

FY2025 Evaluation of Effectiveness of the Board

PERSOL HOLDINGS CO., LTD.

1. Implementation Method

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

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

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

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

2. Evaluation Method and Process

- (1) The method and schedule of effectiveness evaluation were considered, and then reported to and deliberated by the board. (January 2026)
- (2) A questionnaire survey was conducted anonymously by the third-party evaluation institution targeting all Directors and Executive Officers. (January and February 2026)

[Major items of the questionnaire for directors]

- (i) Evaluation of overall board performance (alignment in understanding of roles and functions; KPIs, granularity, and details of monitoring)
 - (ii) Composition of the board (number of board members; roles of independent directors; diversity; procedure for nomination of independent directors)
 - (iii) Operation of board meetings (frequency of meetings; deliberation time; allocation of time; scope and volume of agenda items)
 - (iv) Systems supporting the board (provision of information; inquiries; training)
 - (v) Culture and communication within the board (culture open to discussion and opinions; communication among directors and between directors and senior executives)
 - (vi) Board's discussion and oversight function (strategic debate; support for risk-taking; appropriateness of the nomination; compensation of executive officers and scrutinizing the statements and actions of oneself and other Board members)
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- (vii) Operation of committees (roles and composition of the three board committees, i.e., the Audit and Supervisory, Nomination and Compensation, and Corporate Governance Committees)
- (viii) Relationship with investors and shareholders (provision of information on the status of dialogue; supervision of the system for promoting dialogue)
- (ix) Executive structure (decision-making speed and operational structure, etc.)
- (x) Other (optional comments)
- (xi) Adequacy gap between the degree of importance of agenda items and the volume of discussion dedicated to them

[Major items of the questionnaire for executive officers]

- (i) Board's oversight function (strategic debate; KPIs, granularity, and details of monitoring; support for risk-taking)
- (3) The third-party evaluation institution conducted interviews with all Directors and all Executive Officers to further explore questionnaire responses and free comments. (February 2026)
- (4) The Chairperson of the Board conducted interviews with all Directors exchanging views on the overall operational performance of the board and issues that need to be addressed. A trial run was also conducted to provide feedback to individual directors based on the content of the self-assessment questionnaire. (March 2026)
- (5) We reported the results of the questionnaire, interviews by the Chairperson of the Board, and key issues based on these results to the Board. The Board deliberated the evaluation of the outcome of efforts regarding the issues recognized in fiscal year 2024 and the issues subject to future consideration. (April 2026)
- (6) Taking into account the deliberation results of the issues subject to future consideration, the Board deliberated the issues it recognized and the direction of responses to them. (April 2026)
- (7) We put together the results of deliberations so far, reported them to the Board, and the evaluation by the Board was finalized. (May 2026)

3. Evaluation Results

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

The third-party evaluation institution commented that “a shared understanding among Directors regarding the role and function of the Board as a monitoring board has been fostered, and agenda-setting and discussions centered on deliberations are being conducted.” As characteristics

supporting the effectiveness of the Board, it cited “a shared understanding among Directors regarding the desired state of the Board as a monitoring board,” “continuous improvement initiatives toward further enhancement of governance functions,” and “a Board culture that allows for free and open discussions.”

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

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

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

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

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

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

- (ii) Appropriate monitoring of strategy execution

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

- (iii) Continuous improvement of the Board's operation

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

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

Accordingly, the Board recognized that continuous efforts to further sophisticate Board

operations are necessary.

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

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

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

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

(ii) Enhancing the Effectiveness of the Nomination Function

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

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

(iii) Continuous improvement of the Board operations

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

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

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

End
