

The 42nd Ordinary General Meeting of Shareholders
Summary of Shareholder Comments Received Prior to the Meeting
(June 22, 2021)

Q. There isn't any mention of the data security incident of last year in the Annual General Meeting documents. Did you pay the ransom demand? Please explain how you will approach security going forward at the meeting.

A. We would like to offer our sincerest apologies for any complications and concerns our many stakeholders may have experienced due to the personal information compromised in this data security incident. We have disclosed the findings of the investigation into this incident on April 13, and on pages 31 and 47 of the Notice of Convocation (Japan version only) for shareholders have included the measures we are taking to address this incident and to strengthen information security at Capcom. Regarding your question as to whether we have paid any ransom money, no we have not. About strengthening security going forward, with the cooperation of a major software company and an IT security specialist company we have cleaned all devices suspected of having been compromised and confirmed their safety. Additionally, we have implemented measures with the aim of strengthening security to prevent any reoccurrence, including a service to continuously monitor systems and networks as well as software that allows for the early detection of unusual activity on devices. We also established the Information Technology Security Oversight Committee as an advisory body that gathers information on Capcom's security structure and cyber security in general, while accumulating knowhow on the protection of such, based on the guidance of external experts.

With regard to these points, I understand that our explanation was insufficient and offer our apologies. Going forward we will work to build and integrate an even more robust security structure, leveraging the PCDA cycle.

Q. As of June 6, the stock price had continued to fall following the release of *Monster Hunter Rise*. It also did not rise after the release of *Resident Evil Village*. Then there was the news of the unauthorized use of photographs. Profit is more than satisfactory, but I would like some good news that would satisfy shareholders. Is there anything promising that you can share?

A. Management vigilantly observes movements in our stock price at all times. We will continue to focus our best efforts into IR activities, proactively communicating positive news in order to meet the expectations of all of our shareholders. Regarding reports in the media of unauthorized use of copyrighted materials, we are aware of the lawsuit

reportedly filed in the U.S. but have no further comment at this time.

Q. I would like you to issue press releases announcing sales results for major titles with larger sales volumes, such as *Monster Hunter Rise* or *Resident Evil*, in 1 million-unit increments. Why didn't you issue a press release when *Monster Hunter Rise* surpassed 7 million units in shipments?

A. We disclose the sales volumes for each of our major titles each fiscal quarter on our corporate website. We issued a press release when *Monster Hunter Rise* surpassed 5 million units, however following that, updates have been made on the title's official website. We value the opinion of our shareholders and will take this into consideration going forward.

Q. Capcom has stated that it aims to bolster its workforce and work environment with the purpose of achieving the mid-term goal of 10% increased operating profit each fiscal year; do you have a target number of employees? Further, what are your thoughts on mid-career hires, who are an immediate asset, and on the development of new graduates?

A. Starting in 2013 Capcom has hired more than 100 employees each year, which increased to over 150 employees starting in 2017. As a result, at the end of March 2021 our game development workforce amounted to approximately 2,300 people. We will continue to hire over 150 new graduates into game development each year, working toward the goal of building a 2,500-person strong development force. Regarding mid-career hires, we are hiring candidates with high-caliber, specialized skills who can hit the ground running. In recent years, the speed at which new graduates become fully contributing team members has been accelerating in the areas where it truly counts, as we see how well they know games, such as which kinds of games they prefer, during recruitment. Additionally, we carry out personnel development primarily through OJT, aiming for early growth and development with the establishment of a department specializing in the training of game development employees. We are working to develop not only the way we carry out work, but also the atmosphere and culture of Capcom.