Corporate Governance

Please note that the following is an unofficial English translation of the Japanese original text of the Corporate Governance Report of PERSOL HOLDINGS CO., LTD. which has been reported to the Tokyo Stock Exchange. PERSOL HOLDINGS CO., LTD. provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

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PERSOL HOLDINGS CO., LTD.

Representative Director, President and CEO Takao Wada

Contact: Department in charge Governance Department:

+81-3-3375-2220

Securities code: 2181

https://www.persol-group.co.jp/en/

The status of corporate governance at PERSOL HOLDINGS CO., LTD. is as follows:

I. Basic approach to corporate governance, capital structure, corporate attributes, and other basic information

1. Basic Approach

(Principle 2.1, 2.2, 3.1(i), 3.1(ii))

<Corporate Philosophy>

Providing Opportunity, Individual Growth and Social Contribution

<Group Vision>

Work and Smile

<Five Core Principles>

Authentic (Respond every issue sincerely)

Customer-Focus (Always be a reliable partner and strive to go beyond our customer’s expectations)

Professional (Have high spirit and keep on shining)

Teamwork (Respect the diversity and maximize the achievement of organizations)

Innovative (Think, Act and Joy in changing)

PERSOL HOLDINGS CO., LTD. (hereinafter referred to as “the Company”) establishes the basic management policy and the corporate strategies of the entire group with the aim of realizing its corporate philosophy. Each of the group companies shall promote sustainable corporate growth and the increase of corporate value over the mid- to long-term and solve social issues through its

businesses by executing the corporate strategies in united efforts of the group companies.

Based on this Basic Approach, the Company established the "Corporate Governance Guideline". This Corporate Governance Guideline lays out the principles and desirable state of corporate governance of the Company and serves as the Guideline for the directors and the Group Senior Executives (collectively referring to the Representative Director, President and CEO, executive directors and executive officers, who are responsible for the management of the Company and its group companies) towards the realization thereof. We will take actions in line with the Guideline and revise it as necessary in response to changes in the times and circumstances and consistently strive for better corporate governance.

The Corporate Governance Guideline is posted on our website:
https://www.persol-group.co.jp/wp-content/uploads/2024/12/en_corporate_governance_guideline.pdf

[Reasons for not putting each principle of the Corporate Governance Code into practice]

The Company has applied each of the basic principles of the Corporate Governance Code.

[Releases based on Corporate Governance Code principles]

1. Corporate Philosophy and Corporate Governance Guideline (Principle 2.1, 2.2, 3.1(i), 3.1(ii))

Described in I.1 “Basic Approach” of this report.

2. Business strategy & business plans (Principle 3.1(i))

The PERSOL Group aims to realize its Group Vision based on its Corporate Philosophy, and positions itself as “A ‘Career Well-being’ Creation Company” that expands individual potential, broadens the freedom to work, and enhances the well-being of individuals and society by providing diverse work styles and learning opportunities. To achieve this, we have defined the creation of better work opportunities for one million people by 2030 as our value creation goal.

The domestic labor market is entering a phase of structural transformation in terms of talent demand and business models, driven by the advancement of AI utilization. The PERSOL Group views these structural changes as growth opportunities and, through business model transformation leveraging AI to the fullest extent, will promote the following initiatives:

- Focusing on value-creating domains through operational efficiency improvements utilizing AI (all SBUs)
- Maximizing matching opportunities through collaboration with AI (Staffing SBU and Career SBU)

· Expanding into new employment creation domains with low AI substitution risk and high growth potential (others)

In addition, based on the “human intervention value” that supports individuals and companies, we will combine “proprietary data”—including behavioral data of individual and corporate customers as well as employees’ skills and know-how—with “AI utilization” to create better work opportunities and achieve high growth and high profitability.

In line with our management direction of evolving into a technology-driven HR service company, we have formulated the Mid-term Management Plan FY2028 with “enhancing profitability and transforming business models through AI” as its basic policy. During the three-year period of this plan, we will focus on strengthening profitability and building a foundation for further growth, aiming to achieve high growth and high profitability over the mid- to long-term. We have also set the following financial targets:

· Growth: Adjusted EBITDA CAGR of 10% (in principle, 10% growth per year)
· Capital efficiency: ROIC ≥ 18%, ROE ≥ 20%
· Financial soundness (under normal conditions): Net Debt/Equity ≤ 1x, Net Debt/EBITDA ≤ 2x
· Shareholder returns: Dividend payout ratio ≥ 50% (adjusted EPS basis)

Details on our Medium-term Management Plan is posted on our website:
https://www.persol-group.co.jp/en/ir/management/strategy.html

3. Constructive dialogues with shareholders and investors, and capital policy

(1) Constructive dialogues with shareholders and investors (Principle 5.1, Supplementary principle 5.1.1, 5.1.2)

From the perspective of sustainable growth and enhancing corporate value over the medium to long term, the Board has established the “Policy for Constructive Dialogue with Shareholders and Investors,” and we will actively promote dialogue with shareholders and investors.

The “Policy for Constructive Dialogue with Shareholders and Investors” is posted on our website:
https://www.persol-group.co.jp/en/corporate/governance/corporate_governance/#section7

The Company also provides feedback to the Board and the Headquarters Management Committee (HMC) on the content of dialogues with shareholders and investors, and reflects it in management, financial, and capital strategies. The details of the Company's IR activities in FY2025 are posted on the Company's website in accordance with the "Better Dialogue with Shareholders and Related Disclosure" (published by the Tokyo Stock Exchange on March 31, 2023).

https://www.persol-group.co.jp/wp-

content/uploads/2024/09/en_Dialogues_with_Shareholders_and_Investors.pdf

(2) Planning and disclosure of business strategy & business plans (Principle 5.2)

【Action to implement management that is conscious of cost of capital and stock price】

In the "Mid-term Management Plan FY2028," aimed at enhancing corporate value, we have categorized our financial strategy into three areas and delineated specific objectives for each: "Key Financial Strategy Indicators," "Capital Allocation," and "Shareholder Returns."

Under Key Financial Strategy Indicators, we have established growth, efficiency, and stability metrics. For growth indicators, our target is to achieve an annual growth in adjusted EBITDA of >= 10%. Regarding efficiency indicators, we aim for ROIC >= 18% and ROE >= 20%, surpassing the benchmarks set in the previous Mid-term Management Plan for the entire group, while considering the varying business maturity levels across Strategic Business Units (SBUs) (both based on IFRS). Through this approach, our aim is to consistently surpass the Cost of Capital with our ROIC and continually enhance corporate value by implementing strategic business plans, capital policies, and initiatives to reduce the Cost of Capital, thereby widening the ROIC spread. Our Cost of Capital, typically acknowledged to be in the range of 7% to 8%, is determined based on widely accepted calculation methods as well as insights gained through discussions with shareholders and investors. This Cost of Capital is generally maintained at this level throughout the duration of the "Mid-term Management Plan FY2028," unless significant changes occur in the capital structure. The Board of Directors is briefed on the Cost of Capital status at least annually and adjustments are made as necessary. ROIC is incorporated as one of the factors to determine performance-based medium-and long-term incentive compensation for executive directors and corporate officers. Regarding stability indicators, we have set the Net Debt/Equity ratio at <= 1x under normal conditions and the Net Debt/EBITDA ratio at <= 2x, both from a stock and flow perspective. We believe these metrics will serve as financial discipline when evaluating and executing future M&A activities. Our Price-to-Book Ratio (PBR), a measure of market valuation, has consistently exceeded 1x, not only in the most recent period.

"Capital Allocation Policies" and "Shareholder Returns Policies" are based on the policy of allocating approximately JPY 180 billion in cash on hand—calculated from post-tax adjusted EBITDA after deducting existing IT investments during the period of the Mid-term Management Plan through March 31, 2029—with 50% allocated to growth investments such as M&A and IT investments including AI, and 50% allocated to shareholder returns. In addition, depending on the status of growth investment opportunities, we will consider flexible share buybacks as appropriate, taking into account factors such as financial conditions and stock price. We are striving to optimize the balance sheet and enhance capital cost management by avoiding excess capital and cash.

Moreover, from the perspective of sustainable growth and long-term corporate value enhancement, we have established a "Policy for Constructive Dialogue with Shareholders and Investors" at the board of directors, actively engaging in discussions with them. An overview of the implementation status is available on our company's website.

https://www.persol-group.co.jp/wp-content/uploads/2024/09/en_Dialogues_with_Shareholders_and_Investors.pdf

The details of the Company's financial strategy in the "Mid-term Management Plan FY2028" are posted on the Company's website in accordance with the "Action to Implement Management that is Conscious of Cost of Capital and Stock Price" (published by the Tokyo Stock Exchange, Inc. on March 31, 2023).

https://www.persol-group.co.jp/en/ir/management/strategy.html

(3) Cross-Shareholdings (Principle 1.4)

1.Basic Policy Regarding Cross-Shareholdings

From the perspective of avoiding stock price fluctuation risk, improving capital efficiency and corporate governance, the company does not hold listed shares, except in cases where there are business benefits or strategic significance, such as maintaining relationships and creating synergies. Unlisted stocks also follow this policy.

2.Basic Policy/Standards of Verification

The target of our policy is to reduce the ratio of market value based cross shareholdings to consolidated net assets to approximately 5% or less.

In addition, the Board of Directors periodically reviews the appropriateness of holding each individual Cross Shareholdings. We consider the business benefits and strategic significance of maintaining relationships and creating synergies, etc., and comprehensively verify whether the benefits and risks associated with holding the shares are commensurate with the cost of capital, etc. If it is determined that there is no significance in holding the shares, we will proceed with the sale of the shares, taking into account the situation of the client company, etc.

As a result of the verification, we have sold some of the shares that were determined to have no significance in holding.

3.Basic Policy on Exercising Voting Rights

The Company will make appropriate decisions regarding the exercise of voting rights in corporations forming cross-shareholdings by comprehensively considering whether or not the details of resolution items contribute to enhancing the value of said corporation in which shares are held, as well as the status of said corporation`s corporate governance structures, and compliance systems etc.

4. Structure of the Board and policies and procedures when appointing the Group Senior Executives and in the nomination of Director candidates by the Board

(1) The form of organizational structure (Principle 4.10)

Based on the corporate governance principles, the Company has adopted the form of organizational structure of “Company with Audit and Supervisory Committee” under the Japanese Companies Act. Furthermore, for the purpose of complementing the function of the Board, the Company has established a Nomination and Compensation Committee and a Corporate Governance Committee as voluntary committees to increase transparency and objectivity concerning decisions on the nomination and compensation of the directors and the Group Senior Executives.

(2) Separating the oversight and management (Principle 4.6)

The Board is responsible for the oversight of management and its main roles and responsibilities are to set the basic management policy, oversee the Group Senior Executives, and secure the construction and operation of appropriate internal control systems. For the purpose of enabling management to make timely, flexible and decisive decisions, management decisions other than those reserved for the Board by the Companies Act shall be delegated, in principle, to the CEO. Provided, however, that the decisions on the execution of important operations set forth in the Regulations for the Board shall be made by the Board.

(3) Scope of delegation to management (Supplementary principle 4.1.1)

As stated in “Chapter 8. Management Structure (8-1. Management Structure and 8-2. Duties of the CEO)” of the Corporate Governance Guideline.

＜Excerpt of the Corporate Governance Guideline＞

8-1. Management Structure

The Company adopts the Executive Officer system with the purpose of separating the oversight and management and clarifying where management responsibility lies.

In addition, Headquarters Management Committee (hereinafter referred to as, “HMC”) is established to assist the CEO in making decisions on the group's basic management policy and important operations. The decisions on the execution of important operations delegated to the CEO by the Board shall be decided by the CEO on the condition that the HMC has made an affirmative resolution. Based on the concept that the members of the HMC (hereinafter referred to as, “the HMC members”) shall be the persons who assume the significant decisions on the execution of important operations delegated by the Board and comprehensive roles as members of the senior management of the group,

a proposal for the nomination of HMC members shall be prepared by the CEO from among the executive officers, and shall be approved at the Board upon deliberation at the Nomination and Compensation Committee.

The responsibilities and authorities of the HMC, the CEO and the executive officers in charge shall be clarified in the Delegation of Authorities Rules.

8-2. Duties of the CEO

The CEO shall make decisions on the execution of operations to realize the group's corporate philosophy and increase corporate value and the common interests of stakeholders including shareholders and demonstrate necessary leadership.

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(4) Composition of the Board (Principle 4.8, Supplementary principle 4.11.1)

As stated in "Chapter 5. Composition of the Board (5-1. Composition of the Board)" of the Corporate Governance Guideline.

Based on a governance policy of separating oversight and management, and further strengthening the supervisory function of the Board of Directors, as well as accelerating decision-making, the Board has been composed of six Directors who are not Audit and Supervisory Committee Members (four of whom are Independent Directors) and three Directors who are Audit and Supervisory Committee Members (three of whom are Independent Directors), and the ratio of Independent Directors is at least one-half of the total following the Ordinary General Meeting of Shareholders held on June 23, 2026.

Combination of the Skills (knowledge, experience and capability) that the board of Directors should have based on the Mid- to Long-term Strategic Policy and the roles of the Board, and the skills that Directors possess is posted on our website:

https://www.persol-group.co.jp/wp-content/uploads/2024/12/en_skills_matrix.pdf

Additionally, we have established a "Gender Diversity Minimum Targets for Directors" of 30% by 2030.

＜Excerpt of the Corporate Governance Guideline＞

5-1. Composition of the Board

The Board shall comprise of not more than 15 directors to ensure the effectiveness of its functions, and Independent Directors shall account for a half or more so that they are able to properly perform their oversight functions.

The Board shall have well-balanced knowledge, experience and capability as a whole to effectively fulfill its roles and responsibilities and shall be composed in a form in which diversity including gender

and internationality exists and the right size is maintained.

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(5) Policies and procedures when appointing/dismissing the Group Senior Executives and nominations of Director candidates by the Board (Principle 3.1, Supplementary principle 4.11.1)

As stated in “Chapter 5. Composition of the Board (5-2. Nomination of Directors)” of the Corporate Governance Guideline.

With respect to dismissal, in the event that a fraudulent act, breach of trust and other acts that may cause doubts corresponding to them in the execution of duty of a Director, the Nomination and Compensation Committee, the Audit and Supervisory Committee, and the Board will deliberate the appropriateness of submitting an agenda item concerning the dismissal of the relevant Director to the General Meeting of Shareholders.

＜Excerpt of the Corporate Governance Guideline＞

5-2. Nomination of Directors

The Nomination and Compensation Committee sets forth the standards for nomination of a director as outlined below, and recommend to the Board a person who meets the standards as a candidate for director.

[Summary of the Standards for Nomination of Directors]

□ A director, as a trustee of the Company selected by shareholders, shall have the ability to contribute to the Company’s sustainable growth and mid- to long-term increase of corporate value by appropriately fulfilling their duty of loyalty and duty of care concerning the performance of his/her duties.

□ An Independent Director shall have excellent judgment and a wealth of experience in such fields as business management, technology, finance and accounting and corporate legal affairs, and the ability to oversee the Group Senior Executives from an independent and objective standpoint, and shall satisfy the Company’s criteria for Independent Directors.

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(6) The Board approaches to appointing/dismissing the Group Senior Executives and nominating Director candidates (Principle 3.1.v, Supplementary principle 4.3.1)

As stated in Chapter 4. Responsibilities of Directors (4.1. Responsibilities of Directors, 4.2. Expectations of Independent Director)" and “Chapter 5. Composition of the Board (5.1. Composition of the Board, 5.2. Nomination of Directors)” of the Corporate Governance Guideline.

The reasons for nominating all Director candidates are outlined in the General Meeting of

Shareholders convocation notice.

＜Excerpt of the Corporate Governance Guideline＞

4-1. Responsibilities of Directors

Directors shall recognize their responsibilities as the trustees of management selected by shareholders, and act for the common interests of the Company and its shareholders.

4-2. Expectations of Independent Director

Each Independent Director is expected, from an objective standpoint independent from the Group Senior Executives, to oversee management through making important decisions of the Board including the appointment and dismissal of the Group Senior Executives, and to oversee conflicts of interest among the Company, the Group Senior Executives, and controlling shareholders, and provide advice for the purpose of increasing mid- to long-term corporate value by encouraging the sustainable growth of the group based on not only his/her experience and expertise, but also conventional wisdom and common sense.

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(7) Selection of CEO (Supplementary Principle 4.3.2)

Other than “Chapter 5 (5.2. Nomination of Directors)” of the Corporate Governance Guideline, the Company sets the following qualifications for CEO. The Board appoints CEO by a resolution of the Board following the advice/recommendations of the Nomination and Compensation Committee.

(1) Possesses wide-ranging knowledge and insight for providing guidance for multiple businesses and functions;
(2) Is capable of acting in good faith and maintaining a good balance with all stakeholders; and
(3) Is capable of bringing about innovations through excellent leadership towards the realization of the PERSOL Group vision

(8) Dismissal of CEO (Supplementary Principle 4.3.3)

With respect to dismissal of CEO, in the event that there is an act which may cause doubts of falling under any of the following items of dismissal criteria, the Nomination/Compensation and the Board shall conduct deliberations immediately.

(1) There is an act which may cause suspicion of fraudulent and unjust act or breach of trust;
(2) Decided as unqualified as CEO by violations of the Companies Act and other related laws and ordinances; or
(3) Judged that execution of duties or achievements are insufficient, and that keeping the

person in the position of CEO is inappropriate.

(9) Plan for Cultivating a Successor to CEO (Supplementary Principle 4.1.3)

The Company discusses CEO succession plan at the Nomination and Compensation Committee, a majority of which is composed of Independent Directors, and the Board oversees progress by receiving reports from the Nomination and Compensation Committee. At the same time, the Company has set up the Nomination and Compensation Committees at the core companies of Strategic Business Unit (SBU) to discuss CEO succession plan of each company. In the Nomination and Compensation Committee, the Company oversees the implementation of the succession planning for these executives, including the succession planning for executive officer in the administrative function. Based on the above, we have constructed a system to systematically train personnel who will be responsible for future management execution in order to continuously develop our corporate value.

(10) Standards for judging independence and qualifications of Independent Director (Principle 4.9)

The Company has established the Independence Criteria for External Directors. In cases where outside directors do not fall under any of the following, the Company believes that such outside directors have independence from the Company.

The Independence Criteria for External Directors is posted on our website:

https://www.persol-group.co.jp/wp-content/uploads/2024/09/en_independence_criteria_for_external_directors.pdf

(11) Selection of the Lead Independent Director (Supplementary Principle 4.8.2)

The Company selects the Lead Independent Director from among the Independent Directors through mutual election. As stated in “Chapter 4. Responsibilities of Directors (4.3. The role of Lead Independent Director)” of the Corporate Governance Guideline. The Lead Independent Director is Masaki Yamauchi.

＜Excerpt of the Corporate Governance Guideline＞

4-3. Roles of the Lead Independent Director

The Lead Independent Director promotes information exchange and sharing of awareness among Independent Directors by serving as the chair of the executive session, a meeting consisting of Independent Directors only. At the same time, he or she, as a representative of Independent Directors, has communications with the chairperson of the Board and Representative Directors on a regular basis to reflect the opinions of Independent Directors. The Lead Independent Director gathers

opinions of directors as necessary towards ensuring effectiveness of the Board.

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(12) Disclosure of Directors concurrently serving in positions at other companies (Supplementary Principle 4.11.2)

The status of the Company's Directors and candidates who concurrently serve in other important positions is disclosed every year in the General Meeting of Shareholders convocation notice and the financial statements.

5. Policy and procedure related to decisions regarding compensation of the Group Senior Executives/Directors made by the Board (Principle 3.1.iii, Supplementary principle 4.2.1)

Described in "Disclosure of decision-making policy on compensation amounts and calculation methods" under II.1.

6. Efforts to further demonstrate the functions of the Board

(1) Utilization of Voluntary Mechanisms (Supplementary Principle 4.10.1)

The Company has established the Nomination and Compensation Committee and the Corporate Governance Committee as voluntary committees. As stated in "Chapter 7. Committees (7.3. Nomination and Compensation Committee and 7.4. Corporate Governance Committee)" of the Corporate Governance Guideline.

＜Excerpt of the Corporate Governance Guideline＞

7-3. Nomination and Compensation Committee

(1) Roles of the Nomination and Compensation Committee

The purposes of the Nomination and Compensation Committee include increasing the transparency and objectivity of the decisions on candidates for directors and the Group Senior Executives as well as decisions on compensation while enhancing the managerial and supervisory functions of the Board. Upon receiving requests from the Board, the Nomination and Compensation Committee shall perform the following duties, and submit a report and recommendations to the Board:

Matters concerning decision on candidates:

- Decision on a recommendation of the policy regarding appointment and dismissal of directors
- Decision on a recommendation of the appointment and dismissal of the directors for discussion at the general meeting of shareholders
- Decision on a recommendation of the appointment and dismissal of the CEO (authority of representation and the position)

□ Discussion on a recommendation of HMC members

□ Approval of a CEO succession plan

Matters concerning decision on compensation:

□ Setting the compensation standards for directors and the Group Senior Executives

□ Decision on a recommendation of the amount of compensation for the directors (excluding directors who are the Audit and Supervisory Committee members)

(2) Composition and resolution of the Nomination and Compensation Committee

The Nomination and Compensation Committee shall comprise not less than three members, who shall be appointed from among the directors by a resolution of the Board.

The Nomination and Compensation Committee shall be composed of a majority of Independent Directors.

The Chairperson of the Nomination and Compensation Committee shall be appointed from among the Independent Directors by a resolution of the Nomination and Compensation Committee. Resolutions of the Nomination and Compensation Committee are made by a majority of the members present where the majority of the members who are entitled to exercise voting rights are present.

(3) Nomination policy

The Nomination and Compensation Committee establishes the criteria for the appointment of directors, based on which candidates for directors to be recommended to the Board shall be decided. In nominating a candidate for the Group Senior Executives, the appropriateness of the nomination shall be deliberated in light of the qualifications requirements.

(4) Compensation policy

The policy concerning decision on the details of compensation is established for the purpose of increasing the motivation to contribute to both mid- and long-term improvement of business performance so that it enables sustainable growth and increase of corporate value over a mid- to long-term. The amount of compensation shall be set at appropriate levels considering the status of the economy and society.

7-4. Corporate Governance Committee

(1) Roles of the Corporate Governance Committee

The purpose of the Corporate Governance Committee is to enhance the supervisory functions of the Board by discussing the matters regarding the Company's corporate governance. Upon receiving requests from the Board, the Corporate Governance Committee shall perform the following duties, and submit a report and recommendations to the Board:

□ Basic policy regarding corporate governance

□ Composition of the Board and committees under the Board

□ Measures to improve the effectiveness of the Board

□ Basic policy regarding effectiveness evaluation of the Board and the committees under the Board

(2) Composition and resolution of the Corporate Governance Committee

The Corporate Governance Committee shall comprise not less than three members, who shall be appointed from among the directors by a resolution of the Board.

The Corporate Governance Committee shall be composed of a majority of Independent Directors.

The Chairperson of the Corporate Governance Committee shall be appointed from among the Independent Directors by a resolution of the Corporate Governance Committee.

Resolutions of the Corporate Governance Committee are made by a majority of the members present where the majority of the members who are entitled to exercise voting rights are present.

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(2) Evaluation of Effectiveness of the Board (Supplementary Principle 4.11.3)

1. Implementation Method

In a bid to further enhance the oversight function of the board, the Company annually evaluates overall board effectiveness and discloses the method and process of evaluation and a summary of the evaluation results.

The evaluation of the effectiveness of the Board for FY2025 was conducted through an external evaluation utilizing a third-party evaluation institution (Board Advisors, Inc.) in order to enhance the transparency and objectivity of the evaluation. Specifically, the institution conducted questionnaire surveys and individual interviews targeting all Directors and Executive Officers, attended meetings of the Board, and reviewed materials submitted to the Board and minutes of Board meetings over the past one year, and prepared a third-party evaluation report (hereinafter referred to as the “Evaluation Report”).

In addition, the Chairperson of the Board conducted individual interviews with each Director.

Based on these results, the Board held discussions to identify issues to be addressed and the direction of solutions and conducted the final evaluation.

2. Evaluation Method and Process

(1) The method and schedule of effectiveness evaluation were considered, and then reported to and deliberated by the board. (January 2026)

(2) A questionnaire survey was conducted anonymously by the third-party evaluation institution targeting all Directors and Executive Officers. (January and February 2026)

[Major items of the questionnaire for directors]

(i) Evaluation of overall board performance (alignment in understanding of roles and functions; KPIs, granularity, and details of monitoring)

(ii) Composition of the board (number of board members; roles of independent directors; diversity; procedure for nomination of independent directors)

(iii) Operation of board meetings (frequency of meetings; deliberation time; allocation of time; scope and volume of agenda items)

(iv) Systems supporting the board (provision of information; inquiries; training)

(v) Culture and communication within the board (culture open to discussion and opinions; communication among directors and between directors and senior executives)

(vi) Board's discussion and oversight function (strategic debate; support for risk-taking; appropriateness of the nomination; compensation of executive officers and scrutinizing the statements and actions of oneself and other Board members)

(vii) Operation of committees (roles and composition of the three board committees, i.e., the Audit and Supervisory, Nomination and Compensation, and Corporate Governance Committees)

(viii) Relationship with investors and shareholders (provision of information on the status of dialogue; supervision of the system for promoting dialogue)

(ix) Executive structure (decision-making speed and operational structure, etc.)

(x) Other (optional comments)

(xi) Adequacy gap between the degree of importance of agenda items and the volume of discussion dedicated to them

[Major items of the questionnaire for executive officers]

Board's oversight function (strategic debate; KPIs, granularity, and details of monitoring; support for risk-taking)

(3) The third-party evaluation institution conducted interviews with all Directors and all Executive Officers to further explore questionnaire responses and free comments. (February 2026)

(4) The Chairperson of the Board conducted interviews with all Directors exchanging views on the overall operational performance of the board and issues that need to be addressed. A trial run was also conducted to provide feedback to individual directors based on the content of the self-assessment questionnaire. (March 2026)

(5) We reported the results of the questionnaire, interviews by the Chairperson of the Board, and key issues based on these results to the Board. The Board deliberated the evaluation of the outcome of efforts regarding the issues recognized in fiscal year 2024 and the issues subject to future consideration. (April 2026)

(6) Taking into account the deliberation results of the issues subject to future consideration, the Board deliberated the issues it recognized and the direction of responses to them. (April 2026)

(7) We put together the results of deliberations so far, reported them to the Board, and the evaluation by the Board was finalized. (May 2026)

3. Evaluation Results

Based on analyses of the Evaluation Report and interviews conducted by the Chairperson of the Board, the Board discussed its effectiveness and confirmed that its effectiveness is ensured from the perspectives of its composition, operation, culture and communication, discussion and oversight functions, support systems, operation of committees, relationship with investors and shareholders, and the executive structure.

The third-party evaluation institution commented that “a shared understanding among Directors regarding the role and function of the Board as a monitoring board has been fostered, and agenda-setting and discussions centered on deliberations are being conducted.” As characteristics supporting the effectiveness of the Board, it cited “a shared understanding among Directors regarding the desired state of the Board as a monitoring board,” “continuous improvement initiatives toward further enhancement of governance functions,” and “a Board culture that allows for free and open discussions.”

In addition, the Board confirmed that efforts to address issues identified in the FY2024 effectiveness evaluation were appropriately implemented, resulting in an improvement in the effectiveness of the Board.

At the same time, taking into account comments from the third-party evaluation institution, the Board recognized issues to be addressed in order to further enhance its oversight function.

(1) Progress in initiatives to address the issues identified in FY2024 effectiveness evaluation

(i) Discussion of growth strategies and business portfolios based on the Company's medium- to long-term vision of where it wants to be, and enhancing risk management

The Board recognized that, while discussions on growth strategy and the business portfolio were enhanced through more structured agenda-setting compared with the previous year, there remains room to further deepen discussions on the Company’s medium-to long-term vision and growth strategies.

With respect to risk appetite, progress was made in developing frameworks and discussing acceptable levels of risk. However, the Board recognized that it is necessary to further explore appropriate granularity and operational methods.

(ii) Appropriate monitoring of strategy execution

With regard to the scope and granularity of oversight by the Board, as a result of a deepened shared understanding, oversight evolved from a single-year basis to a perspective that oversees the progress of the three-year Mid-term Management Plan as a whole. When variances arose between plans and results, management reported analyses of the causes and response measures, and through discussions at the Board meetings, the effectiveness of oversight over strategy execution was confirmed to have improved.

(iii) Continuous improvement of the Board's operations

Through the introduction of a new meeting system, operational efficiency was improved through infrastructure enhancement. While the volume and quality of meeting materials have continued to improve, the Board recognized further room for improvement, including the preparation of clearer and more concise materials and earlier provision of materials.

In addition, while site visits by Independent External Directors were conducted, the Board recognized the need to further improve both the frequency and the level of enrichment of such visits, including overseas sites.

Accordingly, the Board recognized that continuous efforts to further sophisticate Board operations are necessary.

(2) Issues recognized in the FY2025 effectiveness evaluation of the Board and direction of future efforts

(i) Enhancing Corporate Value Through Deeper Discussions on Medium- to Long-Term Growth Strategies and Business Portfolios

In order to enhance corporate value, the Board confirmed the need to promote the execution of the new Mid-term Management Plan amid a significantly changing business environment, while sharing medium- to long-term growth strategies and business portfolio strategy between the Board and management.

To this end, the Board and management recognized the importance of aligning their understanding that the role and function of the Board is that of a monitoring board, and of undertaking various initiatives to enable more open and candid discussions.

(ii) Enhancing the Effectiveness of the Nomination Function

With a view to enhancing corporate value, the Board recognized the need to review the knowledge, experience, and skills required to achieve the desired composition of the Board and to develop a succession foundation to stably secure Board composition.

In addition, for the Board to appropriately oversee the status of business execution by management amid a significantly changing business environment, and to drive sustainable business growth and enhance corporate value, the Board recognized the need to further enhance effectiveness regarding matters such as evaluation methods for CEO and Executive Officers.

(iii) Continuous improvement of the Board operations

The Board recognized that, in order for the Board to engage in deeper and more substantive discussions aimed at enhancing corporate value, continuous improvement initiatives regarding Board operations are essential, including meeting facilitation by the Chairperson of the Board, the manner of attendance by Executive Officers at Board meetings, and improvements to the quality and quantity of meeting materials.

In addition, the Board recognized the need to further promote understanding of the business by ensuring opportunities for Independent External Directors to visit business sites.

Based on these evaluation results, the Company's board will continue to promote the PDCA cycle to improve its effectiveness and drive governance reform, so as to enable the PERSOL Group to realize sustainable growth and enhance corporate value.

(3) Training policy for Directors (Supplementary principle 4.14.2)

The Company has positioned training for directors as an important mechanism to support our corporate governance. We conduct two types of training: "on-boarding training" when assuming office and "ongoing training" thereafter.

"On-boarding training" shares basic information about the Company, which is a prerequisite for newly appointed directors to fulfill their supervisory functions. "Ongoing training" consists of updates on "roles and responsibilities of directors" and "the business environment outlook" which are prerequisites for directors to continue to fulfill supervisory functions after assuming office. The Company will bear any other costs necessary to provide appropriate individual training to directors.

In the FY2025, as part of the "on-boarding training" for one newly appointed director, we provided input on basic information on the "roles and responsibilities of directors" and the " business environment outlook."

As part of the "ongoing training, " we conducted a training session on essential laws and regulations for the HR services industry, such as the Employment Security Act, to update the "roles and responsibilities of directors." Furthermore, we provided opportunities to understand the "business environment outlook" through site visits and discussions with executives of Strategic Business Units (SBUs), as well as sharing financial results announcements, corporate events, etc.

7. Sustainability initiatives

(1) Sustainability initiatives (Principle 2.3, Supplementary Principle 3.1.3, 4.2.2)

The Company reorganized its materiality (hereinafter referred to as "materiality") in connection with the formulation of the new Group Mid-term Management Plan toward 2030, with the aim of further enhancing alignment with its management strategy.

While certain progress has been made through past initiatives, the Company determined that there remained room for improvement in terms of linkage with business operations, organization of underlying opportunities and risks, and the establishment of KPIs that appropriately capture outcomes and effectiveness. Accordingly, the materiality has been reviewed in an integrated manner with the Mid-term Management Plan FY2028.

Through this review, the Company reorganized and integrated its existing materiality into seven key

materialities under two domains: “solving social issues through business” and “foundation for achieving sustainable growth.” In addition, the Company has established targets and indicators aligned with its business strategy and corporate strategy for the next three years and will manage progress accordingly.

Our materiality process and monitoring efforts to address material issues are posted on our website:
https://www.persol-group.co.jp/en/sustainability/materiality/

<Sustainability Policy>

Driven by our Corporate Philosophy of “Providing Opportunity, Individual Growth and Social Contribution,” the PERSOL Group works with diverse stakeholders to actively address social and environmental issues in the aim of building a sustainable society.

With appropriate governance, we will continue to engage in business that realizes our Group Vision, “Work and Smile,” and enrich society so that all work leads to lives of happiness.

Working for sustainability is posted on our website:
https://www.persol-group.co.jp/en/sustainability/

(2) Addressing climate change issues and disclosing information based on TCFD recommendations (Principle 2.3, Supplementary principle 3.1.3)

Regarding the issue of climate change, The Company has endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and has started the disclosure of information about climate-related risks and opportunities for business based on scenario analysis from May 2022.

The Company has previously presented a “Carbon-neutral” target for reducing greenhouse gas emissions associated with its business activities by fiscal year 2030. However, in light of changes in the business environment and progress in emission calculation and management, the Company has reorganized its target framework.

Under the revised target framework, the Company places emphasis on effectiveness and clarity in progress management, and has established specific reduction targets through fiscal year 2035, while positioning a direction toward achieving substantial emission reductions toward 2050.

On the other hand, regarding the timing of achieving net zero emissions in real terms, the Company recognizes uncertainties such as technological innovation and regulatory developments and, therefore, has not set a specific deadline at this stage and will continue to consider an

appropriate timeframe based on future developments.

Details are posted on our website:
https://www.persol-group.co.jp/en/sustainability/environment/climatechange/
※Greenhouse gas emissions associated with business activities represent the combined total of Scope 1 and Scope 2.

8. Efforts for human capital investment

(1) Ensuring diversity in hiring of core human resources (Principle 2.4, Supplementary Principle 2.4.1,3.1.3)

Upholding our group vision of "Work and Smile," PERSOL is committed to driving "Diversity, Equity & Inclusion" (DEI), a core initiative in our mission to create a society where everyone can work and smile. Guided by the "PERSOL DEI SPIRAL" as our fundamental approach, we strive to understand and embrace all forms of diversity and harness diverse capabilities. We empower our group members to continuously enhance and develop their skills, enabling ongoing growth. Furthermore, we foster an environment that promotes synergy by improving workplace conditions for all talent and integrating diverse abilities.

The human resource development policy of the group focuses on “working individuals” and respects their diverse values. It attaches importance to all employees’ continuing to grow autonomously and developing human resources who play an active part even under the present highly uncertain business environment. Under this policy, the group has been conducting DEI literacy training (e-learning; started in May 2019; a total of about 206,000 participants) and awareness reform training for all managerial staff (started in October 2021; about 3,400 participants). It also has been offering monthly in-house events to spread DEI to promote development of culture that accepts diverse attributes and values such as female participation, sexual minorities, and age difference (started in July 2020; held 88 times in total; about 14,100 applicants).

The in-house environment development policy is to develop a workplace environment that is friendly for all employees. The group is developing such an environment by introducing a side job system that leads to growth of employees, realization of their visions, and social contributions as well as flexible working time and liberalization of dress code as a rule aimed at realizing a comfortable workplace environment, while establishing systems and offering trainings to enable employees to select workstyle that addresses their respective needs. The group also leverages telecommuting and the level of its utilization differs from company to company: the highest utilization ratio is 100% and 60% of our group companies shows that at the employees utilize it at least once a week. Reflecting

diversification of their human resources, some of the group companies have introduced systems to enable employees to flexibly select the number of working days, hours, and place as well as leaves in order to respond to individual employees' various needs such as child rearing, nursing of elderly, seeking higher studies, studying abroad, hobby and leisure activities, community activities, social activities, and health issues.

The group also follows the approach to accept and leverage diversity in employees' promotion to management, which is the core of its business activities, and promotes personnel irrespective of the category with which the employee joined the company, their gender, or their nationality.

We aim to achieve a female ratio of 30% among executive officers by 2030 and 37% among employees in management positions by fiscal year 2033. In the fiscal year 2025, the percentage of female employees in management positions for the group was approximately 29.4%, and this ratio has been improving year by year. In September 2021, the group established Gender Diversity Committee to accelerate its concerted efforts for further promoting female participation. The group also promotes foreign employees to managerial positions based on the diversity concept irrespective of their nationality. Of about 830 foreign national employees of the group working in Japan, 22 have been promoted to management positions and the group intends to maintain the current level. The ratio of mid-career hires among employees in managerial positions exceeds 80% at group companies in Japan, and the group plans to maintain the current level, which is sufficient.

The group will continue to leverage viewpoints and values of its diverse human resources throughout the group thereby sustainably growing itself.

See the company website for the group's diverse human resources and its policy for human resource development.

https://www.persol-group.co.jp/en/sustainability/

https://www.persol-group.co.jp/en/sustainability/social/diversity/

9.Others

(1) Related Party Transactions (Principle 1.7)

・Competitive transactions or conflict of interest transactions by directors: to prevent a loss of profit by the Company, in accordance with Japan's Companies Act, such matters are resolved by the Board as stipulated in the Board of Regulations. Also, the regulations stipulate that the Board must be promptly notified after said transactions based on Board resolutions take place.

・Based on the guidelines of the appropriate corporate accounting standards, the Company justifies the importance of transactions with related parties and confirms the existence of such transactions,

notifies the Board, then describes in the annual securities report.

(2) Functions as the Asset Owner of Company Pension Fund (Principle 2.6)

While the Company has no company pension fund system or defined benefit pension system, it has introduced an enterprise type defined contribution pension system for asset formation of employees. Educational training concerning the system and asset formation is offered to qualified employees.

[Initiatives toward realizing management conscious of capital cost and share price]

This is described in I-1(2) 3. “2) Planning and disclosure of business strategy & business plans (Principle 5.2)” of this report.

2. Capital

Stock holding ratio by non-Japanese nationals	Over 30 %

[Status of Major Shareholders]

Name	Share Ownership (No. of shares)	Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	312,350,700	13.87
Yoshiko Shinohara	263,316,000	11.69
The Yoshiko Shinohara Memorial Foundation	158,000,000	7.02
Custody Bank of Japan, Ltd. (Trust Account)	107,951,000	4.79
STATE STREET BANK AND TRUST COMPANY 505001	77,956,891	3.46
JP MORGAN CHASE BANK 385642	63,012,400	2.80
CEP LUX-ORBIS SICAV	47,956,200	2.13
JPMorgan Securities Japan Co., Ltd.	44,835,659	1.99
THE BANK OF NEW YORK MELLON 140044	35,503,718	1.58
PERSOL Holdings Employee Shareholding Association	32,338,010	1.44

Existence of majority shareholder (except for the parent company)	—
Existence of parent company	None

Supplementary Remarks

Status of major shareholders as of March 31, 2026.

3. Corporate affiliations

Listing exchange and market classification	Tokyo Stock Exchange Prime
Fiscal year-end	March
Business type	Service
No. of employees at the end of the latest business year (consolidated)	Over 1,000 employees
Net sales at end of latest FY (consolidated)	Over JPY 1 trillion
No. of consolidated subsidiaries at end of latest FY	Over 100 companies, below 300 companies

4. Policy measures to protect minority shareholders in transactions with controlling shareholders

—

5. Other special circumstances that may have a major impact on corporate governance

—

II. Status of corporate management structures relating to decision-making, execution, and control of the Company management and other corporate governance systems

1. Matters relating to organizational composition and operations etc.

Organizational format	Company with Audit and Supervisory Committee

[Directors]

Number of Directors is stipulated in the Articles of Incorporation	15
Term of Directors is stipulated in the Articles of Incorporation	1 year
Chairman of Board of Directors	External Director
Number of Directors	9
Appointment status of External Directors	Appointed
Number of External Directors	7
Number of designated independent executives amongst the External Directors	7

Relationship with the company (1)

Name	Affiliation	Relationship with the company (*1)										
		a	b	c	d	e	f	g	h	i	J	k
Masaki Yamauchi	Originates from another company											
Kazuhiro Yoshizawa	Originates from another company											
Debra A. Hazelton	Originates from another company					△						
Satoshi Murabayashi	Originates from another company					△						
Kazuhiko Tomoda	Certified Public Accountant											
Tomoko Sugaya	Originates from another company											
Shinobu Obata	Originates from another company											

※1 Items selected relating to relationship with the company

a. Executive officer at listed company or subsidiary

b. Executive officer or non-executive Director at parent company of listed company

c. Executive officer at fellow subsidiary of listed company

d. Person or executive officer of the listed company as its main customer

e. Main customer or executive officer of the listed company

f. Consultants, accounting specialists, and legal specialists who have obtained substantial monetary sums or other assets other than executive compensation from the listed company.

g. Major shareholders of the listed company (if the major shareholder is a corporation, then an executive officer of this corporation)

h. Executive officer (the individual themselves) of the client of the listed company (a client where either d, e, or f do not apply)

i. Executive officer at a company where appointment correlates with the appointment of an External Director (only the individual themselves)

j. Executive officer at a company to which the listed company makes donations (only the individual themselves)

k. Other

Relationship with the company (2)

Name	Audit and Supervisory Committee Member	Independent Director	Supplementary remarks relating to compliance items	Reason for appointment
Masaki Yamauchi		○	———	Masaki Yamauchi has served as Representative Director, President and Chairperson at a leading company in Japan's logistics industry and has led key management decisions to drive business growth and enhance corporate value. Through these experiences, he possesses advanced expertise in "Corporate Management." In addition, by promoting operational reforms centered on IT and data utilization—achieving the advancement of logistics networks and improvements in quality and productivity—he has also accumulated management insights in "Innovation/ Technology." Furthermore, based on his experience managing large-scale organizations, he is expected to provide valuable advice from the perspectives of "Career Well-being/ Human Capital Management."

				Leveraging these capabilities, as Lead Independent Director, Chair of the Corporate Governance Committee, and member of the Nomination and Compensation Committee, he actively expresses opinions and makes recommendations from an independent standpoint at the Board and other important meetings, playing a vital role in enhancing the effectiveness of governance. As the Company expects that he will continue contributing to the Company's sustainable growth and the enhancement of corporate value, the Company has reappointed him as External Director who is not an Audit and Supervisory Committee Member. In addition, as he satisfies the requirements stipulated by the stock exchange as well as the Company's independence criteria, he is designated as an Independent Director.
Kazuhiro Yoshizawa		○	―――	Kazuhiro Yoshizawa has served as Representative Member of the Board of Directors, President and in other executive roles at a listed company that operates leading communications and IT-related businesses in Japan, where he has led key management decisions to drive business

				growth and enhance corporate value. Through these experiences, he possesses advanced expertise in "Corporate Management." In addition, based on his track record of promoting business restructuring and organizational management grounded in digital technologies, he has accumulated management insights in "Innovation/ Technology." Furthermore, through his involvement in developing, evaluating, and designing compensation for management talent, he is expected to provide valuable advice from the perspectives of "Career Well-being/ Human Capital Management." Leveraging these capabilities, as an Independent Director, Chairperson of the Nomination and Compensation Committee, and member of the Corporate Governance Committee, he actively expresses opinions and makes recommendations from an independent standpoint at the Board and other important meetings, playing a critical role in enhancing the effectiveness of the Board. As the Company expects that he will continue contributing to the Company's

				sustainable growth and the enhancement of corporate value, the Company has reappointed him as External Director who is not an Audit and Supervisory Committee Member. In addition, as he satisfies the requirements stipulated by the stock exchange as well as the Company's independence criteria, he is designated as an Independent Director.
Debra A. Hazelton		○	Mizuho Bank, Ltd., for which Ms. Hazelton was an executive director, provides loans to the Company and has regular banking transactions with the Company. However, Ms. Hazelton has not been an executive director of the bank or its parent company, Mizuho Financial Group, Inc. for more than seven years. She therefore satisfies the requirements for an Independent Director stipulated by the Tokyo Stock Exchange and the standards of independence set forth by the Company, and thus, we believe her independence has been maintained.	Debra A. Hazelton has extensive experience as a director across a broad range of industries, including the financial sector, primarily in English-speaking countries centered on Australia. Based on her track record of engaging in management supervision with due consideration for the international business environment and governance practices, she possesses advanced insight regarding "Internationality." In addition, given her experience in overseeing decision-making related to the evaluation and remuneration of human resources and organizational management, she is expected to provide valuable advice from the perspectives of "Career Well-being/ Human Capital Management." Furthermore,

				through her professional experience at financial institutions, she has insight in "Finance/ Accounting." At the Company, she is expected to proactively provide opinions and make proposals as an Independent Director by leveraging the above expertise. Accordingly, the Company has reappointed her as External Director who is not an Audit and Supervisory Committee Member. In addition, as she satisfies the requirements stipulated by the stock exchange as well as the Company's independence criteria, she is designated as an Independent Director.
Satoshi Murabayashi		○	Mr. Murabayashi previously worked for MUFG Bank, Ltd., with which the Company has taken out loans and has regular banking transactions. He has not, however, worked for MUFG Bank, Ltd. or its parent entity, Mitsubishi UFJ Financial Group, Inc. for over eight years. He therefore satisfies the requirements for an Independent Director stipulated by the Tokyo Stock Exchange and the standards of independence set forth by the Company, and thus, we believe his independence has been maintained.	Satoshi Murabayashi has been involved in management at leading companies in the information and communications and digital finance fields, and, through his engagement in business operations utilizing advanced technologies such as cloud and blockchain, he possesses advanced expertise in "Innovation/ Technology." In addition, having overseen technology-based business operations from a management standpoint, he has practical insights from the perspective of

				“Corporate Management.” Furthermore, based on his professional experience in the financial sector, he is expected to provide valuable advice in “Finance/ Accounting.” Leveraging these capabilities, the Company expects him as Independent Director, to actively express opinions and make recommendations. Accordingly, the Company has reappointed him as External Director who is not an Audit and Supervisory Committee Member. In addition, as he satisfies the requirements stipulated by the stock exchange as well as the Company’s independence criteria, he is designated as an Independent Director.
Kazuhiko Tomoda	○	○	———	Kazuhiko Tomoda, a Certified Public Accountant, has long been engaged in auditing and overseeing the financial statements and significant accounting judgments of listed companies. Through these experiences, he possesses specialized and practical expertise in “Finance/ Accounting.” In addition, through his involvement in evaluating internal controls and compliance frameworks and in risk assurance, he has advanced

				knowledge from the perspective of “Risk Management/ Legal Affairs.” Furthermore, by serving as a member of the Management Committee at PwC Japan and audit firms, he has gained insights that contribute to the oversight and advice of management from the perspective of “Corporate Management.” In light of these competencies and given that he is expected to contribute to enhancing the soundness of the Company’s management and the effectiveness of its governance, the Company has reappointed him as External Director who is an Audit and Supervisory Committee Member. In addition, as he satisfies the requirements stipulated by the stock exchange as well as the Company’s independence criteria, he is designated as an Independent Director.
Tomoko Sugaya	○	○	———	Tomoko Sugaya has long been engaged in business operations and organizational management in the aviation industry, and, through her experience of leading corporate management as Executive Vice President, President and CEO of its group company, she possesses advanced expertise in “Corporate

				Management.” In addition, based on her track record of continuously being involved in human resource development, organizational management, and human resources and labor affairs as a person responsible for overseeing sales and business operations in large-scale organizations, she possesses insights that contribute to management from the perspectives of “Career Well-being/ Human Capital Management.” Furthermore, through her experience of being involved in financial management and performance management in the course of business operations, she is expected to provide valuable advice from the perspective of “Finance/ Accounting.” Based on these competencies, as she is expected to contribute to enhancing the soundness of the Company’s management and the effectiveness of its governance, the Company has appointed her as External Director who is an Audit and Supervisory Committee Member. In addition, as she satisfies the requirements stipulated by the stock exchange as well as the

				Company's independence criteria, she is designated as an Independent Director.
Shinobu Obata	○	○	———	Shinobu Obata has long engaged in the fields of legal affairs and compliance at a major IT Services and Social Infrastructure company. Serving as General Manager of the Legal Division and, subsequently, as CCO and CLCO, he oversaw the establishment and operation of compliance frameworks and internal controls across a globally active corporate group. Through these experiences, he possesses advanced expertise in "Risk Management/ Legal Affairs." In addition, based on his involvement in legal and compliance matters covering overseas businesses and in the practical operations of global governance, he is expected to provide valuable advice to the Board from the perspective of "Internationality." Furthermore, given his career in companies centered on the information and communications field—where he has been involved in technology-based business operations and internal controls—he has insights that will contribute to management decision-making from the perspective of

				"Innovation/ Technology." In addition, through his experience serving as a corporate auditor and as a director (audit committee member), he is expected to leverage such experience in audits and supervision within the Company's group. Leveraging these capabilities, the Company expects that he will contribute from an independent standpoint to enhancing the soundness of management and the effectiveness of governance. Accordingly, the Company has newly appointed him as External Director who is an Audit and Supervisory Committee Member. In addition, as he satisfies the requirements stipulated by the stock exchange as well as the Company's independence criteria, he is designated as an Independent Director.

[Audit and Supervisory Committee]

Committee structure and affiliation of Chairman

	All members (persons)	Full-time member (persons)	Internal Director (persons)	External Director (persons)	Committee Chairman (Chairman)
Audit and Supervisory Committee	3	0	0	3	External Director

Are there Directors and employees who will support the duties of the Audit and Supervisory Committee? Yes/No	Yes

Matters pertaining to the independent status of these Directors and employees from executive directors

The Company has assigned employees to exclusively support the work of the Audit and Supervisory Committee. The authority to supervise these employees on a daily basis rests with the Audit and Supervisory Committee. Support employees do not take orders from anyone other than Directors who are members of the Audit and Supervisory Committee. Furthermore, it is stipulated that reassignment, performance reviews, and disciplinary punishment etc. of said employees shall take place only with the consent of the Audit and Supervisory Committee.

Status of coordination between the Audit and Supervisory Committee, external auditors, and internal audit departments

The internal audit department formulates the audit plan for the fiscal year after obtaining the approval of the Audit and Supervisory Committee, while the Audit and Supervisory Committee receives audit reports regularly from the internal audit department and gives specific instructions to the internal audit department as required. The Audit and Supervisory Committee and external auditors hold regular meetings and closely cooperate in confirming the respective annual audit plans, reporting audit results of quarterly and full-year financial results, sharing important audit information, and important matters to be considered upon carrying out audits. The internal audit department and the external auditor regularly share information and exchange opinions regarding the establishment, operation, and evaluation of internal control of financial reports, and strive to cooperate for ensuring appropriate internal control audit, etc. Further, the Audit and Supervisory Committee, external auditor, and internal audit department hold a three-way audit council every quarter for information sharing, exchange of opinions, and other purposes.

[Discretionary Committees]

Are there discretionary committees equivalent to a Nomination Committee or a Compensation Committee? Yes/No	Yes

Status of discretionary committees, structure & Chairman affiliations

Discretionary committee equivalent to nomination committee

Name of committee			Nomination/Compensation Committee			
All committee members (persons)	Full-time member (persons)	Internal Director (persons)	External Director (persons)	Internal knowledgeable person (persons)	Other (persons)	Committee Chairman (Chairman)
4	0	1	3	0	0	External Director

Discretionary committee equivalent to compensation committee

Name of the committee			Nomination/Compensation Committee			
All committee members (persons)	Full-time member (persons)	Internal Director (persons)	External Director (persons)	Internal knowledgeable person (persons)	Other (persons)	Committee Chairman (Chairman)
4	0	1	3	0	0	External Director

Supplementary Remarks

Details of discretionary committees are outlined in "Chapter 7. Committees (7.3. Nomination and Compensation Committee)" of the Corporate Governance Guideline. For details, please refer to Matters relating to functions: performance of tasks, audits/supervision, nominations, and compensation decision-making etc. (overview of existing corporate governance system)

[Independent Directors]

Number of Independent Directors	7

Other matters related to Independent Directors

—

[Incentives]

Implementation of measures to provide Directors with incentives	Introduction of a performance-based compensation system

Supplementary remarks relating to this item

For details, please refer to "Disclosure of policy for determining compensation amounts and calculation methods."

Target granted with stock option	—

Supplementary explanations relating to applicable items

—

[Director Compensation]

Disclosure Status	Some information is disclosed individually.

Supplementary remarks relating to this item

1. Total executive compensation by executive category and type of compensation and the number of executive officers paid are as shown below:

Type of executive	Total amount of compensation, etc. (JPY million)	Total amount of compensation, etc. by compensation type (JPY million)				Number of eligible executives
		Basic Compensation	Bonus (Short term Incentive compensation	Share-based Compensation		
				Performance-linked type Medium to long term Incentive compensation	Fixed type Medium to long term Incentive compensation	
Directors who are not Audit and Supervisory Committee Members (The amount of External Directors)	271 (58)	179 (48)	31 (–)	23 (–)	36 (10)	6 (4)
Directors who are Audit and Supervisory Committee Members (The amount of External Directors)	49 (39)	41 (31)	– (–)	– (–)	8 (7)	4 (3)
Total (The amount of External Directors)	320 (98)	220 (79)	31 (–)	23 (–)	45 (18)	10 (7)

Notes:

1) The information provided above includes one director who is a member of the Audit and Supervisory Committee who retired during the fiscal year.

2) The performance bonus targets set for directors who are not members of the Audit and Supervisory Committee (excluding external directors) and actual performance results in the reporting fiscal year are based on the targets and results of the fiscal year ending in March 2025, and the specific results are as follows. As for financial performance measures, the target for consolidated net sales was 1,433.0 billion yen with an actual result of 1,451.2 billion yen, while the target for consolidated adjusted EBITDA was 75.0 billion yen with an actual figure of 78.3 billion yen. As for non-financial performance measures, the Company set targets for employee engagement and the promotion of gender diversity; the target for employee engagement was not achieved, while the target for the promotion of gender diversity was achieved. The Company also identified and worked on specific areas that need to be addressed to improve business performance and corporate value. Based on these performance results, the coefficient for calculating the amounts of bonuses payable to the directors who are not members of the Audit and Supervisory Committee (excluding external directors) was set at 125% against the baseline of 100%.

3) Of the share-based compensation, performance-linked medium- to long-term incentive compensation (Performance Share) is based on the targets set for the Mid-term Management Plan FY2028, and therefore, there are no results for this fiscal year.

4) Share-based compensation is derived from the total allowance for share awards booked for officers in the current fiscal year.

5) Share-based compensation for the director who is a member of the Audit and Supervisory Committee

who retired during the fiscal year is denoted as the amount corresponding to the period from April to June of 2025.

6) The amount of share-based compensation includes the monetary compensation (virtual share-based compensation) provided in lieu of share-based compensation to one director (non-member of the Audit and Supervisory Committee) who resides overseas.

7) Compensation and other awards for individual directors are subject to deliberation by the Nomination and Compensation Committee, whose Chairperson and majority of members are served by Independent Directors and determined by a resolution of the Board.

The Nomination and Compensation Committee presented to the Board its recommendations on the compensation for individual directors for the reporting fiscal year after detailed deliberations on the rationality of the process applied to determine compensation for individual directors and other related matters. Specifically, the committee examined its compensation proposals for their consistency with the Company's policy on the determination of compensation for directors, applied the evaluation results to the calculation formula after considering their reasonableness on an item-by-item basis, and confirmed the values calculated by the formula. After reviewing the process of deliberation and recommendations by the Nomination and Compensation Committee, the Board concluded that the recommended compensation for individual directors is consistent with the Company's policy on compensation for directors and executive officers stated above, as it properly reflects the performance in the corresponding fiscal year.

2. Total consolidated compensation of internal directors who are not Audit and Supervisory committee members, etc.

Name	Total amount of compensation, etc. (JPY million)	Position	Total amount of compensation, etc. by compensation type (JPY million)			
			Basic Compensation	Bonus (Short term Incentive compensation	Share-based Compensation	
					Performance-linked type Medium to long term Incentive compensation	Fixed type Medium to long term Incentive compensation
Masamichi Mizuta	69	Chairperson of the Board	55	–	–	13
Takao Wada	143	Representative Director, President and CEO	75	31	23	12

Notes:

1) Share-based compensation is derived from the total allowance for share awards booked for directors in the current fiscal year.

Is there a policy for determining compensation amounts and calculation methods? Yes/No	Yes

Disclosure of policy for determining compensation amounts and calculation methods

Matters pertaining to the policy for determining the amount of executive compensation, etc. and its calculation method are disclosed in the Notice of Convocation of the General Meeting of Shareholders and the Annual Securities Report.

[Support System for External Directors (External Auditors)]

As stated in "Chapter 6. Operation of the Board (6-3. Support System, 6-4. Provision of Information)" of the Corporate Governance Guideline, all External Directors are provided with important Board of Directors meeting materials and information on important matters in advance. In addition, External Directors who are Audit and Supervisory Committee members will be provided with information without delay about important management-related matters which will contribute to accurate decision-making by External Directors. A Secretariat is in place to support the duties of the Audit and Supervisory Committee, and an information reporting system has been established to provide information required to fulfill their tasks such as auditing etc.

[Status of persons resigning as President and Representative Director etc.]

Name	Role/Rank	Job Description	Work arrangement/conditions	Resignation date:	Term of office
Yoshiko Shinohara	Chairman Emeritus	No	Non-executive/uncompensated	17 Jun 2016	Not stipulated

Former Presidents and Representative Directors etc., counsel/advisors etc. total headcount:	1 individual

Other matters

The founder Ms. Yoshiko Shinohara serves as "Chairman Emeritus", an emeritus rank. Ms. Shinohara no longer participates in the management of the Company.

2. Matters relating to functions: performance of tasks, audits/supervision, nominations, and compensation decision-making etc. (Overview of existing corporate governance system)

1. Overview of corporate governance system

Based on the corporate governance principles stated in this Chapter, the Company has adopted the form of organizational structure of “Company with Audit and Supervisory Committee” under the Japanese Companies Act. Furthermore, for the purpose of complementing the function of the Board, the Company has established a voluntary Nomination and Compensation committee and Corporate Governance Committee to enhance transparency and objectivity concerning decisions on the nomination and compensation of the directors and the Group Senior Executives.

2. Overview of systems to perform tasks and operational status

< Board >

The Board is responsible for the oversight of management and its main roles and responsibilities are to set the basic management policy, oversee the Group Senior Executives, and secure the establishment and operation of appropriate internal control systems. For the purpose of enabling management to make timely, flexible and decisive decisions, management decisions other than those reserved for the Board by the Companies Act shall be delegated, in principle, to the CEO. Provided, however, that the decisions on the execution of important operations set forth in the Regulations for the Board shall be made by the Board.

Based on a governance policy of separating oversight and management, and further strengthening the oversight function of the Board of Directors, as well as accelerating decision-making, the Board has been composed of six Directors who are not Audit and Supervisory Committee Members (four of whom are Independent Directors) and three Directors who are Audit and Supervisory Committee Members (three of whom are Independent Directors), and the ratio of Independent Directors is at least one-half of the total following the Ordinary General Meeting of Shareholders held on June 23, 2026.

As part of our initiatives to strengthen corporate governance, an Independent Director has served as Chairperson of the Board since June 2026. By having the Chairperson set the Board’s agenda based on input obtained from each Director and preside over meetings from an independent and neutral standpoint, and by promoting open, constructive, and cohesive discussions among all Directors, we aim to enhance the effectiveness of the Board.

< Audit and Supervisory Committee>

The roles of the Audit and Supervisory Committee include securing the soundness of companies toward the increase of sustainable corporate value, acting for the common interests of the Company and shareholders while performing the following duties:

- Oversight of the execution of duties of the directors and the preparation of audit reports
- Decision on the details of the agenda concerning appointment, dismissal and refusal of reappointment of an external auditor
- Decision on the opinion of the Audit and Supervisory Committee concerning appointment, dismissal, resignation or compensation of the directors (excluding directors who are the Audit and Supervisory Committee members)

The Audit and Supervisory Committee may give specific instructions to the internal audit division, as necessary, for the purpose of effective audit.

The Audit and Supervisory Committee shall appropriately share information with the internal audit division for the purpose of ensuring mutual cooperative systems.

Important personnel affairs of the internal audit division shall be decided with the consent of the Audit and Supervisory Committee to ensure the effectiveness of audit by the Audit and Supervisory Committee.

Audit and Supervisory Committee consists of three Independent Directors. The chairperson of the committee is Kazuhiko Tomoda, an Independent Director.

Kazuhiko Tomoda is qualified as a certified public accountant and has considerable financial and accounting knowledge.

<Nomination and Compensation Committee>

The purposes of the Nomination and Compensation Committee include increasing the transparency and objectivity of the decisions on candidates for directors and the Group Senior Executives as well as decisions on compensation while enhancing the managerial and supervisory functions of the Board. Upon receiving requests from the Board, the Nomination and Compensation Committee shall perform the following duties, and submit a report and recommendations to the Board:

Matters concerning decision on candidates:

- Decision on a recommendation of the appointment and dismissal of the directors for discussion at the general meeting of shareholders
- Decision on a recommendation of the appointment and dismissal of the CEO (authority of representation and the position)
- Approval of a CEO succession plan

Matters concerning decision on compensation:

- Setting the compensation standards for directors and the Group Senior Executives
- Decision on a recommendation of the amount of compensation for the directors (excluding directors who are the Audit and Supervisory Committee members)

The Nomination and Compensation Committee consists of a majority of Independent Directors,

one internal director (Masamichi Mizuta) and three Independent Directors (Kazuhiro Yoshizawa, Masaki Yamauchi and Satoshi Murabayashi). The chairperson of the committee is Kazuhiro Yoshizawa, an Independent Director.

<Corporate Governance Committee>

The purpose of the Corporate Governance Committee is to enhance the supervisory functions of the Board by discussing the matters regarding the Company's corporate governance. Upon receiving requests from the Board, the Corporate Governance Committee shall perform the following duties, and submit a report and recommendations to the Board:

- Basic policy regarding corporate governance
- Composition of the Board and committees under the Board
- Measures to improve the effectiveness of the Board
- Basic policy regarding effectiveness evaluation of the Board and the committees under the Board

The Corporate Governance Committee consists of a majority of Independent Directors, one internal director (Masamichi Mizuta) and four Independent Directors (Masaki Yamauchi, Kazuhiro Yoshizawa, Debra A. Hazelton and Kazuhiko Tomoda). The chairperson of the committee is Masaki Yamauchi, an Independent Director.

<Headquarters Management Committee>

The Company adopts the Executive Officer system with the purpose of separating the oversight and management and clarifying where management responsibility lies.

In addition, Headquarters Management Committee (hereinafter referred to as "HMC") is established to assist the CEO in making decisions on the group's basic management policy and important operations. The decisions on the execution of important operations delegated to the CEO by the Board shall be decided by the CEO on the condition that the HMC has made an affirmative resolution. Based on the concept that the members of the HMC (hereinafter referred to as "the HMC members") shall be the persons who assume the significant decisions on the execution of important operations delegated by the Board and comprehensive roles as members of the senior management of the group, a proposal for the nomination of HMC members shall be prepared by the CEO from among the executive officers, and shall be approved at the Board upon deliberation at the Nomination and Compensation Committee.

The Company has also established seven committees (Sustainability Committee, Investment Committee, Risk Management Committee, Technology Committee, Human Resources Committee, Gender Diversity Committee, and Staff Well-being Committee) under HMC to improve the effectiveness of the Group's internal control system.

The Sustainability Committee deliberates on sustainability and related management agenda and promotes sustainability management. The Investment Committee deliberates on important matters related to the Group's overall investment and aims to raise the Group's organizational knowledge of a series of knowledge related to investment promotion. The Risk Management Committee deliberates on important matters related to the overall risk management of the PERSOL Group, fosters awareness of risks, and enhances the risk management capabilities within the Group. The Technology Committee deliberates on key issues concerning the Group's technology strategy and related management resources. The Human Resources Committee deliberates on the Group's human resources strategy and succession planning for key talent. The Gender Diversity Committee deliberates on the Group's strategies to promote the advancement of women and related key strategies. The Staff Well-being Committee deliberates on human capital management of the Group’s temporary staff.

Each of the seven committees is accountable to HMC and is positioned to supplement and strengthen its functions.

3. Reasons for selecting the existing corporate governance system

As stated in “Chapter 2. Corporate Governance Principles (2.1. Principles, 2.2. Roles as a Holding Company, 2.3. Organizational Structure of the Company)” of the Corporate Governance Guideline.

III. Implementation status of measures for shareholders and other stakeholders

1. Initiatives to revitalize the General Meeting of Shareholders and facilitate the exercising of voting rights

	Supplementary Remarks
Early delivery of General Meeting of Shareholders convocation notice	Efforts are being made to deliver the General Meeting of Shareholders convocation notice early and to make early web releases. ■ Actions relating to the 18th General Meeting of Shareholders for the fiscal year ended March 2026 1. Start Date of Electronic Provision Measures: May 21, 2026 2. Convocation notice dispatch date: May 29, 2026
Set the General Meeting of Shareholders date on a day that avoids days crowded with other shareholders meetings	Efforts are being made to convene the General Meeting of Shareholders on a day which as far as possible avoids days crowded with other firms` shareholders meetings. ■ Actions relating to the 18th General Meeting of Shareholders for the fiscal year ended March 2026 Convocation date: June 23
Exercise of voting rights by electronic means	Efforts are being made to make it more convenient for shareholders to exercise their voting rights (e.g. enabling online voting, explaining voting methods in the convocation notice).
Other initiatives to improve the voting environment for institutional investors, and participation via online voting platforms etc.	The Company is participating in a platform for exercising voting rights and are making efforts to improve the environment in which institutional investors exercise voting rights.
Provide convocation notice in English (summary)	The convocation notice (summary) is prepared in English and released on the Company's website and via the Tokyo Stock Exchange.
Other	Financial data is released on the Company's website.

2. Status of Investor Relations (IR) Activity

	Supplementary Remarks	Explanation given by the CEO? Yes/No
Disclosure policy created/announced	The Company's website discloses the aims of IR, basic policy, basic stance, method of information disclosure, and IR policy with respect to results forecasts and future outlook etc.	—
Hold regular briefing sessions for analysts & institutional investors	Briefings for analysts & institutional investors are held every 3 months, four times a year. We also visit them individually to explain.	Yes
IR materials released on corporate website	IR documents (financial reports, timely disclosure material, financial results briefing slides, and integrated reports etc.) including English versions are posted on the Company's website.	—
IR department (representative) set in place	Departments and IR representatives are in place within the Group Finance Division.	—
Other	In addition to analysts and domestic and overseas institutional investors, IR activities for domestic individual investors are conducted as appropriate. Specifically, we hold online briefings and investor meetings through collaborations with major regional securities firms, and we also publish related materials and videos on our website to enhance understanding among a wide range of investors.	—

3. Initiatives that respect stakeholders

The PERSOL Group establishes various opportunities for communication with stakeholders and reflects their opinions and requests in its business activities, in order to continuously enhance corporate value as a company that earns expectations and trust from society.

https://www.persol-group.co.jp/sustainability/stakeholder-engagement/

IV. Internal controls systems etc.

1. Internal control systems: basic approach and status

The basic policy regarding the establishment of the system to ensure the properness of the Company's business, as resolved by the Board of Directors, and its operational status are as follows. We constantly evaluate the implementation and operation of the internal control system based on this policy, taking necessary steps for improvement. In addition, we regularly review this policy to respond to changes in the business environment, striving to further enhance the effectiveness of the internal control system.

1. System to ensure the properness of the business of the Group

(1) The Company shall stipulate the Corporate Philosophy, Group Vision, and Five Core Principles in order to ensure the properness of the business of the Company and its subsidiaries (the "Group").

(2) The Company shall appropriately exercise the voting rights with respect to its affiliates from the perspective of maximizing the Group's corporate value.

(3) The Company, in addition to stipulating the various Group basic policies for the Group's internal control and notifying them in the Group, shall establish a system in accordance with those policies.

(4) With the aim of responding swiftly to changes in the business environment, the Company, in addition to adopting the Strategic Business Unit (each referred to as the "SBU" and collectively, "SBUs") system, shall dispatch directors to the Boards of core companies within the SBUs and the Function Unit (the "FU") and oversee their management so as to ensure the effectiveness of the business management at the Group.

(5) The internal audit departments shall audit the effectiveness of the compliance structure of the laws and ordinances, the Articles of Incorporation and internal rules of the Group. Furthermore, if corrections or improvements are necessary, it shall offer appropriate advice, recommendations, and support so that such measures are taken swiftly.

(Overview of operational status)

- The Company properly oversees the management of SBUs and FU by having established the rules and organization of the SBUs and dispatching directors to core SBU and FU companies.
- With seven group-wide committees (Sustainability, Investment, Risk Management, Technology, Human Resources, Gender Diversity, and Staff Well-being) established under the Headquarters Management Committee ("HMC"), we seek to achieve two goals at the same time: enabling more sophisticated decision-making and ensuring group governance.
- As for internal auditing, we perform internal audits in line with the audit plan, and regularly report a summary of the audit results, matters pointed out, and other reportable findings to the Board, the Audit and Supervisory Committee, and the HMC.

2. Framework to ensure that the directors, executive officers, and employees perform their duties in compliance with laws and ordinances and the Articles of Incorporation

(1) The Group establishes a code of conduct and basic rules regarding compliance and strives to develop a compliance system at the Group and practice compliance.

(2) The Company establishes a department to oversee group-wide compliance, which continually implements various compliance measures and reports on the status of these activities to the Board.

(3) The Group continuously provides education and training on compliance to its directors, executive officers, and employees.

(4) The Group establishes a group-wide whistleblower system to prevent and detect early any violations of laws and ordinances as well as the Articles of Incorporation.

(5) The Group takes a resolute attitude against antisocial forces and rejects any kind of relationship with them.

(6) The Group assigns a department primarily responsible for preparing for contingencies by gathering related information from the police in the respective jurisdiction and regional councils, etc. related to preventing violence by antisocial forces, and when circumstances arise, the department takes the lead and systematically responds in collaboration with external agencies.

(Overview of operational status)

- We conducted company-wide compliance training for all officers and employees of domestic group companies, covering the PERSOL Group's compliance, Code of Conduct (“Relationship with Society and the PERSOL Group (Approach to Customers)” and “Fair Business Practices and Sound Business Activities”), respect for human rights and privacy protection, information security, and the actions to take in the event of compliance violations. In addition, we distributed a Compliance Handbook addressing respect for human rights and privacy protection, which are part of PERSOL Group’s materiality, as well as the revised Whistleblower Protection Act. Furthermore, we organized key laws and regulations and the compliance training framework, and enhanced training content in preparation for the launch of the training program in the following fiscal year. Within our overseas group companies, we conducted compliance awareness and promotion activities based on training programs developed in accordance with laws and regulations in each country.
- Upon establishing our whistleblower system, we have continuously worked to raise awareness of the system through means including our intranet. Within our domestic group companies, we assessed the awareness level of our “Whistleblower Hotline” and provided an overview of the system through compliance training for all officers and employees. In addition, we held “Whistleblower Hotline study sessions” in both the first and second halves of the fiscal year for personnel newly assigned to whistleblowing-related operations at each company. For our overseas

group companies, we posted contact information and an overview of the whistleblower system on the Group intranet and corporate website, and worked to promote awareness of the system through training sessions and email communications.

3. Regulations and other systems to control the risk of financial losses

(1) The Company establishes rules regarding risk management of the Group and develops risk management system for the Group.

(2) The Company establishes a department primarily responsible for risk management of the Group within the Company to manage risks at the Group in an integrated manner. The department periodically reports the risk management system regarding material risks and its operation status to the Board.

(3) The Group establishes crisis management rules to prepare for the occurrence of crises such as large-scale natural disasters and pandemics and develops an appropriate framework, which includes an emergency management system for the Group, contact systems in the event of a crisis, and periodic implementation of training.

(Overview of operational status)

- The Risk Management Committee under HMC identifies the material risks faced by the Group, deliberates on the risk management system and response policies, monitors the status of such responses, and reports regularly to the Board of Directors.
- To prepare for large-scale disasters and unforeseen contingencies, we have implemented training based on the crisis management framework set forth in the Group Crisis Management Regulations, including drills utilizing information-gathering platforms, safety confirmation drills for all officers and employees of domestic group companies, document revisions and tabletop exercises for business continuity plans (BCP) related to payroll operations, and initial response drills for alternative emergency response headquarters. In addition, we conducted crisis management drills for senior management assuming misconduct incidents and media crises, with the aim of confirming appropriate decision-making and responses in accordance with crisis response policies. During actual earthquake incidents, we coordinated with crisis management personnel in SBUs and FU to confirm damage, including the safety of employees, and no damage to the Company has been reported.

4. Systems to ensure efficient performance of duties by directors and executive officers

(1) The Company separates oversight and execution of management, and the Board oversees the execution of operations at the Group from an independent and objective standpoint.

(2) The Company implements an executive officer system that aims to clarify the roles and

responsibilities and delegates decision-making authority regarding operations, in principle, to the Representative Director, President and CEO.
(3) The Company establishes the Headquarters Management Committee (the “HMC”) as an organization that assists the Representative Director, President and CEO to deliberate on matters regarding important business execution of the Group.
(4) The Company formulates a Group’s Mid-term Management Plan and stipulates key management objectives and budget allocations for the entire Group for each business year as a means to give concrete shape to the Group’s Mid-term Management Plan.
(5) The Company sets forth a set of group-wide rules regarding the division of duties, chain of command, authority, decision-making, and other organization-related standards. The Group companies create their own systems according to these standards.
(6) The Company stipulates rules regarding IT of the Group, establishes a department responsible for it, and develops the IT governance system of the Group.

(Overview of operational status)
- The Board, in accordance with the Articles of Incorporation, Corporate Governance Guidelines, and Board of Directors Rules, appropriately carries out management oversight of the Group’s execution of operations.
- The HMC deliberates on critical matters related to the execution of important operations within our Group.
- In accordance with the “Group IT Governance Rules,” the SBU-IT General Manager and the FU-IT General Manager, under the supervision of Executive Manager who promotes Group IT Management , are responsible for IT management. Additionally, the IT Governance Division formulates and monitors IT governance policies.

5. Systems to ensure the properness and reliability of financial reports
(1) The Company stipulates basic policy of internal control over financial reporting by the Group to ensure properness and reliability of financial reporting.
(2) The Company establishes a department primarily responsible for internal control over financial reporting and another department in charge of evaluating it to ensure effectiveness of internal control over financial reporting.
(3) The department that evaluates internal control over financial reporting periodically reports the evaluation results of the internal control over financial reporting to the Board, etc.

(Overview of operational status)
- The Company determines the scope of internal control evaluation, updates relevant documents,

evaluates the design and implementation of internal control, corrects any inadequacies identified, and reports the results to the Board.

6. Storage and management systems of information related to performance of duties by directors and executive officers

The Company stipulates rules regarding the storage of documents, etc., in accordance with which it appropriately stores and manages important documents, etc. that contain information regarding performance of duties by the directors and executive officers such as minutes of important meetings. Furthermore, these documents etc. readily available for timely inspection when requested by directors or the Audit and Supervisory Committee.

(Overview of operational status)

- Storage periods for important documents are defined in the Document Management Rules, and proper storage and management are ensured.
- Through the development of an information infrastructure for Directors, the Company ensures that Directors can access materials and minutes of the Board meetings, HMC, and Committee meetings at any time as needed.

7. Systems regarding performance of duties of the Audit and Supervisory Committee

7–1. Matters regarding assigning employees to support the duties of the Audit and Supervisory Committee

Based on a request from the Audit and Supervisory Committee, the Company assigns dedicated employees as required to support its duties. Support employees receive daily instructions from the Audit and Supervisory Committee, but not from directors who are not Audit and Supervisory Committee members or executive officers.

Furthermore, personnel changes, performance reviews, disciplinary actions, etc. of support employees shall take place with the consent of the Audit and Supervisory Committee.

7–2. Systems for making reports to the Audit and Supervisory Committee

(1) Directors, executive officers, and employees of the Group report on the status of business and internal controls as requested by the Audit and Supervisory Committee or a person who was instructed by the Audit and Supervisory Committee. The Internal Audit Division report on the results, etc. of internal audits.

(2) Directors, executive officers, and employees of the Group shall promptly notify the Audit and Supervisory Committee if they notice major infringements of laws and ordinances, the Articles of Incorporation, illicit conduct, or facts that will cause significant damage to the Company or may put

the Company at such risk.
(3) When directors, executive officers, and employees of the Group notice facts that will cause significant damage to the Company or may put the Company at such risk, said facts should be promptly reported to the department in charge as stipulated by the Group. When the department in charge receives a report from directors, executive officers, and employees, a report should be promptly made to the Audit and Supervisory Committee.
(4) The Company ensures that the scope of the whistleblower system includes the Group. An appropriate system should be firmly established to report major compliance issues to the Audit and Supervisory Committee including violations of laws and ordinances, the Articles of Incorporation, and internal rules of the Group.
(5) The Group explicitly states in its internal rules that directors, executive officers, and employees shall not be treated disadvantageously in performance reviews or be subject to disciplinary actions or other disadvantageous treatment due to reports made to the Audit and Supervisory Committee or to the internal whistleblower hotline.

7–3. Other systems to ensure that Audit and Supervisory Committee audits are performed effectively
(1) When it deems necessary, the Audit and Supervisory Committee may request directors (except directors who are Audit and Supervisory Committee members), executive officers, and important employees to report to the committee. The Audit and Supervisory Committee may also request periodic exchange of opinions with the Representative Director, President and CEO, the Internal Audit Division, and external auditors.
(2) When the Audit and Supervisory Committee or a person who was instructed by the committee requests for prepayment or reimbursement of expenses, etc. which occur in the course of performing the duties, the Company shall comply with the request except in cases where it can be demonstrated that said expenses etc. did not occur in the course of performing the duties of the Audit and Supervisory Committee.

(Overview of operational status)
- To support the duties of the Audit and Supervisory Committee and its members, the Company has appointed two dedicated staff members who are independent of the management division. This staff member works under the direction and supervision of the Audit and Supervisory Committee, and any personnel transfers, performance evaluations, or disciplinary actions regarding the staff member are carried out with the consent of the Audit and Supervisory Committee.
- The Audit and Supervisory Committee receives reports from directors, executive officers, and employees on the status of business operations, internal control, and other reportable matters. The

Committee also regularly receives reports from each CXO and Executive Manager of Group Audit Division on the status of the execution of their duties and the results of internal audits.

- Members of the Audit and Supervisory Committee regularly exchange information with all auditors of core SBU and FU companies, sharing information and exchanging views.
- All matters reported to the whistleblower consultation desk by officers and employees of the Group companies are reported to the Audit and Supervisory Committee. In addition, risk-related information is reported to the Committee on a timely or periodic basis through the departments responsible for compliance and risk management.
- In order to protect employees from unfavorable treatment as a result of reporting to the Audit and Supervisory Committee or the whistleblower hotline, the Company has included an explicit provision to that effect in the Whistleblower Hotline Rules and has established a system to confirm, after a certain period following the completion of whistleblowing procedures, whether any disadvantageous treatment has occurred. The Audit and Supervisory Committee confirms that such checks are properly conducted through the collection of reports and other means.
- In accordance with the basic policy, we have established an expense settlement system for the Audit and Supervisory Committee that is similar to that of our internal departments. In response to the Audit and Supervisory Committee's requests, we have appropriately covered the expense incurred.

2. Basic approach to elimination of antisocial forces and status of preparations

The Company has set forth the following system to eliminate antisocial forces.

(1) PERSOL Group adopts a firm attitude toward antisocial forces and severs any relations.

(2) PERSOL Group has designated a department primarily responsible for the elimination of anti-social forces that prepares for contingencies by gathering information from the police in respective jurisdictions and from regional committees on special violence prevention etc. When situations arise, this department will play a central role in collaborating with external agencies to coordinate countermeasures.

V. Other

1. Have anti-takeover measures been introduced? Yes/No

Introduction of anti-takeover measures	No

Supplementary remarks relating to this item

—

2. Other matters relating to the corporate governance system etc.

In principle, the Company releases expeditiously and equitably information that seriously affects decision making of investors and establishes a system to disclose information in a timely manner.

1. Decision Factors:

"Decision factors" are pieces of information that the officer responsible for information handling instructs the PERSOL Group Finance Division to release expeditiously and equitably after approval is given by the Board.

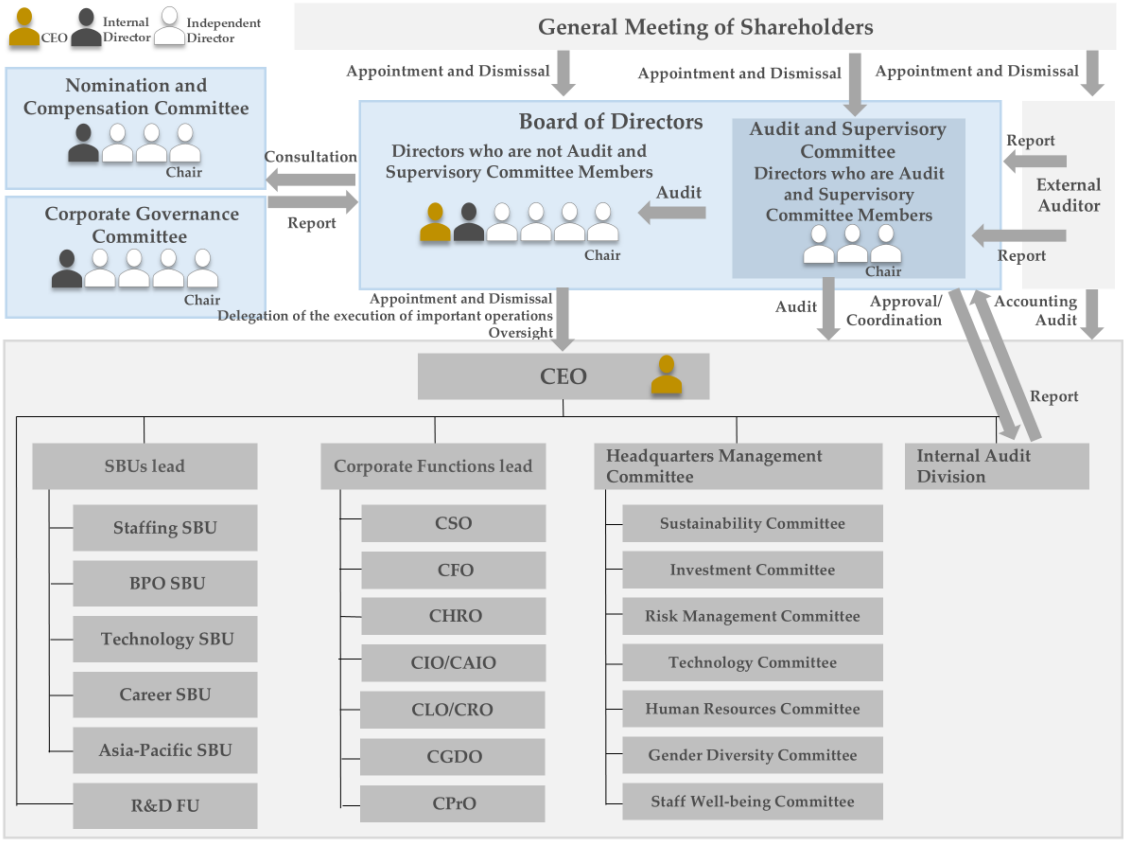
2. Event Facts:

"Event facts" (including risk information) are events that are expeditiously brought to the attention of the President & CEO at the point in time when a relevant department or subsidiary becomes aware such events have occurred. The events are examined, and a decision made whether to disclose details. If disclosure of event facts is deemed necessary, a system allows the officer responsible for information handling to instruct the PERSOL Group Finance Division to release expeditiously.

3. Financial Statement Related Information:

"Financial statement related information" includes details of the quarterly financial statements and information about amendments of business results/anticipated dividends etc. which are drawn up in draft form by the PERSOL Group Finance Division, then deliberated over by the Board, and after approval by the Board. The Company has established a system that the officer responsible for information handling instructs the PERSOL Group Finance Division to release expeditiously.

Corporate Governance



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