



October 27, 2022

To Whom It May Concern

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Notice Regarding the Conclusion of Sustainability Linked Loan Agreement

OUTSOURCING Inc. (hereinafter “the Company”) hereby announces that the Company has entered into a syndicated sustainability linked loan (“the loan”) agreement, as per the details below.

1. Background and reasons for the loan

Sustainability linked loans are loans that conform to the Sustainability Link Loan Principles* established by the Loan Market Association, etc., and are loan products that promote the borrower’s sustainability management by setting sustainability performance targets (hereinafter “SPTs”) that are linked to the borrower’s sustainability management policy and business strategy, aligning loan terms such as interest rates to borrower’s performance and motivating to achieve SPTs, aiming to improve corporate value, and realize environmentally and socially sustainable economic activities.

The OUTSOURCING Group (hereinafter “the OS Group”) has its management philosophy of “enhancing the quality of life of everyone around the world by eliminating inequalities in working conditions and creating truly motivating workplaces,” and is committed to corporate activities that will create job opportunities and education opportunities for many people around the world, through which we will seek to tackle the society’s challenges, develop our business, and contribute to the benefit of our stakeholders in a sustainable manner. Based on the sustainability policy, the OS Group pledges to contribute to the realization of a sustainable society through the active efforts of SDGs in our business, management that emphasizes ESG, and Corporate Social Responsibility (CSR) activities rooted in the local country or region. In addition, the “OUTSOURCING Group SDGs Declaration” has identified “providing employment opportunities” and “providing high-quality education”, etc. as priority issues (materiality) for the Group, and set targets for 2030 that relate to these issues.

SPTs that focus on solving social issues and improving governance are set for the loan, and we believe that not only further motivation for promoting materiality but also disclosure of information on the status of SPTs achievement and verification of the results from an independent standpoint will also contribute to proactively disseminating information on our SDGs achievements to our stakeholders.

Going forward, we will continue to pursue a system in which our business activities are widely returned to the society and realize management philosophy.

* Published by Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA), and Loan Syndications and Trading Association (LSTA). The Sustainable Impact Assessment Office, which ensures certain independence within Shinsei Bank, Limited, confirms the conformity of the loan to the Sustainability Linked Loan Principles, including the validity of SPTs. For details, please refer to the URL (only available in

[Translation]

Japanese) below.

URL: https://www.shinseibank.com/institutional/sustainable_finance/pdf/psll221027.pdf

2. Outline of the loan

This will be the second syndicated sustainability linked loan entered into with Shinsei Bank, Limited following the one concluded in July 2021.

(1)	Total amount	JPY12 billion
(2)	Date of agreement	October 27, 2022
(3)	Date of execution	October 31, 2022 (scheduled)
(4)	Contract period	Tranche A: 2 years, Tranche B: 5 years
(5)	Arranger and agent	Shinsei Bank, Limited
(6)	Participating financial institutions	HIGASHI-NIPPON BANK, Ltd., San ju San Bank,Ltd., Shinsei Bank, Limited, THE BANK OF KOCHI, LTD., The Chiba Bank, Ltd., The Fukui Bank, Ltd., The Fukushima Bank, Ltd., THE SAN-IN GODO BANK, LTD., The Shimane Bank, Ltd., The Shimizu Bank, Ltd., The Tottori Bank, Ltd., THE TOWA BANK,LTD., Tsukuba Bank, Ltd., (In alphabetical order)
(7)	Use of funds	Business funds
(8)	Outline of SPTs	(1) Number of specialized talents (career change) (2) Number of participants and expected number of participants in education and training programs such as career advancement education (3) Number of specialists to improve productivity (4) Number of training sessions held on compliance and strengthening internal control (5) Number of town hall meetings held with top management to reform the corporate culture (6) Number of executive comments in the Group newsletter to reform the corporate culture
(9)	Social issues that the achievement of SPTs is expected to contribute to improving	The set indicators are consistent with recognition of social issues and policies in Japan, as shown in the examples below, and the achievement of SPTs (1) to (3) is expected to contribute to solving these issues. ✓ SPTs (1) provides education for career change to IT field and science-related human resources, but in Japan, labor mobility is limited due to uncertainty about necessary skill learning and career prospects, although labor mobility in this field is required. ✓ SPTs (2) provides career advancement education to borrower group employees, but it has been pointed out that it is important to eliminate job mismatches through recurrent education. ✓ SPTs (3) is an indicator designed to contribute to improve productivity of outsourced firms, but the relative low productivity of OECD member countries is an issue.

3. Future outlook

The impact of the loan on financial results for FY12/22 is negligible.