Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Last updated: November 12, 2026

RIKEN KEIKI CO., LTD.

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Corporate governance at RIKEN KEIKI Co., Ltd. (the "Company") is as follows:

I Basic Policy on Corporate Governance and Capital Structure, Business Attributes and Other Basic Information

1. Basic policy

Based on a management policy that places emphasis on our shareholders and investors, the Company strives to make prompt business decisions and improve business efficiency and transparency in order to enhance corporate competitiveness and corporate value.

[Reason for not implementing each principle of our Corporate Governance Code]

The following description is based on the Corporate Governance Code revised in June 2021.

◆ Principle 3-1-3

The Company's sustainability policy is disclosed on its corporate website. https://www.rikenkeiki.co.jp/english/sustainability/policy/
Regarding investments in workforce and intellectual property, etc., the Company plans to make specific disclosure based on consistency with its management strategies, etc.
The Company measures the impact of climate change risks and profit opportunities on its business activities and profits, etc. based on necessary data, collected and analyzed with external consultants, and discloses it based on the TCFD recommendations on our corporate website.
https://www.rikenkeiki.co.jp/sustainability/TCFD.pdf

[Disclosure based on each principle of our Corporate Governance Code]

The following description is based on the Corporate Governance Code revised in June 2021.

◆ Principle 1-4 (Cross-shareholdings)

With respect to shares held for purposes other than pure investment, the Company policy is to hold shares when the following conditions are met, and will consider selling the shares if it determines that the conditions are not met.
(i) There are reasonable reasons for holding, such as business alliances and the maintenance and enhancement of transactions.
(ii) The shares of cross-held stocks provide profitability, such as a sound financial position and dividend yields from the issuers of such stocks.
The Board of Directors, at its meeting held in May 2026, verified individual stocks and confirmed that there was a certain level of rationality in the holdings.
When exercising voting rights, the Company carefully examined such individual stocks in terms of earnings, payout ratio, and ROE level, etc.

◆ Principle 1-7 (Transactions between interested parties)

Company regulations stipulate that transactions between interested parties are subject to prior deliberation at the Board of Directors. In addition, the Company verifies all the officers of the Company and its subsidiaries to determine whether they have been involved in a transaction between interested parties.

◆ Principle 2-4-1

The Company considers that securing personnel diversity is essential for its sustainable growth and further medium- to long-term corporate value, and positions diversity promotion as an important management agenda.
To achieve this, we are working on the following:
1. Recruitment and development of workforce
The Company actively hires personnel with diverse experience, skills and career backgrounds, regardless of gender, nationality, and values, etc.
In terms of workforce development, the Company provides growth opportunities by objective, such as level-specific training, education and training, and skill improvement training for each department. To support independent growth, we have introduced a personnel system that offers career paths and an incentive system for acquiring qualifications in languages and a wide range of other qualifications.
This is to secure and develop diverse personnel who can implement growth strategies.
2. Improving the internal environment
The Company is working to improve the environment and organizational culture in which diverse workforce can work in comfort by establishing diverse work styles (remote work, shorter working hours, annual leave by the hour, etc.) according to individual employee backgrounds and lifestyles, providing training and education programs, educating employees about the acceptance of diversity through the inhouse intranet and disseminating information on various systems to further mutual understanding among employees.
3. Promotion of women, foreign nationals, and mid-career personnel to key positions, etc.
(i) Promotion of women to key positions, etc.
The Company's "Action Plan Based on the Act on Advancement of Measures to Support Raising Next-Generation Children and the Act on the Promotion of Women's Active Engagement in Professional Life" has set forth a target of hiring 25% or more women employees to further encourage the employment of women in the workplace.

As of the end of March 2026, 18.6% of all employees were women, while women managers account for 4.3% of all managers. The Company will actively hire and promote women to key positions so that 5% or more of key positions are held by women by 2030.
(ii) Promotion of foreign nationals to key positions, etc.
The Company hires foreign nationals as needed in accordance with its business strategy to expand its overseas market share.
As of the end of March 2026, 1.2% of all employees were foreign nationals. However, no foreign nationals hold management positions. Currently, the percentage of foreign employees is low and they are not being promoted to key positions, so the Company aims to increase the hiring of foreign nationals to raise the percentage of foreign nationals based on its business strategy in order to promote them to key positions.
(iii) Promotion of mid-career hires to key positions, etc.
The Company actively hires industry-ready specialists and experienced professionals, and promotes them to key positions in respective departments and overseas subsidiaries, etc.
As of the end of March 2026, 29.3% of all managers were mid-career employees. There is no specific target for the hiring and promotion of mid-careers because the Company has hired a certain number of mid-career employees and promoted them to key positions.

◆ Principle 2-6 (Roles of corporate pension funds as asset owners)
The Company has established an Asset Management Committee to deliberate on important matters for the safe and efficient management of defined benefit corporate pension plan assets, and to monitor the status of investments made by asset management and investment companies and manage any conflicts of interest. From a workforce development perspective, the Company regularly offers employees with opportunities to participate in external seminars, etc.

◆ Principle 3-1 (Enhancement of disclosure)
(1) [Management Strategy] The RIKEN KEIKI Group (the “Group”) promotes development, production, and sales activities to visualize invisible hazards posed by gases, aiming to “We are a pioneer in creating safe working environments for workers.”
We will continue to work together as a group toward the next stage, aiming to achieve sustainable growth of the Group in order to fulfill the mission assigned to our Group under the theme "Safely Seeing the Unseen Danger."
[Management Philosophy] The Company’s management philosophy is disclosed on its corporate website.
(https://www.rikenkeiki.co.jp/english/company/vision)
[Management Plan] The Company’s medium-term management plan is disclosed on its corporate website.
(https://www.rikenkeiki.co.jp/english/ir/medium-term)
(2) Corporate Governance Report
“I. The Company’s Basic Policy on Corporate Governance and Capital Structure, Business Attributes and Other Basic Information” is as set forth in “1. Basic policy.”
(3) Internal regulations stipulate that, in determining remuneration for Directors excluding Directors who are Audit and Supervisory Committee Members, fixed remuneration, performance-linked remuneration, and restricted stock remuneration are to be determined within the limit of the total remuneration amount resolved at the General Meeting of Shareholders, while respecting the advice and reports provided by the Nomination and Compensation Committee.
Remuneration of Directors who are Audit and Supervisory Committee Members is determined based on discussion by Directors who are Audit and Supervisory Committee Members within the limit of the total remuneration resolved at the General Meeting of Shareholders.
(4) Appointment and dismissal of Directors is determined in line with the requirements provided by internal regulations, while respecting the advice and reports provided by the Nomination and Compensation Committee based on deliberation at the Board of Directors.
(5) The Company discloses reasons for the election of individual Director candidates in the Reference Documents for the General Meeting of Shareholders in the “Convocation Notice of the General Meeting of Shareholders.” Dismissal of Directors is determined at the General Meeting of Shareholders in line with the provisions of the Company’s Act, etc. based on the advice and reports provided by the Nomination and Compensation Committee.
Notice of convocation of the General Meeting of Shareholders is posted on our corporate website.
(https://www.rikenkeiki.co.jp/english/ir/generalmeeting)

◆ Principle 4-1-1 (The scope of delegation to management)
Our Board of Directors Regulations and other rules clearly state the authority of decision-making bodies or individuals including the Board of Directors, the Management Planning Meeting (composed of all Directors and Executive Officers excluding outside Directors), Representative Director and Directors.

◆ Principle 4-9 (Formulation and disclosure of the criteria for assessing independence)
The Company has adopted criteria specified by the Tokyo Stock Exchange to assess independence.

◆ Principle 4-10-1
The Nomination and Compensation Committee has been established as an advisory body to the Board of Directors. In order to ensure independency, the majority of the Committee members are independent outside Directors. The Chairperson of the Committee is selected from among independent outside Directors by mutual vote of the Committee members.
[Authority and roles of the Committee]
By reporting on the following items based on the consultation of the Board of Directors, the Nomination and Compensation Committee works to increase the appropriateness and transparency of director appointments and compensation.
• Nomination Policies and procedures for the appointment and dismissal of senior management (Representative Director and Directors with special titles) and the nomination of Director candidates; Matters concerning the election and dismissal of Directors to be submitted to the General Meeting of Shareholders; Matters concerning the appointment and dismissal of senior management to be submitted to the Board of Directors; Matters concerning the appointment and dismissal of other management (Executive Officers) personnel to be submitted to the Board of Directors; and Matters concerning succession plans for the CEO (President)
• Remuneration General policy for determining the remuneration of senior management and Directors; Matters concerning the remuneration of Directors to be submitted to the General Meeting of Shareholders; Matters concerning officer remuneration, including the design of Director remuneration systems and individual remuneration proposals

◆ Principle 4-11-1
To realize the Company's management strategy, the Board of Directors requires personnel with Corporate Management, International Business Knowledge, Sales/Marketing, Technology/R&D, Production, Corporate Governance, Finance/Accounting, IT/Digital, Human Resource Strategy/Sustainability.
One-third or more of the Board of Directors is represented by independent outside Directors, including those with management experience in other companies, which we believe ensures diversity and balance.
The skill matrix is attached to this Report.

◆ Principle 4-11-2 (Concurrent positions of Directors)

The status of concurrent positions of officers is disclosed each year in the Business Report and Reference Documents attached to the convocation notice of the Annual General Meeting of Shareholders, and in the Annual Securities Report.

◆ Principle 4-11-3 (Analysis and evaluation of the effectiveness of the Board of Directors)
The Board of Directors conducts a survey to Directors (including Audit and Supervisory Committee Members) each year, based on which it analyses and evaluates the effectiveness of the Board of Directors as a whole in terms of the size and composition, management of the Board of Directors, and the decision-making process, etc.
According to the summary of the results of discussions held at the Board of Directors in June 2026, the size, composition, and management of the Board of Directors over the past year were found to be mostly effective. On the other hand, with regard to the decision-making process, an opinion was raised regarding the handling of discussions at Board of Directors meetings, and this is currently under review by the Board.
Based on the above result, the Company will work to make further improvements to the function and effectiveness of the Board of Directors.

◆ Principle 4-14-2 (Policy on training for Directors)
When Directors (excluding outside Directors) are appointed, they attend outside seminars in order to acquire the basic knowledge required to perform their duties as a Director. Following appointment, Directors take regular compliance seminars. To obtain the specialized knowledge needed to fulfill their responsibilities, each Director participates in seminars, etc. as needed. Outside Directors are encouraged to inspect key business locations, etc. to understand Company management issues.

◆ Principle 5-1 (Policy on the development of systems and initiatives to promote constructive dialogue with shareholders)
The Company has established the Corporate Planning Department , which functions as the IR Department, and the Director (or Executive Officer) in charge of the Corporate Planning Department oversees overall dialogue with shareholders in collaboration with related departments. Framework is in place to ensure the results of dialogue with shareholders are reported to the Board of Directors as necessary.
The Company's corporate website has a dedicated IR page to publicize information to shareholders.
Insider information is managed in accordance with Company regulations so that it is not contained in dialogue with shareholders, and a silent period has been established prior to the announcement of financial results in order to prevent the leakage of insider information. In addition, two or more personnel are required to manage dialogue with shareholders.

[Action to implement management that is conscious of cost of capital and stock price]

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update	May 13, 2026

Explanation of the relevant item

We will promote action to implement management that is conscious of cost of capital and stock price, maintain an ROE of 10% or higher, and aim to achieve an ROE that exceeds the cost of shareholders' equity. Details of these initiatives are disclosed in our Medium-Term Management Plan (Fiscal Years Ending March 2027 to March 2029), which is available on our website.

【Japanese】https://www.rikenkeiki.co.jp/cms/rikenkeiki-origin/pdf/ir/medium-term/medium-term2027-2029.pdf
【English】
https://www.rikenkeiki.co.jp/cms/rikenkeiki-origin/english/ir/pdf/Medium-Term_Management_Plan_from_FY2026_to_FY2028.pdf f

2. Capital structure

Percentage of shares held by foreign investors	Over 30%

[Major Shareholders] Updated

Name of Shareholders	Number of Shares Held (Shares)	Ownership Interest (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	4,470,500	9.83
STATE STREET BANK AND TRUST COMPANY 505001	3,776,122	8.31
Custody Bank of Japan, Ltd. (Trust account)	3,059,600	6.73
The Dai-ichi Life Insurance Company, Limited	2,400,000	5.28
RIKEN KEIKI Partners Shareholding Association	2,008,262	4.42
Mizuho Bank, Ltd.	1,800,402	3.96
NAGANO KEIKI CO., LTD.	1,422,000	3.13
BYNM AS AGT/CLTS 10 PERCENT	1,377,400	3.03
BANK LOMBARD ODIER AND CO LTD GENEVA	1,368,422	3.01
Sumitomo Mitsui Banking Corporation	1,327,600	2.92

Existence of controlling shareholders (excluding parent company)	---
Existence of parent company	None

3. Corporate attributes

Stock exchange and market segment	Tokyo: Prime
Fiscal year end	End of March
Line of business	Precision Instruments
Number of employees at the end of the previous fiscal year (consolidated)	1,000 or more
Sales during the previous fiscal year (consolidated)	10 billion yen or more, less than 100 billion yen
Number of consolidated subsidiaries at the end of the previous fiscal year	Less than 10 companies

4. Guidelines for measures to protect minority shareholders in the event of transactions with controlling shareholders

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5. Other particular conditions that may materially affect corporate governance

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II Management Organizations and Other Corporate Governance Systems Related to Management decision-making, Execution and Supervision

1. Matters pertaining to organizational structure and management

Organizational structure	Company with an Audit and Supervisory Committee

[Directors]

Number of Directors pursuant to the Articles of Incorporation	13
Terms of Directors pursuant to the Articles of Incorporation	1 year
Chairperson of the Board of Directors	President
Number of Directors	7
Election of Outside Directors	Elected
Number of Outside Directors	3
Number of Independent Directors elected from outside Directors	3

Relationship with the Company (1)

Name	Attribute	Relationship with the Company (*)									
		a	b	c	d	e	f	g	h	i	j	k
Michimasa Taga	From another organization											
Yasuko Uematsu	Lawyer											
Shuichi Takemoto	From another organization								△			

*** Selection criteria for "Relationship with the Company"**
*** O indicates the relevant item that the person falls under as of "today or recently." △ indicates the relevant item that the person falls under as of "previously."**
*** ● indicates the relevant item that the person's close family member falls under as of "today or recently." ▲ indicates the relevant item that the person's close family member falls under as of "previously."**

a Executive officer of a listed company or its subsidiary
b Executive officer or non-executive director of the parent company of a listed company
c Executive officer of the subsidiary of the parent company of a listed company
d Individual who is a key business partner to a listed company or an executive officer of the same
e Key business partner to a listed company or an executive officer of the same
f A consultant, accounting expert or legal expert who receives significant remuneration or other assets from a listed company other than remuneration as an officer
g A major shareholder of a listed company (if the major shareholder is a corporation, an executive officer of such corporation)
h An executive officer of a business partner to a listed company (that does not fall under d, e, and f) (only with respect to the individual)
i An executive officer of organization with whom the outside director has a mutual appointment (only with respect to the individual)
j An executive officer of an organization to whom a listed company makes a donation (only with respect to the individual)
k Other

Relationship with the Company (2)

Name	Audit and Supervisory Committee Member	Independent Director	Supplementary Information	Reason for election
Michimasa Taga	○	○	---	<Reason for designation as an Independent Director> Michimasa Taga possesses abundant experience and wide-ranging knowledge related to corporate management. He was appointed Outside Director (Audit and Supervisory Committee Member) of the Company in 2019, and has contributed to ensuring the appropriateness of the decisions of the Board of Directors. In addition, he has supervised the overall business execution by utilizing his corporate management experience. The Company has judged that he will supervise the

				execution of business operations by Directors of the Company from an objective standpoint and will also be able to play appropriate roles such as providing advice on all aspects of management, and therefore proposes his continued election as Outside Director (Audit and Supervisory Committee Member). <Reason for designation as an Independent Director> Michimasa Taga does not fall under items which are specified by the Tokyo Stock Exchange to have conflict of interest with general shareholders.
Yasuko Uematsu	○	○	---	<Reason for appointment> Yasuko Uematsu possesses experience and expert knowledge in corporate legal affairs as an attorney at law. She was appointed Outside Director (Audit and Supervisory Committee Member) of the Company in 2021, and has contributed to ensuring the appropriateness of the decisions of the Board of Directors. In addition, she has supervised the overall business execution by utilizing her legal knowledge and experience. The Company has judged that she will supervise the execution of business operations by Directors of the Company from an objective standpoint and will also be able to play appropriate roles such as providing advice on all aspects of management, and therefore proposes her continued election as Outside Director (Audit and Supervisory Committee Member). She has never in the past been involved in the management of a company. However, the Company judges she will appropriately fulfill her duties as an Outside Director (Audit and Supervisory Committee Member) of the Company based on the above reasons. <Reason for designation as an Independent Director> Yasuko Uematsu does not fall under items which are specified by the Tokyo Stock Exchange to have conflict of interest with general shareholders.
Shuichi Takemoto	○	○	Shuichi Takemoto worked for Mizuho Trust & Banking Co., Ltd., one of our lenders in the past. The loan from Mizuho Trust & Banking Co., Ltd. as of the end of March 2025 remains at approximately 0.2% of the Company’s consolidated total assets, which we consider meets independence criteria.	<Reason for appointment> Shuichi Takemoto possesses abundant experience at financial institutions over many years and wide-ranging knowledge related to finance and accounting. The Company has judged that he will supervise the execution of business operations by Directors of the Company from an objective standpoint and will also be able to play appropriate roles such as providing advice on all aspects of management, and therefore proposes his new election as Outside Director (Audit and Supervisory Committee Member). <Reason for designation as an Independent Director> Shuichi Takemoto does not fall under items which are specified by the Tokyo Stock Exchange to have conflict of interest with general shareholders.

[Audit and Supervisory Committee]

Members of the committee, and attributes of the committee chairperson

	Total No. of Members	No. of Full-time Members	No. of Inside Directors	No. of Outside Directors	Committee Chair (Chairperson)
Audit and Supervisory Committee	4	1	1	3	Inside Director

Existence of Directors and employees to assist the Audit and Supervisory Committee when required:	Yes

Independence of such Directors and employees from executive directors

Management Audit Office (4 persons), which functions as both an internal audit and internal control department, has been established as an organization under the direct control of the Audit and Supervisory Committee.

Collaboration between the Audit and Supervisory Committee, Accounting Auditors, and Internal Audit Department

The Audit and Supervisory Committee receives from the accounting auditors explanations of audit plans, reports on progress of audits and audit results, and at the same time exchanges information as appropriate to enhance the audit system. Management Audit Office (4 persons) has been established under the direct control of the Audit and Supervisory Committee.

[Optional committee]

Establishment or non-establishment of an optional committee equivalent to the Nominating Committee or Remuneration Committee	Yes

Status of establishment of an optional committee, members of the committee, and attributes of the committee chairperson

	Name of the Committee	Total No. of Members	Number of Full-time Members	No. of Inside Directors	No. of Outside Directors	Number of Outside Experts	Other	Committee Chair (Chairperson)
Optional committee equivalent to the Nomination Committee	Nomination and Compensation Committee	5	0	2	3	0	0	Outside Director
Optional committee equivalent to the Remuneration Committee	Nomination and Compensation Committee	5	0	2	3	0	0	Outside Director

Supplementary Information

The meeting of the Board of Directors held on May 11, 2023 resolved to establish a Nomination and Compensation Committee as an optional advisory body to the Board of Directors as of June 28, 2023 in order to enhance the fairness, transparency, and objectivity of procedures of Director nomination and remuneration and further enhance governance.
Optional Nomination and Compensation Committee counsels and reports to the Board of Directors on matters concerning the election and dismissal of Directors, the selection and dismissal of Representative Directors and directors with special titles, compensation for directors, succession planning (including training), and other important management matters deemed necessary by the Board of Directors.

The Committee consists of three or more members appointed by a resolution of the Board of Directors, the majority of which are independent outside Directors in order to ensure independency. Committee members are as follows:

Chairperson: Michimasa Taga, Outside Director and Audit and Supervisory Committee Member
Members: Yasuko Uematsu, Outside Director and Audit and Supervisory Committee Member: Shuichi Takemoto, Outside Director and Audit and Supervisory Committee Member; Tetsuya Matsumoto, Representative Director and President; and Nobuo Nakano, Director and Audit and Supervisory Committee Member

[Independent Director]

Number of independent Directors	3

Other matters relating to Independent Directors

[Incentives]

Implementation of measures for incentive allotment to Directors	Adoption of performance-based compensation plans, and others

Supplementary Information

As described in [Remuneration for Directors].

Stock option recipients	

Supplementary Information

[Remuneration for Directors]

Disclosure status (of individual Director remuneration)	Individual remuneration is not disclosed.

Supplementary Information

Total amount of remuneration for Directors: 176 million yen
Total amount of remuneration for Directors who are Audit and Supervisory Committee Members (excluding outside Directors): 22 million yen
Total amount of remuneration for outside Directors: 15 million yen

Note 1: The amount of remuneration, etc. for Directors does not include compensation paid to Directors who also serve as employees.
Note 2: Total amount of remuneration, etc. for Directors includes expenses for the allotment of restricted stock granted to four Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) of 21 million yen.
Note 3: The amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) was set at 250 million yen or less per year (excluding compensation paid as employees), pursuant to the resolution of the 109th Annual General Meeting of Shareholders held on June 26, 2015. Separately from the above, the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) to grant restricted stock was set at 60 million yen or less per year (excluding compensation paid to Directors who also serve as employees), pursuant to the resolution of the 114th Annual General Meeting of Shareholders held on June 25, 2020.
Note 4: The amount of remuneration for Directors who are Audit and Supervisory Committee Members was set at 50 million yen or less per yen

Existence of policy for determining remuneration amounts and calculation method	Yes

Details of disclosure of policy for determining remuneration amounts and calculation method

Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) is determined in accordance with the Officer Remuneration Regulations within the total amount of remuneration approved at the General Meeting of Shareholders, and is composed of fixed remuneration, performance-linked remuneration, and restricted stock remuneration.

Remuneration for officers was resolved at the Annual General Meeting of Shareholders held on June 26, 2015. Details of the resolution are as follows:
• Maximum amount of total remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members): 250 million yen
• Maximum amount of total remuneration for Directors who are Audit and Supervisory Committee Members: 50 million yen
As of the date of the resolution, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) was five, and Directors who are Audit and Supervisory Committee Members was four. (numbers immediately after the election of Directors on the same day).
The Company was also approved by a resolution at the 114th Annual General Meeting of Shareholders held on June 25, 2020 to pay remuneration for granting shares of restricted stocks to Directors (excluding Directors who are Audit and Supervisory Committee Members) within the total amount of remuneration of 60 million yen per year, for the purpose of giving an incentive to pursue sustainable growth of the Company and promote further shared value with shareholders.

1. Policy for determining the amount of remuneration for individual Directors and calculation method
The amount of fixed remuneration has been set in advance in the Officer Remuneration Regulations, taking into consideration position and duties, economic circumstances, and past performance, etc.

2. Indicator used for the calculation of performance-linked remuneration and method for calculating performance-linked remuneration
The Board of Directors consults with the Nomination and Compensation Committee on the amount of performance-linked compensation, and the Nomination and Compensation Committee reports on the individual compensation amounts. The Board of Directors delegates the determination of the amount of individual remuneration to the President, while respecting the advice and reports provided by the Nomination and Compensation Committee.
Indicator used for the calculation of performance-linked remuneration is stipulated in the Officer Remuneration Regulations as follows:
• Indicator used for calculation: Consolidated operating income
• The maximum total amount is 3% of consolidated operating income.

3. Policy for determining the details of stock-based remuneration and calculation method
The Company has adopted restricted stock remuneration for the purpose of giving an incentive to pursue sustainable growth of its corporate value and promote further shared value with shareholders. Based on Restriction Stock Remuneration Regulations, the Company

allots restricted stock by having the Directors (the "Allottees") make a contribution in-kind to the Company of monetary compensation claims granted to the Allottees in accordance with their titles, etc.

4. Policy for determining the percentage of basic remuneration, performance-linked remuneration, and stock-based remuneration
The Company has not developed a policy on the balance of fixed remuneration, performance-linked remuneration, and restricted stock remuneration. However, taking into consideration position and duties, and an impact on group management, etc., for those with higher positions and duties, a larger percentage of their remuneration is made up of performance-linked remuneration.

5. Policy for determining the time and conditions for granting remuneration to Directors
The Officer Remuneration Regulations stipulate that remuneration other than restricted stock remuneration is paid on a monthly basis. In addition, in accordance with the Regulations on Restricted Stock Compensation, the conditions for lifting restrictions on transfer are defined as the conditions for holding office and the conditions for reorganization.

6. In cases of delegating the determination of the content of remuneration to Directors, the name or title of the person to be delegated, the content of the authority to be delegated, and measures to ensure that the authority is appropriately exercised
Provisions of the Officer Remuneration Regulations are as follows:
• Title of the individual to whom authority is delegated: President
• Details of delegated authority: Allotment of individual remuneration, including performance-linked remuneration
• Measures to ensure the proper execution of authority
The Board of Directors is required to consult with the Nomination and Compensation Committee on the proposed remuneration paid to individual Directors, and respect the reports provided by the Nomination and Compensation Committee.

7. Determination method other than delegation to a third party
In order to strengthen the independence, objectivity and accountability of the functions of the Board of Directors in relation to remuneration, a separate Nomination and Compensation Committee has been established, and the Board of Directors is required to consult with the Nomination and Compensation Committee regarding remuneration.

[Support System for Outside Directors]

While no full-time employee has been assigned to assist outside Directors who are Audit and Supervisory Committee Members, Corporate Planning Department., Management Audit Office, Accounting Department., and Personnel and Administration Department., etc. provide support when requested by outside Directors.

2. Matters pertaining to functions such as business execution, audit/supervision, appointment, and compensation determination (outline of the current corporate governance system)

• The Company’s Board of Directors is chaired by the President and consists of seven Directors, and holds regular meetings in order to make prompt and appropriate decisions. We have also introduced an Executive Officer System to improve the efficiency of our management organizations and clarify responsibilities.

• The Management Planning Meeting is chaired by the President and is composed of Executive Officers and Division/Department Managers appointed by the President and Directors. It is held every other week to expedite decision-making and business execution in all areas of business, including management, research and development, production, sales, quality control, and information management.

• The Audit and Supervisory Committee consists of four members, including a full-time Audit and Supervisory Committee Member as chairperson. Audit and Supervisory Committee Members participate in the Management Planning Meeting and other important meetings and audit important documents to which access is restricted, in order to monitor the process of decision making and the status of business execution by Directors. The Audit and Supervisory Committee also receives from Accounting Auditors explanations of audit plans, reports on progress of audits and audit results, and at the same time exchanges information as appropriate to enhance the audit system.

• Functions such as nomination and determination of compensation are described in [Optional Committee].

3. Reason for the selection of the current corporate governance system

The Company utilizes the function of outside Directors to strengthen the supervisory function of its Board of Directors and the corporate governance system. The Company has also adopted a corporate structure with an Audit and Supervisory Committee in order to enhance the soundness and efficiency of management by delegating authority to speed up decision making and business execution.

III Implementation of Measures for Shareholders and Other Stakeholders

1. Initiatives to vitalize General Meeting of Shareholders and the facilitation of the exercise of voting rights

	Supplementary Information
Early distribution of the convocation notice of the General Meeting of Shareholders	The Company generally distributes the convocation notice of the General Meeting of Shareholders at least three business days prior to the statutory deadline.
Scheduling of the General Meeting of Shareholders avoiding dates on which general meetings of shareholders of companies are concentrated	The Company convenes a General Meeting of Shareholders avoiding dates on which general meetings of shareholders of companies are most concentrated.
Exercise of voting rights by electronic or magnetic means	The Company has established an environment for exercising voting rights via the Internet and participates in the voting rights exercise platform operated by ICJ, Inc.
Measures aimed at participation in electronic voting system platforms and other improvements in the voting environment geared towards institutional investors	The Company has established an environment for exercising voting rights via the Internet and participates in the voting rights exercise platform operated by ICJ, Inc.

Provision of the convocation notice (summary) in English	Brief convocation notices and reference documents are prepared in English and posted on our corporate website. https://www.rikenkeiki.co.jp/english/ir

2. IR activities

	Supplementary Information	Explanation by Representative Members of the Board
Regular briefings for analysts and institutional investors	A video explaining the financial results is distributed on our corporate website once a year (when annual financial results are announced). https://www.rikenkeiki.co.jp/english/ir/presentation	Yes
Disclosure of IR documents on the Company's corporate website	Financial results, timely disclosure materials other than financial results, notice of convocation of the General Meeting of Shareholders, and Annual Securities Reports are disclosed on the above website.	
IR related divisions (personnel)	Person in charge: Executive General Manager of Corporate Administration Division Department in charge: Corporate Planning Department Contact: "Inquiries Concerning IR" on our website	

3. Activities concerning respect for stakeholders

	Supplementary Information
Setting forth provisions in the internal regulations concerning respect for stakeholder positions	The Company's Code of Conduct sets forth the basic policy for stakeholders. The Company's Code of Conduct is posted on our corporate website. https://www.rikenkeiki.co.jp/company/vision
Promotion of environmental preservation activities and CSR activities, etc.	Details of the Company's sustainability activities are posted on our corporate website. https://www.rikenkeiki.co.jp/english/sustainability/

IV Maters Concerning Internal Control Systems

1. Basic views on and the development of internal control systems

1. System to ensure that Directors and employees execute their responsibilities in compliance with relevant laws and regulations and the Articles of Incorporation
(1) Based on the recognition that it is essential for a company to ensure legal compliance in order to continue its existence, all the officers and employees of the Company and its subsidiaries (the “Group”) act based on a fair and high ethical standard, aiming to build a management system that have a trusted presence in society.
(2) The Group has established the Management Philosophy and the Management Policy based on which it pursues legal compliance and environmental preservation to fulfil its social responsibility as a good corporate citizen. The Group has established the Code of Conduct and the Guidelines for Action shared by its officers and employees as common values, an ethical sense, and a standard of behavior, to maintain and increase their awareness of compliance.
(3) The Group has established a Compliance Committee, chaired by the President, with the participation of outside counsel, for the purpose of ensuring and strengthening compliance in its business activities.
(4) The Group has established a Whistle-Blower System (a direct contact for whistleblowers) to further improve the Group’s corporate ethics and compliance.
(5) The Company has established Management Audit Office independent from the business execution division, which performs internal audits in accordance with Internal Audit Regulations and reports the results to the Board of Directors and the Audit and Supervisory Committee where necessary.
(6) The Audit and Supervisory Committee audits execution of business activities by Directors, including the development and management of internal control system from an independent standpoint.

2. System to retain and manage information relating to the execution of the duties of Directors
The Company appropriately manages information related to the execution of duties by Directors, such as records pertaining to decision-making at important meetings including the Board of Directors, from its preparation, use and utilization, retention for a specified period, and disposal in accordance with laws and regulations and the Document Management Regulations.

3. Regulations and other systems concerning the management of risk of loss
(1) The Company identifies risks that must be managed in order to maintain and enhance the Group's corporate value. As a manufacturer of security and measuring equipment, the Company recognizes quality-related risks as important risks and has a system in place to respond to product defects (complaints) by holding regular quality-related committee meetings and taking measures to prevent complaints from occurring and to prevent recurrence. In addition, each department is responsible for establishing and managing rules and regulations for safety, quality, environmental and other risks and compliance as necessary.
(2) In the event of an emergency, the Company will set up a "BCP Task Force" headed by the President to address crisis management on a company-wide basis in accordance with the "BCP Rules and "Emergency Response Standards."
(3) The Company has established a Sustainability Committee, chaired by the President or a Director designated by a Representative Director. This committee comprehensively oversees the Group’s sustainability initiatives and endeavors to formulate, promote, and supervise policies relating to Environmental, Social, and Governance (ESG) matters, as well as to enhance the reliability of related disclosures.

4. System to ensure that Directors exercise their duties efficiently
(1) The Company’s medium-term management plan and annual management plan are subject to the approval of the Board of Directors.
(2) The Company holds regular meetings of the Board of Directors to decide on important matters and to report on the status of business execution and manage performance of Directors, etc. Management Planning Meetings under the Board of Directors, composed of Executive Officers and Division/Department Managers appointed by the President and Directors, are held every two weeks to conduct preliminary discussions to enhance discussions at Board of Director Meetings, and discuss the execution of business activities and the implementation of measures within the scope delegated by the Board of Directors.
(3) The Company has established an Executive Officers System to clarify their responsibilities and authority and promote effective operation of the organization in accordance with Executive Officer Regulations.

5. System to ensure the appropriateness of business operations of the Group consisting of the Company and its subsidiaries
(1) The Company has established "Affiliate Management Rules in order to clarify management of subsidiaries, promote guidance and development of subsidiaries, and contribute to the improvement of management efficiency as a corporate group and manages subsidiaries based on these regulations and receives reports as necessary.
(2) The Company ensures the appropriateness of operations as a corporate group by, for example, dispatching its officers to subsidiaries.

6. Matters concerning employees who assist the Audit and Supervisory Committee when required; Matters concerning independence of said employees from Directors (excluding Directors who are Audit and Supervisory Committee Members); and Matters concerning the effectiveness of instructions from the Audit and Supervisory Committee to such employees
(1) When the Audit and Supervisory Committee requests the appointment of employees to assist in the performance of its duties, such employee will comply with said request.
(2) Changes in the selection, transfer, and treatment of employees who are to assist are subject to the approval of the Audit and Supervisory Committee.
(3) When employees who are required to assist the Audit and Supervisory Committee concurrently serve in another department, they shall give priority to work related to the Audit and Supervisory Committee.

7. System for reporting to the Audit and Supervisory Committee
(1) System to ensure that the Company’s Directors and employees report to the Audit and Supervisory Committee
Directors and employees are required to report the status of business execution when requested by the Audit and Supervisory Committee. In addition, a Director who also serves as an Audit and Supervisory Committee Member may participate in a meeting of the Board of Directors, Management Planning Meeting and other important meetings in order to understand the process of making important decisions and the status of business execution, and may also have access to important documents, including requests for approval concerning the execution of business and request explanations from Directors or employees as necessary.
(2) System to ensure that directors, auditors, and employees of a subsidiary, or a person who has been informed of an incident, report to the Audit and Supervisory Committee of the Company
The Company has established a system to ensure that directors, corporate auditors and employees of subsidiaries, or persons who receive reports from them, also report to the Audit and Supervisory Committee of the Company.

8. System to ensure that persons who have made reports to the Audit and Supervisory Committee are not treated unfavorably on account of such report

There is a provision to prohibit the unfair treatment of any individual who has made a report to the Audit and Supervisory Committee on account of such report.

9. Matters related to the procedures for advance payment or reimbursement of expenses arising in the execution of duties of the Audit and Supervisory Committee and other policies for the treatment of expenses or obligations arising in the execution of said duties
When the Audit and Supervisory Committee makes a request for advance payment of expenses, etc. to the Company in connection with the performance of its duties, the Company shall promptly pay such expenses or debts, except in cases where such payment is deemed unnecessary for the performance of Audit and Supervisory Committee duties.

10. Other systems to ensure that the Audit and Supervisory Committee conducted audits effectively
The Audit and Supervisory Committee meets regularly with the President to exchange views on issues to be addressed by the Company, the audit environment, and important audit issues, and to promote further understanding with the President.

11. System to ensure the reliability of financial reporting
To ensure the reliability of financial reporting, the Company will develop an internal control system for the effective and appropriate submission of internal control reports in accordance with the Financial Instruments and Exchange Act. The Company will also evaluate whether the system is functioning appropriately and make any necessary corrections.

12. System for the elimination of antisocial forces
The Company's Code of Conduct sets forth that the Company shall have no relationship with antisocial forces and will take resolute action against antisocial forces and organizations that pose a threat to the order and security of society, and will not engage in acts that encourage such activities. The Code of Conduct is distributed to all officers and employees to ensure they are familiar with it.
The Company has been strengthening its liaison with the police and external specialist organizations to collect information on antisocial forces.

2. Basic view on and the development of systems for the elimination of antisocial forces

As described in the above-mentioned "12. Systems for the elimination of antisocial forces" under Internal Control Systems.

V Other

1. Matters regarding defense against takeover bids

Matters regarding defense against takeover bids	None

Supplementary Information

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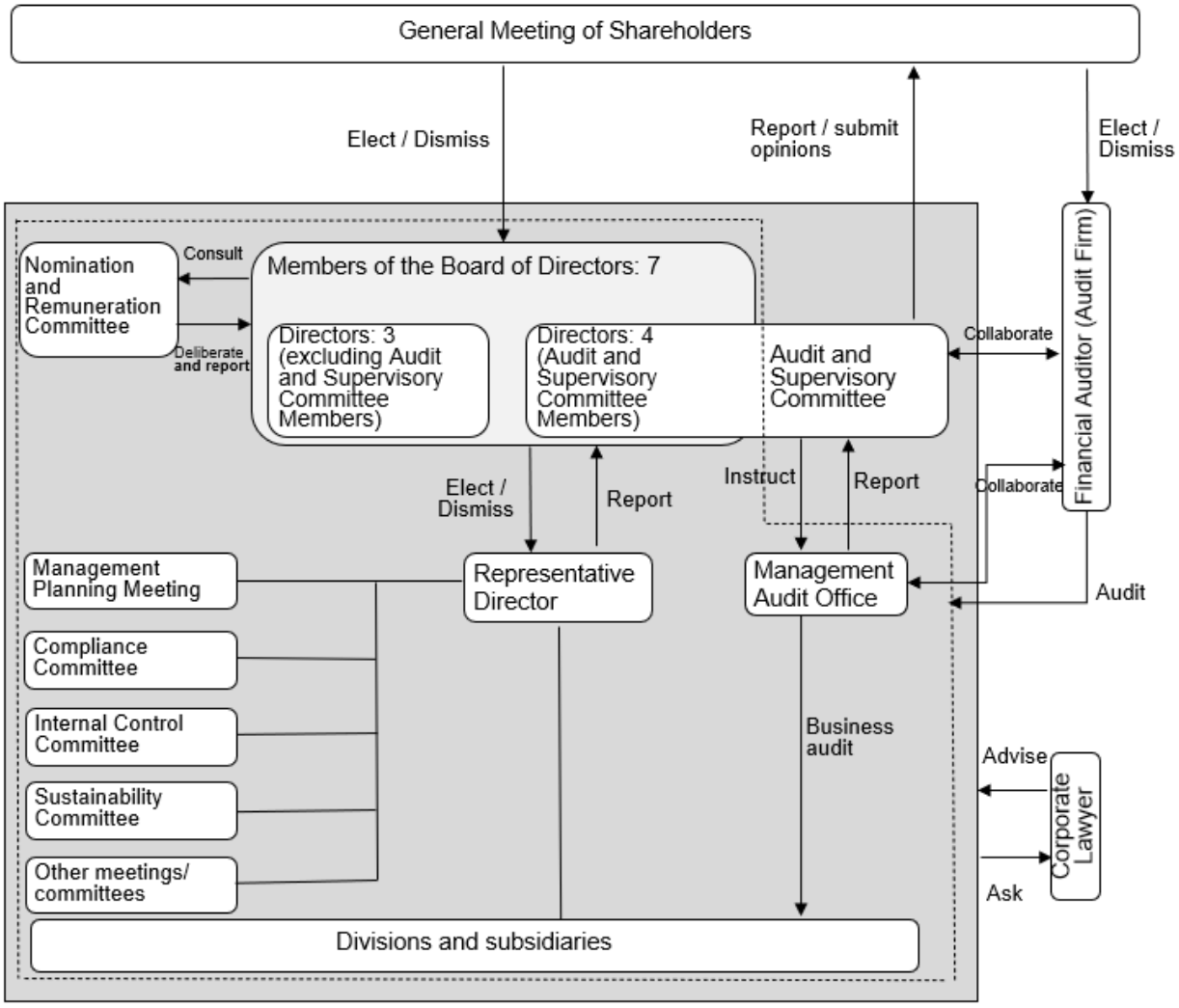
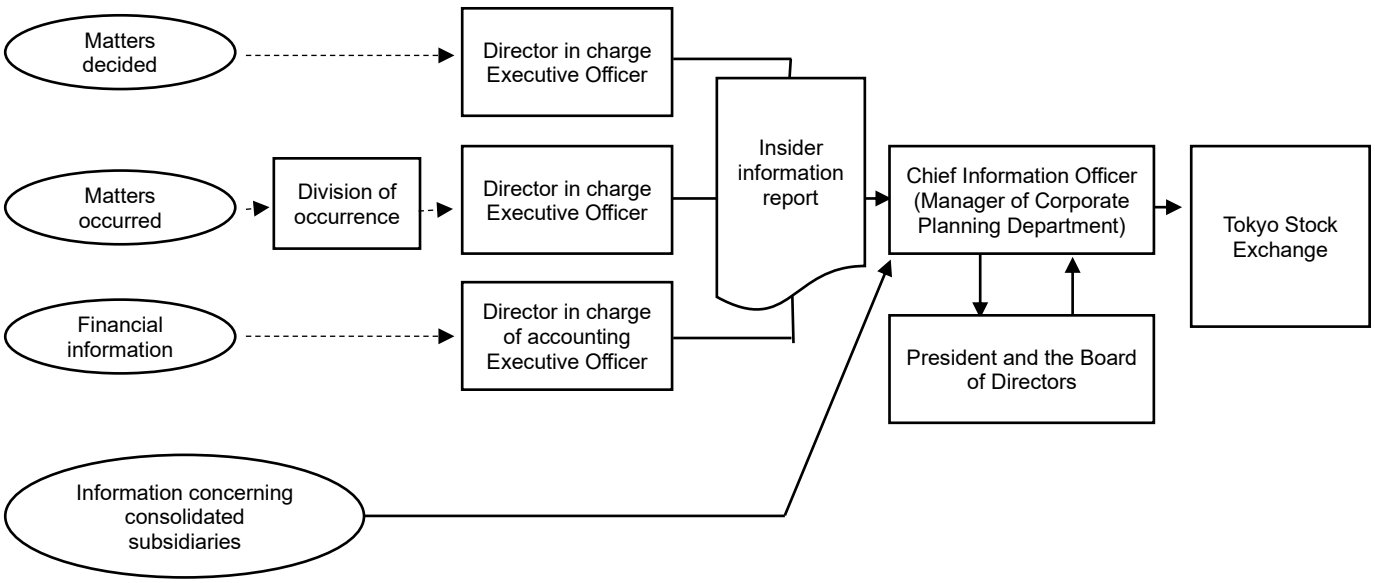
2. Matters regarding other corporate governance systems, etc.

The Company has established an optional Nomination and Compensation Committee as an optional advisory body to the Board of Directors as of June 28, 2023 in order to enhance the fairness, transparency, and objectivity of procedures of Director nomination and remuneration, etc. and further enhance corporate governance. Details are described in [Optional committees].

【Overview of Corporate Governance System】



【Details of the timely disclosure correction】



◆ Main expertise and fields of experience of directors

Among the skills, etc. possessed by each Director, especially expected skills and fields of expertise are marked with ●.

(Reference) Among the skills, etc. possessed by each Director, especially expected skills and fields of expertise are marked with ●.

Name	Skills and fields of expertise where each Director is especially expected to have								
	Corporate Management	International Business Knowledge	Sales/ Marketing	Technology/ R&D	Production	Corporate Governance	Finance/ Accounting	IT/ Digital	Human Resource Strategy/ Sustainability
Tetsuya Matsumoto	●				●	●	●	●	●
Shinya Kobu		●	●						●
Shoji Kizaki				●	●			●	●
Nobuo Nakano			●	●		●			
Michimasa Taga	●		●		●	●			●
Yasuko Uematsu						●			●
Shuichi Takemoto	●					●	●	●	●