

Human Capital Management Supporting Sustainable Growth

The Group considers strengthening our human capital to be a key priority for medium to long-term growth. To realize our long-term vision, we have established a talent development policy and defined the ideal profile of employees we aim to cultivate. Aligning these with our materiality, we are working to improve both the quantity and quality of our workforce through three talent strategies: "Ensuring a Diverse Workforce," "Human Resources Development Policies," and "Establishing a Workplace Environment where Employees Can Work with Peace of Mind."

Long-Term Vision

Making the World's Top 10,
Becoming a Company with a Workforce of 5,000

Vision

To Become the World's No. 1 Digital Entertainment Company

"The Ideal
Organizational
Structure" for
Making the World's
Top 10



To achieve a spot among the world's top 10, it is essential to both secure the talent needed to support business expansion and provide training to enhance the capabilities of each individual. Under our "Creativity & Business" talent development policy, we have defined three ideal employee profiles. By strengthening the alignment between our business strategy and talent strategy, we will enhance our human capital in terms of both quantity and quality, and build an organizational foundation that supports sustainable growth.

Human Resources Development Policy

- Creators who bring about new entertainment
- Businesspeople who bring about growth and profitability

Ideal Image of People We Seek to Develop

Individuals who are self-reliant and professional creators

Enhance expertise in assigned duties and proactively create value

Individuals who support value creation while promoting and enhancing business

Create value and drive business growth from a market and customer-centric perspective

Individuals who enhance the value of IPs from a global perspective

Understand diverse cultures and expand globally

We will implement the following human resources strategies with the goal of improving both quantity and quality of employees

Human Resource Strategy

- Ensure a Diverse Pool of Talent with a Focus on New Graduates [▶ P.38](#)
- A Human Resource Development System Driving Growth [▶ P.39](#)
- Establish a Workplace Environment where Employees Can Work with Peace of Mind [▶ P.40](#)

Linked

Materiality

- Develop human resources capable of creating new value.
- Provide a work environment that allows diverse human resources to perform their jobs in a vibrant manner.

Ensure a Diverse Pool of Talent with a Focus on New Graduates

Believing that people are their greatest asset, the Group is committed to securing talented individuals with diverse capabilities and values in order to achieve sustainable growth and enhance its global competitiveness. While we focus primarily on hiring new graduates, we also place strong emphasis on recruiting experienced professionals. Our growth is supported by a diverse workforce with a wide range of backgrounds and expertise. Furthermore, we are working to create an environment where talented individuals regardless of nationality or gender can thrive, and to promote the active participation of women in the workforce. This expansion of our talent base will contribute to achieving the "growth in the number of pipelines" outlined in our Fourth Medium-Term Management Plan.

New Graduate and Experienced Professional Hiring Initiatives

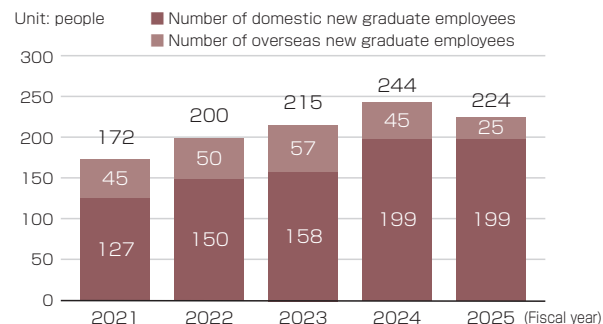
The Group is focused on new graduate recruitment toward achieving sustainable growth. By establishing environments and systems that enable employees to work with peace of mind over the long term, such as employee dormitories and the mentor system (P.43), we are fostering an ecosystem where creativity can be unleashed. We will maintain a high level of motivation among our game-loving employees and create new value through interactions between diverse personnel, thereby enhancing our competitiveness.

We are also focusing on hiring experienced professionals, recruiting individuals with specialized skills and extensive experience to drive sustainable growth and strengthen our global competitiveness.

● Internships

The Group strives to reduce the number of people resigning early through pre-screening internships that give potential employees a better understanding of what the job actually entails, thereby reducing the gap between expectations and reality. Having candidates learn how to create proposals directly from development leads and try out advanced level programming using our in-house developed game engine, KATANA ENGINE™ leads to strengthening recruitment of highly motivated and talented individuals who would be a great fit for the Company.

Change in number of new graduate employees (company-wide)

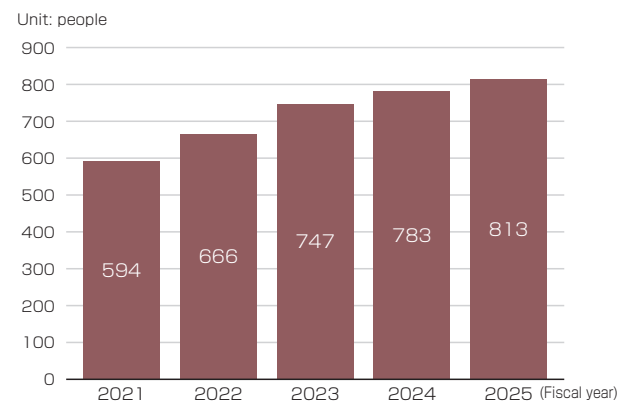


Recruiting and Empowering Non-Japanese Employees

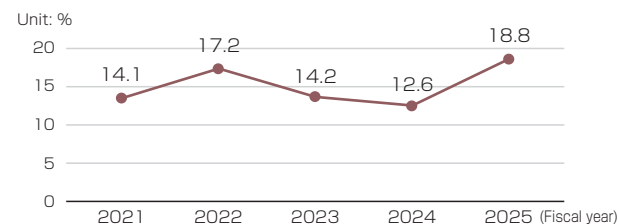
With an eye toward growth in the global market, the Group is promoting the creation of an organization that respects talented individuals with diverse backgrounds and values. As part of this effort, we are actively recruiting non-Japanese employees.

The number of non-Japanese employees in managerial and leadership roles is also growing steadily, enabling the Company to evolve into an organization where diverse individuals can fully exercise their skills. The active participation of such diverse individuals is a key factor behind enhancing the competitiveness of the Group and creating new value.

Change in number of non-Japanese employees (company-wide)



Change in ratio of non-Japanese employees through regular recruitment (domestic Group companies)

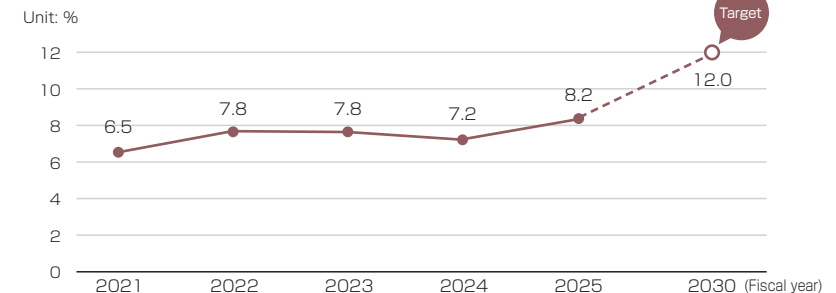


Promoting Active Roles for Women

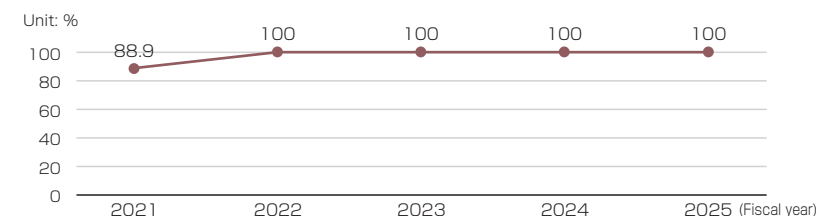
The Group is committed to promoting active roles for women as a way of realizing game development that incorporates diverse perspectives and values. Domestic Group companies offer career development support and training programs for female leaders on an ongoing basis toward achieving the goal of 12.0% female managers by FY2030.

We are also focusing our efforts on creating comfortable workplace environments for employees. This involves enhancing systems for supporting employees in balancing childbirth and childcare with work, such as providing a monetary gift to new parents, facilitating back-to-work arrangements following childcare leave, and expanding the shorter working hours system for childcare to cover children up to sixth grade. Furthermore, in fiscal year 2025, we took steps to create a more supportive work environment for women, such as providing free menstrual products and renaming "menstrual leave" to "medical leave." We are creating an ecosystem where employees of all genders can exercise their capabilities with the belief that the growth of each and every individual is linked to enhancing the competitiveness of the Company. The targets and trends for the percentage of female managers are as follows.

Change in ratio of female managers and target (domestic Group companies)



Change in percentage of female employees taking childcare leave (domestic Group companies)



A Human Resource Development System Driving Growth

We place a high priority on employee development to achieve the “Qualitative growth of the pipeline” goal set forth in our Fourth Medium-Term Management Plan. We are concentrating our efforts based on our policy of developing talented individuals who can take on both aspects of “creators who bring about new entertainment” and “businesspeople who bring about growth and profitability” in order that each employee can embody “Creativity & Business,” one of our core values.

Rank-Specific Training

● New employee training

For a training period of about one and a half months after joining, employees acquire fundamental skills required for working professionals, in addition to knowledge and skills necessary for game production. After being assigned to a department, employees receive mentorship from a senior colleague through our year-long Mentor System. They also participate in annual meetings with HR staff and follow-up training at the end of the fiscal year, helping them adapt to their roles and continue to grow steadily.

● Rank-specific training

Every year, we conduct rank-specific training programs for employees who have been promoted and mid-career hires, where they learn the knowledge and skills required for their respective levels over a period of two to three days. We are developing talent who can contribute to improving organizational performance by deepening their understanding of their roles and responsibilities through initiatives such as teaching creative developers the fundamentals of management accounting to help them develop a broader business perspective.

● Manager training

We conduct training programs for newly appointed managers to systematically teach them essential management skills, such as goal setting and performance evaluation, supervising subordinates, and managing overtime work. We also provide ongoing training to leaders and managers who have been in their positions for a certain period of time, with the aim of improving the management skills of the entire management team and strengthening the organization's capabilities.

Skill Development Training

● Reskilling

To adapt to the rapidly changing business environment, we conduct career stage training as part of our reskilling support efforts, providing employees with an opportunity to reassess their career and life plans. By enabling employees to redefine their areas of expertise and fostering a desire to acquire new skills, we are building a framework that supports long-term career development and enables employees to contribute to the company's sustainable growth.

● External seminars

To support employees' independent learning, we provide full or partial reimbursement for the costs of external training and distance learning courses. We also send employees to conferences for game developers both in Japan and abroad, and provide subsidies for English and Chinese language test fees.

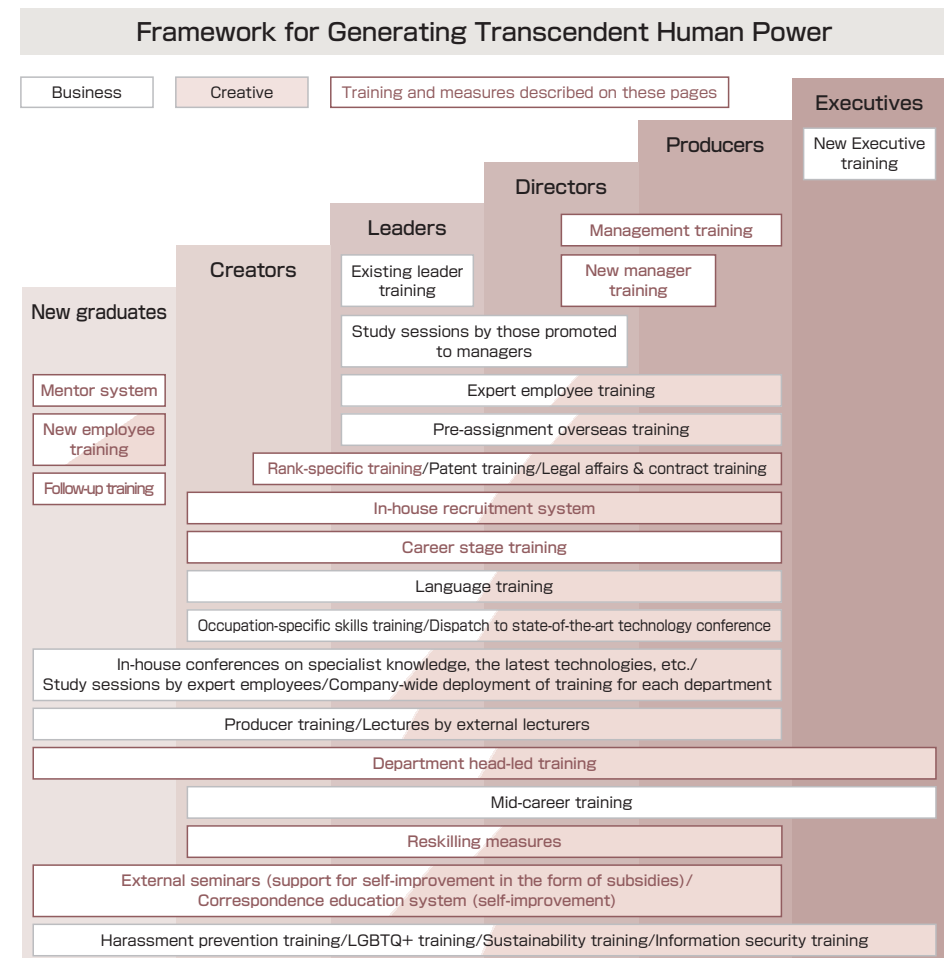
FY	No. of participants
2023	376
2024	515
2025	472

In-House Recruitment System

We have established an in-house recruitment system to support employees in developing their careers independently. We help employees visualize their ideal selves and the roles expected of them, and connect them with opportunities to hone the necessary skills and experience. In fact, many employees have voluntarily transferred to other departments and are excelling in their new roles.

Department Head-Led Training

We hold brand-wide review sessions and workshops designed to improve proficiency with the “KATANA ENGINE™,” which helps enhance our knowledge and leads to high-quality game development. Department and brand-specific training and study session materials are being published on the company intranet to improve productivity through knowledge-sharing across different departments.



We are focusing on creating a comfortable work environment where employees can work with peace of mind to support “quantitative growth” and promote “qualitative growth.” A stable work environment enhances employee engagement and well-being, maximizes individual performance, and ultimately supports both employee welfare and the Group’s sustainable growth.

Working Toward Enhancing Engagement

The Group is working to improve engagement with the goal of balancing “job satisfaction” and “work-life balance” for our employees by identifying organizational challenges, developing and implementing improvement measures, and incorporating employee feedback into management decisions. The engagement score for fiscal year 2025 rose by 2.9 points compared to the previous fiscal year, demonstrating that our efforts to date are steadily yielding results. We will continue to foster an environment where employees can work with enthusiasm and remain engaged, while striving to maintain and improve our employee engagement scores.

Engagement survey results

	FY2023	FY2024	FY2025
Score	50.4	50.4	53.3
Targets	1,890	2,016	2,141
Respondents	1,587	1,798	1,951
Response rate	84.00%	89.20%	91.10%

Issues requiring improvement and measures

Issue	Measures
Facility environments (improve work environment)	● Launched the new office ● Opened a cafeteria at the new office
Succession activities (share knowledge and expertise)	● Study sessions for junior developers ● Coordinated and rolled out departmental training ➡ Items related to knowledge-sharing rose by 0.2 points compared to the previous fiscal year
Systems and benefits	● Interval Between Shifts Policy ➡ Items related to work styles rose by 0.2 points compared to the previous fiscal year

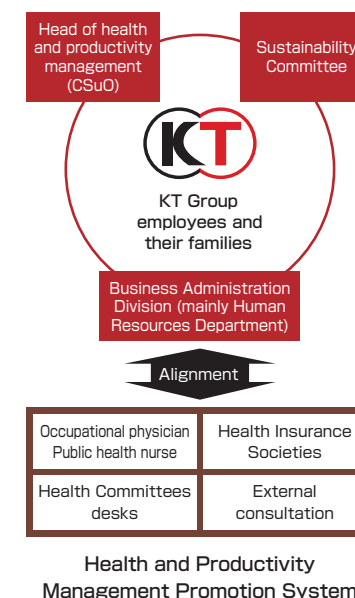
* Survey results from “Motivation Cloud Engagement”

Health and Productivity Management Initiatives

The Group places a high priority on creating a supportive work environment that enables employees to maintain their physical and mental well-being and perform at their best, allowing them to contribute to enriching the lives of customers around the world. For the gaming industry in particular, employees’ creativity and concentration underpin the foundation of the business; therefore managing their physical and mental health is of utmost importance. In light of chronic overworking specific to the industry, along with changes in the distribution of employees’ ages, we are actively working to promote health initiatives under our health and productivity management promotion system to ensure that employees can build healthy and fulfilling careers over the long term. In 2026, we have been certified as an “Outstanding Organization of KENKO Investment for Health (large enterprise category)” for the second consecutive year. In addition, in response to the growing number of employees who are not getting sufficient sleep, we have introduced a system requiring a nine-hour interval between shifts. This helps ensure that employees receive a minimum amount of rest, even during peak seasons.

Health and productivity management promotion indicators	FY2024 figures	FY2025 figures	Targets (for 2026)
(1) Presenteeism (SPQ survey)	75.1	75.6	80
(2) Attendance rate of seminars held by public health nurses	80.0%	87.3%	80%
(3) Satisfaction level with seminars held by public health nurses	90.1%	93.6%	90%
(4) Health checkup repeat testing uptake rate	44.3%	50.2%	60%

Other health-related information	FY2024 figures	FY2025 figures
(1) Absenteeism (days absent due to injury or illness)	10.5 days	9.3 days
(2) Stress check uptake rate	84.7%	84.6%
(3) Health checkup uptake rate	100%	100%
(4) Rate of unusual results in health checkups	31.3%	30.7%



Practical Establishment of Workplaces Where People Shine

● Supporting stable lifestyles

We provide programs and environments so that each employee can work with peace of mind. We support employees in establishing a stable foundation for their lives through initiatives such as scholarship repayment assistance, welfare loans, discounts on babysitting services, base pay increases for 11 consecutive years, and access to single-occupancy dormitories and company housing comprising 17 buildings and 450 rooms. Through these initiatives, we are establishing workplace environments that fully draw out diverse range of employees’ capabilities and individuality and enable them to play an active role regardless of gender, nationality, or other factors.

● Establishing working arrangements that enable employees to balance childcare and work

We have implemented a flex-time system, reduced working hours, and staggered work schedules. In April 2025, we extended the maximum reduction in working hours from three hours to three and a half hours and expanded eligibility for childcare-related reduced working hours to employees with children through sixth grade, thereby creating a workplace environment where employees can successfully balance childcare and work. We have achieved high rates of parental leave utilization, with 100% for women and 105.9% for men (FY2025).

● Enhanced evaluation and remuneration systems

We have implemented a fair evaluation system based on merit for appropriately rewarding the individual efforts and achievements of each employee. We have also established a framework in which employee contribution is reflected directly in remuneration through the provision of bonuses linked to performance evaluations and financial results from the previous fiscal year. Additionally, we have established an awards and bonus system, as well as celebratory events, based on the performance of each title, to boost employee motivation and encourage them to take on new challenges and continue growing.

● Promoting diversity

We conduct training to raise awareness of diversity, LGBTQ+, and similar matters with the aim of creating a work environment in which diverse personnel can respect each other and play active roles. In 2025, we focused on content that deepens understanding of health issues and concerns that are not readily apparent to others. We also offer “spousal childbirth support leave,” which allows employees to take up to three days off when their child is born.