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Corporate Governance Report

CORPORATE GOVERNANCE

JUKI CORPORATION

Last Update: March,31, 2026

JUKI CORPORATION

Atsushi Narikawa

Representative Director and President

Contact: Human Resources and General Affairs Department

Securities code: 6440 TSE Prime Market

<https://www.juki.co.jp/en/>

The corporate governance of JUKI CORPORATION (the “Company”) is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

The Company regards the appropriate maintenance and operation of its corporate governance system as one of its most important matters from the viewpoint of ensuring sound and efficient management and to respond to the trust of stakeholders and strives to develop and enhance it. The Company will also increase management transparency through timely and accurate disclosure of information.

Reasons for Non-compliance with the Principles of the Corporate Governance Code

The Company complies with all the principles of the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code

[Principle 1.4 Cross-Shareholdings]

1. Policy on Cross-Shareholdings

After comprehensively evaluating factors such as strategic importance, business relationships, returns, and risks, from the viewpoint of adopting a medium-to long-term perspective to facilitate business expansion and sustainable growth, the Company, has established a basic policy of not holding strategic equity investments. In fiscal year 2025, the Company conducted a review with greater emphasis on capital efficiency and, as of the date of this submission, completed the sale of all listed shares previously held as strategic equity investments.

Annual Securities Report (Japanese only))

<https://www.juki.co.jp/en/ir/library/>

2. Exercise of voting rights

While respecting the management policies of the investee companies, the Company will exercise its voting rights by comprehensively deciding whether to vote for or against each proposal from the perspectives of medium - to long-term corporate value improvement, shareholder return policy, corporate governance, and social responsibility. In particular, the Company will carefully decide whether to approve or disapprove proposals that may damage corporate value, such as proposals for the election of officers, proposals related to anti-takeover measures, and proposals related to organizational restructuring, in the event that the investee company's business performance continues to be sluggish over the medium to long term or if misconduct or other similar incidents occur.

[Principle 1.7 Related Party Transactions]

The Company requires approval and reporting by the Board of Directors for conflict-of-interest transactions with officers.

In addition, the Company conducts transactions in compliance with laws and regulations in its corporate activities and conducts fair, transparent, and free competition in its commercial transactions. The same principle applies to transactions when a business partner is a major shareholder. In addition, the Company has established the "JUKI Group Employee's Code of Conduct" based on this policy to ensure that transactions with related parties do not harm the interests of the Company and shareholders.

**[Principle 2.4 Policies and Goals for Ensuring Diversity in the Promotion to Core Human Resources]
[Supplementary Principle 2.4.1]**

(1) Embracing diverse values

The Company and its group companies, which operates globally, employs people from diverse social backgrounds and with a variety of values. To secure top talent and foster innovation, it is essential to create an attractive environment where each employee, regardless of gender, age, or nationality, can recognize and appreciate their individuality and thrive. Promoting diversity maximizes organizational performance through initiatives such as "promoting women's advancement," "global talent deployment," and "promoting the success of specialist employees."

Regarding women's advancement, the Company implements various training programs while actively promoting appointments based on ability by revising the requirements for managerial positions and disclosing these criteria internally, which is leading to an increase in the proportion of female managers. Through these initiatives, the Company aims to obtain "Kurumin" and "Platinum Eruboshi" certifications.

(2) Providing opportunities for growth

The Company contributes to the sustainable growth of both the organization and individuals by providing opportunities for autonomous career development that fosters the growth of each employee, along with the education necessary to realize it. Through a talent system tailored to careers and specializations, overseas training for young employees, and rotations that include overseas locations, the Company circulates talent both domestically and internationally, improving individual capabilities and sharing diversity and values. For employees who are candidates for management positions, the Company implements the "Next Generation Management Candidate Development Program" with the aim of systematically developing and selecting the next generation of leaders.

(3) Comfortable and rewarding work environments

To ensure a comfortable work environment, the Company utilizes satellite offices, implement a free-address system in the workplace, and designate every Friday as a day to encourage working from home.

The Company is also working to improve work-life balance by shortening working hours and setting designated days to encourage the use of paid leave.

The Company is focusing on creating opportunities for equal participation regardless of age or gender and developing systems that align with individual work preferences (hours, job type, location, etc.).

To share management information and strengthen communication with all employees, the Company regularly holds Town Hall Meetings with management in each region and country to improve engagement.

1 (JUKI Integrated Report, Annual Securities Report (Japanese only))

<https://www.juki.co.jp/en/ir/library/>

[Principle 2.6 Roles of Corporate Pension Funds as Asset Owners]

The Company manages defined benefit corporate pension plans in accordance with its agreement. For the management of reserves, the Company has established a basic policy for asset management and set a policy asset composition ratio. In addition, the Pension Funds Management Committee, which consists of members selected from the Department responsible for Human Resources, Accounting and Finance, has been established to select fund managers and products and monitor fund managers (including those engaged in stewardship activities).

The Company will strive to improve the quality of our operations by assigning persons with appropriate qualifications to oversee the operations and conducting periodic training.

[Principle 3.1 Full Disclosure]

1. Company objectives (e.g., management principles), management strategies, and management plans

The Company has clarified its basic ideas in the “Corporate Philosophy,” “Basic Management Policy,” “Corporate Slogan,” and “JUKI Corporate Code of Conduct,” and posted them on the Company's website. In addition, management strategies, management plans (medium-term management plans), and management initiatives in each business field are also posted on the Company's website as “Results briefing materials” and “Business Report.”

2. Basic Views and Policies on Corporate Governance

As described in [1. Basic Views].

3. Policies and Procedures for Determining Remuneration for Senior Management and Directors

The relevant information is stated under [Director Remuneration] in [1. Organizational Composition and Operation] from [II. Business Management Organization and Other Corporate Governance Systems regarding Decision-Making, Execution of Business, and Oversight in Management] in this report.

4. Policies and Procedures for Appointment and Dismissal of Senior Management and Nomination of Candidates for Directors and Audit & Supervisory Board Members

With regard to the appointment of senior management and the nomination of candidates for Director, the Company comprehensively examines them from the perspective of placing the right person in the right position, while taking into account appropriate and prompt decision-making, risk management, monitoring of business execution, and a balance that can cover each function of the Company and each business division.

With regard to the nomination of candidates for Audit & Supervisory Board Members, the Company comprehensively examines the matter from the perspective of placing the right person in the right position while ensuring a balance between knowledge on finance and accounting, on laws, and diverse perspectives on corporate management.

Nomination of candidates for Directors and Audit & Supervisory Board Members is subject to deliberation and decision by the Board of Directors upon receiving a report from the Designation and Reward Advisory Committee based on the above policy.

The Designation and Reward Advisory Committee annually evaluates the status of business execution, including business performance, of senior management, and deliberates on whether or not to appoint Directors, and reports the results to the Board of Directors. With regard to the dismissal of senior management, the Designation and Reward Advisory Committee has established standards for dismissal in advance. If the Committee determines that such standards are met, the Designation and Reward Advisory Committee deliberates on the appropriateness of dismissal and reports its opinion to the Board of Directors. Based on this, the Board of Directors deliberates on the appropriateness and decides whether or not to dismiss.

5. Explanation of individual appointments and nominations

The Company discloses the backgrounds of each candidate for Director and Audit & Supervisory Board Member, as well as the election in the Reference Documents for the General Meeting of Shareholders.

[Supplementary Principle 3.1.3]

(1) The Company's Sustainability Initiatives

The Company incorporates sustainability into our business activities. The Sustainability Promotion Committee, established in August 2022, deliberates quarterly on policies, priority issues, and measures related to overall sustainability. The Management Strategy Meeting deliberates on medium- to long-term management strategies and important strategic risks from a sustainability perspective, while the Risk Management Meeting identifies and evaluates company-wide risks, including those associated with business activities.

These committees collaborate to establish a system for sustainability governance. Important matters are reported to and submitted to the Board of Directors for deliberation, which oversees our sustainability policies and initiatives.

Furthermore, as part of our efforts to strengthen our governance foundation, we established the "JUKI Group Human Rights Declaration" in fiscal year 2025. The Company will promote the improvement of corporate ethics based on respect for human rights and compliance with laws and regulations and strive to ensure company-wide dissemination through employee education, thereby strengthening the Company's governance system to support sustainable corporate management.

For details, please refer to the JUKI Integrated Report and Annual Securities Report.

(JUKI Integrated Report, Annual Securities Report (Japanese only))

<https://www.juki.co.jp/en/ir/library/>

(2) Investment in human capital

Development and assignment of human resources including investment in human capital is mentioned in Principle 2.4.1 above.

(3) Investment in Intellectual Property

The Company and its group companies conduct research and development activities to develop products that can provide value to our customers, develop products for new fields, and develop the elemental technologies necessary for these purposes.

Regarding investment in intellectual property rights, the Company is making efforts to develop and operate an intellectual property strategy from the perspective of accumulating and utilizing its own intellectual property and respecting the rights of third parties, as an important asset for securing competitive advantage and achieving continuous business growth. Investment in development research activities and IP activities are disclosed in the Annual Securities Report and JUKI Integrated Report.

(JUKI Integrated Report, Annual Securities Report (Japanese only))

<https://www.juki.co.jp/en/ir/library/>

[Principle 4.1 Roles and Responsibilities of the Board of Directors (1)]

Supplementary Principle 4.1.1

The Company has established rules for the Board of Directors, clarifying what the Board of Directors makes decisions on its own, and delegating other matters to the management.

The management team is engaged in management based on the authority rules determined according to the scale and nature of transactions and operations.

[Principle 4.9 Independence Standards and Qualification for Independent Outside Directors]

In addition to the requirements under the Companies Act, the election of Outside Directors focuses on their abundant experience and deep insight in corporate management, etc., as well as their sufficient knowledge of corporate governance systems. The Company has designated independent directors who satisfy the requirements for independent directors set forth by the stock exchanges on which they are listed and who are unlikely to have conflicts of interest with general shareholders.

[Principle 4.10 Use of Voluntary Mechanisms]

1) The Company has established the Nomination and Compensation Advisory Committee, a voluntary advisory committee of the Board of Directors, consisting of one internal director and three independent outside directors, to seek appropriate advice and involvement of independent outside directors in the nomination and compensation of senior management and directors and the nomination of corporate auditors.

2) The committee is chaired by an independent outside director, thereby strengthening the independence, objectivity and accountability of the Board of Directors with respect to the nomination and compensation of senior management and directors.

3) In FY2025, all four (4) committee members attended the meeting, which was held nine (9) times. The committee deliberated on such matters as compensation for executives and succession planning and reported back to the Board of Directors.

See *II "Status of establishment of voluntary committees, composition of committee members, and attributes of the chairperson (chairman)".

[Principle 4.11. Preconditions for Board of Directors and Audit & Supervisory Board Effectiveness]

[Supplementary Principle 4.11.1]

The Company strives to maintain a small number of members of the Board of Directors to enhance the substance of discussions at the Board of Directors.

The Board of Directors consists of Directors who are elected based on the fields and experience of each business necessary for business operations. The Board of Directors consists of six (6) members as of the date

of this update: three (3) full-time and three (3) outside members and strives to maintain transparency and soundness of management while maintaining a balance.

Furthermore, a skills matrix outlining the knowledge, experience, and abilities that each director should possess considering the Company's management strategy is shown in the reference materials for the general shareholders' meeting in the Company's website as linked below.

(Reference materials for the general shareholders' meeting)

<https://www.juki.co.jp/en/ir/library/meeting>

[Supplementary Principle 4.11.2]

The Company discloses important concurrent positions held by Directors and Audit & Supervisory Board Members at other listed companies in the Business Report and Reference Materials for the General Meeting of Shareholders.

[Supplementary Principle 4.11.3]

The Company conducts an annual survey of directors and auditors, analyzes the results, and then performs an "analysis and evaluation of the effectiveness of the board of directors." Starting in fiscal year 2025, we will also conduct interviews after the survey to improve the accuracy of the evaluation.

(1) Composition of the Board of Directors

The size, diversity, and ratio of Outside Directors on the Board were assessed as appropriate. On the other hand, several opinions were expressed regarding the expectation to appoint Outside Directors with expertise in manufacturing industries, as well as the need to strategically develop management executive candidates in view of the future composition of the Board.

(2) Operation of the Board of Directors

The frequency of meetings and the time allocated for deliberations were assessed as appropriate. It was also evaluated that improvements have been made compared to the past in terms of the quality and volume of materials, as well as the timing of their advance distribution. Meanwhile, some responses indicated that there remains room for further improvement.

(3) Deliberations of the Board of Directors

The number and content of agenda items and the time allocated for deliberations were considered appropriate, and it was noted that an atmosphere in which free and open discussion is encouraged has been increasingly fostered. At the same time, several opinions called for securing and expanding time for deliberation on more strategic matters.

(4) Systems Supporting the Board of Directors

Opportunities for information sharing and for deepening understanding of the Company's businesses were evaluated as appropriate. Looking ahead, multiple opinions were expressed regarding the expectation of creating opportunities for Outside Directors and Audit & Supervisory Board Members to engage in dialogue with employees at various levels outside the Board meetings, in order to further deepen their understanding of the Company's businesses.

Based on the results of this analysis and evaluation of the effectiveness of the Board of Directors above, the Company will undertake the following initiatives:

- Strengthening governance under a new structure that includes two newly appointed Outside Directors
- Strategic development of executive candidates in preparation for the future composition of the Board
- Further improvement of the quality and volume of materials and the timing of their advance distribution
- Development of systems and environments to focus discussions more effectively on strategic matters
- Creation of regular opportunities outside Board meetings for dialogue between Outside Directors and Audit & Supervisory Board Members and employees at various levels of the organization

Through steadily implementing these improvements, the Company will further enhance the effectiveness of the Board of Directors, strengthen its governance framework to earn the trust of its stakeholders, and strive to improve corporate value.

[Principle 4-14. Training for Directors and Audit & Supervisory Board Members]

Supplementary Principle 4.14.2

The Company has appointed persons who can fully fulfill the roles and responsibilities expected of Directors and Audit & Supervisory Board Members, including Outside Officers.

Considering this, the Company promotes the understanding of the roles and responsibilities expected of Directors, including legal knowledge, of newly appointed officers, who have been promoted internally, by utilizing external training sessions and such.

As for Outside Directors and Outside Audit & Supervisory Board Members, the Company conducts activities to deepen the understanding of the Company’s business and functions, both upon their appointment and periodically thereafter.

[Principle 5.1 Policy for Constructive Dialogue with Shareholders]

To promote constructive dialogue with shareholders, the Company provides easy-to-understand explanations of its management company's management policy and management status and strives to gain understanding of shareholders.

1) Dialogue with shareholders is supervised by the officer in charge of IR, and efforts are made to enable constructive dialogue through activities such as financial results briefings and individual interviews.

2) In order to support dialogue with shareholders, the Company cooperates with related divisions such as finance and accounting and actively cooperates in creating materials and sharing necessary information.

3) As a means of dialogue other than individual interviews, the Company holds financial results briefings for institutional investors and analysts twice a year (in the interim and at the end of the fiscal year) in which the President himself provides explanations.

Furthermore, in FY2024, the Company held a company information session for individual investors.

Every year, after the General Meeting of Shareholders, the Company holds product tours at our exhibition room for those who wish to attend.

4) Opinions obtained through dialogue with shareholders are aggregated as necessary and reported to the management and related divisions to share information.

5) The period prior to the announcement of financial results is a silent period in which dialogue with investors is restricted.

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	March/31/2025

The Company are committed to implementing management practices that take into account our cost of capital and stock price.

Although our ROE is currently showing signs of improvement, the Company recognize that the Company have not yet secured returns that sufficiently exceed the cost of equity, and that the Company have not fully met the expectations of our shareholders and investors.

The Company have identified “profit growth” as our top priority for achieving a PBR of over 1x, and the Company will steadily advance the key initiatives outlined in our medium-term management plan, “Building Sustainable JUKI.”

In addition, the Company will implement initiatives aimed at maximizing capital efficiency and sustainably enhancing corporate value.

Details regarding the above initiatives are disclosed in the medium-term management plan and the financial results briefing materials for the fiscal year ended December 2025 on our website.

2. Capital Structure

Foreign Shareholding Ratio	Less than 10%
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Status of Major Shareholders

Name or Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,839,200	12.82
PEGASUS CO., LTD.	1,045,600	3.51
Mizuho Bank Ltd.	938,064	3.15
Custody Bank of Japan, Ltd. (Trust Account)	893,500	3.00
Nippon Life Insurance Company	732,193	2.45
Asahi Mutual Life Insurance Company	569,000	1.91
The Dai-ichi Life Insurance Company, Limited	511,600	1.72
Meiji Yasuda Life Insurance Company	460,000	1.54
Mizuho Trust & Banking Co., Ltd.	401,000	1.34
JUKI Client Shareholding Association	394,312	1.32

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	—
Name of Parent Company, if applicable	None

Supplementary Explanation

- *The status of major shareholders is as of December 31, 2025
- * Percentages are calculated deducting 47,855 treasury shares held by the Company.

3. Corporate Attributes

Listed Stock Exchange and Market Segment	TSE, Prime Market
Fiscal Year-End	December
Business Sector	Machinery
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more

Net Sales (Consolidated) for the Previous Fiscal Year	¥10 billion or more but less than ¥100 billion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	10 or more but fewer than 50

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

None

5. Other Special Circumstances which May have a Material Impact on Corporate Governance

None

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System	Company with Audit and Supervisory Board*
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*Referred to as "Company with *Kansayaku* Board" in the Corporate Governance Code reference translation

Directors

Number of Directors Stipulated in Articles of Incorporation	13
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	6
Election of Outside Directors	Elected
Number of Outside Directors	3
Number of Independent Directors	3

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Ms. Hiroko Nihei	Lawyer					△						
Ms. Hideyo Nakano	From another company											
Mr. Hirotaro Katayama	From another company											

*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

- a. Person who executes business for the Company or its subsidiary
- b. Person who executes business for or a non-executive director of the Company's parent company
- c. Person who executes business for a fellow subsidiary
- d. Person/entity for which the Company is a major client or a person who executes business for said person/entity
- e. Major client of the Company or a person who executes business for said client
- f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/Audit and Supervisory Board Member
- g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
- i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
- j. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
- k. Other

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Ms. Hiroko Nihei	○	Ms. Hiroko Nihei worked for Mizuho Bank, Ltd. (formerly Fuji Bank, Ltd.), a major lender to the Company, as an operating officer from April 1999 to March 2008. After retiring from the bank, she has been practicing as an attorney-at-law since 2009. It has been more than 10 years since his retirement from the bank, and she does not have any conflicts of interest that would cause a conflict of interest with general shareholders.	Ms. Hiroko Nihei has served as the Company's Outside Director since 2025 and will have been in office for one (1) year at the conclusion of this Annual General Meeting. The Company determined that she is an appropriate person to serve as Outside Director, because she has extensive experience in legal affairs, including specialist legal knowledge and international commercial affairs cultivated as a lawyer, as well as experience as a director and auditor of other companies in the business world, and is expected to provide accurate advice and decision-making, including on compliance matters.
Ms. Hideyo Nakano	○	—	In addition to managing an IR and PR consulting firm, he has been involved in asset management operations both domestically and internationally for many years. Based on his extensive experience, broad knowledge, and supervisory capabilities from a global perspective, he is expected to provide objective and accurate advice and decision-making to support our company's sustainable growth and enhancement of corporate value.
Mr. Hirotaro Katayama	○	—	In addition to his proven track record as an executive in global manufacturing, his extensive experience and broad expertise across diverse fields including quality assurance, production, purchasing, and human resources/general affairs, coupled with his supervisory capabilities, position him to provide objective and precise advice and decision-making from a global perspective in overseeing the Company's operations. The Company therefore judges him to be well suited for the role of Outside Director.

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Established
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Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination and Remuneration Advisory Committee	4	0	1	3	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Nomination and Remuneration Advisory Committee	4	0	1	3	0	0	Outside Director

Supplementary Explanation

The Company has established the Nomination and Remuneration Advisory Committee, a voluntary advisory committee of the Board of Directors, consisting of one (1) internal director and two (2) outside directors, with a view to seeking the appropriate advice and involvement of independent external directors in the nomination and remuneration of senior management and directors and the nomination of Audit & Supervisory Board members as of December 21, 2018.

The Nomination and Remuneration Advisory Committee consists of three (3) outside directors, Ms. Hiroko Nihei (Chairman), Ms. Hideyo Nakano, Mr. Hirotaro Katayama, and one (1) internal director, Atsushi Narikawa, as of the date of this update.

The Nomination and Remuneration Advisory Committee is chaired by an outside director. This committee, the independence, objectivity, and accountability of the Board of Directors regarding the nomination and remuneration of senior management and directors are strengthened.

In fiscal year 2025, the Committee held nine (9) meetings with the attendance of all members, deliberated on the remuneration of directors and the development of successors, and reported to the Board of Directors.

Audit and Supervisory Board Member*

*Referred to as "*kansayaku*" in Corporate Governance Code reference translation

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	4
Number of Audit and Supervisory Board Members	3

Cooperation among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments

The Audit & Supervisory Board consists of four (3 Audit & Supervisory Board Members, Michinari Sougawa (Chairman: Full-time Audit & Supervisory Board Member), Minoru Takenaka (Outside Audit & Supervisory Board Member) and Takashi Yoneyama (Outside Audit & Supervisory Board Member) as of the date of this updated.

The Group Internal Auditing Department has been established as an internal auditing organization consisting of nine (9) members. As part of its business activities, the Company conducts business audits of each department of the Company and group companies. In addition, the Audit & Supervisory Board Members' Audit is conducted in cooperation with the Group Internal Auditing Department and the accounting auditor in accordance with the audit policy and division of duties established by the Audit & Supervisory Board.

An audit report meeting is held regularly by the accounting auditor.

Appointment of Outside Audit and Supervisory Board Members	Appointed
Number of Outside Audit and Supervisory Board Members	2
Number of Independent Audit and Supervisory Board Members	2

Outside Audit and Supervisory Board Members' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Mr. Minoru Takenaka	CPA													
Mr. Takashi Yoneyama	Lawyer													

*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

- Person who executes business for the Company or its subsidiary
- A non-executive director or an accounting advisor of the Company or its subsidiaries
- Person who executes business for or a non-executive director of the Company's parent company
- An Audit and Supervisory Board Member of a parent company of the Company
- Person who executes business for a fellow subsidiary
- Person/entity for which the Company is a major client or a person who executes business for said person/entity
- Major client of the Company or a person who executes business for said client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/ Audit and Supervisory Board Member
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- Person who executes business for a client of the Company (excluding persons categorized as any of f, g, or h above) (applies to the auditor him/herself only)
- Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to the director/auditor him/herself only)
- Person who executes business for an entity receiving donations from the Company (applies to the person him/herself only)
- Other

Outside Audit and Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent Audit and Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Appointment
Mr. Minoru Takenaka	○	—	He has served as Outside Audit & Supervisory Board Member of the Company since 2024, and his term of office will have been two (2) years at the conclusion of this Ordinary General Meeting of Shareholders. The Company has determined that Mr. Minoru Takenaka is an appropriate person as Outside Audit & Supervisory Board Member because he has experience in corporate auditing at an auditing firm and sufficient knowledge of accounting as a certified public accountant and tax accountant and can be expected to provide advice and conduct audits based on his professional knowledge and experience in order to strengthen the Company's auditing system. The Company has designated him as an independent officer because he does not have any conflict of interest with general shareholders.
Mr. Takashi Yoneyama	○	—	He has served as Outside Audit & Supervisory Board Member of the Company since 2024, and his term of office will have been two (2) years at the conclusion of this Ordinary General Meeting of Shareholders. The Company determined that Mr. Takashi Yoneyama is an appropriate person as Outside Audit & Supervisory Board Member because the Company can expect him to be capable of providing advice and conducting audits in areas such as compliance, intellectual property disputes, and risk management based on his vast experience in international legal matters and the legal expertise he has built up as an attorney. The Company has designated him as an independent officer because he does not have any conflict of interest with general shareholders.

Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

Number of Independent Directors and Independent Audit and Supervisory Board Members

5

Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

—

Incentives

Implementation Status of Measures related to Incentives Granted to Directors

Introduction of Performance-linked Remuneration Scheme / Other

Supplementary Explanation for Applicable Items

【Compensation System Based on Performance】

The Company pays bonuses (restricted stock compensation based on performance) to its directors (excluding outside directors) annually at a fixed time.

Bonuses are calculated based on consolidated ordinary income, a key indicator of the Group's profitability. The total amount to be paid is determined after comprehensively considering the Company's performance for each fiscal year, including the achievement of business targets and dividend payments. Following an evaluation of everyone's performance and achievements, the final amount is determined and paid.

【Restricted Stock Compensation Plan】

Following approval at the 107th Ordinary General Meeting of Shareholders held on March 28, 2022, the Company has introduced a stock compensation plan for directors (excluding outside directors).

This stock compensation plan aims to provide an incentive to sustainably improve the Company's corporate value and to further share value with our shareholders.

Under this plan, a portion of fixed compensation and bonuses will be provided as "restricted stock compensation."

Persons Eligible for Stock Options

None

Supplementary Explanation for Applicable Items

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Director Remuneration

Status of Disclosure of Individual Director's Remuneration

No Disclosure for any Directors

Supplementary Explanation for Applicable Items

The Company discloses the total amount of remuneration for all Directors in the "Annual Securities Report" and "Business Report".

The total amount of remuneration paid to directors in fiscal year 2025 was 111 million yen.

<https://www.juki.co.jp/en/ir/library/>

Policy on Determining Remuneration Amounts and Calculation Methods

Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

1) Matters related to the policy for determining the details of individual remuneration for Directors. (Basic policy)

Directors' remuneration, etc. consists of "fixed remuneration (monthly money remuneration and Restricted stock remuneration)" and "bonus (performance-linked restricted stock remuneration)".

Fixed remuneration is determined based on the evaluation of the Director's responsibilities every fiscal year. And bonus is determined based on the evaluation of individual performance and achievement and paid at a determined point in time every fiscal year by considering comprehensive factors, including the status of achieving company business performance and dividends and calculating the total payment amount using consolidated ordinary profit as a key indicator, which reflects the level of earning power of the Company Group.

In the fiscal year 2025, a consolidated ordinary profit of 1,412 million yen was recorded.

Restricted stock remuneration paid as fixed remuneration and bonuses will be granted in April of the following year (April 2026 for fiscal year 2025). The reason for paying a portion of fixed remuneration and bonuses as restricted stock compensation is to enhance the incentive effect. This aims to increase the proportion of restricted stock compensation within total remuneration, which was relatively low compared to previous years, thereby further advancing value sharing with our shareholders.

Remuneration, etc., for Outside Directors consists of only monthly remuneration from the viewpoint of their role of overseeing and supervising management and their independence.

The overview of restricted stock-based remuneration is as follows:

- Maximum amount of restricted stock-based remuneration: 50 million yen in total (per year)
- Maximum number of restricted stocks granted: 100,000 (per year)
- Transfer restriction period: Until the day of resignation

(Determination process)

As for the process of determining Directors' remuneration, etc., to reinforce the independence and objectivity of the function related to the determination of remuneration for Directors, the Designation and reward Advisory Committee, which is comprised of Four (4) Directors, including three (3) Independent Outside Directors, deliberate a remuneration plan proposed by the Representative Director and reports to the Board of Directors. The Board of Directors deliberates the appropriateness of the details of the report submitted by the committee.

In addition, regarding remuneration, etc. for individual Directors for the current fiscal year, the Board of Directors has confirmed that the method for determining the contents of remuneration, etc. and the contents of remuneration, etc. determined are consistent with the determination policy resolved by the Board of Directors based on the report by the said committee and judged that these are in line with the relevant determination policy.

The remuneration, etc. of Audit & Supervisory Board Members consists of only monthly remuneration by considering their roles.

2) Matters related to the resolution of the Board of Directors concerning remuneration, etc.

The 92nd Ordinary General Meeting of Shareholders held on June 28, 2007, resolved that the maximum amount of remuneration, etc. for the Directors (excluding employee salary for employees concurrently assuming a position as a director) and Audit & Supervisory Board Members of the Company would be 480 million yen and 80 million yen per year, respectively.

As to the conclusion of the General Meeting of Shareholders, the number of Directors was nine (9), and the number of Audit & Supervisory Board Members was four (4).

In addition, it was resolved at the 107th Ordinary General Meeting of Shareholders held on March 28, 2022, that, within the scope of remuneration, etc. above, the annual amount of restricted stock based remuneration shall be 50 million yen or less, and the maximum number of shares shall be 100,000 with respect to Directors other than Outside Directors. The number of Directors excluding Outside Directors as of the conclusion of the General Meeting of Shareholders was three (3).

Support System for Outside Directors (and/or Outside Audit and Supervisory Board Members)

The Company provides Outside Directors and Outside Audit & Supervisory Board Members with prior explanations regarding proposals submitted to the Board of Directors. The Company has established the Auditor's office, which reports directly to the Audit & Supervisory Board members.

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)

The Company has adopted the form of a company with an Audit & Supervisory Board. By appointing highly independent Outside Directors and Outside Audit & Supervisory Board Members, the Company believes that the management supervision function and the audit function by the Audit & Supervisory Board are functioning effectively.

The Board of Directors consists of six (6) Directors (three (3) Outside Directors, three (3) Internal Directors) as of the date of this update. The Board of Directors makes decisions on matters stipulated by laws and regulations and on important matters related to management, while continuously supervising the status of business execution.

The Audit & Supervisory Board consists of three (3) Audit & Supervisory Board Members, (two (2) Outside Audit & Supervisory Board Members, and one (1) Internal Audit & Supervisory Board Member) as of the date of this updated. The Auditor's office has been established to assist the Audit & Supervisory Board Members. Each member conducts audits in accordance with the audit policy and division of duties established by the Audit & Supervisory Board and audits the execution of duties by directors.

The Company has established the Group Internal Auditing Department, which consists of nine (9) members. As part of its business activities, the Company conducts business audits of each division of the Company and its group companies.

In addition, the Company has established the Nomination and Remuneration Advisory Committee as a voluntary advisory body under the Board of Directors for the purpose of strengthening the independence, objective and accountability of the functions of the Board of Directors regarding the nomination and remuneration of the senior management and Directors and Audit & Supervisory Board Members.

The Company has introduced an "Executive Officer system" to try to facilitate business executions and clarify responsibility. As of the date of this update, the Managing Officer (i.e. the Executive Officer with special titles) comprises five (5) members, including the President and Representative Director, and the Executive Officer comprises fifteen (15) members.

The Company has positioned and nurtured Executive Officers as successors to Managing Officers and has promoted young employees to invigorate them.

The Company has established a Management Strategy Council under the Board of Directors. With regard to the corporate group consisting of the Company and the group companies, the Board of Directors, as well as the Managing Officers in charge, the Executive Officers in charge and the heads of departments in charge attend the council. The council deliberates from various angles on basic policies and strategies for management, thereby enabling more appropriate decision-making and business execution. The Board of Directors makes decisions on particularly important matters among those submitted to the Management Strategy Council.

As part of our risk management framework, the Company have established a "Risk Management Committee." In accordance with our crisis response regulations, the Company set up a "Crisis Management Headquarters" and "Crisis Countermeasures Task Force" tailored to the region, scale, and nature of the crisis, and report our findings to the Board of Directors for deliberation.

And regarding the formulation of company-wide policies and goals related to sustainability, the Sustainability Promotion Committee deliberates and makes decisions, and the Company are building and maintaining systems to implement them, as well as monitoring various initiatives.

3. Reasons for Adoption of Current Corporate Governance System

By appointing highly independent Outside Directors and Outside Audit & Supervisory Board Members, the Company believes that the management supervision function and the audit function by the Audit & Supervisory Board are functioning effectively. In addition, the Company has established an effective corporate governance system through the introduction of a Corporate Officer system to speed up and improve the efficiency of decision-making and business execution.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	The Company started electronic provisioning measures 31 days prior to the meeting and dispatched the Notice of Convocation of the General Meeting of Shareholders 24 days prior to the meeting for the Annual General Meeting of Shareholders to be held in March 2026.
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	The date has been set to avoid peak day.
Electronic Exercise of Voting Rights	The Company has been using the system of Mizuho Trust & Banking Co., Ltd., the shareholder registry administrator.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Company has joined the electronic voting platform for institutional investors operated by ICJ, Inc.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	The convocation notice for the General Meeting of Shareholders in English has been posted on the Timely Disclosure network of the Tokyo Stock Exchange and the Company's website before the mailing date.

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Regular Investor Briefings held for Individual Investors	Since FY2024, the Company has held company information sessions for individual investors (Live webcast and on-demand delivery). The Company are striving to provide information by publishing materials for IR Results Briefing materials on our website.	Held
Regular Investor Briefings held for Analysts and Institutional Investors	The Company holds IR financial results briefings twice a year for institutional investors and analysts at the end of the fiscal year and in the middle of the fiscal year. The President explains the business results and management strategies for the fiscal year under review.	Held
Online Disclosure of IR Information	The URL for information regarding IR is https://www.juki.co.jp/en/ir/library/ . Information for investors posted on our website includes financial information and business results, securities reports, results briefing materials, JUKI Integrated Report, Convocation Notice of Ordinary General Meeting of Shareholders, and timely disclosure materials	
Establishment of Department and/or Placement of a Manager in Charge of IR	The Corporate Planning Department is assigned to oversee IR.	

Other	The Company responds to individual interviews from institutional investors and analysts as necessary.
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3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	To fulfill our social responsibilities to our stakeholders, the Company has established the “JUKI Corporate Code of Conduct” on our website. This code serves as a specific guideline to be a company that not only complies with laws and regulations but also has value for society.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	The company places “harmony with the global environment” at the core of its management and is working to reduce our environmental impact through our business activities. As part of these efforts, the Company are committed to improving energy efficiency, reducing greenhouse gas emissions, minimizing waste, complying with environmental laws and regulations, and providing environmentally conscious products and services. Regarding greenhouse gas reduction, the Company has set reduction targets for 2030 and 2050, and by advancing initiatives to achieve these targets, the Company aims to achieve carbon neutrality by 2050.
Formulation of Policies, etc. on Provision of Information to Stakeholders	The “JUKI Corporate Code of Conduct” stipulates that the Company shall communicate with not only shareholders but also society at large and shall actively and fairly disclose corporate information.

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development

1 System to ensure that the execution of the duties of the directors complies with the regulations and articles of incorporation.

(1) The Company shall establish a “JUKI Corporate Code of Conduct” prescribing the basic ways the Company are to act as a company and clarifying the concepts of legal compliance.

(2) The Company shall establish a “JUKI Group Employee’s Code of Conduct” as a detailed standard of behavior for employees in the execution of their duties and shall strive to carry out thorough legal compliance.

(3) Our “Regulations on Compliance” shall establish a system and procedures for the compliance of the whole business group consisting of our company and subsidiary companies (hereinafter “our group companies”).

(4) The Company shall vigilantly oppose antisocial individuals and groups who adversely affect social order and our sound activities as a company.

2 System to store and manage information on the execution of the duties of the directors.

(1) With regard to information on the execution of duties, the Company shall establish a “Regulation on the Storage (Safekeeping) and Management of Important Documents.”

3 Regulations to manage risks of loss at the Company and Group companies.

(1) The Company shall establish a “Regulation on Risk Management” to manage the risks that the Company and our group companies face.

(2) The Company shall establish a “Risk Management Conference” to examine important risks of the whole company, take appropriate measures to respond, and manage each department’s activities to manage risk.

(3) If a risk escalates into a crisis, a “Crisis Countermeasures Headquarters” or a “Crisis Management Task Force” will be established in accordance with the “Crisis Response Regulations,” depending on the scale of the crisis, and prompt countermeasures will be taken.

4 System to ensure that the execution of the duties of the directors, etc. is carried out efficiently.

(1) The Company shall transfer some of the directors’ rights in the execution of duties to Managing Officers and Executive Officers to try and speed up the execution of duties using the Managing Officer System and Executive Officer System.

(2) The Company shall transfer some of the directors’ rights in the execution of duties to employees in the “Regulation on Authority,” and improve the efficiency of decision-making.

(3) The Company shall discuss important decision-making matters in the “Management Strategy Council,” and President shall give his or her final approval on such matters.

(4) The Sustainability Promotion Committee deliberates on and decides company-wide policies and goals related to sustainability and is responsible for establishing and maintaining the necessary systems to implement them, as well as monitoring various initiatives.

(5) The Company shall establish the respective roles in the execution of duties in the “Regulations on Organization” and make efforts toward the efficient execution of duties.

5 System to ensure that the execution of the duties of our employees and the execution of the duties of the directors and employees of our group companies comply with the regulations and the articles of incorporation.

(1) The Company shall establish a “JUKI Corporate Code of Conduct” prescribing the basic ways the Company are to act as a company and clarifying the concepts of legal compliance.

(2) The Company shall establish a “JUKI Employee’s Code of Conduct” as a detailed standard of behavior for employees in the execution of their duties and shall strive to carry out thorough legal compliance.

(3) In order to carry out thorough legal compliance, our department in charge of legal affairs shall conduct and disseminate education on compliance and managerial activities.

(4) The Company shall appoint an officer in charge of internal control and compliance and endeavor to control the related organizations and activities.

(5) Our “Regulations on Compliance” shall establish a system and procedures for the compliance of our company and the group companies.

(6) The Company shall provide a “consultation service for employees” to directly respond to employees’ questions on compliance.

(7) To address any violations of laws and regulations, or potential violations, by employees and directors of our company and our group companies, the Company have established “Whistleblower Protection

Regulations” in accordance with the “Whistleblower Protection Act” and are committed to taking the necessary measures for receiving reports, conducting investigations, and implementing corrective actions.

6 System for reporting to our company on matters regarding the execution of the duties of the directors of our group company, etc.

(1) A group company shall report management policies and management plans to our company in “the Group Management Meeting” to enable our company to check and adjust the same.

(2) A group company shall report to our company in accordance with the “Regulation on the Management of Group Companies,” regularly according to need.

(3) The directors of a group company, etc. shall report promptly to our executive officer in charge of internal control and compliance if there are facts indicating remarkable damage incurred by a company, fraudulence in a director’s execution of duties, or violations in regulations or the articles of incorporation.

7 Other systems to ensure adequate business in the business group consisting of our company and the group companies.

(1) The Company shall establish a management control system according to our functional organization in our “Regulations on Organization” and “the Regulations on the Management of Our Group Companies”.

(2) The Company shall establish a rule on decision-making on the distribution of management resources in our group companies in the “Regulations of Authority”.

(3) Our Group Internal Auditing Department shall conduct internal audits of our group companies when needed.

8 Matters regarding an employee appointed by the Audit & Supervisory Board Members to assist them in the execution of their duties

(1) The Company shall establish “Auditor’s office” that reports to the Audit & Supervisory Board Members as an organization to assist them.

9 Matters regarding the independence of the employee stipulated in the preceding clause from the directors and measures taken to secure the effectiveness of instructions from the directors to the said employee.

(1) An Audit & Supervisory Board Member may remark on a personnel transfer and personnel evaluation of an employee who belongs to the Auditor’s office.

(2) An employee who belongs to the Auditor’s office collects information necessary for the Audit & Supervisory Board Member’s audit promptly in accordance with their instructions.

10 System for enabling our directors, directors of our group companies and employees to report to the Audit & Supervisory Board Member

(1) A full-time Audit & Supervisory Board Member shall attend meetings of important bodies such as the Board of Directors Meeting, Management Strategy Council, Group Management Meeting, Risk Management Conference, etc. to collect necessary information in person.

(2) Our directors, directors of our group companies, and employees shall report to an Audit & Supervisory Board Member promptly upon becoming aware of any facts suggestive of the risk that the Company will incur significant damage, that a director has committed fraud in the execution of duties, or that the regulations or articles of incorporation of the Company are violated.

(3) An Audit & Supervisory Board Member shall receive information directly from the department in charge, directors of our group companies, and employees in case he or she judges it to be necessary.

11 System to ensure that a person who has made a report stipulated in the preceding clause is not unfavorably treated on the grounds of making the said report.

(1) The “compliance regulations” clearly state that a person who reports to an Audit & Supervisory Board Member are not to be unfavorably treated for doing so, and the Company’s directors, directors of our group company, and employees shall be kept informed about this regulation.

12 Policies regarding procedures for advance payment of expenses or reimbursement of expenses that accrue during the execution of an Audit & Supervisory Board Member’s work or regarding the processing of expenses or debts that accrue during the execution of other work.

(1) The Company shall pay expenses that accrue during the execution of an Audit & Supervisory Board Member’s work and appropriate the budget he or she plans every year.

(2) When an Audit & Supervisory Board Member judges that the occurrence of expenses is necessary to ensure the effectiveness of an audit, the Company shall handle the expenses appropriately even if they are outside the budget stipulated in the preceding item.

13 Other systems to ensure that an Audit & Supervisory Board Member's audit is conducted effectively.

(1) In addition to attending the board of directors' meetings to express his or her opinions, he or she may exchange views with a representative director at any time to raise the effectiveness of the Audit & Supervisory Board Member's audit.

(2) An Audit & Supervisory Board Member shall cooperate with the Group Internal Auditing Department and conduct audits as the need arises.

(3) An Audit & Supervisory Board Member shall cooperate with a corporate lawyer and an accounting auditor, and conduct audits as the need arises.

14 System to ensure the reliability of financial reporting.

(1) The Company shall prepare and operate a system that enables the effective functioning of the internal control of reliable financial reporting.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

The Company's "Basic policy for building an internal control system" and the "JUKI Corporate Code of Conduct" stipulate that the Company will take a resolute stand against antisocial individuals and organizations that have a negative impact on social order and sound corporate activities.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation for Applicable Items

The Company believes that increasing corporate value through further improvement of business performance is a matter of priority and has not introduced any "Anti-Takeover Measures" at present. However, the Company believes that appropriate measures are necessary for large-scale share acquisitions that do not contribute to the corporate value of the Company or the common interests of shareholders. The Company will carefully consider the necessity of introducing the system while paying attention to future legal systems and social trends.

2. Other Matters Concerning the Corporate Governance System

1. Timely Disclosure Policy

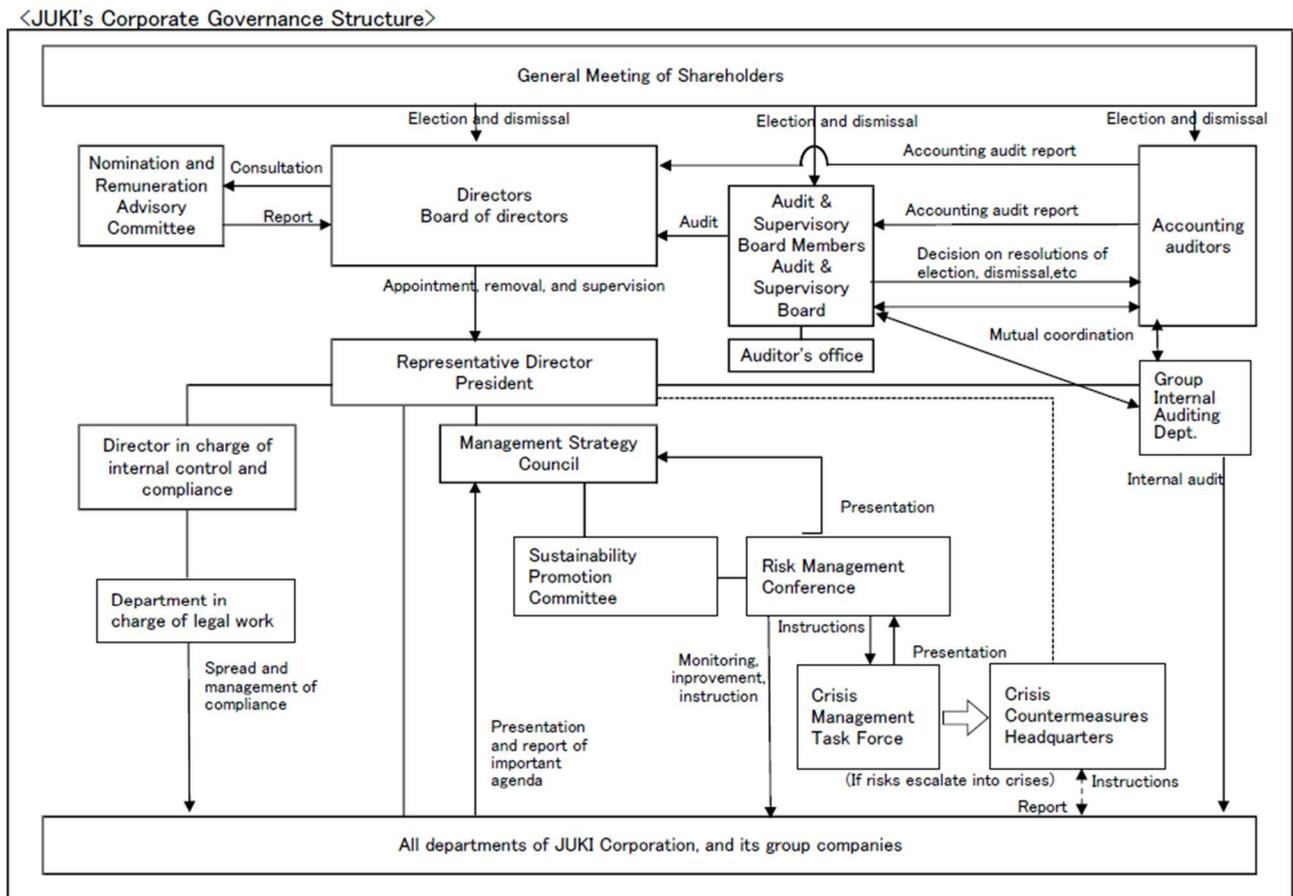
In view of the importance of information disclosure to investors, the Company has established an internal system based on promptness, transparency, and fairness, and is engaged in timely and appropriate information disclosure.

2. System for Timely Disclosure

In accordance with the "Timely Disclosure Rules" of the Tokyo Stock Exchange, the Company discloses information in a timely and appropriate manner based on the communication of information from each division, subsidiary, and affiliated company, based on the judgment of the top management and the administrative divisions (Human Resources & General Affairs Department, Corporate Planning Department, etc.) and the person responsible for information management.

In addition, important decisions, financial results, etc. are promptly disclosed after approval by the Board of Directors.

Reference: JUKI's Corporate Governance Structure



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