

Dialogues with Shareholders and Investors in FY2024

PERSOL HOLDINGS CO., LTD.

1. Overview

Our Board set forth the "Policy for Constructive Dialogues with Shareholders and Investors" and is actively promoting dialogues with shareholders and investors with the aim of driving sustainable growth and enhancing our corporate value in the medium- to long-term.

Throughout FY2024, we engaged in dialogues with shareholders and investors by individual meetings with analysts and institutional investors (over 300 meetings in total), domestic and overseas conferences hosted by securities companies, overseas IR, IR Day (business briefing), and briefings for individual investors, etc., in addition to the general meeting of shareholders and financial results briefings (held quarterly). The contents of these discussions were conveyed to the Board and the Headquarters Management Committee (the "HMC") on a quarterly basis and are utilized in management and IR activities, with the aim of enhancing corporate value over the medium to long term.

2. Main points of contact involved in dialogues with shareholders and investors

A contact point (IR department) was set up within the Group Finance Division, and Directors, executive officers, the Head of the Finance Division, etc. attended meetings with shareholders and investors.

The Representative Director, President and CEO was the speaker at the general meeting of shareholders and at the quarterly financial results briefings, and also conducted individual meetings with shareholders and investors in response to their requests. In addition, he participated in domestic and overseas conferences hosted by securities companies and conducted overseas IR activities.

The CFO, who is the executive officer in charge of finance, as well as the Representative Director, President and CEO, was a speaker at financial results briefings, conducted individual meetings with shareholders and investors, participated in domestic and overseas conferences hosted by securities companies, and conducted overseas IR activities.

The External Directors conducted a group interview with key analysts and institutional investors.

The Leads of each SBU (Strategic Business Unit) and R&D Function Unit, who are also executive officers, explained the business models and future strategies of their respective businesses at the Company's first IR Day (business briefing) held in July 2024.

The Head of the Finance Division and IR members served as speakers at briefings for individual investors, in addition to individual meetings with shareholders and investors.

Sustainability and human resources personnel also attended individual meetings with shareholders and investors to engage in dialogues regarding the Integrated Reports and Human Capital Reports.

Through these activities, we endeavored to foster trust and ensure a proper evaluation of the Company.

3. Overview of shareholders and investors with whom dialogues were held

For institutional investors, we are in dialogues with institutional investors with a long-term holding orientation, focusing on domestic and international growth/value styles as well as hedge funds. In addition to analysts and fund managers, we also conducted dialogues with ESG officers and proxy voting officers.

For individual investors in Japan, we actively held company briefing sessions.

4. Main themes of the dialogues and issues of interest to shareholders and investors

We received many questions from shareholders and investors about our growth potential in light of the changes in the working environment, such as the “prolonged working period due to the arrival of the ‘100-years of life era’” and “the evolution of technology and AI.” In response to these questions, we explained that we will design a cycle of corporate activities and social contribution as our value creation story to provide more value than ever before and achieve business growth.

Given that our business model tends to have a high level of liquidity on hand, we have received suggestions and advice from several shareholders and investors regarding the importance of cash allocation, shareholder returns, and capital efficiency.

5. Feedback of shareholder and investor opinions and concerns identified through dialogues

We minute and record the results of interviews and meetings with shareholders and investors. The content of the dialogues is conveyed to the Board and the HMC on a quarterly basis and discussed at meetings as needed. In addition, we report semiannually on the status of shareholder composition and the results of surveys that reveal the real shareholders among domestic and foreign institutional investors. Matters of high importance or those that require a prompt response are reported to the Representative Director, President and CEO and other executive officers in charge on a case-by-case basis for appropriate action without having to await the next periodic reporting opportunity.

6. Items incorporated based on dialogues and subsequent feedback

In July 2024, we held our first IR Day (business briefing) to address the feedback that our

business is diverse and difficult to understand as a comprehensive human resource services company. Through the event, we have strengthened the dissemination of information to provide the business overview and the growth strategies of each business.

The Board and the HMC discussed the comments received from several shareholders and investors regarding the importance of cash allocation, shareholder returns, and capital efficiency. Specifically, from the standpoint of capital efficiency, we have decided to repurchase 20 billion yen of our own shares in May 2024, taking into consideration our cash on hand, balance sheet, and funding needs, including M&A. In addition, we have always been conscious of capital efficiency, such as by setting ROIC and ROE targets as efficiency indicators in the financial strategy of the “PERSOL Group Mid-term Management Plan 2026,” and in May 2024, we disclosed our cost of capital as approximately 8%, reflecting the levels identified through dialogues with investors.

Also, we actively engage in dialogues regarding the Integrated Reports and the Human Capital Reports, and reflect suggestions obtained from such dialogue as appropriate to enhance the content of the reports. In the PERSOL Group Integrated Report 2024, published in September 2024, we took advantage of investor feedback and established a new section entitled “Roadmap to Achieve the Group Vision,” which presents a short-, medium-, and long-term timeline, and also discloses our recognition of the cost of capital. In addition, we have strived to promote understanding of the value creation story toward 2030 by explaining it in more detail. Specifically, the CEO message talked about the PERSOL Group's medium- to long-term value creation initiatives and the management direction to realize them, and the messages from the executive officers in charge of each reported on the progress of the mid-term management plan that started in FY2023. We have also enhanced the disclosure on governance based on feedback from investors by posting targets, achievements, and specific initiatives for each of the eight materialities. For the Human Capital Report published in January 2025, we have visualized our hypothesis on how human investment leads to social and economic value as the “Human Capital Impact Path” and newly included it in the report. We continue to expand the content and deepen the dialogues with investors.

In addition, in response to growing demand for opportunities for dialogue with External Directors, a group interview was held with External Directors and key analysts and investors.

We will continue to promote constructive dialogues with our shareholders and investors with the aim of driving sustainable growth and enhancing our corporate value over the medium to long term. We will also proactively disclose the specific details of such dialogues.

End
