

Corporate Governance

Basic policies for Corporate Governance

We are working to enhance corporate governance and the strengthening of management functions as a top priority. Our goal is to ensure transparency for all stakeholders—shareholders, investors, business partners, employees, and local communities—while conducting fair and efficient corporate operations. We remain committed to improving long-term, stable corporate value and promoting business activities grounded in strong ethical principles.

Board of Directors

As of October 1, 2025, three of our five directors are external members, representing 60% of the Board. In the precision measurement industry, where market conditions and technological trends evolve rapidly, we have established a management structure that combines directors and executive officers to enable swift decision-making.

Our external directors bring diverse expertise, including organizational management, technical knowledge, and broad perspectives. The Board deliberates on key strategies shaping the Company's future, while day-to-day operational matters are addressed by the Management Council. Reports from the Council are shared with the Board, ensuring transparency without compromising agility.

Internal Audit

An independent audit organization, reporting directly to the President and Representative Director, evaluates whether business operations are conducted appropriately and efficiently, independent of operational lines.

The Internal Audit Office also assesses the effectiveness of internal controls related to financial reporting (J-SOX) in accordance with the Financial Instruments and Exchange Act. Audit findings are regularly reported to the President and Representative Director, as well as to Audit & Supervisory Board Members, ensuring thorough information sharing.

Subsidiary Management

To maintain strong oversight, one or more Company directors concurrently serve as directors of subsidiaries. This structure enables participation in key subsidiary meetings and ensures timely reporting on operational performance from subsidiary directors and employees.