every employee, including top executives, minimizes biases and prejudices and understands diversity.

By participating in the OTD Research Group, ISF NET aims to achieve diversity in collaboration with academia and companies committed to promoting DEI.

### **▶** Hosting of Workshops

In 2023, a Minority Workshop organized by the OTD Promotion Association was held, with participation from our employees. A post-workshop survey asked whether the internal deployment of the workshop would contribute to understanding the "unconscious premises of the majority" and building a fair workplace foundation; 100% of the respondents believed it would.

### Scope of Workshop Implementation

Desired workplace units: 75%

• Core job layers: 25%

Through this workshop, we hope to enhance the understanding of minorities within the company and contribute to the improvement of our workplace environment. ISF NET will continue to strive towards being an ideal place for IT professionals and will keep up its diverse initiatives.

### Consecutive Gold Awards in PRIDE Index for Four Years

The PRIDE Index assesses Japanese companies on their efforts to create workplaces where sexual minorities, including LGBTQIA individuals, can work authentically. It is administered by the voluntary organization "work with Pride." Companies are evaluated in various categories and awarded Gold, Silver, or Bronze based on their scores. ISF NET has been recognized for its thorough management of personal information and efforts to create a conducive environment for all employees, leading to the highest award, "Gold," for three consecutive years.

# work with Pride



# Three Consecutive Years as Top Performer in D&I Award

The D&I Award recognizes companies committed to Diversity & Inclusion, hosted by Job Rainbow Inc. This award focuses on various diversity elements such as LGBT, gender, disability, multicultural coexistence, and caregiving/childcare, evaluating national applicants on these criteria to certify them as Beginner, Standard, Advanced, or Best Workplace. ISF NET's continuous efforts in personal information management and creating an accommodating environment have been recognized, leading to its third consecutive certification as "Best Workplace."



### **Establishment of Various Contacts**

### **LGBTQIA Consultation Service**

We offer consultations on work-related issues, troubles, and inquiries about systems concerning LGBTQIA and SOGI. Not only LGBTQIA individuals but also their colleagues can make inquiries, aiming to create an environment where no one has to suffer alone.

For specialized matters, we seek advice from external experts and ensure that all consultations are conducted with the individual's consent and anonymity.

### **Example Inquiries:**

Health examinations, facility usage, use of working names, and marriage leave application procedures.

### **Care Consultation Service**

We receive inquiries about work-related issues and system-related questions from caregivers and their colleagues. All responses are handled with the individual's consent and anonymity, managed by the DEI Promotion Division's supervisory staff at ISF NET.





# Efforts Toward Gender Equality

# **Aiming for 100% Paternity Leave Utilization**

In June 2021, the Childcare and Nursing Care Leave Act was revised. In response to this legislative amendment, ISF NET has established a three-year plan aiming to achieve 100% paternity leave utilization by 2025. By setting this goal, we aim to ensure that all employees value life events such as childbirth and strive for a balance between work and childcare.

2022	Building a foundation for understanding systems
2023	All employees correctly understand the system
2024	The system is understood and the target person is correct.Development of an environment in which the system can be used
2025	Achieved 100% use of child-care leave

### Past Achievements

ISF NET has been dedicated to allowing employees to choose diverse working styles and to ensure that both their work and non-work lives, including childcare, caregiving, and hobbies, are fulfilling. In addition to childcare leave, we have developed various leave policies such as paid childcare leave, spouse's maternity leave, child care leave, and leave for children's events, and we have focused on creating a supportive environment through initiatives like "Papa Director Interviews." As a result, the rate of paternity leave utilization has increased annually, surpassing 90% in 2021, with nearly 100% of these employees returning to work. We continue to refine our support systems and policies to achieve a 100% paternity leave utilization rate by 2025.

### Number and rate of employees taking child-care leave

	2019	2020	2021	2022	2023
Female	11	19	16	16	14
	(100%)	(100%)	(100%)	(100%)	(100%)
Male	17	27	20	26	27
	(73.9%)	(79.4%)	(90.9%)	(74.3%)	(69.2%)

### Return rate of employees who took childcare leave

	2019	2020	2021	2022	2023
Female	92%	92%	93%	86.7%	94.4%
Male	100%	100%	100%	100%	100%

### **Key Initiatives**

### "100% Paternity Leave" Declaration

ISF NET has endorsed the "100% Paternity Leave declaration". We have implemented various systems such as reduced working hours and remote working to ensure that employees can work comfortably while caring for children. We are particularly focused on making it easier for male employees who wish to take childcare leave to utilize these systems.

▼ ISF NET's "100% Paternity Leave Declaration" Page https://work-life-b.co.jp/mens\_ikukyu\_100/#list146

### Create a leaflet for the Chief Executive Interview

To facilitate the uptake of paternity leave among male employees, we have compiled the real voices of executives like Hamada, who have taken leave. These have been published on our website to reassure employees about taking childcare leave.



Scan QR code





### Parenting FAQ Site

Each year, new parents face the challenge of balancing childcare with their careers. To alleviate their concerns, we have launched a "Parenting FAQ Site" where experienced parents share useful tips and insights, providing an opportunity for new parents to access childcare information they may not have known before.

### **Paternity Leave Workshops**

In January 2022, we hosted the "Men's Paternity Leave Promotion Course" online, organized by Hiroshima Prefecture for all employees nationwide. The course included group work and introduced laws, systems, and model cases related to paternity leave, emphasizing the substantial benefits of taking paternity leave for the individual, the company, and the family.

### **Introduction of "Income Protection Benefits** during Childcare Leave"

To promote the uptake of childcare leave, we introduced "Income Protection Benefits during Childcare Leave." This scheme provides benefits from our "Smile Mutual Aid Association" to members who have been with the company for over a year (conditions apply).

### **▶** Support for Childcare

Since 2022, ISF NET has been participating in the "Children Smile Movement," a campaign aimed at cherishing children across society. We have introduced systems beyond legal requirements to support employees with family responsibilities, such as the "Child Nursing Leave System," which allows up to five days of paid leave per year for nursing a child up to elementary school age who is injured or ill. Additionally, employees raising children up to 18 years old can take up to two days of "Child Event Leave" per year, creating an environment where employees can cherish time with their children.

### What is the Children's Smile Movement?

This is an initiative to develop a variety of actions from a child's perspective that create a sense of value for children throughout the entire society and lead to a smile of children. A wide range of entities, including Tokyo and other companies, organizations, cities, and schools, collaborate to develop strategic movements.



https://kodomo-smile.metro.tokyo.lg.jp/kids/about.html

# **Promoting Women's Participation**

### Support and Reintegration During and After Maternity Leave

The Strategic Human Resources Consulting Department provides support from the beginning of a child's birth and child-care leave to the time of returning to work and after returning to work. We have created an environment in which employees can safely leave work or return to work, such as interviews before and after leaves of work or sharing company information during leaves of work, so that they can continue to work while experiencing major life events, such as preemption, birth, and child-rearing.

### System Revisions

From January 2023, ISF NET changed the name of the menstruation leave allowance to "F Leave," and aligned the child nursing leave policy with the caregiving leave

regulations to allow hourly leave.

# ► Introduction of Women Executive **Mentor System**

In this system, female executives act as mentors to newly appointed female managers, helping them address concerns about continuing employment and developing their careers, ensuring they can work confidently in managerial positions.

### Initiatives for Fertility Treatment

We disseminated a corporate top message on balancing fertility treatments and work, and appointed a support coordinator for balancing these aspects. The increasing number of couples undergoing fertility treatments indicates a rising trend of balancing

# **President's Message**

ISF NET has expanded various leave systems related to childcare and family care, and we have been working on creating a work environment that makes it easy to balance work with personal circumstances. As part of these efforts, I am now sharing a message from the top management to express our commitment to further improving the system to make it easier for those concerned to use it, ensuring support for balancing fertility treatments and work.

Many individuals prefer not to disclose their fertility treatments openly at the workplace. To all our employees, I ask for your consideration to protect the privacy of those undergoing treatments. Furthermore, to prevent any

harassment related to balancing fertility treatments and work, we expect understanding and warm support from supervisors and colleagues who are aware that their peers are undergoing such treatments while working.

### Appointment of Support Coordinator

Following this message from the top management, We appointed a dedicated coordinator to respond to consultations from employees undergoing fertility treatments about balancing these treatments with work. ISF NET will continue to strive to maintain a supportive work environment for all employees.

# **Obtained the Platinum Kurumin Plus certification**

Foundation to support sustained growth

ISF NET was awarded the Platinum Kurumin certification in 2018, and this time, as a company that meets the criteria of the Platinum Kurumin Plus certification by aligning with the standards for fertility treatment leave and efforts to promote understanding, we have successfully obtained the Platinum Kurumin Plus certification. Under the Act on Measures for the Support of Development of the Next Generation, companies that formulate an action plan as general business operators can be certified as "Childcare Support Companies" by the Minister of Health, Labour and Welfare if they achieve the objectives set in the plan and meet certain standards.

Furthermore, the "Platinum Kurumin" certification is a special certification given to companies that have already received the Kurumin certification and have made advanced efforts in implementing and utilizing support systems for balancing work and child-rearing, recognizing them as exemplary "Childcare Support Companies".



# Certified as a company that promotes the use of female employees in Nagoya City

ISF NET has recently been re-certified as a company promoting women's active participation under the "Nagoya City Women's Empowerment Promotion Company Certification & Awards System" for the fiscal year 2022, sponsored by Nagoya City.

ISF NET has focused on "work-life balance" across the company, and the various measures implemented were recognized by Nagoya City, leading to this re-certification.

### **Contents of renewal certification**

This certification recognizes companies that are actively engaged in initiatives to enable women to thrive and awards those with particularly outstanding efforts. Our company was previously certified in the fiscal years 2011, 2014, and 2018, and we have now been re-certified this year. The evaluation criteria include the presence of relevant initiatives in the following areas of the company.

- Change in awareness
- Work-Life Balance Promotion
- Promoting the Active Participation of Women

# **General Employer Action Plan Based on the Act on Promotion** of Women's Participation and Advancement in the Workplace

The action plan is developed based on the understanding of the current state of women's participation within the company and aims to address challenges by setting specific plan periods, goals, and implementation measures in accordance with the actual conditions of the company. The initiatives include promoting women's active participation in professional life and establishing diverse working conditions for all employees.

### **ISF NET's Action Plan**

Action Plan Period: June 1, 2021 - March 31, 2024

Goal 1

To increase the proportion of women in management positions to at least 20% by 2023, thus improving the ratio of female managers.

Expansion and promotion of system use that is not affected by life events.

To strengthen support systems for diverse working styles and aim for gender equality in hiring, setting a target to achieve a 40% hiring rate of female graduates by 2023.

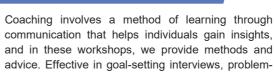


# Activities to Pass on to the **Next Generation Within the Company**

# **Introduction of Coaching Training**

At ISF NET, one of our 10 Visions clearly states our goal to become a "zero human relations troubles company." To achieve this, we share the ISC (ISF NET's Standard Concept), humanity, and visions. In 2022, we launched the DSP (Design Story Project) based on ISC, aiming to cultivate a more altruistic and proactive corporate culture. To continue this ISC and DSP and ensure that all employees are aligned with the same future, fostering a comfortable work environment and contributing to society, we have decided to implement coaching training.

### **Coaching Workshops**



solving, and customer listening, we have been holding these sessions for executives and managers since 2022 and continued through 2023

As future initiatives, we plan to promote coaching workshops for all employees and establish a certification for coaches within the company. By developing internal coaches, we aim to create an environment where employees can work more securely and achieve a society where everyone can work in their own way.

# **Introduction of DEI Training**

Valuing employees' career growth and workplace diversity, we have introduced DEI (Diversity, Equity, Inclusion) training. Unlike outsourcing to external trainers, ISF NET's DEI training is conducted by senior employees who take on the role of trainers themselves. DEI training is conducted by senior employees with knowledge and experience in DEI and those who have personal relevance, enhancing the credibility of the training and strengthening our organizational culture.

Moreover, by having senior employees who exhibit leadership act as trainers, the importance of DEI is emphasized, promoting employee growth and mutual understanding. The introduction of DEI training aims to build a more inclusive workplace culture as part of our reskilling education.

### **DEI Training**



DEI training focuses on diversity, equity, and inclusion, aiming for employees with diverse backgrounds to respect each other, grow together, and collaborate effectively. The training covers the following areas:

- ISF NET's efforts to promote DEI
- LGBTQIA training
- Awareness and Strategies for Addressing **Unconscious Bias**
- Recognition and handling of microaggressions

# Participation in the Ehime ICT Seminar

We participated in the "Ehime ICT Trend Seminar" held from July 20 to July 21, 2023. During this seminar, we introduced ISF NET's core business in the HR sector, our ESG initiatives, collaboration with CompTIA in academia-industry cooperation, methods of regional revitalization, and our recruitment efforts in local areas. We provided valuable insights that could serve as business tips for the participants.



# **Lecture at Daito Bunka University**

Mr. Watanabe, our company representative, gave a lecture at Daito Bunka University in the "Companies and Entrepreneurs" course offered by the business department. The theme of the lecture was "Messages to Young People Entering Society." Mr. Watanabe shared the philosophy and vision of ISF NET from a unique managerial perspective, addressing students who are about to start their job-hunting activities. At the end of the lecture, there was a question-and-answer session, and discussion about recruitment opportunities. After the event, many students approached Mr. Watanabe and our recruitment team to learn more.

Mr. Watanabe passionately told the students that a major factor in choosing a company should be how



# **Career Lecture at the Special Support School Affiliated with** the Faculty of Education, Saga University

On June 6, 2023, Kei Ota, Director at ISF NET Joy, and Yoshiyuki Nishikawa, Deputy Head of the FD Business Division, gave a career lecture at the Special Support School affiliated with the Faculty of Education at Saga

The lecture was realized in response to numerous inquiries about career paths from the parents at the school. They discussed post-graduation preparations and life, drawing on ISF NET Joy's experience to introduce the realities of employment for people with disabilities, including the nature of their work and activities

much it values its employees. He mentioned, "A common cause of resignation is 'human relations.' Fresh graduates transition from a university environment, where they can choose their classes and peers, to a societal environment where such choices are not always possible. This gap often leads to resignation." This resonated strongly with the students. Even for those with some work experience, internal harassment and discrimination can pose significant problems if not addressed. Mr. Watanabe emphasized the importance of choosing companies that do not shy away from these issues but strive to solve them and protect their employees.



# **Collaboration with Nagova Gakuin University**

On June 9, 2023, we participated in a discussion on DEI promotion held during a seminar by Associate Professor Yukihito Enokizawa at the Faculty of Contemporary Social Studies, Nagoya Gakuin University.

Mr. Takeshi Ichikawa, our DEI Promotion Advisor, and Mr. Yosuke Kunikoshi, Deputy Head of the Solutions Division, introduced ISF NET's initiatives for promoting DEI, including our diverse employment practices. The discussion focused on how students and companies can collaborate to advance DEI initiatives



# **Diverse Ways of Working**

# Introduction of the "ADDress" Housing Subscription Service

Starting in 2023, we have introduced a new employee benefit: the "ADDress" housing subscription service.

### What ADDress?



ADDress is a subscription service that provides residences utilizing vacant houses across Japan, allowing users to stay anywhere.

Users can choose from over 270 properties nationwide, selecting homes that suit their lifestyle, whether in urban centers or rural areas. Each home is equipped with Wi-Fi, and most rooms include a desk and chair, enabling work during stays.

### Background of the Introduction

As part of our initiative to increase the flexibility of our employees' work styles, we began a trial of ADDress for a select group of employees in February 2023.

During the trial period, our executives also participated, utilizing the service for remote work outside of the home and refreshment during workations. After the trial period, we formally introduced ADDress in April.

By incorporating ADDress as a new employee benefit, we aim to enhance our employees' work-life balance and satisfaction.

# **Launch of IT Engineer Diaries**

In 2023, we launched a new Instagram account titled "IT Engineer Diaries." This account offers a unique glimpse into the daily lives of IT engineers at ISF NET, presented through manga illustrations.

The episodes feature stories from the utopia of IT infrastructure engineers, along with experiences of employees balancing parenting duties, those searching for their place within the company, and those who have achieved their ideal way of working, all based on real-life experiences.

The field of IT engineering is unique and comes with its own set of challenges, often causing mental and

physical stress regardless of the work environment. At ISF NET, we strive to create an ideal haven for IT infrastructure engineers, where employees can work in ways that excite and fulfill them, truly embodying the essence of working in one's "element." The manga available on this account provides insights into how engineers work under ISF NET's initiatives.

Moving forward, this account will continue to gather and transform the voices of our employees into episodic manga, regularly updating and sharing these stories to illustrate the diverse and dynamic working lives of our engineers.

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**ISF NET REPORT 2023** 

健康経営優良法人

# Foundation to support sustained growth



# **Initiatives for Health Management**

# **Basic Policy on Health Management**

Based on the "ISF NET Standard Concept," which advocates for Seven Zeros, we strive to create an attractive workplace environment both physically and mentally.

# Health management concept

Under the slogan "Pursuing Health," ISF NET GROUP is committed to promoting health among all employees. In July 2021, we announced a Health Creation Declaration to further strengthen these efforts.

# **ISF NET Health Creation Corporate Declaration**

Under the slogan "Pursuing Health," ISF NET is dedicated to daily health creation efforts. We aim to maintain a work environment where each employee can work enthusiastically and healthily, and to create employment opportunities that everyone, regardless of their diverse personalities, can feel secure about.

### **Initiatives for Lifestyle-related Diseases**

Establishment of an in-house environment in which employees can work on their own health.

### **Initiatives for Sleep and Rest**

Together with occupational physicians and internal committees, we are strengthening mental health measures, correcting long working hours, and enhancing stress management strategies.

### **Initiatives for Stop Smoking**

Smoking during work hours is prohibited, and strict adherence to considerate smoking rules is enforced.

### ► In support of the Smart Life Project

We support the Ministry of Health, Labour and Welfare's Smart Life Project and carry out awareness activities for smoking cessation as part of our health management efforts.

### **Initiatives for Health Management Promotion**

Since 2021, a Safety and Health Committee has been established to ensure the penetration of the philosophy and related measures.

In particular, we are focused on enhancing employee safety and health and have established "Seven Zeros" in ISC as items that need to be eliminated within the company to promote health management.

### The Seven Zeros in ISC

- 1. Harassment
- 5. Internal faction
- 2. Bullying
- 6. Unreasonable
- 3. Discrimination and
- instructions
- prejudice
- Inequality
- Overwork

# **Smart Life Project**

This is a project by the Ministry of Health, Labour and Welfare that supports the creation of health for the citizens of Japan. It aims to create a healthier Japan by providing useful health information and focusing on four pillars: diet, exercise, health checkups, and smoking cessation. Additionally, May 31 has been designated as "World No Tobacco Day" by the WHO, and the Ministry of Health, Labour and Welfare designates May 31 to June 6 as "No Smoking Week." During this period, the Smart Life Project provides special web content on smoking cessation.

### **Key Initiatives**

### **Health Surveys for Remote Workers**

- · Share the survey results and corresponding actions with all employees through videos.
- · Implement consultations with occupational physicians based on the survey results, facilitated by the hygiene committee.

### Safety and Health Education

Compile and disseminate guidelines on Visual Display Terminal (VDT) work to all employees. VDT work involves using computer screens, keyboards, mice, or touchscreens as information terminals

### Disaster Preparedness Measures

- · Distribute training videos on the use of fire extinguishers to all employees.
- · Make the locations and usage instructions of Automated External Defibrillators (AEDs) visible and accessible in all facilities.

### End-of-Year Safety Campaign

- · Promote thorough implementation of the 5S methodology during the year-end cleaning activities.
- · Use workplace checklists to identify and mitigate risks, and carry out improvement activities.

# **Health Management Promotion System**

To improve the health literacy of each employee, the Safety and Health Committee takes the lead in integrating strategies for "health promotion" to establish healthy habits. "health management" to facilitate early detection and treatment, and "confidence and risk response" to create an environment where treatment and work can coexist, continuously advancing health management.



# Certified as "Excellent Health **Management Corporation 2023**"

ISF NET, under the slogan of "Pursuing Health," has established an environment where each employee can work with excitement and good health in body and mind. Furthermore, by addressing daily health creation, we aim to provide employment where people of diverse personalities can work with confidence. As a result, we were certified as an "Excellent Health Management Corporation 2023." We regard this certification as a new start for our company and will continue to pursue further health enhancement for our employees.

(https://www.meti.go.jp/policy/mono info\_service/healthcare/kenkoukeiei\_ yuryouhouzin.html)

# **Acquisition of "Silver Certification**" for Health **Excellent Company**

A Health Company Declaration is a declaration to engage in health creation across the company with the goal of obtaining "Silver Certification" or "Gold Certification" as a Health Excellent Company. In "STEP1," which prepares an environment for workplace health creation, a commitment to "100% health screening participation" is declared, along with (1) utilization of health screening results, (2) establishment of a health creation environment, (3) nutrition, (4) exercise, (5) smoking cessation, and (6) mental health. Going a step further, "STEP2" includes tackling (1) health screenings and prevention of serious illnesses, (2) health management and safety activities, (3) mental health measures, (4) prevention of overwork, (5) infectious disease prevention measures, and (6) health management.

Our company will continue to create an environment where employees can remain healthy in both mind and body, and as the next step, we will aim to obtain "Gold Certification" as a Health Excellent Company, continuing to work towards further health enhancement



# **Key Initiatives**

### Mental Health Care:

We have established and strengthened a system for mental health measures based on the "Guidelines for Maintaining and Promoting the Mental Health of Workers" issued by the Ministry of Health, Labour and Welfare. Particularly through regular hearings, we timely and accurately understand the working conditions of employees.

### Stress Check:

This is a simple test where employees answer a questionnaire (multiple choice) about stress to analyze workplace stressors, physiological and psychological stress responses, and support from colleagues. The goal is to prevent mental health issues before they arise and to create a better workplace environment.

### Health Consultations with Industrial **Physicians:**

Our company employs industrial physicians to manage employee health. Employees can consult monthly about health concerns or issues they are facing, such as feeling unwell, feeling down, or experiencing fatigue and stress from working from home.

### Return-to-Work Support Program:

For employees returning from leave due to health issues, we design and support individual returnto-work programs and continue to support them until full recovery based on a tailored return-towork program that suits each employee's situation.

### Establishment of the Safety and **Health Committee:**

Since 2021, we have set up the "Safety and Health Committee" and "Healthcare Committee" (integrated from August of the same year) to regularly discuss and address issues related to the workplace environment of employees. We also actively conduct awareness activities related to employee health, such as smoking and metabolic syndrome prevention.

### Implementation of Gynecological **Exams in Regular:**

We provide guidance on gynecological health screenings during regular health check-ups for eligible individuals. As many gynecological diseases have few or no symptoms, regular screenings are recommended to avoid health risks due to delayed treatment and for early detection.



# **G**: Practice of Transparent Governance



# **Governance Structure**

### **Internal Controls**

A President's Office directly under the CEO has been established to regularly audit the execution of operations and compliance status of each department, report the evaluations to the CEO, and monitor the improvement and progress of business processes. This setup provides a reasonable assurance for achieving objectives such as compliance with relevant laws and regulations, effectiveness and efficiency of operations, reliability of financial reporting, and preservation of assets.

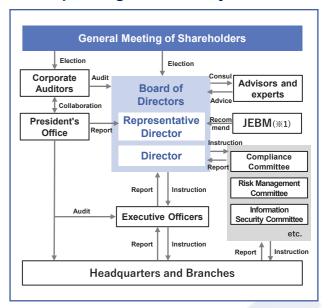
### Features of the Governance Structure

- 1. Since 2021, a committee system has been introduced, with the Risk Management Committee reporting risk management issues to the Board of Directors monthly.
- 1. Proposals on governance and management challenges from JEBM (Junior Executive Board Member) to the Board of Directors.
- 1. Since 2023, a President's Office has been established, which audits each department and executive officer in collaboration with the auditors, and reports to the CEO.

### President's Office:

Aiming for risk prevention and business process efficiency, the office participates in subcommittees of the internal audit association and conducts internal audits while establishing and clarifying the foundations of internal auditing.

### Corporate governance system chart



# **Compliance Initiatives**

# ► Establishment of the ISF NET GROUP **Corporate Ethics Charter and Code of** Conduct

We have established the "ISF NET GROUP Corporate Ethics Charter" and declares adherence to laws and social norms through the cultivation of ethically minded personnel under well-controlled business operations. Additionally, the group has instituted the "ISF NET GROUP Code of Conduct," recognizing that building positive human relationships is paramount as a prerequisite for conducting work.

As a fundamental guideline for all employees, the ISC (ISF NET Standard Concept) is upheld, focusing on core ethical and moral principles and the importance of compliance.

### Establishment of the Compliance Committee

The Compliance Committee holds monthly regular meetings. Members appointed from various departments report their concerns at these meetings, discuss improvements, and continuously implement measures for improvement

### ► ISF NET GROUP Human Rights Policy and **Anti-Bribery and Corruption Prevention** Guidelines

We have established the "ISF NET GROUP Corporate Ethics Charter" and the "ISF NET GROUP Code of Conduct" as part of its commitment to fostering an ethical workforce and ensuring compliance with laws and social norms under a system of robust internal controls. This includes promoting healthy interpersonal relationships as a fundamental part of our work culture.

### ► Internal Controls

The company has instituted a President's Office directly under the CEO to regularly audit operational execution and compliance across departments.

The findings are reported to the CEO, and necessary adjustments to business processes and their progress are monitored.

This ensures compliance with applicable laws and regulations while also ensuring operational effectiveness, efficiency, financial reporting reliability, and asset protection.

### ► Internal Whistleblowing System

An internal whistleblowing system has been established as part of our risk management and internal improvement initiatives aimed at ensuring fair and healthy corporate activities and employee safety. The system, which aligns with the Whistleblower Protection Act, allows employees to report any acts of fraud, harassment, or human rights violations. Employees who

report are protected from any unfair treatment or retaliation under the law and internal regulations.

Issues raised through this system are addressed through top-down directives to ensure resolution. The company has also partnered with external law firms to establish an external reporting mechanism for internal whistleblowing.

### ► External Reporting System

As part of our compliance enhancement efforts, a system has been set up to receive reports from external parties, such as business partners. This system is designed to quickly and effectively detect signs of bribery, corruption, human rights violations, and other compliance-related issues.

### ▶ Compliance Training

All employees are encouraged to act in accordance with ISF NET GROUP's management philosophy and principles and to comply with corporate-wide ethical initiatives. This includes policies and procedures to ensure that directives from the CEO are properly executed and necessary information is communicated appropriately within the organization.

The company continuously works to ensure that ethical decision-making and behavior based on these principles are practiced by all employees.

# ► Review of Harassment Prevention **Policy**

The harassment prevention policy established within the company was revised on May 1, 2023, to align with current operational needs.



# **ISF NET GROUP Human Rights Policy**

# The company supports the MOJ "My Jinken Declaration" initiative

This time, we supported the activities of My Jinken Declaration, which is operated by the Human Rights Protection Bureau of the Ministry of Justice and posted it on a special website.

### What is "My Jinken (Human Rights) Declaration

It is a campaign where companies, organizations, and individuals pledge to act in a manner that respects human rights, aiming to foster a society where everyone mutually respects each other's rights.



# **Human Rights Policy**

持続可能な成長を支える基盤

### 1. Purpose

ISF NET GROUP supports and respects the protection of internationally declared human rights, prohibiting any discrimination in employment and occupation. Specifically, we are committed to creating a supportive environment and pursuing happiness for all individuals associated with ISF NET GROUP, based on our philosophy of supporting thirty major employments and a global response encompassing all nationalities and races

### 2. Scope of Policy

This policy applies to all officers and employees of ISF NET GROUP. We educate our officers and employees about the group's causes, philosophy, and principles, ensuring the protection of human rights and prohibiting any discrimination in employment and occupation. Additionally, we also seek to protect human rights among our stakeholders, including suppliers, and encourage improvements when events of suspected human rights violations are identified.

### 3. References, International Norms, and **Compliance with Applicable Laws**

- · Universal Declaration of Human Rights
- UN Guiding Principles on Business and Human
- OECD Guidelines for Multinational Enterprises

### 4. To Our Stakeholders

With 'Contribution to a Global Society' as our fundamental principle, ISF NET GROUP continues to contribute to a diverse society along with our stakeholders. We request your understanding and support of our human rights efforts and the principles of this policy. Should any human rights violations be suspected among our stakeholders, we urge them to seek improvements as well.

# 5. Improvement and Human Rights Due Diligence

ISF NET GROUP has established various consultation desks. When our officers identify events of suspected human rights violations, reports are promptly made to these desks. We also have mechanisms in place for consultation with external experts, such as attorneys. These resources are utilized to assess and evaluate the impact of our corporate activities on human rights.

When events of potential human rights violations are detected, we will implement appropriate measures. The effectiveness of these measures will be monitored, verified, and disclosed.

### 6. Communication, Dialogue, and Consultation

ISF NET GROUP commits to engaging in dialogue and consultation with stakeholders to address any human rights concerns and strives to protect human rights. Additionally, the group regularly consults with trusted independent experts.

### 7. Specific Human Rights Issues

(1) Prohibition of Discrimination:

ISF NET GROUP does not discriminate against workers in employment or occupation based on race, skin color, gender, religion, political opinion, national or social origin, or any other status.

### (2) Respect for Diversity:

Based on the philosophy of the thirty major employments, ISF NET GROUP respects diversity, including physical disabilities and sexual orientation, and strives to provide a suitable working environment. Furthermore, the group will not impose on workers machinery, equipment, working hours, work organization, or processes that do not match their physical and mental capabilities.

(3) Prohibition of Child Labor and Forced Labor: ISF NET GROUP prohibits child labor and forced labor

and promotes the provision of safe working environments, the assurance of minimum wages, and the improvement of working hours management.

### 8.ISF NET GROUP's Vision

ISF NET GROUP aims to maximize the creation of joy and the reduction of anxieties among employees through the group's actions. To this end, we have developed "10 Visions," with the first vision targeting the elimination of:

(1)Harassment (2) Bullying (3) Discrimination and prejudice (4) Overwork (5) In-house faction (6) Improper instructions (7) Inequality

All these are aimed to be reduced to zero

Through these "Seven Zeros," the group aims to become a "Zero Human Relations Trouble Company," ensuring no human rights violations related to these issues



# **B** Response to Cybersecurity Risk

To mitigate information security risks, ISF NET GROUP has established an Information Security Policy. Based on this policy, we have constructed a security framework (ISMS promotion system) and are operating an Information Security Management System (ISMS). By implementing the PDCA cycle within the ISMS, we address daily issues through a unified company-wide response.

### **Basic Information Security Policy**

ISF NET GROUP regards maintaining and ensuring the quality of services provided to customers, as well as appropriately protecting the information assets of customers and the group, as a social responsibility and a critical corporate policy. Based on the policies of "cultivating ethically minded individuals," "defining service quality standards and providing high-quality, high-value services," and "preserving our and our customers' information assets," we ensure the confidentiality, integrity, and availability of these information assets. All group employees adhere to, maintain, and improve upon these Information Security Policy standards.

# **Security System** (ISMS Promotion System)

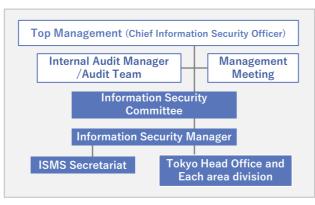
An Information Security Committee has been established to review security standards and requirements and evaluate the implemented measures, based on the Information Security Policy. This committee operates and implements information security measures under the guidance of the Information Security Manager.

# **Emergency Procedures**

In the event of an information security incident, the department head will contact the Information Security Committee. Depending on the impact, an "Emergency Response Headquarters" is established, and the "Response Headquarters Chief" convenes members from relevant departments to investigate causes and consider measures to prevent recurrence and inform relevant departments and conduct necessary training.

# **Education & Training**

The following security training is conducted:



- New employee training
- Targeted email training
- Incident education (hosted by Security LAB)
- Online periodic tests (ISMS/PMS/QMS)

Future plans include ISMS training for new managers to further improve quality.

# **Vulnerability Response** (Security Measures)

Endpoint Detection and Response (EDR) systems are installed as a malware countermeasure, and notifications are sent to promptly apply patches when they are released for the operating system.

- Collect vulnerability information and collect security events in routine daily work to understand
- Periodic patching of servers
- Notify application request to job PC

# **Future activities**

Recently, the shift to remote work has made it challenging to ensure security at employees' workplaces. This change has normalized PC portability, web meetings, and file sharing over the internet. Our current measures are merely provisional, and there is a need to create a more secure environment to accommodate changes in work styles. We also recognize the necessity for an organization capable of detecting and analyzing security threats for appropriate and swift responses in the event of a security incident.



# Human Resource Development Initiatives

### **Basic Training**

### IT skills-training programs

**How-To Network Engineer Training** Linux Basic /windows Basic Operations **Comprehensive IT Skills Testing/Security Basics** 

### **Business skill training**

Communication training/Business manner training/DEI training Comprehensive business manner

### **Advanced Training**

**CCNA.LPIC1 Practice Class Windows Server OS Practice** 

> **Security courses** Public cloud training

♣ Training in the flow of construction work Help desk training

Leadership training

Project management training

XIn addition, there are many inhouse training programs

### e-Learning (LMS)

IT skills-training programs Cloud service/Network foundation

**Business skills training** Sales/Marketing/ Management/English

**XWith a wealth of other content** They are available.

# **Education and Training System**

ISF NET's education and training system consists of three main programs: basic training, advanced training, and e-learning (LMS\*). The "IT Skills Training" in the basic training program allows infrastructure engineers to acquire foundational skills. For those new to IT technology, including career changers and new graduates, a one-month training program is conducted. From there, individuals progress to advanced training tailored to their career paths. ISF NET's unique elearning platform (LMS) offers over 70 categories and more than 500 pieces of content, allowing employees to learn necessary content anytime, anywhere via a company-provided iPhone.

In addition to technical skills, significant emphasis is also placed on "Business Skills Training" in the basic training. Engaging actively in tasks and possessing human skills are crucial for gaining acceptance from clients. Therefore, the acquisition of proper business manners to more effectively convey one's motivation and passion is promoted.

# **Skill Enhancement Support**

Beyond the training programs, ISF NET actively supports self-improvement for employee skill development and enhancement. For example, online study sessions are conducted during lunch breaks and after work, led by high-quality instructors who also serve as external speakers. Virtual instructors (VTubers) also host "internal seminars." Additionally, to foster diversity awareness among employees, seminars such as parenting support and promoting understanding of LGBTQIA are conducted. These initiatives aim to create a corporate culture where diverse individuals support each other with a sense of personal engagement.

### Training results (Number of participants)

Description	2023[person]
IT skills-training programs	2945
Human skill training	425
New recruits	376
Manager training	285
Online study sessions/internal seminars	937
LGBTQIA promotion seminars	395

39

# Foundation to support sustained growth

# **Support for Acquisition of Qualifications**

ISF NET sets appropriate qualification levels for each job category and rank, and offers a system to pay the exam fee when the qualification is acquired. XLimited to qualifications stipulated by the Company.

In addition, the Company has prepared a "Qualification Acquisition Reward System" to provide incentives for employees to acquire higher-level qualifications specified by the Company. \*Such as Network specialists, Registered Information Security Specialist, Labor and Social Security Attorney, etc.

It is also a feature of ISF NET that there are many vendor-certified technicians and holders of public certification in the system.

Category	2021	2022	2023
Business manner	675	623	591
Fundamental skills	523	518	525
Cloud	351	539	559
Network	1122	1362	1151
Server	1745	1872	1829
Security	320	381	258
Project management	669	618	571

### **About IT Career Paths**

We evaluate IT specialists, customer service, and IT service management on a level-grade basis for each type of job or field of expertise to provide comprehensive follow-up and career support based not only on employees' technical career paths but also on their target settings.

Skills-based data and work backgrounds based on ITSS are appropriately stored in databases and used to match job content suitable to employees' desires and career paths.

### Main Initiatives

### CDP system

### (Career Development Program)

This is an in-house recruitment system in which positions with insufficient departments and personnel, which are to be intensively strengthened according to the Company Policy, are disclosed within the Company, and opportunities are provided to enable employees to take on challenges in new missions after being selected. It is utilized for job rotations to activate the organization and develop multi-skills, as well as for opportunities for autonomous career development.

### Implementation of short-, medium-, and long-term goal interviews

During new employee training, goal-setting interviews are conducted wherein short-, medium-, and long-term goals are set through dialog with instructors, backward calculated from future goals and life designs. By receiving high-quality advice and follow-up from sales staff and management, concerns at the time of joining the company can be alleviated, allowing engineers to chart a clear career path.

### Education Reskilling

This training course is conducted with a focus on individual career advancement while working at the client company. In addition to "re-learning," we provide specific support for the realization of the career you are aiming for by awarding you an in-house certification (completion certificate) upon completion of the course.

### Collaboration with Other Companies for IT Talent Development

ISF NET engineers will serve as instructors in some of Trenocate's training programs, which have been selected as 'Top IT Training Companies,' awarded to the top 20 most outstanding IT training companies worldwide. The aim is to address the supply and demand gap for IT talent through talent development initiatives. Positioned as a 'human resource development company' in the IT infrastructure sector, ISF NET leverages over 20 years of expertise in nurturing IT infrastructure engineers to offer training in IT infrastructure and security, among other areas. Additionally, through collaboration with Trenocate, professionals in the field of human resource development, we aim to enhance the skills of ISF NET employees who serve as instructors.



# **Activities of the Internal Committees**

Internal committees are formed to resolve issues within the company and strengthen management strategies. The committees are integrated or newly established in line with the company's situation. As of December 2023, 22 committees are active. Each committee is working to improve the company's challenges and realize its vision. Regardless of the department to which the committee belongs, the participation of employees from multiple departments facilitates collaboration between departments. In the future, we also aim to serve as a platform for the development of younger members by selecting young members as committee chairs.

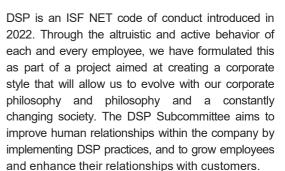
### Two New Committees Established

### **Comments from the Evangelist Vision Committee**

In the past, ISF NET has proposed concrete measures to realize engineers' utopia and to add value to all employees based on our 10 Visions as an evangelist vision.

We promoted the implementation of this Evangelist Vision and established the Evangelist Vision Committee with the aim of making employees more active and growing the company.

### **DSP Committee Comments**



### **Initiatives of the DSP Committee**

As part of our efforts to disseminate DSP, we regularly produce and distribute videos of the following two productions and DSP case examples.

### ► Creating the ISF NET BOOK

In preparation for the company's 25th anniversary in 2025, we created a new ISF NET BOOK.

The ISF NET BOOK incorporates the company's history and the beliefs that are important to all group employees. It is distributed to all employees as both a physical booklet and a digital version on the company intranet.



### ► Production of DSP Movies

In order to promote understanding of DSP introduced in 2022 and to increase awareness, we produced a video and officially released it in January.

The video explains what DSP is and the six codes of conduct. The goal is to communicate to all employees what actions are required to realize ISC and to grow throughout the company.



### **List of Committee**

### Governance and Risk Management Committee

With the aim of establishing an optimal risk management environment, we are working to present to the Board of Directors an overview of the company's management risks from a future perspective.

### Labor Safety and Health Committee

We are promoting activities to improve employee satisfaction (ES) with the aim of creating a safe and secure working environment.

### Compliance Committee

We are working to build and promote a compliancerelated system

### Information Security Committee

The aim is to contribute to management by effectively utilizing information assets in management activities. To achieve this goal, we will show a code of conduct concerning information security to ensure a high level of information security.

### Quality Control Committee

ISF NET's activities are aimed at quality control and improvement of services.

### Disclosure Committee

The aim is to increase corporate value by disclosing information to stakeholders. Specifically, we will disclose information to stakeholders to increase brand value, raise employee satisfaction, and improve management capabilities.

### Personnel Planning Committee

In accordance with a fair personnel system, we are working to develop human resources over the long term by delineating and specifying the goals and careers of employees.

### DX Promotion Committee

In order to improve IT literacy of all divisions, we are working to promote the use of DX by employees.

### Disaster Countermeasures Committee

We are working to protect the life and assets of all employees in the event of a disaster, and to enable business continuity or early recovery.

### • Female Employee Active Promotion Committee

In order to create an environment in which lifestyle events can be viewed and played an active role, we have set targets for monitoring and promoting the activities of female employees.

### YEC Committee

We take into consideration the provision and promotion of training for the activities of younger employees.

### Mission Committee

With the aim of realizing "social contributions with skills acquired." we set targets for monitoring and promoting progress in social contribution activities, and promote CSR and contributions to society through a variety of activities.

### Award and Penalty Committee

The main activities are to fairly recognize employees and administer disciplinary actions in accordance with the Reward and Penalty Regulations.

### Solution Planning Committee

In order to promote new businesses and solutions that are effective for management, we gather input on the development of new solutions, select technologies, and check the development process.

### Communication Improvement Committee

We are implementing a variety of measures and initiatives to promote in-house communication.

### Knowledge Practical Committee

The aim is to resolve the company's difficult management issues by bringing together the knowledge and experience of each employee.

### Diver-In Employment Committee

This committee aims to realize Employment and ESG/SDGs that are important for those who find it difficult to work for a variety of reasons.

### DIOA · IRP Committee

This committee promotes company-wide DIOA and IRP. and the related systems, as well as the arrangements and deliberations of various types of workflow.

### Process Innovation Committee

To enhance company productivity and streamline and standardize in-house operations, we are reviewing our operations and aiming to improve the productivity of our operations.

### Evangelist Vision Committee

To realize the 10 Visions listed in the company, we support the measures raised every month.

### DSP Committee

We are considering and implementing measures with the aim of disseminating DSP code of conduct to meet the needs of the times and developing employees who are full of hostilities.

### Committee Management Committee

We are working to ensure that the committee functions through monthly reviews, schedule management, progress checks, and activity evaluations. In addition, we are aiming at determining evaluation indicators and activating the entire committee.

# **Topics**

### **Establishment of GLOBAL ISF PTE. LTD.**

On December 7, 2023, we established GLOBAL ISF PTE. LTD., a new company in Singapore, to accelerate business expansion in the Asian region. Through the establishment of this new company, we aim to actively recruit bilingual engineers and enhance our business partnerships in Asia. The ISF NET GROUP will transition from providing services solely through Japanese-centered IT infrastructure engineers to providing services through bilingual infrastructure engineers for the global market.

### ▶ Background

global-standard skills

Singapore is facing a severe shortage of IT talent, leading to high demand for IT services in the cloud, networking, and security sectors. Additionally, many Japanese companies have expressed concerns that the recruitment of bilingual IT infrastructure engineers proficient in both Japanese and English has been slow, leading to an increased workload for existing employees. Therefore, we decided to expand our IT human resource dispatch business model to Singapore. By leveraging Singapore's advanced IT standards, we aim to provide opportunities for outstanding IT infrastructure engineers

from Japan and Korea to develop global-standard skills,

not only locally but also. We also aim to provide

opportunities for future IT professionals to acquire

# Business Strategy in Singapore

### Implementation of a Human Resource **Introduction Project**

We will provide services that match the optimal human resources with the needs of our customers. Moreover, our new Singapore-based company collaborates with local engineers and those abroad who aspire to enhance their IT skills, aiming to offer the most suitable human resources for project success.

### Adoption of Bilingual Engineering

We will provide services that match the optimal human resources with the needs of our customers. Moreover, our new Singapore-based company collaborates with local engineers and those abroad who aspire to enhance their IT skills, aiming to offer the most suitable human resources for project success.

### Primarily in Singapore

We are aggressively developing our business in Asia and the global region, with a focus on Singapore. Specifically, we are seeking collaboration as new business partners with Japanese and Korean companies expanding in Asia. Through our expansion into the Asian market, we aim to achieve sustainable growth in collaboration with local communities.

### **ISF NET CEO Watanabe Commented**

In the future, we aim to establish mutually beneficial partnerships by providing the best service that meets the customer's needs, while respecting the cultures of various Asian countries, with a focus on Singapore. ISF NET will continue to strive for steady growth and innovation, aiming to enhance its presence on the international stage.



### **GLOBAL ISF MD Wakamoto Commented**

I am honored to assume the role of Managing Director of the new Singapore-based company. In this capacity, I deeply resonate with the company's mission and vision, and I am fully committed to realizing them.

In the multicultural environment of Singapore, I will promote sustainable development by fostering a deeper understanding of these cultures and forging strong partnerships with local communities.

As the Managing Director, I am prepared to embrace

new challenges. I am eager to realize our strategic vision for the future by being adaptable and contributing to the company's transformation. I look forward to collaborating with our customers and achieving success together.



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ISF NET, Inc.

# **Director Kazuma Hiraiwa**

Joined the Osaka Branch in 2003. Engaged in assignments for employees, primarily focusing on short-term projects and operational tasks at data centers, before transitioning to tasks such as server construction as an in-house engineer. Subsequently, served as the Branch Manager of the Osaka Branch and then as the Head of the West Japan Area Headquarters. From 2018, assumed the role of Executive Officer overseeing all nationwide branches. Concurrently held the position of General Manager of the East Japan Sales Division in 2020. Appointed as a director in 2023, assuming the current position.

# **Background to the Assignment**

Since its establishment in 2000, ISF NET has been at the forefront of prioritizing human qualities over technical skills in full-time employee recruitment and providing education to transform talent into human assets in the IT industry.

Currently, we are dedicated to introducing systems aimed at fostering a more conducive work environment for employees and enabling them to take on challenges. Our focus is on initiatives such as ISC (ISF NET Standard Concept), which aims to eliminate interpersonal issues, and DSP (Design Story Project), which is a practical application of this concept. Additionally, ISF NET has appointed a Chief Communication Officer (CCO) to facilitate seamless internal and external communication. The CCO is tasked with developing communication strategies aligned with organizational goals and providing team support to create a better environment.

# **Mission as CCO**

To facilitate smoother communication within and outside the organization, the CCO will bridge internal departments and divisions, addressing and resolving bottleneck issues to establish more effective communication channels. Furthermore, we will formulate and execute communication strategies tailored to the organizational vision and objectives. Moreover, we aim to cultivate strong relationships with ISF NET's stakeholders by engaging in regular communication.

### Vision as CCO

By addressing internal challenges and engaging with stakeholders, we aim to enhance organizational capacity, increase productivity, and contribute to overall business performance. We believe that the insights gained from these communication efforts will add value to each individual employee.

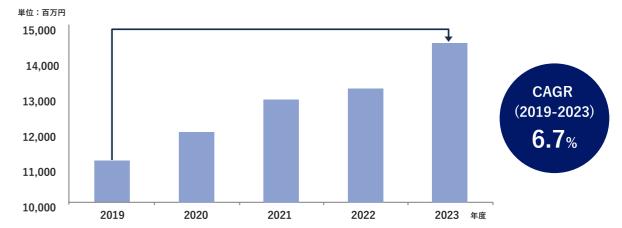
# SECTION 05 Data Section

# **Financial and Non-Financial**

### **Financial Performance**

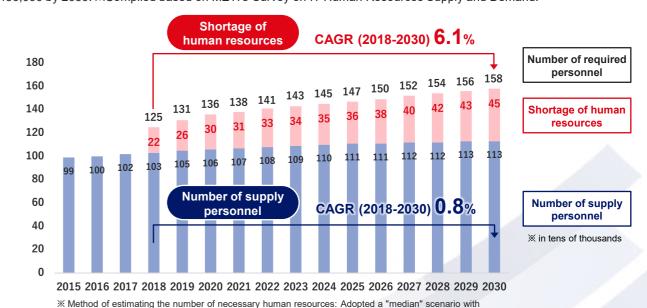
### **▶** Sales revenue

In fiscal 2023, total sales revenue, mainly for services related to IT networking and cloud computing, amounted to approximately ¥14.5 billion, representing an increase. The CAGR from fiscal 2019 to fiscal 2023 was 6.7%.



### Business Environment

The shortage of IT human resources is currently estimated at 330,000, and further demand is expected to reach 450,000 by 2030. \*\*Compiled based on METI's Survey on IT Human Resources Supply and Demand.



# growth in demand set at approximately 5-2%. Selected Non-Financial Data

N.				
Trend in Number of Employees	FY2020	FY2021	FY2022	FY2023
Number of Employees*1	2,315	2,335	2,447	2,496
Male	1,669	1,696	1,779	1,840
Fmale	646	639	668	656

# **Data Section**

ı	Employment	FY2020	FY2021	FY2022	FY2023
Ne	ew graduates	136	61	74	75
	Careers*2	214	181	304	293
Prop	ortion of career	61.1%	74.8%	80.4%	79,6%
	Diversity	FY2020	FY2021	FY2022	FY2023
Challenged employees		58.5	59	59	74
Rate of challenged employees		2.45%	2.49%	2.44%	2.92%
Female managers		28	39	47	66
Foreign employees		198	178	214	251
	Full-time	-	_	84.0%	88.1%
By gender Wage ratio	Non-regular	-	_	74.5%	69.9%
Hago rano	All	-	_	83.8%	88.0%
1/4					
Work-life balance		FY2020	FY2021	FY2022	FY2023
Average	e monthly overtime	7.0h/m	7.1h/m	7.3h/m	7.1h/m
Paid lea	ve acquisition rate	68.19%	74.77%	79.20%	81.14%
		70.440/	/	/	/

Work in a balance					
Average monthly overtime		7.0h/m	7.1h/m	7.3h/m	7.1h/m
Paid leave acquisition rate		68.19%	74.77%	79.20%	81.14%
Employee satisfaction*3		73.11%	70.63%	75.6%	75.50%
Childcar e Leave	Users	46 (M:27,F:19)	36 (M:20,F:16)	42 (M:26,F:16)	47 (M:33,F:14)
	Acquisition rate	89.7% (M:79.4%,F:100%)	95.5% (M:90.9%,F:100%)	87.1% (M:74.3%,F:100%)	92.3% (M:84.6%,F:100%)
	Recovery rate	96.0% (M:100%,F:92.0%)	96.5% (M:100%,F:93.0%)	93.3% (M:100%,F:86.7%)	97.3% (M:100%,F:94.4%)
Compatibil ity Support Leave*4	Sick/Injured Child Care Leave	58 (M:24,F:34)	37 (M:14,F:23)	78 (M:30,F:48)	110 (M:61,F:49)
	Event vacation	62 (M:39,F:23)	63 (M:31,F:32)	77 (M:33,F:44)	110 (M:60,F:50)
	Self-care leave	5 (M:0,F:5)	3 (M:0,F:3)	7 (M:2,F:5)	7 (M:2,F:5)
Users of taking maternity leave		21	14	15	16
Users of Family-Care Leave		2	0	1	5
User of shorter working hours		39	24	45	40

<sup>\*1</sup> Representation of gender: For the sake of convenience, the ratio of gender to gender is considered to be either gender. Figures are for year-end results.

- · Sick/injured child care leave (5 days per year with pay, 20 days without pay)
- · Children's event vacation: When a child participates in a school event up to the age of 18 (2 days a year are granted as paid)
- · Self-care leave: Outbound for infertility, gender-compatible operation, or hormonal treatment (granted on a paid basis for only one day per month)

Numbers in accordance with the calculation conditions in the Report on the Status of Employment of Persons with Disabilities.

# **Corporate Profile**

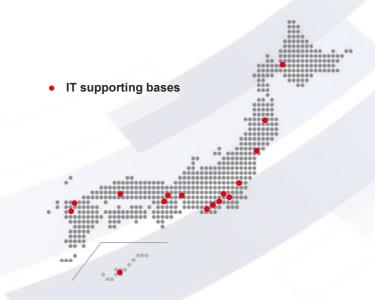
Name	ISF NET, Inc.	Description of Businesses		
Incorporation	January 12, 2000	Design, installation, maintenance and consultancy or		
Common stock	100million yen	information and telecommunications systems  2. Development, import and sale of computer software		
CEO	Yukiyoshi Watanabe (Representative of ISF NET GROUP)	<ul><li>and hardware</li><li>Commissioned operation, management, and</li></ul>		
Officer	Director Seiki Motomura Director Kazuma Hiraiwa Executive Officer Masatoshi Hamada Executive Officer Hiroshi Sugita	<ul> <li>maintenance of computer systems</li> <li>4. Computer software, hardware test design, implementation and consulting</li> <li>5. Provision of verification information in step 4</li> <li>6. Leasing and management of hardware and software verification facilities, facilities, and equipment</li> <li>7. Education related to computer operation, program production, etc.</li> </ul>		
Employees	2 ,546 Group total : 2 ,667 (As of January 1, 2024)	Sales of recycled computer hardware and peripherals		
Corporate Auditors	Sakai Kenichiro	<ol> <li>Management and investment consultancy</li> <li>Worker Dispatching Business Headquarters under the Worker Dispatching Business Act (Dispatch 13-</li> </ol>		
Advisor	Azumi Kanda (Legal Practice, Waseda University) Yoshikazu Minato (Best Pilot CPTA Corporation) Kenichi Ando (Ando Social Security Worker Corporation) Yoshikazu Takada (PwC Kyoto Auditing Corporation) Kosei Ishibashi (I&I Partners) Nobuko Saito (NEUF DESIGN)  **Branding Advisor/Art Director*	<ul> <li>304931)</li> <li>11. Fee-charging employment placement service (Accept No.: 13-User-010728)</li> <li>12. Employment support and employment support services for the disabled</li> <li>13. Welfare services for persons with disabilities based on the Act on Comprehensive Support for Persons with Disabilities</li> <li>14. Any and all businesses related to each of the</li> </ul>		
Audit firm	*Branding Advisor/Art Director PwC京都監査法人 ※アドバイザー	preceding items		

# **Office Information**

IT support is available at 15 locations. We support our customers with our nationwide group companies.

### [ ISF NET Location ]

- Tokyo Head Office: Oak Akasaka Building 3F, 7-1-16, Akasaka, Minato-ku, Tokyo
- Akasaka Satellite Office
- Sapporo Branch
- Morioka Coal Center
- Sendai Branch
- Utsunomiya Sales Office
- Numazu Office
- Shizuoka Branch
- Hamamatsu Sales Office
- Nagoya Branch
- Osaka Branch
- Hiroshima Branch
- Fukuoka Branch
- Saga Service Station
- Okinawa Service Station



<sup>\*2</sup> Number of full-time career hires

<sup>\*3</sup> Total of "Satisfied" and "Somewhat Satisfied" responses

<sup>\*4</sup> Holidays available on a half-day basis for the following reasons

<sup>\*5</sup> The percentage of employees with disabilities is calculated for ISF NET and ISF NET Joy.

# **Overseas bases**

### Korea

• ISFnet Korea: GrimBau Building, 7th Floor, 211 Bongeunsa-ro, Gangnam-gu, Seoul South Korea

### China

- ISFnet Information Technology (DALIAN) CO.,LTD.: b105A, 2# Building, No. 33, Software Garden Road, Ganjingzi District, Dalian City, Liaoning
- ISFnet Information Technology (DALIAN) CO.,LTD. Shanghai Branch: Room 409R, Building 20 (No. 2), No. 641 Tianshan Road, Changning District, Shanghai

### Singapore

• GLOBAL ISF PTE. LTD.: 20 Anson Road, #11-01 Twenty Anson, Singapore, 079912

# **Group Companies**



### ISF NET Joy Inc.

- Head Office:
  - Crystal-Coated 88 5F, 3-6-17 Minamidai, Nakano-ku, Tokyo
- Service Department
- Morioka plant
- Fukushima plant
- Iwakidaira Plant
- Yoyogi Office
- Numazu Plant
- Saga Plant



### **General Incorporated Association ISF NET Benefit**

- Aoyama Office:
  - Yatsunami Building 3F · 7F, 1-4-2 Minami-Aoyama, Minato-ku, Tokyo
- Toyohashi Plant
- Morioka plant
- Sendai Office

# **Glossary**

### **Diver-In Employment**

This is an effort to create and provide a secure work environment for those who find it difficult to work for a variety of reasons. Diversity is a coined word that combines diversity and inclusion. It is aimed at giving all people a sense of "pleasing to work" and "rewarding to live" in in various forms of employment.

X"Diver Involve Jobs" will not be limited to the 30 categories listed in the "30 Large Jobs" section at the bottom, but ISF NET will work to realize a wider range of employment opportunities.

### 30 main employment

The "30 main employment" is for people who fall into one of the 30 categories defined by the company (based on self-report), such as seniors, people with criminal records, LGBT, undocumented, and people undergoing infertility treatment. ISF NET do not make hiring decisions based on these categories and do not focus on the person's resume or past, but rather on their future. We do not focus on a person's resume or past, but rather on his or

### **ISC** (ISF NET Standard Concept)

ISC is a concept to help employees grow as people and to realize "a company where only people who want to work together exist. To grow as a person means to be able to think and act from the other person's point of view (altruism). At ISF NET, all of our employees are striving to achieve this goal: to stop doing things that the majority of the people we work with say are wrong, even if we ourselves try to justify the actions that the people around us don't like.

### **DSP**(Design Story Project)

This is a new code of conduct introduced by ISF NET in 2022. We have formulated this project as part of our project aimed at creating a corporate style that will evolve with our corporate ideals, philosophy, and constantly changing society. The project started in 2021 with young employees taking the lead, and ISF NET announced six codes of conduct in 2022.

### **Challenged Office**

ISF NET provides companies that are concerned about hiring people with disabilities with services ranging from introduction to post-employment support for people with disabilities. Companies can not only achieve the legally mandated employment rate but can also engage in CSR activities through job creation.

### **RPA**(Robotic Process Automation)

This is an initiative to take over and replace tasks that have previously been assumed to be available only to human beings, or more advanced tasks, by utilizing cognitive technologies such as rule engines, AI, and machine-learning.

https://www.nri.com/jp/knowledge/glossary/lst/alphabet/rpa

### **EMD**(EMployment Doctor)

EMD is an abbreviation for "EMployment Doctor" and is a coined word created by ISF NET. This means "hiring, doctors." The purpose of these EMD meetings is to discuss how the company can provide consideration and support to those who have difficulties in employment so that they can work with peace of mind.

### **Human Capital Management**

This is a management policy that regards human resources as "capital" and maximizes their value to enhance corporate value over the medium to long term. Quote: <a href="https://www.meti.go.jp/policy/economy/jinteki\_shihon/">https://www.meti.go.jp/policy/economy/jinteki\_shihon/</a> index.html

### 10 Visions

Based on the opinions of our employees, we reconcile our corporate culture quidelines with our mission, and articulate our "10 Visions" as the ideal form we should aim for. This vision is to share with employees the goals that they are excited about and should achieve in the near future that are required of them

https://www.isfnet.co.jp/news\_release/newslist2023/20230110.

### **Evangelist Vision of Technology**

The following 10 items are listed as technology evangelist vision.

- (1) Compensation
- (6) Local Jobs (2) Attractive Career Paths (7) Good Relationships
- (3) Free Working Style
- (8) Social Contributions
- (4) Senior
- Reskilling, Education
- (10) Life Events

### **Security Lab.**

(5) Diver-In

In January 2022, ISF NET created the "Security Lab." to train professionals with specialized skills and techniques. We are developing a strategic security business centered around this division

### Office project

This is an effort to create an environment that is more comfortable for visiting customers and employees, as well as to achieve a flexible work style tailored to employees and the changing environment caused by the COVID-19.

### **Aibora**

Aibora, which stands for 'Volunteer with Love' in Japanese, is composed of dedicated employee volunteers

# **ISF NET REPORT 2023**

### **Data Section**

### Green purchasing

It is an attempt to select and purchase products and services with the least possible impact on the environment by carefully considering their necessity and taking the environment into account when purchasing them. In April 2001, the Green Purchasing Law (Law Concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities) was enacted, making green purchasing mandatory for the state and other organizations, and requiring local governments, businesses, and citizens to purchase green.

### **Satellite Office**

A satellite office is a workspace located away from a company's headquarters, often in a suburb or city center where employees find commuting more convenient. These offices are designed to prioritize employee comfort and productivity. With the rise of telecommuting, especially during the COVID-19 pandemic, satellite offices have gained attention as a means to support diverse and flexible working styles.

### **CI** (Corporate Identity)

This is a corporate strategy that enhances the value of a company's existence by communicating its characteristics and uniqueness through a unified image and design, as well as easily understandable messages, and sharing them with society.

### **Food Bank Activities**

This activity is to take back substandard or overstocked products from companies, etc. that have no quality problems but have damaged packaging, etc., and provide them free of charge to organizations and households in need. This activity is one that is attracting attention from the perspective of reducing food loss.

The word means "sympathizers and supporters," and refers to "someone who understands and supports LGBTQ people."

### **Seven Zeros**

ISF NET has established "10 Visions" with the aim of creating the greatest possible joy for our employees and maximizing the relief of their anxieties. The first of these visions is to achieve zero in all cases of harassment, bullying, discrimination and prejudice, overwork, internal factions, unreasonable instructions, and inequality.

### **FDM**(Future Dream Member)

At ISF NET, employees with disabilities are called FDM (Future Dream Members) as "members who realize their future dreams

### **YEC** (Young Executive Candidate)

Young executive candidates for ISF NET; employees under 35 years old selected through the Young Member Development Program that came into effect in FY2020.

### **Health Management**

It is to consider the health management of employees and others from a managerial perspective and implement it strategically. At ISF NET, employee health is our first priority, and we are continuing our efforts to support employee health care.

### **President's Office**

With the goal of avoiding risks in advance and improving the efficiency of business processes, members participate in subcommittees of the Institute of Internal Auditors to conduct internal audits, as well as to lay the groundwork and clarify the fundamentals of internal auditing.

### LMS (Learning Management System)

ISF NET's proprietary e-learning and learning management system.

The IT Skill Index is a common framework for IT careers developed by the Ministry of Economy, Trade and Industry.

### **Gluegent Flow**

This workflow system is a cloud-based application, approval, and decision-making process. With simple operability and ease of use by anyone, the cloud service was launched in 2011 on Google Workspace and Microsoft 365 environments. Since its inception, this cloud service has been implemented at many companies.

### DIOA

### (ISF NET/ intelligence original account system)

Inclusion of sales, general, and administrative personnel expenses in cost of sales = System for generating profits by sales, general, and administrative personnel

### **IRP**(ISF NET Reward Program)

Bonus system

### **JEBM**(Junior Executive Board Member)

If an employee completes the term of office for YEC(Young Exective Candidate, a junior executive candidate program) for one year, he/she will be assigned as a JEBM from the second year.

# **External Evaluation**

### Our efforts have been highly evaluated by various organizations.



By focusing on the work-life balance of each employee, we have introduced "verse-day vacation" and "anniversary vacation" to encourage the acquisition of paid vacation, and the two-day "child event vacation" system for employees up to the age of 18, as well as the promotion of "telecommuting" have been recognized as a "Nagoya City Work-Life Balance Promotion Company."



Based on the Next Generation Education Support Promotion Act, we have achieved our own action plans and targets, and the enhancement and promotion of the use of support systems for balancing child-rearing and work have been recognized for four consecutive years as an excellent childrearing support company certified by the MHLW as Kurumin. Also acquired the "Platinum Kurumin."



We have won the "Gold" award for the third consecutive year under PRIDE Index 2021, which is the highest rating, for third consecutive year. This award is based on our unique initiative to create an environment in which everyone can work with peace of mind, such as "Diver-In Employment," and efforts to strengthen the initiative, such as establishing an internal committee and permitting the use of toilets and working names in accordance with the spirit of the company.



In order to create an environment in which all employees can be active regardless of gender, age, nationality, or disability, the company has established a consultation window that allows employees to undergo medical checkups regardless of the nature of the family register and to select languages that are easy for foreign employees to speak and has received JobRainbow Corporation's best-work-place for two consecutive years. The best-workplace is a unique index that focuses on five areas of diversity: LGBT, gender, disability, multi-culture, and child/family care.



ISF NET was recognized as a "Gender iki iki Plus" company for setting a specific ratio of women in management positions and achieving the target, as well as for the length and growth of the male childcare leave utilization rate.



To prevent employees from leaving their jobs due to nursing care, we received "TOMONIN" certification from the Ministry of Health, Labor and Welfare as a company that promotes the development of a workplace environment that allows employees to balance work and nursing care.



ISF NET has been actively promoting telework in order to achieve one of our visions, "Freedom in the way we work in 3 years".

As part of our efforts, we have established numerical targets for telework and a management environment for all risks through the Tokyo Metropolitan Government's "Telework Tokyo Rules Practice Company Declaration System". We also collaborate with several internal committees on this initiative. We have declared the realization of equal employment of diverse human resources and have been registered as a declared company.



Under the slogan "Pursuit of Health," ISF NET is working on daily health promotion to create an environment where each and every employee can enjoy working in good physical and mental health, as well as to create secure employment for all people with diverse personalities. In recognition of these efforts, the company was certified as a "Corporation with Excellent Health Management 2022.

We have declared that our entire company is committed to health promotion, and we continue to put the health of our employees first in our efforts to support their health care. As a result, we have received "Silver Certification". We will continue to create an environment in which employees can stay healthy both mentally and physically, and we will also continue our efforts to further promote health with the next step of acquiring the "Gold Certification" as an excellent health company.



ISF NET was recognized as a "Numazu City Gender Equality Promotion Office" for its understanding and willingness to promote gender equality and for its proactive efforts to create a workplace environment that is easy for both men and women to work in, while giving consideration to balancing work and

