

An abstract geometric pattern composed of numerous triangles in two shades of orange (a lighter, golden-orange and a darker, burnt-orange) and white. The triangles are arranged in a complex, overlapping fashion that creates a sense of depth and movement, resembling a stylized, crystalline structure or a modern architectural facade. The pattern is most dense in the upper left and right areas, with more white space in the lower left.

Integrated Report

2025

Providing the best place for people to bring out their best.

Japan faces the urgent task of creating a “new labor force” that underpins the growth and competitiveness of its companies. Yet those who can be the main participants in this new labor force are students, homemakers, and other adults who already have “commitments” that make it difficult to make long-term commitments to employment.

At the same time, more and more people are looking for employment opportunities that are “more fulfilling and enjoyable.”

By supplying people with short-term work opportunities tailored to their lifestyle needs, our Group is able to “unlock a new labor force” and support every person to “success in workplaces where they can shine.”
We believe this is our mission.

Editorial Policy
The Fullcast Group has published an integrated report since the fiscal year ended December 31, 2022 in order to deepen stakeholders' understanding of its management and overall corporate activities aimed at the sustainable creation of our Group's corporate value. This integrated report focuses on conveying the overall picture of our Group to stakeholders. This includes featuring information essential to investors, introducing our Group's vision, initiatives in each business segment and current situation, as well as our Group's platform for value creation underpinning these efforts. Going forward, we will continually work to increase the quality of our integrated report while reflecting the views of our stakeholders.

<Referenced Guidelines>
“International Integrated Reporting Framework,” International Integrated Reporting Council (IIRC)

<Scope of Report>
Period: Fiscal year ended December 31, 2024
(January 1, 2024 to December 31, 2024)
Scope: The Fullcast Group and its subsidiaries and affiliates
Figures: As of December 31, 2024

<Cautionary Statement Regarding Forward-Looking Statements>
The opinions and forecasts contained in this report are based on our Company's judgment at the time of preparation and involve risks and uncertainties. Our Company does not guarantee or promise the accuracy or completeness of such information. Please also be informed that actual financial results may vary widely from our business forecasts due to various important factors.

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President, Representative Director and CEO
Takehito Hirano

On My Appointment as President and CEO

My name is Takehito Hirano, and I assumed the position of Representative Director, President and CEO in December 2024. As I take on the heavy responsibility of steering the company forward, I feel a renewed sense of resolve. Since founding the company in 1990, I have remained consistently involved in its management. I have experienced firsthand the company's journey from its founding through its period of growth and expansion, culminating in our listing on the Tokyo Stock Exchange First Section, which now corresponds to the Prime Market. I have also been part of the company during pivotal periods of transformation, including the business restructuring and shifts in our business model prompted by the global financial crisis in 2008 and the enforcement of amendments to the Worker Dispatch Act. Through these experiences, I have deepened my insight into how to respond to evolving business environments, including changes in social needs and legal frameworks, and I believe this perspective has become one of my greatest strengths.

In Japan, the long-term trend of population decline—particularly the shrinking working-age population—is expected to intensify further in the years ahead. In addition, the number of companies entering the spot work market and offering related services has surged in recent years. As a result, the environment surrounding our business is undergoing rapid and significant change. Given that the market environment is likely to continue evolving dramatically, we have decided to select the next generation of leadership and establish a management structure capable of responding to these future changes. As part of a transitional arrangement to facilitate this shift, I have assumed the role of Representative Director, President and CEO. I believe that the key expectation for me as the new President is to make bold and timely decisions that drive continuous creation of new value through transformative change.

New Management Policy

When we launched our business in 1992, human resource services were not yet widely established in Japan. At the time, we observed that many companies faced significant fluctuations in workload throughout the year. Some experienced high demand for personnel during peak

Message from the CEO

Adapting to a Rapidly Evolving and Intensifying Business Environment to Enter a New Stage of Growth

seasons, others offered services limited to specific times of the year, and some encountered unexpected surges in demand requiring urgent staffing support. Seeing the challenges these companies faced, we founded a short-term staffing business with the desire to provide effective solutions to their labor needs. More than 30 years have passed since then, and Fullcast Holdings has grown to become the only listed company in Japan specializing in short-term staffing services—and we now boast a leading share of the industry. We believe that the driving force behind this growth lies in the philosophy at the core of our management approach. The Fullcast Group's basic policy on sustainability is to contribute to solving social issues and to win the trust of all stakeholders involved in our business by achieving sustainable enhancement of corporate value with a corporate philosophy of "Providing the best place for people to bring out their best." This principle remains unchanged. Today, social issues related to labor—such as employment and working styles—are becoming increasingly diverse and complex. Even so, we remain committed to contributing to the resolution of social issues, including those facing Japan's labor market. At the same time, we believe that building a group structure capable of flexibly adapting to changes in the business environment will be key to the company's continued growth. As a company that holds a leading position in the industry, I am also keenly aware that the role and responsibility we are expected to fulfill are by no means small. While remaining steadfast in our beliefs, we will continue striving to be a company that can effectively respond to the challenges and evolving needs of Japan's rapidly changing labor market. And when the time comes to pass the baton to the next generation of leadership, my goal is to leave behind a solid foundation—a structure they can build upon as they take the reins of management.

The New Medium-Term Management Plan 2029

We recently formulated and announced a new Medium-Term Management Plan that will begin in fiscal 2025. Focusing on the Short-Term Operational Support Business, which is our Group's core segment, we aim to grow each of our business areas and achieve operating profit of 12.5 billion yen in the fiscal year ending December 2029. As the person with ultimate responsibility for this plan, I am

fully committed to its execution and will lead its implementation with a strong sense of determination.

As mentioned earlier, the business environment surrounding our company is undergoing rapid and significant change, particularly in terms of social trends and competitive dynamics. In line with this, the values and needs of both job seekers and the companies that employ them are becoming increasingly diverse. Expectations for flexible working styles among job seekers and greater efficiency among companies are aligning with market expansion and acting as a driving force for business growth. Our path to capturing this growth is laid out in detail in the Medium-Term Management Plan 2029. In the Short-Term Operational Support Business, we plan to continue making strategic investments, particularly in branding initiatives that began in the fiscal year ended December 2024. At the same time, we will maintain our ongoing efforts to maximize group synergies, enhance service quality, and promote digital transformation (DX). Under the Medium-Term Management Plan before last, we established services aimed at promoting the use of diverse talent, contributing to the activation of untapped labor resources. Then, during the previous plan period, we expanded our customer base, user base, and geographic coverage. We will continue working to grow this business, which holds significant social value, and contribute to solving labor-related issues in Japanese society. We also intend to actively pursue mergers and acquisitions (M&A) going forward. Our policy and strategic direction remain unchanged from the previous Medium-Term Management Plan. We aim to strengthen our business and enhance corporate value by expanding job categories and leveraging the Group's resources—such as talent and customer networks—to improve profitability through both organic growth and M&A.

Dialogue

Achieving Sustainable Growth by Using the Transition to a New Management Structure as a Launchpad



President, Representative Director and CEO
Takehito Hirano

Vice President, Representative Director
Kazuki Sakamaki

Please share your thoughts on the recent change in the company's presidency.

Hirano For many years, our company has led the industry as a top player in the short-term staffing market. However, in recent years, the competitive landscape surrounding our core segment—the Short-Term Operational Support Business—has changed dramatically and intensified. We are seeing the rise of emerging companies in the spot work market, as well as the entry of major corporations, including IT companies not traditionally involved in the staffing industry. In fiscal

2024, we entered a major turning point, including making strategic investments to respond to these changes in the competitive environment. I am truly honored to have been entrusted with the important role of Representative Director, President and CEO at such a critical juncture, and I also feel a deep sense of responsibility.

Sakamaki As Mr. Hirano mentioned, our company is entering a major turning point, and going forward, the management team will be expected to make faster and more decisive business decisions. Although I have stepped down as President, I will continue to support the new President in my new role as Representative Director

and Executive Vice President, and I hope to continue contributing to the company's sustainable growth.

Please share your reflections on the previous Medium-Term Management Plan 2024.

Hirano The previous Medium-Term Management Plan was formulated as a three-year business plan covering the period from 2022 to 2024. In its final year, the fiscal year ending December 2024, operating profit came to approximately 7.1 billion yen, falling short of our target of 10 billion yen for the final year. That said, the actual result includes the impact of factors not anticipated when the plan was formulated—such as an increase in the company's share of social insurance contributions and the implementation of strategic investments. If we exclude these factors, our underlying operating profit was on par with the plan's target level. In addition, the core segment of our Group—the Short-Term Operational Support Business, which accounts for more than 80% of total Group net sales—achieved steady organic growth. As a result, I feel that our confidence in the strength of our business has only grown stronger.

Sakamaki In the previous Medium-Term Management Plan, we anticipated a further decline in Japan's working-age population and an increase in demand for tapping into untapped labor resources—an area we have been actively promoting. With this in mind, we aimed to further expand the scale of our business, and I believe we were successful in achieving that goal. We also carried out M&A in business areas where synergies with our operations could be expected—most notably with Hayfield Inc., a company that provides personnel placement services specializing in the real estate industry.

Could you tell us more about the strategic investments made in fiscal 2024?

Hirano In the fiscal year ended December 2024, we primarily focused on raising brand awareness through media promotions, including television commercials. We also ran digital advertising campaigns across platforms such as social media and YouTube. We are already seeing tangible results on the recruitment front and are clearly feeling the impact of these investments. On the sales side, we expect the effects to emerge gradually over time.

Sakamaki We plan to continue airing television commercials in the fiscal year ending December 2025

as well, but I believe we must make careful and deliberate decisions about whether to proceed. As we move forward, we will rigorously assess the effectiveness of these investments—taking into account not only recruitment-related enhancements but also initiatives such as system investments—to ensure a more thorough and disciplined approach.

What are your thoughts on the governance structure?

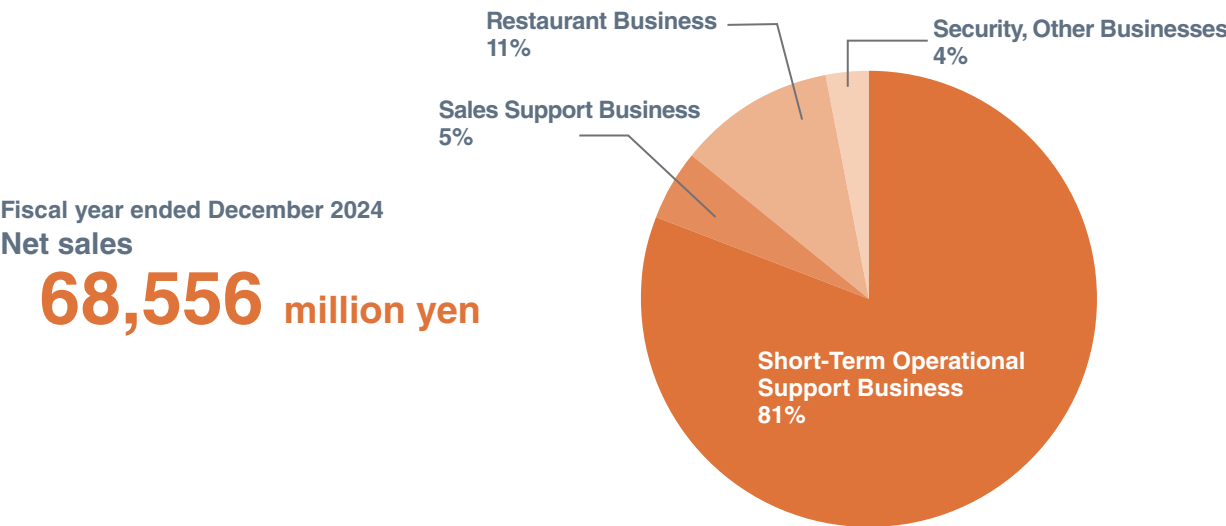
Hirano Our Company has adopted the structure of a company with an Audit & Supervisory Committee as its institutional form. We have also appointed independent outside directors to account for more than one-third of our Board of Directors, thereby working to strengthen the Board's supervisory functions and enhance discussions aimed at the sustainable improvement of corporate value across the Group. In line with these efforts, and to further ensure management transparency and strengthen corporate governance, we have recently added one outside director to the Board.

Sakamaki Ms. Ohki, our newly appointed director, is the first woman to serve on our Board. Naturally, we look forward to gaining valuable input from her unique perspective as a woman on key management issues such as sustainability and diversity. In addition, we hope that her broad insight—gained through her experience in the broadcasting industry and subsequent work in the corporate sector—will be reflected in our future management decisions.

Fullcast Group's Business

The Group's business portfolio consists of 4 segments: "Short-Term Operational Support Business," "Sales Support Business," "Restaurant Business," and "Security, Other Businesses." Our Group's mainstay segment of "Short-Term Operational Support Business" accounts for a high percentage of our Group's consolidated net sales at 80% over.

Business Composition

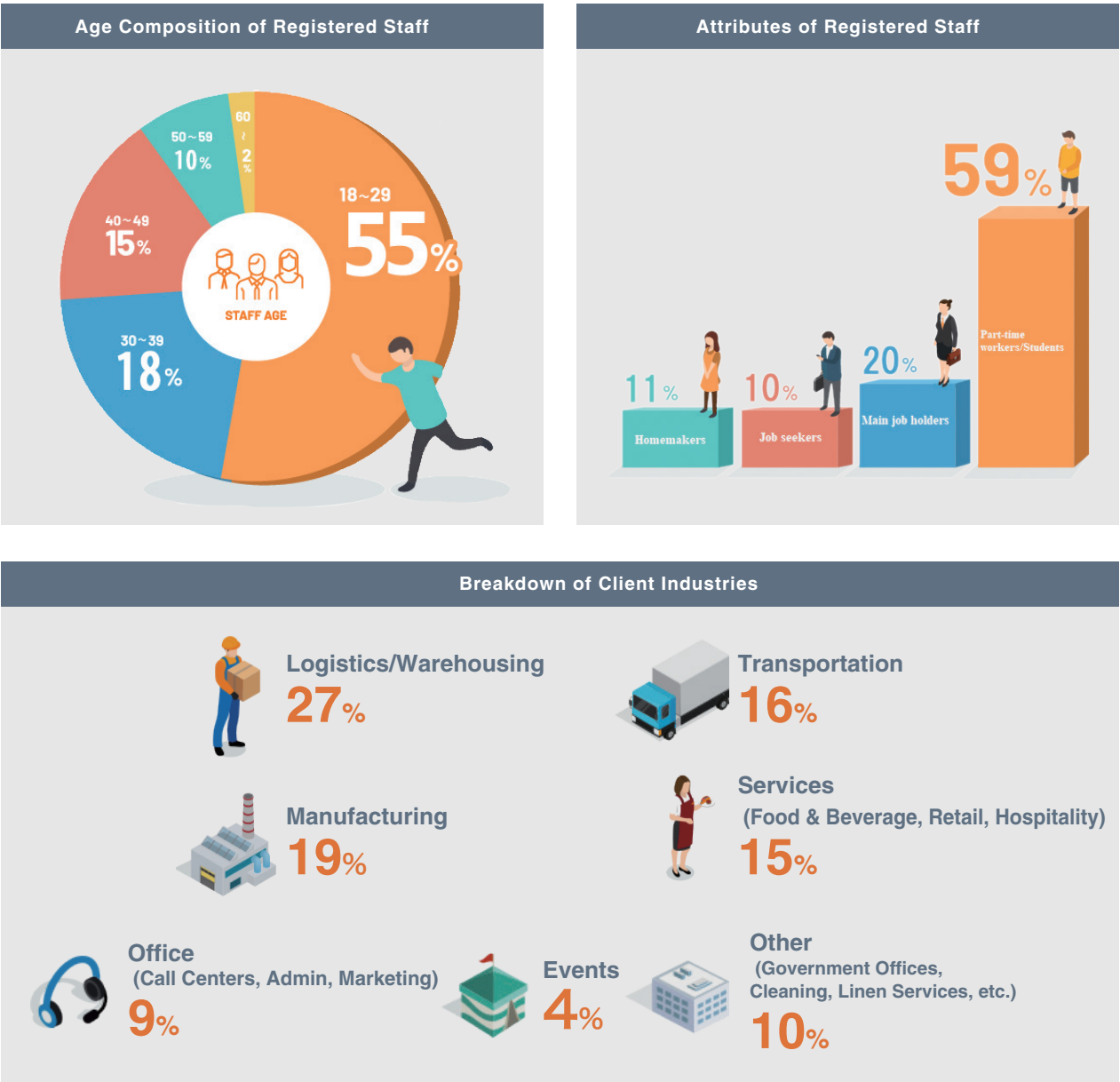


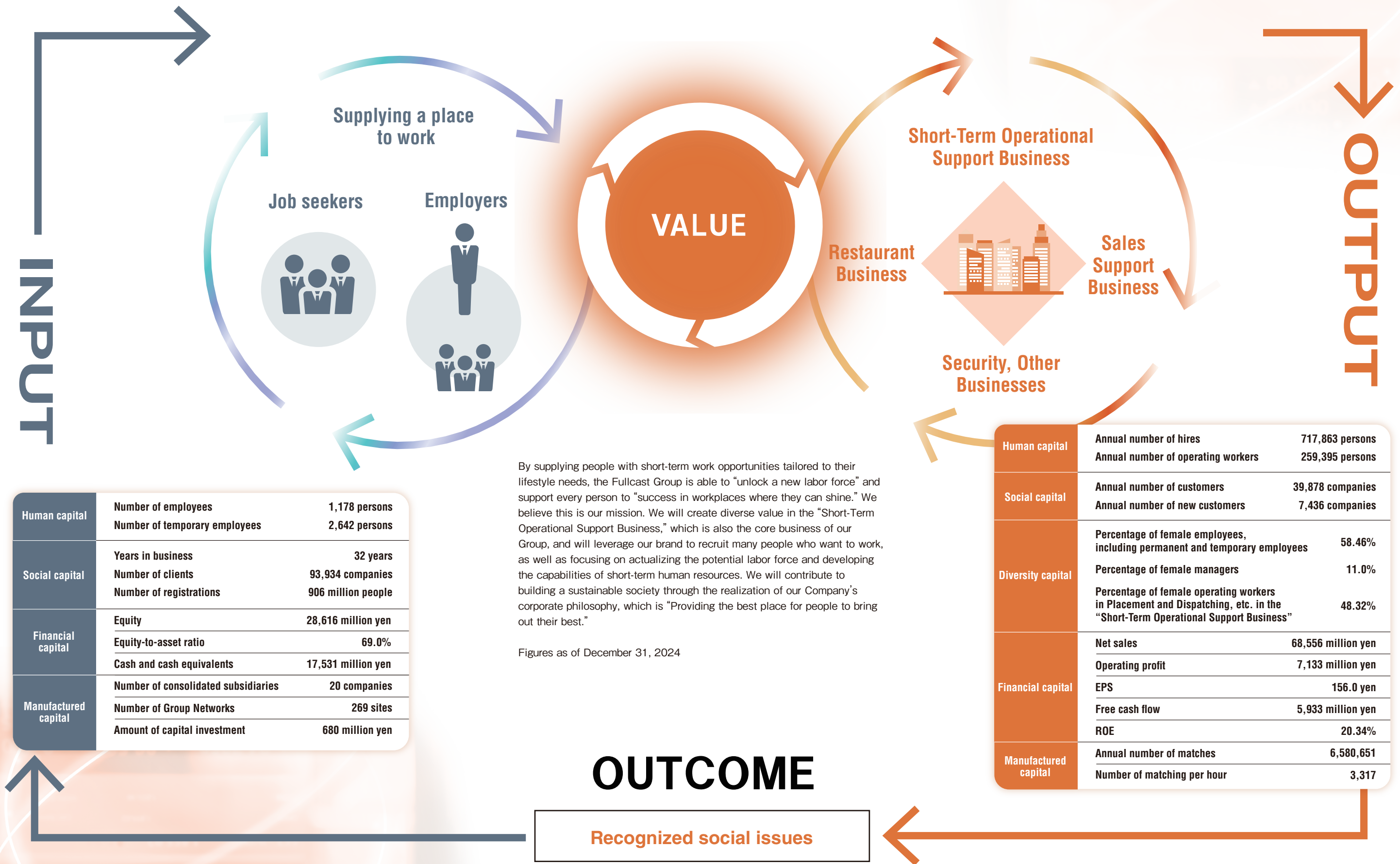
Performance/Reference Indicators

Net sales	Operating profit	ROE
68,556 million yen	7,133 million yen	20.3%
Recruitment expenses*	Recruitment unit price*	Gross profit per 1 yen of personnel costs
476 million yen	664 yen	2.7 yen

*Recruitment expenses, and recruitment unit price are counted only in relation to the hiring of job seekers in the "Short-Term Operational Support Business."
Plus, recruitment expenses, are limited to and counted with expenses related to the hiring of job seekers.

Fullcast Group's Numbers



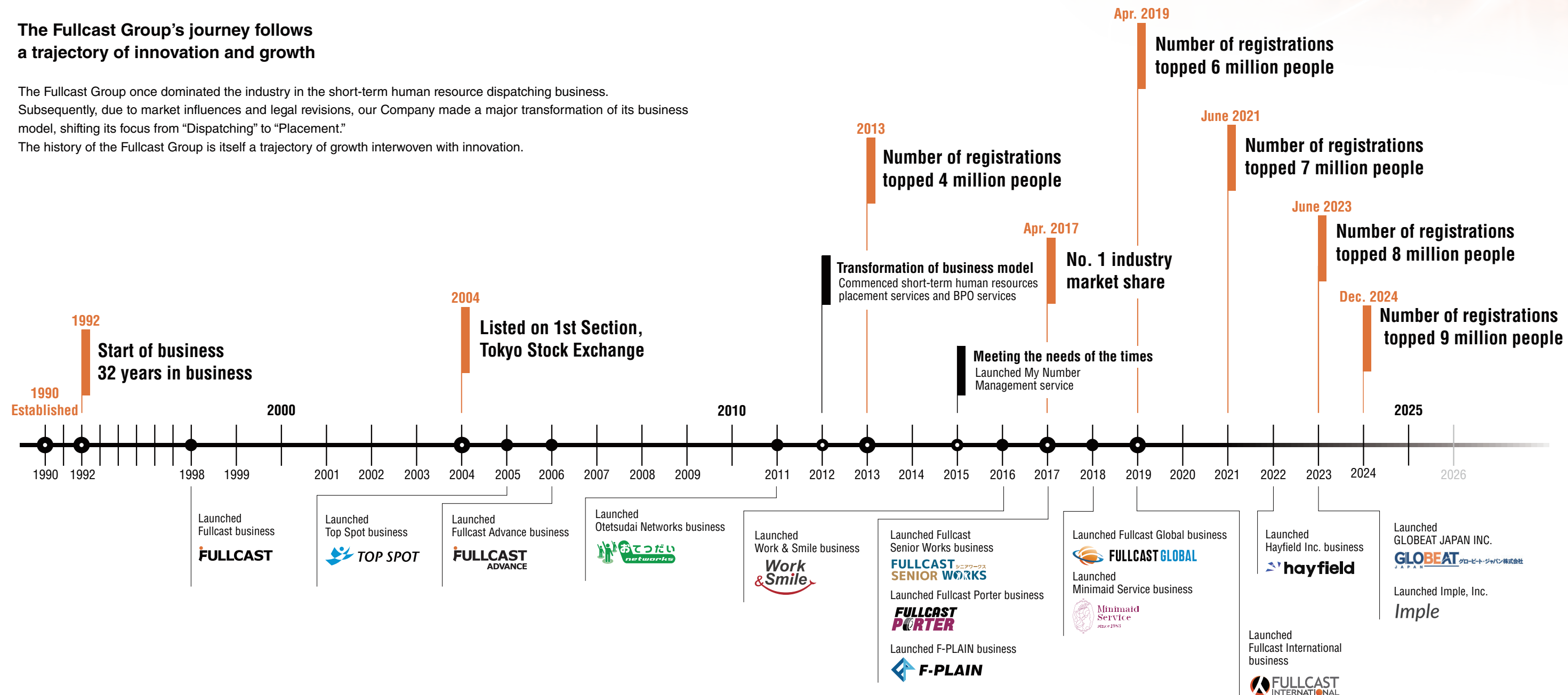


Corporate History

The Fullcast Group's journey follows a trajectory of innovation and growth

The Fullcast Group once dominated the industry in the short-term human resource dispatching business. Subsequently, due to market influences and legal revisions, our Company made a major transformation of its business model, shifting its focus from "Dispatching" to "Placement."

The history of the Fullcast Group is itself a trajectory of growth interwoven with innovation.



Start up period

Started out as a venture in the light work outsourcing business. The business model was developed in response to the needs of the times, such as paying registered staff on the same day, when it was customary to pay them the following week.

Expansion period

We achieved rapid growth by developing services to match market needs. We listed shares on the JASDAQ market in 2001, the 2nd Section of the Tokyo Stock Exchange in 2003, and 1st Section of the Tokyo Stock Exchange in 2004.

Transformation period

In light of the GFC and the enforcement of the revised Worker Dispatching Act, we shifted our business model from "Dispatching" to "Placement." We achieved a V-shaped recovery through thorough compliance and management reform.

Growth and expansion period

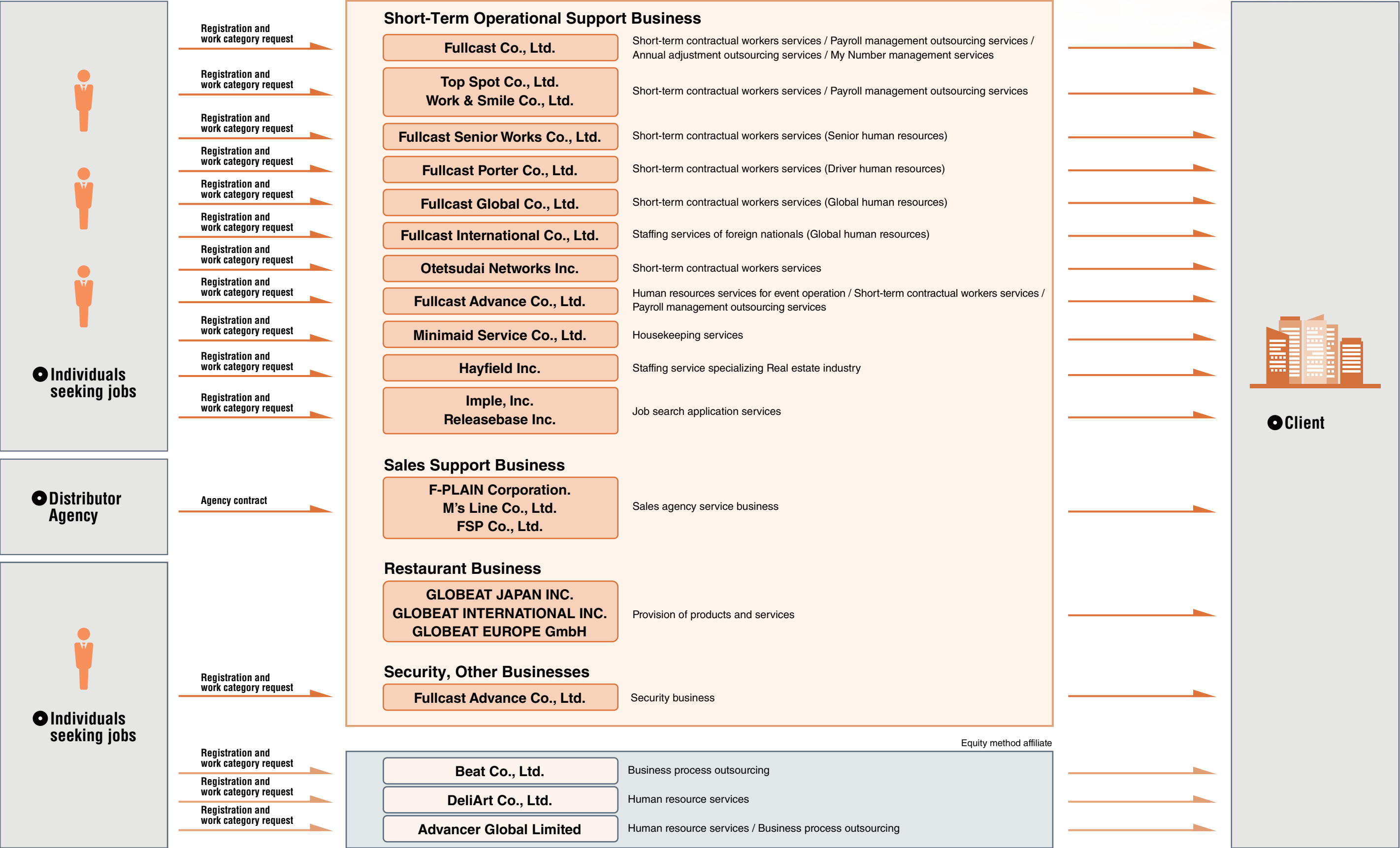
We aim to expand our business with an eye on global expansion by further strengthening recruiting capabilities, enhancing the service lineup, and providing higher value-added services.

Business Model

The Fullcast Group is expanding the “Short-Term Operational Support Business” (providing timely short-term personnel services in response to changes in the amount of work at client companies), the “Sales Support Business” (mainly engaging in agency sales of telecommunications products and others focused on distributor networks and call center operations), the “Restaurant Business” (operating a restaurant chain business), and the “Security, Other Businesses” (providing security services mainly for public facilities and ordinary corporations, others.).

Fullcast Holdings Co., Ltd.

Consolidated subsidiaries



Fullcast Group Sustainability Basic Policy

Fundamental Policy

Our Group's basic policy on sustainability is to contribute to solving social issues and to win the trust of all stakeholders involved in our business by achieving sustainable enhancement of corporate value with a corporate philosophy of "Providing the best place for people to bring out their best." We will implement the following sustainability activities.

1. Our Group will respond reduce environmental impact and use resources efficiently in areas where it can contribute for the sustainable development of the global environment.
2. We will appropriately to the human rights impact and risks of corporate activities and strive to prevent human rights violations.
3. We are aware that the growth of employees is the source of sustained enhancement of corporate value and we will strive for recruitment and training not tied to race, nationality, age, gender, and other attributes, as well as for improvements in the working environment giving consideration to work-life balance.
4. We will strive to establish trust and engage in fair and appropriate transactions with jobseekers and client companies, our important business partners in operating the staffing services business.

Process for Identifying Materiality

1. Understand the SDGs.
2. Align the Corporation Philosophy, Vision, and Strategy with the SDGs.
3. Identify issues based on our own strategy.
4. Identify key issues (materiality).

Materiality/Initiatives

We endorse all 17 goals of SDGs. In addition, we consider contributing to the following the goals of SDGs by implementing and promoting our corporate philosophy of "Providing the best place for people to bring out their best" as a core value of our Company.

8. Decent Work and Economic Growth



Our Group will constantly offer employment opportunities to job seekers and a workforce to hiring companies by continually providing matching opportunities for short-term positions to job seekers and hiring companies. Thereby, we will contribute to providing decent work for job seekers and economic growth for hiring companies.

5. Gender Equality



We will contribute to gender equality by providing job seekers with employment opportunities not tied to age, gender or attribution.

10. Reduced Inequalities



We will contribute to reducing inequalities among people and countries by providing job seekers with employment opportunities not tied to region or nationality.

9. Industry, Innovation and Infrastructure



In response to Japan's labor environment, which is experiencing a declining workforce, we will contribute to industrial growth and building infrastructures for technological innovation by providing matching services for short-term positions to companies seeking growth or innovation, thus expanding their workforce in the process.

Human Capital/Intellectual Property

Talent Development Policy and Policy on Development of In-House Environment

In order for our Group to realize sustainable enhancement in corporate value, it is essential for new graduates and midcareer hires to quickly become competitive after joining, and we have a full menu of training programs with a focus on practical training for employees up to their third year.

Every fiscal year, we review our training programs in order to increase the precision and opportunities offered by these programs and gradually expand the menu for each level of upper management. In addition, we are preparing for the establishment of training systems to raise awareness of sustainability among officers and employees, including the formulation of a training program.

Investment in Human Capital and Intellectual Property

With regard to investment in human capital, increasing the number of personnel is essential for our Group to achieve sustainable enhancement of corporate value, and we are making the necessary investments to enable us to continually recruit new graduates and midcareer hires, with an annual increase. Besides this, our Group will also increase the number of personnel by regularly providing the opportunity for our Group's temporary employees and staff dispatched and placed through our Group to become regular employees. In addition, as stated in the "Talent Development Policy and Policy on Development of In-House Environment," for our Group to achieve sustained enhancement of corporate value, it is essential for new graduates and midcareer hires to quickly become competitive after joining, and we have a full menu of training programs with a focus on practical training for employees up to their third year. In addition to increasing the precision and opportunities offered by our menu of training programs, we will consider gradually expanding the menu for each level of upper management and establishing training programs aimed at increasing awareness of sustainability among both our officers and employees. All regular employees are also periodically interviewed to evaluate their performance for the current

fiscal year and to share issues and points for skill development for the following fiscal year, as well as to listen to their wishes regarding long-term career design and skill development.

With regard to investment in intellectual property, improving the convenience and efficiency of core systems related to human resource matching is essential for our Group to carry out its mainstay staffing service business. This will not only streamline internal operations, but will also contribute to improving the satisfaction of job seekers who are dispatched or placed through our Group and customer experience of client companies, thereby supporting the sustainable enhancement of our Group's corporate value. Therefore, we will continue to invest in this area. In addition, due to the speedup and sophistication of digital and IT technologies, as well as the proliferation of these technologies among job seekers and client companies, there are increasing opportunities for digital transformation (DX) in all the business processes of the staffing services industry, where digitization and use of IT has been slow to penetrate. Our Group will make the necessary investment to actively utilize these opportunities.

Approach to Ensuring Diversity

Our Group will promote diversity not tied to attributes such as gender, nationality, age, and work history, not only in core human resources, but also among its regular employees, temporary employees, and jobseekers via dispatching or placement through our Group. Opportunities are always equal, and hiring, placement, evaluation, compensation and promotion are based on a person's abilities, experience and achievements. As of December 31, 2024, the ratio of female employees, including regular and temporary employees working for our Group, was 58.5%, and we will maintain a minimum ratio of 50.0%. The ratio of female managers at our Group was 11.0% as of December 31, 2024. Furthermore, we will promote the enhancement of our personnel system and training programs to implement the ratio of female managers at 15.0% and increase it by the end of December 2025. As we do not anticipate any differences in the promotion of foreign nationals and midcareer hires to management positions in terms of nationality or recruitment period, we have not set or disclosed goals for promotion to management positions at the current time.

Indicators and targets related to human capital and diversity

Our Group uses the following indicators in its policy on personnel development including ensuring the diversity of personnel and its policy on improving the internal environment. The targets and results regarding said indicators are as follows.

Indicators	Targets	Target year	Results (FY12/24)
Percentage of female employees, including permanent and temporary employees	50% (maintain)	2025	58.5%
Percentage of female managers	15% or above (maintain)	2025	11.0%
Percentage of female operating workers in Placement and Dispatching, etc. in the "Short-Term Operational Support Business"	50% (maintain)	2025	48.3%

Initiatives for Society (Including Human Rights)

Basic Approach	We will respond appropriately to the human rights impact and risks of corporate activities and strive to prevent human rights violations. In addition, we are aware that the growth of employees is the source of sustained enhancement of corporate value and we will strive for recruitment and training not tied to race, nationality, gender, age, and other attributes, as well as for improvements in the working environment giving consideration to work-life balance. Moreover, we will strive to establish trust and engage in fair and appropriate transactions with jobseekers and client companies, our important business partners in operating the staffing services business. As a good corporate citizen, we actively participate in social contribution activities and strive to contribute to the development of society.
Scope of Application	The scope of application extends to all executives and regular employees (hereafter as “officers and employees”) of the Group. We also expect understanding and compliance from our business partners.
Approach to Health and Safety	We prioritize health and safety in the workplace and strive to provide employees with workplaces that are healthy and safe. Additionally, we understand and fully abide by laws and regulations concerning occupational health and safety. In case of an occupational accident, we have put into place prescribed procedures to immediately report incidents in order to minimize damages and prevent reoccurrence.
Prohibition of Forced Labor and Child Labor	We do not tolerate any labor practices that violate human rights, including all forms of forced labor, human trafficking, and child labor.
Employee Welfare and Wages	We establish rules for appropriate working hours and rest periods, overtime, late-night work, holidays, and leaves of absence in accordance with the Labor Standards Act and labor-management agreements. We also establish payroll regulations that comply with legal requirements regarding minimum wages, legal benefits and deductions, overtime, etc., and pay wages directly to employees.

Respect of the Right to Exercise Freedom of Association and Collective Bargaining

We respect fundamental labor rights, including freedom of association and collective bargaining rights for workers. We do not interfere with organizations representing employees or seek to control their operations, and we cooperate in good faith with fairly elected representatives. We fully comply with all agreements reached through collective bargaining, within the appropriate legal framework.

Protection of Privacy and Respect for Freedom of Expression

We ensure the protection of our customers' privacy through strict security measures and appropriate personal information management, while respecting freedom of communication and expression on the Internet in all countries and regions.

Prohibition of Discrimination and Harassment

We will operate our business with consideration for regional and cultural differences and diversity, and prohibit discrimination and all forms of harassment based on race, religion, gender, sexual orientation, gender identity, age, nationality, origin, illness, disability, etc.

Education and Training

Appropriate training is provided to all officers and employees to ensure that policies is understood and effectively implemented.

Persons in Charge

The Board of Directors is responsible for establishing a system to implement such policies and overseeing compliance with and implementation of such policies.

Internal Reporting System

We have established an internal reporting system that is available to all officers and employees working for the Group and has an external contact point for reporting. In addition, the contact point is made known on the internal bulletin board on the web. In addition, the confidentiality of information providers and the prohibition of disadvantageous treatment are stipulated in the system to ensure appropriate business operations.

Corporate Ethics

Basic Approach	Guided by our corporate philosophy of “Providing the best place for people to bring out their best,” our Group is committed to thorough compliance practices, earning and maintaining the trust of society, and continuously delivering new value. To that end, all officers and employees shall comply with applicable laws and regulations, as well as social norms, and act in accordance with the following policies.
Rules on Contributions and Political Donations	When making political donations or contributions to various organizations, we strictly comply with relevant laws and regulations, such as the Public Offices Election Act and the Political Funds Control Act, and ensure all contributions are made through proper and legitimate procedures. We firmly refrain not only from bribery, the provision of improper benefits, or illegal political donations, but also from any actions that could be misinterpreted as collusion with political or administrative bodies, and as such, we are committed to maintaining sound and transparent relationships.
Severing Ties with Antisocial Forces	We act with sound judgment at all times, guided by fundamental legal knowledge, common sense, and a strong sense of ethics, to avoid involvement in any illegal or antisocial activities. We take a firm stance against antisocial forces and maintain absolutely no ties with them. Should we receive any unjust demands from such groups, we respond resolutely and never attempt to resolve the situation by providing money or other benefits. We do not use antisocial forces to gain advantages for the company or for ourselves. Under no circumstances do we conduct business with such entities.
Compliance with the Antimonopoly Act	Under no circumstances do we engage in conduct that would violate the Antimonopoly Act, such as forming cartels, collusive bidding, resale price maintenance, or abuse of a superior bargaining position. We are committed to fair and open competition in the marketplace.
Prevention of Unfair Competition	We do not, under any circumstances, acquire or use another company’s trade secrets through improper means. Furthermore, we do not acquire or use trade secrets if we know—or have reason to believe—that they were obtained through improper means.
Entertainment and Gifts	We do not provide entertainment or gifts to public officials or individuals in equivalent positions. Any entertainment or gifts offered to business partners must fall within the bounds of generally accepted social norms. Likewise, any entertainment or gifts received from clients, business partners, or other parties must also remain within the scope of common social standards.

Prohibition of Insider Trading	The our Group has established Internal Information Management Regulations that apply to all officers and employees. These regulations set forth the basic rules necessary to prevent insider trading and ensure proper management of internal information, including the handling of undisclosed information acquired by officers or employees, the management of trading in company shares, and employee conduct. If, in the course of business, an individual becomes aware of internal information about the company, subsidiary and associate, or a business partner, they must not trade in the stocks or bonds of those companies until such information has been officially disclosed. When buying or selling shares of the company or a related party, employees are required to confirm in advance whether they possess any undisclosed information. These rules apply even if a third party is used to conduct the transaction, or if there is no intention to gain personal profit.
Prohibition of Conflicts of Interest	We do not use our professional position or authority to pursue personal gain for ourselves or others. In addition, if a conflict of interest arises between our duties and the interests of the Fullcast Group, we refrain from engaging in any actions that would contradict our responsibilities as officers or employees.
Proper Use of Company Assets	We recognize the importance of using company assets efficiently and maintaining them in a condition that ensures they are always available. Whether tangible or intangible, we handle company assets appropriately to prevent damage, theft, or loss. We do not use company assets or expenses for personal purposes.
Education and Training	Appropriate training is provided to all officers and employees to ensure that policies is understood and effectively implemented.
Persons in Charge	The Board of Directors is responsible for establishing a system to implement such policies and overseeing compliance with and implementation of such policies.
Internal Control	We have established a system that enables all officers and employees of the Group to promptly report any issues related to internal controls to the Group’s compliance department. Upon receiving a report or notification, the compliance department investigates the matter, determines appropriate countermeasures in consultation with the relevant departments within the Group, and implements them accordingly.

Corporate Governance

Response to Corporate Governance

Basic Approach

Our Group considers the basic principles and aims of corporate governance to ensure transparent management for all concerned interested parties including shareholders, as well as to improve the efficiency of management in order to realize the “sustained improvement of corporate value.”

Basic Policy

Our Group is now working to strengthen corporate governance following the basic policy outlined below.

(1) Secure shareholders' rights and equality

In order to ensure that the rights of shareholders are substantially guaranteed and effectively exercised, our Company will take appropriate actions in accordance with laws and regulations as described below, and will give consideration to the equal treatment of all shareholders, including minority shareholders and foreign shareholders.

a) We provide necessary information in a timely and accurate manner.

b) We send out the convocation notice of the General Meeting of Shareholders early and post it on our website by the day before the date of dispatch to allow shareholders enough time to fully consider its contents.

c) To ensure that all shareholders can exercise their voting rights appropriately, we provide an appropriate environment for the exercise of voting rights, including the use of an electronic voting platform and the publication of an English translation of the convocation notice.

d) We fully explain capital and other policies that materially affect the interests of shareholders.

(2) Appropriate collaboration with stakeholders other than shareholders

Our Company strives to engage in appropriate cooperation

with all stakeholders by implementing management that places its top priority on compliance, given the awareness that our Company's staffing services are highly social and public in their nature.

(3) Ensure appropriate information disclosures and transparency
Our Company will disclose not only financial information, but also non-financial information, in an appropriate and proactive manner, with emphasis placed on fairness, equality, and speed. We will also ensure the transparency of this information.

(4) Duties of the Board of Directors, others.

Our Company will strive to make the decision making of management more efficient and streamlined by clearly demarcating the roles and duties of the Board of Directors, the Audit & Supervisory Committee Members, and the Audit & Supervisory Committee.

(5) Constructive engagement with shareholders

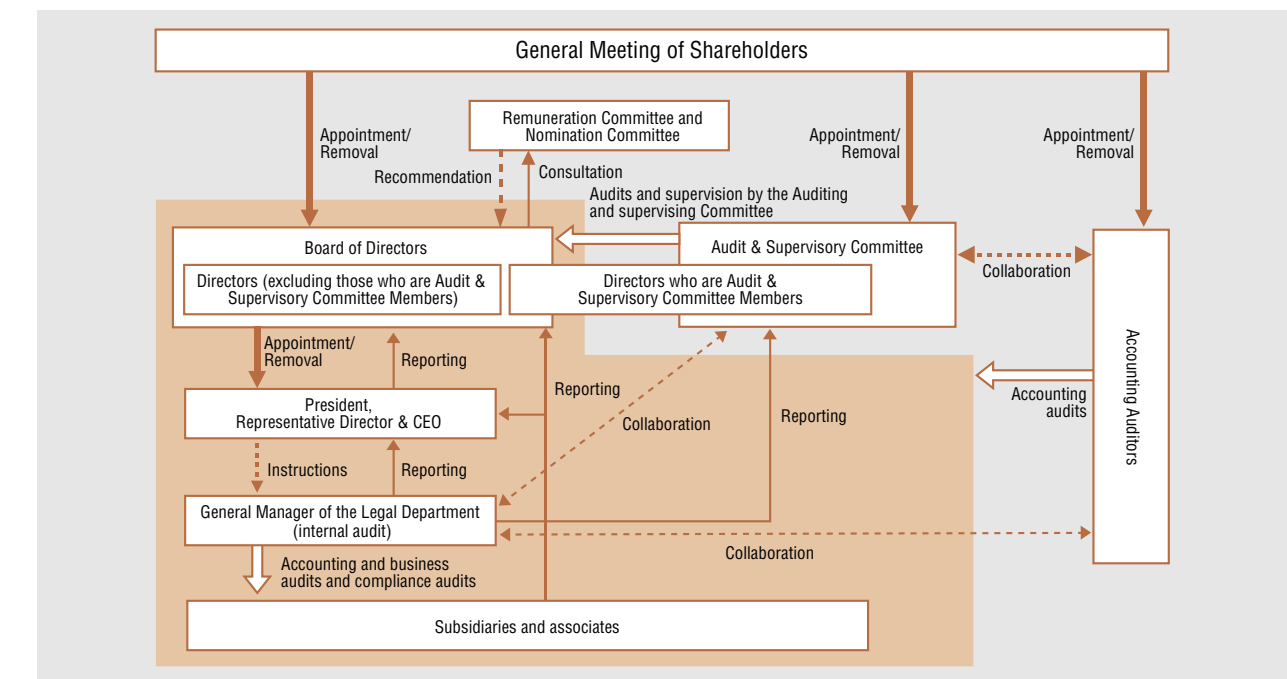
Our Company will engage with shareholders through our General Manager of the Finance and IR Department, with our the President, Representative Director and CEO supervising our engagements, in order to contribute the sustained improvement of corporate value. These roles will be supplemented by our dedicated department in charge of investor relations. This structure will ensure constructive engagement takes place with shareholders.

Corporate Governance and Internal Control

Fullcast Holdings Co., Ltd. is a company with a Board of Directors, consisting of 8 Directors in total—5 Directors (excluding Audit & Supervisory Committee Members) and 3 Directors who serve as Audit & Supervisory Committee Members. The company is also a company with an Audit & Supervisory Committee, which is composed of the 3 Directors who are Audit & Supervisory Committee Members. Four of the Directors are Outside Directors.

In order to realize the basic principles and goals of corporate governance, it is our policy for the composition of the Board of Directors to consist of at least one-third outside directors and to report all outside directors as independent officers as stipulated by the Tokyo Stock Exchange. Regarding Directors who are Audit & Supervisory Committee Members, by appointing all 3 as Outside Directors (one of them being a fulltime Audit & Supervisory Committee Member), we perform effective and appropriate oversight of business execution by Directors, and have put in place a system that ensures objectivity and neutrality.

Corporate Governance System



Corporate Governance

Overview of Current Corporate Governance System

1. Board of Directors

It is our policy for the composition of the Board of Directors to consist of at least one-third Outside Directors and to report all Outside Directors as Independent Officers as stipulated by the Tokyo Stock Exchange.

As of March 28, 2025, the Board of Directors was comprised of 5 Directors (excluding those who are Audit & Supervisory ommittee Members) and 3 Directors who are Audit & Supervisory Committee Members (3 of whom are Outside Directors), for a total of 8 members (7 males and 1 female). The Board includes 4 Outside Directors. The Board of Directors ensures transparent management and makes decisions on important matters, such as supervising the execution of overall Group management, determining Group-wide optimization strategies essential to Group operations, and addressing common challenges faced by the Group.

The Board of Directors comprises 8 members: President, Representative Director and CEO Takehito Hirano, Vice President, Representative Director Kazuki Sakamaki, Director Takahiro Ishikawa, Director Shiro Kaizuka, Director Yuuki Ohki, Audit & Supervisory Committee Member Kouji Sasaki, Audit & Supervisory Committee Member Masataka Uesugi, and Audit & Supervisory Committee Member Hideyuki Totani. The Board of Directors Meeting is basically presided by Kazuki Sakamaki. The meeting of Board of Directors was held 12 times during the fiscal year ended December 2024 and all Directors attended all of the meetings. The main matters considered included the financial results and forecasts, shareholder returns and the capital policy, M&A and business alliances, internal control, compliance, remuneration, corporate governance (including an examination of the appropriateness of retaining cross-shareholdings and an evaluation of the effectiveness of the Board of Directors), and related party transactions.

2. Audit & Supervisory Committee

The Audit & Supervisory Committee consists of 3 Outside Directors who are independent and Audit & Supervisory Committee Members (3 males and no female) and discusses, deliberates and makes decisions on important matters concerning audits. The Audit & Supervisory Committee also works to establish ties in which it can receive timely reports from Accounting Auditors. The Audit & Supervisory Committee is comprised of 3 members: Audit & Supervisory Committee Member Kouji Sasaki who serves as the Chairperson, Audit & Supervisory Committee Member Masataka Uesugi, and Audit & Supervisory Committee Member Hideyuki Totani.

3. Nomination Committee

The Nomination Committee consists of 5 members: 4 independent Outside Directors, and the President and CEO (4 males and 1 female). The Nomination Committee deliberates on matters related to the nomination of directors and reports to the Board of Directors.

The Nomination Committee comprises 5 members: Takehito Hirano who serves as the chairperson, and Nomination Committee Members Kouji Sasaki, Masataka Uesugi, Hideyuki Totani and Yuuki Ohki.

4. Remuneration Committee

The Remuneration Committee consists of 5 members: 4

independent Outside Directors, and the President and CEO (4 males and 1 female). The Remuneration Committee deliberates on matters related to the remuneration of directors and reports to the Board of Directors.

The Remuneration Committee comprises 5 members: Takehito Hirano who serves as the chairperson, and Remuneration Committee Members Kouji Sasaki, Masataka Uesugi, Hideyuki Totani and Yuuki Ohki.

5. General Manager of the Legal Department

The General Manager of the Legal Department works to promote a climate of compliance awareness, which is a prerequisite for company management throughout the entire group of companies and promote compliance with social and in-house rules. In addition, evaluation for improvement, maintenance and validity of the internal control system and guidelines related to financial reporting, and internal auditing work including information security system organization are used to improve the corporate value of our Group.

6. Accounting Auditors

As an auditing company in charge of accounting audits, our Company has entered into contracts with PricewaterhouseCoopers Japan LLC for audits based upon the Financial Instruments and Exchange Act and the Companies Act. In addition to regular audits, our Company also receives confirmation on issues regarding accounting and internal control as required, and endeavor to ensure that our accounting practices and internal control systems are adequate.

7. Policy and procedure for the election and dismissal of management executives by the Board of Directors and nomination of candidates for Directors and Directors who are Audit & Supervisory Committee Members

The nomination of candidates for Directors (excluding those who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members and the selection of executive management by the Board of Directors is made involving persons determined to have appropriate knowledge, experience and skills to fulfill their duties, irrespective of age, gender and nationality, from the perspective of contributing to sustainable growth enhancing to long-term corporate value. The Board of Directors, including 4 Independent Outside Directors, resolutions and proposals from our President, Representative Director and CEO and makes decisions only after ensuring objectivity and fairness. Our Company has a policy to dismissing the President, Representative Director and CEO, if necessary, based on deliberations by the Board of Directors including 3 independent outside directors, in cases where it has acknowledged the President, Representative Director and CEO did not fully exhibit fulfill their roles, taking into account an appropriate evaluation of business performance and other factors. Our Company also established the Nomination Committee, which consists of 4 Independent Outside Directors, and the President, Representative Director and CEO, in order to strengthen the supervisory function of the Board of Directors and enhance the corporate governance system by increasing the transparency and objectivity of the evaluation and decision-making process regarding the nomination of Directors. The majority of the members of the

Nomination Committee are Independent Outside Directors. In addition, in terms of its authority and roles, the Nomination Committee deliberates and reports to the Board of Directors on the following matters referred to it by the Board of Directors.

8. Rules on Remuneration for Directors

Our Company resolved “Policy for Determining the Details of Remuneration of Individual Directors,” as its policy and procedure for determining the remuneration of Directors (excluding those who are Audit & Supervisory Board Members). The remuneration of Directors who are Audit & Supervisory Committee Members is determined through discussions among the Directors who are Audit & Supervisory Committee Members.

i. Fundamental policy

The fundamental policy for the determination of remuneration of our Company's individual directors shall be to set this remuneration at an appropriate level based on the importance of each of their duties and their achievements using a remuneration system linked to our Company's business performance and return to shareholders so that remuneration works sufficiently as an incentive for the sustainable enhancement of corporate value. Specifically, the remuneration of the President, Representative Director and CEO who serves as an executive director and the Director responsible for supervisory functions (excluding those who are Audit & Supervisory Committee Members) shall be comprised of base remuneration (monetary remuneration) as the fixed remuneration and performance-linked remuneration (monetary remuneration) and stock-based compensation (non-monetary remuneration). The remuneration of outside directors who are Audit & Supervisory Committee Members shall be comprised of only base pay as fixed remuneration in view of their duties.

ii. Policy regarding the amount of remuneration for each individual in terms of base remuneration (monetary remuneration)

The base remuneration of our Company's Directors shall be comprised of monthly fixed remuneration, which shall be determined holistically while considering the level of other companies, our Company's performance, and the level of employee pay with relation to the Director's position, duties, and number of years in office.

iii. Policy regarding the details and amount or calculation method of performance-linked remuneration and non-monetary remuneration

Performance-linked remuneration shall be comprised of cash remuneration reflecting key performance indicators (KPI) to elevate awareness about improving business performance each business year. The amount calculated is based on the level of achievement of targets for consolidated operating profit for each respective business year and shall be paid monthly in conjunction with monthly fixed remuneration. The target KPIs and their values, in principle, shall be set when formulating a plan that is consistent with the Medium-Term Management Plan or medium-term consolidated operating profit targets set by our Company, and will be reviewed as necessary based on changes in the operating environment. Non-monetary remuneration shall be comprised of remuneration-type stock options and adopt consolidated operating profit, a primary financial target of the Medium-Term Management Plan or medium-term consolidated operating profit targets set by our Company, as the indicator related to performance-linked remuneration. Of those share acquisition rights allocated, only a limited number of

share acquisition rights can be exercised depending on the level of achievement of the consolidated operating profit target for the final year of the Medium-Term Management Plan or of medium-term consolidated operating profit target.

iv. Policy regarding determination of the proportion of monetary remuneration, performance-linked remuneration or non-monetary remuneration for each Director

The ratio of each type of remuneration for executive director and Director (excluding those who are Audit & Supervisory Committee Members) shall be determined considering remuneration levels of other companies engaged in related business types or formats or whose business size is similar to our Company. Furthermore, the benchmark ratio of each type of remuneration shall be 8: 1: 1 representing base remuneration: performance-linked remuneration: non-monetary remuneration (in case the level of KPI achievement is 100%).

v. Matters regarding the determination of details of remuneration for individual Directors

The remuneration amount and each type of remuneration of the President, Representative Director and CEO who serves as an executive director and the Director (excluding those who are Audit & Supervisory Committee Members) will be proposed by the President, Representative Director and CEO who serves as an executive director that will include the total amount of remuneration following the aforementioned fundamental policy on determining remuneration and individual policies. Next, the Board of Directors passes a resolution on the total amount of remuneration (each amount of base remuneration, performance-linked remuneration and stock-type remuneration, if applicable), timing, conditions and other important matters, if any. The specific details of each individual Director are entrusted to the discretion of the President, Representative Director and CEO who serves as an executive director. The details of this authority shall comprise the amount of base remuneration of each Director and performance-linked remuneration of each Director. However, our Company will establish a Remuneration Committee comprised of 4 independent outside directors and the Representative Director and CEO who serves as an executive director to prevent arbitrary decisions on remuneration by the President, Representative Director and CEO who serves as an executive director and ensure that authority is exercised appropriately. The Remuneration Committee deliberates on whether the individual remuneration proposals established by the President, Representative Director and CEO who serves as an executive director are appropriate or not in accordance with the above mentioned policies for determination of remuneration. After this, revisions are made if necessary and the Remuneration Committee establishes a remuneration proposal within the scope of the total amount approved by the Board of Directors. The Remuneration Committee submits its proposal to the President, Representative Director and CEO who serves as an executive officer, and the President, Representative Director and CEO who serves as an executive director determines the remuneration amount for individual Directors while respecting the details of this proposal.

Note: Performance-linked remuneration shall be cash remuneration and non-monetary remuneration shall be remuneration-type stock options.

Corporate Governance

Evaluation of the effectiveness of the Board of Directors

From the fiscal year ended December 2016, our Company has conducted analysis and evaluation with regard to the effectiveness of our Company's Board of Directors in order to enhance the effectiveness of the Board of Directors and further enhance corporate value. We conducted a similar survey of all Directors (including those who are Audit & Supervisory Committee Members) in the fiscal year ended December 2024. The results of this survey were analyzed and evaluated.

Within the survey, Directors were asked to self-assess 26 items, including composition of the Board of Directors, management of the Board of Directors, structure underpinning the Board of Directors and a comprehensive evaluation for the fiscal year ended December 2024. The results showed the higher evaluation in each item compared with the previous survey, which was at a high level, and that our Directors believe the effectiveness of our Company's Board of Directors continues to be ensured. Based on the results of the previous evaluation, we have taken steps to address the issue of diversity within the Board of Directors, which had been identified as a challenge for our Company. Through discussions at Board meetings, we have implemented improvements, including the appointment of one new female director.

At the same time, there is still room for improvement from the perspective of further enhancing discussions at the Board of Directors meetings, such as the timing and method of providing materials to ensure that each Director has sufficient time to consider proposals. In addition, there is a need to further deepen discussions by the Board of Directors regarding the diversity of the Board of Directors, the officer Remuneration, and the diversity of core personnel.

Going forward, based on the results of the evaluation of effectiveness, our Company will aim to heighten the effectiveness of the Board of Directors and realize further enhancements in corporate value by making improvements with regard to the issues brought to light.

Information Security/Cybersecurity

Basic Policy on Information Security

Our Group considers sales information, customer information, and personal information of registered staff and employees, which it obtains in the course of providing services to customers, to be important information assets. Therefore, recognizing that it has a serious responsibility to properly manage information assets and prevent information leaks and unauthorized use, our Group has established the "Basic Policy on Information Security."

- (1) Our Group shall ensure and maintain the confidentiality, security and availability of information.
- (2) In order to operate, maintain, and manage the information security management system, the General Manager of the Legal Department shall periodically review the basic policy and information security measures.
- (3) Our Group shall comply with legal, regulatory, and contractual requirements.
- (4) Our Group shall establish criteria for evaluating risk and procedures for risk assessment.
- (5) Our Group shall take information security measures to reduce the level of risks identified through risk assessment.
- (6) Our Group shall develop and periodically review prevention and recovery procedures to ensure that business activities are not interrupted by a major failure or disaster.
- (7) Our Group shall provide information security education to managers and employees on a regular basis.
- (8) Our Group shall take preventive and corrective actions to prevent information security breaches, incidents, and accidents.
- (9) Our Group shall review the information security management system as needed in accordance with changes in business processes, the surrounding environment, and technological trends.

Information Security Management

Our Group positions strengthening its information security measures as a critical foundation of its business operations and identifies information security as a key risk. Accordingly, we have established the necessary structures and initiatives to address this area appropriately.

Management of Outsourced Contractors

Our Group conducts due diligence and oversight of its outsourced contractors to ensure appropriate information security and related measures are in place.

Third-Party Certification

The Company and the following subsidiaries have obtained PrivacyMark certification.

- Fullcast Co., Ltd.
- Top Spot Co., Ltd.
- Fullcast Senior Works Co., Ltd.

Introduction to Officers



Takehito Hirano
[President, Representative Director and CEO]
Fullcast Holdings Co., Ltd.

Career highlights

- Apr. 1984 Joined Harvest Futures Inc.
- Sept. 1990 Established Resort World Co., Ltd. (currently Fullcast Holdings Co., Ltd.) and served as President, Representative Director
- July 2006 President, Representative Director of Fullcast Marketing Co., Ltd. (currently F-PLAIN Corporation)
- Sept. 2007 Director of our Company
- Dec. 2009 Director and Advisor of our Company
- Mar. 2015 Director and Chairman of our Company
- Apr. 2017 Representative Director and Chairman of F-PLAIN Corporation (present post)
- Oct. 2018 Director of Advancer Global Limited (present post)
- Dec. 2024 President, Representative Director and CEO of the Company (present post)



Kazuki Sakamaki
[Vice President, Representative Director]
Fullcast Holdings Co., Ltd.

Career highlights

- Apr. 1989 Joined AI Tsusho Co., Ltd.
- Feb. 1995 Joined Fullcast Co., Ltd. (currently Fullcast Holdings Co., Ltd.)
- Oct. 2005 Representative Director of Fullcast HR Institute Co., Ltd. (currently Fullcast Co., Ltd.)
- Oct. 2007 Corporate Executive Officer, General Manager of the Business Engineering Dept. of Fullcast Co., Ltd.
- Oct. 2008 Corporate Executive Officer, General Manager of the Tokai & Kansai Sales Dept. of Fullcast Co., Ltd.
- June 2009 Representative Director of Fullcast Co., Ltd.
- Dec. 2011 Director of our Company
- Jan. 2013 President and Representative Director of Fullcast Co., Ltd. (present post)
- Jan. 2014 President, Representative Director and CEO of our Company
- Dec. 2024 Vice President, Representative Director (present post)



Takahiro Ishikawa
[Director]
Fullcast Holdings Co., Ltd.

Career highlights

- Sept. 1990 Senior Managing Director of Resort World Co., Ltd. (currently Fullcast Holdings Co., Ltd.)
- Sept. 2000 Representative Director of Fullcast Factory Co., Ltd.
- Apr. 2006 Representative Director of Fullcast Central Co., Ltd.
- Jan. 2012 Director of STARTLINE Co., Ltd. (present post)
- May 2012 President and Representative Director of Beat Co., Ltd.
- Dec. 2014 President and Representative Director of Beattech Co., Ltd.
- Mar. 2016 Director of our Company (present post)
- Apr. 2016 Representative Director and Chairman of Beat Co., Ltd. (present post)
- Jan. 2017 Representative Director and Chairman of Beattech Co., Ltd. (present post)



Shiro Kaizuka
[Director]
Fullcast Holdings Co., Ltd.

Career highlights

- Sept. 1990 Senior Managing Director of Resort World Co., Ltd. (currently Fullcast Holdings Co., Ltd.)
- May 2002 Representative Director of Fullcast Technology Co., Ltd. (currently YUME TECHNOLOGY Co., Ltd.)
- Oct. 2002 Director of Interbiz Limited (present post)
- Feb. 2010 Representative Director of Rearvio Co., Ltd. (present post)
- Sept. 2013 Representative Director of Dimension Pockets Co., Ltd. (present post)
- Apr. 2016 Representative Partner of IPM G.K. (present post)
- June 2016 Representative Partner of One Suite G.K. (present post)
- Mar. 2017 Director of our Company (present post)



Yuuki Ohki
[Director]
Fullcast Holdings Co., Ltd.

Career highlights

- Apr. 2003 Joined Asahi National Broadcasting Co., Ltd. (currently TV Asahi Holdings Corporation)
- Dec. 2021 Left TV Asahi Holdings Corporation
- Jan. 2022 Joined Reiwa Travel, Inc.
- Apr. 2023 Became Executive Officer and CCO of the company (present post)
- Mar. 2025 Director of our Company (present post)



Kouji Sasaki
[Director, Full-time Audit & Supervisory Committee Member]
Fullcast Holdings Co., Ltd.

Career highlights

- Apr. 1966 Joined Tokyo Regional Taxation Bureau and worked in the general affairs division, before later working in tax offices
- Dec. 1984 Passed the tax accountant examination
- June 1995 Retired as a special examiner at Nakano tax office
- Sept. 1995 Opened Sasaki Tax Accounting Office (Director) (present post)
- Dec. 1999 Outside Audit & Supervisory Board Member of our Company
- Sept. 2008 Audit & Supervisory Board Member of Fullcast HR Research Institute Co., Ltd. (currently Fullcast Co., Ltd.)
- Mar. 2016 Director (full-time Audit & Supervisory Committee Member) of our Company (present post)



Masataka Uesugi
[Director, Audit & Supervisory Committee Member]
Fullcast Holdings Co., Ltd.

Career highlights

- Apr. 1995 Registered as an attorney-at-law (Tokyo Bar Association)
- Apr. 1999 Founded Uesugi Law Office
- June 2003 Partner of Amiec Law and Accounting Firm
- June 2003 Audit & Supervisory Board Member of Digital Arts Inc.
- June 2004 Audit & Supervisory Board Member of Nextech Co., Ltd.
- June 2007 Outside Audit & Supervisory Board Member of jig.jp Co., Ltd. (present post)
- Dec. 2012 Outside Audit & Supervisory Board Member of F-PLAIN Corporation
- June 2013 Outside Audit & Supervisory Board Member of Commerce One Holdings Inc. (present post)
- Dec. 2013 Outside Audit & Supervisory Board Member of Ceres Inc.
- Nov. 2014 Outside Audit & Supervisory Board Member of Aiming Inc. (present post)
- Mar. 2015 Founded Sakurada Dori Partners (partner, present post)
- Mar. 2016 Director (Audit & Supervisory Committee Member) of our Company (present post)
- June 2016 Outside Director (Audit & Supervisory Committee Member) of Digital Arts Inc. (present post)
- Mar. 2021 Outside Director (Audit & Supervisory Committee Member) of Ceres Inc. (present post)



Hideyuki Totani
[Director, Audit & Supervisory Committee Member]
Fullcast Holdings Co., Ltd.

Career highlights

- Oct. 2003 Joined Ernst & Young ShinNihon LLC
- June 2007 Registered as Certified Public Accountant
- July 2007 Partner at Seiwa Audit Corporation (currently RSM Seiwa Audit Corporation)
- June 2013 Outside Audit & Supervisory Board Member of F-PLAIN Corporation
- July 2014 Outside Audit & Supervisory Board Member of Ichigo Holdings, Inc. (present post)
- Dec. 2015 Auditor of F-PLAIN Corporation (present post)
- Mar. 2016 Director (Audit & Supervisory Committee Member) of our Company (present post)
- July 2016 Representative at RSM Seiwa Audit Corporation
- July 2021 President of RSM Seiwa (present post)

Directors' Skills

		Management	Business strategy	Compliance	M&A	Industry experience	ESG	Law	Finance, Accounting, Tax
President, Representative Director and CEO	Takehito Hirano	●	●	●	●	●	●		
Vice President, Representative Director	Kazuki Sakamaki	●	●	●	●	●	●		
Director	Takahiro Ishikawa	●				●			
Director	Shiro Kaizuka	●				●			
Director, Independent Outside Director	Yuuki Ohki	●							
Director, Full-time Audit & Supervisory Committee Member, Independent Outside Director	Kouji Sasaki	●							●
Director, Audit & Supervisory Committee Member, Independent Outside Director	Masataka Uesugi	●					●	●	
Director, Audit & Supervisory Committee Member, Independent Outside Director	Hideyuki Totani	●							●

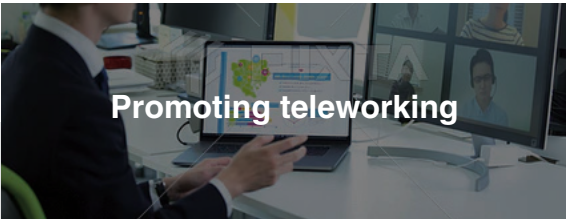
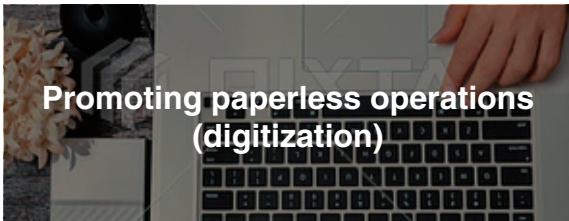
The above table shows the areas in which the Directors can demonstrate their expertise based on their experience and professional careers, and does not list all the knowledge they possess.

Climate Change

Basic Approach Our Group will promote the mitigation of environmental impacts and the efficient use of resources in the areas in which we can contribute for the sustainable development of the global environment.

Approach to Climate Change Our Group’s basic policy on sustainability is to contribute to solving social issues and to win the trust of all stakeholders involved in our business by achieving sustainable enhancement of corporate value with a corporate philosophy of “Providing the best place for people to bring out their best.” Our Group has identified climate-related risks, considering the impact of climate change issues caused by global warming on our businesses and finances. In addition to addressing these already identified risks from a risk management perspective, we also performed a scenario analysis of climate change-related risks and possibilities in accordance with the framework proposed by the TCFD (Task Force on Climate-related Financial Disclosure). In the future, we will continue to implement efforts to understand the climate change impact upon our Group’s businesses, take necessary measures and enhance the disclosure of related information. Started from the fiscal year ended December 2022, we are disclosing information on “Governance,” “Strategy,” “Risk Management,” and “Indicators and Targets,” as recommended by the TCFD. Please refer to the page at right for our Group’s climate-related information based on the framework proposed by the TCFD.

Environmental Initiatives



i. Governance

(a) Supervision system for climate-related risks and opportunities led by the Board of Directors
Our Group has established a system for reporting and resolving climate change related policies and important matters at the Board of Directors’ Meetings, in order to strengthen and promote the sustainability of its business operations. Under the “Fullcast Group Sustainability Basic Policy,” the Board of Directors receives reports on climate change and supervises actions. Our Group does not have a committee dedicated to climate change; instead, there is a system in place to report on these matters in a timely manner whereby the Legal Department takes the lead in identifying and discussing sustainability issues, including climate change, covering the entire Group. Additionally, in order to appropriately manage risks in our Group’s organizations, the President, Representative Director and CEO serves as the chief of risk management and the General Manager of the Legal Department serves as the chief of risk management practices. The General Manager of the Legal Department, following the instructions of the President, Representative Director and CEO, works with our Company’s institutions including the Audit & Supervisory Committee to assist in the execution of duties of the President, Representative Director and CEO.

(b) Role of executive management in evaluating and managing climate-related risks and opportunities
The President, Representative Director and CEO serves as the chief officer for our Group’s sustainability management. He/She manages climate-related risks and opportunities holistically and is the ultimate person in charge of management decisions related to environmental issues.

Risk Management System



Climate Change

ii. Strategy

(a) Assumptions of strategy

Our Group evaluated the potential occurrence and financial impacts of risks and opportunities by the fiscal year ending December 31, 2030 based on multiple climate change scenarios, and confirms countermeasures for mitigation of main risks and seizing opportunities at meetings of the Board of Directors' Meetings. Additionally, during scenario analysis, our Group referred to reports, of the International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC), and identified the impacts on business, strategy and financial plan of the organization caused by climate change risks and opportunities under the 4°C and 1.5–2°C scenarios. The specific scenarios referenced are as follows.

•4°C scenario*¹

IEA's "Stated Policies Scenario"

IPCC RCP 8.5

•1.5–2°C scenario*²

IEA's "Sustainable Development Scenario"

IEA's "Net Zero Emissions Scenario"

IPCC RCP 2.6

*¹ 4°C scenario: 3.2–5.4°C higher than Industrial Revolution levels if no additional measures against global warming are taken. Progress is not made with the policies/legislation on climate change countermeasures or the transition to a decarbonized society, and physical risks of climate change emerge.

*² 1.5–2°C scenario: 0.9–2.3°C higher than Industrial Revolution levels if strict measures are taken. Policies/legislation on climate change countermeasures are significantly strengthened, causing social changes toward decarbonization, and transition risks of climate change emerge.

(b) Main risks and opportunities associated with climate change

In identifying climate change-risks and opportunities, risks are largely categorized into transition risks and physical risks, and further classified into policy and legal risks, reputational risks, acute risks and chronic risks, while opportunities are categorized according to energy source, products/services, and resilience. Our Company predicted and analyzed the impacts on its business activities and revenue for each of these classifications. The potential occurrence and financial impacts of the main risks identified through scenario analysis for our Group can be found on the page at right.

Through this analysis, in terms of transition risks, our Company recognized reputational risk related to reputational damage caused by delay in climate change related initiatives or violations of laws and regulations, and changes in reputation among stakeholders such as client companies, employees and investors. Going forward, our Company will establish a carbon neutrality target for our Group, disclose climate change related initiatives appropriately, and deepen reviews of initiatives for reducing our Group's greenhouse gas emissions, and will work to mitigate impacts involving these risks. In terms of physical risks, by establishing a business continuity plan (BCP) and reviewing it as necessary, our Company has prepared to ensure the continuity or early restoration of its important business operations during a contingency. Therefore, our Company did not identify major physical risks that will impact our Group's business strategy. Going forward, our Company will focus on how climate change impacts our Group as well as continuously review its assessments and further enhance its information disclosures.

<Main risks associated with climate change>

Large classification	Middle classification	Small classification	Financial impact		Countermeasures and initiatives
			4°C	2°C	
Transition Risk	Policy and Legal Risk	•Introduction of carbon pricing systems including carbon taxes and carbon trading system, and soaring carbon tax •Introduction of GHG emission control systems and obligatory reporting of GHG emissions	—	Low	Reduce GHG emissions by continuously implementing energy-saving countermeasures
	Reputation Risk	•Reputational damage caused by delay in climate change related initiatives or violations of laws and regulations •Changes in reputation among stakeholders (customers, employees, investors)	Med.	Med.	Set carbon neutrality target Disclose climate change related initiatives appropriately Implement initiatives to reduce GHG emissions
Physical Risk	Acute Risk	•Increasing severity of extreme weather (typhoons, torrential rainfall, landslides, storm surge, etc.) •System failure due to server flooding or damage	Low	Low	Continuously review BCP plan Enhance ability to manage human resources taking labor environment into account
	Chronic Risk	•Deteriorating labor environment due to rising average temperature •Rising risk of infectious diseases	Low	Low	

Additionally, the potential occurrence and financial impacts of the main opportunities identified through scenario analysis for our Group are as follows.

Through this analysis, our Company confirmed that promoting further business growth centered around the Short-Term Operational Support Business, a medium- to long-term management strategy of our Group, will enable it to seize climate change opportunities. Going forward, our Group will carefully monitor trends in society and among stakeholders in terms of climate change and identify changes so as to seize climate change opportunities.

<Main opportunities associated with climate change>

Large classification	Middle classification	Small classification	Financial impact		Countermeasures and initiatives
			4°C	2°C	
Opportunity	Energy Source	•Reduced operating expenses	Low	Low	Use energy sources and services with low cost and low environmental impact promote sales offices to adopt EVs as sales vehicles and so forth
	Products and Services	•Provision of short-term staffing services and BPO services, etc. in environmental related domains •Capturing staffing needs for achieving a low carbon society	Low	Low	Expand clients using short-term staffing services and BPO services, including environmental related domains, or increase revenue by capturing staffing needs Increase revenue by entering new business domains through establishment of new subsidiaries or M&A
	Resilience	•Review and strengthening of BCP plan •Promotion of energy-saving countermeasures	Low	Low	Continuously review BCP plan Continuously implement energy-saving countermeasures

Climate Change

iii. Risk Management

(a) Identification and assessment process of climate-related risks

Our Group, following the framework advocated by the TCFD, predicted changes in the external environment using scenario analysis methodology, and analyzed the climate change risks and opportunities that will impact its business operations. In fiscal 2024, our Company continue to narrow its analysis to the Group's Short-Term Operational Support Business, which has the largest impact.

Climate-related risks and opportunities are identified and assessed at the Group's Board of Directors Meetings. First, the Legal Department will collect information from each department in an effort to identify the current situation of climate-related risks and opportunities. The Board of Directors will identify risks and opportunities in the 4°C and 1.5–2°C scenarios based on the information compiled by the Legal Department. In assessing these risks and opportunities, our Company will analyze the financial impacts that the identified risks and opportunities will have on our Group's business activities and earnings, and assess these impacts. Based on these assessment results, the Board of Directors discusses and determines action plans containing targets and specific measures for mitigating risks and maximizing opportunities. The matters discussed and determined by the Board of Directors will be conveyed to each department via the Legal Department where they will be put into practice.

(b) Management process of climate-related risks and situation of integrating the Group's management risks

Our Group defines basic matters concerning its risk management system under its “Basic Risk Management Regulations,” and integrates operations for efficient and reliable risk management, including climate change -related risks, within its risk management system.

The General Manager of the Legal Department is the chief of risk management practices. The General Manager of the Legal Department, following the instructions of the President, Representative Director and CEO, who also serves as the chief of risk management, works with the Company's institutions including the Audit & Supervisory Committee to assist the execution of duties of the President, Representative Director and CEO.

Additionally, the President, Representative Director and CEO regularly reports to the Board of Directors on the development of initiatives and operational processes for the risk management system, and immediately reports to the Board of Directors in case of a serious event.

iv. Indicators and Targets

(a) GHG emissions

Our Group selects GHG emissions (Scope 1, 2) as indicators for measuring and managing climate related risks and opportunities. GHG emissions are calculated following the GHG Protocol. In addition to the Group's Scope 1 and Scope 2 GHG emissions, GHG emissions for Scope 3 categories, “6. Business trips” and “7. Commuting by Employees,” were calculated for the fiscal year ended December 31, 2023. Our Group's Scope 1 and Scope 2 and Scope 3 GHG emissions from the fiscal years ended December 31, 2021 to 2023 can be found on the page at right.

GHG emissions within our Group (Scope 1, 2, and 3)

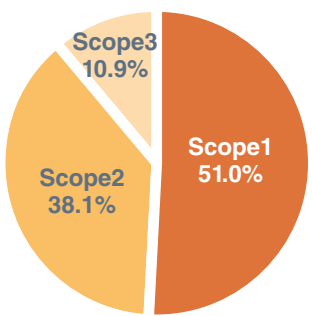
Item		Unit	Results		
			FY12/22	FY12/23	FY12/24
Greenhouse gas emissions (Scope 1, 2, and 3)	Scope 1	t-CO ₂	1,311	1,189	3,647
	Scope 2		1,117	1,103	2,724
	Scope 1, 2 total		2,428	2,292	6,371
	Scope 3 categories		—	303	298
	Category 6: Business trips		—	352	482
	Category 7: Commuting		—	655	780
	Scope 3 total		—	655	780
	Scope 1, 2, and 3 total		2,428	2,947	7,151
CO ₂ emissions intensity (Scope 1, 2, and 3)	Total	t-CO ₂ /million yen	0.04	0.04	0.10

* The Scope 1 emissions data covers the entire our Group, excluding equity-method affiliates. However, for GLOBEAT JAPAN INC., a consolidated subsidiary, greenhouse gas emissions are calculated based on available data for city gas and LP gas usage. Please note that gasoline and diesel usage at the company is currently excluded from the calculation, as we have not yet established a comprehensive system to track this data.

* The Scope 2 GHG emissions data covers the entire our Group, excluding equity-method affiliates.

* The Scope 3 GHG emissions data covers the entire our Group, excluding GLOBEAT JAPAN INC., a consolidated subsidiary, and equity-method affiliates. Please note that GLOBEAT JAPAN INC. is excluded from the calculation, as it has not yet established a system to calculate GHG emissions related to business trips and commuting by employees.

Comparison of greenhouse gases (Scope 1, 2, and 3)



(b) GHG reduction target

Our Group is working to establish a calculation framework for Scope 1 and Scope 2 emissions in the Restaurant Business and will set Group-wide greenhouse gas (GHG) reduction targets based on this data. In addition, we will advance the development of a Scope 3 calculation framework and begin formulating a roadmap toward achieving carbon neutrality.

(c) Initiatives to reduce GHG emissions and conserve energy

Given its business characteristics, our Group has not identified serious risks related to climate change that could directly impact its business activities or revenue. Nevertheless, there are risks associated with the introduction of tax systems or stricter regulatory requirements in the future. Therefore, our Group will work to the extent possible to reduce its GHG emissions. In calculating these emissions, our Group will use a similar methodology in an effort to obtain objective data. Our Group will continue to be committed to reducing environmental impacts and using resources efficiently wherever possible to contribute to solutions to climate change issues. As initiatives for reducing CO₂ and promoting energy savings within our Group, we are exploring the utilization of low cost energy sources and services with a low environmental impact, such as promoting paperless operations (digitization), reducing paper usage, recycling used paper, recommending a business casual dress code, promoting telework, and switching sales vehicles at our sales offices to EVs. In our Restaurant business, we are working to introduce energy-efficient equipment and facilities in our stores, promote the use of renewable energy, implement CO₂ reduction measures in the distribution and transportation of ingredients and other materials, reduce food waste, and recycle food waste. In addition, we are also committed to developing environmentally conscious menu items and actively using eco-friendly containers and packaging.

Overview of the management strategy

Basic Stance on Capital Policy

The Fullcast Group maintains a basic policy of maximizing capital efficiency and securing financial soundness to achieve sustained improvement in corporate value.

- Maintaining a total return ratio of 50% relative to shareholders as an indicator to support sustained improvement in corporate value and to maximize capital efficiency.
- Our goal of enhancing corporate value is to maintain an ROE of 20% or greater.
- We will maintain a maximum D/E ratio of 1.0x in order to enhance corporate value and to maintain financial soundness.

Targets and Strategy for Fiscal Year 2025

Targets for fiscal year 2025

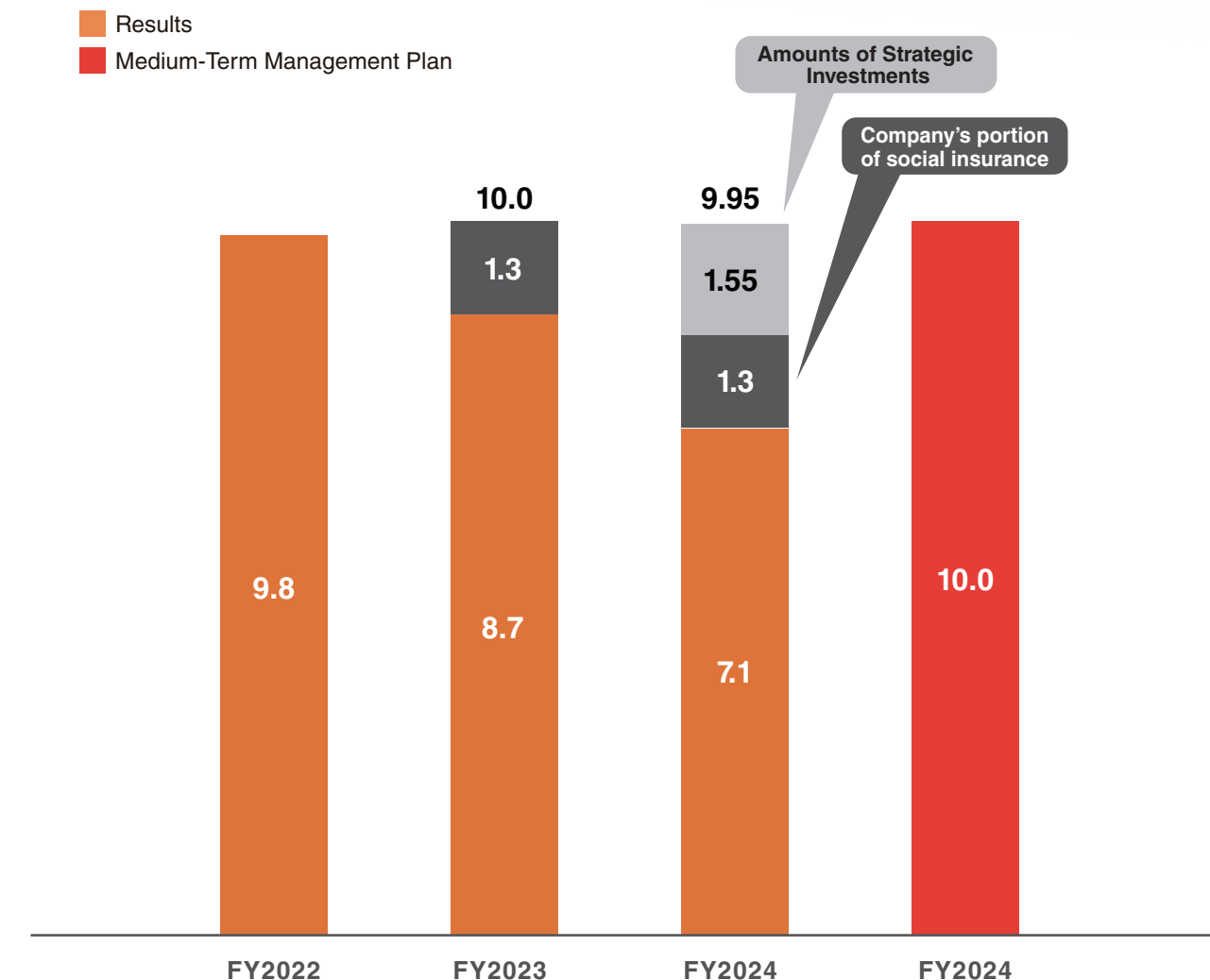
- We will further strengthen the business foundation to better respond to the labor shortage under the declining labor force.
- We will address the business environment where competition is expected to intensify in the spot work area in the short-term labor market, with the increased entry of players from other industries.

Measures during fiscal year 2025

- ▶ **Continuous and partial implementation of strategic investments**
We will implement continuous and partial strategic investments to prepare for intensifying competition.
 - Media promotion centered on digital media deployment, which was validated for its effectiveness in the previous period
 - Reinforce systems and strengthen operations
 - Total amount 1,000 million yen
- ▶ **Continue promoting PMI at new consolidated subsidiaries (GLOBEAT JAPAN INC., Imple, Inc.)**
- ▶ **Promote partnerships between Group subsidiaries**
 - Establishment of headquarters sales function
- ▶ **Strengthening new graduate recruitment for full-time employees**
- ▶ **Longer staff working periods**

Progress of the Medium-Term Management Plan 2024

Operating profit (billion yen)



Operating profit, a key KPI, was 8.7 billion yen in the fiscal year ended December 2023, due to a greater-than-expected drop in COVID-19-related special demand and an increase in the portion of social insurance premiums (equivalent to 1.3 billion yen), which was not anticipated when the plan was formulated.

In the fiscal year ending December 2024, the final fiscal year of the plan, we forecast an operating profit of 7.2 billion yen, compared to our target of 10 billion yen. This forecast takes into account 1.3 billion yen of portion of social insurance premiums and 2 billion yen of strategic investments, which were not anticipated when the plan was formulated. Excluding these two factors, the forecast for operating profit would be 10.5 billion yen, essentially the level as the plan target.

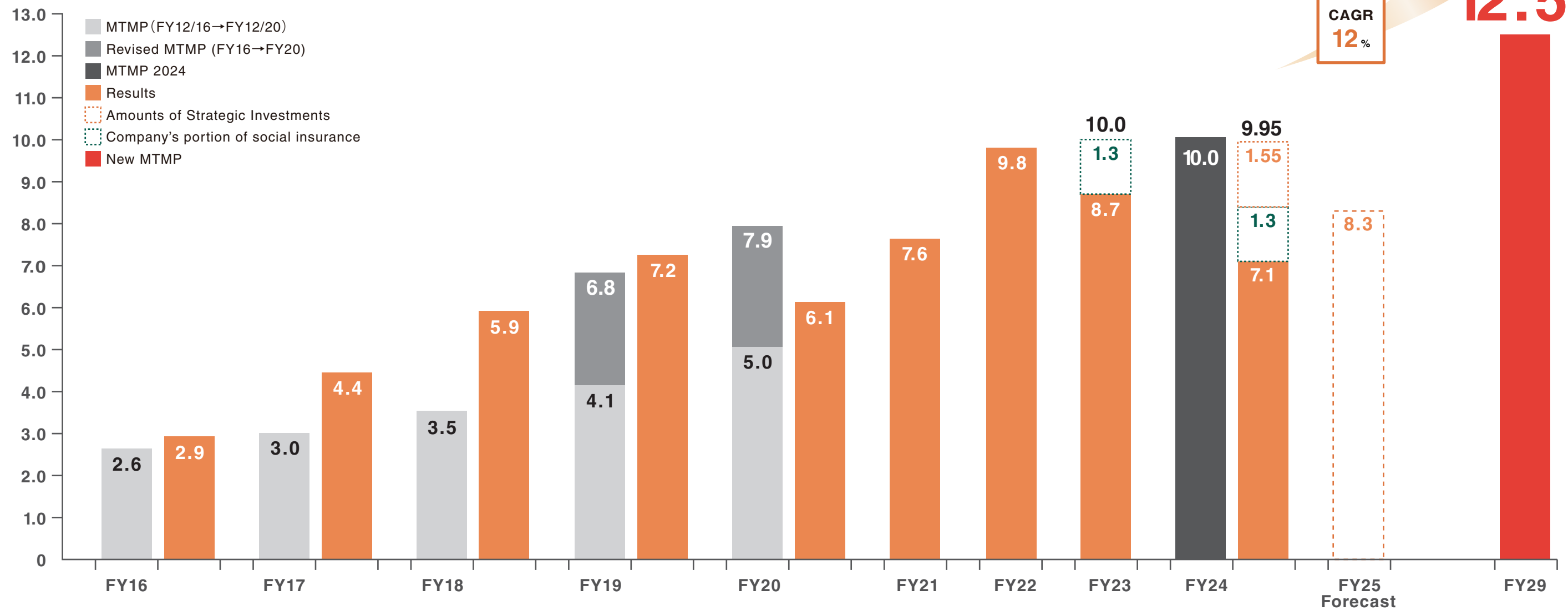
Medium-Term Management Plan 2029

**New MTMP
→FY12/29**

**MTMP
(FY12/16→FY12/20)**

MTMP 2024

(billion yen)



Medium-Term Management Plan 2029

Overview of New MTMP 2029

Our Group has formulated New “MTMP 2029” in order to realize its Corporate Philosophy, which is “Providing the best place for people to bring out their best.” Under the New “MTMP 2029,” the numerical targets are operating profit of 12.5 billion yen, and our Group maintains a basic capital policy of securing appropriate capital efficiency and financial soundness to achieve “improvement of corporate value,” with ROE of at least 20%, total return ratio of 50%, and D/E ratio of a maximum 1.0 times as the management indicators.



Business Environment

There are 3 major business environments surrounding us. First, regarding the economic environment, key factors include increased inbound demand, growing preference for stability due to rising prices and technological advancements. Second, in terms of the social environment, notable trends include a declining working-age population due to the aging society and declining birthrate, as well as the spread of diverse employment styles. Third, in the area of politics and regulatory trends, we are seeing a push for side jobs, increases in the minimum wage, and rising expectations for compliance standards. We formulated New “MTMP 2029” based on our perception of the business environment described above.

Economic Situation	- Expanding inbound tourism demand with Expo 2025 Osaka, Kansai and the World Athletics Championships Tokyo 2025. Revitalization of local economies and tourism-related industries. - Rising prices have led to a trend toward benefits and stable incomes, with increasing demand for stabilization of income among workers, including through long-term dispatching and hiring of permanent employees. - The introduction of AI and RPA makes it possible to improve operational efficiency and provide a higher level of service.
Social Environment	- Further declines in Japan’s working population will increase demand for utilizing potential labor force promoted by our company. - The entrance of Generation Z and Generation Alpha into the labor market has seen a spread of flexible working styles to accommodate diverse values. Flexible work systems are becoming more common, including shorter working hours to accommodate changing lifestyles, including increased responsibilities regarding childcare and caregiving.
Politics and regulations	- There is a good tailwind for the Short-Term Operational Support Business, including the development of systems for incorporating side jobs and flexible working styles becoming more universal. - A higher minimum wage will raise the need for companies to increase added value (long-term and continual). - In response to the trend toward tighter compliance triggered by illegal part-time job, strict corporate management systems will enhance competitive advantage.

Business Strategy of New MTMP

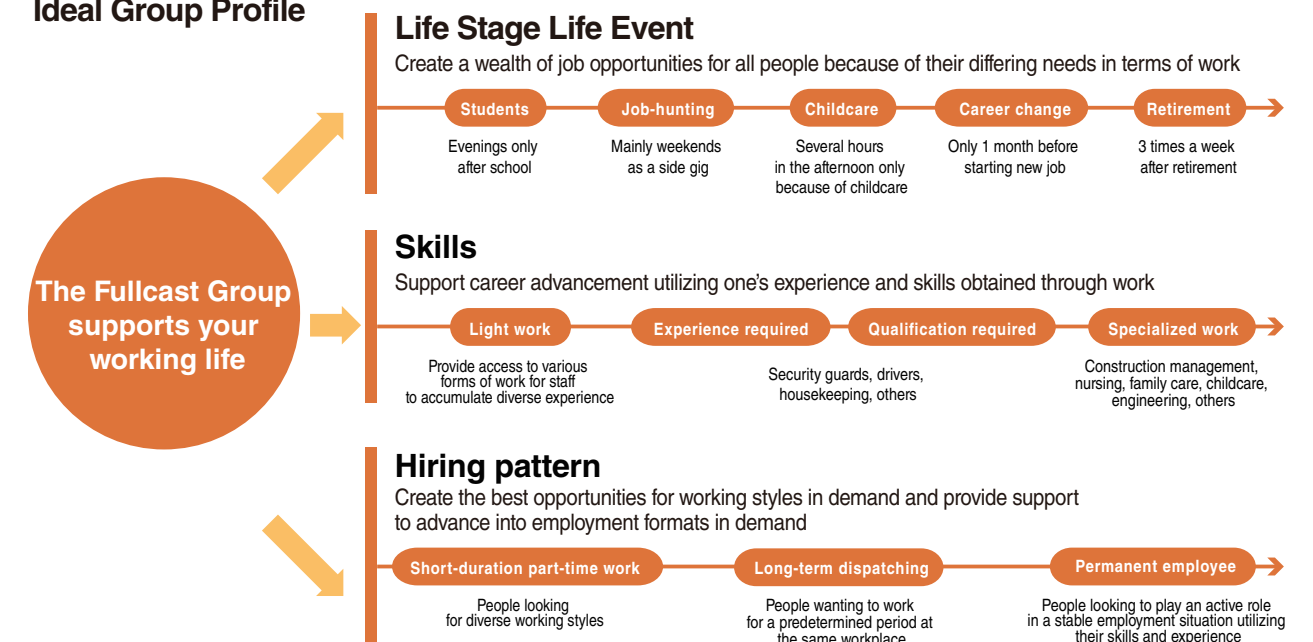
Under New “MTMP 2029,” we have established business strategies in the 4 areas of “Short-Term Operational Support Business,” “Sales Support Business,” “Security, Other Businesses” and “Restaurant Business.”

Short-Term Operational Support Business	By maximizing group synergies, expanding advertising and brand recognition and enhancing the added value of our services, we will establish our competitive advantage in the market and thus further develop our businesses.
Sales Support Business	We will promote competitive sales support with new customer acquisition through the use of the cutting-edge marketing techniques, the expansion of a diverse product line-up, and the development of an entertainment business incorporating the latest trends.
Security, Other Businesses	We will accelerate the growth of the security business through strict security guard training, the promotion of business partnerships, and the optimization of response to large-scale events such as Expo 2025 Osaka, Kansai, Japan and the World Athletics Championships Tokyo 2025.
Restaurant Business	We will promote our businesses through both brand reinforcement and store expansion, and accelerate our global expansion, primarily through overseas store openings, to attract a new fan base and achieve sustainable growth.

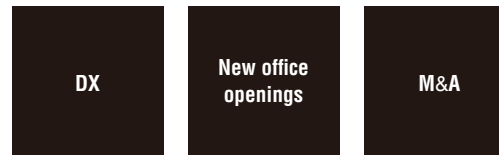
Our Vision

In order to realize ideal group profile, we provide platforms that support people’s working lives. As part of this, we create a wealth of job opportunities for all people because of their differing needs in terms of work related to life stages and life events. We also support career advancement utilizing one’s experience and skills obtained through work and create the best opportunities for working styles in demand with job hunters and provide support for them to advance into the employment formats they seek.

Ideal Group Profile



Short-Term Operational Support Business



Business Environment

The “Short-Term Operational Support Business” is our Group’s core business and provides short-term contractual workers services in a timely manner in response to increases and decreases in workload at client companies.

Review of FY2024

During the fiscal year, gross profit in the mainstay “Placement” services continued to increase due to the capture of customer demand related to reopenings.

With the exclusion of BOD Co., Ltd. from the scope of consolidation from the first half of the current fiscal year, net sales and gross profit of the “BPO” services decreased. Excluding BOD Co., Ltd., gross profit of the “BPO” services increased.

In “Dispatching,” net sales and gross profit decreased mainly due to a fall in COVID-19-related special demand and My-Number-related special demand. Excluding these effects, gross profit of the “Dispatching” services increased.

In “Outsourcing,” net sales and gross profit decreased mainly due to falls in COVID-19-related special demand and My-Number-related special demand. Excluding these effects, gross profit in “Outsourcing” increased compared to the previous year.

Strengths and Strategy

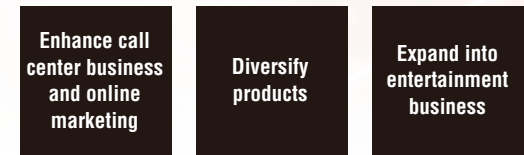
●Short-Term Operational Support Business

The staff-centered strengths of the Short-Term Operational Support Business include the vast selection of jobs, the wide range of jobs in terms of type and scheduling which can be tailored to one’s own working style, and standardized services nationwide which means staff can work from anywhere. The client-centered strengths include full sales capabilities／detailed workflow (customer contacts／flexibility) and the ability to engage in selection based on clients needs, such as matching the right persons to the right jobs, addressing absences, and providing experienced workers, thus addressing a broad range of needs as a Group. In addition, with the introduction of DX and FinTech, we have improved convenience, including the evolution of automated matching, real-time pay, digitalization of ledgers, and development of an online environment. Through ongoing commercials and digital marketing, boost awareness and enhance brand value. Maximize business growth and shareholder value.

Future Outlook

We will aim for steady growth in net sales and improved earnings of existing businesses. In addition, by maximizing group synergies, expanding advertising and brand recognition and enhancing the added value of our services, we will establish our competitive advantage in the market and thus further develop our businesses.

Sales Support Business



Business Overview

The “Sales Support Business” mainly engaging in sales agency service business for telecommunications products and others focused on distributor agency networks and call center operations.

Review of FY2024

During the fiscal year, in sales of Internet access, which is a mainstay business, net sales and operating profit increased due to the continued good performance of sales of telecommunications products using a network of agents.

Strengths and Strategy

●Alliance Business

We work together with telecommunications carriers, manufacturers, and distributors to build and implement sales strategies to achieve our goals in accordance with acquisition methods and needs for any product, regardless of whether it is B2C or B2B, including various telecommunications products, water dispensers, and welfare services. This includes working with real estate agents and moving companies to provide tenants with information on internet access that matches their wishes and acting as an agent for access applications to access providers.

●Internet Business

We operate a listing business that sells internet access via banner ads on the internet.

●Call Center Business

We engage in the business of selling internet access through call centers.

●Entertainment Business

Our strength lies in the operation of numerous official fan websites for all internet environments, including official telecommunications carrier sites (smartphones and mobile phones) and members’ sites that use PCs as platforms. We provide total support for all operations related to official fan sites, including planning, production, management, and customer support, from the perspective of both content owners and users.

Future Outlook

We will promote competitive sales support with new customer acquisition through the use of the cutting-edge marketing techniques, the expansion of a diverse product line-up, and the development of an entertainment business incorporating the latest trends.

Restaurant Business



GLOBEAT JAPAN INC.

GLOBEAT INTERNATIONAL INC,

GLOBEAT EUROPE GmbH

Improving
profitability

Menu revision

Opening new
stores
domestically
and overseas

Business Overview

The “Restaurant Business” segment mainly engages in the operating a restaurant chain business.

Review of FY2024

Net sales increased due to inclusion of earnings for an irregular 13 months period, compared to just eight months in the previous period. Furthermore, the active renovation of stores and the revision of various menus (including alcoholic and other beverages) in the domestic business also contributed to this favorable performance. In addition, operating profit increased by 191.8% yearon-year due to the increase in net sales and the effect of cuts in SG&A expenses.

Strengths and Strategy

●Restaurant Business

While maintaining a core lineup of popular standard products, the Company also has a competitive advantage with the introduction of new products and collaborations with famous shops on a regular basis, and has a solid track record in the highly competitive and mature Chinese food and ramen market. In addition, we have established a development system that does not depend on individual executives or individuals in development divisions.

Future Outlook

We will aim to dramatically increase presence both domestically and internationally to attract a new fan base and achieve sustainable growth, while building an administrative and operational structure to improve profitability.

Sales Support Business



Fullcast Advance Co., Ltd.

Reinforce
full-time
security
services

Promote
business
partnerships

Bolster the
Group
collaboration

Business Overview

The “Security, Other Businesses” segment mainly engages in the security business for public facilities and general companies.

Review of FY2024

Net sales decreased mainly due to a decrease in the number of temporary security projects concerning COVID-19-related operations, despite the acquisition of permanent security projects. In addition, operating profit decreased mainly due to the decrease in net sales and the acquisition of temporary security projects concerning COVID-19-related operations with a relatively high gross margin in the previous fiscal year.

Strengths and Strategy

●Security, Other Businesses

Specializing in human security, we not only provide full-time security for public facilities, department stores, shopping malls, etc., but also temporary security for traffic direction, sports and music events, etc. In addition, with 9 sales offices nationwide, we are able to respond to requests on a nationwide scale, and with our Group's recruiting capabilities, we can flexibly accommodate urgent or large-scale requests from client companies, especially in the area of temporary security services. We also respond to various requests from client companies in collaboration with our Group's “Short-Term Operational Support Business” and “Sales Support Business”.

Future Outlook

We will strengthen collaboration with other security companies and mutually complement each other's order book and response capabilities by covering sales and recruitment. While, through the implementation of a rigorous educational programs and regular trainings, we will improve the quality of security guards and boost customer satisfaction. This will help expand constant long-term security (Type 1 security) projects and strengthen the business base.

Financial Analysis

Operating Results and Financial Position

Consolidated net sales decreased by 0.6% year-on-year due to the drop in COVID-19-related special demand and My-Num-ber-related special demand, as expected, and the exclusion of BOD Co., Ltd. from the scope of consolidation from the first half of the current fiscal year, despite the inclusion of profit and loss from the “Restaurant Business” and the acquisition of the expanding customer demand related to the revitalization of economic and social activities as the impact from COVID-19 subsided leading to growth of the mainstay “Placement” service in the “Short-Term Operational Support Business.”

In addition, consolidated operating profit declined by 17.6% year-on-year to 7,133 million yen, and consolidated ordinary profit declined by 15.8% year-on-year to 7,312 million yen due to the booking of costs related to strategic investments (1,550 million yen).

The results for each business segment are as follows.

Net sales of the Short-Term Operational Support Business, our mainstay segment, decreased by 6.4% year-on-year to 55,228 million yen, due to the drop inCOVID-19-related special demand and My-Number-related special demand, and the exclusion of BOD Co., Ltd. from the scope of consolidation while the previously mentioned growth in Placement. In addition, segment profit (operating profit) declined by 10.7% year-on-year to 8,324 million yen mainly due to the booking of costs related to strategic investments (just under 550 million yen).

During the fiscal year, in sales of Internet access, which is a

mainstay business, net sales of the “Sales Support Business” increased by 6.8% year-on-year to 3,321 million yen due to the continued good performance of sales of telecommunications products using a network of agents, and segment profit (operating profit) increased by 64.9% year-on-year to 222 million yen.

Net sales of the “Restaurant Business” increased by 70.7% year-on-year to 7,640 million yen due to the inclusion of earnings for an irregular 13 months period, compared to just 8 months in the previous period. Furthermore, the active renovation of stores and the revision of various menus (including alcoholic and other beverages) in the domestic business also contributed to this favorable performance. In addition, segment profit (operating profit) increased by 191.8% year-on-year to 547 million yen due to the increase in net sales and the effect of cuts in SG&A expenses.

Net sales of “Security, Other Businesses” decreased by 0.1% year-on-year to 2,367 million yen mainly due to a decrease in the number of temporary security projects concerning COVID-19-related operations, despite the acquisition of permanent security projects. In addition, segment profit (operating profit) decreased by 14.4% year-on-year to 196 million yen mainly due to the acquisition of temporary security projects concerning COVID-19-related operations with a relatively high gross margin in the previous fiscal year.

Overview of Management Indicators

Our Group maintains a basic capital policy of securing appropriate capital efficiency and financial soundness to achieve “improvement of corporate value.”

We have established ROE of at least 20%, total return ratio of 50%, and D/E ratio of a maximum 1.0 time as management indicators. With regards to ROE, we manage our business by focusing upon capital efficiency and by identifying ROE as a target indicator to reflect “improvement of corporate value” based on the goal of realizing ROE in excess of our capital cost, which represents the expected returns by shareholders and investors from our Company.

Furthermore, ROE at the end of FY2024 was 20.3%, and while this represents a decrease of 3.6 points from 24.0% at the end of the previous fiscal year, our ROE continues to remain above our target of 20%.

For FY2024, a total annual dividend was 62 yen per share, increases of 1 yen compared to the previous year and in line with the forecast, based on the goal of achieving a total return ratio of 50%. At the end of the current fiscal year, our Company paid a dividend of 31 yen per share (in line with the forecast) and acquired treasury shares up to a maximum of 564 million yen. As a result, the total return ratio for the fiscal year ended December 2024 exceeds 50.0%.

The D/E ratio was 3.5% in FY2024, compared to 4.0% at the end of the previous fiscal year. In order to maximize corporate value by practicing management that emphasizes capital efficiency and balancing profitability and growth while ensuring financial soundness, our Group has set a policy for an upper limit of 1.0 on the D/E ratio.

Financial Indicators

(Million yen)

Fiscal year:	2017	2018	2019	2020	2021	2022	2023	2024
Fiscal year								
:Net sales	32,066	38,852	44,479	43,226	52,366	64,645	68,974	68,556
:Operating profit	4,424	5,896	7,224	6,131	7,592	9,823	8,658	7,133
:Profit attributable to owners of parent	2,994	3,310	4,644	4,113	5,012	6,622	5,889	5,493
:Free cash flows	3,714	1,604	5,417	3,890	6,269	5,838	(1,203)	5,933
:EBITDA	4,837	5,679	7,550	6,655	8,056	10,282	9,440	8,277
As of fiscal year end								
:Total assets	16,813	19,808	23,464	23,953	29,484	35,604	38,977	41,468
:Equity*1	10,866	12,474	15,447	16,504	19,526	23,732	25,401	28,616
:Total number of issued shares (shares)	38,486,400	38,486,400	38,486,400	38,486,400	37,486,400	37,486,400	37,486,400	37,486,400
Per share								
:Net assets	286.81	331.68	415.71	449.58	535.40	657.21	721.42	812.65
:Dividend	26	32	40	41	44	58	61	62
:Profit	78.87	87.90	124.59	111.69	137.34	183.11	164.86	155.99
Management Indicators(%)								
:Ratio of operating profit to net sales	13.8	15.2	16.2	14.2	14.5	15.2	12.6	10.4
:Ratio of SG&A expenses to net sales	25.8	27.7	26.1	26.8	19.9	18.0	20.8	25.4
:Return on equity (ROE)	29.8	28.4	33.3	25.7	27.8	30.6	24.0	20.3
:Return on assets (ROA)	19.9	18.1	21.4	17.3	18.8	20.3	15.8	13.7
:EBITDA margin	15.1	14.6	17.0	15.4	15.4	15.9	13.7	12.1
:Liquidity ratio	303.8	241.0	279.6	338.1	311.7	310.2	253.8	269.5
:Equity-to-asset ratio	64.6	63.0	65.8	68.9	66.2	66.7	65.2	69.0
:Interest coverage ratio*2	439.6	972.2	603.6	956.5	1,073.5	1,470.6	1,399.5	679.4
:Debt equity ratio	11.7	10.0	6.5	6.0	5.1	4.2	4.0	3.5
:Payout ratio	33.0	36.4	32.1	36.7	32.0	31.7	37.0	39.7

*1 Equity = Total net assets – Share acquisition rights – Non-controlling interests
*2 Interest coverage ratio = Operating cash flow (before interest and corporate taxes, etc.) ÷ Interest expenses
*3 Our Company applied “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28, February 16, 2018) from the beginning of the fiscal year ended December 31, 2019. The primary management indicators related to the fiscal year ended December 31, 2018 represent the indicators after retrospective application of this accounting standard.
*4 Our Company applied “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) from the beginning of the fiscal year ended December 31, 2022. The key performance indicators related to the fiscal year ended December 31, 2022 and beyond represent the indicators after application of this accounting standard.

Future Outlook

The performance forecast for the fiscal year ending December 2025 is as follows: net sales of 73,020 million yen, gross profit of 26,743 million yen, operating profit of 8,325 million yen, ordinary profit of 8,529 million yen, and profit attributable to owners of parent of 5,482 million yen.

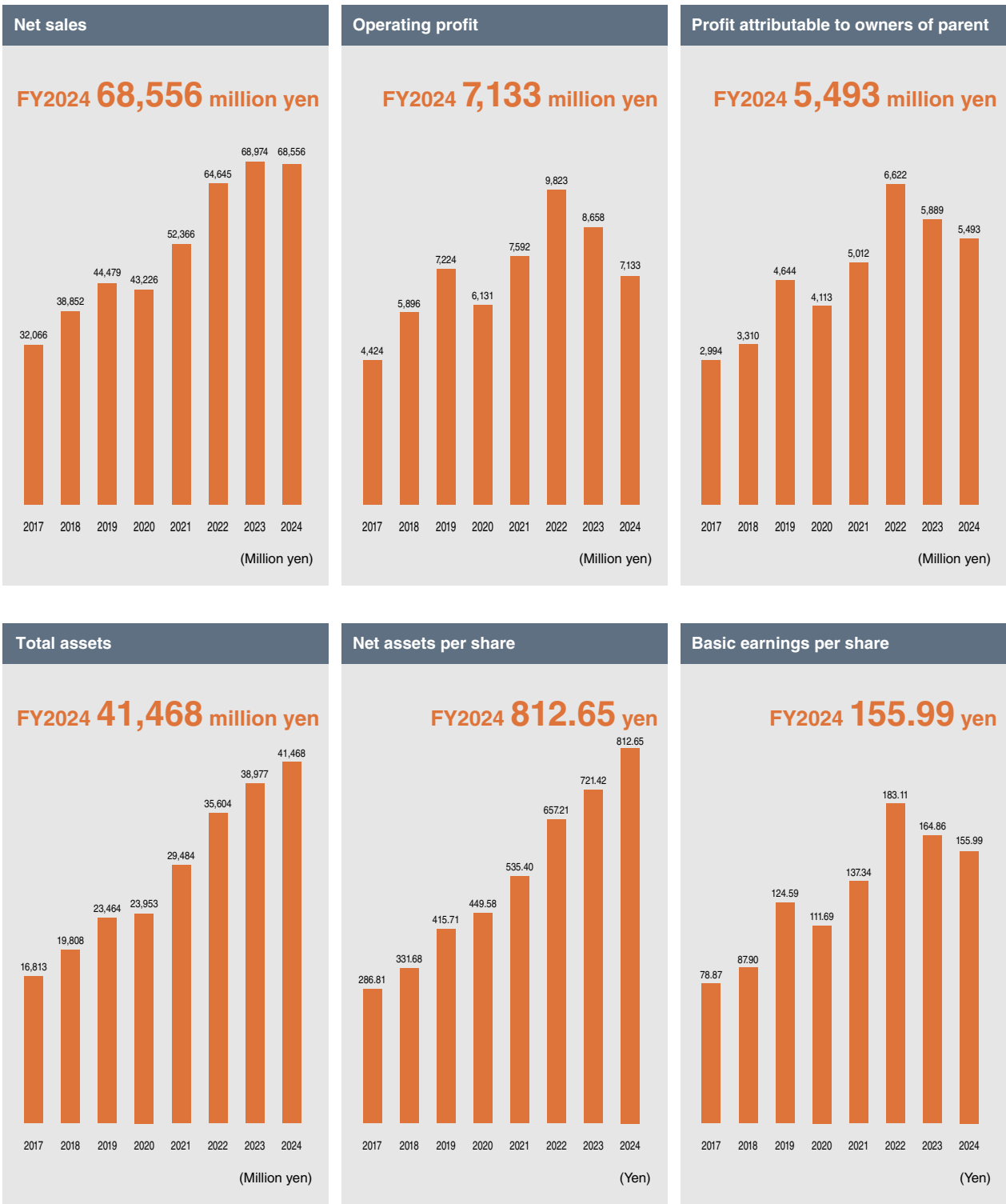
For the fiscal year ending December 31, 2025, actual demand is expected to grow steadily in our mainstay “Short-Term Operational Support Business.” We will continue with our partial, strategic investments (1,000 million yen) for the fiscal year ending December 31, 2025.

The forecast for the fiscal year ending December 31, 2025, excludes the following factors that affected the results for the

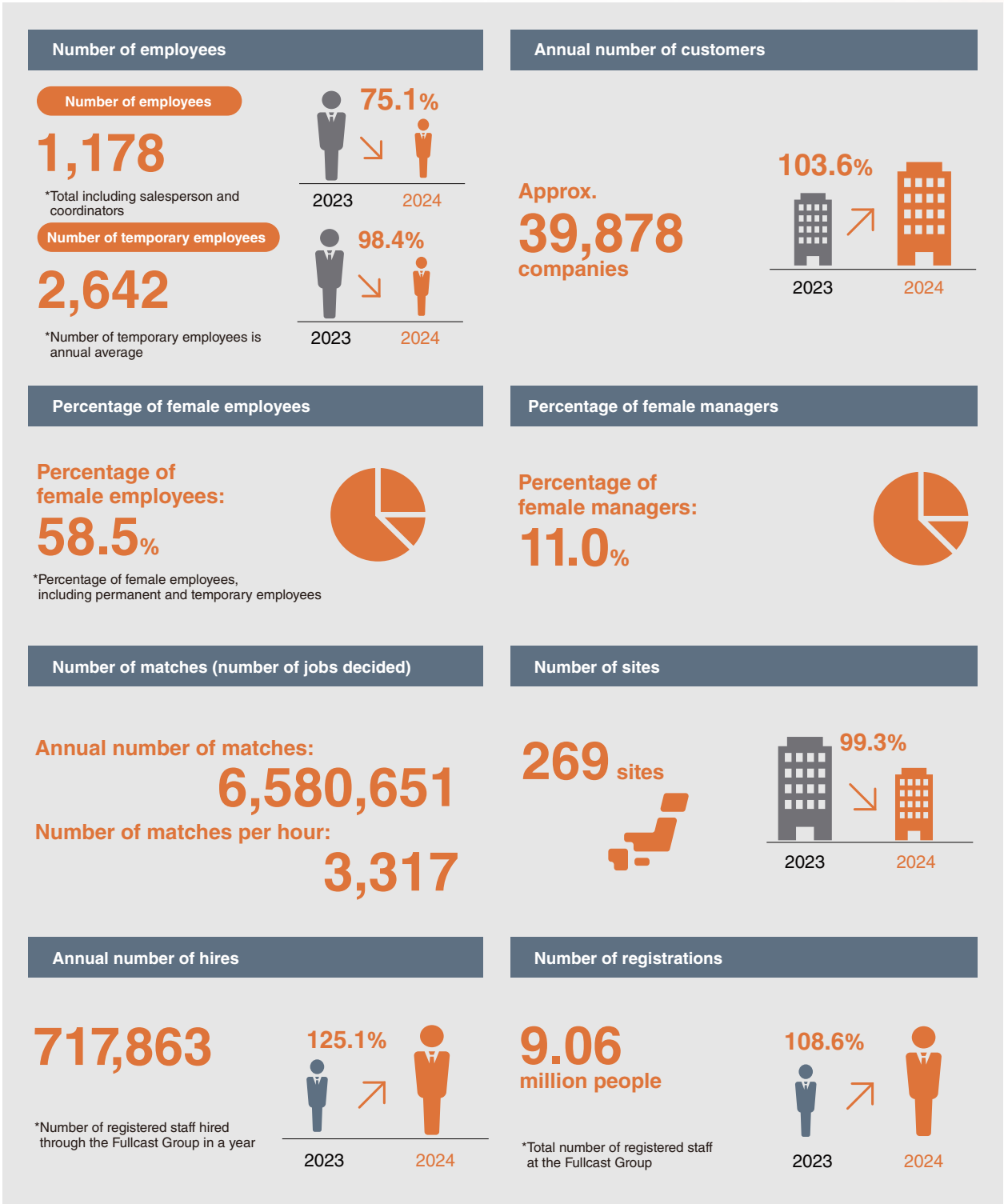
comparative fiscal year ended December 31, 2024: the inclusion of the BOD Group’s results for three months, as well as 13 months of results for the “Restaurant Business” segment, and the 1,295 million yen in gain on sale of subsidiary shares as extraordinary income. Excluding the above-mentioned factors, we expect actual demand to grow steadily in all segments, and we will achieve an overall increase in net sales.

Financial/Non-Financial Highlights

Financial



Non-Financial



Financial Data

Consolidated Balance Sheet (BS)

(Million yen)			(Million yen)		
	FY12/23	FY12/24		FY12/23	FY12/24
	(December 31, 2023)	(December 31, 2024)		(December 31, 2023)	(December 31, 2024)
ASSETS			LIABILITIES		
Current assets			Current liabilities		
Cash and deposits	14,468	17,531	Notes and accounts payable - trade	537	582
Notes and accounts receivable - trade	8,416	7,657	Short-term borrowings	1,000	1,000
Merchandise	43	58	Accounts payable - other	1,751	1,664
Supplies	30	16	Accrued expenses	1,876	1,672
Other	1,943	2,230	Income taxes payable	1,250	1,915
Allowance for doubtful accounts	(52)	(24)	Accrued consumption taxes	1,361	1,007
Total current assets	24,849	27,468	Provision for bonuses	177	26
Non-current assets			Other	1,842	2,326
Property, plant and equipment			Total current liabilities	9,793	10,191
Buildings and structures	1,965	1,871	Non-current liabilities		
Accumulated depreciation and impairment	(1,254)	(1,168)	Retirement benefit liability	893	924
Buildings and structures, net	712	704	Asset retirement obligations	405	389
Machinery, equipment and vehicles	8	8	Deferred tax liabilities	620	634
Accumulated depreciation and impairment	(7)	(7)	Other	481	462
Machinery, equipment and vehicles, net	1	0	Total non-current liabilities	2,399	2,408
Tools, furniture and fixtures	1,078	1,070	Total liabilities	12,192	12,599
Accumulated depreciation and impairment	(894)	(890)	NET ASSETS		
Tools, furniture and fixtures, net	184	180	Shareholders' equity		
Land	1,145	1,145	Share capital	2,780	2,780
Construction in progress	—	51	Capital surplus	2,006	1,888
Total property, plant and equipment	2,042	2,080	Retained earnings	24,868	28,137
Intangible assets			Treasury shares	(4,647)	(4,638)
Software	448	634	Total shareholders' equity	25,007	28,167
Goodwill	5,829	5,223	Accumulated other comprehensive income		
Trademark right	1,650	1,558	Valuation difference on available-for-sale securities	140	121
Other	22	22	Foreign currency translation adjustment	253	329
Total intangible assets	7,950	7,436	Total accumulated other comprehensive income	394	450
Investments and other assets			Share acquisition rights	204	253
Investment securities	2,324	2,740	Non-controlling interests	1,181	—
Guarantee deposits	1,192	1,149	Total net assets	26,785	28,869
Deferred tax assets	477	476	Total liabilities and net assets		
Other	156	127		38,977	41,468
Allowance for doubtful accounts	(12)	(8)			
Total investments and other assets	4,137	4,484			
Total non-current assets	14,128	14,000			
Total assets	38,977	41,468			

Consolidated Statement of Income (PL) and Consolidated Statement of Comprehensive Income

[Consolidated Statement of Income (PL)] (Million yen)			(Million yen)		
	FY12/23	FY12/24		FY12/23	FY12/24
	(January 1 to December 31, 2023)	(January 1 to December 31, 2024)		(January 1 to December 31, 2023)	(January 1 to December 31, 2024)
Net sales	68,974	68,556	Extraordinary income		
Cost of sales	45,961	44,039	Gain on sale of shares of subsidiaries	—	1,295
Gross profit	23,013	24,517	Other	412	63
Selling, general and administrative expenses			Total extraordinary income	412	1,358
Salaries and bonuses	4,963	5,562	Extraordinary losses		
Other salaries	1,652	1,682	Loss on retirement of non-current assets	24	38
Provision for bonuses	(136)	(14)	Other	0	3
Legal welfare expenses	971	1,043	Total extraordinary losses	24	41
Retirement benefit expenses	152	132	Profit before income taxes	9,073	8,629
Communication expenses	369	356	Income taxes - current	3,075	3,119
Travel and transportation expenses	502	529	Income taxes - deferred	(25)	(31)
Rent expenses on land and buildings	1,153	1,309	Total income taxes	3,050	3,088
Depreciation	351	434	Profit	6,024	5,541
Advertising expenses	374	1,776	Profit attributable to non-controlling interests	134	48
Recruitment expenses	785	1,082	Profit attributable to owners of parent	5,889	5,493
Provision of allowance for doubtful accounts	15	(19)			
Amortization of goodwill	385	498			
Other	2,819	3,015			
Total selling, general and administrative expenses	14,355	17,384			
Operating profit	8,658	7,133			
Non-operating income					
Interest income	2	3			
Dividend income	3	6			
Share of profit of entities accounted for using equity method	56	123			
Revenue-advertising	52	56			
Other	62	61			
Total non-operating income	175	248			
Non-operating expenses					
Interest expenses	7	12			
Handicapped employment fee	18	8			
Settlement payments	48	17			
Commission for purchase of treasury shares	24	—			
Cost of revenue – advertising	9	8			
Other	42	24			
Total non-operating expenses	148	69			
Ordinary profit	8,686	7,312			

[Consolidated Statement of Comprehensive Income] (Million yen)		
	FY12/23	FY12/24
	(January 1 to December 31, 2023)	(January 1 to December 31, 2024)
Profit	6,024	5,541
Other comprehensive income		
Valuation difference on available-for-sale securities	(13)	(19)
Foreign currency translation adjustment	79	75
Total other comprehensive income	66	57
Comprehensive income	6,090	5,598
(Comprehensive income attributable to)		
Owners of parent	5,960	5,549
Non-controlling interests	130	49

Financial Data

Consolidated Statement of Cash Flows (CF)

(Million yen)			(Million yen)		
	FY12/23 (January 1 to December 31, 2023)	FY12/24 (January 1 to December 31, 2024)		FY12/23 (January 1 to December 31, 2023)	FY12/24 (January 1 to December 31, 2024)
Cash flows from operating activities			Cash flows from financing activities		
Profit before income taxes	9,073	8,629	Repayments of long-term borrowings	(604)	—
Depreciation	363	455	Purchase of treasury shares	(2,026)	—
Amortization of goodwill	385	498	Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(644)
Increase (decrease) in allowance for doubtful accounts	4	(32)	Dividends paid	(2,295)	(2,217)
Increase (decrease) in provision for bonuses	(132)	37	Other, net	(30)	(8)
Interest and dividend income	(5)	(9)	Net cash provided by (used in) financing activities	(4,954)	(2,870)
Interest expenses	7	12	Effect of exchange rate change on cash and cash equivalents	—	(1)
Share of loss (profit) of entities accounted for using equity method	(56)	(123)	Net increase (decrease) in cash and cash equivalents	(6,158)	3,063
Gain on sale of shares of subsidiaries	—	(1,295)	Cash and cash equivalents at beginning of period	20,626	14,468
Loss on retirement of non-current assets	24	38	Cash and cash equivalents at end of period	14,468	17,531
Decrease (increase) in trade receivables	961	43			
Decrease (increase) in accounts receivable - other	(855)	(698)			
Increase (decrease) in trade payables	(204)	48			
Increase (decrease) in accrued expenses	(33)	41			
Increase (decrease) in accrued consumption taxes	(857)	(277)			
Increase (decrease) in retirement benefit liability	78	31			
Other, net	601	222			
Subtotal	9,354	7,619			
Interest and dividends received	5	9			
Interest paid	(7)	(11)			
Income taxes paid	(4,208)	(2,409)			
Income taxes refund	18	550			
Net cash provided by (used in) operating activities	5,163	5,758			
Cash flows from investing activities					
Proceeds from withdrawal of time deposits	1,158	—			
Purchase of property, plant and equipment	(116)	(286)			
Proceeds from sale of property, plant and equipment	266	38			
Purchase of intangible assets	(183)	(394)			
Proceeds from sale of intangible assets	—	20			
Purchase of investment securities	(98)	(255)			
Proceeds from sale of investment securities	346	31			
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(7,511)	—			
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	999			
Additional purchase of investments in consolidated subsidiaries	(450)	—			
Proceeds from collection of loans receivable	27	41			
Other, net	196	(19)			
Net cash provided by (used in) investing activities	(6,366)	175			

Consolidated Statement of Changes in Equity

FY12/23 (January 1 to December 31, 2023)		(Million yen)			
	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,780	2,006	21,286	(2,664)	23,409
Changes during period					
Dividends of surplus			(2,297)		(2,297)
Profit attributable to owners of parent			5,889		5,889
Purchase of treasury shares				(2,001)	(2,001)
Disposal of treasury shares			(11)	18	7
Purchase of shares of consolidated subsidiaries					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	3,582	(1,983)	1,598
Balance at end of period	2,780	2,006	24,868	(4,647)	25,007

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other omprehensive income			
Balance at beginning of period	149	174	323	152	1,044	24,928
Changes during period						
Dividends of surplus						(2,297)
Profit attributable to owners of parent						5,889
Purchase of treasury shares						(2,001)
Disposal of treasury shares						7
Purchase of shares of consolidated subsidiaries						—
Net changes in items other than shareholders' equity	(8)	79	71	51	137	259
Total changes during period	(8)	79	71	51	137	1,857
Balance at end of period	140	253	394	204	1,181	26,785

FY12/24 (January 1 to December 31, 2024)		(Million yen)			
	Shareholders' equity				
Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	2,780	2,006	24,868	(4,647)	25,007
Changes during period					
Dividends of surplus			(2,218)		(2,218)
Profit attributable to owners of parent			5,493		5,493
Purchase of treasury shares					—
Disposal of treasury shares			(5)	9	3
Purchase of shares of consolidated subsidiaries		(118)			(118)
Net changes in items other than shareholders' equity					
Total changes during period	—	(118)	3,269	9	3,159
Balance at end of period	2,780	1,888	28,137	(4,638)	28,167

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other omprehensive income			
Balance at beginning of period	140	253	394	204	1,181	26,785
Changes during period						
Dividends of surplus						(2,218)
Profit attributable to owners of parent						5,493
Purchase of treasury shares						—
Disposal of treasury shares						3
Purchase of shares of consolidated subsidiaries						(118)
Net changes in items other than shareholders' equity	(19)	75	56	49	(1,181)	(1,076)
Total changes during period	(19)	75	56	49	(1,181)	2,084
Balance at end of period	121	329	450	253	—	28,869

Company Information/Stock Information

Status of Share

Total number of authorized shares	110,000,000 shares
Total number of issued shares	37,486,400 shares (including 2,272,851 treasury shares)
Shareholders	6,848

Major Shareholders

Name	Number of shares held	Shareholding ratio (%)
Hirano Associates Co., Ltd.	13,140,700	37.3
Hikari Tsushin Co., Ltd.	2,735,800	7.8
UH Partners 2, Inc.	2,554,400	7.3
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,355,800	6.7
Custody Bank of Japan, Ltd. (Trust Account)	985,700	2.8
State Street Bank and Trust Company 505044	802,930	2.3
SIL, Inc.	801,100	2.3
Interactive Brokers LLC	498,200	1.4
The Nomura Trust and Banking Co., Ltd. as the Trustee of Repurchase Agreement Mother Fund	397,300	1.1
MSIP Client Securities	362,181	1.0
Total	24,551,162	69.7

* Shareholding ratio is calculated excluding 2,272,851 treasury shares.

Share Price Chart



Company Information

Trade name	FULLCAST HOLDINGS CO., LTD.
Location	FORECAST Gotanda WEST, 8-9-5 Nishigotanda, Shinagawa-ku, Tokyo 141-0031, Japan
Contact	Telephone: +81-3-4530-4880 Fax: +81-3-4530-4859
URL	https://www.fullcastholdings.co.jp/en/
Established	Sept. 1990
Commenced operations	Oct. 1992
Share capital	2,780 million yen (As of December 31, 2024)
Representative	President, Representative Director and CEO Takehito Hirano
Business description	Pure holding company with human resource services and other companies under its umbrella
Group employees	Employees 1,178 As of December 31, 2024 Temporary employees 2,642 As of December 31, 2024
Number of Group sites	269 sites nationwide (As of December 31, 2024)

Indicators and
Certifications Acquired

Eruboshi

Component of the JPX-Nikkei Mid and Small Cap Index in FY2024

IR continuance company premium

Group Structure

Fullcast Holdings Co., Ltd.

Optimizes Group-wide resources and strategies, as well as directing the business operations of group companies

Fullcast Business Support Co., Ltd.

Consolidates and conducts various intra-Group operations on behalf of our Group

Fullcast Co., Ltd.

Provides short-term human resource services in various business sectors

Top Spot Co., Ltd.

Community-based brand, provides short-term human resource services focused on specific regions

Fullcast Advance Co., Ltd.

Provides business process outsourcing, including construction, repairs, and event planning and management, human resource services for reception and information services, and security services, including permanent security, crowd control, and traffic security

Work & Smile Co., Ltd.

Provides "prompt" and "reliable" services centered on the Tokyo metropolitan area to meet the human resource needs that arise in various industries and business sectors

Fullcast Senior Works Co., Ltd.

Provides human resource services for active seniors focused on the Tokyo metropolitan area (Tokyo City and three prefectures)

Fullcast Porter Co., Ltd.

Provides human resource services with an exclusive focus on drivers

Otsudai Networks Inc.

Operates "Otsudai Networks," short-term human resource services that utilize location information

Fullcast Global Co., Ltd.

Provides human resources services focused on foreign nationals

Fullcast International Co., Ltd.

Provides human resource placement services for placement of foreign nationals with specified skill visas who are ready to work immediately

Minimaid Service Co., Ltd.

Provides housekeeping services

Hayfield Inc.

Human resource placement specializing in the real estate industry

Imple, Inc.
Releasebase Inc.

Job search application services, software development

F-PLAIN Corporation.

Operates the sales agency service business for IT and telecommunications products utilizing a distributor agency network and call centers

M's Line Co., Ltd.

FSP Co., Ltd.

GLOBEAT JAPAN INC.

GLOBEAT INTERNATIONAL INC.

Restaurant chain businesses

GLOBEAT EUROPE GmbH

Beat Co., Ltd.

Provides comprehensive human resource outsourcing services, mainly business process outsourcing

Deli Art Co., Ltd.

Provides human resource outsourcing services

Advancer Global Limited

Provides human resource services for foreign national workers, focused on Southeast Asia



FULLCAST HOLDINGS CO., LTD.

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