

okamura

Okamura Group

Integrated Report 2025

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Reference Guidelines

- International Integrated Reporting Council (IIRC): International Integrated Reporting Framework
- The Ministry of Economy, Trade and Industry: Guidance for Collaborative Value Creation

Reporting Period

- FY2024 (April 1, 2024–March 31, 2025)
For some activities, the information includes that of activities from April 2025 onwards

Scope of Reporting

- Okamura Group (Okamura Corporation and its subsidiaries and associates)
Please see here for information on subsidiaries and associates (Japanese)
▶ <https://www.okamura.co.jp/corporate/outline/group.html>

Terminology

- Okamura Group: Okamura Corporation and its subsidiaries and associates
- Okamura: Okamura Corporation or the Okamura brand

Notes on Forward-looking Statements

The predictions, forecasts, and plans contained in this report relating to the future of the Okamura Group are based on assumptions or judgements made in line with information available at the time, and thus contain some uncertainties. Please understand that actual results may differ from the forecasts contained in the report due to a range of factors, including economic conditions and exchange rates.

Publication of the Okamura Group Integrated Report 2025

Since 2023, the Okamura Group has published the Okamura Group Integrated Report that presents financial and non-financial information as well as the Group's management policies and strategies in an integrated manner, in addition to a Sustainability Report.

In compiling the Okamura Group Integrated Report, our foremost priority was to further enhance understanding of the Group's activities among all our shareholders, investors, and wide range of other stakeholders.

Centered on the Group's Purpose of "Realizing a society where people can thrive," we made every effort to showcase how our history and accumulated strengths are linked to our medium- to long-term business strategies and growth strategies in an easy-to-understand manner.

The Okamura Group Integrated Report 2025 reports on the progress made on the Midterm Management Plan 2025 (announced in May 2023), and also describes the value creation process for the Group's sustainable growth, the specific strategies of each business, and initiatives and systems that support them. The Integrated Report focuses on our business strategies for value creation over the medium to long term, while the Sustainability Report highlights our sustainability activities and ESG data. The information contained within both reports is linked in order to facilitate the use of both publications by our stakeholders.

We will continue to deepen the understanding of the Group by our wide range of stakeholders by communicating through appropriate dissemination of information, and work on initiatives to further raise corporate value and solve social issues.

We hope this Integrated Report will serve to further improve our dialogue with our many stakeholders.

Information Disclosure System

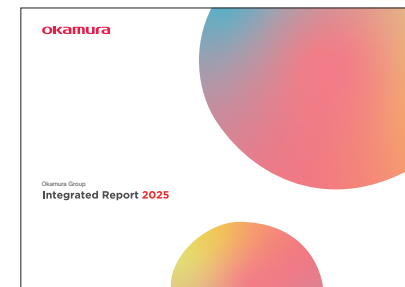
Financial Information

Non-financial Information

Integrated Report

An integrated report comprising financial and non-financial information, including management policies and management strategies aimed at value creation over the mid- to long-term

- Message from the CEO
- Value Creation Story
- Strategies for Growth
- Corporate Governance



IR Information (Website)

Disclosure of business overviews, financial information and stock information, mainly for shareholders and investors

- Securities report
- Financial results
- Financial results briefing materials
- Midterm management plan materials
- Stock information
- Corporate governance report



<https://ir.okamura.co.jp/en/>

Sustainability Report

Disclosure of non-financial information, including activities aimed at sustainability, for our wide range of stakeholders

- Promotion of sustainability
- Stakeholder engagement
- Global environmental initiatives
- Initiatives for safe, high-quality products and services
- Initiatives for human resources
- Corporate governance
- Respect for human rights
- ESG data



https://www.okamura.co.jp/corporate/sustainability/pdf/2025/Okamura_SR_2025_EN.pdf

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Company Overview

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The Okamura Group's Purpose

Realizing a society where people can thrive

The vitality of every individual will lead to a sustainable society.
With this belief and a sense of purpose,
Okamura will realize a society in which all people can work and
live with vitality and smiles.

The value of “where people can thrive”

The phrase “where people can thrive” expresses the idea that each person works at their best when they demonstrate their individuality. The phrase also represents a state of co-creation of new value through good relationships with all the people and organizations around them. In other words, if each of us can make the most of ourselves and make the most of each other, then our work, our company, and society as a whole will come alive. Based on this idea of “where people can thrive,” we at Okamura are committed to contributing to society through the realization of a sustainable society.




Management Philosophy: Okamura Way

The Okamura Way is the philosophy that we cherish and share as we strive to achieve our Purpose of realizing a society in which people can thrive. The Okamura Way comprises Okamura’s Mission, the Okamura Declaration, and Okamura Basics. Okamura’s DNA including our Founding Spirit, Corporate Philosophy, and Motto, lies at the root of our culture.



The Okamura Group's Businesses

 Strategies for Each Business
▶ P.30-40

The Okamura Group strives to provide high-quality products and services in a range of settings, including offices, and educational, healthcare, R&D, and commercial facilities as well as logistics centers.

FY2024 Performance

Net sales

314.5 billion yen

Ordinary profit

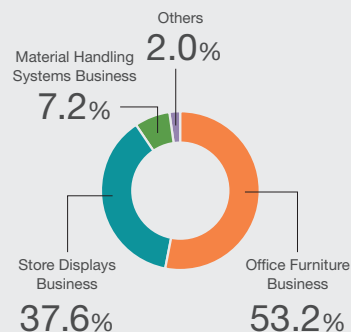
26.4 billion yen

Profit*

22.0 billion yen

*Profit attributable to owners of parent

Net sales composition by business segment



Note: Figures are rounded down to the nearest 0.1 billion yen.

Office Furniture Business



We create optimal spaces by proposing diverse work styles and providing products and services designed for functionality and comfort in offices, educational facilities such as schools, cultural facilities such as theaters and museums, highly specialized research and medical facilities, municipal government buildings, and a wide variety of other areas.

Net sales **167.3** billion yen

Operating profit **17.3** billion yen

Store Displays Business



By quickly identifying changes in the retail industry brought about by changes in the social environment or market, we offer total support for store creation from layout and interior planning by designers, to the manufacture, installation, and maintenance of fittings.

Net sales **118.3** billion yen

Operating profit **4.7** billion yen

Material Handling Systems Business

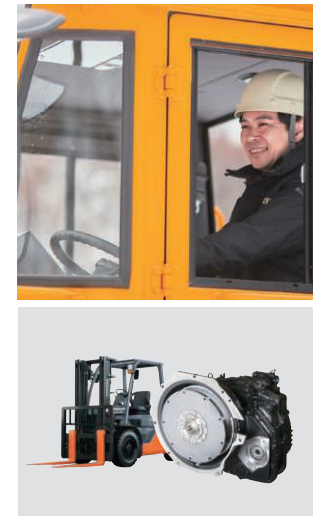


We seek to streamline logistics, constantly developing and providing new distribution systems through real-life experimentation. We offer support, from material handling system proposals resulting in financial benefits through increased speed, accuracy and safety of logistics, to software development, equipment installation, operational support and after-sales service.

Net sales **22.5** billion yen

Operating profit **1.6** billion yen

Powertrain Business



We develop and manufacture torque converters and transmissions, which are the heart of industrial and construction vehicles. We efficiently produce high-quality products customized to customer specifications, and provide products that have undergone thorough quality control.

Okamura in Numbers

Year of Foundation

1945

Number of employees
(consolidated)

5,687 employees

(as of March 31, 2025)

Maintaining Steady Growth and Stable Dividends

(FY2024)

Net sales [314.5 billion yen]

5-year growth rate (CAGR)

6.5%

Operating profit [23.9 billion yen]

5-year growth rate (CAGR)

14.0%

ROE [12.3%]


Four consecutive years

over 10%

Payout ratio [40.4%]

Four consecutive years of dividend increases

15 consecutive years without dividend reductions

 Message from the Chief Financial Officer ▶ P.27-29

Human Resource Development and Employee Engagement Improvement

Wages Raised for Two Consecutive Years

Starting salary for university graduates

300,000 yen

(FY2024)

Ratio of Childcare Leave Used and Average Number of Days Used by Male Employees

Usage ratio

69.2%

Average

92.0 days

(From March 21, 2024 to March 20, 2025)

Average Education and Training Cost per Employee

[63,899 yen]

2 times over FY2021

(FY2024)

 Personnel and Human Resource Development ▶ P.44-46

Contributing to the Creation of a Sustainable Society

Initiatives Relating to the Global Environment


Began in

1966

Initiatives for Carbon Neutrality / Amount of CO₂ Emissions

Reduced 30.8%

from FY2020 (FY2024)

 Global Environmental Initiatives ▶ P.49-51

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Message from the CEO

The Midterm Management Plan 2025, which is currently underway at the Okamura Group, has reached the end of its second year.

We ended FY2024 with a strong performance, allowing us to revise our targets for the final fiscal year upward and make further progress on our transformation into a demand creating company.

On the milestone of our 80th anniversary, Representative Director Masayuki Nakamura talks about the underlying principles of management that extend beyond the era and environment, the status of business expansion, and our future outlook.

Message from the CEO

**Paving the way for the next era
as a demand creating company,
with 80 years of challenges
in our hearts**

Representative Director,
President and Chief Executive Officer

Masayuki Nakamura



Message from the CEO

The Okamura Group's History and the Origin of its Power to Create Markets

The challenge and philosophy of anticipating change and shaping undiscovered value

Okamura Corporation celebrated its 80th anniversary in October 2025. In our FY2024 financial results, we surpassed 300 billion yen in consolidated net sales and achieved steady growth as a Group. I would like to begin by expressing my sincere gratitude to all stakeholders who have supported the Okamura Group thus far.

The Okamura Group, with its Purpose of “Realizing a society where people can thrive,” provides high-quality products and services for offices, commercial and logistics facilities, factories, and various other spaces where people are active. In the Okamura Way, which is a systematic compilation of our management philosophy, we have expressed that it is our Mission to “Contribute to society by creating environments where people can thrive with rich ideas and reliable quality.”

Looking back on our history, our founder Kenjiro Yoshiwara initially worked at a wartime factory belonging to Japan Aircraft Manufacturing Co., Ltd. In 1945, immediately after the war, the factory stopped operating and Yoshiwara lost his job. In the same year, Yoshiwara and some of his fellow aircraft engineers pooled their funds, skills, and manpower to establish the Okamura Manufacturing Facility, a cooperative industry. Since our founding, those that came before us have passed down an unchanging attitude of anticipating changes in the times and conceptualizing and shaping yet nonexistent value.

Initially, the Company made goods used in everyday life. When we decided that steel furniture would be our next core product, we were regarded as an anomaly in the industry, since most furniture in Japan immediately after the war was made of wood. However, when Yoshiwara led a management team on an observation tour to the United States in 1959, they witnessed that every office they visited used steel furniture, and this affirmed the product's high quality and growth potential. Furthermore, given that supermarkets also used system fixtures made of high-quality steel, the Company formed technology partnerships with overseas manufacturers of store fixtures. Steel furniture subsequently became mainstream in the market, leading to our business expansion and a commitment to quality under

the motto “Quality pays for itself.” Our attitude of never giving up in the face of difficulties, being committed to reliable manufacturing, and working to create markets has been passed down continuously to this day.

The environment surrounding the Okamura Group is currently in the midst of a major upheaval with the declining population, digitalization, and globalization. While the declining population has brought about issues such as a shrinking domestic market, digitalization is an opportunity to change work styles and spaces, and globalization is an opportunity to expand new markets and partnerships.

Until now, we have grown by anticipating changes in the times and creating markets. Driven by this power to create, we will accelerate our transformation into a demand creating company in FY2025, the final year of the Midterm Management Plan 2025. Starting with the social issues of labor shortages and environmental impact, we will take on the challenges of developing labor-saving fixtures and energy-saving products and creating new spaces that blend digital and physical spaces, to evolve the value we provide in a changing our society and the market.

Okamura's Business Approach

The power to turn environmental changes into future markets

Creating a market is like planting a seed. We plant a seed of future potential in a patch of soil that no one else has discovered yet. Until it sprouts, it may look from the outside as if nothing has changed. However, Okamura's business approach is to believe in the seed, look for signs of change, and patiently nurture it until it takes shape.

In the case of the Office Furniture Business, this is exemplified in our use of telework, which spread rapidly during the COVID-19 pandemic. TELECUBE by OKAMURA, private work booths for online meetings and concentrated work, quickly spread to offices, train stations, and public facilities. This was a seed that sprouted in the blink of an eye in response to changes in the social environment. Although society has finally begun shifting back to working from the office, the mainstream work style has become activity-based working (ABW), in which people



Management
Philosophy:
Okamura Way

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The Okamura
Group's History

▶ P.17-18

Message from the CEO

choose when and where to work based on the content of their job. This has given rise to a new need to secure power sources compatible with hot-desking. In response to this, we developed the “OC,” a portable battery that can power computers and other devices. Some questioned the necessity of this product when it was first developed, but we commercialized it with the belief that it was sure to be required for future work styles. Indeed, it has been used in a variety of spaces and sales have increased significantly.

On the other hand, some seeds take longer to sprout. In the Store Displays Business, display shelf with slide function was launched in 1993 as a product that could reduce the time it took employees to restock by 82% (based on Okamura’s study), but its use was initially limited. However, with the severe labor shortage in recent years, its effectiveness at labor saving has been reevaluated, and its use is now commonplace at a large number of stores. Furthermore, the product has begun to sprout new buds that blend fixtures with digital technology. Anticipating the spread of self-checkouts in stores, we teamed up with an electrical equipment manufacturer to introduce shopping carts equipped with weight sensors that allow customers to handle payment by themselves in their carts. In addition, we are also working on efforts to encourage purchases through optimal information dissemination at the point of sale using digital signage. These will significantly change the way that stores are operated in the era of labor shortages and create new demand.

In the Material Handling Systems Business, we pioneered AutoStore, an automated robot storage system, in Japan. The system was first used in large corporations and has since expanded to various industries and business types. It has now grown to become the pillar of the business.

The three core strengths of the Okamura Group are our ability to solve customers’ issues that allow us to tackle the problems they cannot solve alone, reliable manufacturing to support these solutions, and the ensuing relationships of trust with our customers. Detecting signs of change, giving shape to value, and using the above three strengths to make it take root in society—this is precisely the new value that we provide. New value sprouts slowly and quietly that no movement can be seen from the outside.

As social structures, work styles, and consumer behaviors undergo significant changes, we will further refine our three strengths that we have cultivated thus far:

our ability to solve customers’ issues, reliable manufacturing, and relationships of trust with customers. New business opportunities are steadily taking shape in the Office Furniture, Store Displays, Material Handling Systems, and Overseas businesses. Going forward, we will expand efforts to combine the digital and physical, and to evolve our business model while accelerating value creation.



The Okamura
Group’s
Strengths

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Progress of the Midterm Management Plan 2025

Sustainable growth brings cross-sectoral capabilities and frontline challenges

As the first year of the Midterm Management Plan 2025, FY2023 was a year of further progress in our transformation to a demand creating company. We quickly detected signs of change, gave them shape, and demonstrated the ability to deliver to customers in every aspect of business, ensuring that it led to growth.

Aims of the Midterm Management Plan 2025



Message from the CEO

Reflecting on the external environment, the flow of people and economic activities had recovered both domestically and overseas since the COVID-19 pandemic, and there was an increase in inbound demand. On the other hand, the business environment continues to grow more severe due to the rising cost of raw materials and energy stemming from the continuing depreciation of the yen, persistently high logistics costs, and labor shortages due to the declining working population. Under these circumstances, many companies are accelerating investments in labor-saving measures and productivity improvement, which has given us more opportunities to create new demand.

In FY2024, the second year of the Midterm Management Plan, the Office Furniture Business, Store Displays Business, and Material Handling Systems Business all achieved record-high sales. The Office Furniture Business responded rapidly to changes in work styles such as the spread of hybrid work and the intensification of competition in acquiring talent. By accurately capturing demand for office renovation, the business increased its opportunities to propose new value and achieved a record-high segment operating profit, excluding the impact of amortization of goodwill. The Store Displays Business saw a decrease in profit due to increased labor costs associated with strengthening systems for responding to

future demand. The Material Handling Systems Business, on the other hand, achieved a significant increase in profits due to demand for automated operation and labor-saving solutions, which strongly underpinned the Company's overall profits. As a result, excluding the impact of amortization of goodwill, we effectively achieved a record-high operating profit on a company-wide basis.

These results were underpinned by the passing of increased costs onto selling prices over several years and the supply chain reforms that are currently being implemented. Our peak season, including for office renewals, is February and March, when many companies close their fiscal year and make personnel changes. Since orders are concentrated during this period, there is an industry-wide problem with the difficulty in providing a continuous supply through March without running out of stock. To resolve this issue, we implemented a project in which standing inventory items were narrowed down to best-selling products across departments such as sales and production. Using various processes to narrow down potential standing inventory items to best-selling products allowed us to optimize inventory management and production planning and deliver what customers want when they want it. As a result, sales of standing inventory items increased by 1.3 times compared to the previous year. Furthermore, the optimization of inventory management increased the manufacturing capacity availability for made-to-order items, increasing sales of made-to-order items by 1.2 times. We were able to continue to respond thoroughly to customer demand and maintain stable sales until the peak season ended at the end of March. As a result, in Q4, the Office Furniture Business recorded significant year-on-year increases of 111% in net sales and 131% in operating profit. This serves as numerical evidence that supply chain reforms are properly functioning as a mechanism to maximize sales opportunities during peak season and increase profitability.

Behind these results are efforts to transform our business structure by having frontline employees and management work together to detect and respond to signs of change. The supply chain reforms have advanced the sharing of knowledge and collaboration between businesses, significantly improving the quality of our ability to make proposals and the speed of response to market changes. Such reforms and company-wide collaboration created synergies and further strengthened the foundation for growth in the final year. With this foundation, we will further accelerate our efforts to turn changes into opportunities and continue to create new value that society needs.



Overview of
the Midterm
Management
Plan 2025

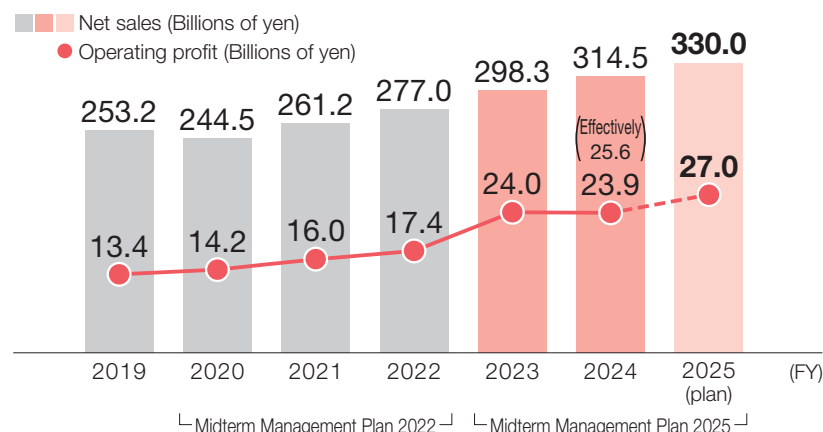
► P.25-26



Strategies for
Each Business

► P.30-40

Net sales and operating profit



Note: Stated rounded off to the nearest unit

Message from the CEO

Strengthening the Management Foundation

Becoming a company that turns environmental changes into growth opportunities through investment and reform

In an era of rapid change and uncertainty, we are working to achieve medium- and long-term growth by creating new demand and a stronger management foundation that can respond to changes. We will also make sure that the foundation for growth in the final year of the Midterm Management Plan 2025 will lead to further growth.

Under the theme of human resource development and improving employee engagement, we are promoting Okamura Career Journey, an initiative that provides a space for each employee across the entire Group to challenge themselves through gaining diverse experiences. This will help them realize the careers that they desire, and lead to growth of our business. In April 2025, we opened CROSSGATE, a space for promoting human resource development initiatives. These initiatives and systems is essential for human resource development. At the same time, it is also important for all employees to have a sense of autonomy that allows them to envision their ideal selves, acquire the knowledge and skills that they need, and grow as individuals while feeling fulfilled. We will achieve sustainable growth as a company while enabling both forces. In addition, as a strategic investment in human capital with an eye toward future growth, we implemented a high-level wage increase for the second consecutive year (7.3% in FY2024, 5.48% in FY2025). We are promoting the acquisition and retention of human resources along with improvements in employee engagement in order to create an environment in which all employees can perform to the best of their abilities.

Regarding the use of digital technology, we launched the DX Learning Platform (DXLP) as a space where employees who have identified issues that they wish to resolve can give shape to their ideas through learning and practice. We have begun generating results in various fields by realizing ideas from the frontlines through digital technology, such as the improvement of operations using AI and the sale of data through the metaverse.

With regard to strategic investment in growth areas, in the Store Displays Business, the demand for freezing and refrigerating showcases remains strong due to the

expansion of the frozen food market. In order to respond to this demand, we made a large-scale investment in the establishment of the Suzaka Plant in Nagano Prefecture, which strengthened our development of energy-saving products and production capacity. Through this, we have established a foundation for supply that can stably respond to future increases in demand. In the Material Handling Systems Business, we promoted the expansion of automated warehouse and robot solutions, and our efforts to shape the future logistics infrastructure are steadily progressing. This includes our efforts to commercialize PROGRESS ONE, an automated logistics solution using hybrid robotics that are partly autonomous and partly remote-controlled.

We are also accelerating overseas expansion. In Southeast Asia, DB&B Holdings Pte.Ltd, which offers office design, planning, and installation as an integrated service, is steadily scaling up its business by accepting large-scale orders in major cities such as Singapore and increasing business with multinational corporations. We also acquired Boss Design Limited, a high-end furniture brand in the UK, as a foothold to enter the North American and European markets. This acquisition will allow us to expand the sales region of the Group as a whole by combining Okamura's long-cultivated presence in Japan with Boss Design's complementary strength in the UK, Europe, and the Middle East. Furthermore, we will use the dealership networks of both companies to accelerate our entry into the North American market, and utilize production locations in the UK and U.S. and the production systems in Japan to enhance supply flexibility and cost competitiveness. Expansion of the product lineup will also lead to enhancing our overall ability to make proposals both in Japan and overseas. Office spaces in Japan are also changing into diverse environments that incorporate built-in furniture and loose furniture, and Boss Design's furniture has the strategic strength to respond to these needs. Through these efforts, we aim to formally enter the global high-value-added office furniture market and achieve sustainable growth.

From the perspective of broadly strengthening our management foundation for the purpose of future growth, implementing global environmental initiatives and strengthening governance are also important themes. In terms of global environmental initiatives, we will move forward with efforts in response to complexly interrelated environmental crises, by addressing the realization of carbon neutrality, nature positivity, and a circular economy in connection to each other. In terms of strengthening governance, in FY2024, we implemented efforts such as visits to company sites by Outside Officers and information exchange meetings, to increase



Production and Supply System

► P.41



Personnel and Human Resource Development, DX Strategy, and Global Environmental Initiatives

► P.42-51

Message from the CEO

opportunities for exchange and ensure that Outside Officers understand our businesses. In order to ensure highly transparent management that is consistently trusted by all stakeholders, we will work to strengthen our governance by positioning it as one of our most important management issues.

Thanks to these efforts to strengthen our management foundation, the final-year targets for the Midterm Management Plan 2025 were upwardly revised to 330 billion yen in net sales and 27 billion yen in operating profit. Through the strengthened management foundation, our corporate structure has evolved into one that allows stable and sustainable growth even in a rapidly changing market environment. Starting with this foundation, we will continue to take on the challenge of creating value that will be needed in the next era.

FY2025 Financial Targets

	FY2022	FY2025 Goal (At time of announcement)	FY2025 Revised Targets (Revised May 9, 2025)	FY2022 to FY2025
Net sales (Billions of yen)	277.0	300.0 or more	330.0	+53.0
Operating profit ratio	6.3%	8.0%	8.2%	+1.9 pts
Operating profit (Billions of yen)	17.4	24.0	27.0	+9.6
ROE	8.8%*	10.0%	10.0%	+1.2 pts

*Excluding gain on sales of securities (Before exclusion: 10.8%)

Okamura's Role

Creating value needed in the next era

Although we have strengthened our management foundation, the business environment is currently changing at an unprecedented speed. With the declining working population, the worsening labor shortage, the rapid evolution of digital technology, and the intensification of competition in the global market, the prerequisite for business activities is changing on a fundamental level.

The use of digital technology in particular is expected to expand significantly over the next 10 years. The World Economic Forum estimates that at least 70% of new value created over the next decade will come from digital technology. Given these circumstances, it can be said that using digital technology is no longer a choice, but a requirement for companies to survive.

In such an era, we cannot expect to achieve sustainable growth and improve corporate value through conventional efforts and fragmented improvements along the existing trajectory. What is required is the ability to redesign business mechanisms themselves while reviewing the efforts made in the past and strategically utilizing digital technology and new knowledge. Whether we can truly demonstrate that capability ultimately depends on the workers. It is for this reason that we have established “human resource development and improving employee engagement” as the first and foremost theme in strengthening our management foundation.

I have personally come to realize the importance of this through experiences on-site. I joined Okamura Corporation (then the Okamura Manufacturing Facility)



Overview of
the Midterm
Management
Plan 2025

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Message from
the Chief
Financial Officer

▶ P.27-29



Overseas
Business

▶ P.33



Personnel and
Human Resource
Development,
DX Strategy,
and Global
Environmental
Initiatives

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Message from the CEO

about 50 years ago, attracted to the idea of “logistics reform.” I was initially assigned to the delivery center, after which I experienced the frontlines as an auditor in the delivery department, a member of the installation department, and other roles. At first, I did not even understand the mechanisms of the company and was not entrusted with reforms. However, looking back now, I realize that it was those struggles and experiences on the frontlines that were the source of my growth. I believe that experiencing and learning from the frontlines is precisely what helped me understand the company and gain the impetus for improvement and reform. As I accumulated these experiences, I realized time and again that the common sense and conventions right before our eyes are not always the optimal solution. By meticulously gathering facts and evidence and identifying the core of the issue, we can discover new ideas that transcend existing frameworks. As a result, I believe that answers derived beyond conventional thinking based on facts and evidence can sometimes become interesting answers that defy common sense, and can create value that exceeds the expectations of society and customers.

Based on such thoughts, the Okamura Group has proactively developed practical programs to develop future leaders and frontline reformers, such as training for next-generation leaders, design thinking, and Okamura Business School. I have personally taken the podium to share the thoughts, know-how, insight, techniques, skills, and culture passed down from my superiors to the next generation. I strive to teach them proper logical structures and fundamental principles, and to cultivate sound analytical thinking skills through case studies.

Now that our net sales have exceeded 300 billion yen, I believe that we must flexibly and boldly expand our business area beyond the bounds of existing frameworks in order to be of further use to customers and society. I would like to expand the bounds within which we resolve customer issues beyond simply creating working and living spaces to include work styles, such as ways of working and living, and store operation methods. In addition, we will take on further challenges in overseas markets. Going forward, Okamura will continue to evolve as our personnel with experience on the frontlines take it upon themselves to uncover issues, come up with solutions, and deliver them to society as new value.

The Okamura Group's Future Outlook

Continuing to challenge ourselves in pursuit of the world's most comfortable chair and interesting solutions

At Okamura, we have cultivated reliable manufacturing capabilities and a commitment to embracing change. While it is important to pass down what our predecessors have built, we cannot anticipate changes in the times and create new value in the future by simply following the past. The ability to forge the future arises when all of us strive to improve and continue to challenge ourselves without fearing change. What changes a company is not the company itself, but the thoughts and actions of each employee. I believe that it is precisely the accumulation of these thoughts and actions that will be the driving force for forging the future ahead.

One of our product manufacturing goals is to create the world's most comfortable chair. Manufacturing products requires the incorporation of features that cannot possibly be replicated by competitors. Furthermore, establishing global recognition for the Okamura brand (products) requires an absolute feature. In the case of a chair, this feature is comfort. Since comfort varies for each individual, creating a chair that everyone will consider the most comfortable in the world may require considerable effort and skill. However, what is important is the attitude of pursuing the best in the world. Going forward, we will aim to create products that make people want to keep choosing the Okamura brand. At the same time, I want Okamura to be a company that provides interesting solutions as well as a company that resolves problems, amidst the changes in this new era.

Going forward, the Okamura Group will value insights and inventiveness from the frontline while reading the tide of the times, anticipating change, and continuing to uphold our commitment to taking the resolution of society's and customers' issues seriously. We will continue challenging ourselves to be a chosen brand, hoping to be a company that can provide interesting solutions for customers and society. At the same time, we will continue to evolve and move forward, aiming to be a company that is trusted and loved by all stakeholders.



Value Creation
Story Overview

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3

Value Creation Story

The Okamura Group aims to “realize a society where people can thrive.”
We will unravel the mechanisms for achieving this vision and
creating value from our management policy and our three strengths.

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The Okamura Group's Strengths

The Okamura Group's History

The Okamura Group uses its high quality products and services to provide support for various situations in which people can thrive.

The wellspring of our value creation is the philosophy that our Group has carried on through the years.

What is the message that we, as a demand creating company that paves the way to the new era, are sharing with the future? The answer lies in our own history.

From our founding in 1945 to the 1950s: The origins of the Okamura Group

The Okamura Manufacturing Facility, a cooperative industry, was established in 1945 in Okamura-cho, Isogo-ku, Yokohama, Kanagawa, by a group of aircraft engineers united by their affirmation of the ideals of Okamura's founder. These engineers pooled their funds, skills, and labor to create Okamura. This is the origin of the Okamura Group.

Initially, the company made goods used in everyday life, like steel and aluminum pots. It then began manufacturing steel furniture for U.S. military clubs, which led to its manufacture of steel office furniture such as desks and chairs. It used its steel furniture manufacturing skills to create steel product display fixtures, replacing the wooden ones that were common at the time, and it began manufacturing Steel Gondola display fixtures. The passion and ambition for developing "mechanical products" of the founder and the engineers that were with the company from its foundation led to Okamura researching and developing torque converters starting in 1948. It demonstrated exceptional technical strengths and quality in advanced fields through its development of the N-52 domestically made aircraft, the first to receive manufacturing approval from the Minister of International Trade and Industry following the war, and the Mikasa, Japan's first torque converter automatic transmission car. The technologies it used in the development of these "mechanical products" led to the technologies now used to manufacture material handling system equipment and torque converters.

The Okamura Group's main business segments are now the Office Furniture business, Store Displays business, Material Handling Systems business, and Powertrain business segments. The foundations of these business segments were established in the early days of Okamura through the various challenges it took on and its reliable technical strengths.

1945 Okamura founded on October 10

1947 Manufacture of garden table and chairs

1948 Torque converter R&D started

1951 Production started on steel desks and chairs

1953 The N-52, Japan's first postwar airplane, completed

1955 Mikasa, Japan's first automatic front wheel drive car, developed

1957 Gondola store shelving launched



Garden table and chairs



Torque converter



N-52, domestically manufactured aircraft



Office chair



Steel Gondola display fixtures



Mikasa, Japan's first automatic car

Loving people and teamwork

The term "Cooperative Industry," used when Okamura was founded, represented the belief that all employees were equals and that each was a member of a team whose aim was the success of the company. The teamwork that the Okamura Group now uses to create new value is rooted in this founding spirit.

As our business has grown, we have been able to passionately take on new challenges, maintain our dedication to quality, polish our manufacturing strengths, and increase the value of the Okamura brand. This must have been due to our spirit of loving people and our teamwork, which we have cultivated since our foundation. We will further leverage these strengths to reach new heights.



Okamura Plant (circa 1955)

The Okamura Group's Strengths: The Okamura Group's History

1960s and 1970s: Promotion of technical collaborations with overseas companies

Due to our desire to sell products with exceptional functions and designs, we entered a technology partnership with the LA Darling Company (U.S., system gondolas) in 1963, and we began manufacturing and selling display fixtures and movable partitions. We later entered technology partnerships with Allsteel Inc. (U.S., desks and chairs), Holzapfel Inc. (West Germany, storage furniture), Tyler Refrigeration Corp. (U.S., refrigerated showcases), and Palmer Shale Company (U.S., pallet racks). In 1970, we developed and launched the first Japanese-made boltless rack system, the Type-63 Lightweight Shelving.

- 1960** IBM punch card system introduced, allowing for mechanization of office work
- 1965** G Series display fixtures launched
- 1969** Industrial robots developed
- 1970** Okamura listed on the First Section of the Tokyo Stock Exchange
Type-63 Lightweight Shelving launched, the first Japanese-made boltless rack system
- 1975** Ferro Wall movable partitions launched
Manufacturing of system kitchen began
- 1976** RC-04 type pneumatic robot developed
- 1977** 20 Series chair launched
- 1978** No-defrost refrigerated showcase system launched
Rotary Rack launched



20 Series chair



G Series display fixtures



Rotary Rack

1980s and 1990s: Developing office automation products and improving design and production capacity

In 1980, Okamura played a central role in leading-edge design by launching the Office Research Center (currently, the Work Design Research Institute), which researches how people work. We developed ergonomic chairs, office systems, and more as work styles and offices changed through the adoption of office automation. In our Store Displays business, we launched the Fontana, a refrigerated showcase with a sophisticated design, transforming the conventional images people had of products. We also expanded our production locations to increase our production capacity.

- 1980** Office Research Center opened
OA-compatible head office opened to various visits/press coverage
- 1984** D-10 Series desk system launched
- 1986** 28 Series ergonomic chair launched
- 1988** *New Office* published
- 1990** Tsukuba Plant completed in Ibaraki
- 1996** *Workplace Strategy* published
- 1997** Nakai Plant completed in Kanagawa
Profice next generation office system launched
- 1998** Fontana refrigerated showcases announced



Profice next generation office system



New Office



Fontana refrigerated showcase

2000s and beyond: Transformation into a total solutions company and global growth

In 2002, we announced the Contessa, our flagship ergonomic mesh chair. In 2018, we changed our name in Japanese as part of our efforts to transform into a total solutions company and achieve global growth. We are developing entirely new products, like work booths, and proposing office spaces aligned with changing work styles. In our Store Displays business and Material Handling Systems business, we are providing labor-saving solutions.

- 2002** Products displayed for the first time at ORGATEC 2002 (Germany) and Contessa announced
- 2008** Visplay display fixtures system launched
- 2009** Okamura Chair Museum opened
- 2014** AutoStore robot storage system launched
- 2015** Swift height-adjustable table launched
CYBISTOR pallet storage system launched
- 2018** Changed name to Okamura Corporation*
TELECUBE by OKAMURA work booth launched
- 2021** OC portable battery launched
- 2024** Research Lab that Creates the Future of Stores opened

* Japanese only



Contessa ergonomic mesh chair



CYBISTOR pallet storage system



Swift height-adjustable table

Management Policy

How will Okamura create a society where people can thrive?

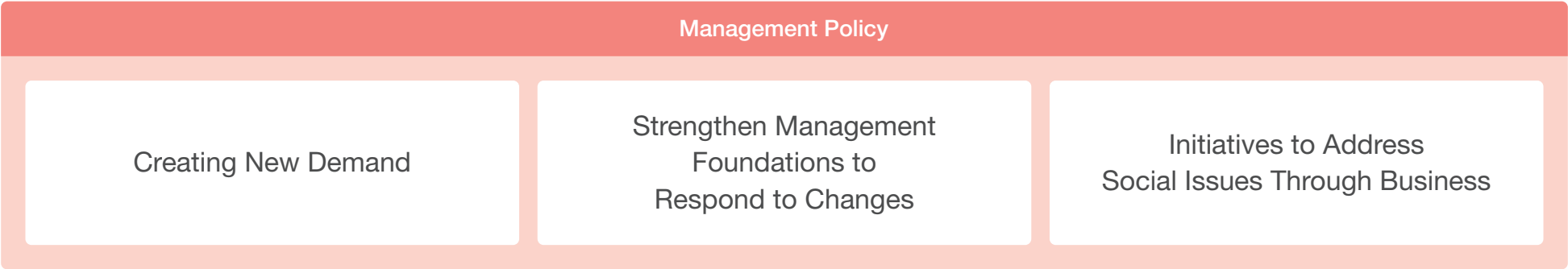
We will refine our three core strengths and accelerate our transformation to a demand creating company.
We will bring about a society in which people can thrive by supplying new customer value and social value.

To achieve the Okamura Group’s goal of realizing a society where people can thrive, we believe that it will be essential to solve social problems such as Japan’s stagnating productivity, reduced global competitiveness, shrinking labor force, diversifying work styles, rising focus on wellbeing, and global environmental problems like climate change. We will continue to address our changing times and further apply our cycle to refine our three core strengths, thereby improving our proposal and product strengths and accelerating our transformation to new demand creating company.

The age of selling products to meet demand has ended. We can now grow only if we propose new value and create demand ourselves. We will rapidly identify the issues our customers face, propose comprehensive solutions, and provide high quality products and services to turn customer issues into new demand.

This new value creation will lead to our ability to sustainably provide value in the future.

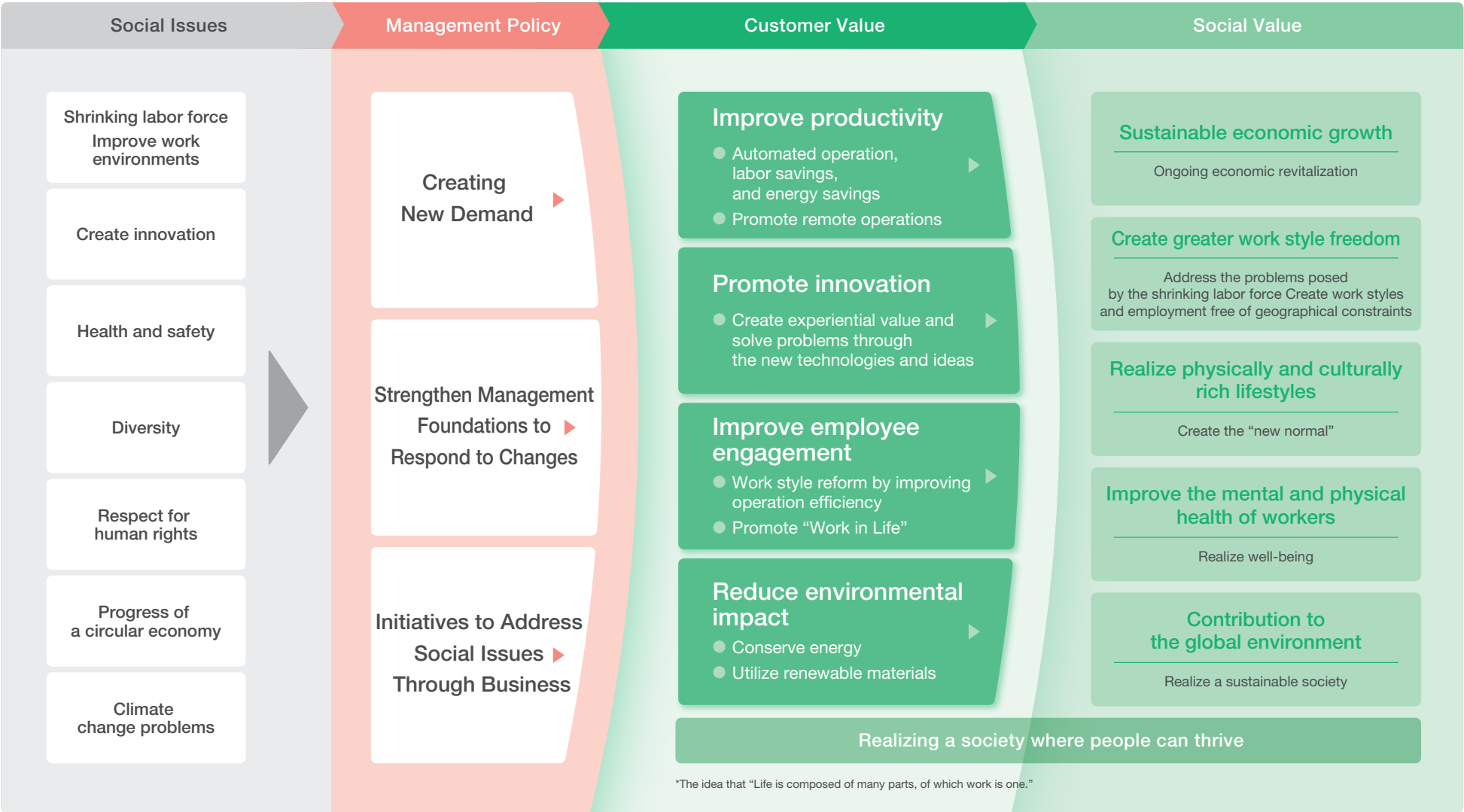
Through the spaces where people can thrive that are created by the Okamura Group, we will provide customer and social value and strive to realize a society where people can thrive.



Management Policy

Social Issues to Tackle and Value Propositions

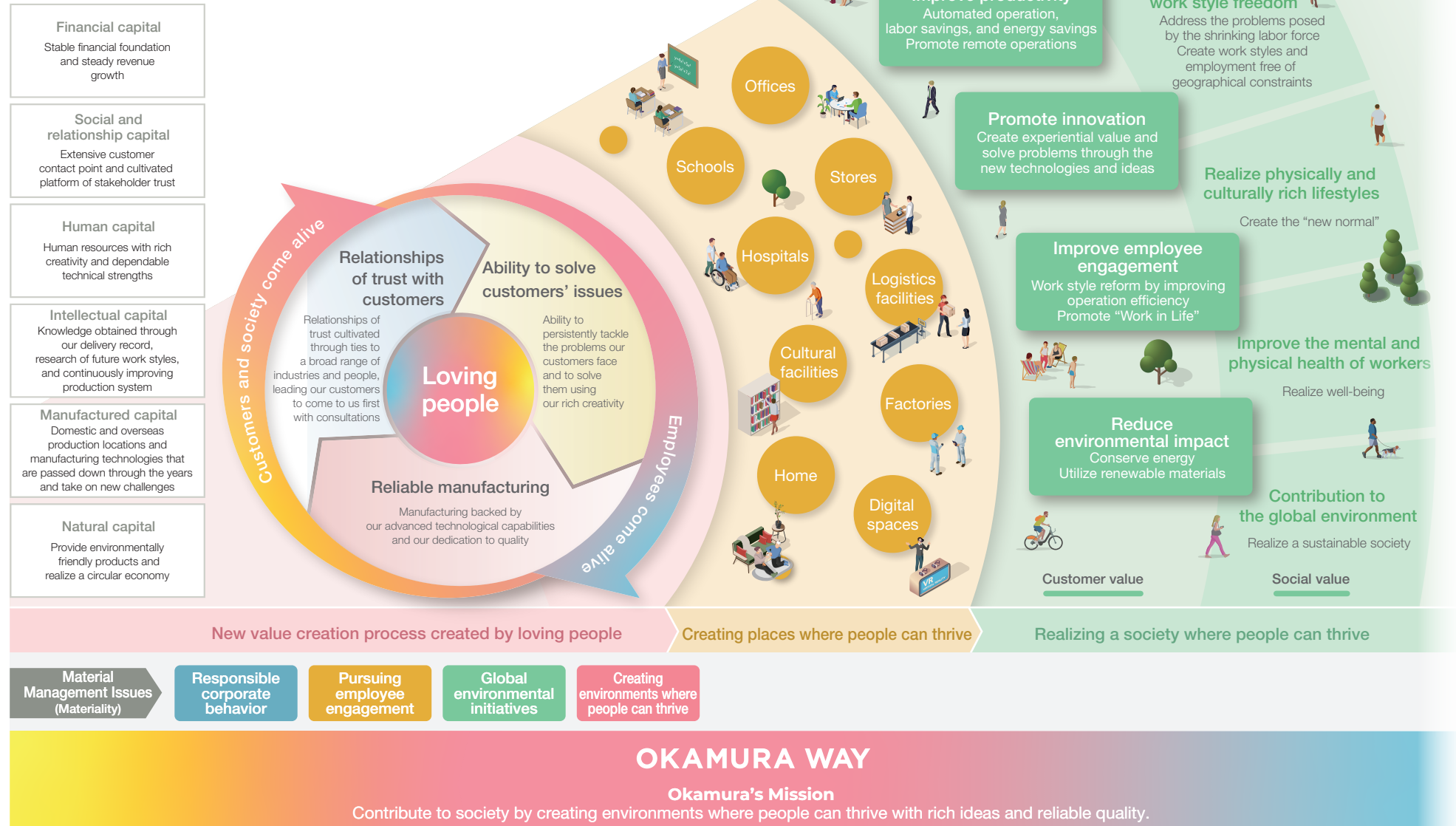
The Okamura Group tackles social issues through its business activities, helping realize a society where people can thrive through customer and social value it supplies.



Management Policy

Value Creation Story Overview

To realize a society where people can thrive, as set out in the Okamura Group's Purpose, we leverage our unique values and strengths while creating new value, based on the foundation of the Okamura Way, our philosophy cherished and shared by all employees.



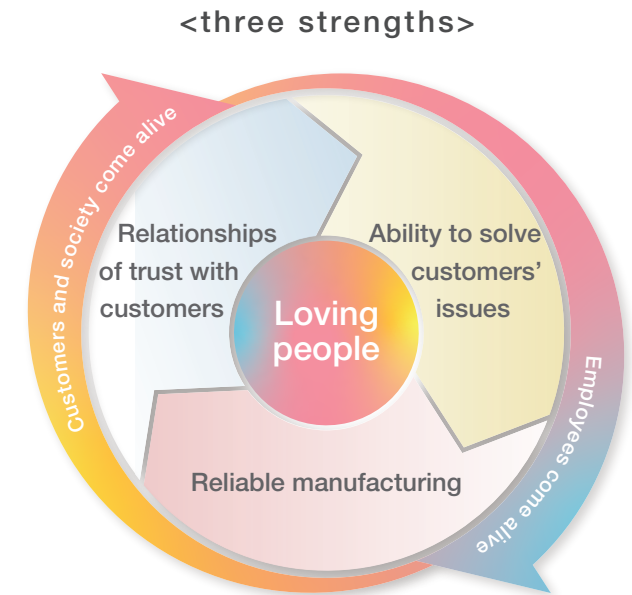
The Okamura Group's Strengths

It is because that we have cultivated our three core strengths by loving people.

The value creation of the Okamura Group begins with loving people, something that has been important to us since our foundation.

We have relationships of trust with our customers, cultivated through our ties to a broad range of industries and people. Because of this trust, our customers come to us first with consultations. Also, we have gained the ability to solve customers' issues as the result of our tackling the many challenges our customers have faced and our rich creativity. In addition, we have reliable manufacturing, backed by our dedication to quality and our advanced technical skills. We leverage these three distinctive core strengths to create new value by creating places where people can thrive.

The Okamura Group employees work energetically, producing a virtuous cycle in which both customers and society come alive.



Our relationships of trust with customers are

the relationships we have built that lead our customers to come to us first with consultations. The Okamura Group has extensive customer contact points, and we have tackled a wide assortment of customer issues. This track record that we have established has earned us the trust of our customers and made us the Group they turn to first. We are using the cutting-edge knowledge we have accrued to build even stronger relationships of trust with our customers.

Our ability to solve customers' issues is

an ability to persistently tackle the issues our customers face and to solve them using our rich creativity. The Okamura Group works closely with customers, identifying the core essence of their issues and proposing diverse solutions that get at the heart of customer issues. We can offer solutions such as these because it is in our DNA to use ingenuity to take on challenges and because the Okamura Group has built up a wealth of technologies and know-how.

Our reliable manufacturing is

manufacturing backed by our advanced technological capabilities and our dedication to quality. We create better products and services by applying our advanced technological capabilities and our diligent approach to manufacturing, always thinking deeply about the people who use our products.

The Okamura Group's Strengths

Further Reinforcing Our Three Strengths

Relationships of trust with customers

Social and relationship capital

- Our office network developed in all areas of Japan
- Strong dealership network
- Extensive logistics network in all areas of Japan
- Overseas sales and production location network

Intellectual capital

- Knowledge obtained through our extensive delivery record

Ability to solve customers' issues

Social and relationship capital

- Alliances with other industry businesses

Human capital

- Abundant design specialists

Intellectual capital

- Research of future work styles beginning in 1980
- Design and R&D systems

Manufactured capital

- Market-creating development capabilities and the manufacturing capabilities for realizing this potential
- Total solution proposal and integrated response system

Natural capital

- Environmentally friendly products

Reliable manufacturing

Social and relationship capital

- Network with a wide range of suppliers

Human capital

- Human resources with advanced technical strengths

Intellectual capital

- Continuously improving production system
- Manufacturing technologies that are passed down through the years and take on new challenges

Manufactured capital

- Production technologies for the creation of high-quality products
- Supply stability through high mix, variable-volume production system

Natural capital

- Realize a circular economy

Further reinforcing our strengths

- Strengthen domestic and overseas e-commerce business
- Reinforce and expand revenue of overseas business
- Expand the customer base globally
- Expand and enhance production locations and logistics bases

- Enhancing our selection of products and services to meet diverse work styles
- Expand and strengthen solutions business
- Expand involvement in domains of store planning/interior design
- Expand involvement in domains of store DX/security
- Expand freezing and refrigerating equipment services
- Expand sales of prefabricated refrigeration equipment
- Expand and strengthen maintenance service business

- Enhance the capabilities and versatility of core products
- Develop next generation products and services
- Research and develop new environmentally friendly products
- Strengthen and improve efficiency of each process from product development to production, logistics, and maintenance services
- Improve productivity via energy-saving investment and the use of digital technologies
- Ascertain and reduce CO₂ emissions
- Strengthen product portfolio management

4

Strategies for Growth

In our Midterm Management Plan 2025, which began in FY2023, we will refine our proposal and product capabilities in line with the times to accelerate our reform into a demand creating company.

In this section, the Officers in charge of respective business segments will talk about the strategies for each business and the reinforcement of our management foundation as we aim to achieve our goal.

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33	Overseas Business	49	Global Environmental Initiatives
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37	Material Handling Systems Business		
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Overview of the Midterm Management Plan 2025

Aims of the Midterm Management Plan 2025



**Catching the bandwagon,
accelerate our transformation to
a demand creating company by refining
our proposal and product capabilities**

Businesses that Strengthen Profitability by
“Creating New Demand”

Office Furniture

Store Displays

Businesses that Expand the Scale of Business by
“Creating New Demand”

**Material Handling
Systems**

Powertrain

Strengthening the Management Foundation

**Human Resource
Development and Improving
Employee Engagement**

Support career development, promote human resource development and employee engagement improvement

**Accelerating
the Digital
Transformation**

Accelerate the Digital Transformation in management, business, and work and promote DX human resource development

**Enhancement of High-mix,
Variable-volume
Production System**

Maintain and strengthen competitive advantage by utilizing a transformative production system that responds to environmental changes

**Development of Overseas
Business Rooted in
the Local Market**

Development of local production for local consumption business through M&A and partnerships and joint ventures with leading local partners

Initiatives to Address Social Issues

Continuous initiatives to address social issues and steady progress of long-term global environmental initiatives toward realizing carbon neutrality by 2050

In the Midterm Management Plan 2025, which covers the three years from FY2023 to FY2025, as we aim to create new demand, we will refine our proposal and product capabilities in line with the times to accelerate our reform into a demand creating company.

Through the creation of new demand, we will position the Office Furniture Business and Store Displays Business as those that strengthen profitability and the Material Handling Systems Business and Powertrain Business as those that expand the scale of business. While reaping the rewards of our strategic investments under the Midterm Management Plan 2022, we will move forward with management to create new demand by proposing ideas for new markets for the future.

We have also set forth four themes to reinforce our management foundation that supports our businesses: human resource development and improving employee engagement; accelerating the digital transformation; enhancement of high-mix, variable-volume production system; and development of overseas business rooted in the local market.

Furthermore, together with initiatives to address social issues through our businesses, at the Okamura Group we will help create a sustainable society by thoroughly considering our impact on the global environment throughout our supply chain. Moreover, with the aim of realizing the Long-term Environmental Vision “GREEN WAVE 2030,” which sets target values for 2030 such as GHG emissions reduction amount, we will make steady progress with our three-year midterm plan.

In addition, we will push ahead with further investment in developing human resources and changing mindsets to enhance the engagement of employees for supporting sustainable growth. We aspire to build a “Strong Okamura” by enabling all of our employees to work with vitality in their own individual styles.

Overview of the Midterm Management Plan 2025

Summary of the Second Year

In FY2024, the second year of the Midterm Management Plan 2025, the outlook for the Japanese domestic economy remained clouded due to several factors, including geopolitical risk surrounding the situations in Ukraine and the Middle East, the prolonged slowdown of the Chinese economy, rising financing costs resulting from the transition toward a normalized interest rate environment, soaring materials and parts prices, increasing logistics costs caused by the so-called 2024 problem, and changes in interest and exchange rates due to global monetary tightening.

Under these business conditions, the Group worked to promote cost savings and the passing of increased costs onto selling prices. It also focused on creating new demand in response to major changes in society and the market, such as the decline in the working population.

As a result, for FY2024, we recorded net sales of 314.5 billion yen, operating profit of 23.9 billion yen, ordinary profit of 26.4 billion yen, and profit of 22.0 billion yen, with net sales, ordinary profit, and profit reaching record highs. Furthermore, return on equity (ROE) was 12.3%

Based on this performance, we have revised our financial targets upwards for FY2025, the final year of the Midterm Management Plan 2025. We now aim for net sales of 330.0 billion yen, operating profit of 27.0 billion yen, operating profit ratio of 8.2%, and ROE of 10.0% or more.

The breakdown of the operating profit target of 27.0 billion yen is 19.0 billion yen (a 3.1 billion yen increase compared to FY2022) in the Office Furniture Business, 6.0 billion yen (a 3.3 billion yen increase compared to FY2022) in the Store Displays Business, 1.3 billion yen (a 2.5 billion yen increase compared to FY2022) in the Material Handling Systems Business, and 0.5 billion yen (a 0.7 billion yen increase compared to FY2022) in the Powertrain Business.

The outlook for the Japanese economy is highly uncertain due to the aforementioned risks, as well as other factors such as concerns over the impact of trade policies in the U.S. In addition, as financing costs rise, soaring material prices and continued wage increases are making it increasingly important to address the inflationary economy.

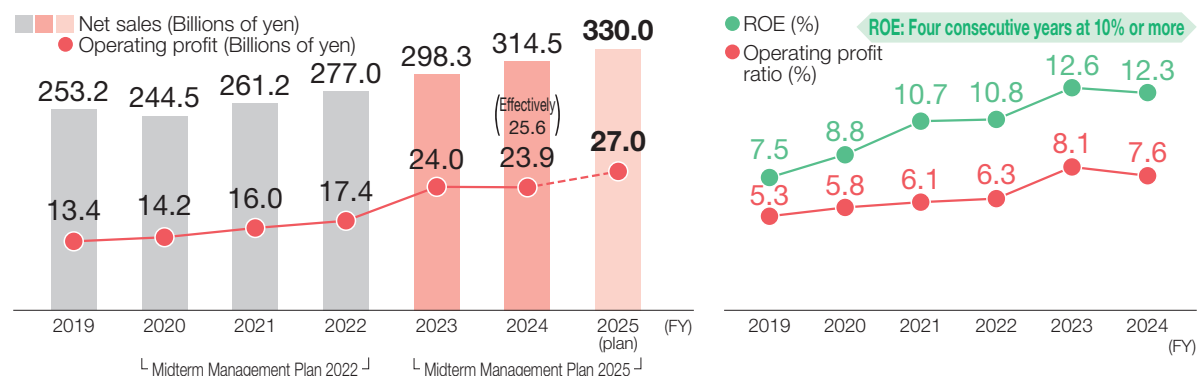
In this business environment, we aim to create new demand by capturing major social and market changes, such as the transition to new office spaces that promote innovation, labor shortages in the distribution industry, and the growing need to address sustainability.

Financial Targets

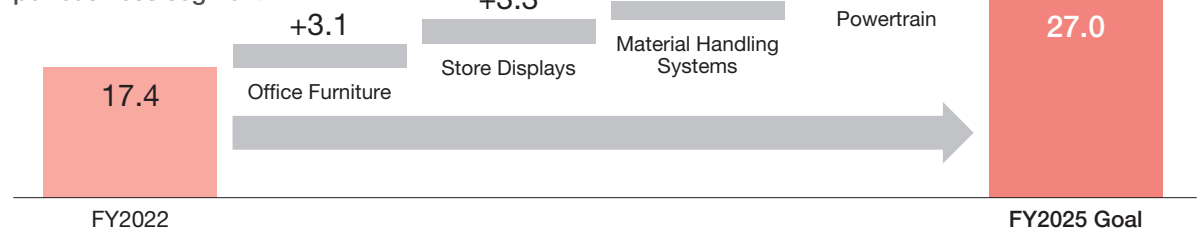
	FY2022	FY2025 Goals (At time of announcement)	FY2025 Revised Goals (Revised May 9, 2025)	FY2022 to FY2025
Net sales (Billions of yen)	277.0	300.0 or more	330.0	+53.0
Operating profit ratio	6.3%	8.0%	8.2%	+1.9 pts
Operating profit (Billions of yen)	17.4	24.0	27.0	+9.6
ROE	8.8%*	10.0%	10.0%	+1.2 pts

*Excluding gain on sales of securities (Before exclusion: 10.8%)

Performance



Breakdown of operating profit growth per business segment



Message from the Chief Financial Officer

Major Progress Toward Achieving the Midterm Management Plan 2025



Director and Executive Officer
Senior General Manager,
Corporate Accounting and Finance Division, CFO

Sakae Fukuda

Using This Fiscal Year as a Time to Boost the Next Midterm Management Plan

FY2024 was the second year of the Midterm Management Plan 2025 (the “current midterm plan”). The current midterm plan continued to move forward amidst an unpredictable economic environment, with persistently high management costs associated with the onset of an inflationary era, the manifestation of geopolitical risks associated with the situations in Ukraine and the Middle East, the prolonged stagnation of the Chinese economy, and interest rate and exchange rate volatility resulting from global monetary tightening.

As a result, we recorded highest-ever net sales in all of our three businesses, exceeding 300.0 billion yen for the first time in our history. On a company-wide basis, too, we recorded our highest-ever net sales for the fourth consecutive fiscal year. As for profits, on the other hand, operating profit remained virtually unchanged from the previous year (second-highest in history). However, when considering the transient factor of amortization of goodwill associated with acquiring DB&B Holdings Pte. Ltd

as a wholly-owned subsidiary, operating profit was self-assessed as effectively 25.6 billion yen in actual value. In addition, we also recorded record-high ordinary profit for the sixth consecutive year and record-high profit for the fifth consecutive year.

In response to achieving most of the financial targets of the current midterm plan in the initial fiscal year, we upwardly revised the net sales target to 325.0 billion yen or more and the operating profit target to 27.0 billion yen last fiscal year. Even compared to that milestone, we are proceeding largely according to plan and have made significant progress toward achieving the targets for FY2025, the final year of the plan.

Looking back, management costs such as material, shipping, and personnel expenses increased by 7.0 billion yen in each of the last two years, with the onset of an inflationary era. In addition to benefiting from revenue-boosting effects, we promoted steady efforts to pass increased costs onto selling prices, collect various fees, and reduce costs, which allowed us to step up our profit growth to a roughly 6.6-billion-yen increase from FY2022. I feel confident in having steadily acquired the ability to generate revenue and become more robust.

In FY2025, the final year of the plan, we further upwardly revised the financial target for net sales to 330.0 billion yen in light of the acquisition of Boss Design Limited in April 2025. However, the target for operating profit was unchanged at 27.0 billion yen. This is because we anticipate an increase in management costs of just over 7.0 billion yen, the same level as in the past two fiscal years. Yet, we are still positioned to absorb this cost increase and further aim for an increase of 3.0 billion yen in profit year on year, which I believe to be another ambitious target.

Moreover, as a result of us viewing crises as opportunities and reinforcing our resilience to overcome any crises that occur, we were able to flexibly respond to social changes and bring about sustainable growth by creating new demand. It is very reassuring to know that our frontline employees have a strong commitment to working hard every day so as to achieve both company-wide and business-specific targets, with a thorough understanding of their role in the process and the importance of the targets. We will continue to value this approach as one of the strengths of the Okamura Group.

Financial Policy and Investment Plans

Outlook on the Strategic Investment Quota of 50.0 Billion Yen and Cash Allocation

At Okamura, our priority is to ensure an optimal balance between the enhancement of our corporate value through medium- to long-term growth and the distribution of profits. Our basic financial policy is to maintain a sound financial balance while enhancing our capital efficiency. Although decisions on investments are becoming more difficult in this era of VUCA, we intend to optimize our resources and continue to invest capital in growth businesses without hesitation. Our aim is to ensure a thorough cycle of value creation and reinvestment. If we can maximize medium- and long-term corporate value through these actions, we believe that we will be able to further meet the expectations of our stakeholders.

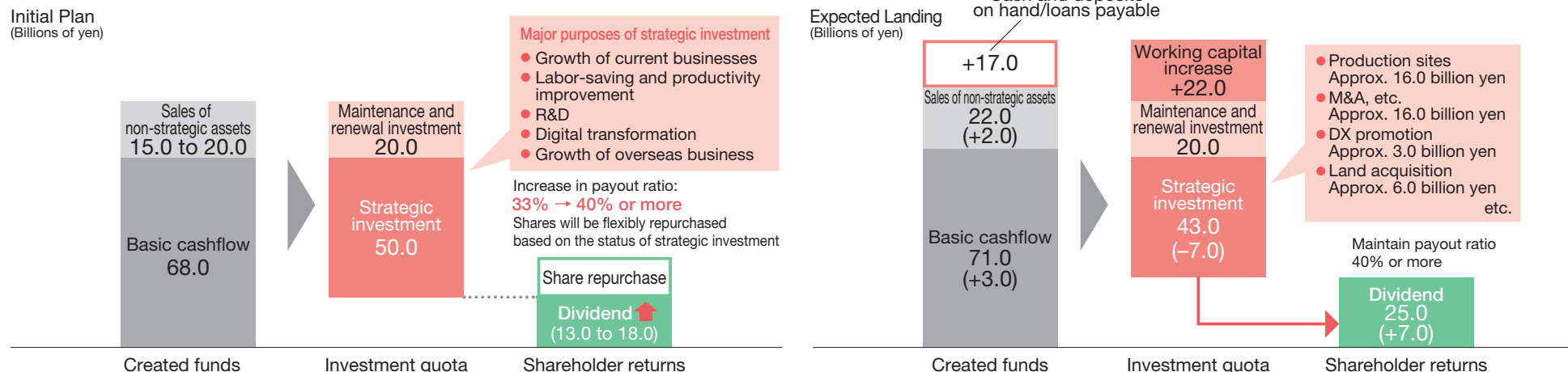
Under the current midterm plan, we have set aside 50.0 billion yen for strategic investments, and we have made strategic investments with a cash outflow of approximately 30.0 billion yen over the past two years. Major investments include constructing a new wing at the Tsukuba Plant, constructing a new plant (Suzaka Plant), and acquiring DB&B Holdings Pte. Ltd as a wholly-owned subsidiary. Based on our plan to make approximately 13.0 billion yen in investments this fiscal year (the final year of the plan), including the acquisition of Boss Design Limited in April, we expect to land at a three-year total of around 43.0 billion yen.

Considering this, the cash allocation forecast for the current plan is as shown in the figure on the next page. The operation side will allocate the decrease of 7.0 billion yen in strategic investments (with regular investments proceeding as planned) to increase dividends by the same amount. Additionally, an increase of 22.0 billion yen in working capital was generated from the zeroing out of bill usance. In contrast, on the procurement side, there was an unexpected increase of 5.0 billion yen from basic cashflow and sales of non-strategic assets, and the difference was covered by loans payable and the use of cash and deposits on hand. Accordingly, in the previous fiscal year, we shifted into a net debt of 9.6 billion yen for the first time in 10 years.

In the current fiscal year, we anticipate a return to a repayment trend as the impact of zeroing out of bill usance (16.0 billion yen)

Message from the Chief Financial Officer

Distribution Policy for Investments of Created Funds and Shareholder Returns



subsidies and strategic investment expenditures (down 8.0 billion yen from last year) run their course.

In addition, we have also secured ample liquidity from banks with committed lines of credit, etc., leaving us with sufficient liquidity on hand in the amount of approximately 63.0 billion yen (equivalent to 2.4 months). Accordingly, if an unexpectedly profitable investment opportunity were to emerge, we would not hesitate to consider external financing to use leverage, taking the D/E ratio into account.

Initiatives to Increase Corporate Value

Action to Implement Management that is Conscious of Cost of Capital and Stock Price

Return on equity (ROE) has exceeded 10% for four consecutive years, surpassing the target for the current midterm plan. As a result, price-to-book ratio (PBR) at the end of FY2024 also exceeded 1.0 for the second consecutive year, but it is still far from a satisfactory level. For the past year, we have worked toward a target of raising the price-to-earnings ratio (PER), which also remains low, to the average

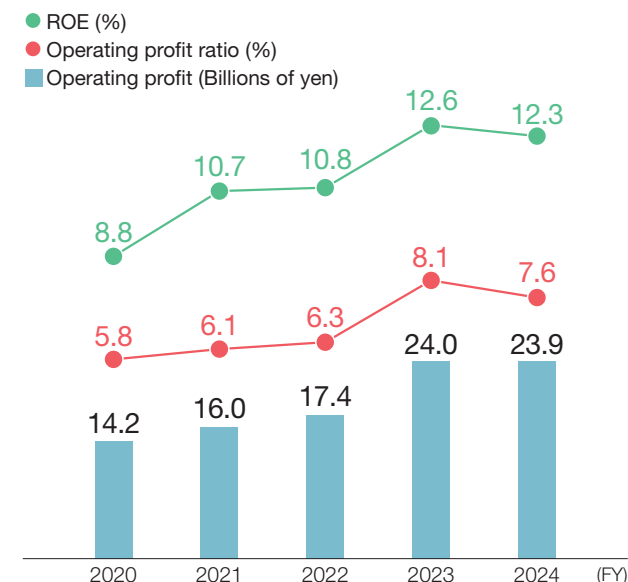
level among Prime Market-listed companies. However, it unexpectedly decreased by 2.2 (8.4), with the unintended outcome of PBR following the same trajectory. An analysis of the current situation and our response was presented in the “FY ended March 2025 Financial Results Briefing” (dated May 13, 2025), but we believe that Okamura’s growth potential is still insufficiently recognized by market participants at present.

Going forward, we must first achieve the current midterm plan. Furthermore, we will steadily make strategic investments that will generate future revenue and lead to unceasing business growth while also promoting initiatives aimed at improving return on capital. We also believe that it is crucial to raise expectations for Okamura’s future profitability through even more substantial dialogue with shareholders and investors.

PBR, ROE, and PER at Fiscal Year-end

FY	2020	2021	2022	2023	2024
PBR	0.94	0.83	0.86	1.25	1.01
ROE (%)	8.8	10.7	10.8	12.6	12.3
PER	11.5	8.0	8.4	10.6	8.4

Performance



Message from the Chief Financial Officer

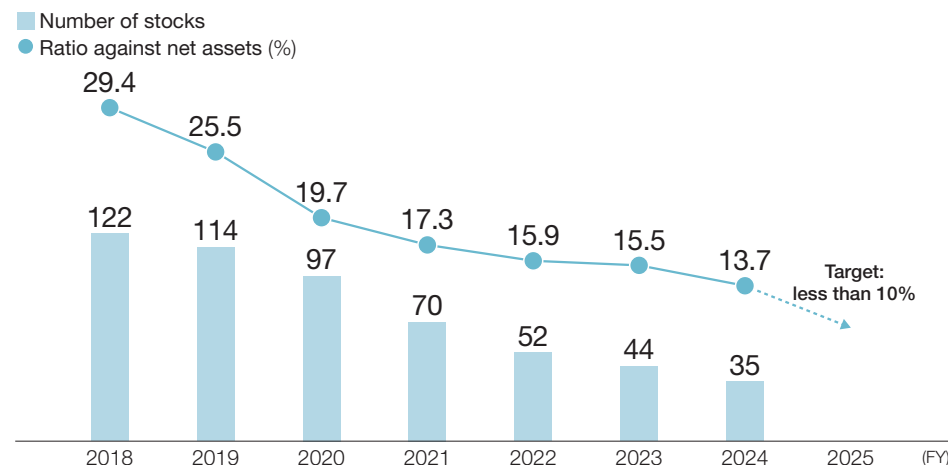
Basic Policy
for Capital
Allocation

Cash created by basic cashflow* and asset sales will be allocated to growth investment and shareholder returns as follow:

- 50.0 billion yen is to be used for strategic investments
- Shareholder return ratio is to be maintain at 40% or more of after-tax profit
- Share repurchase is to be done flexibly

*Basic cashflow:
Profit after tax + depreciation ± non-cash gains or losses

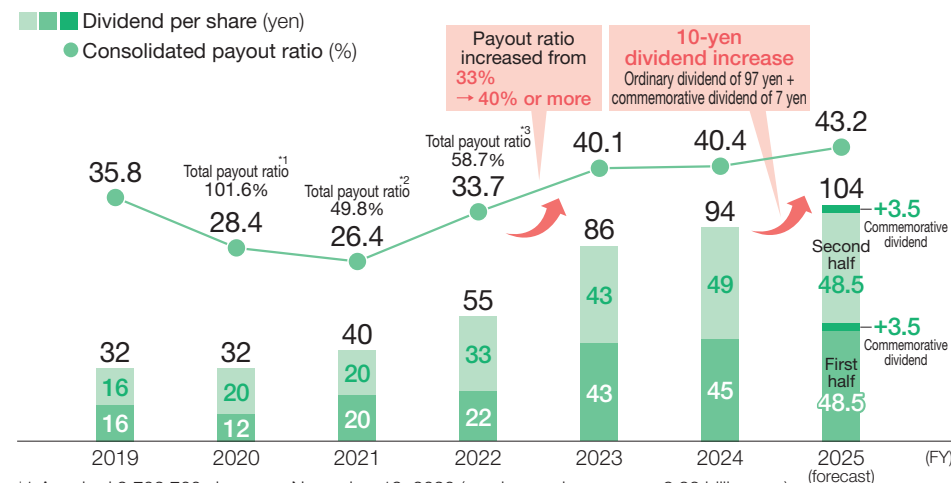
Number of Cross-Shareholdings in Listed Companies and the Ratio against Net Assets



Number of Listed Stocks and Value of Shares Sold

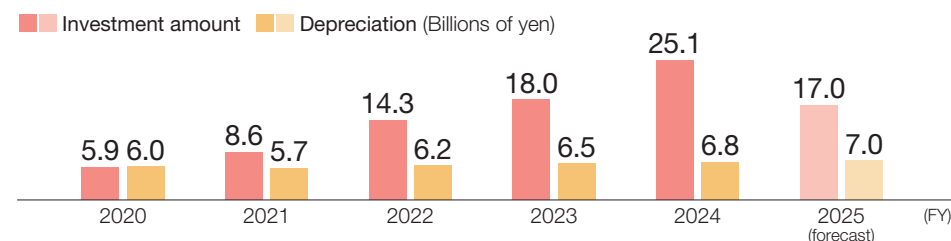
	Number of stocks	Value of shares sold (Millions of yen)
FY2018	122	1,891
FY2019	114	934
FY2020	97	3,682
FY2021	70	5,967
FY2022	52	6,280
FY2023	44	4,836
FY2024	35	4,502

Dividend Per Share and Payout Ratio



*1 Acquired 9,702,700 shares on November 19, 2020 (purchase price: approx. 8.83 billion yen)
Cancelled 11,770,509 shares on January 29, 2021 (10.47% of shares issued prior to cancellation)
*2 Acquired 1,439,000 shares on May 27, 2021 (purchase price: approx. 2.04 billion yen)
Acquired 1,259,600 shares on March 17, 2022 (purchase price: approx. 1.49 billion yen)
*3 Acquired 3,082,600 shares on March 16, 2023 (purchase price: approx. 4.07 billion yen)

Investment Amount and Depreciation



Note: Investment amount: Disbursements for purchase of property, plant and equipment, purchase of intangible assets, and acquisition of shares in affiliated companies (consolidated cashflow)

Strategies for Each Business Office Furniture Business

Basic Policy

Contribute to improving worker engagement and achieving corporate growth by enhancing our selection of products and services, working to understand the corporate cultures and climates of our customers, and creating future-proof office environments.

Surrounding Environment

- Shift from the firmly established hybrid work style that combines working from home and working at the office to a return to the office aimed at revitalizing communication
- Active investments in offices designed to resolve management issues stemming from labor shortages
- Active use of technology through the proliferation of AI

Growth Drivers

- Increase sales in the office consulting sector
- Expand sales of interior construction work, built-in furniture, and loose furniture for office spaces
- Expand to new markets in association with unmanned operation and labor saving

Strategic Challenge

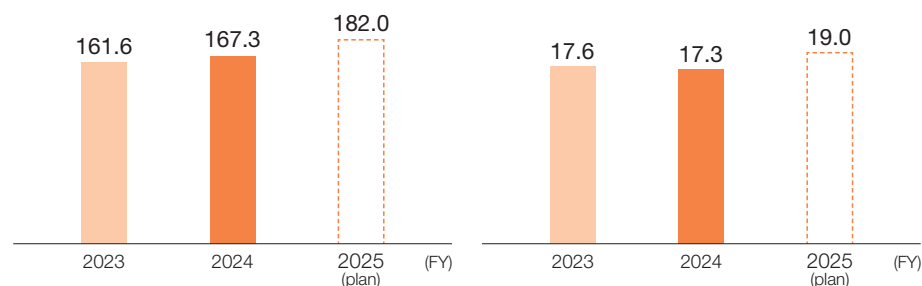
- Further strengthen consulting functions that take advantage of research findings on work styles and the extensive orders received thus far
- Strengthen designs, interior construction work, and DX proposals that meet the diverse needs of offices
- Strengthen BtoC business through improved products supporting remote work
- Expand target areas of environments where people can thrive

Review for FY2024

There is increasing interest in the creation of “The Office You Want To Go To” as a way to help solve management issues such as securing human resources and revitalizing communication. We successfully captured demand by promoting proposal-based sales capturing customer needs. While operating profit decreased due to rising personnel and SG&A expenses and the amortization of goodwill associated with the additional acquisition of shares in our consolidated subsidiary DB&B Holdings Pte. Ltd, net sales reached a record high for the fourth consecutive year.

Net sales (Billions of yen)

Operating profit (Billions of yen)



Note: Figures are rounded down to the nearest 0.1 billion yen.



Message from the Officer in Charge of Division Management

Aiming to create spaces where people can thrive, to support the future of work

Overview of the Strategy of the Midterm Management Plan 2025

Considering the social background, including declining birthrates, an aging population, diversification of values, an increased awareness of wellbeing, and the evolution of digital technology and robotics, we have established three management policies in the current Midterm Management Plan to respond to the challenges faced by customers, such as improving productivity, promoting innovation, improving employee engagement, and reducing environmental impact.

The first is creating new demand. In addition to developing products to meet market demand, we are also working on intangible measures such as leveraging the results of work style research to strengthen our consulting functions; promote spatial design, interior construction work, and DX proposals; and deepen our BtoC business. The second is strengthening management foundations to respond to changes. We are promoting human resource development and improvement of employee engagement, the utilization of digital technology,



Offices



Local government offices

Strategies for Each Business: Office Furniture Business

and optimization of the supply chain by focusing on standing inventory items. The third is initiatives to address social issues through business. We will create social value by providing safe, comfortable workplaces that stimulate creativity; supporting the planning, constructing, and utilization of co-creation spaces; applying circular designs for resource recycling; and manufacturing high-quality, highly durable products.

By steadily promoting these policies, we aim to create environments where everyone can work with vitality, and in turn achieve sustainable growth and enhance corporate value.

Progress and Results of the Midterm Management Plan 2025

In FY2024, we achieved results in a wide range of fields, including strengthening of the organizational structure, implementation of digital technology, proposal of improvements to the value of spaces, and deepening of co-creation activities.

We newly established an HR Business Partner in each business division to promote a human resources strategy that is aligned with our business strategy, and we worked to improve employee engagement by implementing engagement improvement measures and programs for managers. We also promoted the improvement of operational efficiency through the development and introduction of automated quote creation systems and tools that automatically generate office layouts using AI. Furthermore, we are working to improve the versatility and use of knowledge and know-how using digital tools. Recently, managers have come to think of office creation as an investment in resolving management issues. In order to respond to diverse customer needs, we will work to further strengthen our consulting function for work styles and space creation. In addition, on our website, we offer a support tool called OFFICE KIT, an office style assessment site where customers can investigate work styles and office spaces suitable for them at the planning stage of office creation.

As for co-creation activities, we held 158 events in FY2024 attended by a total of 3,749 people. In addition, we published



“Co-creation Starting from Zero,” a publication summarizing co-creation know-how, which widely disseminated our approach to creating innovation through co-creation to society.

With these achievements, we are making steady progress toward achieving the targets of the Midterm Management Plan 2025.

Outlook for the Final Year of the Midterm Management Plan 2025 and Future Challenges

We will strengthen BtoC activities from a medium- to long-term perspective by renewing our product portfolio based on the redefining of our target market, opening directly-owned stores, and strengthening our brand strategy using social media. In addition, we will strengthen our product development system, and continue working to develop new branded furniture such as the Buddy Furniture series unveiled at ORGATEC TOKYO 2024.



Buddy Furniture

We will strengthen our business base by promoting the improvement of operational efficiency, while at the same time developing enterprise architecture, promoting data-driven management, and strengthening our CRM strategy. In addition, we will promote the transition to an autonomous organization that utilizes individual strengths and skills, aiming to develop human resources and an organizational culture that can engage with diverse customers and propose spaces with true value.

Thus far, we have enhanced the value we provide by using our unique strengths of proposal capabilities based on understanding of customers, R&D and planning capabilities, and outstanding design and manufacturing capabilities. Going forward, in addition to co-creation activities, we will respond to the demand for office refurbishment based on our human resource strategy. Leveraging insights gained from our LABO Office, where we conduct proof-of-concept experiments for the WIL-BE 2.0 Project for Improving Employee Engagement and new work styles, we will promote the creation of spaces where people can thrive while solving problems alongside our customers.

Through the creation of spaces, we will aim to realize a future society in which people work, live, and connect with vitality.

Okamura's Strengths in the Business

Aiming to realize a society where people can thrive through the creation of spaces that bring customers' aspirations to life

In addition to manufacturing and installing furniture for a wide range of areas such as offices, schools, hospitals, research centers, and public facilities, we are also engaged in various stages of space creation, such as work style consulting, space creation project management, and spatial design.

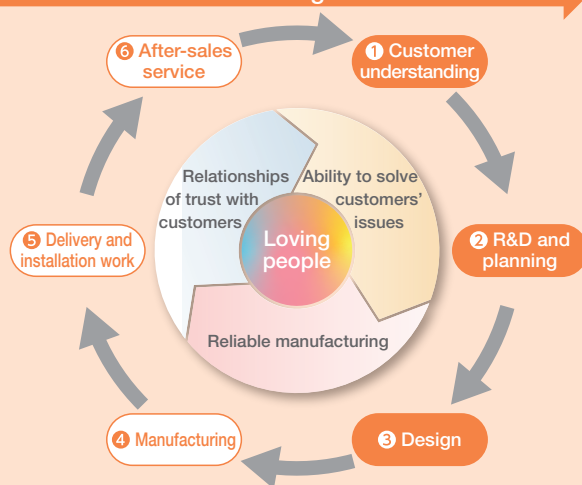
Our track record in office development, for which we are a leader in the industry, is underpinned by our product development capabilities that allow us to create new demand by anticipating change, advanced production technology that allows us to manufacture high-quality products, a stable supply system, a nationwide network of sales locations, and strong relationships with leading dealers. In addition, at the Work Design Research Institute, we pinpoint changes in social trends and people's awareness, and work with researchers in various fields of expertise to explore the ideal future state of work styles and workplaces. We reflecting the results of research in products and spatial design, allowing us to create better spaces for customers, which serves as a strength for Okamura. Furthermore, we are also focused on after-sales service. We aim to maximize lifetime value* (LTV) and develop a new service model by offering services such as regular maintenance and layout changes.

*Value generated by customers in the future. The life-long value of customers.

Strategies for Each Business: Office Furniture Business

PICK UP!

Value Flow and Strengths



① Customer understanding

We provide meticulous customer service by establishing a nationwide network of sales locations and an industry-specific expertise system. We are deepening ties with nationwide dealerships as sales partners. We contribute to more fundamental problem-solving by building strong relationships with customers and deepening their understanding of our corporate culture.

- ▶ Number of Sales Locations*¹ **49**
- ▶ Number of companies registered with dealership associations **538**

*1 As of April 1, 2025

② R&D and planning

Since the establishment of the Office Research Center (now the Work Design Research Institute) in 1980, we have accumulated insight on work styles and workplaces, which we have used for product development and making proposals to customers. In addition, we have also incorporated this insight into the spatial design of our experimental offices (LABO Offices) and used the results in making proposals to customers.

- ▶ Research on work styles and workplaces **44 years or more**
- ▶ Peer-reviewed papers and conference presentations*² **220 or more**
- ▶ LABO Offices **9 locations**

*2 Applicable period: 2000 to 2024

③ Design

We have a track record of completing 30,000 or more office space design projects per year in Japan. We are training trend-setting spatial designers by sharing a variety of case studies. We also employ numerous product designers, allowing us to strengthen our production system so that we can handle the entire process within our company, from design to manufacturing.

- ▶ Number of employees engaged in office design **275**
(Space design, facility design, construction design, product design)
- ▶ Number of design awards received*³ **Total of 664**
(GOOD DESIGN AWARD, Red Dot Design Award, and other national and international design awards)

*3 As of March 31, 2025

Building relationships that allow us to solve problems together with customers

We offer proposals for constructing new offices to customers (companies) who are relocating or refurbishing an office. We delve deeper into why the customer is relocating or refurbishing their office, and work to provide a proposal that eliminates any issues or problems while bringing to life the ideas of both the management team who will create the office and the employees who will use it. In addition, we consider how the customer will work after the new office becomes operational, aiming to build a relationship that allows us to resolve issues together.

In a project in which a customer was consolidating and relocating their offices for the first time in 30 years, we held tours and workshops for representatives of the locations and departments to be consolidated, and asked their opinions on work styles and hopes for the new offices. We provided this feedback to the customer's management team, which bridged the gap in the office relocation between those creating the office and those who would be using it. This allowed us to ultimately create an office that satisfied everyone at the company.



Akasaka Branch, Tokyo Regional Sales Office,
Office Furniture Sales Division, Office Furniture Division
Moe Inada

Generating hints for supporting a comfortable work style

We conduct surveys and research to clarify the ideal office and furniture for the customer's comfort. We share insights gained in our surveys and research with the customer through catalogs, websites, study groups, and more.

For ergonomic research, we conduct surveys on comfortable work postures and work environments and use the results in the planning and development of office chairs and other products. We thoroughly explain to customers that there are reasons why posture during work must be considered and why office chairs are shaped the way they are. We also explain that these reasons are backed by the results of diligent investigation and research. I have felt firsthand that this allows our customers to choose and use our products with confidence.

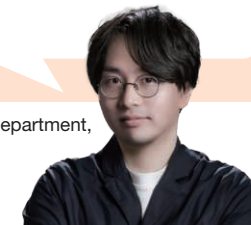


Work Design Research Institute,
Work Style Consulting Office, Office Furniture Division
Ayumi Mineno (Certified Professional Ergonomist)

Designing to create vibrant offices with customers

With spatial design of workplaces as our core focus, we aim to expand the value we provide by establishing collaboration networks and designing processes and systems.

In an office refurbishment project for a customer aiming to return employees to the office, we planned tours of various facilities as well as workshops, and designed a process in which we could consider the ideal office along with the customer. Before handing over the new office, we distributed original goods at the customer's company event, allowing them to learn about the concept in a fun way. In addition to high-quality spatial design, I believe that thinking about the process of creating the office along with the customer and considering how to convey the story behind the office are important for creating a vibrant office.



Creative Direction Center, Space Design Department,
Office Furniture Division
Naoto Yoshida

Message from the Officer in Charge of Overseas Business

Further Strengthening Our Overseas Business



Strengthening our overseas business is a key issue in strengthening our management foundation to achieve further growth for the Company. In FY2025, as the final stage of the Midterm Management Plan 2025, we are accelerating various initiatives under the four keywords of “products,” “human resources,” “branding,” and “alliances” as we aim to transition to a “local production for local consumption” business rooted in the local market.

First, for products, we are promoting the development and production of products for the Southeast Asian market in plants in Thailand and China with a view to promoting local production for local consumption. Next, for human resources, we are focusing on training outstanding local staff and developing corporate managers at local subsidiaries. For branding, we are working to convey our products crafted with meticulous attention to detail and finely tuned services worthy of the Japanese brand Okamura, based on the global brand concept of “To the last detail.” At NeoCon 2024, North America’s largest commercial interior design trade show which was held in Chicago last year, we earned high praise for our exhibition based on the theme of “To the last detail.” I can feel Okamura’s global recognition slowly but surely gaining momentum. Going forward, we will continue to

implement a variety of measures such as appearing in showroom exhibitions, using digital marketing tools, and issuing catalogs. For alliances, we are conducting M&A activities to strengthen our presence in overseas markets. For example, we acquired DB&B Holdings Pte. Ltd, a Singapore-based interior design company, as a wholly-owned subsidiary in July 2024. The company’s core customers are multinational companies (MNCs) expanding into Southeast Asia, and its strength lies in its office design work that is highly regarded in Europe and the U.S. In addition, we acquired Boss Design Limited, a UK furniture manufacturer, as a wholly-owned subsidiary in April 2025. Boss Design has a global reach, with its upper-mid grade products available in major countries worldwide. It also has a sales and manufacturing subsidiary in the U.S. Combining

the presence of Okamura in Japan and the strength of Boss Design Limited in the UK, Europe, and the Middle East, we will strengthen our overall group-wide capabilities in making proposals in Japan and overseas with an enhanced product lineup, by expanding our sales area and using the plants of both companies for local production. We will link these M&A activities to the strengthening of our business base in the Asian, European, and U.S. markets.

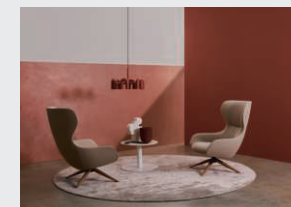
By accelerating initiatives related to these four keywords, we will promote the establishment of a “local production for local consumption” system rooted in the local market. Through the active use of M&A, we will expand our global business platform and aim for the sustainable development of our overseas business while flexibly responding to the diversifying needs of global markets and customers.

UK Furniture Manufacturer Boss Design Limited

Boss Design Limited, which we acquired as a wholly-owned subsidiary in April 2025, is a UK-based office furniture manufacturer established in 1983. Known for its refined elegance of modern Britain, innovative design and its early adoption of cutting-edge manufacturing processes, combining technology and traditional techniques to manufacture high-quality furniture that is meticulously crafted down to the finest detail. In addition, it places importance on sustainability through the use of eco-friendly materials and highly durable product design, incorporating a sustainable design approach for each product at every stage of the process from planning to disposal.

With showrooms in London, Manchester, Chicago, and Dubai, the company has established a business

base as a reliable furniture brand offering a wide range of furniture including lounge seating, chairs, tables, work booths, and storage, mainly to the UK, European, and U.S. markets. Boss Design Limited’s network will be an important foothold for us to fully expand our U.S. business in the future.



Strategies for Each Business Store Displays Business

Basic Policy

Utilize our ability to offer an integrated service, from proposals to after-sale services, in order to support store development of the future and to address issues faced by retailers and respond to social demands.

Surrounding Environment

- Progress of labor-saving and automation arising from labor shortages in stores
- Eco-friendly and energy-saving features are becoming requirements for store facilities/equipment
- Progress in digitalization and personalization of consumer behaviors

Growth Drivers

- Expand involvement in domains of store/interior design and store digital platforms
- Expand remote monitoring services for refrigerated showcases
- Expand sales of prefabricated refrigeration equipment

Strategic Challenge

- Expand store design proposals, interior design, and digital signage
- Expand sales of refrigerated showcases and remote monitoring systems for stores
- Develop new equipment management solutions



Director and Managing Executive Officer,
Senior General Manager,
Store Displays Division
Shinji Sakatoku

Message from the Officer in Charge of Division Management

Resolving customers' social issues through store development to realize a society where people can thrive

Overview of the Strategy of the Midterm Management Plan 2025

In the Midterm Management Plan 2025, we focused on enhancing our store design function when developing stores so we could identify issues faced by customers and resolve them at an early stage. This has allowed us to provide value to customers with a broader and deeper scope than ever before. Furthermore, we are taking on the challenge of achieving smart stores (labor saving and digitalized) as a new business area.

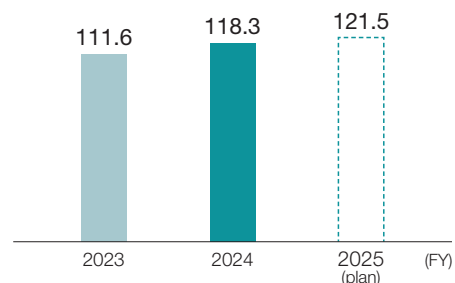
Results and Issues of the Midterm Management Plan 2025

The numerical targets of the Midterm Management Plan 2025 were 121.5 billion yen in net sales and 6.0 billion yen in operating profit. In FY2024, the second year of the plan, we assessed that our business had grown to a level where these

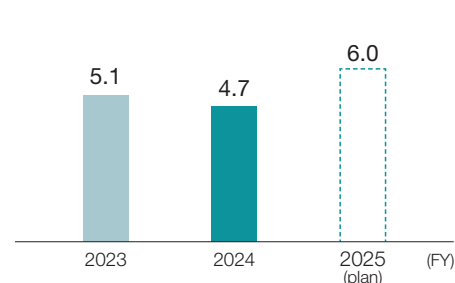
Review for FY2024

Demand remained firm against the backdrop of competition between business formats, recovery in inbound demand, and inquiries about task automation products due to labor shortages at stores. We focused on capturing total orders, including for various forms of construction, through proposals that leverage the strength of our comprehensive capabilities. While operating profit decreased due to soaring material prices and rising personnel and SG&A expenses, net sales reached a record high for the second consecutive year due to the capture of new demand and timely price revisions.

Net sales (Billions of yen)



Operating profit (Billions of yen)



Note: Figures are rounded down to the nearest 0.1 billion yen.



Supermarkets



Drugstores

Strategies for Each Business: Store Displays Business

targets are achievable. Our new business areas are growing steadily, and we achieved results such as increased orders for large-scale properties.

With the cost structure of business having changed significantly in the past several years due to the shift from a deflationary economy to an inflationary economy, we are working to increase profits by carrying out price revisions and cost savings. By accelerating the development of high-value-added products and services, we will further increase profits and help customers resolve issues.

To Become the Only One Company that Creates a Prosperous Future through Store Development

Beyond the resolution of social issues in the retail industry, our vision is to become the only one company that creates a prosperous future through its store development, and this is something we have shared with all employees related to the business. To achieve this vision, we have focused on developing the functions needed to solve issues faced by our customers. As an approach to realizing this vision, we have identified six social issues facing the retail industry, which we will strive to resolve as we work toward achieving our mission and purpose.

As the issues facing customers become more complex and diverse, the “Research Lab that Creates the Future of Stores (MISEIKU LAB)” established in 2024 serves as a space for co-creation, where we work closely with customers to identify issues through workshops and other activities. We have implemented a well-received co-creation program in which we look around the store with the customer and finding issues by identifying aspects of the store that are good and those that could be better.



Vision for the Store Displays Business



In addition, there has been an increase in the use of digital technology-based solutions as a method of solving customers' issues, and we are strengthening our organizational structure for conducting research and development on store digitalization. We will work to make it the core of our next growth drivers.

Our business environment is in the midst of significant changes, as is the environment for our customers. Under these circumstances, we will push ahead with initiatives to provide value to our customers by enhancing our strengths, namely our comprehensive capabilities in store development, design proposal capabilities, and rich product lineup. In addition, in December 2024, we constructed and began operations at a new plant that manufactures refrigerated showcases in Suzaka, Nagano Prefecture. While balancing activities geared toward the future with the strengthening of our current business base, we will strive to move closer to our vision together with our stakeholders.

Okamura's Strengths in the Business

To become the only one company that creates a prosperous future covering all aspects of store development

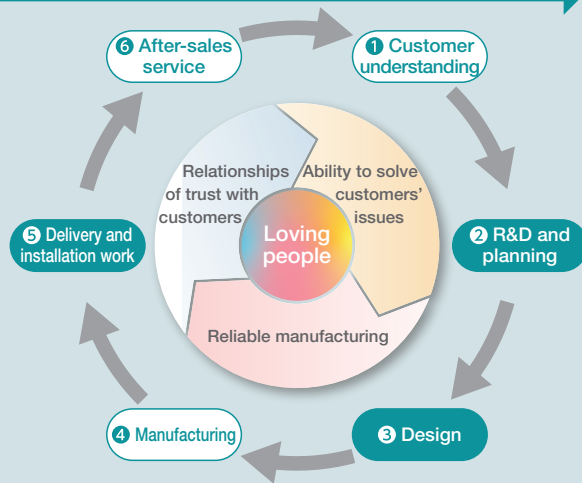
Our strength lies in our comprehensive capabilities that integrate the entire store development process from planning and proposal, to manufacture and installation of fixtures and refrigerated showcases, to after-sales service, and our ability to respond quickly and flexibly to the diverse needs of customers.

Issues in the retail industry have become more complex and diverse in recent years. We have anticipated these changes and actively introduced and researched cutting-edge digital technology such as sensing technology, 3D store models, and image analysis. By making full use of this technology to enhance data-based space solutions, we will guide our customers' businesses into a new stage. Rather than limiting ourselves to creating spaces, we will make continuous proposals for improvement based on data analysis to produce valuable, sustainable spaces. In this way, we will grow with our customers as a close management partner, and continue to take on the challenge of becoming the only one company that creates a prosperous future through store development.

Strategies for Each Business: Store Displays Business

PICK UP!

Value Flow and Strengths



② R&D and planning

In response to the diverse issues facing the retail industry, we are focused on developing solutions aimed at solving customers' issues. Recently, there has been an increase in the need to discover potential issues and to use technology. Accordingly, we have strengthened our function of creating innovation with initiatives such as the "Research Lab that Creates the Future of Stores (MISEIKU LAB)," where we research store development and co-create with people in various positions. We aim to have these efforts lead to new businesses.

- ▶ Ratio of products developed through co-creation with customers **48.2 %**
- ▶ Number of co-creation activities* **6**
- ▶ Number of employees engaged in research and co-creation activity **62**

*Number of activities since the launch of MISEIKU LAB in April 2024

③ Design

Store design is a vital function for solving customers' issues. We believe it is the source of the value we provide, and we are working to strengthen it. We have store designers nationwide who receive feedback directly from customers and work with them to develop stores. Our store designers strive to further refine their skills daily through overseas tours, design training, and more.

- ▶ Number of locations with store designers **22**
- ▶ Number of employees engaged in store design **116**
- ▶ Number of design proposals **193**

⑤ Delivery and installation work

To respond to retailers' store-opening needs, we have established an engineering system for nationwide store openings. By strengthening our relationships with our partner companies, we are able to flexibly respond even to mass store openings by customers. Another one of our strengths is that we have the system and know-how to quickly restore stores that are a part of a region's infrastructure, in the event of a disaster.

- ▶ Number of engineering locations **12**
- ▶ Number of partner companies **1,165**

The future of commercial spaces that new business development unlocks

We develop new services aimed at enhancing the value of physical stores and supporting customers' management. We were presented with the opportunity to actually experience operations at a retail store in order to understand the customer's frontline experience more deeply than ever before. This was a valuable experience, made possible because of our strong relationship with the customer, and allowed us to identify issues in the customer's operations more precisely. We create new value by combining frontline perspectives such as these with movement data analysis of people, products, and objects in commercial spaces. We propose the optimal spatial design and layout by analyzing the flow of people and product data, and thus provide a comfortable working environment for the customer's employees and improve their operation efficiency. I believe that we can ultimately help enhance the value of experiences for ordinary consumers as well.

In addition, by introducing technologies including sensing technology, 3D store models, and image analysis technology, we will strengthen data-based space solutions and guide customers' businesses to the next stage. Rather than limiting ourselves to designing spaces, we will create sustainable spaces by making continuous proposals for improvement based on data analysis, and grow with customers as a partner in management.

Future Business Promotion Department,
Store Displays Division

Daisuke Nagayama



Designing from a perspective close to customers and from a bird's-eye view

At the Project Design Center, we use store development know-how and next-generation design techniques cultivated from our relationships with customers across Japan to promote projects led by the store designers and teams in charge of each district. In a supermarket project centered in Nagoya, we worked with the Chubu Design Center to make a comprehensive proposal that included everything from development of the spatial concept to exterior and interior design, which was chosen by the customer. At the Chubu Design Center, we designed the space with a perspective that only someone who handles the matter regularly could understand, considering issues such as how to align the exterior decorative panels and overflowing indirect light with the customer's vision, and how to make fixtures easy to operate. At the Project Design Center, we used our know-how to propose a new ideal store and ran interior and exterior simulations using 3D models. By designing the space from a perspective close to the customer as well as from a bird's-eye view, I feel that we were able to help achieve the customer's vision.

Project Design Center,
Store Displays Division

Miki Kanai



Chubu Design Center,
Store Displays Division

Hatsuki Yamamoto



Teamwork and connections with others

The Engineering Department handles mostly frontline management of stores.

When a customer opens a store, we may hold meetings and correspondence on behalf of the assigned sales team. We share knowledge gained on the frontlines within the team and collaborate with installation work and sales teams in each area of Japan to ensure that the project can move forward smoothly. This smooth collaboration and teamwork has been recognized by customers, and we have had the opportunity to provide guidance for installation work at overseas sites in the U.S., Australia, and New Zealand.

Going forward, we will continue to be conscious of teamwork in our daily operations and provide customers with the best service possible.

Engineering Department,
Store Displays Division

Takanori Yokono



Strategies for Each Business Material Handling Systems Business

Basic Policy

Develop and provide products and services that are unique to Okamura, leading to the enhancement of the capabilities and versatility of existing core products and the realization of smart logistics.

Surrounding Environment

- Expanding EC market and acceleration of Internet shopping
- Employee shortages faced by distribution sites and the “2024 logistics problem”
- Progress of automation and robotization for logistics facility equipment

Growth Drivers

- Increased sales and improved profitability resulting from the recovery of supply chains
- Expand maintenance service business
- Establish/expand joint venture business in China

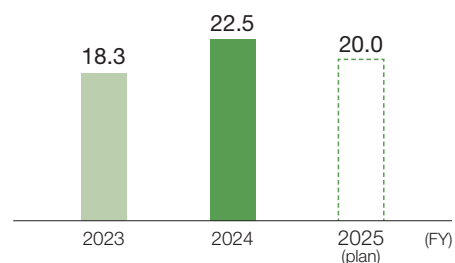
Strategic Challenge

- Enhance the capabilities and versatility of existing core products such as rotary racks, conveyors, and ORV
- Develop picking robots and other new products and services
- Full-scale establishment of a joint venture business in China and achievement of profitability at an early stage

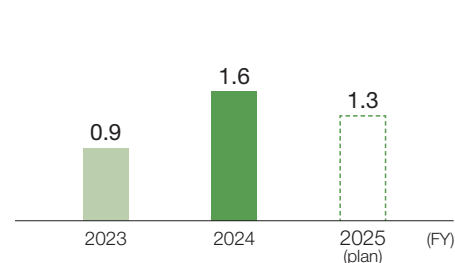
Review for FY2024

Given labor-saving needs, we actively pursued proposal-based sales in an attempt to increase orders, and this result in achieving sales of multiple large-scale properties. While global supply chain disruptions continue to cause delays in the procurement of materials and increases in material prices, we are striving to ensure profits by promoting the passing of increased costs onto selling prices. This led to record-high net sales and increased operating profit.

Net sales (Billions of yen)



Operating profit (Billions of yen)



Note: Figures are rounded down to the nearest 0.1 billion yen.



Message from the Officer in Charge of Division Management

Resolving customers' social issues and realizing a society where people can thrive through movement and linking technologies

Overview of the Strategy and Issues of the Midterm Management Plan 2025

Our Material Handling Systems Business engages in automation and labor saving at production and logistics sites using an integrated system, covering not only the manufacture and sale of material handling systems equipment, but also everything from logistics process proposals based on investigations and analyses to industrial software design and development, equipment installation, and after-sales services.

The Midterm Management Plan 2025 aims to create new demand and expand our business by developing and providing products and services that are unique to Okamura, and to have them lead to the enhancement of the capabilities and versatility of existing core products and the realization of smart logistics.

To this end, we are engaged in business with the following three strategic challenges under the Midterm Management Plan: (1) enhancement of the capabilities and versatility of



Automated storage systems



Robot storage systems

Strategies for Each Business: Material Handling Systems Business

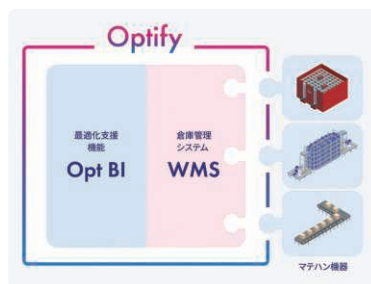
existing core products such as rotary racks and conveyors, (2) development of new products and services, and (3) full-scale establishment of a joint venture business in China and achievement of profitability at an early stage.

Launch of the Optify Warehouse Optimization System

As logistics has recently become a vital part of social infrastructure, the operation and management of logistics facilities has become more complex. Okamura is working to expand its business domain from partial optimization proposals focused on our own products to facility-wide optimization proposals using a diverse range of material handling equipment, not limited to our own products. As part of these efforts, we launched the Optify warehouse optimization system in May 2025 with the aim of strengthening our software domain.

In addition to serving as a general warehouse management system, Optify also collects and visualizes warehouse

operation data through the business intelligence (BI) function, and supports frontline managers with quick and accurate decision-making and frontline improvement through AI analysis.



“Think anew, Go beyond solutions.”

FY2025 is the final year of the Midterm Management Plan 2025. With demand for labor saving in logistics facilities remaining strong and per-property scale increasing, we successfully captured demand and achieved our financial targets for net sales and operating profit a year ahead of schedule. Furthermore, we achieved profitability in the joint venture business in China in a single fiscal year, and are steadily strengthening our foundation for global expansion. On the other hand, we will continue to work on our strategic challenges. We are developing rotary racks to enhance their

capabilities, and we are promoting the standardization of existing products such as conveyors to further strengthen our product features. In addition, we are actively working to develop new products such as picking robots utilizing the unique traits of Okamura, and we will flexibly respond to changes in the times and the market.

In the lead-up to the next Midterm Management Plan, we will work to provide facility-wide optimization using solutions not limited to our own products and to further strengthen our support systems. We aim to enhance customer value and achieve customer success for equipment that we have installed by developing and providing remote system monitoring, preventative maintenance, and data-based maintenance services.

Only goal is not simply full automation. We believe the vision for the future that we should pursue is to realize logistics bases where people can work with vitality, coexisting with material handling systems and robots. To this end, we ask ourselves how to look at ways to provide solutions that exceed customers' requirements by discovering the true nature of issues as their logistics partner, and how we clarify the future beyond their implementing our solutions. We continuously convey this sentiment internally and externally through the business message, “Think anew, Go beyond solutions.”

As a material handling systems integrator, we promote well-being by reducing heavy and dangerous work through the improvement of logistics bases, and we encourage diversity by creating workplace environments without physical restrictions. We will increase efficiency and productivity while creating logistics environments where everyone can work with ease and vitality, as we aim to realize a society where people can thrive through the resolution of logistics issues in society.

By thoroughly aligning ourselves with our customer needs through movement and linking technologies and providing unparalleled logistics systems, we hope to contribute to solving the labor shortage that faces the logistics industry and improve work environments, creating a future in which people can thrive.



Okamura's Strengths in the Business

Support that integrates everything from consulting support at the investigation stage to operational support and improvement after installation

Using movement and linking technologies, we contribute to the achievement of automation and labor saving at production and logistics sites across a wide range of industries and business formats through the manufacture, sale, and system establishment of material handling equipment.

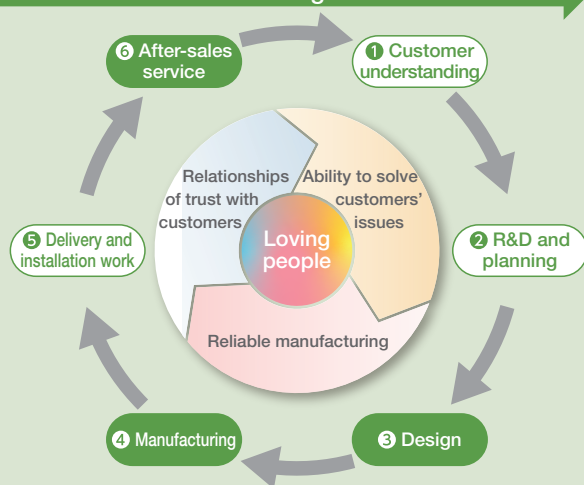
We analyze customers' current situations and propose the optimal combination of a diverse range of material handling equipment, not limited to our own products and even including products made overseas. We deliver reliable quality by managing the entire process from the manufacture and delivery of equipment to the arrangement of installation work and construction management. We internally design and manufacture the software that supports frontline operations and controls material handling equipment. In terms of manufacturing, in addition to our automated storage systems and conveyor products that have continued to evolve for over 40 years, we are actively working to develop and introduce new products such as autonomous transport robots.

It is not our goal to simply deliver products to customers. Rather, we see the beginning of operations as the beginning of our journey together with customers. Even after operation begins, we continue to offer support for the stable and effective operation of customers' equipment through maintenance and data analysis.

Strategies for Each Business: Material Handling Systems Business

PICK UP!

Value Flow and Strengths



③ Design (solution design)

We have been engaged in the automation of logistics facilities for over 50 years, and have worked with customers in a variety of industries. One of our strengths is our ability to design and propose solutions tailored to the customer's specific needs using the wide range of knowledge of both our own products and foreign-made products such as automated storage systems and transport equipment.

- ▶ **Number of designers***1 97
(Solution design, technology design, software development)
- ▶ **Number of proposals per year** Approx. 600

*1 As of July 25, 2025

④ Manufacturing (product development)

Since its launch in 1978, the Rotary Rack has undergone numerous improvements and has been used by a large number of customers. One of our strengths is our ability to uniquely develop foreign-made products such as AutoStore so that they are suited to Japan's environment, in addition to our own products, and provide them to customers with the quality that they expect.

- ▶ **"Rotary Rack" automated storage system**
Since its launch in 1978, we have delivered more than **1,000** units
- ▶ **"AutoStore" robot storage system***2
Since the first delivery in Japan in 2016, we have delivered to over **60** sites

*2 Okamura is an authorized dealer

⑥ After-sales service

After installing equipment, we support stable and effective operation by providing preventative maintenance and regular inspections to avoid breakdowns. In addition, we equipped automated storage equipment with IoT functionality in 2022, allowing us to further strengthen our remote support system using operation data.

- ▶ **Remote support** Approx. **100** sites
- ▶ **Support system** **24/7, 365** days a year

Proposal capabilities based on trust and co-creation built from a frontline perspective

The Solution Design Department handles the design of solutions proposed to customers. We start by researching and analyzing the current operation data and operational flow of the customer's logistics facilities in detail, and use that information to devise facility-wide zoning and operation methods. We repeatedly select equipment and calculate capability to design and propose the optimal operation method and layout. In order to propose the optimal solution, I believe it is important for the customer to concretely envision the state of operations before moving forward with the project. For this reason, I strive to make proposals that are easy to understand even for those who are involved in installation for the first time, and that allow customers to easily envision actual operations.

One site had issues with human error, such as the wrong label being applied to products, so we reviewed the operational flow and proposed an operation in which products are collected and grouped by destination before shipping. This led to fewer simultaneous operations and significantly reduced errors.

Solution Design Department,
Material Handling Systems Division
Ai Yamada



Technological capability that earns us close, long-term relationships with customers

The Machine Design Section handles the design of products that are manufactured in our plants. Based on the layout proposed by the Solution Design Department, we design machines in accordance with customers' requirements while taking assembly and processes into consideration. I handle the design of rotary racks, and I make precise adjustments in accordance with the site's operating environment and space requirements, with a constant awareness of weight, strength, and interoperability with lifting systems and other equipment.

In addition to being a robust product due to its simple mechanism, the Rotary Rack is a long-selling product that has undergone repeated improvement in response to changes in the times and issues at logistics bases. We continue to make detailed, meticulous improvements for reasons such as complying with safety and shipping requirements and preventing misuse and dangerous conduct. By valuing coordination with relevant departments and doing our best to pass on techniques to our junior colleagues, we will work to design products that can be relied on for years to come.

Machine Design Section, Technology Office,
Engineering Department, Material Handling Systems Division
Yusuke Yabe



Expert support capabilities that support stable operation

The CS Technical Center supports customers in maintaining the optimal operational condition of equipment through preventative maintenance, regular inspections, and more. In addition to regular maintenance, it is also vital to have a support system that aids in the quick recovery and continuity of operations in an emergency.

Unexpected breakdowns sometimes occur due to cases such as a sudden surge in volume exceeding the capability of the warehouse management system, or system integration malfunctions. We always strive to discover such issues early and support a rapid recovery. For equipment that comes standard with IoT functionality, we can remotely correct programs and investigate operation logs, which allows us to provide same-day service. I find it deeply rewarding when we come across an error with an unclear cause and are then able to identify and eliminate that cause, and also when we receive words of gratitude directly from a customer. Going forward, I will continue providing support with a sense of responsibility as an expert that supports the stable operation of equipment.

CS Technical Center, Material Handling Systems Sales Department,
Material Handling Systems Division
Ayumu Shigehara



Strategies for Each Business Powertrain Business

Basic Policy

Provide environmentally friendly products for industrial vehicles that take advantage of core technologies in powertrain manufacturing in a wide range of fields globally.

Surrounding Environment

- Step-by-step progress of industrial vehicles responding to environmental demand
- Rising labor-saving and automation needs in duties on-premises and within facilities
- Revision of the global procurement system for forklift manufacturers

Growth Drivers

- Recovery of demand in the North American market
- Commencement of the development and sale of new motorized unit products
- Increased sales from acquiring new customers in the global market
- Expansion of joint venture business in China

Strategic Challenge

- Expand the applications of new motorized unit products
- Expand the field of environmentally friendly clutch units
- Expand the customer base globally centered on North America and China



Director and Managing Executive Officer,
Senior General Manager, Production Division

Kazumi Arakawa

General Manager, Powertrain Division,
Production Division

Akihiko Ando

Message from the Officer in Charge of Division Management

Providing value to ensure the reliable use of vehicles working worldwide

The Midterm Management Plan 2025 establishes the global provision of products as a key theme, with the development of eco-friendly products as the core focus. In terms of product development for the forklift market, which is one of the main pillars of the business, we are developing a lineup of unit products for small electric vehicles. We are also enhancing our lineup for large engine-powered vehicles by developing energy-saving products through electronically controlled automatic transmissions and compliance with exhaust gas environmental regulations. We are also striving to expand the business by proactively making proposals to customers according to the wide range of ways in which they will use the products, such as in agriculture, forestry, and road machinery.

Business in China has grown steadily since it began in 2013, and we will continue working to expand our global customer base with a focus on the two regions of Japan and China with a view to further expanding the business.

Since our products are mounted in working vehicles such as industrial vehicles and construction machinery, we recognize that they are an indispensable part of people's lives. We believe we can help people thrive through the provision of value that enables working individuals to use vehicles safely. In this area, the products we develop, produce, and provide have received wide acclaim from customers, contributing to the creation of environments where people can thrive.



Torque converter type transmission
for forklifts



Transmissions for snow removal vehicles



Cleaning robots

Message from the Officer in Charge of Production and Supply System

Further enhancement of our manufacturing capabilities: our frontline technological capabilities and culture of improvement are the source of our competitive advantage



Director and Managing
Executive Officer,
Senior General Manager,
Production Division
Kazumi Arakawa

The external environment surrounding the Okamura Group is changing drastically, such as the diversification of workstyles, soaring material prices, and chronic labor shortages. In addition, there is an urgent need to establish a production and logistics system that can support our future growth, such as changes to the product mix in the Office Furniture Business, implementation of labor-saving measures in stores in the Store Displays Business, and changes to the quality demanded by the market.

In this environment, Okamura will focus on strengthening and passing on the commitment to manufacturing and technological capabilities cultivated since our founding, while further enhancing our manufacturing capabilities to realize product planning and design that create new markets. Through the promotion of creation of workplaces where people can thrive and the establishment of a high-mix, variable-volume production system, we will reinforce our production and logistics systems and our manufacturing technologies to ensure stable supplies, and at the same time prioritize the development of human resources who can realize these activities.

Further Strengthening Our Manufacturing Capabilities for Achieving Product Planning

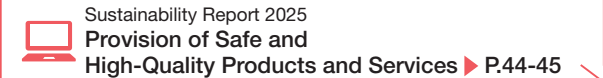
I believe that Okamura's strength lies in its development capabilities. We have taken on years of technological challenges, including the

development and utilization of new materials and the use of new processing technology to create new markets. We will further strengthen our manufacturing capabilities, which allow us to turn product development planning and design into actual products, as the foundation supporting our development capabilities. These capabilities enable us to transition from prototype development to mass production through a structural evaluation of product development planning and design. In addition, we also have equipment, technology, and human resources to transform the product planning into reality, which are the source of the competitive advantage of Okamura's products.

Developing Human Resources Who Support the Provision and Manufacture of Safe and High-quality Products and Services

The Okamura Group has established a quality improvement promotion system aimed at improving customer satisfaction by providing safe, high-quality products and services. We are working to ensure thorough quality control through the operation of a quality management system as well as an assessment system. We educate all employees to enhance their awareness of the importance of the safety and quality of our products and services and our responsibility as a company, and ensure they practice this in their work. We have also established the Quality Assurance Committee to conduct risk management related to the quality of products and services.

In 2011, we opened the Technical Skills Training Center with an aim of passing on and expanding the technical skills that support the development and production of competitive products. It is operated as a space to systematically learn everything from fundamental processing technology to applied production technology. In FY2024, we expanded the curriculum to deepen understanding of advanced management technology and production processes, restructuring the center as a "Training Center." Furthermore, we also participate in the National Skills Competition Japan with the aim of cultivating technical specialists. Since 1997, Okamura Group's production plants have promoted the Okamura Production System (OPS), a production method that pursues strict rationality in manufacturing, which we have linked to human resource development at production sites.



Sustainability Report 2025
Provision of Safe and
High-Quality Products and Services ▶ P.44-45

Supply Chain Capabilities to Achieve Stable Supply and Cost Optimization

We are promoting the enhancement of a high-mix, variable-volume production system as a means of strengthening our management foundation in the Midterm Management Plan 2025. We have established a production system that ensures stable supply and meets customer demands by using inventory replenishment lot production for fast-selling products and completely made-to-order production for long-tail products with less frequent sales. With the supply chain reforms currently underway, we strengthened inventory optimization and delivery deadline management ahead of the year-end period when demand peaks. We were able to deliver products to a large number of customers in a timely manner, which contributed to significant growth in sales and profit for the fourth quarter of FY2024. We recognize that we must further evolve our production system into one that can respond to changes in the external environment. We will continue working towards this goal as we also increase the efficiency of our nationwide logistics system.

Training Center

Since the Technical Training Center was established in 1962 as Okamura's technical education organization, we have continued to establish educational institutions—changing names and formats—to pass on knowledge and skills and develop human resources.

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Improving Skills through Participation in the National Skills Competition Japan

The National Skills Competition Japan is a skills competition in which young skilled workers from around Japan gather for the purpose of improving technical abilities, developing human resources development, and disseminating skills. Okamura has participated in the competition every year since 2013. In 2024, we participated in the "Sheet Metal Work" and "Refrigeration and Air Conditioning" categories, and won a bronze in "Refrigeration and Air Conditioning."

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Message from the Officer in Charge of Personnel and Human Resource Development, DX Strategy, and Global Environmental Initiatives

Fostering a flexible and challenging corporate culture is the key to sustainable growth



Director and Senior Managing Executive Officer,
Senior General Manager,
Corporate Strategies Division and HR Division, CHRO **Yoshikazu Sato**

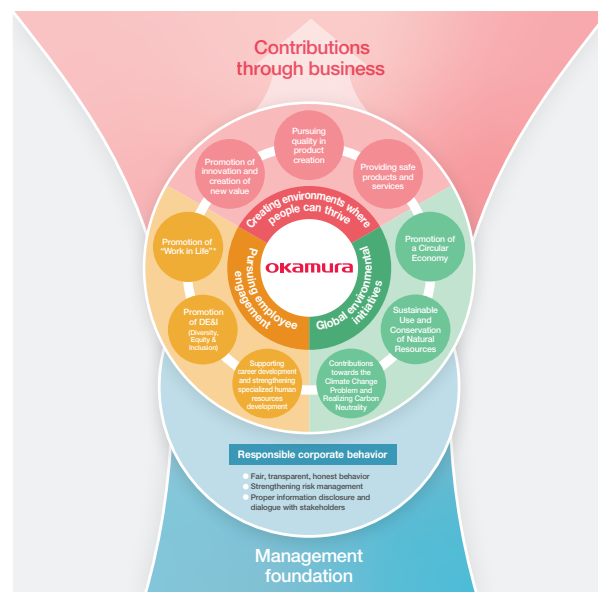
Corporate Departments Lead Organizational Reform

In recent years, the corporate environment has been changing at a dizzying pace, and corporate departments that had been focused on playing a defensive role in supporting our management foundation are now playing an offensive role of promoting company-wide value creation as a starting point for management strategy. I strongly feel that having corporate departments lead organizational reform and fostering a flexible and challenging corporate culture is the key to sustainable growth.

Recognizing the importance of business activities that put sustainability at the center in order to fulfill our purpose of realizing a society where people can thrive, the Okamura Group identifies material management issues (materiality) in four areas: responsible corporate behavior, pursuing employee engagement, global environmental initiatives, and creating environments where people can thrive. Based on our

management principle of responsible corporate behavior, we are committed to reducing the environmental burden throughout our supply chain. This is possible by motivating our employees and ensuring their lives are fulfilled through pursuing employee engagement, and by implementing our global environmental initiatives. Through our business activities, we will contribute to the realization of a society where people can thrive.

The Okamura Group's Materiality (Material Management Issues)



The Okamura Group's Materiality
(Material Management Issues) ▶ P.72

Corporate departments are promoting personnel and human resources development, DX strategy, and global environmental initiatives, mainly in the areas of responsible corporate behavior, pursuing employee engagement, and global environmental initiatives.

I am currently in charge of the Corporate Strategies Division and the HR Division. I believe that this combination is greatly significant in terms of improving the effectiveness of measures that integrate management strategy and human resources strategy. The gathering of various perspectives encourages communication and collaboration beyond departmental boundaries, which will improve the speed and quality of problem-solving.

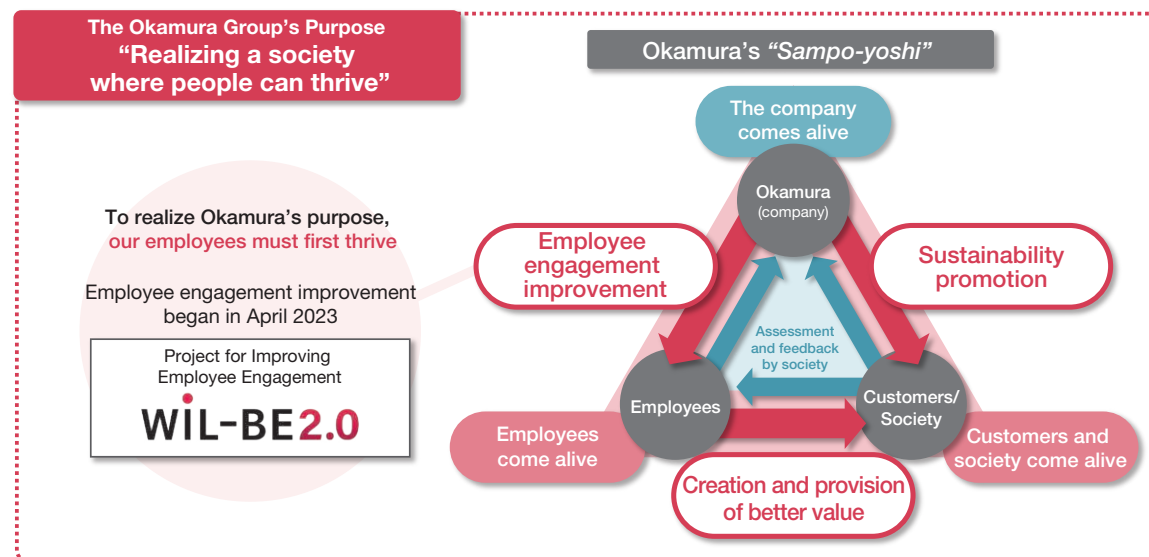
Personnel and Human Resource Development

Since our founding, we have had the Basic Policy for our management that, “Employees are collaborators in our business and have come together as members of the Company by chance. Employees work with us to ensure the prosperity of the Company and are key members of our team.” Our founders pooled their savings and retirement funds along with their skills and labor to launch the Okamura Manufacturing Facility, a cooperative industry. In line with this Founding Spirit, we promote initiatives aimed at human resource development and employee engagement improvement to enhance the growth and engagement of the employees who support our sustainable growth.

Since 2017, we have advocated for “Work in Life.” This “Work in Life” is the idea that life is composed of many parts, of which work is one, rather than treating work and life as equally important elements. Work is positioned as one element of life along with family, hobbies, learning, community, etc. “Work in Life” becomes possible when each individual is able to take proactive action so that working becomes a positive part of one’s life when viewing life as a whole.

Personnel and Human Resource Development, DX Strategy, and Global Environmental Initiatives

Relationship Between Our Purpose and Employee Engagement Improvement



Okamura is promoting workstyle reforms under the name "WiL-BE," which is derived from the phrase "Work in Life." In 2023, we evolved this into the WiL-BE 2.0 Project for Improving Employee Engagement, under which we have conducted a variety of measures to improve employee engagement. We aspire to build a "Strong Okamura" that can adapt to a changing environment by enabling all of our employees to work with vitality in their own individual styles.

DX Strategy

In an era where future predictions are difficult, changes take place at dizzying speed, and digital technologies are rapidly developing and gaining popularity. Our lifestyles and work styles are also undergoing significant changes. Under these circumstances, for us to quickly and flexibly respond to new needs and issues that emerge one after another, it is essential that we use advanced technologies and implement digital

transformation (DX) in line with social changes. In 1966, when the term "office automation" was still relatively unknown, we were one of the first to introduce a nationwide online system using a dedicated line to create an integrated system that covers everything from production and sales to distribution. This is one example of our deeply rooted culture of taking on new challenges and constantly redesigning ourselves with new operational systems.

The Midterm Management Plan 2025 lists "accelerating the digital transformation" as one means of strengthening our management foundation. Under our DX Strategy Policy, we will work to promote DX with a view to enhancing customers' experience value and improving operational efficiency, through means such as implementing DX for products and services in each business, implementing DX for various operational processes, utilizing data to sophisticate business management, developing DX human resources, and strengthening the system foundation.

Global Environmental Initiatives

As a manufacturing company, at the Okamura Group, we use natural capital such as steel, wood, and oil in our business activities, and therefore there is a high possibility that our GHG emissions and waste will have a negative impact on the environment. As such, we have engaged in initiatives to reduce our environmental impact from an early stage. In the 1960s, we established a department related to pollution control, while in the 1980s, our Takahata Plant in Yamagata was recognized for its efforts and received the Energy Conservation Minister of International Trade and Industry Award. In the 2000s, we completed the registration for company-wide integrated review of ISO 14001 environmental management systems.

Based on the Okamura Group Environmental Policy, which indicates the overall direction of our environmental initiatives, we formulated our Long-term Environmental Vision "GREEN WAVE 2030." Recognizing the importance of reducing our impact of our business activities on the environment, this vision integrates the realization of carbon neutrality, nature positivity, and a circular economy, aiming to realize management that fulfills our social responsibility as a company. We aim to thoroughly reduce the supply chain's overall impact on the global environment and achieve net-zero GHG emissions (carbon neutrality) by 2050. As a milestone, we set the GHG emissions reduction target for 2030 at 50% of 2020 emissions, and are promoting efforts to achieve this throughout the Okamura Group. In addition to further strengthening our past activities such as implementing energy-saving measures at production plants and other sites, we will contribute to the realization of a decarbonized society by implementing initiatives from new perspectives, such as expanding the use of renewable energy.

Personnel and Human Resource Development

We aim for our employees and the company to grow together by providing opportunities to develop capabilities and skills and improving engagement



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Aiming for Growth through Human Resource Development and Employee Engagement Improvement

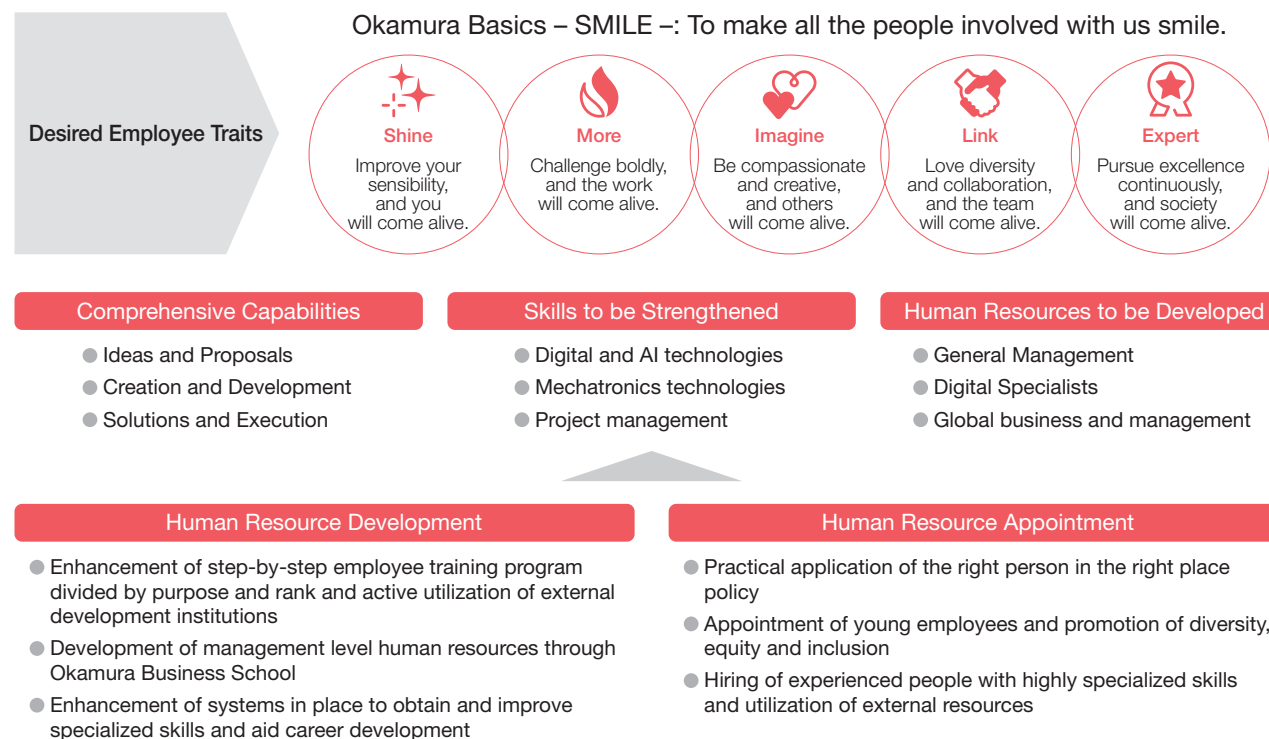
We have established “pursuing employee engagement” as one of the Okamura Group’s material management issues. Key issues under this include the promotion of Work in Life, the promotion of diversity, equity, and inclusion (DE&I), and supporting career development and strengthening specialized human resources development. The Midterm Management Plan 2025 lists “human resource development and improving employee engagement” as one of the means of strengthening our management foundation, and we are promoting various initiatives to achieve this. In addition to making our workplaces both healthier and safer, we respect the diversity of our employees and provide them working environments that promote fulfillment in their work and help them achieve personal growth through cooperation.

Based on Okamura’s approach to human resource development, we aim for employee and company growth with our two pillars of human resource development and employee engagement improvement.

Our Approach to Human Resource Development

1. Increase corporate value by creating an environment where each and every employee can thrive and achieve WIL-BE, thereby enhancing engagement and maximizing results.
2. Build a human capital portfolio needed to realize management strategies, and promote the growth and career development of each employee through the human capital cycle of recruitment, development, evaluation, treatment, and appointment.
3. Achieve management targets by building an organization and allocating human resources in a way that allows for maximized performance across the entire company, along with the promotion of the Okamura Way and the strengthening of teamwork.

The Kind of People Okamura Seeks



In order to effectively promote our human resources strategy, the Okamura Group established the post of HR Business Partner (HRBP) in each business division in 2024 to be responsible for the organizational development and personnel placement required for our business strategy. An HRBP Meeting is held once a month jointly between the

corporate management department and the HR department, to align understanding and solve issues on common initiatives being implemented by all business divisions. Through close collaboration between business divisions and corporate departments, we promote a human resource strategy that aims to achieve our management strategy.

Personnel and Human Resource Development

Promotion of the WiL-BE 2.0 Project for Improving Employee Engagement

We have promoted WiL-BE workstyle reform since June 2018 with the aim of enabling all of our employees to work with vitality in their own individual styles. Since 2023, we have evolved this initiative into the WiL-BE 2.0 Project for Improving Employee Engagement to achieve a situation where all of our employees can work every day with vitality and a sense of engagement, aiming to realize a society where people can thrive: the Purpose of the Okamura Group. Accordingly, we are implementing various measures to improve employee engagement.

Examples of Employee Engagement Improvement Measures

- **Employee Engagement Meetings:** These are meetings led by department managers that give individual employees the opportunity to think about what employee engagement means to them personally. They are also an opportunity for employees to broaden their perspective by learning what engagement means to other employees.
- **WiL-BE 2.0 CARAVAN 2023-2025:** Core members of the team promoting the “WiL-BE 2.0 Project for Improving Employee Engagement” visit Okamura locations across Japan and hold discussions with local employees to further the understanding and awareness of employee engagement improvement. The team gathers feedback from the frontlines and gives the management team suggestions for improving employee engagement, which are then developed into various measures such as site renovation.
- **Opportunities for dialogue between employees and management:** We established the “Tell me, Masa-san!” initiative, in which Representative Director Masayuki Nakamura responds directly to employees’ questions.
- **President Caravan:** Representative Director Masayuki Nakamura visits Okamura locations in Japan and overseas to interact with local employees.

We continuously promote the establishment of environments for diverse work styles to support the career goals of employees whose work times and locations are restricted for reasons such as childcare and nursing care. We have established various systems and mechanisms to help employees balance work and childcare, such as childcare leave, shortened working hours, work from home, and childcare fee subsidies.

Recently, there has been progress in the legal frameworks that facilitate the use of childcare leave by male employees, and Okamura has also implemented various measures to encourage male employees to take childcare leave. The ratio of childcare leave taken by male employees*1 is increasing year by year, with the percentage increasing from 11.1% in FY2020 to 69.2% in FY2024. The average number of days of childcare leave taken by male employees*2 in FY2024 was 92 days.

Furthermore, to ensure a stable livelihood for employees as prices continue to rise, we revised the allocation of monthly

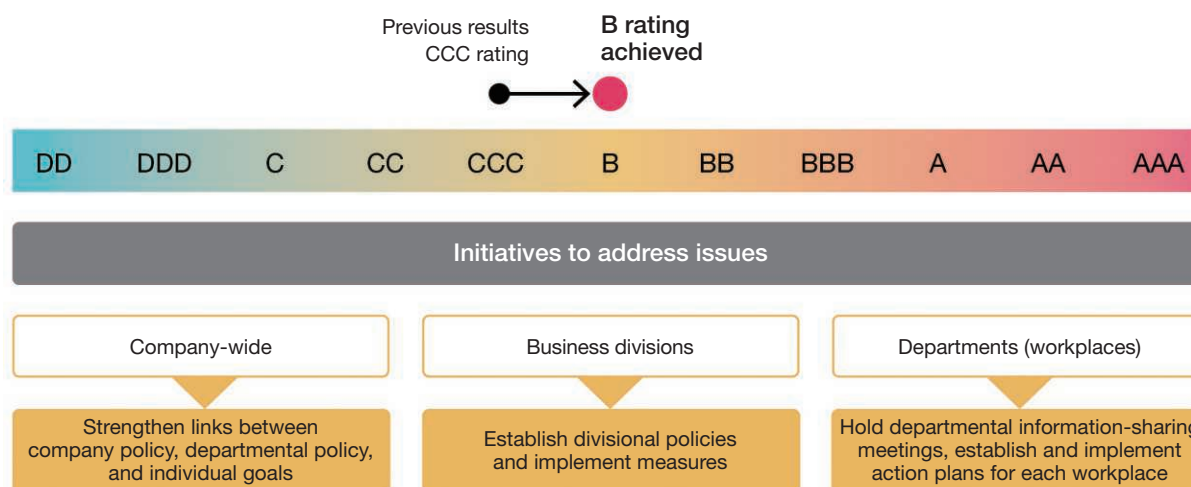
wages and bonuses within annual income in April 2025 and implemented an average base pay increase of 18.3% per person. In addition to combatting rising prices, this is intended to improve employee engagement and enhance corporate value.

In FY2023, we introduced an engagement survey to improve employee engagement. The second survey was conducted in FY2024. The response rate was 99.1%, and the results showed improvement from the initial survey. On a scale from A to D, the average company-wide rating rose one level from CCC to B. Based on these results, we analyzed company-wide issues as well as issues within each business division and department, and conducted departmental information-sharing meetings to propose action plans, share departmental results, and consider what action to take. This has led to improved employee engagement.

*1 Applicable scope: All employees of Okamura Corporation

*2 Applicable scope: Full-time employees of Okamura Corporation

Engagement Surveys



Personnel and Human Resource Development

Health Management

We have positioned health management at the foundation of our Work in Life, and based on the Okamura Health Management Declaration and the Okamura Health Management Approach, we have built a Health Management Promotion System comprising Board Members in charge, the Human Resources Department, the Okamura Group Health Insurance Association, and the Okamura Labor Union. Through this system, we are offering various health checks, enhancing our illness prevention measures, promoting the acquisition of annual paid leave, and engaging in various other initiatives to create workplaces that ensure the health of our employees. We are also providing health literacy education and communicating health-related information to enhance awareness among employees of the importance of health and enable them to engage in activities to improve their own health.

Human Resource Development in Which Employees and the Company Can Grow Together

For the development of human resources, we are working toward transforming into a demand-creating company by continuing to make active investments with a focus on developing employees with the ability to find solutions to problems without clear answers. Furthermore, we provide an environment in which all employees can work with vitality while pursuing autonomous growth. Specifically, we have defined the Okamura Career Journey, through which each employee continues to shape their future career and achieve continuous growth through diverse experiences. Employees are provided with opportunities for mutual understanding, continued learning, and taking on challenges. Information on human resources, such as the knowledge and skills held by employees, is an important management resource. We consolidate and centralize this information so that it can be used by employees to review their own careers, by supervisors to develop their subordinates, and by HR departments to reassign and screen personnel.

Furthermore, we opened CROSSGATE in April 2025, a human resource development space intended to encourage employees to challenge themselves and support their growth. We encourage the proactive growth and interaction of employees through training, study sessions, and opportunities for mutual understanding.

Examples of Initiatives for Human Resource Development

- **Opportunities for mutual understanding:** We conduct age-based career training, skill development interviews with department managers, and “one-on-one” activities aimed at improving mutual understanding between managers and their employees, promoting employees’ growth, and boosting the performance of the organization.
- **Opportunities for continued learning:** Every fall, we open Okamura University, our in-house university. The university reinforces our conceptual skill program that helps employees develop the ability to find solutions to problems without clear answers.
- **Opportunities for taking on challenges:** We hold programs such as the Global Human Resource Development System which develops global human resources capable of expanding the overseas market, the Okamura Thinking Learning Initiative which uses design concepts to improve output quality, and the DX Learning Platform which develops human resources with high DX literacy in a wide range of fields.
- **Development of human resources who can lead future management:** The Next-Generation Leader Training Program and the Okamura Business School are held annually.

Securing Human Resources Who Support the Future

In order to ensure that we are chosen by job candidates in an increasingly dynamic hiring environment, we are working to secure human resources who are better matched to frontline operations by linking our management strategy and human resources strategy. From the perspective of promoting diversity, we conduct diversity-focused recruitment activities and hire a wide range of people regardless of gender or nationality. In terms of recruiting new graduates, we offer job-based internships to students nationwide as an opportunity to understand our philosophy and the jobs we offer.

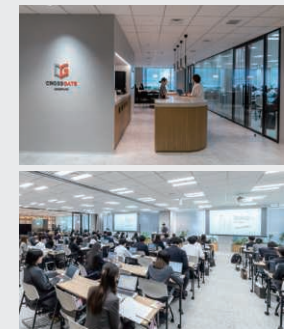
In April 2025, we raised the starting salary for graduate school and university graduates to 300,000 yen and the starting salary for high school graduates to 217,500 yen. In addition to combatting rising prices, this is intended to help us secure outstanding human resources.

To develop the next generation of human resources, we will foster interest in the information shared by the company and create opportunities that will serve as roadmaps for their future careers. In FY2024, we conducted activities such as participating in a business contest for university students and dispatching instructors to universities.

CROSSGATE, a Crossroad Between Education and Careers

As a new endeavor, we established CROSSGATE in April 2025 based on the concept of a crossroad between education and careers. The facility is a human resource development space intended to encourage employees to challenge themselves and support their growth. In addition to holding various training programs, we also utilize the program in departmental “dialogues*” on the theme of education and careers, activity report meetings, and more. Book lounges and café areas provide spaces for employees to freely interact while thinking about their personal growth and future careers. The facility can accommodate social gatherings and events of up to 150 people, and it is available for opportunities to promote mutual understanding within the workplace and interaction between departments. Going forward, we will continue to use it for a variety of initiatives as an important hub for human resource development and organizational development.

*A unique Okamura initiative through which individuals working at the same workplace can deepen their mutual understanding, learn from one another, and solve problems in the workplace. It is an aspect of the culture that has been rooted in Okamura since its founding.



CROSSGATE human resource development space

DX Strategy

DX strategy to further promote the creation of environments where people can thrive

DX Strategy Policy

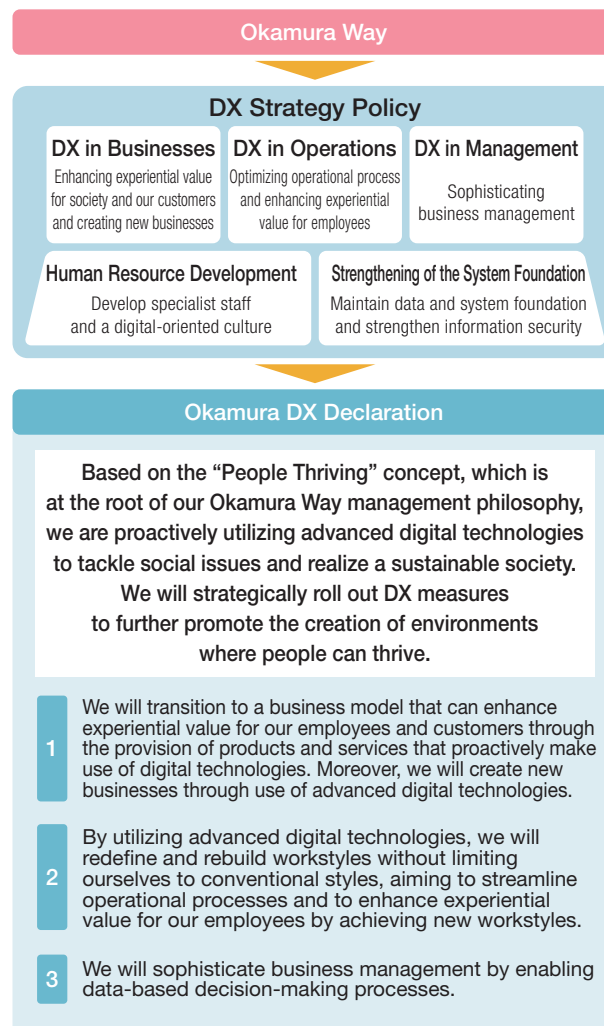
In August 2021, we announced our DX Declaration stating that we will reinforce our promotion of digital transformation (DX) as one part of our management strategy. In February 2023, we formulated the DX Strategy Policy and positioned it at the center of our DX strategy to further promote the creation of an environment where people can thrive, based on our “People Thriving” concept, rooted in the Management Philosophy: Okamura Way. Our DX Strategy Policy is composed of five elements. DX in Business, DX in Operations, and DX in Management are the three pillars of the policy. The two foundations of Human Resource Development and Strengthening of the System Foundation support these efforts.

The Three Pillars of Our DX Strategy

- **DX in Business:** We are working to transition to a business model that can enhance experiential value for society and our customers through the provision of products and services that proactively make use of digital technologies, while also aiming to create new businesses through the use of advanced digital technologies.
- **DX in Operations:** We are redefining and rebuilding workstyles without limiting ourselves to conventional styles, aiming to enhance experiential value for our employees. To do so, in addition to creating flexible and reliable infrastructure to support diverse workstyles, we are also engaging in operational reforms and improvements.
- **DX in Management:** We are moving forward with efforts to sophisticate business management by enabling data-based decision-making processes.

The Foundations of Our DX Strategy

- **Human Resource Development:** We are developing DX staff with the knowledge, skills, and mindsets to utilize digital technologies as well as the sense to connect new ideas to business and work. We are continuously educating all employees and management to improve DX literacy and develop a digital-oriented culture.
- **Strengthening of the System Foundation:** We are using digital technologies to maintain the data and system foundation and strengthen information security.



Company-wide DX

Based on our DX Strategy Policy, the DX Strategy Department leads the company-wide promotion of DX through cooperation among corporate departments such as corporate planning and human resources, business divisions, and information systems departments. Viewing the nurturing of a company-wide DX culture as a challenge of DX promotion, we have focused on human resource development and strengthening of the system foundation, which serve as the foundations of DX. Business DX efforts are being led by business divisions. As for operational DX, we are accelerating the use of digital technology aimed at resolving operational issues perceived by employees and improving productivity.

In terms of strengthening the system foundation, we established Okamura AI Chat for the safe internal use of generative AI, and began using it in 2023. Its use is gradually gaining traction, and expansion of its functionality is also underway. To promote its further use, we are also planning to hold study sessions at nationwide locations and introduce a highly-requested minutes-taking tool.

DX Initiatives in Each Business Area

DX is being promoted in each business area based on needs, with the DX Strategy Department providing technical support.

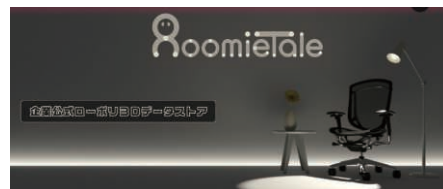
In the Office Furniture Business, DX measures are being promoted in all phases of office creation, leading not only to increased efficiency from a company perspective but also to the provision of value to customers. In December 2024, we launched the OFFICE KIT tool on our website. This tool allows even relatively inexperienced customers to discover connections between work styles and spaces through interactive content during the office creation process. The tool reflects Okamura's office creation know-how and the results of our research on work styles, to provide support so that companies wishing to create a new office can investigate the work styles and office spaces that suit their own needs at the

DX Strategy

planning stage. Furthermore, we developed the Work Space Creator, a system that uses AI to automatically generate office layout proposals at the initial design stage. It is being used on a trial basis in initial office design. As an endeavor in a new field in 2024, we opened RoomieTale, an official corporate 3D data sales site for the metaverse. It is a service intended to enrich life in virtual spaces by providing safe, lightweight, high-quality 3D data to creators and metaverse users. In 2025, we began handling official corporate 3D data such as sofas, curtains, and gaming equipment through co-creation with other manufacturers.



OFFICE KIT



RoomieTale, an official corporate 3D data sales site

The Store Displays Business uses OSCOM CLOUD, a data management cloud service for stores to support efficient store management. In addition to using it for the preventative maintenance of equipment by automating the temperature control of refrigerated showcases, it is also used to visualize the energy use of the entire store. Furthermore, we have also begun creating new sales spaces in which digital signage is linked to cameras. We also propose using it to analyze the

characteristics of visitors and display products and campaign information matched to them, and to analyze movement throughout the store.

In the Material Handling Systems Business, we promote the use of robotic technology for automated picking, as part of our efforts to commercialize PROGRESS ONE, an automated logistics solution using hybrid robotics that are partly autonomous and partly remote-controlled.

In addition, we began co-creation efforts with other companies in February 2025 aimed at increasing the efficiency of office furniture delivery operations. We aim to reduce the number of vehicles by increasing the efficiency of planning operations and improving the loading ratio of trucks, to reduce CO₂ emissions, and solve problems such as driver shortages.

Human Resource Development Measures to Foster a DX Culture in which Ideas Spring Forth from the Frontlines

In order to sustain business management in a society where continuous change is the norm, it is essential that we have an organizational culture that facilitates continuous learning. At Okamura, our vision for the development of DX personnel is to create a company in which every employee continues to generate new ideas, and at which they can propose solutions that utilize digital technologies and actualize their ideas by themselves. Based on this vision, since 2021, we have been deploying the DX Learning Platform (DXLP), a program to develop DX personnel. Through DXLP, participants from across various business domains come together to learn business skills, digital literacy, and mindset, and then propose ideas for new businesses or operational reforms. So far, over 200 employees have completed the program and generated over 150 proposals. Outstanding proposals are presented to the President and Board Members and made into projects for actualization. The individual responsible for the proposal then works with the relevant departments to make the project a reality.

DXLP proposals have led to proposals for business DX ideas and digital tools that streamline tasks that contribute to operational DX such as drafting, quantity surveying, and quoting. Furthermore, projects utilizing no-code programming tools have helped realize other proposals, creating a chain

reaction that only continuous implementation of DXLP could foster.

Specifically, the proposals of employees who participated in DXLP in 2023 led to the creation of systems that increased the efficiency of operations which previously took time due to being conducted manually. Examples include a system that makes quote creation easier by quickly and accurately selecting fixtures to quote from among the vast number of products offered by the Office Furniture Business, and a system that increases the efficiency of quote creation by instantly recognizing the type and quantity of fixtures from layout drawings. After repeated improvements through use, these two systems were combined in May 2025 and put into use as a new system aimed at further increasing the efficiency of quoting operations and improving output quality.

The multiple proposals generated from DXLP are “dots,” and we are promoting efforts to turn them into “lines” that connect the dots and flow as operations, and to expand them further into “surfaces” that support our business. The development of DX human resources is the driving force behind Okamura's DX. Going forward, as we develop human resources and accumulate an array of experiences with new value creation, we will continue to offer more opportunities for human resource development and expand our efforts, with fostering a DX culture as the starting point.

In 2023, Okamura was recognized as a DX Certified Business Operator under the DX Certification program hosted by the Ministry of Economy, Trade and Industry. Our certification was renewed in 2025 after passing a renewal screening.



Global Environmental Initiatives

Achieving a sustainable society through thorough reduction of impact on the global environment

Our Environmental Policy and Long-term Environmental Vision “GREEN WAVE 2030”

The Okamura Group has expressed its overall intentions and direction regarding environmental initiatives in the Okamura Group Environmental Policy, and we engage in environmental activities under a common group-wide policy. In doing so, we are improving the environmental performance and reducing the environmental impact of the entire group.

At the Okamura Group, we have put together the GREEN WAVE concept, through which we aim to create and ride a green (environmentally friendly) wave. Based on this concept, we formulated a long-term environmental vision each decade and medium-term plans every three years to outline the course of action for our goals. With these, we are utilizing our management resources to reduce the environmental impact in all of our business activities.

For over 30 years since we started our first Midterm Environmental Plan in 1993, we have continued to engage in a variety of initiatives that consider the global environment. In April 2021, we formulated our Long-term Environmental Vision “GREEN WAVE 2030,” which looks ahead to FY2030, and have since been engaging in relevant initiatives. In GREEN WAVE 2030, we set quantitative targets for initiatives such as the reduction of GHG emissions, the reduction of water resource consumption, the reduction of waste per unit of production, and the conservation of biodiversity. At our biannual Sustainability Committee meetings, we manage our progress in achieving these targets, reflect them in business activities through each organization within the company, and conduct regular follow-up.

Toward Carbon Neutrality in 2050

At the Okamura Group, our targets for Scope 1 and 2 GHG emissions are to achieve a 50% reduction by FY2030 compared to FY2020, and to achieve net-zero emissions in real terms by 2050. For Scope 3, we have set the target of a

25% reduction by FY2030 compared to FY2020. These are targets we set in FY2021. These targets have received certification from SBTi (Science Based Targets initiative), an international initiative, as science-based targets that are in line with the Paris Agreement's goal to limit global temperature rises to 1.5°C compared to pre-industrial levels. In FY2024, the Group's GHG emissions were 27,965 t-CO₂ compared to the FY2020 reference value of 40,402 t-CO₂, achieving an approximately 31% decrease. Since 2021, we have supported the Task Force on Climate-related Financial Disclosures (TCFD), evaluated the impact of the risks and opportunities associated with climate change on our business, and appropriately disclosed information based on TCFD recommendations. In our FY2023 disclosure, we revised our risks and opportunities related to climate change based on analysis of the 1.5°C scenario, a more ambitious target than the previous 2°C scenario. In FY2024, we engaged in a more

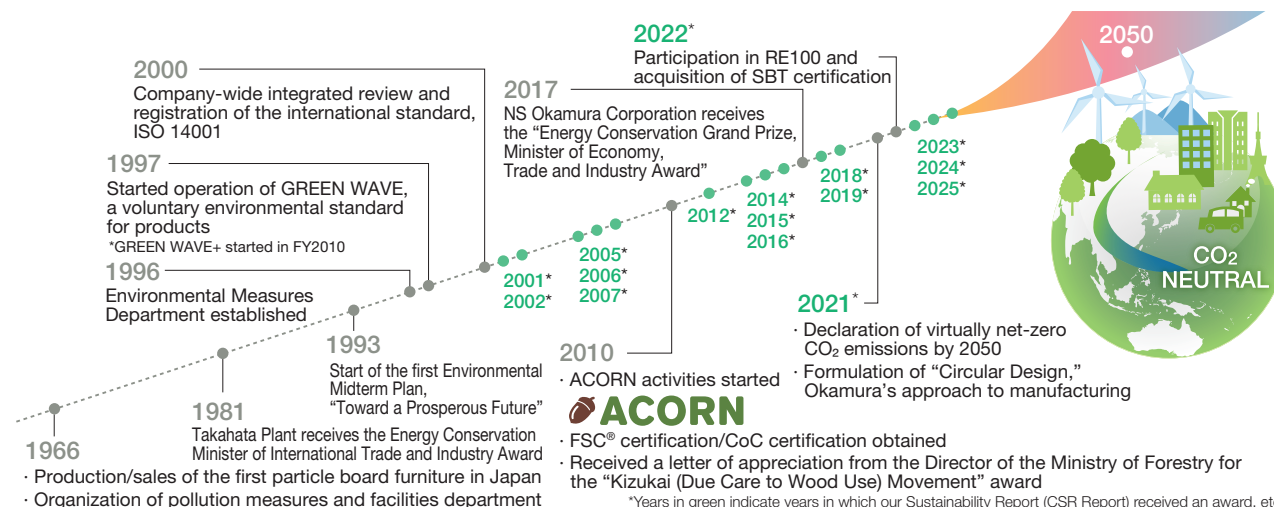
concrete consideration of our transition plan aimed at achieving carbon neutrality by 2050 and visualized our roadmap to reducing GHG emissions.

Toward a Reduction in Scope 1 and 2

Just under 90% of our Scope 1 and 2 GHG emissions are generated from business activities at our production plants. As such, activities to reduce GHG emissions at our production plants are incredibly important. We are especially conscious of the importance of reducing emissions from production processes, and we are promoting initiatives from a range of perspectives such as equipment and operations. We have prepared energy conservation plans at each production plant and are progressively upgrading to energy-saving equipment and switching to high-efficiency lighting. In terms of operations, we are pursuing the lateral deployment of



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Global Environmental Initiatives

effective, Group-wide emissions countermeasures. These include continuing activities such as improving air leakage and revising equipment operating times.

In accordance with the GHG emissions reduction roadmap that we formulated, in addition to switching completely to renewable energy-sourced power at all our production bases in Japan by 2030, we will promote the introduction of solar power generation equipment. With regard to Scope 1 emissions, we introduced internal carbon pricing on a trial basis in FY2025. When upgrading production equipment, we multiply the CO₂ reduction effect by the set price. By financially evaluating the CO₂ reduction effect in this way, we will encourage investment in low-carbon equipment and reduce CO₂.

Action for Scope 3 Reduction

At the Okamura Group, GHG emissions in supply chains (Scope 3) account for around 98% of our total emissions. Moreover, of this 98%, more than 90% of emissions come

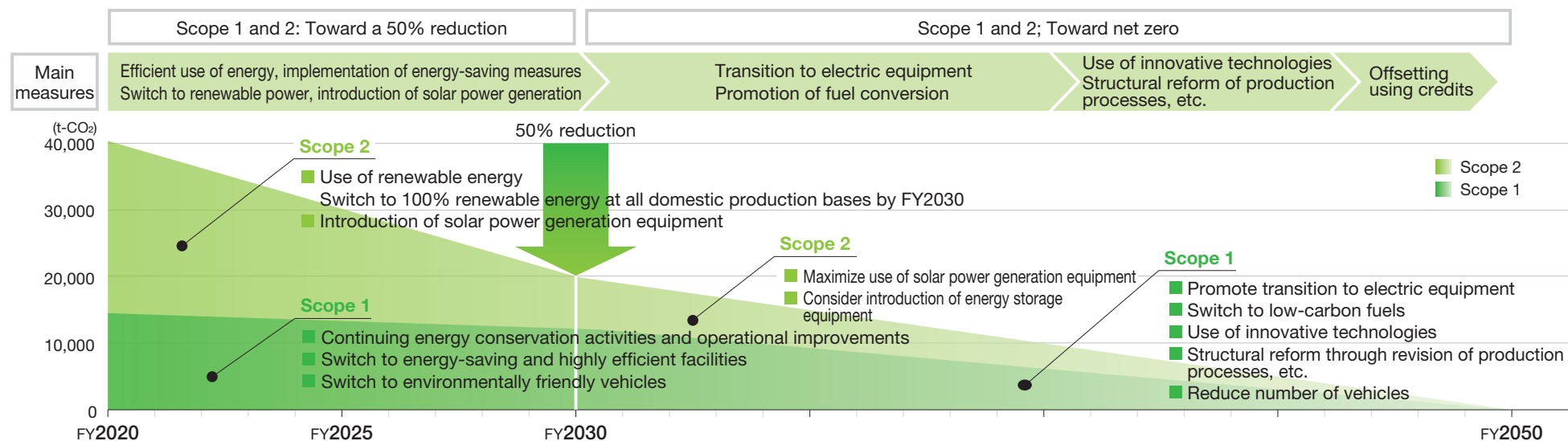
from two categories: Steel, steel pipes, and other raw materials used in our mainstay products, and purchased components and products ("Category 1") and refrigerant (fluorocarbons) used by customers and electricity consumed through the use of products ("Category 11").

Going forward, we will implement specific initiatives aimed at reducing Scope 3 emissions. For Category 1, these include ascertaining procurement results on a volume basis for each raw and processed material, gaining the cooperation of suppliers and obtaining first-hand data, efficiently using raw materials (improving yield, etc.), and manufacturing that effectively utilizes resources and minimizes waste. For Category 11, in the Store Displays Business, we will engage in initiatives such as promoting energy-saving refrigerated showcases, optimizing power consumption through remote control, implementing measures to reduce CFC leakage when using refrigerant products, switching to the use of refrigerants with low global warming potential in refrigerated showcases, and developing refrigerated showcases that reduce the need for defrosting.

Product Development Based on Circular Design

In pursuing initiatives for Scope 3 reduction, the Group has established "circular design" and "carbon-neutral design" as approaches to the development of products in Category 1 (raw materials and purchased components and products), which accounts for a high proportion of emissions. "Circular design" is an approach that aims for manufacturing with minimal waste generation through the long-term effective use of limited resources based on the concept of the circular economy. This applies to the entire product life cycle, from product planning and design to procurement, manufacture, sale, maintenance, reuse, and recycling. "Carbon-neutral design" is an approach that aims for manufacturing with minimal CO₂ emissions over the entire product life cycle, from the procurement of raw materials to manufacture, sale, use, and disposal. In 1997, we formulated GREEN WAVE, our own environmental product standards, and have worked to expand our range of environmentally conscious products. Through further promotion of these initiatives, we are striving to provide

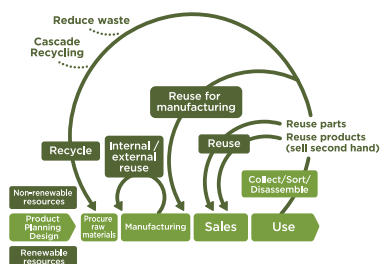
GHG Emissions Reduction Roadmap (Emissions Trends and Future Initiatives)



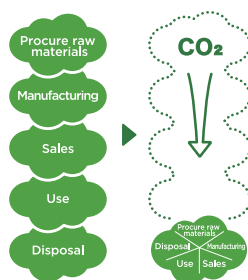
Global Environmental Initiatives



We aim to help make society more sustainable by giving full consideration to the local environment



Circular design



Carbon neutral design

products with lower environmental impact. We will engage in reducing environmental impact throughout the product lifecycle.

Initiatives for Nature Positivity

Recognizing that the Group's business activities are dependent on and impactful to natural capital, we strive to strategically reduce our impact on the environment by establishing indicators and targets for environmental activities. With regard to conserving biodiversity, we actively promote the verification of timber legality and the use of certified timber based on the ACORN activity guidelines: conservation of natural environment, use of resources, environmental education, and partnership. We also promote initiatives that

contribute to nature positivity, in which we halt the loss of biodiversity and shift it onto a path of recovery in cooperation with our partners and the communities surrounding our production plants.

Furthermore, we have supported the Task Force on Nature-related Financial Disclosures (TNFD) and are registered as a TNFD Adopter*. In addition to evaluating the impact and dependence of our business activities on natural capital and disclosing information based on TCFD recommendations, we also promote the disclosure of information based on TNFD recommendations. In this way, we will contribute to the realization of a sustainable society in which we coexist with nature.

*TNFD Adopter: A company or organization that has committed to disclosing information in accordance with TNFD recommendations

Support for and Information Disclosure Based on TCFD and TNFD Recommendations

Since April 2021, the Okamura Group has supported TCFD recommendations and disclosed information in accordance with them. We strive to make progress in our initiatives and actively disclose information. In our disclosure for FY2024, we engaged in a more concrete consideration of our transition plan aimed at achieving carbon neutrality by 2050 and visualized our roadmap to reduce GHG emissions. Furthermore, in order to comprehensively evaluate our interactions with nature, our interdependence with nature, impacts, risks, and opportunities from a broader perspective, we conducted an analysis using TNFD's framework and disclosed the information in accordance with TNFD recommendations in June 2025. Going forward, we will investigate and determine strategies, indicators, and targets in accordance with TNFD's framework.



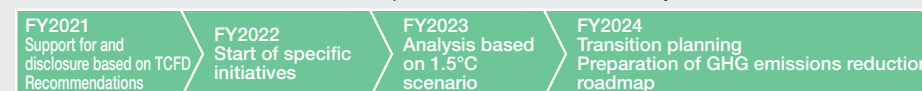
For more information, please refer to the Okamura Group Information Disclosure Based on TCFD/TNFD Recommendations.

[The Okamura Group Information Disclosure Based on TCFD/TNFD Recommendations \(Japanese\)](https://www.okamura.co.jp/corporate/sustainability/report/pdf/2025/okamura_TCFD_TNFD_250624.pdf)

https://www.okamura.co.jp/corporate/sustainability/report/pdf/2025/okamura_TCFD_TNFD_250624.pdf

Information Disclosure Based on TCFD Recommendations

Since our first disclosure in 2021, we have promoted initiatives and actively disclosed information on them



Information Disclosure Based on TNFD Recommendations

We made our first disclosure in June 2025. Using the LEAP approach, we conducted a screening of the dependence and impact on natural capital in our upstream value chain activities and direct operations, and identified risks and opportunities.



The Five Phases of LEAP

Phase Name	Summary
Scoping	Confirm the objective, direction, and timeline of the LEAP analysis
Locate	Identify the locations at which the organization's activities interact with nature
Evaluate	Identify and evaluate the organization's dependence and impact on nature (based on the results of the analysis in "Locate")
Assess	Identify and evaluate the organization's nature-related risks and opportunities (based on the results of the analysis in "Evaluate")
Prepare	Consider and plan response measures to nature-related issues (dependence, impact, risk, and opportunities) and report them externally (based on the results of the preceding analyses)

Sources: Ministry of the Environment, "Explanation of LEAP and TNFD," P.3 (11/29/2023).

Guidance on the identification and assessment of nature-related issue: The LEAP approach v1.0 (TNFD, Sep. 2023)

5

Management Foundation

We believe that strengthening corporate governance is one of the most important management issues.

We are thus working to enhance the management structure of the Group, while also strengthening our relationships with stakeholders as we strive to maximize our corporate value.

In addition to introducing various initiatives,

we asked Outside Directors to talk about the Okamura Group's growth opportunities and issues, and their expectations for the management in the lead-up to our 100th anniversary.

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Company Officers (As of July 2025)

Directors



Masayuki Nakamura

**Representative Director,
President and Chief Executive Officer**
● Member of the Nomination Committee
● Member of the Compensation Committee

Since joining the Company in 1973, he has been engaged mainly in the office furniture-related business. After assuming the office of Director in 1996, he has served as Senior General Manager of Planning Division and Senior General Manager of Production Division, and has been in his current position since 2012.

Naoki Kono

**Director and
Senior Managing Executive Officer,
Senior General Manager,
Office Furniture Division**

Since joining the Company in 1989, he has been engaged mainly in the office furniture-related business. After assuming the office of Director in 2021, he has served as Corporate Functional Officer and Senior General Manager of Office Furniture Division.

Yoshikazu Sato

**Director and
Senior Managing Executive Officer,
Senior General Manager,
Corporate Strategies Division
and HR Division, CHRO**

Since joining the Company in 1982, he has been engaged mainly in general affairs and human resource-related businesses. After serving as Corporate Functional Officer, he assumed the office of Director in 2025.

Kazumi Arakawa

**Director and
Managing Executive Officer,
Senior General Manager,
Production Division**

Since joining the Company in 1987, he has been engaged mainly in the production and marketing-related businesses. After serving as Senior General Manager of Marketing Division and Senior General Manager of Production Division, he assumed the office of Director in 2023.

Shinji Sakatoku

**Director and
Managing Executive Officer,
Senior General Manager,
Store Displays Division**

Since joining the Company in 1982, he has been engaged mainly in the store displays-related business. After serving as Senior General Manager of Retail Solutions Division, he assumed the office of Director in 2025.

Sakae Fukuda

**Director and Executive Officer
Senior General Manager,
Corporate Accounting and
Finance Division, CFO**

He joined Mitsubishi Bank, Ltd.* in 1990, after which he served as General Manager at the Marunouchi Branch Office of The Bank of Tokyo-Mitsubishi UFJ, Ltd.* from 2017. He joined the Company in 2019 and assumed the office of Director in the same year, as well as the position of Chief Financial Officer.
*current MUFG Bank, Ltd.



Hiroyoshi Ito

Outside Director **Independent Officer**

● Chairperson of the Nomination Committee
● Member of the Compensation Committee

He has served as Representative Director, Executive Vice President of Mitsubishi Estate Co., Ltd. and President and Representative Director of Mitsubishi Real Estate Services Co., Ltd., and has been in his current position since 2017.

Mari Kano

Outside Director **Independent Officer**

● Member of the Nomination Committee
● Member of the Compensation Committee

She has held positions including General Manager at the Milano Branch of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (current MUFG Bank, Ltd.), Managing Director of Center for International Exchange of Showa Women's University, and has been in her current position since 2020.

— **Significant concurrent positions** —
Outside Director of TOKYO ROPE MFG. CO., LTD.
Outside Director of Tokio Marine Asset Management Co., Ltd.

Tsutomu Kamijo

Outside Director **Independent Officer**

● Member of the Nomination Committee
● Chairperson of the Compensation Committee

He has successively held positions of President and Representative Director as well as Chairman and Representative Director of Sapporo Holdings Limited, in addition to holding positions including President and Representative Director of Sapporo Beverage Co., Ltd. (current POKKA SAPPORO Food & Beverage Ltd.), and has been in his current position since 2021.

— **Significant concurrent positions** —
External Member of the Board, TAISEI CORPORATION

Misako Kikuchi

Outside Director **Independent Officer**

● Member of the Nomination Committee
● Member of the Compensation Committee

She has held positions including General Manager of Environmental · Social Contribution Division of Mitsui & Co., Ltd. and President & CEO of Mitsui Bussan Forest Co., Ltd., and has been in her current position since 2022.

— **Significant concurrent positions** —
Outside Director of KOMERI Co., Ltd.
External Director, Nishimatsu Construction Co., Ltd.

Nobuko Mizumoto

Outside Director **Independent Officer**

● Member of the Nomination Committee
● Member of the Compensation Committee

She has held positions including Executive Officer and Director, Managing Executive Officer of IHI Corporation, and has been in her current position since 2023.

— **Significant concurrent positions** —
External Director (Audit & Supervisory Committee Member) of Tokuyama Corporation
Outside Director of The Japan Steel Works, Ltd.

Hitoshige Tambo

Outside Director **Independent Officer**

● Member of the Nomination Committee
● Member of the Compensation Committee

He held positions including Managing Executive Officer of Mitsui Sumitomo Insurance Company, Limited and Representative Director, President of Mitsui Sumitomo Aioi Life Insurance Co., Ltd., and has been in his current position since 2023.

— **Significant concurrent positions** —
Outside Director, IRRC Corporation

Company Officers

Auditors



Noriyuki Nagai

Auditor

Since joining the Company in 1981, he has been engaged mainly in the office furniture-related business, serving as General Manager of Planning and Research Department. He has been in his current position since 2020.

Keiichi Hagiwara

Auditor

Since joining the Company in 1984, he has been engaged mainly in the office furniture business and general affairs, serving as General Manager of Planning and Research Department and General Manager of General Affairs Department. He has been in his current position since 2023.



Keiko Kishigami

Outside Auditor Independent Officer

Certified Public Accountant at Ernst & Young ShinNihon LLC. She has been in her current position since 2019.

— **Significant concurrent positions** —
Outside Director of Sony Group Corporation
External Director and Audit and Supervisory Committee Member of Sumitomo Seika Chemicals Company, Limited
Outside Audit & Supervisory Board Member of DIC Corporation

Shintaro Miyazaki

Outside Auditor Independent Officer

He is an attorney at law, Counsel of Tokiwa-LawOffice. He has been in his current position since 2024.

— **Significant concurrent positions** —
Senior Managing Director and Representative Director, the Corporation for Revitalizing Earthquake-Affected Business

Executive Officers

President and Chief Executive Officer

Masayuki Nakamura

Senior Managing Executive Officer

Naoki Kono

Senior General Manager,
Office Furniture Division

Senior Managing Executive Officer

Yoshikazu Sato

Senior General Manager,
Corporate Strategies Division and
HR Division, CHRO

Managing Executive Officer

Kazumi Arakawa

Senior General Manager,
Production Division

Managing Executive Officer

Shinji Sakatoku

Senior General Manager,
Store Displays Division

Managing Executive Officer

Makoto Tajiri

Senior General Manager,
Material Handling Systems Division

Senior Executive Officer

Yoshihito Ohno

Senior General Manager,
International Sales and Marketing
Division

Senior Executive Officer

Harunori Sato

Senior General Manager,
Office Furniture Sales Division,
Office Furniture Division

Executive Officer

Sakae Fukuda

Senior General Manager,
Corporate Accounting and Finance
Division, CFO

Executive Officer

Takefumi Kondo

General Manager,
Public Facilities & Solutions Business
Department,
Office Furniture Division

Executive Officer

Shinji Ariyoshi

General Manager,
Kansai Regional Sales Office,
Office Furniture Sales Division,
Office Furniture Division

Executive Officer

Iku Teranishi

Senior General Manager,
Store Displays Sales Division,
Store Displays Division

Executive Officer

Tatsuya Kato

General Manager, Plant Department II,
Production Division

Executive Officer

Hiroyuki Hishinuma

General Manager, Plant Department I,
Production Division

Executive Officer

Hiroyuki Sanada

Senior General Manager,
Technology Division

Executive Officer

Yoshinori Taguchi

Senior General Manager,
Tokyo Regional Sales Office,
Office Furniture Sales Division,
Office Furniture Division

Executive Officer

Nobutake Matsuyama

Senior General Manager,
Retail Solutions Division,
Store Displays Division

Executive Officer

Hideaki Matsumoto

Senior General Manager,
West Japan Sales Office,
Store Displays Sales Division,
Store Displays Division

Executive Officer

Koichi Kimura

Senior General Manager,
Tokyo Regional Sales Office,
Store Displays Sales Division,
Store Displays Division

Executive Officer

Tomokazu Ikariyama

General Manager,
Work Style Consulting Office,
Office Furniture Division

Corporate Governance

To remain a company trusted and loved by stakeholders, we must always perform sound and highly-transparent management. The Okamura Group, deeming corporate governance enhancement as one of its top priority issues, works to strengthen its group management structure and its relationships with stakeholders, thereby seeking to maximize its corporate value.

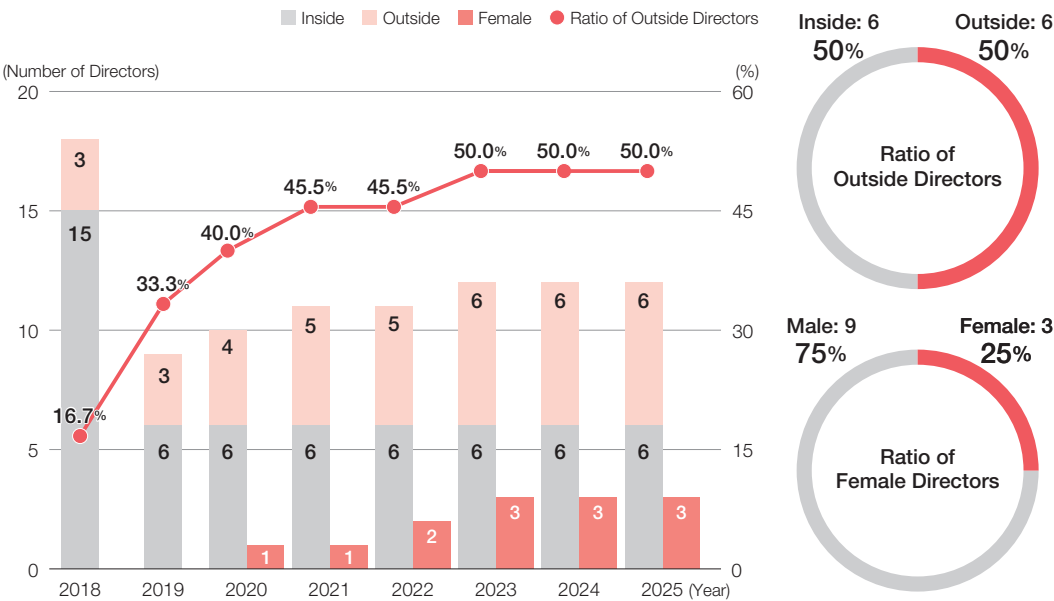
Characteristics of Okamura's Governance

- 50% of Directors are Outside Directors
- Established the Nomination Committee and the Compensation Committee, chaired by Independent Outside Directors
- Continued evaluation of the effectiveness of the Board of Directors since 2015

Timeline of Measures to Enhance Corporate Governance

2019	<ul style="list-style-type: none">● Introduced an executive officer system and reduced the number of Directors (from 18 to 9).● Established the Nomination Committee and the Compensation Committee as voluntary advisory bodies to the Board of Directors
2020	<ul style="list-style-type: none">● Increased the number of Outside Directors (4 out of 10)● Appointment of a female Outside Director
2021	<ul style="list-style-type: none">● Okamura Way established● Increased the number of Outside Directors (5 out of 11)● Abolished anti-takeover measures● Established the Sustainability Committee
2022	<ul style="list-style-type: none">● Increased the number of female Outside Directors (from 1 to 2)
2023	<ul style="list-style-type: none">● Increased the number of Directors (from 11 to 12)● Increased the number of Outside Directors (6 out of 12)● Increased the number of female Outside Directors (from 2 to 3)

Changes in the Number of Directors and Composition of the Board of Directors (as of June 25, 2025)

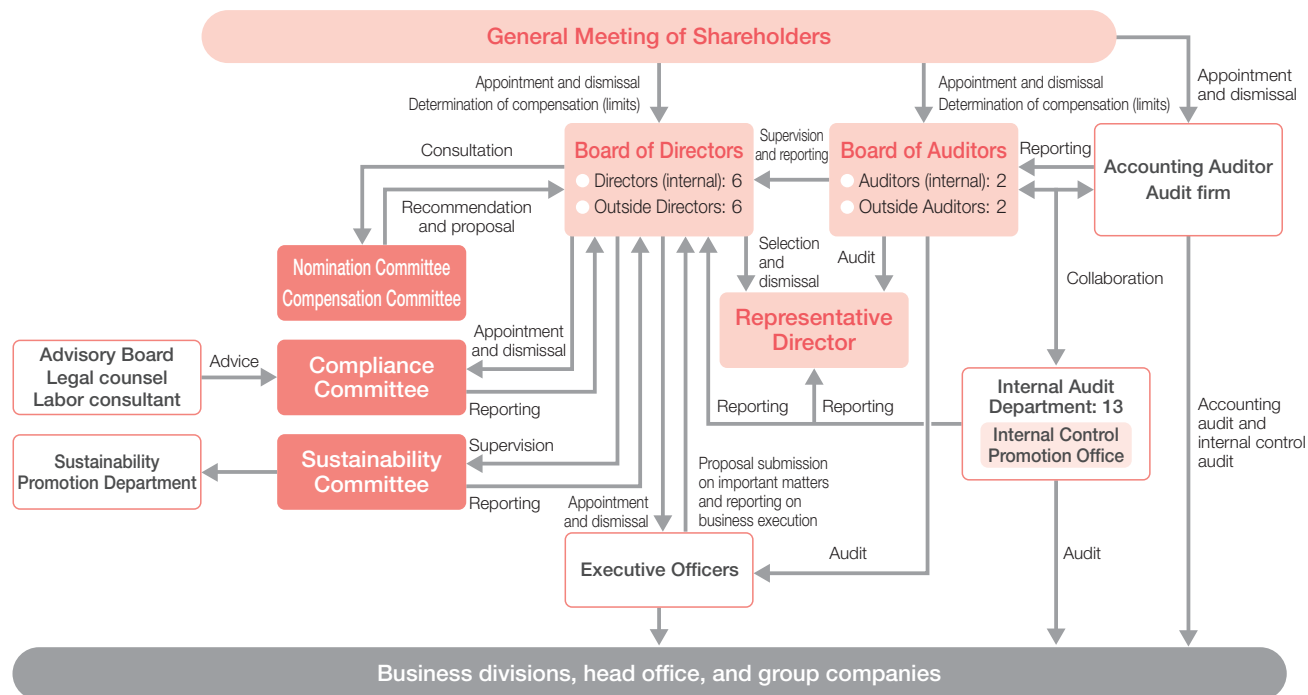


Corporate Governance

Corporate Governance System

Okamura has introduced an executive officer system for the purpose of ensuring flexibility of management and to enhance the monitoring functions of the Board of Directors, in order to create a system in which executive officers execute operations based on the instructions of the Representative Director, and in which the Board of Directors makes decisions on important management issues and monitor the execution of operations. In addition to appointing outside directors to the Board of Directors, by establishing a nomination committee and compensation committee, chaired by and composed mainly of independent outside directors, as arbitrary advisory bodies to the Board of Directors, we ensure the objectivity and transparency of the appointment process for directors and executive officers, as well as the determination process for compensation and other matters. Segregation of Duty Rules and Job Authority Rules stipulate the duties and authority of each position and ensure appropriate and efficient execution of duties. Furthermore, Okamura has a board of corporate auditors that conduct strict audits of the execution of duties by directors and executive officers.

Corporate Governance Structure (as of June 25, 2025)



Operation of the Board of Directors

Composition	Six Inside Directors, six Outside Directors, two Standing Auditors, and two Outside Auditors
Chairperson	President
Number of meetings held	16
Attendance rate	100% *Attendance rate for Directors only

The main role of the Board of Directors is to make important management decisions and supervise business execution with an aim to enhance its monitoring capabilities. With regard to matters that require a resolution by the Board of Directors, the Company has established the Regulations of the Board of Directors and “Matters for Resolution by the Board of Directors,” as appended in the Regulations of the Board of Directors, and has set monetary standards, etc., for each matter according to the extent of impact on management, in addition to those stipulated in laws, regulations, and the Company’s Articles of Incorporation. Other matters are delegated to the management team.

■ Main Topics of Discussion

- Absorption-type merger of our subsidiary Kansai Okamura Corporation
- Strategic investment projects such as share acquisition in Boss Design Limited

Corporate Governance

Board Composition and Skill Matrix

The Board of Directors of the Company identifies the important expertise and experience Directors should possess as a skillset in order to enhance corporate value over the medium to long term and realize the Midterm Management Plan. The overall structure is thus arranged to ensure an optimal balance of knowledge, experience, and capabilities.

Name		Board of Directors	Nomination Committee	Compensation Committee	Expertise and experience									
					Corporate management	Business strategy of the Company	Finance & accounting	Legal affairs & compliance	ESG	Personnel & HR training	Marketing & development	Manufacturing & technology	IT & DX	Overseas
Directors	Masayuki Nakamura	◎	○	○	●	●		●	●	●	●	●	●	●
	Naoki Kono	○			●	●						●		
	Yoshikazu Sato	○			●	●		●	●			●		
	Kazumi Arakawa	○			●	●				●	●			
	Shinji Sakatoku	○			●	●				●				
	Sakae Fukuda	○			●	●	●	●	●					
	Hiroyoshi Ito	<div>Outside Independent</div>	○	◎	○	●		●	●		●			
	Mari Kano	<div>Outside Independent</div>	○	○	○			●	●	●				●
	Tsutomu Kamiyo	<div>Outside Independent</div>	○	○	◎	●		●	●		●			●
	Misako Kikuchi	<div>Outside Independent</div>	○	○	○	●		●	●	●				●
	Nobuko Mizumoto	<div>Outside Independent</div>	○	○	○	●			●	●		●	●	
	Hitoshige Tambo	<div>Outside Independent</div>	○	○	○	●		●	●		●			
Auditors	Noriyuki Nagai	○						●						
	Keiichi Hagiwara	○						●	●					
	Keiko Kishigami	<div>Outside Independent</div>	○				●		●					●
	Shintaro Miyazaki	<div>Outside Independent</div>	○			●		●	●					●

Corporate Governance

Activity Status of the Nomination Committee

Composition	Six Outside Directors and one Inside Director (President)
Chairperson	Outside Director
Number of meetings held	1
Attendance rate	100%

The Nomination Committee, chaired by an Independent Outside Director, was established as a voluntary advisory committee to the Board of Directors with the aim of ensuring objectivity and transparency in the processes of appointing/ electing or dismissing Directors, Representative Directors, Executive Officers, and Auditors, and further strengthening the corporate governance function of the Group.

■ Main Topics of Discussion

- (1) Details of proposals for the General Meeting of Shareholders regarding the election and dismissal of Directors and Auditors of the Company
- (2) Matters related to the appointment and dismissal of Representative Directors of the Company
- (3) Matters related to the nomination of Executive Officers of the Company
- (4) Matters related to the formulation and operation of the successor plan for the President and Chief Executive Officer of the Company
- (5) Matters incidental to or related to the preceding items (1) through (4) that are deemed necessary by the Nomination Committee
- (6) Other matters the Board of Directors consulted with the Nomination Committee

Activity Status of the Compensation Committee

Composition	Six Outside Directors and one Inside Director (President)
Chairperson	Outside Director
Number of meetings held	1
Attendance rate	100%

The Compensation Committee, chaired by an Independent Outside Director, was established as a voluntary advisory committee to the Board of Directors with the aim of ensuring objectivity and transparency in the processes of determining compensation, etc., for Directors and Executive Officers and further strengthening the corporate governance function of the Group.

■ Main Topics of Discussion

- (1) Matters concerning compensation, etc., for Directors (including Representative Directors) and Executive Officers of the Company
 - (2) Details of proposals for the General Meeting of Shareholders regarding the compensation, etc., of Directors of the Company
 - (3) Matters incidental to or related to the preceding items (1) and (2) that are deemed necessary by the Compensation Committee
 - (4) Other matters the Board of Directors consulted with the Compensation Committee
- Of the matters set forth in item (1) of the preceding paragraph, the Board of Directors shall delegate the authority to determine the amount of compensation, etc., for each individual Director (including Representative Director) and Executive Officer of the Company to the Compensation Committee, which shall make decisions based on said delegation.

Activity Status of the Board of Auditors

Composition	Two Standing Auditors and two Outside Auditors
Chairperson	Standing Auditor
Number of meetings held	12
Attendance rate	97.9%

Auditors attend important meetings of the Company such as Board of Director meetings to monitor business execution by Directors, and audit business execution through reports received from Directors, the Internal Audit Department, etc.

In addition, Auditors receive reports from the Accounting Auditor on the procedures for accounting audits and internal control audits, as well as reports providing an overview of audit results, and also exchange opinions.

■ Main Topics of Discussion

- Deliberated on topics including the formulation of audit policies and plans, preparation of audit reports, appointment of the Accounting Auditor, compensation for the Accounting Auditor, auditing of the matters to be submitted to the Annual General Meeting of Shareholders, and the selection of Standing Auditors.
- In addition to attending important meetings such as internal management meetings as necessary, Standing Auditors also visited branches and other business locations, where they inspected documents requesting for approval and attended audits by the Internal Audit Department, and attended inventory counts.

Corporate Governance

Officer Compensation

■ Basic Policy

At the 90th Annual General Meeting of Shareholders of the Company held on June 25, 2025, it was resolved that compensation for Directors shall not exceed 1 billion yen per year (including 150 million yen for Outside Directors), compensation for the allotment of shares with restrictions on transfer shall be limited to within 100 million yen per year, and compensation for Auditors shall be 150 million yen per year. However, the amount of compensation does not include employee salaries for Directors who concurrently serve as employees.

Basic Approach to Director Compensation*

1. Should serve as motivation to help the Group achieve sustainable growth and increase corporate value over the medium to long term, thereby achieving business performance targets.
2. Should be highly consistent with Okamura's corporate culture and corporate philosophy
3. Should be a highly competitive compensation system, so that the Company can secure highly skilled human resources who will be responsible for its management
4. Should be a transparent, rational, and fair compensation system that fulfills accountability to shareholders, employees, and other stakeholders

*Includes Executive Officer compensation for Directors who concurrently serve as Executive Officers.

■ Determination Process

In order to ensure the objectivity and transparency of the processes for determining Director compensation, the authority to determine compensation for individual Directors shall be delegated to the Compensation Committee, which consists of Independent Outside Directors and the Representative Director, based on a resolution of the Board of Directors. This authority covers deciding on the amount of fixed compensation, performance-linked compensation, and

non-monetary compensation for each Director after conducting company-wide performance evaluations and individual evaluations. To ensure that this authority is properly exercised by the Compensation Committee, said committee shall be chaired by an Independent Outside Director, and a majority of its members shall consist of Independent Outside Directors.

■ Composition of Compensation

The compensation for Officers of the Company consists of fixed compensation, performance-linked compensation, and non-monetary compensation. However, compensation for Outside Directors and Auditors only consists of fixed compensation.

• Fixed Compensation

Fixed compensation is paid monthly, and is decided by adjusting the base amount, set in accordance with the relevant position^{*1}, to reflect individual evaluations based on the responsibilities and duties^{*2} of each Director. In addition, we have a system under which Directors (excluding Outside Directors) must contribute an amount set for each position from the fixed compensation to purchase the Company's shares, in order to motivate them to contribute to the enhancement of corporate value over the medium to long term.

• Performance-Linked Compensation

Performance-linked compensation is paid at a specific time each year and is calculated based on a pre-established formula. The formula uses a base amount determined in reference to company-wide performance evaluation, and takes into account individual evaluation determined in reference to segment-based performance evaluation and qualitative evaluation, both of which are based on the responsibilities and duties of each Director.

• Non-Monetary Compensation

Non-monetary compensation is paid at a specific time each year, and is decided by adjusting the base amount, set in accordance with the relevant position, to reflect individual evaluations based on the responsibilities and duties of each Director. It is separate from the total amount of fixed compensation and performance-linked compensation.

Performance Evaluation

In order to measure the extent to which Directors have contributed to the Company as a whole, and to further clarify the segmental executive responsibility of Directors in charge of specific business segments, Director performance is evaluated based on consolidated ordinary profit and consolidated operating profit (companywide and by segment), important management indicators used to evaluate the Company's performance.

Qualitative Assessment

Assessment is based on the extent to which targets for priority measures, including those related to SDGs, have been achieved.

The ratio of performance-linked compensation to be paid upon achievement of set targets is 20% to 40% of total compensation, and Directors with greater authority and responsibility have greater performance-linked benefits in order to clarify executive responsibility. As for the level of Director compensation of the Company, the objectivity and appropriateness of the compensation amount is examined by taking into account the external and market environments and using data from external research organizations.

^{*1} When a Director concurrently serves as an Executive Officer, this includes their position as an Executive Officer.

^{*2} When a Director concurrently serves as an Executive Officer, this includes the responsibilities and duties of an Executive Officer.

For reference: Total amount of compensation, etc., for Directors and Auditors (FY2024)

Officer category	Total amount of compensation, etc. (Millions of yen)	Total amount of compensation, etc., by type (Millions of yen)		Number of eligible officers (Persons)
		Fixed compensation	Performance-linked compensation	
Directors (excluding Outside Directors)	357	202	154	6
Auditors (excluding Outside Auditors)	46	46	—	2
Outside Officers	84	84	—	10

Note: In addition to the above, the Company paid 17 million yen in employee salaries for Directors who concurrently serve as employees.

Corporate Governance

Evaluation of the Effectiveness of the Board of Directors

Each year, the Chairman of the Board of Directors takes the lead in compiling the self-evaluations of each Director, which are used to analyze and evaluate the effectiveness of the Board.

The effectiveness of the Board of Directors is evaluated by conducting questionnaires that contain questions in accordance with the Corporate Governance Code as well as open-ended questions, to be answered by all Board of Director meeting attendees. We obtained valid responses from all of respondents. Based on the analysis and evaluation results, proposals for annual measures aimed at enhancing governance were prepared and reported to the Board of Directors.

In the most recent evaluation, it was determined that the Board of Directors is generally operating effectively. However, the issues below were brought to light. Based on these results, we will implement countermeasures to enhance the quality of Board of Directors discussions and improve their effectiveness, thereby ensuring its effectiveness.

Issues Identified in the Evaluation of the Effectiveness of the Board of Directors for FY2024 and Response to Them

We identified the issue of insufficient opportunities to interact with Outside Officers and acquire knowledge related to the Company's business. In response, we provided and enhanced opportunities for officers to interact and understand the Company's business, such as visits to plants and other company sites, and information exchange meetings with Outside Officers.

Effectiveness Analysis for FY2024 and Issues Found through the Evaluation of the Effectiveness of the Board of Directors for FY2025

While there was a certain effect in enhancing opportunities to understand our businesses and interact, further improvement of the efficiency of the Board of Directors was newly raised as an issue.

Future Initiatives

- We will continue to provide and enhance opportunities for officers to understand our businesses and interact, through visits to offices, plants, and other company sites, briefings on internal systems, and information exchange meetings by Outside Officers
- We will enhance preliminary briefings and lengthen the period for advance submission of materials to ensure deeper understanding of and sufficient discussion time for proposals

Cross-Shareholdings

For each company we hold cross-shareholdings in, the Board of Directors determines and verifies the appropriateness of holding such shares, including the possibility of reducing shareholdings, while comprehensively taking into account the investment's yield and other benefits, expected returns, and the importance in terms of business strategy based on the Company's cost of capital.

If, as a result of the verification, holding the shares is deemed unreasonable, the Company sells them while taking into consideration the impact on the stock market, among other factors.

In FY2024, the Board of Directors examined the Company's cross-shareholdings, such as during its meeting held on May 10, 2024, while taking the above factors into consideration. As a result, the Company sold off one specified investment stock and one stock held for pure investment purposes.

In addition, one stock was sold as a result of a TOB. Going forward, we will continue to reduce the number of cross-shareholdings by taking into consideration the rationality of holding such shares, based on the recommended criteria (ratio of less than 10% to net assets) of a proxy adviser.

 Overview of the Midterm Management Plan 2025 ▶ P.25-26

 Message from the Chief Financial Officer ▶ P.27-29

Succession Planning

Okamura is developing the next generation of management level human resources that can bring about transformation in order to enhance the sustainable growth of the Company and its ability to respond to the ever-changing business environment. Through training, we are developing measures in three stages to refine employees' experience, knowledge, and intuition, and to enable management personnel candidates to develop their own career journeys and devote themselves to their studies. In the first stage, the Next-Generation Leader Training program for non-managerial employees is conducted over nine months, in which case studies are used to practice business skills, and the trainees propose solutions to company issues to the Representative Director and Officers through action learning (114 people have undergone this training so far). The second stage is the Okamura Business School, which is designed for managerial employees and was opened in 2022 (41 people have undergone this training so far), where external lecturers and internal and external Officers give lectures, draw up management issues, and take actions to solve them. Themes for lectures are set from a wide range of categories, such as corporate management, and face-to-face classes are conducted once a month for one year, whereby students receive the guidance of an external consultant. In the third stage, some of the employees that have completed the earlier stages of training are sent to receive external training or to attend business schools in Japan. This provides them with opportunities to share diverse knowledge, both inside and outside the Company, and to hone their management intuition, with the aim of enabling them to demonstrate the knowledge they have acquired at their respective workplaces.

In order to cultivate a broad perspective of management in tandem with the training programs, we create opportunities for young human resources to accumulate management experience in the form of successes and failures from an early stage, by assigning them in the right place, such as management in subsidiaries and overseas sites.

Roundtable Discussion with Outside Directors



Outside Director

Hiroyoshi Ito

Served as Representative Director, Executive Vice President of Mitsubishi Estate Co., Ltd. and President and Representative Director of Mitsubishi Real Estate Services Co., Ltd., and other positions. Serving as an Outside Director of the Company since 2017.

Outside Director

Nobuko Mizumoto

Served as Executive Officer and Director, Managing Executive Officer, and other positions of IHI Corporation. Serving as an Outside Director of the Company since 2023. Currently, concurrently serving as External Director (Audit & Supervisory Committee Member) of Tokuyama Corporation and Outside Director of The Japan Steel Works, Ltd.

Outside Director

Hitoshige Tambo

Served as Managing Executive Officer of Mitsui Sumitomo Insurance Company, Limited and Representative Director, President of Mitsui Sumitomo Aioi Life Insurance Co., Ltd., and other positions. Serving as an Outside Director of the Company since 2023. Currently, concurrently serving as Outside Director of IRRC Corporation.

Q What is your analysis and assessment of the status of the Company's current governance?

Ito I began serving as an Outside Director of Okamura Corporation in 2017, and I see the Company strengthening its governance year after year. Currently, half of the Company's Directors are Outside Directors, and half of those are outstanding female team members. Opinions are proactively expressed in Board of Directors meetings, and improvements are made based on the results of effectiveness questionnaires. In terms of risk management, the Sustainability Committee meets twice a year and conducts a variety of risk analysis activities. While strengthening of the governance system began as a formality, I believe that it has become more substantial overall.

Mizumoto I began serving as an Outside Director of Okamura Corporation in 2023, and I feel that meetings of the Board of Directors are extremely lively with opinions being expressed freely by people with a variety of backgrounds.

Tambo Mr. Ito spoke about the effectiveness questionnaires. The Company effectively promotes opinion exchange meetings between Outside Directors and internal control departments, and participation in various training and key meetings aimed at deepening understanding of employee performance and businesses. I would like company-wide initiatives that are currently underway, such as supply chain reforms, to be more actively reported and discussed at Board of Directors meetings. In addition, to further improve the effectiveness of governance, I would like consideration to be given to allowing us to observe other management-related meeting bodies so we can expand opportunities to understand and contribute as Outside Directors.

Q What is your assessment of the progress of the Midterm Management Plan 2025?

Ito The target dividend payout ratio was raised from 33% to 40%, and almost 30.0 billion yen in cross-shareholdings were

Okamura at 80 Years Old and Beyond

With the Midterm Management Plan 2025 smoothly entering its final year and Okamura celebrating its 80th anniversary in October 2025, Outside Directors Hiroyoshi Ito, Nobuko Mizumoto, and Hitoshige Tambo discussed their views of future growth opportunities and issues, and their expectations for management heading toward Okamura's 100th anniversary.

Roundtable Discussion with Outside Directors

sold. This partially contributed to ROE exceeding 10% and we can say that shareholders are being rewarded adequately. In addition, even as raw material prices soar, our operating profit ratio exceeded 8%, and we were able to increase employee base wages more than 7% again this year. We are also actively engaging in discussions with partner companies regarding the passing of increased costs onto selling prices. Accordingly, my assessment is that we are treating stakeholders properly, and I would like to see this promoted more effectively externally.

Tambo The initiatives conducted as a demand creating company as pursued in the Midterm Management Plan 2025 are steadily bearing fruit, and performance is largely in line with plans, with further growth anticipated going forward. I believe that, in order to further increase understanding and recognition from the market, we should more actively communicate to external parties the ways in which the sound financial foundation that we have established through strong performance can be invested in new growth areas and linked to future value creation.

Mizumoto I do not feel that the Company is fairly evaluated on the stock market. I believe that, in addition to stock market players, we must aim to increase our social recognition among ordinary people.



Q What themes and issues do you think should be considered when formulating the next Midterm Management Plan?

Tambo In the Office Furniture Business, by proposing spaces that address the issues of work style reform and increasing hiring competitiveness, we have led new demand creation as a top brand. Going forward, we anticipate expansion into areas such as public facilities, medical facilities, and education institutions. In the Store Displays Business, in addition to energy-saving and labor-saving measures, one of our strengths is the ability to provide overall store management solutions that integrate everything from installation to maintenance and operational support. We hold a top market share in Japan for refrigerated showcases. In the Material Handling Systems Business, through the establishment of strategic partnerships, we can expect to create new markets by proposing overall facility optimization with automated operation and robotic technology.

These initiatives are based on a shared ideology of “bringing value to spaces where people gather,” which is the aim of the Company. In recent years, there is a growing movement to produce new service and revenue models using data acquired from the movement of people and products in spaces. In the Store Displays Business, remote temperature control and accident prediction are expanding as recurring businesses, and its use for sensing in offices and logistics facilities will also progress.

Furthermore, I believe that organically combining the insights, technologies, and customer bases of these three businesses will allow us to provide more highly integrated value in the future. As competition continues to intensify, I believe that sharing opportunities for making proposals across departments and increasing collaboration among businesses such as in cross-selling are important in order to demonstrate Okamura’s unique strengths.

Mizumoto In order to become a demand creating company, it is important how much we are able to propose not only tangible products, but also intangible services—that is,



concepts. Since we already possess the ability to bring good products to life based on proposed concepts, we should dig deeper into that until we reach the point where we can say “this is Okamura.”

Ito The Company has a lot of researchers and excellent designers, which gives us the strength of anticipating what kinds of intangible services will be necessary in the future and immediately proposing them. While design skills are appealing, if we rely too much on them, we will become too product-oriented and less market-oriented. There is room for improvement in our soft skills, and I think that how to translate them into value will become an important theme going forward. Furthermore, a sense of speed is also extremely important. AI is evolving and developing very quickly, and we must be sure to keep up, including through cooperation with our partner companies.

Mizumoto In doing so, rather than relying solely on outsourcing, I would like the Company to simultaneously working on bringing production in-house and increasing efficiency.

Roundtable Discussion with Outside Directors

Q What medium- and long-term growth opportunities do you see for the Company, and what are your future expectations of the Company?

Ito If we consider the 100th anniversary in 20 years as a target on the timeline, our main themes will be the development of the overseas business and DX and robotics initiatives. Having a numerical target for the overseas business is the first point. As for DX, the office environment is expected to change drastically as the number of office workers decrease due to technological innovations. For us, this is not a risk, but could be an opportunity. In the Store Displays Business and the Material Handling Systems Business, there is a growing demand for diverse labor shortage solutions such as the systemization of store management and the automation of logistics centers, which presents us with a major business opportunity. On the other hand, internally, I believe that we should work with a sense of urgency to secure outstanding human resources. As for plants, it will be essential to make the necessary capital investments and transform them with smart technology. I believe that these investment plans will play a major role as we move toward our 100th anniversary.

Mizumoto Creating good products requires some form of manual work by humans, but if we can challenge ourselves to see how we can change this, that success model is sure to become a new business. I would like the Company to take proactive and bold action not only to secure human resources, but also to transform plants with smart technology.

Tambo In my view, I expect the Company to evolve into the role of a “comprehensive platformer of spatial value” that enhances the value of spaces by multiplying space, people and products, and data, and balances resolving social issues with enhancing corporate value. The driving force behind this evolution is the advancement of DX, including AI and sensing technologies, and the accelerated development of DX human resources on the frontlines, who will spearhead this effort. The real-time assessment and analysis of a space’s occupancy status, flow of people, and equipment condition will open up

new possibilities for optimal management of spaces and new services. In addition, we will be expected to expand our portfolio of businesses and products by cooperating with external experts through open innovation. On the other hand, providing value in a more sophisticated manner also brings more diverse and complex risks. With data-based recurring business already expanding in the Store Displays Business, it will also be important to prepare for further risks such as countermeasures for cyber risks throughout the supply chain, including collaborative partners, and formulating a BCP.

Q On a final note, could you give a message to stakeholders?

Tambo I empathize deeply with the Okamura Declaration of “Loving people, creating places.” I feel that it accurately expresses our corporate stance of contributing to society with spaces where people gather as a starting point for creating value. It is based on our sincere response to society and customers and our strong commitment to reliable manufacturing. In the areas of Office Furniture, Store Displays, and Material Handling Systems, all areas that support social infrastructure, we have provided solutions to social issues such as the diversification of work styles, labor saving, and decarbonization. The solutions that we provide go beyond

simply providing products, and transform the very nature of spaces. I think that this is a strength that we should be proud of, and that it will serve as a source of sustainable growth.

We are beginning to take on new challenges, with new service and revenue models developed in Japan, and a tripolar system established overseas across Europe, the Americas, and Asia. To ensure that these signs of growth lead to success, it will become more important than before to balance defensive risk management (healthy risk-taking) and offensive risk management. Personally, I would like to use my past experience to play a part in sustaining change by supporting decision-making from a multifaceted risk perspective. I would also like to contribute to having the Company’s appeal and future potential being conveyed more widely to stakeholders so that we can earn their trust.



Mizumoto Amid Japan’s unstoppable population decline, I think it will be necessary for Okamura’s future that everyone be more aware of the issue and think about it. Based on this grand thinking, Japanese companies are being forced to recover from an era called the “three lost decades.” To this end, companies are now paying close attention to co-creation. This is precisely the area where Okamura is strongest, so I am convinced that we can contribute significantly to Japan’s economic recovery. I would like for our stakeholders to focus on this idea and have high expectations.

Ito I believe that, in order to enhance corporate value, it is important to balance the needs of stakeholders in business management. For example, for employees, who are the greatest resource for enhancing corporate value, I would like them to take pride in their jobs and give serious consideration to how they can go about their daily activities so that the company grows and so that they can serve our customers. For customers, who are of the utmost importance, it is vital that we continue to inquire from a customer-oriented standpoint the needs and issues of the customers who use our products and services. For society, our approach naturally includes environmental efforts. In addition to supervising the Company’s management from these multiple perspectives, we will strive to provide various proposals and advice as we let our imaginations grow into the future.



Risk Management

Key Risks

4 Material management issues	Major risks		Countermeasures
Creating environments where people can thrive	Develop products and services <Key risks> Development of products and services	If our development of products and services does not keep up with the pace of change in customer preferences and we are unable to provide products and services that exceed customer expectations in a timely manner, we may be impacted by a resulting decline in customer satisfaction. Moreover, the Group's business performance may be adversely affected if our competitors copy our product designs or technologies and increase their market share through lower pricing or more sophisticated designs and technologies.	The Group believes that our competitive superiority comes not from the difference in quality of our products and services compared to our rivals, but from our differing value proposition concepts, and recognizes that this constant search of differing concepts leads to the creation of new markets. We leverage our reliable manufacturing backed by the advanced ability to solve customers' issues, and the design capabilities and advanced production technologies that bring shape to the necessary products, to build strong relationships of trust with customers and expand our business domains.
	Maintain and improve the quality of products and services <Key risks> Quality of products and services	With business changes such as providing new value and expanding total sales, products and services subject to quality control continue to become more diverse and complex. Although the Group manufactures each product in accordance with a quality standard (ISO 9001), there is no guarantee that all products will be free of accidents or malfunctions in the future. Although we have product liability insurance, there is no guarantee that insurance will adequately cover the Group's total compensation liability. Product defects may affect the Group's reputation and adversely affect the Group's business performance.	We have established a Quality Assurance Committee responsible for the entire supply chain, which identifies more detailed risks, including the possibility of serious accidents and defects, promotes and supports the formulation of annual plans and activities to address these risks, and monitors the progress of these plans and activities. We also provide practical quality control training at each stage in the supply chain through cooperative relationships with our suppliers, while constantly reviewing our quality control system and activities to maintain a robust approach.
Pursuing employee engagement	Human capital <Key risks> Human resources, health and safety, labor, human rights	When the necessary efforts to secure and develop human resources are not adequately conducted, this may hinder business activities and the achievement of performance targets. When there is insufficient investment in human capital, insufficient consideration of the health and safety of employees, or insufficient assurance of the psychological safety of the workplace, this may lead to a decline in morale, poor physical health or employee resignations. A decline in productivity may also adversely affect the Group's business performance. Violations of laws and regulations related to health and safety may not only result in penalties and compensation payments but also adversely affect corporate reputation and business performance.	Since the Company's founding, our basic management policy has focused on people, treating our employees as collaborators and team members that help the company thrive. In keeping with this Founding Spirit, we have incorporated "People Thriving" into our Management Philosophy. While staying true to this philosophy, we will push ahead with further human resource development and initiatives to enhance work fulfillment with the aim of improving engagement of employees who help our sustainable growth. We aspire to build a "Strong Okamura" capable of addressing environmental changes by enabling all of our employees to work with vitality in their own individual styles.  Personnel and Human Resource Development ▶ P.44-46
Global environmental initiatives	Climate change <Key risks> Climate change and the transition to a resource recycling-oriented society	Delays in climate change measures, conflicts with relevant laws and regulations, or failure to shift business activities to the resource recycling-oriented approach demanded by society may not only hinder the Group's contribution to the creation of a sustainable society, but may also damage the Group's social credibility and adversely affect earnings due to exclusion from customer selection criteria.	We will create added value through servitization, etc., while minimizing resource input and consumption alongside the effective utilization of stock, and actively promote to maximize the value of resources and products, minimize resource consumption, and prevent waste generation. Through such moves, we are continuing effective efforts to achieve carbon neutrality by 2050.  Support for and Information Disclosure Based on TCFD and TNFD Recommendations ▶ P.49-51

Risk Management

Key Risks

4 Material management issues	Major risks		Countermeasures
Responsible corporate behavior	Supply chain disruption <Key risks> Large-scale natural disasters, procurement of materials and raw materials, accidents and man-made disasters	Large-scale natural disasters, accidents, epidemics of new infectious diseases, and policy trends in various countries may cause supply chain disruptions that result in suspended business activities, lost business opportunities, and restoration cost burdens. In addition, if we are unable to adequately respond to difficulties in procurement or price hike of raw materials, stemming from heightened geopolitical risks and rising energy prices, this may result in the loss of business opportunities and cost increases, which in turn may adversely affect the Group's business performance.	In the Emergency Response Rules and the Business Continuity Plan (BCP), we have established in advance the appropriate response in the event of an emergency that may seriously affect society and or the Company's business activities. We have also established detailed procedural manuals to enable swift response, so that we are prepared to prevent situations from spreading and bring them under control at an early stage to ensure business continuity and early recovery. We are striving to strengthen activities to improve business through mutual collaboration with suppliers, as well as procurement that emphasizes sustainability.
	Governance and compliance <Key risks> Governance, credibility, legal and regulatory compliance, operational process design	If, due to inadequate Group company controls or any other reasons, corporate activities or the words and actions of officers and employees are improper or do not meet social expectations, this can lead to decreased trust in the Group and worsening business performance. It may adversely affect business partners as well. Furthermore, inadequacies in business design or omissions in risk control design may lead to wasteful or inefficient operations or impediments to internal controls, which may adversely affect the achievement of operational targets.	In order to cope with delays in the detection of risks and problems, incorrect business operations due to misidentification or unilateral judgment, and misconduct or improper handling unreported even if it is noticed, we have established the internal, external, and overseas helplines to work to resolve concerns at an early stage, as well as regularly conduct awareness surveys to analyze changes in attitudes over time and carry out improvement activities. In addition, in order to maintain the control function, effectiveness, and efficiency of operations, we are working to improve and firmly establish operational processes from the perspective of streamlining and bringing visibility to business processes, overall optimization, standardization, and productivity improvement.
	Information security <Key risks> Information security	If the confidentiality, availability, and integrity of our information system are neglected, the security of said system cannot be ensured, which could result in the threat of information leakage, alteration, destruction or loss, or could threaten our information security. This, in turn, could lead to operations being suspended for a certain period of time. If our countermeasures and response measures fail to keep pace with the increasingly sophisticated cyberattacks, etc., it could result in a serious information security incident that could lead to deterioration in our social credibility or the suspension of operations, thereby adversely affecting the Group's business performance.	The Group has established the Confidential Information Management Rules, under which we handle confidential information in strict confidence. We have also signed agreements with suppliers regarding the protection of confidential information to implement appropriate information management. We appropriately handle personal information in accordance with the PrivacyMark System. To combat cyberattacks, we established the Information Security Management Rules. In addition to strengthening measures to prevent information security accidents before they occur, we take measures to minimize the damage when an accident does occur, with OKAMURA-CSIRT* playing a central role. In addition, we raise awareness of information security risks by establishing the Rules for Using Internal Information Systems and providing e-learning programs and targeted attack e-mail drills for employees.
Changes in financial position, operating results, and cash flows other than those stated above	Financial situation <Key risks> Changes in the economic environment	Domestic sales account for over 90% of the Group's total sales. Reduced capital investment, accompanied by a downturn in the domestic economy, could lead to decreased demand, thereby adversely affecting the Group's business performance and financial position.	The Group strives to obtain timely information on changes in the economic environment through communication with stakeholders and internal meetings and reporting procedures. We collect and organize this information centrally, then analyze and assess the potential short-term and medium- to long-term impact on our business with an eye to flexibly reviewing our business activities.

*OKAMURA-CSIRT: OKAMURA Computer Security Incident Response Team

Risk Management

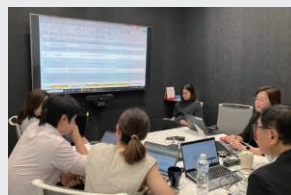
Initiatives to Strengthen Resilience

Compliance

We work to thoroughly spread awareness of our 10-item Code of Conduct among all employees in order to achieve responsible corporate behavior based on our Basic Policy, which follows our Corporate Philosophy comprised of the five phrases: Innovative Creation, Cooperation, Being Cost Conscious, Saving for Future, and Social Responsibility. Our Code of Conduct clarifies matters that all employees should observe in their day-to-day work, including respect for human rights, ethical behavior, fair transactions, maintaining a sound relationship with political and governmental entities, and other matters aimed at preventing corrupt practices. We must ensure proper awareness and behavior throughout the Group, but there is no guarantee that problematic behavior will not occur in the future. We are taking various measures with an awareness that the occurrence of inappropriate behavior that does not meet social expectations could lead to social responsibility issues that adversely affect not only our own credibility and business performance, but also the management of our business partners.

Initiatives for the Governance of Overseas Group Companies

As our overseas business expands through M&A activities and capital alliances with leading local partners, we are working to strengthen the functions of routine monitoring and audit of overseas sites. Through system cooperation, we have established a system to check the accounting data of overseas Group sites on a monthly basis and detect anomalies rapidly. Furthermore, in addition to regular operational audits conducted by the Internal Audit Department, risk-based audits are conducted by the Internal Audit Department, corporate departments, and external experts to strengthen governance at overseas sites. Through repeated dialogue between corporate departments, business divisions, and overseas sites, we will continue to follow up on response to key risks and strengthen our frontline risk management capabilities.



Conducting an audit in the presence of an attorney at a local subsidiary (Singapore)



Sustainability Report 2025

Promoting Compliance ▶ P.138-141

Respect for Human Rights ▶ P.142-143

Initiatives for Human Rights

The Okamura Group aims to realize a society in which all people can work and live with vitality and smiles. In May 2022, we formulated the Okamura Group Human Rights Policy with the purpose of fulfilling our responsibility to respect the human rights of all people who are impacted by our business activities.

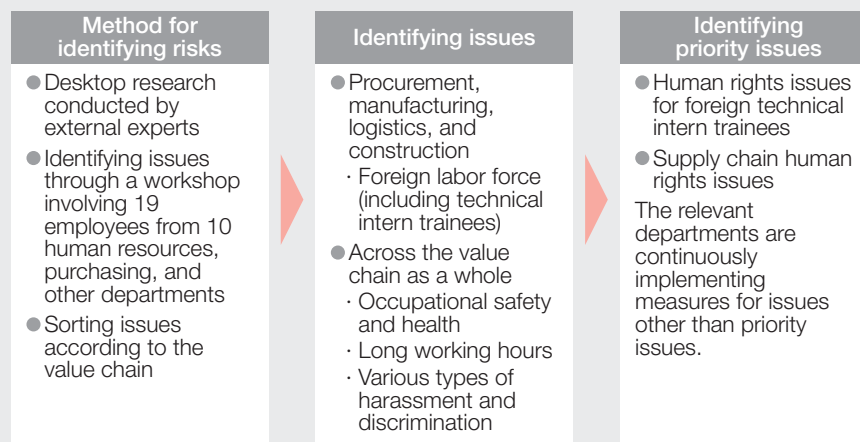
In formulating the policy, we commissioned a desktop study by Caux Round Table (CRT) Japan and held workshops in which the persons in charge of relevant departments participated to deepen their understanding of the Okamura Group and human rights and establish the human rights policy.



Okamura Group Human Rights Policy

https://www.okamura.co.jp/corporate/sustainability/policy/human_rights_policy_en.pdf

Process for Identifying Human Rights Risks



Risk Management

Initiatives to Strengthen Resilience



Sustainability Report 2025
Information Security Measures
▶ P.137

Information Security

If the confidentiality, availability, and integrity of our information system is compromised, it is difficult to detect unauthorized access or illegal access, increasing the risk of information being leaked, altered, destroyed, or lost. Furthermore, increasingly sophisticated cyberattacks could leave us vulnerable to serious information security incidents that could lead to deterioration in our social credibility or business performance.

In 2022, the Okamura Group formulated its Information Security Policy. The Information Security Management Rules were established to prevent information security accidents before they occur and to minimize the damages in the event of such accidents, and uniform measures are being implemented on a Group-wide basis, including encrypting data on computers and servers, collecting computer operation logs, and filtering websites.

● Establishment of the information security promotion system

We launched OKAMURA-CSIRT in October 2020. With a Corporate Functional Officer as the responsible person in charge, the body engages in day-to-day activities to prevent information security accidents and prepare for a scenario where such an accident occurs, working primarily with relevant departments such as general affairs, legal affairs, information systems, public relations, and customer service offices.

● Assessment of information security risks

As part of our risk management activities, we perform comprehensive self-assessments based on the Ministry of Economy, Trade and Industry's cybersecurity management guidelines. We analyze information security risks from organizational, human, physical, and technical perspectives, clarify our priorities, and implement measures.

● Implementation of various kinds of training for employees

In order to raise awareness of information security, the Okamura Group educates employees through e-learning and targeted attack email training. By displaying alerts on the intranet and upon startup of the computer, we continue to enlighten our employees about the need to be mindful of information security risks in their day-to-day operations.



Sustainability Report 2025
Provision of Safe and High-Quality Products and Services ▶ P.44-45

Quality of Products and Services

The Okamura Group regards the provision of safe products and services as a material management issue, and aims to enhance customer satisfaction by implementing thorough quality control in all processes from production and logistics to installation. As customer needs become more diverse, quality control is becoming more complex, as it has begun to apply not only to in-house manufactured products but also to externally-procured products, contracted construction, and services. Although we manufacture products in accordance with ISO 9001, there is no guarantee that all products will be free of accidents or malfunctions in the future.

Against this backdrop, we promote the operation of a company-wide quality improvement system and quality management system, and the establishment an assessment system. In April 2025, we formulated the Quality Policy, combining Our Quality Declaration, which outlined commitment to quality, and the Activity Guidelines specified for the entire supply chain and for specific processes.

● Establishment of the quality control system

With regard to the company-wide quality system, we have established a Quality Assurance Committee, which is chaired by the Representative Director and composed of the Executive Officers in charge of business divisions and corporate departments. The committee identifies risks, formulates annual plans, promotes and supports the activities to address these risks, and monitors the progress of these plans and activities. Furthermore, with regard to the quality systems for each business area, we have established a committee composed of the executives for each process, aimed at deepening information sharing and collaboration between processes and ensuring and improving quality. The system is designed to respond quickly and precisely.

● Implementation of various kinds of training for employees and suppliers

In order to promote employees' awareness of the safety and quality of products and services and improve their management capabilities, we conduct training such as manager training and quality management system (QMS) training. In addition, in order to promote quality activities that are consistent at each stage of the supply chain, we work with suppliers to conduct practical quality control training incorporating case studies.

Risk Management

Initiatives to Strengthen Resilience

Human Capital

In order to carry out and grow our business, it is essential to conduct the necessary efforts to secure and develop human resources. When efforts related to human capital are not adequately conducted, the implementation and management of business activities may be disrupted, making it difficult to achieve performance targets. Additionally, when there is insufficient investment in human capital, insufficient human resources development, or insufficient assurance of the health and safety of employees, this may lead to a decline in morale, resignations, or a decline in productivity, which may adversely affect the Group's business performance and financial position. Furthermore, violations of health and safety laws and regulations may not only result in penalties and compensation payments but also adversely affect corporate reputation and management.

In keeping with this Founding Spirit, the Okamura Group has incorporated "People Thriving" into our Management Philosophy. While staying true to this philosophy, we will push ahead with human resource development and initiatives to enhance work fulfillment with the aim of improving engagement of employees. We aspire to build a "Strong Okamura" capable of addressing environmental changes, where all of our employees work with vitality in their own individual styles.

Establishment of the post of HR Business Partners in Business Divisions

In addition to various initiatives for human resources development, in 2024, we established the post of HR Business Partner (HRBP) as a "business partner," who takes charge of each business division. Responsibilities of HRBP include forming organizations and assigning personnel as necessary for the execution of the business strategy. An HRBP Meeting is held once a month, attended by corporate HRBPs (Corporate Strategies Department, Human Resources Department, Human Development Department) and the HRBPs of business divisions. Through this close collaboration, we promote human resource strategy aimed at achieving our management strategy.

Main Agenda Items of HRBP Meetings

- Jun. 2024 Workshop to share issues related to human resource rotation
- Jul. 2024 Engagement surveys
- Oct. 2024 Recruitment strategies
- Feb. 2025 New hire training, global human resources training, and internships



Sustainability Report 2025
Okamura Group Human
Resource Strategy ▶ P.74-83

Securing Human Resources Who Support the Future

In order to ensure that we are chosen by job candidates in an increasingly dynamic hiring environment, we are working to secure human resources who are better matched to frontline operations by linking our management strategy and human resources strategy. In terms of recruiting new graduates, we offer job-based internships to students nationwide as an opportunity to understand our philosophy and the jobs we offer. In order to combat rising prices and secure outstanding human resources, in April 2025, we raised the starting salary for graduate school and university graduates to 300,000 yen and the starting salary for high school graduates to 217,500 yen.


In order to create opportunities that will serve as roadmaps for the future careers of the next generation of human resources, in FY2024, we conducted activities such as participating in a business contest for university students and dispatching instructors to universities.

Initiatives for Safety and Health

In October 2024, Okamura reexamined the system so that the safety and health staffs of the production plant are placed under the direct authority of the general manager of the plant, in order to strengthen safety and health activities. We established the 15th of each month as Company-Wide Safety Day, aiming to become a company where all employees can carry out safety activities under the policy of "safety comes before all else." Safety patrols are conducted by top management and managerial staff of production departments, and 2S (*seiri seiton*; "tidying and organizing") inspections are conducted at head office and sales departments.



Safety patrol by top management
(Yokohama Distribution Center)

 Sustainability Report 2025 Occupational Safety and Health ▶ P.119-129

Stakeholder Engagement

The Okamura Group aims to be a company trusted and appreciated by society through communicating with a wide range of stakeholders, and incorporating their opinions and expectations, thereby improving our management and initiatives, towards achieving its Purpose of “Realizing a society where people can thrive.” We consider customers, dealerships, suppliers, shareholders and investors, employees and their families, and society and government to be particularly important stakeholders, and engage in communication with them based on our basic stance.



Sustainability Report 2025

Stakeholder Engagement ▶ P.24-25

Stakeholders	Basic Stance	Main Activities/Communication Tools	Frequency/Number of Cases/ Number of Times	Incorporation into Management, Products or Services
Customers	We will continue to take on the challenge of creating new values, markets and trends by providing society with innovative products and services with reliable quality and safety, working towards “Realizing a society where people can thrive.” We clearly state the “provision of safe and high-quality products and services” in our Code of Conduct, and aim to provide products and services that lead to increased customer satisfaction.	Customer Service Office After-sales maintenance (inspections and repairs) Communicating product information Publishing installation examples and information magazines	Routinely (Number of inquiries in FY 2024: 18,426) Routinely Routinely	<ul style="list-style-type: none"> ● Improve products and services based on feedback and suggestions received ● Provide suggestions on new value and trends
Dealerships	Not only do we sell our products directly, but we also sell our products through dealerships, to allow us to better accommodate the diverse needs of our customers. As dealerships are not only our partners but also our customers, Okamura will work with them to increase mutual corporate value toward the common goal of maximizing customer satisfaction.	Dealership associations by handled products Various workshops Information website for dealerships	Routinely Routinely Routinely	<ul style="list-style-type: none"> ● Improve products and services based on feedback received ● Improve measures for various dealerships
Suppliers	We clearly state in our Basic Purchasing Policy, that “transactions are fundamentally based on free competition, and we should work toward coexistence and mutual prosperity with suppliers based on an equal footing and mutual trust.” From this perspective, we have established Sustainable Procurement Guidelines, and on the premise of fair and impartial business with suppliers, we will strive to improve business through mutual collaboration, as well as practice procurement that emphasizes sustainability.	Information and technical exchange meetings Regular interviews and visits Electronic network system	Routinely Routinely Routinely	<ul style="list-style-type: none"> ● Reinforce activities aimed at improving business and procurement focused on sustainability through mutual collaboration
Shareholders and investors	We will strive to increase shareholder value by growing our business and continually increasing corporate value. In addition to conducting timely and proper disclosure of information to gain even greater trust from shareholders and investors, we encourage communication through various opportunities and actively disclose useful information, aiming for highly transparent management.	General Meeting of Shareholders Financial Results Briefings Publication of Integrated Report Individual meetings Small meetings and facility tours, etc. Information magazine and website Questionnaires for individual shareholders and individual investors	Once a year 4 times a year Once a year As needed (111 times in FY 2024) As needed (twice in FY 2024) As needed As needed	<ul style="list-style-type: none"> ● Enhance management transparency by expanding communication
Employees and their families	We consider employees to be collaborators and team members who work together to help the company prosper. We will aim to achieve even greater results through business activities that emphasize mutual collaboration among employees. We will move forward with creating workplaces where each employee can work vibrantly based on a fair labor-management relationship, linking this to the growth of the company and “Work in Life” of employees.	Discussions between employees and management Initiatives to realize employees “Work in Life” Activities promoting DE&I (Diversity, Equity & Inclusion)	Routinely Routinely Routinely	<ul style="list-style-type: none"> ● Nurture talent aimed to improve employee engagement, and carry out measures to promote job engagement reform
Society and government	We strive to contribute to building a sustainable society and coexist with communities where we operate, by actively interacting with local residents, government agencies, companies, and organizations, as well as the younger generation who will be the torch-bearers of the future.	Dialogue with government agencies Various forms of communication with local governments where production plants are located Activities contributing to local communities Disseminating information through publications and websites	As needed Routinely As needed Routinely	<ul style="list-style-type: none"> ● Incorporate findings aimed at building better relationships with local communities and reflect them in various measures

6

Key Indicators

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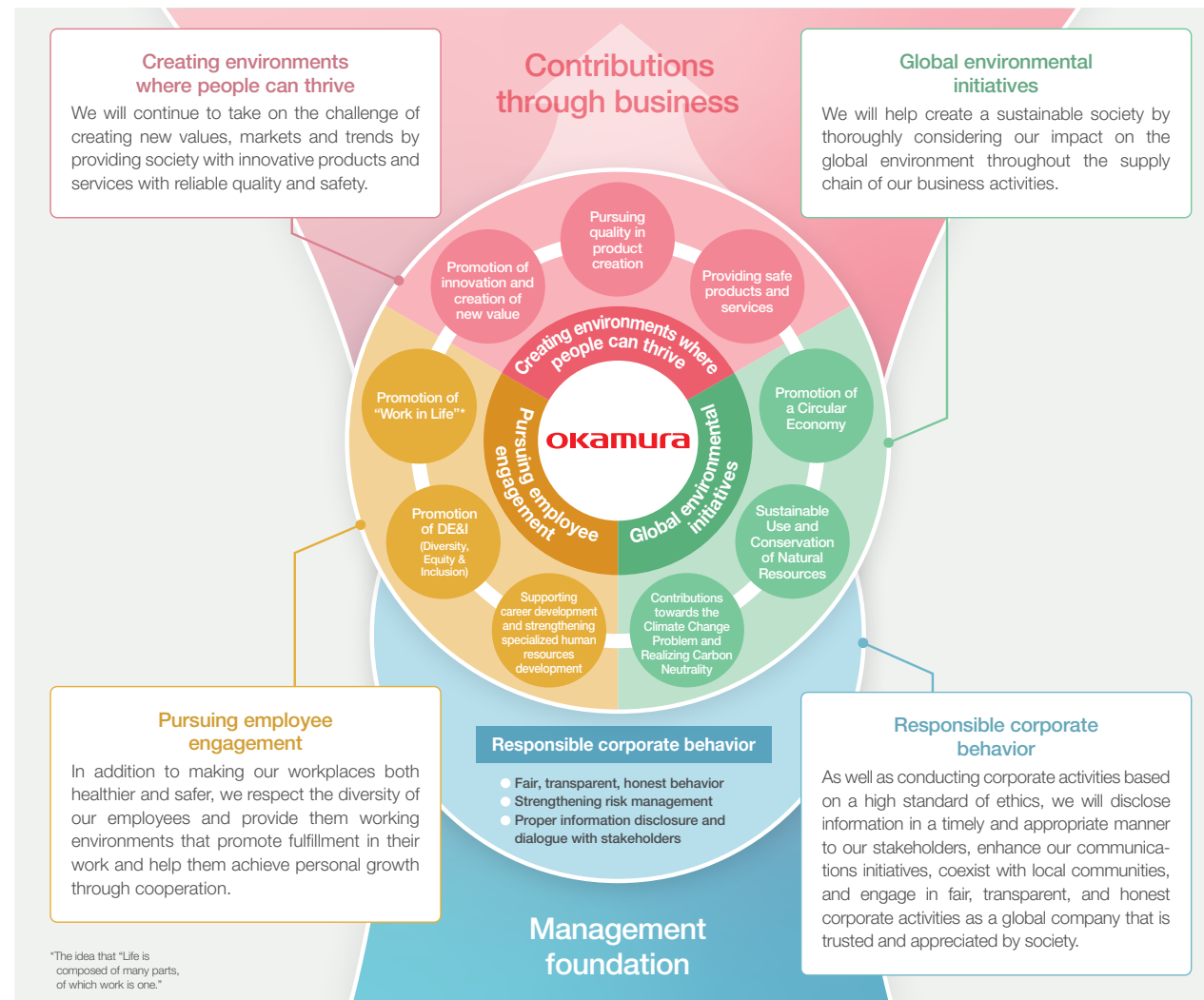
- 72** The Okamura Group's Materiality (Material Management Issues)
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The Okamura Group's Materiality (Material Management Issues)

The Okamura Group identifies material management issues (materiality) in four areas, recognizing the importance of business activities that put sustainability at the center in order to realize a society where people can thrive. Based on our management principle of responsible corporate behavior, we are committed to reducing the environmental burden throughout our supply chain. This is possible by motivating our employees and ensuring their lives are fulfilled through pursuing employee engagement, and by implementing our global environmental initiatives. Through our business activities, we will contribute to the realization of a society where people can thrive.

 Sustainability Report 2025
Basic Approach ▶ P.11-14

 Materiality KPIs and Progress
▶ P.73-74

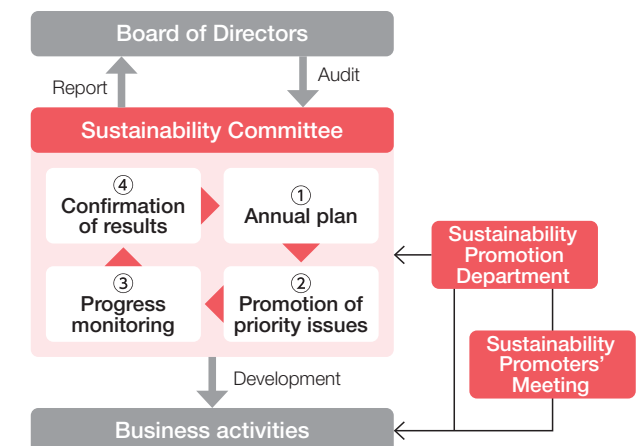


Identifying Material Issues and Promoting Initiatives to Realize a Society Where People Can Thrive

At the Okamura Group, we have established the Sustainability Committee to ensure the appropriate management of the formulation and promotion of materiality (material management issues).

In order to appropriately manage the formulation and promotion of the sustainability strategy, the committee is responsible for formulating, deliberating on, and approving annual plans relating to materiality (material management issues), and developing initiatives for related departments. It also promotes and supports Group-wide initiatives related to material issues and monitors their progress.

The committee holds regular meetings twice a year, and it reports matters that have been deliberated and resolved, as well as the results of its activities, to the Board of Directors, which manages and supervises the reported matters.



Materiality KPIs and Progress



Sustainability Report 2025 Sustainability Action Plan (Material Issues) ▶ P.21-23

The Sustainability Action Plan consists of the Okamura Group's materiality (material management issues) and other social issues. For each issue, the relevant departments set KPIs to measure the degree of achievement, set annual targets, and develop initiatives. The progress of initiatives is monitored by organizational units responsible for their implementation, such as the Sustainability Committee and the Sustainability Promotion Project.

Sustainability Action Plan (Material Issues)



Areas	Material Issues	KPIs	FY2024 Targets	FY2024 Results	FY2025 Targets	Mid-to Long-Term Targets
Creating environments where people can thrive	Pursuing quality in product creation Promotion of innovation and creation of new value 7 8 9 12	<ul style="list-style-type: none"> Please see the Midterm Management Plan 2025 <div> <p>May 10, 2023 Disclosure Midterm Management Plan 2025 Explanatory materials: ▶ https://ir.okamura.co.jp/en/library/managementplan/</p> </div>	<ul style="list-style-type: none"> Provide solutions that support corporate growth and diverse work styles Resolve social problems faced by retailers, and conduct research and development on how stores will be constructed in the future Develop products and services that contribute to smart logistics Develop environmentally friendly products for industrial vehicles 	<ul style="list-style-type: none"> Demand focused on addressing management issues essential to corporate growth contributed to sales and profit R&D on store creation made progress, centered on MISEIKU LAB Development of products and services that contribute to smart logistics has advanced to the pre-commercialization stage 	<ul style="list-style-type: none"> Continue with FY2023 targets 	<ul style="list-style-type: none"> Realize a society where people can thrive by providing new value to customers and society
	Providing safe products and services 9 12	<ul style="list-style-type: none"> Number of serious product accidents* 	<ul style="list-style-type: none"> 0 	<ul style="list-style-type: none"> 1 	<ul style="list-style-type: none"> 0 	<ul style="list-style-type: none"> —
Global environmental initiatives	Promotion of a circular economy 3 6 7 9 12 13 14 15 17	<ul style="list-style-type: none"> Promote resource recycling through conserving resources and reducing waste Promote environmentally conscious planning and design in product development 	<ul style="list-style-type: none"> Generation of production-related waste, etc. Reduce by 1.0% YoY per in-house finished product unit Set management indicators for environmentally conscious products and monitor their status 	<ul style="list-style-type: none"> Reduced by 2.3% YoY per unit Set management indicators and monitored progress monthly 	<ul style="list-style-type: none"> Generation of production-related waste, etc. Reduce by 1.0% YoY per in-house finished product unit Set management indicators and monitor the performance of environmentally conscious products developed 	<ul style="list-style-type: none"> Reduce production-related waste generation per unit by 9% in FY 2030 compared to FY 2020 —
	Sustainable use and conservation of natural resources 6 12 13 14 15 17	<ul style="list-style-type: none"> Promote sustainable use of forest resources Reduce the impact on the environment 	<ul style="list-style-type: none"> Reconfirm legality based on the Timber Use Policy Use of water resources: Reduce by 1.0% YoY per in-house finished product unit 	<ul style="list-style-type: none"> One minor non-conformity found during the audit to maintain FSC certification Reduced by 8.4% YoY per unit 	<ul style="list-style-type: none"> Establish a process to confirm legality of timber Use of water resources: Reduce by 1.0% YoY per in-house finished product unit 	<ul style="list-style-type: none"> — Reduce water use by 10% in FY2030 (compared to FY2020)
	Contributing to resolving climate change issues and realizing carbon neutrality 7 9 13 15 17	<ul style="list-style-type: none"> Promotion of measures to prevent global warming <ul style="list-style-type: none"> Reduce greenhouse gas emissions Reduce fuel-related energy consumption Increase energy productivity 	<ul style="list-style-type: none"> Reduce Scope 1 + 2 emissions by 20% compared to FY 2020 across the entire Group <ul style="list-style-type: none"> Industrial fuel consumption: Reduce by a five-year average of 1.0% Vehicle fuel consumption: Reduce by a five-year average of 5.0% Efficient use of energy in compliance with the Energy Conservation Act <ul style="list-style-type: none"> Production-related energy consumption per unit: Reduce by 1.1% YoY per in-house finished product unit Office-related energy consumption per unit: Keep energy consumption per unit per total headcount at current level 	<ul style="list-style-type: none"> Reduced CO₂ emissions by 30.8% compared to FY 2020 <ul style="list-style-type: none"> Industrial fuel consumption: Reduce by 1.1% on average over 5 fiscal years Vehicle fuel consumption: Reduce by 15.3% on average over 5 fiscal years Production-related energy consumption per unit: Reduced by 4.0% YoY Office-related unit energy consumption per unit: Reduced by 2.1% YoY 	<ul style="list-style-type: none"> Reduce Scope 1 + 2 emissions by 36% compared to FY 2020 across the entire Group <ul style="list-style-type: none"> Industrial fuel consumption: Reduce by 1.0% on average over 5 fiscal years Vehicle fuel consumption: Reduce by 5.0% on average over 5 fiscal years Efficient use of energy in compliance with the Energy Conservation Act <ul style="list-style-type: none"> Production-related unit energy consumption per unit: Reduce by 1.1% YoY per in-house finished product unit Office-related energy consumption per unit: Keep energy consumption per unit per total headcount at current level 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions by 50% in FY 2030 (compared to FY 2020); aim to achieve carbon neutrality by FY 2050 Improve energy productivity by 10% in FY 2030 (compared to FY 2020)

The numbers above indicate the related SDGs.

*Definition of serious product accident: Accidents caused by Okamura products that result in serious damage to life or body, and accidents caused by Okamura products that result in serious damage, such as fires, to property other than the product at fault.

Materiality KPIs and Progress

Areas	Material Issues	KPIs	FY2024 Targets	FY2024 Results	FY2025 Targets	Mid-to Long-Term Targets
Pursuing employee engagement*	Promotion of "Work in Life" 3 8	● Improve employee satisfaction and engagement	● Improve the engagement score ● Designate priority items for improvement	● Achieved engagement score of "B" ● Designated priority items and implemented measures for improvement	● Improve engagement score ● Designate priority items for improvement ● Implement measures for improvement ● Improve D-rated departments	● Achieve a rating of "B" by FY 2025
	Promotion of DE&I (Diversity, Equity & Inclusion) 5 8 10	● Percentage of female employees	● 23%	● 22.7%	● 23%	● —
		● Percentage of female managers	● 7%	● 7.3%	● 7.5%	● —
		● Percentage of female new graduate hires (university graduates)	● 40~50%	● 41.9%	● Will not be managed as a target from FY2025 onward as the target has already been achieved	● —
		● Percentage of male employees taking childcare leave	● 65%	● 69.2%	● 70%	● —
		● Combined percentage of male employees taking childcare leave and spousal maternity leave	● 100%	● 101.9%	● 100%	● —
		● Percentage of employees with disabilities	● 2.58%	● 2.32% (as of June 1, 2025)	● 2.5%	● 2.7% in FY2025
Responsible corporate behavior	Supporting career development and strengthening specialized human resources development 4 8	● Implementation rate of skill development interviews	● 100%	● 97%	● 100%	● —
		● Implement various measures for specialized jobs to further foster specialist skills	● Plan and manage programs for specialized human resources development in line with each Division's strategies	● Implemented DX Learning Platform ● Offered training for operation and management engineers ● Offered Okamura Thinking program to absorb design thinking ● Ascertained necessary qualifications	● Continue to plan and manage training programs for specialized human resources development in line with each Division's strategies	● —
		● Survey on participation in the Okamura University, "Towards Your Future Career"	● 95% of participants answer that it would be helpful for their future career	● 92.2% of participants answered that it was helpful for their future career	● 95% of participants answer that it would be helpful for their future career	● —
		● Implementation rate of sustainable procurement surveys	● 70% based on transaction amount	● Surpassed 70% or more based on transaction amount ● Surveyed 639 companies with a 98.9% response rate	● Surpass 70% or more based on transaction amount	● —
		● Implementation rate of sustainable procurement on-site audits	● 100% for high-risk suppliers	● 100% for high-risk suppliers ● On-site audits for 5 companies	● 100% for high-risk suppliers	● —
		● Implement and expand in-house human rights education for synergy effect with sustainable procurement	● Provide training to departments related to purchasing	● Continued to provide training	● Continue to provide training to departments related to purchasing	● —
		● Implementation rate for compliance education conducted at time of hire and for newly appointed executives	● 100%	● 100%	● 100%	● —
Responsible corporate behavior	Fair, transparent, honest behavior 5 8 10 16 17	● Expansion of compliance training	● Implement compliance training	● Conducted company-wide compliance training (4 times/year) ● Conducted other issue-specific training	● Conduct company-wide compliance training (3 times/year) ● Conduct other issue-specific training	● —
		● Establish Business Continuity Plan (BCP) for disasters	● Review the disaster response manuals ● Establish Business Continuity Plan (BCP) for disasters	● Continuing review of the disaster response manuals in line with BCP ● Completed the establishment of BCP for disasters, scheduled to implement in FY2025	● Review the disaster response manuals ● Conduct public relations activities for and spread awareness of BCP	● —
	Strengthening risk management 10 11 16	● Establish Business Continuity Plan (BCP) for disasters	● Review the disaster response manuals ● Establish Business Continuity Plan (BCP) for disasters	● Continuing review of the disaster response manuals in line with BCP ● Completed the establishment of BCP for disasters, scheduled to implement in FY2025	● Review the disaster response manuals ● Conduct public relations activities for and spread awareness of BCP	● —
Responsible corporate behavior	Proper information disclosure and dialogue with stakeholders 16 17	● Continue dialogue with stakeholders and reflect their input in our initiatives	● Conduct stakeholder dialogues with various external ESG-related experts	● Continued implementation	● Conduct stakeholder dialogues with various external ESG-related experts ● Creative dialogue with investors	● —
		● Expansion of compliance training	● Implement compliance training	● Conducted company-wide compliance training (4 times/year) ● Conducted other issue-specific training	● Conduct company-wide compliance training (3 times/year) ● Conduct other issue-specific training	● —

The numbers above indicate the related SDGs.

*Scope of coverage: Okamura Corporation only

Recognition from Society

ESG Investment Indices



FTSE Blossom
Japan Index



FTSE Blossom
Japan Sector
Relative Index

FTSE Russell confirms that OKAMURA CORPORATION has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index are used by a wide variety of market participants to create and assess responsible investment funds and other products.

EcoVadis (GOLD)

The Okamura Group received the Gold rating in EcoVadis' 2024 assessment for the third consecutive year since 2022, as one of the top 5% of approximately 100,000 companies assessed. EcoVadis is an international body that performs sustainability assessments for companies. (November 2024)



CDP Climate Change Score (A)

In FY2024, Okamura was selected as an A List company scoring by CDP (an international NGO that implements surveys) for the second consecutive year, as a leading company in climate change initiatives and information disclosure. Okamura has submitted responses to the CDP climate change questionnaire since FY2021. (February 2025)



Sustainability Related



Domestic and International Design Awards



reddot winner 2025



Five-year Consolidated Financial Summary

FY			2020	2021	2022	2023	2024
Operating Results (for fiscal year)	Net sales	(Millions of yen)	244,454	261,175	277,015	298,295	314,527
	Gross profit	(Millions of yen)	80,113	83,587	89,005	99,772	105,529
	Selling, general and administrative expenses	(Millions of yen)	65,937	67,614	71,632	75,735	81,593
	Operating profit	(Millions of yen)	14,175	15,972	17,372	24,036	23,935
	Ordinary profit	(Millions of yen)	15,377	17,491	18,924	26,227	26,459
	Profit attributable to owners of parent	(Millions of yen)	11,971	14,992	15,906	20,280	22,045
Financial Positions (end of fiscal year)	Total assets	(Millions of yen)	245,473	245,372	252,914	282,118	289,144
	Net assets	(Millions of yen)	139,776	144,121	152,702	174,795	186,795
Cash Flows	Cash flows from operating activities	(Millions of yen)	26,921	5,328	13,491	21,351	983
	Cash flows from investing activities	(Millions of yen)	(833)	(2,264)	(6,660)	(12,248)	(14,270)
	Cash flows from financing activities	(Millions of yen)	(13,073)	(8,601)	(9,485)	(8,200)	(209)
	Cash and cash equivalents at end of period	(Millions of yen)	44,419	39,186	36,999	38,215	25,410
	Balance of loans payable and bonds payable at end of period	(Millions of yen)	21,721	21,594	21,159	20,862	35,839
Per Share Data	Basic earnings per share (EPS)	(Yen)	112.51	151.26	163.15	214.27	232.93
	Net assets per share (BPS)	(Yen)	1,381.61	1,459.34	1,592.79	1,821.10	1,956.33
	Annual dividends per share	(Yen)	32.00	40.00	55.00	86.00	94.00
Financial Indicators	Ratio of operating profit to net sales	(%)	5.8	6.1	6.3	8.1	7.6
	Return on equity (ROE)	(%)	8.8	10.7	10.8	12.6	12.3
	Return on assets (ROA)	(%)	6.4	7.1	7.6	9.8	9.3
	Equity ratio	(%)	56.5	58.1	59.6	61.1	64.0
	Payout ratio	(%)	28.4	26.4	33.7	40.1	40.4
	Total payout ratio	(%)	101.6	49.8	58.7	40.1	40.4
Other	Number of employees (consolidated)	(Persons)	5,204	5,406	5,492	5,491	5,687

These figures have been rounded down to the nearest unit displayed.

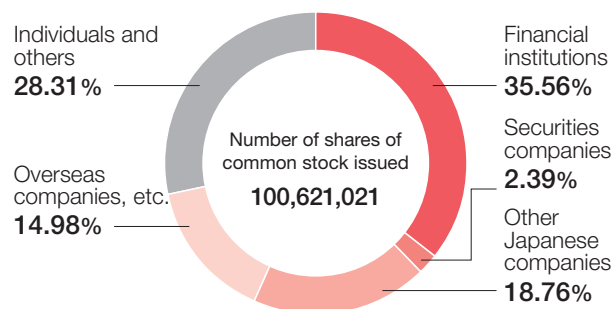
The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29; March 31, 2020), etc. from the beginning of FY2021. The main management indicators, etc., for FY2021 and beyond reflect the adoption of said accounting standard.

Company Information/Stock Information (As of March 31, 2025)

Company Data

Company name	OKAMURA CORPORATION
Head office	Tenri Bldg.19F, 1-4-1, Kitasaiwai, Nishi-ku, Yokohama, Kanagawa 220-0004, Japan
Foundation	October 1945
Paid-in capital	18,670 million yen
Number of employees	5,687 (consolidated) / 4,158 (non-consolidated)
Subsidiaries and associates	45 companies ► https://www.okamura.co.jp/corporate/outline/group.html (Japanese)
Number of shares of common stock issued	100,621,021 (including 5,784,709 shares of treasury stock)
Trading units	100 shares
Number of shareholders	36,010
Securities code	7994
Fiscal year end	March 31
Shareholder registry administrator	Mitsubishi UFJ Trust and Banking Corporation
Stock listing	Prime Market of Tokyo Stock Exchange
Accounting auditor	KPMG AZSA LLC

Stock Distribution Status by Owner

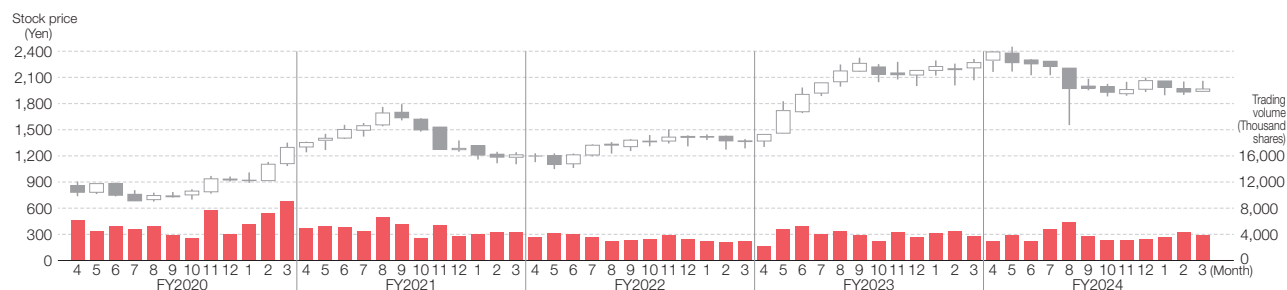


Major Shareholders

Shareholder	(Thousand shares)	(%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	12,087	12.75
Custody Bank of Japan, Ltd. (Trust Account)	6,335	6.68
Okamura Group Employees Stock Ownership Plan	5,572	5.88
Nippon Steel Corporation	5,313	5.60
Meiji Yasuda Life Insurance Company	4,892	5.16
MUFG Bank, Ltd.	4,010	4.23
Okamura Cooperation Companies Stock Ownership Plan	3,659	3.86
The Bank of Yokohama, Ltd.	2,853	3.01
Mitsui Sumitomo Insurance Company, Limited	2,429	2.56
Okamura Dealer Kyoei-Kai	1,776	1.87

Notes: The number of shares held is rounded down to the nearest thousand.
The holding ratio excludes 5,784,709 shares of treasury stock held by the Company.

Stock Price Performance and Trading Volume



Stock-Related Data

		End of FY2020	End of FY2021	End of FY2022	End of FY2023	End of FY2024
Period-end stock price	(Yen)	1,297	1,212	1,364	2,270	1,967
Price-to-earnings ratio (P/E)	(X)	11.5	8.0	8.4	10.6	8.4
Price-to-book value ratio (P/B)	(X)	0.94	0.83	0.86	1.25	1.01
Total shareholder return (TSR)* over the last five years (Comparison index: TOPIX Total Return)	(%)	153.6 (142.1)	148.4 (145.0)	172.4 (153.4)	287.1 (216.8)	262.9 (213.4)

*Refers to the rate of return on an investment factoring in both capital gains and dividends. Calculated based on the formula stipulated by a Cabinet Office Ordinance, using the closing price at the end of FY2017 as the baseline for the start of investment.

