

Guideline to the Code of Ethics

This guideline (the “Guideline”) embodies the code of ethics (the “Code of Ethics”) of Makita Corporation and its subsidiaries (collectively referred to as “Makita” or the “Company”) upon which directors, audit & supervisory board members, officers, corporate officers and employees of the Company shall conduct their business in day-to-day operations.

If any uncertainty arises during the course of daily business operation with respect to ethical behavior and compliance, please refer to the instruction of this Guideline. If you have any questions, you are expected to communicate to your superior, or a section indicated by the Company, for example, Human Resources Section.

Failure to comply with this Guideline may result in disciplinary action according to the Company’s rule.

When a person who is involved in a violation confesses before the revelation of the case, disciplinary action may be reduced.

1. Compliance with Applicable Laws and Regulations

For purposes of this Code of Ethics, you are expected to fully understand and adhere to the requirements under all applicable governmental and local laws and regulations with respect to Makita’s business activities.

2. Compliance with Company Policy

You are expected to understand and adhere to the Company Policy including employee work rule.

You are prohibited from performing any act which is contrary to the Company’s legitimate interests or which impairs the Company’s credit or reputation.

You shall use Makita’s asset, both tangible and intangible, only for legitimate business purposes of the Company.

You are prohibited from engaging in political, religious, or any other activity in the work place that is irrelevant to the Company’s business operations.

3. Respect for Fundamental Human Rights

You shall have respect for fundamental human rights of individuals in every aspect of corporate activity.

You shall not engage in and shall be opposed to any act, which discriminates against certain people or damages dignity of individuals by reasons of race, color, age, sex, nationality, origin, family, sexual orientation, gender identity, marital status, religion, political beliefs, physical or mental disability, health condition, etc. (including all types of harassment, including sexual harassment and power harassment). Furthermore, respect the diversity of individuals so that diverse human resources can play an active role and exert their full potential.

Forced labor and child labor must also be thoroughly excluded.

4. Ethical Behavior

As a member of the society, you are required to act ethically in accordance with social common sense.

You must recognize the corporate ethics which Makita is expected to maintain and act according to social common sense, which is based on a highly moral and ethical standard.

5. Environmental Matters

With respect to each stage of development, manufacturing, distribution, sale, service and disposal of Makita's products, the Company is committed to improve the efficiency of utilizing and recycling resources and energy, to reduce the negative impact on the environment and to strive for conservation and preservation of the environment including contributions for realizing a decarbonized society.

6. Maintenance of Proprietary and Confidential Information

You are required to safeguard and maintain the confidentiality of any information including confidential information of the Company and such other confidential information received from third parties during the course of your work. No confidential information must be disclosed or used for any other purposes than the Company's business.

When disclosure of our confidential information to a potential business partner is necessary, you are required to ensure that an appropriate written nondisclosure agreement is signed prior to the disclosure.

Personal information shall be strictly managed and shall not be provided to a third party without a justifiable reason or used for purposes not explicitly stated to the person.

You are prohibited from revealing proprietary information of the Company and personal information or using it for any purposes even after your employment with the Company terminates.

As for the inquiries from outside, you are expected to transfer them to each department in charge and you are not allowed to respond to them based on your own judgement.

For example, inquiries from mass communications shall be transferred to and dealt by the General Affairs Department and inquiries from users shall be transferred to and dealt by the Sales Department (Sales Planning Division).

You shall not have any unauthorized access to or fraudulently obtain confidential information of Makita's business partners and businesses that compete with the Company.

7. Restrictions on Gift, Business Entertainment and Corrupt Practice.

No gift or business entertainment shall be offered or given to the Company's business partners unless the said gift or business entertainment is consistent with customary business practices and socially acceptable standards.

No gift or business entertainment shall be accepted from the Company's business customers if it deviates from the social norm and is excessive in value.

It is strictly prohibited to offer any bribe without regard to National or Foreign public employee or officer (including facilitation payments).

* Facilitation payment: Small cash payment for the purpose of facilitating administrative services. Banned in many countries.

8. Fair Disclosure

The Company is responsible for providing accurate and timely disclosures of Makita's operating results and business activities to its shareholders and investors in accordance with all applicable governmental laws and regulations. Accordingly, you are responsible for respecting and cooperating towards such accurate and timely disclosures.

9. Insider Trading

When you become aware of material nonpublic information about the Company or the Company's business partners, you are prohibited from effecting securities transactions of the Company or such business partners of the Company, until the material nonpublic information is made public. In addition, you are prohibited from recommending the other person to buy or sell Makita's shares or the shares of the business partner for the purpose of making the other person profit or avoiding the occurrence of the loss of the other person by buying or selling Makita's shares or the shares of the business partner, before the publication of the material information.

No material nonpublic information shall be disclosed within or outside of the Company without the necessity to perform the Company's business activities and prior approval from your supervisor.

10. Antitrust Compliance and selection of Fair Business Partner

You shall not engage in any unfair trade and improper restriction of trade that are prohibited by laws and regulations related to anti-trust and unfair competition.

When dealing with the Company's business partners, you shall not use the Company's dominant status to the detriment of its business partners.

You are required to maintain a fair and transparent relationship with any stakeholders of the Company, and to deal with them impartially and in good faith.

When selecting the most appropriate vendor as the Business Partner, you shall impartially consider and evaluate not only proposed terms and conditions, such as quality, price, and its know-how, ability to develop technology, and stable supply capability, but also whether such vendor is socially responsible in compliance with laws and social norms, respect for human rights (including exclusion of child labor and forced labor), and consideration for the environment.

11. Improper Payments

You are required to maintain a resolute attitude towards anti-social activity or organization, and you shall not maintain any relationship, including improper payment to such organization and its affiliates therewith.

You are prohibited from dealing with any anti-social organization and its affiliates, including individuals, in any respect.

Whistle-blower protection policy

If you become aware of any suspected or actual violation of the Guideline, you may take steps to report it via "Corporate Ethics Help Line".

Please refer to the rule of "Regulations Regarding Corporate Ethics Help Line (Internal Reporting)" for whistle-blower protection policy.

Ethical Check List

When it is not clear as to what action needs to be taken during the course of the Company's daily business operation, please go through the following check list before you take any actions. If you are still unsure of what to do, be sure to contact your superior, the Contact Point designated by the Company or any other appropriate department.

1. Is your behavior legal?
2. Does your behavior conform to Makita's management philosophy and the Code of Ethics?
3. How does your family come to think of your behavior?
4. Does your behavior seem ethical or proper to others?
5. Are you about to engage in activities that you believe is not right?