

# 5

## Management Foundation

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

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

In addition to introducing various initiatives,

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

### Contents

**53** Company Officers

**55** Corporate Governance

**61** Roundtable Discussion with Outside Directors

**64** Risk Management

**70** Stakeholder Engagement



# Company Officers (As of July 2025)

## Directors



### Masayuki Nakamura

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

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

### Naoki Kono

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

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

### Yoshikazu Sato

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

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

### Kazumi Arakawa

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

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

### Shinji Sakatoku

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

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

### Sakae Fukuda

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

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



### Hiroyoshi Ito

**Outside Director** **Independent Officer**

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

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

### Mari Kano

**Outside Director** **Independent Officer**

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

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

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

### Tsutomu Kamijo

**Outside Director** **Independent Officer**

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

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

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

### Misako Kikuchi

**Outside Director** **Independent Officer**

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

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

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

### Nobuko Mizumoto

**Outside Director** **Independent Officer**

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

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

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

### Hitoshige Tambo

**Outside Director** **Independent Officer**

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

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

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



## Company Officers

### Auditors



#### Noriyuki Nagai

##### Auditor

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

#### Keiichi Hagiwara

##### Auditor

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



#### Keiko Kishigami

##### Outside Auditor Independent Officer

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

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

#### Shintaro Miyazaki

##### Outside Auditor Independent Officer

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

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

### Executive Officers

#### President and Chief Executive Officer

#### Masayuki Nakamura

#### Senior Managing Executive Officer

**Naoki Kono**  
Senior General Manager,  
Office Furniture Division

#### Senior Managing Executive Officer

**Yoshikazu Sato**  
Senior General Manager,  
Corporate Strategies Division and  
HR Division, CHRO

#### Managing Executive Officer

**Kazumi Arakawa**  
Senior General Manager,  
Production Division

#### Managing Executive Officer

#### Shinji Sakatoku

Senior General Manager,  
Store Displays Division

#### Managing Executive Officer

#### Makoto Tajiri

Senior General Manager,  
Material Handling Systems Division

#### Senior Executive Officer

#### Yoshihito Ohno

Senior General Manager,  
International Sales and Marketing  
Division

#### Senior Executive Officer

#### Harunori Sato

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

#### Executive Officer

#### Sakae Fukuda

Senior General Manager,  
Corporate Accounting and Finance  
Division, CFO

#### Executive Officer

#### Takefumi Kondo

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

#### Executive Officer

#### Shinji Ariyoshi

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

#### Executive Officer

#### Iku Teranishi

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

#### Executive Officer

#### Tatsuya Kato

General Manager, Plant Department II,  
Production Division

#### Executive Officer

#### Hiroyuki Hishinuma

General Manager, Plant Department I,  
Production Division

#### Executive Officer

#### Hiroyuki Sanada

Senior General Manager,  
Technology Division

#### Executive Officer

#### Yoshinori Taguchi

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

#### Executive Officer

#### Nobutake Matsuyama

Senior General Manager,  
Retail Solutions Division,  
Store Displays Division

#### Executive Officer

#### Hideaki Matsumoto

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

#### Executive Officer

#### Koichi Kimura

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

#### Executive Officer

#### Tomokazu Ikariyama

General Manager,  
Work Style Consulting Office,  
Office Furniture Division



# Corporate Governance

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

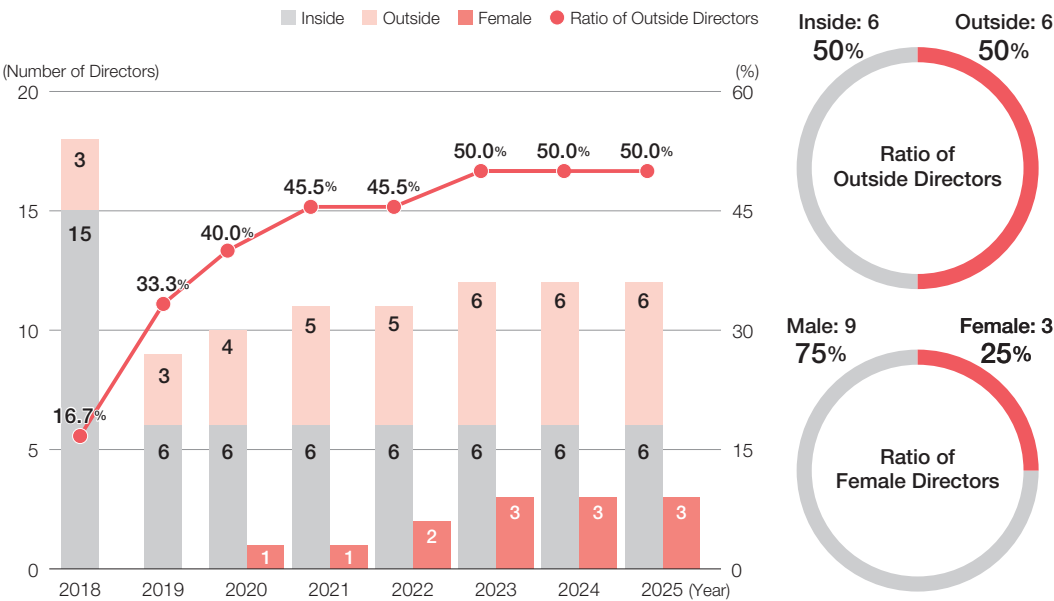
## Characteristics of Okamura's Governance

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

## Timeline of Measures to Enhance Corporate Governance

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

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



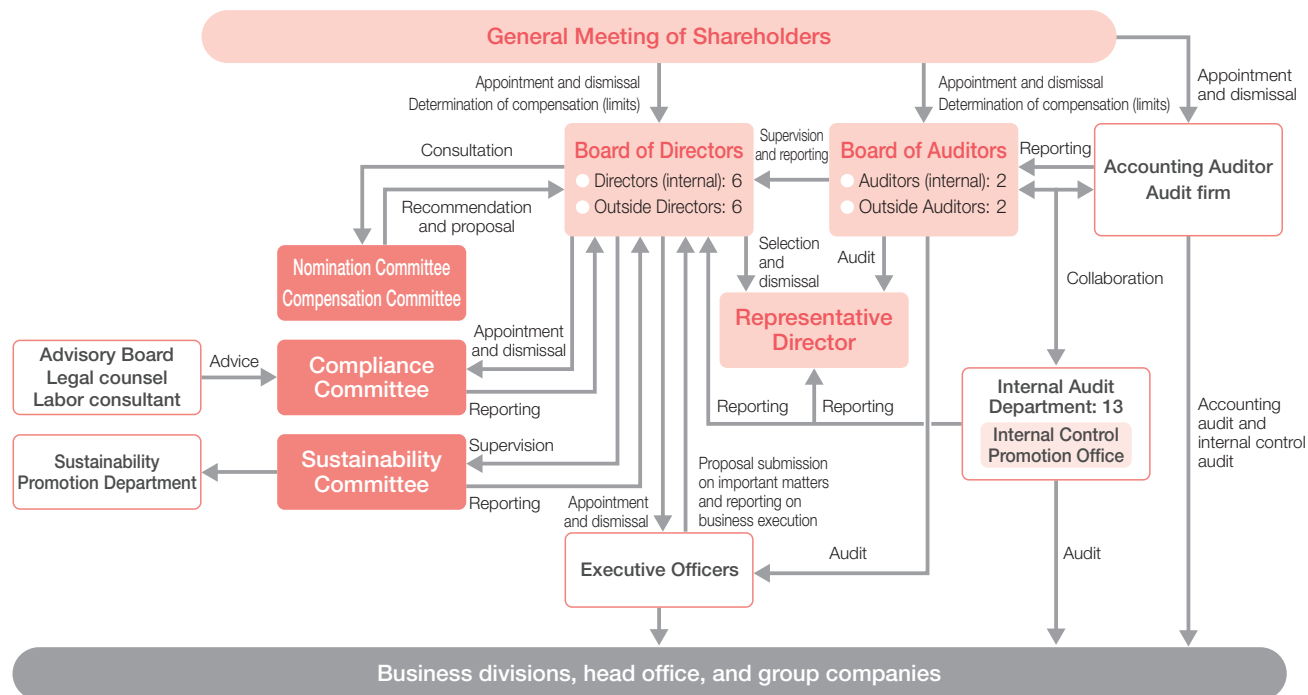


## Corporate Governance

### Corporate Governance System

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

### Corporate Governance Structure (as of June 25, 2025)



### Operation of the Board of Directors

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

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

#### ■ Main Topics of Discussion

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



## Corporate Governance

## Board Composition and Skill Matrix

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

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



Corporate Governance

Activity Status of the Nomination Committee

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

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

■ Main Topics of Discussion

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

Activity Status of the Compensation Committee

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

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

■ Main Topics of Discussion

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

Activity Status of the Board of Auditors

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

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

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

■ Main Topics of Discussion

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



Corporate Governance

Officer Compensation

Basic Policy

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

Basic Approach to Director Compensation\*

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

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

Determination Process

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

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

Composition of Compensation

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

Fixed Compensation

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

Performance-Linked Compensation

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

Non-Monetary Compensation

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

Performance Evaluation

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

Qualitative Assessment

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

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

<sup>\*1</sup> When a Director concurrently serves as an Executive Officer, this includes their position as an Executive Officer.  
<sup>\*2</sup> When a Director concurrently serves as an Executive Officer, this includes the responsibilities and duties of an Executive Officer.

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

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

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



## Corporate Governance

### Evaluation of the Effectiveness of the Board of Directors

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

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

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

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

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

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

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

### Future Initiatives

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

### Cross-Shareholdings

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

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

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

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



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



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

### Succession Planning

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

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



## Roundtable Discussion with Outside Directors



Outside Director

### Hiroyoshi Ito

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

Outside Director

### Nobuko Mizumoto

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

Outside Director

### Hitoshige Tambo

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

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

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

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

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

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

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

## Okamura at 80 Years Old and Beyond

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



## Roundtable Discussion with Outside Directors

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

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

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



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

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

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

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

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



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

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

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



## Roundtable Discussion with Outside Directors

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

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

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

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

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

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

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



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

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

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

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



# Risk Management

The Okamura Group recognizes the possibility of influencing the achievement of its business objectives (including both positive and negative effects) as a risk, and after identifying, analyzing and assessing such risks, systematically works to rationally control the risk in order to minimize losses or maximize opportunities presented by risks.

Sustainability Report 2025  
**Risk Management ▶ P.133-137**

Securities Report (Japanese)  
**Business and Other Risks ▶ P.25-29**

## Risk Management System

In order to improve the effectiveness of risk management by organically linking risk management, a systematic approach for risk, with the Group's sustainability activities, the Sustainability Committee determines various matters related to risk management of the Okamura Group, evaluates effectiveness, and provides guidance for improvement. To develop and operate this system, the Okamura Group has established Risk Management Rules to be followed as part of risk management during normal times, and Emergency Response Rules to be upheld as part of crisis management during emergencies.

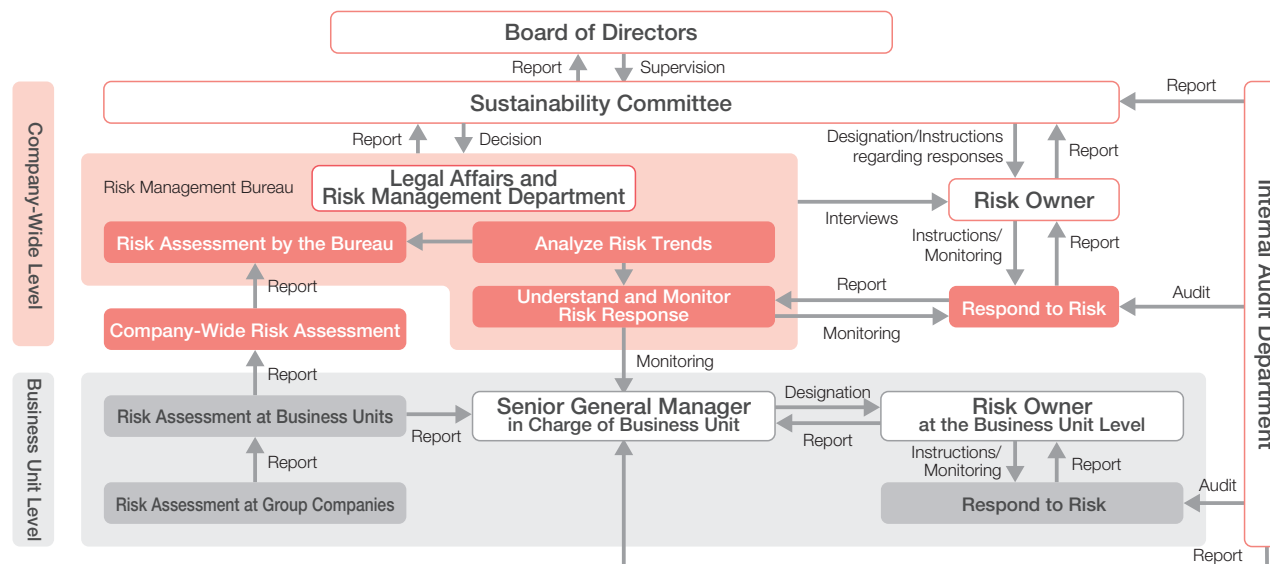
## Risk Assessment

In risk assessment, risks are first identified, and then evaluated after analyzing the identified risks in terms of its likelihood of occurring and its degree of impact using risk maps.

Risk assessments are conducted twice a year at the company-wide level, and once a year at the business unit level, after which key risks are identified based on the assessment results. Risks that are especially important to resolve are set as priority risks.

For each priority risk, the risk owner analyzes the degree of impact the risk would have on the applicable business when it is materialized, formulates countermeasures, and strives to implement them. In addition, the risk owners and the Risk Management Bureau monitor response efforts, and if issues are identified, the risk owners work to correct or improve them. For more information, please refer to the Securities Report.

Diagram of the Risk Management System



Impact Scale

Level	A	B	C (Overall management)	D (Finance)	E (Health and safety)
5	Extreme	Huge impact Catastrophic impact	Major, prolonged impact on management	Huge financial impact that will persist into the future	Death of an employee or member of the general public
4	Major	Very significant impact	Impact on management for several months	Significant financial impact	Hospitalization required or several severely ill persons
3	Moderate	Significant impact	Noticeable temporary impact on management	Noticeable financial impact	One seriously injured person or several people with minor injuries
2	Minor	Minor impact	Small temporary impact on management	Small financial impact	One person with a minor injury
1	Negligible	Almost no impact	Little to no impact on management	Almost no impact on profits	Does not affect health and safety



Risk Map

	1	2	3	4	5
5			High	Serious	Serious
4				High	Serious
3					High
2					
1					
	1	2	3	4	5
Degree of Impact					



## Risk Management

## Key Risks

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



## Risk Management

### Key Risks

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

\*OKAMURA-CSIRT: OKAMURA Computer Security Incident Response Team



## Risk Management

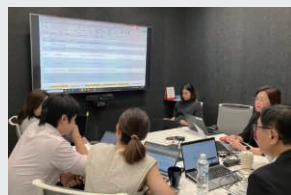
### Initiatives to Strengthen Resilience

#### Compliance

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

#### Initiatives for the Governance of Overseas Group Companies

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



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



Sustainability Report 2025

**Promoting Compliance ▶ P.138-141**

**Respect for Human Rights ▶ P.142-143**

#### Initiatives for Human Rights

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

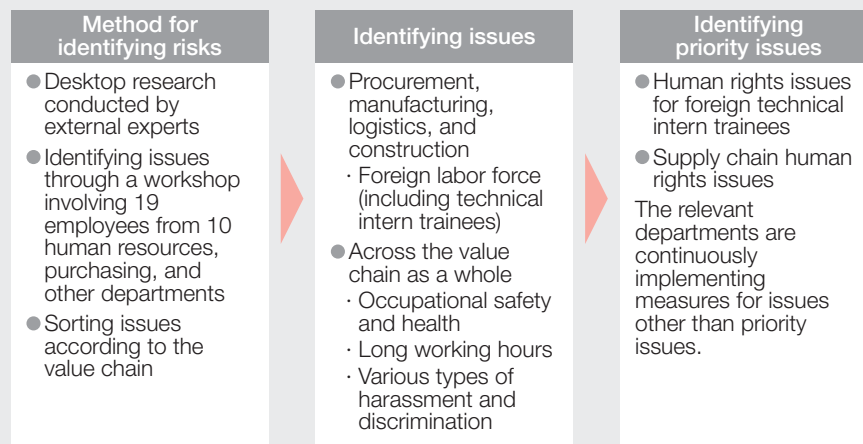
In formulating the policy, we commissioned a desktop study by Caux Round Table (CRT) Japan and held workshops in which the persons in charge of relevant departments participated to deepen their understanding of the Okamura Group and human rights and establish the human rights policy.



#### Okamura Group Human Rights Policy

[https://www.okamura.co.jp/corporate/sustainability/policy/human\\_rights\\_policy\\_en.pdf](https://www.okamura.co.jp/corporate/sustainability/policy/human_rights_policy_en.pdf)

#### Process for Identifying Human Rights Risks





## Risk Management

### Initiatives to Strengthen Resilience



Sustainability Report 2025  
**Information Security Measures**  
▶ P.137

#### Information Security

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

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

##### ● Establishment of the information security promotion system

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

##### ● Assessment of information security risks

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

##### ● Implementation of various kinds of training for employees

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



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

#### Quality of Products and Services

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

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

##### ● Establishment of the quality control system

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

##### ● Implementation of various kinds of training for employees and suppliers

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



## Risk Management

### Initiatives to Strengthen Resilience

#### Human Capital

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

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

#### Establishment of the post of HR Business Partners in Business Divisions

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

#### Main Agenda Items of HRBP Meetings

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



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

#### Securing Human Resources Who Support the Future

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

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

#### Initiatives for Safety and Health

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



Safety patrol by top management  
(Yokohama Distribution Center)



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



# Stakeholder Engagement

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



Sustainability Report 2025

Stakeholder Engagement ▶ P.24-25

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