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Securities Code : 2168

August 2, 2017

Pasona Group Inc.

Notice of FY2016 Ordinary General Meeting of Shareholders

Dear Shareholders,

You are cordially invited to attend FY2016 (June 1, 2016 through May 31, 2017) Ordinary General Meeting of Shareholders (the "Meeting") of Pasona Group Inc. ("Pasona" or the "Company"), to be held as follows.

If you are unable to attend the meeting, you can exercise your voting rights by paper ballot by no later than the close of business (5:30 p.m.) on Thursday, August 17, 2017 (Japan Time).

Thank you very much for your cooperation.

1. Date and time 1:00 p.m., Friday, August 18, 2017

2. Place Bellesalle Tokyo Nihonbashi (floor B2), Tokyo Nihonbashi Tower,
2-7-1, Nihonbashi, Chuo-ku, Tokyo

3. Agenda for the Meeting

- Reports**
- 1: Report on the Business Report, the Consolidated Accounting Documents, and Audit Reports of the Accounting Auditor and the Board of Corporate Auditors on the Consolidated Accounting Documents for FY2016
 - 2: Report on the Non-Consolidated Accounting Documents for FY2016

- Resolutions**
- Proposal 1: Partial Amendments to the Articles of Incorporation
 - Proposal 2: Election of 5 Directors (excluding Directors who are Audit and Supervisory Committee Members)
 - Proposal 3: Election of 4 Directors who are Audit and Supervisory Committee Members
 - Proposal 4: Determination of the Amount of Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members)
 - Proposal 5: Determination of the Amount of Remuneration for Directors who are Audit and Supervisory Committee Members
 - Proposal 6: Determination of the Amount of the Performance-Linked Stock Compensation, etc., for Directors (excluding Directors who are Audit and Supervisory Committee Members)

4. Instructions for Exercising Voting Rights

Persons who are attending as proxies of shareholders need to be shareholders themselves. The proxy can only be entrusted to one shareholder with voting rights in the Company.

Notes

- * When attending on the day, please present the enclosed Voting Form to the reception.
- * In accordance with the applicable laws and regulations and Article 14 of the Articles of Incorporation of the Company, "Status of Stock Acquisition Rights", "Matters Concerning Independent Auditors", "Systems for Ensuring Proper Operations of the Company and the Status of the Management", "Consolidated Statements of Changes in Shareholders' Equity", "Notes to Consolidated Financial Statements", "Non-consolidated Statements of Changes in Shareholders' Equity" and the "Notes to Non-consolidated Financial Statements" are not included in this Notice as they are disclosed online on our website. (<http://www.pasonagroup.co.jp/ir>)
Further, the "Consolidated Statements of Changes in Shareholders' Equity", "Notes to Consolidated Financial Statements", "Non-consolidated Statements of Changes in Shareholders' Equity" and the "Notes to Non-consolidated Financial Statements" which are disclosed on our website are included in such Consolidated Financial Statements and Non-consolidated Financial Statements as the Corporate Auditor and the Accounting Auditor of the Company have audited in preparing an audit report.
- * Any amendments to the Reference Documents for the Meeting, the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements will be posted on the Company's website. (<http://www.pasonagroup.co.jp/ir>)

**Proposal 1 :
Partial Amendments to the Articles of Incorporation**

(1) Reason for Amendments

Necessary amendments are to be made to a part of the Articles of Incorporation, including the setup of new regulation about Audit and Supervisory Committee and its members, and the abolishment of regulation about Audit & Supervisory Board Members and their meetings, for transitioning to a company with Audit and Supervisory Committee, with the objectives of strengthening the audit and supervisory functions of the Board of Directors, further improving effectiveness of its corporate governance system, and accelerating decision making processes through delegation of authorities to Directors and Executive Officers carrying out businesses.

These amendments shall come into effect at the conclusion of this Ordinary General Meeting of Shareholders. Amendments are described as follows.

(2) Details of Amendments

(Underlined part indicates amendments)

Current Articles of Incorporation	Proposed Amendments
(Organizations) Article 4 (Omitted) (1) Board of Directors (2) <u>Audit & Supervisory Board Members</u> (3) <u>Audit & Supervisory Board</u> (4) Independent Auditor	(Organizations) Article 4 (Unchanged) (1) Board of Directors (2) <u>Audit and Supervisory Committee</u> <Deleted> (3) <u>Independent Auditor</u>
(Number of Directors) Article 17 The Company shall have not more than 15 Directors. <New>	(Number of Directors) Article 17 The Company shall have not more than 15 Directors <u>(excluding Directors who are Audit and Supervisory Committee Members).</u> <u>2. The Directors of the Company who are Audit and Supervisory Committee Members shall be not more than 5.</u>
(Election of Directors) Article 18 Directors shall be elected by the Ordinary General Meeting of Shareholders.	(Election of Directors) Article 18 Directors shall be elected by the Ordinary General Meeting of Shareholders, <u>while making distinction between Directors who are Audit and Supervisory Committee Members and other Directors.</u>

<p>(Term of Office)</p> <p>Article 19</p> <p>The term of office of Directors shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last business year that ends within 1 year after their election.</p> <p><New></p> <p><u>2. The term of office of those elected as additional or substitute Directors will end with the remaining term of current Directors.</u></p> <p><New></p> <p><New></p>	<p>(Term of Office)</p> <p>Article 19</p> <p>The term of office of Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last business year that ends within 1 year after their election.</p> <p><u>2. The term of office of a Director who is an Audit and Supervisory Committee Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last business year that ends within 2 years from his/her election.</u></p> <p><Deleted></p> <p><u>3. The term of office of a Director who is an Audit and Supervisory Committee Member elected as a substitute Director who is an Audit and Supervisory Committee Member retired before the expiration of his/her term of office shall expire on the expiration of the term of office of the said retired Director.</u></p> <p><u>4. In accordance with Article 329, Paragraph 3, the effective term of the resolution to elect Substitute Audit and Supervisory Committee Member, etc. will be the beginning of the Ordinary General Meeting of Shareholders for the last business year that ends within 2 years after such resolution.</u></p>
<p>(Representative Directors and Directors with Executive Power)</p> <p>Article 20</p> <p>The Board of Directors shall elect, by its resolution, Representative Directors.</p> <p>2. The Board of Directors may elect 1 CEO, 1 Chairman/Director, 1 COO and several Executive Vice Presidents/Directors, Senior Managing Directors as well as Managing Directors by resolution.</p>	<p>(Representative Directors and Directors with Executive Power)</p> <p>Article 20</p> <p>The Board of Directors shall elect, by its resolution, Representative Directors from among <u>Directors (excluding Directors who are Audit and Supervisory Committee Members).</u></p> <p>2. The Board of Directors may elect 1 CEO, 1 Chairman/Director, 1 COO and several Executive Vice Presidents/Directors, Senior Managing Directors as well as Managing Directors from among <u>Directors who are not Audit and Supervisory Committee Members</u> by resolution.</p>
<p>(Person Entitled to Convene Board of Directors Meetings <u>and</u> Chairman)</p> <p>Article 21 (Omitted)</p> <p>2. A notice of convocation of the meeting of the Board of Directors shall be forwarded to each Director <u>and Audit & Supervisory Board Members</u> at least 3 days prior to the date of the meeting, however, this period may be shortened in the event of an emergency.</p> <p>3. In the event that the consent of all of the Directors <u>and Audit & Supervisory Board Members</u> has been obtained, a meeting of the Board of Directors can be held without following the convocation procedures.</p>	<p>(Person Entitled to Convene Board of Directors Meetings <u>and</u> Chairman)</p> <p>Article 21 (Unchanged)</p> <p>2. A notice of convocation of the meeting of the Board of Directors shall be forwarded to each Director at least 3 days prior to the date of the meeting, however, this period may be shortened in the event of an emergency.</p> <p>3. In the event that the consent of all of the Directors has been obtained, a meeting of the Board of Directors can be held without following the convocation procedures.</p>

<p><New></p>	<p><u>(Delegation of Decisions of Execution of Operations)</u> <u>Article 23</u> <u>Under the provisions of Article 399-13, paragraph 6 of the Companies Act, the Company may delegate all or part of decisions of execution of important operations (excluding matters listed in the items of paragraph 5 of Article 399-13) to Directors by the resolution of the Board of Directors.</u></p>
<p>(Remuneration, etc.) <u>Article 23</u> The remuneration, bonuses and other financial benefits received from the Company as consideration for the execution of the duties <u>(hereinafter referred to as "Remuneration")</u> of Directors shall be determined by resolution of the Ordinary General Meeting of Shareholders. <u>Article 24</u> <Omitted></p>	<p>(Remuneration, etc.) <u>Article 24</u> The remuneration, bonuses and other financial benefits received from the Company as consideration for the execution of the duties of Directors shall be determined by resolution of the Ordinary General Meeting of Shareholders, <u>while making distinction between Directors who are Audit and Supervisory Committee Members and other Directors.</u> <u>Article 25</u> <Unchanged></p>
<p style="text-align: center;"><u>CHAPTER V.</u> <u>AUDIT & SUPERVISORY BOARD MEMBERS</u> <u>AND AUDIT & SUPERVISORY BOARD</u></p> <p>(Number of Audit & Supervisory Board Members) <u>Article 25</u> <u>The Company shall have not more than 5 Audit & Supervisory Board Members.</u></p>	<p style="text-align: center;"><u>CHAPTER V.</u> <u>AUDIT AND SUPERVISORY COMMITTEE</u></p> <p><Deleted></p>
<p><u>(Election)</u> <u>Article 26</u> <u>The election of Audit & Supervisory Board Members shall be made at the Ordinary General Meeting of Shareholders.</u> <u>2. Resolutions for the election of Audit & Supervisory Board Members specified in the preceding paragraph shall be adopted by a majority of the voting rights held by shareholders present at the meeting who represent not less than one-third of the voting rights of the shareholders entitled to vote.</u></p>	<p><Deleted></p>
<p><u>(Term of Office)</u> <u>Article 27</u> <u>The term of office of Audit & Supervisory Board Members shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last business year that ends within 4 years after their election</u> <u>2. The term of office of an Audit & Supervisory Board Member appointed to fill a vacancy of an Audit & Supervisory Board Member who has retired prior to the expiration of the term of office shall be the remainder of said term.</u></p>	<p><Deleted></p>
<p>(Full-time <u>Audit & Supervisory Board Members</u>) <u>Article 28</u> <u>The Audit & Supervisory Board shall select several full-time <u>Audit & Supervisory Board Members</u> by resolution.</u></p>	<p>(Full-time <u>Audit and Supervisory Committee Members</u>) <u>Article 26</u> <u>The Audit and Supervisory Committee may elect, by its resolution, full-time <u>Audit and Supervisory Committee Members.</u></u></p>

<p><u>(Audit & Supervisory Board)</u></p> <p>Article <u>29</u> A notice of convocation of the meeting of <u>Audit & Supervisory Board</u> shall be forwarded to <u>each Audit & Supervisory Board Member</u> at least 3 days prior to the date of each meeting; provided, however, this period may be shortened in the event of an emergency.</p> <p>2. In the event that the consent of all of <u>Audit & Supervisory Board Members</u> has been obtained, a meeting of <u>Audit & Supervisory Board</u> can be held without following the convocation procedures.</p> <p>3. Unless otherwise provided for by law or these Articles of Incorporation, items relating to <u>Audit & Supervisory Board</u> shall be governed by <u>Audit & Supervisory Board Rules</u> established by <u>Audit & Supervisory Board</u>.</p>	<p>(Convocation of Meetings of Audit and Supervisory Committee)</p> <p>Article <u>27</u> A notice of convocation of the meeting of <u>Audit and Supervisory Committee</u> shall be forwarded to <u>each Audit and Supervisory Committee Member</u> at least 3 days prior to the date of each meeting; provided, however, this period may be shortened in the event of an emergency.</p> <p>2. In the event that the consent of all of <u>Audit and Supervisory Committee Members</u> has been obtained, a meeting of <u>Audit and Supervisory Committee</u> can be held without following the convocation procedures.</p> <p>3. Unless otherwise provided for by law or these Articles of Incorporation, items relating to <u>Audit and Supervisory Committee</u> shall be governed by <u>Audit and Supervisory Committee Rules</u> established by <u>Audit and Supervisory Committee</u>.</p>
<p><u>(Remuneration, etc.)</u></p> <p>Article <u>30</u> <u>The remuneration, etc. and other payments for Audit & Supervisory Board Members shall be determined by resolution of the Ordinary General Meeting of Shareholders.</u></p>	<p><Deleted></p>
<p><u>(Limitation of Liability of Audit & Supervisory Board Members)</u></p> <p>Article <u>31</u> <u>In accordance with the provisions of Paragraph 1 of Article 426 of the Companies Act, the Company may, by resolution of the Board of Directors, limit the liability of Audit & Supervisory Board Members as stipulated by Article 423, Paragraph 1 of said Act to the extent permitted by law.</u></p> <p>2. <u>In accordance with Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with an Audit & Supervisory Board Members limiting liability stipulated by Article 423, Paragraph 1 of said Act.</u> <u>In this event, the maximum liability pursuant to said agreement shall be the minimum amount as prescribed by laws or regulations.</u></p> <p>Article <u>32-35</u> (Omitted)</p>	<p><Deleted></p> <p>Article <u>28 -31</u> <Unchanged></p>
<p><New></p>	<p><u>Supplementary Provision</u> <u>(Transitional measures concerning the exemption of liability from Audit & Supervisory Board Members)</u></p> <p>1. <u>The Company may, pursuant to a resolution of the Board of Directors and that within the statutory limits, exempt an Audit & Supervisory Board Members (including a person who was an Audit & Supervisory Board Member) from liability for damages as prescribed under Article 423, Paragraph 1 of the Companies Act, arising out of his/her conduct prior to the close of the 10th Ordinary General Meeting of Shareholders.</u></p>

Proposal 2 :
Election of 5 Directors (excluding Directors who are Audit and Supervisory Committee Members)

If Proposal 1 is approved as it is, the Company will become a company with Audit and Supervisory Committee, and the terms of office of all Directors will expire at the conclusion of this Annual General Meeting of Shareholders.

Accordingly, it is hereby proposed that 5 Directors (excluding Directors who are Audit and Supervisory Committee Members) will be elected.

The resolution of this proposal shall only take effect on the condition that the amendments to the Articles of Incorporation in Proposal 1 become effective.

The candidates for the position are as follows:

Candidate No.	Name		Current position and responsibilities at the Company
1	Yasuyuki Nambu	Reappointment	President & Group CEO
2	Heizo Takenaka	Reappointment	Chairman & Director
3	Junko Fukasawa	Reappointment	Senior Managing Director, General Manager, Human Resources & Planning Headquarters In charge of Social Contribution Department
4	Kinuko Yamamoto	Reappointment	Senior Managing Director, General Manager, New Business Development Headquarters
5	Hiroataka Wakamoto	Reappointment	Senior Managing Director, General Manager, Corporate Planning & Administration Headquarters

Reappointment

No. 1	Name	Birth Date	No. of the Company's Shares Owned
	Yasuyuki Nambu	Jan. 5, 1952	14,763,200 shares
Position, Main Areas of Responsibility, Brief Career Summary and Important Concurrent Duties			
Feb. 1976	Established Man Power Center Inc. (currently Nambu enterprise Inc.) Senior Managing Director		
Apr. 1991	Representative Director, Man Power Center Inc.		
Mar. 1992	Representative Director, Temporary Sunrise Inc. (currently Pasona Inc.)		
Mar. 1996	Director, Business Coop Inc. (currently Benefit One Inc.)		
Apr. 1999	President & COO, Pasona Inc. (currently Nambu enterprise Inc.)		
Jun. 2000	Group CEO, Pasona Inc.		
Aug. 2004	President & Group CEO, General Manager, Sales and Marketing Headquarters, Pasona Inc.		
Dec. 2007	Representative Director, Pasona Inc. President & Group CEO, Pasona Group Inc. (to present)		
Jun. 2010	Chairman & Director, Benefit One Inc. (Retired on June, 2016)		
Aug. 2011	Chairman & Representative Director, Pasona Inc. (to present)		
Jun. 2012	Outside Director, Nippon Columbia Co., Ltd.		
Reason for Nomination as Director			
He has a wealth of knowledge, experience and achievements, including driving the Group's growth since its founding in 1976. He has demonstrated strong leadership for promoting Group management and ensuring sustainable growth, so he is being asked to continue to serve as Director.			

Reappointment

No. 2	Name	Birth Date	No. of the Company's Shares Owned
	Heizo Takenaka	Mar. 3, 1951	19,700 shares
Position, Main Areas of Responsibility, Brief Career Summary and Important Concurrent Duties			
Apr. 1995	Professor, Faculty of Policy Management, Keio University		
Apr. 2001	Minister of State for Economic and Fiscal Policy, Minister of State for IT		
Sep. 2002	Minister of State for Economic and Fiscal Policy, Minister of State for Financial Services		
Jul. 2004	Member of the House of Councillors		
Sep. 2004	Minister of State for Economic and Fiscal Policy, Minister of State for Postal Privatization		
Oct. 2005	Minister of for Internal Affairs and Communications, Minister of State for Postal Privatization		
Nov. 2006	Professor, The head of Global Security Research Institute, Keio University		
Dec. 2006	Senior Adviser, Japan Center for Economic Research President, Academy Hills (to present)		
Feb. 2007	Senior Adviser and Member of Advisory Board, Pasona Inc.		
Aug. 2009	Chairman & Director, Pasona Group Inc. (to present)		
Apr. 2010	Research Adviser, Japan Center for Economic Research (to present)		
Jun. 2015	Outside Director, ORIX Corporation (to present)		
Apr. 2016	Professor Emeritus, Keio University (to present) Professor, Faculty of Regional Development Studies (currently Faculty of Global and Regional Studies), Toyo University (to present)		
Jun. 2016	Outside Director, SBI Holdings, Inc. (to present)		
Reason for Nomination as Director			
<p>He possesses deep knowledge of domestic and international events related to corporate management and economic trends arising out of his extensive experience serving consecutively as Minister of State for Economic and Fiscal Policy, Minister of State for Financial Services and Minister for Internal Affairs and Communications and later as a professor at Keio University and Toyo University. We expect that he will contribute to improvement of corporate value, so he is being asked to continue to serve as Director.</p>			

Reappointment

No. 3	Name	Birth Date	No. of the Company's Shares Owned
	Junko Fukasawa	May 28, 1953	187,800 shares
Position, Main Areas of Responsibility, Brief Career Summary and Important Concurrent Duties			
Apr. 1974	Joined Mitsui Toatsu Chemicals Inc. (currently Mitsui Chemicals, Inc.)		
Jul. 1978	Joined DENTSU INC.		
Sep. 1981	Joined Temporary Center Inc. (currently Nambu enterprise Inc.)		
Jan. 1990	Director, General Manager, Public Relations Department, Temporary Center Inc.		
Jun. 2000	Senior Managing Executive Officer, General Manager, Human Resources & Planning Headquarters, Pasona Inc.		
Apr. 2003	President & COO, Pasona Heartful Inc. (to present)		
Dec. 2007	Senior Managing Director, responsible for Human Resources Division, Public Relations and Advertising Department, General Manger, Social Contribution Department, Pasona Group Inc.		
Jun. 2015	Senior Managing Director, General Manager, Human Resources & Planning Headquarters, responsible for Social Contribution Department, Pasona Group Inc. (to present)		
Jun. 2017	Chairman & Director, Benefit One Inc. (to present)		
Reason for Nomination as Director			
<p>As the person responsible for Human Resources, Public Relations, Advertising and Social Contribution, she possesses a wealth of knowledge and experience. We expect that she will contribute to improvement of corporate value, so she is being asked to continue to serve as Director.</p>			

Reappointment

No. 4	Name	Birth Date	No. of the Company's Shares Owned
	Kinuko Yamamoto	Nov. 5, 1955	130,500 shares
Position, Main Areas of Responsibility, Brief Career Summary and Important Concurrent Duties			
Feb. 1979	Joined Man Power Center Inc. (currently Nambu enterprise Inc.)		
Jan. 1990	Director, Osaka Sales Headquarters, Man Power Center Inc.		
Jun. 2000	Managing Executive Officer, General Manager of Employment Development Department, Pasona Inc.		
Jun. 2005	President & COO, Kansai Employment Creation Organization Inc. (currently Nihon Employment Creation Organization Inc.)		
Dec. 2007	Senior Managing Director, responsible for New Business Development Division, Pasona Group Inc.		
Sep. 2012	President & COO, Pasona Furusato Incubation Inc. (to present)		
Jun. 2015	Senior Managing Director, General Manager, New Business Development Headquarters, Pasona Group Inc. (to present)		
Dec. 2016	President & COO, Nijigennomori Inc. (to present)		
Reason for Nomination as Director			
<p>As the person responsible for new business development, she has worked for many years in the agricultural field and various new businesses with the mission of creating jobs and possesses a wealth of knowledge and experience related to business development. We expect that she will contribute to improvement of corporate value, so she is being asked to continue to serve as Director.</p>			

Reappointment

No. 5	Name	Birth Date	No. of the Company's Shares Owned
	Hirota Wakamoto	Nov. 2, 1960	39,800 shares
Position, Main Areas of Responsibility, Brief Career Summary and Important Concurrent Duties			
Apr. 1984	Joined Saitama Bank, Limited. (currently Resona Bank, Limited., Saitama Resona Bank, Limited.)		
Jun. 1989	Joined Temporary Center Inc. (currently Nambu Enterprise Inc.)		
Sep. 2006	Managing Director, responsible for Legal Department, Affiliated Company Department and International Business Department, General Manager, Corporate Planning Department, Pasona Inc.		
Dec. 2007	Managing Director, responsible for CMO Department and International Business Department, General Manager, Corporate Planning Division, Pasona Group Inc.		
Jun. 2010	Director, Benefit One Inc. (Retired on Jun, 2017)		
Jul. 2012	Senior Managing Director, responsible for Corporate Planning Division, Pasona Group Inc.		
Jun. 2015	Senior Managing Director, General Manager, Corporate Planning & Administration Headquarters, Pasona Group Inc. (to present)		
Reason for Nomination as Director			
<p>As the person responsible for management planning, he possesses a wealth of knowledge and experience, including in the area of driving M&As. We expect that he will contribute to improvement of corporate value, so he is being asked to continue to serve as Director.</p>			

(Notes)

1. There are no conflicts of interest between each candidate and the Company.
2. Mr. Yasuyuki Nambu falls under "Parent Company, etc." of the Company. Pasona Inc., Benefit One Inc., Pasona Heartful Inc., Pasona Furusato Incubation Inc., and Nijigennomori Inc. are subsidiaries of the Company. These subsidiaries and Nambu Enterprise Inc. fall under "Subsidiary, etc." of Mr. Yasuyuki Nambu.
3. The Company has entered into a limited liability agreement with Mr. Heizo Takenaka to limit the amount of their liability as stipulated in Article 423, Paragraph 1 of the Companies Act. According to the agreement, the maximum liability of each is the higher of ¥4.8 million or the minimum amount stipulated in Article 425, Paragraph 1 of said Act.
Upon approval of their reappointment, the Company will renew the limited liability agreement with him under the same conditions.

Proposal 3 : Election of 4 Directors who are Audit and Supervisory Committee Members

If Proposal 1 is approved as it is, the Company will become a company with Audit and Supervisory Committee. Accordingly, it is hereby proposed that 4 Directors who are Audit and Supervisory Committee Members will be elected.

This proposal has already been approved by the Audit & Supervisory Board.

Moreover, the resolution of this proposal shall only take effect on the condition that the amendments to the Articles of Incorporation in Proposal 1 become effective.

The candidates for the position are as follows:

Candidate No.	Name		Current position and responsibilities at the Company
1	Seiichi Sakai	New appointment	Full-time Audit & Supervisory Board Member
2	Seiichiro Morimoto	New appointment Outside Director Independent Director	
3	Masakatsu Kakitsuka	New appointment Outside Director Independent Director	
4	Yutaka Hori	New appointment Outside Director	

New appointment

No. 1	Name	Birth date	No. of the Company's shares owned
	Seiichi Sakai	Aug. 26, 1951	45,700 shares
Position, main areas of responsibility, brief career summary and important concurrent duties			
Aug. 1977	Joined Manpower center Inc. (currently Nambu Enterprise Inc.)		
Apr. 1987	Director and General Manager of Human Resources Division, Manpower center Inc.		
Apr. 1994	Full-time Corporate Auditor, Manpower center Inc.		
Jun. 2000	Executive Officer and General Manager of Administration Division, Pasona Inc.		
Dec. 2007	Executive Officer and General Manager of Internal Control Department, Pasona Group Inc.		
Jun. 2011	Full-time Audit & Supervisory Board Member, Pasona Inc.		
Aug. 2013	Full-time Audit & Supervisory Board Member, Pasona Group Inc. (to present) Audit & Supervisory Board Member, Pasona Inc. (to present)		
Reason for Nomination as Director who is Audit and Supervisory Committee Member			
He is recommended for the position of Director who is Audit and Supervisory Committee Member as he is expected to contribute to the supervisory function of the Board by making best use of his abundant experiences and insight accumulated through his career with regard to having served successively in the management department and later served as an auditor of the company and Pasona Inc., in expectation that the Board of Directors' decision-making function and Audit & Supervisory function will be strengthened.			

New appointment

Outside

Independent

No. 2	Name	Birth Date	No. of the Company's Shares Owned
	Seiichiro Morimoto	Oct. 2, 1932	20,000 shares
Position, Main Areas of Responsibility, Brief Career Summary and Important Concurrent Duties			
Apr. 1967	Secretary-General, Kansai University Parent's Association		
Oct. 1984	Councillor, Kansai University		
Apr. 1990	Director-General, Kansai University		
Oct. 1992	Trustee, Kansai University		
Apr. 1995	Managing Director, Kansai University		
Oct. 2000	Senior Managing Director, Kansai University		
Oct. 2004	The President, Kansai University		
Oct. 2008	Trustee & Senior Corporate Advisor, Kansai University		
Oct. 2012	Adviser, Kansai University (to present)		
Important Concurrent Duties			
Adviser, Kansai University Vice President, Osaka Sports Association President, Osaka Skating Federation			
Reason for Nomination as Outside Director who is Audit and Supervisory Committee Member			
He is recommended for the position of Outside Director who is Audit and Supervisory Committee Member as he is expected to contribute to the supervisory function of the Board by making best use of his abundant experiences and insight accumulated through his career with regard to university management, in expectation that the Board of Directors' decision-making function and Audit & Supervisory function will be strengthened from an independent position. Although he has not been involved in corporate management in the past, for the reason mentioned above, the Company considers that he will be able to execute the duties as Outside Director who is Audit and Supervisory Committee Member appropriately.			

Upon election of Seiichiro Morimoto, the Company will plan to report him to Tokyo Stock Exchange as an independent director.

New appointment

Outside

Independent

No. 3	Name	Birth Date	No. of the Company's Shares Owned
	Masakatsu Kakitsuka	Oct. 27, 1943	0 shares
Position, Main Areas of Responsibility, Brief Career Summary and Important Concurrent Duties			
Feb. 1975	Admitted to Certified Public Accountants		
May.1992	Representative Partner, Shin Nihon & Co. (currently Ernst & Young ShinNihon LLC)		
May.1994	Director, Shin Nihon & Co.		
Jul. 2007	Opened Kakitsuka Certified Public Accounting Office, Representative Certified Public Accountants (to present)		
Sep.2007	Guest Professor of Graduate School, Faculty of Business and Commerce, Keio University		
Apr. 2008	Chairman & Director, IS Holdings Co., Ltd (to present)		
Important Concurrent Duties			
Representative Certified Public Accountants, Kakitsuka Certified Public Accounting Office Chairman & Director, IS Holdings Co., Ltd			
Reason for Nomination as Outside Director who is Audit and Supervisory Committee Member			
He is recommended for the position of Outside Director who is Audit and Supervisory Committee Member as he is expected to contribute to the supervisory function of the Board by making best use of his abundant experiences and insight accumulated through his career with regard to Certified Public Accountants and Certified Public Tax Accountant, in expectation that the Board of Directors' decision-making function and Audit & Supervisory function will be strengthened from an independent position.			

Upon election of Masakatsu Kakitsuka, the Company will plan to report him to Tokyo Stock Exchange as an independent director.

New appointment

Outside

No. 4	Name	Birth Date	No. of the Company's Shares Owned
	Yutaka Hori	Oct. 5, 1949	0 shares
Position, Main Areas of Responsibility, Brief Career Summary and Important Concurrent Duties			
Apr. 1979	Admitted to Daiichi Tokyo Bar Association		
Dec.1989	Representative Lawyer, Hori Yutaka Law Office (currently HORI & PARTNERS) (to present)		
Jun.1999	Senior Lecturer, the Graduate School of International Corporate Strategy, Hitotsubashi University		
Apr. 2004	Executive Vice-President and Committee of Council of Management, Chiba University (to present)		
Mar. 2005	Visiting Professor, Law School, Chiba University		
Apr. 2010	Committee, the Public Interest Commission in the Cabinet Office (to present)		
Nov. 2011	Auditor, Nihon Employment Creation Organization Inc. (to present)		
Mar. 2016	Outside Director, Juki Corporation (to present)		
Jun. 2016	Outside Director, FIDEA Holdings Co. Ltd. (to present)		
Important Concurrent Duties			
Representative lawyer, HORI & PARTNERS Executive Vice-President and Committee of Council of Management, Chiba University Committee, the Public Interest Commission in the Cabinet Office Auditor, Nihon Employment Creation Organization Inc. (to present) Outside Director, Juki Corporation Outside Director, FIDEA Holdings Co. Ltd.			

Reason for Nomination as Outside Director who is Audit and Supervisory Committee Member

He is recommended for the position of Outside Director who is Audit and Supervisory Committee Member as he is expected to contribute to the supervisory function of the Board by making best use of his abundant experiences and insight accumulated through his career with regard to Lawyer, in expectation that the Board of Directors' decision-making function and Audit & Supervisory function will be strengthened from an independent position.

Although he has not been involved in corporate management other than as External Corporate Director in the past, for the reason mentioned above, the Company considers that he will be able to execute the duties as Outside Director who is Audit and Supervisory Committee Member appropriately.

(Notes)

1. The company has concluded advisory agreement with Messrs. Seiichiro Morimoto and Masakatsu Kakitsuka and advisory agreement and consignment contract with the law office at which Mr. Yutaka Hori works and since then has been paying advisory and consignment fees to the law firm them.
However, it is not against Independence Standards for the company's External Corporate Directors, nor important monetarily.
There are no conflicts of interest between other each candidate and the Company.
2. Pasona Inc. and Nihon Employment Creation Organization Inc. are subsidiaries of the Company, and these subsidiaries and Nambu Enterprise Inc. fall under "Subsidiary, etc." of Mr. Yasuyuki Nambu. Moreover, Nihon Employment Creation Organization Inc. is the specified related business operator.
3. The Company plan to enter into a limited liability agreement with Messrs. Seiichiro Morimoto, Masakatsu Kakitsuka and Yutaka Hori to limit the amount of their liability as stipulated in Article 423, Paragraph 1 of the Companies Act. According to the agreement, the maximum liability of each is the higher of ¥4.8 million or the minimum amount stipulated in Article 425, Paragraph 1 of said Act upon election of them.

(Reference)

Independence Standards and Qualification for Independent Directors

The Company considers that an outside director, an outside auditor or a candidate therefor is independent, if he or she satisfies the following independence criteria set forth by the Company:

- No relative within a second degree of kinship is or has been an executive director of the Company or any of its subsidiaries.
- No business transaction that they have been involved in has never exceeded two percent of the Company's consolidated net sales in a three-business year period (where he/she is currently an executive officer or employee of a firm with which the Pasona Group has a business relationship).
- He or she never received compensation exceeding ¥10 million annually directly from the Pasona Group in the past three years for services rendered as a legal, accounting, or taxation professional or consultant (except for payments in the form of compensation for services rendered as the Company's outside director or outside auditor or for fees paid to the organization or firm that the outside director or outside auditor is affiliated with).
- He/she is not an executive officer of an organization that has received donations from the Pasona Group in excess of ¥10 million annually over the past three business years.

Proposal 4 :**Determination of the Amount of Remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members)**

If Proposal 1 is approved as it is, the Company will become a company with Audit and Supervisory Committee.

The 1st Ordinary General Meeting of Shareholders held on August 20, 2008 approved the upper limit of ¥600 million annually for the remuneration of the Company's Directors, effective to date. A new approval is being sought over the same upper limit of ¥600 million annually (which include the upper limit of ¥50 million annually for Outside Directors) to reflect recent economic conditions, etc., upon abolishing the existing limit and renewing the remuneration of the Directors (excluding Directors who are Audit and Supervisory Committee Members) with the transition to a company with Audit and Supervisory Committee.

Note that the remuneration of the Directors (excluding Directors who are Audit and Supervisory Committee Members) excludes the amounts attributable to employees where Directors partly act as employees.

Number of Directors at present is 15 (of who 3 will be Outside Directors), while number of Directors (excluding the Audit & Supervisory Committee Members) shall be 5, subject to the approval of the Proposals 1 and 2 as it is.

The resolution of this proposal shall only take effect on the condition that the amendments to the Articles of Incorporation in Proposal 1 become effective.

Proposal 5 :**Determination of the Amount of Remuneration for Directors who are Audit and Supervisory Committee Members**

If Proposal 1 is approved as it is, the Company will become a company with Audit and Supervisory Committee. The Company proposes that the amount of remuneration for Directors who are Audit and Supervisory Committee Members be set at no more than ¥100 million annually.

If Proposal 1 and Proposal 3 are approved as it is, there will be 4 Directors who are Audit and Supervisory Committee Members (of who 3 will be Outside Directors).

The resolution of this proposal shall only take effect on the condition that the amendments to the Articles of Incorporation in Proposal 1 become effective.

Proposal 6 :**Determination of the Amount of the Performance-Linked Stock Compensation, etc., for Directors (excluding Directors who are Audit and Supervisory Committee Members)****(1) Reason of proposal and appropriateness of remunerations, etc.**

The Company has ensured to date that the Directors benefit from the introduction of performance-based stock options system (hereunder, "the system") at the 8th Ordinary General Meeting of Shareholders held on August 19, 2015. Consistent with the transitioning to a company with Audit and Supervisory Committee, with the prerequisite of shareholders' approval of Proposal 1, the Company is requesting approval over the abolishment of the remuneration scheme pertaining to the system impacting current Directors, followed by approval of the new setup of remuneration scheme surrounding the performance-adjusted stock options system for Directors (excluding Directors who are of Audit and Supervisory Committee Members, and Outside Directors, while the same exclusion applies to Proposal 6 below).

The proposals of this resolution are proposed according to the procedure of transitioning the Company to a company with Audit and Supervisory Committee, clarifying the linkage between the remuneration of the Company's Directors and its business performance and its stock value, and they are appropriate for raising the Directors' awareness of the mid-to-long-term performance of the Company as well as the enhanced valuation of the Company.

Specifically, they are effectively requesting the approval over the amount of remuneration, etc. pertaining to the system impacting the Directors, and differ from the Proposal 4 requesting the approval over the upper limit of the Directors' remuneration.

We propose that details of the Plan be determined by the Board of Directors within the framework outlined in (2) below.

Moreover, the resolution of this proposal shall only take effect on the condition that the amendments to the Articles of Incorporation in Proposal 1 become effective.

(2) Amount and reference information of remunerations, etc. under the Plan

i) Outline of the Plan

The Plan is a performance-based share remuneration plan under which the Company's shares will be acquired through a trust using money contributed by the Company as the source of Directors' remuneration, etc., and the Company's shares and the money equivalent to the market value of the Company's shares (the "Company's Shares, etc.") will be delivered to Directors through a trust in accordance with the Policy on Directors' Stock Compensation established by the Company's Board of Directors. Directors will receive the Company's shares, etc. all at once upon their retirement from office in principle.

ii) Maximum amount of money the Company will contribute to the Trust

The Company introduces the Plan to cover the five fiscal years from the fiscal year ended May 31, 2016, to that ending May 31, 2020 (hereinafter, the covered five-fiscal-year period and the subsequent five-fiscal-year period that starts following the aforementioned five-fiscal-year period each shall be referred to as the "Applicable Period"), and for each following Applicable Period. The Company will contribute ¥800 million as the upper limit for the source of funds to acquire the Company's shares with regard to the initial Applicable Period to ensure the delivery of such shares to the directors under the Plan and establish a monetary trust (hereinafter referred to as the "Trust") in which directors who meet the beneficiary requirements shall be beneficiaries.

At this point in time, this trust has acquired the Company's 291,000 shares paid by cash (¥300 million) which the Company put in the trust, in a manner that will enable the trust to sell the Company's own shares. This time, consistent with the transitioning to a company with Audit and Supervisory Committee, this trust will continue to exist, deeming as the beneficiaries of the trust those retired Directors who are qualified to be such.

Further, after the initial Applicable Period, the Company will make additional contributions to the Trust every Applicable Period, with ¥800 million as the upper limit for each Applicable Period, until the Plan ends.

Provided, however, that in cases where such additional contribution is made and the Company's shares (excluding any undelivered portion of the Company's shares corresponding to the number of "points" (outlined in (3) below) granted to Directors, etc.) and money (hereinafter referred to as the "Remaining Shares") remain within the trust assets on the last day of the Applicable Period in which the relevant additional contributions will be made, the total amounts of the Remaining Shares (For the Company's shares, the amount of the Remaining Shares shall be the book value thereof as of the last day of the preceding Applicable Period.) and the additional contribution to the Trust should be in the range of the maximum amount which is approved at this Meeting. When the Company decide to make an additional contribution, the Company disclose it appropriately in a timely manner.

(3) Details of the Company's shares to be delivered to Directors

In each fiscal year, the Company will award the "Share Points" to each Director, which will be calculated by multiplying the base point awarded according to his/her duties, responsibilities, term of office and the degree of achievement of the consolidated earnings target.

The total number of Share Points awarded to Directors in each fiscal year is up to 260,000 points. (equivalent to 260,000 shares of the Company's common shares)

One point awarded to directors, as described in) below, equates to one share of the Company's common share on the granting of shares. (Note that when the number of shares changes after this proposal is approved due to a stock split, gratis allotment or reverse stock split, the Company shall reasonably adjust the exchange ratio, reflecting the change.)

(4) Time of delivery to Directors

If a Director who has retired from office meets the beneficiary requirements, he/she will be able to receive the Company's shares from the Trust after his/her retirement in proportion to the number of accumulated Share Points awarded until his/her retirement as Director, by taking the prescribed procedures to determine the beneficiary.

Provided, however, that if a Director meets certain requirements set under the Policy on Directors' Stock Compensation, as for a certain percentage of the Company's shares which are supposed to be delivered, the Company may pay him/her money equivalent to the market value of such shares, instead of delivering them.

Please note that the Trust may sell the Company's shares to pay such money.

(5) Exercise of Voting Rights

The trust administrator will instruct that voting rights related to the Company's shares held by the Trust shall not be exercised. In this way, the Trust will be able to ensure its neutrality in the Company's management.