



# Corporate Profile CSR Report 2019



Live **Green**  
&  
Grow **Strong**

# About This Report

This report contains Makita's "Long-term Target and Corporate Attitude," its "Main ESG Report," and an "Overview of Makita."

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Period Fiscal Year 2019 (FY2019, from April, 2018 to March, 2019)  
 Scope Makita Corporation (the Corporation) and its consolidated 53 subsidiaries. (54 companies in total)  
 • Personnel data refers to the Corporation.

Makita publishes annual reports containing its corporate activities.

### Corporate Profile / CSR Report



- Corporate Attitude
- ESG Report
- Overview of Makita

### Annual Report



- Business Report
- Major Financial Data
- Major Financial Statements

### Environmental Report



- Environmental Policy
- Environmental Performance
- Environmental Activities

# Corporate Slogan / Corporate Attitude

## 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, including cordless power tools, battery-operated 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 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 highest level (a happy company).

### Fundamental Policy Regarding Product Safety

Makita has established a system for providing safe products to our customers (users and consumers), and our whole company is dedicated to ensuring that customers can enjoy peace-of-mind when using our products.

In the unlikely event of a major unforeseen product accident, we will work to speedily and accurately gather information regarding the accident, and to disclose that to customers and all related parties, both inside and outside the company

### Code of Ethics

1. Honest and ethical conduct; no conflict of interest
2. Compliance with applicable laws and regulations
3. Full, fair, timely and understandable disclosure
4. Accountability for adhering to this Code
5. Enforcement mechanism
6. Approval for waiver of this Code

### Code of Conduct

1. Am I acting in accordance with ethical guidelines? (Would I be unashamed in front of anyone?)
2. Am I looking at things from the customer's point of view rather than the company's point of view? (Am I leaning more towards the customer than my supervisor or my colleagues?)
3. Am I acting and thinking independently and taking on challenges? (Am I caught up in past experiences and successes?)
4. Am I persistently improving and innovating technology? (Is there a reason we have to do it this way?)
5. When I am on site, do I respect the opinions there? (Do I accurately gather information and communicate adequately?)

Message from Top Management

## Strive to become a “Strong Company”

Striving to evolve into a manufacturer of a comprehensive range of cordless products



Always giving priority to its customer-first philosophy and holding on to on-site principle, Makita has devoted much of its energy to after-sales service since it began business in 1915. This spirit has not changed after its more than 100-year history. All of Makita's departments, including sales, product development, and production, have thoroughly placed importance on their sites, ultimately leading to the provision of products and services that customers want to have. This basic attitude has been passed down to all corners of the Makita Group, which has developed its business on a global basis. Successful expansion of its business is attributable to the support and cooperation of not only customers around the world but also business partners and all other interested parties.

The business environment has become increasingly uncertain due to intensifying trade friction between the United States and China. Furthermore, many natural disasters have occurred both in Japan and overseas, causing the shortage of labor to linger at reconstruction and building sites. Under such circumstances, as a responsible global enterprise, Makita will earnestly tackle various social problems, such as global environmental issues, natural disasters, and labor shortages. The Company's effort to solve these problems is the promotion of "conversion from engine-powered to battery-powered," using its original motor and rechargeable battery technologies.

Since cordless products have many advantages including improved safety, convenience, and comfort for users, and reduced exhaust gases, noise, and consumed fuel, Makita also focuses its resources on the development of outdoor power equipment. To achieve further growth, the Company will try hard to evolve into a manufacturer of a comprehensive range of cordless products including power tools and outdoor power equipment. Makita would like to become a company that is indispensable for customers in the long term by focusing on solving worldwide social problems and improving our customers' working environment.

To survive under any business environment, Makita will continue to attempt new things, just like it changed its core business from being an electric motor sales and repair company to a power tool manufacturer. The Company will strive to become a "Strong Company," its long-term target, by contributing to the realization of a sustainable society through its corporate activities, based on its Management Policy/Quality Policy: "Makita strives to exist in harmony with society"; "Makita values its customers"; "Makita is managed in a consistent and proactive manner"; and "Valuing a stalwart corporate culture, Makita encourages each individual to perform to his or her highest level."

President, Representative Director

**Munetoshi Goto**

# Makita's Description of Business

As a global supplier of a comprehensive range of tools for creating comfortable homes and living environments, Makita supports the creation of an enriched society on a global scale, through the provision of power tools, outdoor power equipment, and pneumatic tools.

As a leading company in the industry, we have established an integrated system from development and production to sales and after-sale service, aiming to provide high-quality and attractive products and services to satisfy our customers.

## Power Tools

### Direct support for home building work

Power tools are used in a wide variety of settings, including construction sites of houses and buildings and factories. Since the launch of the first domestically manufactured portable electric planer in 1958, Makita has been committed to the development of unique and innovative technologies to make drilling, fastening, cutting and grinding operations easier and more comfortable.

We offer a broad lineup of power tools backed by our superior and reliable technological capabilities.



Cordless Impact Driver



Cordless Portable Cut-off



Cordless Circular Saw



Cordless Cleaner



Cordless Combination Hammer



Cordless Angle Grinder



Cordless Backpack Vacuum Cleaner



Cordless Mixer



Cordless Fan Vest



## Outdoor Power Equipment

### Enjoying an enriched lifestyle in harmony with nature

Makita's extensive range of products, from tools for easy gardening to specialist equipment for tough jobs, help people create living spaces filled with nature. In recent years, we have been developing high-performance, easy-to-handle, and environmentally-friendly cordless gardening equipment based on lithium-ion batteries.



Cordless Chain Saw



Cordless Hedge Trimmer



Cordless Blower



Cordless Grass Trimmer



Cordless Lawn Mower



Battery Powered Wheelbarrow



## Pneumatic Tools

### Making operations at construction sites more smooth and efficient

Pneumatic tools are used mainly for performing work on the structural members of wooden houses, including external and internal walls. Pneumatic tools use compressed air to drive various types of nails and screws quickly and accurately.

Cordless Brad Nailer



Cordless Finish Nailer



Pneumatic Framing Nailer



## Accessories / After-sales Service

### Providing customers with peace of mind, through fine-tuned support services

The proper accessories (consumables such as saw blades and whetstones) can have significant impact on the quality and efficiency of work. Makita offers a full line of high-performance, durable accessories to fit the needs of your operation. Furthermore, with our extensive after-sale service network, we support our customers through prompt repairs and timely supply of replacement parts.



# Makita - A Global Brand

Makita have established directly operated business bases in about 50 countries around the world, and have upgraded our sales network in over 170 countries and after-sales service capabilities to become one of the leading companies in our industry. In addition, Makita is producing power tools in plants in China, U.S.A., U.K., Germany, Brazil, Romania and Thailand. Currently, about 90% of our group's manufacturing work in terms of production volume is carried out overseas. Makita's worldwide sales and service network, as well as the stable, high production quality ensured at its plants worldwide, are the embodiment of the Makita brand.

## ISO9001 and ISO14001 Certification

Makita has acquired ISO9001 and ISO14001 certification at the head office as well as at its plants both in Japan and overseas.

# NORTH AMERICA

**4** companies



# EUROPE

**27** companies



# The Middle and Africa

**2** companies



# Central and South America

**6** companies

- Sales and Service Bases
- Production Bases

**Head Office**



ISO9001 November, 1993  
ISO14001 July, 2007  
(Certification Date)

**Okazaki Plant**



November, 1993  
July, 2007

**U.S.A. Plant**



June, 1996  
December, 2009

**U.K. Plant**



September, 1993  
July, 2009

**Romania Plant**



October, 2007  
October, 2008

**Germany Plant**



ISO9001 October, 2002  
ISO14001 January, 2010

**Brazil Plant**



August, 2009  
March, 2010

**China Plant (MCC)**



March, 1997  
November, 2008

**China Plant (MKC)**



March, 1997  
November, 2008

**Thailand Plant**



March, 2014  
February, 2018



No. of Sales and Services Bases

**308** bases

ASIA  
**10** companies

JAPAN  
**19** branches, **116** sales offices

\*Including the Miyakonojo Sales Office opened in April 2019.



East

Oceania  
**2** companies



# Expanding Global Sales of cordless OPE

Consistently holding product demonstrations from region to region.



18V Lithium-ion battery

Cordless Lawn Mower  
DLM460

\* OPE stands for outdoor power equipment, used for outdoor work such as gardening, agriculture, and forestry.



### Presenting product ideas for replacing engine-powered products with battery-powered products

OPE has largely been engine powered, which has advantages in terms of power and force, but also has exhaust that affects the environment, noise and vibration that affect local surroundings, and physical burdens that affect users. Furthermore, a certain degree of experience and technique is required to start up engine-powered equipment, which has not made them user friendly for some users. Given these challenges, Makita designed cordless OPE with the following advantages.

<b>No exhaust is released during use</b> <b>Low noise and low vibration</b>	<ul style="list-style-type: none"> <li>• Lower environmental burden</li> <li>• Less physical strain on users</li> <li>• Helps ensure a more comfortable environment in and around the workplace</li> </ul>
<b>Zero start-up procedures, no refueling, and a lightweight design</b>	<ul style="list-style-type: none"> <li>• Easy to use for women and the elderly</li> </ul>

### New product development and capital expenditures leveraging the strengths of battery-powered products

In this day of globally intensifying environmental protection and labor shortages, we are called upon to deliver more environmentally and user friendly products. That is why Makita addresses these problems by providing customers with optimal solutions utilizing the advantages of cordless OPE. Moreover, we use product and service feedback from customers around the world to accurately understand customer needs and incorporate that knowledge into product improvements.

Going forward, we will continue energetically making capital investments and developing new products as we focus on growing cordless OPE as the second pillar of our business. In the process, we will contribute to improving work performance and the comfort for our customers.

\*During equipment operation

### Putting Makita's strengths toward expanding sales of cordless OPE

Leveraging the strength we have accumulated in developing, marketing, and manufacturing power tools, we are dedicating effort toward growing sales of cordless OPE while contributing to solving the environmental issue of exhaust and the social issue of labor shortages.

<p style="text-align: center;"><b>Development front</b></p> <hr style="border: 0; border-top: 1px solid white; margin: 5px 0;"/> <p style="text-align: center;"><b>Recharging-control and motor technologies fostered for power tools</b></p> <p>Makita preceded other companies in pioneering the use of lithium-ion batteries in power tools and since that time has driven product development with industry-leading recharging-control and motor technologies. In recent years, advances in higher motor output and higher battery capacity have made using battery-powered products much the same as using engine-powered products, and Makita has expanded our lineup of cordless OPE.</p>	<p style="text-align: center;"><b>Marketing front</b></p> <hr style="border: 0; border-top: 1px solid white; margin: 5px 0;"/> <p style="text-align: center;"><b>A sales and service network spanning the globe</b></p> <p>Following our policy of being closely aligned with markets and customers, we have a globally preeminent sales and service network. Leveraging this network, we provide fast and precise service, specific to customer needs, while also gathering feedback on our sales and services worldwide. We also hold many events and activities allowing users across the globe to experience the advantages of cordless OPE.</p>	<p style="text-align: center;"><b>Manufacturing front</b></p> <hr style="border: 0; border-top: 1px solid white; margin: 5px 0;"/> <p style="text-align: center;"><b>Timely manufacturing and supply that meets regional demand</b></p> <p>With our plants in eight countries around the world, Makita is able to manufacture products in a timely fashion and supply them to meet regional demand. Furthermore, by using robots and on-site ingenuity, we are building a framework that can consistently manufacture high-quality products regardless of the individual experience, expertise, or artisanship of each region's workers.</p>
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## Approaches to product manufacturing

Many customers around the world use Makita products. Required functions and performance of the products vary from region to region and country to country. Using our extensive sales and service network, both within Japan and overseas, we strive to continue offering products that respond precisely to customers' needs with high quality and one of the best after-sales-service networks in the industry.

The Makita Group develops power tools and OPE at five R&D bases at home and abroad.

Through our use of cutting edge technologies such as 3D analysis during product design, we further polish **our own top-level know-how** that we have accumulated over many years, building confidence in the Makita brand.

Moreover, Makita does not stop at simply creating products that have the necessary features but also considers safety, sophistication of design, the users' working environment, and the conservation of global environment in the design of its products.

Additionally, one of the main features is that we have used our extensive sales and service network around the world to create an environment where products are being developed from closer to the users' point of view, including visits of persons responsible for product development to places where our customers work.



## Product Development

## Quality Assurance



Makita has established a framework for assuring quality in all processes, from the design stage through mass production. First, development strives to better incorporate certain features into product designs so that malfunctions do not occur. Next, evaluations are made from multiple perspectives (**legal compliance, standards compliance, functionality, durability, etc.**) and the product is tested to ensure that customers can use it safely, securely, and to their satisfaction.



The Makita Group has production bases in eight countries around the world. Positioned as the Okazaki Plant serves as the hub of Makita's manufacturing, playing a role of providing the latest technologies to the world. Therefore, we promote studies on methods and development of production facilities regarding processing activities, including the manufacture of motors, with the aim of increasing cost competitiveness. In recent years, we have assigned the role of maturing and establishing new technologies on production floors to the China plant. While considering opening factories in emerging countries where further growth is expected, we will evolve manufacturing, centering on the Okazaki and China Plants, so that products with **consistent quality** can be manufactured by anyone in any country.



## Production



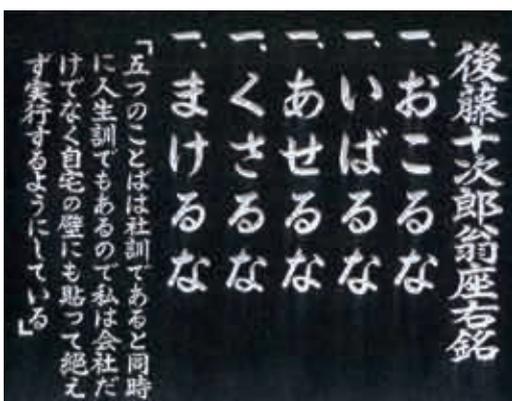
## Sales



In order to ensure that Makita products are always in top-notch shape, and can be used with peace of mind, we offer meticulous after-sales service through our 19 branches and 116 sales offices throughout Japan. The same customer-centric, **speedy, and accurate service** cultivated in Japan is also offered worldwide. Customers' demands and comments gained through these activities are a great source contributing to Makita's product manufacturing. In addition, in Japan and overseas, we have provided in-house training to our sales staff with the aim of improving their product knowledge and repair skills. Furthermore, we also offer this internal educational training to our retailers to familiarize them with the Makita brand and its products.

## Approaches to Employees

Makita is engaged in cultivating human resources with a diverse range of values.



“If employees are constantly angry at each other, work won’t progress smoothly (don’t be angry).

Managers should advise and talk to employees in a persuasive manner (don’t be arrogant).

One must not panic in the face of difficult conditions, such as a declining economy or problems with work (don’t panic), or must not mope in such conditions (don’t mope).

Panicking and engaging in excessive competition is like signing one’s own death sentence.

That doesn’t mean, however, that one should be lax. If you fail, that will be the least productive course of action (don’t give up).”

These are the life teachings of Jujiro Goto, who helped build the foundation of Makita Corporation together with its founder, Mosaburo Makita, changing it from “a motor company” to “a power tool corporation.” These teachings are carried on to this day. Based on these admonitions, “Don’t be angry, don’t be arrogant, don’t panic, don’t mope, and don’t give up,” we are striving to create comfortable, diverse workplaces offering work-life balance.



Makita has been striving to create workplaces where a variety of human resources can develop enthusiasm for their work and play an active role without worry. In 2009, it was selected from “Family Friendly Businesses” in Aichi Prefecture and received an award as a company that sets a good example to other enterprises for its efforts.

## Securing Safety and Health

Members of the Safety and Health Committee at each base regularly patrol workplaces. The members have reported their findings to Committee. We have implemented remedial measures to make workplaces safer and healthier. Based on the Safety and Health Committee’s proposals, each base has been conducting activities to prevent the occurrence of on-the-job accidents and injuries. Furthermore, we hold a Safety and Health Conference for managers every year as an opportunity to report the results of safety and health activities. We also implement company-wide programs to improve workplace environments and secure employees’ health, including lectures on mental health by outside instructors.

## Diversity Promotion

### Hiring of Foreign Employees

About 80% of the employees of Makita Group are hired locally overseas. As part of our efforts to cultivate global human resources who will lead Makita tomorrow, we hire international students in Japan. As of April 1, 2019, 19 foreign employees were working for Makita in Japan as full time worker.

### Increasing Presence of Female Workers

In Japan, female employees have worked with Makita for 17 years on average and play an active role in various divisions. There are 17 female employees at the assistant manager level. Meanwhile, overseas, more than 150 female employees hold manager-level positions, supporting Makita’s operations around the world.

### Hiring of People with Disabilities

In FY2019, the number of employees with disabilities increased by 9 from the previous year through the hiring of new graduates and mid-career workers. As of June 1, 2019, the proportion of people with disabilities employed by the Company fell slightly below the mandatory proportion set by the government. However, we will strive to increase and maintain this rate by employing new graduates and mid-career workers in FY2020.

### Hiring of the Elderly

We offer re-employment until age 65 for employees who have reached the mandatory retirement age of 60, but who wish to continue working. Currently, approximately 70% of our retirement age employees wish to be re-employed, and we offer opportunities for many employees to remain active. As of April 1, 2019, 203 employees have been re-employed through this offer.

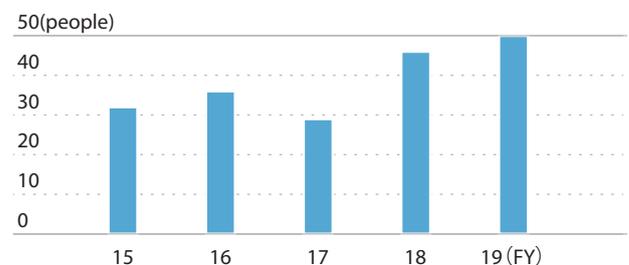
## Acceptance of Internship Students

In response to requests from educational institutions, we have actively accepted internship students in recent years. In FY2019, we accepted 19 university students as interns during their summer holidays. Furthermore, we held a one-day internship in the fall and winter. In total, 376 internship students experienced Makita’s manufacturing process first hand, through a factory tour and the demonstration and disassembling of Makita’s products that were presented by individual divisions.

## Child Raising Support

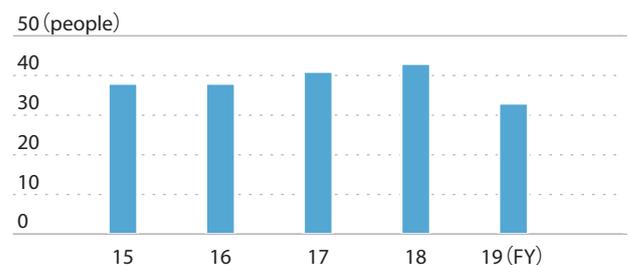
### Childcare Leave System

Launched in 1990, we have seen the utilization rate of the childcare leave system remain stable. Employees often take childcare leave more than once. As of the end of FY2019, 50 employees utilized the childcare leave system. In FY2019, the percentage of employees returning to the workplace after taking childcare leave stood at 88% (14 out of 16 employees).



### Childcare Reduced Working Hours System

This system, initiated in 1992, has been effectively utilized in accordance with its objectives ever since its inception, and has become a steady fixture at Makita. As of the end of FY2019, 33 employees utilized this system (including 1 male employee).



# Approaches to Local Communities

While expanding its business worldwide as “a global supplier of a comprehensive range of tools for creating comfortable homes and living environments,” Makita is aiming to grow with the community through activities closely related to each region, such as participating in events, supporting various sports and cultural activities, supporting restoration from disasters, and donating its products.



■ **Holding seminars on power tools (United Arab Emirates)**

Makita held a seminar on power tools for local end users in Uganda (left) and also held a training seminar on power tools for end users at a construction site in Tanzania (right). We hope the seminars will help to reduce working environment problems, such as the scattering of dust.



■ **Donating cordless products through “Grant Assistance for Grass-Roots Human Security Projects” (Colombia)**

In accordance with the “Grant Assistance for Grass-Roots Human Security Projects,” Makita donated battery powered pruning shears and cordless chain saws to the Arhuaco, an indigenous people, through the Japanese government at the official residence of the Ambassador of Japan to Colombia. As the Arhuaco cannot bring engine-powered tools into the mountains due to its mountain religion, our cordless products help to stabilize the foundations of livelihood of the tribe.



■ **Introducing Makita cordless products at aged person facilities (New Zealand)**

As one of its community-based activities, Makita performed demonstrations of its cordless products at 32 aged person facilities in New Zealand. Each facility uses our cordless products to raise business efficiency and improve safety.



■ **Donation of Makita products to support restoration from a typhoon that hit southern India (India)**

Makita donated chain saws to the 6 most damaged areas on the coast of Tamil Nadu, a southern state of India, that was hit by a typhoon in November 2018. Furthermore, our employees in the Chennai office were involved in activities to assist the rescue efforts, such as the removal of fallen trees using chain saws.



■ **Participating in a charity run event (Germany)**

A team of our employees at the German plant participated in a charity run event that aims to give children who have grown up in poor families the opportunity to participate in sports clubs.



■ **Participating in a charity event to raise funds for lifesaving research (United Kingdom)**

Our employees in the U.K. participated in a charity event sponsored by the British Heart Foundation to raise funds for lifesaving research on heart and circulatory diseases.



■ **Workshops held by a DIY club (Japan)**

Our employees, members of a DIY club, engage in activities that convey the fun of manufacturing, for instance, by holding workshops that give children the opportunity to use power tools.



# Approaches to Environment



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 combines the environment with the economy.

## Environmental Policy

### Basic Principles

As a global supplier of power tools used in building homes and in everyday life, Makita is aiming to conduct a wide range of environmental protection activities, in order to contribute to have sustainable society and conservation of biodiversity.

### Policies

#### 1. Enforcement of environmental administrative structure

To conduct our business in an environmentally and friendly way, we will organize our environmental administrative structure on a global scale.

#### 2. Continuous improvement and pollution prevention

Makita will endeavor to continuously improve the quality of environmental protection activities and prevent from pollution.

#### 3. Compliance with applicable laws and regulations

Makita will comply with applicable laws, regulations and standards concerning the environment. Moreover, Makita will take preventive action against environmental pollution, based on our environmental principle.

#### 4. Establishment and review of objectives and aims

Makita will endeavor to fully understand environmental impacts we may cause and periodically review the environmental objectives and goals within the technically and economically possible range.

#### 5. Reduction of environmental burden

Makita endeavors to promote the following activities to reduce its environmental burden.

- Reduction of green house gas (CO<sub>2</sub>) emissions by conservation of resources and energy.
- Reduction of industrial waste and promotion of waste reuse.
- Replacement from substance of environmental concern and emission control.
- Implementation of product assessment and development of environment-conscious products centered around cordless products at the stage of tool design and development.

#### 6. Disclosure

Makita will make this environmental policy known to all of our employees through internal communication and will positively announce it to the public.

## Environmentally Conscious Design

Makita’s concepts for environmentally conscious products began with a product assessment in 1992 and was followed by the codification of the Makita’s Global Environment Charter in 1993, the year that we kicked off our full-fledged development of products that take the environment into consideration. We have endeavored to improve the energy efficiency, weight, and longevity of products, while also using materials that are considerate of the environment, as we continue developing tools that can be recycled.

## Publication of Product Environmental Data Sheets

Since September in 2010, we have published product environmental data sheets on our Japanese website, quantitatively indicating the environmental performance of each of our products, in order to give a better understanding of the environmental impacts of the products Makita supplies.

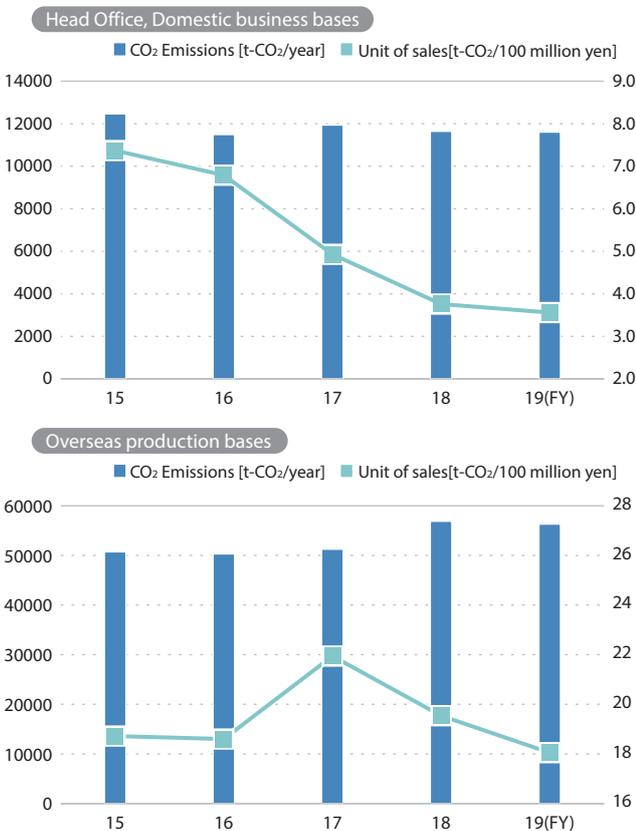


## Makita's Contributions to the Prevention of Global Warming

Makita has addressed various environmental issues. In recent years, we have focused our efforts on reducing CO<sub>2</sub> emissions aimed at preventing global warming. In terms of CO<sub>2</sub> emissions reduction, Makita has successfully achieved its long-term goal set in 2006 of "reducing CO<sub>2</sub> emissions per unit of sales by at least 21% by FY2011 from FY2001 levels." From FY2014, toward achieving the new long-term goal (reducing company-wide energy consumption by over 7.73% by FY2021, with FY2013 as the baseline) set in accordance with the electric machinery and electronics industry's Commitment to a Low Carbon Society, we are making utmost efforts to reduce energy consumption so as to help prevent global warming.

In FY2019, we also took various measures to reduce energy consumption, including the adoption of LED lighting and replacement of air conditioners. Both CO<sub>2</sub> emissions and CO<sub>2</sub> emissions per unit of sales decreased due to our efforts. Moreover, we disclosed materials related to the promotion of energy conservation inside the Corporation and also carried out regular energy conservation patrols in our offices and factories.

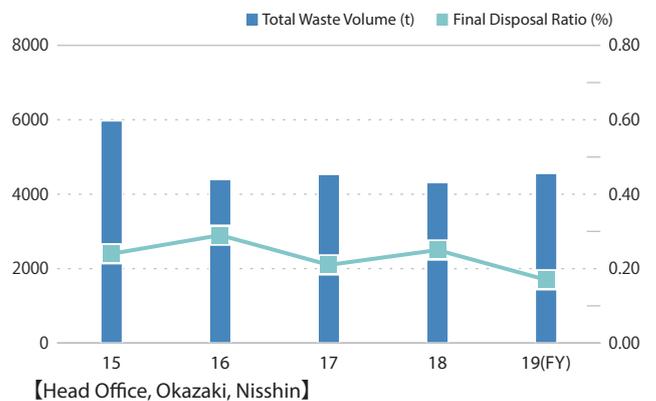
### CO<sub>2</sub> Emissions Trends



## Makita Zero Waste, Zero Emissions

In response to the global social concerns such as the future depletion of energy resources, and insufficient waste disposal space, Makita has dedicated itself to environmental protection throughout its business activities. As for reduction of final waste disposal volume, since FY2007 in Japan we have continuously achieved "Zero Waste, Zero Emissions"—landfill disposal less than 1% of total waste. We will continue our environment-protection activities under our new definition of "Zero Waste, Zero Emissions"—a final disposal rate of not more than 0.5%.

### Waste / Valuable Resource Volume and Final Disposal Ratio



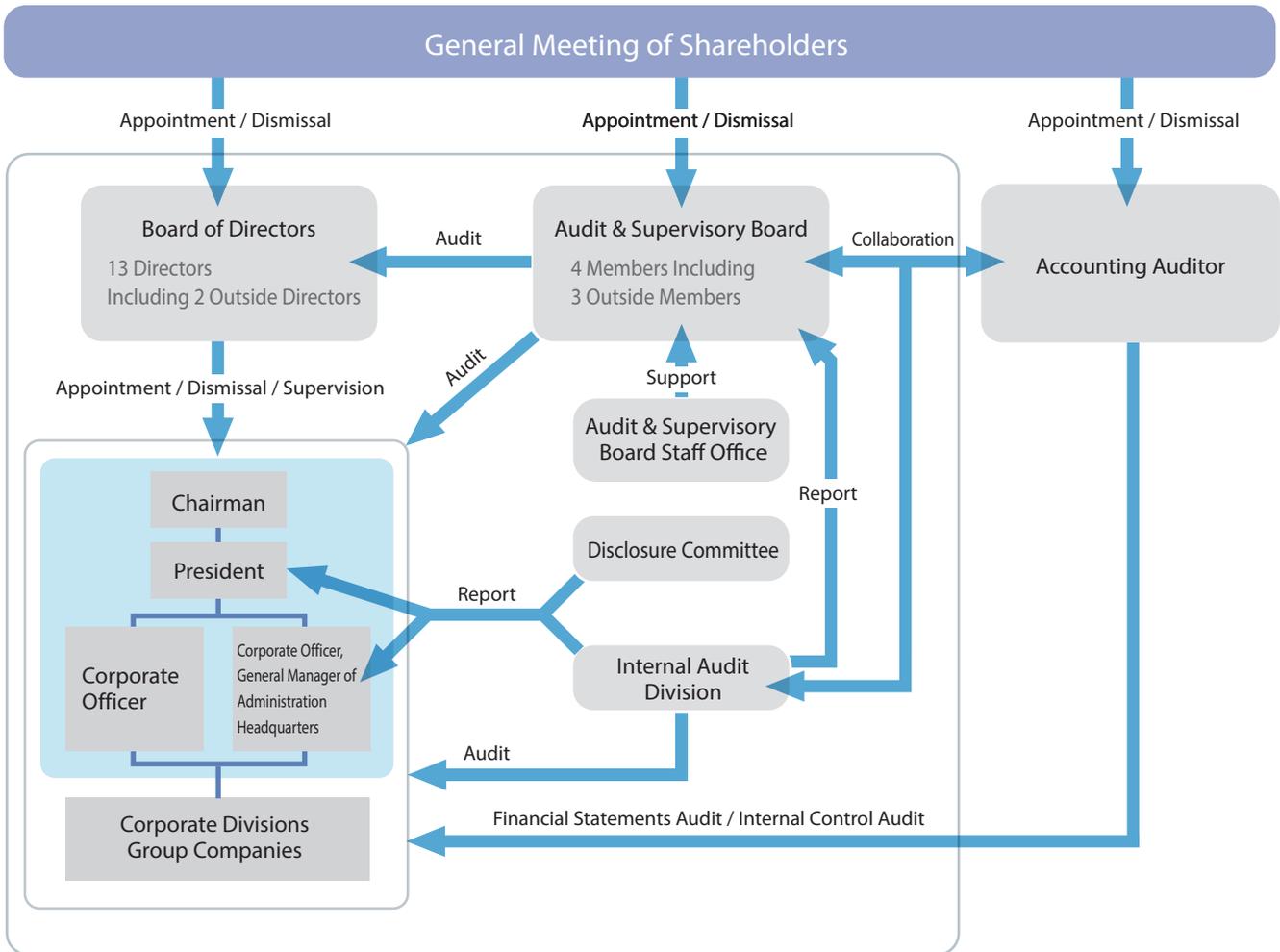
## Reduced Use of Chemical Substances

With regard to the EU's REACH (Registration, Evaluation, Authorization and Restriction of Chemical Substances) regulations, since FY2010 we have promoted REACH-compliant component procurement by investigating, managing, and supplying information regarding substances of very high concern (SVHC) contained in our products.

We also continually engage in component procurement in compliance with the RoHS Directive (directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment) adopted by EU member states.

# Corporate Governance

Makita places the top priority on achieving sustainable development with various stakeholders, and to that end has set out the Management Policy/Quality Policy and is working to strengthen and enhance corporate governance. From such perspective, we will strive to increase the transparency of management and enhance the management oversight function, while maintaining and improving the transparency and integrity of management by making efforts for proactive and prompt information disclosure.



## Board of Directors

Our Board of Directors, composed of 13 Directors (including 2 Outside Directors) meets monthly, deciding on critical issues and the management direction of the Corporation, while strictly managing and monitoring the operations of the Representative Directors and all working beneath them. The Outside Director, making use of deep insight and rich experience, offers unique opinions and advice on issues under consideration at the Board of Directors meetings, contributing to the transparency and healthiness of corporate management.

## Audit & Supervisory Board

The Audit & Supervisory Board, made up of 4 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board Members), decides on issues such as auditing policy and the division of roles between Audit & Supervisory Board Members. Each Audit & Supervisory Board Member attends the Board of Directors meetings and other important meetings, auditing the operations of Directors, while holding monthly Audit & Supervisory Board meetings and performing appropriate auditing.

# Data File

## Directors and Audit & Supervisory Board Members (as of July 1, 2019)

### Directors

\* Chairman

**Masahiko Goto**

\* President

**Munetoshi Goto**

Director, Managing Corporate Officer

**Tadayoshi Torii**

General Manager of Production Headquarters

Director, Corporate Officer

**Hisayoshi Niwa**

General Manager of Quality Headquarters

**Shinichiro Tomita**

General Manager of Purchasing Headquarters

**Tetsuhisa Kaneko**

General Manager of Research and Development Headquarters

**Tomoyuki Ota**

Assistant General Manager of Research and Development Headquarters

**Takashi Tsuchiya**

General Manager of Domestic Sales Headquarters

**Masaki Yoshida**

Assistant General Manager of Production Headquarters

**Takashi Omote**

General Manager of International Sales Headquarters

**Yukihiko Otsu**

General Manager of Administration Headquarters

### Outside Director

**Akiyoshi Morita**

**Masahiro Sugino**

Special Advisor of LIXIL Corporation

\* denotes Representative Director.

### Audit & Supervisory Board Members

Standing Audit & Supervisory Board Members

**Mitsuhiko Wakayama**

**Akira Kodama**

Audit & Supervisory Board Members

**Fusahiro Yamamoto**

(Certified Public Accountant)

**Shoji Inoue**

(Attorney at Law)

Messrs. Akira Kodama, Fusahiro Yamamoto, and Shoji Inoue are Outside Audit & Supervisory Board Members.

### Corporate Officer

**Tomoharu Yasuda**

Assistant General Manager of Domestic Sales Headquarters: Tokyo Area

**Shinichi Sakamoto**

In charge of Asia Sales

**Atsunobu Iwakura**

Assistant General Manager of Domestic Sales Headquarters: Osaka Area

**Hideki Shimazoe**

Assistant General Manager of Domestic Sales Headquarters: Nagoya Area

**Larry Peck**

President of Makita Corporation of America and in charge of Brazil Plant

**Rich Chapman**

Executive Vice President of Makita U.S.A. Inc.

**Barry Smart**

Sales and Marketing Director of Makita (U.K.) Ltd.

**Hiroshi Tsujimura**

In charge of Europe Sales

## Corporate Data (as of March 31, 2019)

### Corporate Name

Makita Corporation

### Head Office

3-11-8, Sumiyoshi-cho, Anjo, Aichi 446-8502, Japan

Phone : +81-566-98-1711

URL : <http://www.makita.biz/>

### Date of Founding

March 21, 1915

### Date of Incorporation

December 10, 1938

### Record Date

March 31

### Common Stock Listings

Tokyo and Nagoya Stock Exchanges

### Paid-in Capital

¥24,205,610 thousand

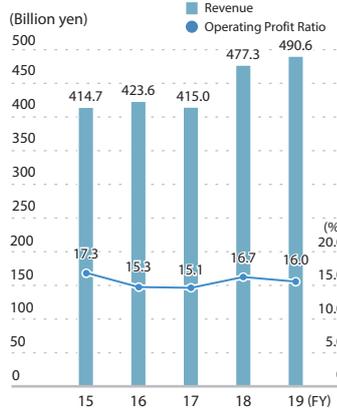
### Number of Employees

16,424 (Consolidated) 2,906 (Parent)

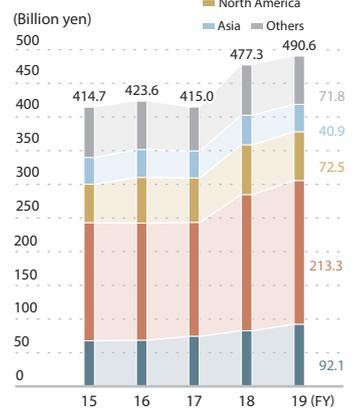
### Description of Business

Production and sales of electric power tools, gardening equipment, pneumatic tools and household equipment

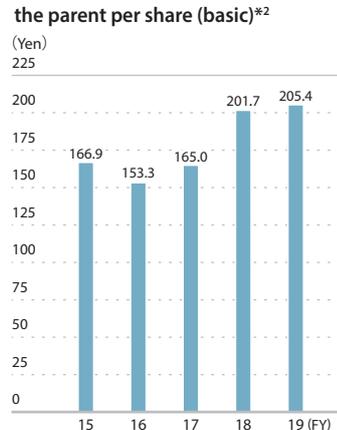
### Revenue / Operating Profit Ratio\*1



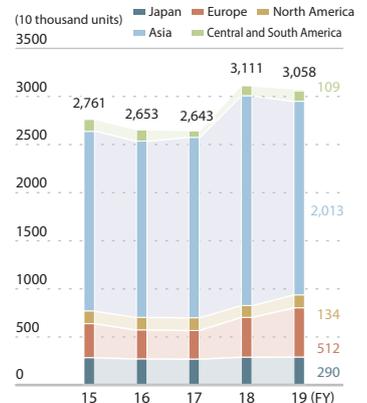
### Revenue by Region



### Profit attributable to owners of the parent per share (basic)\*2



### Production Units by Region



\*1 From the fiscal year ended March 2019, consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

\*2 The figures for Profit attributable to owners of the parent per share (basic) have been restated for the Previous fiscal years to give retroactive effect to the stock split.

# History of Makita

In 1958, Makita Corporation, which was founded in 1915 as an electric motor sales and repair company, became the first company in Japan to manufacture and sell portable electric planers. Over the half century since, Makita has worked to build a steady position as a manufacturer of power tools. Today, Makita continues to provide products and services that are beneficial to all types of customers engaged in housing construction. Makita's history is one of close interaction with customers and parallels the evolution of power tools.

## 1910 ~

### Founding

#### 1915

Founded Makita Electric Works (proprietorship) in Nagoya, Aichi. Began selling and repairing lighting equipment, motors, and transformers.

1935 First exported electric generators and motors to the Soviet Union.



1938 Incorporated the proprietorship's business form and established Makita Electric Works, Inc.

1945 Moved the plant, in an attempt to avoid air raids, to the current head office in Sumiyoshi-Cho, Anjo, Aichi.

## 1970 ~

### Expansion

#### 1978

Model 6010D, Rechargeable Drill 10 mm (first Ni-Cd battery tool)



1970 Designated to the 1st Section of Tokyo and Nagoya Stock Exchanges.

Established Makita U.S.A. Inc. (first overseas subsidiary)

1971 Established Makita France S.A. (first European overseas subsidiary, changed the name to Makita France SAS in 2004)

1972 Established Makita Electric (U.K.) Ltd. (in the United Kingdom) (changed the name to Makita (U.K.) Ltd. in 1992)

1973 Established Makita (Australia) Pty. Ltd. Established Makita Power Tools Canada Ltd. (changed the name to Makita Canada Inc. in 1991)

1974 Established Makita Benelux B.V. (in the Netherlands) (changed the name to Makita Nederland B.V. in 2010)

Established Makita S.p.A. (in Italy)

1977 Started trading of American Depository Receipt on NASDAQ (National Association of Securities Dealers Automated Quotations) (NASDAQ listing terminated in 2013)

Established S.A. Makita N.V. (in Belgium)

Established Makita Werkzeug GmbH (in Germany)

## 1950 ~

### Transformation

#### 1958

Model 1000 Electric Hand Planer 120 mm (the first product in Japan)



1959 Transformed into an electric power tool manufacturer.

Initiated exports of electric power tools with shipment of Model 1300 Electric Hand Planers to Australia.

1962 Changed the trade name to Makita Electric Works, Ltd.

Went public and listed the company in the 2nd Section of Nagoya Stock Exchange.

1963 Became an entirely debt-free company.

1968 Listed the company in the 2nd Section of Tokyo Stock Exchange.

1969 Model 6500D Battery-powered Drill (first rechargeable power tool).

## 1980 ~

#### 1981

Model AN5000 Air Nailer (first pneumatic tool)



Model AC6001 Air Compressor



1980 Started production of power tools in Canada. (Production terminated in 2009)

1981 Established Makita Brasil Ferramentas Elétricas Ltda. (started production of power tools in South America)

Established Makita Werkzeug Gesellschaft mbH. (in Austria)

1983 Established Makita Power Tools Singapore Pte. Ltd. (changed the name to Makita Singapore Ltd. in 1991)

1984 Established Makita Corporation of America

1985 Started production of power tools in the United States.

1988 Established Makita (Taiwan) Ltd.

1989 Established Makita Espana S.A. (in Spain) (changed the name to Makita, S.A. in 1991)

Established Makita Manufacturing Europe Ltd. (in the United Kingdom)



## 1990 ~

### 1996

Model 6213D, Rechargeable Driver-drill (first Ni-MH battery tool)



1991 Acquired Sachs Dolmar GmbH, chain saw manufacturer. (in Germany) (changed the name to Makita Engineering Germany GmbH in 2015)

Introduced corporate identity (CI) program. Changed the name to Makita Corporation.

Started production of power tools in Europe (in the United Kingdom)

1992 Established Makita Power Tools (HK) Ltd. (in Hong Kong)

## Dramatic Growth

1993 Establishment of Makita's global environment charter (Makita's first year of the environment)

Established Makita (New Zealand) Ltd.

Established Makita (China) Co., Ltd.

1994 Established Makita Sp.zo.o. (in Poland)

Established Makita México, S.A. de C.V.

1995 Established Makita International Europe Ltd. (in the United Kingdom)

Established Makita, spol.sr.o (in Czech Republic)

Started production of power tools in China.

1996 Established Makita Elektromos Kiszgépértékesítő Kft. (in Hungary)

1997 Established Makita Gulf FZE. (in the United Arab Emirates)

1998 Established Makita Herramientas Eléctricas de Argentina S.A.

1999 Established Makita Chile Comercial Ltda.

Established Makita Hellas S.A. (in Greece)

## 2000 ~

### 2005

Model HR4011C, Rotary Hammer 40 mm (with Anti Vibration Technology)



### 2005

Model TD130D, Cordless Impact Driver (first Li-ion battery tool)



2000 Established Makita Romania S.R.L.

Established Makita SA (in Switzerland)

Established Makita (Kunshan) Co., Ltd. (in China)

2001 Established Makita Latin America Inc.

Established Makita Oy (in Finland)

2002 Launched the 2nd brand MAKTEC specifically for the Asian market.

2003 Established Makita LLC. (in Russia)

Established Makita s.r.o. (in Slovakia)

2005 Model TD130D, Cordless Impact Driver (first Li-ion battery tool)

Established SC Makita EU S.R.L.(in Romania)

Established Makita Ukraine LLC.

2006 Acquired nailer business from Kanematsu-NNK Corp.

2007 Established Makita Peru S.A.

Started production of power tools in Romania.

Made Fuji Robin Industries Ltd. a consolidated subsidiary. (changed the name to Makita Numazu Corporation in 2007, was merged into the Corporation in 2013, business operations closed in 2014)

2008 Established Makita Bulgaria EOOD

Established Makita Power Tools India Private Ltd.

Established Makita Colombia S.A.S

2009 Established Makita Vietnam Co., Ltd.

## 2010 ~

## Steady Progress

### 2015

Model DRC200, Robotic Cleaner



2011 Established Makita Manufacturing (Thailand) Co., Ltd.

Established Makita d.o.o. (in Slovenia)

2012 Started production of power tools in Thailand.

2013 Established Makita Power Tools (Malaysia) Sdn. Bhd.

Panama Branch commenced operations

Established Makita Europe N.V. (Belgium)

Opening of Cambodia parts center

Announced business collaboration and capital alliance with Sharp Corporation

2014 Established Makita Kazakhstan LLP

2015 Centennial anniversary

Bolivia Branch commenced operations

Model RC200D, Robotic Cleaner

2016 Latvia Factory Service Center commenced operations

Krasnodar Branch commenced operations (Russia)

2017 Yekaterinburg Branch commenced operations (Russia)

Dallas Branch commenced operations (America)

Warsaw Branch commenced operations (Poland)

2018 Established Makita Engineering Korea Co., Ltd.

2019 Amadera Pneumatics Co., Ltd. a consolidated subsidiary.

### 2017

Model DCU180 Battery Powered Wheelbarrow





<http://www.makita.biz>



## Makita Corporation

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