

# 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.

### Contents

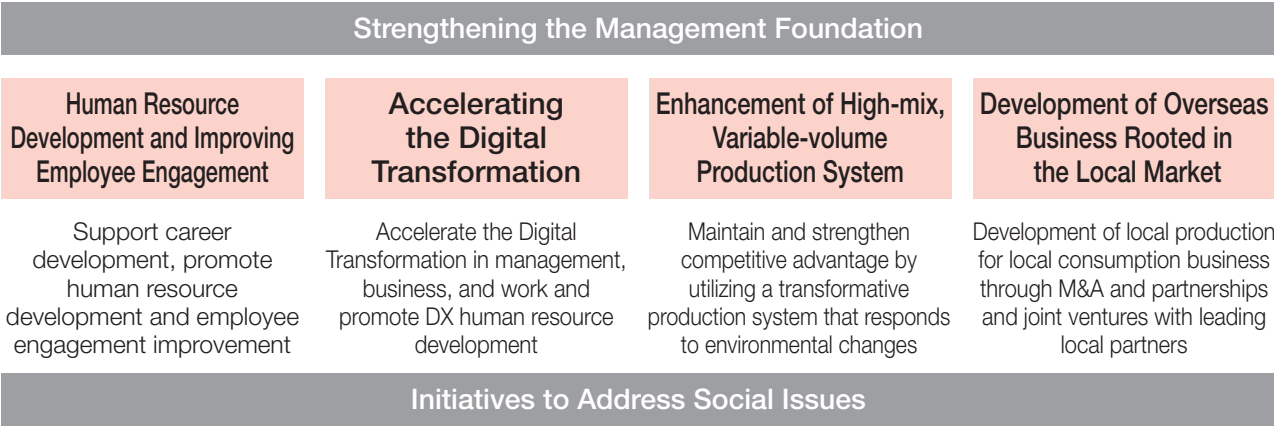
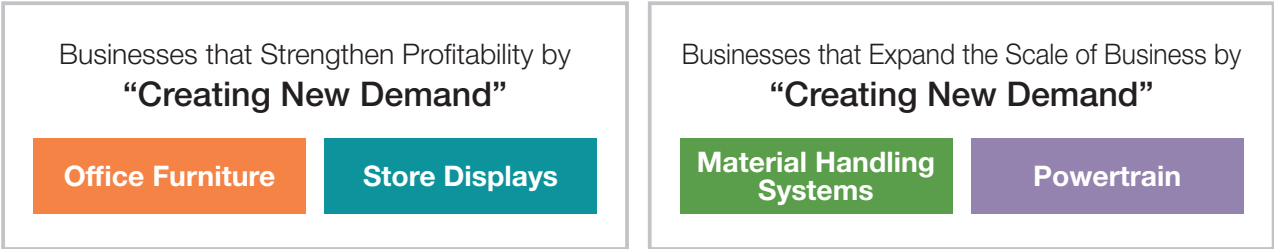
<b>25</b>	Overview of the Midterm Management Plan 2025	<b>41</b>	Production and Supply System
<b>27</b>	Message from the Chief Financial Officer	<b>42</b>	Personnel and Human Resource Development, DX Strategy, and Global Environmental Initiatives
<b>30</b>	Strategies for Each Business	<b>44</b>	Personnel and Human Resource Development
30	Office Furniture Business	<b>47</b>	DX Strategy
33	Overseas Business	<b>49</b>	Global Environmental Initiatives
34	Store Displays Business		
37	Material Handling Systems Business		
40	Powertrain Business		

# 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



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.

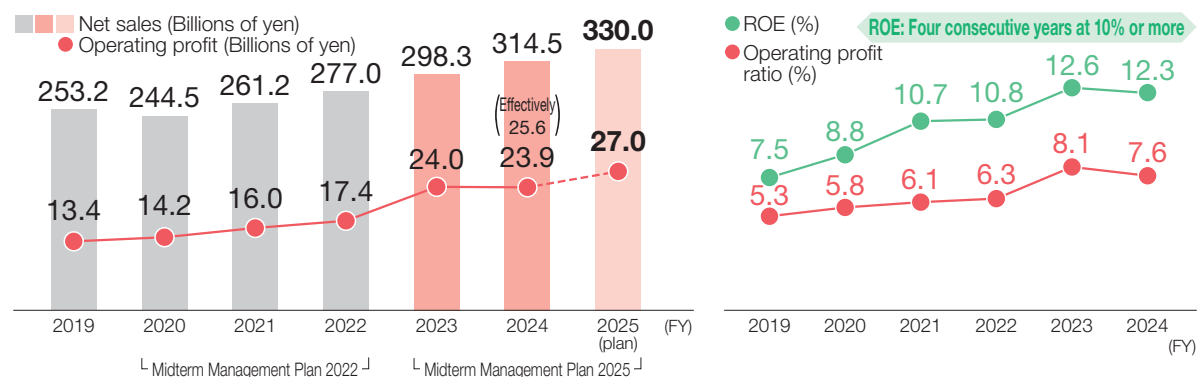
In this business environment, we aim to create new demand by capturing major social and market changes, such as the transition to new office spaces that promote innovation, labor shortages in the distribution industry, and the growing need to address sustainability.

### Financial Targets

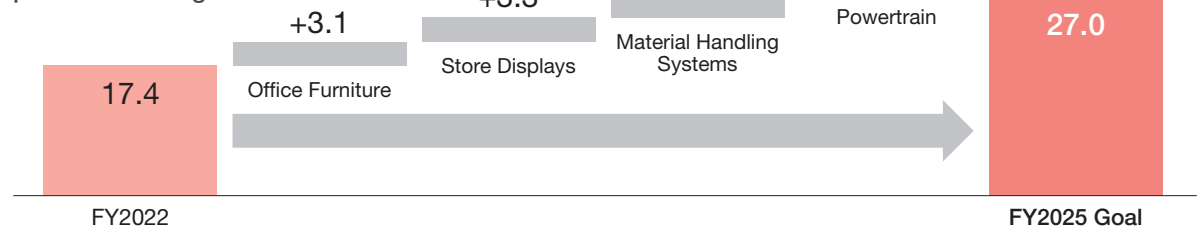
	FY2022	FY2025 Goals (At time of announcement)	FY2025 Revised Goals (Revised May 9, 2025)	FY2022 to FY2025
Net sales (Billions of yen)	277.0	300.0 or more	330.0	+53.0
Operating profit ratio	6.3%	8.0%	8.2%	+1.9 pts
Operating profit (Billions of yen)	17.4	24.0	27.0	+9.6
ROE	8.8%*	10.0%	10.0%	+1.2 pts

\*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.

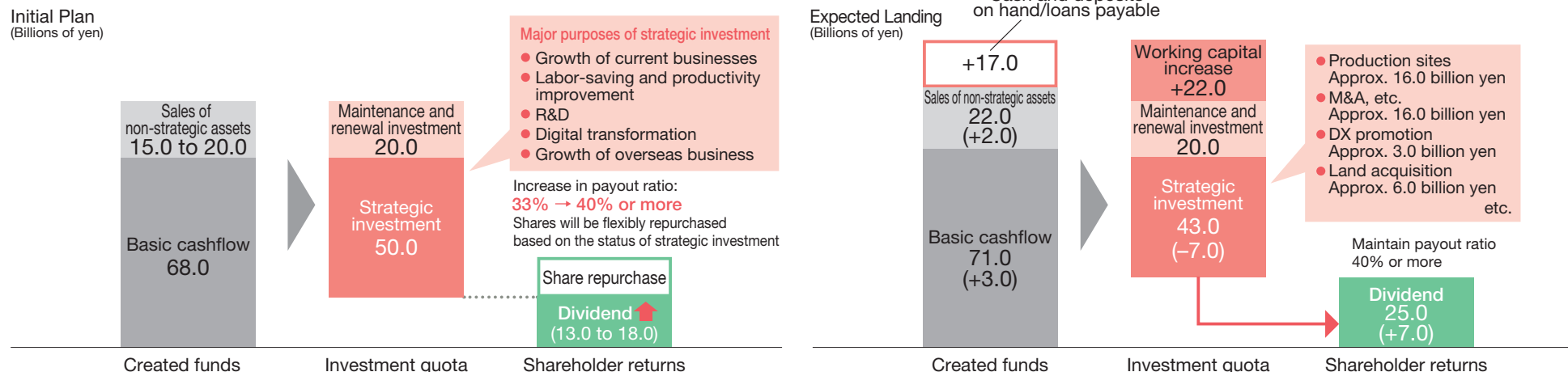
Under the current midterm plan, we have set aside 50.0 billion yen for strategic investments, and we have made strategic investments with a cash outflow of approximately 30.0 billion yen over the past two years. Major investments include constructing a new wing at the Tsukuba Plant, constructing a new 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

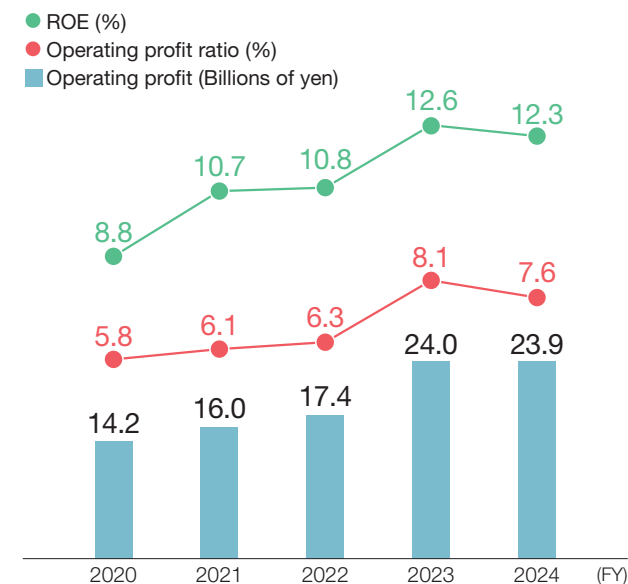
level among Prime Market-listed companies. However, it unexpectedly decreased by 2.2 (8.4), with the unintended outcome of PBR following the same trajectory. An analysis of the current situation and our response was presented in the “FY ended March 2025 Financial Results Briefing” (dated May 13, 2025), 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

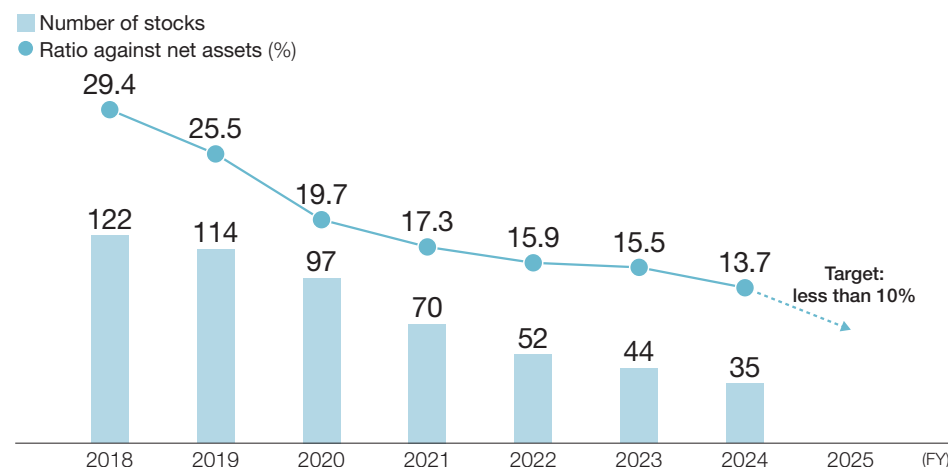
Basic Policy  
for Capital  
Allocation

## 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

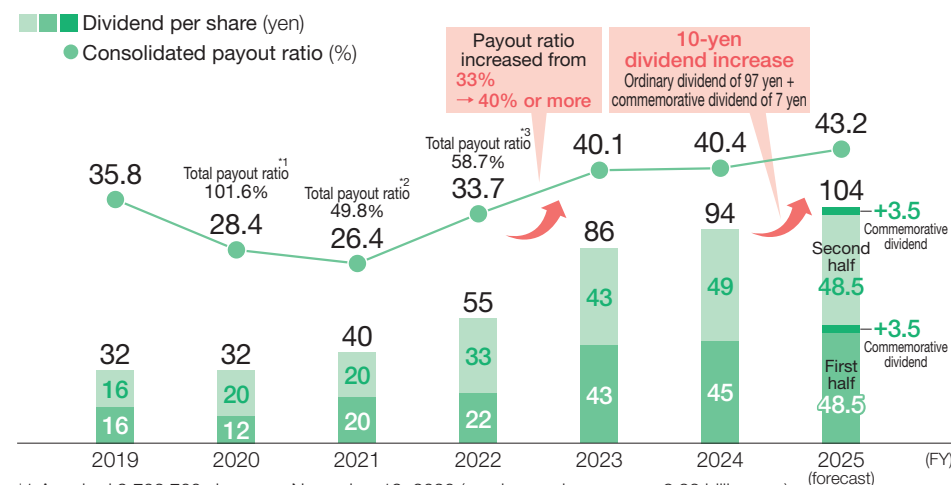
## Number of Cross-Shareholdings in Listed Companies and the Ratio against Net Assets



## Number of Listed Stocks and Value of Shares Sold

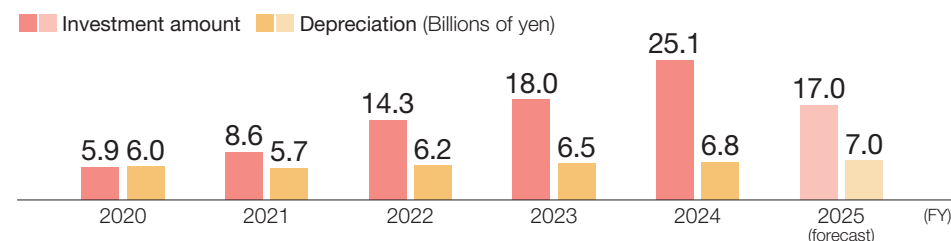
	Number of stocks	Value of shares sold (Millions of yen)
FY2018	122	1,891
FY2019	114	934
FY2020	97	3,682
FY2021	70	5,967
FY2022	52	6,280
FY2023	44	4,836
FY2024	35	4,502

## 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

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

**Naoki Kono**



### 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.

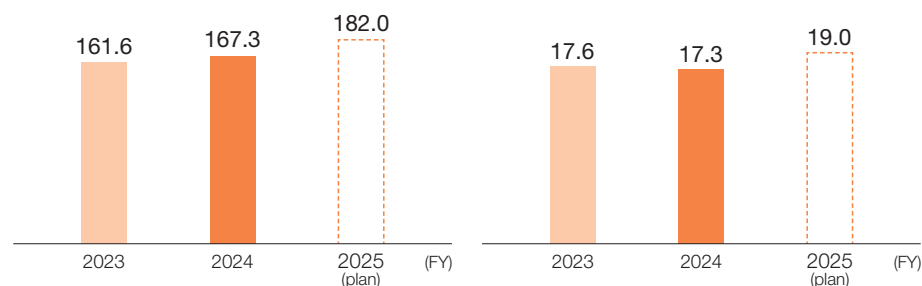
The first is creating new demand. In addition to developing products to meet market demand, we are also working on intangible measures such as leveraging the results of work style research to strengthen our consulting functions; promote spatial design, interior construction work, and DX proposals; and 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,

### 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.



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.

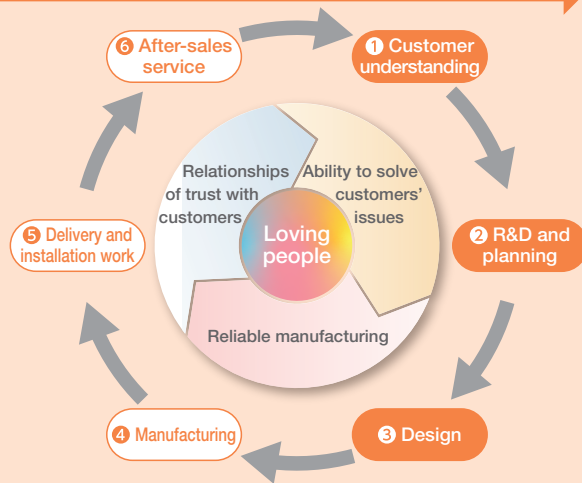
\*Value generated by customers in the future. The life-long value of customers.



## 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\*<sup>1</sup> **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\*<sup>2</sup> **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\*<sup>3</sup> **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.

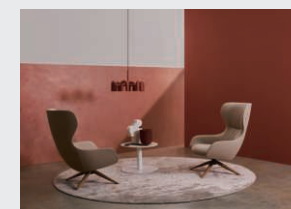
By accelerating initiatives related to these four keywords, we will promote the establishment of a “local production for local consumption” system rooted in the local market. Through the active use of M&A, we will expand our global business platform and aim for the sustainable development of our overseas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

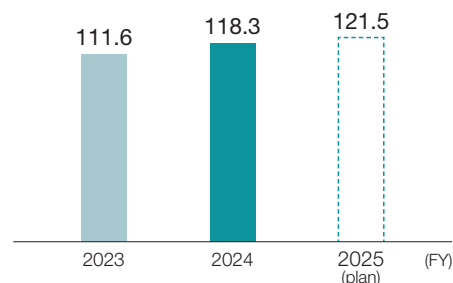
### Message from the Officer in Charge of Division Management

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

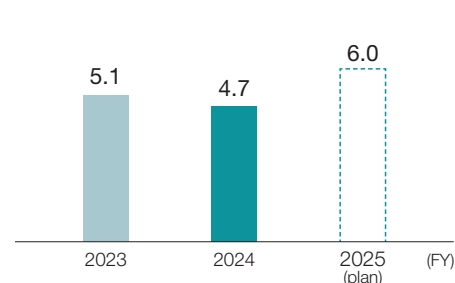
#### Review for FY2024

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

### 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

## 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.

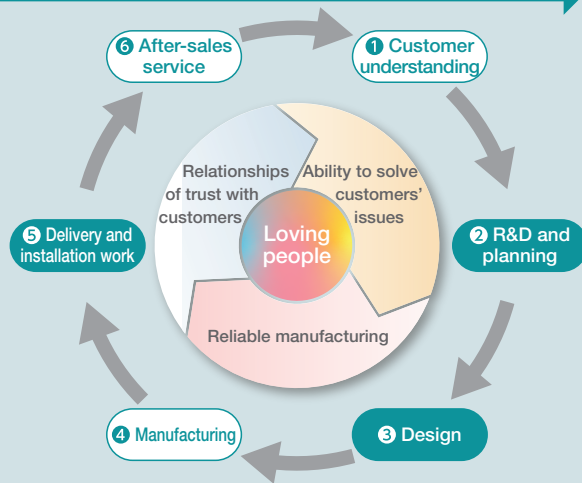
Issues in the retail industry have become more complex and diverse in recent years. We have anticipated these changes and actively introduced and researched cutting-edge digital technology such as sensing technology, 3D store models, and image analysis. By making full use of this technology to enhance 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

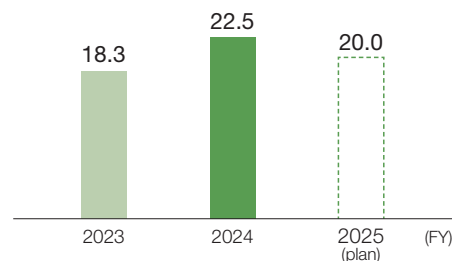
Strategic Challenge

- 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

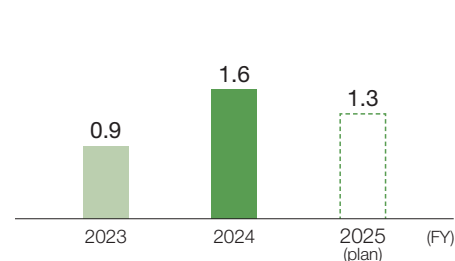
Review for FY2024

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.

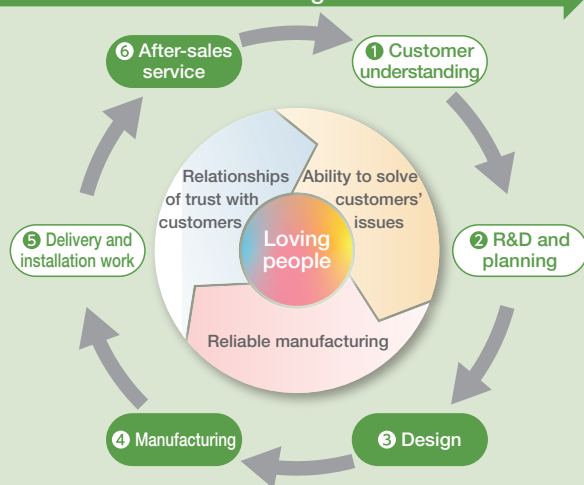
We analyze customers' current situations and propose the optimal combination of a diverse range of material handling equipment, not limited to our own products and even including products made overseas. We deliver reliable quality by managing the entire process from the manufacture and delivery of equipment 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**<sup>\*1</sup> (Solution design, technology design, software development) **97**
- ▶ **Number of proposals per year** **Approx. 600**

<sup>\*1</sup> 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**<sup>\*2</sup>  
Since the first delivery in Japan in 2016, we have delivered to over **60** sites

<sup>\*2</sup> 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**



Torque converter type transmission  
for forklifts



Transmissions for snow removal vehicles



Cleaning robots

### 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.

## 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

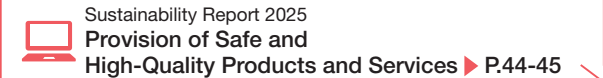
I believe that Okamura's strength lies in its development capabilities. We have taken on years of technological challenges, including the

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.

Sustainability Report 2025 ▶ P.46

#### 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."

Sustainability Report 2025 ▶ P.47



## 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**

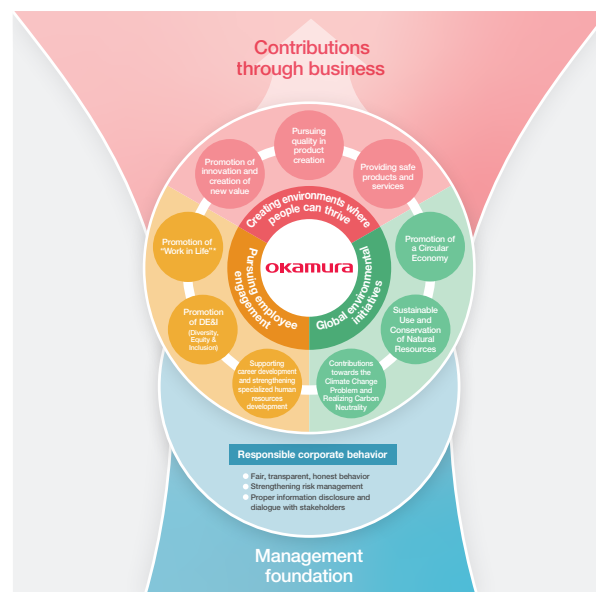
#### Corporate Departments Lead Organizational Reform

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.

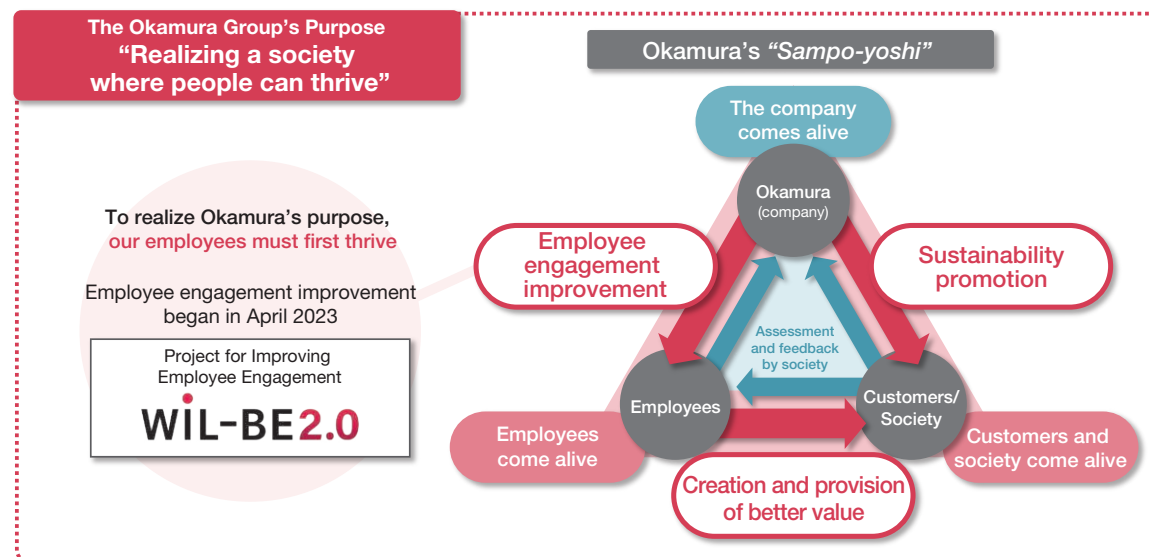
#### Personnel and Human Resource Development

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



Sustainability Report 2025 ▶ P.74

### Aiming for Growth through Human Resource Development and Employee Engagement Improvement

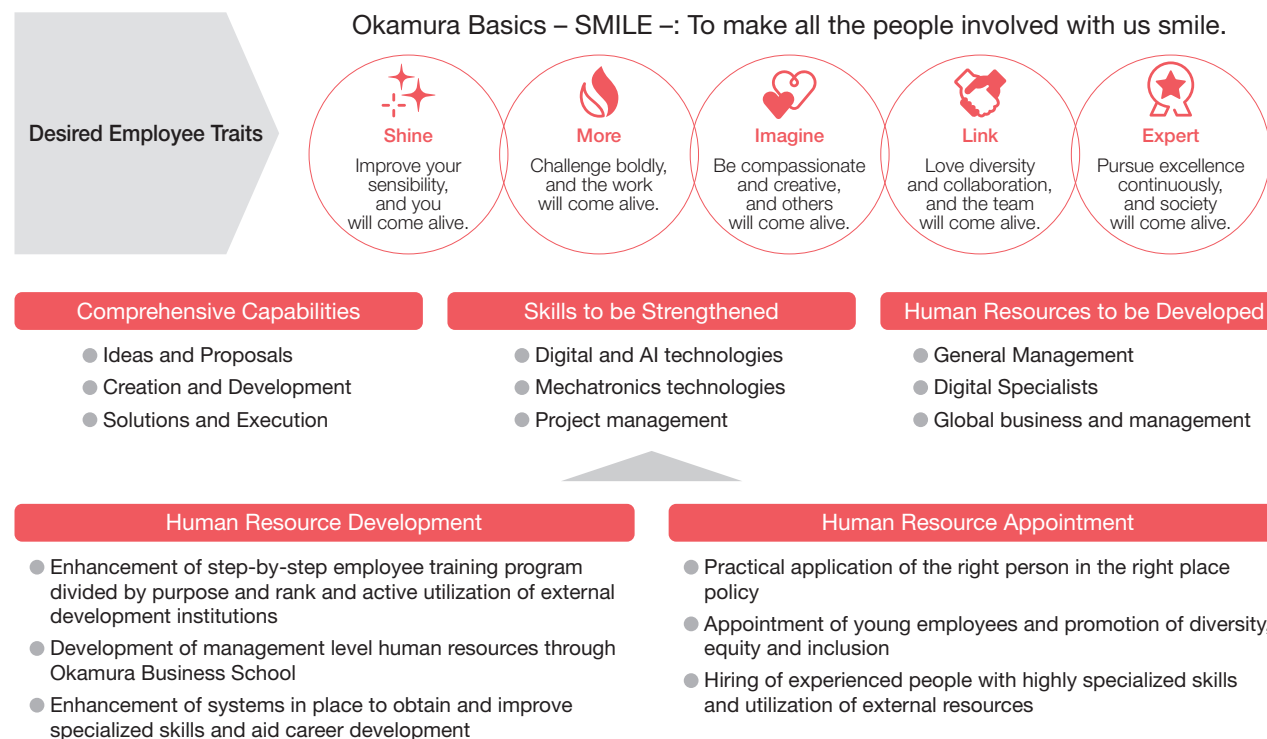
We have established “pursuing employee engagement” as one of the Okamura Group’s material management issues. Key issues under this include the promotion of Work in Life, the promotion of diversity, equity, and inclusion (DE&I), and supporting career development and strengthening specialized human resources 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

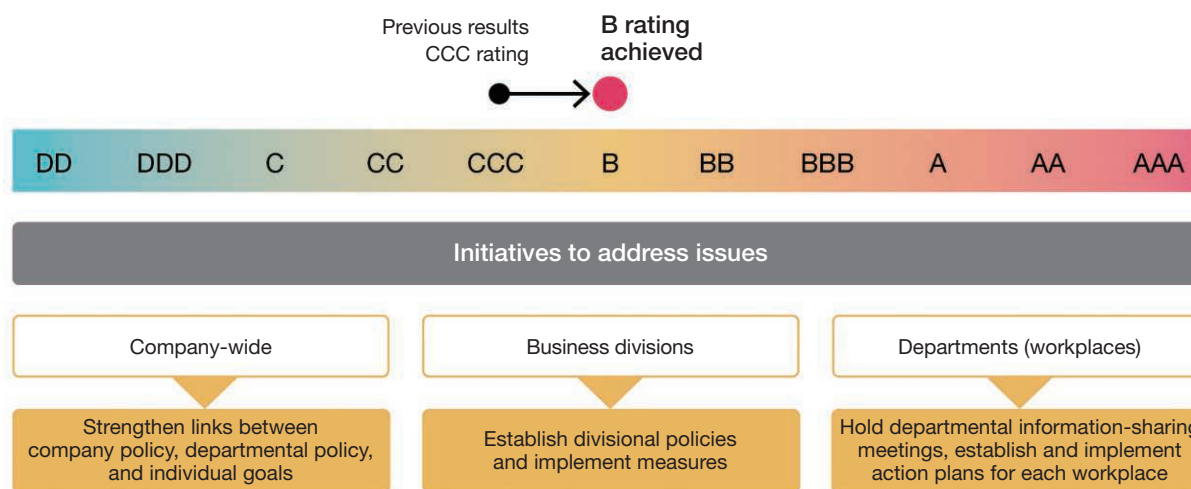
wages and bonuses within annual income in April 2025 and implemented an average base pay increase of 18.3% per person. In addition to combatting rising prices, this is intended to improve employee engagement and enhance corporate value.

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.

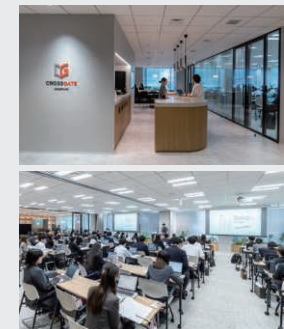
In April 2025, we raised the starting salary for graduate school and university graduates to 300,000 yen and the starting salary for high school graduates to 217,500 yen. In addition to combatting rising prices, this is intended to help us secure outstanding human resources.

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

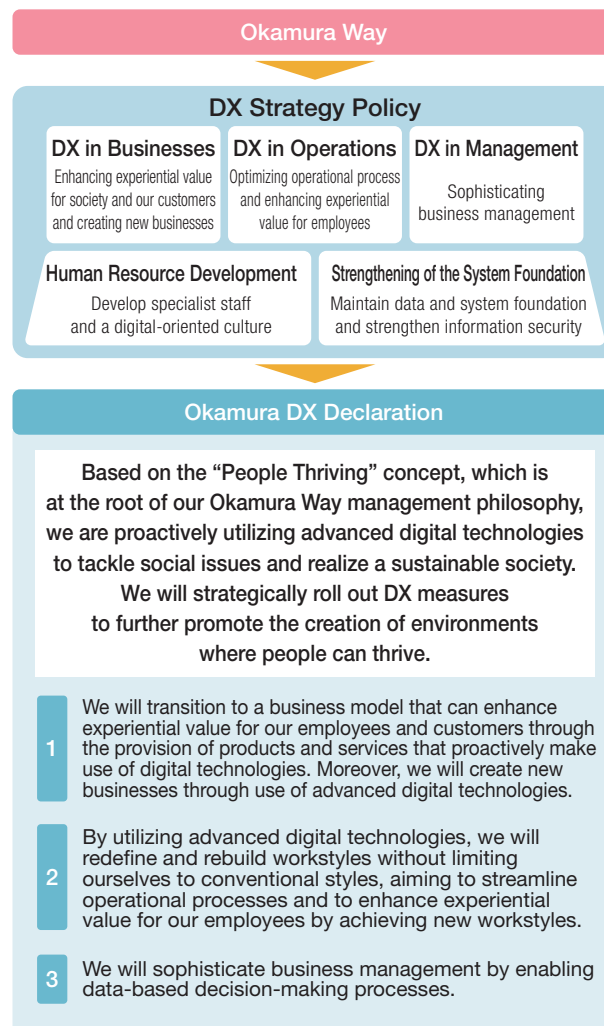
In August 2021, we announced our DX Declaration stating that we will reinforce our promotion of digital transformation (DX) as one part of our management strategy. In February 2023, we formulated the DX Strategy Policy and positioned it at the center of our DX strategy to further promote the creation 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.

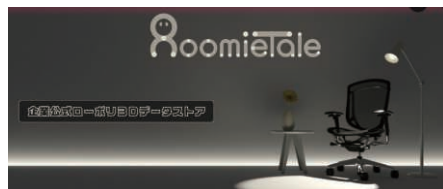
In the Office Furniture Business, DX measures are being promoted in all phases of office creation, leading not only to increased efficiency from a company perspective but also to the provision of value to customers. In December 2024, we launched the OFFICE KIT tool on our website. This tool allows even 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 CO<sub>2</sub> 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-CO<sub>2</sub> compared to the FY2020 reference value of 40,402 t-CO<sub>2</sub>, 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

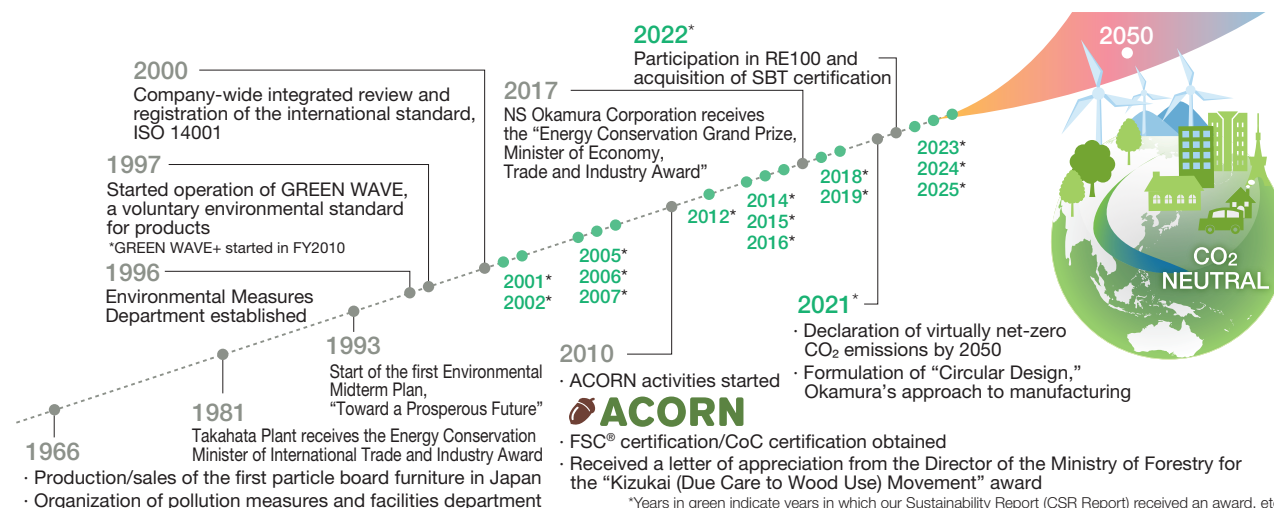
concrete consideration of our transition plan aimed at achieving carbon neutrality by 2050 and visualized our roadmap to reducing GHG emissions.

### 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



Sustainability Report 2025  
Global Environmental Initiatives ▶ P.49-72



## 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 CO<sub>2</sub> reduction effect by the set price. By financially evaluating the CO<sub>2</sub> reduction effect in this way, we will encourage investment in low-carbon equipment and reduce CO<sub>2</sub>.

### 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

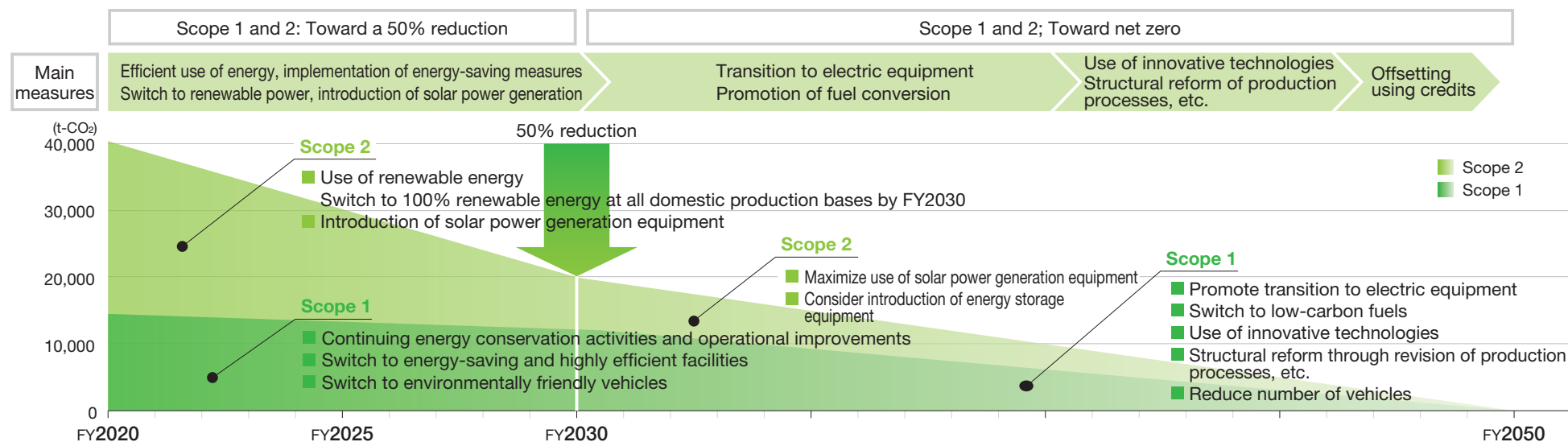
from two categories: Steel, steel pipes, and other raw materials used in our mainstay products, and purchased components and products ("Category 1") and refrigerant (fluorocarbons) used by customers and electricity consumed through the use of products ("Category 11").

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 CO<sub>2</sub> 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)

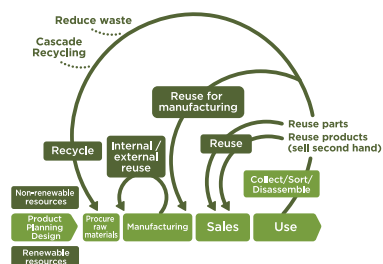




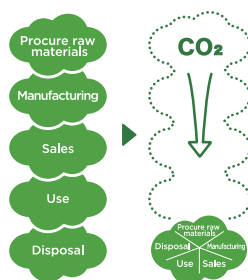
## Global Environmental Initiatives



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.



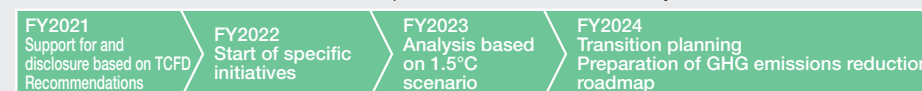
For more information, please refer to the Okamura Group Information Disclosure Based on TCFD/TNFD Recommendations.

[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](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)