

HUMAN CAPITAL REPORT 2023

Link and Motivation Group

<https://www.lmi.ne.jp>



Human resources are
our greatest, most powerful
type of capital

Using Human Resources as Our Greatest, Most Powerful Type of Capital to Create a More Meaningful Society

As Japan's labor force shrinks and companies' competitive advantages shift from products to services, human resources and organizations will become key assets for corporate management.

Link and Motivation was founded in 2000 based on this confident prediction.

We believe in creating companies that are chosen not only by customers in the product market, but also by employees and applicants in the labor market—what we call “Motivation Companies.”

We believe in utilizing people and organizations not as resources that diminish with use, but as a company's greatest, most powerful capital, capable of generating unlimited value when properly utilized.

Taking these beliefs to heart, everyone in the Link and Motivation Group from executives to staff members has been working to conduct management where we practice what we preach as we provide support for our corporate customers.

Our progress along this path has also benefitted from the growing trend toward promoting human capital management.

Link and Motivation remains committed to maximizing the value of the world's human capital in order to create a more meaningful society.

Link and Motivation Group Profile

Mission

Through Motivation Engineering, we provide opportunities to transform organizations and individuals and create a more meaningful society.

Corporate Slogan

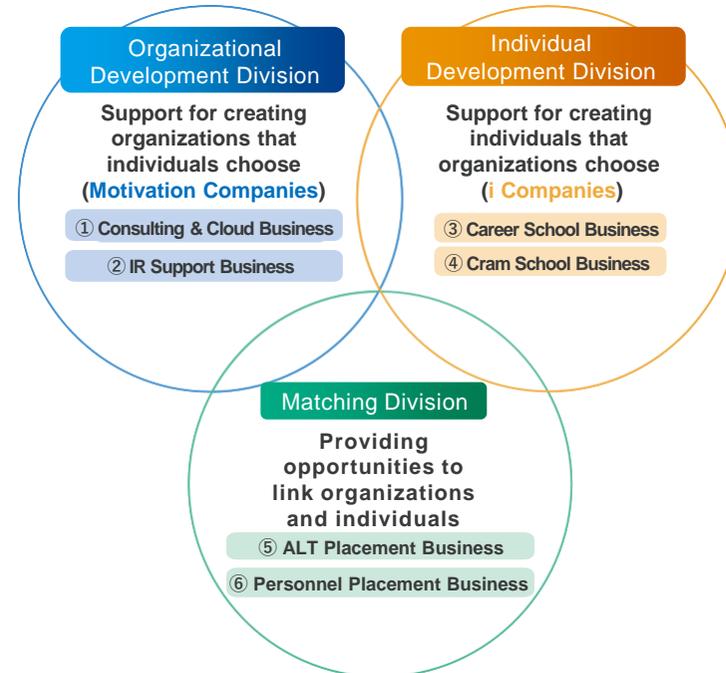
Individual Passion Inspires the World

Company Overview

(As of December 31, 2023)

Name :	Link and Motivation Inc.
Representative :	Ozasa Yoshihisa, Chairman and Representative Director
Head office :	Kabukiza Tower 15F, 4-12-15 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Established :	April 7, 2000
Stock market listing :	Prime Market, Tokyo Stock Exchange (Securities code: 2170)
Paid in capital :	¥1,380,610,000
Revenues :	¥33.9 billion (consolidated)
Operating income :	¥4.6 billion (consolidated)
Number of employees :	1,470 (consolidated)

Business Structure



Overview by Division

(Year ended December 31, 2023)

	Revenues (billion yen)	Gross Profit (billion yen)	Number of Employees
Organizational Development Division	128	90	622
Individual Development Division	64	29	524
Matching Division	153	63	322

Contents

Key Points of Human Capital Report 2023

Based on valuable feedback from our stakeholders in the capital market (shareholders and institutional investors), product market (customers) and labor market (employees and applicants), we have substantially improved the content and format to provide a more practical understanding of the Link and Motivation Group's approach to human capital management as well as the human capital that is a Group strength.

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Overview of the Link and Motivation Group's Information Disclosure

The Link and Motivation Group ("LMG") communicates with its stakeholders using diverse tools to disseminate information from a variety of perspectives.

Form of Disclosure	Content	
	Financial Information	Non-financial Information
IR Book (Integrated Report)	●	●
Human Capital Report		●
Securities Report (Japanese only)	●	●
Financial Statements	●	
Shareholder Report (Japanese only)	●	●
Corporate Governance Report (Japanese only)		●

Chapter

1

Approach to Human Capital Management

- 5 Message from the CEO and CHRO
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Message from the CEO and CHRO

Theme

1

Our Human Capital Management

In Japan, a country with few natural resources, a company's competitive advantage used to arise from "hardware" such as factories, machinery or technology. In the era ahead, however, "software" associated with people, such as ideas, hospitality and motivation, will become the source of competitive advantage. I founded Link and Motivation with this conviction. Since then, we have been linking two concepts—the Motivation Company, which increases and unifies employee motivation and connects it to results, and the i-Company, in which each individual views themselves as their own corporation. We also have been linking actual Motivation Companies and i-Companies to conduct human capital management with the objective of continuing to produce both, in high quantity and quality.

Among the various characteristics of human capital, we particularly emphasize engagement, which is the degree of mutual understanding and affinity between a company and its employees. Engagement has been shown to have a correlation with corporate performance and labor productivity, and the Link and Motivation Group puts this finding into practice in improving engagement.

Chairman and Representative Director
Ozasa Yoshihisa

TOP MESSAGE



Message from the CEO and CHRO

Theme

2 The Value of Human Capital Management as an Executive

Because of our commitment to practicing what we preach, we have also been making ongoing investments in human capital throughout LMG. I can explain the value of doing so from the two perspectives of return on investment and my own experience. First, as a result of setting numerical targets for improving the skills of our human resources and increasing their engagement in the sense of unifying them, our human capital return on investment (ROI) has been extremely high. In terms of operating income, this means that the value created exceeds the capital invested.

Moreover, in my own experience, in organizations with a high level of engagement, intentions expressed by the leader are promptly communicated and put into practice throughout the workplace. Basically, in any workplace or company, there are times when people approach change with fear or hesitancy, but employees of the Link and Motivation Group instinctively adapt to change. I believe that in this dramatically changing corporate operating environment, improving human capital, and engagement in particular, will not only raise labor productivity, but will also facilitate more agile leadership.



Click here for a video version of this message (Japanese only).



Theme

3 Future Steps for Carrying Out Our Mission

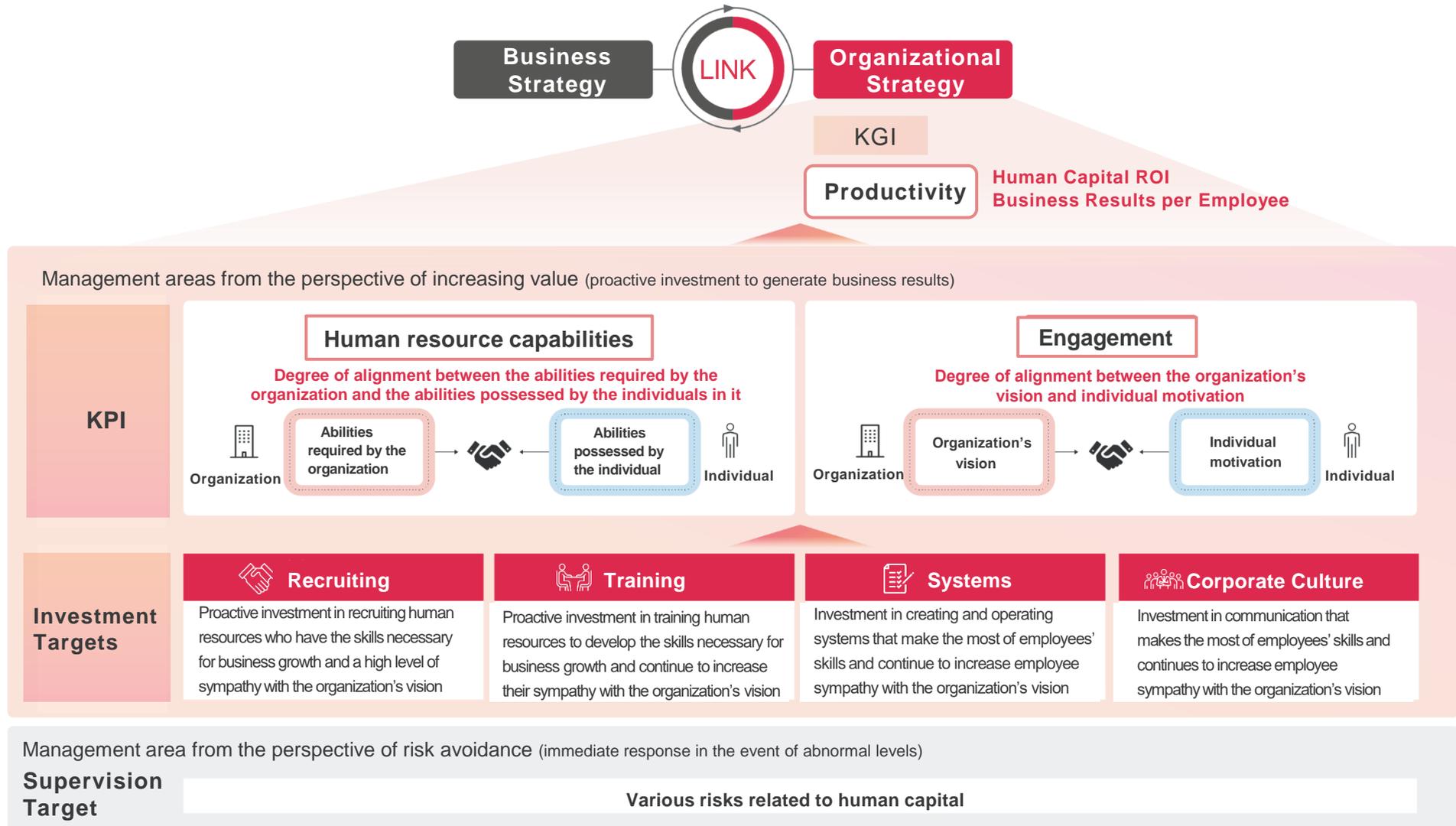
We place business strategy and organizational strategy on an equal footing and conduct management that links them. Giving precedence to business strategy, followed by the organizational and human resource strategies to execute it, may be a common approach. From my experience, however, business and organization are two sides of the same coin. For example, seeking a certain type of human resources because of the kind of business you want to conduct is just one possible approach. It is also possible to first consider the human resources you have and then decide the kind of business you will conduct, choosing from the available options based on the personalities and skills of the people.

That is why we invest in human capital: to improve the skills of our employees, increase their engagement, and securely unify them. In this way, we have made and will continue to make human resources our greatest and most powerful asset. Naturally, as a member of the service industry, we consider this stance critical for our future growth, so we will continue to ramp up initiatives in order to carry out our mission.

An Organizational Strategy That Makes the Most of Human Capital

The Link and Motivation Group's Approach to Human Capital Management

The management of a Motivation Company, which uses employee motivation as its growth engine, places its business and organization on an equal footing. We believe that linking a business strategy that maximizes customer value and an organizational strategy that makes the most of human capital while investing an appropriate amount of time and money in both to obtain returns will increase corporate value over the medium to long term and enable us to carry out our mission.



See page 65 for our understanding of human capital disclosure guidelines.

A Discussion on the Nature of Human Capital

Human capital management has been attracting attention. This management approach views human resources as a type of capital and emphasizes maximizing their value to improve corporate value over the medium to long term. We take a look at the nature of human capital management in this conversation between Ito Kunio, who chaired the study group that published the Ito Report for Human Capital Management and is promoting human capital management from an academic perspective, and Link and Motivation President and Representative Director Sakashita Hideki, who is promoting it from a business perspective.

Current State of Human Capital Management

Ito: When I talk to managers, they all say the same thing: Our people are important. But some data has emerged that presents a shocking state of affairs. For example, when asked if they want to continue working at their current company for a long time, employees in Japan answered “yes” at the lowest rate of all countries surveyed.

At the same time, they were also least likely to say yes when asked if they want to change jobs (move to another company). Efforts to restore the competitiveness of Japanese companies will not produce results as long as employee enthusiasm and engagement remain low.

President and Representative Director
Link and Motivation Inc.

In 1991, Mr. Sakashita joined Recruit Co., Ltd., where he was involved in organizational and personnel consulting as part of the Comprehensive Human Resources Services Division. In 2000, he participated in the establishment of Link and Motivation Inc. as a founding member, and has been serving as president and representative director since 2013.

Hideki Sakashita

That finding led to our publication of the Report of the Study Group on Improvement of Sustainable Corporate Value and Human Capital in 2020.

Sakashita: When Link and Motivation was established in 2000, efficiency was being heavily emphasized and expectations were high for IT. However, IT is used by people, and results will vary depending on the purpose of use. The Company therefore started with the intention to prove the effectiveness of management that focuses on people’s motivation and engagement, and to support such management.

One way of approaching this issue is to look at the many companies where communication consists solely of exchanging figures without any deeper thought—without any discussion of why the company exists or why it is engaged in a particular business or type of work. Even when those companies do such things, employees feel they are forced to do it, and consequently even if those companies do conduct an employee engagement survey, they find it difficult to improve. I think that improving motivation from within, rather than just external motivation such as raising salaries, will serve as the engine of growth for Japan.

Kunio Itoh

Professor and Director/CFO
Hitotsubashi CFO Education and Research
Center

Mr. Ito has a Doctorate in Commercial Science and has served as a professor and dean of the Graduate School of Commerce and Management, and senior vice president at Hitotsubashi University. He chaired the study group that published Competitiveness and Incentives for Sustainable Growth: Building Favorable Relationships between Companies and Investors (known as the Ito Report) in 2014 as well as other government committees and projects on corporate governance, intangible assets and ESG. In September 2020, the Report of the Study Group on Improvement of Sustainable Corporate Value and Human Capital (known as the Ito Report for Human Capital Management) published its findings for the Ministry of Economy, Trade and Industry.



Ito: I completely agree. Perhaps one reason for the low employee engagement at Japanese companies, which claim to value people, is their corporate philosophies. I often hear it said that once those admirable sentiments are written down, Japanese corporate philosophies are treated as set in stone, and never again become the subject of a general debate.

However, as you mention, each employee should have a clear idea of why they are working at their company and doing the job they do, then reconcile that with the corporate philosophy. Those who are in basic agreement about their reasons will work at the company for many years and do good work, while those who are not in agreement will move on to another company. This kind of healthy turnover is important.

Enhancing Management through Human Capital Disclosure

Ito: Looking at many Japanese companies these days, they are all enthusiastically claiming that they will be making a major effort to disclose human capital information, but I sense that all they are really thinking about is the disclosure itself. Take the ratio of women in management positions, for instance. Their interest in the topic ends with somehow just making it look like they are meeting their targets, which has a different meaning from the original objective.

Rather than making it all about the disclosure, it would be better to create a positive cycle—to use the feedback on the information that is disclosed to improve conditions at the company through human capital management, which will show up in the next disclosure.

Sakashita: The Link and Motivation Group conducts regular diagnoses of employee engagement, which is thought to have a high correlation with corporate growth in areas such as business results and retention of human resources. We then disclose the level of employee engagement as an Engagement Rating. At the same time, as a business, we conduct a cycle of diagnosis, transformation and disclosure for our client companies that leads to improvement in their corporate value. We also try to make corporate conditions clear even without formal disclosure through the online employee reviews collected by OpenWork, one of our Group companies. By doing so, any discrepancies between the details in a company's integrated report or other disclosure materials and actual conditions are made clear.

As we work in this way for a more open labor market, we intend to promote and help spur human capital management by expanding the organizational and personnel consulting support for diagnosis, transformation and disclosure that we have offered since the Company was established.



People Turn Strategies into Reality

Ito: Companies communicate their management strategy externally through, for example, their medium-term management plan. Then, when investors see an appealing strategy, they want to know how feasible it is.

In considering feasibility, the responsibility for turning a management strategy into reality falls to the people in the company. But actually, until now virtually no information was disclosed about the human resources who carry out the management strategy. When investors want to see whether a company is capable of executing its management strategy, if the disclosed information does not clearly address this issue, they will have doubts about the company's ability to perform sustainably. I therefore believe that **disclosure of human capital information is crucial in the sense that it helps people understand a company's ability to execute its management strategy.** Link and Motivation is a listed company. How is it for you?

Sakashita: To take an example from sports, I think that human capital disclosure is like showing not just the scores of games, but also details on the players' training.

Ito: That's an interesting analogy. Admittedly, there is usually no way of knowing how seriously players are working on the various aspects of their game. However, disclosing information is a way for a company to show that it has a specific training schedule and its employees are highly motivated to train, and thus that its business results will improve.

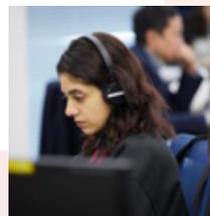
For example, companies in the manufacturing industry offer factory tours. People see the company in action, it leaves an impression, and they invest in it. The same is true for human capital management. For a company to talk about its recruiting without showing potential investors what they are talking about is a wasted opportunity.

Human Capital Rather Than Human Resource

Ito: Until now, Japanese companies have managed their people as resources. Going forward, they will need to fundamentally change the way they view people. In other words, people are not a "resource" that decreases with use, but rather a type of "capital" whose value increases without limits when placed in the right environment. The value of all human capital is not identical across the board; that is something management and employees have to get together and discuss at each company. I think Link and Motivation already does this. Is that the case?

Sakashita: Since our founding, we have held that human resources are a company's biggest and strongest asset. Rather than simply adjusting people to fit a business, this management philosophy also adjusts the business to fit its people. I also think that corporate climate and corporate culture are important for understanding human capital.

Note: Click here for a video of the full conversation (Japanese only).



Findings from Research on Human Capital

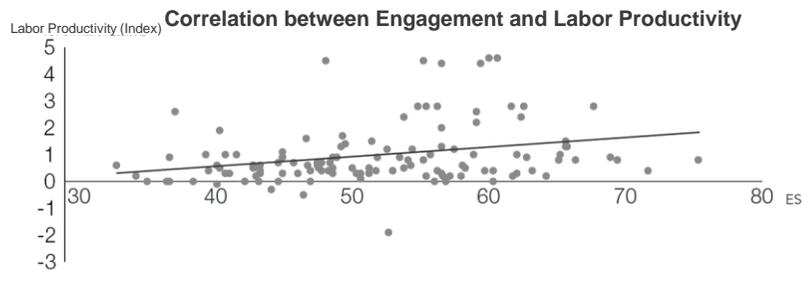
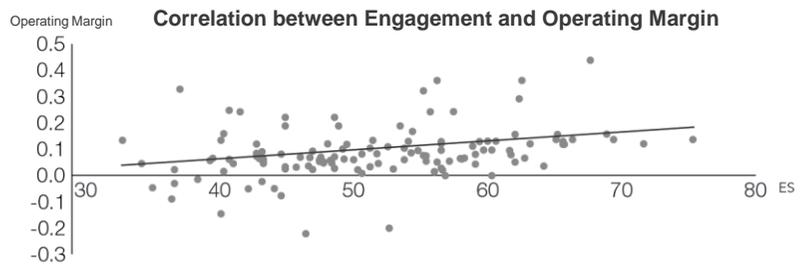
A study conducted by our research organization, the Motivation Engineering Institute, has shown the relationship between engagement and corporate performance and investment metrics.

Relationship between Engagement and Corporate Performance

In joint research with the Iwamoto Laboratory at Keio University's Graduate School of Business Administration, we analyzed the impact of engagement on management.

The results showed that **engagement has a positive impact on both operating margin and labor productivity.**

[Click here for details.](#)



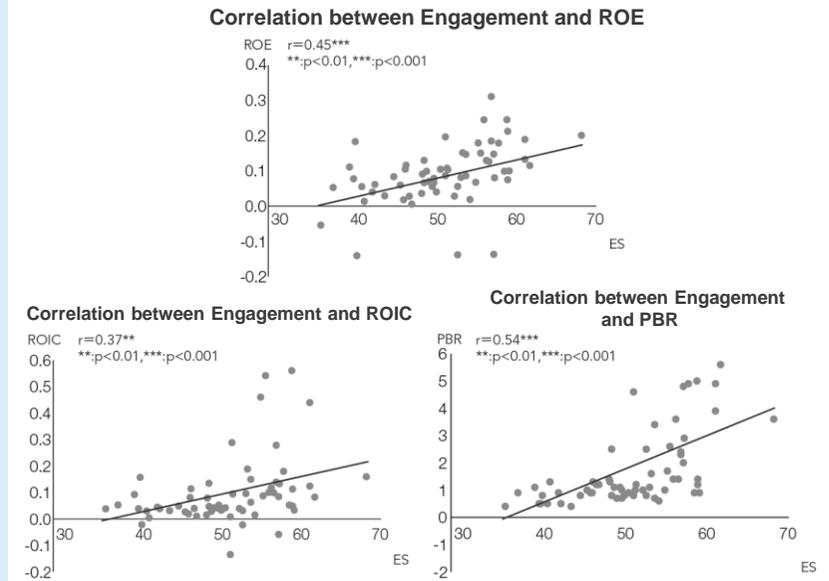
Note: "ES" stands for Engagement Score

Relationship between Engagement and Investment Metrics

We analyzed the quantitative relationship between engagement, which is an important element in human capital investment, and the investment metrics ROE, ROIC and PBR.

The results showed that **the higher the level of engagement, the higher the ROE, ROIC and PBR.**

[Click here for details.](#)



Note: "ES" stands for Engagement Score

Chapter

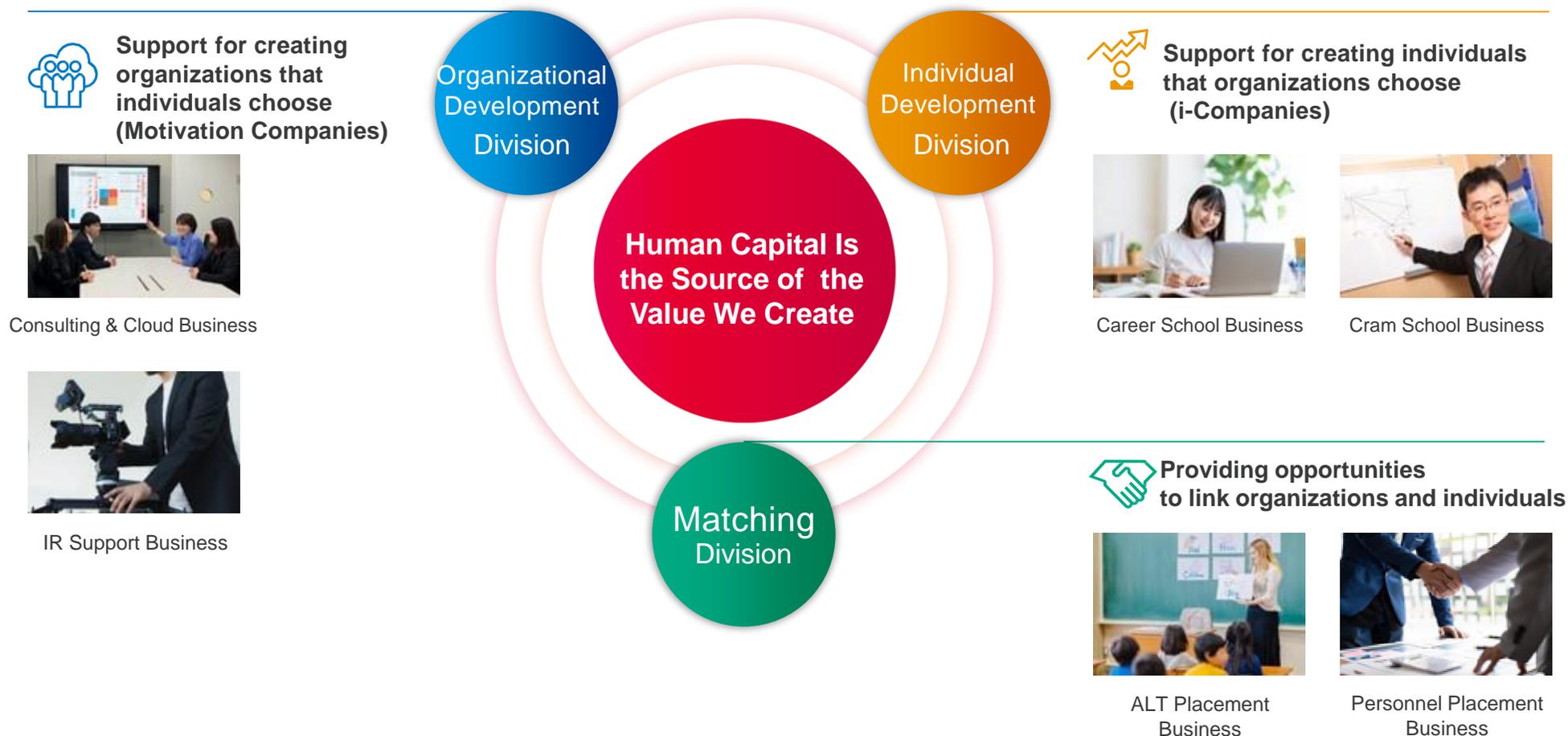
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Businesses of the Link and Motivation Group

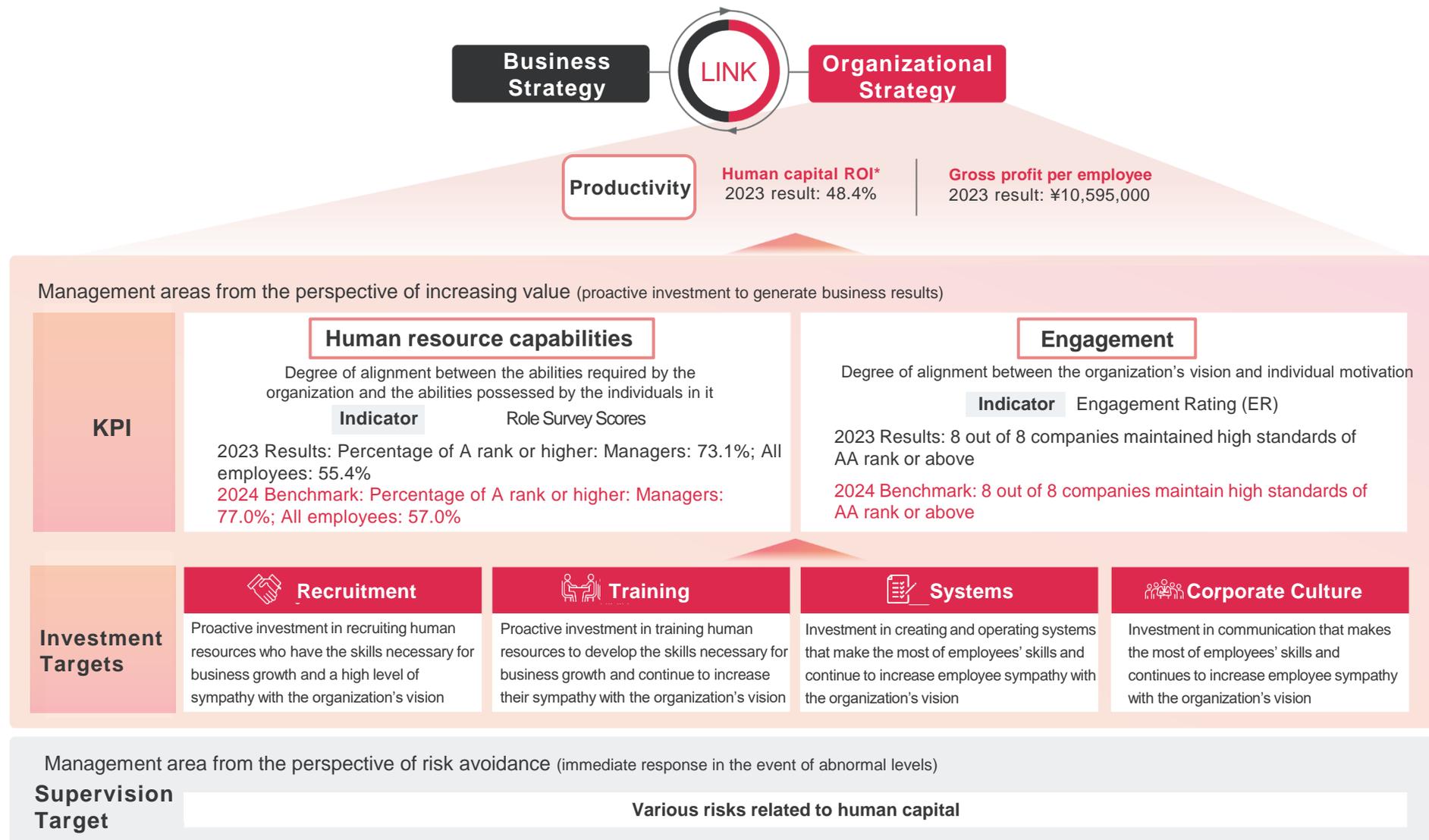
The Link and Motivation Group operates **service businesses in which people deliver value directly to customers**. Since our founding, employee motivation is the very engine of corporate growth; or, in other words, **human capital is the source of the value we create**.



- Value creation process: Page 10 of IR Book 2023 (integrated report)
- Details of specific businesses: Pages 26-31 of IR Book 2023 (integrated report)

Group Organizational Strategy

The Link and Motivation Group, which supports the creation of Motivation Companies, is committed to practicing what it preaches in its own management. As a result of ongoing investment in human capital, gross profit per employee has increased and productivity has improved.

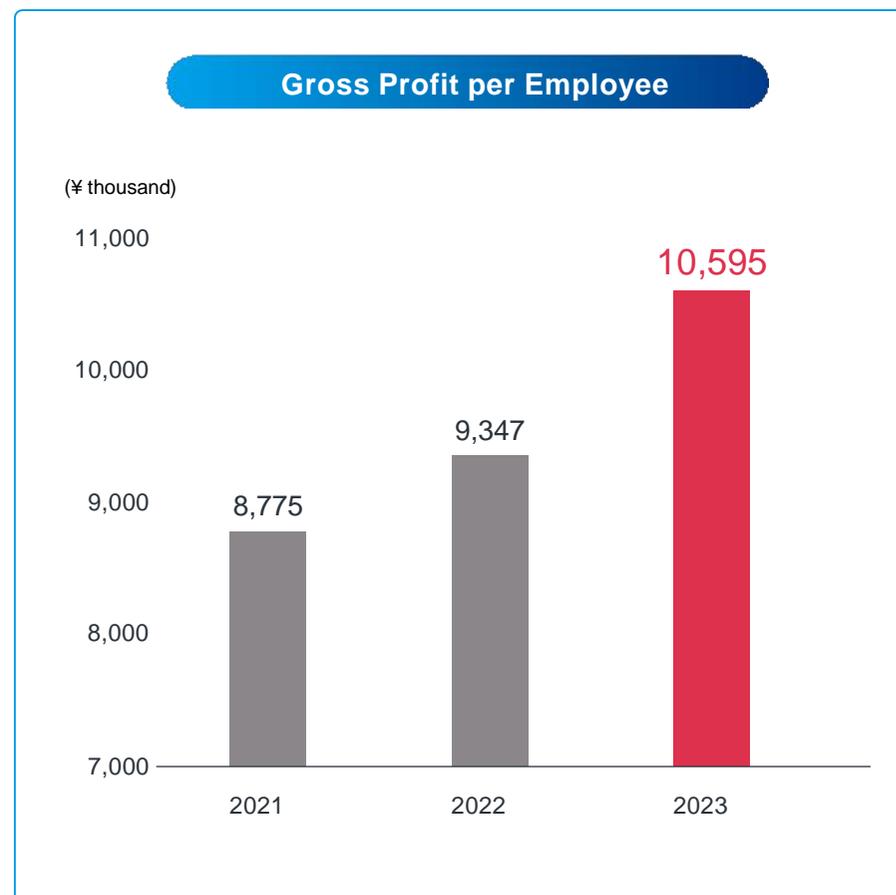
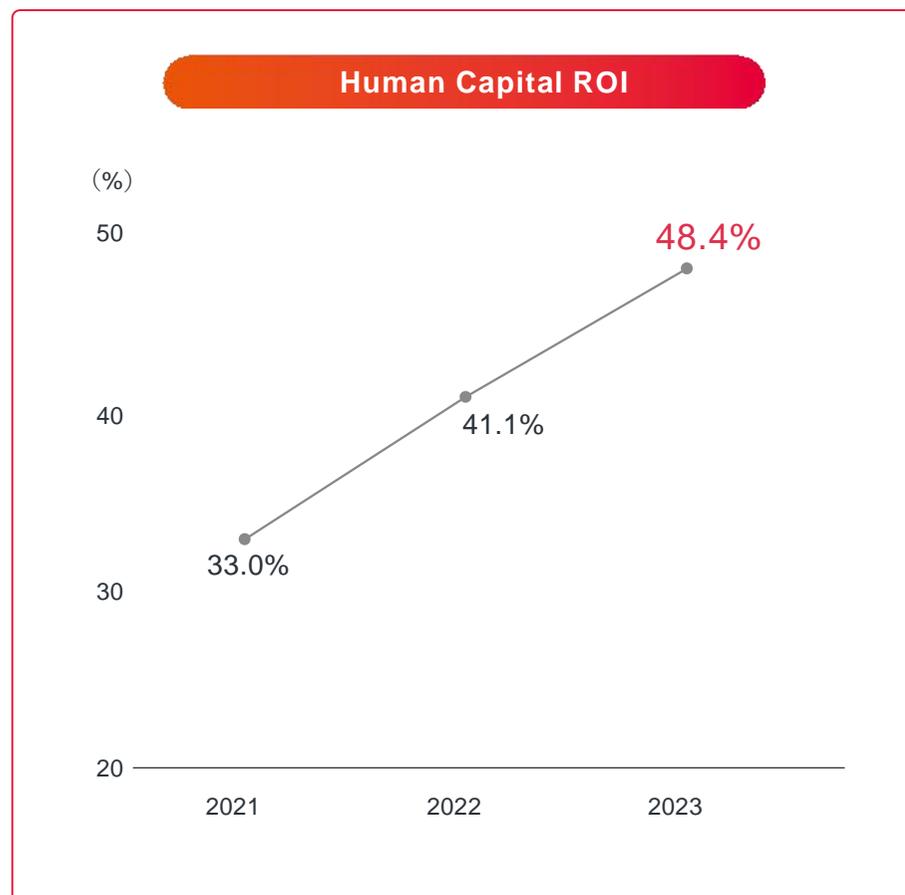


* Human capital ROI = Adjusted operating income ÷ Investment in human capital
 Adjusted operating income is a profit indicator that measures operating results. It excludes temporary factors such as goodwill, right-of-use assets, and impairment of fixed assets from operating income.
 Investment in human capital reflects total expenditures, including employee salaries and bonuses, statutory internal and external welfare expenses, commuting expenses and other executive compensation.

Group Organizational Strategy: Productivity

The Link and Motivation Group conducts its management using human capital ROI and gross profit per employee as key goal indicators (KGIs) that link its business strategy and organizational strategy.

In 2023, productivity improved in line with our expectations as gross profit increased 10.2% and operating income grew a substantial 27.4% compared with the previous year. We also expect further improvement in productivity going forward.



Group Organizational Strategy: Human Resource Capabilities

Human resource capabilities show the degree of alignment between the abilities required by the organization and the abilities possessed by the individual in it.

As a management KPI, we use an 11-level ratings scale for role survey scores, which are calculated by measuring the degree of alignment between the expectations and satisfaction of others regarding the performance of the survey subject.

Role Survey Scores

An 11-level ratings scale for scores calculated by measuring the degree of alignment between the expectation and satisfaction of others regarding the performance of the survey subject

Roles	Ratings*	
	Rating	Score
Upper management	AAA	67 or higher
	AA	Less than 67
	A	Less than 61
Management	BBB	Less than 58
	BB	Less than 55
Leaders	B	Less than 52
	CCC	Less than 48
Mid-level employees	CC	Less than 45
	C	Less than 42
Junior employees	DDD	Less than 39
	DD	Less than 33

Average among the general public

2023 Results

In 2023, the Link and Motivation Group's human resource capabilities remained constant, with rankings of "A" or higher for more than 55% of all employees, and more than 70% of managers

	2021	2022	2023	
All employees	Number of eligible respondents	1,386	1,137	1,378
	Rank A or higher	713	646	764
	Percentage of total (%)	51.4	56.8	55.4
Managers and above	Number of eligible respondents	159	146	156
	Rank A or higher	111	110	114
	Percentage of total (%)	69.8	75.3	73.1

* Calculated based on data from approximately 720,000 respondents in 7,030 corporate diagnoses

Group Organizational Strategy: Engagement

Engagement shows the degree of alignment between the organization’s vision and individual motivation.

We use Engagement Rating as a management KPI for the status of engagement in an organization. This rating is on an 11-level scale based on Engagement Score,¹ which is calculated by measuring the degree of alignment between employee expectations and satisfaction.

Engagement Rating² (ER)

Rating of the status of engagement in an organization on an 11-level ratings scale based on a score calculated by measuring the degree of alignment between employee expectations and satisfaction

Engagement Measured in 16 Areas

Ratings^{*3}

2023 Results

In 2023, the Link and Motivation Group continued to maintain a high level of employee engagement, with an Engagement Rating of AAA for six companies and AA for two companies out of the eight Group companies. ^{*4}

		Rating	Score
Company	Boss	AAA	67 or higher
		AA	Less than 67
		A	Less than 61
		BBB	Less than 58
	Workplace	BB	Less than 55
		B	Less than 52
		CCC	Less than 48
		CC	Less than 45
C		Less than 42	
DDD		Less than 39	
DD		Less than 33	
			Average among the general public

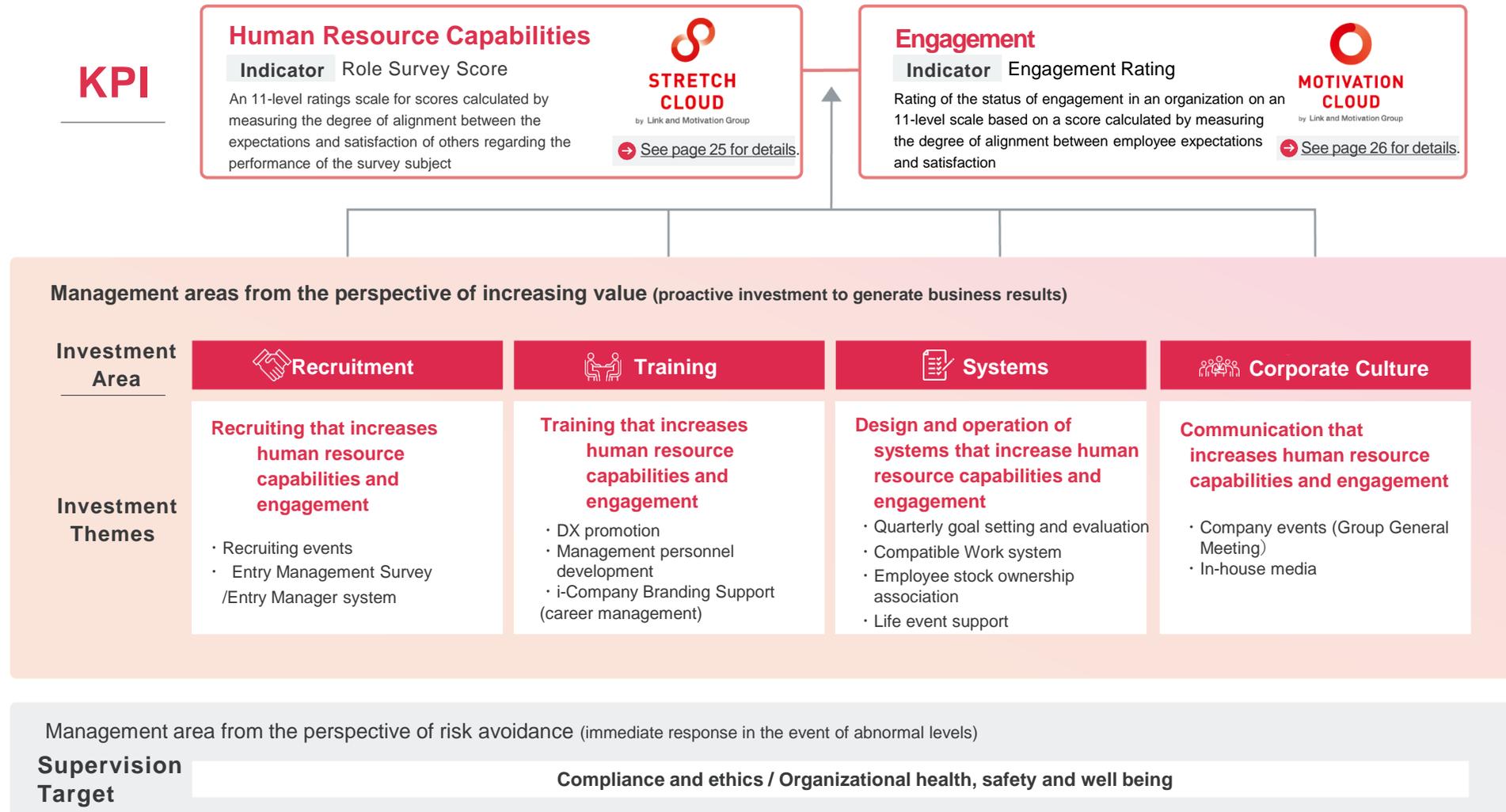
Division	Group Company	Rating		
		Feb. 2022	Feb. 2023	Feb. 2024
Organizational Development Division	Link and Motivation Inc.	AAA	AAA	AAA
	Link Event Produce Inc.	AAA	AAA	AAA
	Link Corporate Communications Inc.	AAA	AAA	AAA
Individual Development Division	Link Academy Inc.	AAA	AAA	AAA
	Motivation Academia Inc.	AAA	AAA	AAA
Matching Division	Link Interac Inc.	AA	AAA	AA
	OpenWork Inc.	BBB	AA	AA
	Link-i Inc.	AAA	AAA	AAA

1. Engagement Score is a registered trademark of Link and Motivation Inc. (Registration number 6115383).
 2. Engagement Rating is a registered trademark of Link and Motivation Inc. (Registration number 6167649).
 3. Calculated based on data from approximately 4.03 million respondents in 11,360 corporate diagnoses.
 4. Excluding Link Dining Inc., which is engaged in other businesses

Overview of Human Capital Investment

Investing appropriately to maintain conditions in which highly skilled employees can work with a high level of engagement will lead to business growth.

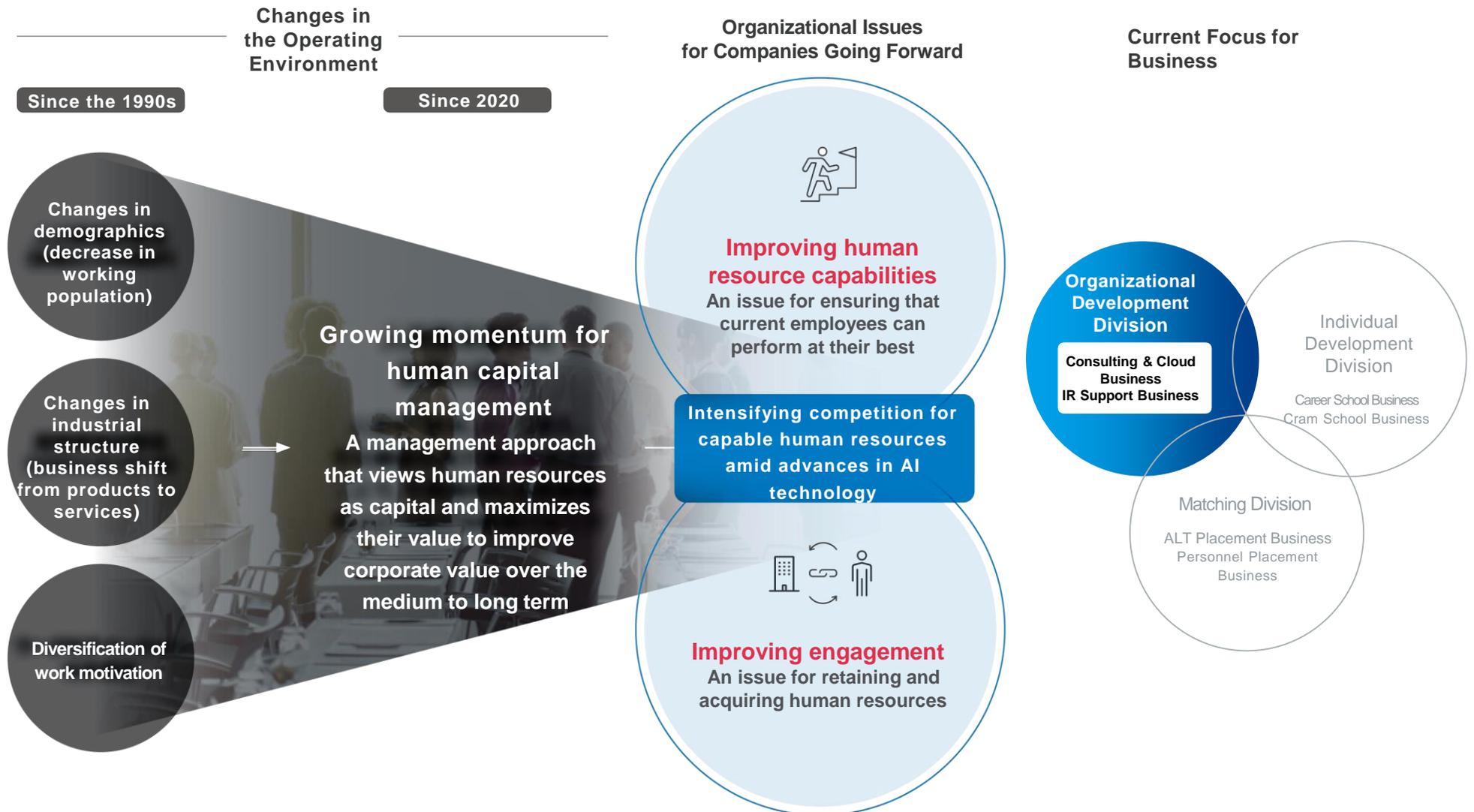
We therefore improve both human resource capabilities and engagement at the same time using our own portfolio of solutions for thorough management of recruitment, training, systems and corporate culture.



An Organizational Strategy Linked to Business Strategy (Consulting & Cloud Business)

As changes in the labor market continue to accelerate, our business policy is to utilize the expertise and insights we have cultivated in consulting on organizational and human resource issues to thoroughly expand the Consulting & Cloud Business.

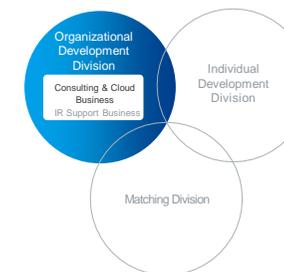
We will grow substantially by linking a business strategy that maximizes customer value with an organizational strategy that makes the most of human capital.



An Organizational Strategy Linked to the Group's Business Strategy (Consulting & Cloud Business)

The aim of our business strategy is to increase both recurring revenue¹ and one-time revenue per customer.*²

As part of our organizational strategy, which is linked to our business strategy, we have set investment points for recruitment, training, systems and corporate culture.



- Increase recurring revenue (Key Point)**
 Introduce the Motivation Cloud series at major companies and promote cross-selling of Stretch Cloud
- Increase one-time revenue per customer (Key Point)**
 Increase the number of consultants capable of providing comprehensive support for solving complex and diverse customer issues identified through organizational diagnosis



→ For details, see page 22 of IR Book 2023 (integrated report)

Management areas from the perspective of increasing value (proactive investment to generate business results)

KPI	Human resource capabilities	Engagement		
	Degree of alignment between the abilities required by the organization and the abilities possessed by the individuals in it Indicator: Role Survey Score 2023 Results: Percentage of A rank or higher: Managers 85.7%; All employees 62.2%	Degree of alignment between the organization's vision and individual motivation Indicator: Engagement Rating 2023 Results: 13 out of 13 companies with AA rank or higher		
Investment Targets	Recruitment	Training	Systems	Corporate Culture
	<ul style="list-style-type: none"> Ramp up recruiting of human resources with high aptitude as consultants Maintain and improve the level of sympathy with the Group's philosophy 	<ul style="list-style-type: none"> Add new employee training programs for rapid development of consultants 	<ul style="list-style-type: none"> Improve compensation for consulting specialists 	<ul style="list-style-type: none"> Establish new award for projects that demonstrated the most value for customers during the year

1.Cloud services providing regular diagnosis and transformation at the optimal frequency for each company
 2.Consulting services providing focused transformation as required based on diagnosis results

Group Human Capital Management from an Employee's Perspective: A Year in One Department

The Link and Motivation Group's investment in its human capital is clearly noticeable in daily operations. The following looks at one department over a year.

1 New Employee Training

Over several months, we conduct a variety of training sessions for new university graduate employees, with the aim of helping them acquire the basic stance and skills they will need as working adults.



2 i-Company Branding Support (iBS)

For independent, autonomous career development, each employee has the opportunity to propose a management plan and initiatives for their i-Company (a concept that views each individual as his or her own corporation).

[Previous Data]				[Current Data]	
Category	Item	Score	Weight	Score	Weight
Category 1	Item 1	Score	Weight	Score	Weight
Category 2	Item 2	Score	Weight	Score	Weight
Category 3	Item 3	Score	Weight	Score	Weight
Category 4	Item 4	Score	Weight	Score	Weight
Category 5	Item 5	Score	Weight	Score	Weight
Category 6	Item 6	Score	Weight	Score	Weight
Category 7	Item 7	Score	Weight	Score	Weight
Category 8	Item 8	Score	Weight	Score	Weight
Category 9	Item 9	Score	Weight	Score	Weight
Category 10	Item 10	Score	Weight	Score	Weight

➔ See page 35 for details.



Stretch Cloud

Weekly improvement activities

Diagnosis

Weekly improvement activities

Motivation Cloud

Diagnosis

Improvement activities/Simple survey

Diagnosis

Improvement activities/Simple survey

- Investment Areas
- Training
- Systems
- Corporate Culture



3 Goal Setting and Evaluation

➔ See page 39 for details.



To accelerate their growth, employees set goals on two axes—performance (degree on contribution to company business results and the organization) and stretch goal (degree of individual growth)—followed by evaluation meetings with superiors every three months.

4 Kickoff Meeting

Every three months, the department holds a kickoff meeting for all members to reflect on the period just ended, share future goals and stimulate communication. Departmental awards are also presented.



*Note: Depending on Group company

Group Human Capital Management from an Employee's Perspective: A Week for One Employee

The Link and Motivation Group's investment in its human capital makes is clearly noticeable in daily operations. The following looks at one employee over a week.

The director and officer in charge of each Group company send a message once a month, and in my company, the company president also sends a weekly message on the company intranet. It's really helpful for getting a clear idea of what to focus on during the week.



→ See page 47 for details.

Each department has one of two set days each week for working in the office. On days when I work at home, I concentrate on my own assignments, and on days when I'm in the office, I attend many face-to-face meetings and go out to lunch with my co-workers.

Media for all LMG employees is updated once or twice a month. Today, I read LM Hitoyasumi, which is packed with information related to daily work.



→ See page 47 for details.

Company President's Message

Monday

Lunch with Co-Workers

Tues
day

In-House Media

Wedne
sday

Company Meeting

Team Meeting

Thurs
day

Friday

Review of the Week
with Stretch Cloud

Response to Motivation
Cloud Simple Survey

All employees carry out the plan-do-check-act (PDCA) cycle using the human resources development tool Stretch Cloud. It helps me look back at my growth for the week in the form of a weather report, ranging from sunny to cloudy or rainy. The past week was "sunny."



→ See page 25 for details.

The company conducts organizational diagnosis using Motivation Cloud once every six months, and once every month or so we also fill out a simple survey on focus items to confirm progress. Then at the next team meeting, the members make sure we are all on the same page.



→ See page 26 for details.

Chapter

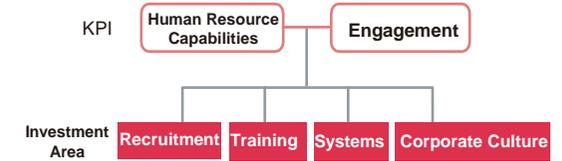
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Measures for Human Capital Management

- 24 Initiatives to Maximize Human Capital
- 25 Improving Human Resource Capabilities
-Stretch Cloud-
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- 27 Specific Investments in Recruiting, Training, Systems and Corporate Culture

Initiatives to Maximize Human Capital

We invest in recruiting, training, designing systems and establishing our corporate culture to develop human resources with the skills necessary for business growth and a high degree of sympathy with the vision of their organization. In doing so, we make full use of our own solutions.

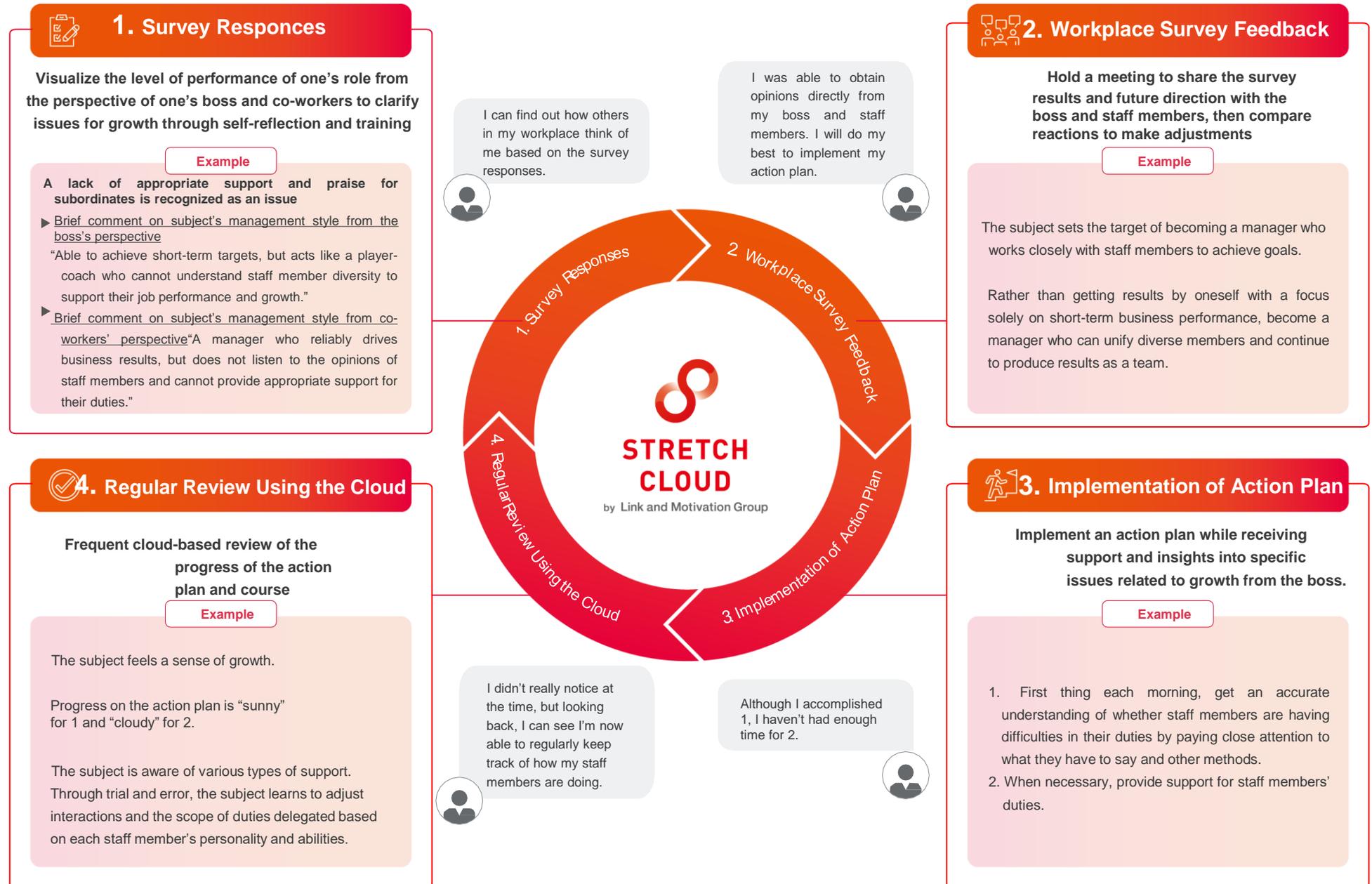


Management Areas from the Perspective of Increasing Value (Proactive Investment to Generate Business Results)

Investment Area	Name of Measure	Details	2023 Results
—	Stretch Cloud	Diagnoses an individual's performance with respect to role expectations through a multifaceted evaluation and identifies issues in order to design a plan for personal growth (transformation) and to establish a cycle that improves human resource capabilities	Role Survey Score Percentage of A rank or higher: Managers 73.1% All employees 55.4%
	Motivation Cloud	Diagnoses employee engagement with a company and identifies issues in order to establish a cycle that increases engagement through improvement (transformation) initiatives	Engagement Rating: 8 out of 8 companies maintained high standards of AA rank or higher
Recruitment	New university graduate recruiting events	To provide a clear image of what to expect after joining the Group, we hold events to directly convey the reality of work, details of the business and the thoughts of Chairman Ozasa.	Event satisfaction 100% Note: Percentage of attendees who rated the event 4 or 5 on a scale of 1-5
	Entry Management Survey / Entry Manager System	Entry Managers are involved in the recruiting process and provide optimal individualized support with the goal of helping applicants succeed after joining the Group. We also quantitatively assess applicant engagement.	Group companies whose strength lies in LMG's philosophy and strategies: 8 out of 8 companies
Training	DX promotion (reskilling) measures	Provide employees with opportunities to acquire IT Passport certification and to learn how to use ChatGPT in order to improve their IT skills	Average DX Score: 124.3
	Management personnel training	Provides growth opportunities separate from assigned duties to develop human resources who will lead the organization. Selected participants spend one year acquiring the perspective required of a manager.	Successor coverage rate: 112.5%
	iBS2023 (i-Company Branding Support) measures	Provide opportunities for employees to follow their desired career path and to gain understanding of the meaning of belonging to a company based on the "i-Company" concept, in which each employee acts as the manager of their own corporation	i-Company management plan submission rate: 98.1%
Systems	Evaluation system	We set goals based on our unique view of time, which treats three months as one year with the aim of growing four times faster than the rest of the world. Evaluations are given on the two axes of performance and degree of growth.	Average individual evaluation score: 9.7
	Compatible Work	We specify days for each team to work in the office, enabling a work style that makes the most of the respective features of office work and telework to improve both labor productivity and engagement.	Frequency of office attendance: 1-2 days per week
	Ownership system Employee stock ownership association	Offers incentives to support regular stock acquisitions by employees in order to foster a sense of ownership in their company's management and help them build assets over the medium to long term	Stock ownership association membership rate: 90.9%
	Life event support	Re-establishes the terms of the employee-company relationship according to life stage and provides support in line with individual circumstances and milestones	Maternity leave rate: 100.0% Paternity leave rate: 56.0%
Corporate Culture	Group General Meeting	Held once every three months. It brings together all employees to share the Group's current status and future direction.	Group General Meeting Average number of attendees: 1,371
	In-house media	To promote mutual understanding between the Group and its employees, the views of management and Group issues are posted on the Group intranet. Employees can make comments to communicate with senior management.	Average access rate for Top Comment (Internet-based in-house bulletin) : 90.1%

Improving Human Resource Capabilities : Stretch Cloud

Stretch Cloud, a cloud-based human resource development tool, diagnoses an individual's performance with respect to role expectations through a multifaceted evaluation and identifies issues in order to design a plan for personal growth (transformation) and to establish a cycle that improves human resource capabilities.



Improving Engagement : Motivation Cloud

Motivation Cloud, a cloud-based tool for improving engagement, is used to diagnose engagement, which is the level of sympathy employees feel toward their company, to identify issues.

We then design an organizational improvement (transformation) plan to establish a cycle that increases engagement.



Specific Investments in Recruitment, Training, Systems and Corporate Culture



Recruitment

Purpose

Hire human resources who have the skills the Group requires and who sympathize with our mission

Approach

Recruitment creates a company's future five to ten years ahead

Common wisdom in Japan says that “sales capabilities determine a company's future one year ahead, corporate product development capabilities determine its future three to five years ahead and the quality of the new university graduates a company hires determines its future five to ten years ahead.” Among the four areas of recruiting, training, systems and corporate culture, the Link and Motivation Group invests the most in training. We began hiring new university graduates in the second year after our founding, unusually early for a startup, and have continued to invest in recruiting year after year, even during the 2008 global financial crisis and the COVID-19 pandemic, up to the present. We view recruiting as the “acquisition of human resources with the high level of skills we need to carry out our management strategies” and, at the same time, “an activity to welcome highly motivated human resources as kindred spirits who aim to realize the Group's mission.”

This is because we are confident that these human resources will perform at a high level.

We also believe that recruiting activities have the effect of increasing current employees' motivation. They provide an opportunity for applicants and employees to discuss their visions for the future. Employees talk with applicants about the future of society and the Group in their own words. This motivates them to try to realize the future they have discussed. Then, the newly hired employee discusses the future with the next batch of applicants, and the cycle continues. Establishment of a framework for this ongoing cycle, which has now become part of the Group's culture, is the driving force that makes the most of the Link and Motivation Group's human capital.



New University Graduate Recruiting Events

Objective and Outcome

Acquire human resources who have the high level of skills the Group requires and are highly motivated to realize our mission

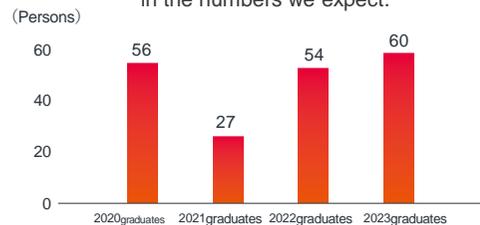
Hiring of **108** new university graduates with an average quality rating as new employees of **10.1**, exceeding the expected level of 10.0* and meeting our anticipated standards for both quantity and quality

* Following a six-month trial period after joining a Group company, employees are evaluated on a scale of 2 to 18, with 10 being "as expected."

Data Highlights

Number of New University Graduates Hired by Link and Motivation Inc.

Although there was a one-time decrease during the COVID-19 pandemic in 2021, the kind of human resources we seek have continued to join Link and Motivation in the numbers we expect.



Measures in Detail

Internship That Leads to Selection

SPiRAL

In this program, interns are involved in diagnosing organizational conditions and planning their transformation based on actual customer case studies that were originally developed as exercises for consultants. Working side by side with Link and Motivation Group consultants in confronting the most difficult corporate issues gives participants a feeling for the real nature of organizational and personnel consulting. As part of the recruiting of 2024 university graduates, 342 students participated in the program.



Comments from Participants

"I got a deeper understanding of the actual job. I was interested in organizational transformation, but I didn't have a concrete image of it. By actually experiencing it, I felt it was substantial, rewarding work that was difficult but also meaningful."

"By interacting with employees, I learned that everyone has their own approach to work."

Joint Briefing on Group Companies

TOP FORUM

At this event, the presidents of Group companies gather to talk about their company's business and outlook. Speaking directly to the students, they each make the case for their own company's philosophy and business areas. As part of the recruiting of 2024 university graduates, 872 students attended the event.



Comments from Participants

"I obtained detailed information about each Group company and got a deeper understanding of each company president's stance."

"I learned that the Group operates a wide range of businesses as well as the roles of each company and the connections between them."



Entry Management Survey/Entry Manager System

Objective and Outcome

Acquire human resources who have the high level of skills the Group requires and are highly motivated to realize our mission

Data showing that new employees place importance on corporate philosophy and strategies at the eight Group companies that hire new university graduates

Data Highlights

Reasons New Employees Joined the Group in 2024

“I want to create organizations where all members can play a leading role.”

“I want to create a society where children look forward to growing up.”

“I want to give hope to job applicants.”

Respondents gave many reasons such as these related to the Group business philosophy.

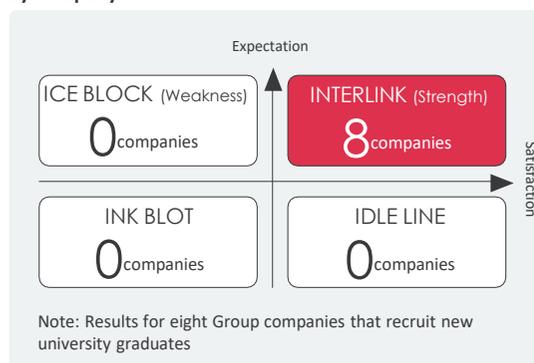
Measures in Detail

Entry Management Survey

We use our Entry Management Survey, a diagnostic tool for visualizing the state of engagement between a company and applicants, then go through the PDCA cycle in recruiting.

In 2023, the survey item “philosophy and strategies” was positioned as a strength of all Group companies, and the levels of applicants’ expectations of and satisfaction with the philosophy of the Group company they joined were both high. In this way, we ensure that talent with the skills we require sympathize with our philosophy when they join the Group.

Positioning of Priority Factor “Philosophy and Strategies” by Company



Entry Manager System

The Link and Motivation Group has introduced an Entry Manager System in which each university student who has been selected as a prospective new employee upon graduation is assigned to a current employee who manages the process from job offer to employment.

With the mission of helping new employees succeed after joining the Group, we provide a variety of individualized support in areas including understanding the Group, self-analysis and growth.



An Entry Manager (right) with the student he is in charge of (left)

The Entry Manager: A Guide Who Believes in an Applicant's Potential

Tsutsumi Ayane

Motivation Academia Inc.
Manager of Shibuya School

Reason
for
Joining
LMG

Aspiring to promote greater happiness for Japan and people after studying in Northern Europe, I joined LMG because I agree with its approach of valuing people as capital.



Being a Serious Partner in Working Life

Mr. Sasaki was Ms. Tsutsumi's Entry Manager (👉 page 29) . Ms. Tsutsumi, what kind of person is Mr. Sasaki, from your perspective?

Tsutsumi I feel that he believes in my potential even more than I do, and he has always stayed one step ahead. He is a role model for me, someone I respect and can also feel at ease with.

And Mr. Sasaki, how did you view Ms. Tsutsumi as her Entry Manager?

Sasaki She was insecure at times, but during our many discussions, I wanted to be a serious partner in giving her the best possible start to her working life. Since there are no right answers in life, I wanted to let her know that she should make her own choices, then make that work. We worked together to consider her options in life.

CROSS
X
TALK
Employee
One-on-One

Also, I was very conscious of LMG's stance of attracting the talent we want, rather than choosing from among people who want to work for us.

Frustration at Someone Else Always One Step Ahead

Were there any memorable episodes in your relationship?

Tsutsumi It sticks in my mind how frustrated he made me feel when I momentarily lost confidence in myself. As we neared the final stage, when an applicant meets the president to talk about their desire to join LMG, Mr. Sasaki said to me, "If you like, I can set up an opportunity to talk to the president, but it's up to you." At that time, I was really disappointed with myself because I felt that I should be the one asking him to set up this opportunity. I remember how strongly I felt in that instant that I needed to become able to clearly express what I want. That incident left an impression—I felt frustrated at times because he managed to stay one step ahead of me in my own plans.



Sasaki Kai

Motivation Academia Inc.
Company Administrator*

* One person assigned to each organization is responsible for collecting and communicating all information about that organization and improving engagement.

Reason
for
Joining
LMG

Having experienced both the good and bad aspects of an organization while playing on my high school soccer team, LMG's ideals and philosophy resonated strongly with me, and I wanted to work with individuals and organizations.

Going beyond the Organization's Current Capabilities

Now that both of you are Entry Managers, what do you find fulfilling in the work?



Sasaki It reaffirms my belief that recruiting is a way of improving engagement for the entire company. I think recruiting is an activity where the whole company goes all out to go beyond its current capabilities. It is a way for a company to redefine itself in order to take on the tasks it faces. I feel that it leads to new ideas and a positive attitude toward work.

Tsutsumi Finding the balance between impartially considering the life choices a university student ought to make while also remaining the foremost believer in their potential is difficult, but rewarding. Being there at the moment they make their decision is most rewarding of all. In fact, just yesterday a student I am in charge of made a final choice to join our company, tearfully thanking their parents, friends, and me as Entry Manager. That was truly gratifying.



What Is Entry Manager of the Year?

An award given once a year at the Group General Meeting (→ page 46) to Entry Managers who have achieved outstanding results, reflecting the Group's emphasis on recruiting.

Don't Let the Dreams You Shared End Up as Merely Dreams

Don't Let the Dreams You Shared End Up as Merely Dreams

Tsutsumi I believe that entry management does not end with making a job offer. How one continues to make an impact is important. Next April, the students I was in charge of will finally start work here, so I feel I must help them achieve the ambitions and visions we discussed to show that I mean what I said. I also want to bring our recruiting system more in line with the expectations of all our stakeholders.



Sasaki In addition to achieving my own ambitions, I also want to support my students in whatever they want to accomplish as a serious partner in their working lives. To achieve this, both my company and I need to grow further. Our vision is to become a company that our stakeholders can expect great things from.



Specific Investments in Recruitment, Training, Systems and Corporate Culture



Training

Purpose

Cultivate the skills the Group requires and increase sympathy with our philosophy

Approach

Developing i-Companies

One key element for increasing human resource capabilities and engagement is the development of independent human resources. We emphasize that each employee should adopt the approach of being the manager of their own “i-Company” to independently develop their careers. By thinking in this way, they will develop the ability to objectively grasp their current situation from the perspective of their i-Company’s customers, partners and competitors. This helps provide an accurate understanding of the expectations of others, as well as their own strengths and challenges. It also leads to independent and proactive career development.

For all these reasons, the Group provides abundant opportunities for each of its employees to develop an i-Company. LM College, our in-house institution for human resource development, provides opportunities for employees to consider the expectations of others as they hone all the skills required of working adults. Since 2021, we have been concurrently conducting a new program to develop the next generation of managers to ensure our sustainable corporate growth. Given that the growth of the Group is accelerating, we are focusing on developing human resources who will support that growth and expansion.



DX Promotion (Reskilling) Measures

Objective and Outcome

Raise the average level of employee IT skills in line with the times in order to improve productivity by increasing human resource capabilities

An average DX Score of 124.3 in 2023, an increase from the previous year

Data Highlights

What is a DX Score?

DX stands for “digital transformation,” and the results of our DX Survey Basic are presented on a scale of 200 points as a metric called the DX Score. The DX Score pinpoints issues for each individual by measuring knowledge of digital technology, including security, and operating skills for information technologies, mainly Microsoft Office.



Measures in Detail

Diagnosis

DX Survey Basic

An annual diagnosis of practical skills related to knowledge and operation of information technologies



Transformation

IT Skills Training

Depending on the diagnosis results, participants undergo training to improve their skills.

Transformation

Transformation

In 2023, we conducted training for all employees on the use of generative AI (ChatGPT) to improve productivity.

Overview of Level Specific Training Courses

Level	Training
Professional	Excel, PowerPoint, Python, AI, RPA, GAS, HTML/CSS, SEO, etc.
Advanced	
Basic	Excel basics, PowerPoint basics, typing basics, etc.



Comments from Participants

"I got a picture of how to use ChatGPT in my job, and a sense of how it can increase work efficiency."

"I learned new things, such as how the accuracy of answers changes depending on how you give instructions."

"I was somewhat hesitant to use it, but it turned out to be easier to use than I expected."



Management Personnel Training

Objective and Outcome

Develop management personnel who consider corporate growth from a broad perspective in order to adapt to the product, labor and capital markets

A successor coverage rate of 112.5% for executives, maintained at a high level

Data Highlights

Prospective Management Personnel

Results for 2023 are as follows.



Measures in Detail

Survey Feedback Training

Part of our selective training program for management personnel called Top Gun Selection, survey feedback training is a forum for all participants to discuss the future of the Link and Motivation Group and their own careers with Chairman and Representative Director Ozasa. Through this training, participants identify issues and set targets.

Proposal Presentation Meeting

This meeting is another part of the Top Gun Selection training, in which participants give presentations on topics such as proposals for the Group's medium- to long-term plan, and receive feedback.



Comments from Participants

"I got advice from Chairman Ozasa and other members, and it was a great opportunity for me to reconsider how I can demonstrate my value to the Group."

"Talking directly with Chairman Ozasa about issues and how to improve them gave me a clear understanding of where we are now and what the future holds."



Comments from Participants

"Learning about the quantitative impact of our initiatives to date through financial results and the stock price for the past few years gave me a deeper understanding of the Group."

"I felt the need to broaden my horizons and learn more about global trends and other companies in order to formulate a medium- to long-term plan."

"How I use this opportunity is important, so I want to have a goal in mind when doing so."

iBS2023 (i-Company Branding Support) Measures

Objective and Outcome

Employees align their career direction and ambitions with the Group to promote mutual understanding

98.1% submission rate for i-Company* management plans, an increase from the previous year

* The Link and Motivation Group's original approach of viewing one's own career independently and proactively as the manager of one's own corporation.

Data Highlights

Change Originating from an i-Company Challenge Winning Project 2021 Gold Award Winner Dream Support Project

A project giving elementary school students the opportunity to deliver an English speech online about their dreams, with the aim of building self-confidence. Winners were chosen after a nationwide preliminary round.



Measures in Detail

i-Company Report

Declaration of Intent in an i-Company Management Plan

Each employee creates a management plan for their own i-Company and submits it to their company. By linking the two visions—their company's intended direction and what the individual wants to do—we establish a clear direction for growth and occasionally provide opportunities for change such as transfers.

The submission rate in 2023 remained high at 98.1%.

i-Company Management Plan

- What the employee will, can and must do at work
- Mission (significance/meaning) derived from the above
- Vision of self in three years based on the mission
- Sharing of various information with their company (requests for transfers/interviews and information on working environment)

[Portable Skills]				[Motivation Type]	
	Skill	Reason	Score	Behavior Type	
For challenges	カ	n		x	Oriented
For challenges	カ				
For challenges	カ				
For challenges	カ			x	Oriented
For challenges	カ				
For challenges	カ				

[Mission]		MISSION
Object/Time/Circumstances	My	
	Will	
	Can	
	Must	

i-Company Challenge

An Opportunity to Achieve the i-Company Management Plan

The i-Company Challenge is an opportunity to make proposals in areas such as the launch of new businesses, transformation of current businesses and new systems as a way of achieving an i-Company management plan.

The i-Company Challenge is an opportunity to make proposals in areas such as the launch of new businesses, transformation of current businesses and new systems as a way of

2023 Award Winning Work

Gold Award Proposal Nakatani Shuichi
Cloud services that realize a PDS cycle for IR activities



At the Group General Meeting (→ page 46), award-winning projects were introduced, and award winners delivered speeches.

INTERVIEW

Developing Management Personnel through Mutual Communication

Yamanaka Mai

(Link and Motivation Inc.
Manager of Planning Officer and
Manager of Incubation Office
Organizational Development Division

Career History

Joined Link and Motivation in 2009. After gaining experience in organizational and personnel consulting for major companies, she handled rebranding of corporate products and services as a brand marketing consultant.

She has also been involved in management planning for the entire Group, with experience in building business management systems for subsidiaries after M&A and business integration. Next, she served as marketing manager for Motivation Cloud, driving its expansion since launch. Currently, she is in charge of business and management planning for new services.



Reason for Joining LMG

The fact that the most important aspect of management—that is, the importance of the people who carry out management strategies—keeps getting set aside for later is something that really resonated with me. I was also attracted to LMG's approach of practicing what they preach in management and their stance toward customer support.

Interacting with Management to Consider the Future of the Group

What were your impressions from participating in the Top Gun Selection management personnel training program?

It was an opportunity to objectively consider options for the Group's future and also get feedback from management, so I was able to obtain opinions based on the management team's ideas and strategies. But even more than just listening to opinions, an important part of the program is the chance to learn what the management team considers important through dialogue with them. The program gave me the chance to put forward my proposals and then to hear the opinions of the management team to make sure we are all on the same page, in a setting other than the Group Management Committee or a similar meeting.

Aside from discussion of the Group's direction, it is also an opportunity to express as an individual where you want your own career to lead. So, the program offers multiple benefits in a single venue.

Mutual Feedback with a View toward Medium- to Long-Term Growth

How was the survey feedback session facilitated by Chairman Ozasa?

I was impressed by his strong focus on medium- to long-term career development. I also felt that it was different from the typical unidirectional feedback session in that we all worked together to check on each other's careers. I got to hear the chairman's perspective on my strong points and how to develop them over the medium to long term. In response, I talked about the kind of career I want to have, so the program led to an exchange of opinions.

You mentioned that you discussed your career. Do you have a vision for your future?

Honestly, I haven't made any particular decisions. Rather than aiming for a certain title, I want to do something meaningful for society that also helps the organization grow, whatever form it may take. In that sense, I would like to be a capable assistant who can guide management.



Further Strengthening Management Personnel Training

What do you think the Link and Motivation Group needs to do to prepare for management succession?

Top Gun Selection is an effective opportunity for gaining a management perspective. Aside from that, I think the Group needs to create more chances to further develop each individual's abilities. Since we all tend to get caught up in meeting immediate targets, I think that being given numerous opportunities to think about medium- to long-term management—for example, what we should do to have a greater impact on the three markets (product market, labor market and capital market)—will produce human resources capable of becoming the next generation of managers.

? What Is Top Gun Selection?

This selective training program aims to develop management personnel who can make a difference in achieving our mission. Participants make presentations on various topics to directors, and determine issues and set targets with Representative Director and Chairman Ozasa Yoshihisa.

(→ page 34)

A Way to Cultivate i-Companies and Motivation Companies



Ando Sayaka

Human Resource Development Unit
Manager
Motivation Engineering Institute
Link and Motivation Inc.

Reason for Continuing

to Work at LMG

I want to give something back to those who kept believing in my potential when I lacked self-confidence. I also want to carry on LMG's corporate culture, in which all employees expect great things of each other.

Organizations and Individuals That Embody “One for All, All for One”

The Link and Motivation Group has devoted substantial energy to developing its human resources since its founding. What is the mission of LM College, its training institute?

Its mission is to make the Group's motto of “One for All, All for One” a reality. We believe that organizational development and individual development are inseparable and must be achieved concurrently. LM College aims to create conditions for accelerating growth so that organizations can provide maximum value to their customers, and individuals can acquire skills that can be used anywhere.

? What Is LM College?

The Link and Motivation Group's unique human resource development institute offers a wide variety of learning opportunities, including level-based training, reskilling and a venue for refining our unique Motivation Engineering technology.

Developing a Deeply Held Stance

One of LM College's unique training measures is survey feedback training.* What is the idea behind this training, and what results does it achieve?

There are two key points. First, the training enables participants to understand where they stand at present. Second, it does not end with diagnosis but can lead to participants' transformation. Additionally, participants in each group feedback session include a manager from a department with which the others do not usually interact. This has the advantage of making it easier for everyone to express their true feelings because of the indirect relationship. All participants learn something new about themselves, including issues they need to work on, based on comments from the other members of the group, which is another feature of the training.

- Training in which participants give mutual feedback, spanning Group companies and departments, about concerns and future goals based on individual evaluations and issues identified using Stretch Cloud
- (→ page 25)

How many employees participate in the training?

The participation rate is virtually 100%, except for those with unavoidable circumstances preventing attendance, and the training has been conducted for many years. So, in addition to human resource development, I feel that it also has a direct bearing on the organizational development of the Group as a whole, transcending departments.

Using Extensive Data to Create Effective Workplaces

Are there any aspects of the training that you would like to change going forward?

Our intention is to create effective workplaces by using the extensive data on organizations and individuals we have accumulated since our founding, analyzing the patterns of successful human resources, and reflecting this in the training. Also, now that AI is being used more and more, I think we need to focus more on the human touch and enhance the expertise of our motivation engineers.



The Core Belief That “Human Resources Are the Greatest, Most Powerful Type of Capital”

Conversely, what do you intend to continue to emphasize?

There will be no change in our commitment to embodying the concept that human resources are our greatest, most powerful type of capital and to developing them into first-class motivation engineers. Nevertheless, after each training session, we even examine the aspects that were basically successful to see if any adjustments are necessary. We will further develop the training by identifying measures that need to be changed as we continue to adhere to our underlying policy.

Specific Investments in Recruitment, Training, Systems and Corporate Culture



Systems

Purpose

Use rules as parameters for making the most of the skills Link and Motivation requires and increasing sympathy with our philosophy

Approach

Conveying Messages from Management through Our Personnel Systems

Personnel systems play an important role in showing employees a company's expectations and the direction of its growth. One thing we expect from our personnel systems is that they convey the message that we want to link the direction the Group intends to take with the vision of each employee. To improve engagement, we consider it crucial that each employee feels that they are getting closer to achieving their own vision while meeting their company's expectations. For this reason, we have implemented many measures that provide opportunities for aligning these elements.

As another expectation, our personnel systems contain the message that we want employees to increase the speed of their growth. Based on our own unique perspective of time that runs at a speed four times that of the rest of the world at Link and Motivation Group, we have designed various systems with the expectation that our employees will grow at four times the speed of the rest of the world.

We believe that incorporating messages on what we consider most important in our personnel systems in ways like these enables us to increase engagement as we conduct management.

Evaluation System

Objective and Outcome

Encourage human resources to have a sense of satisfaction with their own growth through evaluation and personnel systems

We **maintain a high rating of 4.4* out of 5.0 points in the “fair evaluations” category on OpenWork, one of Japan’s largest online employee review platforms.**

Online review data for Link and Motivation Inc. as of February 2024
 ※2 As of February 2024

Data Highlights

Average Individual Evaluation Score

The average evaluation score is nearly 10, indicating a balance between the company’s expectations and employee generation of business results and growth.

		2021	2022	2023
Average individual evaluation score*3	Performance*1	4.8	4.7	4.8
	Stretch Goal*2	5.0	5.0	5.0
	Total	9.8	9.7	9.7

*1 A metric for evaluating degree of contribution to the company’s business results and the employee’s organization.

*2 A metric for evaluating degree of individual growth.

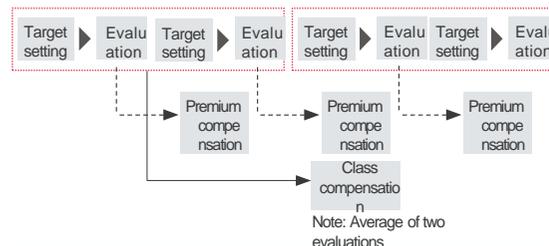
*3 Performance and stretch goal are evaluated on a scale of 1 to 5, with 5 being “high expectations”

Measures in Detail

Quarterly Evaluations

Based on the idea that short-span cycles are important for growth, we share a unique perspective of time in which three months everywhere else is one year for the Link and Motivation Group, and so we set milestones every three months. Our aims are to create an environment where employees can maintain a high level of motivation as they continue to grow, and to conduct business with a sense of speed. Specific organizational operations conducted four times a year, at three-month intervals, include management of business results, target setting, personnel evaluation, promotion or demotion, and payment of bonuses.

1Q (Jan.-Mar.) 2Q (Apr.-Jun.) 3Q (Jul.-Sep.) 4Q (Oct.-Dec.)



Target setting	Employees set individual targets for a three-month period. Since the cycle is a short period of 3 months, employees can remain constantly aware of their targets.
Evaluation and compensation	Evaluations are conducted according to the targets that have been set, with promotions or demotions based on the evaluation results. Bonuses (premium compensation) are also paid every three months.

Stretch Goal Evaluation

Targets are set along two axes in order to cover not only performance, which indicates the degree of contribution to the company’s business results and the employee’s organization, but also a stretch goal, which indicates the degree of individual growth. These targets are used in going through the PDCA cycle.

Examples of Stretch Goals

Become a Calm, Prepared Coach: No More Acting as a Pinch Hitter

Background

A manager who tends to take on his staff’s work, including minor details of their tasks, will work to support them in their duties like a coach supports a team.

Popeye: A Role Model for Ho-Ren-So

Background

An employee will work to improve work quality through thorough use of Ho-Ren-So (an abbreviation of “Report, Contact and Consult”) like the cartoon character Popeye who obtains power from spinach (horenso in Japanese).

Compatible Work

Objective and Outcome

Use the features of both office work and telework to improve work productivity and engagement

We have increased productivity While maintaining a high level of engagement.

Data Highlights

Survey on Compatible Work

We conduct surveys of managers as needed to design the optimal work style for the current situation.

“Because of my family circumstances, which include providing childcare and nursing care, I have been able to work more productively using telework.”

“Face to face, it is easier to pick up on changes in motivation than when communicating through a screen, so I would like to increase the number of days in the office when working with new employees.”

Measures in Detail

We used the COVID-19 pandemic as an opportunity to introduce a new way of working we call Compatible Work, in which we schedule days for working in the office and teleworking days for each team to create the most suitable operations for them.

Office Work

Employees work in the office once or twice each week. We make the most of the characteristic features of office work—cooperation, chance occurrences, emotion and logic, and sympathy—by holding meetings where in-depth discussions are required, kick-off and end-of-period meetings that generate a sense of unity, and consultations with new members that foster mutual understanding, among other activities.

✔ Benefits



Cooperation

Foster a sense of unity



Chance Occurrences

Learn from others



Emotion and Logic

Promote understanding of others



Sympathy

Share the same feelings

Telework

Employees telework three or four times each week. In addition to providing time for individual work such as preparing materials, we make the most of the characteristic features of telework—concentration, planning, rationality and synchronization—by holding meetings to share details from Group Management Committee meetings, regular consultations with members, and in-house training sessions with numerous participants, among other activities.

✔ Benefits



Concentration

Improve work efficiency



Planning

Carry out tasks systematically



Rationality

Conduct standardized operations



Synchronization

Simultaneous communication of information

Ownership System: Employee Stock Ownership Association

Objective and Outcome

Encourage employees to become shareholders so each employee commits to the growth of the Company and their own individual growth as an owner

The membership rate for the Employee Stock Ownership Association is **90.9%**, a high level that fulfills our objective.

Data Highlights

History of Employee Stock Ownership Association

StartingDate

2002

Initiatives before Stock Listing

We set a hypothetical stock price for use within the Company, raising or lowering it depending on daily order volume, the number of complaints received and other factors, in order to make employees aware of themselves as shareholders.

Objectives

- To give employees a management perspective
- To share joy in the Company's growth with Group employees who continue to invest their valuable time

Measures in Detail

An employee stock ownership association is a system in which employees regularly acquire company stock to help them build assets over the medium to long term.

An employee stock ownership association is a system in which employees regularly acquire company stock to help them build assets over the medium to long term.

Incentive System

We have introduced an incentive system in which the Company adds a uniform 10% incentive when employees purchase Company shares. We recommend holding stocks for the long term with the aim of creating the following cycle.



Seminar for Employees

The Board of Directors of the Employee Stock Ownership Association conducts financial literacy courses to increase employee ownership.

Put what you learn to work right away!

Seminar for Sharing Investing Experiences with Junior Employees

An opportunity to get answers to your questions and to deepen your understanding of how to actually start and continue investing!

Comments from Participants

"I had just been enrolled in automatic payments to buy Company stock, so this was a good opportunity for me to reconsider what I want from the association."

"I had heard a little about financial literacy at work, but this was my first time taking a course like this, and I learned a lot."

Life Event Support

Objective and Outcome

Build better relationships between the company and employees by supporting individual work styles according to employees' changing situations

The number of employees choosing flexible work styles has increased yearly, and **161 employees took advantage of work style options** in 2023.

Data Highlights

OzaSanta

Presents for employees' children

OzaSanta, played by Chairman and Representative Director Ozasa Yoshihisa, delivers presents to children of Group employees to show our gratitude to the families who support them.

I gave presents to **366 kids** in 2023.



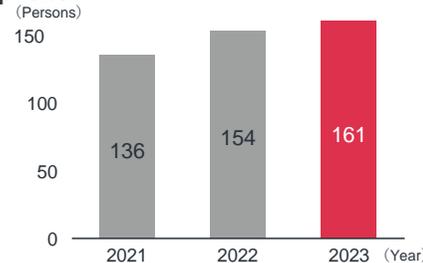
Measures in Detail

Work Style Options

Our system enables employees to temporarily change their work style to deal with childbirth, childcare, family nursing care, injury, illness, or a work-related accident. At the same time, we also reassess expectations based on changes in work performance.

Employees can choose from various options for working days and working hours, and the number of employees who use the system has been increasing year by year.

Number of Employees Using Work Style Options



Childbirth and Childcare Support

Although the Link and Motivation treats its employees the same regardless of gender, childbirth is an event unique to women. We have established various support programs to give female employees the sense of security they need to give birth, return to work, and thrive in the workplace. We have also established programs to support the involvement of both male and female employees in the care of their children.

Examples of Childbirth and Childcare Support



Cash Gift for Newborn Children

We give employees ¥500,000 for a first or second child and ¥1,000,000 for a third or subsequent child



Childcare Support Allowance

The Company pays half of the cost of a babysitter or daycare center an employee uses during working hours.

Systems That Create New Relationships with the Company

Sakurai Takuya

Human Resources Unit, Group Design Office
Link and Motivation Inc.

Reason for Continuing

to Work at LMG

I want to help make conditions more hospitable in Japan for enthusiastic scientific research, and I believe Link and Motivation can play a role in making that happen.



Reducing Time and Space Constraints for Working While Parenting

Both of you are balancing childcare and work. Have any of the Group's systems been particularly useful?

Sano The end of my childcare leave coincided with the end of the COVID-19 pandemic, so the Group had already introduced Compatible Work ([page 40](#)), which was very helpful because it allowed me to work both at home and in the office. I like that I can watch my child while I work. Another useful system is Work Style Options, which I can use until my child graduates from junior high school. I am also really grateful that my company subsidizes half the cost when I leave my child in daycare.

Sakurai The Flextime system is also good. I sometimes have to take a few hours off during the working day to take care of my child. Also, since it takes a couple of months to receive the paternity leave payment, I was very grateful to have the cash gift for newborns just when we had all the expenses of childbirth.

Organizations Where Team Support Is the Norm

One often hears that even when a company has systems like these, they are difficult to use. How has your experience been?

Sakurai I have heard that it is hard for men to take paternity leave in Japan, but Link and Motivation has created conditions that make it really easy for us to do so. When I told my boss I wanted to take three months of paternity leave, he immediately assured me that even longer would be OK. Then, after I returned to work, he mentioned that all employees should take leaves as long as mine. Some junior employees have even wondered if the leave I took was long enough. That helped me get over any feelings of guilt I might have had.

As for my job duties, I have never felt that I couldn't take time off from work when I needed to. Before my paternity leave began, the entire team worked to ensure things would be fine without me, so the moment my child was born, I was able to start my leave the following day. Then, it was easy to get back into the swing of things when I returned to work, so all this has left me with a strong impression that the idea of "putting family first" is deeply rooted in my organization. In fact, even before I officially joined the company, someone here told me, "Someone else can always cover for you at work, but no one can replace you at home, so make your family your priority."



Sano Manami

Recruiting Advisor/Career Advisor, Mid-Career Recruiting Company
Link-i Inc.

Reason for Continuing

to Work at LMG

Because each person here has joined the company after engaging in meaningful interactions during the recruiting process, there are many sincere and enthusiastic employees. This results in an organization made up of members who have the most important qualities necessary for working with others.

CROSS
Employee One-on-One
TALK X TALK



Sano The same goes for my organization. I took two years of maternity leave, so I was a little nervous upon returning, but I got a warm welcome. Now I have a shortened workday, and all members in the workplace support me. More important than the mere fact that a company has a system in place is whether or not it is actually being used. Link and Motivation is a company where such systems are being used.

Changing Work Styles Raises i-Company Consciousness

Has the change in your work style affected your motivation or your approach to your job?

Sakurai I have more opportunities to appreciate the greater flexibility I'm given in working and the understanding of my co-workers, so my engagement with the organization has improved considerably. Being able to work in this way is one of the reasons I have continued working. Of course, balancing work and childcare has made things much more difficult. Changing my work style has also given me more time to think about my i-Company (→page 35).

This experience has been an opportunity for me to think about my options as an i-Company, starting with whether or not to take paternity leave in the first place, as well as what I should devote myself to after the birth of my child.

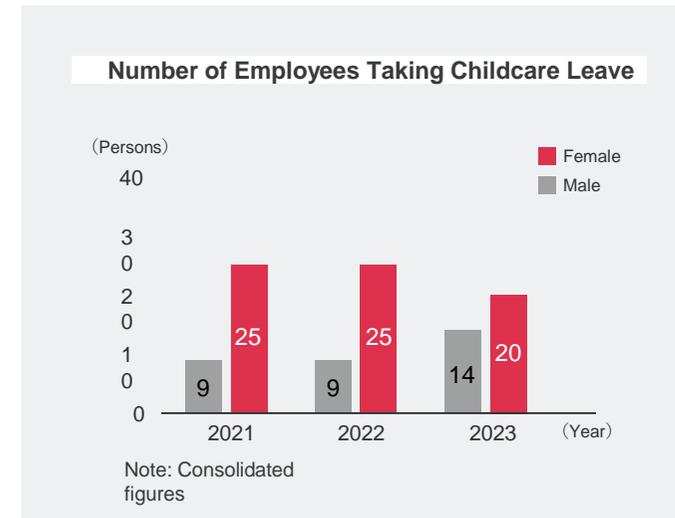


? What Are Work Style Options?

A system that enables employees to temporarily change their work style to deal with childbirth, childcare, family nursing care, injury, illness, or a work-related accident. Employees can choose the number of working days per week and hours per day according to their individual circumstances. (→page 42)

Sano To begin with, now that there are limitations on my time at work since returning from maternity leave, I am particularly conscious that I cannot progress without the cooperation of my co-workers. The resulting increase in opportunities to communicate with others in the workplace has been a big change for me. I feel more motivated to take my work seriously and show my determination to advance in order to earn my co-workers' support. I also take more pride in my work. I want to maintain this attitude and show my gratitude to my co-workers.

CROSS TALK



Specific Investments in Recruiting, Training, Systems and Corporate Culture



Corporate Culture

Purpose

Use communication as the parameter for making the most of the skills Link and Motivation requires and increasing sympathy with our philosophy

Approach

Communication Is the bloodstream of the Organization

When bloodstream is blocked, the human body develops various disorders and illnesses. Similarly, when communication is blocked in an organization, various issues arise. Just as it is important to maintain good bloodstream in our bodies, we consider it extremely important to enhance communication within an organization.

In more concrete terms, we believe that it is important to use communication to create connections within an organization, both vertically in its hierarchy and horizontally among functions, to facilitate both integration and mutual understanding. Growing the Link and Motivation Group necessitates specialization into organizational hierarchies and functions.

However, increasing specialization in an organization gives rise to a host of problems. A sense of distance naturally increases, both vertically in the hierarchy and horizontally among functions, the intentions of senior management are not communicated, and cooperation between departments weakens, among other issues. To resolve these issues and maximize results, we promote specialization within our organization and invest in communication to achieve the seemingly contradictory goals of integration and mutual understanding. We also consider communication crucial for increasing employee motivation. Investing in communication is essential for us to maintain a high level of engagement as we continue to grow.



Group General Meeting

Objective and Outcome

Improve engagement by sharing the Group's current status and vision



The average number of attendees was 1,371, with many employees participating and sharing their perspectives.

Data Highlights

Feedback from Group General Meeting Attendees

"I was able to get a glimpse of how we will grow as a Group."

"The meetings are a chance to deepen my understanding of the Group by getting a lot of new information."

"I am always inspired by the enthusiasm of people from other Group companies! It is an opportunity to better understand my own company."

Measures in Detail

The Group General Meeting is held once every three months in order to share views of the Group as a whole.

The meeting provides an opportunity to align all employees toward common goals through a full schedule of events that include welcoming prospective new employees and the i-Company Challenge awards (→page 35) as well as regular features such as a review of business results, MVP awards and a presentation by Chairman Ozasa on policy.

The average number of attendees in 2023 was 1,371.

Report on the Three Markets

We summarize the past three months through a review of the product market, labor market and capital market.



Awards

Awards are presented to MVP employees who have produced particularly outstanding results, achieved growth and had a positive impact on their co-workers.



Chairman's Presentation

Chairman and Representative Director Ozasa Yoshihisa shares his policies for the future.





In-House Media

Objective and Outcome

Promote understanding of the management team's views and of the Link and Motivation Group as a whole

The average access rate for Top Comment, an in-house bulletin on the Group intranet, is 90.1%, maintaining a high level.

Data Highlights

「LandMark」

LandMark is a communication platform that aggregates information to be shared throughout the Group and distributes it in a timely manner. The use of the English word "landmark" for its name signifies our intention that all employees gain their bearings from the site, which is filled with information based on our management philosophy.



Measures in Detail

Top Comment

Directors of the Link and Motivation Group take turns each month to deliver a message via the Group intranet to employees covering the Group's current direction and other topics, in order to share the views of senior management. The site maintained a high access rate of 90.1% in 2023.



Comments from Readers

"Now I understand that our reorganization is aimed at increasing the value we provide by creating customer-centered clusters. I will renew my efforts to provide customer value!"

"The detailed advance explanation of the background of the changes helped me consider my next moves."

LM Kaitai Shinsho

To give employees a multifaceted understanding of the Group, each April we publish LM Kaitai Shinsho, which breaks down our current situation in the product, labor and capital markets, and analyzes and explains various quantitative data.

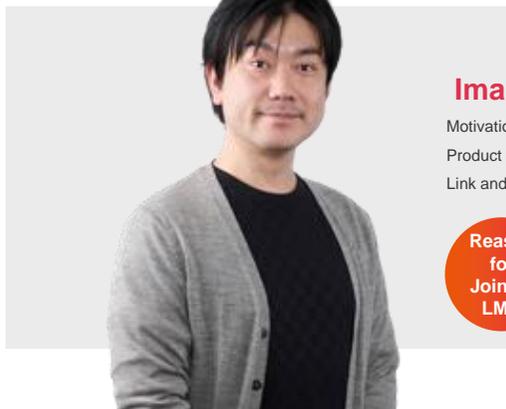


Comments from Readers

"It's easy to understand because it gives a grasp of data from multiple perspectives, including the Group overall as well as the status of each division and Group company."

"In-house media of this high quality will inspire us to expand our horizons and take actions for the future so that we can live up to what it signifies for the Group."

What Makes Our Corporate Culture Unique?



Imano Satoshi

Motivation Cloud Unit Manager
Product Design Office
Link and Motivation Inc.



My mission is to help create a society where all creative people, including engineers, can work with enthusiasm. I decided to join Link and Motivation because of my sympathy with the Group's philosophy and businesses in the area of "creating good organizations" to achieve this goal.

Aligning Terminology to Maximize the Power to Provide Value to Customers

You changed jobs mid-career to join Link and Motivation as an engineer in 2019. Was there anything that surprised you about the corporate culture?

I was surprised to find that there is so much specialized vocabulary, constituting a common language, for sharing the Group's way of thinking, based on the Group's own DNA Book. Everyone in the Group uses the same terminology to maximize our ability to do our utmost for customers, even though our job descriptions and roles may be different. I think that is unique. Employees use this language not only in measures to promote understanding of our DNA and terms, but also in everyday communication.

What are your impressions of this common language used in the Group?

It took me some time to understand it properly and to be able to express myself using it. However, because I had to take that time, I feel that once I became able to use it, it has the advantage of facilitating communication with others in the Group.



Measures to Promote Understanding of Our DNA

Measures include giving tests, having employees write reports, or other methods conducted each year to promote understanding of our DNA Book, which we have published to share the Link and Motivation Group's unique concepts and philosophy.

Setting Long-Term Individual Visions Throughout the Organization

Are there any measures carried out within the Group that left an impression on you?

One measure in my department is for each employee to create a vision of what they want to be three years from now. This is highly effective as a way of making a long-term investment in the future. I also like the fact that employees are free to choose who they ask for advice, not just their direct superiors, because it allows individuals throughout the entire organization to work together.

The Link and Motivation Group has numerous in-house media (→ page 47). How do you use them in your daily work?

Using Statements from Management as the Basis for Decisions

Ordinarily, they are used extensively in the course of communicating within a team. During a discussion, people will quote something a member of the management team said in some in-house media or at the Group General Meeting (→ page 46). For example, "Chairman Ozasa said so-and-so" or "This approach seems best based on what President Sakashita said in his message." You could say that in-house media serve as a reference point for members in product development or everyday decision-making.

Also, for me personally, the Group's in-house media create a feeling of connection with the management team, which fosters agreement with and trust in management. I think that is a unique point for Link and Motivation.

Communication Gives an Organization

Strength

What effects do you see from the Group's measures to build its corporate culture?

I believe that having everyone communicate using a common language makes our shared objectives clearer and increases our strength as an organization. In other words, it increases engagement with the organization, which in turn should provide our businesses with room for growth in the future.



Supporting Corporate Culture Creation at Other Companies Makes Our Own Strengths More Apparent

Matsuda Yoshiko

President and Representative
Director
Link Event Produce Inc.

Reason for Continuing

to Work at LMG

I want to use Motivation Engineering to do work that leaves a lasting impression on people. I also hope to create opportunities for the Group as president.



Integrating the Organization through Motivation Engineering

Link Event Produce Inc. provides support for other companies in creating their corporate culture. From your company's perspective, what are the strengths of the Link and Motivation Group's own corporate culture?

The Group's businesses are conducted by three different divisions, and the workforce is diverse, so it is great that it has created a culture that maintains a sense of unity as a group while respecting specialized expertise. In terms of the specific aspects of creating a corporate culture, the Group employs various measures, but the underlying philosophy of Motivation Engineering is "One for All, All for One," and the measures are modified based on that idea. Therein lies the strength of the Group's corporate culture. I believe that is why the measures are structured so that all employees understand the significance of implementing them from their own respective viewpoints.

What are the features of the Group's measures?

People are both the core of the Link and Motivation Group and its competitive advantage. Therefore, before it implements any measures, the Group considers how the individuals in the Group will grow and find fulfillment through their implementation.

Eliminating Gaps in Time and Space

The Group emphasizes communication as the "bloodstream" of the organization. What do you think about its communication measures?

I feel that they are consciously working to eliminate gaps within the Group in terms of time and space. As for space, when the growth of each individual leads to the growth of the company, it is usually likely to lead to a situation in which each person accumulates knowledge on their own, creating gaps between employees. However, my impression is that the Group consistently works to avoid conflicts between individuals or departments by encouraging relationships between them, through methods such as creating a common language that unites its diverse employees and providing regular opportunities for making connections.

The Group has also eliminated gaps in the experience employees accumulate over time through efforts to connect the past to the future, such as ongoing measures to convey the thoughts of the founder and the history of Link and Motivation.



Connecting through Comprehensive Communication

What specifically does the Group do to eliminate those gaps?

For instance, the Group General Meetings that are held once every three months include a look back at the past and talk about the future, rather than just a simple announcement of business results. For Group-wide communication, including between the management team and the workplace, there is LandMark (→ page 47) and opportunities for interdepartmental training, among other initiatives. Training measures create diagonal connections that transcend Group companies and departments. This ability to comprehensively cover vertical, horizontal and diagonal relationships and create communication opportunities is a unique feature of the Link and Motivation Group, whose business centers on people.

? What Is the Business of Link Event Produce Inc.?

Support for companies in transforming their corporate culture centered on their vision through consulting, event planning and cloud services

Chapter

4

The Foundation Supporting Human Capital Management

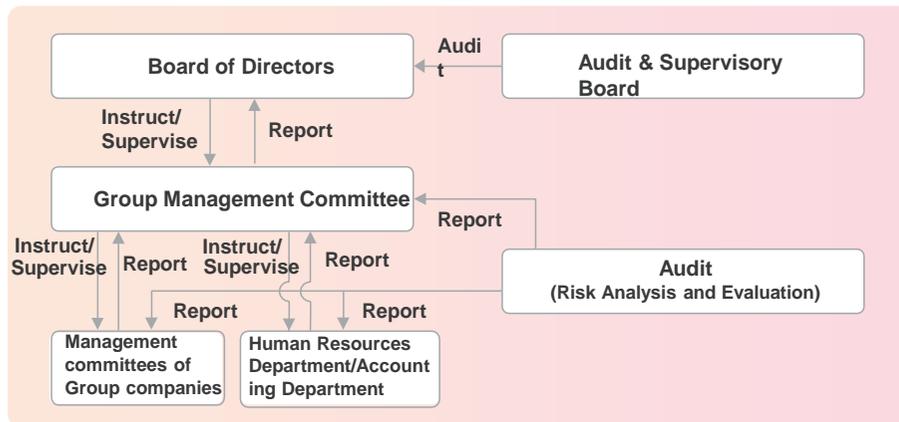
- 51 Governance Structure
- 52 A Board of Directors with Expertise in Organizational and Personnel Matters

Governance Structure

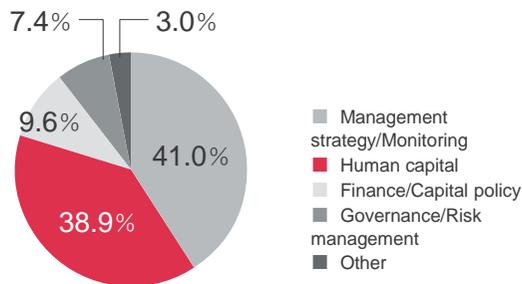
Based on the concept that human resources are the greatest, most powerful type of capital, the Link and Motivation Group has built a management structure that views the promotion of organizational strategies to maximize human capital as a core management issue.

Governance Structure

Efforts to maximize human capital are regularly reported on and discussed at meetings of the Group Management Committee, and the Board of Directors supervises related business execution.



Content of Board of Directors and Group Management Committee Agenda



Approach to CHRO Selection

In managing a Motivation Company, which uses employee motivation as its growth engine, the CEO should concurrently serve as the CHRO because the business and the organization are treated as equals.



Ozasa Yoshihisa
Chairman and Representative Director

- 1986 Graduated from Faculty of Political Science and Economics, Waseda University
Joined Recruit Co., Ltd.
Assigned to the Human Resources Development Department to handle internal recruiting of new university graduates
- 1994 Launched the Organizational and Human Resources Consulting Office
Established the Company, and assumed the position of President and
- 2000 Representative Director
- 2013 Chairman and Representative Director (to present)

Approach to Executive Compensation

In the Company's view, the role of a director is to increase corporate value by formulating management policies and strategies for the entire Group and providing advice and supervision to corporate officers and employees in conducting business. Therefore, our basic policy is to structure a compensation system for directors that consists of both basic and performance-based compensation. The types of compensation and the purpose and overview of each type are as follows.

Type of Compensation	Purpose/Overview	Policy
Fixed	Basic compensation	Monetary compensation paid monthly as remuneration for the execution of duties as a director
Variable	Performance-based compensation	Monetary compensation paid every six months as remuneration for results

The representative directors prepare a draft proposal based on evaluation criteria including the Group's business performance, degree of contribution to the promotion of business and organizational strategies, and employee salary levels. Following prior explanation to outside directors and a thorough exchange of opinions, a final decision is then made by the Board of Directors.

The representative directors prepare a draft proposal based on the degree of achievement of key management indicators in areas including human resource capabilities and engagement, which are important metrics for organizations, in addition to the Group's revenues and operating income. Following prior explanation to outside directors and a thorough exchange of opinions, a final decision is then made by the Board of Directors and payments are made within a set timeframe every six months. Key management indicators used as metrics and their values are reviewed by the Board of Directors as appropriate in response to changes in the environment.

A Board of Directors with Expertise in Organizational and Personnel Matters

The directors of Link and Motivation Inc. have extensive experience in organizational and personnel matters and are able to make management decisions that link business strategy and organizational strategy.

The two outside directors use their deep insight gained through corporate management and professional knowledge in industrial and organizational psychology, which is pertinent to the Group's business.

Directors

 <p>Sakashita Hideki President and Representative Director</p> <p>1991 Joined Recruit Co., Ltd. 2000 Established the Company, and assumed the position of Director 2013 President and Representative Director (to present)</p>	 <p>Ohno Shunichi Director</p> <p>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)</p> <p>Note: Concurrently serves as director of seven consolidated subsidiaries and Audit & Supervisory Board member of OpenWork Inc.</p>	 <p>Yuasa Tomoyuki Outside Director</p> <p>2000 Joined Andersen Consulting, Ltd. (currently, Accenture Japan Ltd.) 2005 Joined Revamp Corporation 2010 Director, Revamp Corporation 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)</p>	 <p>Kakuyama Takashi Outside Director</p> <p>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) 2020 Outside Director, the Company (to present)</p>
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Skill Matrix

Name	Current Position	Corporate Management		Areas of Expertise					
		Managerial Experience	Organizational and Personnel Matters	Industry Knowledge	Finance & Accounting	Legal & Risk Management	Research & Development	DX · IT	Sales & Marketing
Ozasa Yoshihisa	Chairman and Representative Director	○	○	○			○		
Sakashita Hideki	President and Representative Director	○	○	○					○
Ohno Shunichi	Director		○		○	○		○	
Yuasa Tomoyuki	Outside Director	○		○				○	○
Kakuyama Takashi	Outside Director		○	○			○		
Kuriyama Hiromi	Audit & Supervisory Board Member				○	○			
Tominaga Kenji	Outside Audit & Supervisory Board Member	○	○	○					
Matsuoka Yasumasa	Outside Audit & Supervisory Board Member	○	○	○					○

Chapter

5

Human Capital Data

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- 57 Leadership
- 58 Organizational cultures
- 59 Organizational health, safety and well being / Productivity
- 60 Recruitment, mobility, turnover
- 62 Skills and capabilities
- 63 Succession planning / Workforce availability
- 64 Other
- 65 Our Understanding of Human Capital Disclosure Guidelines

Human Capital Data

Correspondence with ISO 30414 Metrics

No.	Metric	Page	No.	Metric	Page	No.	Metric	Page
1	Compliance and ethics		5	Organizational culture		9	Skills and capabilities	
1-1	Number and type of grievance filed	55	5-1	Engagement/satisfaction/commitment	17, 58	9-1	Total developing and training costs	62
1-2	Number and type of concluded disciplinary action	55	5-2	Retention rate	61	9-2	Training participation rate	62
1-3	Percentage of employees who have completed training on compliance and ethics	55	6	Organizational health, safety and well being		9-3	Average formalized training hours per employee	62
1-4	Disputes referred to external parties	—	6-1	Lost time for injury	59	9-4	Percentage of employees who participate in training compared with total number of employees per year	62
1-5	Number, type and source of external audit findings and actions arising from these	55	6-2	Number of occupational accidents	59	9-5	Workforce competency rate	—
2	Costs		6-3	Number of people killed during work	59	10	Succession planning	
2-1	Total workforce costs	55	6-4	Percentage of employees who participated in training	59	10-1	Succession effectiveness rate	63
2-2	External workforce costs	55	7	Productivity		10-2	Succession coverage rate	34, 63
2-3	Ratio of the average salary and remuneration	55	7-1	EBIT/revenue/turnover/profit per employee	15, 59	10-3	Succession depth rate: ready now	34, 63
2-4	Total costs of employment	55	7-2	Human capital ROI	15, 59	10-4	Succession depth rate: ready in 1-3 years/4-5 years	34, 63
2-5	Cost per hire	55	8	Recruitment, mobility, turnover		11	Workforce availability	
2-6	Recruitment costs	55	8-1	Number of qualified candidates per position	—	11-1	Number of employees	63
2-7	Turnover costs	—	8-2	Quality per hire	60	11-2	Number of employees: full-time and part-time	63
3	Diversity		8-3	Average length of time to fill vacant position	60	11-3	Full time equivalents	63
3-1	Workforce diversity ratio with respect to age	56	8-4	Average length of time to fill vacant critical position	60	11-4	Contingent workforce: independent contractor	—
3-2	Workforce diversity ratio with respect to gender	56	8-5	Transition and future workforce capabilities assessment	—	11-5	Contingent workforce: temporary workforce	—
3-3	Workforce diversity ratio with respect to disability	56	8-6	Percentage of positions filled internally	60	11-6	Absenteeism: unplanned leave	63
3-4	Workforce diversity ratio with respect to other indicators of diversity	56	8-7	Percentage of critical business positions filled internally	60			
3-5	Diversity of leadership team	52	8-8	Percentage of critical positions	60			
4	Leadership		8-9	Percentage of vacant critical business positions in relation to all vacant positions	60			
4-1	Leadership trust	57	8-10	Internal mobility rate	60			
4-2	Span of control	57	8-11	Employee bench strength	34, 61			
4-3	Leadership development	57	8-12	Turnover rate	61			
			8-13	Voluntary turnover rate	61			
			8-14	Voluntary critical turnover rate	61			
			8-15	Exit/turnover reasons/leaving employment by reason	61			

Compliance and Ethics

The Link and Motivation Group **strives to practice Management with Integrity (i.e., management with no illegality or dishonesty** with regard to any of its stakeholders, including customers, business partners, employees and shareholders). As a corporate entity, we abide by laws, regulations, corporate ethics and social norms, and understand that individual employees must also make efforts to avoid transgressions. At the Link and Motivation Group, **we believe that our emphasis on engagement helps to strengthen compliance, and see our high performance in compliance and ethics-related metrics to be a result of our high level of employee engagement.**

	2021	2022	2023
Number and type of grievance filed*¹	3	11	13
(Type) Harassment	0	6	7
Workplace environment	1	2	2
Other	2	3	4
Number of concluded disciplinary actions*²	5	6	3
(Type) Reprimands/pay cuts	5	6	1
Suspensions/demotions	0	0	2
Requests for resignation/disciplinary dismissal	0	0	0
Percentage of employees who have completed training on compliance and ethics*³ (%)			
Percentage of employees who have completed training on compliance	100.0	100.0	100.0
Information management training participation rate	100.0	100.0	100.0
Harassment training participation rate	—	98.5	100.0
Number of unresolved external audit findings*⁴	0	0	0

*1 The number of consultations with the hotline that is open to all employees.

Calculated based on total workforce (Group company employees, part-time staff and ALTs).

*2 Calculated based on total workforce (Group company employees, part-time staff and ALTs).

*3 All training content completed by employees.

*4 The number of findings in external audits by the Labor Standards Inspection Office, etc., that are still unresolved.

Costs

The Link and Motivation Group believes **that investing in its organization, starting with investment in communication, is essential for fostering the motivation, knowledge and brand image** that will lead to business results, even though they may not be immediately apparent. We base our determination of the necessity of each of our costs on this premise.

In addition, we consider expenditures for recruiting to be an investment rather than a cost. This is because **we emphasize investing money and time in attracting the talent we want to hire, based on the idea that recruitment creates a company's future five to ten years ahead.**

	Unit	2021	2022	2023
Total workforce costs*¹	Million yen	21,349	21,445	21,424
External workforce costs*²	Million yen	12,125	11,793	11,790
Compensation				
Average monthly wage*³	Thousand yen	371	379	381
Average annual wage*⁴	Thousand yen	5,302	5,301	5,218
Ratio of executive compensation to total salaries paid*⁵	%	4.9	5.2	5.0
Total costs of employment*⁶	Million yen	9,724	10,373	10,337
Cost per hire*⁷				
New university graduates	Thousand yen	—	—	—
Mid-career employees	Thousand yen	4,287	2,535	2,401
Recruiting costs*⁸				
New university graduates	Thousand yen	355,000	336,989	341,092
Mid-career employees	Thousand yen	180,085	159,704	163,287

*1 Total costs the Group paid directly to employees. Defined to include total costs for the external workforce in addition to people the Group employs directly.

*2 Total costs paid to outsourcers, temporary staff and other workers the Group does not employ directly.

*3 The sum of all taxable payments for salaries and allowances.

*4 Calculated as salary plus bonuses paid four times a year.

*5 Calculated as total of executive compensation as a percentage of total compensation of all employees.

*6 Total costs incurred in employment. Defined to include costs that indirectly benefit employees (training costs, benefit expenses, etc.).

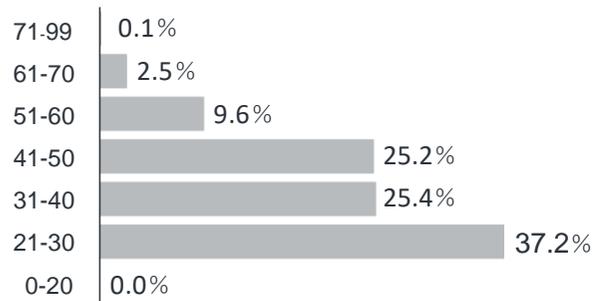
*7 Calculated by dividing recruiting costs for the relevant year by the number of hires. Recruiting costs for new university graduates are not calculated because the amount invested in the relevant year is not directly linked to the number of hires.

*8 Total recruiting related costs recorded in the relevant year.

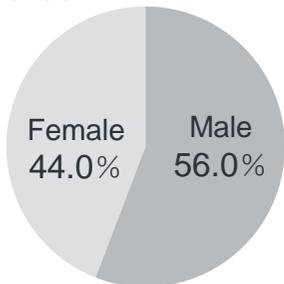
Diversity

The Link and Motivation Group conducts hiring, evaluation, promotion and other corporate functions based on each individual's performance and growth, irrespective of attributes such as gender, nationality or age.

Workforce Diversity Ratio with Respect to Age



Workforce Diversity Ratio with Respect to Gender*1



*1 Excludes non-responses

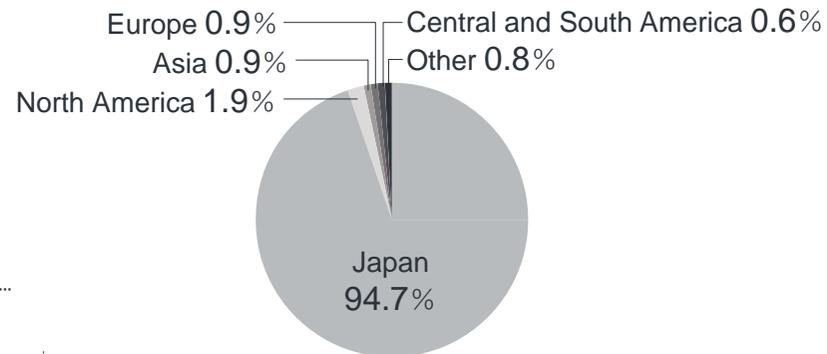
*2 Tabulated based on the content of the Report on the Status of Employment of People with Disabilities submitted to the Ministry of Health, Labour and Welfare each year. The results shown are as of June 1, in accordance with the aforementioned report.

Workforce Diversity Ratio with Respect to Disability

	2021	2022	2023
Employees with disabilities²	1.5%	1.4%	1.5%

Although we increased the number of employees with disabilities in 2023 compared with the previous year, the Link and Motivation Group overall still fell short of the legally mandated employment rate for people with disabilities. We will continue to step up recruiting to address this management issue.

Workforce Diversity Ratio with Respect to Other Indicators of Diversity



Leadership

The Link and Motivation Group believes that **managers play an important role as a junction point in their organizations between employees above and below them in rank, between departments, and in other relationships.**

We therefore proactively conduct initiatives to develop the leadership of managers, including manager training and surveys of individuals.

Confidence in Leadership (Results of Role Surveys on Managers^{*1})

Five Sources of Influence Expected of a Manager				
Expertise	Likeability	Reciprocity	Consistency	Strictness
4.4	4.4	4.4	4.3	4.1

In 2023, results for all five metrics remained at 4.0 or higher (of a maximum of 5), so we feel that the managers of the Link and Motivation Group are functioning well as junction points between those above and below them in their organizations.

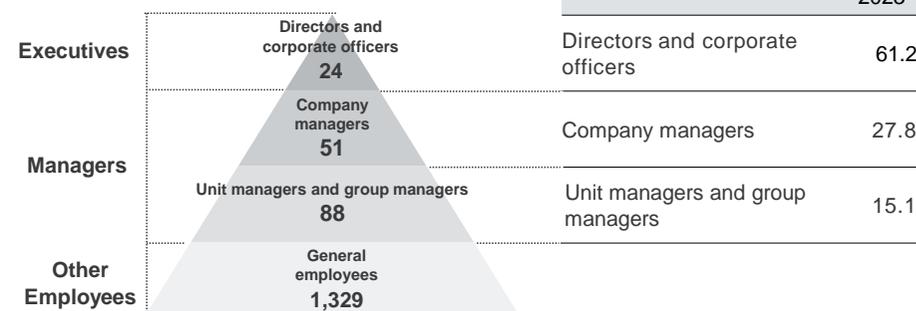
Leadership Development

Type	Objective	Unit	2021	2022	2023
New manager training	Understand the role expected of a manager	%	100.0	100.0	100.0
Level specific training for managers	Understand current situation to set tasks and targets	%	91.0	87.9	97.6
Managers General Meeting	Broaden perspective as a manager	%	100.0	94.1	95.5

^{*1} Numerical results for overall satisfaction as measured in a role survey on managers (Lincoln Survey). Satisfaction for each item is evaluated on a scale from a low of 1 to a high of 5 by subordinates and superiors of the subject managers. The figures above are the averages for all managers.

Span of Control

Group Hierarchy Chart



Productivity is improving, and the numerical results of engagement and manager role surveys have been high, so we consider the ratio between the number of personnel at each level to be appropriate.

^{*2} As hierarchy names differ depending on Group company, figures are calculated by classifying positions within the hierarchy based on certain criteria. Outside directors, part-time staff and ALTs are not included in the number of people for each level.

Organizational Culture

The Link and Motivation **Group emphasizes diversity not just in terms of each individual but also in terms of relationships among diverse individuals.** We believe that this is the same thing as engagement, and that a high level of engagement enables each individual employee to play an active role and generate innovation. We pay close attention to engagement across a variety of attributes and take pride in the high level that each employee has achieved.

Engagement/satisfaction/commitment

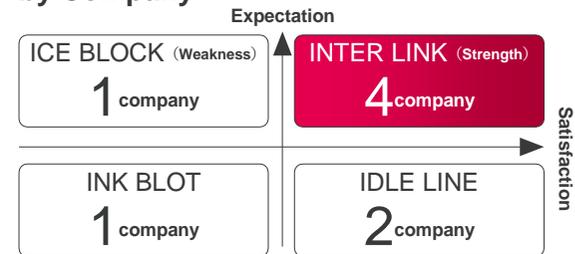
Breakdown of Engagement Survey Results*1

By Division	Subjects ER	
Organizational Development Division	558	AAA
Individual Development Division	479	AAA
Matching Division	274	AA

By Gender	Subjects ER	
Male	729	AAA
Female	579	AAA

By nationality (Region)	Subjects	ER
Japan	1,148	AAA
Asia (Excluding Japan)	16	AAA
Oceania	4	AAA
North America	31	AA
Central and South America	9	AAA
Europe	10	AAA

Positioning of Priority Factor “Philosophy” by Company



*1 Results from the engagement survey conducted in February 2024.

*2 See page 17 for engagement survey results by Group company.

Organizational Health, Safety and Well Being

To increase human resource capabilities and engagement, the Link and Motivation Group promotes the creation of workplaces where it is easy for individuals to work by upgrading facilities, establishing systems and other methods.

	2021	2022	2023
Lost time for injury ^{*1} (total lost time in hours per million work hours)	3.8	82.8	24.7
Number of occupational accidents ^{*1} (per million work hours)	4.1	3.2	4.1
Number of people killed during work ^{*1}	0	0	0
Percentage of employees who participated in training ^{*2}	92.4	88.2	91.6
Illness/injury leave rate (%)	2.8	2.3	1.9

*1 Calculated based on total workforce (executives, Group company employees, part-time staff and ALTs).

*2 Calculated based on participation rate in annual stress checks.

Productivity

The Link and Motivation Group emphasizes productivity (human capital ROI) and gross profit per employee as KGIs for its organizational strategy. Productivity is a core metric for promoting human capital management and for realizing the Group's mission.

Productivity

	Unit	2021	2022	2023
Business results per employee^{*1}				
Revenues	Thousand yen	18,675	19,067	20,328
Gross profit	Thousand yen	8,775	9,347	10,595
Net income (loss)	Thousand yen	583	1,225	1,877
Human Capital ROI ^{*2}	%	33.0	41.1	48.4

*1 Calculated based on the number of employees when their hours are converted to full time (40 hours a week).

*2 Human capital ROI = Adjusted operating income ÷ Investment in human capital adjusted operating income is a profit indicator that measures operating results. It excludes temporary factors such as goodwill, right-of-use assets, and impairment of fixed assets from operating income. Investment in human capital reflects total expenditures, including employee salaries and bonuses, statutory internal and external welfare expenses, commuting expenses and other executive compensation.

Recruitment, Mobility, Turnover

The Link and Motivation Group **works to create organizations that emphasize a relationship of mutual selection, in which companies and individuals choose each other as they deem appropriate**, rather than a mutually binding relationship based on lifetime employment.

	Unit	2021	2022	2023
Quality per hire¹				
New University Graduate Recruiting	—	10.1	10.0	10.1
Mid-Career Employee Recruiting	—	9.9	9.8	10.0
Average length of time to fill vacant position²				
New University Graduate Recruiting	Days	56.1	55.2	72.4
Mid-Career Employee Recruiting	Days	—	—	—

*1 The six months after joining the company are a probation period. After the probation period ends, employees are evaluated on a scale of 2-18, with 10 meaning "met expectations."

*2 Total number of days required to hire employees who joined the Group in the relevant year. Calculated based on the number of days from the application date to the offer acceptance date. Recruiting of mid-career applicants is not calculated because some Group companies hire throughout the year.

	Unit	2021	2022	2023
Average length of time to fill vacant critical position ³	Days	0	0	0
Percentage of positions filled internally ⁴	%	73.1	78.3	76.2
Percentage of critical positions filled internally ⁵	%	100.0	100.0	100.0
Percentage of critical positions ⁶	%	1.6	1.7	1.6
Percentage of vacant critical positions in relation to all vacant positions	%	0.0	0.0	0.0
Internal mobility rate				
Average period in the same field ⁷	Years	4.1	3.6	4.0
Internal mobility rate ⁸	%	69.7	68.8	58.6

The Link and Motivation Group focuses on how long an individual is assigned to the same field, and takes the individual's wishes into consideration in conducting transfers once every four years as a rough guideline. To foster a spirit of being proactive and independent, the Group also emphasizes acquiring portable skills and capabilities regardless of business field or job type through appropriate transfers.

*3 Critical positions are defined as directors (except outside directors), managing directors and corporate officers, including those of Group companies. However, when a vacancy arises, we either appoint an immediate replacement or eliminate that position, so positions are never left vacant.

*4 Calculated as the number of vacant positions filled through internal recruiting divided by the total number of vacant positions filled through internal plus external recruiting.

*5 Percentage of critical positions that opened up during the year that were filled through internal recruiting. All critical positions have been filled by internal human resources.

*6 Calculated as the number of critical positions divided by the total number of positions.

*7 Group businesses are categorized into specified fields, and the period an individual spends in each field is calculated.

*8 Transfers among occupations and the fields (as noted above), as well as changes in roles due to promotions or emotions, are defined as internal transfers for the purpose of calculating the internal mobility rate for the year.

Recruitment, mobility, turnover

The Link and Motivation Group **works to create organizations that emphasize a relationship of mutual selection, in which companies and individuals choose each other as they deem appropriate**, rather than a mutually binding relationship based on lifetime employment.

	Unit	2021	2022	2023		
Number of Participants in Top Gun Selection Training for Management Personnel	Corporate officers (Raise the level of corporate officers)	Persons	—	5	0	
	Company presidents/Managers (Cultivate future officer candidates)	Persons	10	14	10	
	General employees (Cultivate the next group of manager candidates)	Persons	6	6	4	
Prospective Management Personnel	Executive candidates	Persons	—	22	27	
	Current executives	Persons	—	27	24	
	Executive candidate coverage rate	%	—	81.5	112.5	
Turnover rate	Total ¹	%	10	13.3	13.2	
	Voluntary turnover rate	%	9.8	13.0	12.4	
	Voluntary critical turnover rate ²	Voluntary turnover rate (management)	%	0.3	0.7	0.6
		Voluntary turnover rate (IT engineers)	%	0.3	0.4	0.5
Reasons for Leaving	Philosophy	%	8.8	2.9	8.4	
	Work	%	43.2	43.7	31.2	
	Corporate culture	%	2.4	6.9	9.5	
	Treatment / Pay	%	16.0	11.5	16.8	
	Other (Health)	%	8.8	14.4	10.1	
	Other (Family)	%	18.4	14.9	15.6	
	Other (Retirement age)	%	2.4	3.4	1.1	
	Other (Involuntary)	%	—	2.3	7.3	

There was a one-time increase in the turnover rate during 2022 and 2023 as structural reforms in the Career School Business (school relocation and closure) led to retirement by employees with restrictions on their workplace location. Looking at other specific reasons employees gave for leaving, there were few resignations due to our philosophy, which the Group emphasizes above all, or the corporate culture, indicating that we have been able to create an organization unified by its philosophy, as has been our aim. However, resignations due to the work itself or treatment/pay have increased. In order to be an organization that individuals choose (a Motivation Company), in addition to instilling the philosophy that is our strong point, our efforts will include optimizing according to individual wishes and upgrading systems in line with the external environment.

*1 The annual (12-month period) sum total of the monthly turnover rate (monthly number of leavers ÷ monthly average number of employees)

*2 The annual (12-month period) sum total of the monthly turnover rate of defined category of employees (monthly number of leavers ÷ monthly average number of employees)

Skills and Capabilities

The Link and Motivation Group **uses its unique human resource development apparatus to provide opportunities for individuals to develop their careers independently and proactively.** We work to instill the ideas and frameworks that should be shared among Group employees, improve their basic capabilities and skills, and enhance their specialized knowledge.

Total Human Resource Development and Training Costs

	Unit	2021年	2022年	2023年
Actual costs	Thousand yen	94,793	190,536	190,587
Converted to amount charged for services to customers	Thousand yen	385,674	325,239	467,657

Training hours per employee were 27.1 hours* in 2023.

DX Survey Results

	Unit	2022	2023	
Number of respondents	Persons	1,499	1,381	
Average DX Score	Points	123.3	124.3	
(Breakdown)				
	Digital knowledge	Points	57.9	56.3
	Excel skills	Points	65.4	67.9

* Calculated by dividing the total hours spent for all training in 2023 by the number of employees at the end of the year.

Training Participation Rates

	Name of Training	Unit	2023
Technical Skills	Top Gun seminars	%	100.0
	Negotiation training	%	97.6
	Logical thinking training	%	99.7
Portable Skills	Self motivation control training	%	98.7
	Leadership training	%	96.6
	Career design training	%	98.0
	New company president training	%	100.0
Stance	New manager training	%	100.0
	New employee stance training	%	100.0
	Survey training for upper management	%	95.9
Stance (Level specific role survey training)	Survey training for management	%	97.6
	Survey training for senior employees	%	93.3
	Survey training for leaders	%	98.5
	Survey training for mid-level employees	%	97.5
	Survey training for junior employees	%	96.4

Succession Planning

The Link and Motivation Group works to develop management personnel who are **able to adapt to the product, labor and capital markets, and to think from a Group-wide perspective.**

	Unit	2021	2022	2023
Succession effectiveness rate*	%	100.0	100.0	100.0
Succession coverage rate				
Company president candidates	Persons	—	106	104
Current company presidents	Persons	—	41	51
Company president coverage ratio	%	—	259.0	203.9
Succession depth rate: ready now				
Ready in less than 1 year	Persons	—	5	5
Succession depth rate: ready in 1-3 years/4-5 years				
Ready in 1 to 3 years	Persons	—	29	27
Ready in 4 to 5 years	Persons	—	72	72

*Percentage of critical positions filled through internal recruiting as of the end of the year.

Workforce Availability

Based on its belief that human resources are our greatest, most powerful type of capital, the Link and Motivation Group **secures human resources with the high level of skill it seeks and strong motivation to achieve the Group's mission.** We believe that the high level of engagement in the Group has also led to a reduction in absenteeism.

	Unit	2021	2022	2023	
Executives*¹	Persons	30	32	30	
Group company employees	Persons	1,493	1,505	1,470	
Total workforce	Part-time staff	Persons	403	381	385
	ALT*²	Persons	3,304	2,857	2,875
	Total	Persons	5,230	4,775	4,760
Full-time/Part-time*³	Full-time	Persons	1,518	1,567	1,530
	Part-time	Persons	408	351	355
Full-time equivalent (FTE)*⁴	FTE	1,748	1,719	1,671	
Absenteeism (unplanned leave) rate	%	0.9	0.9	0.5	

*1 Total of directors, managing directors and corporate officers, including outside directors.

*2 ALT: Assistant Language Teacher

*3 Contractual working time of at least 40 hours a week is considered "full-time" and less than 40 hours a week is

considered "part-time," regardless of the form of employment. (Excludes ALTs.)

*4 Number of employees when converted to full-time (40 hours a week). Calculated by dividing total working hours per week of all employees by 40 hours. (Excludes ALTs.)

Other

		Unit	2021	2022	2023
Management Position Male-Female Ratio*1	Male	%	—	74.5	76.2
	Female	%	—	25.5	23.8

Fewer women than men are employed in positions on a management track, and women take maternity and childrearing leave at a higher rate and for longer periods. We believe these are the reasons women take a comparatively longer time to promotion to a managerial position.

*1 The percentage of women in all management positions (excluding executives) based on the definition set by the Ministry of Health, Labour and Welfare.

		Unit	2021	2022	2023
Priority Communication Measures	Group General Meeting average participation	Persons	908	1,156	1,371
	Web-based in-house bulletin Top Comment access rate	%	92	93.1	90.1
	DNA test average score*2	Points	—	91.2	—
	DNA report submission rate*2	%	100	—	100
Number of Group Awards	Total number of awards	Persons	37	37	37
	For individuals only	Persons	24	26	27

*2 To align the perspectives of all Group employees, we have employees take a test or submit a report each year to promote understanding of our DNA Book, which sets forth the Group's unique concepts and philosophy.

Male/Female Employee Wage Differential

	Full-time	Part-time staff and fixed-term employees	All workers
Link and Motivation Inc.	85.7	172.4	77.2
Link Global Solution Inc.	102.8	49.2	74.6
Link Event Produce Inc.	85.5	—*3	85.4
Link Corporate Communications Inc.	79.9	67.3	76.8
Link Academy Inc.	83.5	71.1	82.0
Motivation Academia Inc.	82.7	117.8	77.3
Link Interac Inc.	91.0	53.4	79.7
Interac North Co., Ltd.	71.2	99.3	98.6
Interac Kanto North Co., Ltd.	67.0	92.4	90.2
Interac Kanto South Co., Ltd.	86.5	91.7	91.8
Interac Kansai & South Central Co., Ltd.	73.6	95.1	93.5
Interac West Co., Ltd.	60.9	90.4	88.7
Link Japan Careers Inc.	62.6	—*3	61.9
Link Agent Inc.	67.5	—*3	39.2
Link-i Inc.	76.1	92.7	74.9
Consolidated*4	82.4	91.8	84.8

The main factor in the differentials is the high 80% proportion of women whose salaries have been reduced due to leave and/or shortened working hours for childcare or other purposes.

*3 There are no female part-time or fixed-term employees.

*4 Excluding OpenWork Inc., Link Japan Careers America and Link Japan Careers Europe

Our Understanding of Human Capital Disclosure Guidelines

The Link and Motivation Group believes **that a high level of human resource capabilities combined with a high level of engagement leads to business results and increased corporate value.**

ISO 30414	
Compliance and ethics	Items detailed include the type and number of grievances and disciplinary actions, and external audit findings. Included in "management area from the perspective of risk avoidance."
Costs	Items detailed include costs associated with the total workforce, recruiting and turnover. Included in "Productivity" as intended by the Group.
Diversity	Items detailed are diversity with respect to age and gender, and diversity of the leadership team. Included in "Human Resource Capabilities" because an organization requires employees with diverse abilities (in other words, diversity) in order to improve its human resource capabilities (degree of alignment between the abilities required by the organization and the abilities possessed by the individuals in it).
Leadership	Items detailed are leadership trust and investment in its development. Included in "Human Resource Capabilities" and as an investment in "Training" as leaders.
Organizational culture	Items detailed are engagement and retention rate. These overlap with "Engagement" as intended by the Group.
Organizational health, safety and well being	Items detailed are matters related to occupational accidents and the percentage of employees who participated in health and safety training. Included in "management area from the perspective of risk avoidance."
Productivity	Items detailed are business results per employee and human capital ROI. These overlap with "Productivity" as intended by the Group.
Recruitment, mobility, turnover	Items detailed include quality per hire, percentage of positions filled internally, turnover rate and reasons for leaving. Included in "Recruiting" as an investment to increase human resource capabilities and engagement.
Skills and capabilities	Items detailed include total human resource development costs and training participation rate. Included in "Training" as an investment to increase human resource capabilities and engagement.
Succession planning	Items detailed are matters related to the succession effectiveness rate and succession coverage rate. Included in improvement of "Human Resource Capabilities" that can advance the business and organization and as an investment in "Recruiting" and "Training."
Workforce availability	Items detailed include total workforce and absenteeism rate. Included in "Productivity" as intended by the Group.

Guidelines for Human Capital Visualization*	
Training Leadership Training Skills and experience	Included in "Training" as an investment to increase human resource capabilities and engagement.
Engagement	Overlaps with "Engagement" as intended by the Group.
Mobility Recruiting Retention Succession	Included as an investment in "Recruiting" to increase human resource capabilities and engagement, in improvement of "Engagement" to reduce the turnover rate, in improvement of "Human Resource Capabilities" that can advance the business and organization, and as an investment in "Recruiting" and "Training."
Diversity Diversity Non-discrimination Childcare leave	Included in "Human Resource Capabilities" because an organization requires employees with diverse abilities (in other words, diversity) in order to improve its human resource capabilities.
Health and Safety Mental health Physical health Safety	Considered a "management area from the perspective of risk avoidance."
Labor Practices Labor practices Child labor/forced labor Fair wages Welfare Relationship with a union	Considered a "management area from the perspective of risk avoidance."
Compliance/Ethics	Considered a "management area from the perspective of risk avoidance."

* Guidelines for Human Capital Visualization, issued by the Cabinet Secretariat of Japan in August 2022



Independent Auditors Report

To all the stakeholders of Link & Motivation Group.

We, HC Produce Inc. and HR Metrics, have jointly audited the data, statements, systems and strategies for Human Capital reporting in the fiscal year of 2021 by Link & Motivation Group. (LMG) and consolidated subsidiaries from January to March 2022.

We conducted conformance assessment audit in accordance with the Human Capital Reporting guideline of ISO 30414. The audit includes interviews with LMG's leadership and management teams of each metric, assessment of LMI's data contents, guidelines and systems, assessment of LMG's statements clarifying strategies and internal guidelines, and assessment of LMG's external and internal reports for each metric of ISO 30414.

In our opinion, the statements, systems and strategies referred to above fairly, in all material respects, the position of LMG and consolidated subsidiaries as of 31st March 2022 results of their managements of Human Capital reporting, ended in conformance with ISO 30414.

保坂 駿介

HC Produce Inc.
CEO Shunsuke Hosaka
March 31st 2022

Mubarik

HR Metrics
CEO Zahid Mubarik
March 31st 2022



独立審査機関による ISO 30414 適合証明書

株式会社リンクアンドモチベーション及び連結子会社の内外ステークホルダー各位：

株式会社 HC プロデュース（以下、HCPro）及び HR Metrics（以下、HRM）は、独立審査機関として、人的資本の開示に関する国際規格：ISO 30414 に基づき、2021 年度の株式会社リンクアンドモチベーション及び連結子会社（以下、LMG）のデータ、システム、ステートメント及び戦略に関する ISO 30414 の適合性審査を実施した。

審査では、以下(1)～(4)のプロセスを通して、ISO 30414 の各指標について、LMG のデータ取得度、データ開示度、戦略実践度を評価した。

- (1) LMG の従業員及び各指標別責任者に対するインタビューの実施
- (2) LMG の人的資本データ及びデータ取得・開示システムの内容・動作の確認
- (3) LMG の人的資本データ取得・開示及び戦略に関する各種ルールの確認
- (4) LMG による社内外向けレポート内容の確認

これらの審査の結果、HCPro 及び HRM は、LMG の人的資本に関するデータ、システム、ステートメント及び戦略が ISO 30414 に適合していることを認める。

保坂 駿介

株式会社 HC プロデュース
代表取締役 CEO 保坂駿介
2022 年 3 月 31 日

Mubarik

HR Metrics
CEO Zahid Mubarik
2022 年 3 月 31 日



Scope of Reporting
Reporting Period
Publication Date

Link and Motivation Inc. and consolidated subsidiaries
January 1, 2023 to December 31, 2023 Note: Includes some information from outside the reporting period.
June 2024

Note: Forward-looking statements in this report are forecasts determined by the Link and Motivation Group based on information available at the time of production, and include potential risks, uncertainties and other factors.