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Sustainability Report

Benefit One Inc.
TSE Prime Market (2412)

November 15, 2023

<https://corp.benefit-one.co.jp/en/>

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Sustainability

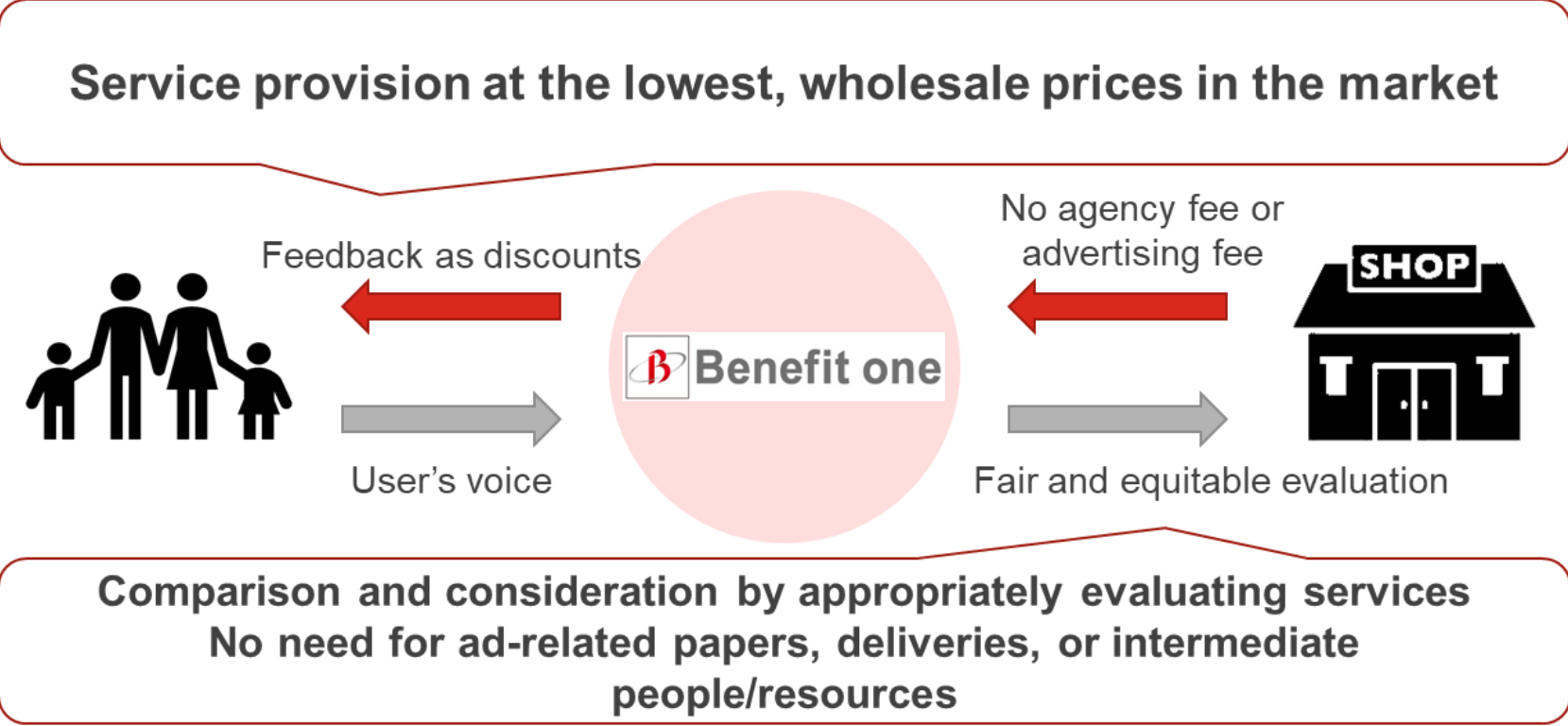
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With the corporate philosophy of “Connect people and companies, aim to create new value, and contribute to fulfilling lifestyles and social development by creating the concept of service distribution,” the Group is engaged in businesses that contribute to the resolution of enterprises’ business challenges and the improvement of consumers’ satisfaction with service use by promoting the establishment of the workplace-centered membership base and a network composed of service suppliers.

<New service distribution infrastructure, omitting intermediate processes, targeted by the Company>



The Company is expanding outsourcing businesses related to HR and general affairs, including the Healthcare business and the Incentive business, with a focus on the Employee Benefit Service business, the Company's main business.

By reorganizing services on the "Benefit One Platform," an infrastructure designed to manage and utilize HR data and health data, the Company is promoting support for enterprises' HRDX. Furthermore, the Company launched the Payment business in 2021 in order to make it a new pillar of revenue on a medium- to long-term basis.

<Employee Benefit Service business>

The Employee Benefit Service business offers a rich lineup, such as accommodation and life services, as employee benefits for the employees of enterprises. The business receives membership fees from enterprises based on the number of employees and provides a discounted service menu.

<Healthcare business>

The Healthcare business offers a one-stop disease prevention service, such as medical checkups, specified health guidance, and health points, as well as vaccination support, by collecting outsourcing fees from health insurance associations and business owners. The business supports appropriate medical expenses and productivity enhancement by promoting the health of insured persons and employees.

<Incentive business>

In the Incentive business, reward points are issued and managed, and items are provided in exchange for points to support enterprises' loyalty and motivation enhancement measures. Point prices of items purchased by employees, agency staff, etc. are recorded as sales, and the purchase prices of the items are recorded as the cost of the items.



<Payment business>

The Payment business makes settlement fees, which service providers conventionally paid to other settlement service providers, a new monetization point. By giving back the amount, which is equivalent to the fees paid to agencies by service providers, to the members, the business offers services at the lowest prices with a focus on the fixed cost of living.

<Purchase & Settlement Service business>

The Purchase and Settlement Service business offers outsourced settlement services for administrative operations, such as payment for communication lines and travel expenses (former cost reduction business). The business supports business travel to reduce cost, improve the operational efficiency, and enhance compliance (former BTM business).

<Individual Benefit Service business>

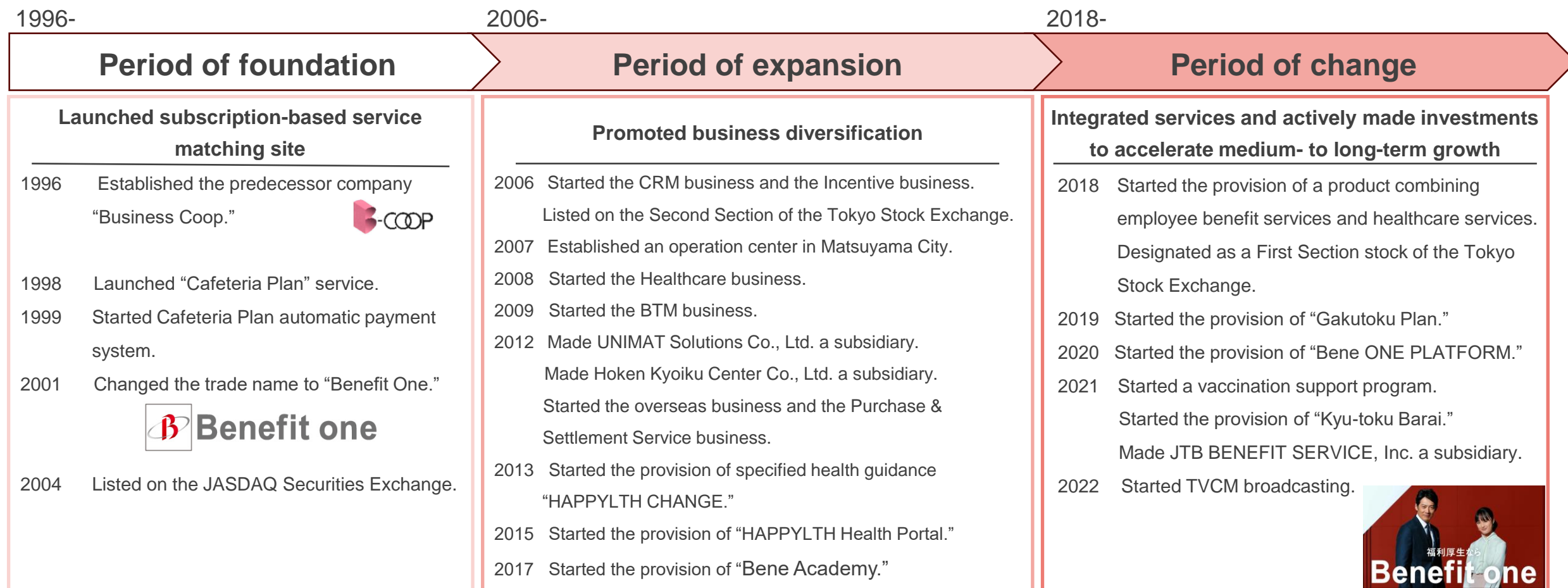
The Individual Benefit Service business offers "Benefit Station" mainly to the customers of collaboration partners. The service can be arranged for each partner, and the business offers new revenue opportunities to partners by means such as combining the service with their unique products. The business collects membership fees from customers of partners (individuals) and shares revenue with partners.

Since the foundation in 1996, the Company has offered a scheme in which employees of any company can receive employee benefits that are equivalent to those enjoyed by the employees of large companies, regardless of the number of employees, industry, region, and employment status.

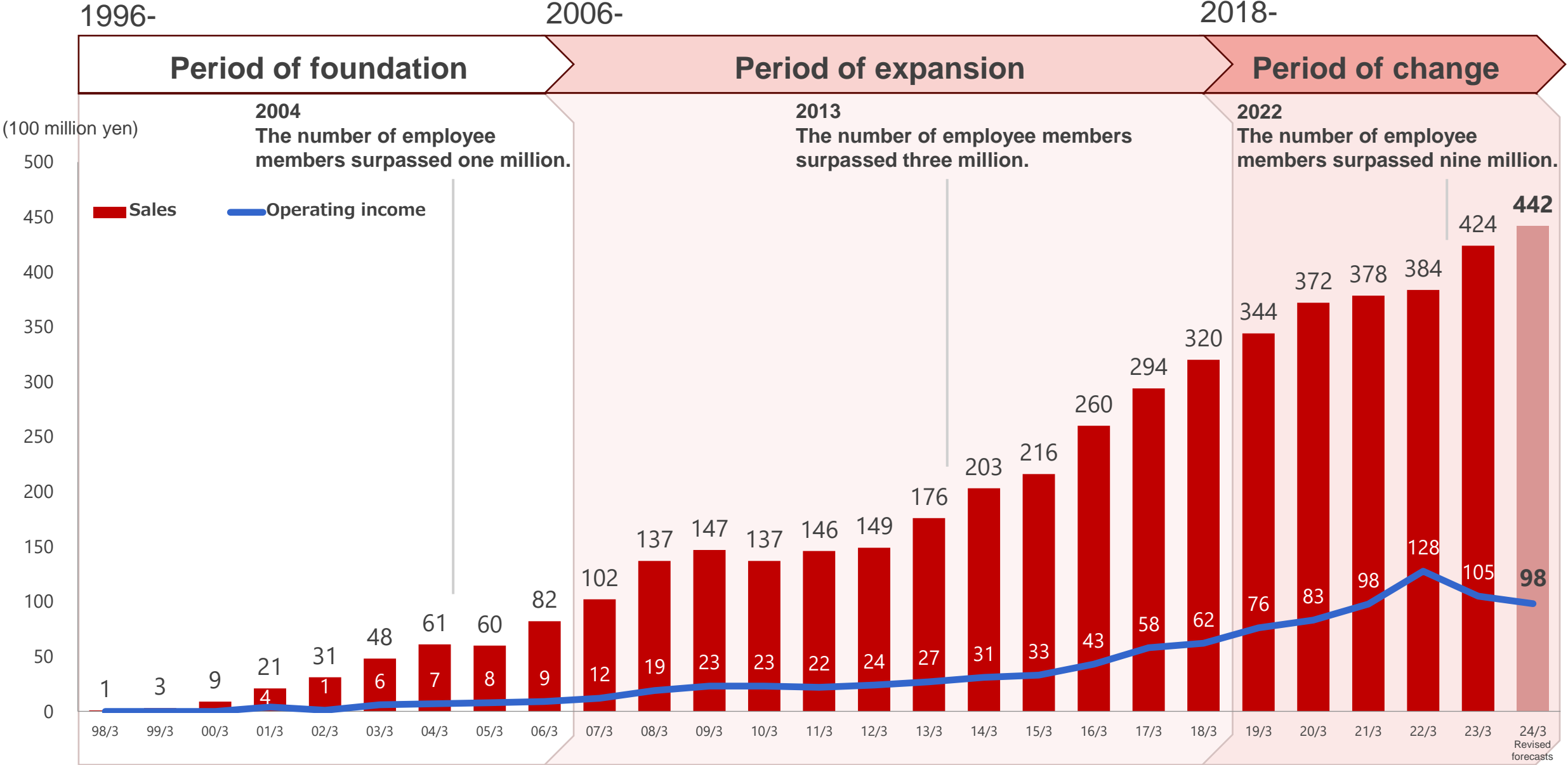
Since 2006, the Company has expanded its business with a focus on the outsourcing business related to HR and general affairs, responding to the needs of enterprises and effectively utilizing the business infrastructure accumulated in the Employee Benefit Service business.

Since 2018, the Company has promoted the integration of products and systems in order to improve the convenience of customer companies and further contribute to the improvement of the performance of people and organizations.

In addition to using large-scale marketing including TVCM, the Company is actively investing in systems and people and promoting preparations to accelerate medium- to long-term growth.



Progress of Growth



The “creation of service distribution” is the very strategy to realize sustainable society

Toward establishing the position as social infrastructure

Since the foundation in 1996, the Company has continued to expand its business, with a focus on Benefit Station, the Company’s outsourced employee benefit service, for government/municipal offices and enterprises. The Company was listed on the JASDAQ Market of the Tokyo Stock Exchange (TSE) in 2004 and on the TSE Prime Market in April 2022. The Company will continue to fulfill the social responsibilities required of enterprises while growing its business.

In the Employee Benefit Service business, the Company’s main business, the number of employee members was 9.48 million in April 2023. The number of members is the largest in the industry if 11.62 million individual members are included. In the newly announced Medium-term Management Plan, the Company aims at 18 million members in April 2026 by developing new customers from leading medium-sized enterprises and SMEs, as well as by promoting member acquisition from existing government/municipal and large-company customers which are trying to improve employee benefits for non-regular employees from the perspective of equal pay for equal work. Moreover, the Company set and announced its goal of acquiring 67 million members, Japan’s working population, in about 10 years.

Currently, 26 to 27% of Japan’s working population uses employee benefit services, with the critical mass of 30%, at which the service adoption rate accelerates, just around the corner. In addition, the external environment is also good. While the cost to recruit employees is increasing due to the declining birthrate, enterprises are becoming more willing to provide attractive benefits to employees in order to increase existing employees’

satisfaction. “Bene ONE PLATFORM,” released in June 2020, enabled the Company to provide a one-stop service to users, unlike services that were separately provided in the past. The virtuous cycle, in which suppliers that provide high-quality services increase if the number of members who use the services increases, will accelerate. Moreover, the Company will take measures to increase convenience, such as the enhancement of settlement functions and measures to promote service use taken in cooperation with enterprises’ personnel in charge. The Company will expand its service area to overall BPO solutions with the core of HR data, effectively utilizing its strengths, such as the service infrastructure, customer base, and operational know-how accumulated in the Employee Benefit Service business, and responding to various consumer needs including incentive, healthcare, business travel, social/entertainment, finance, and education/training. I strongly feel that the establishment of the position as social infrastructure by the Company’s service has come into view.

The service industry’s issue of “advertising activities”

I believe that the Company can accelerate its growth because its business is directly linked to the resolution of the improvement of employee benefits, which is a social issue that Japan faces, and because customers recognize that the realization of the “creation of service distribution,” the Company’s mission, can definitely contribute to the realization of a sustainable society.

Recently, I have been meeting with institutional investors around the world more frequently on the themes of sustainability and ESG and I am very inspired by them. I feel that the capital market will change on a scale never experienced before.



Norio Shiraishi
President

It might be that company comparison based on the market capitalization value, which is common sense in the capital market, and business strategies that compete enterprises' growth speed have begun to be denied.

In capitalism, in the first place, free competition is the premise of development. In my opinion, enterprises' competition means the waste of the resources of E (environment) and S (society). I believe that the service industry, to which the Company belongs, is less responsible for global warming than the manufacturing industry because the service industry does not need a distribution function of carrying goods.

Instead, however, the service industry conducts advertising activities accompanied by the consumption of a large amount of paper and resources in order to sell its products. In addition, there is the risk that enterprises that are good at advertising and marketing may have the largest share, regardless of the quality of services, because there are no opportunities or places where customers can compare desired services among suppliers. In other words, there is the high risk that consumers may choose relatively expensive products for which more advertising expenses have been spent, regardless of the quality. In my opinion, this is the very problem of the service industry.

Creating service distribution and the strengths of the Company's business model

The Company's mission is to realize the "creation of service distribution." Creating service distribution refers to creating a commercial flow in which the right services are appropriately conveyed to consumers. Essentially, services do not have a distribution function, but the Company will overcome the challenge of the service industry if it creates the world in which anyone can compare and buy "good services" for themselves safely and securely.

This mission has not changed since the foundation of the Company. I established the Company in 1996 as the first case of Pasona's in-house venture program. At that time, the internet was just born, and I decided to start an employee benefit outsourcing business, to which company budget is more easily allocated, on the internet with a focus on co-op (a scheme in which only members can buy products) and workplace selling (in-company sale to employees) in order to avoid excessive competition and differentiate the Company.

The strengths of the Company's business model lie in the subscription-based service matching, of which the main revenue source is membership fees collected from customer companies. As the stable stock income of membership fees is secured, the Company can provide users with inexpensive services at wholesale prices, without receiving advertising fees, etc. from service providers or adding fees to service prices. In addition, the Company does not depend on fee income, so it can evaluate each supplier's services from a fair and neutral standpoint and introduce services to users.

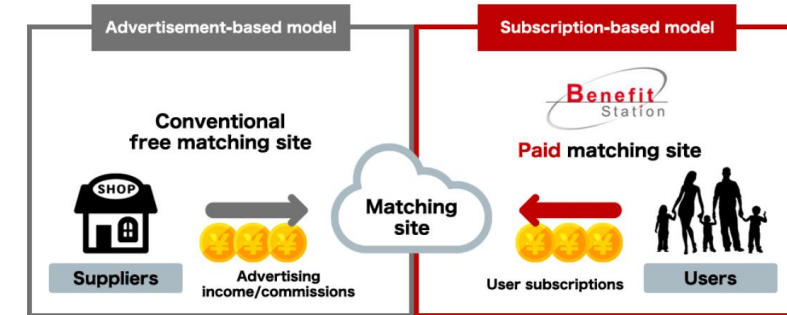
I believe that the Company could build more unique strengths than other ordinary service matching companies especially because it could develop a B-to-E platform at an early stage in the form of "outsourcing of employee benefits" with a focus on the workplace, collecting membership fees from each company instead of collecting membership fees directly from individuals.

It is important to provide employees with opportunities for insight and increase organizations' decision-making speed

The Company provides appropriate employee benefit services to enterprises that work on human capital management, and the development of human resources that deeply understand the significance of the Company's business is an important management

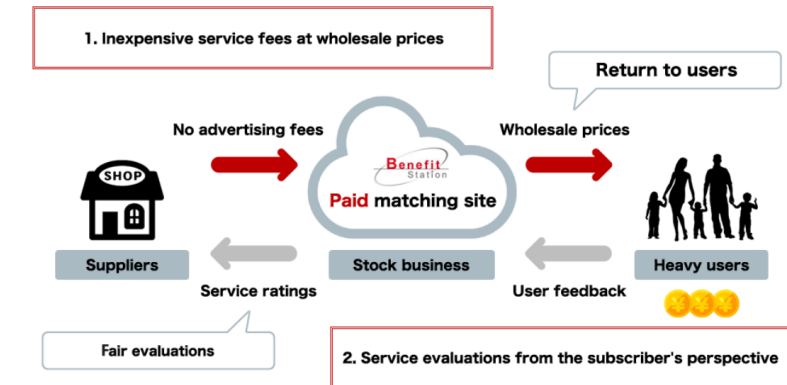
theme. I believe that the most important thing in human resources development is "insight." People who can feel the pleasure of learning and the necessity of acquiring knowledge grow dramatically.

Adoption of a Subscription-Based Business Model



In contrast to conventional free matching sites that generate revenue from advertising and commissions from suppliers, the Benefit One Group receives revenue (membership fees) from users for matching them with websites offering services.

Strength of User Subscriptions



- (1) Subscribers enjoy low service fees because their subscriptions generate stable income.
- (2) Because we do not rely on fees from suppliers, we are able to provide fair and unbiased service evaluations from the user's (subscriber's) perspective.

While the shortage of human resources is becoming apparent, the Company's challenge is how it can provide opportunities for insight in order to bring out the abilities of each employee to the maximum possible extent.

The Company holds a business plan contest "Challenge Award" as part of the efforts for this challenge. I myself also took the opportunity afforded by a business plan contest to establish the Company, and I am holding a similar contest at the Company.

A new business cannot be considered without always being interested in a wide range of social events and putting up an antenna. I believe that the award will trigger employees' insight.

From a management perspective, I think that the levels of companies depend on how the organization gathers together each employee's insight and how each employee can be particular about the decision-making speed until the insight leads to company growth.

One of the initiatives designed to penetrate the awareness of decision-making speed within company organizations is the "junior board system." In this system, a group is formed every year, mixing employees from different departments, different years of joining the Company, or new graduates and mid-career employees, and my management philosophy is conveyed to the group for one year. I utilize this system as an opportunity to directly listen to the voices of employees in various positions.

From the perspectives of diversity and inclusion, the percentage of female employees in the Company is at a high level from the beginning. I believe that the Company needs to promote measures because it is expected that a large number of foreign workers may come to Japan for white-collar jobs in the future.

Creating a corporate culture with "good co-workers"

Recently, the word "engagement" is frequently used. In my opinion, however, it is very difficult to modify people's basic views as the

Company thinks through education/training. The Company is actively employing persons who have positive views that match the Company's corporate culture, but there may be room for consideration regarding the construction of a theory-based human resource portfolio.

At job fairs, I have stated the importance of human relations within the Company for almost 20 years since the Company began to employ new graduates, who joined the Company and have become my co-workers. I believe that the Company's biggest selling points are not only the content of its business and growth, but also good human relations within the Company. Employees spend many hours every day in the Company, so it is more pleasant to work with good co-workers and working in a pleasant environment should improve their performance. I have the impression that the Company's employees spend time and travel with their co-workers on Saturdays and Sundays from a long time ago although such opportunities have slightly decreased due to the COVID-19 pandemic.

Challenges toward further growth in the future

In my opinion, solving social issues and people's problems is the role of enterprises. However, social needs change with the times, and I think that it is important to sensitively read the changes of the times and always respond to social changes.

I put importance on Darwin's theory of evolution. The rules and laws of nature that those who cannot adapt to changes and who are not needed will be weeded out might be applicable to corporate management.

Taking it paradoxically, enterprises are permitted to exist if they provide goods/services that satisfy the needs of the world. It is important for enterprises to maintain their management speed at a higher level than society's accelerating changing pace.

While enterprises' HR departments are promoting the utilization of outsourcing services related to human resources and labor affairs, I

believe that the speed of promoting HRDX, which sorts out HR and health data and utilizes them for management, will be an important business challenge for the Company. The Company will widely spread and promote the use of "Bene ONE PLATFORM," an infrastructure that allows the management and utilization of HR and health data in conjunction with not only outsourcing services such as employee benefits and healthcare services, but also diverse outsourcing services related to human resources and labor affairs, and will aim to realize the proposal of optimal services customized for each employee without the need for advertising.

In a competition without a goal, the Company will continue to construct a disciplined corporate governance structure, looking at social situations and determining whether to take the engine to full power or to proceed at a half speed, and will try to maximize its corporate value.



Corporate philosophy

Connect people and companies, aim to create new value, and contribute to fulfilling lifestyles and social development by creating the concept of service distribution

Social issues to resolve

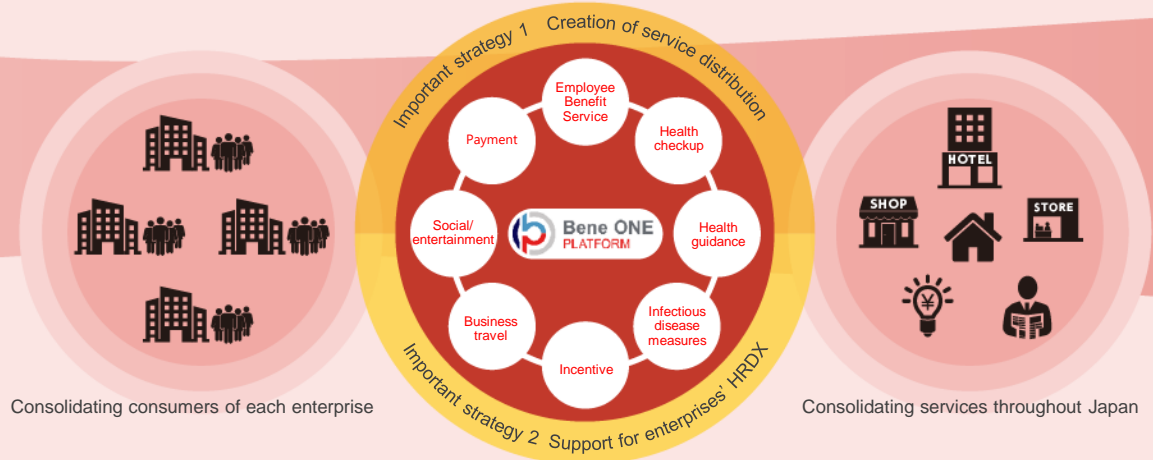
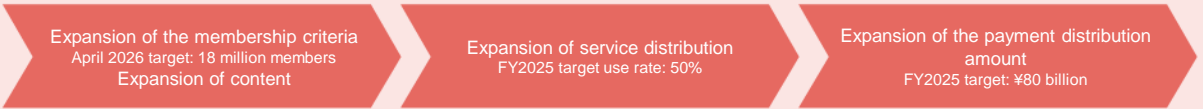
- › The service distribution infrastructure has not developed yet, unlike the distribution infrastructure for goods, making it difficult to use better services without worry.
- › While the shortage of human resources is becoming apparent, all enterprises are required to respond to the issue of recruiting and retaining human resources and to improve employees' productivity.

Input

Management capital

Human capital	<ul style="list-style-type: none"> Consolidated number of employees: 1,527 (as of the end of March 2023) * including temporary workers
Social capital	<ul style="list-style-type: none"> Number of workplace-based members: 11.62 million (as of April 2023) More than 1.4 million service content
Intellectual capital	<ul style="list-style-type: none"> Subscription-based stock business model Operational know-how accumulated in the Employee Benefit Service business Information compiled on the B-to-E platform
Manufacturing capital	<ul style="list-style-type: none"> Open platform that allows the management and utilization of HR data and health data
Financial capital	<ul style="list-style-type: none"> Capital ratio: 46.0% Return on equity (ROE): 30.8% Dividend on equity (DOE): 23.0% Dividend payout ratio: 74.5% (FY ended March 31, 2023)

Business activities <Medium-term growth strategies>



Building a social infrastructure **used by all Japanese people** by networking the workplace-centered membership base and suppliers

Output

Outcome

Values that the Company wants to offer

Social value

- To service suppliers**
- Acquisition of workplace-centered excellent sales channels
 - Effective and efficient elimination of opportunity losses and inventory losses
 - Energy resource saving related to papers and delivery
-

- To consumers and employees**
- Service provision without adding advertising fees or sales commissions
 - Provision of good-quality services based on the evaluation from user perspectives
 - Improvement of life-work balance and wellbeing
-

- To customer companies**
- Measures to recruit and retain human resources and the improvement of measures for fair, equitable, and better treatment
 - Improvement of HR departments' HR management efficiency
 - Letting individual employees leverage their abilities to the maximum possible extent and energizing organizations
-

Economic value

- Medium-term management plan for the fiscal year ending March 31, 2026**
- Sales: **¥70.9 billion**
 - Operating income: **¥22.5 billion**
 - Operating income margin: **31.7%**
 - Dividend payout ratio: **At least 70%**
 - Dividend on equity: **At least 10%**

Reinvestment

In the Medium-term Management Plan publicized as of May 11, 2023, the Group set a goal of equally offering services, including employee benefit services and healthcare services, to all people regardless of the size of customer companies, employment status, sex, etc. At the same time, the Group launched a new settlement service business, aiming to establish an environmentally-friendly service distribution at low cost.

The Group believes that it is important to incorporate the perspectives of ESG and other social needs in its business strategies and to constantly deepen efforts for corporate value creation in order to achieve continuous growth and increase corporate value. The Board of Directors and the Sustainability Committee play a central role in the following efforts.

<Integration of sustainability challenges and business activities>

Our business activities	Contribution from ESG perspectives	
<p>Building new service infrastructure</p>    	E	<p>Minimizing papers, deliveries, and resources by omitting intermediate processes Eliminating dead stock and opportunity losses through internet matching</p>
	S	<p>Offering services at the prices of products' added value Comparable based on proper evaluation</p>
<p>Employee Benefit Services</p>    	S	<p>Supporting the enhancement of employees' well-being as company measures</p>
<p>Healthcare services</p>    	G	<p>Equally available to meet diverse needs, regardless of gender, age, work style, life stage, company size, or area</p>
	S	<p>Supporting employees' health and safety and increasing their healthy life expectancy Maximizing added values that enhance and create well-being</p>
	G	<p>Ensuring business continuity through infectious disease control</p>

The Group has established the following management system to promote companywide efforts to address sustainability-related challenges, including human capital and climate change, within the Company.

Governance

The Group has established the Sustainability Committee to promote companywide efforts to address sustainability-related challenges, including human capital and climate change. The committee is chaired by the Executive Vice-President.

The committee submits plans, proposals, and recommendations on basic policies, indicators, goals, measures, etc. related to sustainability, including human capital and climate change, to the Board of Directors, and performs activities such as the monitoring of measures implementation and goals achievement, as well as information provision and publicity activities within and outside the Company. Regarding matters for consideration, activity details, etc., the committee submits regular reports and proposals to the Board of Directors and carries out activities based on the instructions of the Board of Directors, as appropriate. The Board of Directors regularly receives reports on important matters related to sustainability from the Sustainability Committee and develops a governance structure by giving instructions and advice as required.

Risk management

Within the Group, the Sustainability Committee collects necessary data and analyzes them in order to comprehend the impact of sustainability-related risks and opportunities, including human capital and climate change, on the Group's business activities, profits, etc. and to respond to risks and opportunities appropriately. The Board of Directors assesses the degree of the impact on business based on these data and analyses.

Specific measures and goals for identified risks and opportunities are reflected in business strategies in cooperation with concerned divisions. The Sustainability Committee carries out activities such as the management of progress and the reassessment of risks and opportunities. The committee also makes efforts for continuous information collection and risk management by regularly reporting details to the Board of Directors.

< Management system >



The Group's efforts for sustainability are as follows:

Environment

- Response to climate change risks
- Efforts to reduce the environmental load

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Human capital

- Human Capital Management Policy
- Efforts for human capital

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Social contribution

- Social contribution through service provision
- Culture creation and community contribution through sports

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Impact of risks and revenue opportunities related to climate change

At the Group, in order to comprehend and appropriately address the impact of climate change on business activities, profits, etc., the Sustainability Committee collects and analyzes the necessary data, using the TCFD framework as a reference, and the Board of Directors assesses the degree of impact of climate-related risks on business based on the analyses.

Specific measures and goals for identified risks and opportunities are reflected in business strategies in cooperation with concerned divisions. The Sustainability Committee carries out activities such as the management of progress and the reassessment of risks and opportunities. The committee also makes efforts for continuous information collection and risk management by regularly reporting details to the Board of Directors.

In the current fiscal year, at the meeting held on February 28, 2023, the Board of Directors reassessed the degree of impact of climate change on business based on the report submitted by the Sustainability Committee and judged that the impact on the Group's business activities, profits, etc. was limited as of the reassessment date.

Efforts to reduce greenhouse gas (GHG) emissions

As a member of society, the Group has actively worked to reduce the environmental load in business activities, regardless of the degree of impact of climate change on business activities, revenue, etc. Going forward, the Group intends to visualize emissions, prioritizing business activities with a larger impact on greenhouse gas emissions, set a quantitative target of emissions reduction, and work on activities designed to achieve the target.

<Complete picture of supply chain emissions>



The circled numbers represent Scope 3 categories.

Source: Excerpt from *Overview of Supply Chain Emissions*, Ministry of the Environment of Japan

<Efforts to be made to reduce emissions>

- Fuel consumption by company cars
- Use of electricity at offices
- Energy consumption in paper resources, delivery, disposal, etc. related to paper media
- Use of papers in business activities
- Energy consumption in employees' commuting and business travel

Specifically, the Group has promoted the reduction of paper resource consumption and delivery-related energy consumption by digitalizing the user guidebook for members, newsletters, membership card, etc. in the Employee Benefit Services business. The Group is also making groupwide paperless efforts by promoting the digitalization of service distribution and operational processes.

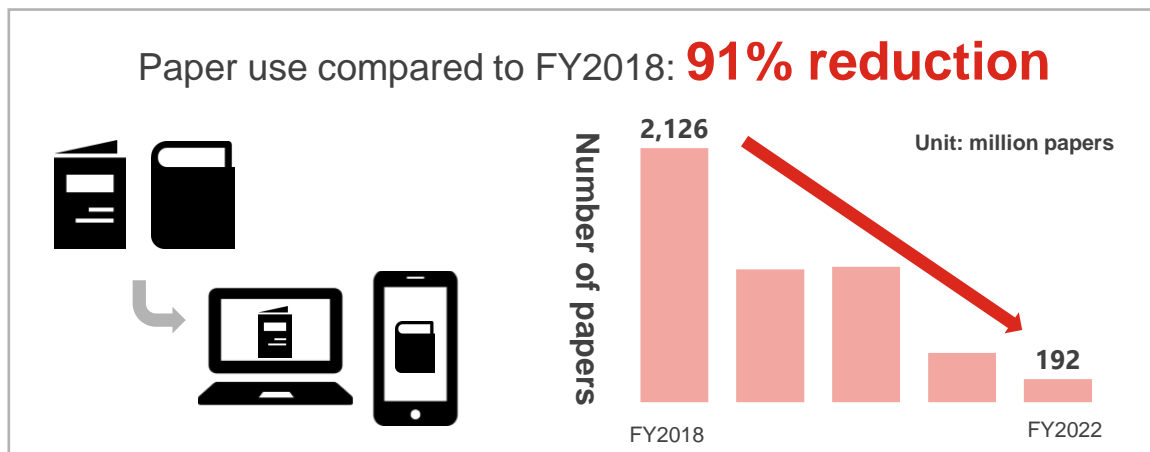
<Digitization of paper media>

■ Efforts made so far

The Company published 10 newsletters every year until FY2018 but reduced the publication to six in FY2019. Since then, the Company has promoted the digitization of newsletters that are provided to new member organizations, along with the reduction of the total circulation. The Company has also promoted the reduction of the number of pages per newsletter and significantly decreased overall paper use for newsletters. In FY2022, the Company reduced paper use by 91% when compared to FY2018.

■ Future efforts

From FY2023, the Company intends to ensure the acceleration of the promotion of digitization and the reduction of the number of necessary copies with a focus on controlling the paper media publication rate despite the increased number of members.



<Digitization of services and operations>

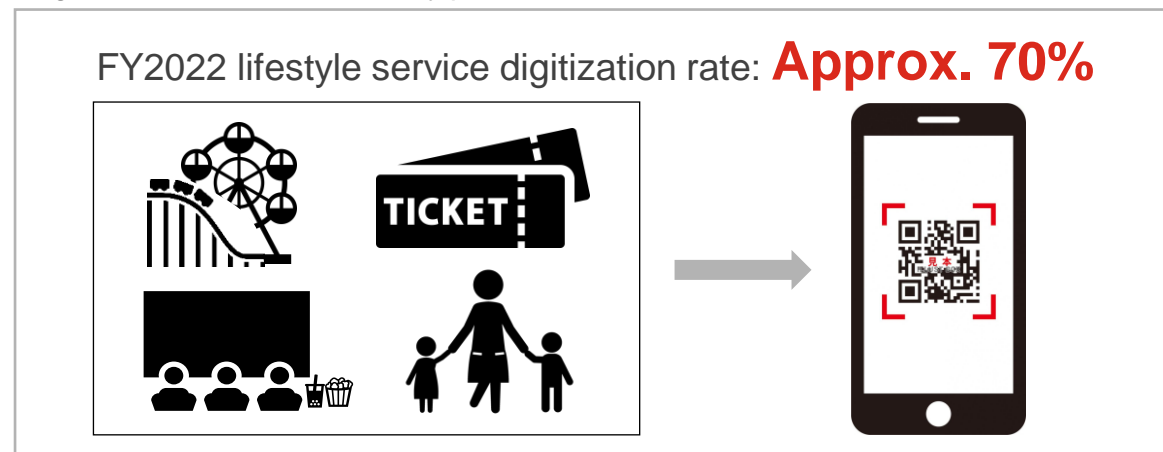
■ Efforts made so far

Aiming at “Smart Operation,” a shift from paper use to digital use, the Company has worked on the digitization of paper ticket use in lifestyle services since FY2014. Since FY2018, the Company has continued negotiations with supplier companies for digitization, achieving the digitization rate of approx. 70% in FY2022.

■ Future efforts

The Company will aim to minimize the use of papers while promoting the general use of digital tickets and digital coupons and continuously promoting the use of digital tickets and coupons.

Regarding the childcare menu, in particular, the Company will promote the digitization of its reimbursement scheme in which members are requested to print a copy of the original handbook and send it by postal mail.



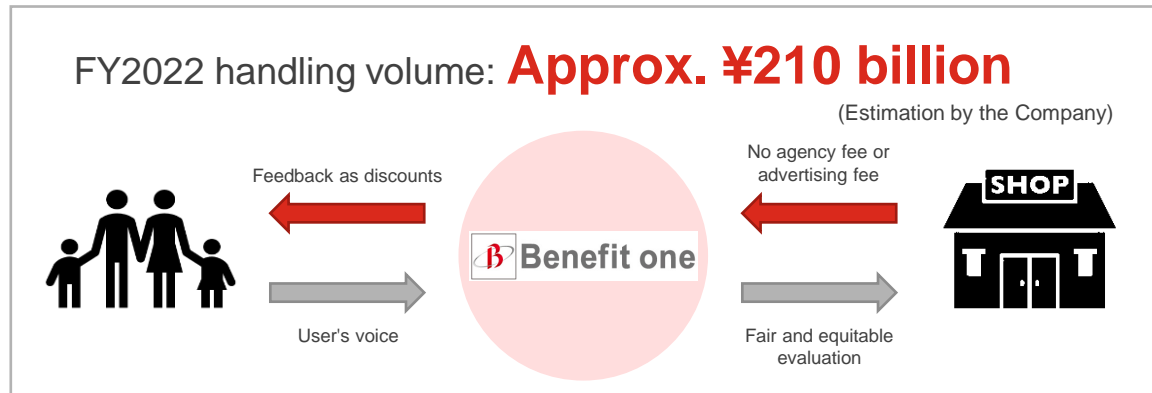
The Group is promoting a new service distribution scheme, believing that the scheme can help supplier companies reduce resource and energy consumption related to advertising and media production, etc. by eliminating intermediate processes that existed in the conventional service distribution process.

■ Efforts made so far

The “Benefit Station” service in the Employee Benefit Service business, the Company’s core business, is a model that gives back fees from supplier companies that could be received by intermediate distributors, etc. to members as membership benefits and provides advertising, free of charge, that contributes to supplier companies’ sales expansion. This scheme allows the omission of intermediate processes (fees, advertising expenses, production expenses, and relevant labor cost) of conventional distribution models and achieves a win-win distribution model for both suppliers and demanders. The scheme can be called an ultimate “distribution ecosystem.”

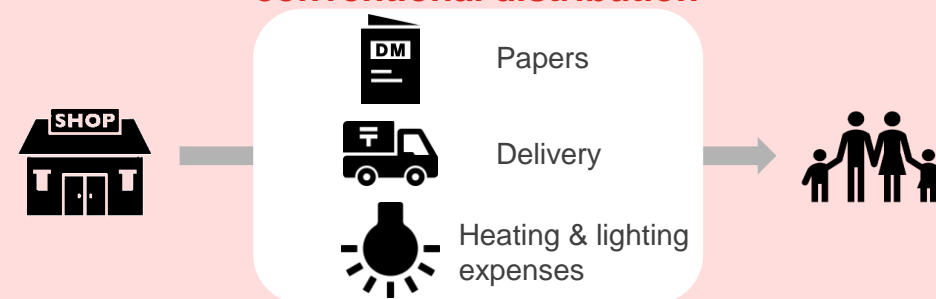
■ Future efforts

From FY2023, the Company will further omit intermediate processes by actively taking measures to promote service use and expanding the scale of service distribution on the Company’s platform.



Conventional service distribution

Energy consumed in intermediate processes in conventional distribution



The Company’s service distribution

Saving energy in intermediate processes



Building New Distribution Infrastructure - Reduction of excess inventory -

The Group is promoting a new service distribution scheme and believes that the scheme can contribute to the reduction of excess inventory in the distribution process, etc. by utilizing the features of the workplace-centered, closed market.

Efforts made so far

“Special feature of imperfect products” is posted on the “Bene online shopping” site in Benefit Station. “Excess inventory” products and products with “package damage,” “approaching the best-before date,” and “before model change” brought by manufacturers and retailers are sold at member-only prices in the workplace market. The shopping site is utilized to reduce supplier companies’ products to be disposed of, as well as food loss, and to increase their inventory turnover rates.

There are enterprises that want to sell cosmetic-related products of which consumption temporarily decreased after the COVID-19 pandemic, as well as enterprises that want to sell seasonal assortments by separating them. The shopping site connects these enterprises with the members who want to buy such products, and the sales on the shopping site are increasing.

Future efforts

While buyers are more interested in outlets due to soaring prices, the Group will connect each enterprise’s SDGs measures, gather in-stock items in a wide range of genres without damaging brand image, provide them to the members at special prices, and develop sustainability efforts.



Number of products offered in “special feature of imperfect products”

FY2022: **Approx. 300**

FY2022: **Approx. 4,000**

訳ありだけとおトクなサービスメニューや商品を集めました!

訳あり特集

<p>サインポート美容ヘアドライヤー TB-6003JPFW 白×黒 ホワイト</p> <p>商品説明の表示 お買い得価格 33,000円</p> <p>商品説明の表示 お買い得価格 2,010円</p>	<p>サインポート美容ヘアドライヤー TB-6003JPFW 白×黒 ホワイト</p> <p>商品説明の表示 お買い得価格 33,000円</p> <p>商品説明の表示 お買い得価格 2,010円</p>	<p>ユンクルローヤル 2層×48 数セット (韓国産美容品)</p> <p>商品説明の表示 お買い得価格 5,000円</p>	<p>ユンクル産地産ゴールド MK-208</p> <p>商品説明の表示 お買い得価格 19,990円</p>
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おトクにお買い物

メーカー・卸売業者など

サステナマーケット

地球にやさしい

会員

検索履歴

“サステナマーケット”とは

使用期限が間近な商品や、訳あって処分対象になってしまう商品をお手頃価格でお届けしています。

企業は廃棄物の削減をしたいと考えていてもブランドイメージを保護するために様行き販売が難しい側面があります。

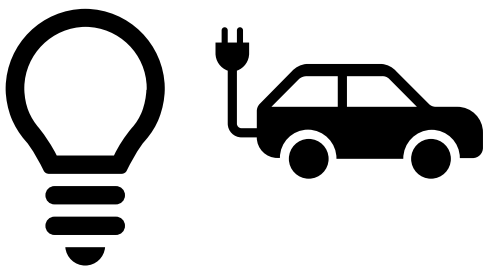
ベネフィット・ステーションは会員限定のサービスのため、一般市場ではなかなか流通しない商品もサステナマーケットでは会員に向けてお手頃な価格で販売ができます。

会員と企業を結びつけ、おトクで地球環境に貢献できる取り組みです。

The Group is also working on eco-activities at offices.

Reduction of greenhouse gases

At the Tokyo head office, employees make it a habit to turn on and off LED lighting equipment in each office area and adjust air-con temperature settings in each area in order to reduce electricity consumption. At the Matsuyama BPO Center, solar power generation has been introduced, and two company cars will be replaced from hybrid cars to electric cars with lower environmental load.



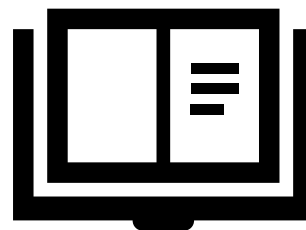
Collection of PET bottle caps

At the Tokyo head office, PET bottle caps and labels used in the office are collected and recycled as resources instead of burning them as trash. Currently, approximately 4kg of resources are collected every month and exchanged for environmentally-friendly products, which are provided to employees to spread eco activities in daily life.



Support for taking the Eco Test

To cultivate the attitude of acting with the knowledge of global environmental conservation at individual and organization levels, the examination fee for the “Eco Test (Certification Test for Environmental Specialists)®” is subsidized to provide an opportunity to learn the knowledge of environmental issues widely and systematically. Environmental education/training for employees will be provided by continuing to support examination takers.



Cleaning activities

The Matsuyama BPO Center is participating in the “Matsuyama My Road Supporter” campaign conducted by Matsuyama City and carries out cleaning activities on the roads around the center every month. After conducting cleaning activities for more than a year, a display board with the company name was installed along a city road in the activity section in February 2011. The center intends to continue community contribution activities.



The Group has set the following policies regarding efforts for human capital promoted within the Company.

Basic views on human capital

In carrying out the Medium-term Management Plan, the Group believes that it is important to employ the necessary human resources at an appropriate timing and to develop an environment where the abilities of individual employees can be appropriately leveraged.

In the Group's Employee Benefit Services business and the Incentive business, the Group aims to improve the motivation and engagement of customer companies' employees through service provision. In the Healthcare business, the Group aims to contribute to the creation of opportunities, in which customer companies' employees can leverage their abilities to the maximum possible extent, through the provision of physical and mental health management services. As just described, the Group believes that it can contribute to the realization of a better society by supporting companies that make efforts for human capital management and spreading the Group's services.

For this reason, the Group integrally grasps human capital-related initiatives promoted within the Company and initiatives to promote the service value provided to customers in medium- to long-term business strategies, and has set the Human Capital Management Policy, along with the Human Resources Development Policy and the Internal Environment Development Policy as basic strategies based on the Human Capital Management Policy as described below.

< Human capital management policy and basic strategies >

Human capital management policy

The Group intends to work on the creation of new value for customers by establishing a virtuous cycle that will lead to the enhancement of its business model while making the most of its services and embodying the growth of individuals and organizations so that each diverse employee can maximize his/her ability and play an active part

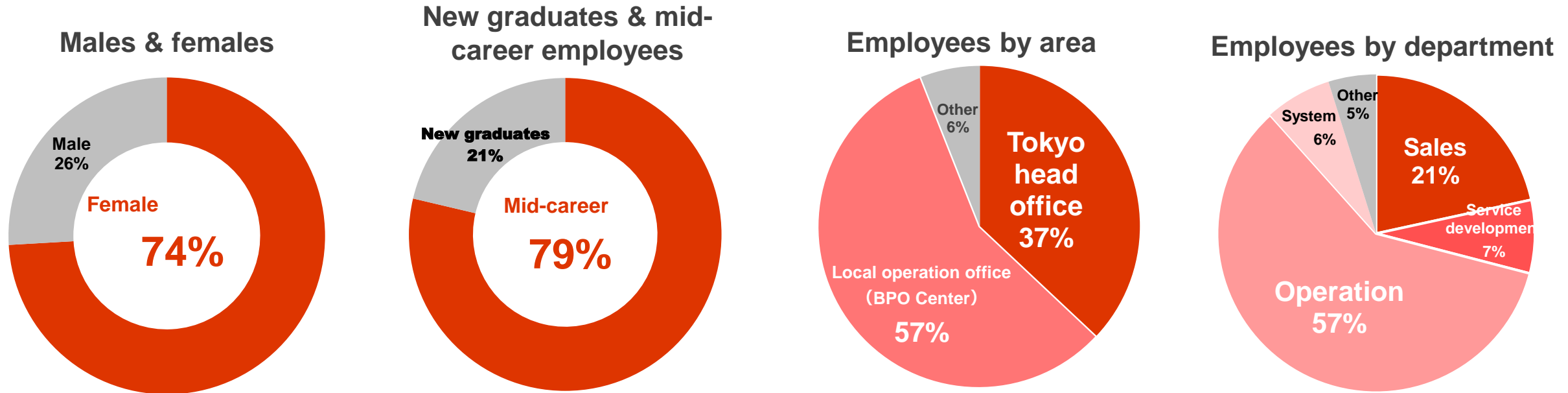
HR development policy

The Group will fairly provide opportunities for necessary ability development and create opportunities for further growth for employees who act autonomously and proactively, regardless of nationality, sex, age, etc., aiming for each diverse employee to become a professional.

Company environment improvement policy

The Group will respect the diverse personality and intention of each employee and develop an environment and culture in which each employee can maximize his/her ability, play an active part with peace of mind, and balance his/her work and life.

The status of the Company's employees as of March 31, 2023 is shown below.



* The percentages of males & females, new graduates & mid-career employees, employees by area, and employees by department cover all employees including non-regular employees.

Corporate philosophy

Connect people and companies, aim to create new value, and contribute to fulfilling lifestyles and social development by creating the concept of service distribution

Medium-term management plan

Expansion of the membership base

Monetization of the Settlement business

Expansion of healthcare services

Improvement of management efficiency

ESG management

Interlocking

Complete picture of the HR strategy

Human capital management policy

The Group intends to work on the creation of new value for customers by establishing a virtuous cycle that will lead to the enhancement of its business model while making the most of its services and embodying the growth of individuals and organizations so that each diverse employee can maximize his/her ability and play an active part

Basic strategies

HR development policy

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Company environment improvement policy

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Individual strategies (the Six Themes)

Securing human resources

Human resources development

Diversity promotion

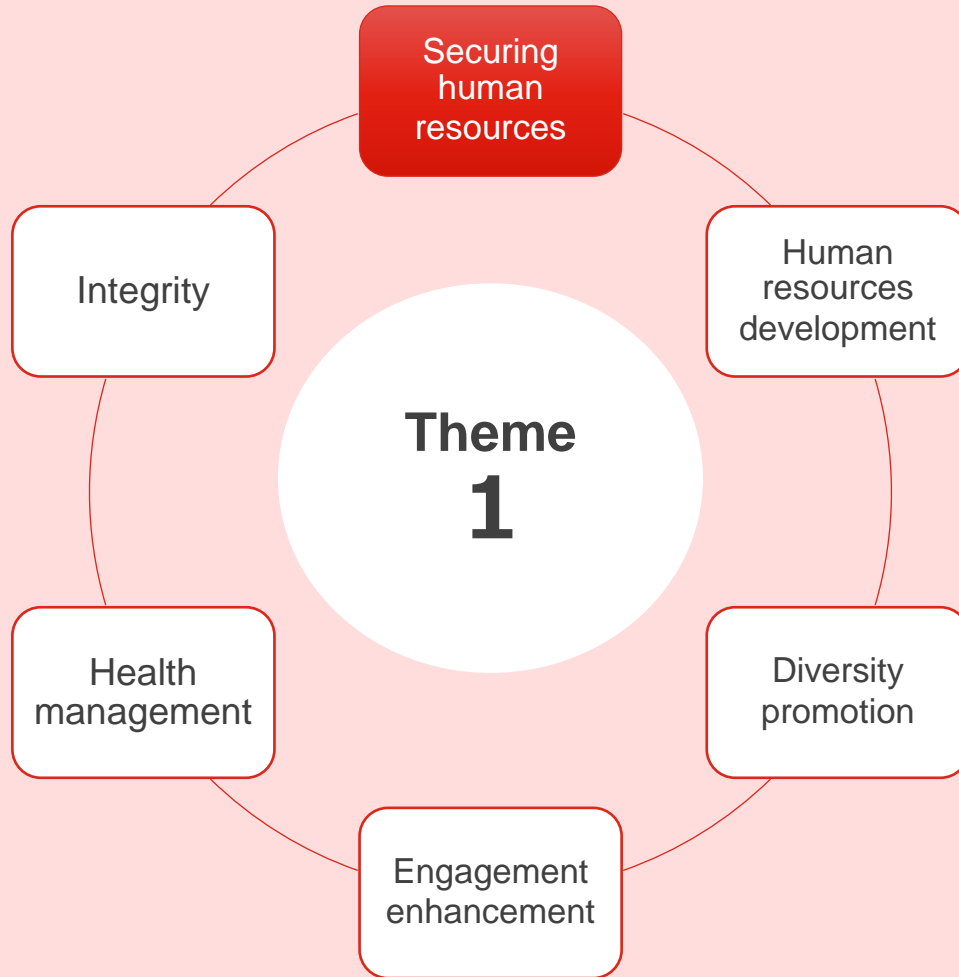
Engagement enhancement

Health management

Integrity

Based on the basic strategies, medium-term challenges for human capital management are set for each of six themes as follows:

	Theme	Major medium-term challenges	Reference page
1	Securing human resources	<ul style="list-style-type: none"> • Securing professional human resources to establish competitive advantage • Promoting diversity and flexibility of workers who support business expansion 	P.22~25
2	Human resources development	<ul style="list-style-type: none"> • Increasing management human resources 	P.26~29
3	Diversity promotion	<ul style="list-style-type: none"> • Increasing female executives • Balancing work and family 	P.30~32
4	Engagement enhancement	<ul style="list-style-type: none"> • Fostering a sense of unity and empathy among employees • Increasing employee satisfaction and job satisfaction 	P.33~38
5	Health management	<ul style="list-style-type: none"> • Supporting employees' mental and physical health promotion 	P.39~42
6	Integrity	<ul style="list-style-type: none"> • Compliance with laws, regulation, rules, etc. • Creating an organizational culture that works on the improvement of the workplace environment with independence and empathy 	P.43~44



Securing human resources

Expecting many growth opportunities, the Group believes that securing a sufficient number of professional human resources to secure competitive advantage, as well as human resources responding to business expansion, such as sales personnel and office workers, is an important issue.

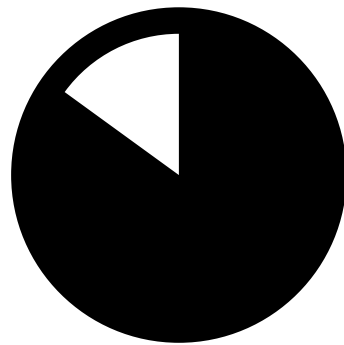
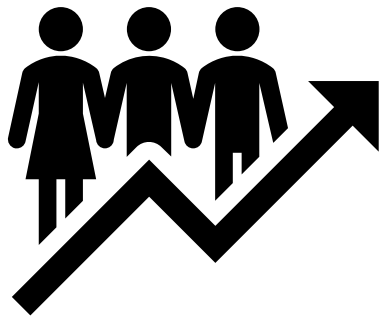
The Group is strengthening the employment of IT engineers and is working to improve the service quality and cost efficiency by promoting the internal development and operation of systems on a medium- to long-term basis.

Focus indicator and goal

Proportion of internal development of IT engineers

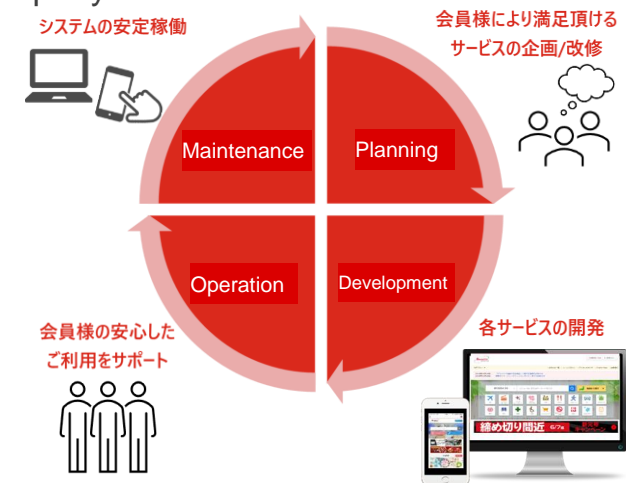
Result at the end of FY2022: **26.7%**

Goal for the end of FY2025: **At least 80%**



Purposes of promoting the internal development and operation of systems

- To improve the cost efficiency related to the development, operation, and maintenance of systems
- To accelerate the planning, development, and improvement of services
- To accumulate technology and know-how within the Company as a business company



The Group is strategically promoting the multi-polarization of recruitment by standardizing and stylizing operations and by transferring operations to local offices. The Group has actively worked on the creation of local employment since it opened the Matsuyama BPO Center in 2007.

Transfer of operation functions to local areas

In 2007, the Company started the operation of the Matsuyama Customer Center (currently, the Matsuyama BPO Center) in “BizPort” (Minamiyoshida-cho, Matsuyama City, Ehime Prefecture), an industrial cluster facility in Matsuyama City, and constructed a company building in 2009. The center is the first case that was invited to Ehime Prefecture as an enterprise related to information and communications.

The center has promptly responded to customer needs, while trying to make operations more efficient and improving service quality, by centralizing not only customer center-functions, but also paperwork operations that were previously performed in Tokyo, such as membership management and Cafeteria Point operations.

Currently, approximately 600 employees are working at the center. The center is contributing to the creation of employment in Ehime Prefecture as a community-rooted enterprise.

Developing BPO centers in multiple locations

The Company has accelerated the opening of satellite offices in areas neighboring the Matsuyama BPO Center since 2018 in order to build a highly scalable operation system in response to business expansion.

After that, the Company developed BPO centers in multiple locations as BCP measures from the perspective of risk diversification. The Company opened the Awaji BPO Center (Awaji City, Hyogo Prefecture) in 2020 and the Nagano BPO Center (Nagano City, Nagano Prefecture) in 2022, promoting the improvement of the operational efficiency of the entire company while creating local employment.



As part of work style reform, the Group is also promoting activities such as outsourced human resource utilization (Neo Works) that allows flexibility in employment status and time and place to work. Thus, the Group is making efforts to secure the necessary human resources in a timely manner to meet business growth.

Unique work style reform “Neo Works”

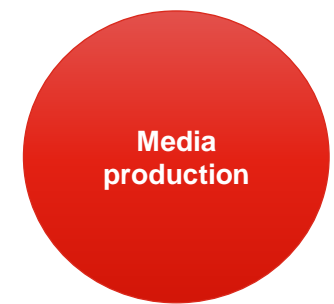
“Neo Works” is the Company’s unique work style reform aimed at Benefit One’s accelerated growth through the pairing of “business restructuring” and “each employee’s improvement.” In Greek, “neo” means “what used to be becomes new.” Neo Works contains the Company’s intention to take on the challenge of “workstyle” transformation by reviewing the essence of work without being caught up in conventional common sense.

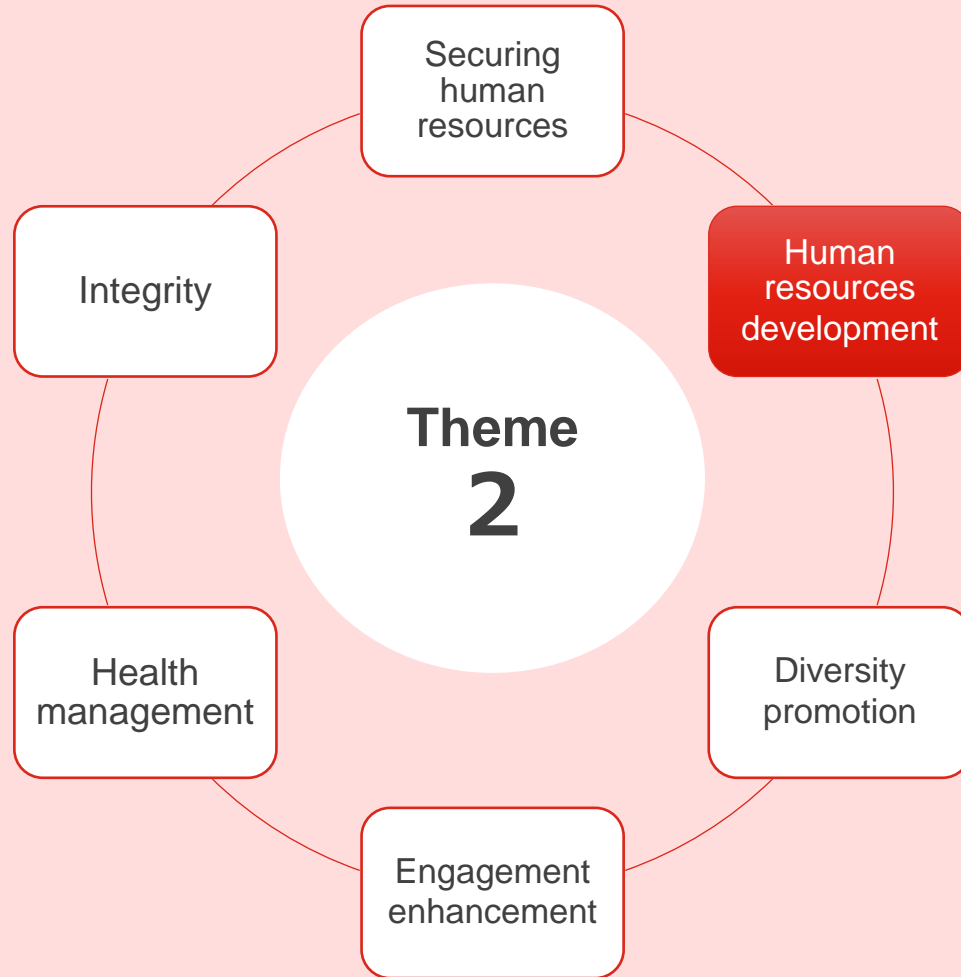


Promotion of utilization of outsourced human resources

The Company aims to create an overwhelming output by utilizing its strength, namely, the member network, as well as by promoting the outsourcing of routine work to external human resources without an employment relationship and letting internal employees specialize in non-routine work such as planning, development, and management.

- Example of operations for which outsourcing is promoted -





Human resources development

The Group is believing that it is necessary to enhance human resources development for managerial personnel and middle-level/young executive candidates, who can act with the understanding of the Company's corporate philosophy and management strategies in the background, in order to promote the realization of the Medium-term Management Plan.

The Group is making efforts to let corporate philosophy and visions penetrate and develop human resources through a program in which young employees serve as instructors and mentors to support new employees after they start to work, a junior board system in which selected middle-level and young employees try to address important management and other issues, new business proposal contest involving all employees, etc.

Instructor/supporter program

Senior employees receive training on various themes, such as management philosophy, communication, counseling methods, and business manner instruction, to serve as instructors and provide training to new employees when they join the Company. Senior employees are leading new employees for their growth as employed persons and playing active roles as good mentors.



Junior board system

In this system, selected employees work on various business challenges for one year under the direct control of the President. They exchange opinions and share information with the top management while promoting a specific project. By utilizing this system, the Company aims to cultivate employees' "creativity," "judgment" and "a sense of management."



Challenge Award

This award was created with the intention of creating a new business and fostering an organizational culture for taking on a challenge. The award provides an opportunity for all employees to present an idea about a new business or business improvement directly to the management team once a year. The Company backs up excellent ideas for commercialization.



The Group is also working to develop executive candidates by continuously providing training by the year of joining the company and by hierarchical levels, along with programs to develop foreseeable senior managers. It plans to improve management training for young managers and other training programs.

Provision of training tailored to each stage

Training by the year of joining the Company and by hierarchical levels

Training by the year of joining the Company and training by hierarchical levels are regularly conducted so that employees can acquire the abilities and expertise required depending on the year of joining and position.

- Business etiquette training for new employees
- Follow-up training for young employees
- Training for new managers, etc.



FY2022 education/training expenses per employee

¥25,601

* excluding temporary workers

Program for next senior managers

Meetings, study sessions, etc. with the management team are held with the aim of enhancing creativity, judgment, and problem-solving ability required of senior managers.

- Junior board system
- Wonder Woman training
- Deputy officer system, etc.



Number of participants in the FY2022 program

25 employees

Development of young management human resources

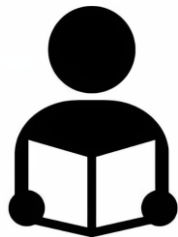
The Company lets young employees with abilities and enthusiasm take on the challenge of management at an early stage. Actually, management is becoming more difficult every year due to the penetration of diversity promotion and flexible work styles. In response, the Company intends to improve opportunities designed to learn about labor management, diversity, inclusion, and coaching skills, especially for young managers.



The Group is providing various programs that promote employees' independent-minded career formation, including e-learning utilizing the Group's services, reskilling support programs such as helping employees with qualification, and an open position program in which employees offer themselves as candidates for job transfer selection, a system in which employees can directly submit a career application to the HR department without going through their bosses.

Reskilling support

To support employees' skills improvement and reskilling, the Company provides various systems/programs utilizing its own services. Specifically, in the Cafeteria Plan, employees can get cash back at the rate of 1.5 times if they buy a reference book related to the qualifications recognized by the Company, or employees can receive BIPo if they obtain such qualifications. In addition, employees can use the e-learning services offered by "Bene Academy" free of charge.

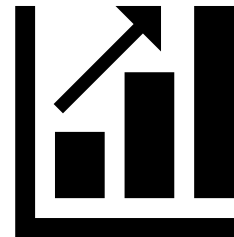


BIPo

BeneAcademy

Open position program

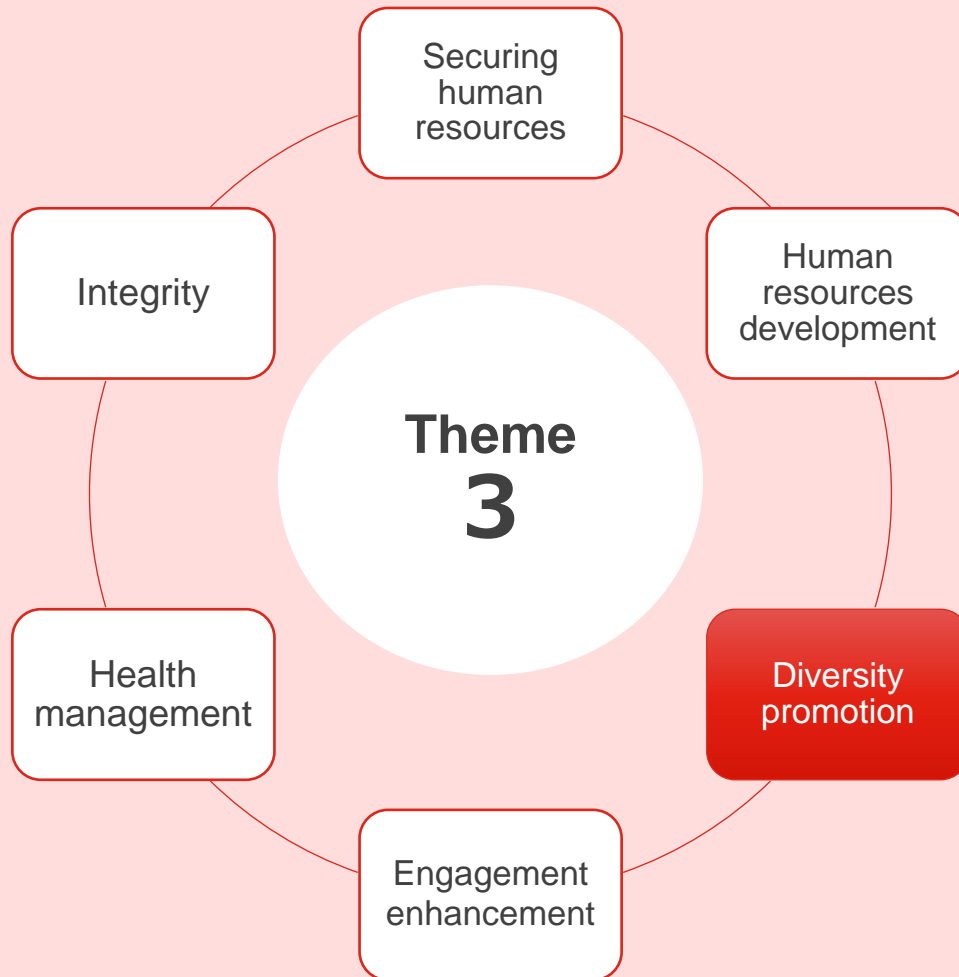
The in-house recruitment system is applied to all positions within the Company, ranging from overseas business to a new business or project in Japan. In this system, years of experience are not required in most cases. The right to apply is equally granted to all employees who want to try. Some young employees used this program and were assigned to the opening of an overseas office.



Self-application system

Based on the idea that "careers are opened up by employees themselves," this system encourages employees to think about their future career plan by themselves and allows them to directly submit a career application to the HR department once a year. The system enables each employee to look ahead and control their own careers.



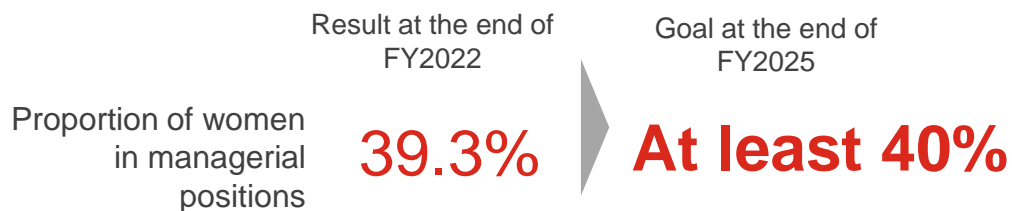


Diversity promotion

In order to promptly and flexibly respond to changes in the environment surrounding the Group's business, as well as changes in socioeconomic situations, and to continue to grow, the Company believes it is helpful that management incorporates a diverse range of viewpoints and values from human resources with differing backgrounds, while also promoting the creation of new businesses and transformations in services.

The Group is actively working on the promotion of women’s active engagement in professional life by institutionalizing systems for shortened working hours and working from home so that female employees can choose diverse and flexible work styles, providing a return-to-work program and selective training, and taking other measures. Moreover, the Group regularly disseminates information on these systems and programs along with case examples on the company website, etc. and holds a children’s visiting day (an event in which employees’ children can experience the workplace for a half day) and other events in order to promote workplace understanding relating to childbirth and childcare at workplaces.

Focus indicator and goal

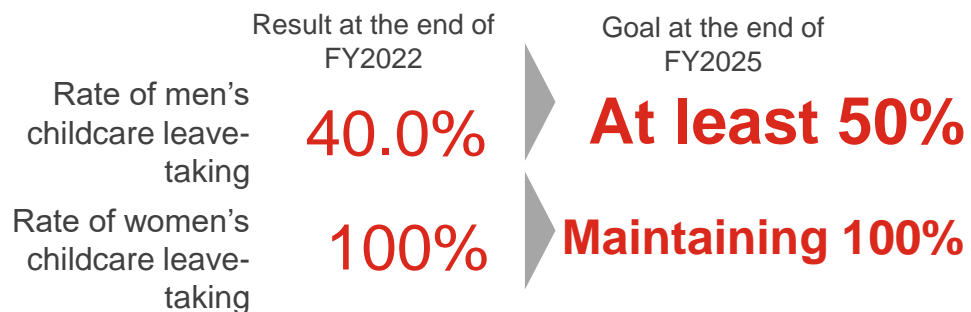


Support for return to work

The Company provides training to balance childcare and work after returning to work and training for self-directive career formation, in addition to return-to-work training for employees who are taking childcare leave. In addition, the Company has institutionalized shortened working hours, working from home, etc. to support employees’ workstyles that adapt to family circumstances.



Focus indicator and goal



Promotion of workplace understanding

The Company holds a “Children’s Visiting Day” once a year, inviting employees’ children. In FY2023, this event was held at the offices in Tokyo and Matsuyama in August with the participation of 32 families with 46 children. The Company is also trying to increase male employees’ participation in childcare and the workplace understanding of the childcare leave system by means of activities such as holding seminars and introducing case examples.



In addition, the Group is strategically promoting initiatives that can expand opportunities to allow diverse human resources to participate and take an active role, regardless of sex, age, nationality, or area.

Utilization of local human resources

The Company is promoting the utilization of local human resources by transferring operations to local offices, contributing to the creation of local employment. Currently, approximately 60% of employees are engaged in operations at local offices.

History of the establishment of local operation offices

Feb. 2007	Established an operation center in Matsuyama City, Ehime Prefecture.
Feb. 2009	The operation center building (currently, the Matsuyama BPO Center) was completed in Matsuyama City, Ehime Prefecture.
Jan. 2018	Established the Ainan Base in Ainan-cho, Minamiuwa-gun, Ehime Prefecture.
Oct. 2018	Established the Yawatahama Base in Yawatahama City, Ehime Prefecture.
Dec. 2018	Established the Sukumo Base in Sukumo City, Kochi Prefecture.
Apr. 2019	Established the Kumakogen Base in Kumakogen-cho, Kamiukena-gun, Ehime Prefecture.
Oct. 2019	Established the Uchiko Base in Uchiko-cho, Kita-gun, Ehime Prefecture.
Dec. 2019	Established the Kamijima Base in Kamijima-cho, Ochi-gun, Ehime Prefecture.
Feb. 2020	Established the Awaji BPO Center in Awaji City, Hyogo Prefecture.
Mar. 2022	Established the Nagano BPO Center in Nagano City, Nagano Prefecture.
Feb. 2023	Established the Kochi Base in Nakahoei-cho, Kochi City, Kochi Prefecture.

Appointment of foreigners as core human resources

The Group is actively promoting the appointment of local human resources in the countries where the Group's offices are located, and local human resources are participating in management at all nine overseas consolidated subsidiaries

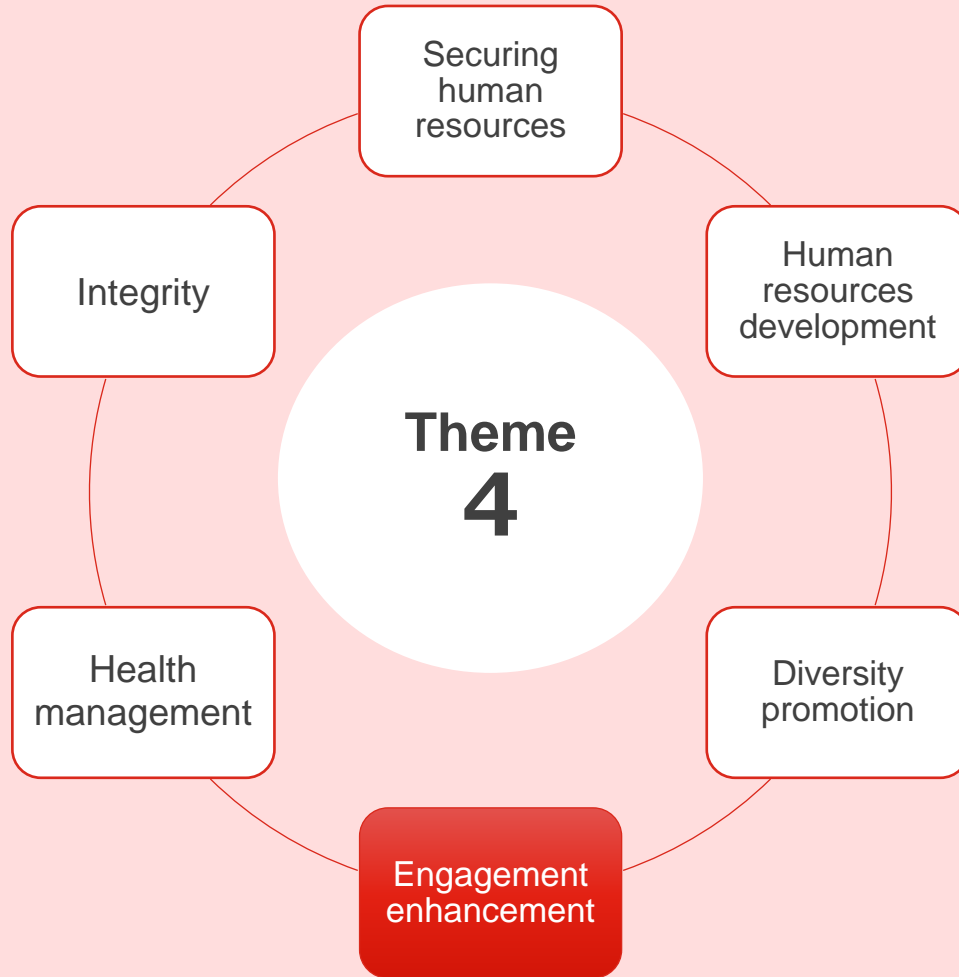
<Overseas consolidated subsidiaries>

- Benefit One Shanghai Inc. (China)
- BENEFIT ONE USA, INC. (USA)
- BENEFIT ONE INTERNATIONAL PTE. LTD. (Singapore)
- BENEFIT ONE (THAILAND) COMPANY LIMITED (Thailand)
- PT. BENEFIT ONE INDONESIA (Indonesia)
- REWARDZ BENEFITS SDN. BHD. (Malaysia)
- FLABULESS FZ LLC (UAE)
- BENEFITONE ENGAGEMENT TECHNOLOGIES PRIVATE LIMITED (India)

Proportion of locally-hired foreigners in core human resources of the nine overseas subsidiaries

90.3%

As of the end of March 2023



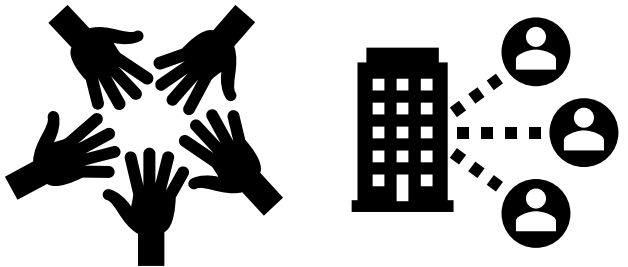
Engagement enhancement

The Group is believing that it is necessary to deepen the understanding of corporate philosophy, visions, business activities, etc. and to increase empathy so that each employee will proactively work and leverage his or her abilities to the maximum possible extent.

In the Group, many employees including middle-level and young employees are involved in the development of the Medium-term Management Plan. The Group is making efforts to let the understanding of management visions and strategies penetrate across the Group and to promote empathy through the development of the plan.

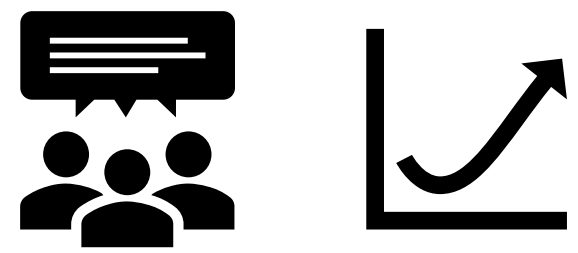
Top message

The Group is making efforts to let the understanding of the corporate philosophy, management visions, behavioral value standards, etc. penetrate by having the top management attend meetings, exchange events, employee training, etc. and by directly conveying messages to employees through video streaming, etc.



Medium-term Management Plan

The Group develops and publishes the Medium-term Management Plan. It is trying to involve many employees, including middle-level and young employees in addition to executives, from the planning stage so that they can act with independence and willingness to achieve the plan.



Kickoff meeting

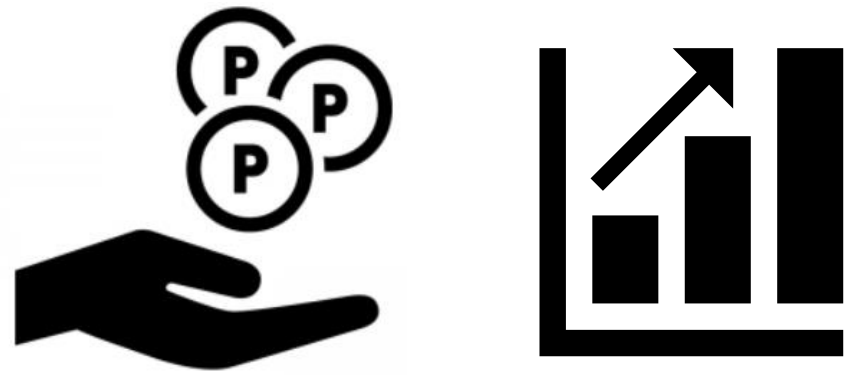
This is a rally held around March 15, the Company's founding day, where group employees meet together and share growth strategies for the new fiscal year. In addition to a lecture given by the President, presentations made by all departments and the Annual MVP Award ceremony are held during the meeting.



The Group provides support for employees' asset formation through a performance-linked stock compensation system for executives and an employee shareholding association that encourages and supports all employees with shareholding. At the same time, the Group uses these to foster the awareness of participation in management.

Performance-linked stock compensation system

The Company introduced an incentive plan, the Japanese version of the Employee Stock Ownership Plan (J-ESOP), in 2016 in order to increase the Company's stock price and performance. The Company grants points, considering employees' contribution, etc., and provides the Company's shares, etc. that are equivalent to the granted points when employees retire.



Employee shareholding association

The Company has introduced an employee shareholding association as part of its employee benefits to foster employees' awareness of participation in management. In FY2023, the Company raised the rate of granting incentive money to 10% from the previous 5% and is working to make the association more accessible and increase the rate of joining.



The Group utilizes its employee benefit services, healthcare services, incentive services, and other services offered to customers for its own employees to improve working conditions and the internal environment including engagement enhancement and health management. At the same time, the Group uses them for continuous improvement of the service quality by letting each employee have a user perspective about the Group's services.



Benefit Station

A wide range of approx. 1.4 million menu options, including not only gourmet, leisure, and shopping, but also life events such as e-learning, nursing care, and relocation, are provided as employee benefits.



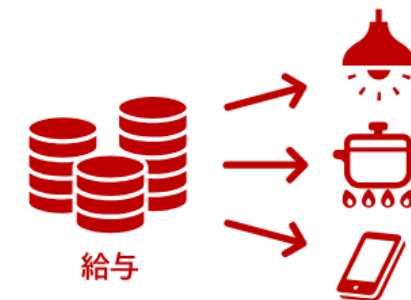
Cafeteria Plan

Annual welfare budget for employees is granted as points. Employees can choose and use benefit menu options according to their own lifestyles and needs within the range of points.



Incentive Point

In-company currency "BIPo" is granted as points based on the in-house criteria in order to increase employees' motivation and for smooth communication. The granted BIPo can be exchanged for merchandise products, etc.



Kyu-toku Barai

A payroll deduction settlement service is provided to employees. In this service, employees can use great membership benefits and discounts for life infrastructure cost for gasoline and electricity, for example, as well as a flat-rate billing menu. Payments are deducted from their payrolls.



Medical checkups

Employees can book medical checkups and browse results on the web, using the Company's "HAPPYLTH" service. The service not only improves employee convenience, but also contributes to the business improvement of HR departments that arrange medical checkups booking.



Specified health guidance

Specified health guidance is provided, using the Company's "HAPPYLTH CHANGE" service, to employees who have a high risk of metabolic syndrome based on health checkup results and who need to improve their lifestyles.



Health point

"Health Point" is granted as an incentive for activities that lead to health, such as successfully quitting smoking or walking 10,000 steps a day. Health Point supports employees' health promotion.

The Group supports employees’ flexible work styles through systems such as work from home, staggered working hours, and a flextime system, in addition to a special work system to balance work with childcare, nursing care, etc. The Group is actively working on the development and improvement of the workplace environment including support for employees’ independent-minded activities of the junior board run by selected middle-level and young employees.

■ Flexible work styles

Special work system	This system allows employees to choose a workstyle if there are any family circumstances such as childcare and nursing care. The “career support course” allows employees to reduce working hours or the number of working days while the “work from home course” allows employees to work from home up to four days a week.
Work from home system	This system allows employees to work from home up to two days a week.
Flextime system	This system allows employees to flexibly adjust their working hours to meet their lifestyles.
Staggered working hours system	

■ Health promotion

Health & medical consultation	Health consultation by an industrial physician is available once a month.
Health lounge	The health lounge is equipped with weight scales and sphygmomanometers so that employees can feel free to check their health conditions. Massage chairs and exercise equipment are also installed to relieve stiff shoulders and overcome physical inactivity.
Massage room	A massage room is available at the head office and in Matsuyama as part of employee benefits. The Company is providing support so that employees can relieve daily fatigue from work and refresh for work.
Aid room	Employees can use the aid room when they do not feel well.

■ Improvement of the workplace environment

Comfortable & appropriate clothing	Employees may choose comfortable clothes to work in for demonstrating high performance. Clothes should be appropriate for climate change throughout the year. This also contributes to the protection of the global environment.
Breakfast service	The Company purchases health-promoting food, such as oatmeal and smoothies, of which the best-before date is approaching, at significantly discounted prices and provides them to employees free of charge from the perspective of food loss reduction.
Dinner service	The Company prepares and provides free dinners when employees work overtime for unavoidable reasons. The best option is to work efficiently and go home without working overtime. However, when employees work overtime, the Company gives consideration to their health and lets them have dinner at an appropriate time.
Cafeteria space	A cafeteria space is available so that employees can take a lunch break or communication. The space is designed for employees to take a rest with free coffee, tea, etc.
Bread & pastry selling	The Company sells additive-free breads/pastries which are hand-made by the employees of Pasona Heartful, a group company, every morning.

The Group is believing that it is also beneficial to promote employees' mutual understanding and opportunities to interact with one another in order to smoothly carry out business operations, the Group is taking measures to accelerate internal communication by means such as supporting club activities, sponsoring sports and culture, and holding events.

Founding anniversary party

Celebrating the founding anniversary, employees across Japan get together and hold a party, with the junior board playing a central role and all employees pumping up the party. Some employees show their performance on the stage, making the use of their talents. Participants can see their co-workers' talents that they cannot see at work, such as dancing in a dance competition and a magic show. The event leads to a sense of unity of the entire company, in addition to employee exchange.



Club activities

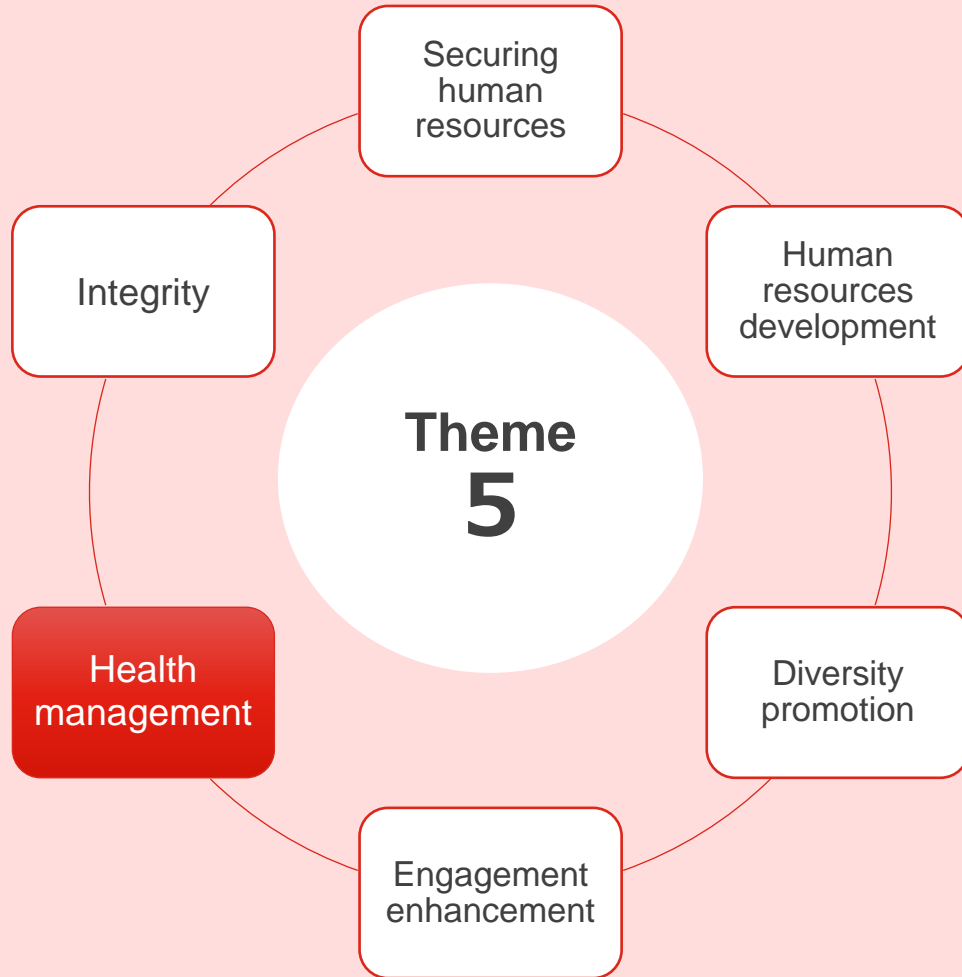
Employees form a community and carry out club activities. The Company pays club activity expenses with an intention to accelerate internal communication. Currently, there are a wide variety of clubs including sports clubs, such as running, futsal, and baseball clubs, and cultural clubs, such as the food education training club. The clubs regularly report their activities on the company SNS. The activities are leading to the enhancement of employee engagement.



Internal exchange event

The Company regularly holds exchange events. In 2022, it held "Benefit One Thanksgiving – Refresh Day in Fuji-Q Highland," chartering Fuji-Q Highland and inviting business partners, with attractions and original content planned by the Company. The large-scale event provided an opportunity for internal communication and exchange beyond the border of departments and age.





Health management

The Group is taking the measures to develop an environment in which employees can work with peace of mind so that each employee can maintain his or her physical and mental health and continue to challenge anything with passion.

In order to develop an environment where employees can maintain their physical and mental health and leverage their abilities to the maximum possible extent, the Company utilizes its healthcare services, which are provided to its customers, for employees, including medical checkups, stress check, specified health guidance, and influenza vaccination support.

Medical checkups

The Company believes that it is important to monitor an employee's health conditions by regular medical checkups, in addition to disease care, in order to maintain employee health. Not only employee convenience, but also HR departments' medical checkup operations have been improved by utilizing the Company's services and making medical checkup booking and checkup results browsing available on the web.



FY2022
The rate of receiving
medical checkup **100%**

Specified health guidance

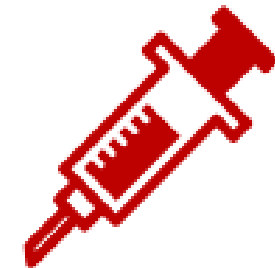
Specified health guidance is provided, using the Company's "HAPPYLTH CHANGE" service, to employees who have a high risk of metabolic syndrome based on health checkup results and who need to improve their lifestyles. The Company provides interviews and guidance, using its network of national registered dietitians and health nurses across Japan, and is putting efforts into the improvement of employees' lifestyles.



FY2022
The rate of providing
specified health guidance **94.6%**

Measures to prevent infectious diseases

The Company is providing influenza vaccination support. In FY2022, it implemented workplace vaccination with the cooperation of industrial physicians and fully subsidized vaccination by primary care doctors, vaccinating more than 500 employees.



FY2022
The number of employees
who received influenza
vaccination support **502 employees**

The Group is making efforts to develop an environment where employees can maintain their physical and mental health and leverage their abilities to the maximum possible extent by means such as conducting regular health awareness surveys, holding health management study sessions inviting knowledgeable persons, and offering free breakfast to employees who come to work early in the morning.

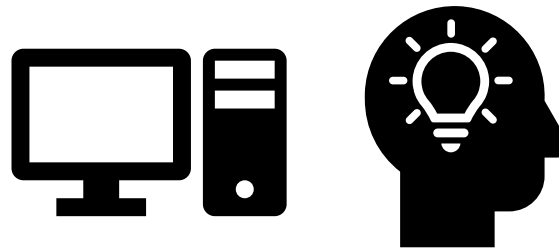
Health awareness survey

A health questionnaire is conducted and analyzed once a year to comprehend employees' health conditions. The Company listens to employees' voices and takes health management measures.



Health management study session

An online seminar by Mr. Kunio Okada, President of NPO Kenkokeiei, is held every month to improve employees' health literacy.



Breakfast service

Making the most of its Bene online shopping network, the Company purchases health-promoting food, such as oatmeal and smoothies, of which the best-before date is approaching, at significantly discounted prices and offers them to employees free of charge from the perspective of food loss reduction.

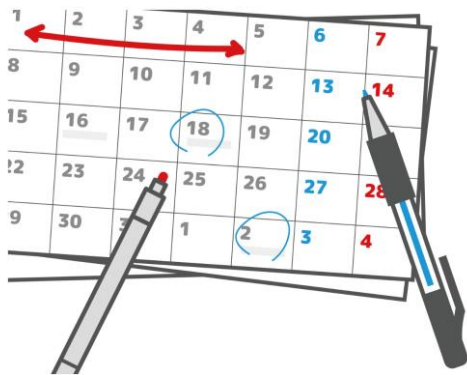


The Group is working to correct long working hours and promote paid leave-taking with the aim of creating a work-life harmonized/balanced pleasant workplace.

Result and goal of the paid leave-taking rate

In FY2022, the rate of paid leave-taking* was 87.1%. The Company aims to maintain the rate at least at 80%. The Company is making efforts to create an environment in which employees can easily take a paid leave, using the names of anniversary leave, My Care Day, etc. The Company also grants three days off as a special paid leave and a leave called "My Day."

* The proportion of the total number of paid leave days taken by all employees to the total paid leave days given for FY2022

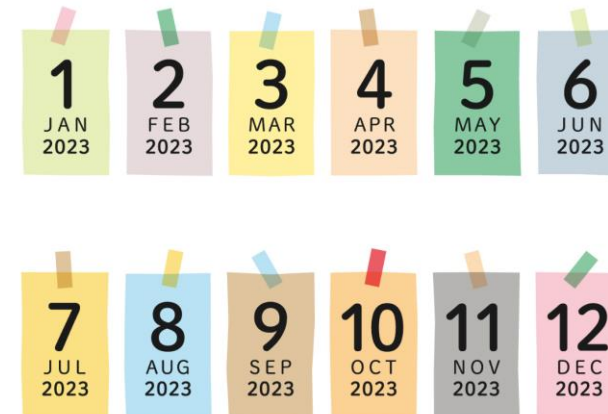


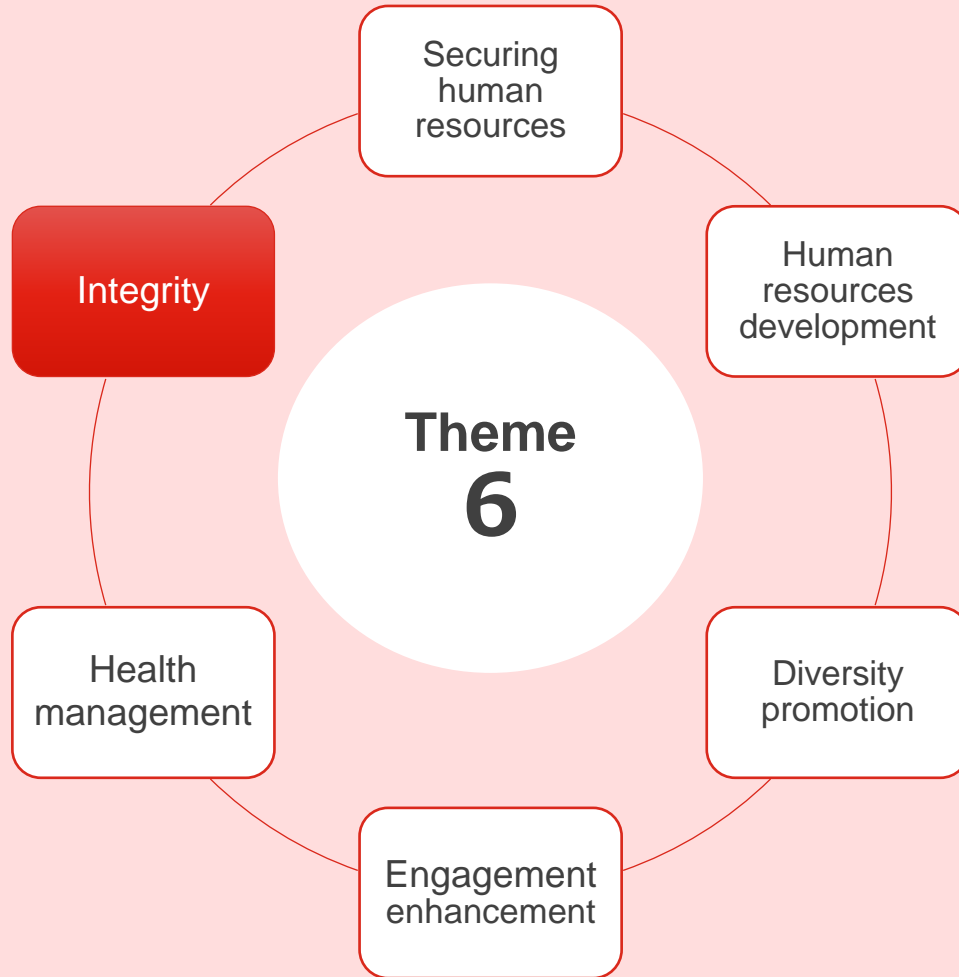
FY2022 rate of
paid leave-taking

87.1%

Efforts to reduce long working hours

The Company has introduced a flextime system to let employees work depending on how busy they are in the month, changed scheduled working hours to 7.5 hours from eight hours in April 2022, and has been abolishing the fixed overtime system in a phased manner. The Company manages the health of employees who work long hours through interviews with industrial physicians and the HR department. The Company is trying to raise awareness in daily attendance management by means such as labor management training for managerial personnel provided by a certified social insurance labor consultant.

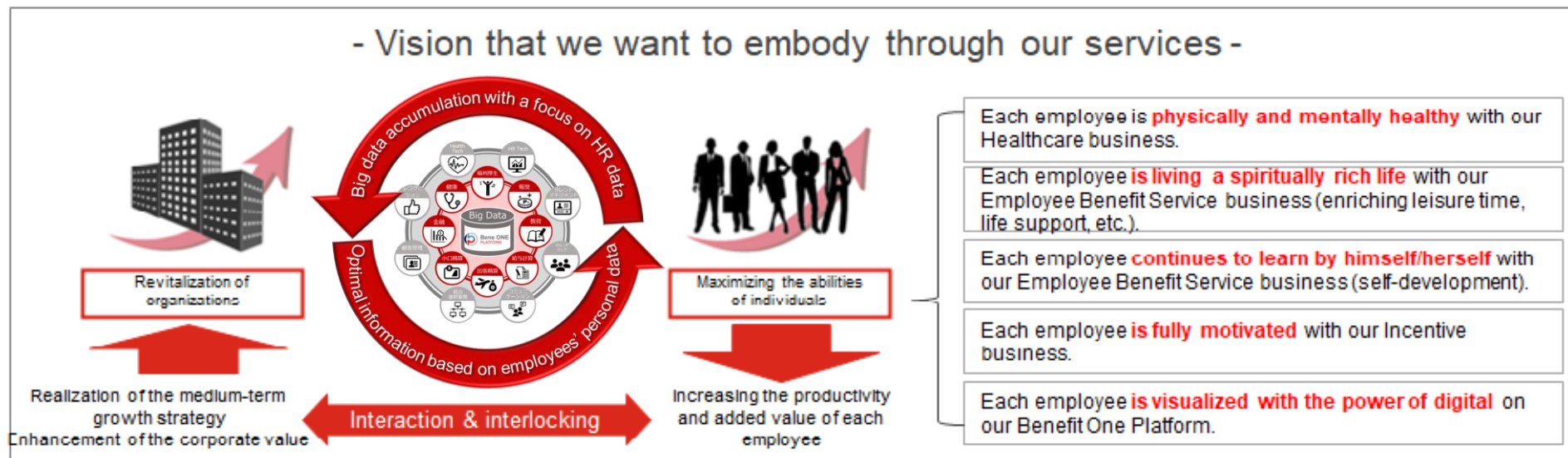
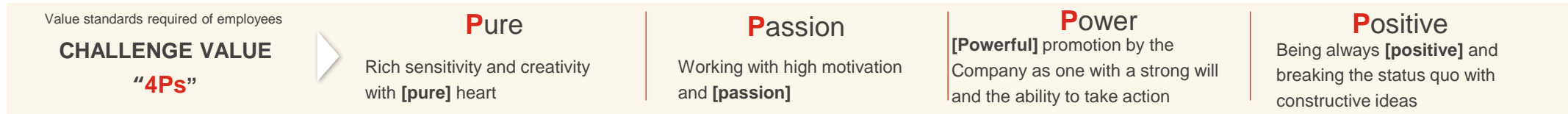




Integrity

The Group believes that the important thing that allows employed and developed human resources to leverage their abilities to the maximum possible extent is an organizational culture in which continuous efforts are made to create a better workplace environment based on a relationship of trust.

The Group has compiled its value standards and code of conduct expected of each employee, such as independence and willingness, as “CHALLENGE VALUE 4 Ps”. Based on this, the Group has formulated the Human Capital Management Policy. The Group’s services provided to customers have a high affinity with human capital management, and the Group believes that it can contribute to the realization of a better society by spreading the Company’s services. For this reason, the Company is promoting internal human capital management by actively utilizing its services. Through these activities, the Group intends to promote the understanding of and empathy about the social significance of the Group’s business and to foster a sound organizational culture in which each officer and employee voluntarily work to create a better workplace environment.



Creation of new value for customers (Fulfilling lifestyles and social development)

In the Group’s Employee Benefit Services business and the Incentive business, the Group aims to improve the motivation and engagement of customer companies’ employees through service provision. In the Healthcare business, the Group aims to contribute to the creation of opportunities, in which customer companies’ employees can leverage their abilities to the maximum possible extent, through the provision of physical and mental health management services. As just described, the Group believes that it can contribute to the realization of a better society by supporting companies that make efforts for human capital management and spreading the Group’s services.

< Services offered by the Group >



<Value provided to customers>

- Customer companies**
- Measures to recruit and retain human resources
 - Improvement of measures to fairly improve employee treatment
 - Improvement of measures to support employees’ household finances
 - Promotion of health management
 - Measures for BCP and infectious disease prevention
 - Improvement of the corporate management efficiency, etc.

- Employees**
- Increasing motivation
 - Engagement enhancement
 - Work-life balance
 - Maintaining and promoting health
 - Self-development and reskilling
 - Enhancing leisure activities, improving wellbeing, etc.

Benefit one MONOLIZ

The Company participated in a professional dance league “**D.LEAGUE**” when it was established, aiming to create a rich sports culture by spreading street dance in Japan, promote physical and mental health, and create fulfilling lifestyles. The Company also aimed to expand the recognition of Benefit One among people, especially young people, who aspire to diverse workstyles and thereby to lead it to the promotion of the use the Company’s employee benefit services, etc. and higher satisfaction.

Recently, dance is attracting more attention and the growth potential of the dance market is expected, as seen in dance as a part of Japan’s compulsory education and the officially-decided addition of breaking to the Paris 2024 Olympic Games. “**D.LEAGUE**” was established in August 2020 in order to promote the development and spread of street dance in Japan, develop professional street dancers, and create a new value in the aspects of art, sports, and business, as well as a new world where dancers play a main role. In the current 2023-24 season, 13 companies are participating as owner teams.

Participating as one of the team owner companies, the Company established a dance team “**Benefit one MONOLIZ.**” The team gives exciting performances in competitions every season, mainly in the dance category of “VOGUE” featured by fast movement and posing, mainly using arms to fingertips.

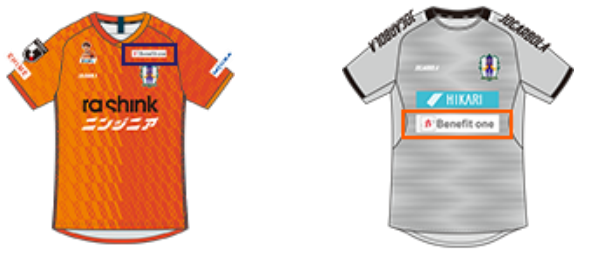


The Company opened the Matsuyama BPO Center in Matsuyama City, Ehime Prefecture, in 2007. It has opened satellite offices in Ehime Prefecture since 2018 and has contributed to the creation of employment in the prefecture. In addition, the Company has participated in the sponsorship of Ehime FC Ladies since the 2018 season and of Ehime FC Top Team since the 2020 season, making efforts for further revitalization of the prefecture as a supporter of “Ehime FC.”

Top & Ladies sponsor

- Uniforms and training wear -

<Ehime FC>



<Ehime FC Ladies>



Holding a match sponsor event

- Creation of regional exchange opportunities -

The Company is continually holding an event named “Bene One Day” to further support the clubs and create regional exchange opportunities concurrently with the home games of Ehime FC and Ehime FC Ladies.



Employment of Ehime FC Ladies players

- Support for sports and work balance -

In addition to the participation in the sponsorship of Ehime FC Ladies, the Company employed players of the team as “athlete employees” in order to support sports and work balance. Currently, 16 players are working at the Matsuyama BPO Center.



Basic views on corporate governance

The Company recognizes the importance of operations centered on compliance with laws, regulations, etc. At the same time, the Company also positions its efforts to enhance shareholder value through swift decision-making in response to changes in society and the economic environment, as well as the enhancement of the soundness of management, as a management issue of the utmost priority. In order to achieve these objectives, the Company aims to create strong relationships with shareholders, customers and suppliers, local communities, employees, and other stakeholders, while also enhancing corporate governance through the further strengthening, improvement, and development of functions and systems set forth in laws and regulations, such as the General Meeting of Shareholders, Board of Directors, Audit and Supervisory Committee, and Accounting Auditor. The Company will also endeavor to disclose information to shareholders and investors in a timely and accurate manner, thereby enhancing the transparency of management.

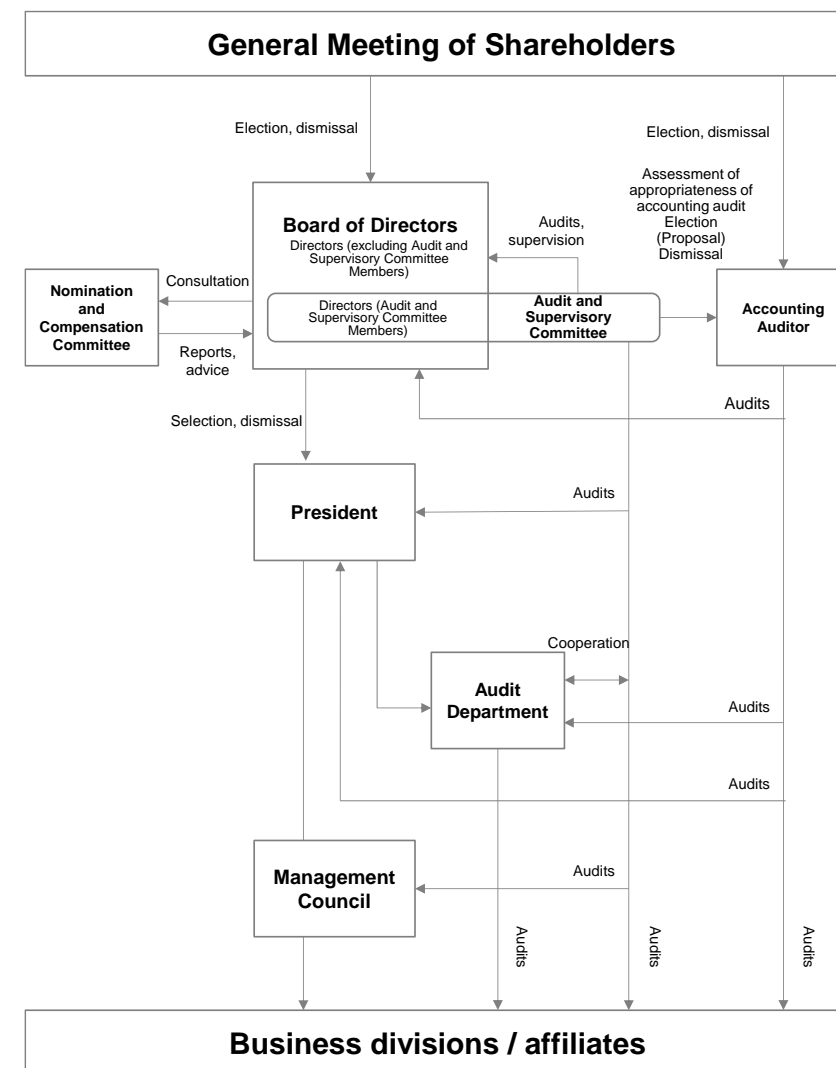
Outline of the corporate governance system and reasons for adopting the system

The Company is a Company with an Audit and Supervisory Committee, aiming to strengthen the audit and supervisory functions of the Board of Directors, further increase the effectiveness of corporate governance, and improve the management efficiency by promoting prompt decision-making through authority delegation to Executive Directors.

The outline of Major internal control-related organizations of the Company are as follows:

Major organizations	Purposes and authorities	Independence rate
Board of Directors	As an organ for making decisions related to the execution of business operations, the Board of Directors discusses and makes decisions concerning important management matters, in addition to supervising the execution of business operations by Directors.	37.5% (3/8 members)
Audit and Supervisory Committee	The Audit and Supervisory Committee audits matters such as the execution of duties by Directors, cooperates with the Accounting Auditor and internal audit departments, and endeavors to ensure that effective audits are conducted.	75% (3/4 members)
Nomination and Compensation Committee	The Nomination and Compensation Committee aims to improve corporate governance by increasing the fairness, transparency, and objectivity of procedures related to the nomination, compensation, etc. of Directors and by ensuring the independence of the Company from controlling shareholders. In response to a consultation by the Board of Directors, the committee deliberates on matters regarding the nomination, compensation, etc. of Directors, matters regarding the compensation of individual Directors excluding Audit and Supervisory Committee Members, and matters regarding the necessity and appropriateness of related party transactions. The Board of Directors, etc. make decisions after receiving a report and advice from the committee.	100% (3/3 members)
Management Council	The Management Council meets in order to ensure prompt and efficient decision-making on important matters that affect the Company as a whole, and engage in deliberation, reporting, etc. of agenda items for meetings of the Board of Directors.	—

< Corporate Governance Structure >



With regard to the composition of the Board of Directors, the skill matrix of the members of the Board of Directors is shown below. Two of the eight Directors (25.0%) are female Directors to ensure the diversity of the Board of Directors. Three of the eight Directors (37.5%) are Independent Outside Directors. Along with the Nomination and Compensation Committee whose members are all Independent Outside Directors, the Company is making efforts to secure a system in which the protection of minority shareholders functions appropriately.

Name		Knowledge, experience, and abilities								
		Corporate/ group management	Industry knowledge	Sustainability	Risk management	Internal control & governance	Finance & accounting	Investment & fund allocation	Legal affairs & compliance	Economic knowledge
Junko Fukasawa	Chairman & Director	●		●						
Norio Shiraishi	President	●	●							
Hideyo Tanaka	Executive Vice-President	●	●	●	●					
Kenji Ozaki	Managing Director	●				●	●	●		
Takuo Umekita	Director (Full-time Audit and Supervisory Committee Member)				●	●			●	
Nobuyasu Kubo	Outside Director (Audit and Supervisory Committee Member)	●			●					●
Toshiaki Hamada	Outside Director (Audit and Supervisory Committee Member)						●	●		●
Tomonori Fujiike	Outside Director (Audit and Supervisory Committee Member)					●			●	

The Company recognizes that developing and improving the internal control system and ensuring the effective operation of the system are essential when it aims at sound corporate management. In order to promote efficient and legitimate management activities, the Company is working on compliance control as described below.

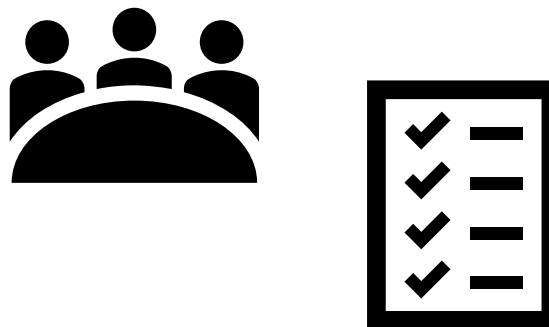
Compliance training

The Company conveys a management message forbidding fraud, legal violation, etc. in its Compliance Manual, has established the Code of Conduct for its officers and employees, and provides annual compliance training to all officers and employees.



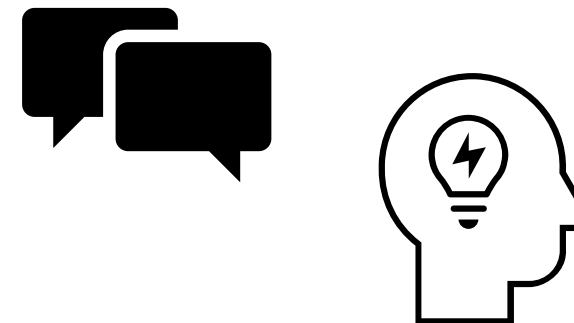
Compliance Committee

The Compliance Committee deliberates compliance-related important matters and decides matters related to internal enlightenment, education, and other measures. The state of the execution of business operations of its officers and employees is audited by the Audit Department based on the Internal Audit Regulations in order to ensure lawful business operations.



Internal reporting system

The Company is making active efforts to encourage employees to use the internal reporting system for the early detection and resolution of fraud, legal violation, etc. while developing and improving the workplace environment based on consultation cases brought to the internal reporting hotline.



Company Profile

Company name	Benefit One Inc. (Corporate Number:8011001045281)
Locations	37F SHINJUKU PARK TOWER 3-7-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo, JAPAN 163-1037
Established	March 15, 1996
Capital	1.527 billion yen (as of March 31, 2023)
Businesses	Employee Benefit Service business, Healthcare business, Incentive business Purchase & Settlement Service business, Payment business Individual Benefit Service business, Customer relationship management (CRM) business
Number of employees	Consolidated: 1,111 persons (416 persons) Non-consolidated: 1,044 persons (415 persons) ※Average number of temporary workers (as of March 31, 2023)
Group companies	10 consolidated subsidiaries, one (1) affiliated company to which the equity method is applied, and one (1) non-consolidated subsidiary (as of the end of March 2023)



URL : <https://corp.benefit-one.co.jp/en/>

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TEL : 03-6830-5141 Mail : ir_inquiry@benefit-one.co.jp

These materials are intended to provide information pertaining to our sustainability. These materials were prepared on the basis of data as of September 30, 2023. Accordingly, opinions or forecasts contained in these materials are based on the judgment of the Company as of the date the materials were prepared. The Company makes no guarantees or pledges as to the accuracy or completeness of this information. Furthermore, this information may be changed without notice.