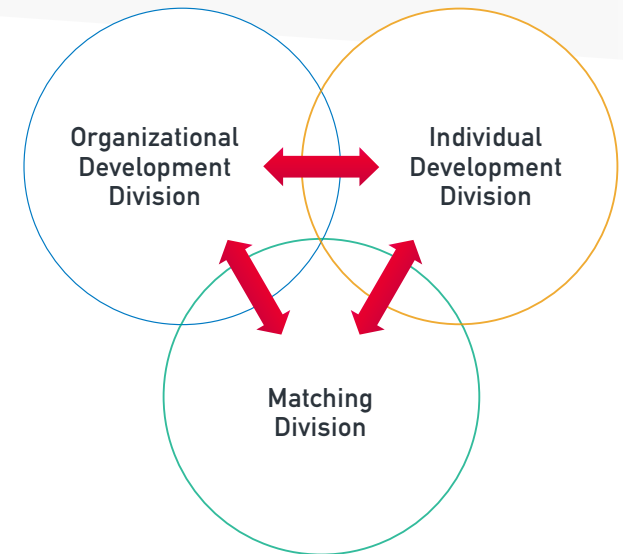
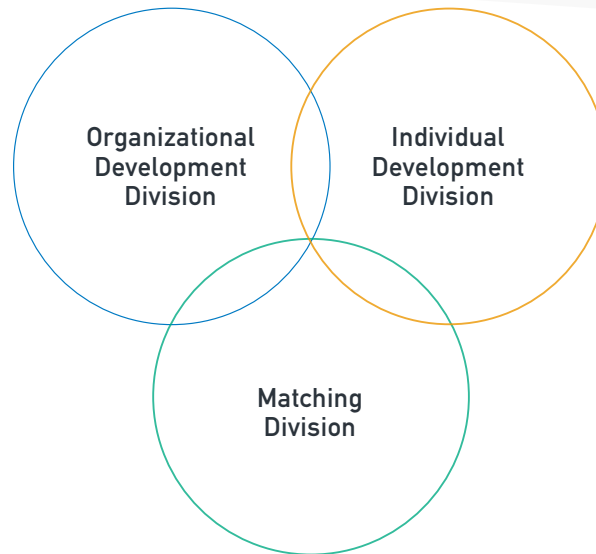
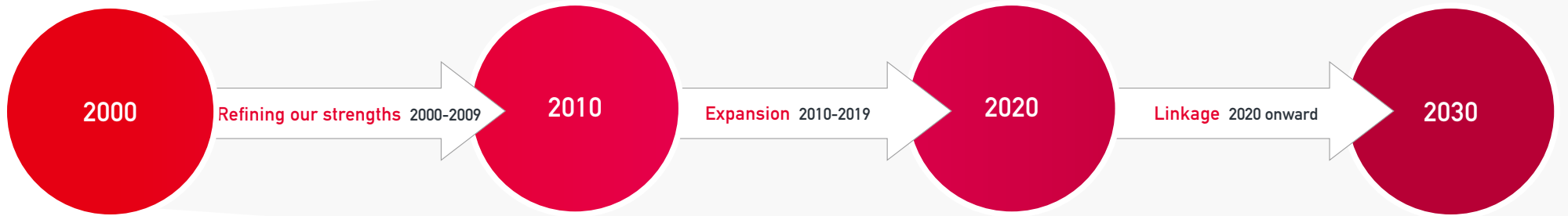


Business Strategy



Group Business Strategy Chronology

We have been innovating our business model based on Motivation Engineering, our core technology, with the aim of carrying out our mission and maximizing value for customers.



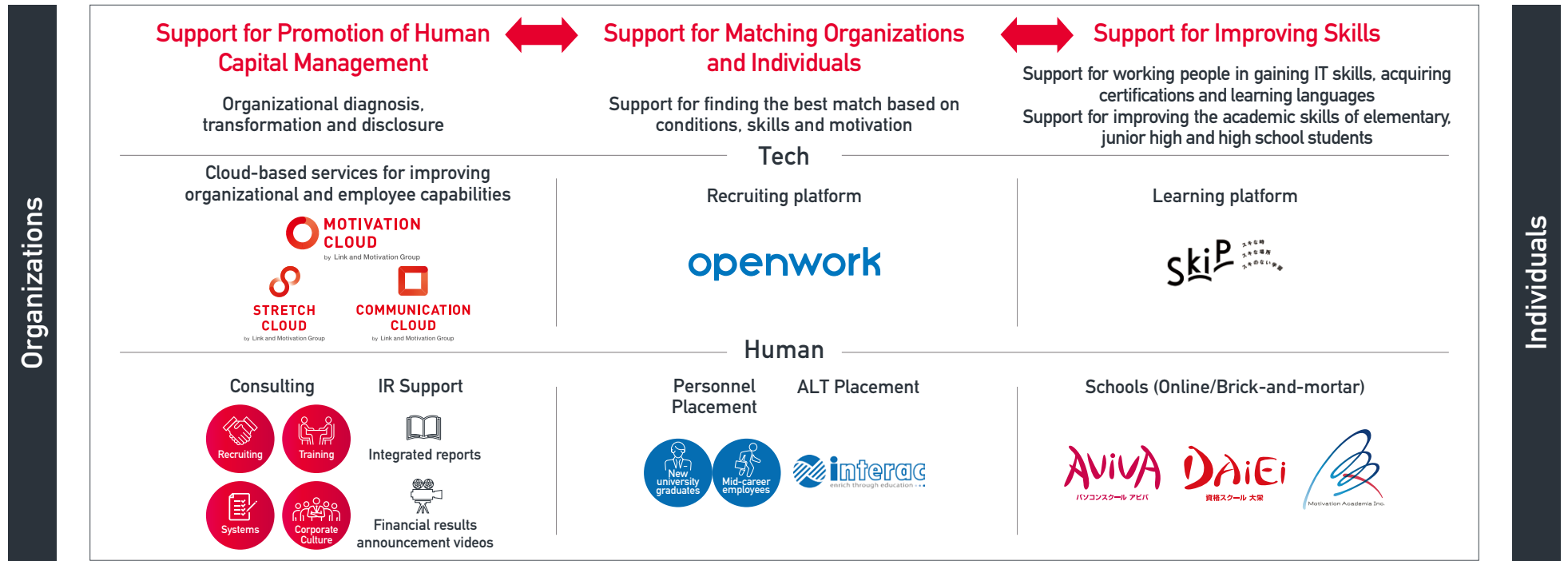
Establish our core technology Motivation Engineering and **roll it out in the field of organizational development**

Use our core technology Motivation Engineering to **expand business into other areas**

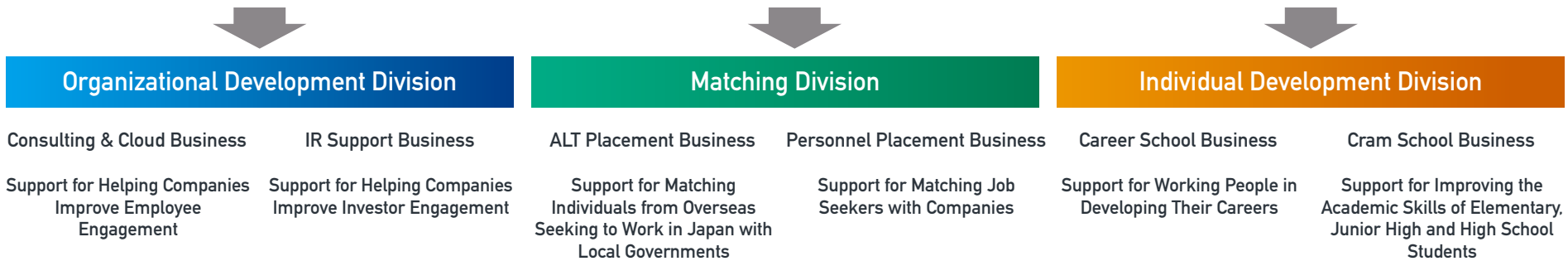
Maximize customer value by using our core technology Motivation Engineering to **link all divisions**

Business Overview

We are currently engaged in the following businesses to provide organizations and individuals with opportunities for transformation. In addition to the power of our people, we also utilize the power of technology to increase productivity and create high-value-added services.

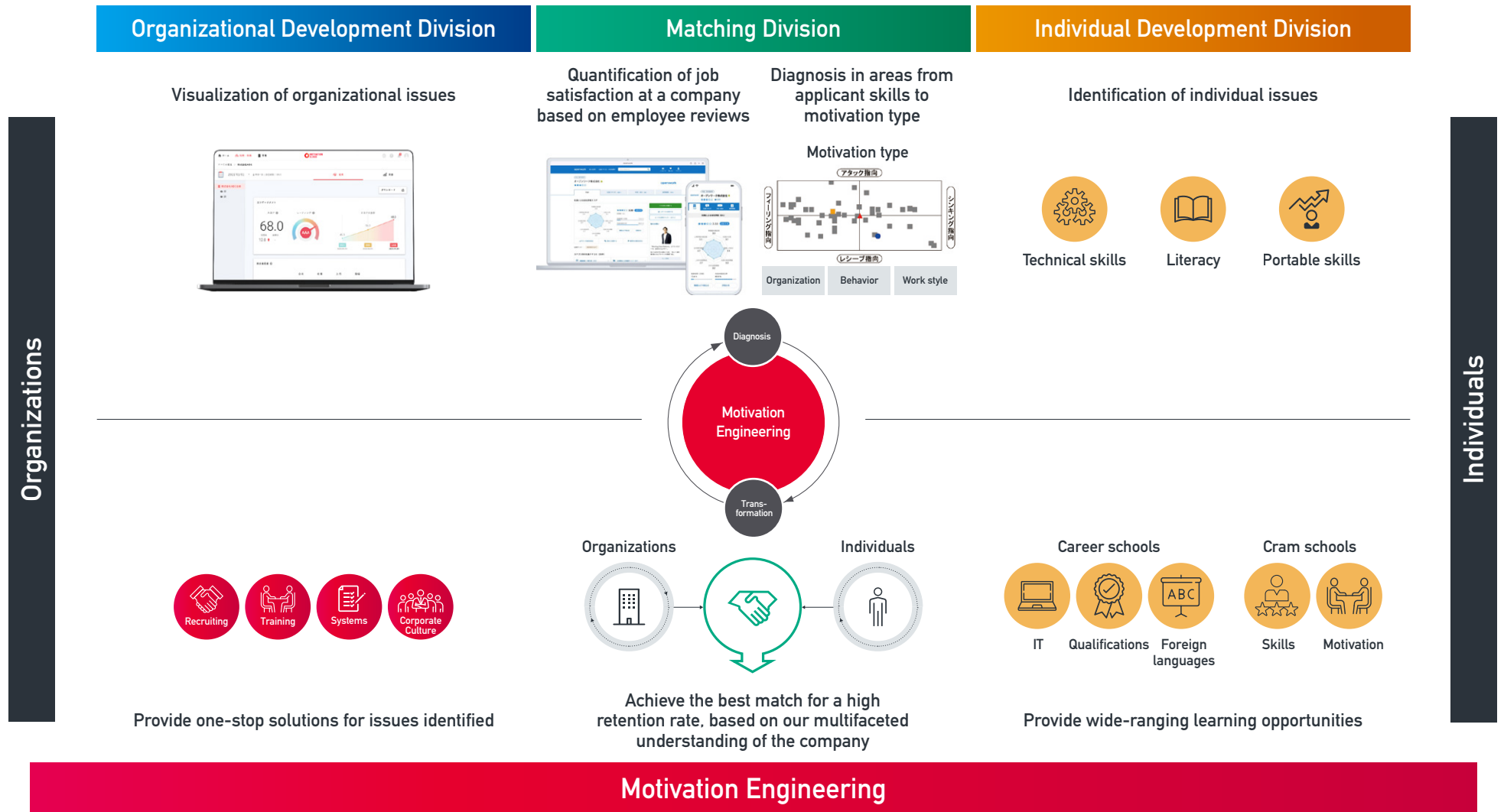


Motivation Engineering



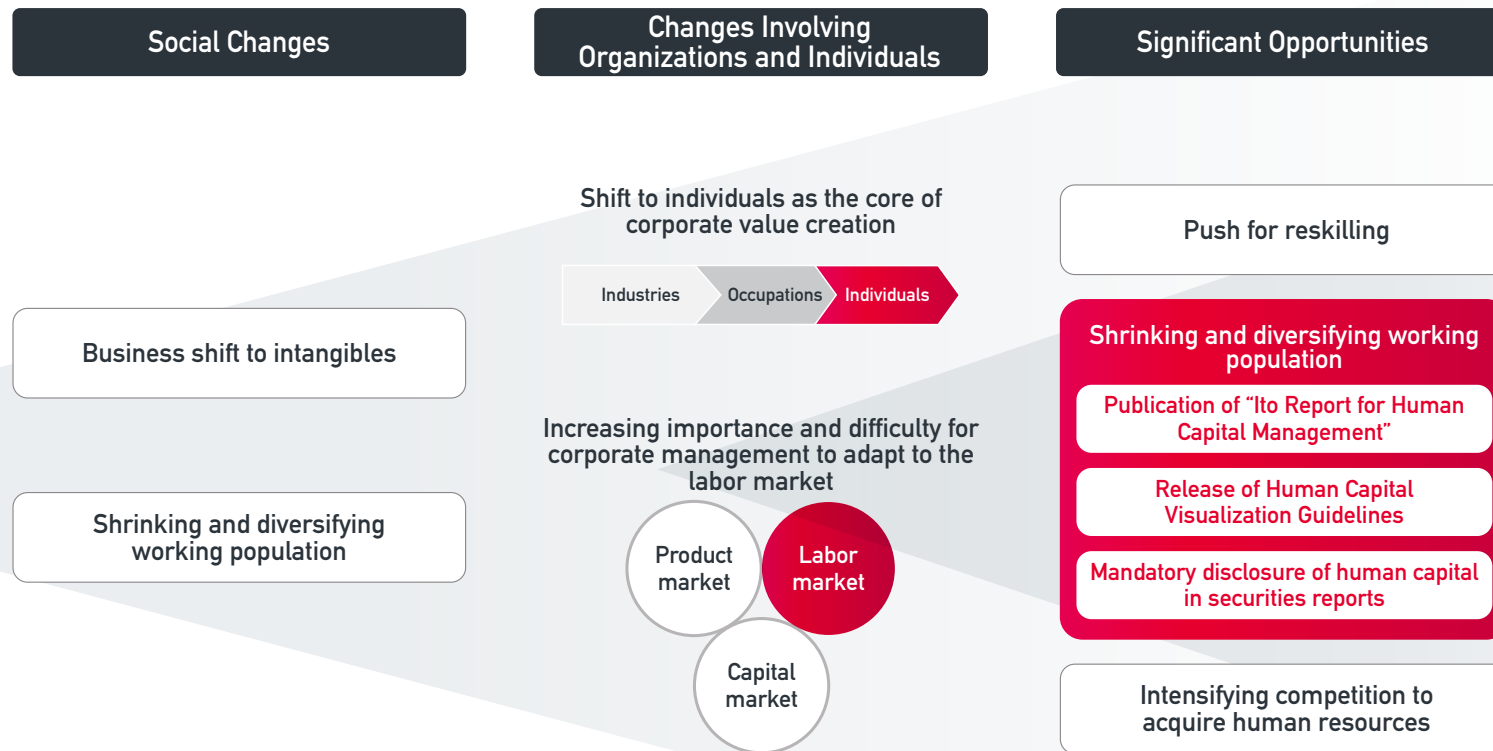
Competitive Advantages of Each Division

We conduct a diagnosis of organizations and individuals and then provide opportunities for transformation according to the characteristics and issues we identify. In this way, we maximize customer value by fully utilizing Motivation Engineering, our one-of-a-kind core technology, in our businesses, services and products.



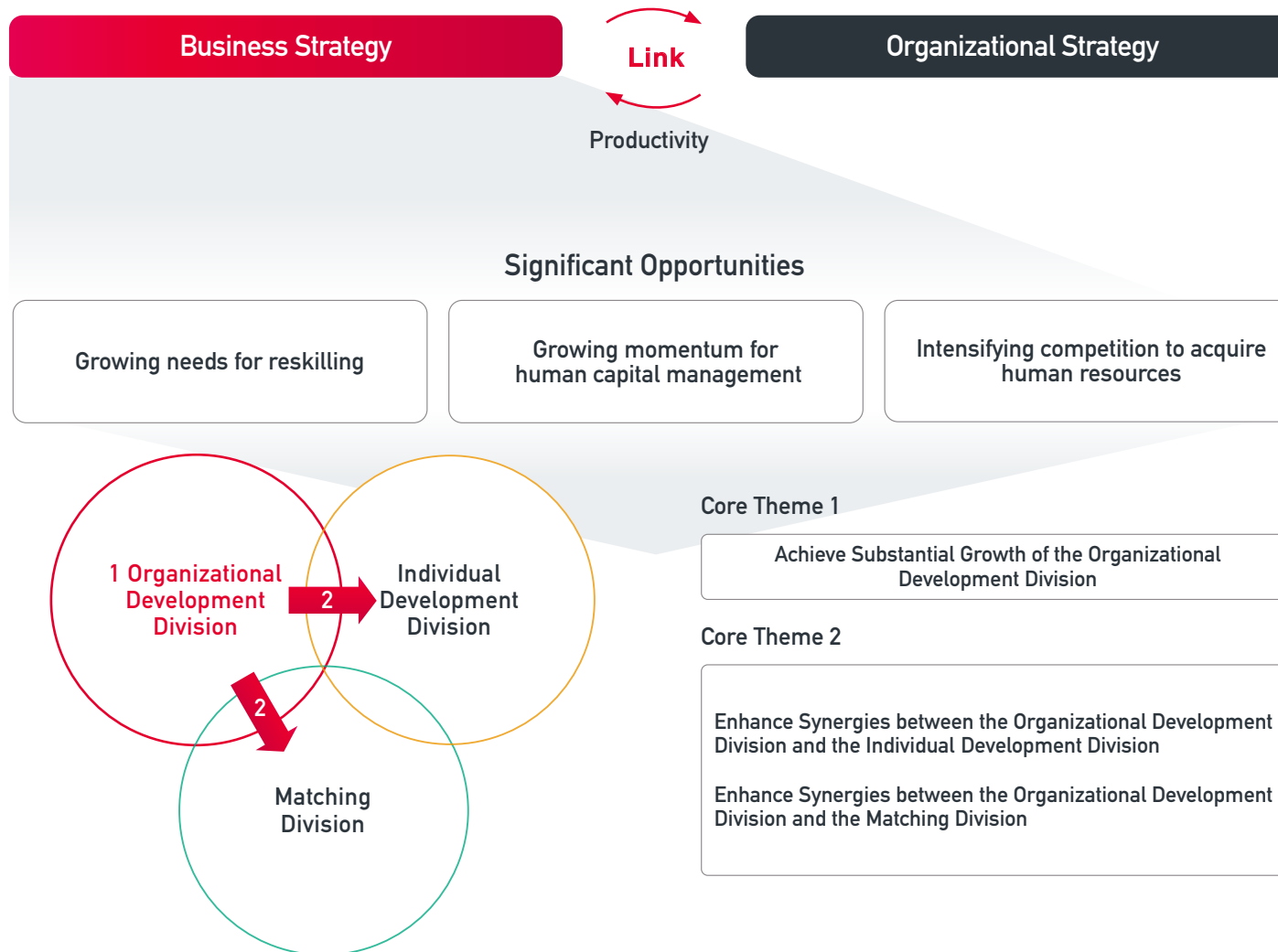
Social Changes and Significant Opportunities

Current changes in society are creating the best market for our products and services since our founding. We view these conditions as a major opportunity for substantial business growth.



Strategy Overview

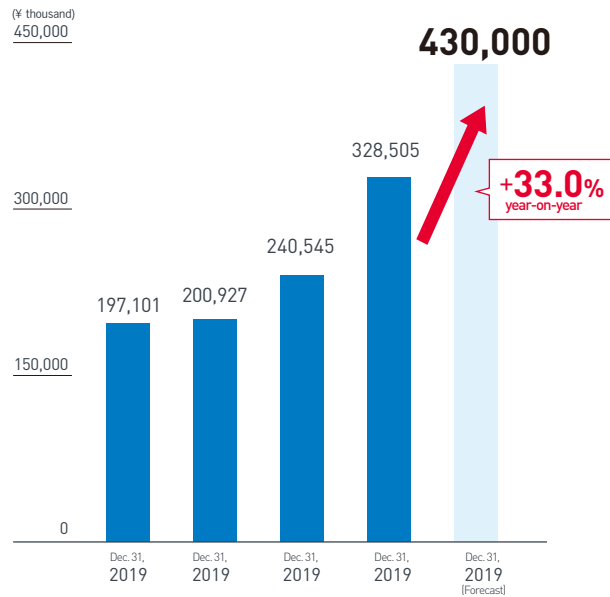
We will promote substantial growth of the highly profitable Organizational Development Division, which is enjoying favorable market conditions, as we enhance its synergies with other divisions.



Core Theme 1 Achieve Substantial Growth of the Organizational Development Division

We will promote human capital management at companies through the cycle of diagnosis, transformation and disclosure, as momentum grows for human capital management and disclosure of related information.

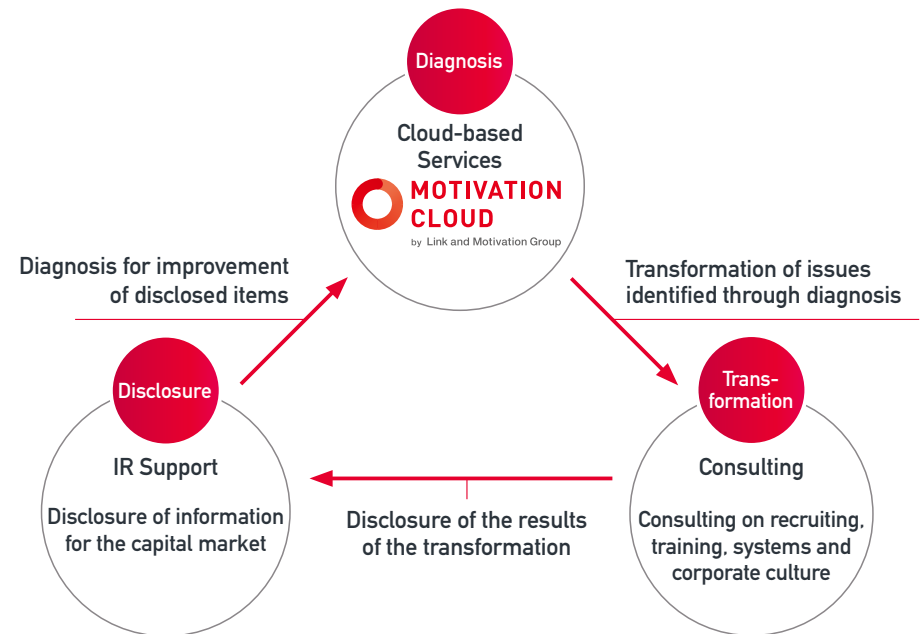
Motivation Cloud Series* Monthly Fee Revenue



* Includes Motivation Company Club membership service for managers

We will work to introduce the Motivation Cloud series at major companies, where there is still ample room for growth, as well as at Japanese subsidiaries of global companies and local governments. We also plan to expand sales of Stretch Cloud, which was launched in July 2022, in the ¥500 billion human resource development market. We consider offering services on a subscription basis to be a highly effective business model from the perspective of business stability, and we will continue to achieve substantial growth in the Consulting & Cloud Business by acquiring new customers for the Motivation Cloud series.

Aiming to Maximize Customer Value and Increase Sales per Customer by Promoting a Cycle of Diagnosis, Transformation and Disclosure



We anticipate further growth in needs to disclose non-financial information, especially human capital information, as such disclosure becomes mandatory in securities reports. Through integrated reports and other materials for shareholders and investors, our IR Support Business will disclose the results of our customers' diagnosis and transformation conducted by the Consulting & Cloud Business. In this way, we will support both corporate human capital management and its disclosure. At the same time, ramping up disclosure will generate synergies between the two businesses in the form of increased needs for human capital management, thus improving revenues per customer for the Organizational Development Division.

Core Theme 2 Enhance Synergies between the Organizational Development Division and Other Divisions

We will create more value by providing the employee reskilling support of the Career School Business in the Individual Development Division and OpenWork Recruiting in the Personnel Placement Business in the Matching Division to the customers of the Organizational Development Division.



The Organizational Development Division's corporate customers invest in organizations and individuals. This includes areas such as employee engagement to improve corporate value and achieve business growth. These companies are generally proactive in strengthening their human resources and increasingly willing to invest in employee reskilling to promote digital transformation (DX), especially nowadays when improving productivity is imperative. We plan to meet their needs for conducting human capital management, including reskilling of IT and other skills, with our one-stop services and thus promote substantial growth of our reskilling services for employees.

At OpenWork Recruiting, which uses the OpenWork website, the higher a company's employee ratings and evaluation scores on the website—that is, the higher its employee engagement—the greater its ability to attract the attention of capable human resources. Furthermore, since the system allows job seekers to read employee reviews for a better understanding of companies before applying for a job, it reduces mismatches between companies and job seekers, thus improving the employee retention rate. We plan to promote substantial growth of OpenWork Recruiting by sharing the customer base of the Organizational Development Division and providing this high-quality recruiting service to companies that conduct human capital management.

Message from the President and Representative Director

Playing a Role as a Driving Force in Helping to Promote Japan's National Strategy

Sakashita Hideki
President and Representative Director
Link and Motivation Inc.



Ramping Up Human Capital Management

In recent years, it has become commonplace for the sustainability of a company's management environment to be called into question. Of course, profiting from destroying the natural environment is a situation that cannot continue, and producing results simply by overworking employees will certainly not last for long. The concept of human capital entails treating people not as a tangible asset that is used up, but as an intangible asset that generates more value as you invest in and refine it. That is why a paradigm shift is occurring right now toward viewing human resources as capital to be invested in to create new value, rather than an expense to be controlled. When I talk with managers from leading Japanese companies, I have a strong sense of the growing importance of initiatives for human capital management.

Enhancing Management through a Cycle of Diagnosis, Transformation and Disclosure

In promoting human capital management, the Link and Motivation Group considers it important to go through a cycle of diagnosis, transformation and disclosure to lead to an increase in corporate value. First, diagnosis quantifies the gap between a company's current situation and its goal. Next, transformation proposes and implements improvement measures to bridge this gap. Then disclosure communicates the progress of initiatives and policies inside and outside the company. By continuing this cycle, the company can enhance its corporate management and increase its corporate value.

However, the Link and Motivation Group has received numerous requests for consultation on human capital management and information disclosure from companies unsure about how to develop their human resources, or how to disclose the results in a way that links the data with the effects of that development. To address such concerns, the Link and Motivation Group has been the leader in helping companies visualize and improve employee engagement, which determines an organization's ability to perform and to get results in business. At the risk of singing our own praises, we expect to become even better at meeting needs for resolving these issues.

Medium-Term Strategy

Over the medium term, we plan to achieve substantial growth of the Organizational Development Division by acquiring more customers for Motivation Cloud, which handles diagnosis, and improving unit price per customer transaction through cross-selling in the fields of transformation and disclosure. As the Organizational Development Division promotes human capital management among its customer companies, the Individual Development Division will offer those companies support for reskilling their employees and the Matching Division will provide the services of OpenWork Recruiting. In this way, we will help to maximize the human capital of customer companies from a broader perspective and increase our revenues. In particular, we will generate greater synergies with OpenWork, which reveals the actual conditions of human capital at a company through online reviews by its current and former employees. We believe this will accelerate revitalization into a new labor market.

Redefining a "Good Company"

Until now, a company has been judged good or bad based on its profits and assets—in other words, based on its income statement and balance sheet. However, profits and assets alone by no means make a company intrinsically good. We think that employee engagement, which shows the actual state of a company's human resources and organizations, will be the yardstick that determines which companies will be considered good going forward.

"Investment in people" is clearly set forth as a tenet of Japan's plan for a new form of capitalism, and I believe the government is trying to lead companies to a new stage. As a company instrumental in implementing this national strategy, Link and Motivation intends to use its influence to change the definition of a good company, and as a result achieve dramatic growth.

At the same time, the Link and Motivation Group itself will be sure to act in accordance with its own words by continuing to conduct its own human capital management.