

Chapter

4

Foundation for Realizing Our Mission

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Sustainable corporate growth is essential for achieving a sustainable society, and the linchpin of this growth is people.

Ohno Shunichi

CFO
Link and Motivation Inc.

Approach to Sustainability

The Link and Motivation Group has set forth its mission: “Through Motivation Engineering, we provide opportunities to transform organizations and individuals and create a more meaningful society.” Helping to create a sustainable society is an indispensable theme for the Group in carrying out this mission, and we consider it an issue we must address in a straightforward and responsible manner. For the Group, sustainability means using our businesses to help resolve a variety of social issues that arise in working to create a sustainable society, while also establishing connections so that conducting those businesses also contributes to the sustainable growth of the Group.

In working to achieve sustainability, we share the three unwavering goals of the Link and Motivation Group’s management policy with all employees, and address key issues as we monitor constantly changing social trends.

Three Goals of Our Management Policy

The first goal is “Management with Integrity.” The Group aims to conduct business with no illegality or dishonesty with regard to any of its stakeholders,

1

Management with
Integrity

2

Management in Which
Every Employee Plays a
Leading Role

3

Management with Good
Reflexes

including customers, business partners, employees and shareholders. This goal has been deeply ingrained in the Group as the most important factor in achieving good governance and fulfilling our social responsibilities. Next, based on our belief that human resources are a company’s greatest, most powerful type of capital, our second goal calls for “Management in Which Every Employee Plays a Leading Role.” As business shifts from goods to services, the intangible power of ideas, motivation, hospitality and other qualities held by human capital determine the fate of a company. We therefore believe it is important to be an organization in which each of our diverse human resources can work with strong motivation toward a common goal. The third goal is “Management with Good Reflexes.” As the pace of change in the operating environment accelerates, the ability to adapt will become crucial for companies in their ongoing efforts to resolve social issues. We believe that taking a stance of making swift management decisions to address changes in markets and laws as well as generating change ourselves is essential for sustainable corporate growth.

People Are the Linchpin of Sustainable Growth

Human capital management has been attracting attention lately. This concept is virtually synonymous with the message that the Link and Motivation Group has been communicating to society since its founding—a message that management driven by employee motivation will be the dominant force in our era. The Group believes that sustainable corporate growth is essential for achieving a sustainable society, and that the linchpin of this growth is people.

From its position at the forefront of human capital management in Japan, the Link and Motivation Group intends to lead by example, practicing what it preaches in conducting its own management and proactively disclosing the status of its initiatives. We will continue working to improve the corporate value of the Group as we help to resolve social issues through our businesses in order to achieve a sustainable society.

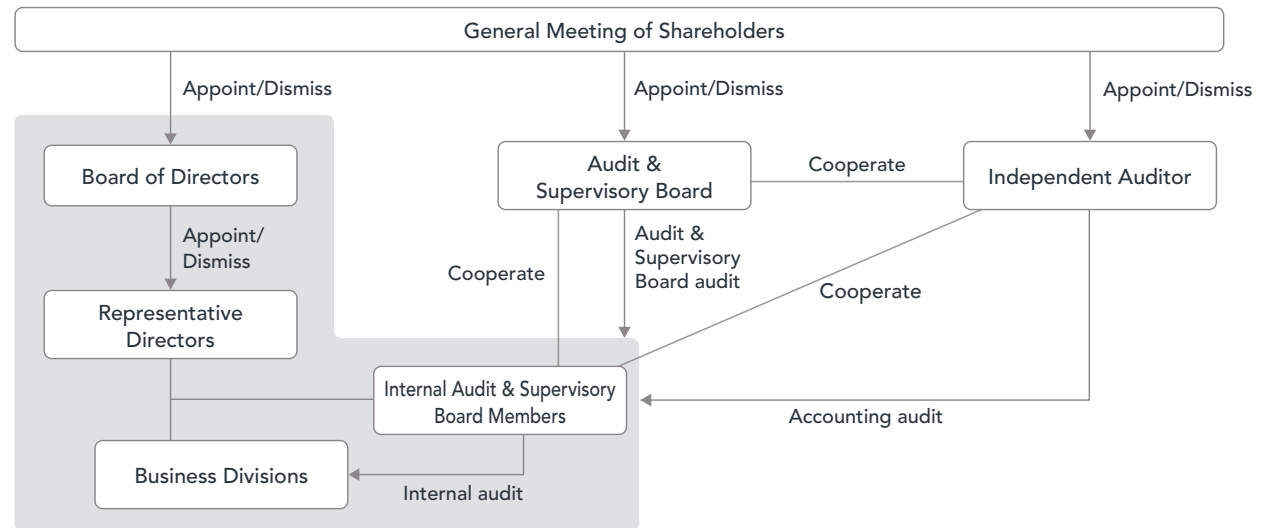
A Management Structure That Supports Sustainable Growth: Corporate Governance

Link and Motivation Inc. (the “Company”) has adopted the format of a company with an Audit & Supervisory Board. The Board of Directors makes important management decisions and supervises the execution of business, while the Audit & Supervisory Board and its members, who are independent from the Board of Directors, audit the status of execution of business, among other matters. We work to upgrade and strengthen our corporate governance system to continue to conduct fair and transparent management activities.

Governance Format



Corporate Governance Structure



Board of Directors

The Board of Directors is composed of five directors (including two outside directors) and has ultimate authority for determining fundamental management policies and high-priority issues. In principle, it meets once a month, with other meetings held as appropriate when important items arise.

Audit & Supervisory Board

The Audit & Supervisory Board is composed of three members (including two outside members). In principle, it meets once a month to exchange opinions on confirming the proper operation of the Board of Directors, monitoring the business execution of directors, and issues related to compliance and other matters.

Business Divisions

The Group Management Committee meets twice each month. It is attended by presidents of Group companies and other related parties other than directors and Audit & Supervisory Board members, as necessary, to report on matters related to the execution of duties.

Board Members and Executives

The three internal directors make management decisions that link business and organizational strategies using their extensive experience as organizational and personnel consultants. The two outside directors leverage a high level of insight gained from corporate management and expert knowledge of industrial and organizational psychology, which has a high degree of affinity with the business fields of the Link and Motivation Group, among their other attributes.

In addition, the Company has introduced a corporate officer system to execute management based on prompt decision-making that accurately grasps both the business environment and changes in it.

Directors

**Ozasa Yoshihisa**

Chairman and
Representative Director

1986 Joined Recruit Co., Ltd.
2000 Established the Company, and assumed the position of President and Representative Director
2013 Chairman and Representative Director (to present)

Note: Concurrently serves as chairman of seven consolidated subsidiaries and president and representative director of Phoenix Co., Ltd., an asset management company.

**Sakashita Hideki**

President and
Representative Director

1991 Joined Recruit Co., Ltd.
2000 Established the Company, and assumed the position of Director
2013 President and Representative Director (to present)
2017 Director, Link Corporate Communications Inc. (to present), Director, Link Event Produce Inc. (to present)

**Ohno Shunichi**

Director

1992 Joined Aoyama Audit Company (Price Waterhouse)
1998 Joined PwC Consulting Co., Ltd. (currently IBM Japan, Ltd.)
2002 Joined the Company
2008 Director (to present)
2015 Outside Director, Youji Corporation (to present)

Note: Concurrently serves as director of seven consolidated subsidiaries and Audit & Supervisory Board member of OpenWork Inc.

**Yuasa Tomoyuki**

Outside Director

2000 Joined Andersen Consulting, Ltd. (currently, Accenture Japan Ltd.)
2005 Joined Revamp Corporation
2010 Director, Revamp Corporation
2013 Representative Director, Revamp Outsourcing Corporation (currently, Revamp Academy Corporation) (to present)
2016 Outside Director, the Company (to present), President, Representative Director and CEO, Revamp Corporation, Outside Director, K's Holdings Corporation
2018 President and Representative Director, Chief Executive Officer, Revamp Corporation (to present)

**Kakuyama Takashi**

Outside Director

1991 Professor, Tokyo International University
1992 Visiting Researcher, Michael G. Foster School of Business, University of Washington
2003 Dean of Faculty of Human and Social Studies, Tokyo International University
2009 Dean of Graduate School of Sociology, Tokyo International University
2011 Professor and Director of Motivation Laboratory, Tokyo Future University
2012 Dean of School of Motivation and Behavioral Sciences, Tokyo Future University
2018 President, Tokyo Future University (to present), Director, Sanko Gakuen (to present)
2020 Outside Director, the Company (to present)

Audit & Supervisory Board

Kuriyama Hiromi

Audit & Supervisory Board Member (Full-Time)

1986 Joined Nippon Telegraph and Telephone Corporation (NTT)
2005 Joined a2media Corporation as Director, General Manager in charge of Strategy Promotion
2006 Director, Business Support Department (Accounting, Legal, Personnel, General Affairs), a2media Corporation
2013 Audit & Supervisory Board Member, Japan REIT Inc. (currently, Prop Tech plus Inc.)
2015 Director, Brainpress Inc. (currently, Inbound Tech Inc.)
2019 Director, Company Administrator, a2media Corporation
2022 Audit & Supervisory Board Member, the Company (to present)

Tominaga Kenji

Outside Audit & Supervisory
Board Member (Part-Time)

1979 Joined Japan Recruit Center Co., Ltd. (currently Recruit Co., Ltd.)
1999 Established Career Plan Co., Ltd., President and Representative Director (to present)
2000 Outside Audit & Supervisory Board Member, the Company (to present)
2001 Established Career Design Co., Ltd., President and Director

Matsuoka Yasumasa

Outside Audit & Supervisory
Board Member (Part-Time)

1986 Joined Recruit Co., Ltd.
2000 Executive Officer, General Manager of Human Resources and General Affairs Department, Fast Retailing Co., Ltd.
2003 Executive Officer, General Manager of Marketing and Communications Department, Fast Retailing Co., Ltd.
2004 Manager, Brand Strategy Office, SoftBank Corp.
2005 President and Representative Director, Fukuoka SoftBank HAWKS Marketing Corp. (currently, Fukuoka SoftBank HAWKS Corp.), Director, Fukuoka SoftBank HAWKS Corp.

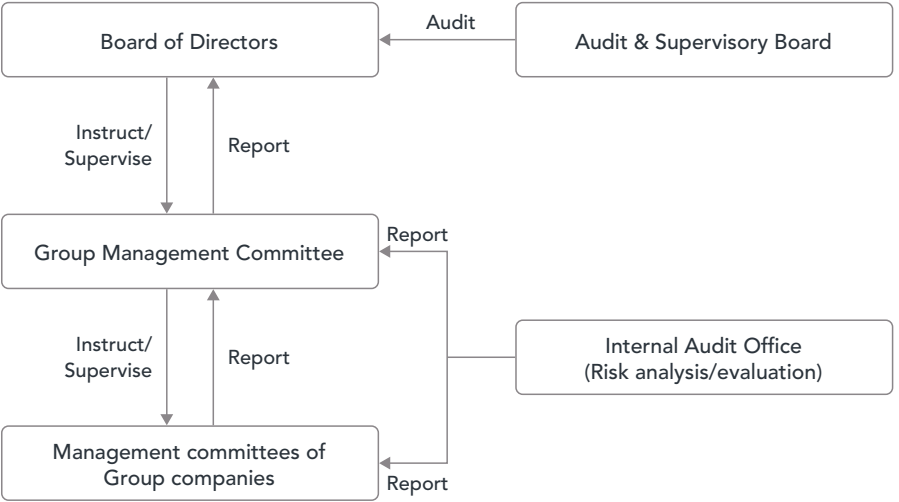
2007 Representative Director, Career Firm Co., Ltd.
2011 Outside Director, Onionnews Inc.
2014 President and Representative Director, Motivation Japan (to present)
2023 Outside Audit & Supervisory Board Member, the Company (to present)

Click here for entire management team including corporate officers →

A Management Structure That Supports Sustainable Growth: Risk Management

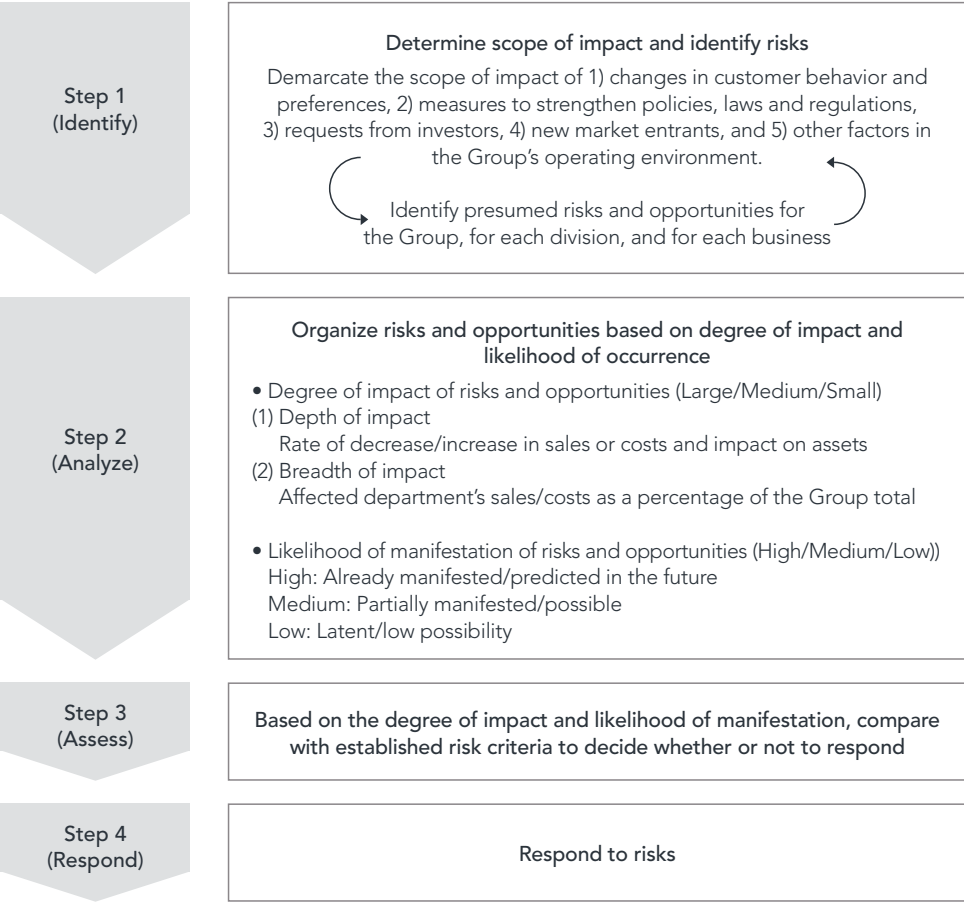
To facilitate deliberation on various risks related to Group management, the Link and Motivation Group regularly monitors, evaluates and analyzes the status of major risks. We work to provide necessary instructions and supervision to each Group company, and have established a system for regularly reporting relevant matters to the Board of Directors.

Risk Management Structure



[Click here for more information on business and other risks](#) ➔

Risk Management Process



Approach to Human Rights

The Link and Motivation Group conducts businesses that provide organizations and individuals with opportunities for transformation in order to create a more meaningful society. Respect for fundamental human rights is the bedrock of the society we envision, and we consider respect for human rights to be a key element of our effort to develop and expand business. We have therefore established a human rights policy as a guideline for promoting initiatives to respect human rights, and the Board of Directors approved its content in March 2024.

Basic Approach

Understanding that the Group's business activities may have an impact on human rights, we support and respect the International Bill of Human Rights (including the Universal Declaration of Human Rights), the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and other international norms regarding human rights, and promote initiatives to respect human rights.

Scope of Application

This policy applies to all officers and employees of the Group. We also expect our stakeholders to understand and comply with this policy.

Promotion System

The director in charge of compliance is responsible for oversight regarding respect for human rights, and the department in charge of compliance plays a central role in coordinating with relevant departments of each Group company to promote initiatives to respect human rights. The relevant departments regularly compile information on the status of initiatives and issue instructions as necessary.

Human Rights Due Diligence

To ensure the effectiveness of this policy, we will identify and strive to prevent or mitigate any adverse impacts on human rights that our business activities may have. We will also work to establish human rights due diligence mechanisms for the ongoing implementation of these processes.

Remedy

We have established various contact points for employee consultation and reporting on human rights issues. To address adverse impacts on human rights, we will confirm the facts, consider ways to resolve the problem and prevent recurrence, and respond by providing remedy to those who have suffered human rights violations.

Dialogue with Stakeholders/Information Disclosure

We will disclose the status of our initiatives to respect human rights in the Group's integrated report and other materials, and promote initiatives to respect human rights by engaging in dialogue and consultation with internal and external stakeholders.

Human Rights Issues

Under our current business structure, risks in the supply chain are low, and we conduct management with consideration given to risks at the head office, especially the human rights of workers.

Equal Opportunity and Prohibition of Harassment

We respect all people as individuals regardless of their political beliefs, ideology, religion, gender, gender identity, sexual orientation, physical characteristics, health status, age, nationality, race, ethnicity or other attributes. We prohibit all forms of discrimination, disadvantageous treatment and harassment, and strive to prevent such behavior by conducting regular training for officers and employees, among other methods. In addition, we provide equal opportunities in hiring, evaluation, training, placement, increases in salary or rank, appointment to positions and other treatment to promote the creation of a workplace environment where all of our diverse human resources can thrive.

Payment of Fair Wages and Proper Management of Working Hours

We comply with applicable laws and regulations, pay fair wages and manage working hours appropriately.

Information Management

We are aware that due to advances in computerization and rising awareness of privacy in recent years, there are strong demands for the appropriate handling of personal information. Under our personal information protection policy, information security policy, and internal regulations, we properly protect personal data and information assets and take the utmost care to ensure that they are not compromised. In addition, we treat all customers fairly and equitably, and provide safe and highly convenient services.

Promoting Health and Safety

Health and safety are indispensable for our daily activities. We work to promote health and safety in the belief that it is of the utmost importance to ensure that our stakeholders can act safely at all times.

Freedom of Expression and Consideration for Privacy

We respect freedom of expression and privacy in communications on social media and other platforms, and take the utmost care to ensure that there is no violation of such rights.

Approach to Diversity, Equity and Inclusion/Approach to Environmental Management

To create new value, the Link and Motivation Group considers it essential to recognize each person's individuality and maximize their potential without regard to their specific attributes, and is committed to providing impartial opportunities. Our policy for environmental management, an issue which currently has minimal impact on our business, is to continuously monitor risks and opportunities and take appropriate measures.

Approach to Diversity, Equity and Inclusion

We believe that diversity, equity and inclusion cannot be uniformly measured across companies, but should be appropriately defined according to business content and strategy. For the Group to achieve sustainable business growth and create new value, it is critical that our human resources, with their diverse talents, personalities and strengths, recognize each other's strengths and make the most of their abilities. We need to provide them with opportunities to demonstrate their capabilities based on a high level of motivation. In other words, it is important to acknowledge the individuality of each person and their different backgrounds, rather than specific attributes such as gender or nationality.

Based on this approach, we treat each person equally as a professional without making judgments based on specific attributes such as gender or nationality, and strive to maximize each person's potential.

Promoting the Active Participation of Female Employees

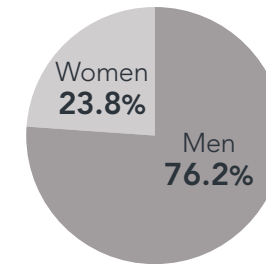
We provide impartial evaluation and promotion opportunities for all employees under a policy of promoting individuals based on their performance and growth, regardless of specific attributes such as gender or nationality. The gender ratio in management positions as of December 31, 2023 is shown in the graph on the upper right. We believe that the reason why women account for 23.8% of the total, or about one-third the amount of men, is because fewer women are in career paths that lead to managerial positions, and women are more likely to take maternity and childcare leave, and for longer periods than men. As a result, promotion to a managerial position takes a longer time for women.

The Group provides support for life events through systems for balancing childcare and work. We emphasize an approach of redefining the relationship between the company and the employee as a way to reevaluate mutual expectations in response to changes in personal circumstances, such as marriage, childbirth, childcare and nursing care.

Specifically, our work style option system allows for reduced working hours. Employees can choose the work style that best suits them from a wide range of options within the parameters of between six to eight hours a day and three to five days a week. In addition, although Japanese law requires that reduced hours and leave for childcare be available until the child's third birthday, we make it available until the child's graduation from junior high school.

By setting and applying various employment classifications like these, we enable flexible work styles that respect employee intentions and desires.

Gender Ratio in Management Positions*



* Calculated as the percentage of all management positions (excluding officers) held by women, based on definitions established by the Ministry of Health, Labour and Welfare.

Approach to Environmental Management

Due to the nature of the Group's business, we consider ourselves to be relatively unaffected by risks and opportunities related to climate change. Although we prioritize the topics of governance and human capital in responding to mandatory disclosure of non-financial information, discussions of medium- to long-term management strategies, including risks and opportunities related to climate change, are held at meetings of the Board of Directors and in the Group Management Committee. Our policy is to continually monitor risks and opportunities and to act at the appropriate time.

