# Makita Report 2026

Year Ended March 31, 2026

SINCE 1915

# Strong Company

Makita has set itself the goal of contributing to the creation of a sustainable society and consolidating a strong position in the industry worldwide as a global supplier of a comprehensive range of tools for creating comfortable homes and living environments that includes cordless power tools, batteryoperated outdoor power equipment and pneumatic tools.

## Management Policy/Quality Policy

### 1

**Makita strives to exist in harmony with society**

a company that observes laws and regulations, acts ethically and never allows a market-driven company intervention of the anti-social organizations

### 2

**Makita values its customers**

a market-driven company

### 3

**Makita is managed in a consistent and proactive manner**

a company that strives to exist in perpetuity by adhering to a sound profit structure

### 4

**Valuing a stalwart corporate culture, Makita encourages each individual to perform to his or her highest level**

a happy company

# Vision FY2030

## Long-term Target Strong Company

Makita has set itself the goal of contributing to the creation of a sustainable society and consolidating a strong position in the industry worldwide as a global supplier of a comprehensive range of tools for creating comfortable homes and living environments—centered around cordless options—such as cordless power tools, battery-operated outdoor power equipment and pneumatic tools.

## Medium- to Long-Term Vision

### A Solution Company Committed to Addressing Social Challenges

We contribute to building a sustainable society and grow together with it by providing solutions to social challenges such as labor shortages and the transition to a decarbonized society.

### Current State

- Rapid technological advances and evolving customer needs are raising the level of technology required by the market.
- The business structure remains vulnerable to short-term economic fluctuations, including interest rate and exchange rate fluctuations and changes in housing investment.
- Corporate governance reforms and the Tokyo Stock Exchange's focus on capital cost management are increasing the need for capital-efficient business and financial strategies.

### Vision FY2030

**Evolving into a "Supplier of a Comprehensive Range of Cordless Products" for Sustainable Growth**

- Establish a robust business model and operational foundation centered on cordless products and less vulnerable to external factors.
- Pursue adaptive growth strategies and further reinforce capital-efficient management in a rapidly changing business environment.

### Key Financial Metrics

**ROE**
11% or more
FYE 2026 result: 8.3%

**Operating profit ratio**
15% or more
FYE 2026 result: 13.5%

**Cash balance**
Equivalent to 2 to 3 months of monthly sales
FYE 2026 result: ¥257.4 billion

### Medium- to Long-term Market and Social Trends

**Labor shortages at worksites**

- Growing demand for labor-saving solutions driven by workforce decline and population aging

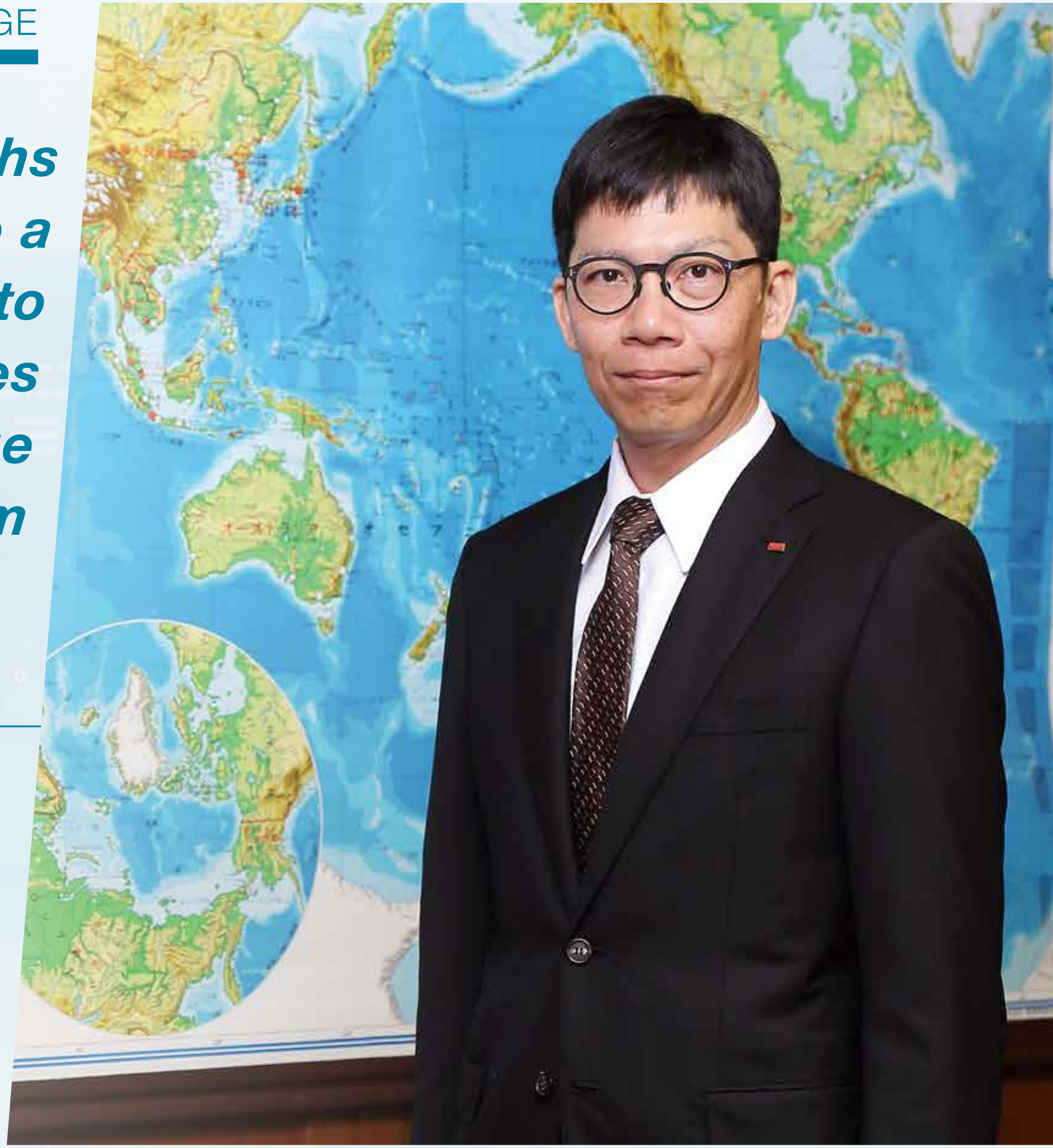
**Achieving a decarbonized society**

- The irreversible shift from engine-powered products to battery-powered products is driven by growing consumer environmental awareness

## TOP MESSAGE

# *We will further refine our strengths in field capabilities and become a Solution Company committed to addressing social challenges so as to enhance corporate value over the medium to long term*

President, Representative Director
Munetoshi Goto



### POINT

Makita hammered out fundamental reinforcement measures for improving corporate value by presenting a growth story and financial and capital policies in our Vision FY2030. Relentless efforts to respond to the expectations of the work sites, contribute to the improvement of people's lives and the development of society around the world, and establish a strong position in the industry will lead to our long-term goal of becoming a "Strong Company" and improving our corporate value.

# Message from President

## Expressing Determination to Capital Markets: Presenting Our Growth Story and Financial and Capital Policies

Makita presented its growth story and financial and capital strategies for the first time this spring, in which it revealed a shift in its policy to drastically strengthen disclosure for improving corporate value. In our previous shareholder and investor dialogues, we took a cautious approach to disclosure to prevent strategies from being leaked and from the governance perspective. We continued with the policy of presenting stable shareholder returns with utmost priority on maintaining brand value and avoiding downward revisions of earnings outlooks.

However, capital markets evaluate not only the current performance but also the growth story that we are envisioning. If we fail to present our medium- to long-term growth story, we cannot win consistent support from capital markets.

I feel that we need to disseminate clear and powerful messages that will evoke the image of our future growth in those involved in capital markets.

Vision FY2030 that we announced incorporates all of these. We have successfully presented a clear growth story leading to FYE 2031 and obtained common understanding through dialogues with shareholders and investors. Building on this groundwork, we will strive to achieve the vision. We will align our measures with what shareholders and investors envision for us in the future while enhancing dialogue with the market.

Focusing on the medium to long term, we clarified our unwavering objective of becoming a “Strong Company.” Capital markets are asking us to reveal the specific areas in which we plan to demonstrate our strengths and envision our future, including our sustainability strategy. Our response to this is to prioritize solving the social challenges of intensifying labor shortages at work sites and realizing a decarbonized society. Improving the efficiency of work sites is the starting point of Makita’s technology development and sales strategy.

To be honest, our forte has been responding to the challenges in front of us, wherein we swiftly introduce high-value-added cordless products to address the issues at work sites in various regions, rather than preparing elaborate medium-term management plans in advance. These repeated agile responses to work sites are precisely the core strength of Makita, which has driven its share expansion in the global market. For example, we have been maintaining our strong position in major regions in the global market even as our competitors have changed. I believe that this is a result of our prompt on-site response.

We will continue to develop new markets, leveraging this core strength and using the 40Vmax (XGT) series as a foothold. In particular, we will make a foray into the mining market given the increasing geopolitical risks and expanding energy demand. We will also strengthen our presence in new fields, such as agriculture and disaster prevention and rescue markets, to respond to frequently occurring disasters. The potential from the markets we can develop with the 40Vmax series is expected to be approximately 180.0 billion dollars.

### 1. Enhancement of High-value-added Products: Reinforcing Sales Force and Investment in Digital marketing

In the case of high-value-added products, such as the 40Vmax series, which is a solution to labor shortages, you need to do more than simply stocking store shelves to sell

them. We will build a structure in which sales representatives visit professional users at work sites, give product demonstrations, and propose solutions in person. We have not yet seen the full effect of the upfront investment in sales personnel, but we expect to grow the ratio of 40Vmax series to 25% of overall cordless products by FYE 2031. Simultaneously, we will boost brand awareness by leveraging digital promotion while ultimately focusing on straightforward proposals in person.

Currently, Japan is a region where sales of the 40Vmax series have been performing well. The products are becoming popular in various fields given our high market share. Behind Japan is Central and South America, where we have been successful in developing sales channels in the mining and agriculture fields. It is also gaining popularity in North Europe, where labor costs are high, and sales in various areas of West Europe have been good. In India, while the volume is still limited, the unit price has been steadily rising, and we have secured high profitability.

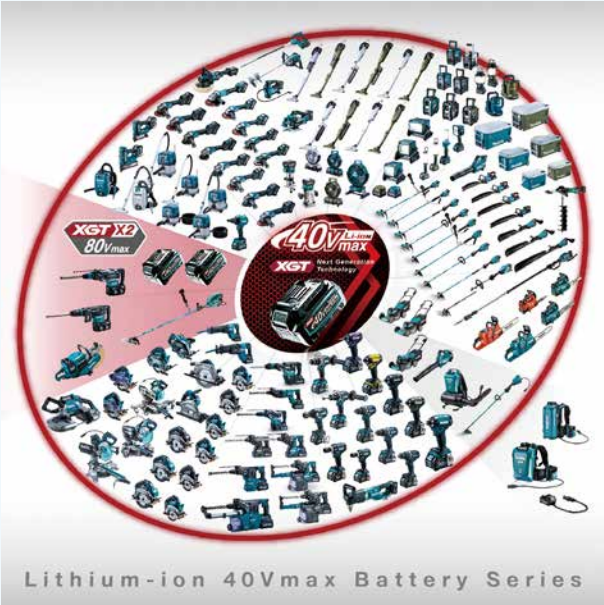
### 2. Evolution of Battery Technology: Introducing Motor Units to Develop New Areas of Application

Sales expansion of cordless motor units, which combine enhanced battery technology with Makita's motor technologies, will be the major growth driver allowing us to expand into new areas of application and markets as we evolve into a "Supplier of a Comprehensive Range of Cordless Products," our most important strategy. There is an enormous potential demand for replacing the engines, which are the power source of various machinery, with motor units, for example, supplying the power to lift heavy equipment used in railway maintenance. We have established a development team at the US plant and are hiring more local engineers to further strengthen the global R&D structure. We will further strengthen R&D and capital investment and actively work to identify a partner for motor units.

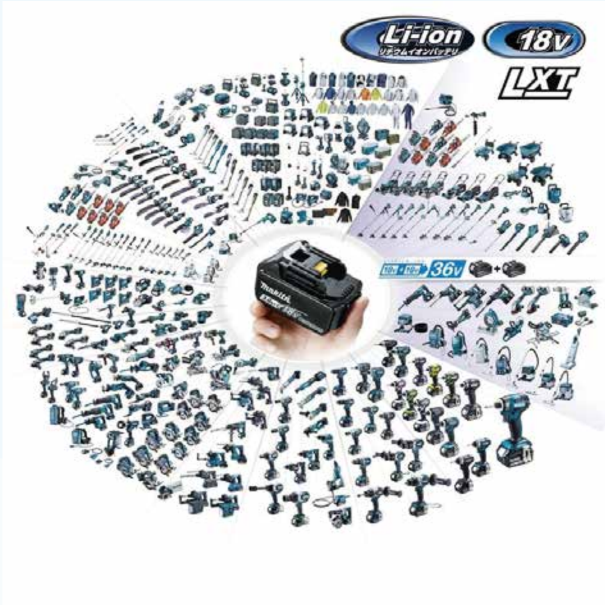
Along with the expansion of the 40Vmax (XGT) series, we will also evolve the 18V platform, which boasts a massive market size mainly for construction and housing. Although the 40Vmax series will be the key to develop new markets, mainly in high-load work, we have positioned the 18V platform as a group of products that will raise the satisfaction levels of existing customers through improved performance. Regarding the low profitability of the U.S. market, we will differentiate ourselves from the specific revenue models pursued by our competitors and refrain from overly chasing excessive profit margins. The United States is where cutting-edge trends and technologies are emerging. It is also the market with the fiercest competition. It offers tremendous value for the Makita Group as a whole to have a base in that market and maintain the operating rate of the plant. We will firmly take measures to improve profitability, such as sales increase through investments in digitalization, to maintain an appropriate position.

### 3. Transformation of the OPE Business Structure: Improving Profitability by Shifting Focus to the Professional Market

In the outdoor power equipment (OPE) business, cordless products are growing, replacing the engine market, mainly in West Europe, Japan, and Oceania. However, for the




40Vmax series: 261 models*




18V series: 399 models*

*The number of models sold in Japan as of April 2026

United States and Russia, where we face a challenging demand environment, we need to separately formulate individual strategies. Going forward, we will concentrate our R&D and human resources in accordance with the 5-year road map considering the options in the vast engine replacement market. The OPE market is approximately 40.0–50.0 billion dollars in size, which is larger than the power tool market valued at approximately 30.0–40.0 billion dollars.

To further differentiate ourselves clearly with our strengths of high-performance products and steady after-sales service, our OPE business is at a major turning point of transitioning to the professional-use market, where engine-driven products are the mainstream. We expect that product unit prices and profitability will improve with the switch to the professional-use market, where performance and quality matter more than prices, resulting in a structural transformation in the OPE business. We plan to steadily increase overall profitability by introducing new OPE products for professional use in quick succession.

### 4. Diversification of Production and Sourcing Channels: Supply Chain Network that Turns Geopolitical Risks into Opportunities

The diversification strategy that we have been implementing is a factor differentiating us from the competition. Currently, we are pushing ahead with diversification of production and sourcing so that we do not excessively rely on a specific region. We are also strategically building up inventory to secure a supply structure that is not affected by geopolitical risks. We have our own plants in different parts of the world, and our greatest strength is the ability to perform parts purchase to manufacturing in an integrated manner.

This integrated system is achieved by ensuring automation and labor-saving and without sacrificing profitability. We will continue to make capital and growth investments in an agile and flexible manner in areas including production technology facilities and pursue automation of process and reduction of cost ratio. Makita has a substantive cash generation capability that improves returns through continuous investments without fixating on the superficial scale of investment.

As a specific strategy, we are strongly promoting procurement from India. Along with leveraging the benefits of eliminating tariffs based on the free trade agreement, we will also further pursue diversification of supply chains for Europe. This is also indispensable to address the cost increases in European plants, which are facing inflation and other pressures. We have also established our own trading company in Taiwan, directly securing us semiconductor stock. Such procurement strategies have disadvantages, such as increased inventory, but at a time when other companies are facing supply disruptions, we are continuing with steady supply to the international markets. This enables customers to continue with their daily operations and is our greatest strength.

### Unique Competitive Superiority: Repairing and Services as Sources of Strength

There have been times when some capital market participants advise us to improve profitability by raising repair and service charges or converting them into subscription-based services, given the global popularity of our products. However, after careful consideration of such measures, we have refrained from adopting them from the perspective of protecting Makita's brand value over the medium to long term.

We consider repairs and services as the crucial foundation that enables us to deepen the relationships of trust with customers and raise the brand power. To serve customers, especially professional users of our products as work tools, we must provide a system that responds promptly and reliably to malfunctions and repair requests. Our track record of always living up to these expectations underpins the trust placed in us and has driven the enhancement of our brand reputation. The accumulation of this trust will lead to improvement in sustainable profitability.

The essence of our business lies in customers choosing our products and using them forever. When a customer encounters trouble on-site, we respond faster than anyone else. This builds a sense of trust and creates a virtuous cycle of the customer again investing in our products. We directly built bases where we promptly repair products on our own—129 in Japan and 50 overseas—that serve as the very foundation of our growth. This business model has become a barrier that other companies cannot breach: even if they try to imitate it, enormous spending would be required. Altering this one-of-a-kind platform that we built over many years for making instant profits would be nothing less than undermining our existing brand value with our own hands. Repairs and services are not means for raising profit in Makita's case. They are the source of strength behind our product competitiveness.

### On-site Governance; Allocation and Replenishment of Human Capital

Makita focuses on sustainable sales growth to achieve medium- to long-term improvement in corporate value. Imposing overly ambitious sales targets runs the risk of creating distortions in the sales frontline. Therefore, we would like to aim for sales growth that is higher than the industry average while steadily increasing the market share.

We have set an operating profit ratio target of ≥15% in Vision FY2030. I believe that, instead of raising the margin further from here, we should allocate the cash equivalent to that 1% to 2% to increase staff and for investments for the future. Specifically, our policy is to maintain a healthy revenue growth of approximately 5% annually while allocating a sufficient amount for human capital. Even if this leads to a temporary increase in selling, general, and administrative expenses, we would like to offer the resultant medium- to long-term growth in corporate value as proof to the capital markets.

Regarding future corporate value growth, it is also important that we appropriately allocate cash to employees and improve their engagement. We have already introduced a system to grant restricted shares to employees through the employee stockholding association, and the association's employee participation rate is now close to 100%. With this, we have built a mechanism to return the profits not only to shareholders but also to our employees.

The revised Corporate Governance Code requires the board of directors to discuss and monitor management resource allocation. We have clearly tied it to our growth strategies.

The factory-use power tools business of Panasonic Electric Works Co., Ltd., which we decided to acquire, enables us to build in-house capability for developing such tools, an area we were traditionally lacking. We are also aiming to make a full-fledged entry into the factory-oriented market through this initiative. Our selection criterion for M&A targets is whether the technology and human resources of the target company will bring medium- to long-term sustainable values to us rather than pursuing immediate sales expansion. We will proactively pursue M&As as long as they contribute to strengthening the management foundation to ensure continuous and stable growth every year.

## Organizational Sustainability that Manifests in an Era of Rapid Change

The past few years have been an era of rapid change, with geopolitical risks becoming the norm. Against this background, Makita should be strengthening the prompt and continuous delivery of the most advanced high-value-added products by flexibly responding to the changes in society, technological advances, and customer needs while improving the productivity of employees. Simultaneously, we should also uphold, together with the customers, our thorough focus on the field, which has precisely been the driving force of our growth. At Makita, the Directors also serve as corporate officers. Therefore, they have gained a field perspective through visits to work sites both in Japan and abroad. In my opinion, the fact that our executives have deep understanding of the actual situation enables them to make swift decisions from an on-site viewpoint without falling into the trap of fragmented individual optimizations.

We also have a well-established mechanism in which development, manufacturing, procurement, and sales collaborate to ensure the effective functioning of our governance system. We deter all kinds of misconduct and arbitrary decision-making by avoiding entrusting work entirely to a single department or individual. Nowadays, most legal violations at companies stem primarily from partial on-site optimizations aimed at shortening delivery periods. We prevent major risks caused by such localized decisions with our company-wide cooperative system and field visits of corporate officers.

Given the damage from the recent ransomware and other cyberattacks at other companies, investments in information security are becoming increasingly important. Makita has been continuously advancing the development of our group-wide cyber defense system and has established a centralized monitoring and support structure that can detect the increasingly sophisticated cyberattacks early, mitigate damage, and quickly restore operations.

Investments in cybersecurity are also extremely important to avoid severe damage to the system from an attack and disruption to operations.

I firmly believe that our ability to quickly complete system transition even under a rapidly changing environment, such as the recent tariff increases and regulatory changes stemming from geopolitical risks, springs from the sincere passion shared by all employees to respond to the customers in the field instead of each of them acting according to their personal convenience. This field-oriented corporate culture is the biggest strength of Makita, and we are determined to pass this culture on and preserve it at all costs for the future beyond FYE 2031.

## In Conclusion: Deepening the Dialogue with Capital Market

In cash allocation under our Vision FY2030, we will achieve an operating cash flow of 450.0–500.0 billion yen cumulatively in 5 years by shifting to a stable revenue model and optimizing inventory management and allocate it to capital investment and shareholder returns. As production capacity expansion is more or less complete, capital expenditure is expected to average 20.0–30.0 billion yen per year. We are also aware of the need to control equity

capital, and alongside conducting flexible share buybacks, we plan to raise the consolidated payout ratio to ≥50% as a new shareholder returns policy to enhance ROE.

However, we have a unique financial structure with a high overseas sales ratio, where overseas exchange rate translation adjustments account for approximately 20%, or approximately 200.0 billion yen, of our net assets worth approximately 1 trillion yen. This means that when the yen is weakening, ROE declines as net assets expand much more than the increase in profits due to the effect of exchange rates. The weak yen also leads to an increase in overseas labor costs. Therefore, it is not just profits that increase from the financial aspect. We will provide detailed supplementary information on these features of our financial and capital structures in the materials for financial results briefings, etc., and deepen the dialogue with shareholders who support us from a medium- to long-term perspective.

One of the reasons for announcing Vision FY2030 is the directive from the Tokyo Stock Exchange for management that is conscious of the cost of capital and stock price, among other changes in the capital market environment. I believe that the implementation of the growth strategies announced in Vision FY2030 and the growth in corporate value through the achievement of the key financial metrics will contribute to the improvement of the share price. Also, as mentioned earlier, the disclosure of Vision FY2030 is part of an initiative to facilitate a shared recognition among shareholders and investors of our medium- to long-term growth story. Going forward, we will also work on reducing the cost of equity by further deepening SR and IR activities.

I promise to deliver strong leadership to meet the expectations of stakeholders led by shareholders and investors.

# Message from the Director of the Administration Department

## To realize Vision FY2030, we aim to sustainably improve corporate value by implementing capital efficiency reforms and growth and human resource strategies in an integrated manner.

Director, Corporate Officer,
General Manager of Administration Headquarters

**Yukihiro Otsu**

**POINT**

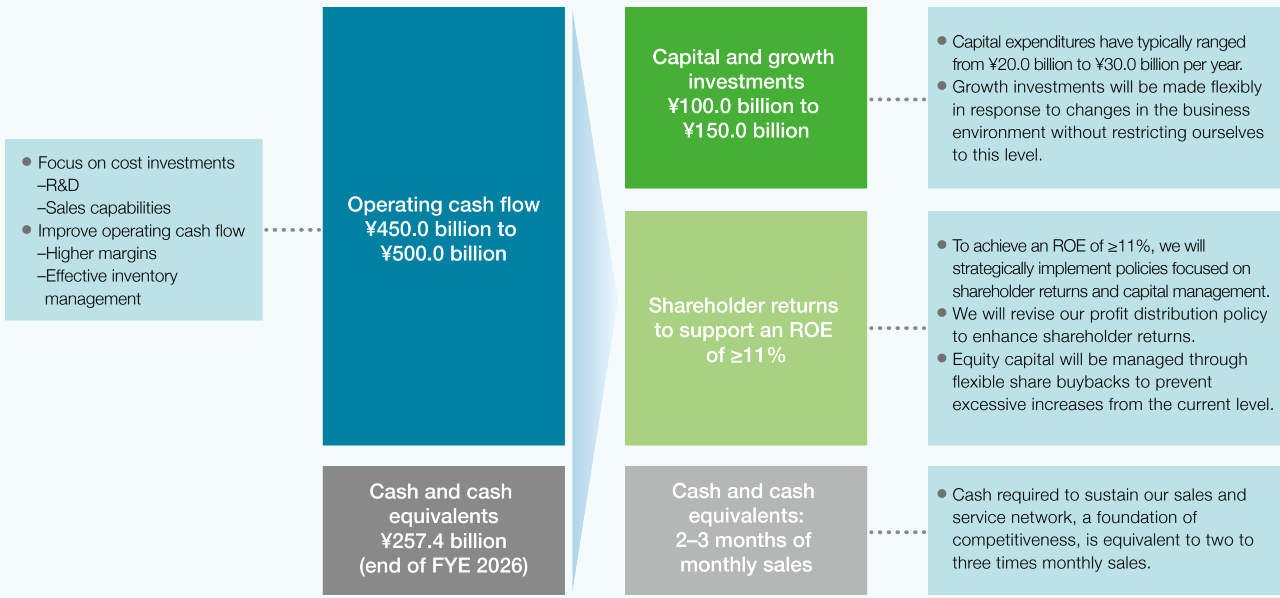
- We aim to achieve ≥11% in ROE and ensure capital efficiency-focused management.
- We will promote business expansion through the development of new markets with 40Vmax products.
- We will build strong organizational foundation through human capital investments and work style reforms.
- We aim to maximize corporate and shareholder values by balancing growth investments with shareholder returns.

# Message from the Director of the Administration Department

## What are your roles and responsibilities as the director in charge of basic finance policy and human resources?

As the director in charge of finance, I focus on sustainably improving corporate value by achieving a good balance between optimum growth investment and shareholder returns and improving profitability and capital efficiency while ensuring financial soundness. Our capital policy is to thoroughly implement capital efficiency-conscious management by maintaining cash and cash equivalents at a level worth two to three times monthly sales. In terms of shareholder returns, our basic policy is to ensure ≥50% in consolidated payout ratio. In addition, we will improve ROE and capital efficiency by flexibly conducting share repurchases so that equity capital will not increase excessively from the current level of approximately ¥1 trillion. As the director in charge of human resources, I believe that human resources are the source of the competitive advantage of Makita. To make Makita globally competitive, we will prioritize creating a workplace where all employees can demonstrate their abilities to the maximum extent and hiring and nurturing excellent human resources while maintaining our strength of following a field- oriented approach and our corporate culture of promoting a sense of unity. We will enhance the mechanism to appropriately evaluate performance and introduce flexible work styles to create an environment in which diverse human resources can play active roles. In addition to improving the treatment, including starting salaries, we will review the compensation system with a focus on overall optimization. Investment in human resources and shareholder returns are two themes that need to be simultaneously achieved to improve corporate value in the long term.

Total of 5 years from FYE 2027 to FYE 2031




## What is the background to the formulation of Vision FY2030?

As we have strengthened our earning power, our revenue base has steadily become more solid, and we are now in a phase where equity capital increases. Originally, our basic policy was to provide a total return ratio of ≥35%. However, relying on the existing return policy has resulted in an excessive amount of equity capital given our current earning power and cash generation ability. This means that we are entering a phase in which the existing benchmark is no longer optimal from a capital efficiency perspective. For this reason, we decided to transition to a new capital policy focused on shareholder returns and capital efficiency. We set an ROE of ≥11% as an indicator of the policy. Although ROE does not cover all aspects of corporate value, it is an important KPI that management can proactively control. The indicator can also be used to familiarize employees with management that is conscious of capital cost. Going forward, we aim to improve ROE through several initiatives. These include driving profitability by executing our growth strategy, improving capital efficiency through our capital policy, and boosting market understanding through proactive information disclosure. Ultimately, this will improve our corporate value. In recent years, there has been an increasing demand from investors in Japan and abroad to present Makita's growth story, on account of which I felt the need to formulate, disclose, and explain our medium- to long-term growth strategy and growth story.

### What are the key points of the performance evaluation and earnings forecast for FYE 2026 and FYE 2027, respectively?

In FYE 2026, the business environment remained highly uncertain across various regions due to the U.S. tariff policy. However, under such circumstances, revenue and operating profit considerably exceeded the initial forecasts of ¥700.0 billion and ¥74.0 billion, with revenue rising 3.2% year on year to ¥777.6 billion and operating profit declining 2.2% to ¥104.7 billion. Our operating profit exceeded ¥100.0 billion for the second consecutive year following FYE 2025, which was a record high. We also maintained a high operating profit ratio of 13.5%. We consider it as a year in which we made progress in strengthening profitability and where the challenges for future growth became clear. For FYE 2027, we expect revenue to increase by 5.5% year on year to ¥820.0 billion and operating profit to rise by 5.1% to ¥110.0 billion with an operating profit ratio of 13.4%. Although the outlook for the global economy remains uncertain, we will explore new applications and markets for the 40Vmax series by expanding the use and sales of the products in addition to construction and building. We will also continue to increase the sales of battery-powered OPE products. We will make upfront investments in R&D and sales personnel to expand use and sales of the 40Vmax series. In the short term, investment precedes sales growth; however, we expect it to produce results in 1–2 years.

### Please elaborate on the newly disclosed cash allocation.

We recently disclosed cash allocation, for which we had received many requests from investors. First, we assume a total of ¥707.4 billion to ¥757.4 billion of cash inflow for 5 years from FYE 2027 to FYE 2031 from ¥450.0 billion to ¥500.0 billion in operating cash flow and ¥257.4 billion in cash and cash equivalents (equivalent to approximately four times monthly sales) as of the end of FYE 2026. We aim to maximize operating cash flow through measures such as improving profitability and reinforcing our inventory management system. Simultaneously, we are planning ¥100.0 billion to ¥150.0 billion of cash outflow for capital and growth investment (¥20.0 billion to ¥30.0 billion for capital investment) aimed at maintaining and strengthening competitiveness. We plan to invest primarily in the maintenance and upgrade of logistics centers and facilities, combined with flexible growth investment, in response to changes in the business environment. We will use the generated cash for shareholder returns, including share buybacks, and secure cash and cash equivalents, at a level of two to three times monthly sales, which is the cash level necessary to maintain the sales and service network, the source of our competitiveness.

### What is the relationship between Vision FY2030 and stock valuation?

We newly included an ROE of ≥11% as a numerical target. We also aim to achieve capital efficiency in which the anticipated cost of equity constantly exceeds 8%–10%. In addition to improving the probability through strategic share buybacks, we aim to maximize earnings per share. We also believe that PER can be improved by steadily implementing the growth strategy while trying to improve ROE. We have been expanding sales of high-value-added products led by the 40Vmax series in terms of growth strategy. Simultaneously, we are driving forward the development of new applications and markets, such as mining, infrastructure, agriculture, and industrial use, in addition to the existing construction and building market. These initiatives will drive not only profit growth but also improvement in cash generation ability and earnings stability, which in turn is expected to improve capital market evaluation through a rise in PER. The demand shift from engines to electric vehicles occurring mainly in OPE is a tailwind for Makita, which has battery and motor technologies. From an ESG perspective, it lowers capital cost as it contributes to decarbonization, which we hope will lead to high capital market evaluation.

### What are the advantages of Makita's R&D human resources?

Vision FY2030 positions the 40Vmax series as the core product of the growth strategy. It is an important growth driver that enables us to expand the shares in existing markets and promote the development of new applications and markets. Our R&D personnel and global development system underpin this competitiveness. Currently, we have >1,000 people engaged in R&D worldwide, and we are increasing the speed of product development and enhancing our product lineup. In 2018, we established a technology development subsidiary in Seoul, South Korea, to further enhance our development capability. In 2022, we opened the Electronic Control Development Center (Tokyo Office) in Shinagawa, Tokyo, with the aim of recruiting electric control and software engineers and increasing development capability. We also added development functions in China and at a Thai plant to swiftly respond to market needs. The business model for our key strategic product of battery-powered motor units is a new one, in which we supply motor units as a power source to manufacturers of finished goods. These units are a culmination of the flexible ideas of our R&D human resources and our ability to

# Message from the Director of the Administration Department

incorporate global on-site needs into product development. We have established a development team in a U.S. plant and are increasing the hiring of local engineers for sales expansion. We regard R&D human resources as the source of our competitive advantage. By strengthening their hiring and nurturing, we will cultivate new markets and achieve sustainable profit growth to realize Our Vision.

## How are Vision FY2030 numerical targets linked to the human resource strategy?

Since our foray into the U.S. in the 1970s, we have proactively promoted overseas expansion and currently have sales and service bases in approximately 50 countries apart from Japan. Approximately 80% of our employees are located outside Japan. The active participation and globalization of diverse human resources are indispensable if we are to continuously improve our competitiveness in the global market. For this reason, we position the human resource strategy as an important management base that supports the realization of Our Vision. Our competitive advantage lies in our field- and customer-oriented approach. It is important to develop human resources who have a global viewpoint and a good grasp of the field to understand the opinions, challenges, and needs of customers, which differ from region to region, and leverage them in product and market development. With this in mind, we are offering overseas experience opportunities early on to both new graduates and mid-career hires in a bid to strengthen efforts to nurture human resources who can succeed globally. I believe that employees with overseas experience will contribute to the realization of Our Vision as it enhances not only their language skills but also their ability to adapt to diverse values and make decisions. We are also promoting business process reform aimed at improving efficiency as part of efforts to reduce fixed costs. We will develop a workplace environment where each and every employee feels comfortable and rewarded and an organization that can achieve both sales growth and profitability improvement toward the realization of Our Vision.

## How are Vision FY2030 and employee engagement linked?

We attach importance to human capital investment and value sharing with employees. As part of this, the Board of Directors resolved on November 26, 2025, to introduce a restricted share compensation system, in which all 4,003 employees who are members of the employee stockholding association are uniformly awarded 50 shares in its common stock. We believe that these measures, along with value sharing with shareholders, will ensure asset formation for employees and nurture a sense of ownership in them. The stockholding association's employee participation rate has already reached almost 100%. Lately, I feel that with these initiatives becoming established, we are seeing more smiling faces among employees, and their motivation appears to be rising. We have recently heard of our business partners expressing the intention to increase their holding of our shares, and we feel that we are now sharing our values with stakeholders to a greater extent.

## What are Makita's shareholder return policy and its idea of investor engagement?

Our basic approach to shareholder returns was to distribute "profits based on a basic policy of a minimum annual dividend of ¥20 per share and a total return ratio of ≥35%." However, we have recently revised it to "≥50% in consolidated payout ratio" considering an appropriate

return level. We have also positioned the achievement of ROE of ≥11% as a key management target and plan to control equity capital through flexible share buybacks. We will reconsider the current focus on year-end dividends and instead strike a balance between interim and year-end dividends from the perspective of promoting stable ownership throughout the year. Our top management uses total shareholder return (TSR) as an indicator to monitor shareholder value creation and aims for stable TSR improvement through the realization of Our Vision. As for engagement with investors, we actively conduct shareholder and investor relations activities in Japan and abroad and leverage the opinions and requests gained from the dialogue and engagement with the capital market in management. We aim to sustainably maximize shareholder value by building a virtuous cycle of enhancing management and improving corporate value.

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Makita Report **2026**



**Editorial Policy**

The Makita Report is published with the objective of presenting Makita's initiatives for creating value over the medium- to long-term in a way that integrates both financial and non-financial information. In preparing the report, information that is particularly important for Makita's value creation was compiled concisely, referencing international frameworks such as those of the International Financial Reporting Standards Foundation (IFRS). Please see our website (https://www.makita.biz/) for more information. Also, financial information, environmental information, and governance information is presented in detail in the Additional Information, Earnings Release, and Financial Results presentation in the Investor Relations section of our website, Environmental Report, and the Corporate Governance Report, respectively.

This report covers 54 companies, including Makita Corporation and its 53 consolidated subsidiaries (as of March 31, 2026), but some of the information reported only covers Makita Corporation.

**Reporting Period**

FYE 2026 (April 1, 2025 to March 31, 2026)

However, information from outside of this period is reported when it is appropriate to the presentation of past circumstances and data as well as recent examples.

**Issued**

July 2026

**Message from Director in Charge of Makita Report 2026**

Director, Corporate Officer, General Manager of Administration Headquarters
**Yukihiro Otsu**

The Makita Report is published every year with the aim of deepening the understanding of Makita's initiatives for sustainably improving its corporate value. The Makita Report 2026 presents the growth strategy and the measures undertaken to strengthen the financial and non-financial capital and to improve capital efficiency in a structured manner based on the values cultivated since its founding. We hope the report will lead to constructive dialogue with all stakeholders.

**Disclosure System Diagram**

| Main Content | Periodic Report | Latest Information |
|---|---|---|
| Financial Information | ・Annual Securities Report<br>・Financial Results<br>・Financial Results presentation | <br>Makita's website |
| Non-financial Information | ・Environmental Report<br>・Corporate Governance Report | |

**Caution Regarding Forward-looking Statements**

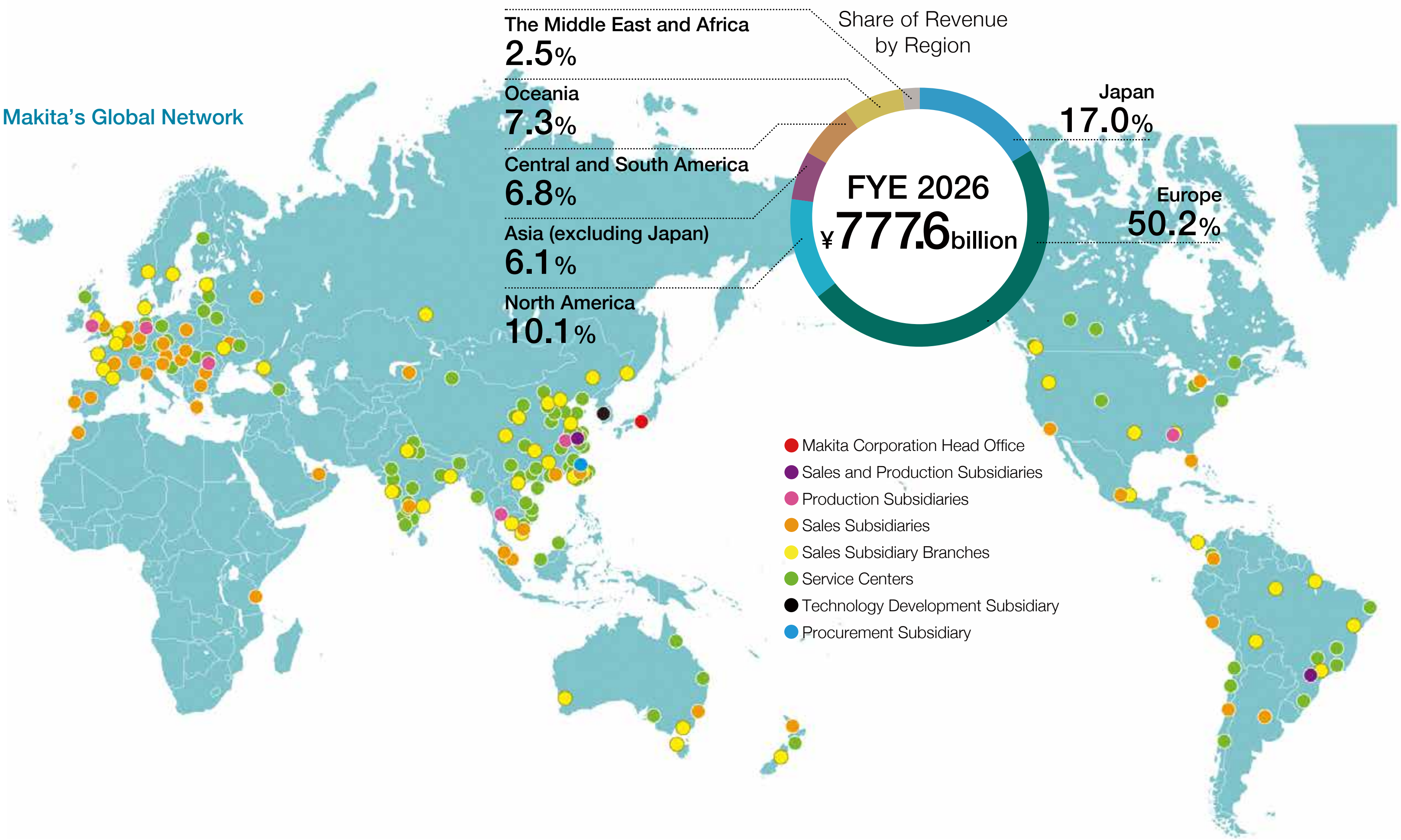
In this report, forward-looking statements are about future performance and are based on our judgment derived from the information available at the time of its preparation. Please understand that a number of important factors could cause actual results to differ materially from those presented in the forward-looking statements.

# Makita's Global Network: Enhancing Our Worldwide Presence

Makita has set itself the goal of contributing to the creation of sustainable society and consolidating a strong position in the industry worldwide as a global supplier of a comprehensive range of tools for creating comfortable homes and living environments, including cordless power tools, battery-operated outdoor power equipment and pneumatic tools.

Our network of bases spans the globe, and the products and services we offer contribute to solving social issues.

## Makita's Global Network

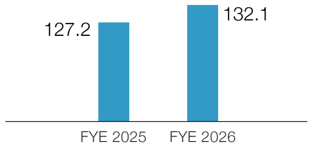



### Japan

Number of employees **3,448**

Revenue ¥**132.1** billion

(3.9% increase year-on-year)

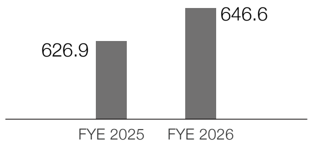



### Overseas

Number of employees **14,138**

Revenue ¥**645.5** billion

(3.1% increase year-on-year)

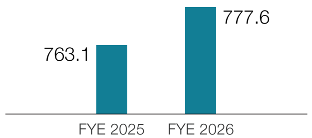



### Total

Number of employees **17,586**

Revenue ¥**777.6** billion

(3.2% increase year-on-year)



# At a glance

FYE 2026

**Sales revenue**
¥777.6 billion

**Operating profit ratio**
13.5
%

**Total return ratio**
120.4
%
Consolidated dividend payout ratio : 50%
Share buybacks : ¥55.9billion

**ROE**
8.3
%

**Number of patents and utility model registrations held**
4,511

Plants 8 countries
(including those in Japan)

**Lithium-ion battery series**
817 models

* As of April 2026, the entire Makita Lithium-ion battery series sold in Japan

NEW
**Number of new product developmentsS**
Approximately 100 models

**Number of sales and service bases**
Japan 129
Overseas Approx. 50 countries

**Water usage**
98,017
$m^3$
(non-consolidated)

**Percentage of female employees**
32.7
%

**Percentage of Outside Directors**
35.7
%

# Makita's History Illustrating the Improvement in Corporate Value

## 1915 : Foundation

### Founded as a Company Repairing and Selling Motors
### Turning Itself into a Manufacturer Specializing in Power Tools

Makita began as a repair and sales company handling such items as lighting equipment, electric motors, and transformers. Despite the many difficulties it faced since its founding, the Company transformed itself into a specialist manufacturer of power tools. Makita has since prospered as a 100-year-old company by building relationships of trust, aiming for coexistence and mutual prosperity with stakeholders.

Repairing electrical machinery

Japan's first portable electric planer (1000)

## 2005

### Evolving into "a Supplier of a Comprehensive Range of Cordless Products

Makita began full-fledged overseas expansion in the 1970s. Makita developed a finely tuned sales strategy based on the founding philosophy of being close to customers and continued its growth by winning the trust of customers globally. In 2005, Makita became the first company in the industry to launch professional-use cordless power tools with lithium-ion batteries. The Company refined its battery charging/discharging and motor technologies to expand its product range to include cordless outdoor power equipment (OPE) as well as cleaning and outdoor equipment toward becoming "a Supplier of a Comprehensive Range of Cordless Products."

**2005** Launched the TD130D cordless impact driver, its first lithium-ion battery tool

**2015** 100th anniversary of founding

**2019** Launched the Li-ion 40Vmax series

**2022** ･Discontinued engine-powered products

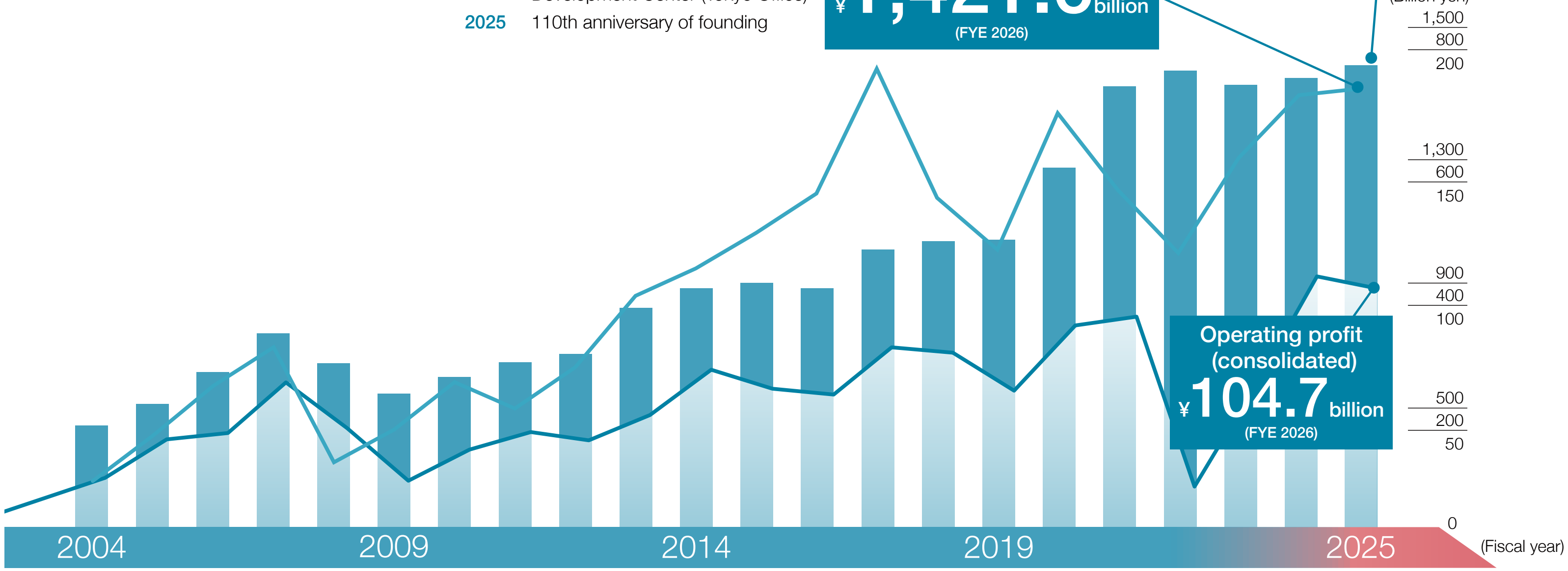
･Established the Electronic Control Development Center (Tokyo Office)

**2025** 110th anniversary of founding

## 2026

### Formulation of Vision FY2030 with Focus on the Resolution of Social Issues

Based on the vision of contributing to the resolution of persistent labor shortages and other such social issues, Makita decided to shift its management focus to raising the corporate value by improving capital efficiency. The Company formulated Vision FY2030 and will drive initiatives directed toward achieving this vision.



Medium- to Long-Term Vision

A Solution Company Committed to Addressing Social Challenges

**Solution** Company

We contribute to building a sustainable society and grow together with it by providing solutions to social challenges such as labor shortages and the transition to a decarbonized society.

Long-Term Target

**Strong** Company

Makita has set itself the goal of contributing to the creation of a sustainable society and consolidating a strong position in the industry worldwide as a global supplier of a comprehensive range of tools for creating comfortable homes and living environments—centered around cordless options—such as cordless power tools, battery-operated outdoor power equipment, and pneumatic tools.

# Driving Sustainable Growth and Enhancing Medium- to Long-Term Corporate Value by Addressing Social Challenges

## Social challenges and opportunities

### Labor shortages at worksites

Growing need for labor saving and streamlining at worksites

### Achieving a decarbonized society

Accelerating shift from engine-powered products to cordless ones

**Transforming social challenges into growth opportunities**

## Makita's strengths (source of value creation)

**Field first**
Promptly addressing issues, in response to voices from the field

**Battery ecosystem**
40v max
High-performance product suites, batteries, and technologies

**Integrated system**
Covering the entire process from development to design, production, procurement, sales, and repair

**Global repair and service network**
Prompt delivery of after-sales service at 129 domestic bases and across about 50 countries

**Global supply chain**
Stable supply and a robust supply chain achieved through diversification

## Value creation process (Business activities)

**Providing field solutions**
Labor saving, streamlining, and safety enhancement


**Developing new markets and applications**

Mining | Agriculture | Forestry | Heavy equipment maintenance | Infrastructure maintenance

A cycle driven by field challenges

## Integrating management and sustainability strategies

Strong commitments from top management → Collecting and analyzing field and customer issues → Internal discussion and prioritization (deliberation by the Board of Directors) → Addressing materiality issues and reflecting them in business strategies

## Created value (outcome)

**Evolving into a "Supplier of a Comprehensive Range of Cordless Products" for Sustainable Growth**

| Operating profit ratio | ROE | Cash balance Equivalent to |
|---|---|---|
| 15% or more | 11% or more | 2-3 months' sales |

### Social value
- Labor saving and productivity improvement at worksites
- Safe and secure worksites
- Contributing to decarbonization

### Customer value
- High-performance and reliable products
- Prompt after-sales service
- Total solution proposal

### Economic value
- Increased profitability
- Strengthening business foundation
- Improved capital efficiency

**Continuing to meet field expectations and contributing to better lives and social development worldwide**

Introduction

# Management Capital Involved in Value Creation

## Vision FY2030

**Evolving into a "Supplier of a Comprehensive Range of Cordless Products" for Sustainable Growth**

- Establish a robust business model and business foundation centered on cordless products and less vulnerable to external factors
- Flexibly promote growth strategies in line with the changing external environment and place greater emphasis on capital-efficient management

Operating profit ratio **15**%or more

ROE **11** %or more

Cash balance Equivalent to **2-3** months' sales

## Management capital (input)

### Human capital
- Number of employees: 17,586 (Number of overseas employees: 14,138)
- Female employees (32.7%)

### Intellectual capital
- R&D costs: ¥16.6 billion
- Number of patents and utility model registrations held: 4,511

### Manufacturing capital
- Production bases: 8 countries (including Japan)
- Capital expenditures: ¥21.5 billion

### Social capital
- Sales and service bases Japan: 129 bases, overseas: about 50 countries
- Number of countries where Makita sells products: Approx. 180

### Financial capital
- Operating cash flow: ¥102.3 billion
- Cash and cash equivalents: ¥257.4 billion

### Natural capital
- Energy consumption (domestic and overseas): 189,438MWh
- Water usage: 98,017 m³

## Strengths that drive value creation (competitive advantages)

### Human resource capabilities that support our field-first approach
- Capabilities to address issues, in response to voices from the field
- Diverse and global talent

### Robust Battery ecosystem
- High-performance product suites, batteries, and technologies
- Over 4,500 intellectual properties

### Production capabilities that support the integrated system
- Covering the entire process from development to design, production, procurement, sales, and repair
- Achieving high quality and reliability

### Global repair and service network
- Localized sales and repair network
- Prompt after-sales service

### Stable financial foundation
- Robust cash generation ability
- Balancing growth investments and financial soundness

### Initiatives to reduce environmental impact
- Improving energy efficiency
- Effectively utilizing resources and reducing emissions

## Value creation activities (business activities)

### Solution proposals tailored to field challenges
- Collecting and analyzing voices from the field worldwide and providing labor-saving and streamlining solutions

### Enhancing the Battery ecosystem
- Enhancing our product lineup with a focus on 40Vmax, providing total solutions for work in the field

Approximately 100 new product models developed in FYE 2026.

### High quality and stable supply through the integrated system
- Strengthening the global production system and optimizing procurement to ensure stable supply and high quality

### Strengthening global repair and service operations
- Delivering prompt repair and service globally and establishing an environment where our products are used for a long period of time

### Balancing growth investments and financial soundness
- Actively allocating cash to new products, R&D, production, and the sales system, thereby driving technological growth

### Environmentally friendly business activities
- Promoting the shift to cordless products and strengthening energy-saving and decarbonization efforts in business activities

## Key related material issues

### Strengthening the management base
- Promoting talent development and diversity & inclusion

### Reducing environmental impacts
- Accelerating shift from engine-powered products to cordless ones

### Contributing to affluent communities and daily lives
- Expansion of logistics functions and production capacity

### Contributing to affluent communities and daily lives
- Expanding the sales and service base network that is localized and tailored to customer needs

### Strengthening the management base
- Further improvement of the effectiveness of the Board of Directors

### Reducing environmental impacts
- Contributing to decarbonization
- Contributing to a Resource-Circulating Society

## Created value (outcome)

### Social value
- Labor saving and productivity improvement at worksites
- Safe and secure work environments
- Contributing to decarbonization

### Customer value
- High-performance and reliable products
- Prompt after-sales service
- Total solution proposal

### Economic value
- Increased profitability
- Strengthening business foundation
- Improved capital efficiency

## Value creation with stakeholders

### Customers
- Reflecting field voices in products and services and delivering value that exceeds expectations

### Employees
- An environment where diverse human resources can grow and find their job rewarding

### Shareholders
- Presenting growth stories and enhancing corporate value, including shareholder returns

### Business Partners
- Coexistence and mutual prosperity through fair and equitable transactions and technological partnerships

### Local communities and future generations
- Coexistence through community contributions and environmental conservation activities

## Business environment assessment

**Politics**
- Growing protectionism
- Economic fragmentation
- Evolving environmental regulations
- Geopolitical risks such as conflicts

**Economy**
- Rise of emerging countries
- Combination of slow growth and high inflation
- Fluctuating interest and FX rates

**Society**
- Declining and aging population in developed countries
- Chronic labor shortages
- Diversifying consumer needs

**Technology**
- Widespread adoption of automation and labor-saving technology
- Battery technology innovation
- Widespread adoption of AI

- **To achieve our Vision FY2030, we pledge to enhance profitability and strengthen our business foundation.**
- **Our growth strategy addresses two social challenges: labor shortages and decarbonization.**

## Enhancing profitability and strengthening the business foundation

As part of its growth strategy, the Makita Group pledges to enhance its profitability and strengthen its business foundation. To enhance profitability, we will expand distribution and sales of our 40Vmax series to address field labor shortages and decarbonization needs, thereby expanding our business domains—including outdoor power equipment (OPE)—while establishing a global system to accurately capture the challenges users face. Meanwhile, to strengthen our business foundation, we will reinforce our supply chain by diversifying our production regions and suppliers.

## Implementing the growth strategy driven by the 40Vmax series

In order to achieve an operating profit ratio of 15% or higher and ROE of 11% or higher in FYE 2030, we will pursue the following initiatives: (1) creating diverse new domains and shifting from engine-powered OPE to cordless OPE by expanding our 40Vmax series product lineup; (2) aiming to pioneer untapped markets by expanding the sales of cordless motor units; and (3) increasing sales staff to strengthen our solution proposal capabilities. Through these measures, we will drive net sales while enhancing our profitability by expanding the sales of our high added-value products.

## Three areas that will drive future profit growth

To achieve our Vision FY2030, we will (1) further expand sales of our 40Vmax series and (2) cordless OPE while creating new business areas (an estimated new market of $180.0 billion), and (3) pioneer an untapped market through cordless motor units (with an estimated potential market of $10.0 billion). Through these initiatives, we aim to increase net sales by ¥150.0 billion in FYE 2030 across these three areas.

### Our 40Vmax series offers a cordless solution that supports high-load work—a capability that was previously limited to engine-powered, air-powered, and corded products—thereby addressing two major social challenges: labor shortages and decarbonization.

**Labor shortages at worksites**

Shrinking workforce and aging population

Growing demand for labor-saving solutions and for cordless products that maintain and improve work efficiency in the field

**40Vmax series**

Power on par with engine-powered, air-powered, and corded products

High durability made possible by purpose-built design

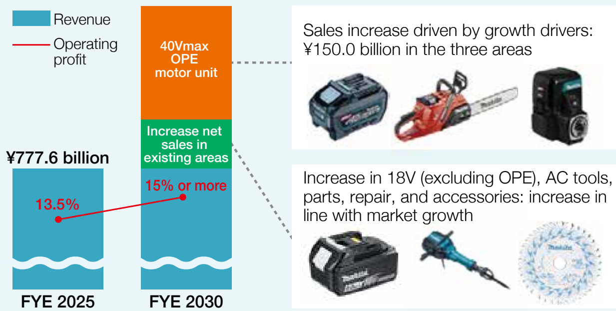
High work efficiency through unmatched compatibility and cordless design

**Achieving a decarbonized society**

Irreversible shift from engine-powered to cordless design

Improving the surrounding environment by reducing emissions and noise
Growing demand for cordless products that are as high-performing as engine-powered ones

### The next growth drivers are 40Vmax, OPE, and cordless motor units. Driving company growth through solutions to social challenges and cordless products.

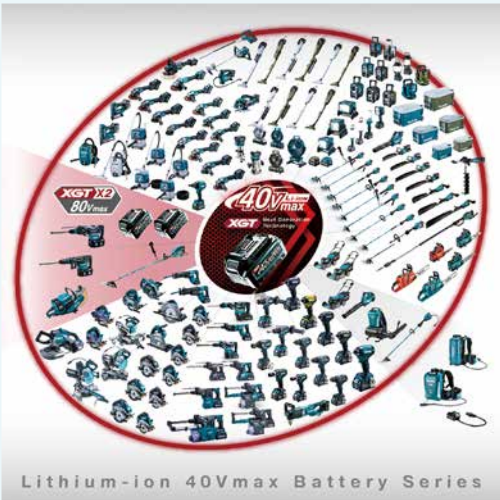


# 40Vmax Series Strategy

- **40Vmax features tools for various applications, including power tools and OPE.**
- **Makita offers an unrivaled range of cordless power tools, enabling us to propose total solutions.**

## Expanding product lineups

For our 40Vmax series, we are currently expanding the lineup. As of April 2026, we provide 261 models for the Japanese market (233 models as of April 2025). Compared to our existing 18V series, our 40Vmax series supports a wider variety of applications thanks to: (1) unmatched power and work efficiency; (2) consistent performance under heavy loads; (3) high-capacity batteries for long-hour operation; and (4) high durability through purpose-built design.




**261 40Vmax models that are currently available***

*The number of 40Vmax models that are available in the Japanese market as of April 2026.

## Delivering Makita's unique total solutions

Thanks to the advantages noted at left, our 40Vmax series is just as high performing as our existing engine-powered products. In addition, because the batteries are interchangeable, a farmer, for example, can first use a cordless impact wrench or cordless grease gun to service a tractor, and then use the same batteries for a wide variety of other tasks with tools such as a cordless chainsaw or cordless blower.

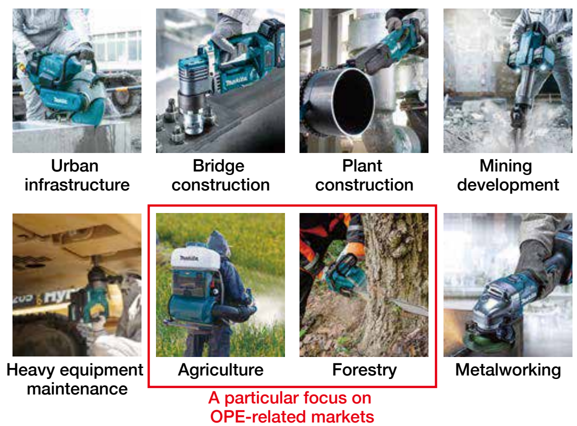
**Total solution case studies**

A farmer adopts the 40Vmax series for tractor maintenance


## Aiming to capture a new market worth $180.0 billion

By leveraging the features of cordless products—zero emissions during use, low noise and vibration, and no need for refueling—we will accelerate the expansion of our 40Vmax product lineup. Going forward, beyond our traditional fields of building and construction, we will drive growth by accelerating our expansion into new areas—including urban infrastructure such as bridges, plant construction, mining development, maintenance of various heavy equipment, metalworking, and the outdoor power equipment field such as agriculture and forestry.

**A total estimated market of $180.0 billion**



# Evolving Cordless Products

- **New products that address the need to replace engine-powered products with cordless ones**
- **The general-purpose engine market is projected to exceed $10.0 billion by the end of 2030*1**
- **Under our new concept, we will work closely with our partners to widely distribute Makita batteries across untapped segments.**

## Pioneering a cordless product market

Cordless Motor Unit GU01G, a new addition to the 40Vmax series, can replace existing general-purpose engines in the 35cc to 50cc displacement class, as it shares the same interface*2 as those engines. Leveraging benefits such as zero emissions and low noise, through collaboration with partner companies, we will integrate this motor into various products as an alternative power source to the engine, thereby creating new markets beyond housing and building and contributing to a decarbonized society.

## An estimated potential market of over $10.0 billion

The global general-purpose engine market is projected to exceed $10.0 billion by the end of 2030. By promoting the replacement of general-purpose engines with cordless motor units in various equipment that is currently powered by engines—pumps, winches, and lawn mowers, as well as compact construction equipment such as backpack concrete vibrators and compact power trowels—we will aggressively expand sales of battery products in new and untapped segments.

### Specific measures

**Building business domains and an operational foundation that do not depend on the building and construction market**

**Expanding into various end markets**

- Use the 40Vmax series to break into a wide range of industries
- In particular, focus on the OPE market, which is growing rapidly

**Capturing engine replacement needs (untapped market)**

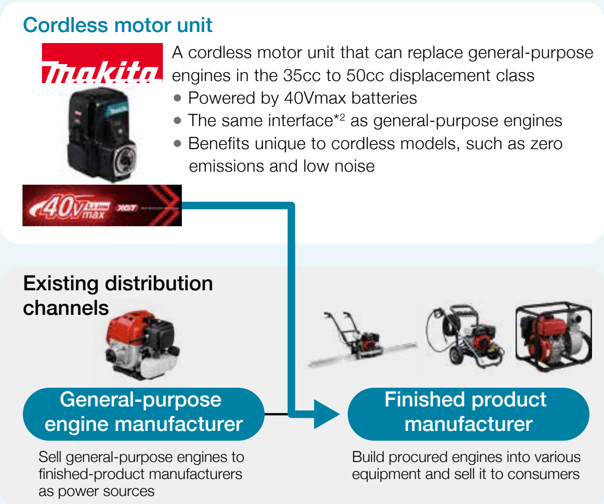
- Develop a unit capable of replacing general-purpose engines
- Work with partners to expand into untapped markets

**Establishing a global system where we can identify potential user challenges**

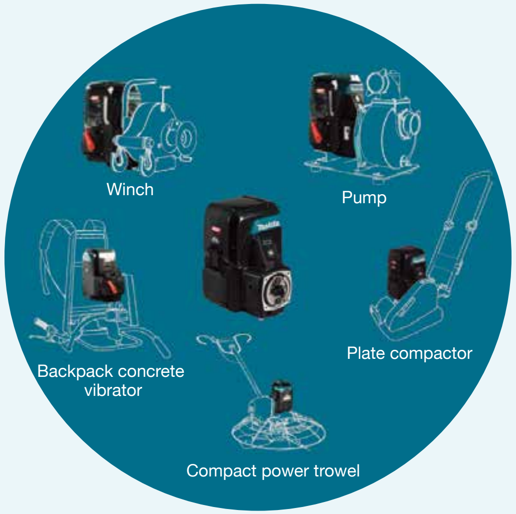
**Strengthening solution proposal capabilities by increasing sales staff**

- By increasing sales staff, we will visit worksites around the world to identify potential user challenges and needs
- Based on user challenges identified through the field-driven sales system, we will advance optimal solution proposals centered on the 40Vmax series

### Existing distribution channels and replacement potential



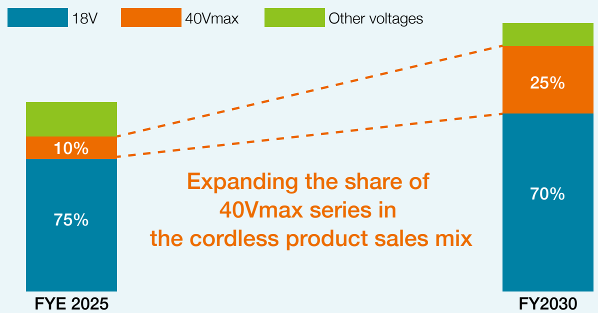

### Illustrative image of motor unit applications




### Illustrative image of projected sales growth of the 40Vmax series through

**40Vmax series**
➡High added-value products/ high profitability

**Voltage mix of cordless product sales**




*1 General-purpose engine market report: The global market is estimated to reach $10.92 billion by 2030 (QY Research).
*2 The design is compatible with select models and does not imply full compatibility with all general-purpose engines available in the market.

# OPE Strategy

- The OPE market is estimated to be larger than the power tool market, and the decarbonization trend is accelerating the shift toward cordless products.
- This is a tailwind for Makita, which has battery and motor technologies, making the OPE market a key area of focus for the company.
- Centered on the 40Vmax series, we will continue to introduce cordless OPE that performs the same or better than engine-powered OPE.

## The OPE market is larger than the power tool market.

The OPE market is estimated to be about $40.0 to $50.0 billion, exceeding the power tool market's $30.0 to $40.0 billion. However, unlike the power tool market, engine-powered garden tools remain mainstream. The Makita Group will contribute to a decarbonized society by further expanding the 40Vmax series in the OPE market and shifting from engine-powered to cordless products.

### (1) Estimated market size*1

- The OPE market is estimated to be larger than the power tool market
- While the market primarily comprises engine manufacturers, the growing need for decarbonization is expected to accelerate the shift to battery products

**Current core domain**

Size of the power tool market
About $30.0 to $40.0 billion

**New core domains**

Size of the OPE market
About $40.0 to $50.0 billion

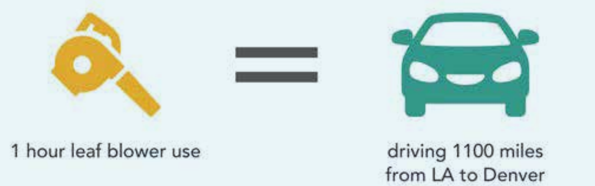
## The shift to cordless tools is a structural trend.

The compact engines used in OPE are also coming under scrutiny for the environmental impact of their emissions, and are being increasingly regulated primarily in European and US markets. Running an engine-powered blower for one hour emits as much air pollution as driving a passenger car about 1,760 km. Going forward, the accelerating replacement of engine-powered products with cordless ones is expected to create significant business opportunities for the Makita Group.

### (2) Global shift to cordless design*2

- Concerns over the environmental impact of emissions have resulted in a growing movement to regulate engines
- Cordless products are being increasingly introduced as alternatives to engine-powered ones
- This trend is a tailwind for Makita partly due to its battery and motor technology cultivated in the power tool segment

**Running an engine-powered blower for one hour emits as much air pollution as driving a passenger car about 1,100 miles (1,760 km).*2**




## Our next measures

### Capturing the engine replacement needs through 40Vmax

**Offering new products for professional users as alternatives to engine-powered ones**

**UC030G**
A cordless chainsaw with power equivalent to a 50cc engine

**UB004G**
A cordless blower with power equivalent to a 65cc engine

### Strengthening sales capabilities for profitable products that offer high added value

- Build trust with users through worksite visits
- Beyond product performance itself, we will highlight Makita's unique value delivered through total solutions that integrate power tools

*1 Internally estimated based on various publicly available information
*2 Source: California Air Resources Board https://ww2.arb.ca.gov/resources/fact-sheets/sore-small-engine-fact-sheet

# Accelerating Supply Chain Reinforcement and Supplier Diversification

## Reinforcing the Supply Chain

- In response to geopolitical and other risks, we are steadily diversifying production regions
- Aiming to establish a system that keeps production and sales running even in emergencies

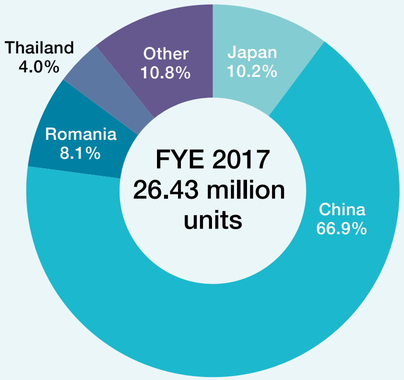
At the FYE 2017 peak, we manufactured about 70% of the total production volume at plants in China. Currently, to avoid the risk of concentrating production in a single region, we are systematically strengthening production capabilities across various regions—primarily at our plants in Romania, Thailand, and Brazil—and building a well-balanced production system. We aim to continue building a flexible and optimal production system in line with external factors, such as geopolitical risks and tariff requirements.

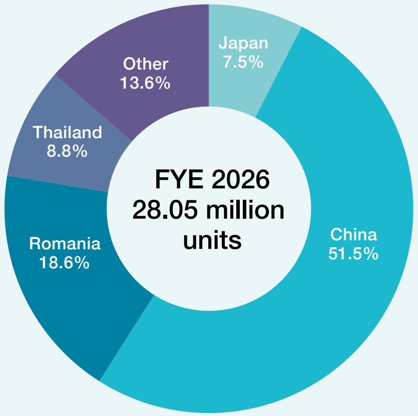
### Current state

- Concerns are growing over geopolitical risks, including the situation in Ukraine and the Middle East, economic fragmentation triggered by the US tariff measures, and export regulation risks for critical materials such as rare earths and semiconductors.

### Countermeasures

- We are currently diversifying production regions and suppliers, and building a supply chain that keeps production and sales running even in emergencies.




- **Makita prides itself on its production system capable of flexibly responding to emergencies (e.g. US tariffs)**
- **We will continue building an optimal production system in line with external factors**

## Reinforcing the Business Foundation and Diversifying Procurement Regions

- Diversifying procurement regions to avoid risks and ensure competitiveness
  →Developing a supply chain with procurement from India
- In addition to mitigating risk through diversification, we ensure competitiveness by switching parts to reduce costs.

As part of our measures to diversify our procurement regions, we are focusing on procurement from India. For some of the parts purchased by our plants in Thailand and Europe, we are gradually shifting to sourcing from India to avoid the risk of concentrating procurement in a single region while reducing costs to strengthen our cost competitiveness.

**Purpose**

- Avoiding the risk of concentrating procurement in a single region
- Diversifying procurement regions while strengthening cost competitiveness

**Progress**

- For some of the parts purchased by our plants in Thailand and Europe, we are gradually shifting to procurement from India
- Currently expanding the scope of target parts to further expand procurement from India

**Benefits**

- Mitigating the risk of concentration by diversifying procurement regions
- Achieving costs equal to or lower than those of existing procurement regions
  →Drive competitiveness through both risk diversification and cost reduction

# From Professional Users

User's VOICE 1

Poland

## Paweł Ługowski

### Changes 40Vmax series brought about in arborist services

I provide arborist services such as tree felling, branch and treetop pruning at height, hedge trimming, and lawn mowing. I have been working with Makita's OPE for 15 years, and the tools I use now include cordless chainsaws, a lawn mower, and a blower. I switched to the 40Vmax series 2 years ago. They are much more powerful and more efficient than the earlier models, and I can finish the jobs faster for a given area. Because they are cordless, there are no exhaust fumes. You need not worry about instability when starting up the engine or about dangerously hot parts, and I can use them safely and comfortably at heights.

Makita has a huge lineup of tools, from garden to workshop and home use, and the quality of the finished work has also received high praise. They work well for me, and my customers are also very satisfied.

■ Makita cordless products used


User's VOICE 2

U.S.

## Casey Currie

### Faith in 40Vmax series products that support grueling races

I am a racing driver who competes in off-road races*. In off-road racing, the outcome heavily depends on how quickly and reliably the work is done. The 40Vmax series tools, which can be used stably even under grueling conditions, such as in deserts, are indispensable for the racetrack. Especially, because the tires of off-road racing cars are tightened at extremely high torques, I use the 40Vmax impact wrench, which has tremendous power. Makita's 40Vmax series includes diverse tools with high output but can be powered by the same battery, which has improved work efficiency onsite. The reliability that ensures work can be performed in the limited time available sustains such grueling races.

*Mr. Currie and his team compete in off-road races globally, winning the Dakar rally in 2020, the Baja 1000 three times, and the Mint 400 among other races.

■ Makita cordless products used


User's VOICE 3

India

## Shri Aurobindo Ashram

### Battery-powered tools that changed facility maintenance

We use many Makita products including lawn mowers, grass trimmers, and cleaning equipment in facility maintenance. The 18V battery series tools, which have exceptional battery life and are lightweight, are easy to use and indispensable in our daily work.

Cleaning work previously consumed 2–3 hours and required six to seven people for labor. Now, a single person can accomplish the task within an hour, remarkably improving work efficiency.

Cordless tools are comfortable to use because they emit minimal noise and have less vibration. We also highly appreciate the swift service and supply of parts, which enables us to use the products with confidence.

■ Makita cordless products used

Sustainability Management **Progress of Sustainability Management**

## Basic Policy on Sustainability

**1**

As a global supplier of a comprehensive range of tools for creating comfortable homes and living environments, Makita will focus on solving environmental problems and other social issues through our main business, and work to achieve a sustainable society.

**2**

Makita aims to develop in harmony with society by promoting corporate ethics and compliance, respect for human rights, protection of the environment, quality assurance, responsible procurement activities, etc. In particular, we consider carbon neutrality and other environmental problems to be issues of the highest importance.

**3**

Makita will engage in highly fair and transparent corporate management, thereby building strong relationships of trust with all our stakeholders.

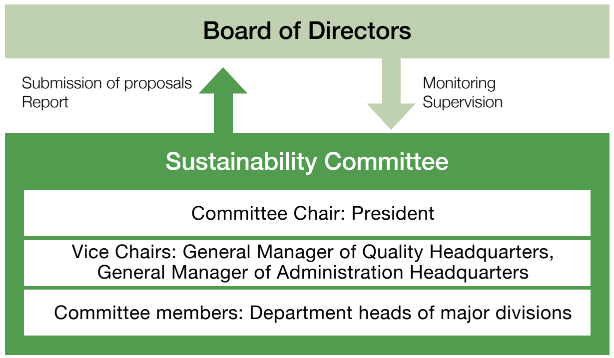
## Sustainability Promotion

Our long-term target as a “Strong Company” is to contribute to the creation of a sustainable society and consolidate a strong position in the industry worldwide as a global supplier of a comprehensive range of tools for creating comfortable homes and living environments, including cordless power tools, battery-operated outdoor power equipment, and pneumatic tools.

The most significant initiative we have undertaken to achieve a sustainable society is the evolution to “a Supplier of a Comprehensive Range of Cordless Products” and the promotion of rechargeable lithium-ion batteries. Utilizing battery charging/discharging and motor technologies cultivated through the development of power tools, we are promoting the use of rechargeable batteries starting with cordless outdoor power equipment (OPE) and a wide variety of other products. Moreover, through our international network of sales and service bases, we hope to contribute to reducing the burden on the global environment and improving work efficiency and productivity at worksites around the world.

Among the social issues that we have been focusing on for many years are those pertaining to the environment. In recent years, typhoons and other wind and flood disasters have become more frequent, and the impact of climate change on society is growing. Decarbonization is becoming even more critical for companies, so in 2021 we established the Sustainability Committee, chaired by the President, as a structure to promote initiatives at Makita for carbon neutrality and other sustainability issues. The Sustainability Committee deliberates on sustainability-related policies, targets, measures, and other matters. In FYE 2026, the Sustainability Committee deliberated and reported on the progress of carbon neutrality initiatives, including on GHG emission reductions, and the committee also leads the promotion of such initiatives across Makita as a whole.


Sustainability Committee



# Progress of Sustainability Management

## Material Issues and SDG Initiatives

Makita has identified material issues that should be prioritized from among various social issues. Through our business, we will contribute to the achievement of the SDGs by working to resolve challengesrelated to these issues.


## Material Issue Identification Process

Priority material issues were identified through the following process.

### 1 | Identification of Issues

Based on the evaluation items of ESG evaluation organizations, the SDGs, and dialogue with shareholders and investors, we identified material issues as well as stakeholder expectations and social trends.

### 2 | Drafting

Based on the identified issues, current management concerns, and the business environment, the Sustainability Committee Secretariat prepared a draft outlining the Company's material issues.

### 3 | Material Issue Identification

Based on the draft prepared by the secretariat, the Sustainability Committee discussed and decided on the final draft, which was subsequently approved by the Board of Directors.

### Makita's Material Issues

| | Material Issues | | Specific Key Initiatives | SDGs Contributions |
|---|---|---|---|---|
| E | Reducing environmental impact | · Contribute to decarbonization<br>· Contribute to a resource-circulating society | · Active development of cordless OPE to replace engine-powered products<br>· Utilization of renewable energy and energy conservation<br>· Promotion of the elimination of plastic<br>· Engagement in battery recycling | 3 GOOD HEALTH AND WELL-BEING<br>7 AFFORDABLE AND CLEAN ENERGY<br>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE<br>11 SUSTAINABLE CITIES AND COMMUNITIES<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION<br>13 CLIMATE ACTION<br>14 LIFE BELOW WATER |
| S | Contributing to affluent communities and daily lives | · Improve work efficiency and the productivity of field operations<br>· Support early recovery from disasters<br>· Offer peace of mind during times of disaster | · Active development of cordless products<br>· Expansion of sales and service base network with close ties to customers and communities<br>· Expansion of logistics functions and production capacity<br>· Maintenance of stable inventory that will not run out in times of emergency | 11 SUSTAINABLE CITIES AND COMMUNITIES<br>13 CLIMATE ACTION |
| G | Strengthening the management base | · Exercise respect for human rights<br>· Provide for employee training, safety, and health<br>· Ensure compliance<br>· Strengthen corporate governance | · Ensure thorough consideration of human rights throughout the supply chain<br>· Development of human resources and promotion of diversity and inclusion<br>· Ensure employee safety and health<br>· Ensure awareness of and ensure compliance with laws and regulations<br>· Further improvement of the effectiveness of the Board of Directors | 4 QUALITY EDUCATION<br>5 GENDER EQUALITY<br>8 DECENT WORK AND ECONOMIC GROWTH<br>10 REDUCED INEQUALITIES<br>16 PEACE, JUSTICE AND STRONG INSTITUTIONS |

# Contributing to the Environment and a Decarbonized Society

For more information on our environmental initiatives, please visit the Makita website (https://www.makita.biz/sustainability/).

## Environmental Vision

The “Go Green” slogan symbolizes Makita’s commitment to continually providing new value as a comprehensive international supplier of tools. We hope to always remain a company that maintains a steady eye on society, challenging ourselves to create a “sustainable recycling- oriented society” that harmonizes the environment with the economy.

## Environmental Policy

### Basic Principles

As a global supplier of a comprehensive range of tools for creating comfortable homes and living environments, Makita is aiming to conduct a wide range of environmental protection activities in order to contribute to a sustainable society and the conservation of biodiversity.

### Policies

1. Enforcement of environmental administrative structure
2. Continuous improvement and pollution prevention
3. Compliance with applicable laws and regulations
4. Establishment and review of objectives and aims
5. Reduction of environmental burden
6. Disclosure

## Policies to Address the Circular Economy

Rising demand for resources and energy and growing amounts of waste are becoming increasingly serious issues worldwide. In response, there is a global movement to transition from one-way economic and social activities to a circular economy that makes use of resources in sustainable ways. To achieve a circular economy, we are working toward a transition away from virgin resources and toward the sustainable procurement and use of renewable resources. Specific activities of focus are shown at right.

- Downsizing, lightening and extending service life of products
- Reduction of single-use plastics in our products packing
- Introducing biomass plastic bags and recycled resin materials
- Promotion of sustainable procurement of renewable resources in cooperation with business partners
- Promotion of recycling aimed at reducing waste at business sites
- Promotion of used battery recycling
- Reduction of discarded products through after-sales service and product design with consideration of repairability

Please see the Makita website for the full text of our policies (https://www.makita.biz/sustainability/environment/01/)

## Environmental Management

Makita has run its own environmental management system since 1998. For the purpose of leveraging that system as a tool for mitigating environmental burdens, our Head Office and Okazaki Plant first received ISO 14001 certification in 2007. Since then, our Nisshin Office and all of our overseas production bases have received the certification and are now operating environmental management systems. We promote the protection of the environment at all of the business bases listed here and carry out activities, such as Internal Environmental Audits and environmental education, based on the requirements of the certification.

### ISO 14001 Certifications (As of April 2026)

| | | |
|---|---|---|
| Japan | Aichi Prefecture | Head Office, Okazaki Plant, Nisshin Office |
| Overseas Production Bases | China | Makita (China) Co., Ltd. |
| | | Makita (Kunshan) Co., Ltd. |
| | Thailand | Makita Manufacturing (Thailand) Co ., Ltd . |
| | U.S. | Makita Corporation of America |
| | Brazil | Makita do Brasil Ferramentas Elétricas Ltda. |
| | U.K. | Makita Manufacturing Europe Ltd. |
| | Germany | Makita Engineering Germany GmbH |
| | Romania | SC Makita EU SRL |

# Initiatives in Line with the TCFD Recommendations

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

As the effects of climate change on society, such as high winds and flooding, increase in frequency and severity, the role of companies in achieving decarbonization is becoming more important. Accordingly, we view climate change issues as a high-priority management challenge.

To this end, we are focusing on OPE that does not emit exhaust gas during use and are actively working to reduce GHG emissions by striving to reach the goal of virtually eliminating GHG emissions from our operations by FYE 2041.

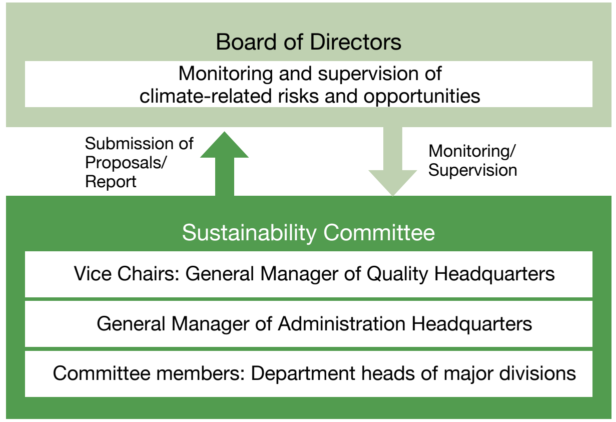
Recognizing the importance of these efforts as well as engaging in dialogue with our stakeholders regarding the impact of climate-related risks and opportunities on our business and other activities, we endorsed the recommendations of the Task Force on Climate- Related Financial Disclosures (TCFD) in 2021.

## Governance

Chaired by the President, the Sustainability Committee, which promotes Company-wide efforts to address sustainability issues through business activities, was established in 2021.

The committee considers climate change to be one of the most important sustainability issues and deliberates on policies, measures, and plans to reduce GHG emissions.

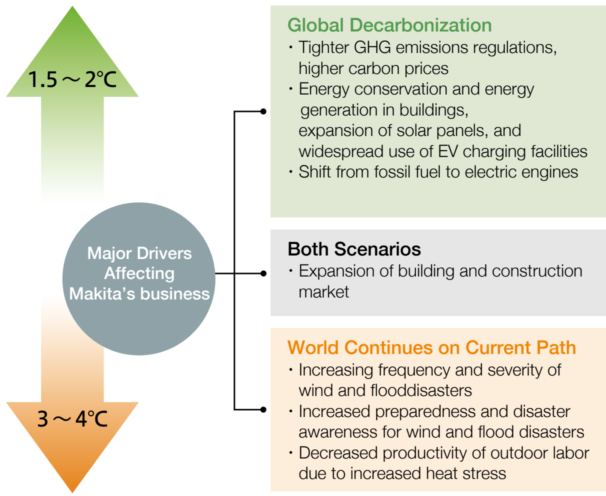
The Sustainability Committee reports and submits proposals on important matters to the Board of Directors, which deliberates on these matters and makes decisions in the course of monitoring and overseeing the Company's climate-related risks and opportunities




## Strategy

### | 1 | Determining Risks and Opportunities

In identifying climate-related risks and opportunities that could affect our business, we have used climate change scenarios from the International Energy Agency (IEA), the Intergovernmental Panel on Climate Change (IPCC), and other organizations to organize our views into (1) a 1.5°C to 2°C worldview in which decarbonization progresses and (2) a 3°C to 4°C worldview in which warming proceeds as it is now. The following is a summary of the results.



# Contributing to the Environment and a Decarbonized Society

Based on these worldviews, we have identified our climate-related risks and opportunities and qualitatively assessed them.

## Risks

| Type | Category: Large | Category: Small | Risk | Relevant Period | Possibility |
|---|---|---|---|---|---|
| Transition | Policies and regulations | Rising carbon price/energy conservation and low-carbon regulations | Increased operating costs based on own GHG emissions | Short to medium term | Large |
| | | | Increased procurement costs of raw materials, energy, etc. | | |
| | | | Increased capital expenditures to enhance energy efficiency | Short term | |
| | | | Increased renewable energy procurement costs | | |
| | | Battery regulations | Increased battery procurement costs | Medium to long term | |
| | Technology | Product technology development competition | Increased development costs for technologies and products with superior environmental performance (including portability and operational efficiency) | Short to medium term | Large |
| | | Competition to develop next-generation battery technology | Increased development costs for next-generation batteries with superior capacity, voltage, life, safety, etc. | | |
| | Market | Changes in market prices | Increased procurement costs due to increased battery demand | Short term | Large |
| | | | Increased procurement costs due to increased demand for semiconductors | | |
| | | | Increased transportation costs due to decarbonization of transportation | Short to medium term | |
| | Reputation | Increased disclosure requests | Reputational damage due to inferiority of information disclosure compared to other companies | Short term | Medium |
| Physical | Acute | Increased frequency and severity of wind and flood disasters | Physical damage to our offices and facilities | Short term | Medium |
| | | | Losses due to business interruption | | |
| | | | Losses due to supply chain disruptions | | |

Note: Risk onset timing: Short-term: up to 3 years; Medium-term: over 3 years to 10 years; Long-term: over 10 years

## Opportunities

| Type | Category: Large | Category: Small | Opportunity | Relevant Period | Possibility |
|---|---|---|---|---|---|
| Transition | Energy sources | Rising carbon prices | Decrease operating costs by reducing GHG emissions to become carbon neutral | Short to medium term | Large |
| | Products and services | Product technology development competition | Differentiation from competitors' products through the development of products with superior environmental performance (including portability and work efficiency) | Short term | Large |
| | | Competition to develop next-generation battery technology | Differentiation from competitors' products through the development of next-generation batteries with superior performance | Medium to long term | |
| | Market | Energy conservation and low-carbon regulations | Market expansion and product demand increase due to a shift from engine-powered to cordless products | Short term | Large |
| | | Changes in the building and construction market | Increase in demand for products associated with ZEB*1/ZEH*2 conversion of buildings, installation of solar power generation equipment, and EV charging facilities, etc. | | |
| | | Increased disclosure requests | Improve reputation through enhanced disclosure information | | Medium |
| Physical | | Rising temperatures, climate change, and extreme weather | Increase in demand for products in line with increase in DIY demand due to longer time spent at home | Short to medium term | Large |
| | Resilience | Increased frequency and severity of wind and flood disasters | Expansion of the disaster readiness market, increase in product demand, and contribution to recovery and reconstruction in the affected areas | Short term | Large |
| | | Rising temperatures | Increase in demand for products to improve working conditions in hot environments | Short to medium term | |

Note: Opportunity onset timing: Short-term: up to 3 years; Medium-term: over 3 years to 10 years; Long-term: over 10 years
*1 Net Zero Energy Building *2 Net Zero Energy House

Sustainability Management

# Contributing to the Environment and a Decarbonized Society

## | 2 | Scenario Analysis and Setting Themes

We conducted scenario analyses on the following four themes that we rated as "highly important" and evaluated their probable impact on our business, strategy, and finances through 2050, taking into account the effect on our business operations, relevance to our business strategy, and the level of interest of our stakeholders.

## | 3 | Results of Scenario Analyses

Theme 1 (Opportunities) Change in demand for cordless OPE due to decarbonization of OPE

| | |
|---|---|
| Opportunities under the Theme | · In the OPE sector, emission regulations are being introduced and strengthened.<br>· Demand for cordless OPE is expected to grow as the shift from engine-powered to cordless OPE progresses against a backdrop of further tightening regulations and changing consumer preferences towards decarbonization |
| Analysis Assumptions | · Baseline (as-is scenario) for market expansion calculated based on market forecast information for the OPE sector<br>· For the OPE sector, data for the below 2°C scenario is based on IEA scenario data* assuming a shift to EVs in the automobile sector |
| Analysis Results | · The market for cordless OPE is expected to expand under the as-is scenario due to the expansion of the OPE market, but under the below 2°C scenario, we expect the market to expand significantly due to the shift from engine-powered to cordless systems.<br>· We expect sales to grow at the same rate as the market growth, and, if our market share can be increased, we can expect further sales growth. |
| Future Opportunity Acquisition Measures | · Actively develop cordless OPE that can replace engine-powered OPE<br>· Strengthen sales and service capabilities by expanding the sales and service network<br>· Expand logistics and production capacity in anticipation of increased OPE sales and products handled |

* Reference: IEA's "Global EV Outlook 2021." It is assumed that the shift from engine-powered to rechargeable systems in the OPE sector will progress at a slower rate than the shift to EVs in the automobile sector.

Theme 2 (Opportunities) Change in demand for power tools as the building and construction market expands

| | |
|---|---|
| Opportunities under the Theme | · Expansion in the global building and construction market is expected to increase demand for power tools.<br>· The demand for power tools is expected to increase as more energy-saving (i.e., renovation of existing buildings) and energy-creating (i.e., installation of photovoltaic panels) construction approaches are taken to further decarbonization, and as the number of EV recharging facilities increases. |
| Analysis Assumptions | · Increased demand for power tools is anticipated due to a growing volume of building and construction work globally<br>· Baseline (as-is scenario) for power tools sales calculated based on statistics on the size of the building and construction market<br>· The amount of energy-saving and energy-creating construction work in buildings and the installation of EV charging facilities to promote decarbonization is based on data from the building and construction industry and IEA scenario data (below 2°C scenario) |
| Analysis Results | · Sales of power tools are expected to grow under the as-is scenario, but are expected to expand significantly more under the below 2°C scenario due to an increase in the amount of energy-saving and energy-creating construction work and installation of EV charging facilities.<br>· Among them, cordless power tools with excellent work efficiency are expected to see increased use in the building and construction market. |
| Future Opportunity Acquisition Measures | · Develop power tools based on market trends, in particular, proactively develop cordless power tools that contribute to reducing environmental impact by improving work efficiency<br>· Strengthen sales and service capabilities by expanding the sales and service network<br>· Expand logistics functions and production capacity in anticipation of sales growth |

# Contributing to the Environment and a Decarbonized Society

| Theme 3 (Opportunities) | Risks associated with lithium-ion batteries (procurement costs, rise of next-generation batteries with higher performance) |
| --- | --- |
| Risks under the Theme | ・The growing demand for lithium-ion batteries (LiB) in the automotive and energy industries is expected to lead to fluctuations in LiB procurement costs.<br>・The competitive environment is expected to change with the emergence of high-performance next-generation batteries. |
| Analysis Assumptions | ・Baseline (as-is scenario) LiB unit price calculated with reference to the market forecast information on LiB unit prices<br>・Based on historical data on LiB raw material costs (lithium, nickel, and cobalt), set raw material costs that will soar if demand for LiB increases (below 2°C scenario) |
| Analysis Results | ・Under both the as-is scenario and the below 2°C scenario, LiB unit prices are expected to decline over the medium to long term against a backdrop of planned production increases by battery and materials manufacturers. If the supply-demand balance of LiB raw materials is disrupted by greater than expected demand for EVs and storage batteries, etc., LiB unit prices may soar, but the long-term impact is expected to be negligible.<br>・Although it is difficult to predict the market for next-generation batteries, we expect the competitive environment to change over the medium to long term as next-generation batteries become more widespread and emerge in our product areas as a result of the traction of the EV market. |
| Future Risk Countermeasures | ・Build long-term relationships with battery suppliers<br>・Pursue research and development for the launch of products using next-generation batteries |

| Theme 4 (Opportunities) | Risk of increased operating costs due to higher carbon prices |
| --- | --- |
| Risks under the Theme | ・Operating costs are expected to increase due to the introduction of carbon pricing such as carbon taxes and emissions trading schemes as well as increases in carbon prices. |
| Analysis Assumptions | ・Establish long-term GHG emission reduction pathways based on GHG emission reduction plans toward carbon neutrality and IEA scenario data, etc.<br>・Establish costs for GHG emission reduction measures, etc.<br>・Estimate future carbon prices based on IEA scenario data and compare to the above measure costs |
| Analysis Results | ・The cost of actively reducing GHG emissions, including the use of renewable energy, will be less expensive than the carbon price based on GHG emissions if GHG emission reduction measures are not actively pursued. |
| Future Risk Countermeasures | ・Procure renewable energy electricity, and introduce and expand solar power generation for own consumption<br>・Further improve energy efficiency of business activities<br>・Promote commercial-use EVs |

# Contributing to the Environment and a Decarbonized Society

## | 4 | Future Policies and Initiatives

We have qualitatively and quantitatively assessed and understood the impact of climate change on our business operations, strategy, and finances and have confirmed not only that our products are financially resilient to climate change as they contribute to climate change mitigation and adaptation but that our business strategy is feasible and sustainable.

Among our products, we believe that our cordless products, which feature safety, convenience, improved comfort, and zero emissions during use, will play a particularly important role in contributing to climate change mitigation and adaptation. In addition, although not included in the previous section (| 3 | Results of Scenario Analyses), under the as-is scenario, in which wind and flood disasters are expected to become more frequent and severe, it is important to ensure a prompt and stable supply of cordless products so that recovery and reconstruction efforts in the affected areas are supported, and we will continue to build a system to achieve this. We will continue to contribute to society and work to achieve sustainable growth by promoting initiatives to become “a Supplier of a Comprehensive Range of Cordless Products.”

## | 5 | Plans for the Transition to Decarbonization

In 2005, we were the first in the industry to market professional cordless power tools that use lithium-ion batteries, and we have since been strategically transitioning from traditional products to cordless products. In addition, the Company has set a goal of reducing GHG emissions from its operations to virtually zero by FYE 2041, and is actively working toward this end.

We are aiming to ensure and improve the effectiveness of these mitigation measures. We will set relevant indicators and targets, and we will supervise our performance, progress and achievement under them in line with climate change governance. In addition, the transition plan will be regularly reviewed and updated. We will also strategically work to capture and maximize opportunities for decarbonization in our transition plan.

**Overview of the Transition Plan to Achieve the 1.5°C Target**

| | | |
|---|---|---|
| Climate Change Mitigation | Reducing GHG Emissions | ・Achieve virtually zero GHG emissions (Scopes 1 and 2) by FYE 2041<br>・Medium-term target: 50% reduction from FYE 2021 levels by FYE 2031 |
| | Elimination of Engine Powered Equipment | ・Increase the OPE electrification ratio (FYE 2026 result: 99.8%) |
| Capture and Maximize Opportunities | | Strategic implementation of the following measures based on the results of scenario analyses<br>・Active development of cordless products (including cordless power tools and OPE)<br>・Expansion of sales and service network<br>・Expansion of logistics functions and production capacity in anticipation of sales growth |

## Risk Management

We hold annual Disclosure Committee meetings to identify and scrutinize risks in our business activities as well as to evaluate and manage risks related to climate change. The details of climate change risks and opportunities are assessed and managed under the Sustainability Committee.

Recognizing that climate change is one of the most important external environmental risks we face, the Board of Directors discusses the impact of climate change on management and determines management strategies and measures that will contribute to decarbonization.

We will further strengthen our climate change response by solidifying our systems and operations for managing these climate-related risks.

# Contributing to the Environment and a Decarbonized Society

## Indicators and Targets

### Targets related to GHG emissions

The Makita Group has set goals to reduce GHG emissions from its own business activities (Scopes 1 and 2) to virtually zero by FYE 2041 and from its entire supply chain (Scope 3) to virtually zero by FYE 2051. The mid-term target for Scopes 1 and 2 is to halve the FYE 2021 level by FYE 2031.

### Results and target GHG emissions (t-$CO_2$)

| | FYE 2021 Results | FYE 2026 Results | FYE 2031 Targets | FYE 2041 Targets | FYE 2051 Targets |
|---|---|---|---|---|---|
| Scope 1、2 | 89,673 | 57,313 | 44,836 | Virtually zero | |
| Scope 3 | 6,006,569 | 4,274,651 | — | — | Virtually zero |
| Total | 6,096,242 | 4,331,964 | | | |

### Indicators for the electrification of OPE

As described in the scenario analysis for “Theme 1 (Opportunities): Change in demand for cordless OPE due to decarbonization of OPE,” the transition from engine-powered to cordless OPE is progressing in line with progress toward adecarbonized society. We have set the electrification (elimination of engine-powered equipment) ratio as an indicator and are striving to increase this ratio. In addition, Makita has discontinued production of all engine-powered products, including OPE as of the end of March 2022.

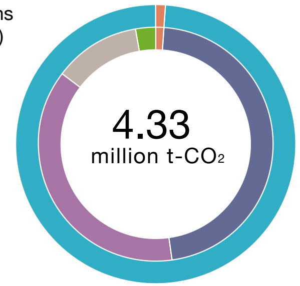
### Indicators and results related to the electrification ratio* of OPE

| FYE 2022 Results | FYE 2023 Results | FYE 2024 Results | FYE 2025 Results | FYE 2026 Results |
|---|---|---|---|---|
| 90.9% | 91.9% | 99.2% | 99.7% | 99.8% |

* Based on sales volume, including both AC products with power cords and cordless products

We will continue to promote the proactive development of cordless OPE that can replace engine-powered OPE in order to contribute to solving environmental problems, particularly climate change issues.

GHG emissions (Scope 1, 2, 3) (FYE 2026)




- Scope 1, 2 (1.3%)
- Scope 3 (98.7%)
  - Category 1 (47.2%)
  - Category 11 (38.0%)
  - Category 4 (12.1%)
  - Total for Categories 2, 3, 5, 6, 7, and 12 (2.7%)

Notes: 1. Of the 15 categories in Scope 3, categories 8, 9, 10, 13, 14, and 15 are not included in the calculation.
2. The figures in parentheses above are percentages with the sum of Scope 1 through 3 and 4.33 million t-$CO_2$ as the denominator.

Toward achieving the goals outlined to the left, we will steadily implement initiatives to reduce GHG emissions through the use of renewable energy and other means.

| Scope | | FYE 2026 Emissions t-$CO_2$ | FYE 2026 Emissions Calculation Methodology |
|---|---|---|---|
| Scope 1 | | 19,729 | Direct emissions from in-house fuel consumption |
| Scope 2 | | 37,584 | Indirect emissions from in-house electricity consumption |
| Scope 3 | | 4,274,651 | |
| Category 1 | Purchased goods and services | 2,015,794 | Emissions associated with the manufacturing of procured raw materials and components |
| Category 2 | Capital goods | 76,384 | Emissions associated with the company's capital expenditures |
| Category 3 | Fuel- and energy-related activities not included in Scope 1 or Scope 2 | 11,299 | Emissions associated with the procurement and related activities of fuels used for electricity generation and company consumption |
| Category 4 | Upstream transportation and distribution | 518,745 | Emissions associated with the transportation of procured raw materials, components, and products outsourced by the company |
| Category 5 | Waste generated in operations | 2,260 | Emissions associated with the transportation and treatment of waste generated in the company's operations |
| Category 6 | Business travel | 2,293 | Emissions associated with employee business travel |
| Category 7 | Employee commuting | 7,219 | Emissions associated with employee commuting |
| Category 8 | Upstream leased assets | — | |
| Category 9 | Downstream transportation and distribution | — | |
| Category 10 | Processing of sold products | — | |
| Category 11 | Use of sold products | 1,623,729 | Emissions associated with the use of sold products |
| Category 12 | End-of-life treatment of sold products | 16,928 | Emissions associated with the end-of-life treatment of sold products |
| Category 13 | Downstream leased assets | — | |
| Category 14 | Franchises | — | |
| Category 15 | Investments | — | |

※ Calculated for products sold globally, encompassing both domestic and overseas locations

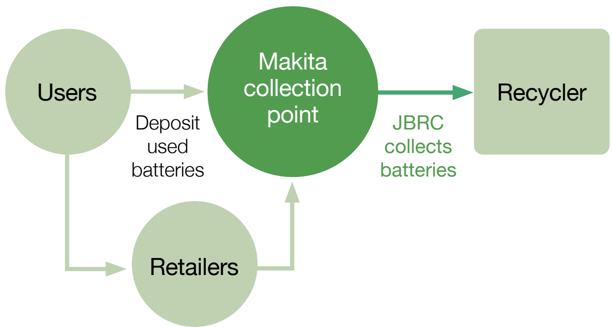
# Contributions to a Resource-Circulating Society

## Makita is committed to using limited resources effectively and contributing to the realization of a resource-circulating society.

### Battery Recycling

As "a Supplier of a Comprehensive Range of Cordless Products" and as a company that supplies a large volume of batteries, we believe that, for the sake of environmental protection and the effective utilization of resources, collecting used batteries is a crucial task. By building and implementing collection systems in a host of countries and regions in accordance with local laws and regulations, we are working to promote resource recycling.

Initiatives in Japan




### Initiatives in Germany

In Germany, battery manufacturers and the German Electro and Digital Industry Association (ZVEI) established the non-profit Stiftung GRS Batterien in 1998, which operates the joint battery collection system used by Makita.

### Environmentally Friendly Design

Our approach to environmentally friendly products began with an assessment of our products in 1992. In 1993, we created Makita's Global Environment Charter, and the active development of environmentally friendly products began.

When designing new products, we focus on improving energy efficiency, reducing weight, and extending service life. We also check to see if the materials utilized in each part of our products are recyclable and, more often than required by the specifications of our internal regulations, opt for materials that are environmentally friendly. In this way, we are continuously developing tools that can be recycled.

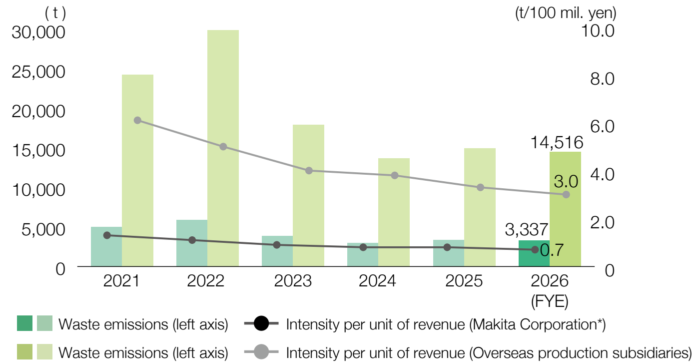
### Promoting the Elimination of Plastic

Due to concern about global environmental pollution in the form of plastic waste in the oceans and amid social efforts to reduce the consumption of single-use plastics, we are working to cut back on the volume of single-use plastics in our product packaging and thereby contribute to the realization of a sustainable society and the preservation of biodiversity. In addition to simplifying packaging, from FYE 2021, we have been reducing the use of plastic bags by devising better packaging materials. We plan to further promote the elimination of plastic in the future.

Suspension of plastic bags (devising internal materials)

Grip with plastic bag | Elimination of plastic bags by devising better internal packing materials

Waste Emissions




We are striving to reduce our final disposal volume of waste by thoroughly sorting waste to promote recycling. In the current fiscal year, while the amount of generated waste decreased in line with lower unit production output, due to increased sales, the intensity per unit of revenue was 0.7 tons/100 million yen (an 8.8% decline) for Makita Corporation* and 3.0 tons/100 million yen (a 7.4% decline) for overseas production subsidiaries.
* Applicable only to the Head Office, Okazaki Plant, and Nisshin Office.

# Contributing to a Resource-Circulating Society

## Initiatives toward Decarbonization

Toward the realization of decarbonization, we are developing products that contribute to solving environmental problems and promoting environmentally friendly business activities. In addition, we have set reduction targets for greenhouse gas (GHG) emissions reduction. Please see page 33 for details.

### Energy Conservation

Our efforts toward reducing GHG emissions include pursuing efficiency gains for energy-consuming equipment used in our offices by, for example, installing LED lighting and high-efficiency equipment (AC units, compressors, manufacturing machinery, etc.). In FYE 2026, the total annual power consumption of our Head Office, Okazaki Plant, and Nisshin Office decreased by 130,657 kWh compared to the previous year due to our switching to LED tubes, and improving AC units and compressor efficiency.

### Utilization of Renewable Energy

We are working to reduce GHG emissions through such measures as installing photovoltaic panels. In FYE 2026, we expanded this installation at our plant in China to further promote the utilization of renewable energy. We plan to continue installing photovoltaic panels in Japan and overseas and to switch to renewable energy sources for the electricity used in our office and facilities.

China plant

### Initiatives in Our Business Activities

To reduce GHG emissions in our business activities, we are actively utilizing renewable energy and conserving energy where possible. In addition, to raise environmental awareness among employees, we conduct educational activities, including distributing energy-saving promotional materials to employees and making regular inspections to check energy-saving responses undertaken at offices and plants.

### Switching to Environmentally Friendly Materials for Products and Packaging

To contribute to carbon neutrality, Makita is promoting initiatives to use biomass materials in the manufacture of a portion of its products. Furthermore, in FYE 2022 we began switching from conventional to biomass plastic bags in our product packaging. To help reduce waste plastic across society, in addition to biomass materials, we are advancing recycled resin materials and started using bags and cases made from these materials in FYE 2024.

### Contributions through Our Products

Since Makita brought to market the world's first professional-use power tools employing lithium-ion batteries in 2005, we have been expanding our lineup of cordless products and, in recent years, actively replacing engine-powered products with cordless models, especially in the area of cordless outdoor power equipment (OPE), where engine-power is mainstream.

Reflecting increased awareness of such environmental issues as climate change, the impact of exhaust from engine-powered products has become a major issue. Because Makita's cordless OPE, which emits no exhaust gas during use, contributes significantly to the realization of decarbonization, we are focusing on this as our next pillar of business in addition to power tools. To further this goal, we terminated the production of engine-powered products.

We will continue to focus our management resources on the development, production, sale, and service of cordless products and accelerate the transition from engine-powered to cordless products with equivalent performance, thereby contributing to the realization of decarbonization.

## Initiatives to develop environmentally friendly products

Through our business activities ranging from the development to production and sales of power tools, OPE, air tools, and household equipment, including those that are cordless, Makita uses energy and water resources such as electricity and fuel, and resources such as raw materials and parts (input), and discharges greenhouse gases (GHG), chemical substances, wastewater and waste (output). The table below shows the amount of energy and resources used, as well as environmental emissions generated, throughout our business activities from development to recovery. We use this data to promote environmentally friendly business activities.

FYE 2026 Results

**INPUT**

| Amount of energy/resources used | | |
|---|---|---|
| ■ Energy | Electricity (incl. renewable) | 100,538 MWh (15,649 MWh) |
| | Heat (steam, hot water) | 1,375 MWh |
| | Fuel (overall) | 87,526 MWh |
| | Solar power generation | 6,324 MWh |
| ■ Water usage | | 321,000 m³ |
| ■ Chemical substances*1 | | 610 tons |
| ■ Raw materials | Metal | 27,883 tons |
| | Non-metal | 324 tons |
| ■ Parts | Metallic parts | 10,172 tons |
| | Resin parts | 31,460 tons |
| | Electrical parts (batteries) | 10,336 tons |


**OUTPUT**

| Environmental emissions of substances | | |
|---|---|---|
| ■ Total production volume | | 28.05 million units |
| ■ GHG emissions | | 57,313 t-$CO_2$ |
| ● Total wastewater | | 306,000 m³ |
| ▲ BOD*2 | | 6.5 mg/ℓ |
| ● Chemical substances release and transfer amount | Styrene | 194 tons |
| | Toluene | 4 tons |
| | Xylene | 7 tons |
| | Ethylbenzene | 5 tons |
| ◆ Total waste generated | | 17,853 tons |
| ◆ Final disposal amount | | 416 tons |
| ▲ Valuable resources generated | | 2,377 tons |
| ▼ Resource recycling (to JBRC) | | 35 tons |

Scope of tabulation
■ Domestic and overseas business bases
● Domestic business base and overseas plants
◆ Domestic and overseas plants
▼ Domestic business bases
▲ Domestic plants
Raw materials and parts: Items mainly used in processing and manufacturing at plants are included.

*1 Chemical substances: Mixtures that contain styrene, xylene and toluene
*2 Biochemical oxygen demand: One of the indicators of water pollution

Please see the Makita website (https://www.makita.biz/sustainability/) for more information about our environmental initiatives.

## Initiatives to develop environmentally friendly products

### Development of Environmentally Conscious Products

**Development of products based on new environmental technologies**

We are working to reduce the size and weight of our products as a whole, as well as to increase their power and life by increasing the capacity of new technology motors (brushless DC motors) and batteries, improving motor efficiency, and reducing the size and weight of power components that affect the mass of products. Furthermore, by utilizing our industry-leading battery charge and discharge technology and motor technology to promote manufacturing various rechargeable products (cordless and engine-less products), we are contributing to improving user safety, convenience, and comfort, as well as reducing exhaust gas, noise, and fuel consumption. The 40Vmax series is one of the most important and powerful platforms for the future, which will further allow us to make various products cordless.

**Publication of product environmental data sheets**

Since FYE 2011, we have been publishing quantitative data of the environmental performance of each of our products (product weight, noise level, the percentage of reusability and recyclability, renewable rate, efficiency, etc.) on our website, in order to facilitate a better understanding of the environmental performance of our products.

## Green Procurement

### Green Procurement

**Supply chain management**

In order to review the status of environmental activities of our suppliers, we conduct an annual questionnaire survey on environmental protection activities of our suppliers (e.g. to check whether they have acquired an environmental management system certification and review specific plants subject to laws and regulations).

**Compliance with overseas environmental laws and regulations (RoHS and REACH)**

Substances regulated by environmental laws and regulations are defined as Makita Prohibited and Controlled Chemical Substances. In order to ensure compliance with the European RoHS Directive, we control chemical substances to conform to the RoHS Directive. Moreover, in order to ensure compliance with the European REACH Regulation, we conduct surveys at our suppliers on a regular basis to obtain information on chemical substance content because substances of very high concern (SVHC) are regularly added to the list.

Makita Prohibited and Controlled Chemical Substances

| | No. | Substances | Threshold levels |
|---|---|---|---|
| Prohibited Chemical Substances | 1 | Lead and its compounds | 1,000 ppm |
| | 2 | Mercury and its compounds | 1,000 ppm |
| | 3 | Cadmium and its compounds | 100 ppm |
| | 4 | Hexavalent chromium and its compounds | 1,000 ppm |
| | 5 | Polybrominated biphenyls (PBBs) | 1,000 ppm |
| | 6 | Polybrominated diphenyl Ethers (PBDEs) | 1,000 ppm |
| | 7 | Bis (2-ethylhexyl) phthalate (DEHP) | 1,000 ppm |
| | 8 | Butyl benzyl phthalate (BBP) | 1,000 ppm |
| | 9 | Dibutyl phthalate (DBP) | 1,000 ppm |
| | 10 | Diisobutyl phthalate (DIBP) | 1,000 ppm |
| | 11 | Asbestos | Intentionally added |
| | 12 | Polychlorinated biphenyls (PCBs) | Intentionally added |
| | 13 | Total of lead, mercury, cadmium, hexavalent chromium | 100 ppm for packaging material |
| | 14 | Restricted substances in Annex XVII of REACH Regulation | *Conditions of restriction is specified for each substance |
| Controlled Chemical Substances | | SVHC in REACH Regulation | 1,000 ppm |

RoHS-prohibited substances may be excluded from prohibited substances in accordance with RoHS Annex.

## Basic Approach to Human Resources

Since Makita's expansion into the U.S. in the 1970s, Makita has pressed forward and proactively grown internationally. In 2005, we launched our lithium-ion battery-powered professional-use cordless tools ahead of the competition and, more recently, with environmental issues growing into an important theme globally, we have been working toward evolving into a supplier of a comprehensive range of cordless products by shifting from engine-powered to battery-powered products. This ability to flexibly respond to global market environment changes is the source of Makita's growth. What supports our growth is nothing other than the talents of the people working at Makita. "Don't be angry, arrogant, panic, mope, or give up." These are the words of Jujiro Goto, who along with founder Mosaburo Makita built this company and transformed it into "a power tools corporation." Grounded in this personal philosophy of Mr. Goto, we strive to provide each and every Makita employee with the opportunity to exercise his or her talents.

Moving forward, Makita will comprehend changes in the global market environment and strive to grow with demand. To this end, we will advance the activities of diverse human resources and globalize Makita.

### Message from Human Resources

Manager, Human Resources Planning Group
Atsuyoshi Ishida

**We will develop an environment where diverse human resources can play active roles to improve corporate value.**

Makita has grown through active overseas expansion, which has been enabled by the talents of individual employees. It, therefore, is our basic approach to achieve a sustainable increase in corporate value by enabling employees to grow and demonstrate their abilities. To this end, Makita has been striving to improve employees' working environment. For example, we promoted initiatives for achieving three benchmarks related to human resources in FYE 2026, and introduced a system allowing flexible work arrangements for employees engaged in child care or elderly care in April 2026.

We will continue to improve corporate value through the development of a working environment that supports diverse human resources.

## Human Resource Strategies

| Indicators for Human Capital | Efficiently training newly hired human resources to be competitive as quickly as possible | Promoting women's advancement | Encouraging employees to take childcare leave |
|---|---|---|---|

### Efficiently Training Newly Hired Human Resources to be Competitive as Quickly as Possible

Makita is expanding its business on a global scale, and many of its employees have experience temporarily working or training abroad. As of March 31, 2026, approximately 27% of employees, excluding those working at the Research and Development Headquarters or Domestic Sales Headquarters, have worked overseas on temporary transfers. For Makita to continue to grow sustainably, it is essential that newly hired human resources (both new graduates and mid-career employees) with diverse values gain international experience early on and receive training to be globally active. We are working to achieve the indicator we have set of 20% of employees sent for overseas training or temporary transfer having worked at Makita (non-consolidated) for five years or fewer by March 31, 2030.

In FYE 2026, the relevant metrics decreased as a result of strategic adjustments made to training and secondment schedules for younger employees, in response to evolving global economic and geopolitical conditions. Nevertheless, our commitment to rapidly developing high-caliber talent into key operational contributors remains unchanged. To achieve our targets, we intend to expand the pool of younger candidates eligible for secondment by leveraging short-term training programs.

#### Indicators

| | FYE 2024 | FYE 2025 | FYE 2026 | FYE 2030 |
|---|---|---|---|---|
| Percentage of employees transferred overseas (or sent for training) who have worked at Makita for fiveyears or fewer | 12% | 18% | 15% | **20%** |

#### Initiatives for Achievement

- Proactively accepting internships and building relationships with university laboratories to lay the groundwork to hire excellent human resources
- Launching short-term overseas training programs to enable more young employees to gain overseas experience
- To foster international career development and increase motivation amongst young employees, we introduce the work and lifestyles of young employees who are working overseas, as well as how they collaborate with local staff, through the Company newsletter.

SC Makita EU SRL (Romania)
Shuji Takamura

I am in charge of finance at Makita's Romania plant, where I primarily monitor the financial situation. I work with local staff to carry out financial analysis grasping the actual situation, which may not be easily observable by the head office.

I sometimes struggle with language and cultural differences, but I feel a great sense of achievement when I successfully analyze the financial situation and sort out the issues of the company by observing the actual production site and communicating closely with local staff.

In the future, I hope to be in a position where I am deeply involved in the business operations linking finance with the field at an overseas base.

# Social and Human Capital Strategy, Human Resources Investment

## Promoting Women's Advancement

Makita is working to create an environment that is comfortable for women to work in and allows human resources with diverse values to demonstrate their Abilities to the fullest. As a result, the average length of female employees working at Makita in Japan is actually slightly higher than that of their male counterparts.

We have set an indicator for the future to increase the percentage of female managers at Makita (non-consolidated) to at least 3% (10 or more people) by FYE 2030, so that every female employee can play a more active role, and we are advancing our efforts to achieve this indicator.

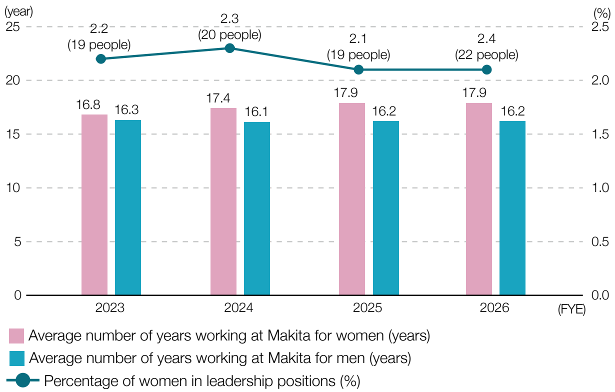
In FYE 2026, following on from the previous year, we held the Women's Career Design Seminar as a series of two sessions for female employees. Seminar participants identified their strengths and unique abilities, learned how to interact with others, and created action plans. Some female employees who attended this seminar have passed the leadership assessment test, as results of our initiatives to support women's career development begin to appear.

### Indicators

| | FYE 2024 | FYE 2025 | FYE 2026 | FYE 2030 |
|---|---|---|---|---|
| Percentage of Female Managers | 1.3% (4 people) | 1.6% (5people) | 2.0% (5 people) | **3.0% (10 or more people)** |

Reference

**Average number of years working at Makita by gender/Percentage of women in leadership positions**




### Initiatives for Achievement

- Creating systems that allow flexible work styles, such as through the expansion of the childcare reduced working-hours system
- Actively recruiting female new hires
- Encouraging women to take the exams for promotions to leadership and management positions

Manager,
International Sales Support Department, Export Logistics Group
Tomoko Ishibashi

I am a member of the International Sales Support Department, engaged in trading operations for overseas sales subsidiaries and local agents. As a manager (group leader), I am engaged in improving my department's business process and nurturing my subordinates. I feel a great sense of reward from genuinely experiencing their growth while working together to solve issues. The International Sales Headquarters has a relatively high female ratio and there are more and more opportunities for female employees to play active roles. I aim to steadily play my role in this environment and spearhead the advancement of female employees.

## Encouraging Employees to Take Childcare Leave

Creating a rewarding environment that allows human resources with diverse values to balance work and family is vital to Makita's continuing growth. We have put in place a childcare leave system and a childcare reduced-working-hours system. In recent years, the percentage of women who use these systems has remained high, but the percentage of men using them has room to improve. Therefore, we have set an indicator of having at least 90% of eligible male employees at Makita (non-consolidated) use the childcare leave system by FYE 2030 and are working toward achieving this goal.

### Indicators

| | FYE 2024 | FYE 2025 | FYE 2026 | FYE 2030 |
|---|---|---|---|---|
| Percentage of male employees using childcare leave system | 49% | 67% | 73% | **90% or more** |

Reference

| | FYE 2024 | FYE 2025 | FYE 2026 |
|---|---|---|---|
| Percentage of female employees using childcare leave system | 100% | 100% | 100% |

### Initiatives for Achievement

- Making information on childcare leave available to workplace managers to promote the creation of an environment that encourages employees to use childcare leave

Assistant Manager,
Production Design Department,
Production Design Section 2
Hiroki Tanaka

I am a father of three children. I took childcare leave starting with the first child partly as the company encourages male employees to take the leave. I was a little worried before going on leave, but in the end, there were no issues thanks to early handover and support from my colleagues. Even after I returned, I received help from my colleagues, and taking the childcare leave made me realize the importance of working as a team. At the same time, I also became more conscious of efficiently producing results in a given time. I would like to leverage my experience and contribute to the development of an employee-friendly workplace.

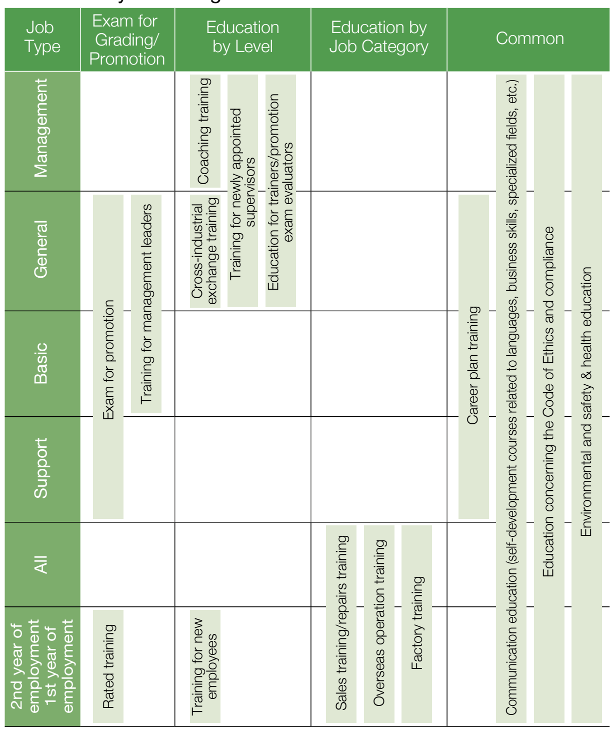
# Human Resource Training Systems

Please see the Makita website (https://www.makita.biz/sustainability/) for more information about our social initiatives.

## Supporting Growth through Training

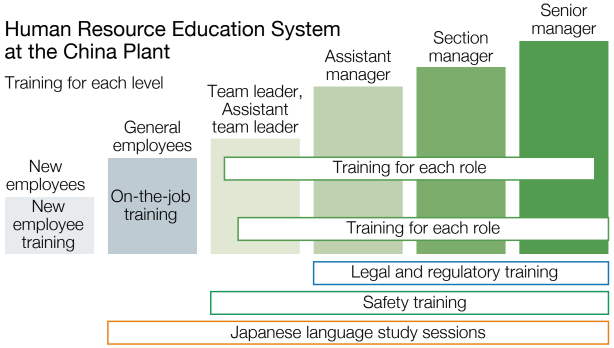
In Japan, we carry out stratified training (tailored to match each employee's career stage) for new employees all the way through mid-career management candidates. Similarly, we maintain programs encompassing other forms of training, including on-site factory training, as well as correspondence training, part of which is paid for by the Company. Some promotion and advancement evaluations entail management-related training, such as interview exercises with subordinates, to measure and provide feedback on the individual's management skills, thereby helping to improve management and leadership skills.

Education System Diagram




## Human Resource Development at the China Plant

Makita is actively engaged in human resource development at our China plant, the core of our production base. We encourage continuous growth through proactive training at all levels, including leadership development and problem-solving training for managers. In addition, safety training and legal and regulatory training are provided to those above a certain rank, and Japanese language study sessions are held for those who plan to go to Japan for training or those who wish to receive Japanese language training.




## Restricted Share Compensation for Employees

To commemorate Makita's 110th anniversary, the Company introduced a restricted shares plan for the employee stockholding association and granted 50 shares each to all employees who are the members of the association with the aim of offering incentive for sustainable improvement in Makita Group's corporate value and supporting employees' asset formation.

The stockholding association's employee participation rate has already risen from 44% as of the end of March 2025 (prior to the system's introduction) to more than 90%. We will continue to increase employees' sense of ownership in management, thereby improving our corporate value.

## Efficiently Training Newly Hired Human

At the start of the fiscal year, all employees of the Company set their targets for the year. They take part in interviews with supervisors during summer and winter evaluations, based on which supervisors perform assessments. To motivate employees, base salaries vary with the previous year's evaluations while semiannual bonuses vary with semiannual evaluations and the Company's performance. Interviews are focused on supervisors and employees mutually confirming the former's expectations and the latter's feedback and requests through dialogues concerning progress toward targets, while also setting plans for future employee development.

In FYE 2026, we conducted workplace harassment training for management using video teaching materials as part of efforts to promote prevention of harassment and training for appraisers to have a correct understanding of harassment. We consider the training as an opportunity for management to review how they communicate with their subordinates in our efforts to improve employee engagement.

| Start of fiscal year | Summer evaluation | Winter evaluation |
|---|---|---|
| Employees reflect on previous fiscal year targets and set current fiscal year targets | Interviews with supervisors<br>Review of previous fiscal year targets and **checking of progress toward current fiscal year targets**<br>Summer bonus evaluation | Interviews with supervisors<br>**Checking of progress toward current fiscal year targets**<br>Winter bonus evaluation |

# Social and Human Capital Strategy, Human Resources Investment

## Diversity & Inclusion Promotion

Makita believes the value of a company lies in being a place where all employees, regardless of age, gender, nationality, or disability, hold each other in mutual respect, and are able to maximize their individual abilities in orderto fully and actively contribute. Therefore, we strive for fairness in hiring, assignments, promotions, and other aspects of human resource management, eliminating distinctions based on gender or other attributes.

In the Guideline to the Code of Ethics for Makita, which serves as a code of conduct for all Officers and employees of the Makita Group, we are working to ensure that diverse human resources are able to actively contribute. Our statement declaring respect for individual diversity is but one example of this commitment.

## Securing the Safety and Health of Employees

Ensuring the safety and health of employees is also key to sustainable growth of a corporation. We are implementing a variety of initiatives to ensure both sustainable growth and the safety and health of our employees.

### Safety and Health Activities

Safety and Health Committee activities are conducted at each business site in Japan and are based on a safety plan that is developed annually. Safety patrols of the working environment as well as hazard prediction activities* and "Hiyari-Hatto" (near-miss) activities are conducted at each workplace and reported to the committee with recommendations for improvement, thereby creating a safer and more secure workplace. There were 18 occupational accidents in Japan in FYE 2026, of which 2 required 4 or more days of absence from work. Going forward, we will continue to strive to prevent occupational accidents by providing thorough health and safety training and taking measures to reduce hazards in the workplace.

### Mental and Physical Health Support

In Japan, we are making Company-wide efforts to ensure the mental and physical health of our employees by conducting stress checks, interviewing employees who work long hours, and providing in-house influenza vaccinations. In addition, we distribute fan jackets and have installed water dispensers at the Okazaki Plant as a measure against overheating. As for stress checks, results are analyzed by workplace, and industrial physicians provide feedback to the person in charge of each department to encourage workplace improvements. We are striving to improve employee mental health through a series of workplace improvements.

* Activities aimed at preventing occupational accidents by identifying potential hazards in specific workplace tasks and identifying the types of hazards that could cause workplace accidents, and then eliminating unsafe employee behavior and unsafe work environments.

## Respect for Human Rights

The Guideline to the Code of Ethics for Makita and the Makita Group Human Rights Policy, which serve as guidelines for the conduct of all directors and employees, clearly state "respect for human rights" and stipulate respect for the fundamental human rights of all persons, prohibit discrimination and acts that harm the dignity of individuals, and guarantee of freedom of association and the right to collective bargaining. For information on Makita's stance and policies concerning respect for human rights, see the Human Rights Policy of the Makita Group on our website (https://www.makita.biz/sustainability/social/01/files/human_rights_policy_e.pdf).

Once a year, we provide education on our guidelines to all employees, including part-time workers. Our guidelines cover our overseas subsidiaries as well, ensuring that human rights are respected throughout the Group. We further believe in the importance of fulfilling our human rights-related and other social responsibilities not only within Makita but throughout the supply chain. When selecting business partners, we stipulate the fulfillment of human rights-related responsibilities (including the elimination of child labor and forced labor) and other social responsibilities among our selection criteria.

Furthermore, since we believe that it is important to fulfill our social responsibility for recognizing human rights not just for ourselves but alongside all of the businesses in our supply chain, the Guideline to the Code of Ethics for Makita also stipulates that fulfillment of social responsibility and respect for human rights (including working to eliminate child labor and forced labor) are selection criteria for business partners.

## CSR Procurement

Makita is striving Company-wide to deliver safe, high-quality products to our customers to ensure that they can enjoy peace of mind when using its tools. In working to achieve this objective, we consider it important not just to comply with relevant laws and regulations but to conduct transactions with business partners fairly, equitably, transparently, and honestly and to strive to build relationships with them as partners as well as to promote procurement activities focusing on social concerns, including the environment, human rights, corruption prevention, and proper hiring practices. We stipulate this in our Master Transaction Agreement and Basic Policy on Procurement. One pillar of this effort is our pursuit of responsible procurement activities, including conducting annual surveys of the environmental protection activities of our business partners to, for example, monitor environmental systems acquisition.

| Basic Policy on Procurement | |
|---|---|
| Compliance with laws and regulations and social codes | Consideration to reducing environmental impacts |
| Provision of fair and equitable transaction opportunities | Coexistence and coprosperity based on mutual trust |

Please see the Makita website (https://www.makita.biz/sustainability/) for more information about our social initiatives.

# Capital Allocation Discipline and Management Supervision that Support Makita's Evolution into a "Supplier of a Comprehensive Range of Cordless Products"

Makita is in the process of evolving, aiming to achieve Vision FY2030 and maximize its corporate value. In a management environment filled with growing uncertainties caused by rising geopolitical risks and demands for improving capital efficiency, how do Makita's Outside Directors monitor the Company and facilitate its growth? The three Outside Directors of the Company discussed the adequacy of the growth strategy, investment discipline in capital allocation, and the effectiveness of management supervision.

Outside Director (Audit and Supervisory Committee Member and Nomination and Compensation Committee Member)
**Koji Nishikawa**

Outside Director (Nomination and Compensation Committee Chair)
**Takahiro Iwase**

Outside Director (Audit and Supervisory Committee Member)
**Minae Fukumoto**

## Adequacy of the Growth Strategy (Vision FY2030)

What competitive advantages and corporate value will Makita's strategy of evolving into "a Supplier of a Comprehensive Range of Cordless Products" bring?

**(Iwase)** I believe that enhancing the ongoing initiatives in a balanced manner is important for Makita to evolve into "a Supplier of a Comprehensive Range of Cordless Products" and grow its business core. First, the Company must proactively grasp the customer requirements in the markets and regions where it is making a foray. Then, the speed at which it incorporates the requirements identified at the sites in product improvement and development should be increased. Another key point is to strategically and swiftly expand sales channels in emerging markets.

**(Nishikawa)** Expanding the development and reach of Makita's products beyond the existing construction and housing fields to other domains, including the OPE fields of agriculture and forestry, as well as mining, factory tools, cleaning, and rescue operations, will directly and indirectly contribute to resolving social issues, including the labor shortage faced by these industries and the realization of decarbonization. This is also quite meaningful from an ESG perspective and will simultaneously raise Makita's corporate value as a company pursuing sustainable growth.

**(Fukumoto)** The strategy to increase market share with environmentally friendly cordless products is perfectly in sync with the sustainability management trend. Additionally, Makita is not just selling products. It offers an integrated system that includes after-sales service. This is a major added value to customers, especially professional users, and fosters high loyalty among customers. Moreover, cordless products are highly compatible with electronic control technology, AI, and digitalization.

# Discussion of Outside Directors

**What are the quantitative and qualitative KPIs for measuring the progress of the OPE electrification strategy? Moreover, what changes in the external environment will necessitate reconsideration of the strategy?**

(Fukumoto) We emphasize the level of penetration in the professional market and the repeat rate, which are monitored as key indicators at regular intervals. The occurrence of discontinuous changes that shake the foundation of Makita's core competence and competitiveness would necessitate reconsideration of the strategy. Specifically, sudden changes in a regulatory environment or disruptive innovation by a competitor would fall under this. The Company must have the flexibility and discipline to pause and rethink the strategy, starting from scratch, when such structural changes occur in the external environment.

(Nishikawa) The share of cordless products in Makita's OPE has now exceeded 90%. Nevertheless, the sales mix of the 40Vmax series, which holds the key for future profitability and greater added value, can be improved. Therefore, I think increasing the ratio of the 40Vmax series is an important KPI. The region- and application-wise share of key products being introduced in the OPE market is another point. I am interested in determining whether Makita can ensure its place among the top three in all regions and applications where it deploys its strategically focused products.

**Makita's business model is to deepen relationships with professional users through the provision of after-sales service and solutions. How should it evolve to reinforce the model?**

(Iwase) The Company will have to clear two hurdles to ensure the long-term sustainability of its business model, which is built around after-sales services and solutions. First, it must establish overwhelming superiority in terms of market quality and durability. For this, the Company needs to clearly identify the issues by vertically collecting and analyzing usage information in the market and leverage it to pursue even better monozukuri (manufacturing). The second challenge is further reinforcing the sales and service structure. Makita has bases worldwide and has established a foundation for offering sales and services. Going forward, I would like to see it add the required number of personnel and polish this aspect further.

**What major risk factors do you anticipate in achieving Vision FY2030?**

(Fukumoto) A major operational challenge is how to improve the accuracy of inventory management given the rapidly increasing diversity and complexity of the product

lineup. Furthermore, when pushing ahead with remarkable organizational changes, such as business model transformation and DX, the burden inevitably tends to concentrate on the frontline. For that reason, offering appropriate treatment and incentives simultaneously is indispensable to prevent any decline in employee engagement.

(Nishikawa) A major feature of Makita's business structure is that overseas sales account for >80% of its sales. Therefore, further escalation of geopolitical risks is, without a doubt, the biggest uncertainty and risk factor for achieving the Company's goals. In recent years, Makita has been continuously exposed to external shocks such as the pandemic, numerous international conflicts, and changes in the trade and tariff policies of the U.S. However, the Company's risk management became more sophisticated as it experienced this series of crises, and I feel that its organizational resilience has definitely improved with its dispersed supply chains and flexible inventory allocation.

# Discussion of Outside Directors

## Capital Allocation and Investment Discipline

What are the priorities and rules when the Board of Directors deliberates on investments in human capital and battery, electronic control, AI, and other technologies that will determine Makita's competitiveness?

(Fukumoto) Needless to say, the source of its competitive advantage is battery-related technology. There is a total consensus in the Board of Directors that utmost priority should be given to investment in this core area. Therefore, M&As are also a promising option for swiftly acquiring outside technological capabilities and specialists. Nonetheless, the development of an environment that will trigger consistent and spontaneous innovations from within the Company is simultaneously important. The Board of Directors is discussing the investments in human capital necessary to ensure that and the transformation into a corporate culture that encourages employees to take on challenges without fear of failure.

(Iwase) Makita needs to simultaneously evolve the four aspects of batteries—making them more compact, increasing their voltage, extending battery life, and reducing their charging time—to meet the market needs ahead of time. The Company has to keep refining the control technology that enables the cells sourced from outside to maintain a safe and high level of performance even under heavy use in harsh environments typical to power tools. Further, it has to boldly allocate resources to software technology and electronic control and on the development of next-generation products that incorporate AI in order to provide high-level solutions.

(Nishikawa) Investment in advanced technologies, such as battery and electronic control, is essential. Simultaneously, globally maintaining and reinforcing the prompt delivery capability, which is one of Makita's strengths, is also important. Moreover, we must continue making investments to enhance physical infrastructure and sales networks, including the development and automation of logistics centers at core bases and the digitalization of service networks worldwide, while ensuring balance sheet management

Investors have shown keen interest in the liquidity level on hand at Makita. What is the appropriate level from the viewpoint of the Board of Directors?
Please elaborate on the balance between growth investment and shareholder returns.

(Iwase) Growth and upfront investments are key to sustainable value creation. Makita should also invest more in generating new technologies, developing new products, and innovating new business models to enable the next generation's sustainable development. In my opinion, we should give the utmost priority to growth investment in capital allocation.

(Nishikawa) Makita is financially sound, and its consistent management has been highly praised. However, we are also fully aware that there are calls from capital markets to improve capital efficiency and shareholder returns. Our decision to raise the payout ratio was a direct result of our sincere response to the expectations of the market. Simultaneously, Makita's main battlefield is the overseas market, where it faces various risks over which it has no control. These risks include geopolitical risks, exchange rate fluctuations, and supply chain disruption. We need to maintain a certain level of cash and cash equivalents to keep operations going and ensure management freedom even in emergencies.

(Fukumoto) We have a global value chain; therefore, our preparedness for macroeconomic trends and geopolitical risks have a direct effect on the Company's survival. It is understandable that the management wants ample liquidity and financial soundness. However, if it diverges from the optimum capital structure and ROE target expected by the capital markets, we need to provide thorough explanation to the markets, based on logical reasoning, as to why we need that level of cash.

Our strength, the prompt delivery capability, is customer value, but it comes with increases in inventory and working capital (a decline in capital efficiency). What are the indicators used by the Board of Directors to determine this balance?

(Nishikawa) When I was appointed as an Outside Director, I was taken aback by the large volume of inventory on the balance sheet. However, once I heard the reasoning, I realized that Makita's strengths are derived from this ample inventory. The Company has a mechanism to monitor inventory levels that allows it to maintain capital efficiency while retaining its strengths. Additionally, the inventory levels are shared with Outside Directors in monthly financial results reports.

(Iwase) When discussing the appropriate levels in inventory management, manufacturing and sales inventories should be considered separately. Having an extra manufacturing inventory to handle emergencies is acceptable. The key to sales inventory is to keep slow-moving stocks in check. To prevent such stock from increasing, a production plan based on an accurate sales forecast is necessary. Therefore, I am closely monitoring the production control process and inventory levels.

# Discussion of Outside Directors

## Effectiveness of Management Supervision and Improvement in Corporate Value

**What are the initiatives that the Nomination and Compensation Committee is taking to make the personnel selection process transparent? How is it involved in nurturing the next-generation management team with a focus on Makita's global expansion?**

(Iwase) Enhancing transparency is important in the committee's fundamental role. For example, when the Company proposes officer appointments, it must try to improve the transparency of the selection process by clarifying the reasons and the approach taken in personnel selection. This will allow outside officers to take the proposal a step further, enabling a multifaceted evaluation.
(Nishikawa) At present, there is insufficient information for outside officers to directly get involved in executive personnel appointment. Therefore, we are requesting clear explanations on how they decided and the approach they took. We anticipate more foreign employees living outside Japan will become officer candidates. Therefore, we would also like to drive forward discussions on reducing information asymmetry.

**In what ways can Makita improve the current director compensation system if it is to increase the incentive for Directors and improve capital efficiency and medium- to long-term corporate value?**

(Iwase) I feel there is a need to further diversify the evaluation criteria of the variable portion of director compensation corresponding to the executive layer. Additionally, from an external viewpoint, it is desirable to closely link the compensation evaluation of the executive team to the progress in management strategies and annual plans. I recognize that this is a challenge for the committee, so I want to take the initiative in the related discussions.
(Nishikawa) I agree with the point. Many Directors serve as General Managers and play a leading role in the field. Therefore, incentive indicators that are linked to the business objectives and execution of strategies are necessary. We would like to deepen the discussions regarding this at the committee.

**Given the Company's global business expansion, what are the internal control-related risks that you are closely monitoring: e.g., environmental and human rights risks in supply chains and governance of overseas subsidiaries? What are the countermeasures?**

(Nishikawa) In terms of global internal control management, the President and Directors in charge often visit and inspect local sites, and the Standing Audit and Supervisory Committee Members and employees of the Internal Audit Division conduct periodic audits of overseas bases. We, Outside Audit and Supervisory Committee Members, also conduct visiting audits overseas. However, we have several overseas subsidiaries, and I feel that our actions are not necessarily sufficient. Management of risks at overseas subsidiaries is very important, and we need to devise ways to ensure that the head office's check function always works.
(Fukumoto) Given the large number of overseas bases that we have, I always bear in mind the risk of a gradual erosion of governance. Overseas supply chains are becoming more complex, and it is essential that we consider the environment and human rights. In addition to the reports from the internal control divisions, we also pay close attention to internal reporting contents. It is vital that we identify the risks early and take swift actions.

**From an Outside Director's perspective, what are the areas in which you would like to promote transformation to further improve corporate value?**

(Fukumoto) The areas I want to encourage transformation in the future are organizational culture and investment in human capital. When we look at employee composition, we are still only halfway through in terms of diversification progress. It is important to develop an environment where everyone, including female employees, can demonstrate their abilities. The hiring, nurturing, and placement of employees affect Makita's competitiveness. Therefore, I would like to be proactively involved in this area.
(Nishikawa) After my appointment in 2021, we faced several management challenges, such as the pandemic, Russia's invasion of Ukraine, the US tariff policy, and intensified geopolitical risks in supply chains. The management team has overcome these difficulties. I would like to provide supervision and advice so that Makita will firmly retain its resilience in the face of adversities.
(Iwase) We should also further improve the transparency of business execution to ensure appropriate governance. Standardizing business flows, not only in Japan but also worldwide, will create a situation where employees can have their own work appropriately observed by supervisors and colleagues. This will enhance the quality of communication between employees, their supervisors, and colleagues, resulting in a more open organization. It will revitalize the organization and strengthen human resource development.

# Corporate Governance

For more detailed information on corporate governance, please see the relevant section and the Corporate Governance Report on Makita's website (https://www.makita.biz/sustainability/governance/01/).

Makita strives to strengthen and enhance corporate governance in order to increase corporate value and earn the trust of shareholders and other stakeholders.

## Basic Philosophy on Corporate Governance

Makita believes that the most important issue is to achieve unending development together with its various stakeholders. In order to achieve this, we have established a Management Policy/Quality Policy and are working to strengthen and enhance our corporate governance. From this perspective, we will work to maintain and improve the fairness and transparency of our management by striving to enhance management transparency and management checking functions as well as to proactively and promptly disclose information.

## Steps Taken to Strengthen Corporate Governance

2005 Jun. Appointed Outside Directors

2006 Jun. Discontinued retirement allowance plan for Directors and Audit & Supervisory Board Members

2009 Jun. Introduced the Corporate Officer system

2011 Jun. Appointed two non-Japanese Corporate Officers

2015 Jun.
- Increased the number of Outside Directors
- Introduced stock-compensation-type stock option

(Discontinued upon the introduction of a restricted share compensation system in June 2019)

2019 Jun. Introduced a restricted share compensation system

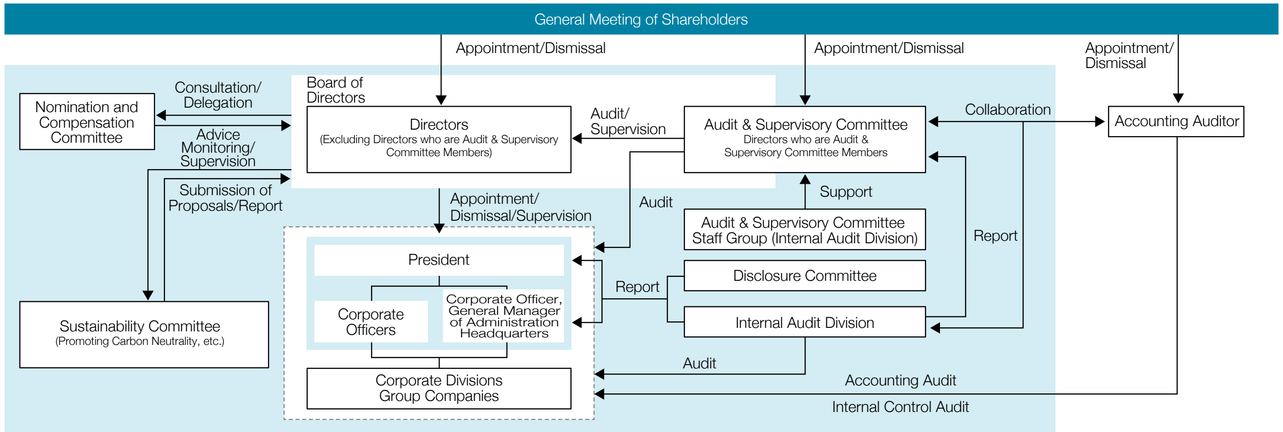
2020 Jun. Established the Nomination and Compensation Committee

2021 Jun.
- Transitioned to a Company with an Audit & Supervisory Committee
- Increased the number and ratio of Outside Directors (One third of Directors are Outside Directors)

2023 Jun. Appointed a female Outside Director

2025 Jun. Increased the number of female Outside Directors (Total: two; Percentage of female Outside Directors: 14.3%)

Schematic Diagram of Makita's Corporate Governance Structure (as of June 24, 2026)



# Board of Directors Composition

## Directors

President and Representative Director

### Munetoshi Goto

Date of birth: April 26, 1975

Attendance rate at Board of Directors meetings: 12/12 (100%)
Number of the Corporation's shares held: 479,944

Brief personal background

| | |
|---|---|
| Apr. 1999 | Joined the Corporation |
| Apr. 2012 | General Manager of International Sales Administration Department |
| Jun. 2013 | Director, Corporate Officer, General Manager of International Sales Headquarters |
| Jun. 2017 | President and Representative Director (present) |

Director, Managing Corporate Officer and General Manager of Research and Development Headquarters

### Tetsuhisa Kaneko

Date of birth: April 6, 1955

Attendance rate at Board of Directors meetings: 12/12 (100%)
Number of the Corporation's shares held: 28,588

Brief personal background

| | |
|---|---|
| Mar. 1981 | Joined the Corporation |
| Apr. 2004 | General Manager of Technical Research Department |
| Aug. 2005 | General Manager of Production Department 2 |
| Oct. 2006 | General Manager of Production Department 1 |
| Jun. 2007 | Director, General Manager of Purchasing Headquarters |
| Jun. 2009 | Director, Corporate Officer, General Manager of Purchasing Headquarters |
| May. 2010 | Director, Corporate Officer, General Manager of Production Headquarters (in charge of China Plant) |
| Jun. 2015 | Director, Corporate Officer, General Manager of Production Headquarters |
| Jun. 2017 | Director, Corporate Officer, General Manager of Research and Development Headquarters |
| Jun. 2024 | Director, Managing Corporate Officer and General Manager of Research and Development(present) |

Director, Managing Corporate Officer and General Manager of International Sales Headquarters

### Takashi Omote

Date of birth: February 10, 1959

Attendance rate at Board of Directors meetings: 12/12 (100%)
Number of the Corporation's shares held: 12,917

Brief personal background

| | |
|---|---|
| Mar. 1982 | Joined the Corporation |
| Jan. 1995 | President of Makita Mexico, S.A. de C.V. |
| Mar. 2001 | President of Makita do Brasil Ferramentas Elétricas Ltda. |
| Jun. 2013 | Corporate Officer of the Corporation (in charge of Central and South America Sales) |
| Jun. 2017 | Director, Corporate Officer, General Manager of International Sales HeadquartersDirector, |
| Jun. 2026 | Managing Corporate Officer and General Manager of International Sales Headquarters (present) |

Director, Corporate Officer General Manager of Domestic Sales Headquarters

### Takashi Tsuchiya

Date of birth: September 1, 1957

Attendance rate at Board of Directors meetings: 11/12 (92%)
Number of the Corporation's shares held: 22,522

Brief personal background

| | |
|---|---|
| Mar. 1982 | Joined the Corporation |
| Apr. 2001 | Manager of Shizuoka Branch Office |
| Oct. 2003 | Manager of Tokyo Branch Office |
| Apr. 2010 | General Manager of Sales Administration Department |
| Jun. 2013 | Corporate Officer, General Manager of Domestic Sales Headquarters (in charge of Tokyo Sales Department) |
| Jun. 2015 | Director, Corporate Officer, General Manager of Domestic Sales Headquarters |
| Apr. 2024 | Director, Corporate Officer, General Manager of Domestic Sales Headquarters and in charge of Osaka: Sales Department |
| Jun. 2025 | Director, Corporate Officer, General Manager of Domestic Sales Headquarters (present) |

Director, Corporate Officer General Manager of Production Headquarters

### Masaki Yoshida

Date of birth: June 17, 1962

Attendance rate at Board of Directors meetings: 12/12 (100%)
Number of the Corporation's shares held: 15,863

Brief personal background

| | |
|---|---|
| Mar. 1985 | Joined the Corporation |
| Oct. 2007 | General Manager of Production Control Department |
| Apr. 2010 | General Manager of Production Department 2 |
| Apr. 2011 | General Manager of Production Development Department |
| Feb. 2012 | Vice President of Makita (China) Co., Ltd. |
| Jun. 2015 | Director, Corporate Officer, Assistant General Manager of Production Headquarters of the Corporation (in charge of China Plant) |
| Apr. 2018 | Director, Corporate Officer, Assistant General Manager of Production Headquarters |
| Jun. 2021 | Director, Corporate Officer, General Manager of Production Headquarters (present) |

Director, Corporate Officer General Manager of Administration Headquarters

### Yukihiro Otsu

Date of birth: August 27, 1960

Attendance rate at Board of Directors meetings: 12/12 (100%)
Number of the Corporation's shares held: 13,185

Brief personal background

| | |
|---|---|
| Mar. 1983 | Joined the Corporation |
| July. 1996 | Chief Financial Officer of Makita U.S.A., Inc. |
| Apr. 2009 | Assistant Manager of Finance Department of the Corporation |
| Dec. 2009 | Vice President of Makita (China) Co., Ltd. |
| Oct. 2013 | General Manager of Accounting Department of the Corporation |
| Jun. 2017 | Director, Corporate Officer, General Manager of Administration Headquarters (present) |

Director, Corporate Officer General Manager of Purchasing Headquarters

### Yoshihisa Inuzuka

Date of birth: February 15, 1961

Attendance rate at Board of Directors meetings: 12/12 (100%)
Number of the Corporation's shares held: 8,110

Brief personal background

| | |
|---|---|
| Mar. 1984 | Joined the Corporation |
| Apr. 2009 | General Manager of Production Department 2 |
| Apr. 2010 | General Manager of Production Development Department |
| Mar. 2011 | Plant Manager of Makita do Brasil Ferramentas Elétricas Ltda. |
| Apr. 2016 | General Manager of Research & Development Planning Department of the Corporation |
| Jun. 2021 | Corporate Officer, Assistant General Manager of Research and Development Headquarters |
| Jun. 2024 | Director, Corporate Officer, General Manager of Purchasing Headquarters (present) |

Director, Corporate Officer General Manager of Quality Headquarters

### Hideyuki Kawase

Date of birth: July 31, 1963

Attendance rate at Board of Directors meetings: 12/12 (100%)
Number of the Corporation's shares held: 12,253

Brief personal background

| | |
|---|---|
| Mar. 1986 | Joined the Corporation |
| Apr. 2012 | President of SC Makita EU S.R.L. (Romania) |
| Mar. 2017 | General Manager of Production Control Department of the Corporation |
| Apr. 2018 | President of Makita (China) Co., Ltd. |
| Jun. 2021 | Corporate Officer, Assistant General Manager of Production Headquarters of the Corporation (in charge of China Plant) |
| Mar. 2024 | Corporate Officer, Assistant General Manager of Production Headquarters |
| Jun. 2024 | Director, Corporate Officer, General Manager of Quality Headquarters (present) |

# Board of Directors Composition

Outside Director

## Takahiro Iwase

Date of birth: May 28, 1952

Attendance rate at Board of Directors meetings: 12/12 (100%)
Number of the Corporation's shares held: 1,175

Brief personal background

Apr. 1977 Joined Toyota Motor Co., Ltd. (present; TOYOTA MOTOR CORPORATION, "TOYOTA")
Jun. 2005 Managing Officer of TOYOTA
Jun. 2009 Senior Managing Director of TOYOTA Outside Audit & Supervisory Board Member of Chuo Spring Co., Ltd.
Apr. 2011 Vice Chairman of the Board of Directors of Toyota Motor Asia Pacific Pte. Ltd.
Jun. 2011 Senior Managing Officer of TOYOTA
Jun. 2014 President of TOYOTA AUTO BODY CO., LTD.
Apr. 2016 Standing Counselor of Aichi Steel Corporation ("AICHI STEEL")
Jun. 2016 Chairman and Representative Director of AICHI STEEL
Jun. 2017 Outside Audit & Supervisory Board Member of Chuo Spring Co., Ltd.
July. 2020 Chairman of Aichi Prefectural Public Safety Commission
Mar. 2021 Outside Audit & Supervisory Board Member of DMG MORI CO., LTD. (present)
Jun. 2021 Outside Director of the Corporation (present)
(Important Concurrent Posts)
Outside Audit & Supervisory Board Member of DMG MORI CO., LTD.

Outside Director

## Takashi Ando

Date of birth: February 27, 1955

Attendance rate at Board of Directors meetings: 9/10 (90%)
Number of the Corporation's shares held: —

Brief personal background

Apr. 1978 Joined Nagoya Railroad Co., Ltd. ("Nagoya Railroad")
Jun. 2008 Director of Nagoya Railroad
Jun. 2011 Managing Director of Nagoya Railroad
Jun. 2013 Senior Managing Director, Representative Director of Nagoya Railroad
Jun. 2015 President, Representative Director of Nagoya Railroad
Jun. 2019 President, Representative Director, Chief Executive Officer of Nagoya Railroad
Jun. 2021 Chairman, Representative Director of Nagoya Railroad (present)
Jun. 2024 Outside Director of CHUBU-NIPPON BROADCASTING CO., LTD. (present)
Jun. 2025 Outside Director of the Corporation (present)
(Important Concurrent Posts)
Chairman, Representative Director of Nagoya Railroad Co., Ltd.
Outside Director of CHUBU-NIPPON BROADCASTING CO., LTD.

Director (Standing Audit & Supervisory Committee Member)

## Koji Tsuzuki

Date of birth: November 23, 1961

Attendance rate at Board of Directors meetings: 10/10 (100%)
Attendance rate at Audit & Supervisory Committee meetings: 10/10 (100%)
Number of the Corporation's shares held: 4,111

Brief personal background

Mar. 1985 Joined the Corporation
Sep. 2007 Chief Financial Officer of Makita U.S.A., Inc.
Apr. 2015 General Manager of General Affairs Department of the Corporation
Jun. 2025 Director of the Corporation (Standing Audit & Supervisory Committee Member) (present)

Outside Director (Audit & Supervisory Committee Member)

## Koji Nishikawa

Date of birth: November 1, 1957

Attendance rate at Board of Directors meetings: 12/12 (100%)
Attendance rate at Audit & Supervisory Committee meetings:14/14 (100%)
Number of the Corporation's shares held: 800

Brief personal background

Oct. 1988 Joined Aoyama Audit Corporation
Aug. 1992 Registered as a certified public accountant
Apr. 2000 Joined ChuoAoyama Audit Corporation (formed by a merger with Chuo Audit Corporation) Appointed as Partner of ChuoAoyama Audit Corporation
Sep. 2006 Joined PricewaterhouseCoopers Arata (present; PricewaterhouseCoopers Arata LLC) Appointed as Partner of Pricewaterhouse Coopers Arata
July. 2018 Representative of Nishikawa Koji Accounting Firm (present)
Apr. 2020 Joined Seimei Audit Corporation
Jun. 2020 Representative Partner of Seimei Audit Corporation
Jun. 2021 Outside Director of the Corporation (Audit & Supervisory Committee Member) (present)
(Important Concurrent Posts)
Representative of Nishikawa Koji Accounting Firm

Outside Director (Audit & Supervisory Committee Member)

## Ayumi Ujihara

Date of birth: September 12, 1961

Attendance rate at Board of Directors meetings: 12/12 (100%)
Attendance rate at Audit & Supervisory Committee meetings:14/14 (100%)
Number of the Corporation's shares held: 200

Brief personal background

Apr. 1984 Joined BROTHER INDUSTRIES, LTD.
Mar. 1994 Joined Itoh Accounting Firm
Apr. 2000 Joined Tokai Local Finance Bureau (financial securities inspector)
July. 2003 Joined ChuoAoyama Audit Corporation
Aug. 2006 Joined PricewaterhouseCoopers Arata (present; PricewaterhouseCoopers Arata LLC)
July. 2015 Partner of PricewaterhouseCoopers Arata
July. 2022 Representative of Ayumi Ujihara CPA office (present)
Mar. 2023 Outside Audit & Supervisory Board Member of Yamaha Motor Co., Ltd. (present)
May. 2023 Partner of Kagayaki Audit Corporation (present)
Jun. 2023 Outside Director of Riken Vitamin Co., Ltd. (Audit & Supervisory Committee Member) (present)
Jun. 2023 Outside Director of the Corporation (Audit & Supervisory Committee Member) (present)
(Important Concurrent Posts)
Representative of Ayumi Ujihara CPA office
Outside Audit & Supervisory Board Member of Yamaha Motor Co., Ltd.
Partner of Kagayaki Audit Corporation
Outside Director of Riken Vitamin Co., Ltd. (Audit & Supervisory Committee Member)

Outside Director (Audit & Supervisory Committee Member)

## Minae Fukumoto

Date of birth: May 17, 1971

Attendance rate at Board of Directors meetings: 10/10 (100%)
Attendance rate at Audit & Supervisory Committee meetings:10/10 (100%)
Number of the Corporation's shares held: —

Brief personal background

Apr. 2000 Attorney-at-law, admitted and belonging to the Nagoya Bar Association (present; Aichi BarAssociation)
Apr. 2000 Joined Sumida Masao Law Firm (present; Sumida Law Firm)
Apr. 2007 Joined Fukumoto Law Firm (present)
Oct. 2008 Appointed as a Civil Mediator at Nagoya Summary Court
Apr. 2022 Appointed as a Domestic Relations Conciliation Commissioners at Nagoya Family Court(present)
Jun. 2025 Outside Director of the Corporation (Audit & Supervisory Committee Member) (present)
(Important Concurrent Posts)
Attorney at Law (Fukumoto Law Firm)

## Skills Matrix

The competencies included in our skills matrix have been strategically selected to ensure the effective execution of our core priority initiatives: enhancing profitability, strengthening our business foundation, and improving capital efficiency.

- Enhancing Profitability: Corporate Management, Global Experience, Sales/Marketing, and R&D
- Strengthening Our Business Foundation: Production/Procurement/Quality, Sustainability, IT, and Digitalization
- Improving Capital Efficiency: Finance & Accounting, and Legal

| | | | Expertise | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Name | Independent | Nomination and Compensation Committee | Corporate Management | Global Experience | Sales/Marketing | R&D | Production/Procurement/Quality | Sustainability | IT/Digitalization | Finance & Accounting | Legal |
| Munetoshi Goto | | ● | ● | ● | ● | ● | | ● | ● | | |
| Tetsuhisa Kaneko | | | ● | ● | | ● | ● | | | | |
| Takashi Tsuchiya | | | ● | | ● | | | | | | |
| Masaki Yoshida | | | ● | ● | | | ● | | ● | | |
| Takashi Omote | | | ● | ● | ● | | | | | | |
| Yukihiro Otsu | | ● | ● | ● | | | | ● | ● | ● | ● |
| Yoshihisa Inuzuka | | | ● | ● | | ● | ● | | | | |
| Hideyuki Kawase | | | ● | ● | | | ● | ● | | | |
| Takahiro Iwase | ● | ● Committee Chair | ● | ● | | ● | ● | | | | |
| Takashi Ando | ● | ● | ● | | | | | | | | ● |
| Koji Tsuzuki | | | | ● | | | | ● | ● | ● | ● |
| Koji Nishikawa | ● | ● | | | | | | | | ● | |
| Ayumi Ujihara | ● | | | | | | | | | ● | |
| Minae Fukumoto | ● | | | | | | | | | | ● |

## Overview of the Corporate Governance Structure

### Board of Directors

A regular meeting of the Board of Directors shall be held once a month and extraordinary meetings shall be held whenever necessary. The Board of Directors, as the decision- making body for management, decides on important management matters, including decisions on management policies and business plans, the conclusion of important agreements, and the establishment of subsidiaries in accordance with the Regulations of the Board of Directors, in addition to matters stipulated by laws and regulations and the Articles of Incorporation, and supervises the execution of operations. Outside Directors are appointed from among those who have a wealth of experience and broad insight in corporate management and those who have a wealth of experience and insight in various fields, including finance, accounting and legal affairs, and are responsible for strengthening corporate governance by providing opinions as appropriate from an independent perspective with no risk of conflict of interest with general shareholders. Additionally, Makita has hired several Directors with abundant business experience at overseas bases, which adds diversity to the Company.

### Nomination and Compensation Committee

In consultation with the Board of Directors, the Nomination and Compensation Committee carries out such tasks as deliberating and advising on policies concerning the nomination of Representative Directors and Directors,* matters concerning the appointment of Representative Directors and Directors,* matters concerning the succession plan for the President, Policies concerning decisionson the details of individual compensation for the Directors,* and, as delegated by the Board of Directors, makes decisions on the details of individual compensation for the Directors.*

* Excluding Directors who are Audit & Supervisory Committee Members

Main Deliberations in FYE 2026

- Nomination and compensation policies for Officers
- Determination of individual compensation
- Officer appointments • Succession planning for the President

### Audit & Supervisory Committee

The Audit & Supervisory Committee meets once a month and also holds extraordinary meetings as necessary. The Audit & Supervisory Committee audits and supervises the execution of duties by the Directors, and investigates the status of business and assets by attending important meetings and hearing reports in accordance with its stipulated audit policies and division of duties. The Audit & Supervisory Committee also appropriately exercises its right to express opinions on the nomination and compensation of Directors (excluding Directors who are Audit & Supervisory Committee Members). With the objective of ensuring the smooth execution of audits by the Audit & Supervisory Committee, Makita established the Audit & Supervisory Committee Administration Group, comprising dedicated support personnel.

In order to strengthen the effectiveness of audit and supervisory functions, one standing Audit & Supervisory Committee Member has been appointed. Three Outside Directors who are members of the Audit & Supervisory Committee have been appointed, one of whom is an attorney-at-law and the other two are certified public accountants who have many years of experience and expertise in their respective fields. Makita considers these individuals capable of performing highly specialized audits from an independent perspective.

### Corporate Officers

We have introduced a Corporate Officer system to facilitate the proper implementation of the Group's strategy and strengthen our business execution structure, and we are striving to engage in flexible and efficient business operations. As of July 2026, Makita has 20 Corporate Officers, and four of these Corporate Officers are non-Japanese.

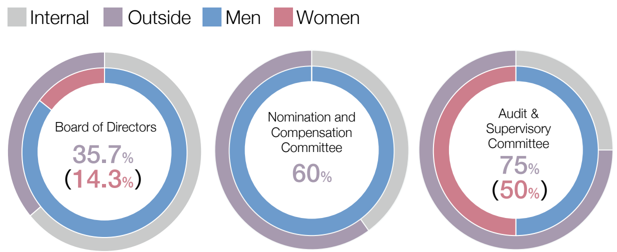
### Three-Way Auditing System

The Audit & Supervisory Committee, the Internal Audit Division, and the Accounting Auditor collaborate, exchanging information and opinions as necessary. The Audit & Supervisory Committee meets regularly with the Accounting Auditor to receive reports and explanations of audits and review results, as well as to exchange information and opinions. In addition, the Audit & Supervisory Committee itself conducts audits of the Group, including its subsidiaries, cooperating with their internal audit divisions. Along with auditing results, the Audit & Supervisory Committee receives reports from the internal audit divisions on the status of the establishment of internal control systems throughout the Company and exchanges information and opinions with said divisions.

## Status of Internal Audits

As an independent organization in charge of the Group's internal audits, the Internal Audit Division is staffed by more than 10 persons and conducts the internal audits nece sary to maintain the soundness of Makita's management. Results of audits are reported to the Audit & Supervisory Committee and to management personnel. Furthermore, we have built a framework for making timely and appropriate revisions when inadequacies in the internal control system are discovered through internal audits.

Proportion of Outside Directors in Each Organization




Note: The numbers in parentheses above show the proportion of women.

## Director Selection Policy and Decision- Making Processes

### Policy

The Board of Directors as a whole possesses a good balance of knowledge, experience, and ability, and strives to maintain both diversity and an appropriate size as well as to keep the ratio of Outside Directors at more than one-third.

| | |
|---|---|
| Internal Directors* | Appoint persons with the ability to formulate and execute management strategies based on their own experience and insight, including a wealth of experience in the Company's operations |
| Outside Directors* | Appoint persons with extensive experience and broad insight in corporate management |
| Directors Who Are Audit & Supervisory Committee Members | Appoint persons with internal and external work experience and a wealth of experience and insight in various fields, including finance, accounting and legal affairs, ensuring that at least one of them possesses the required wealth of experience and insight in each field, i.e., finance, accounting and other fields |

* Excluding Directors who are Audit & Supervisory Committee Members

### Process

| | |
|---|---|
| Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) | Candidates are determined by the Board of Directors, reflecting advice on candidates compiled by the Nomination and Compensation Committee, and appointed at the General Meeting of Shareholders |
| Directors Who Are Audit & Supervisory Committee Members | Candidates are determined by the Board of Directors with the consent of the Audit & Supervisory Committee and appointed at the General Meeting of Shareholders |

## Director Compensation

### Compensation for Directors (Excluding Directors who are Audit & Supervisory Committee Members)

The Board of Directors, after consultation with and receiving advice from the Nomination and Compensation Committee, determines the decision-making policy on the details of individual compensation for Directors (excluding Directors who are Audit & Supervisory Committee Members). Compensation for Directors (excluding Directors who are Audit & Supervisory Committee Members) consists of monthly compensation, bonuses, and restricted share compensation. Intended to incentivize Directors, the latter two forms of compensation comprise a consolidated performance-linked bonus aimed at motivating efforts to improve business performance and a restricted share compensation system aimed at motivating efforts to increase share value and enhance corporate value.

Monthly Compensation + Bonuses* + Restricted Share Compensation*

* Not applicable to Outside Directors

### Determination

| | | |
|---|---|---|
| Monthly Compensation | | The Nomination and Compensation Committee is delegated through a resolution of the Board of Directors to determine the amount of monthly compensation for each Director within the limit on compensation resolved by the General Meeting of Shareholders based on business results, position, employee salary increases, and other factors. |
| Bonuses | Total Amount | As is the case for dividends from surplus, bonuses are based on profit attributable to owners of the parent per share (basic) after adjusting for special factors, and the Board of Directors determines the total amount of bonuses based on a certain formula following consultations and advice from the Nomination and Compensation Committee, submitting the amount for resolution at the General Meeting of Shareholders. |
| | Individual | The Nomination and Compensation Committee is delegated through a resolution of the Board of Directors to determine the allocation of bonuses to Directors based on business results, position, and other factors. |
| Restricted Share Compensation | | After consulting and receiving advice from the Nomination and Compensation Committee, the Board of Directors determines the allocation of restricted share compensation to Directors based on position and other factors. |

### Compensation for Directors Who Are Audit & Supervisory Committee Members

The full amount of compensation for Directors who are Audit & Supervisory Committee Members is fixed compensation so that their independence from management can be ensured.

The specific amount is decided through discussion among the Directors who are Audit & Supervisory Committee Members.

Total Amount of Compensation (FYE 2026)

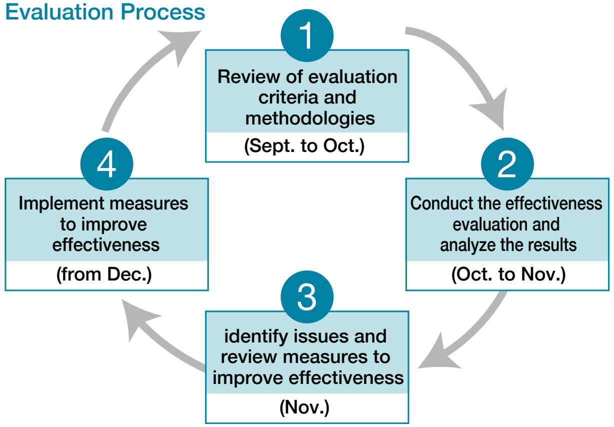
| Category of Officer | Total Amounts of Compensation (Million yen) | Total Amounts of Each Type of Compensation (Million yen) | | | Number of Eligible Base Directors |
|---|---|---|---|---|---|
| | | Base Directors Compensation | Bonuses | Restricted Share Compensation | |
| Directors (Excluding Audit & Supervisory Committee Members) (Excluding Outside Directors) | 334 | 89 | 216 | 29 | 8 |
| Directors (Audit & Supervisory Committee Members) (Excluding Outside Directors) | 16 | 16 | — | — | 2 |
| Outside Directors | 29 | 29 | — | — | 7 |

# Evaluation of Effectiveness of the Board of Directors

Makita conducts an annual self-evaluation questionnaire for each Director on the effectiveness of the Board of Directors. The results of analyzing the FYE 2026 effectiveness evaluation indicated that the Board of Directors generally functions appropriately from the perspective of its composition, operation, supervisory function, and response to shareholders and stakeholders, and that the effectiveness of Makita's Board of Directors is ensured.

By providing a comment field for each question in the survey, we are aiming to collect more specific feedback, opinions, and suggestions on the effectiveness of the Board of Directors. In the survey conducted in FYE 2026, we received feedback and recommendations aimed at enhancing effectiveness—promoting Outside Directors' business understanding, providing materials for Board of Directors meetings earlier and electronically, utilizing online meetings, enhancing discussions on sustainability and long-term management vision, and reporting investor feedback from IR activities—which have been identified as issues to be addressed going forward.

### Evaluation Process




**Main questionnaire items**

- Composition of Board of Directors
  (Whether the size and composition are appropriate, etc.)
- Operation status of Board of Directors
  (Whether there has been improvement toward efficient operation including use of IT, digitization, etc.)
- Supervisory function of Board of Directors
  (Whether meeting agenda and agenda items are selected and discussed properly, etc.)
- Response to shareholders and stakeholders
  (Whether disclosure materials are useful for users, etc.)

<table>
<tr><th colspan="2">Evaluation Results for FYE 2026</th><th>Actions that were highly regarded</th></tr>
<tr><td>Evaluation</td><td>The Board of Directors generally functions appropriately from the perspective of its composition, operation, supervisory function, and response to shareholders and stakeholders, and the effectiveness of Makita's Board of Directors is ensured.</td><td rowspan="2">● Introduction of tablets, etc.<br>▶ For securing time for consideration beforehand through early electronic distribution of materials for Board of Directors meetings<br>● Prior explanation to Outside Directors<br>▶ Promotion of understanding and enhancement of discussions through explanation of agenda and agenda items of the Board of Directors meetings by the secretariat to Outside Directors prior to the meetings</td></tr>
<tr><td>Issues</td><td>● Promoting Outside Directors' business understanding<br>● Providing materials for Board of Directors meetings earlier and electronically, utilizing online meetings</td></tr>
</table>

## Compliance

Makita upholds a philosophy of "striving to exist in harmony with society," an approach it applies uniformly and that is reflected in our Management Policy/Quality Policy. As such, we thoroughly ensure that officers and employees comply with legal, regulatory, and ethical principles. Makita's Code of Ethics and Guideline to the Code of Ethics for Makita, which outline the conduct expected of Group officers and employees, stipulate the importance of ethical conduct, avoiding conflicts of interest, complying with relevant laws and social standards, properly disclosing information, respecting human rights, restricting gifts and incentives, prohibiting bribes, and prohibiting unfair business transactions. Employees are provided with regular information and ongoing training about Makita's Code of Ethics and Guideline to the Code of Ethics for Makita. In order to instill an awareness of the importance of compliance, employees are given an Ethical Compliance Survey, while new hires and newly appointed managers are provided with compliance training.

In order to minimize, pre-empt, quickly discover, and resolve conduct in violation of the Code of Ethics, Makita has established regulations regarding a Corporate Ethics Helpline (Internal Reporting) in addition to an internal hotline, as well as an external contact for employees making reports. We have also established a point of contact on the Company website for receiving external feedback and suggestions related to accounting, internal control, and audits. Thorough measures are taken in accordance with the regulations to protect whistleblowers so that they do not incur any disadvantage for reporting to the Corporate Ethics Helpline. Whistleblowers may also make anonymous reports. If necessary, the content of the reports is also shared within the Company, and steps are taken to remedy and prevent recurrence of the matter in question.

# Risk Management

Makita strives to identify and manage risks with a material impact on business activities while also pursuing a commitment to being a company that is resilient to crises.

Makita's Disclosure Committee, which identifies and investigates risks in the Group's business activities, holds annual meetings. These meetings are attended by representative Directors, the Director in charge, Standing Audit & Supervisory Committee Members, and General Managers of the Internal Audit Division and respective departments of the Company.

Each Director exercises authority and takes responsibility for implementing the Group-wide risk management framework in their own division, and also reports to the Board of Directors when a situation occurs that is material to business management.

In each division, regulations and guidelines are stipulated and followed in order to carry out risk management necessary for quality control, disaster prevention, capital utilization, and the like.

Amidst concern in recent years over the occurrence of major earthquakes and other natural disasters, Makita recognizes that being able to respond to disasters is a critical issue. Makita has formed a Fire & Disaster Management Committee comprising Directors and the heads of relevant divisions and has formulated disaster prevention regulations with this committee at the center. These disaster prevention regulations and other measures, which are reviewed regularly, define steps for disaster prevention, emergency response measures, and disaster recovery efforts. Similarly, these regulations and measures outline a business continuity plan (BCP) for times of disaster. The target organizations and scope of this plan are also reviewed as necessary.

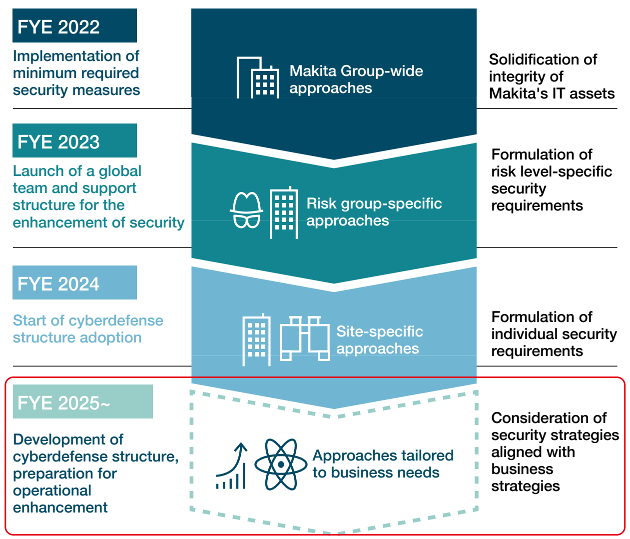
Risks & Opportunities Relevant to Makita

| Relevant Risks & Opportunities | | Details |
|---|---|---|
| Changes to the social/market environment | Risk | · Deterioration of the market environment due to worsening economic conditions, social disorder, enactment or changes to laws and regulations, and the like |
| | Opportunity | · New demand accompanying environmental changes such as labor shortages and the post-COVID-19 "new normal" |
| Natural disasters | Risk | · Performance deterioration due to large-scale natural disasters, such as earthquakes, floods, fires, and so on<br>· Drastic performance deterioration due to natural disasters in Japan and/or China, where our core business operations are concentrated |
| | Opportunity | · Increased demand for products and services that contribute to early recovery from natural disasters and peace of mind in times of disaster |
| Global competition | Risk | · Loss of competitive strength |
| | Opportunity | · Improved profitability from consolidating competitive superiority |
| Technology & products | Risk | · Decline in new product development able to meet changing market needs<br>· Delays in product development attuned to market prices<br>· Large-scale recall(s) due to unforeseen product defects; damage liability lawsuit(s); major decline in brand trustworthiness |
| | Opportunity | · Improved brand strength due to delivering customer satisfaction<br>· Demand creation and acquisition of growth opportunities through new products |
| Procurement | Risk | · Production shortages and rises in production material costs<br>· Delayed launch of new product sales due to component suppliers not meeting Makita's requirements, or due to taking too long to meet those requirements |
| | Opportunity | · Improved competitive strength and profits due to stronger relationships with suppliers and/or discovering new suppliers |
| Relationships with major customers | Risk | · Loss of major customer(s) and a corresponding loss of opportunities to unlock sales channels<br>· Deterioration of the financial position of customer(s) |
| | Opportunity | · Increased sales due to stronger relationships with major customer(s) |
| Environment (incl. climate change) | Risk | · Strengthening/adoption of regulations related to global warming, climate change, and so on |
| | Opportunity | · Increased demand for environmentally friendly products that contribute to decarbonization |

## Building a Cyberdefense Structure

Amid the growing global risk of cyberattacks, since FYE 2022 we have endeavored to construct Group-wide security countermeasures. To meet the increasing sophistication of cyberattacks, we emphasize the prevention of deep intrusion through the early detection of cyberattacks and the enactment of measures for damage minimization and quick operational recovery.

Under Makita's current cyberdefense structure, we are working with experts outside the company to launch a global security task force. We centrally monitor about 16,000 information devices (as of the end of March 2026) across the Group to detect and analyze any suspicious behavior. Our structure enables quick first response, with any detected high-risk behavior immediately reported to the security task force and to subsidiaries holding affected equipment.



Corporate Data

# 9-Year Summary

(Million yen)

| IFRS | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|---|---|---|
| Revenue | 477,298 | 490,578 | 492,617 | 608,331 | 739,260 | 764,702 | 741,391 | 753,130 | **777,600** |
| Domestic | 82,575 | 92,129 | 100,697 | 113,048 | 118,050 | 122,978 | 123,222 | 127,168 | **132,136** |
| Overseas | 394,723 | 398,449 | 391,920 | 495,283 | 621,210 | 641,724 | 618,169 | 625,962 | **645,464** |
| Operating profit | 80,231 | 78,305 | 64,046 | 88,464 | 91,728 | 28,246 | 66,169 | 107,038 | **104,705** |
| Profit before income taxes | 79,865 | 79,919 | 66,008 | 87,199 | 92,483 | 23,887 | 64,017 | 108,477 | **108,017** |
| Profit attributable to owners of the parent | 54,943 | 55,750 | 47,731 | 62,018 | 64,770 | 11,705 | 43,691 | 79,338 | **79,414** |
| Net cash provided by (used in) operating activities | 34,191 | 23,155 | 57,310 | 64,537 | (103,660) | 44,430 | 237,086 | 129,874 | **102,336** |
| Net cash provided by (used in) investing activities | (15,708) | (15,329) | (30,506) | (42,913) | (27,891) | (37,680) | (25,619) | (37,872) | **(17,634)** |
| Free cash flows | 18,483 | 7,826 | 26,804 | 21,624 | (131,551) | 6,750 | 211,467 | 92,002 | **84,702** |
| Net cash provided by (used in) financing activities | (17,743) | (8,231) | (22,931) | (23,036) | 52,626 | 80,970 | (191,277) | (33,545) | **(99,167)** |
| Capital expenditures | 15,045 | 23,867 | 44,409 | 49,855 | 59,937 | 39,088 | 17,851 | 17,594 | **21,532** |
| Depreciation and amortization | 10,783 | 11,271 | 12,058 | 13,881 | 17,639 | 21,725 | 24,754 | 24,934 | **25,205** |
| R&D costs | 10,924 | 11,258 | 11,601 | 12,783 | 14,145 | 14,903 | 14,314 | 15,115 | **16,613** |
| Total assets | 654,841 | 680,250 | 674,564 | 812,878 | 1,007,497 | 1,099,351 | 1,055,808 | 1,106,525 | **1,181,185** |
| Net working capital | 398,355 | 402,335 | 381,090 | 418,530 | 460,794 | 461,846 | 548,160 | 617,439 | **669,212** |
| Equity attributable to owners of the parent | 554,046 | 572,748 | 571,275 | 657,855 | 746,344 | 769,247 | 868,156 | 926,005 | **997,340** |
| Interest-bearing debt | 3,544 | 11,960 | 19,737 | 16,455 | 96,462 | 203,615 | 40,316 | 30,096 | **21,488** |
| **Per share amounts** (Yen) | | | | | | | | | |
| Profit attributable to owners of the parent per share (basic) | 202.39 | 205.37 | 175.80 | 228.41 | 238.54 | 43.11 | 162.13 | 294.90 | **299.95** |
| Equity attributable to owners of the parent per share | 2,040.93 | 2,109.83 | 2,104.01 | 2,422.80 | 2,748.64 | 2,832.89 | 3,227.06 | 3,441.88 | **3,859.45** |
| Cash dividends applicable to the year per share | 61.0 | 62.0 | 53.0 | 69.0 | 72.0 | 21.0 | 57.0 | 110.0 | **150.0** |
| **Other data** | | | | | | | | | |
| Ratio of operating profit to revenue | 16.8% | 16.0% | 13.0% | 14.5% | 12.4% | 3.7% | 8.9% | 14.2% | **13.5%** |
| ROE | 10.4% | 9.9% | 8.3% | 10.1% | 9.2% | 1.5% | 5.3% | 8.8% | **8.3%** |
| ROA | 8.8% | 8.4% | 7.0% | 8.3% | 7.1% | 1.1% | 4.1% | 7.3% | **6.9%** |
| Ratio of equity attributable to owners of the parent to total assets | 84.6% | 84.2% | 84.7% | 80.9% | 74.1% | 70.0% | 82.2% | 83.7% | **84.4%** |

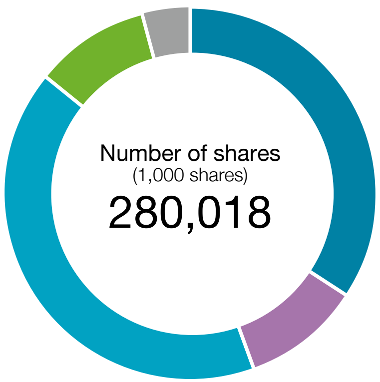
Notes:
1. Earnings per share (basic) net income attributable to Makita Corporation common shareholders and profit attributable to owners of the parent per share (basic) are computed based on the average number of shares outstanding
2. Figures are rounded up/down to the nearest million yen.
3. ROE is calculated based on the following:
   Profit attributable to owners of the parent ÷ ((Equity attributable to owners of the parent at the beginning of period + Equity attributable to owners of the parent at the end of period) ÷ 2) × 100
4. ROA is calculated based on the following:
   Profit attributable to owners of the parent ÷ ((Total assets at the beginning of period + Total assets at the end of period) ÷ 2) × 100

Corporate Data

# Stock Information (As of March 31, 2026)

| | |
|---|---|
| Securities Code | 6586 |
| Stock Market Listings | Tokyo Stock Exchange (Prime Market)<br>Nagoya Stock Exchange (Premier Market) |
| Total Number of Shares Outstanding | Common shares 280,017,520 (including treasury shares of 21,602,648 shares) |
| Number of Shareholders | 17,327 |

## Breakdown of Shareholders



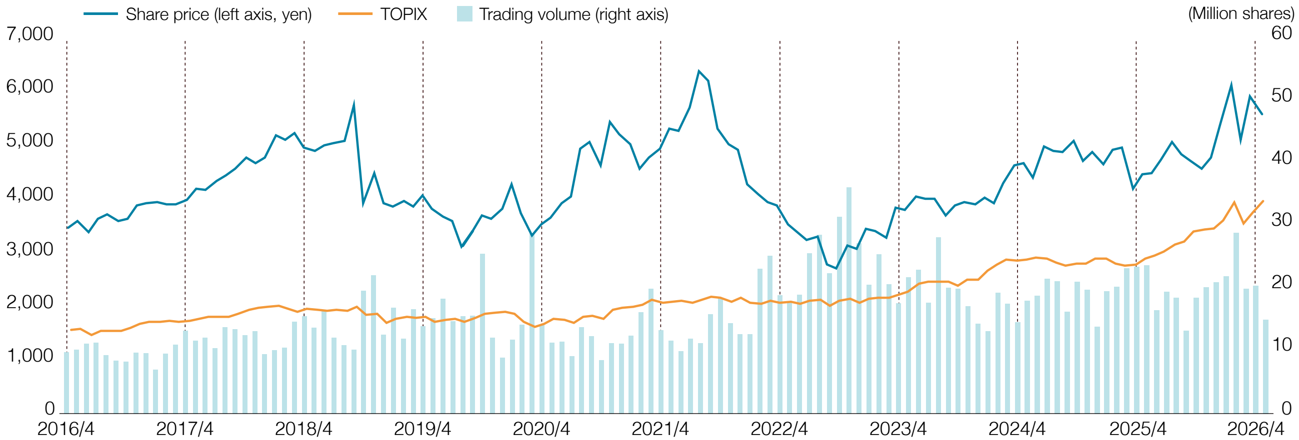

- Financial institutions and securities firms 91,701 (32.8%)
- Individuals and others 28,255 (10.1%)
- Foreign institutions and individuals 111,840 (39.9%)
- Other domestic companies 26,619 (9.5%)
- Treasury shares 21,603 (7.7%)

## Major Shareholders (Top Ten)

| Name | Number of Shares Held (1,000 shares) | Ratio of Shareholding (%) |
|---|---|---|
| The Master Trust Bank of Japan, Ltd. (Trust account) | 35,518 | 13.74 |
| Custody Bank of Japan, Ltd. (Trust Account) | 12,641 | 4.89 |
| Maruwa, Ltd. | 8,808 | 3.40 |
| MUFG Bank, Ltd. | 8,426 | 3.26 |
| Sumitomo Mitsui Banking Corporation | 5,800 | 2.24 |
| Makita Cooperation Companies' Investment Association | 5,778 | 2.23 |
| Nippon Life Insurance Company | 5,353 | 2.07 |
| National Mutual Insurance Federation of Agricultural Cooperatives | 5,102 | 1.97 |
| STATE STREET BANK AND TRUST COMPANY 505001 | 5,020 | 1.94 |
| The Bank of New York Mellon as Depositary Bank for Depositary Receipt Holders | 4,496 | 1.73 |

Note: The ratio of shareholding is calculated based on the total number of outstanding shares (excluding treasury shares) as of the end of the fiscal period.

## Share Price Trend




Notes: 1. On April 1, 2017, Makita conducted a 2 for 1 stock split of its common shares. For ease of comparison, the share price is the value after taking the stock split into account.
2. The share price is the closing price at the end of each month.

## Corporate Data (As of March 31, 2026)

| | |
|---|---|
| Corporate Name | Makita Corporation |
| Head Office | 3-11-8, Sumiyoshi-cho, Anjo, Aichi 446-8502, Japan<br>Telephone: +81 566 98 1711 |
| URL | https://www.makita.biz/ |
| Date of Founding | March 21, 1915 |
| Date of Incorporation | December 10, 1938 |
| Paid-in Capital | 24,205,610 thousand yen |
| Description of Business | Production and sales of power tools, outdoor power equipment, pneumatic tools and household equipment |
| Financial Year-end | March 31 |
| Representative Director | Munetoshi Goto, President |
| Accounting Auditor | KPMG AZSA LLC |

| | | |
|---|---|---|
| Consolidated Revenue | 777,600 million yen (fiscal year ended March 31, 2026) | |
| Number of Employees (Consolidated basis) | 17,586 | |
| Consolidated Subsidiaries | 53 | |
| Principal Consolidated Subsidiaries | Sales subsidiaries | Makita U.S.A., Inc.<br>Makita (U.K.) Ltd.<br>Makita Werkzeug GmbH (Germany)<br>Makita France SAS<br>Makita Oy (Finland) |
| | Sales and production subsidiary | Makita (China) Co., Ltd. |
| | Production subsidiaries | Makita (Kunshan) Co., Ltd.<br>SC Makita EU SRL (Romania) |
| | Technology development subsidiary | Makita Engineering Korea Co., Ltd. |
| | Procurement subsidiary | Makita International Procurement Co., Ltd. (Taiwan) |