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(Securities Code: 2181)

May 31, 2023

(Start Date of Electronic Provision Measures Matters May 23, 2023)

To all shareholders

Takao Wada
Representative Director, President and CEO
PERSOL HOLDINGS CO., LTD.
1-1, Yoyogi 2-chome, Shibuya-ku, Tokyo, Japan

NOTICE OF CONVOCATION OF

THE 15th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We would like to thank you for your continued sincere support.

This is to notify you that we will be holding the 15th Ordinary General Meeting of Shareholders of PERSOL HOLDINGS CO., LTD. (the Company) as per the details listed below.

In convening the General Meeting of Shareholders, we have taken measures to post the contents of the reference materials for the General Meeting of Shareholders, etc. (Electronic Provision Items) on each of the Internet websites shown below.

The Company website:

<https://www.persol-group.co.jp/en/ir/gaikyo/meeting.html>

The Tokyo Stock Exchange (TSE) website (TSE Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

* Please access the TSE website via the above link, enter the issue name (company name) or securities code and click "Search." Select "Basic information" then "Documents for public inspection/PR information" to confirm the posted information.

Pursuant to the provisions of the law and the Company's Articles of Incorporation, our Notice of Convocation has been posted to all shareholders who have requested postal delivery thereof.

We ask that all shareholders take into account the status of the coronavirus (COVID-19) infection and other factors as you consider attending the General Meeting of Shareholders. **If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet in advance. Please review the attached reference materials and indicate your approval or disapproval for each agenda item no later than 6:00 p.m., Monday, June 19, 2023.**

- 1. Date and Time** 10:00 a.m., Tuesday, June 20, 2023 (Reception will open at 9:00 a.m.)
- 2. Venue** “Ohgi,” 4th Floor, South Tower, Keio Plaza Hotel Tokyo,
2-1, Nishi-Shinjuku 2-chome, Shinjuku-Ku, Tokyo
* If future circumstances necessitate significant changes in the operation of the General Meeting of Shareholders, we will inform you on the company website (<https://www.persol-group.co.jp>). Shareholders attending the Ordinary General Meeting of Shareholders in person are requested to check the Company website for meeting details in advance.
- 3. Meeting Agenda**
- Items to be reported**
1. The Business Report, the Consolidated Financial Statements and the Reports by External Auditors and the Supervisory Committee on the audit results of the Consolidated Financial Statements, for the 15th term (from April 1, 2022 to March 31, 2023).
 2. The Non-Consolidated Financial Statements for the 15th term (from April 1, 2022 to March 31, 2023).
- Items to be resolved**
- Agenda Item 1:** Appropriation of Surplus
- Agenda Item 2:** Election of Six (6) Directors who are not Supervisory Committee Members
- Agenda Item 3:** Election of One (1) Director who is Supervisory Committee Member
- Agenda Item 4:** Election of One (1) Substitute Director who is a Supervisory Committee Member
- Agenda Item 5:** Revision of Amount of Compensation for External Directors who are not Supervisory Committee Members
- Agenda Item 6:** Partial Revision of Share-based Compensation Scheme for Directors and Officers
- Agenda Item 7:** Partial Revision of Share-based Compensation Scheme for External Directors who are not Supervisory Committee Members
- Agenda Item 8:** Partial Revision of Share-based Compensation Scheme for Directors who are Supervisory Committee Members
- 4. Instructions for Exercising Voting Rights** Please refer to Instructions Concerning Exercise of Voting Rights (Japanese only).

* If you are attending the meeting in person, please submit the enclosed voting rights exercise form to the reception desk upon arrival.

* The following Electronic Provision Items are not included in the materials delivered to shareholders pursuant to the provisions of law and Article 16, paragraph 2 of the Articles of Incorporation of the Company.

a. Business Report

“Main Places of Business”, “Status of Employees”, “Main Lenders”, “Other Important Matters Related to the Condition of the Corporate Group”, “Shares of the Company”, “Outline of Liability Limitation Agreements”, “Outline of Indemnity Agreements”, “Outline of Directors and Officers Liability Insurance Contracts”, “Independent Auditors” and “Internal Control Systems”

b. Consolidated Financial Statements

“Consolidated Statement of Changes in Equity” and “Notes to consolidated financial statements”

c. Non-consolidated Financial Statements

“Non-consolidated Statement of Changes in Equity” and “Notes to non-consolidated financial statements”

Consequently, the documents attached to this convocation notice consist of part of the Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Supervisory Committee in preparing their audit report and the External Auditors in preparing their audit reports.

* If any revisions are made to the Electronic Provision Items, the items before and after the revisions will be posted on the Company website and the TSE website.

The Company website:

<https://www.persol-group.co.jp/en/ir/gaikyo/meeting.html>

The TSE website:

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

Reference Materials for General Meeting of Shareholders

Agenda Item 1: Appropriation of Surplus

Regarding the return of profits to our shareholders as a priority issue, the Company's basic dividend policy is to focus on dividend payout ratio, while striving to increase internal reserves to strengthen the corporate structure that enables a speedy and active expansion of business into growth fields. The Company will enhance shareholder returns by paying a dividend of approximately 35% of adjusted EPS, which is calculated by excluding the one-time impact of extraordinary gains/losses on net profit attributable to owners of parent company before amortization of goodwill.

Based on this basic policy, we propose to pay term-end dividends for the fiscal year under review as follows:

- (1) Type of dividend property
Cash
- (2) Allocation of dividend property and total amount of the allocation
40 yen per share of common stock
Total amount: 9,157,917,000 yen
- (3) Effective date of distribution of surplus
June 21, 2023

Agenda Item 2: Election of Six (6) Directors who are not Supervisory Committee Members

The terms of office of the six (6) current Directors who are not Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. At this juncture, the Company requests the election of six (6) Directors who are not Supervisory Committee Members including four (4) External Directors for further strengthening the supervisory function of the Board of Directors.

Regarding this agenda item, the Company's Supervisory Committee has judged that the decision regarding the candidates of the Directors who are not Supervisory Committee Members and its procedure was appropriate, as the Nomination and Compensation Committee headed by Chairperson and more than half of whose members are Independent External Directors had deliberated the candidates' knowledge, experience, and quality, reported the draft of candidates to the Board of Directors, which deliberated and decided the candidates based on the said report. The Supervisory Committee was briefed on the details of the deliberation by the Nomination and Compensation Committee and the draft of the candidates and came to the conclusion that each candidate was qualified as a result of the deliberation.

Under the governance policy of separating management supervision and execution and further strengthening the supervisory function of the Board of Directors, the Company has set the ratio of Independent External Directors to the Board of Directors at more than one-half in principle. If the candidates in this Agenda Item and Agenda Item 3 are elected as originally proposed, six out of nine Directors or the majority of the Board members will be Independent External Directors, which will ensure that the Board provide effective oversight of Group Senior Executives from an independent and objective standpoint.

The candidates for Directors who are not Supervisory Committee Members are as follows:

No.	Name				Position and business in charge in the Company	No. of Attendance/Calls (Attendance rate)	Years in office
1	Masamichi Mizuta	For Reappointment			Director and Chairperson of the Board	13/13 (100%)	14 yrs. 8 mos.
2	Takao Wada	For Reappointment			Representative Director, President and CEO	13/13 (100%)	14 yrs. 8 mos.
3	Ryosuke Tamakoshi	For Reappointment	External	Independent	External Director	13/13 (100%)	7 years
4	Masaki Yamauchi	For Reappointment	External	Independent	External Director	13/13 (100%)	3 years
5	Kazuhiro Yoshizawa	For Reappointment	External	Independent	External Director	10/10 (100%)	1 year
6	Debra A. Hazelton	For New appointment	External	Independent	External Director	—	—

(Reference briefing materials for Agenda Items 2 to 4 are on page 14 - 16)

Brief personal record, position, business in charge in the Company		
Number of the Company's shares held: 463,059 shares (out of which, number of shares to be delivered based on share-based compensation scheme: 41,059 shares)	Apr. 1984	Joined Recruit Co., Ltd.
	Jul. 1988	Joined Tempstaff Co., Ltd.
	Jun. 1995	Director of Tempstaff Co., Ltd. (General Manager, Sales Division)
	Oct. 2008	Executive Managing Director of the Company (General Manager, Group Sales Division)
	Aug. 2009	Executive Managing Director of the Company (General Manager, Group Growth Strategy Division)
	Jun. 2010	Vice President & Director of the Company (General Manager, Group Growth Strategy Division)
	Jun. 2012	Vice President & Representative Director of the Company (General Manager, Group Growth Strategy Division)
	Jun. 2013	President & Representative Director of the Company (General Manager, Group Growth Strategy Division)
	Jul. 2014	President & Representative Director of the Company (General Manager, Group Management Division General Manager, Group Financial Division)
	Apr. 2015	President & Representative Director of the Company
Number of years in office: 14 years 8 months	Jun. 2016	Representative Director, President and CEO of the Company
	Apr. 2021	Director and Chairperson of the Company (current position)
Number of the Board meetings attended: 13/13 (100%)	Jun. 2021	Chair of the Board of Directors of the Company (current position)
	Important concurrent posts	
	External Director of Linkers Co., Ltd.	
Number of the Nomination and Compensation Committee meetings attended: 10/10 (100%)	Reasons for nomination as candidate for Director	
	Masamichi Mizuta has been overseeing and leading the operations of the Group as President and Representative Director since June 2013, contributing to improvement of its corporate value. He has been striving for further improvement in the effectiveness of corporate governance as Chairperson of the Board of the Company since April 2021 and as Chair of the Board of Directors of the Company since June 2021.	
Number of Corporate Governance Committee meetings attended: 7/7 (100%)	The Company once again nominates him as a candidate for Director who is not a Supervisory Committee Member, as he is expected to contribute to continued growth of the Company and improvement of the medium- to long-term corporate value through supervision of the Company's management by leveraging his extensive experience and insight in corporate management, business strategy, human resource and organizational development, and ESG among others he has garnered throughout his career.	

Brief personal record, position, business in charge in the Company

Number of the Company's shares held: 140,081 shares (out of which, number of shares to be delivered based on share-based compensation scheme: 22,081 shares)	Feb. 1988	Joined Sparrow Japan
	Sep. 1991	Joined Tempstaff Co., Ltd.
	Jun. 2006	Director of Tempstaff Co., Ltd. (General Manager, Sales & Planning Division)
	Oct. 2008	Director of the Company (General Manager, Group Operations & IT Division)
	Aug. 2009	Director of the Company (General Manager, Group Operations & IT Strategy Division)
	Apr. 2011	Director of the Company (General Manager, Group Outsourcing Strategy Division)
	Jan. 2014	Director of the Company (General Manager, Group Outsourcing Strategy Division General Manager, Group Human Resources Division)
	Apr. 2015	Director, Executive Officer of the Company (Responsible for Temporary Staffing Segment, BPO Segment, and Sales Strategy)
	Jun. 2016	Director, Senior Executive Officer of the Company (Sales Strategy Officer, Temporary Staffing/BPO Segment Lead) President & Representative Director of Tempstaff Co., Ltd.
	Apr. 2020	Director, Deputy President and Executive Officer of the Company (Business Control Officer, Staffing SBU Lead)
Apr. 2021	Representative Director, President and CEO of the Company (current position)	

Important concurrent posts

Non-executive Director of PERSOL Asia Pacific Pte. Ltd.

Reasons for nomination as candidate for Director

Takao Wada has been engaged in the temporary staffing business, which is the Company's mainstay business, and significantly contributing to its development. Since April 2021, as Representative Director and President of the Company, he has been overseeing and leading the group management and demonstrating his leadership.

The Company once again nominates him as a candidate for Director who is not a Supervisory Committee Member, as he is expected to contribute to continued growth of the Company and improvement of the medium- to long-term corporate value through supervision of the Company's management by leveraging his extensive experience and insight in corporate management, business strategy, human resource and organizational development, and sustainability among others he has garnered throughout his career.

Brief personal record, position, business in charge in the Company		
Number of the Company's shares held: 2,150 shares (out of which, number of shares to be delivered based on share-based compensation scheme: 2,150 shares)	May 1970	Joined The Sanwa Bank, Limited (current MUFG Bank, Ltd.)
	May 1997	General Manager, International Department of The Sanwa Bank, Limited
	Jun. 1997	Director of The Sanwa Bank, Limited
	Jun. 1999	Managing Executive Officer of The Sanwa Bank, Limited
	Jan. 2002	Senior Managing Executive Officer of UFJ Bank Limited (current MUFG Bank, Ltd.)
	May 2002	Deputy President and Executive Officer of UFJ Bank Limited
	Jun. 2002	Deputy President, Representative Director, and Executive Officer of UFJ Bank Limited
	May 2004	Chairman and Director of UFJ Bank Limited
	Jun. 2004	President and Representative Director of UFJ Holdings, Inc. (current Mitsubishi UFJ Financial Group, Inc.)
	Oct. 2005	Chairman and Representative Director of Mitsubishi UFJ Financial Group, Inc.
Number of the Board meetings attended: 13/13 (100%)	Jun. 2010	External Audit & Supervisory Board Member of the Company Senior Advisor of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (current MUFG Bank, Ltd.)
	Jul. 2011	Director of Morgan Stanley
Number of Nomination and Compensation Committee meetings attended: 10/10 (100%)	Jun. 2016	External Director of the Company (Member of Supervisory Committee)
	Jun. 2018	External Director of the Company (current position)
	Jul. 2020	Honorary Advisor of MUFG Bank, Ltd. (current position)
Important concurrent posts		
Honorary Advisor of MUFG Bank, Ltd.		
Reasons for nomination as candidate for External Director and Overview of expected roles		
Ryosuke Tamakoshi has extensive experience and insight in corporate management and business strategy, internationality, and finance and accounting among others from serving as a top executive of a global financial institution. At the Company also, he has been proactively providing opinions and making proposals at meetings of the Board of Directors and other important meetings as a Lead Independent External Director, a Chairperson of the Nomination and Compensation Committee, and a member of Corporate Governance Committee. Given his track record, the Company once again nominates him as a candidate for Director who is not a Supervisory Committee Member, as he is expected to contribute to continued growth of the Company and improvement of the medium- to long-term corporate value through supervision of the Company's management as an Independent External Director.		

- MUFG Bank, Ltd., where he holds the post of honorary advisor, extends loans to and engages in other transactions with the Company. However, the role of honorary advisor at the bank is not a role that is involved in the management, and he has not engaged in the execution of business for more than ten 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 (Reference 2 on page 14), and thus, we believe his independence has been maintained.

Brief personal record, position, business in charge in the Company		
Number of the Company's shares held: 2,150 shares (out of which, number of shares to be delivered based on share-based compensation scheme: 2,150 shares)	Apr. 1984	Joined Yamato Transport Co., Ltd.
	Apr. 2005	Executive Officer, President of Tokyo Branch of Yamato Transport Co., Ltd.
	Nov. 2005	Executive Officer, General Manager of Human Resources and Administration of Yamato Transport Co., Ltd.
	Mar. 2007	Executive Officer of Yamato Holdings Co., Ltd.
	Apr. 2008	Executive Officer of Yamato Holdings Co., Ltd., and Representative Director and President of Yamato Logistics Co., Ltd.
	Apr. 2011	Executive Officer of Yamato Holdings Co., Ltd., and Representative Director, Executive Officer and President of Yamato Transport Co., Ltd.
	Jun. 2011	Director and Executive Officer of Yamato Holdings Co., Ltd., and Representative Director, Executive Officer and President of Yamato Transport Co., Ltd.
	Apr. 2015	Representative Director, Executive Officer and President of Yamato Holdings Co., Ltd.
	Apr. 2019	Chairperson of the Board of Yamato Holdings Co., Ltd.
	Jun. 2020	External Director of the Company (current position)
Number of years in office: 3 years	Jun. 2022	Special Advisor of Yamato Holdings Co., Ltd. (current position)
		Outside Director of Resona Holdings, Inc. (current position)
Number of the Board meetings attended: 13/13 (100%)	Important concurrent posts	
		Special Advisor of Yamato Holdings Co., Ltd. Outside Director of Resona Holdings, Inc.
Number of Nomination and Compensation Committee meetings attended: 10/10 (100%)	Reasons for nomination as candidate for External Director and Overview of expected roles	
		Masaki Yamauchi has extensive experience and insight in corporate management and business strategy, innovation, and human resource and organizational development among others from serving as a top executive of a listed company representing the transportation industry. At the Company also, he has been proactively providing opinions and making proposals at meetings of the Board of Directors and other important meetings as an Independent External Director, a member of the Nomination and Compensation Committee, and a Chairperson of Corporate Governance Committee. Given his track record, the Company once again nominates him as a candidate for Director who is not a Supervisory Committee Member, as he is expected to contribute to continued growth of the Company and improvement of the medium- to long-term corporate value through supervision of the Company's management as an Independent External Director.

1. The Company does have transactions with Yamato Holdings Co., Ltd., where he holds a concurrent post as Special Advisor. The total revenue in any of the past three fiscal years, including the latest fiscal year, from transactions between the Company and Yamato Holdings Co., Ltd., however, was less than 1% of each company's annual consolidated net sales. He therefore satisfies the requirements for independent director stipulated by the Tokyo Stock Exchange and the standards of independence set forth by the Company (Reference 2 on page 14), and thus, we believe his independence has been maintained.
2. He had assumed the position of Director at Yamato Holdings Co., Ltd. until June 2022. Although the Yamato Group was striving to ramp up its transportation capacity in order to accommodate growing e-commerce related demand, the pace of growth was too fast to catch up. As a consequence, it was revealed, through an investigation into working conditions of the Group starting in February 2017, that many employees were working long hours without sufficient breaks, which the Company was not fully aware. Taking the matter seriously, the company has focused on a range of structural reforms, while promoting "workstyle reform" initiatives, including "through management and improvement of working hours and conditions" and "optimization of work-life balance." In addition, Yamato Home Convenience Co., Ltd. inappropriately billed corporate clients for moving-related services provided to their employees, and as a consequence, in January 2019, received administrative sanctions and business improvement orders from the Ministry of Land, Infrastructure, Transport and Tourism. Yamato Holdings Co., Ltd. has been working hard to build a structure that helps prevent Yamato Home Convenience from committing the same mistakes, as well as strengthening its governance in order to enhance the soundness of the management of the group.

Brief personal record, position, business in charge in the Company	
Number of the Company's shares held: — shares	Apr. 1979 Joined Nippon Telegraph and Telephone Public Corporation
	Jun. 2007 Senior Vice President, General Manager of Corporate Sales and Marketing Department II of NTT DOCOMO, INC.
	Jun. 2011 Senior Vice President, General Manager of Human Resources Management Department, Member of the Board of Directors of NTT DOCOMO, INC.
Number of years in office: 1 year	Nov. 2012 Executive Vice President, General Manager of Corporate Strategy and Planning Department, Member of the Board of Directors of NTT DOCOMO, INC.
	Jun. 2014 Senior Executive Vice President, Representative Member of the Board of Directors of NTT DOCOMO, INC.
Number of the Board meetings attended: 10/10 (100%)	Jun. 2016 President and Chief Executive Officer, Representative Member of the Board of Directors of NTT DOCOMO, INC.
	Dec. 2020 Member of the Board of Directors of NTT DOCOMO, INC.
Number of Nomination and Compensation Committee meetings attended: 7/8 (88%)	Jun. 2021 Corporate Advisor of NTT DOCOMO, INC. (current position)
	Jun. 2021 Outside Director of Sony Financial Holdings Inc. (current position) (current Sony Financial Group Inc.)
	Jun. 2022 External Director of the Company (current position) Outside Director of DAIWA HOUSE INDUSTRY Co., LTD. (current position)
Important concurrent posts	
Corporate Advisor of NTT DOCOMO, INC.	
Outside Director of Sony Financial Group Inc.	
Outside Director of DAIWA HOUSE INDUSTRY Co., LTD.	
Reasons for nomination as candidate for External Director and Overview of expected roles	
Kazuhiro Yoshizawa has extensive experience and insight in corporate management and business strategy, technology, and human resource and organizational development among others from serving as a top executive of a listed company representing the telecommunication industry.	
At the Company also, he has been proactively providing opinions and making proposals at meetings of the Board of Directors and other important meetings as an Independent External Director, a member of the Nomination and Compensation Committee.	
Given his track record, the Company once again nominates him as a candidate for Director who is not a Supervisory Committee Member, as he is expected to contribute to continued growth of the Company and improvement of the medium- to long-term corporate value through supervision of the Company's management as an Independent External Director.	

1. The Company does have transactions with NTT DOCOMO, INC., where he holds a concurrent post as Corporate Advisor. The total revenue in any of the past three fiscal years, including the latest fiscal year, from transactions between the Company and NTT DOCOMO, INC., however, was less than 1% of each company's annual consolidated net sales. He therefore satisfies the requirements for independent director stipulated by the Tokyo Stock Exchange and the standards of independence set forth by the Company (Reference 2 on page 14), and thus, we believe his independence has been maintained.

		Brief personal record, position, business in charge in the Company	
Number of the Company's shares held: — shares	Aug. 1986	Joined Commonwealth Bank of Australia	
	Mar. 1998	CEO / General Manager of Tokyo Branch of Commonwealth Bank of Australia	
	Apr. 1998	Managing Director of Commonwealth Securities Japan	
	Jan. 2001	General Manager of Commonwealth Bank of Australia	
	Jan. 2007	Joined Mizuho Bank, Ltd. (CEO / General Manager of Sydney Branch, Managing Director of Mizuho Australia Ltd.)	
	Jul. 2014	General Manager of Mizuho Financial Group, Inc.	
	Oct. 2017	Senior Advisor of Mizuho Financial Group, Inc.	
	Jun. 2018	Non-executive Director of AMP Capital Holdings Limited	
	Aug. 2018	Non-executive Director of Treasury Corporation of Victoria (current position)	
	Dec. 2018	Non-executive Director of PERSOL Australia Holdings Pty. Ltd.	
	Jun. 2019	Non-executive Director of AMP Ltd. Non-executive Director of AMP Bank	
	Aug. 2020	Chair of AMP Ltd. (current position) Chair of AMP Bank (current position)	
	Jan. 2021	Non-executive Director of PERSOL Asia Pacific Pte. Ltd. (current position)	
			Important concurrent posts
			Non-executive Director of Treasury Corporation of Victoria
		Chair of AMP Ltd.	
		Chair of AMP Bank	
		Non-executive Director of PERSOL Asia Pacific Pte. Ltd.	
		Reasons for nomination as candidate for External Director and Overview of expected roles	
		Debra A. Hazelton has extensive knowledge and experience in human resource development, internationality, finance and accounting as a director and an officer of leading Japanese and Australian companies, including serving as chairman of the board of an Australian wealth management company and head of the Australian division of a Japanese financial institution. The Company nominated her as a candidate for director who is not a Supervisory Committee Member in light of her extensive knowledge and experience and the expectation that, as an independent outside director, she will contribute to the Company's sustainable growth and enhancement of its corporate value in the medium- to long term.	

1. Debra A. Hazelton is a Non-executive Director of our subsidiary, PERSOL Asia Pacific Pte.

2. Debra A. Hazelton previously worked for Mizuho Bank, Ltd., with which the Company has taken out loans and has regular banking transactions. She has not, however, worked for Mizuho Bank or its parent entity, Mizuho Financial Group, Inc. for over four years. She therefore satisfies the requirements of an independent director as stipulated by the Tokyo Stock Exchange and the standards of independence set forth by the Company (Reference 2 on page 14), and thus, we believe her prior position with Mizuho has no impact on her independency.

Special Notes on Candidates for Directors who are not Supervisory Committee Members

1. There is no special interest between the candidates and the Company.
2. The Company has entered into indemnity agreements under Article 430-2, Paragraph 1 of the Companies Act with Masamichi Mizuta, Takao Wada, Ryosuke Tamakoshi, Masaki Yamauchi and Kazuhiro Yoshizawa. Under these indemnity agreements, the Company shall indemnify them against the expenses under Item 1 and the losses under Item 2 of the same Act to the extent specified by laws and regulations. The Company plans to continue with the said indemnity agreement with each of the candidates if their reappointments are approved. Also, The Company plans to enter into the said indemnity agreements with Debra A. Hazelton if her appointment is approved.
3. The Company has a Directors and Officers Liability Insurance Contract under Article 430-3, Paragraph 1 of the Companies Act with insurance companies, under which all directors are insured. If this proposal is approved as proposed and the candidates assume office as Directors, they will become insured under the insurance contract. Under the insurance contract, the insurance should cover any damage that may arise from the insured directors assuming responsibility for executing their duties or receiving claims in the pursuit of such responsibility. However, certain exemptions apply, such that the contract will not compensate for damages caused by acts committed with the knowledge that such acts violate laws or regulations. The insurance contract is scheduled to be renewed during the term of office of each candidate.
4. Ryosuke Tamakoshi, Masaki Yamauchi, Kazuhiro Yoshizawa and Debra A. Hazelton are candidates for External Directors.
5. The Company has registered Ryosuke Tamakoshi, Masaki Yamauchi and Kazuhiro Yoshizawa as independent directors with the Tokyo Stock Exchange and will register them as independent directors again if their reappointments are approved. Also, The Company will register Debra A. Hazelton as an independent director if her appointment is approved.
6. The Company has entered into agreements with Masamichi Mizuta, Ryosuke Tamakoshi, Masaki Yamauchi and Kazuhiro Yoshizawa to limit their liability to either 1 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. The Company plans to continue with the said agreement for limitation of liability with each of the candidates if their reappointments are approved. Also, The Company plans to enter into the said agreement with Debra A. Hazelton to limit her liability, if her appointment is approved.

Number of shares to be delivered under the Share-based Compensation Scheme

The number of shares of the Company held by each candidate includes the number of shares (as of March 31, 2023) to be delivered at retirement under the share-based compensation Scheme (the "Scheme ") implemented by the Company. This scheme consists of the performance-linked mid- to long-term incentive compensation ("Performance-linked Compensation"), which is determined based on the achievement of the performance targets of the mid-term management plan and non-financial targets, and the fixed mid- to long-term incentive compensation ("Fixed Compensation"), which is linked to shareholder value. The number of shares to be delivered to each candidate under the scheme includes the confirmed fixed number of shares of the Company to be delivered in the future. Since the portion of performance-linked compensation varies in the range of 0-200% and cannot be determined at this time, it is not included in the number of shares to be delivered under this scheme. The voting rights for the shares to be delivered under this scheme will not be exercised until the shares are delivered to each candidate in the future. In addition, the shares corresponding to constant percentage of the shares to be delivered will be sold in the market to secure the funds for tax payment, and the proceeds from the sale will be delivered to each candidate.

Agenda Item 3: Election of One (1) Director who is a Supervisory Committee Member

Of the three Directors who are Supervisory Committee Members, the terms of office of Daisuke Hayashi will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests the election of one (1) Director who is a Supervisory Committee Member.

The consent of the Supervisory Committee has been obtained for this proposal.

The candidate for the Director who is a Supervisory Committee Member is as follows:

Candidate	Daisuke Hayashi (Date of birth: January 8, 1971)		For Reappointment
Number of the Company's shares held: 19,276 shares (out of which, number of shares to be delivered based on share-based compensation scheme: 16,176 shares)	Brief personal record, position, business in charge in the Company		
Number of years in office: 2 years	Apr. 1993 Jan. 2001 Dec. 2002 Jul. 2007 Oct. 2012 Apr. 2015 Apr. 2019 Apr. 2020 Jun. 2021	Joined ITOCHU Corporation Admitted to the New York State Bar Joined Cisco Systems, Inc. Joined Sony Pictures Entertainment Inc. (Vice President, Legal Affairs) Joined Intelligence, Ltd. (General Manager, Legal & Compliance Division) Executive Officer of the Company (Responsible for Legal Affairs) Executive Officer of the Company (Responsible for Governance, Risk Management, and Compliance) Executive Officer and CLO of the Company Director, Member of Supervisory Committee of the Company (current position)	
Number of the Board meetings attended: 13/13 (100%)	Important concurrent post		
Number of Supervisory Committee meetings attended: 15/15 (100%)	Non-executive Director of PERSOL Asia Pacific Pte. Ltd.		
Number of Corporate Governance Committee meetings attended: 7/7 (100%)	Reasons for nomination as candidate for Director		
	Daisuke Hayashi has contributed to the enhancement of the company's corporate value at the company, particularly in the areas of legal affairs, governance, and risk management. He has been striving for further improvement in the effectiveness of corporate governance as a Director who is a Supervisory Committee Member of the Company since June 2020. The Company once again nominates him as a candidate for Director who is a Supervisory Committee Member, as he is expected to contribute to continued growth of the Company and improvement of the medium- to long-term corporate value through supervision and audit of the Company's management by leveraging his extensive experience and insight in internationality, risk management, legal Affairs, and ESG among others he has garnered throughout his career.		

(Reference briefing materials for Agenda Items 2 to 4 are on page 14 - 16)
 If the candidate of this proposal is elected as proposed, the Company will have three Directors who are Supervisory Committee Members including Chisa Enomoto and Kazuhiko Tomoda, who were elected at the 14th Ordinary General Meeting of Shareholders (held on June 21, 2022).

1. There is no special interest between Daisuke Hayashi and the Company.
2. The Company has entered into indemnity agreement under Article 430-2, Paragraph 1 of the Companies Act with him. Under this indemnity agreement, the Company shall indemnify him against the expenses under Item 1 and the losses under Item 2 of the same Act to the extent specified by laws and regulations. The Company plans to continue with the said indemnity agreement with him if his reappointment is approved.
3. The Company has a Directors and Officers Liability Insurance Contract with insurance companies, under which all directors are insured. If this proposal is approved as proposed and he assumes office as a director, he will become insured under the insurance contract. Under the insurance contract, the insurance will compensate for damages that may arise from the insured directors assuming responsibility for executing their duties or receiving claims in pursuit of such responsibility. However, certain exemptions apply, such that the contract will not compensate for damages caused by acts committed with the knowledge that such acts violate laws or regulations. The Company plans to renew the insurance policy during his term of office.
4. The Company has entered into an agreement with him to limit his liability to either 1 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. The Company plans to continue with the said agreement for limitation of liability with him if his reappointment is approved.

Agenda Item 4: Election of One (1) Substitute Director who is a Supervisory Committee Member

The Company requests the election of one (1) Substitute Director who is a Supervisory Committee Member in order to prepare for the event in which the number of Directors who are Supervisory Committee Members does not comply with that stipulated in law.

The consent of the Supervisory Committee has been obtained for this proposal.

The candidate for the Substitute Director who is a Supervisory Committee Member is as follows:

Candidate	Masaki Yamauchi (Date of birth: January 11, 1961)		External Independent
	Brief personal record, position, business in charge in the Company		
Number of the Company's shares held: 2,150 shares (out of which, number of shares to be delivered based on share-based compensation scheme: 2,150 shares) Number of years in office: 3 years Number of the Board meetings attended: 13/13 (100%) Number of Nomination and Compensation Committee meetings attended: 10/10 (100%) Number of Corporate Governance Committee meetings attended: 7/7 (100%)	Apr.	1984	Joined Yamato Transport Co., Ltd.
	Apr.	2005	Executive Officer, President of Tokyo Branch of Yamato Transport Co., Ltd.
	Nov.	2005	Executive Officer, General Manager of Human Resources and Administration of Yamato Transport Co., Ltd.
	Mar.	2007	Executive Officer of Yamato Holdings Co., Ltd.
	Apr.	2008	Executive Officer of Yamato Holdings Co., Ltd., and Representative Director and President of Yamato Logistics Co., Ltd.
	Apr.	2011	Executive Officer of Yamato Holdings Co., Ltd., and Representative Director, Executive Officer and President of Yamato Transport Co., Ltd.
	Jun.	2011	Director and Executive Officer of Yamato Holdings Co., Ltd., and Representative Director, Executive Officer and President of Yamato Transport Co., Ltd.
	Apr.	2015	Representative Director, Executive Officer and President of Yamato Holdings Co., Ltd.
	Apr.	2019	Chairperson of the Board of Yamato Holdings Co., Ltd.
	Jun.	2020	External Director of the Company (current position)
	Jun.	2022	Special Advisor of Yamato Holdings Co., Ltd. (current position) Outside Director of Resona Holdings, Inc. (current position)
	Important concurrent posts		
	Special Advisor of Yamato Holdings Co., Ltd.		
	Outside Director of Resona Holdings, Inc.		
	Reasons for nomination as candidate for the Substitute External Director and Overview of expected roles		
	Masaki Yamauchi has extensive experience and insight in corporate management and business strategy, innovation, and human resource and organizational development among others from serving as a top executive of a listed company representing the transportation industry. At the Company also, he has been proactively providing opinions and making proposals at meetings of the Board of Directors and other important meetings as an Independent External Director, a member of the Nomination and Compensation Committee, and a Chairperson of Corporate Governance Committee. Given his track record, the Company nominates him as a candidate for Substitute Director who is a Supervisory Committee Member, as he is expected to contribute to continued growth of the Company and improvement of the medium- to long-term corporate value through supervision and audit of the Company's management as an Independent External Director.		

(Reference briefing materials for Agenda Items 2 to 4 are on page 14 - 16)

1. Masaki Yamauchi is a substitute candidate for External Director who is a Supervisory Committee Member.
2. In Agenda Item 2, he is a candidate for Director who is not a Supervisory Committee Member. Supplementary information on him (Business relationship with the company where he holds the concurrent position, Independence, Efforts on structural reform and to strengthen governance) is in Item 2.

3. The Company has entered into indemnity agreement under Article 430-2, Paragraph 1 of the Companies Act with him. Under this indemnity agreement, the Company shall indemnify him against the expenses under Item 1 and the losses under Item 2 of the same Act to the extent specified by laws and regulations. The Company plans to continue with the said indemnity agreement with him if his reappointment is approved.
4. The Company has a Directors and Officers Liability Insurance Contract under Article 430-3, Paragraph 1 of the Companies Act with insurance companies, under which all directors are insured. If this proposal is approved as proposed and he assumes office as a Director, he will become insured under the insurance contract, which will compensate for damages that may arise from the insured directors assuming responsibility for executing their duties or receiving claims in pursuit of such responsibility. However, certain exemptions apply, such that the contract will not compensate for damages caused by acts committed with the knowledge that such acts violate laws or regulations.
5. The Company has entered into an agreement with him to limit their liability to either 1 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. The Company plans to continue with the said agreement for limitation of liability with him if his appointment is approved.

(Reference 1) Policy and process for nominating candidates for Directors

In appointing Directors, the Nomination and Compensation Committee establishes the criteria for nomination, centered on the followings, and then nominates the candidates satisfying the criteria to the Board of Directors (the Board). The candidates for Director nominated to the Board undergo examination by the Supervisory Committee Members, and then, their appointment will be put up for resolution by the Board. With the resolution of the Board, the candidates are appointed unofficially, and their appointment is then determined by a resolution of the General Meeting of Shareholders. When a proposal for the appointment of Directors who are Supervisory Committee Members is submitted to the General Meeting of Shareholders, the prior consent of the Supervisory Committee is required.

<Director nomination criteria>

(See “5-2. Nomination of Directors” under “Corporate Governance Guideline” of the Company)

- (1) 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.
- (2) 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.

(Reference 2) Independence Criteria for External Directors

Please refer to page 17 for details of the Company’s independence criteria for External Directors.

(Reference 3) Board Skill Matrix (As of the end of the General Meeting of Shareholders)

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.

In addition, 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.

Name • Position		Skills that the board of directors should have (knowledge, experience and capability) (Note)						
		Corporate Management and Strategy	Innovation / Technology	HR and Organizational Development	Internationality	Risk Management / Legal Affairs	Finance / Accounting	Sustainability / ESG
Masamichi Mizuta	Chairperson of the Board	●		●				●
Takao Wada	Representative Director, President and CEO	●		●				●
Ryosuke Tamakoshi	Independent Director	●			●		●	
Masaki Yamauchi	Independent Director	●	●	●				
Kazuhiro Yoshizawa	Independent Director	●	●	●				
Debra A. Hazelton	Independent Director			●	●		●	
Daisuke Hayashi	Director (Member of Supervisory Committee)				●	●		●
Chisa Enomoto	Independent Director (Member of Supervisory Committee)				●	●		●
Kazuhiko Tomoda	Independent Director (Member of Supervisory Committee)	●				●	●	

(Note) Definition of . . .

1. Corporate Management and Strategy: Experience and ability of engaging in important decision making and successor selection of own company gained as a corporate executive
2. Innovation / technology: Knowledge and experience regarding technology utilization and innovation in corporate management gained as a CTO (Chief Technology Officer) of a company, etc.
3. Human resource and organizational development: Knowledge and experience regarding human resource strategy and health management, etc., gained as a CHRO (Chief Human Resources Officer) of a company, etc.
Knowledge and experience regarding education business
4. Internationality: Experience and ability of organizational operation, business management, and business operation involving multiple countries at an international organization or company
5. Risk management / Legal Affairs: Knowledge and experience regarding risk management gained as a CRO (Chief Risk Officer) of a company, etc. Knowledge and experience regarding business law and governance gained as a CLO (Chief Legal Officer) of a company, etc.
6. Finance / Accounting: Knowledge and experience regarding business plan, budget, and capital policies gained as a CFO (Chief Financial Officer) of a company, etc.
Sufficient knowledge and experience as a specialist of financial accounting
7. Sustainability / ESG: Experience and ability of working on promotion of sustainability and solving social issues in business management

(Reference 4) Composition of the Board of Directors after the Election

If Agenda Items 2 and 3 are approved as proposed, the composition of the Board of Directors will be as follows.

Name	Title	External Director	Independent Director	Supervisory Committee Member	Nomination and compensation Committee Member (not legally required)	Corporate Governance Committee Member (not legally required)
Masamichi Mizuta	Chairperson of the Board				●	●
Takao Wada	Representative Director, President and CEO					
Ryosuke Tamakoshi	Independent Director	●	●		●	
Masaki Yamauchi	Independent Director	●	●		●	●
Kazuhiro Yoshizawa	Independent Director	●	●		●	
Debra A. Hazelton	Independent Director	●	●			●
Daisuke Hayashi	Director (Full-time Member of Supervisory Committee)			●		●
Chisa Enomoto	Independent Director (Member of Supervisory Committee)	●	●	●		
Kazuhiko Tomoda	Independent Director (Member of Supervisory Committee)	●	●	●		●

(Reference 5) Changes of trade names of Group companies (those relevant to the agenda)

1. On July 1, 2017, Tempstaff Co., Ltd. changed the trade name to PERSOL TEMPSTAFF CO., LTD.
2. On July 1, 2017, Intelligence, Ltd. changed the trade name to PERSOL CAREER CO., LTD.

Independence Criteria for External Directors

The Company has established Independence Criteria for External Directors as follows and deems that any External Director who does not fall under any of the following items possess independence from the Company.

1. Major business partner and lender

- (1) Major business partners of the Group whose transaction amounts with the Group in any of the past three fiscal years including the latest fiscal year exceed 2% of the Company's consolidated annual net sales for that fiscal year, or persons who perform executive roles therein;
- (2) Parties for whom the Group is a major business partner and whose transaction amounts with the Group in any of the past three fiscal years including the latest fiscal year exceed 2% of their consolidated annual net sales for that fiscal year, or persons who perform executive roles therein; or
- (3) Persons who perform executive roles in financing institutions, their parent companies or subsidiaries, from which the Group makes borrowing and the balance of borrowings at the end of any of the past three fiscal years including the latest fiscal year exceeds 2% of the Company's consolidated total assets at the end of that fiscal year.

2. Specialist who receives significant money and other property from the Group

- (1) Attorneys at law, certified public accountants, tax accountants or other consultants who, on average over the past three fiscal years including the latest fiscal year, receive more than 10 million yen in monetary and other property benefits except for executive compensation from the Group; or
- (2) Persons belonging to law firm, accounting firm, tax accountant corporation, consulting firm or other specialized advisory firm (except for supplementary staff) which, on average over the past three fiscal years including the latest fiscal year, was paid by the Group in excess of 2% of its consolidated annual net sales.

3. Major shareholder

- (1) Major shareholders of the Company (i.e. those who possess directly or indirectly the voting rights of 10% or more of the total voting rights. The same shall apply hereinafter) at the end of the latest fiscal year, persons who perform executive roles therein, or their directors who do not perform executive roles;
- (2) Persons who perform executive roles at the Company's major shareholder's subsidiary at the end of the latest fiscal year; or
- (3) Persons who perform executive roles at a party for whom the Group is a major shareholder at the end of the latest fiscal year.

4. Person who receives a large amount of donations or subsidies from the Group

- (1) Persons who annually receive more than 10 million yen of donations or subsidies from the Group in any of the past three fiscal years including the latest fiscal year; or
- (2) Persons who perform executive roles in a corporation, union or other organization which receives donations or subsidies from the Group in excess of 2% of its annual gross income in any of the past three fiscal years including the latest fiscal year.

5. External auditor

- (1) Certified public accountants who are the external auditors of the Group, or certified public accountants who belong to an audit firm which is the external auditor of the Company.

6. Person who belongs to entities which are counterpart of mutual appointment of officers

- (1) Person who perform executive roles in the companies which accept directors or audit & supervisory board members (both full-time and part-time) from the Group, their parent companies or subsidiaries.

7. Person who had been applicable in the past

- (1) Persons to whom any of items 1. through 6. applied in the past three years.

8. Close relative

- (1) Spouse or relatives in second degree or less, of persons who are applicable to the above 1. through 7. or who performed executive roles in the Group (except those who are not significant (Note)) in past three years.

Note: Persons who are not significant refers to: (i) persons who are not directors or executive officers (or officers who perform executive roles at an organization that is a corporation other than a stock company or other entity) if such persons perform executive roles; and (ii) persons who are not owners or partners of a professional advisory firm (i.e., associates and employees).

The Overview of Agenda Items regarding Compensation (Agenda Items 5 to 8)

Agenda Items 5 to 8 pertain to compensation for the Company's Directors and Officers. As the Company has developed a new Mid-term Management Plan that was announced in May 2023, it has reviewed the levels and composition of compensation to ensure the achievement of the plan.

Based on the review, Agenda Item 5 proposes an upward revision of the ceiling of monetary compensation for External Directors who are not Supervisory Committee Members while Agenda Items 6 to 8 propose revisions of share-based compensation schemes for various Directors and Officers.

The major revisions proposed, along with the relationships between the composition of compensation for the Company's Directors and the agenda items for this General Meeting of Shareholders, are as set out below.

1. Summary of the revisions proposed in individual agenda items (with changes underlined)

(1) Agenda Item 5: Revision of Amount of Compensation for External Directors who are not Supervisory Committee Members

Current amount	Proposed revision
Up to 500 million yen (including up to <u>60 million yen</u> for External Directors) per annum	Up to 500 million yen (including up to <u>70 million yen</u> for External Directors) per annum

(2) Agenda Item 6: Partial Revision of Share-based Compensation Scheme for Directors and Officers

	Current scheme	Proposed revisions
Eligible persons	<ul style="list-style-type: none"> Directors who are not Supervisory Committee Members (excluding External Directors) Executive Officers 	No change
Maximum amount of money to be contributed	<u>990 million yen</u> (for three fiscal years)* * Up to equivalent to 20 million yen per annum for the Chairperson of the Board	<u>1,779 million yen</u> (for three fiscal years)* * Up to equivalent to 20 million yen per annum for the Chairperson of the Board
Maximum number of shares that can be decided to be delivered	<u>460,000 shares</u> (for a trust period of approximately three years)	<u>823,800 shares</u> (for a trust period of approximately three years)
Performance achievement conditions	<ul style="list-style-type: none"> Executive Directors and Executive Officers: The amount varies according primarily to the degree of achievement of the Mid-term Management Plan goals during the target period. Chairperson of the Board: None (awarded in a fixed amount) 	No change
Timing of delivery, etc. of shares, etc.	After retirement	After retirement (<u>except for beneficiaries living outside Japan, to whom shares, etc. will be delivered after a certain period [three years] subsequent to the expiration of each target period</u>)

(3) Agenda Item 7: Partial Revision of Share-based Compensation Scheme for External Directors who are not Supervisory Committee Members

	Current scheme	Proposed revisions
Eligible persons	External Directors who are not Supervisory Committee Members	No change
Maximum amount of money to be contributed	<u>33 million yen</u> (for three fiscal years) Note: Equivalent to <u>two million yen</u> per person per annum	<u>57 million yen</u> (for three fiscal years) Note: Equivalent to <u>three million yen</u> per person per annum
Maximum number of shares that can be decided to be delivered	36,000 shares (for a trust period of approximately three years)	No change
Performance achievement conditions	None (awarded in a fixed amount)	No change
Timing of delivery, etc. of shares, etc.	After retirement	After retirement (<u>except for beneficiaries living outside Japan, to whom shares, etc. will be delivered after a certain period [three years] subsequent to the expiration of each target period</u>)

(4) Agenda Item 8: Partial Revision of Share-based Compensation Scheme for Directors who are Supervisory Committee Members

	Current scheme	Proposed revisions
Eligible persons	Directors who are Supervisory Committee Members	No change
Maximum amount of money to be contributed	<u>33 million yen</u> (for three fiscal years) Note: Equivalent to <u>two million yen</u> per person per annum	<u>48 million yen</u> (for three fiscal years) Note: Equivalent to <u>three million yen</u> per person per annum
Maximum number of shares that can be decided to be delivered	36,000 shares (for a trust period of approximately three years)	No change
Performance achievement conditions	None (awarded in a fixed amount)	No change
Timing of delivery, etc. of shares, etc.	After retirement	After retirement (<u>except for beneficiaries living outside Japan, to whom shares, etc. will be delivered after a certain period [three years] subsequent to the expiration of each target period</u>)

2. Relationships between the composition of compensation for the Company’s Directors and the agenda items for this General Meeting of Shareholders

	Directors who are not Supervisory Committee Members			Directors who are Supervisory Committee Members
	Internal Directors		External Directors	
	Executive Directors	Chairperson of the Board		
Basic compensation	Basic compensation	Basic compensation	Basic compensation ⇒ Revision proposed in Agenda Item 5	Basic compensation
Short-term incentive compensation	Bonuses	—	—	—
Mid- to long-term incentive compensation	Share-based compensation (performance-linked and fixed portions) ⇒ Revision proposed in Agenda Item 6	Share-based compensation (fixed portion only) ⇒ Revision proposed in Agenda Item 6	Share-based compensation (fixed portion only) ⇒ Revision proposed in Agenda Item 7	Share-based compensation (fixed portion only) ⇒ Revision proposed in Agenda Item 8

Note: The composition of compensation for the Company’s Executive Officers is similar to that for Executive Directors. For details, see “PERSOL Group’s Approach to Compensation for Directors and Officers (Outline of Compensation Policy for Directors and Officers)” herein.

Agenda Item 5: Revision of Amount of Compensation for External Directors who are not Supervisory Committee Members

1. Reasons for the proposal and for considering the compensation appropriate

The 12th Ordinary General Meeting of Shareholders of June 24, 2020, approved that compensation for the Company’s Directors who are not Supervisory Committee Members be paid in an amount of up to 500 million yen (including up to 60 million yen for External Directors) per annum.

Recently, External Directors have been taking on greater roles and responsibilities in enhancing the Group’s corporate value. In light of that, and of other developments such as trends in pay levels for external directors and the possibility of hiring more global talent going forward, the Company proposes that the amount of compensation for External Directors who are not Supervisory Committee Members be revised.

Subject to the approval of all agenda items 5 to 8, the Company adopted a policy for determining the details of compensation, etc. for individual Company Directors and Officers at the Board of Directors meeting held in April 2023, as outlined on pages 34 to 35 below. This agenda item contains reasonable details necessary to pay individual Directors compensation, etc. in accordance with the policy. Therefore, the Company considers the content of the agenda item to be appropriate.

2. Details of the revision

The Company proposes that, whereas the total amount of compensation for Directors who are not Supervisory Committee Members be unchanged at up to 500 million yen per annum, only the amount of compensation for External Directors who are not Supervisory Committee Members be revised to up to 70 million yen per annum.

At present, the number of Directors who are not Supervisory Committee Members is six, of which three are External Directors. If Agenda Item 2 “Election of Six (6) Directors who are not Supervisory Committee Members” is approved as proposed, the number of Directors who are not Supervisory Committee Members will be six, of which four will be External Directors.

Agenda Item 5 was deliberated by the Nomination and Compensation Committee, whose chair and majority of members are Independent External Directors, prior to submission to this General Meeting of Shareholders. In addition, the Company’s Supervisory Committee considered the decision-making process for the agenda item to be appropriate, on the grounds that the Nomination and Compensation Committee, whose chair and majority of members are Independent External Directors, deliberated the revision of the amount of compensation for External Directors who are not Supervisory Committee Members, and that the Board of Directors deliberated and decided on the agenda item, based on the Nomination and Compensation Committee’s report. The Supervisory Committee deliberated after having been briefed on the details of the deliberation at the Nomination and Compensation Committee and reached the conclusion that the agenda item is appropriate for two reasons: one is that the proposed revision of the amount of compensation is aimed at attracting outstanding individuals as External Directors; and the other is that the level of compensation, etc. for External Directors who are not Supervisory Committee Members that would be introduced if the agenda item is approved is appropriate in light of the pay levels for outside directors that were examined using the database of a third-party expert organization.

(Changes are underlined.)

Current amount of compensation	Proposed revision
Up to 500 million yen (including up to <u>60 million yen</u> for External Directors) per annum	Up to 500 million yen (including up to <u>70 million yen</u> for External Directors) per annum

Agenda Item 6: Partial Revision of Share-based Compensation Scheme for Directors and Officers

1. Reasons for the proposal and for considering the compensation appropriate

Upon approval by shareholders at the ninth Ordinary General Meeting of Shareholders of June 27, 2017, the Company introduced a performance-linked share-based compensation scheme (the “Scheme”), whereby Company shares, etc. are delivered and paid (to be defined in 2(1) below) to the Directors who are not Supervisory Committee Members, as well as Executive Officers, of the Company (excluding External Directors; “Director[s], etc.” in this agenda item) according primarily to the degree of achievement of the Company’s Mid-term Management Plan. Then, upon approval by shareholders at the 14th Ordinary General Meeting of Shareholders of June 21, 2022, the Company revised the share-based compensation scheme for Directors, etc. as a result of clarifying anew the role played by the Chairperson of the Board.

The Company now works to further motivate Directors, etc. to help enhance corporate value over the medium to long term while endeavoring to align their interests more closely with those of shareholders. Toward those ends and subject to the approval of all agenda items 5 to 8, the Company adopted a policy for determining the details of compensation, etc. for individual Company Directors, etc. which includes an increase in the proportion of share-based compensation, at the Board of Directors meeting held in April 2023 (see pages 34 to 35 below). This agenda item contains reasonable details necessary to pay compensation, etc. to individual Directors, etc. in accordance with the policy. Therefore, the Company considers the content of the agenda item to be appropriate.

If the agenda item is approved as proposed, compensation for Directors, etc. other than the Chairperson of the Board will continue to be composed of three items—basic compensation, bonuses, and share-based compensation—whereas compensation for the Chairperson of the Board will continue to be composed of two items—basic compensation and share-based compensation.

If Agenda Item 2 “Election of Six (6) Directors who are not Supervisory Committee Members” is approved as proposed, the number of Directors who are not Supervisory Committee Members (excluding External Directors) and eligible for the Scheme will be two. Further, since Executive Officers are also eligible for the Scheme (currently there are 10 Executive Officers who do not concurrently serve as Directors and are eligible for the Scheme) as mentioned above, compensation under the Scheme includes that for Executive Officers. Given the possibility that any of these Executive Officers may take a Director position during the target period of the trust (to be defined in 2(2) below), Agenda Item 6 proposes the entire amount of compensation under the Scheme as compensation, etc. for Directors, etc.

Agenda Item 6 was deliberated by the Nomination and Compensation Committee, whose chair and majority of members are Independent External Directors, prior to submission to this General Meeting of Shareholders. In addition, the Company’s Supervisory Committee considered the decision-making process for the agenda item to be appropriate, on the grounds that the Nomination and Compensation Committee, whose chair and majority of members are Independent External Directors, deliberated the partial revision of the share-based compensation scheme for Directors, etc., and that the Board of Directors deliberated and decided on the agenda item, based on the Nomination and Compensation Committee’s report. The Supervisory Committee deliberated after having been briefed on the details of the deliberation at the Nomination and Compensation Committee and reached the conclusion that the agenda item is appropriate, for the reason that the proposed Scheme would properly incentivize Directors, etc. to enhance corporate value over the medium to long term and would also have the benefit of helping align values of Directors, etc. with those of shareholders.

2. Amount of compensation under and other details of the Scheme

(1) Overview of the Scheme

The Scheme is a share-based compensation scheme, whereby a trust acquires Company shares using the amount of compensation for Directors, etc. contributed by the Company, and then delivers and pays (“Delivery” or “Deliver[ed]”) Company shares and money in an amount equivalent to the proceeds from the realization of Company shares (“Company Shares, etc.”) to Directors, etc. The details are as set out in (2) to (7) below.

(a) Persons eligible for the Delivery of Company Shares, etc. under the agenda item	<ul style="list-style-type: none"> • Directors who are not Supervisory Committee Members (excluding External Directors) • Executive Officers
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(b) Impact of Company shares subject to the agenda item on the total number of shares issued	
Maximum amount of money to be contributed by the Company (specified in (2) below)	1,779 million yen for three fiscal years* * The amount of share-based compensation for the Chairperson of the Board is capped at the equivalent of 20 million yen per annum.
Maximum number of Company Shares, etc. that can be decided to be Delivered to Directors, etc. in each trust period and the method of acquisition of Company shares (specified in (2) and (3) below)	<ul style="list-style-type: none"> • A maximum of 823,800 Company Shares, etc. can be decided to be Delivered to Directors, etc. in each trust period (approximately three years). • These shares account for about 0.36% of the total number of Company shares issued (as of March 31, 2023; after deducting treasury stock). • The Trust acquires Company shares from the stock market or the Company (through the issuance of new shares or the disposal of treasury stock).

(c) Details of performance achievement conditions (specified in (3) below)	<ul style="list-style-type: none"> • Directors, etc. other than the Chairperson of the Board The amount varies according primarily to the degree of achievement of the Mid-term Management Plan goals during the target period. <ul style="list-style-type: none"> – The performance evaluation indicators for the target period through the fiscal year ending March 31, 2026, are total shareholder return (TSR), adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA), and return on invested capital (ROIC) as financial indicators; and value creation goals and employee engagement as nonfinancial indicators. – The performance evaluation indicators for the ensuing target periods will be separately determined by the Board of Directors. • Chairperson of the Board No performance achievement conditions attached (awarded in a fixed amount).
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(d) Timing of Delivery of Company Shares, etc. to Directors, etc. (specified in (4) below)	<ul style="list-style-type: none"> • After retirement (except for beneficiaries living outside Japan, to whom Company Shares, etc. will be Delivered after a certain period [three years] subsequent to the expiration of each target period)
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(2) Maximum amount of money to be contributed by the Company and pertinent details

The Scheme covers three consecutive fiscal years (“Target Period”). For each Target Period, the Company either creates a trust with a trust period of three years (the “Trust”), the beneficiaries of which are Directors, etc. satisfying the beneficiary requirements, or extends the trust period of the Trust, by contributing money up to 1,779 million yen as compensation, etc. for Directors, etc. The amount of share-based compensation for the Chairperson of the Board is capped at the equivalent of 20 million yen per annum.

The Trust acquires Company shares from the stock market or the Company (through the issuance of new shares or disposal of treasury stock) using the trust money, in accordance with the instructions of the trust administrator. The Company awards points (as specified in (3) below) during the trust period to Directors, etc.,

to whom the Trust will Deliver Company Shares, etc. if they satisfy the beneficiary requirements.

At the expiration of the trust period of the Trust, the Company may continue with the Trust by revising the trust agreement and entrusting additional money to the Trust. In that case, the Company will extend the trust period of the Trust by three years and make an additional contribution up to 1,779 million yen for each extended trust period as compensation, etc. for Directors, etc.; and during the extended trust period, the Company will continue to award points, and the Trust will continue to Deliver Company Shares, etc., to Directors, etc. However, in the event that the Company is to make such an additional contribution and that there remain Company shares (excluding yet-to-be-Delivered Company shares that correspond to the points awarded to Directors, etc.) and money for Directors, etc. (“Remaining Shares”) in the trust property on the last day of the trust period prior to the extension, the Remaining Shares will be passed to the Trust subsequent to the extension in which the total of the monetary value of the Remaining Shares and the trust money additionally contributed by the company will be capped at 1,779 million yen.

If, at the expiration of the trust period of the Trust, Directors, etc. who may satisfy the beneficiary requirements are still in office but the Company does not revise the trust agreement nor entrust additional money in the Trust, no points will be awarded thereafter to such Directors, etc.; however, the Company may extend the trust period of the Trust until such Directors, etc. have retired and the Delivery of Company Shares, etc. to them has been completed, by a maximum of 10 years.

(3) Maximum number of Company Shares, etc. that can be decided to be Delivered to Directors, etc. and pertinent details

The number of Company Shares, etc. to be Delivered to a Director, etc. is determined based on the cumulative number of points (“Cumulative Points”) awarded to the Director, etc. in accordance with the Point Awarding Rules set out below, at the rate of one Company share per point.

If the Company carries out a share split, consolidation of shares, or similar transaction during the trust period, it will adjust the number of Company shares per point and the below-stated maximum number of shares according to the split ratio, consolidation ratio, and other parameters.

Point Awarding Rules

Each year, points are awarded to Directors, etc., the number of which is determined by dividing the amount of share-based compensation set for individual Directors, etc. by the average purchase price for the Company shares in the Trust.*¹ Of these points, 30% are awarded as fixed points and 70% as performance-linked points, each accumulated separately. The Chairperson of the Board, meanwhile, is awarded fixed points only, the number of which is determined by dividing the amount of share-based compensation, which is capped at the equivalent of 20 million yen, by the average purchase price for the Company shares.*¹

The cumulative performance-linked points in each Target Period are further multiplied by the performance-linked coefficient, which ranges from 0% to 200% according primarily to the degree of achievement of the Mid-term Management Plan goals during the Target Period.*²

- *1. If the Company extends the trust period of the Trust by revising the trust agreement and entrusting additional money to the Trust, the average purchase price for the Company shares acquired by the Trust subsequent to the extension will be used instead.
- *2. The indicators that measure the degree of achievement of the goals for the Target Period through the fiscal year ending March 31, 2026, are TSR, adjusted EBITDA, and ROIC as financial indicators; and value creation goals and employee engagement as nonfinancial indicators. The indicators for Target Periods beginning in and after the fiscal year ending March 31, 2027, will be determined separately by the Board of Directors, in light of the Mid-term Management Plan for each of these Target Periods and other factors.

The maximum number of Company Shares, etc. that can be decided to be Delivered to Directors, etc. during the trust period of the Trust is 823,800 for each approximately three-year trust period (an average of 274,600 per annum). This maximum number of shares to be delivered has been set in view of the maximum amount of the trust money mentioned in (2) above and by reference to recent trends in the share price and so forth.

(4) Outline of timing and method of Delivery of Company Shares, etc. to Directors, etc. and other conditions for share delivery

A Director, etc. who satisfies the predetermined beneficiary requirements will receive the Delivery of the number of Company Shares, etc. that corresponds to their Cumulative Points determined in accordance with (3) above, after their retirement (or after a certain period [three years] subsequent to the expiration of each Target Period if the Director, etc. lives outside Japan).

At the time, the Director, etc. will receive the delivery of the number of Company shares that corresponds to a certain percentage of their Cumulative Points; and the rest will be realized within the Trust and will be paid to the Director, etc. in money in an amount equivalent to the proceeds from the realization. However, in the event that the Director, etc. does not have a securities account capable of handling Japanese stocks or that the legal and other systems preclude the Delivery of Company Shares, etc., their entire Cumulative Points may be realized within the Trust, whereupon the Director, etc. may receive money in an amount equivalent to the proceeds from the realization; or, instead of applying the Scheme, the Company may pay money in an amount equivalent to that of share-based compensation based on the Scheme (virtual share-based compensation).

In the event of death during the trust period of a Director, etc. satisfying the beneficiary requirements, the number of Company shares that corresponds to their Cumulative Points determined at that point in time will be realized within the Trust and will be paid to the heir of the Director, etc. in money in an amount equivalent to the proceeds from the realization. If a Director, etc. is posted (including relocating) outside Japan, the number of Company shares that corresponds to their Cumulative Points determined at that point in time may be partly or wholly realized within the Trust, whereupon Company shares may be delivered and money in an amount equivalent to the proceeds from the realization paid to the Director, etc.

In the event that the Board of Directors has resolved to restate prior-period financial statements due to a material accounting error or misconduct or has considered a Director, etc. to have committed a serious breach of their contract of mandate with the Company or other agreements during their term of office, the Board of Directors will, in light of the Nomination and Compensation Committee's report, resolve on whether to revoke all or part of the right of the Director, etc. to receive share-based compensation or demand that the Director, etc. return all or part of the share-based compensation already received. The Company has a similar system in place for bonuses. For further details, see "PERSOL Group's Approach to Compensation for Directors and Officers (Outline of Compensation Policy for Directors and Officers)" on pages 34 to 35 below.

(5) Exercise of voting rights pertaining to Company shares in the Trust

To ensure neutrality to management, no voting rights pertaining to Company shares in the Trust will be exercised during the trust period.

(6) Handling of dividends on Company shares in the Trust

Dividends paid on Company shares in the Trust are received by the Trust and appropriated for the trust fees and expenses of the Trust.

(7) Other details of the Scheme

Other details of the Scheme will be determined by the Board of Directors each time the Trust is created, the trust agreement is revised, and an additional contribution is made to the Trust.

Agenda Item 7: Partial Revision of Share-based Compensation Scheme for External Directors who are not Supervisory Committee Members

1. Reasons for the proposal and for considering the compensation appropriate

Upon approval by shareholders at the 12th Ordinary General Meeting of Shareholders of June 24, 2020, the Company introduced a non-performance-linked, fixed share-based compensation scheme (the “Scheme”) for External Directors who are not Supervisory Committee Members.

The Company now works to further motivate External Directors who are not Supervisory Committee Members to help enhance corporate value over the medium to long term while endeavoring to align their interests more closely with those of shareholders. Toward those ends and subject to the approval of all agenda items 5 to 8, the Company adopted a policy for determining the details of compensation, etc. for individual Company Directors, etc., which includes an increase in share-based compensation for External Directors who are not Supervisory Committee Members from the equivalent of two million yen at present to three million yen per person per annum, at the Board of Directors meeting held in April 2023 (see pages 34 to 35 below).

This agenda item is proposed to specify reasonable details necessary to pay compensation, etc. to individual Directors, etc. in accordance with the policy. Therefore, the Company considers the content of the agenda item to be appropriate.

If the agenda item is approved as proposed, compensation for the Company’s External Directors who are not Supervisory Committee Members will continue to be composed of two items: basic compensation and share-based compensation.

If Agenda Item 2 “Election of Six (6) Directors who are not Supervisory Committee Members” is approved as proposed, the number of External Directors who are not Supervisory Committee Members and eligible for the Scheme will be four.

Agenda Item 7 was deliberated by the Nomination and Compensation Committee, whose chair and majority of members are Independent External Directors, prior to submission to this General Meeting of Shareholders. In addition, the Company’s Supervisory Committee considered the decision-making process for the agenda item to be appropriate, on the grounds that the Nomination and Compensation Committee, whose chair and majority of members are Independent External Directors, deliberated the amount of share-based compensation for External Directors who are not Supervisory Committee Members and that the Board of Directors deliberated and decided on the agenda item, based on the Nomination and Compensation Committee’s report. The Supervisory Committee deliberated after having been briefed on the details of the deliberation at the Nomination and Compensation Committee and reached the conclusion that the agenda item is appropriate for two reasons: one is that the proposed upward revision of the amount of share-based compensation is aimed at attracting outstanding individuals as External Directors; and the other is that the level of compensation, etc. for External Directors who are not Supervisory Committee Members that would be introduced if the agenda item is approved is appropriate in light of the pay levels for outside directors that were examined using the database of a third-party expert organization.

2. Amount of compensation under and other details of the Scheme

(1) Overview of the Scheme

Similarly to the one proposed in Agenda Item 6, the Scheme is a share-based compensation scheme, whereby a trust acquires Company shares using the amount of compensation for External Directors who are not Supervisory Committee Members contributed by the Company, and then delivers and pays (“Delivery” or “Deliver[ed]”) Company shares and money in an amount equivalent to the proceeds from the realization of Company shares (“Company Shares, etc.”) to External Directors who are not Supervisory Committee Members. The details are as set out in (2) to (7) below.

The Scheme utilizes the trust that was created by the Company when it introduced a share-based compensation scheme for Directors who are not Supervisory Committee Members (excluding External Directors) and Executive Officers (the “Trust” in this agenda item).

(a) Persons eligible for the Delivery of Company Shares, etc. under the agenda item	<ul style="list-style-type: none"> External Directors who are not Supervisory Committee Members
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(b) Impact of Company shares subject to the agenda item on the total number of shares issued	
Maximum amount of money to be contributed by the Company (specified in (2) below)	57 million yen for three fiscal years Note: The amount of share-based compensation for any eligible person is equivalent to three million yen per annum.
Maximum number of Company Shares, etc. that can be decided to be Delivered to External Directors who are not Supervisory Committee Members in each trust period and the method of acquisition of Company shares (specified in (2) and (3) below)	<ul style="list-style-type: none"> A maximum of 36,000 Company Shares, etc. can be decided to be Delivered to External Directors who are not Supervisory Committee Members in each trust period (approximately three years). These shares account for about 0.02% of the total number of Company shares issued (as of March 31, 2023; after deducting treasury stock). The Trust acquires Company shares from the stock market or the Company (through the issuance of new shares or the disposal of treasury stock).

(c) Details of performance achievement conditions (specified in (3) below)	<ul style="list-style-type: none"> None (awarded in a fixed amount)
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(d) Timing of Delivery of Company Shares, etc. to External Directors who are not Supervisory Committee Members (specified in (4) below)	<ul style="list-style-type: none"> After retirement (except for beneficiaries living outside Japan, to whom Company Shares, etc. will be Delivered after a certain period [three years] subsequent to the expiration of each target period)
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(2) Maximum amount of money to be contributed by the Company

The Scheme covers three consecutive fiscal years (“Target Period”). For each Target Period, the Company either creates a trust with a trust period of three years, the beneficiaries of which are External Directors who are not Supervisory Committee Members and satisfy the beneficiary requirements, or extends the trust period of the Trust that has already been created, by contributing money up to 57 million yen as compensation, etc. for External Directors who are not Supervisory Committee Members. If a beneficiary lives outside Japan, the Company may, instead of applying the Scheme, pay monetary compensation in an amount equivalent to that of share-based compensation based on the Scheme (virtual share-based compensation); in that event, the amount of the monetary compensation paid to the beneficiary living outside Japan will be included in the maximum amount of money to be contributed by the Company.

The amount of share-based compensation for an External Director who is not a Supervisory Committee Member is equivalent to 3 million yen per annum.

The Trust acquires Company shares from the stock market or the Company (through the issuance of new shares or disposal of treasury stock) using the trust money, in accordance with the instructions of the trust administrator. The Company awards points (as specified in (3) below) during the trust period to External Directors who are not Supervisory Committee Members, to whom the Trust will Deliver Company Shares, etc. if they satisfy the beneficiary requirements.

At the expiration of the trust period of the Trust, the Company may continue with the Scheme by revising the trust agreement and entrusting additional money to the Trust. In that case, the Company will extend the trust period of the Trust by three years and make an additional contribution up to 57 million yen for each extended trust period as compensation, etc. for External Directors who are not Supervisory Committee Members; and during the extended trust period, the Company will continue to award points, and the Trust will continue to Deliver Company Shares, etc., to External Directors who are not Supervisory Committee Members. However, in the event that the Company is to make such an additional contribution and that there remain Company shares (excluding yet-to-be-Delivered Company Shares, etc. corresponding to the points awarded to External Directors who are not Supervisory Committee Members) and money for External Directors who are not Supervisory Committee Members (“Remaining Shares”) in the trust property on the last day of the trust period prior to the extension, the Remaining Shares will be passed to the Trust subsequent to the extension, in which the total of the monetary value of the Remaining Shares and the trust money additionally contributed by the Company (including the virtual share-based compensation to be paid to beneficiaries living outside Japan) will be capped at 57 million yen.

If, at the expiration of the trust period of the Trust, External Directors who are not Supervisory Committee Members and may satisfy the beneficiary requirements are still in office but the Company does not revise the trust agreement nor entrust additional money to the Trust, no points will be awarded thereafter to such External Directors who are not Supervisory Committee Members; however, the Company may extend the trust period of the Trust until such External Directors who are not Supervisory Committee Members have retired and the Delivery of Company Shares, etc. to them has been completed, by a maximum of 10 years.

(3) Maximum number of Company Shares, etc. that can be decided to be Delivered to External Directors who are not Supervisory Committee Members and pertinent details

The number of Company Shares, etc. to be Delivered to an External Director who is not a Supervisory Committee Member is determined based on the cumulative number of fixed points (“Cumulative Points”) awarded to the External Director who is not a Supervisory Committee Member during their term of office as set out below, at the rate of one Company share per point.

If the Company carries out a share split, consolidation of shares, or similar transaction during the trust period, it will adjust the number of Company shares per point and the below-stated maximum number of shares to be delivered, according to the split ratio, consolidation ratio, and other parameters.

Formula for fixed points

Three million yen ÷ Average purchase price for Company shares in the Trust*

* If the Company extends the trust period of the Trust by revising the trust agreement and entrusting additional money to the Trust, the average purchase price for the Company Shares acquired by the Trust subsequent to the extension will be used instead.

The maximum number of Company Shares, etc. that can be Delivered by the Trust to External Directors who are not Supervisory Committee Members during the trust period of the Trust is 36,000 for each three-year trust period (an average of 12,000 per annum). This maximum number of shares to be delivered has been set by reference to the share price at the time of the Scheme’s introduction.

(4) Outline of timing and method of Delivery of Company Shares, etc. to External Directors who are not Supervisory Committee Members and other conditions for share delivery

An External Director who is not a Supervisory Committee Member and satisfies the predetermined beneficiary requirements will, after their retirement (or after a certain period [three years] subsequent to the expiration of each Target Period if the External Director who is not a Supervisory Committee Member lives outside Japan), receive the Delivery of the number of Company Shares, etc. that corresponds to their Cumulative Points determined in accordance with (3) above (if money [virtual share-based compensation] is paid to an External Director who is not a Supervisory Committee Member and lives outside Japan, the amount of money to be paid will be determined by multiplying the number of Company shares corresponding to their Cumulative

Points by the share price at the time of payment).

At the time, the External Director who is not a Supervisory Committee Member will receive the delivery of the number of Company shares that corresponds to a certain percentage of their Cumulative Points; and the rest will be realized within the Trust and will be paid to the External Director who is not a Supervisory Committee Member in money in an amount equivalent to the proceeds from the realization. However, in the event that the External Director who is not a Supervisory Committee Member does not have a securities account capable of handling Japanese stocks or that the legal and other systems preclude the Delivery of Company Shares, etc., their entire Cumulative Points may be realized within the Trust, whereupon the External Director who is not a Supervisory Committee Member may receive money in an amount equivalent to the proceeds from the realization; or, instead of applying the Scheme, the Company may pay money in an amount equivalent to that of share-based compensation based on the Scheme (virtual share-based compensation).

In the event of death during the trust period of an External Director who is not a Supervisory Committee Member and satisfies the beneficiary requirements, the number of Company shares that corresponds to their Cumulative Points determined at that point in time will be realized within the Trust and will be paid to the heir of the External Director who is not a Supervisory Committee Member in money in an amount equivalent to the proceeds from the realization. If an External Director who is not a Supervisory Committee Member is posted (including relocating) outside Japan, the number of Company shares that corresponds to their Cumulative Points determined at that point in time may be partly or wholly realized within the Trust, whereupon Company shares may be delivered and money in an amount equivalent to the proceeds from the realization paid to the External Director who is not a Supervisory Committee Member.

In the event that the Board of Directors has resolved to restate prior-period financial statements due to a material accounting error or misconduct or has considered an External Director who is not a Supervisory Committee Member to have committed a serious breach of their contract of mandate with the Company or other agreements during their term of office, the Board of Directors will, in light of the Nomination and Compensation Committee's report, resolve on whether to revoke all or part of the right of the External Director who is not a Supervisory Committee Member to receive share-based compensation or demand that the External Director who is not a Supervisory Committee Member return all or part of the share-based compensation already received.

(5) Voting rights pertaining to Company shares in the Trust

To ensure neutrality to management, no voting rights pertaining to Company shares in the Trust will be exercised during the trust period.

(6) Handling of dividends on Company shares held in the Trust

Dividends on Company shares held in the Trust will be received by the Trust and assigned to the Trust's fees and expenses.

(7) Other details of the Scheme

Other details of the Scheme will be determined by the Board of Directors each time the Trust is created, the trust agreement is revised, and an additional contribution is made to the Trust.

Agenda Item 8: Partial Revision of Share-based Compensation Scheme for Directors who are Supervisory Committee Members

1. Reasons for the proposal and for considering the compensation appropriate

Upon approval by shareholders at the 12th Ordinary General Meeting of Shareholders of June 24, 2020, the Company introduced a non-performance-linked, fixed share-based compensation scheme (the “Scheme”) for Directors who are Supervisory Committee Members.

The Company now works to further motivate Directors who are Supervisory Committee Members to help enhance corporate value over the medium to long term while endeavoring to align their interests more closely with those of shareholders. Toward those ends, this agenda item proposes that share-based compensation for Directors who are Supervisory Committee Members be increased from the equivalent of two million yen to three million yen per person per annum.

The agenda item has been resolved by the Board of Directors in light of the aims mentioned above and various other circumstances. Therefore, the Company considers the content of the agenda item to be appropriate.

If the agenda item is approved as proposed, compensation for the Company’s Directors who are Supervisory Committee Members will continue to be composed of two items: basic compensation and share-based compensation.

If Agenda Item 3 “Election of One (1) Director who is a Supervisory Committee Member” is approved as proposed, the number of Directors who are Supervisory Committee Members and eligible for the Scheme will be three.

Agenda Item 8 was deliberated by the Nomination and Compensation Committee prior to submission to this General Meeting of Shareholders.

2. Amount of compensation under and other details of the Scheme

(1) Overview of the Scheme

Similarly to the ones proposed in Agenda Items 6 and 7, the Scheme is a share-based compensation scheme, whereby a trust acquires Company shares using the amount of compensation for Directors who are Supervisory Committee Members contributed by the Company, and then delivers and pays (“Delivery” or “Deliver[ed]”) Company shares and money in an amount equivalent to the proceeds from the realization of Company shares (“Company Shares, etc.”) to Directors who are Supervisory Committee Members. The details are as set out in (2) to (7) below.

Similarly to the one proposed in Agenda Item 7, the Scheme utilizes the trust that has already been created by the Company (the “Trust” in Agenda Item 8).

(a) Persons eligible for the Delivery of Company Shares, etc. under the agenda item	<ul style="list-style-type: none"> Directors who are Supervisory Committee Members
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(b) Impact of Company shares subject to the agenda item on the total number of shares issued	
Maximum amount of money to be contributed by the Company (specified in (2) below)	48 million yen for three fiscal years Note: The amount of share-based compensation for any eligible person is equivalent to three million yen per annum.
Maximum number of Company Shares, etc. that can be decided to be Delivered to Directors who are Supervisory Committee Members in each trust period and the method of acquisition of Company shares (specified in (2) and (3) below)	<ul style="list-style-type: none"> A maximum of 36,000 Company Shares, etc. can be decided to be Delivered to Directors who are Supervisory Committee Members in each trust period (approximately three years). These shares account for about 0.02% of the total number of Company shares issued (as of March 31, 2023; after deducting treasury stock). The Trust acquires Company shares from the stock market or the Company (through the issuance of new shares or the disposal of treasury stock).

(c) Details of performance achievement conditions (specified in (3) below)	<ul style="list-style-type: none"> None (awarded in a fixed amount)
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(d) Timing of Delivery of Company Shares, etc. to Directors who are Supervisory Committee Members (specified in (4) below)	<ul style="list-style-type: none"> After retirement (except for beneficiaries living outside Japan, to whom Company Shares, etc. will be Delivered after a certain period [three years] subsequent to the expiration of each target period)
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(2) Maximum amount of money to be contributed by the Company

The Scheme covers three consecutive fiscal years (“Target Period”). For each Target Period, the Company either creates a trust with a trust period of three years, the beneficiaries of which are Directors who are Supervisory Committee Members and satisfy the beneficiary requirements, or extends the trust period of the Trust that has already been created, by contributing money up to 48 million yen as compensation, etc. for Directors who are Supervisory Committee Members.

The amount of share-based compensation for a Director who is a Supervisory Committee Members is equivalent to three million yen per annum.

The Trust acquires Company shares from the stock market or the Company (through the issuance of new shares or disposal of treasury stock) using the trust money, in accordance with the instructions of the trust administrator. The Company awards points (as specified in (3) below) during the trust period to Directors who are Supervisory Committee Members, to whom the Trust will Deliver Company Shares, etc. if they satisfy the beneficiary requirements.

At the expiration of the trust period of the Trust, the Company may continue with the Scheme by revising the

trust agreement and entrusting additional money to the Trust. In that case, the Company will extend the trust period of the Trust by three years and make an additional contribution up to 48 million yen for each extended trust period as compensation, etc. for Directors who are Supervisory Committee Members; and during the extended trust period, the Company will continue to award points, and the Trust will continue to Deliver Company Shares, etc., to Directors who are Supervisory Committee Members. However, in the event that the Company is to make such an additional contribution and that there remain Company shares (excluding yet-to-be-Delivered Company Shares, etc. corresponding to the points awarded to Directors who are Supervisory Committee Members) and money for Directors who are Supervisory Committee Members (“Remaining Shares”) in the trust property on the last day of the trust period prior to the extension, the Remaining Shares will be passed to the Trust subsequent to the extension, in which the total of the monetary value of the Remaining Shares and the trust money additionally contributed by the Company will be capped at 48 million yen.

If, at the expiration of the trust period of the Trust, External Directors who are Supervisory Committee Members and may satisfy the beneficiary requirements are still in office, but the Company does not revise the trust agreement nor entrust additional money to the Trust, no points will be awarded thereafter to such Directors who are Supervisory Committee Members; however, the Company may extend the trust period of the Trust until such Directors who are Supervisory Committee Members have retired and the Delivery of Company Shares, etc. to them has been completed, by a maximum of 10 years.

- (3) Maximum number of Company Shares, etc. that can be decided to be Delivered to Directors who are Supervisory Committee Members and pertinent details

The number of Company Shares, etc. to be Delivered to a Director who is a Supervisory Committee Member is determined based on the cumulative number of fixed points (“Cumulative Points”) awarded to the Director who is a Supervisory Committee Member during their term of office as set out below, at the rate of one Company share per point. If the Company carries out a share split, consolidation of shares, or similar transaction during the trust period, it will adjust the number of Company shares per point and the below-stated maximum number of shares to be delivered, according to the split ratio, consolidation ratio, and other parameters.

Formula for fixed points

Three million yen ÷ Average purchase price for Company shares in the Trust*

* If the Company extends the trust period of the Trust by revising the trust agreement and entrusting additional money to the Trust, the average purchase price for the Company Shares acquired by the Trust subsequent to the extension will be used instead.

The maximum number of Company Shares, etc. that can be Delivered by the Trust to Directors who are Supervisory Committee Members during the trust period of the Trust is 36,000 for each three-year trust period (an average of 12,000 per annum). This maximum number of shares to be delivered has been set by reference to the share price at the time of the Scheme’s introduction.

- (4) Outline of timing and method of Delivery of Company Shares, etc. to Directors who are Supervisory Committee Members and other conditions for share delivery

A Director who is a Supervisory Committee Member and satisfies the predetermined beneficiary requirements will receive the Delivery of the number of Company Shares, etc. that corresponds to their Cumulative Points determined in accordance with (3) above, after their retirement (or after a certain period [three years] subsequent to the expiration of each Target Period if the Director who is a Supervisory Committee Member lives outside Japan). At the time, the Director who is a Supervisory Committee Member will receive the delivery of the number of Company shares that corresponds to a certain percentage of their Cumulative Points; and the rest will be realized within the Trust and will be paid to the Director who is a Supervisory Committee Member in money in an amount equivalent to the proceeds from the realization. However, in the event that the Director who is a Supervisory Committee Member does not have a securities account capable of handling Japanese stocks or that the legal and other systems preclude the Delivery of Company Shares, etc., their entire Cumulative Points may be realized within the Trust, whereupon the Director who is a Supervisory Committee Member may receive money in an amount equivalent to the proceeds from the realization; or, instead of applying the Scheme, the Company may pay money in an amount equivalent to that of share-based compensation based on the Scheme (virtual share-based compensation).

In the event of death during the trust period of a Director who is a Supervisory Committee Member, and satisfies the beneficiary requirements, the number of Company shares that corresponds to their Cumulative Points

determined at that point in time will be realized within the Trust and will be paid to the heir of the Director who is a Supervisory Committee Member in money in an amount equivalent to the proceeds from the realization. If a Director who is a Supervisory Committee Member is posted (including relocating) outside Japan, the number of Company shares that corresponds to their Cumulative Points determined at that point in time may be partly or wholly realized within the Trust, whereupon Company shares may be delivered and money in an amount equivalent to the proceeds from the realization paid to the Director who is a Supervisory Committee Member.

In the event that the Board of Directors has resolved to restate prior-period financial statements due to a material accounting error or misconduct or has considered a Director who is a Supervisory Committee Member to have committed a serious breach of their contract of mandate with the Company or other agreements during their term of office, the Board of Directors will, in light of the Nomination and Compensation Committee's report, resolve on whether to revoke all or part of the right of the Director who is a Supervisory Committee Member to receive share-based compensation or demand that the Director who is a Supervisory Committee Member return all or part of the share-based compensation already received.

(5) Voting rights pertaining to Company shares in the Trust

To ensure neutrality to management, no voting rights pertaining to Company shares in the Trust will be exercised during the trust period.

(6) Handling of dividends on Company shares held in the Trust

Dividends on Company shares held in the Trust will be received by the Trust and assigned to the Trust's fees and expenses.

(7) Other details of the Scheme

Other details of the Scheme will be determined through consultation of Directors who are Supervisory Committee Members each time the Trust is created, the trust agreement is revised, and an additional contribution is made to the Trust.

(Reference) PERSOL Group’s Approach to Compensation for Directors and Officers (Outline of Compensation Policy for Directors and Officers)

Subject to Agenda Items 5 to 8 being approved as proposed, the Company amended the policy for determining compensation, etc. for individual Directors and Officers, at the Board of Directors meeting held in April 2023. The amended policy is as outlined below. For further details, see the May 23, 2023 release titled “Continuance and Partial Revision of the Share-Based Compensation Scheme for the Directors, etc.”

● Basic policy for Directors and Officers compensation

To achieve the PERSOL Group’s Value Creation Story, compensation for the Directors and Senior Executives (“Directors and Officers Compensation”) of the Company and its subsidiaries playing a central role in the strategic business unit (SBU) business strategies (“Core SBU Companies”) is designed to explicitly reflect their contribution to improving both the short-term and mid- to long-term financial performance of the Group, and specified from the following three perspectives:

- (a) Link compensation to the PERSOL Group’s short-term and mid- to long-term financial performance and corporate value;
- (b) Link compensation to shareholder value; and
- (c) Set compensation at competitive levels.

● Levels of compensation

Levels of Directors and Officers Compensation are determined in accordance with the following steps: first, a group of (around 20 to 30) benchmark companies is selected, using a database of a third-party expert organization (the “Nomination and Compensation Governance Survey” conducted by Human Resources Governance Leaders Co., Ltd.) and other data; then, levels of compensation at these benchmark companies are examined and analyzed; finally, the environment in which the Group operates is taken into consideration.

● Composition of compensation

Compensation for the Company’s Executive Directors and Executive Officers (“Executive Director[s], etc.”) is composed of three items: *basic compensation*, the amount of which is determined according to the role of each Executive Director, etc.; *bonuses*, as short-term incentive compensation; and *share-based compensation*, as mid- to long-term incentive compensation. The amount of each item of compensation is set so that the ratio of basic compensation, bonuses, and share-based compensation is roughly 50:20:30 for Executive Directors, and 55:20:25 for Executive Officers (in cases where incentive compensation is paid in standard amounts). The composition of compensation for the Directors of Core SBU Companies is similar to that of the Company.

On the other hand, compensation for the Chairperson of the Board, External Directors who are not Supervisory Committee Members, and Directors who are Supervisory Committee Members (“Non-executive Directors”) is composed of two items: basic compensation, and share-based compensation as mid- to long-term incentive compensation. Share-based compensation for Non-executive Directors is aimed at motivating them to help enhance corporate value over the medium to long term and aligning their interests with those of shareholders. Toward those ends and from the perspective of preventing undue risk taking by Non-executive Directors and having them properly supervise executives from a shareholder’s viewpoint, share-based compensation for Non-executive Directors is not linked to performance; instead, a fixed number of shares are delivered as share-based compensation.

– Basic compensation

Basic compensation is paid monthly in an amount determined according to the role, responsibility, and management skills of each Executive Director, etc. and the duties of each Nonexecutive Director.

– Bonuses

Bonuses are paid every July as short-term incentive compensation, in light of the goals set for the fiscal year as a milestone in the achievement of the Mid-term Management Plan. The amount varies in the range of roughly 0% to 200%.

– Share-based compensation

Share-based compensation is aimed at incentivizing Directors and Officers to enhance the financial performance and corporate value of the PERSOL Group over the medium to long term and align their interests more closely with those of shareholders. Therefore, it is paid after their retirement, in principle (for Directors and Officers living outside Japan, monetary compensation linked to the Company's share price [virtual share-based compensation] is paid upon expiration of the target period of each Mid-term Management Plan while they reside outside Japan, as a rule; however, if their country of residence changes in the middle of the target period, the monetary compensation is paid at the time of the change).

Share-based compensation for Executive Directors, etc. is made up of two parts: performance-linked mid- to long-term incentive compensation (Performance Share), which accounts for 70% of the total and is determined according primarily to the degree of achievement of the Company's Mid-term Management Plan goals; and fixed mid- to long-term incentive compensation (Restricted Stock), which accounts for the remaining 30% and is designed to link compensation to shareholder value.

Meanwhile, share-based compensation for Non-executive Directors consists entirely of fixed mid- to long-term incentive compensation (Restricted Stock).

● Compensation governance

The amounts and calculation methods of Directors and Officers Compensation, etc., as well as the policy for determining the details of compensation, etc. for individual Directors and Officers, of the Company are thoroughly deliberated by the Nomination and Compensation Committee, which is an independent advisory body to the Board of Directors, before the decision is made by the Board of Directors. The amount of compensation, etc. for Directors who are Supervisory Committee Members is determined through consultation of the Supervisory Committee. Directors and Officers Compensation, etc. are paid within the maximum amount of compensation, etc. set by resolution of a General Meeting of Shareholders.

● Confiscation of compensation, etc. (clawback and malus)

In the event that the Board of Directors has resolved to restate prior-period financial statements due to a material accounting error or misconduct or has considered a Director or Officer to have committed a serious breach of their contract of mandate with the Company or other agreements during their term of office, the Nomination and Compensation Committee will, in response to a consultation by the Board of Directors, deliberate whether to revoke all or part of the right of the Director or Officer to receive bonuses and share-based compensation or demand that the Director or Officer return all or part of the bonuses and share-based compensation already received, and report the results to the Board of Directors.

In light of the report from the Nomination and Compensation Committee, the Board of Directors will resolve on whether to revoke all or part of the right of the Director or Officer to receive bonuses and share-based compensation or demand that the Director or Officer return all or part of the bonuses and share-based compensation already received.

● Policy for information disclosure and relevant activities

The Company promptly discloses to shareholders the details of Directors and Officers Compensation schemes, primarily in the annual securities reports, reference materials for general meetings of shareholders, business reports, corporate governance reports, and integrated reports that are prepared and disclosed in compliance with applicable laws, regulations, or guidelines, as well as on the Company website.

Furthermore, the Company endeavors to enhance corporate value by engaging in constructive and purposeful dialogue with shareholders and investors to deepen their understanding of the Group's Value Creation Story and by sharing, at Board of Directors meetings and other occasions, the opinions of shareholders and investors expressed in the dialogue and reflecting them in the Company's management.

In regard to Internal Directors (excluding Directors who are Supervisory Committee Members), the Company discloses the amounts of their compensation without limiting the scope to the Internal Directors whose consolidated compensation, etc. totals 100 million yen or more, in principle.