July 23, 2025

To whom it may concern,

Company name: Pasona Group Inc.
Representative: Hirotaka Wakamoto,
Representative Director, President and CEO
(Securities code 2168, TSE Prime Market)
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(Corrections) Notice of Receipt of Shareholder Proposal Documents and The Board of Directors' Opinion

Pasona Group Inc. (the "Company") hereby announces that there have been corrections made to the above-mentioned disclosure material released on July 22, 2025, at 17:00 p.m. (JST).

1. Details of corrections

The revised part is underlined.

3. Opinion of the Board of Directors of the Company regarding the Shareholder Proposal

(2) Reasons for opposition

ｉ) Appropriation of surplus

2. Reason for corrections

After the announcement of the " Notice of Receipt of Shareholder Proposal Documents and The Board of Directors' Opinion ", an error was found in part of the description, so the description will be corrected.

【Before corrections】

3. Opinion of the Board of Directors of the Company regarding the Shareholder Proposal

(2) Reasons for opposition

ｉ) Appropriation of surplus

The Company recognizes the return of profit to shareholders as one of its highest priorities. In order to play a sufficient role as a company with sustainable development, the Company will strive to strengthen its management base and profitability while securing growth funds such as new business investments and capital expenditures, with the aim of increasing shareholder returns by enhancing corporate value. Based on our basic policy of providing shareholder returns in line with performance, we will raise the consolidated dividend payout ratio to 40% in the fiscal year ending May 2025 in order to further enhance shareholder returns, and we are also working to maintain continuous and stable dividends.

This year, the Company celebrated its 50th anniversary. The business environment surrounding the Company is changing as the working-age population declines due to the declining birthrate and aging of the domestic population, while people's values and lifestyles are becoming more diverse. In addition, the remarkable advancement of digital technologies such as AI is bringing about dramatic changes, affecting not only the way we work but also the very nature of the work itself. Also, the composition of the Company's consolidated business portfolio has changed as a result of the sale of shares of consolidated subsidiaries in the fiscal year ending May 2024. The Company plans to use the funds obtained from the sale of shares of consolidated subsidiaries for growth investments such as new business investments, capital expenditures, and M&A investments to enhance the Company's corporate value over the medium to long term, while strengthening its management base and providing shareholder returns.

As for improving shareholder returns, as announced in the "Resolution to Pay Special Dividends and Revision of Dividend Forecast for the Fiscal Year Ending May 2024" dated April 12, 2024, the Company has resolved to pay a special dividend of 60 yen per share for each fiscal year over the five fiscal years from the fiscal year ending May 2024 to the fiscal year ending May 2028. As announced in the "Notice Regarding Share Repurchase " dated January 14, 2025, the Company is conducting share repurchases, as a further return to shareholders returns utilizing the sale proceeds, with the aim of further enhancing capital efficiency and executing a flexible capital policy in line with the business environment, with an upper limit of up to 5 billion yen in total acquisition cost and up to 2 million shares (equivalent to 4.97% of the total number of issued shares, excluding treasury shares).

As stated above, the Company is striving to enhance shareholder returns and formulate new growth strategies for the next 50 years as a company that grows sustainably, with the aim of further enhancing its corporate value. Therefore, we believe it is important to strike an optimal balance between securing the funds necessary for our growth strategy and providing shareholder returns.

This proposal is aimed to use an amount equivalent to eight-hundredths (8/100) of the Company's net assets, or a DOE of 8%, as a dividend source for the fiscal year ending May 2025. The corresponding amount is estimated to be approximately 11.5 billion yen. On the other hand, as mentioned above, the Company has indicated its intention to enhance shareholder returns, and when the total amount of special dividends of approximately 12 billion yen is combined with the maximum amount of 5 billion yen of share repurchases, it is presenting a shareholder return plan totaling roughly 17 billion yen. The Company has also formulated the PASONA GROUP VISION 2030, a five-year medium term vision covering the period from the fiscal year ending May 2026 through the fiscal year ending May 2030. Its basic policy for shareholder returns during this period is to provide returns in line with business performance, aiming for a consolidated dividend payout ratio of around 40%. In order to achieve continuous and stable dividends that are not affected by temporary performance fluctuations, the Company has resolved to introduce a progressive dividend policy that maintains or increases dividends with a minimum of 75 yen per share. Therefore, the Company believes that such a proposal is based on a short term perspective and does not take into account the Company's sustainable corporate growth and continuous and stable shareholder returns, and that this proposal will not lead to the Company's enhanced corporate value over the medium to long term.

For the reasons stated above, the Board of Directors of the Company is against this proposal.

【After corrections】

3. Opinion of the Board of Directors of the Company regarding the Shareholder Proposal

(2) Reasons for opposition

ｉ) Appropriation of surplus

The Company recognizes the return of profit to shareholders as one of its highest priorities. In order to play a sufficient role as a company with sustainable development, the Company will strive to strengthen its management base and profitability while securing growth funds such as new business investments and capital expenditures, with the aim of increasing shareholder returns by enhancing corporate value. Based on our basic policy of providing shareholder returns in line with performance, we will raise the consolidated dividend payout ratio to 40% in the fiscal year ending May 2025 in order to further enhance shareholder returns, and we are also working to maintain continuous and stable dividends.

This year, the Company celebrated its 50th anniversary. The business environment surrounding the Company is changing as the working-age population declines due to the declining birthrate and aging of the domestic population, while people’s values and lifestyles are becoming more diverse. In addition, the remarkable advancement of digital technologies such as AI is bringing about dramatic changes, affecting not only the way we work but also the very nature of the work itself. Also, the composition of the Company’s consolidated business portfolio has changed as a result of the sale of shares of consolidated subsidiaries in the fiscal year ending May 2024. The Company plans to use the funds obtained from the sale of shares of consolidated subsidiaries for growth investments such as new business investments, capital expenditures, and M&A investments to enhance the Company’s corporate value over the medium to long term, while strengthening its management base and providing shareholder returns.

As for improving shareholder returns, as announced in the “Resolution to Pay Special Dividends and Revision of Dividend Forecast for the Fiscal Year Ending May 2024” dated April 12, 2024, the Company has resolved to pay a special dividend of 60 yen per share for each fiscal year over the five fiscal years from the fiscal year ending May 2024 to the fiscal year ending May 2028. As announced in the “Notice Regarding Share Repurchase ” dated January 14, 2025, the Company is conducting share repurchases, as a further return to shareholders returns utilizing the sale proceeds, with the aim of further enhancing capital efficiency and executing a flexible capital policy in line with the business environment, with an upper limit of up to 5 billion yen in total acquisition cost and up to 2 million shares (equivalent to 4.97% of the total number of issued shares, excluding treasury shares).

As stated above, the Company is striving to enhance shareholder returns and formulate new growth strategies for the next 50 years as a company that grows sustainably, with the aim of further enhancing its corporate value. Therefore, we believe it is important to strike an optimal balance between securing the funds necessary for our growth strategy and providing shareholder returns.

This proposal is aimed to use an amount equivalent to eight-hundredths (8/100) of the Company’s net assets, or a DOE of 8%, as a dividend source for the fiscal year ending May 2025. <u>Based on the amount of net assets per share of 3,517.00 yen as of the consolidated financial statements for the fiscal year ending May 2025, the amount obtained by rounding down the figure representing 8/100 of such amount to the nearest yen is 281 yen. Accordingly, the total dividend amount proposed in this shareholder proposal is estimated to be approximately 11.1 billion yen.</u> On the other hand, as mentioned above, the

Company has indicated its intention to enhance shareholder returns, and when the total amount of special dividends of approximately 12 billion yen is combined with the maximum amount of 5 billion yen of share repurchases, it is presenting a shareholder return plan totaling roughly 17 billion yen. The Company has also formulated the PASONA GROUP VISION 2030, a five-year medium term vision covering the period from the fiscal year ending May 2026 through the fiscal year ending May 2030. Its basic policy for shareholder returns during this period is to provide returns in line with business performance, aiming for a consolidated dividend payout ratio of around 40%. In order to achieve continuous and stable dividends that are not affected by temporary performance fluctuations, the Company has resolved to introduce a progressive dividend policy that maintains or increases dividends with a minimum of 75 yen per share. Therefore, the Company believes that such a proposal is based on a short term perspective and does not take into account the Company's sustainable corporate growth and continuous and stable shareholder returns, and that this proposal will not lead to the Company's enhanced corporate value over the medium to long term.

For the reasons stated above, the Board of Directors of the Company is against this proposal.