

HUMAN CAPITAL REPORT 2025

Human resources are our greatest,
most powerful type of capital



Link and Motivation Group Profile

Mission

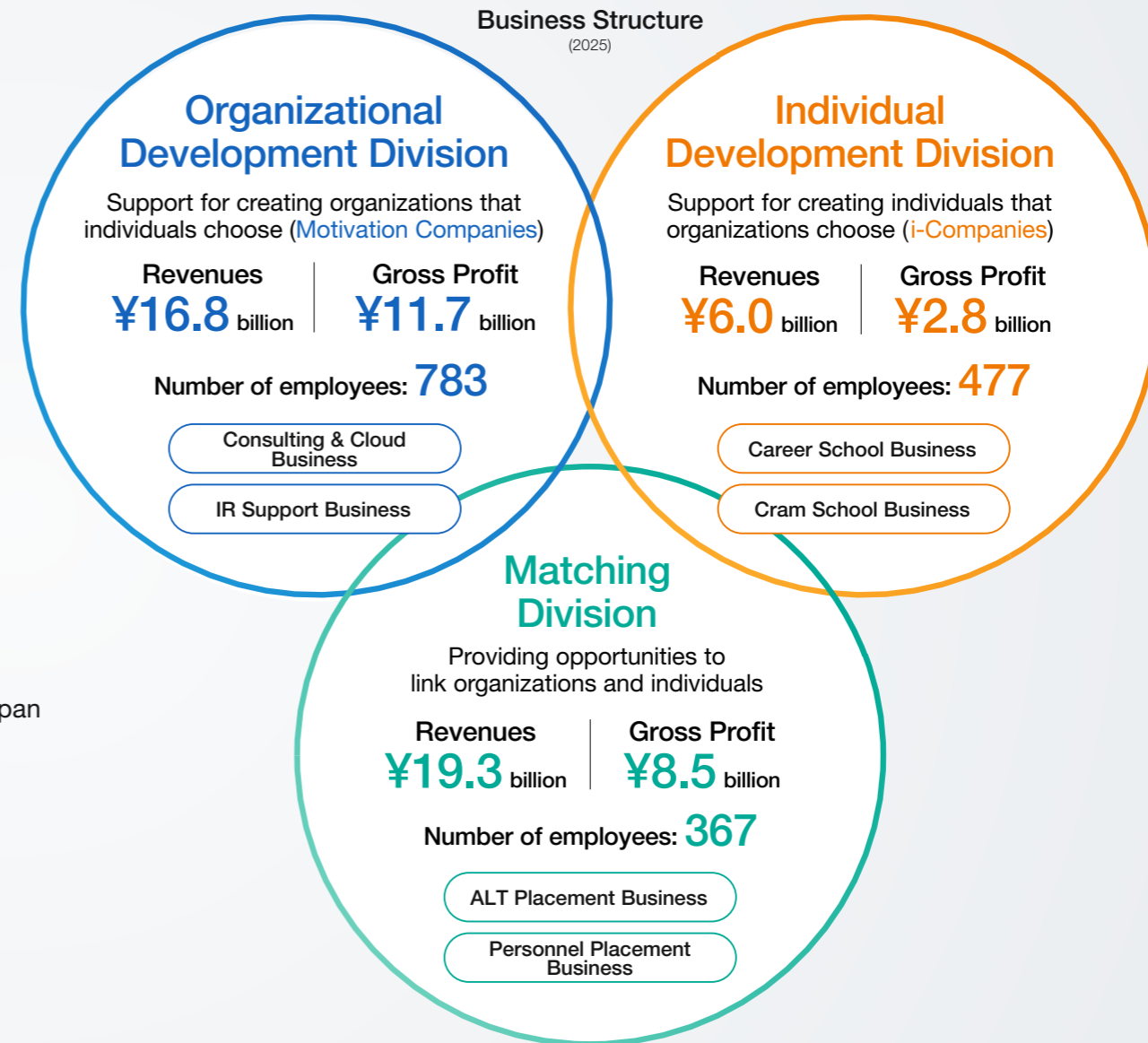
Through Motivation Engineering, we provide opportunities to transform organizations and individuals and create a more meaningful society.

Corporate Slogan

Individual Passion Inspires the World

Company Profile (2025)

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	¥41.5 billion (consolidated)
Operating income	¥4.2 billion (consolidated)
Number of employees	1,629 (consolidated)



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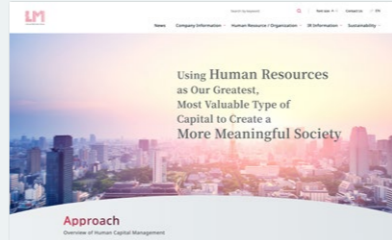
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This report was prepared based on the frameworks listed on the right.

- IFRS Sustainability Disclosure Standards (ISSB Standards)
- Sustainability Standards Board of Japan (SSBJ) Standards
- Guidelines for Human Capital Disclosure (Revised Edition)
- ISO 30414


The Link and Motivation Group's Human Capital Disclosure Tools



Corporate Website

A comprehensive presentation of Group-wide initiatives and results.

Target	Updates
Multiple stakeholders	As necessary



Human Capital Report

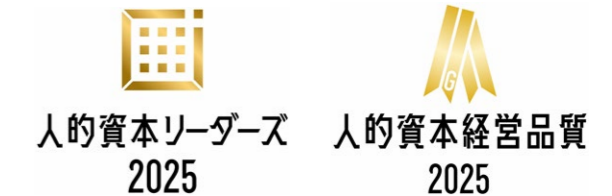
An in-depth look at our approach to human capital management and current points of focus.

Target	Updates
Investors and customers (managers, HR professionals, etc.)	Annual

External Recognition

Human Capital Leader/Gold Award for Human Capital Management Quality

Based on the Human Capital Survey, one of Japan's largest surveys of human capital management and disclosure, which is conducted by the HR Technology Consortium and other organizations, the Link and Motivation Group received the Gold Award for Human Capital Management Quality (right) for the third consecutive year and was selected as a Human Capital Leader (left) for the second consecutive year in recognition of its outstanding efforts.



Keidanren Recommended In-House Newsletter Survey

In a Japanese Business Federation (Keidanren) survey of recommended in-house newsletters conducted by Keidanren Business Services for Internal Communications to evaluate and encourage internal communications, Link and Motivation won the Planning Award in the Web-based In-House Newsletter Category in recognition of its outstanding and unique features.

Acquisition of ISO 30414 Certification

In March 2022, Link and Motivation became the first company in Japan as well as in Asia to obtain certification under ISO 30414 guidelines for human capital reporting.





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Message from the CEO and CHRO



Ozasa Yoshihisa
Chairman and Representative Director

We Embody the Essence of Human Capital Management by Practicing What We Preach

The Essence of an Organization

What is an organization? In thinking about this question, I often use the example of a train platform. The people waiting on the platform are merely a group. However, at the moment someone falls off the platform onto the tracks and people try to help that person, they become an organization. They have a common purpose of rescuing the person who has fallen, a willingness to serve for that purpose, and communication that arises naturally so they can work together. This example shows that the conditions for forming an organization are a common purpose, a willingness to serve and communication. If any one of these is missing, an organization will not be formed. **Figure 1**

Another point to keep in mind is that organizations are not permanent. Once the common purpose is lost, it ceases to be an organization. Likewise, loss of the willingness to serve—that is, the motivation of individuals to work together to achieve a common goal—or a lack of communication will cause the organization to grind to a halt. An organization only exists temporarily. For an organization to survive, two elements are indispensable: organizational results and the fulfillment of individual desires. **Figure 2** Even if an organization

Figure 1
Requirements for Establishing an Organization

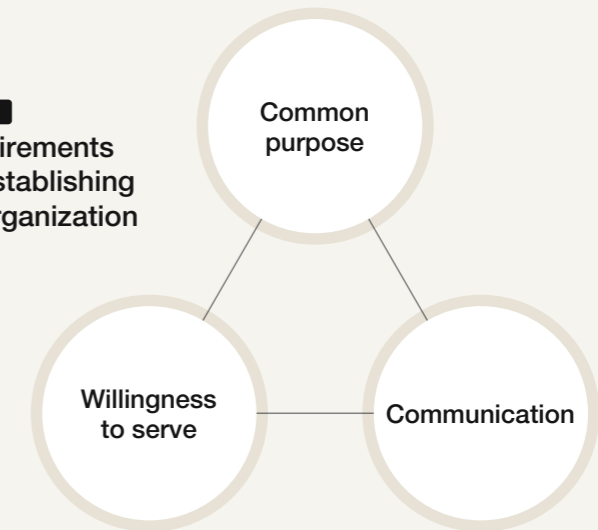
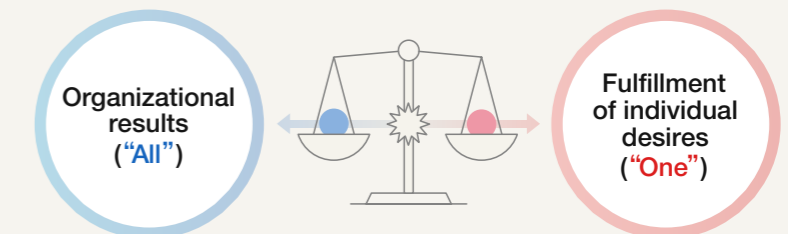


Figure 2 Requirements for an Organization to Survive



Message from the CEO and CHRO

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Figure 3 Our Perspective on Humans

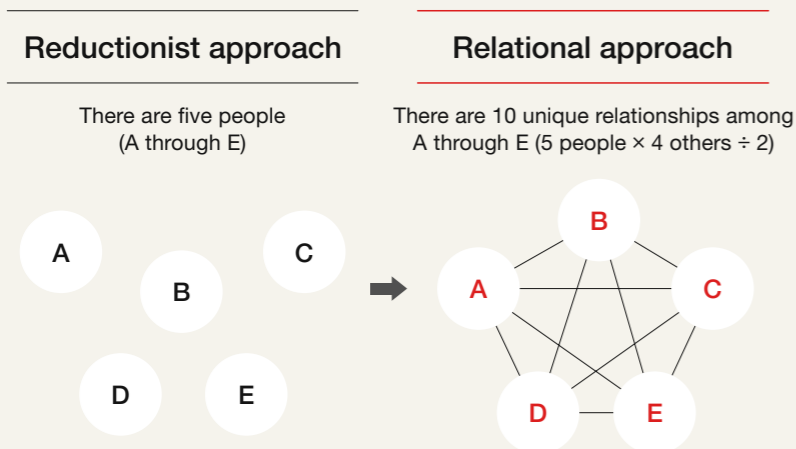


achieves results, it cannot continue if the desires of the individuals in it are not fulfilled. Conversely, even if individual desires are fulfilled, the organization cannot survive without producing results. I believe that the achievement of both elements is expressed in the phrase “One for All, All for One.” Achieving this state is a universal theme that organizations must pursue.

Furthermore, in that pursuit, a key premise is how we understand “One” (the individual) and “All” (the organization). Our perspective on humans is that people are not completely driven by economic rationality, but are emotional beings with limits to their rationality. **Figure 3** People do not always act rationally. Their judgments and actions are greatly influenced by emotions. Moreover, our perspective on organizations is that an organization is not just a collection of individuals. It is a cooperative system that is not reducible to its constituent elements. **Figure 4** It is composed of the relationships among individuals, and as the number of people increases, the number of relationships grows exponentially, increasing the complexity of the organization.

under this same principle of practicing what it preaches. We view business strategies that maximize customer value and organizational strategies that enhance human capital as equally important, and we manage our business by linking the two. We pursue initiatives to strengthen both human resource capabilities and organizational capabilities (i.e., build engagement), using human capital ROI and gross profit per employee as key goal indicators. To achieve our goals, we have designated the four domains of recruiting, training, systems and corporate culture as core targets for investment, and set priority themes to address business strategies and changes in the operating environment as we go through a cycle of ongoing improvement.

Figure 4 Our Perspective on Organizations



Foremost in Our Technology-Based Practice

Premised on these twin perspectives on humans and organizations, we established our core technology, Motivation Engineering. Consisting of diagnostic technologies and transformation technologies, Motivation Engineering serves as the foundation for all services provided by the Link and Motivation Group.

And above all, we emphasize practicing what we preach. Any service we offer to our client companies has first been thoroughly implemented in our own organization. We use it ourselves, refine it and then offer our insights to society as a service. We consider it our responsibility to continuously implement this cycle.

The Link and Motivation Group also conducts its human capital management

The Unchanging Essence of Management in the Age of AI

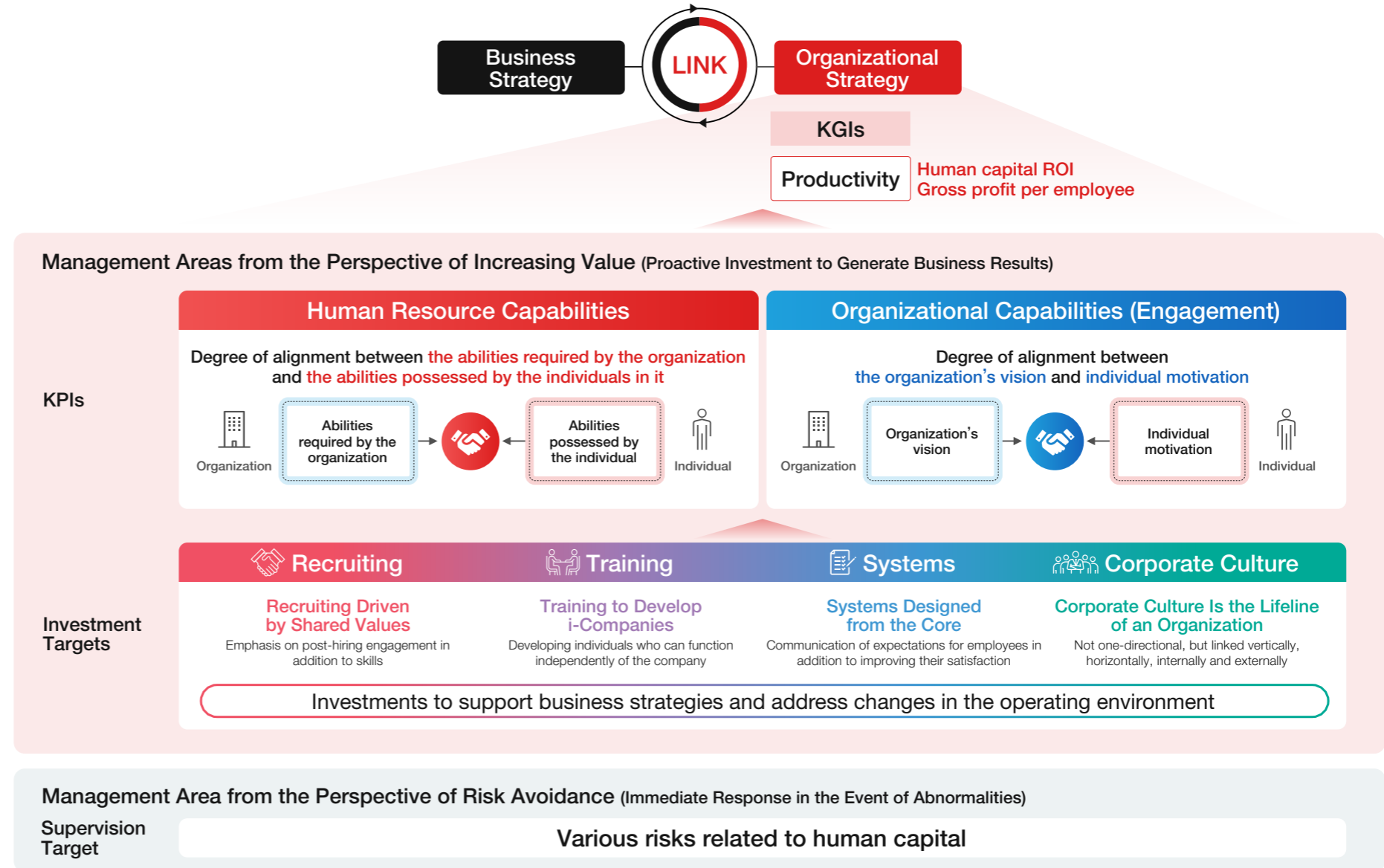
Advances in AI and other technologies are significantly changing the corporate operating environment. The spread of generative AI is dramatically raising productivity and transforming the way value is created. We are also proactively adopting these technologies as we invest to enhance organizational productivity and create value faster. However, no matter how much technology advances, the fact remains that people are at the heart of corporate value creation. The relationships that arise in the countless “gaps” within an organization—between individuals, between departments, and between management and the front lines—sometimes generate results beyond expectations, while at other times they are the source of significant hardships. Motivation Engineering technology provides insight into those relationships by serving as a lens that brings a relationship-based perspective into focus.

The Link and Motivation Group will continue to implement its own style of human capital management, grounded in a commitment to practicing what it preaches. At the same time, we will continue taking on the challenge of sharing our relationship-based perspective with organizations around the world.

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

An Organizational Strategy That Makes the Most of Human Capital

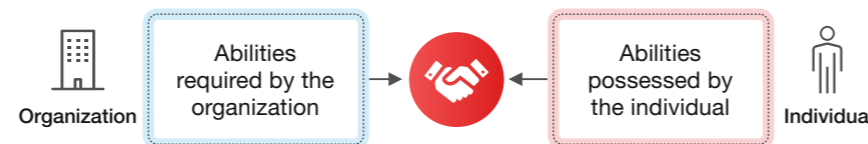
The Link and Motivation Group treats business strategy, which maximizes customer value, and organizational strategy, which maximizes human capital value, as equally important and links the two in its management practices. With human capital ROI and gross profit per employee as key goal indicators (KGIs), we have set the degree of alignment between the abilities required by the organization and the abilities possessed by the individuals in it as our KPI for human resource capabilities and the degree of alignment between the organization's vision and individual motivation as our KPI for organizational capabilities (engagement). To achieve KGI and KPI goals, we have made the four domains of recruiting, training, systems and corporate culture our core targets for investment. With ongoing initiatives in these domains as our baseline, we continue to identify priority themes that will support business strategies and address changes in our operating environment. In this way, the Group views investment in human capital as a strategic investment that will generate future returns, and aims to achieve sustainable organization growth by maintaining a cycle of evaluation and improvement based on various indicators.



High-Level Human Resource Capabilities and Organizational Capabilities (Engagement) through the PDCA Cycle



Degree of alignment between the abilities required by the organization and the abilities possessed by the individuals in it



Indicator Role Survey Rating

The performance of roles required at each career level is mapped to an 11-level rating system according to the role survey score, which is calculated based on the degree of alignment between the expectations and satisfaction of others.

2025 Benchmark: Percentage with "A" rating or higher:
All employees: 57.0%; Managers: 75.0%

Results		2023	2024	2025
All employees	Number of survey subjects	1,378	1,363	1,320
	Rank A or higher	764	758	731
	Percentage of total (%)	55.4	55.6	55.4
Managers and above	Number of survey subjects	156	165	187
	Rank A or higher	114	122	148
	Percentage of total (%)	73.1	73.9	79.1

We use our cloud-based human resource training service, Motivation Cloud Role Development, to improve our human resource capabilities. Through 360-degree surveys that collect feedback from subordinates and supervisors, we calculate a role survey score based on the degree of alignment between the expectations and satisfaction of co-workers regarding the performance of the roles required of survey subjects at each career level. The calculated scores are categorized into 11 rating levels and presented as role survey ratings. Based on the survey results, we help subjects design an individual growth plan and implement a training cycle that encourages behavioral change, leading to improvement in human resource capabilities. The Link and Motivation Group uses role survey ratings as a KPI for human resource capabilities, and continuously monitors progress based on periodic repeat surveys. In 2025, we maintained a high level of human resource capabilities, with ratings of "A" or higher for more than 55% of all employees, and more than 75% of managers, which exceeded our target.

Service Overview

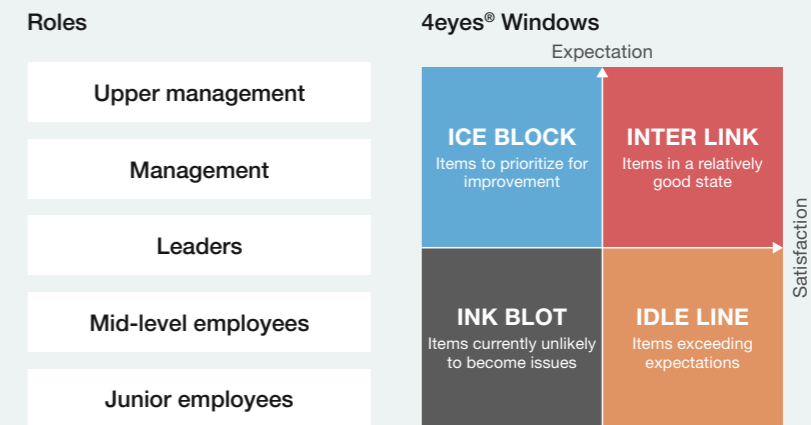
Motivation Cloud Role Development



A cloud-based human resource training service that facilitates an independent growth cycle. It uses diagnostic data to design individual growth plans, establish action plans and conduct progress management on the cloud to provide a training cycle that promotes behavioral change.

Visualizing Role Performance to Establish an Independent Growth Cycle

The extent to which individuals fulfill the roles expected of them at each career level is quantified through 360-degree surveys of both subordinates and supervisors covering the two axes of expectation and satisfaction. Items in the ICE BLOCK quadrant, where both supervisors and subordinates expect improvement but their satisfaction level is low, are identified as key issues, and a growth cycle is implemented.



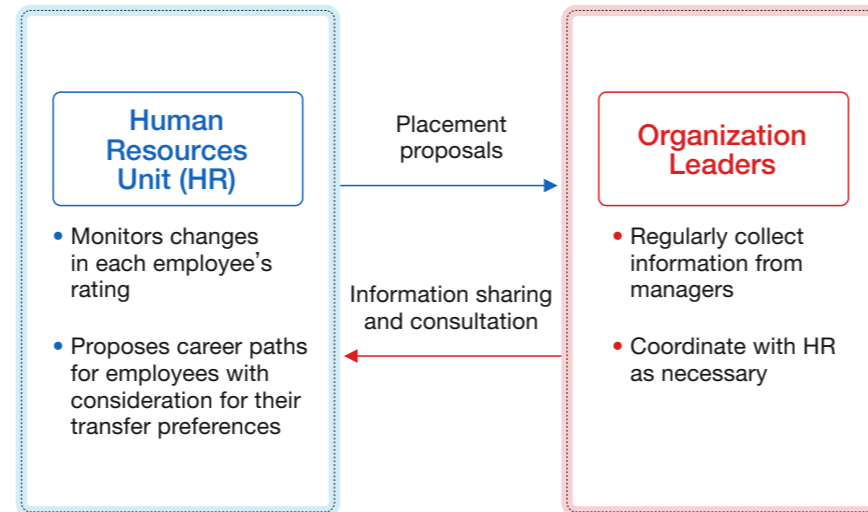
High-Level Human Resource Capabilities and Organizational Capabilities (Engagement) through the PDCA Cycle

Human Resource Capabilities

Within the Link and Motivation Group, we use Motivation Cloud Role Development to promote management that improves human resource capabilities on both the Group-wide and workplace level. At the Group-wide level, the Human Resources Unit monitors role survey ratings, which are based on 360-degree surveys, as a KPI, analyzing trends and patterns over time. For members with consistently low ratings or other issues, measures such as reassignment are taken in consultation with their workplace, with reference to the career plan the individual has submitted, among other factors. At the workplace level, managers serve as junction points linking corporate and individual growth. Members start by setting goals for each quarter, then work independently toward growth by using Motivation Cloud Role Development to execute their plans and review their actions. Managers provide guidance through regular one-on-one meetings and performance evaluations, so that each workplace can go through its own independent growth cycle. By linking Group-wide and workplace initiatives, we are able to raise the level of human resource capabilities across the organization.

Group-Wide

HR Monitors from a Group-wide Perspective and Coordinates with Workplaces as Necessary



Key Points

- HR monitors role survey ratings based on 360-degree surveys
- For members with consistently low ratings, HR proposes reassignment, with reference to their career plan and other factors

Workplace

Managers Link Corporate and Individual Growth So Members Can Grow Independently



Key Points

- By functioning as junction points in the workplace, managers link corporate and individual growth
- Members conduct their growth cycles independently

High-Level Human Resource Capabilities and Organizational Capabilities (Engagement) through the PDCA Cycle

Human Resource Capabilities

Case Study of a Junior Employee's Growth Cycle

How Motivation Cloud Role Development Cultivates Human Resource Capabilities

The Link and Motivation Group regularly conducts surveys of all employees, including executives, then encourages them to formulate growth plans based on the results and engage in a training cycle that leads to behavioral change. This page takes an in-depth look at how Motivation Cloud Role Development is utilized to enhance human resource capabilities through the example of a successful junior employee.

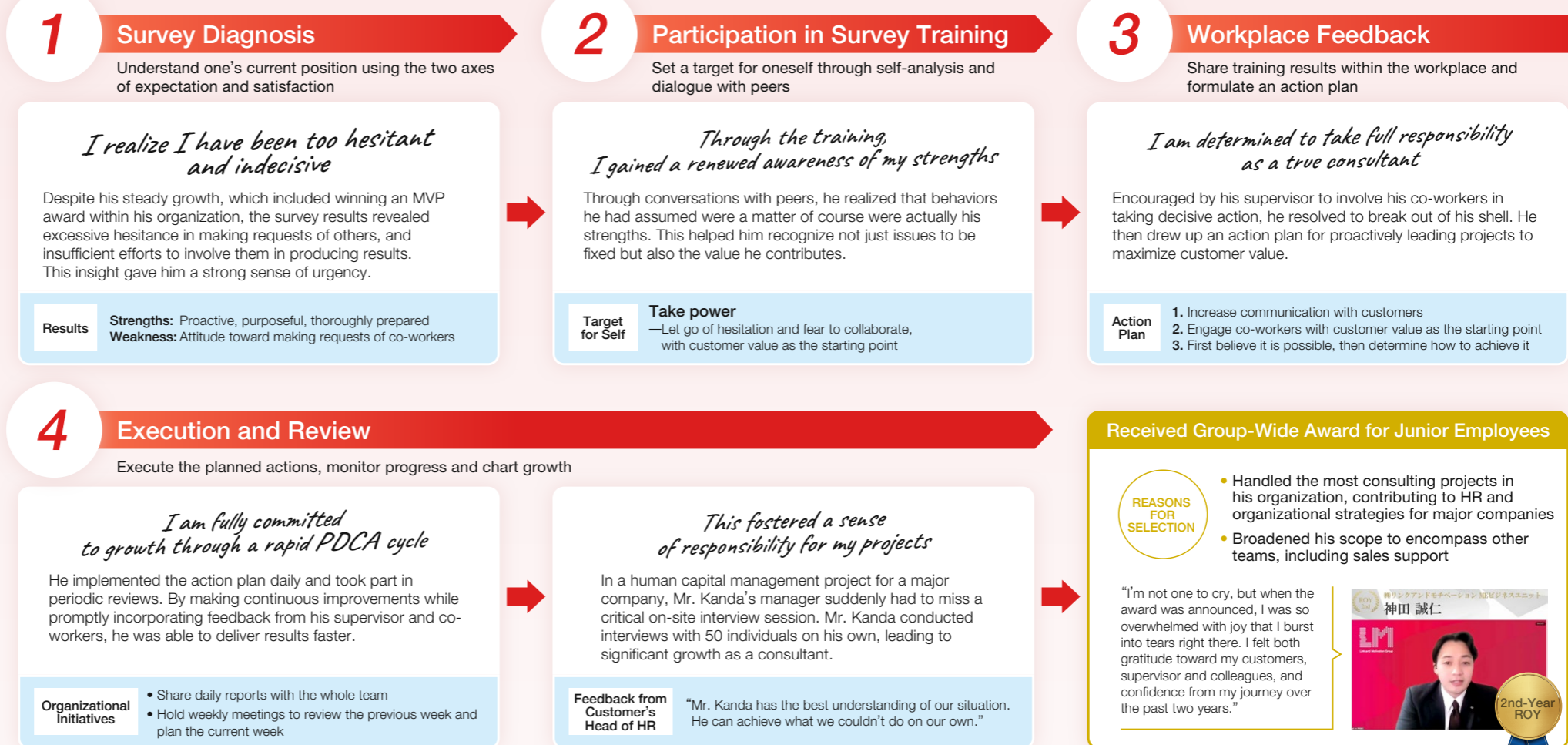


Close-up on One Employee's Growth Cycle



Kanda Masahito

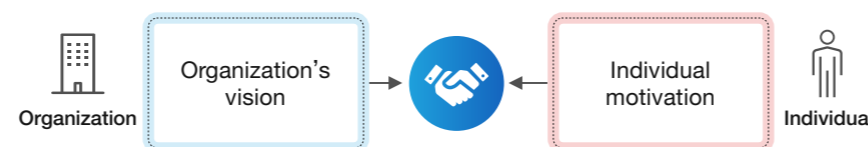
Mr. Kanda joined Link and Motivation after graduating from the School of Social Sciences at Waseda University in 2023. As a consultant, he has been involved in projects for organizational transformation and human capital management, primarily for manufacturers and other large companies. After supporting organizational transformation for a wide range of customers, in 2025 he received the 2nd-Year Rookie of the Year award.



High-Level Human Resource Capabilities and Organizational Capabilities (Engagement) through the PDCA Cycle



Degree of alignment between the organization's vision and individual motivation



Indicator Engagement Rating

A ranking on an 11-level rating scale according to Engagement Score, calculated based on the degree of alignment between employee expectations and satisfaction regarding the company, supervisors and the workplace.

2025 Benchmark: Maintaining a high standard of AA rank or above at all Group companies

Results

Division	Company	2023	Rating 2024	2025
Organizational Development Division	Link and Motivation Inc.	AAA	AAA	AAA
	Link Saussure Inc.	—	—	AAA
	Japan Strategic Finance Co., Ltd.	—	—	AAA
Individual Development Division	Link Academy Inc.	AAA	AAA	AAA
	Motivation Academia Inc.	AAA	AAA	AAA
Matching Division	Link Interac Inc.	AAA	AA	AA
	OpenWork Inc.	AA	AA	AAA
	Link-i Inc.	AAA	AAA	AAA

* Results from the engagement survey conducted in January for 2024 and earlier years, and July for 2025. Excludes overseas subsidiaries, Link Dining Inc., which conducts other business, and Unipos Inc. and e-Associates Inc., which became wholly owned subsidiaries in August 2025.

Motivation Cloud Engagement, a cloud-based service for improving engagement, is used to enhance organizational capabilities. This service groups the factors influencing people's sense of attachment to the organization into engagement factors in 16 areas to calculate an Engagement Score based on the degree of alignment between employees' expectations and satisfaction regarding the company, their supervisors and their workplace. The calculated score is rated on an 11-level scale and disclosed as an Engagement Rating. Based on the survey results, we operate an improvement cycle by setting ICE BLOCK (items with high expectation/low satisfaction) and other items as key issues to address, and implementing action plans for those issues. At the Link and Motivation Group, Engagement Rating is positioned as a KPI for organizational capabilities, and we continually monitor its status based on the results of the survey, which is conducted regularly. In 2025, the Link and Motivation Group maintained a high level of employee engagement, with an Engagement Rating of AAA for seven companies and AA for one out of the eight Group companies.

Service Overview

Motivation Cloud Engagement



A cloud service for improving employee engagement. We support improvement of engagement by visualizing the organization's condition using one of Japan's largest databases, collected from 13,930 companies and approximately 6.29 million people (as of December 31, 2025).

Establishing an Improvement Cycle for Visualizing Organizational Condition and Increasing Engagement

Based on theories of social psychology, we classify the factors that influence employees' sense of attachment to the organization into engagement factors in 16 areas. We then visualize the condition of the organization from two perspectives: expectation, which measures what employees expect of the company, and satisfaction, which shows the degree of satisfaction with the company in each area. We then set ICE BLOCK (items with high expectation/low satisfaction) and other items as key issues to address, and operate a cycle for improving them.

Engagement Factors in 16 Areas

Company	Supervisor		Workplace	
	Company foundation	Philosophy and strategies	Business content	Work content
	Provision of information	Collection of information	Support	External adaptation
	Decision making			Human resources
				Facilities and environment
				Systems and benefits
				Succession

4eyes® Windows



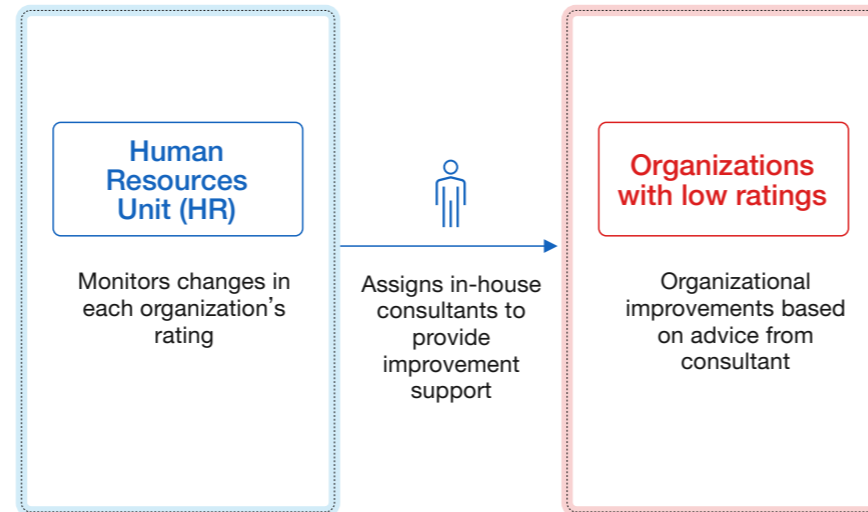
High-Level Human Resource Capabilities and Organizational Capabilities (Engagement) through the PDCA Cycle



The Link and Motivation Group utilizes Motivation Cloud Engagement to promote effective management across the Group and in individual workplaces to improve organizational capabilities. On a Group-wide basis, our HR unit regularly monitors the Engagement Rating of each organization as a KPI, and analyzes sudden changes and structural trends. Our in-house consultants are assigned to organizations with low ratings to provide accompanying support ranging from identification of issues to design and implementation of improvement measures. At the same time, companies and workplaces independently carry out improvement activities based on survey results, formulate and implement action plans, and operate a continuous and highly effective improvement cycle, with ongoing reflection through pulse surveys. Through this linkage of Group companies and workplaces, we visualize our overall organization's condition and achieve continuous improvements in engagement, and we also promote highly transparent and reliable organizational management by disclosing ratings internally and externally.

Group-Wide

HR Monitors from a Group-wide Perspective, Providing Support to Organizations as Necessary

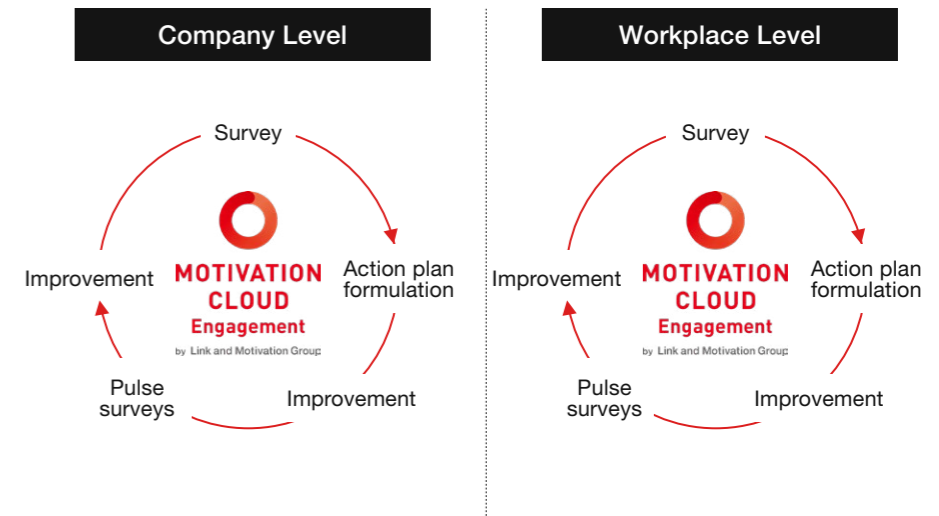


Key Points

- HR monitors the Engagement Rating of each organization to watch for any sudden changes
- For organizations with low ratings, in-house consultants are assigned to provide support

Workplace

Independent Efforts to Improve Engagement by Each Company and Workplace



Key Points

- Improvement activities utilizing survey results are carried out by workplaces as well as companies
- The president and management monitor the execution of action plans and changes in the results of pulse surveys

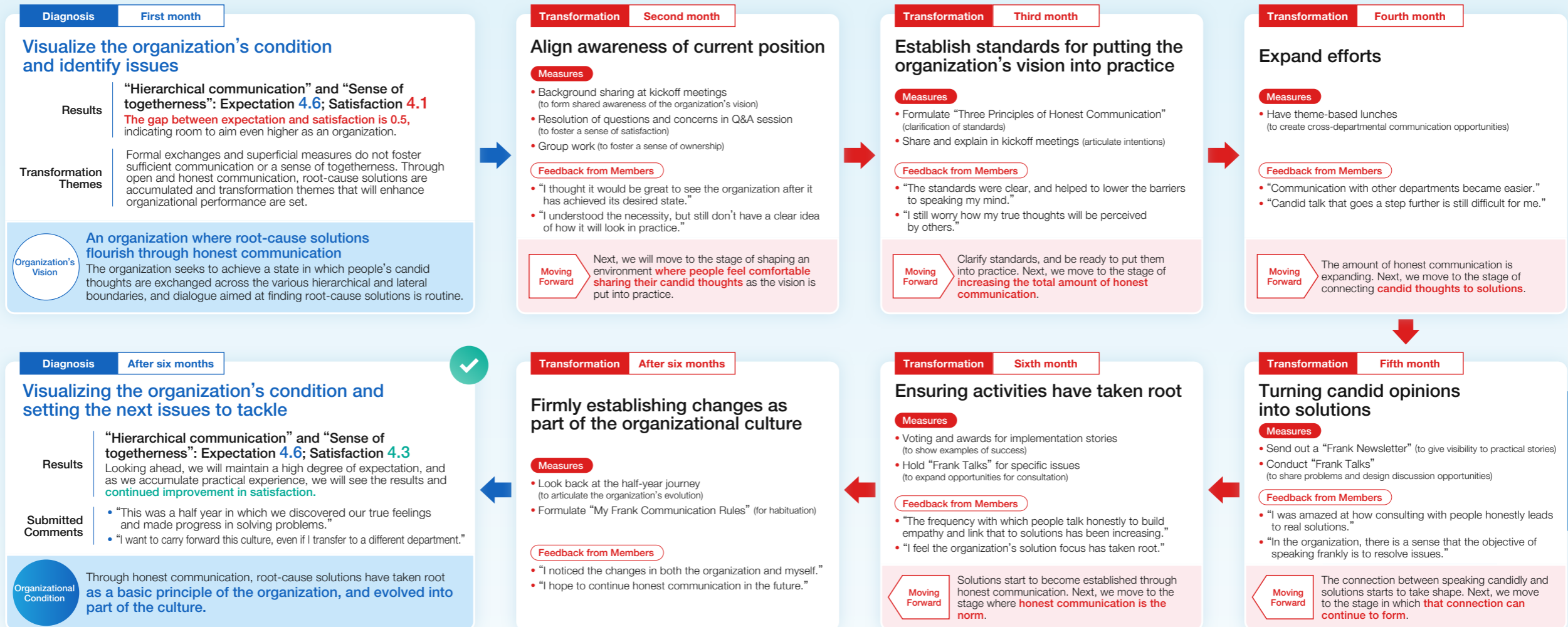
High-Level Human Resource Capabilities and Organizational Capabilities (Engagement) through the PDCA Cycle



Case Study of a Department's Organizational Transformation Cycle

How Motivation Cloud Engagement Cultivates Organizational Capabilities

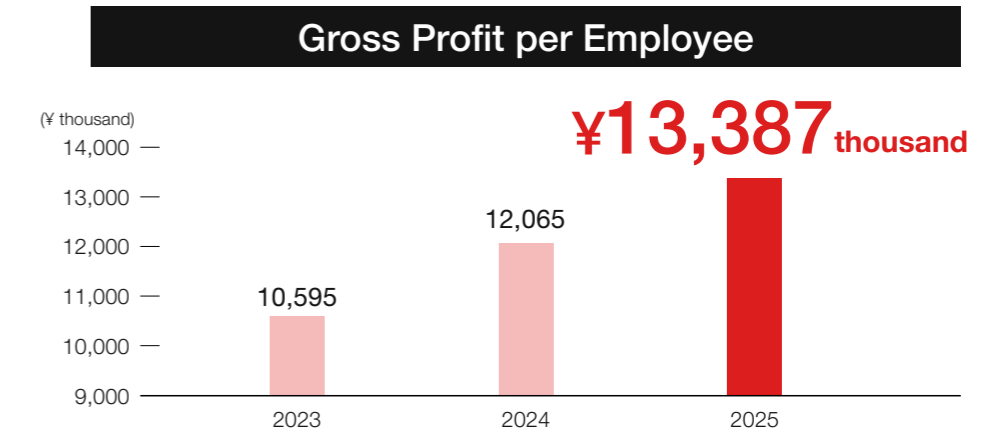
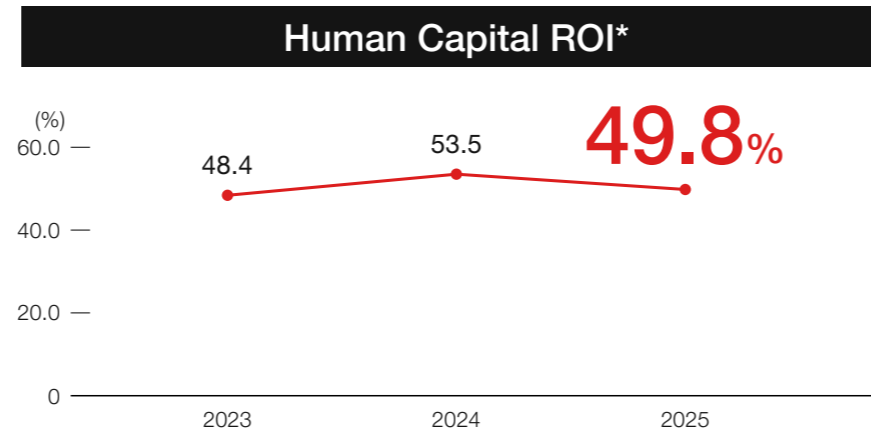
At the Link and Motivation Group, we promote organizational transformation through the PDCA cycle by turning diagnosis into transformation action, starting with surveys every six months. On this page, based on initiatives of one organization over half a year, we break down the process from identification of issues using Motivation Cloud Engagement, to execution of measures and advancing toward the organization's vision.



High Productivity Driven by AI

Further Optimizing the Link between Business and Organization

At the Link and Motivation Group, we place business strategy and organizational strategy on an equal footing, and believe that continuously linking both will lead to higher corporate value over the medium and long term, as well as achievement of our mission. We emphasize productivity as the key metric to measure the results of that effort, and have set human capital ROI and gross profit per employee as KGIs. Since 2024, we have accelerated digital transformation (DX) centered on the use of generative AI. Personnel have been appointed to coordinate DX in each organization, and we have implemented step-by-step upskilling through level classification and goal setting for employees who use AI. Furthermore, as a result of Group-wide rollout of successful models developed within specific organizations, by the end of 2025 we had established a structure in which all employees can utilize AI in their daily work and the foundation for providing organizational support for productivity improvement. As a result, human capital ROI maintained a high level, and gross profit per employee grew steadily. We will continue our efforts to increase productivity further.



Achieved 100% AI utilization among employees in the Consulting & Cloud Business



Assignment of DX Coordinators (TAs)

Technology Administrators (TAs) have been assigned in each organization. After training by our IT engineering team, TAs promote productivity improvements in each workplace.

1	Role Design of TAs	Rather than just improving business efficiency, a TA's mission is to transform businesses with the power of digital technology, and link that to the creation of customer value.
2	Selection Based on Individual Qualities	Selection takes personal qualities into consideration based on our unique aptitude test as well as current IT skills.
3	Strengthening Monitoring with the Use of Surveys	We regularly monitor how digital technology is actually being used within the Company, and increase the speed of improvement cycles.



Level Classification and Goal Setting for Employees Who Use AI

AI usage skills are classified on a scale of 1 to 5 for all employees. Levels are defined from being able to use basic AI tools, to contributing to business model transformation with the development of new tools. The TA is responsible for promoting usage at higher levels.

Level 1	Has tried it, but not yet using it for work tasks
Level 2	Routinely uses AI tools to boost efficiency
Level 3	Creates new usage case studies and contributes to organizational performance
Level 4	Identifies issues in business processes and develops AI tools to make improvements
Level 5	Drives business and business model transformation through AI



Group-Wide Rollout of Successful Models

In 2024, we began to use AI extensively in specific organizations, and gained the know-how to create mechanisms that bring about business impacts. In 2025, we rolled out successful models across the whole Group based on the following Five Principles of Digital Transformation.

1	Problem-Led	Start from the problem to be solved, not the technology
2	Start Small	Start small and expand
3	Continued Learning	Repeat the improvement cycle based on employee feedback and usage data to evolve the system
4	Effects and Setting	Proceed in tandem with effectiveness measurement, fully leveraging the results of efficiency improvements
5	Commitment of Front-Line Staff	People within the organization take the initiative with the support of engineers

* 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.

Current State of Human Capital Management as Reflected in Employee Reviews

How is the model of human capital management promoted by the Link and Motivation Group perceived by employees, and what kind of changes and results is it bringing? Employee Review Reports are a service offered on the OpenWork platform and are generated based on contributions submitted on the OpenWork employee review site. On this page, we look at Link and Motivation's Employee Review Report to gain an understanding of the actual situation of human capital management as told through comments from employees.



Link and Motivation Inc. from the Perspective of an Expert

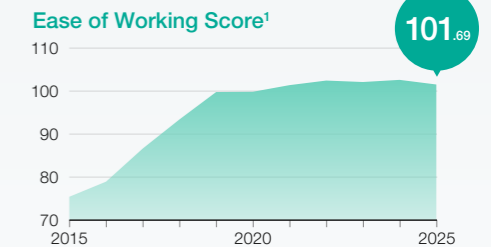
Credit Pricing Corporation
 "Employee Review Report" Analyst

With respect to organizational culture and job satisfaction, **many respondents mention the permeation of the corporate philosophy, growth opportunities for junior employees, and the speed of growth.** On the other hand, there were some opinions **that change can be intense because while the speed of growth is fast, so is the speed of organizational transformation.** In other items, words such as "practice what we preach" and "mission-driven" appeared more than at other companies, and looking at the scores, "organizational culture" and "job satisfaction" were both at a high level. "Ease of working" is near the average, **but the score is being improved as the overall market level of "ease of working" is itself rising,** and words expressing the current "ease of working" were frequently mentioned.

INSIGHT

Ease of Working Evaluates factors such as work-life balance and women-friendly workplaces

By promoting operating efficiency and flexible work styles, the Group has established an environment where everyone can continue to work over the long term and performance is maintained at a high level. As a result, the ease of working score continues to increase, and remains at a high level. In addition to ease of working, the strengthening of conditions that allow employees to confidently take on challenges is also being reflected in scores.



Highlight 1

Evaluates whether employees feel motivated, growth opportunities, etc.

Employee Review Report 2025 Score¹

Job Satisfaction 121.18

12th
 among listed companies in the services industry²

Employee reviews submitted to OpenWork³

Based on the human resources requirements framework, the opportunity to use data to visualize my own weaknesses from various angles, and consider approaches to address them with my colleagues and supervisor operates on a short cycle. A culture that helps people to pursue their own growth across the Company is well established, and I think being able to play an active role soon after joining the Company if you just have potential makes this a very attractive environment. (Excerpt)

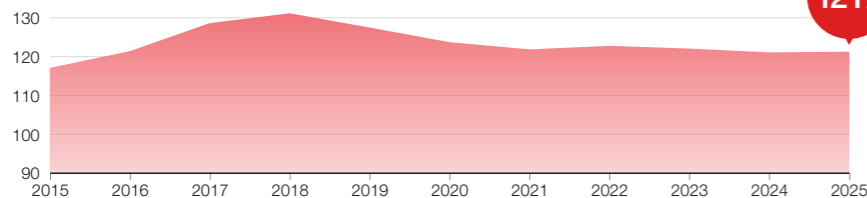
(New graduate hire / Current employee)

We have many younger employees, and since I was a mid-career hire, there are cases where my experience is broader and more extensive than that of employees in the rest of the Company, but I am deeply grateful that I have been able to learn about organizational and human resources matters from systematic and academic perspectives, and to organize my experience and framework to give greater clarity to my thought process.

(Mid-career hire / Current employee)

The Link and Motivation Group is focused on creating an environment where every employee can feel a sense of challenge and growth as the organization expands. Through the four areas of recruiting, training, systems and corporate culture, we provide growth opportunities and link performance with compensation. In the Employee Review Report, the job satisfaction score remains at a high level, and is well above the average at other companies. Furthermore, scores are above the market average in all categories, regardless of new graduate or mid-career status, occupation and gender, which indicates that individuals feel a sense of growth even as the Company continues to expand.

Job Satisfaction Score¹



Highlight 2

Rates the quality of the environment, culture and systems that are deeply rooted throughout the company

Employee Review Report 2025 Score¹

Organizational Culture 155.41

2nd
 among listed companies in the services industry²

Employee reviews submitted to OpenWork³

Given that consulting on organizational and personnel matters is the Company's core business, it places high importance on alignment with the Company Mission during recruiting. All employees embrace the mission and the corporate slogan, so communication within the organization is very good, and since there is a clear common purpose organization-wide, communication across departments is also very smooth.

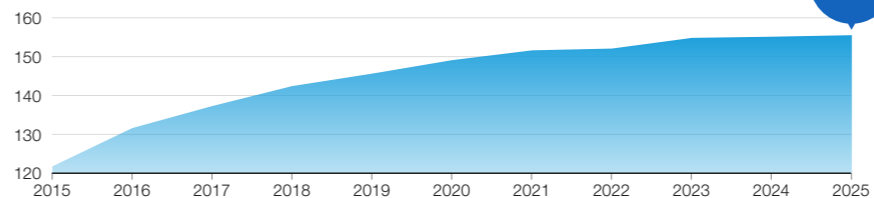
(New graduate hire / Current employee)

The Company provides organizational and personnel matters-related services to external customers with the idea that "One for All, All for One" is important, and that is practiced within the Group as well. Employees' sense of contribution to the company and their organization is a strength of the company.

(Mid-career hire / Former employee)

The Link and Motivation Group continues to make investments that link the four areas of recruiting, training, systems and corporate culture, and has prioritized integration centered on its philosophy, even as organizational differentiation and expansion proceed. The results of that effort are also reflected in the Employee Review Report. The organizational culture score is trending steadily upward, and has maintained a high level well above the average at other companies. Moreover, scores are significantly above the market average in all categories, regardless of whether the employee is a new graduate or mid-career hire, gender or occupation. This indicates the permeation of an organizational culture based on our philosophy that transcends how many years employees have spent with the Company or differences between departments.

Organizational Culture Score¹

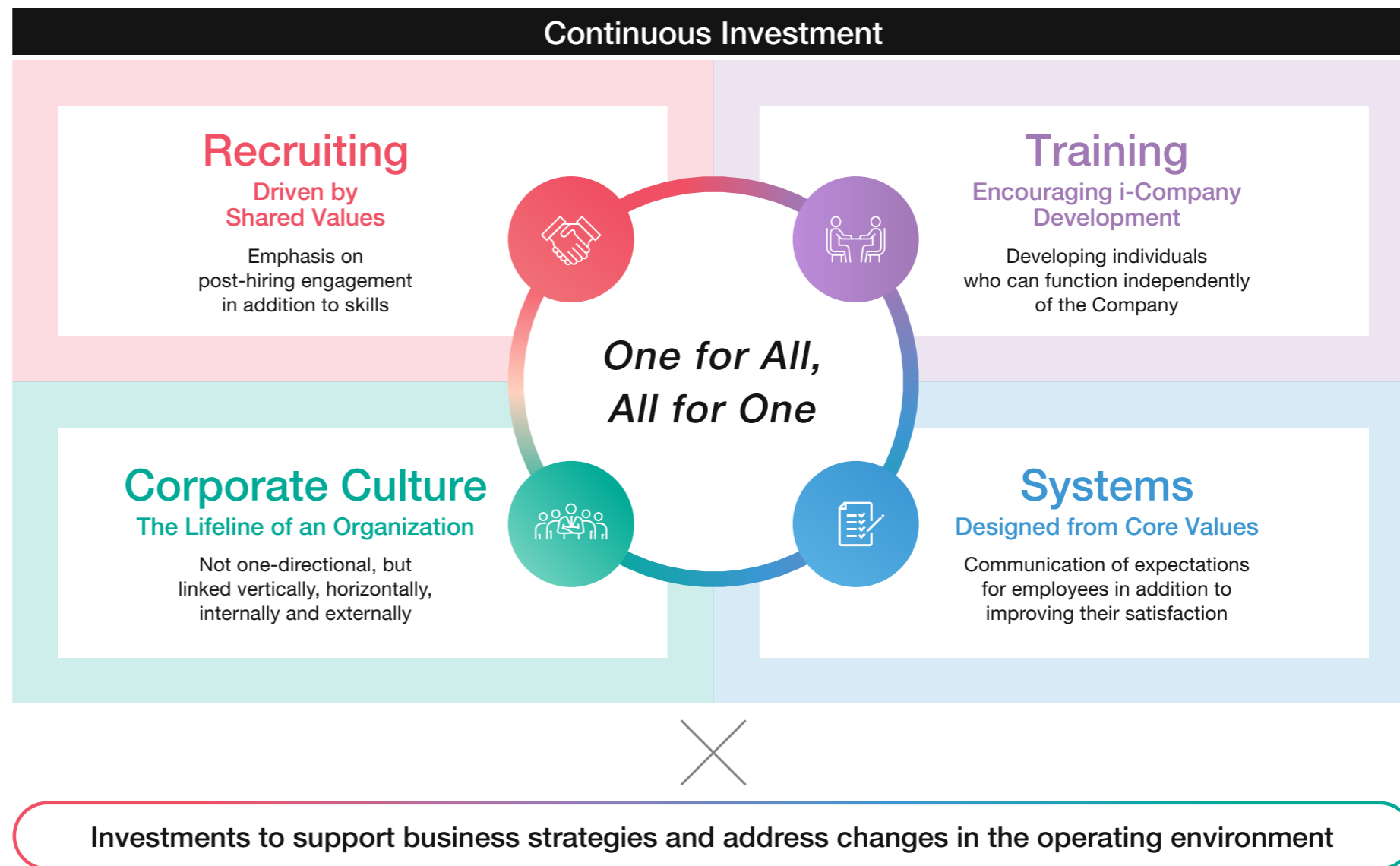


1. The "job satisfaction" score, "organizational culture" score and "ease of working" score are presented as relative values with the average of companies listed on the Tokyo Stock Exchange Prime Market or Standard Market set at 100.
 2. This ranking is a classification created by Credit Pricing Corporation based on publicly disclosed information. However, note that some companies are excluded from the comparative analysis, as it is limited only to companies with a minimum of 50 total contributors for each item.
 3. OpenWork employee reviews are published with the cooperation and permission of OpenWork Inc.

Our Enduring Commitment to Management in Four Domains

Maximizing Value by Linking Four Domains

The Link and Motivation Group views investment in human capital not as a one-time measure, but as an ongoing initiative that is at the core of our management. We link and align the four domains of recruiting, training, systems and corporate culture to strengthen them in an integrated fashion under the concept of "One for All, All for One." There are two essential elements for an organization's continued existence: organizational results and the fulfillment of the desires of the individuals who make up the organization. No matter how strong an organization's results may be, it cannot survive if individual desires are not met. Conversely, even if those individual desires are met, the organization cannot survive without producing results. Based on this fixed principle, we invest organically in the four domains, taking a basic approach of promoting recruiting driven by shared values; training that encourages i-Company development; systems designed from core values; and the corporate culture that is the lifeline of any organization. In addition, we identify priority themes to support business strategies and address changes in the operating environment, implementing measures that link the four domains in accordance with those themes. Through this approach, we maximize the value of our human capital and increase our corporate value.



Our Enduring Commitment to Management in Four Domains



Recruiting

Driven by Shared Values

Applicant Engagement Diagnosis:
Group companies whose philosophy and strategies fall in the INTER LINK quadrant

5 of 6
companies

First-year turnover rate

2.5%

With the belief that a company's state five to ten years in the future is determined at the hiring stage, the Link and Motivation Group considers recruiting to be the linchpin for advancing its management strategy and achieving its mission. Among the four domains of recruiting, training, systems and corporate culture, we invest most heavily in recruiting, viewing it as an activity to welcome individuals who share our corporate philosophy and are willing to work with us to achieve it. Accordingly, in addition to skills and potential, we consider resonance with our philosophy to be an essential requirement, and we rigorously design our selection process with a view toward candidates' success after joining the Group. As a result, the responses to our Entry Management Survey, a diagnosis of applicant engagement, placed the philosophy and strategies of five out of six of our Group companies in the INTER LINK quadrant, which indicates high levels of both expectation and satisfaction. In addition, our first-year turnover rate is 2.5%, demonstrating that strong engagement grounded in resonance with our philosophy contributes to employee retention. Through recruiting that focuses on resonance with our philosophy, we will continue to welcome candidates who will advance our organization and support our business growth.

Emphasis on Post-Hiring Engagement in Addition to Skills

Use of the BRIDGE Aptitude Assessment for Understanding Character Traits and Matching

Before selecting applicants for an internship, we have them complete the BRIDGE aptitude assessment to gain a better understanding of their character traits and areas of potential. We then intentionally pair them with an employee with a similar personality type or complementary traits as their Entry Manager to deepen mutual understanding and enhance candidates' motivation to join the Group.



Entry Manager System to Foster Sharing of Our Philosophy

We have introduced an Entry Manager System, in which an employee provides individualized support for each university student applicant from job offer to employment. Through ongoing dialogue with an employee, candidates gain a more in-depth understanding of both the Group and themselves, thereby strengthening their resonance with our corporate philosophy. By deepening understanding of our philosophy and business before the candidate starts work, we create conditions where new hires can proactively take on challenges and thrive from day one.



Internships for First-Hand Experience of the Connection Between Our Philosophy and Businesses

The Group offers practical internships designed to help participants understand the connection between our philosophy and our businesses. We offer interns the opportunity to deepen their resonance with our corporate philosophy through first-hand experience in the consulting business, working on projects for organizational and social transformation.

UNiTE | RiSE | SPiRAL

Events for Prospective Employees to Help Them Feel Like Colleagues

Through pre-employment events, we provide opportunities for prospective employees to understand our philosophy and business in greater depth through interactions with employees and fellow job offer recipients. Some Group companies also hold activities such as retreats and social gatherings to foster connections rooted in our philosophy through ongoing dialogue. By deepening their understanding of our philosophy and direction before work begins, these experiences help each of our prospective employees develop a strong sense of themselves as future colleagues.



Our Enduring Commitment to Management in Four Domains



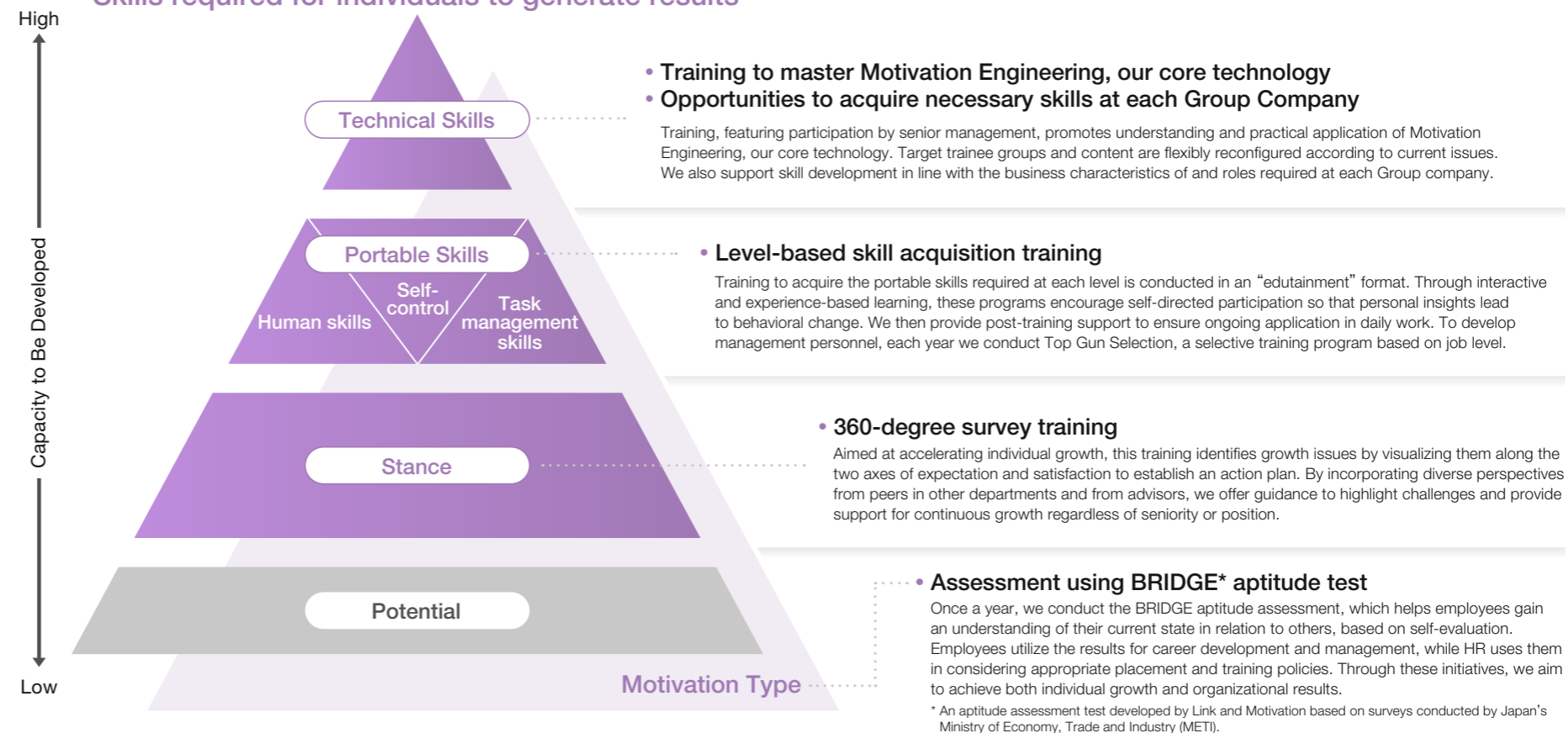
Executive candidate coverage rate
106.9%

Cumulative internal proposals submitted
620

We emphasize independent career development, and uphold the idea that each employee should cultivate a perspective of being the manager of their own “i-Company.” Based on this approach, we identify individual character traits and have established a training system based on our human resource requirements framework. By providing growth opportunities regardless of rank or role, we create an environment where each employee can proactively engage in their own development. In addition, because our organization is in a growth phase, we are focusing on training programs to develop our next generation of leadership. As a result, our executive candidate coverage rate is 106.9%, indicating that we are continuously cultivating talent capable of taking over management in the future. Furthermore, the mindset of taking the initiative developed through these programs is reflected in outcomes such as a cumulative total of 620 internal proposals submitted through our in-house proposal system. We will continue to nurture talent with a management perspective centered on our i-Company concept to support the evolution of our organization and our business.

Developing Individuals Who Can Function Independently of the Company

Human resource requirements framework: Skills required for individuals to generate results

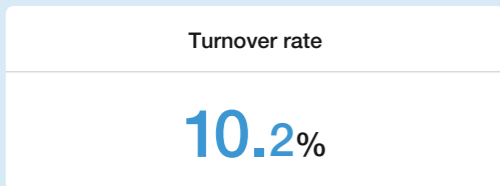


i-Company Support

- Submission of an annual career planning sheet
- HR consultation and opportunities for career change upon request

Employees submit a career planning sheet once a year as part of their efforts to independently build their careers. This encourages employees to articulate their aspirations and goals, and to set a clear direction for growth. In addition, to support independent career development we offer consultations with HR and opportunities for career change to those who request them.

Our Enduring Commitment to Management in Four Domains



We view our personnel systems as “messages from management” that communicate the company’s expectations for each employee and the direction of their growth. While the primary objective of personnel systems generally tends to be improving employee satisfaction and workplace comfort, the Link and Motivation Group aims to use its personnel systems to increase resonance with its corporate philosophy. Our basic policy is therefore to incorporate our clear expectations into each system, resulting in our unique HR design. When revising or introducing systems, top management communicate the background and intent themselves through channels such as the Group General Meeting and internal communications, to foster understanding and agreement among employees. Through these initiatives, we create an environment in which employees can feel a true sense of connection to our philosophy as they fully demonstrate their abilities. As a result, we maintain a relatively low turnover rate of 10.2%. We will continue to upgrade our personnel systems in response to changes in the operating environment in order to support employee growth and sustainable improvement of our corporate value.

Communication of Expectations for Employees in Addition to Improving Their Satisfaction

An Overview of Our Distinctive Systems

Category	System	Expectations/Message from the Group	Details
Evaluation and Salary	Class	To give rise to new heroes who will leave their mark on history	<ul style="list-style-type: none"> Classes named after historical figures Class assignments are based on individual capabilities rather than seniority. Each employee’s class is disclosed to all other employees.
	Evaluation	To encourage employees to grow at four times the pace of the rest of the world	<ul style="list-style-type: none"> Quarterly evaluations Goals are set every three months from the perspectives of “Performance,” which indicates the degree of contribution to the company’s results and organization, and “Stretch,” which reflects the degree of individual growth. Use of a PDCA cycle promotes rapid development.
	Salary and Bonus		<ul style="list-style-type: none"> Salary Bonus (premier rewards) Salary is determined based on the employee’s class, combined with evaluation results for “Performance” and “Stretch.” Ongoing base salary increases are also implemented. Bonuses are paid as a share of the results achieved, determined based on both organizational performance and individual evaluation over each three-month period.
Working Style	Life Event Support	By regularly reassessing the relationship between the Group and each employee and recalibrating expectations, we aim to create an environment where employees can continue to work over the long term.	<ul style="list-style-type: none"> Work Style Options A system that enables employees to temporarily change their work style to accommodate childbirth, childcare, family nursing care, injury or illness. At the same time, we also realign expectations based on changes in work performance.
	Work Style	To enhance both productivity and engagement	<ul style="list-style-type: none"> Compatible Work We design work processes that make the most of the advantages of both office work and remote work, creating an environment where employees can be productive at a high level. To facilitate communication, designated in-office days are set at the organizational level.
Benefits	Paid Leave	To encourage employees to grow at four times the pace of the rest of the world	<ul style="list-style-type: none"> Quarterly vacation days Based on our unique calendar that treats “three months as one year,” we provide three consecutive days of leave at the end of each quarter as a “year-end” break.
		To use time well to prepare for the next stage	<ul style="list-style-type: none"> Overhaul leave Granted every three years of continuous service, with additional “Refine Bonus” payments provided depending on each Group company’s internal policies.
	Employee Stock Ownership Association	<ul style="list-style-type: none"> To give employees a management perspective To share joy in the Company’s growth with Group employees who continue to invest their valuable time 	<ul style="list-style-type: none"> Incentive system A portion of the stock purchase price is subsidized based on amount of stock purchased. This system encourages long-term shareholding and creates a cycle in which both the Company and employees prosper.

Our Enduring Commitment to Management in Four Domains



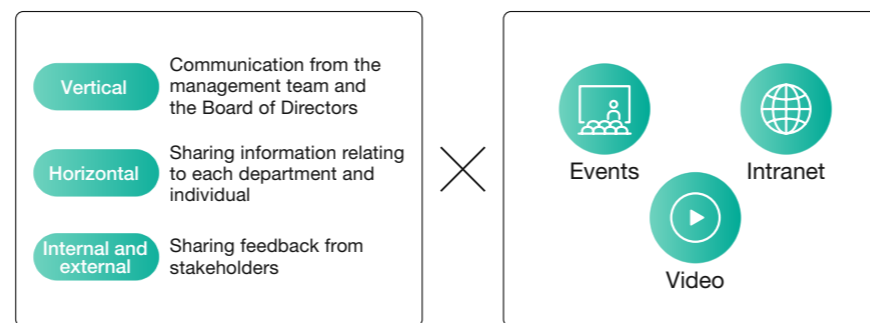
Corporate Culture
The Lifeline of an Organization

Group companies with the survey item "philosophy and strategies" in the INTER LINK (strengths) quadrant

5 of 8 companies

The Link and Motivation Group views communication as the "lifeline" of an organization. Differentiation by hierarchical level and function is essential for an organization to grow, but the more differentiation progresses, the greater the sense of distance between levels and functions, creating challenges in mutual understanding and effective communication. As our organization becomes more differentiated, we place great importance on connecting vertically (across hierarchies), horizontally (across departments), and internally/externally (inside and outside the Group), thereby promoting integration and mutual understanding. In addition, we anchor communication in our philosophy and strategies, and implement measures that combine various media, including events, the Group intranet and video, to maintain a constant connection to them. Through these initiatives, we have deepened understanding of our philosophy and strategies. As a result, the survey item "philosophy and strategies" is in the INTER LINK quadrant, which represents organizational strengths, for five out of the eight Group companies. We will continue to balance differentiation and integration through communication in order to support the further evolution of our organization and our human resources.

Not One-Directional, but Linked Vertically, Horizontally, Internally and Externally



Daily	LMG News	Presents LMG business results data, etc., with an emphasis on timeliness	Intranet
Quarterly	Group General Meeting	Held as a forum for sharing the Group's perspective. It brings together all employees with the goal of explaining the Group's current position and intended future.	Event
	LM Journal	Web-based distribution of in-depth content on Group-wide themes to provide opportunities to understand Group businesses and organizations from diverse perspectives.	Intranet
	Top Comment	Dialogues and messages in a streaming video format. They share the viewpoints and ideas of the management team.	Video
Yearly	History Book	Updated and published annually to share the Group's history from its founding and the background of its decision-making.	Publication
	LM Kaitai Shinsho	A breakdown of quantitative data for each of the three markets. It facilitates understanding of the Group's current position.	Intranet
No fixed schedule	LM Job Story	Profiles of employees active in various job roles. They convey the appeal of all kinds of work.	Intranet
	DNA Book	A book for passing down the "DNA" that provides the building blocks of the Group.	Publication
	ME Book	An explanation of Motivation Engineering, the Group's core technology.	Publication

Examples of Content

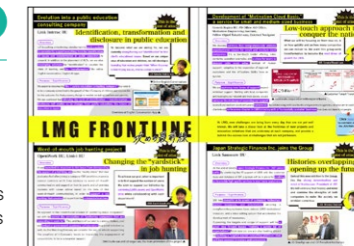
Event: Group General Meeting Vertical

Once every three months, all employees attend a meeting where a business report and Group-wide awards are announced, and Group representatives make presentations on management policies and key topics. Through these presentations and messages, Group members align their understanding of the Group's current state and performance standards, while deepening their shared vision for the future.



Intranet: LM Journal Horizontal

This comprehensive web media platform examines the Group's businesses and organization from a variety of editorial perspectives. In focusing on topics such as front-line challenges and their context, Group company strategies and award winners, it promotes mutual understanding across departments and roles, helping to establish shared standards and perspectives within the organization.



Video: Top Comment Internal and external

Videos share the perspectives and thoughts of the executive team. They communicate their message across the organization. The incorporation of stakeholder expectations and external ideas through discussions with experts from outside the Group and other features helps to link internal and external perspectives, and to encourage a broader shared outlook.





CHAPTER 1

Overview of Human Capital Management and Fixed Investment Principles

CHAPTER 2

Core Themes in Human Capital Investment to Accelerate Business Growth

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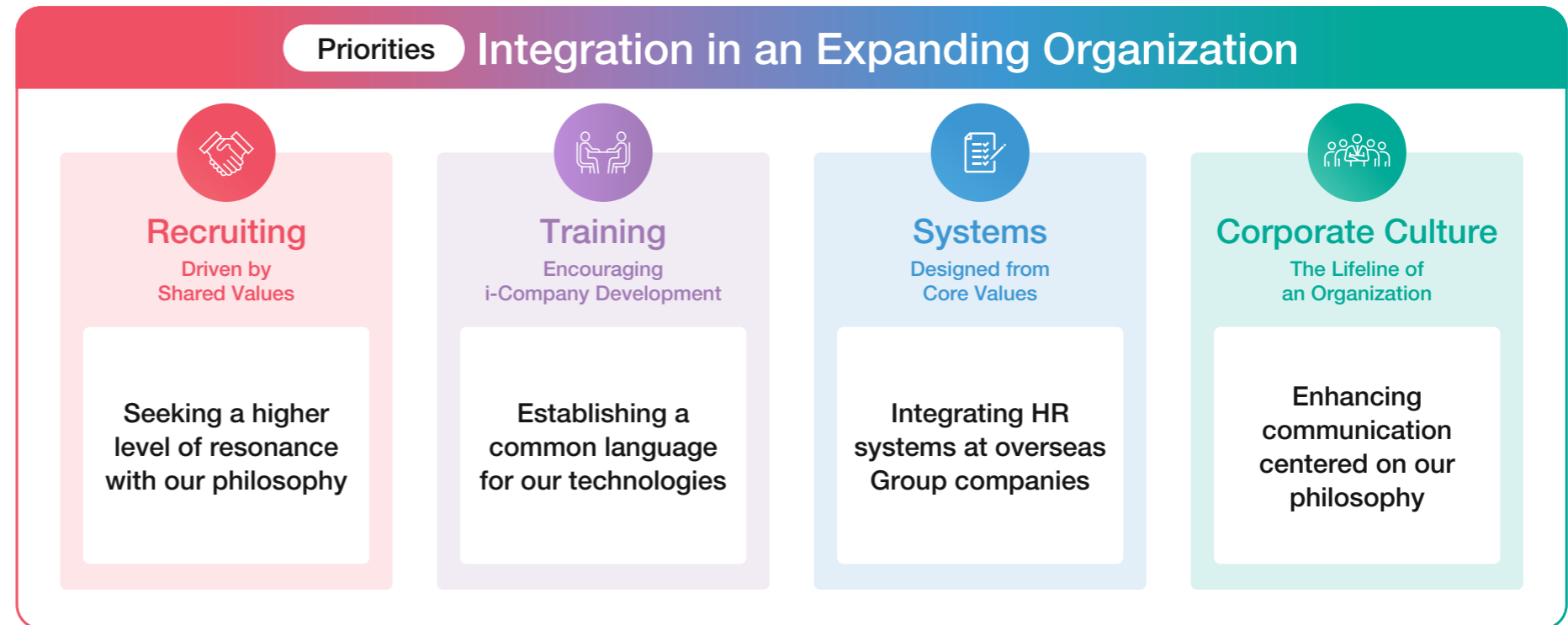
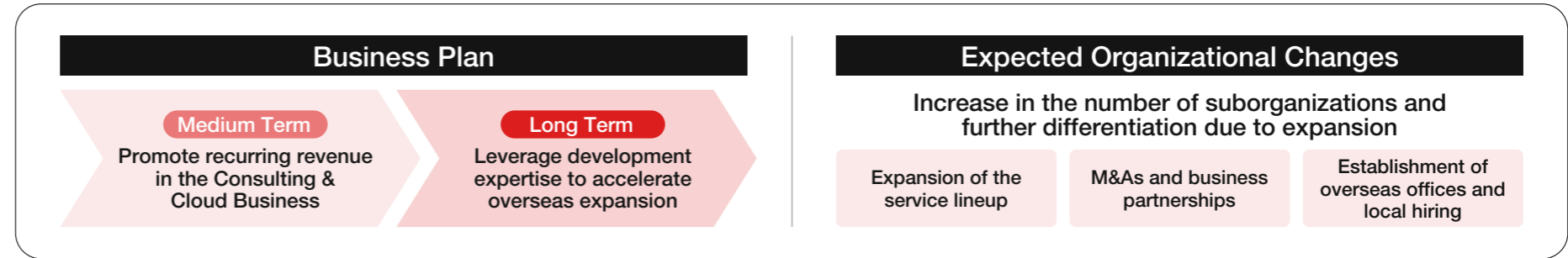
Core Themes in Human Capital Investment to Accelerate Business Growth

21 Current Priorities in the Four Management Domains

Current Priorities in the Four Management Domains

Emphasizing Integration amid Organizational Differentiation

With its enduring commitment to management in four domains as its foundation, the Link and Motivation Group views effective integration as a core priority in its current business expansion phase. Our lineup of cloud-based services continues to grow as we promote a recurring revenue model for our core Consulting & Cloud Business, and the number of organizations in our Group is growing as we continue to establish new overseas bases and expand corporate acquisitions. This is making integration centered on our philosophy essential. As such, in recruiting we look for a high level of resonance with our philosophy, and in training we aim to build a foundation for growth centered on reproducibility by establishing a common language for our technologies. With design based on our fundamental principles, we also roll out systems to Group companies outside Japan to ensure consistency, including in their approach to evaluation and compensation. In addition, we promote our corporate culture by enhancing the quality of communication centered on our philosophy, thereby establishing a foundation that sustains a sense of unity even during periods of expansion. By setting priority areas in line with our business strategy and linking them to the four management domains in ways such as these, we achieve both organizational results and the fulfillment of individual desires.



Current Priorities in the Four Management Domains



Recruiting

Driven by Shared Values

Percentage of participants who responded that they are "Very satisfied" or "Satisfied" with UNiTE

100%

The Link and Motivation Group is currently focusing on its Consulting & Cloud Business, and with increases in the number of services we offer and regions where we operate, the scope of the value we provide is also broadening. As a result, the scope of work employees engage in after joining the Group has also become more diverse, increasing the importance of resonance with our corporate philosophy. Through the internship programs RiSE and SPIRAL, we have been providing opportunities for participants to experience our consulting business while deepening their understanding of our philosophy. In 2025, we launched UNiTE, a new early-stage internship program, as an opportunity to link our philosophy with social transformation at a higher level. This program enables participants to view business from a management perspective through the theme of social transformation, offering hands-on experience of how our philosophy connects with our business. By fostering more in-depth understanding of and resonance with our philosophy, the program leads to a high level of satisfaction.

Seeking a Higher Level of Resonance with Our Philosophy

— Launch of a New Internship Program for Envisioning Social Transformation



UNiTE

Theme Social Transformation

As a starting point, the program draws up a vision for an ideal society, then identifies the issues that need to be resolved. Participants use this to develop concrete transformation plans. They then present their proposals to experienced consultants. Over the course of two days, participants think through plans to make a real change in society.



Participant Feedback

"The exercise of thinking about how to engage companies from the perspective of qualitative motivation was very difficult. Nevertheless, I felt the potential for addressing both corporate and social issues through Motivation Engineering."



Participant Feedback

"The process of drawing up a vision for a company, then using it to identify issues and develop a plan for transformation was harder than I had imagined. I experienced firsthand how profound the work involved in changing society and companies is."



RiSE

Theme Organizational Transformation

This practical program at an offsite retreat gives participants the opportunity to tackle actual client issues, from analyzing organizational surveys and conducting employee interviews to formulating and presenting transformation plans.

Participant Feedback

"I got the sense that defining measures from an emotional as well as a logical perspective helps to resolve corporate issues at a fundamental level. I realized that people are not driven by logic alone, and how important it is to approach issues through emotion."



SPIRAL

Through group work based on real client case studies, participants in this two-day program have the chance to cover everything from identifying issues and developing solutions to making a final presentation of their consulting plans.

Participant Feedback

"Considering management issues requires thinking from both a business and an organizational perspective. I learned that no matter how good a business strategy is, it cannot resolve fundamental issues without an organization capable of executing it."



Current Priorities in the Four Management Domains

Overview of Human Capital Management and Fixed Investment Principles

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Readership access rate for feature articles

97.3%

Motivation Engineering is the core technology of the Link and Motivation Group. It has been developed based on a wide range of academic findings and underpins all the Group's businesses. Since our founding, we have been refining this technology with a strong commitment to continuously enhancing both its practicality and reproducibility, which has enabled the development of diverse businesses. To accelerate our growth going forward, we consider it essential for each employee to actively apply Motivation Engineering in their daily work, thereby increasing the overall value we create. In support of this goal, we have published the *ME Book* to promote the spread and utilization of Motivation Engineering, had senior management communicate their thoughts directly at General Meetings, presented feature articles through in-house media, and promoted measures to encourage front-line application in each of our businesses and organizations. These initiatives have led to a high level of interest and an increased degree of understanding and practice, with a readership access rate for feature articles exceeding 97%.

Establishing a Common Language for Our Technologies

— Instilling Motivation Engineering, Our Core Technology



Publication of *ME Book*

The *ME Book* was published to provide a systematic explanation of Motivation Engineering, our core technology, and enable employees to use its concepts as a common language. It consolidates knowledge that had previously been shared through training programs and messages from leadership into a single volume, clearly articulating the technology that serves as the source of our value creation and the foundation of our competitive advantage. More than just a reference document, we consider it a "technological cornerstone" that is on par with our way of thinking (DNA), and we encourage understanding and practical application throughout the Group.

Sharing at In-Person Employee General Meeting

At the time of publication of the *ME Book*, Group representative Ozasa Yoshihisa introduced the background and importance of Motivation Technology at the in-person General Meeting, after which the book was distributed to all employees. Doing so puts the material into employees' hands while enthusiasm is high, in line with senior management's clear intent to establish a strong starting point for instilling the technology Group-wide.



Sharing

Features in In-house Media

To maintain that initial momentum, we spotlighted the *ME Book* in an ongoing, diversified manner through videos and the Group intranet, helping to increase understanding and the clarity of specific details. By establishing repeated touchpoints from different angles following publication, we are reinforcing retention of its concepts and encouraging their practical application.



Independent Uptake in the Workplace

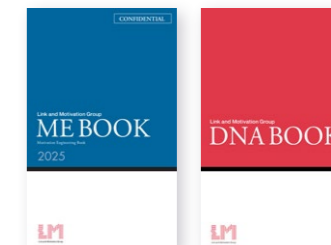
Across our organizations, employees are exploring and implementing ways to utilize the *ME Book* on their own. Above and beyond our top-down efforts, initiatives have spontaneously arisen at workplaces. These include recompiling knowledge based on the book, self-led tests to confirm familiarity and group reading sessions.



Promoting Understanding and Application

Measuring Understanding through Testing

To further promote understanding and application of the *ME Book*, we plan to incorporate it into our Group-wide test, which has traditionally focused on the *DNA Book*. With the two pillars of our *DNA Book*, which outlines our unique philosophy and values, and the *ME Book*, which systematizes our core technologies, we will further align the perspectives of all our employees.



Current Priorities in the Four Management Domains



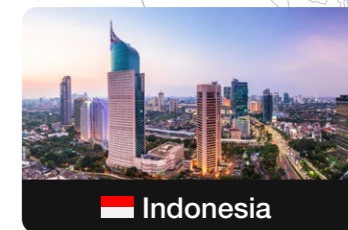
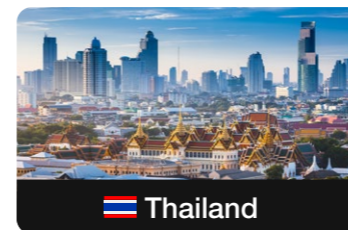
Systems
Designed from Core Values

Engagement Rating at Group companies outside Japan

AAA

Aside from Japan, the Link and Motivation Group currently operates in five countries in Asia, with the broader goal of accelerating the long-term growth of its Consulting & Cloud Business. Going forward, we will further grow our business in each country and region, as well as leverage the service development know-how we have accumulated, thereby accelerating our overseas expansion. To support this, we are proactively hiring locally. Although employment with clearly defined job roles is the norm outside Japan, we consider our systems to be a “message from management.” Therefore, we have introduced HR systems that are essentially the same as those we use in Japan, while taking the legal and regulatory systems in each country into account. By implementing our competency-based class system, the LM Calendar, and a salary and bonus structure based on quarterly evaluations, we have achieved a high level of engagement at our overseas operations.

Integrating HR Systems at Overseas Group Companies



Implementing the same management as in Japan, adapted to local legal and regulatory systems



Competency-Based Class System

The Group conducts management that links class, evaluation and salary/bonuses in a framework that enhances employee confidence in the transparency and fairness of the system. Classes are defined not by job roles but by the competencies an individual possesses, with clear expectations set for each level. Evaluations are conducted every three months, with promotions to a higher class determined based on the results. With the aim of maintaining a personnel system grounded in common standards, we have implemented the same system at our overseas locations.



Use of the LM Calendar

To increase engagement, we emphasize sharing a common perspective on time and worldview. An emblematic mechanism for doing so is our unique LM Calendar. Based on the idea that “three months everywhere else equals one year for the Link and Motivation Group,” organizational processes such as performance management, goal setting, personnel evaluations, changes in compensation and bonus payments are conducted on a quarterly cycle. While taking local holidays into account, our overseas bases also follow this cycle, including practices such as participation in the Group General Meeting and quarterly vacation days.



Quarterly Evaluations Linked to Salaries and Bonuses

As in Japan, we conduct evaluations at our overseas locations every three months, and reflect the results in salaries and bonuses. Evaluations are not based on job roles, but on two perspectives relative to class expectations: “Performance” and “Stretch.” This approach covers not only business results but also the degree of individual growth. By keeping evaluations and feedback on a short cycle, we provide timely support for employees to take on challenges and achieve personal growth. Clearly linking evaluation and compensation helps us conduct management and earns the understanding and satisfaction of employees.



Current Priorities in the Four Management Domains

Overview of Human Capital Management and Fixed Investment Principles

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Corporate Culture
The Lifeline of an Organization

General Meeting comment submission rate

81.3%

Unipos posting rate

77.9%

As the scale of the Group's organization expands through business growth and M&As, functions and roles are becoming more differentiated. Amid the growing complexity that accompanies organizational differentiation, we believe that fostering a corporate culture rooted in shared values and standards is critical for maintaining unity as an integrated Group. We therefore conduct initiatives such as sharing management messages at on-site employee General Meetings, using the Unipos platform to visualize our principles in action through day-to-day recognition, and creating opportunities for communication with newly integrated Group companies. As a result, the comment submission rate for General Meetings is 81.3%, and the Unipos posting rate is 77.9%, reflecting more active communication and deeper mutual understanding. Through these initiatives, we are reinforcing an organizational foundation united by our philosophy, even as the organization continues to expand.

Enhancing Communication Centered on Our Philosophy



Vertical Horizontal Internal and external

In-Person General Meetings

More than just a gathering, a way of communicating the Group's expectations and direction

Of the General Meetings held every three months, one is held in-person each year. We communicate management policies and expectations directly, with all employees physically in attendance. Messages from senior management align understanding, share our intended direction and build enthusiasm throughout the organization.

Q&A with Executives

Executives respond directly to employee questions on the spot. Sharing the background and rationale behind decisions through dialogue deepens mutual understanding and enhances transparency.



Experiences Only Available in Person

By sharing the same physical space, employees experience a sense of unity during awards and presentations. A culture that recognizes challenge and achievement increases enthusiasm throughout the organization and inspires taking on new challenges.



Horizontal

Introduction of Peer Bonus™ Unipos

Sharing Positive Actions in an Organization through a Cycle of Discovery, Praise and Learning

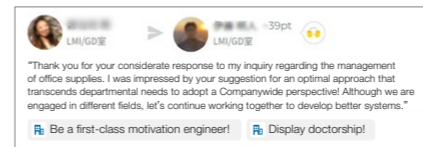
Going beyond simply introducing this platform, we use Unipos to show links to our philosophy and values, enabling employees to praise each other across departments and drawing attention to positive contributions. Sharing everyday actions across the organization instills behavioral standards and encourages lateral connections, fostering a culture where mutual understanding and learning naturally thrive.

Use of Labels

Behavioral guidelines that embody our philosophy are set as labels. Providing recognition in this way connects daily behavior to our philosophy, helping it take root throughout the organization.

- Be a first-class motivation engineer!
- Do your best to transform our customers!
- Display doctorship!
- Create the value of speed!
- Achieve impressive quality!

Sample Post



Vertical Horizontal

Connecting with Newly Integrated Group Companies

Going beyond simply introducing systems to show their connection to our philosophy and values

We do not stop at sharing our systems and frameworks; we communicate their underlying philosophy and concepts. Through initiatives such as briefings led by the management team, we deepen mutual understanding, build a foundation for cooperation, foster a sense of unity as a group and create synergies.

Company Briefings

Executives take the stage to explain not only our business and organization, but also our philosophy, values and expected synergies going forward. Through Q&A sessions, these briefings deepen mutual understanding and help lay the groundwork for deeper cooperation.



Features in In-House Media

Our in-house media introduce the Group's history, the background to its founding and the ideals it upholds. By understanding the Group's journey, we deepen mutual understanding and pave the way for cooperation into the future.





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Human Capital Management

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Note: Indicators and targets can be found in Chapter 1.

The Group has established a governance system that monitors management decision-making and execution on priority issues including sustainability. It is enhancing the effectiveness of human capital management by **tracking Group-wide issues and risks, and ensuring a timely and appropriate response.**

Meets monthly

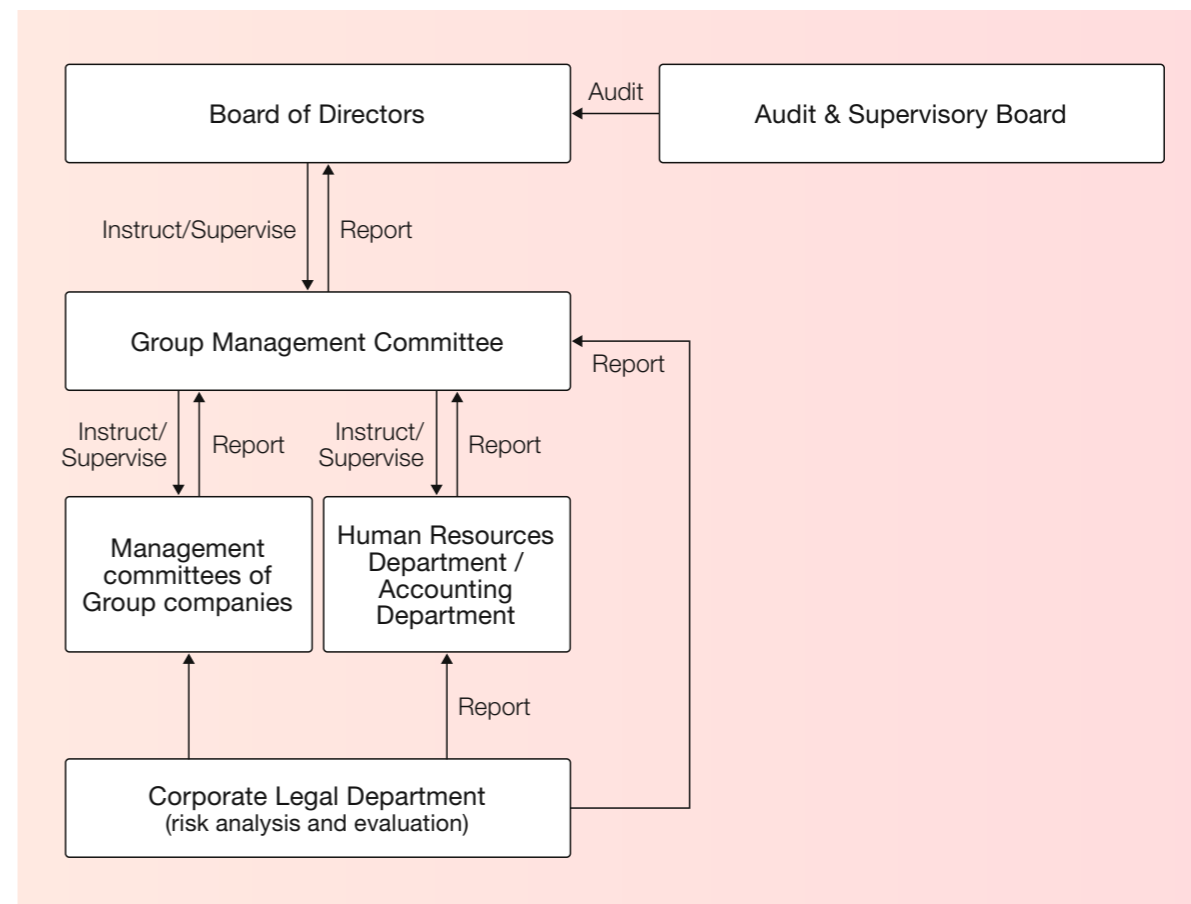
Board of Directors

The Board of Directors has ultimate authority for determining the Group’s fundamental management policies, key issues, and other matters required by law, and meets once a month in principle. At Board meetings, management strategies, including major policies related to sustainability, are discussed and resolved to ensure the sustainable enhancement of corporate value.

Meets twice monthly

Group Management Committee

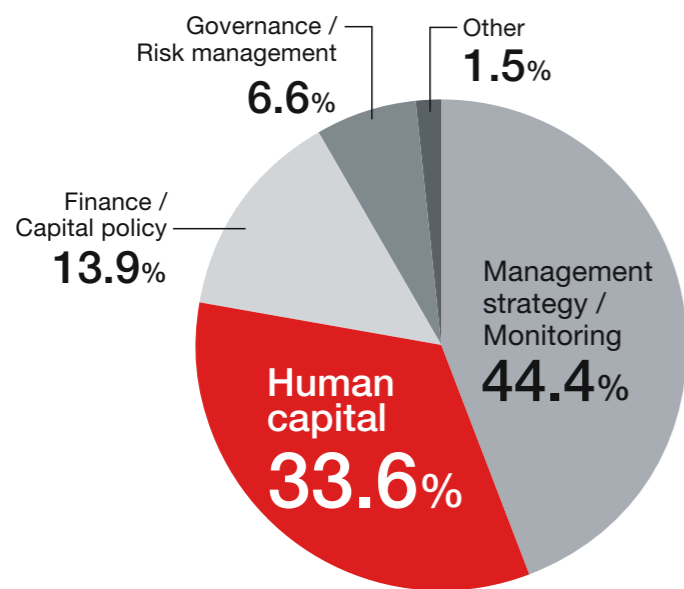
To enable swift decision-making and flexible organizational responses, the Group Management Committee, composed of directors, full-time Audit & Supervisory Board members, executive officers and business heads, meets twice a month in principle. In an effort to maximize human capital, the Corporate Legal Department conducts cross-functional risk analysis and evaluation, and regularly submits reports to be discussed at meetings of the Group Management Committee, with the Board of Directors supervising related business execution.



The Group places business strategy that maximizes customer value and organizational strategy that maximizes human capital on an equal footing, and promotes management that links both. The content of proposals at the various meetings and the composition of the Board of Directors are based on that approach.

Board of Directors and Group Management Committee Agendas (2025)

Given the nature of the Group’s business, we consider human capital to be the source of value creation across diverse forms of capital. As such, discussions related to human capital represent a significant proportion of agenda items at both Board of Directors and Group Management Committee meetings.



Composition of the Board of Directors and Skill Matrix

The Chief Executive Officer (CEO) concurrently serves as the Chief Human Resources Officer (CHRO). Moreover, members of the Board of Directors have extensive experience in organizational and personnel matters, enabling them to make informed management decisions that effectively link business strategy with organizational strategy.

Name	Current Position	Corporate Management		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		○		○	○		○	
Nakamura Yuri	Outside Director	○		○					○
Hara Yukari	Outside Director	○	○	○					
Kuriyama Hiromi	Audit & Supervisory Board Member				○	○			
Tominaga Kenji	Outside Audit & Supervisory Board Member	○	○	○					
Matsuoka Yasumasa	Outside Audit & Supervisory Board Member	○	○	○					○

Note: Up to four areas of expertise or experience are listed for each individual. The above table does not represent all the knowledge or experience possessed by each person.

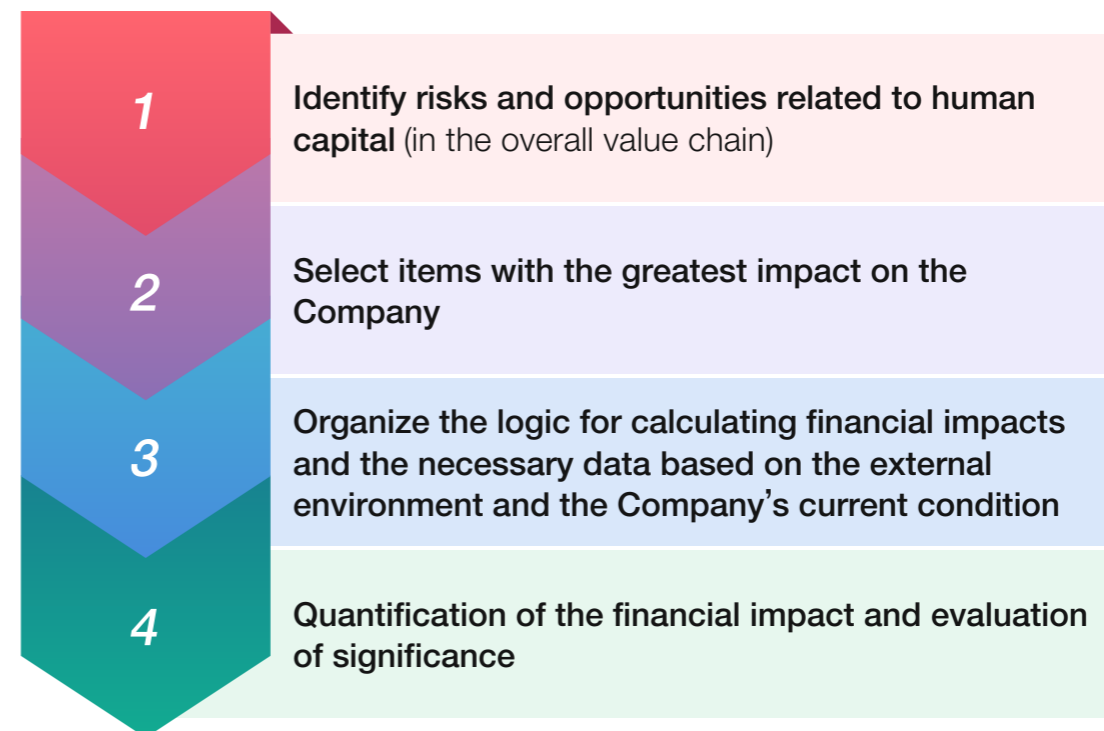
We conducted a scenario analysis to assess the medium- to long-term risks and opportunities that human capital may present to our business. For the current fiscal year, we targeted all domestic Group companies, identifying risks and opportunities expected to affect future operations and estimating their potential financial impacts in 2028 and 2035.

Scenario Analysis Process

Scenario Analysis Assumptions

Scope	All domestic Group companies
Time frame	Short term: 2028; Medium term: 2035
Reference scenario	Based on Japan's projected future population
Source	<i>Population Projections for Japan (2023 revision)</i> , National Institute of Population and Social Security Research

As part of the scenario analysis, we first identified the human capital-related risks and opportunities expected to arise across our entire value chain, and then selected those considered to have the greatest impact on the Link and Motivation Group. Next, we examined each risk and opportunity by referring to external environmental assumptions and the Group's circumstances, organizing the logic for calculating financial impacts and the internal and external data required for estimation. We then quantified the financial impact using the data and evaluated the significance of each item to the Group.



Going forward, we will continue to conduct scenario analyses to further improve accuracy and incorporate future projections into our management strategy deliberation process, thereby enhancing **our resilience in the face of an uncertain future.**

Risks

<h3 style="margin: 0;">Declining Working Population</h3> <table border="1" style="float: right; border-collapse: collapse;"> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Short-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">High</td></tr> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Medium-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">High</td></tr> </table> <p>Impact on the Group A decrease in the labor force may lead to the relaxation of hiring standards to meet planned recruitment targets, resulting in lower engagement and reduced human resource capabilities.</p> <p>Response</p> <ul style="list-style-type: none"> <li style="border: 1px solid #e91e63; padding: 5px; margin-bottom: 5px;">Engagement Regular organizational assessments and improvements using Motivation Cloud Engagement <li style="border: 1px solid #e91e63; padding: 5px; margin-bottom: 5px;">Human Resource Capabilities Regular 360-degree survey and training improvements using Motivation Cloud Role Development <li style="border: 1px solid #e91e63; padding: 5px;">Recruiting Recruitment of personnel who share our philosophy 	Short-term impact	High	Medium-term impact	High	<h3 style="margin: 0;">Declining Working Population</h3> <table border="1" style="float: right; border-collapse: collapse;"> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Short-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">Moderate</td></tr> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Medium-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">Moderate</td></tr> </table> <p>Impact on the Group A decrease in the labor force may increase recruitment difficulty, leading to higher recruitment costs and fewer hires.</p> <p>Response</p> <ul style="list-style-type: none"> <li style="border: 1px solid #e91e63; padding: 5px; margin-bottom: 5px;">Recruiting Utilization of recruitment consulting expertise (Japanese only) <li style="border: 1px solid #e91e63; padding: 5px;">Systems Introduction of a student loan support system (Japanese only) 	Short-term impact	Moderate	Medium-term impact	Moderate	<h3 style="margin: 0;">Increasing Labor Mobility</h3> <table border="1" style="float: right; border-collapse: collapse;"> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Short-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">Moderate</td></tr> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Medium-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">Moderate</td></tr> </table> <p>Impact on the Group As the labor market becomes more fluid and active, turnover increases beyond what new graduate recruitment can offset, leading to stagnation in business activities.</p> <p>Response</p> <ul style="list-style-type: none"> <li style="border: 1px solid #e91e63; padding: 5px; margin-bottom: 5px;">Engagement Regular organizational assessments and improvements using Motivation Cloud Engagement <li style="border: 1px solid #e91e63; padding: 5px;">Human Resource Capabilities Regular 360-degree survey and training improvements using Motivation Cloud Role Development 	Short-term impact	Moderate	Medium-term impact	Moderate
Short-term impact	High													
Medium-term impact	High													
Short-term impact	Moderate													
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<h3 style="margin: 0;">Diversification of Human Resources</h3> <table border="1" style="float: right; border-collapse: collapse;"> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Short-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">Low</td></tr> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Medium-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">Moderate</td></tr> </table> <p>Impact on the Group As the labor force becomes increasingly diverse, insufficient recruitment of diverse talent may slow innovation and business development.</p> <p>Response</p> <ul style="list-style-type: none"> <li style="border: 1px solid #e91e63; padding: 5px; margin-bottom: 5px;">Systems Enhancement of support for life events, including the expansion of reduced working hour systems <li style="border: 1px solid #e91e63; padding: 5px;">Recruiting Promotion of diversity among outside directors and strengthening of mid-career employee recruitment 	Short-term impact	Low	Medium-term impact	Moderate	<h3 style="margin: 0;">Digital Transformation (DX)</h3> <table border="1" style="float: right; border-collapse: collapse;"> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Short-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">Low</td></tr> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Medium-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">Low</td></tr> </table> <p>Impact on the Group With the acceleration of DX, demand for highly skilled engineers is rising, which may increase recruitment difficulty, raise hiring costs, and slow development due to reduced hiring volumes.</p> <p>Response</p> <ul style="list-style-type: none"> <li style="border: 1px solid #e91e63; padding: 5px; margin-bottom: 5px;">Recruiting Implementation of new graduate recruiting for engineers <li style="border: 1px solid #e91e63; padding: 5px;">Corporate Culture Implementation of organizational measures to improve retention rates 	Short-term impact	Low	Medium-term impact	Low	<h3 style="margin: 0;">Policy and Regulations</h3> <table border="1" style="float: right; border-collapse: collapse;"> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Short-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">Low</td></tr> <tr><td style="background-color: #2c3e50; color: white; padding: 2px;">Medium-term impact</td><td style="background-color: #e91e63; color: white; padding: 2px;">Low</td></tr> </table> <p>Impact on the Group With growing legal and social demands for respect for human rights, delays in addressing these issues amid business expansion and value chain growth, such as overseas operations, may harm the Company's social brand.</p> <p>Response</p> <ul style="list-style-type: none"> <li style="border: 1px solid #e91e63; padding: 5px; margin-bottom: 5px;">Training Implementation of compliance training <li style="border: 1px solid #e91e63; padding: 5px;">Systems Regular updates and dissemination of the Group's internal rules, the "Six Codes of LM" 	Short-term impact	Low	Medium-term impact	Low
Short-term impact	Low													
Medium-term impact	Moderate													
Short-term impact	Low													
Medium-term impact	Low													
Short-term impact	Low													
Medium-term impact	Low													

Opportunities

Changes in Industrial Structure	Short-term impact	Moderate
	Medium-term impact	High

Impact on the Group

As attention to human capital management increases, accumulating hands-on experience within LMG expands opportunities to deliver value to clients.

Response

- Corporate Culture**: Sharing organizational transformation achievements through recognition of individuals, projects and teams at Group-wide events
- Corporate Culture**: Information sharing through newsletters and other media using Motivation Cloud Sharing

Changes in Industrial Structure	Short-term impact	Moderate
	Medium-term impact	Moderate

Impact on the Group

As industry restructuring progresses, accelerating M&As through the use of PMI expertise cultivated to date enables the early realization of business synergies.

Response

- Corporate Culture**: Promotion of PMI utilizing organizational consulting know-how

Policy and Regulations	Short-term impact	Moderate
	Medium-term impact	Moderate

Impact on the Group

By proactively practicing and disclosing human capital management initiatives ahead of tightening labor-related regulations, the LMG social brand will be strengthened.

Response

- Disclosure**: Continuous acquisition of ISO 30414 certification
- Disclosure**: Enhanced disclosure in securities reports (Japanese only)
- Disclosure**: Release of the Human Capital Report

Digital Transformation (DX)	Short-term impact	Moderate
	Medium-term impact	Moderate

Impact on the Group

With the advancement of generative AI technology, actively leveraging AI together with highly engaged employees improves productivity and drives new innovation.

Response

- Productivity**: Enhancing the AI utilization level of Group company employees (Japanese only)

Declining Working Population	Short-term impact	Moderate
	Medium-term impact	Moderate

Impact on the Group

As the labor force shrinks and successor shortages become more pronounced, leveraging consulting expertise to foster successors enhances the readiness rate of future management candidates and accelerates corporate growth.

Response

- Training**: Implementation of the selective, job level-based program "Top Gun Selection"

Diversification of Human Resources	Short-term impact	Low
	Medium-term impact	Low

Impact on the Group

By continuing to offer flexible work styles amid the growing diversification of work styles, employee retention rates improve.

Response

- Systems**: Enhancement of systems such as hybrid work (compatible work) and life event support

Diversification of Human Resources	Short-term impact	Low
	Medium-term impact	Low

Impact on the Group

As employee awareness of career development increases, providing proactive career support opportunities improves employee retention.

Response

- Training**: Creating opportunities for transfers and proposals through i-Company Branding Support

Policy and Regulations	Short-term impact	Low
	Medium-term impact	Low

Impact on the Group

As wage levels rise throughout society, ongoing implementation of base salary increases improves employee retention.

Response

- Systems**: Ongoing implementation of base salary increases (Japanese only)



Group Risk Management Framework

To facilitate deliberation on various risks and opportunities related to Group management, we **regularly monitor, evaluate and analyze the status of major risks and opportunities**. We also work to provide necessary instructions and supervision to each Group company, and **have established a system for regularly reporting relevant matters to the Board of Directors**.



Human Capital Risk Management Framework

The processes for identifying, evaluating and managing human capital risks and opportunities are **integrated into the Group's overall risk and opportunity management framework**, and are **managed and reported in the same manner as strategic and financial risks and opportunities**.



Evaluating and Responding to Human Capital Risk

For risks and opportunities related to human capital, we assess materiality by considering the scope of impact and the scale of related businesses, identifying relevant risks and opportunities, and evaluating them while also accounting for current and future policy trends. These risks and opportunities are **prioritized based on their level of impact and likelihood of materialization, and responses are formulated and implemented in coordination with relevant divisions**.



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Correspondence with ISO 30414 Metrics

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No.	Indicator	Page	No.	Indicator	Page	No.	Indicator	Page	No.	Indicator	Page
1. Workforce Availability			4. Productivity			7. Compliance, Ethics and Workforce Relations			9. Mobility and Succession Planning		
1-1	Total workforce	35	4-1	Revenue per FTE	38	7-1	Gender wage differential	43	9-1	Percentage of positions filled internally	45
1-2	Full-time	35	4-2	EBIT per FTE	38	7-2	Wage differential by attribute	43	9-2	Percentage of critical positions	45
1-3	Part-time	35	4-3	Ratio of total workforce costs to total expenses	38	7-3	Wage differential between CEO and overall median salary	-	9-3	Percentage of critical positions filled internally	45
1-4	Full-time equivalent (FTE)	35	4-4	Human capital ROI	38	7-4	Wage differential between management team and overall median salary	-	9-4	Percentage of vacant critical positions in relation to all vacant positions	45
1-5	Contingent workforce: independent contractors	35	5. Health, Safety and Well-Being			7-5	Percentage of employees who have completed training on compliance and ethics	42	9-5	Internal mobility rate	45
1-6	Contingent workforce: temporary workforce	35	5-1	Number of occupational accidents	39	7-6	Number and type of grievance filed	42	9-6	Successor coverage rate	45
1-7	Total full-time equivalent (TFTE)	35	5-2	Number of people killed during work	39	7-7	Number and outcomes of reported human rights issues	42	9-7	Succession depth rate (Ready in less than 1 year)	45
2. Diversity			5-3	Lost time for injury	39	7-8	Number of concluded disciplinary actions	42	9-8	Succession depth rate (Ready in 1 to 3 years)	45
2-1	Workforce diversity ratio with respect to age	36	5-4	Absenteeism (unplanned leave) rate	39	7-9	Disputes referred to external parties	-	9-9	Successor training effectiveness	45
2-2	Workforce diversity ratio with respect to gender	36	5-5	Percentage of employees who participated in training	39	8. Recruitment			10. Workforce Turnover		
2-3	Workforce diversity ratio with respect to disability: Employees with disabilities	36	6. Leadership, Culture and Engagement			7-10	Percentage of workforce covered by collective bargaining agreements	42	10-1	Turnover rate	46
2-4	Workforce diversity ratio with respect to other indicators of diversity	36	6-1	Engagement	40	7-11	Percentage of employee representatives who are elected or appointed	42	10-2	Voluntary turnover rate	46
2-5	Diversity of leadership team	36	6-2	Average length of service	41	8. Recruitment			10-3	Voluntary critical turnover rate	46
3. Costs			6-3	First-year turnover rate	41	8-1	Percentage of qualified candidates per position	44	10-4	Voluntary turnover rate of protected group members	46
3-1	Total costs of employment	37	6-4	Employee net promoter score (eNPS)	-	8-2	Average length of time to fill vacant position	44	11. Skills, Capabilities and Development		
3-2	External workforce costs	37	6-5	Leadership trust	41	8-3	Average length of time to fill vacant critical position	44	11-1	Skill development training hours per employee	47
3-3	Recruiting costs	37	6-6	Span of control per manager	41	8-4	Offer acceptance rates	44	11-2	Training participation rate	47
3-4	Cost per hire	37				8-5	Quality of hire	44	11-3	Training participation rate for protected group members	47
3-5	Total human resource development and training costs	37							11-4	Percentage of employees who received appropriate feedback	47
3-6	Total workforce costs	37							11-5	Percentage of leaders who have received management training	47
3-7	Turnover costs	37							11-6	Workforce competency rate	47

Scope: The Company and consolidated subsidiaries

Notes: For 2025, excludes Japan Strategic Finance Co., Ltd., Unipos Inc. and e-Associates Inc., which became wholly owned subsidiaries in 2025.

The following items are calculated including assistant language teachers (ALTs) employed in the ALT Placement business:

1-1: Total workforce, 2-3: Workforce diversity ratio (employees with disabilities), 3. Costs, 5-1: Number and rate of occupational accidents, 5-2: Number of people killed during work, 5-3: Lost time for injury,

7-1: Gender wage differential, 7-2: Wage differential by attribute, 7-6: Number and type of grievance filed, 7-7: Number and outcomes of reported human rights issues, 7-8: Number and type of concluded disciplinary actions

Workforce Availability

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Based on its belief that human resources are the 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.

Total Workforce

		2023	2024	2025
Executives ¹	Persons	30	32	36
Group company employees	Persons	1,470	1,484	1,521
Part-time staff	Persons	385	442	537
ALTs ²	Persons	2,875	3,149	3,505
Total	Persons	4,760	5,107	5,599

		2023	2024	2025
Full-time ³	Persons	1,530	1,546	1,596
Part-time ³	Persons	355	412	498
Full-time equivalent ⁴	FTE	1,671	1,648	1,689
Contingent workforce: independent contractors ⁵	Persons	138	156	173
Contingent workforce: temporary workforce ⁶	Persons	67	71	66
Total full-time equivalent⁷	TFTE	1,876	1,875	1,928

1. Total of 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.)

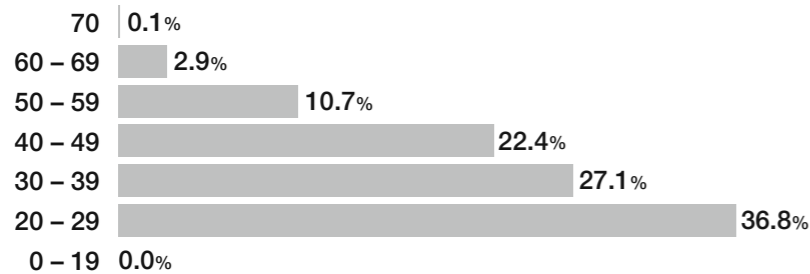
5. Calculated by dividing the total payments made to contractors engaged at each Group company during the year by each company's average compensation for full-time employees.

6. Calculated by determining the working hours during the contract period of temporary workers to whom company equipment was provided during the year, and dividing that figure by the theoretical annual full-time working hours.

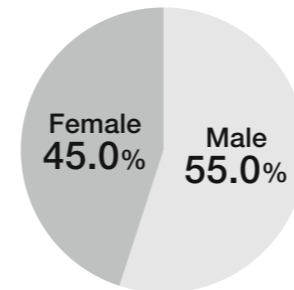
7. The total full-time equivalent (FTE) of employees, part-time workers, temporary workers, and contractors for the year.

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. Although we increased the number of employees with disabilities in 2025 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 Age



Workforce Diversity Ratio with Respect to Gender¹

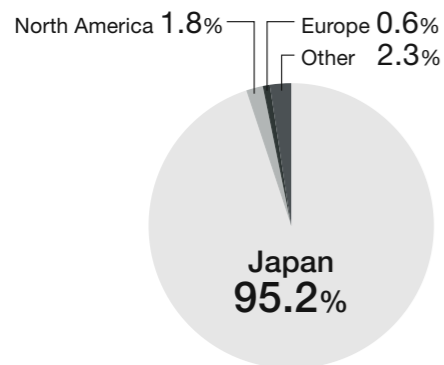


Workforce Diversity Ratio with Respect to Disability: Employees with Disabilities²

	2023	2024	2025
Employees with disabilities	1.5	1.5	1.8

Although we increased the number of employees with disabilities in 2025 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



Diversity of Leadership Team

Composition of the Board of Directors and Skill Matrix

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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.

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.

		2023	2024	2025
Total costs of employment ¹	¥ million	10,337	11,148	12,319
External workforce costs ²	¥ million	11,790	13,100	14,423
Recruiting costs ³				
New university graduates	¥ thousand	341,092	403,979	569,764
Mid-career employees	¥ thousand	163,287	192,102	204,283
Cost per hire ⁴				
New university graduates	¥ thousand	—	—	—
Mid-career employees	¥ thousand	2,401	3,149	2,321

		2023	2024	2025
Training and development costs				
Total human resource development and training costs	¥ thousand	190,587	194,691	199,067
Converted to amount charged for services to customers	¥ thousand	467,657	402,327	423,958
Total workforce costs ⁵	¥ million	21,424	23,411	26,314
Turnover costs ⁶	¥ thousand	733,213	683,075	694,023

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

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

3. Total recruiting related costs recorded in the relevant year.

4. 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.

5. Total costs the Group paid directly to employees. Includes total costs for the external workforce in addition to people the Group employs directly.

6. Calculated by subtracting the equivalent value of unpaid salaries and benefits resulting from employee turnover from the combined total of recruitment and training-related expenses and estimated lost revenue opportunities associated with employees who left during the fiscal year.

The Link and Motivation Group places business strategy and organizational strategy on an equal footing, with the belief that continuously linking both will lead to higher corporate value over the medium to long term, as well as achievement of the Group's mission. We emphasize productivity as the key metric for measuring the results of these efforts, and have set human capital ROI and gross profit per employee as KGIs. Productivity is a core metric for promoting human capital management and for realizing our mission, and we maintain it at a high level.

		2023	2024	2025
Revenue per FTE ¹	¥ thousand	20,328	22,729	24,590
EBIT per FTE ²	¥ thousand	2,772	3,337	2,577
Ratio of total workforce costs to total expenses ³	%	72.9	73.7	73.4

The Link and Motivation Group's KGIs

		2023	2024	2025
Human capital ROI ⁴	%	48.4	53.5	49.8
Gross profit per employee ⁵	¥ thousand	10,595	12,065	13,387

1. Calculated by dividing the Group's consolidated revenues for the year by the full-time equivalent (FTE) for the same year.

2. Calculated by dividing the Group's consolidated EBIT for the year by the full-time equivalent (FTE) for the same year.

3. Calculated by dividing the Group's consolidated total workforce cost for the year by the total of the Group's consolidated cost of sales and selling, general and administrative expenses.

4. 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.

5. Calculated by dividing the Group's consolidated gross profit for the year by the full-time equivalent (FTE) for the same year.

Health, Safety and Well-Being

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To increase human resource capabilities and organizational capabilities (engagement), the Link and Motivation Group promotes the creation of workplaces where it is easy for individuals to work through initiatives such as upgrading facilities and establishing systems.

		2023	2024	2025
Number of occupational accidents ¹	Cases	34	47	31
Occupational accident frequency rate ¹ (per million work hours)	%	4.1	5.4	3.3
Number of people killed during work ¹	Persons	0	0	0
Lost time for injury ¹ (total lost time in hours per million work hours)	Hours	24.7	92.8	58.1
Absenteeism (unplanned leave) rate	%	0.5	0.8	0.6
Percentage of employees who participated in training ²	%	91.6	92.0	93.4

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.

Leadership, Culture and Engagement

The Link and Motivation Group has set human resource capabilities and organizational capabilities (engagement) as KPIs for human capital management. Because we are unified around our corporate philosophy, the survey item “philosophy and strategies” is positioned as a strength for many Group companies, as has been our aim. We also believe 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. In the role survey for managers, all survey subjects maintained results of 4.0 or higher on a 5-point scale for the five sources of influence expected of a manager.

Breakdown of Engagement Survey Results¹

By division	Number of respondents	Rating
Organizational Development Division	736	AAA
Individual Development Division	450	AAA
Matching Division	316	AAA

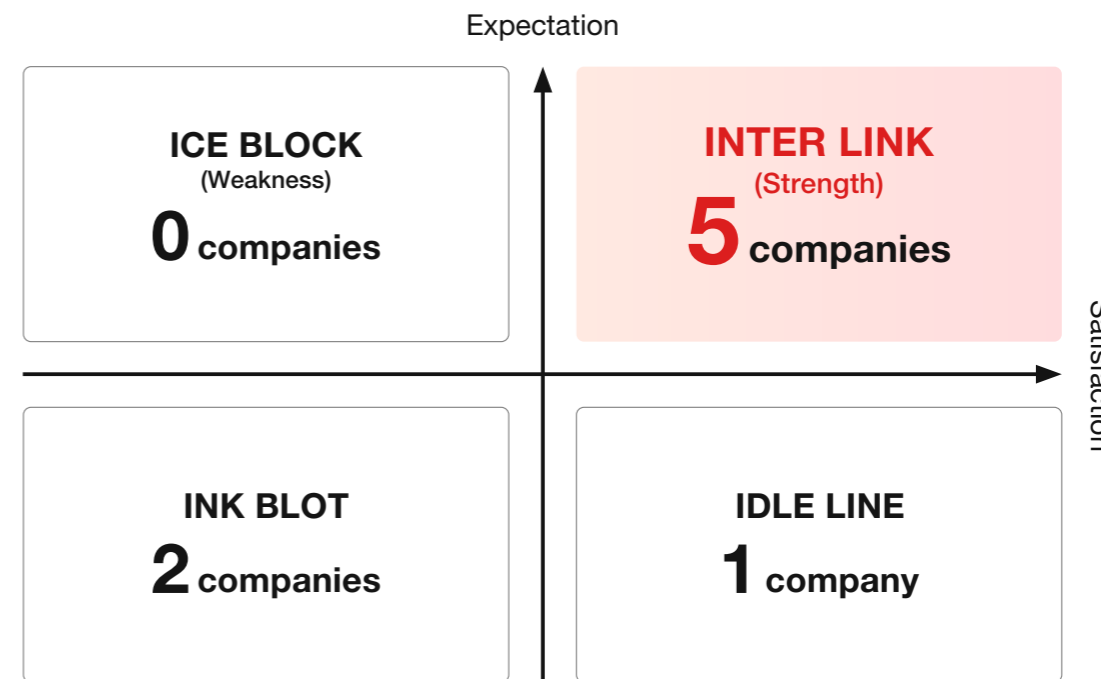
By gender	Number of respondents	Rating
Male	764	AAA
Female	638	AAA

By nationality (region)	Number of respondents	Rating
Japan	1,207	AAA
Asia (excluding Japan)	24	AAA
Oceania	5	BB
North America	31	AA
Central and South America	11	AAA
Europe	9	AA

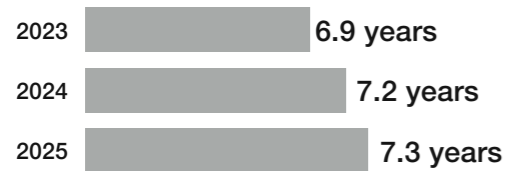
By Group company	Number of respondents	Rating
Link and Motivation Inc.	548	AAA
Link Saussure Inc.	89	AAA
Japan Strategic Finance Co., Ltd.	11	AAA
Link Academy Inc.	401	AAA
Motivation Academia Inc.	49	AAA
Link Interac Inc.	174	AA
OpenWork Inc.	113	AAA
Link-i Inc.	29	AAA

1. Results from the Engagement Survey conducted in January for 2024 and earlier years, and in July for 2025. Excludes subsidiaries outside Japan, Link Dining Inc., which conducts other business, and Unipos Inc. and e-Associates Inc., which became wholly owned subsidiaries in August 2025.

Positioning of “Philosophy and Strategies” by Company¹



Average Length of Service¹



First-Year Turnover Rate²



Leadership Trust³

Five sources of influence expected of a manager (Responses to role surveys regarding managers)

Expertise	Likeability	Reciprocity	Consistency	Strictness
4.5	4.5	4.5	4.4	4.2

Span of Control per Manager⁴

Group Hierarchy Chart



1. Length of service for Group company employees is calculated from the date the company joined the Group.
 2. The percentage of employees who left within the same year of joining, as a percentage of all employees who joined in that year.
 3. 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.
 4. 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.

Compliance, Ethics and Workforce Relations

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.

		2023	2024	2025
Percentage of employees who have completed training on compliance and ethics¹				
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	%	100.0	100.0	100.0
Number and type of grievance filed²				
Harassment		7	7	3
Workplace environment		2	1	1
Other		4	2	5
Total		13	10	9

		2023	2024	2025
Number and outcomes of reported human rights issues³				
Total		7	6	11
Cases resolved		7	6	11
Number of concluded disciplinary actions⁴				
Reprimands/pay cuts		1	1	0
Suspensions/demotions		2	2	6
Requests for resignation/disciplinary dismissal		0	0	0
Total		3	3	6
Percentage of workforce covered by collective bargaining agreements	%	99.0	98.9	98.8
Percentage of employee representatives who are elected or appointed	%	3.0	3.0	2.7

1. All training content completed by employees.

2. The number of consultations with the hotline that is open to all employees.
Calculated based on total workforce (executives, Group company employees, part-time staff and ALTs).

3. Number of human rights issues formally reported through internal or external reporting channels (including discrimination, protection of privacy, and labor rights).

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

Compliance, Ethics and Workforce Relations

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We recognize that male/female wage differences result from multiple factors, including the composition of job types and employment categories, the proportion of managers, differences in years of service, and the use of leave and reduced working hours for childcare.

Male/Female Employee Wage Differential¹

		Full-time	Part-time staff and fixed-term employees	All workers
Link and Motivation Inc.	%	84.0	148.3	75.7
Link Saussure Inc.	%	78.6	64.4	76.3
Link Academy Inc.	%	83.3	74.2	80.0
Motivation Academia Inc.	%	90.7	131.0	84.1
Link Interac Inc.	%	90.8	64.6	76.0
Interac North Co., Ltd.	%	67.7	96.7	96.2
Interac Kanto North Co., Ltd.	%	72.8	95.7	94.3
Interac Kanto South Co., Ltd.	%	86.0	92.7	92.7
Interac Kansai & South Central Co., Ltd.	%	74.4	93.7	93.0
Interac West Co., Ltd.	%	67.9	94.3	93.3
OpenWork Inc.	%	75.6	219.5	74.4
Link-i Inc.	%	70.6	175.3	90.8
Link Dining Inc.	%	— ²	— ²	— ²
Consolidated ³	%	78.7	93.7	83.2

Wage Differential by Attribute¹

Age group		Full-time	Part-time staff and fixed-term employees	All workers
70–	%	0	33.5	33.5
60–69	%	163.4	43.3	55.4
50–59	%	147.9	79.4	99.6
40–49	%	154.7	82.2	104.7
30–39	%	130.7	80.9	91.0
20–29	%	131.5	69.6	91.4
0–19	%	0	11.2	11.2
All ages	%	159.9	77.7	100.0

1. Wages include base salary, compensation for overtime work (such as allowances for work outside regular working hours, holiday work and late-night work) and bonuses. However, they do not include retirement or commuting allowances. Full-time employees refers to those employed under employment contracts with no fixed term. Seconded employees excludes those seconded outside the company, but includes those seconded from other companies to the company. Part-time and fixed-term employees includes part-time workers, contract employees, re-employed or role-specific contract employees, and ALTs. However, temporary workers dispatched from external agencies are excluded. Number of employees is based on those employed as of the end of each month.

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

3. Excluding overseas subsidiaries, Japan Strategic Finance Co., Ltd., Unipos Inc. and e-Associates Inc.

At the Link and Motivation Group, we believe that the level of recruiting today determines the state of a company five to ten years from now, so we consider recruiting to be a cornerstone for promoting our management strategies and realizing our mission. Accordingly, among the four domains of recruiting, training, systems and corporate culture, we make the greatest investment in recruiting. As a result of this investment, we have maintained both the quantity and quality of hiring at the levels we expect.

		2023	2024	2025
Percentage of qualified candidates¹				
New university graduate	%	52.0	48.1	49.1
Mid-career employee	%	10.7	25.4	25.6
Percentage of qualified candidates per position²				
New university graduate	%	10.7	12.4	13.6
Mid-career employee	%	5.1	4.5	4.5
Average length of time to fill vacant position³				
New university graduate	Days	72.4	76.0	74.2
Mid-career employee	Days	—	—	—
Average length of time to fill vacant critical position⁴				
	Days	0	0	0
Offer acceptance rate⁵				
	%	77.6	75.3	74.0
Quality of hire⁶				
New university graduate	—	10.1	10.0	10.1
Mid-career employee	—	10.0	10.1	10.1

1. Calculated by dividing the number of candidates who passed document screening by the total number of applicants.

2. Calculated by dividing the number of candidates who passed document screening by the number of open positions.

3. 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.

4. Critical positions are defined as directors (except outside 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.

5. The percentage of candidates who actually joined a Group company out of those who accepted job offers in the relevant year.

6. 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."

Mobility and Succession Planning

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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. As a result, the pool of potential successors is steadily increasing.

		2023	2024	2025
Percentage of positions filled internally ¹	%	76.2	75.0	63.9
Percentage of critical positions ²	%	1.6	1.6	1.9
Percentage of critical positions filled internally ³	%	100.0	100.0	100.0
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 ⁴	Years	4.0	4.1	4.8
Internal mobility rate ⁵	%	58.6	62.8	63.1
Successor coverage rate				
Internal company president candidates	Persons	104	99	115
Current internal company presidents	Persons	51	52	42
Internal company president coverage ratio	%	203.9	190.4	273.8
Succession depth rate				
Ready in less than 1 year	Persons	5	5	12
Ready in 1 to 3 years	Persons	27	25	34
Ready in 4 to 5 years	Persons	72	69	69

		2023	2024	2025
Number of participants in Top Gun selection training for management personnel				
Corporate officers (Raise the level of corporate officers)	Persons	0	0	3
Internal company presidents/Managers (Cultivate future officer candidates)	Persons	10	4	10
General employees (Cultivate the next group of manager candidates)	Persons	4	4	5
Total	Persons	14	8	18
Prospective management personnel				
Executive candidates	Persons	27	29	31
Current executives	Persons	24	25	29
Executive candidate coverage rate	%	112.5	116.0	106.9
Successor training effectiveness⁶	%	100.0	100.0	100.0

1. 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.

2. Calculated as the number of critical positions divided by the total number of positions.

3. 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.

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

5. 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.

6. The percentage of critical positions filled by internal human resources.

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

Looking at specific reasons employees gave for leaving, there were few resignations due to our philosophy, which the Group emphasizes above all, or the organizational climate, indicating that we have been able to create an organization unified by its philosophy, as has been our aim. Over the past few years, we have focused on increasing base salaries, and resignations due to treatment/pay have recently begun to decline.

To remain an organization that individuals choose (a Motivation Company), in addition to instilling the philosophy that is our strong point, our efforts will include optimizing work according to individual motivation and upgrading systems in line with the external environment.

Turnover Rate

		2023	2024	2025
Turnover rate ¹	%	13.2	10.4	10.2
Voluntary turnover rate ²	%	12.4	10.4	9.8
Voluntary critical turnover rate ³				
Management	%	0.6	0.8	0.5
IT engineers	%	0.5	0.3	0.1
Voluntary turnover rate of protected group members ⁴	%	37.5	8.0	20.7

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 voluntary leavers (monthly number of voluntary leavers ÷ monthly average number of employees).

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

4. Calculated as the ratio of employees with disabilities who left for personal reasons to the number of employees with disabilities for each month of the year, totaled for the 12 months of the relevant year.

Reasons for Leaving

		2023	2024	2025
Philosophy	%	8.4	7.6	7.6
Work	%	31.2	36.7	35.0
Corporate culture	%	9.5	3.2	4.5
Treatment/Pay	%	16.8	23.4	14.0
Other (Health)	%	10.1	12.7	14.7
Other (Family)	%	15.6	14.6	15.3
Other (Retirement age)	%	1.1	1.9	5.1
Other (Involuntary)	%	7.3	0.0	3.8

Skills, Capabilities and Development

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The Link and Motivation Group provides a variety of opportunities for individuals to develop their careers independently and proactively. We also 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.

		2023	2024	2025
Skill development training hours per employee	Hours	27.1	44.2	50.7
Training participation rate for protected group members ¹	%	100.0	100.0	100.0
Percentage of employees who received appropriate feedback ²	%	96.3	96.0	96.1
Percentage of leaders who have received management training ³	%	—	—	91.7

1. Participation rate of employees with disabilities in Group-wide training programs (on compliance, information management and harassment).

2. Percentage excluding employees on leave and fixed-term employees who have not set goals due to reasons such as timing of joining or taking leave, from the total number of employees as of the end of the year.

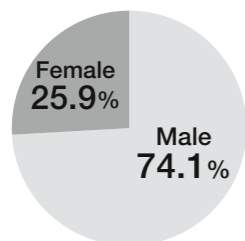
3. Participation rate in the training program established in 2025 for employees at the grade level prior to promotion to management.

Training Participation Rate

			2023	2024	2025
Technical skills	Top Gun seminars	%	100.0	—	—
	Negotiation training	%	97.6	100.0	100.0
Portable skills	Logical thinking training	%	99.7	100.0	96.5
	Self-motivation control training	%	98.7	100.0	99.1
	Leadership training	%	96.6	98.5	97.6
	Career design training	%	98.0	98.6	98.9
Stance	New internal company president training	%	100.0	100.0	100.0
	New manager training	%	100.0	100.0	100.0
	New employee stance training	%	100.0	100.0	97.0
Survey training	Upper management	%	95.9	97.2	100.0
	Management	%	97.6	95.7	100.0
	Senior employees	%	93.3	100.0	100.0
	Leaders	%	98.5	96.0	97.8
	Mid-level employees	%	97.5	96.7	99.3
	Junior employees	%	96.4	98.4	98.9

The percentage of women in management positions is 25.9%, a level the Group has maintained. We will promote greater participation by our diverse talent by stepping up the development and promotion of future management candidates. Regarding average monthly overtime hours, some Group companies, primarily Link and Motivation Inc., have adopted a salary system that includes deemed overtime of 45 hours per month, and conduct appropriate working hour management.

Management Position Male-Female Ratio¹



Percentage of Employees Taking Childcare Leave



Average Monthly Overtime Hours

	2023	2024	2025
Hours	22.5	26.7	26.2

Percentage of Paid Leave Taken

	2023	2024	2025
%	34.3	31.2	29.3

Number of Group Award Recipients

		2023	2024	2025
Total number of recipients	Persons	37	40	36
Individual recipients only	Persons	27	24	27

Priority Communication Measures

		2023	2024	2025
Group General Meeting average participation	Persons	1,371	1,367	1,462
Web-based in-house bulletin Top Comment readership access rate	%	90.1	93.1	94.5
DNA test average score ²	Points	—	87.8	—
DNA report submission rate ²	%	100	—	100.0

Year-on-Year Change in Average Annual Salary³

		Full-time	Part-time staff and fixed-term employees	All workers
Consolidated ⁴	%	100.6	95.6	96.8

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

2. To align the perspectives of all Group employees, we have them 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.

3. Wages include base salary, compensation for overtime work (such as allowances for work outside regular working hours, holiday work and late-night work) and bonuses. However, they do not include retirement or commuting allowances. Full-time employees refers to those employed under employment contracts with no fixed term. Seconded employees excludes those seconded outside the company, but includes those seconded from other companies to the company. Part-time staff and fixed-term employees includes part-time workers, contract employees, re-employed or role-specific contract employees, and ALTs. However, temporary workers dispatched from external agencies are excluded. Number of employees is based on those employed as of the end of each month.

4. Excluding OpenWork Inc., overseas subsidiaries, Japan Strategic Finance Co., Ltd., Unipos Inc. and e-Associates Inc.



CERTIFICATE

Link & Motivation Group

We, HC Produce Inc. have audited the data, statements, systems and strategies for Human Capital reporting in the fiscal year of 2024 by Link & Motivation Group. (LMG) and consolidated subsidiaries.

ISO 30414:2018

We conducted conformance assessment audit in accordance with the 58 metrics of the Human Capital Reporting guideline, ISO 30414, following procedures (1) to (4) below.

- (1) Conducting interviews with top management and employees of LMG and those responsible for each indicator.
- (2) Reviewing the content and operation of LMG's human capital data and data collection/disclosure systems.
- (3) Reviewing various rules regarding LMG's human capital data collection, disclosure, and strategies.
- (4) Confirming the contents of LMG's internal and external reports.

Certificate No: HCP3920001
 Registration Date: March 26, 2025
 Expiration Date: March 25, 2028

保坂 駿介
 CEO
 HC Produce Inc.
 ISO/TC260 National Mirror Committee secretariat of Japan
 1-6-1 SPACES Otemachi, Otemachi Building, Chiyoda-ku, Otemachi Tokyo Japan

HC Produce Inc.




CERTIFICATE

適合証明書
株式会社リンクアンドモチベーション

株式会社HCプロデュース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、2024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を審査した結果、下記の規格に適合していることを証明する。

ISO 30414:2018

本審査では下記(1)～(4)のプロセスを通して、LMGのデータ取得度、データ開示度及び比較可能性を評価した。

- (1) LMGの役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

登録番号: HCP3920001
 登録日: 2025年3月26日
 有効期限: 2028年3月25日

保坂 駿介
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HC Produce Inc.





Scope of Reporting: Link and Motivation Inc. and consolidated subsidiaries **Reporting Period:** January 1, 2025 to December 31, 2025 Note: Includes some information from outside the reporting period. **Publication Date:** June 2026

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.