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Stock exchange listing: Tokyo Stock Exchange
Code number: 2124
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Introduction of the performance-linked stock remuneration plan for executive directors
(Excluding independent directors and directors serving as Audit & Supervisory Committee member)

At the meeting of the Board of Directors held today, we approved a performance-linked stock remuneration plan (hereinafter referred to as "the plan") for our executive directors (excluding independent directors and directors serving as Audit & Supervisory Committee member, hereinafter referred to as "applicable executive directors"), which should be discussed at the 38th Ordinary General Meeting of Shareholders (hereinafter referred to as "the general meeting") to be held on 27 Mar. 2025, as follows.

1. Reasons for Introducing the Plan

At the meeting of the Board of Directors held on 15 Feb. 2022, we resolved to introduce a restricted stock remuneration plan as a new remuneration plan for applicable executive directors with the aim of providing them with an incentive to continuously increase our corporate value, and to further promote the sharing of value with our shareholders.

In addition, at the 35th Ordinary General Meeting of Shareholders held on 24 Mar. 2022, We received approval as compensation for the acquisition of restricted stock (hereinafter referred to as "restricted stock remuneration"), JPY40 million or less per year as "stock remuneration for each fiscal year" and JPY200 million or less as "lump-sum stock remuneration" (except for employees' salaries), and (1) 20,000 shares or less as "stock remuneration for each fiscal year", (2) 100,000 shares or less per year as "lump-sum stock remuneration", a total of 120,000 shares per year, to issue or dispose of restricted stock. And we also received approval, under the restricted stock allotment agreement entered between us and each applicable executive director, to make restricted period from the date on that they received the allotment of our common stock to the point immediately after they retire from the position of our executive director, director or employee including our subsidiaries.

In addition, at the meeting of the Board of Directors held on 14 Feb. 2024, we resolved to increase the ratio of the share portion of the applicable executive directors' remuneration in the future. At the 37th Ordinary General Meeting of Shareholders held on 27 Mar. 2024, we received approval to revise the above-mentioned "stock remuneration for each fiscal year" from "up to JPY40 million per year" to "up to JPY200 million per year," and to revise the said share limit for issuance or disposal from "up to 20,000 shares per year" to "up to 186,000 shares per year" based on a comprehensive consideration of our 4-split of common stock on 1 Jan. 2024, and medium-term share price increases, etc.

We have decided to submit this proposal to the General Meeting in a separate framework from each of the above-mentioned remuneration framework with the aim of further strengthening the medium-term enhancement of corporate value from the perspective of our compensation strategy.

2. Details of the Plan

The System of the plan is based on the number of standard stock units set in advance according to the position of the applicable executive director, and is a system in which our common stock and money based on the number of paid stock units calculated according to the achievement level of TSR (total shareholder return) growth rate, and ESG (Environmental, Social and Governance) and other performance indicators (including non-financial indicators) are delivered to the applicable executive director after the end of the performance evaluation period during the 3 fiscal years from the first day of each fiscal year to the last day of the fiscal year after next (hereinafter referred to as the "performance evaluation period"). To enable the appropriation of funds for tax payment arising from the issuance of our common stock to the applicable executive directors, a portion of the number of

vested share units will be paid in money converted at the share price at the time of the issuance.

Under the Plan, remuneration to be paid to the applicable executive directors as performance-linked stock remuneration shall be monetary remuneration claims and money, and the total amount of which shall be no more than JPY200 million per year (however, this does not include salaries paid as employees to the applicable executive directors who also serve as employees).

In addition, the applicable executive directors shall pay the monetary compensation receivable to be paid pursuant to a resolution of our Board of Directors as in-kind contributory property and will be issued or disposed with respect to our common stock, and the total number of shares of our common stock to be issued or disposed as a result will be up to 0.6 million shares per year (provided, however, that, in the event of a stock split (including a free allocation of our common stock) or reverse stock split of our common stock after the date on which this proposal is approved by the general meeting) or other events requiring an adjustment to the total number of shares of our common stock to be issued or disposed as performance-linked stock remuneration, such total number shall be adjusted to the reasonable extent). The amount to be paid per share will be determined by our Board of Directors based on the closing price of our common stock on TSE on the business day prior to the date of resolution of each Board of Directors (if the transaction has not been consummated on that date, the closing price on the most recent trading day prior to that date) to the extent that it is not particularly favorable to the applicable executive directors to subscribe for such common stock.

End of Notice