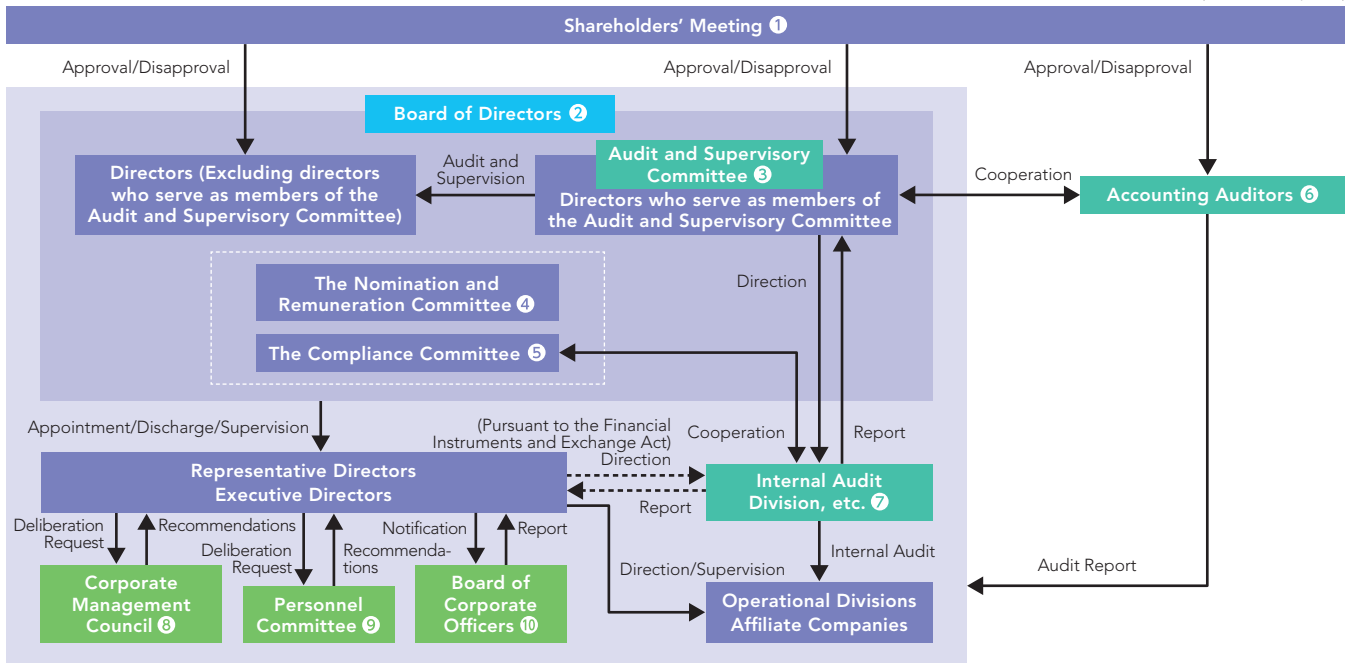


# Corporate Governance Structure and Initiatives

Shareholders and investors have made the effective functioning of internal control into a key issue amidst an epidemic of corporate misconduct in Japan and overseas. In this section, Capcom will explain the corporate governance structure and systems that it has initiated so far based on the key concepts of "effectiveness and visibility" in terms of the results of third-party assessment. (Assessment areas are highlighted in yellow.)

(As of June 21, 2023)



Composition of Board of Directors and voluntary committees (In the year ended March 31, 2022)

Internal External

### 2 Board of Directors (15 members)

(Convened 10 times in the year ended March 31, 2023)

**Chairman**

- Kenzo Tsujimoto (Attendance: 100%)
- Haruhiro Tsujimoto (Attendance: 100%)
- Satoshi Miyazaki (Attendance: 100%)
- Yoichi Egawa (Attendance: 100%)
- Kenkichi Nomura (Attendance: 100%)
- Toru Muranaka (Attendance: 100%)
- Yoshinori Ishida (Attendance: 100%)\*
- Ryozo Tsujimoto (Attendance: 100%)\*
- Yutaka Mizukoshi (Attendance: 100%)
- Wataru Kotani (Attendance: 100%)
- Toshiro Muto (Attendance: 100%)\*
- Yumi Hirose (Attendance: 100%)\*

\* 100% attendance since being elected

### 3 Audit and Supervisory Committee (three members)

(Convened 10 times in the year ended March 31, 2023)

**Chairman**

- Makoto Matsuo (Attendance: 100%)\*
- Kazushi Hirao (Attendance: 100%)\*
- Yoshihiko Iwasaki (Attendance: 100%)\*

\* Attendance at both Board of Directors and Audit and Supervisory Committee meetings

### 4 The Nomination and Remuneration Committee (seven members)

(Convened 4 times in the year ended March 31, 2023)

**Chairman**

- Yoshihiko Iwasaki (Attendance: 100%)
- Satoshi Miyazaki (Attendance: 100%)\*
- Kenkichi Nomura (Attendance: 50%)
- Yutaka Mizukoshi (Attendance: 100%)
- Wataru Kotani (Attendance: 100%)
- Kazushi Hirao (Attendance: 100%)
- Makoto Matsuo (Attendance: 100%)

\* 100% attendance since being elected

### 5 The Compliance Committee (14 members)

(Convened 4 times in the year ended March 31, 2023)

**Chairman**

- Toru Muranaka (Attendance: 100%)
- Haruhiro Tsujimoto (Attendance: 100%)
- Satoshi Miyazaki (Attendance: 100%)
- Yoichi Egawa (Attendance: 100%)
- Kenkichi Nomura (Attendance: 100%)
- Yoshinori Ishida (Attendance: 100%)\*
- Ryozo Tsujimoto (Attendance: 100%)\*
- Yutaka Mizukoshi (Attendance: 100%)
- Wataru Kotani (Attendance: 100%)
- Toshiro Muto (Attendance: 100%)\*
- Yumi Hirose (Attendance: 100%)\*
- Kazushi Hirao (Attendance: 100%)
- Yoshihiko Iwasaki (Attendance: 100%)
- Makoto Matsuo (Attendance: 100%)

\* 100% attendance since being elected

## Corporate Governance Structure

### Enhancing management soundness and transparency while responding to changes in the environment

Capcom established the Corporate Governance Guidelines (see [https://www.capcom.co.jp/ir/english/assets/pdf/governance/governance\\_01.pdf](https://www.capcom.co.jp/ir/english/assets/pdf/governance/governance_01.pdf) for details) as the basic policy on corporate governance to achieve stable growth and increase corporate value over the medium to long term. We work continually to enhance our corporate governance structure.

#### 1 Shareholders' Meeting

(Convened on June 20, 2023)

### Determines important matters as the highest decision-making body

The general shareholders' meeting serves as Capcom's highest decision-making body and determines important matters prescribed by laws, regulations, and the Company's Articles of Incorporation, as well as serves as a place for communicating the audit results of divisional reports and consolidated financial statements.

Invitations to the general shareholders' meeting are issued approximately three weeks before convening the session, and efforts are made to allow for greater attendance by having the session before the date on which most other companies hold their meetings. We have also made it possible for shareholders to exercise their voting rights over the internet using a computer, smartphone or tablet. In addition, we participate in an electronic voting rights exercise platform for institutional investors so that they will have sufficient time to review the proposals.

#### 2 Board of Directors

Supervision

(Convened 10 times in the year ended March 31, 2023)

### Management decisions that incorporate external directors' opinions

The Board of Directors is composed of 15 directors (chaired by the Representative Director and Chairman of the Board), with seven of the directors being external directors.

The Board deliberates on important matters stipulated by laws, regulations, and the Rules of the Board of Directors as well as on growth strategies based on the Group's corporate philosophy, and strives to strengthen supervisory functions through the guidance, suggestions, and active comments of external directors.

#### 3 Audit and Supervisory Committee

Audit

(Convened 10 times in the year ended March 31, 2023)

### Cooperating with accounting auditors and the internal audit department to audit and supervise

The Audit and Supervisory Committee (chaired by an external director) is composed of three directors (two of whom are full-time members), with two of the three directors being external directors.

In principle, the committee meets before a Board of Directors' meeting is convened. The committee deliberates on important matters stipulated by the Rules for the Audit and Supervisory Committee and strives to strengthen audits and supervision.

Audit and Supervisory Committee members selected by the same committee carry out on-site audits themselves and,

in order to increase the efficacy of audits, carry out dynamic organizational audits, including issuing instructions and other actions as necessary to, among others, the Internal Audit Division (an organization directly under the control of the Audit and Supervisory Committee). The Internal Audit Division strives to ensure that audits function effectively by reporting the status of audits and improvements, and other issues to Audit and Supervisory Committee members.

The Audit and Supervisory Committee discusses management risks and other issues based on audit results reported by selected Audit and Supervisory Committee members and the Internal Audit Division to examine ways to enhance governance from the perspective of legal compliance and appropriateness.

#### 4 The Nomination and Remuneration Committee

(Convened four times in the year ended March 31, 2023)

### Selection of candidates for director and deliberating and recommending details of director compensation

The voluntary Nomination and Remuneration Committee (chaired by an external director) is composed of seven directors (three of whom are internal directors and four of whom are external directors), with a majority of members being external directors.

Each committee member is selected based on the Board of Directors' appraisal of his or her knowledge, insight, experience, and other qualities. The Nomination and Remuneration Committee deliberates on the nomination and remuneration of directors and submits reports in response to inquiries from the Board of Directors.

The main matters reviewed upon receiving an inquiry are as follows:

- a. Matters related to nominations
  - (i) Policy for selecting candidates for director to be submitted to the General Meeting of Shareholders
  - (ii) Selection of candidates for director to be submitted to the General Meeting of Shareholders
  - (iii) Selection of corporate officers
  - (iv) Selection of corporate officers with titles
  - (v) Successor plan
  - (vi) Other matters related to the above
- b. Matters related to remuneration
  - (i) Policy on director remuneration
  - (ii) Fixed remuneration and performance linked remuneration
  - (iii) Performance evaluations related to individual remuneration
  - (iv) Performance evaluations related to bonuses
  - (v) Other matters related to the above

#### 5 The Compliance Committee

(Convened four times in the year ended March 31, 2023)

### Focusing on Compliance as an Important Management Issue

The Compliance Committee is composed of 14 directors (seven of whom are external directors, and the committee chairman is an attorney and external director).

In principle, the committee convenes once per quarter. Its primary activities are to analyze and assess risks to the Capcom Group. In addition, the committee provides recommendations and advice for the prevention of legal violations or inappropriate conduct by finding internal risks and reporting their probability of materializing to the Board of Directors.

## 6 Accounting Auditors Audit

### Ensuring and Verifying Accounting Transparency

Capcom has concluded an auditing contract with KPMG AZSA LLC for financial audits as prescribed by the Companies Act and financial audits as prescribed by the Financial Instruments and Exchange Law. There is no special relationship involving financial or other interests between Capcom and this audit corporation or the engagement partners at this firm who perform audits at Capcom.

#### Auditor Remuneration (Year ended March 31, 2023)

	Compensation for Audit Operations	Compensation for Non-Audit Operations
Delivery company	57 million yen	—
Consolidated subsidiary	—	—
Total	57 million yen	—

Auditing Company	Names of Certified Public Accountants	
KPMG AZSA LLC, a limited liability audit corporation	Designated Limited Liability Partners	Tomoya Kurokawa
		Tomohiro Yamanaka

Note: The financial audit team was composed of: certified public accountants (8 members), and candidates for CPA who passed the new CPA exam, plus associates in charge of system audits (19 members).

## 7 Internal Audit Division Audit

### Verifying legal compliance and operating efficiencies

In order for effective audits to be carried out, Capcom has established an Internal Audit Division and determines auditing policies, schedules, methods, and the allocation of duties after the end of the shareholders' meeting.

The main activities of the Internal Audit Division are verifying and evaluating the status of employees' execution of duties and the efficacy (and status of operation) of internal control systems, and reporting to the Audit and Supervisory Committee. When needed, division members also accompany selected Audit and Supervisory Committee members and carry out on-site audits of offices and subsidiaries inside and outside Japan.

## 8 Corporate Management Council Implementation

(Convened 15 times in the year ended March 31, 2023)

### Supporting the Board of Directors' decisions

The Corporate Management Council (chaired by the Representative Director and Chairman of the Board) is composed of eight internal directors and, in principle, is convened several days before a meeting of the Board of Directors, or whenever necessary.

In addition to meeting to carry out preliminary deliberations of Board of Directors agenda items, it also deliberates other important items.

## 9 Human Resources Committee Implementation

(Convened 13 times in the year ended March 31, 2023)

The Human Resources Committee (chaired by the Representative Director and Chairman of the Board) is composed of eight internal directors, the corporate officer in charge of the HR Divisions, and the corporate officer in charge of the Planning

and Strategy Divisions. The Corporate Planning Department serves as the secretariat, and one person is in charge of its secretariat duties.

In principle, it is convened several days before a meeting of the Board of Directors, or whenever necessary.

It meets to carry out preliminary deliberations of Board of Directors agenda items related to human resources and discussions on matters such as the human resources investment strategy.

## 10 Board of Corporate Officers Implementation

(Convened 12 times in the year ended March 31, 2023)

### Executing operations based on management policy

Capcom utilizes a Corporate Officer System. In addition to clarifying the roles and responsibilities of directors focused on management and corporate officers focused on business execution, the system boosts management efficiency by allowing officers to swiftly execute business following instructions from executive directors regarding important matters determined at the Board of Directors.

The Board of Corporate Officers is composed of 15 corporate officers (six of whom serve concurrently as directors), and in principle, convenes once a month. Each corporate officer reports on the status of business execution and works to ensure that information is shared, while also exchanging opinions on business items and issues that require resolution.

## External Directors

### Using external perspectives to ensure effective governance

External directors ensure the effectiveness of the corporate governance function by playing key roles in the Compliance Committee and the Nomination and Remuneration Committee. They also focus efforts on compliance and the prevention of corrupt or illegal activities, and openly exchange opinions and provide counsel at Board of Directors meetings in an effort to strengthen the management audit function. The Secretariat staff helps with the work of the external directors who are not members of the Audit and Supervisory Committee. For external directors who are members of the Audit and Supervisory Committee, the full-time staff of the Internal Audit Division helps with their work.

In addition, in the fiscal year ended March 31, 2023, we provided information to external directors through on-site tours and roundtable discussions with executive officers and enhanced our support system by establishing a department dedicated to the Board of Directors.

Since all seven of the external directors meet the criteria of independent directors, they have been designated as independent directors.

## Reasons for Selection of External Directors

### External Directors

Name	Reasons for selection
Toru Muranaka	Due to expectations for his ability to contribute to the auditing and supervision of the Board of Directors through proposals and advice on legal compliance and propriety from a professional standpoint along with his high level of expertise and broad insight and knowledge as an attorney specializing in corporate and financial instruments and exchange law.
Yutaka Mizukoshi	Due to expectations for his ability to contribute to the auditing and supervision of the Board of Directors based on an external perspective, including his enthusiastic provision of opinions and advice from an independent standpoint based on his familiarity with management analysis and establishment of management strategies as well as his deep insight into economic trends and international sensibilities that comes from his experience and knowledge from his many years in the consulting industry.
Wataru Kotani	Due to expectations for his ability to contribute to the auditing and supervision of the Board of Directors based on the perspective of risk management and legal compliance, as he possesses broad expertise and extensive experience in IT security and legal affairs from his many years of involvement in police administration and provides opinions and advice from a neutral and objective standpoint.
Toshiro Muto	Due to expectations for his ability to contribute to the auditing and supervision of the Board of Directors by providing objective opinions and advice on general management from an independent standpoint with a broad perspective based on his extensive knowledge and experience as he possesses a high level of insight related to fiscal and monetary affairs, general economics, and corporate governance cultivated at the Ministry of Finance, the Bank of Japan, and operating companies.
Yumi Hirose	Due to expectations for her ability to contribute to the auditing and supervision of the Board of Directors and improvement of the human resources strategy by actively providing opinions and advice from an outside perspective based on her knowledge and experience, which include specialized knowledge and extensive experience from her many years as a tax administrator of tax agency offices, her considerable knowledge of finance and accounting, and her high level of knowledge related to health management.

### External Directors (Audit and Supervisory Committee)

Name	Reasons for selection
Yoshihiko Iwasaki	Due to his expertise and rich experience with tax administration along with his considerable knowledge of finance and accounting, he is expected to contribute to the auditing and supervision of the Board of Directors from the standpoint of tax administration, finance, and accounting with proposals and advice from an external perspective.
Makoto Matsuo	Due to his success in the legal world based on his high level of expertise and broad insight and knowledge as an attorney and his familiarity with the business world that comes from his extensive experience as an external officer of listed companies, he is expected to contribute to the auditing and supervision of the Board of Directors with guidance and advice from a legal standpoint at meetings of the Board of Directors and other important meetings.

### Director Support System

- To enhance the deliberations of the Board of Directors, a secretariat to the Board of Directors was established to oversee operations as outlined below.
  - Establish an annual schedule of Board of Directors meetings and hold extraordinary meetings as necessary.
  - Prepare materials that will help participants get an overview of the agenda items, and distribute them in advance.
  - Endeavor to enhance the deliberations of the Board of Directors by delegating some important business execution matters, such as personnel transfers and organizational reforms, to the

Representative Directors to confirm the appropriateness of the matters to be discussed.

- To facilitate thorough discussions during the Board of Directors meetings, the Director in charge of Corporate Management will provide explanations to external directors regarding agenda items and supplementary matters approximately one week in advance of the scheduled board meeting date.
- To establish a system that allows external directors to make timely and appropriate judgments on proposals, the corporate officers in charge will attend Board of Directors meetings as necessary to assist the director in charge in explaining proposals and answering questions.
- The directors, officers and employees of the Group will respond promptly and appropriately when asked to provide information necessary for the directors to perform their duties.
- To facilitate the smooth and appropriate execution of duties by the Audit and Supervisory Committee, an Internal Audit Department independent of the departments conducting business has been established to assist the same committee as an organization directly under the Internal Audit Division and serves as the Secretariat of the committee.
  - The Internal Audit Division will strive to maintain independence from business executors, carrying out its duties under the direction of the Audit and Supervisory Committee. It will also provide timely reports to the Audit and Supervisory Committee as necessary.
- The Executive Support Section and the Internal Audit Division provide support to ensure that non-executive directors, including external directors, can smoothly execute their duties. Also, the support system will be strengthened by establishing a dedicated department for the Board of Directors.
- To facilitate smooth and appropriate execution of their duties, directors may engage external experts such as consultants as necessary, with the associated costs borne by the Company.

### Director Training and Development

The Group provides directors with necessary training opportunities and information, as appropriate.

- When directors assume their position, they are briefed on the Group's business, finances, and organization, given a tour of the workplaces as well as information on industry trends and such.
- Support is provided for expenses and other costs related to the acquisition of knowledge and exchange of information by directors.
- Audit and Supervisory Committee members are provided with opportunities to study through participation in external training programs as part of our efforts to ensure proper audits.
- The Board of Directors is provided opportunities to hear explanations on business strategies and other measures for each fiscal year and necessary information related to the Company's business challenges and other issues is provided to external directors on a continuous basis.

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

The Company evaluates the effectiveness of the Board of Directors by means of individual questionnaires, interviews, and other methods that facilitate getting individual opinions from all directors. In addition, to further enhance the function of the Board of Directors, in the fiscal year ended March 31, 2023, we worked to

## Corporate Governance

provide information to external directors through on-site tours and roundtable discussions with executive officers, as well as to strengthen our support structure through the establishment of a department dedicated to the Board of Directors. The evaluation of the effectiveness of the Board of Directors in the fiscal year ended March 31, 2023, was generally positive.

To further improve the effectiveness for strengthening the supervision function, we will work on the issues below in the fiscal year ending March 31, 2024.

### [Main issues]

- Further enhancing the provision of information, including round-table discussions with external directors
- Discussions on nomination and remuneration of directors and senior management for the establishment of a next-generation management structure
- Discussions to facilitate the improvement of corporate value over the medium to long term

We will continue to promote sharing and understanding of various issues at our Board of Directors meetings to further enhance its function.

### Officer Remuneration

#### The Nomination and Remuneration Committee is consulted to ensure fairness and transparency

#### Policy for setting the calculation method and amount of directors' remuneration

##### 1 Policy on determining remuneration of directors (excluding directors who are members of the Audit and Supervisory Committee)

To ensure the fairness and transparency of remuneration for directors (excluding directors who are members of the Audit and Supervisory Committee), the Board of Directors consults the Nomination and Remuneration Committee, which deliberates and makes recommendations based on the policy below, and makes its decision accordingly.

- Basic remuneration of directors (excluding directors who are members of the Audit and Supervisory Committee)
  - Monthly remuneration is fixed.
  - The amount is determined after considering each board member's position, duties, tenure, and status as either an executive director or non-executive director, and an evaluation of individual job performance.

- Performance linked remuneration of directors (excluding external directors and directors who are members of the Audit and Supervisory Committee)

In regard to performance linked remuneration of directors (excluding external directors and directors who are members of the Audit and Supervisory Committee), short-term performance linked remuneration is based on a bonus for the fiscal year. The Board of Directors consults the Nomination and Remuneration Committee, which performs an evaluation and calculation using the items below based on the Group's management objective of steady growth of profits, and makes its decision based on their recommendations.

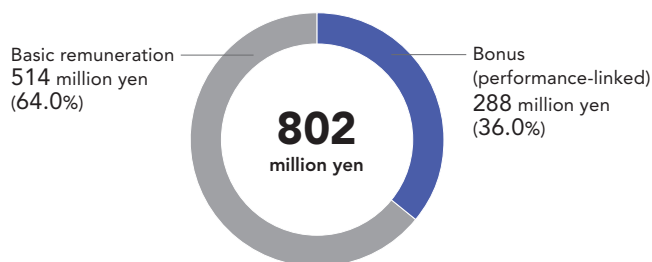
- Single-year net income attributable to owners of parent
- Increase in consolidated operating profit over the previous year
- Multiple consecutive increases in consolidated operating profit over previous years
- Evaluation of operations that the board member oversees

The ratio of remuneration for directors (excluding external directors and directors who are members of the Audit and Supervisory Committee) is set based on the above items and includes annual basic remuneration, comprised of monthly remuneration, and a single year bonus, which does not exceed 50% of annual basic remuneration.

##### 2 Policy for determining remuneration of the directors who serve as members of the Audit and Supervisory Committee

From the standpoint of securing their independence, the remuneration of the directors who serve as members of the Audit and Supervisory Committee is not linked to performance; it is a fixed amount determined through discussions, taking the difference of full-time or part-time service and other factors into account, by the directors who serve as members of the Audit and Supervisory Committee.

#### Total director remuneration breakdown



\* The amounts are simple calculations based on the table below. Actual remuneration will vary.

#### Officer Remuneration (Year ended March 31, 2023)

Total remuneration, total amount by type of remuneration, and number of directors the remuneration was paid to, by type of director of delivery company

Type of director	Total remuneration (million yen)	Total of remuneration by type (million yen)				Number of directors paid
		Basic remuneration	Performance linked remuneration	Severance	Of those items to the left, non-monetary remuneration	
Director (excluding Audit and Supervisory Committee and external directors)	802	514	288	—	—	7
Member of Audit and Supervisory Committee (excluding external directors)	21	21	—	—	—	1
External directors	54	54	—	—	—	5
Member of Audit and Supervisory Committee (external directors)	32	32	—	—	—	2

## Total amount of consolidated remuneration by director of delivery company

Name	Total of consolidated remuneration (million yen)	Type of director	Type of company	Total of consolidated remuneration by type (million yen)			
				Basic remuneration	Performance linked remuneration	Severance	Of those items to the left, non-monetary remuneration
Kenzo Tsujimoto	212	Director	Delivery company	137	75	—	—
Haruhiro Tsujimoto	169	Director	Delivery company	109	60	—	—
Satoshi Miyazaki	106	Director	Delivery company	68	37	—	—
Yoichi Egawa	102	Director	Delivery company	66	36	—	—

Note: Total consolidated remuneration, etc. is listed only for those with remuneration of 100 million yen or more.

## Initiatives for the Shareholders' Meeting

## Making shareholders' meetings lively and facilitating the exercise of voting rights

To help ensure our shareholders' meetings are lively, we hold our meeting before the period when most Japanese companies typically hold their meetings in an attempt to encourage the attendance of as many shareholders as possible.

Also, voting rights can be exercised online via PC, smartphone or tablet. In addition, we have participated from an early stage in a platform for the online exercise of voting rights, so institutional investors are ensured a sufficient amount of time to consider

proposals starting on the day the convocation notices are distributed. Furthermore, we also post convocation notices and other information in English on our corporate website and the website of Tokyo Stock Exchange, Inc. to promote the exercise of voting rights by shareholders worldwide.

Additionally, to further enhance dialogue with shareholders, as of the Ordinary General Meeting of Shareholders held in June 2020, we have used a hybrid virtual shareholder meeting format allowing shareholders to watch the meeting live online and send their comments on a shareholders-only website.

## Shareholders' Meeting Resolutions

The following presents the results of voting at the fiscal 2022 shareholders' meetings

Resolutions	Approval Votes	Opposed Votes	Abstained Votes	Approval Rate (%)	Voting Results
First proposal: Proposed Appropriation of Retained Earnings	1,965,455	225	0	99.83	Approved
Second proposal: Election of 12 directors (Excluding Directors who are members of the Audit and Supervisory Committee)					
Kenzo Tsujimoto	1,696,543	267,547	1,642	86.17	Approved
Haruhiro Tsujimoto	1,795,487	168,605	1,642	91.20	Approved
Satoshi Miyazaki	1,933,885	30,212	1,642	98.22	Approved
Yoichi Egawa	1,934,713	29,384	1,642	98.27	Approved
Kenkichi Nomura	1,930,258	33,838	1,642	98.04	Approved
Yoshonori Ishida	1,934,732	29,365	1,642	98.27	Approved
Ryozo Tsujimoto	1,934,715	29,382	1,642	98.27	Approved
Toru Muranaka	1,954,234	11,506	0	99.26	Approved
Yutaka Mizukoshi	1,956,088	9,652	0	99.35	Approved
Wataru Kotani	1,956,031	9,709	0	99.35	Approved
Toshiro Muto	1,955,855	9,885	0	99.34	Approved
Yumi Hirose	1,958,579	7,161	0	99.48	Approved

➡ Please refer to the "Resolutions of the 41st Ordinary General Meeting of Shareholders" section of our IR web page for information about the conditions for each proposal to be passed <http://www.capcom.co.jp/ir/english/stock/meeting.html>



## External Assessment of Corporate Governance

### Promoting more “visible” governance

An analysis of an assessment performed by a third-party organization into the validity and effectiveness of Capcom’s corporate governance shows that the company ranked 268th among 3,808 listed companies in Japan in the “NEEDS-Cges” assessment developed by Nikkei Inc.

NEEDS-Cges has an established reputation as a system that quantitatively assesses corporate governance using scores on a scale of 1 to 10 for eight categories, including capital efficiency, external regulations, and information disclosure, among others, based on some 150 indicators calculated from data of publicly released company documents, such as financial reports.

As of the end of June 2023, Capcom’s total score was 6.92 points, placing us in the top 7.67% of Japan’s listed companies (excluding some in the financial and other sectors), exceeding the 4.87-point average for all listed companies and the 6.84-point average for the industry. We also received the maximum score of 10 for “equity market’s assessment.”

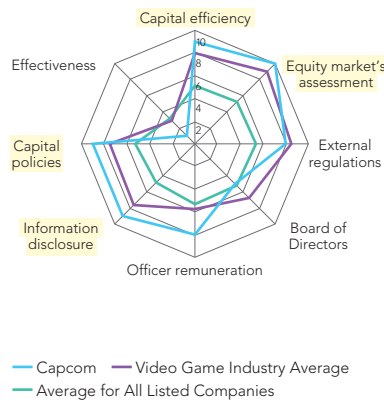
The main evaluation factors are given in the table below, and areas highlighted in yellow indicate measures that received particular notice. Going forward, we will continue making improvements to earn an even stronger assessment, and further promote the visibility of our governance by posting this and other data on our IR web page.

### Third-Party Assessment Results of Capcom’s Corporate Governance

#### Details of Capcom’s Corporate Governance

Total Score	6.92
Rank	268
Categories	Score
Capital efficiency	9
Equity market’s assessment	10
External regulations	8
Board of Directors	5
Officer remuneration	8
Information disclosure	9
Capital policies	9
Effectiveness	1

#### Comparison of the Industry Average and the Average for All Listed Companies



#### Details of Highest Rated Categories

Highest Rated Categories	Score	Areas that Received Particular Notice
Equity market’s assessment	10	Tobin’s q
Capital efficiency	9	ROA, ROE
Information disclosure	9	Early timing for distribution of notices of convocation for general meetings of shareholders, availability of electronic voting, and disclosure of materials in English
Capital policy	9	DOE-related and shareholder return ratio-related

Source: NEEDS-Cges from Nikkei Inc.

## Policies Regarding IR Activities

### 1. Disclosure policies

Capcom is aware that comprehensive corporate governance ranks among management’s most important priorities. As such, in addition to increasing corporate value by enhancing management soundness and transparency, we are building a relationship of trust with our stakeholders, such as shareholders, business partners, employees and regional societies.

### 2. Disclosure criteria

Capcom provides timely disclosure in accordance with the Securities and Exchange Law and other regulations including the “Rules on Timely Disclosure of Corporate Information by Issuer of Listed Security” (hereinafter Timely Disclosure Rules) stipulated by the Financial Instruments and Exchange Act and the Tokyo Stock Exchange.

It is our policy to disclose as much information as possible, including the disclosure of information not required by the

Timely Disclosure Rules and other regulations, to accommodate our investors’ needs. We also disclose information through our corporate website in an attempt to provide quick and fair disclosure. Shareholders are informed of operating results and business conditions through shareholder letters and the convocation notice for the shareholders’ meetings.

### 3. Quiet period

To prevent the unauthorized disclosure of quarterly earnings information prior to official announcements, Capcom has established a quiet period starting the day following the end of a fiscal period and ending on the day that financial information for that period is announced. During this period, we refuse all inquiries relating to our business performance. However, if significant changes to our earnings outlook are anticipated during the quiet period, we will disclose information pursuant to the Timely Disclosure Rules and other regulations.

### Third-Party Assessment of IR Activities

#### High praise for proactive IR initiatives

In recognition of our ongoing pursuit of timely and appropriate information disclosure, our IR activities and various IR tools have received a number of awards from third-party organizations. With an awareness of the importance of accountability, we will continue our efforts to earn the trust of investors and improve timely disclosure.

#### Fiscal 2022 Third Party Evaluations

IR Website	Daiwa Investor Relations Co., Ltd. (Daiwa IR), "Internet IR Award 2022," Excellence Award
	Nikko Investor Relations Co., Ltd., "Fiscal 2022 Listed Company Website Quality Ranking," Overall Ranking: Grade AAA
	Ranked No. 22 overall in BroadBand Security, Inc. Gomez Consulting Dept.'s "Investor Relations Site Ranking 2022"
Integrated Report	Received <i>Excellence Prize</i> in "2nd NIKKEI Integrated Report Awards"

### Making Use of Shareholder and Investor Opinions

#### Reflecting results of dialogues with investors and analysts in management

Through meetings with investors and analysts, Capcom's IR Department attempts to promote an understanding of management policies, strategies and future outlook. Furthermore, their opinions are gathered and provided to management, and are utilized for corporate management going forward. While we are headquartered in Osaka, these proactive IR meetings enable us to minimize asymmetric information as we strive to achieve appropriate corporate value.

The top management meetings between the chairman and CEO, the president and COO, and investors where medium- to long-term strategies and the direction of marketing strategies were explained had to be canceled again in fiscal 2022 due to COVID-19 along with overseas IR visits. However, we held the presentation of financial results and individual investor briefing in a hybrid online and in-person format and offered video conferences in an effort to communicate with our many investors and analysts.

#### Fiscal 2022 IR Measures

By category	Frequency
Interviews accepted	579
Visited domestic investors	28
Visited overseas investors	0
Total	607

#### IR Events

Event	Details
Online Presentation of Financial Results	Explanation of management strategies and performance overview by top management and response to questions from investors and analysts
Supplementary earnings call	Earnings call after results announcement to explain earnings
Online individual investor briefing	Briefing for individual investors held online

#### Results of Dialogue with Investors (Excerpt)

Q. What are your specific uses of cash and treasury stock?

A. We will use them to invest in human resources and make other investments with a view to sustainable growth.

Specifically, we partially revised the compensation system starting in the fiscal year ended March 31, 2023, which increased the average base salary of full-time employees by 30% (includes the portion for pay raises), and introduced a bonus system more closely linked to the company's business performance. As for treasury stock, we have used a portion of this to introduce an ESOP trust that grants company stock. We will continue working on improving our employee evaluation and training systems.

Q. I would like for you to enhance your ESG-related information disclosures.

A. In our integrated report and securities report, we are disclosing new indicators such as employee engagement and turnover rates.